



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

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 12, 2020 and March 18, 2020, Governor Newsom issued Executive Order N-25-20 and Executive Order N-29-20, which temporarily suspend portions of the Brown Act which addresses the conduct of public meetings.

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

PUBLIC PARTICIPATION

Your participation is always welcome. The Operations Committee meeting will be available to the public online at:

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

You may submit your comments and questions in writing for the Operations Committee's consideration in advance of the meeting only by sending them to OCSDClerk@ocsd.com with the subject line "PUBLIC COMMENT ITEM # (insert the item number relevant to your comment)" or "PUBLIC COMMENT NON-AGENDA ITEM". Submit your written comments by 5:00 p.m. on Tuesday, June 30, 2020. All public comments will be provided to the Operations Committee and may be read into the record or compiled as part of the record.

Thank you.

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



Orange County Sanitation District

10844 Ellis Avenue, Fountain Valley, CA 92708

714.962.2411 • www.ocsd.com

June 24, 2020

NOTICE OF MEETING

OPERATIONS COMMITTEE ORANGE COUNTY SANITATION DISTRICT

Wednesday, July 1, 2020 – 5:00 P.M.

ACCESSIBILITY FOR THE GENERAL PUBLIC

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

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

A regular meeting of the Operations Committee of the Orange County Sanitation District will be held in the manner indicated herein on
Wednesday, July 1, 2020 at 5:00 p.m.

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

| OPERATIONS COMMITTEE MEETING DATE | BOARD MEETING DATE |
|--|---------------------------|
| 07/01/20 | 07/22/20 |
| AUGUST DARK | 08/26/20 |
| 09/02/20 | 09/23/20 |
| 10/07/20 | 10/28/20 |
| 11/04/20 | 11/18/20 * |
| 12/02/20 | 12/16/20 * |
| JANUARY DARK | 01/27/21 |
| 02/03/21 | 02/24/21 |
| 03/03/21 | 03/24/21 |
| 04/07/21 | 04/28/21 |
| 05/05/21 | 05/26/21 |
| 06/02/21 | 06/23/21 |

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

ROLL CALL

OPERATIONS COMMITTEE Engineering and Operations & Maintenance

Meeting Date: July 1, 2020

Time: 5:00 p.m.

Adjourn: _____

COMMITTEE MEMBERS (14)

| | |
|---------------------------------|--|
| Robert Collacott (Chair) | |
| Mariellen Yarc (Vice-Chair) | |
| Brad Avery | |
| Allan Bernstein | |
| Doug Chaffee | |
| Brooke Jones | |
| Steve Jones | |
| Lucille Kring | |
| Sandra Massa-Lavitt | |
| Nelida Mendoza | |
| Jesus J. Silva | |
| Fred Smith | |
| David Shawver (Board Chair) | |
| John Withers (Board Vice-Chair) | |

OTHERS

| | |
|-----------------------------|--|
| Brad Hogin, General Counsel | |
| | |

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 | |
| Lan Wiborg, Director of Environmental Services | |
| Kelly Lore, Clerk of the Board | |

ORANGE COUNTY SANITATION DISTRICT
BOARD OF DIRECTORS
Complete Roster

Effective 06/16/2020

| AGENCY/CITIES | ACTIVE DIRECTOR | ALTERNATE DIRECTOR |
|----------------------|------------------------|---------------------------|
| Anaheim | Lucille Kring | Denise Barnes |
| Brea | Glenn Parker | Cecilia Hupp |
| Buena Park | Fred Smith | Connor Traut |
| Cypress | Mariellen Yarc | Stacy Berry |
| Fountain Valley | Steve Nagel | Patrick Harper |
| Fullerton | Jesus J. Silva | Jan Flory |
| Garden Grove | Steve Jones | John O'Neill |
| Huntington Beach | Erik Peterson | Lyn Semeta |
| Irvine | Christina Shea | Anthony Kuo |
| La Habra | Tim Shaw | Rose Espinoza |
| La Palma | Peter Kim | Nitesh Patel |
| Los Alamitos | Richard Murphy | Dean Grose |
| Newport Beach | Brad Avery | Joy Brenner |
| Orange | Mark Murphy | Kim Nichols |
| Placentia | Chad Wanke | Ward Smith |
| Santa Ana | Nelida Mendoza | David Penaloza |
| Seal Beach | Sandra Massa-Lavitt | Schelly Sustarsic |
| Stanton | David Shawver | Carol Warren |
| Tustin | Allan Bernstein | Chuck Puckett |
| Villa Park | Robert Collacott | Chad Zimmerman |

Sanitary/Water Districts

| | | |
|-------------------------------|-------------------|------------------|
| Costa Mesa Sanitary District | James M. Ferryman | Bob Ooten |
| Midway City Sanitary District | Andrew Nguyen | Margie L. Rice |
| Irvine Ranch Water District | John Withers | Douglas Reinhart |
| Yorba Linda Water District | Brooke Jones | Phil Hawkins |

County Areas

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



**Orange County Sanitation District
OPERATIONS COMMITTEE
Regular Meeting Agenda
Wednesday, July 1, 2020 - 5:00 PM
Board Room
Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433**

AGENDA POSTING: In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted outside the main gate of the Sanitation District's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, and on the Sanitation District's website at www.ocsd.com not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including any public records distributed less than 72 hours prior to the meeting to all, or a majority of the Board of Directors, are available for public inspection in the office of the Clerk of the Board.

AGENDA DESCRIPTION: The agenda provides a brief general description of each item of business to be considered or discussed. The recommended action does not indicate what action will be taken. The Board of Directors may take any action which is deemed appropriate.

MEETING AUDIO: An audio recording of this meeting is available within 24 hours after adjournment of the meeting. Please contact the Clerk of the Board's office at (714) 593-7433 to request the audio file.

NOTICE TO DIRECTORS: To place items on the agenda for a Committee or Board Meeting, the item must be submitted in writing to the Clerk of the Board: Kelly A. Lore, MMC, (714) 593-7433 / klore@ocsd.com at least 14 days before the meeting.

FOR ANY QUESTIONS ON THE AGENDA, BOARD MEMBERS MAY CONTACT STAFF AT:

General Manager: Jim Herberg, jherberg@ocsd.com / (714) 593-7300
Asst. General Manager: Lorenzo Tyner, ltyners@ocsd.com / (714) 593-7550
Asst. General Manager: Rob Thompson, rthompson@ocsd.com / (714) 593-7310
Director of Human Resources: Celia Chandler, cchandler@ocsd.com / (714) 593-7202
Director of Engineering: Kathy Millea, kmillea@ocsd.com / (714) 593-7365
Director of Environmental Services: Lan Wiborg, lwiborg@ocsd.com / (714) 593-7450

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

You may submit your comments and questions in writing for the Committee's consideration by sending them to the Clerk of the Board at OCSDClerk@ocsd.com with the subject line "PUBLIC COMMENT ITEM # (insert the item number relevant to your comment)" or "PUBLIC COMMENT NON-AGENDA ITEM". Submit your written comments by 5:00 p.m. on June 30, 2020. All public comments will be provided to the Committee 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**[2020-1115](#)****RECOMMENDATION:**

Approve Minutes of the Regular Meeting of the Operations Committee held June 3, 2020.

Originator: Kelly Lore

Attachments: [Agenda Report](#)
[06-03-2020 Operations Committee Minutes](#)

2. NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2, PROJECT NO. J-127 **[2020-1011](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127;
- B. Reject the bid from apparent low bidder, Well Anchored Inc., as non-responsive;

C. Award a Construction Contract to Innovative Construction Solutions for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127, for a total amount not to exceed \$745,500; and

D. Approve a contingency of \$74,550 (10%)

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[J-127 Construction Contract](#)

3. EXTENSION OF COVID-19 DISINFECTING JANITORIAL SERVICES [2020-1078](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Sole Source Purchase Order Contract Change Order to Contract P.O. 134070-OS with Gamboa Services, Inc. DBA Corporate Image Maintenance, extending the COVID-19 disinfecting janitorial services at Plant No. 1 and Plant No. 2, from August 1, 2020 through January 31, 2021, for a total change order amount not to exceed \$140,400, total Purchase Order contract amount not to exceed \$236,250.

Originator: Rob Thompson

Attachments: [Agenda Report](#)

4. BLANKET PURCHASE ORDER FOR CHEVRON 5200 LOW ASH 40 OIL [2020-1097](#)

RECOMMENDATION:

A. Approve Blanket Purchase Order for the purchase of Chevron 5200 HDAX Low Ash 40 Lubricating Bulk Oil, per Specification No. C-2020-1154BD, for the period beginning August 1, 2020 through July 31, 2021, with four, one-year renewal options, with the following three qualified firms, for a combined total amount not to exceed \$175,000 per year:

1. Dal Chem, Inc. (DBA Alexis Oil)
2. Southern Counties Lubricants, LLC
3. Southern Counties Oil Co., a CA Limited Partnership (DBA SC Fuels); and

B. Approve an annual contingency of \$8,750 (5%).

Originator: Rob Thompson

Attachments: [Agenda Report](#)

5. **SERVICE CONTRACT FOR PLANT NO. 1 THICKENING AND DEWATERING ODOR CONTROL CARBON CHANGE-OUTS, SPECIFICATION NO. S-2020-1155** [2020-1103](#)

RECOMMENDATION:

- A. Award a Purchase Order Contract to Prominent Systems, Inc. for Plant No. 1 Thickening and Dewatering Odor Control, Carbon Change-Outs, Specification No. S-2020-1155, for a total amount not to exceed \$122,758 for the period August 1, 2020 through July 31, 2021, with four, one-year renewal options; and
- B. Approve a contingency of \$18,414 (15%).

Originator: Rob Thompson

Attachments: [Agenda Report](#)

6. **SHALLOW REBAR REPAIR SERVICES** [2020-1123](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order service contract to Tharsos Inc. to provide Shallow Rebar Repair Services, per Specification No. S-2020-1161BD, for a total amount not to exceed \$272,797 for the period beginning August 1, 2020 through July 31, 2021, with four, one-year renewal options; and
- B. Approve an annual contingency of \$13,640 (5%).

Originator: Rob Thompson

Attachments: [Agenda Report](#)

7. **PLANT NO. 1 SUNFLOWER PUMP NO. 2 GEAR DRIVE REPLACEMENT** [2020-1124](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Sole Source Purchase Order Contract to Nuttall Gear for the purchase of a Nuttall Gear Drive T/25 unit for Plant No. 1 Sunflower Pump Station, for a total amount not to exceed \$198,610, plus applicable tax and freight, and
- B. Approve a contingency of \$9,931 (5%).

Originator: Rob Thompson

Attachments: [Agenda Report](#)

8. REHABILITATION OF SIXTEEN RECTANGULAR CLARIFIERS AT PLANT NO. 1 [2020-1125](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a service contract to J.R. Filanc Construction Company, Inc. for the mechanical rehabilitation and overhaul of sixteen rectangular primary clarifier tanks at Plant No. 1, Specification No. S-2020-1148BD, for a total amount not to exceed \$1,319,313; and
- B. Approve a contingency of \$131,932 (10%).

Originator: Rob Thompson

Attachments: [Agenda Report](#)
[S-2020-1148BD Contract - Filanc](#)

NON-CONSENT:**9. HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105** [2020-1010](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the sole source specification of SUEZ Water Technologies & Solutions for refurbishing four existing bar screens and for furnishing two new bar screens for Headworks Rehabilitation at Plant No. 1, Project No. P1-105".

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Suez Sole Source Resolution](#)

10. HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105 [2019-832](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the sole source specification of Huber Technology for grit washing and dewatering systems for Headworks Rehabilitation at Plant No. 1, Project No. P1-105".

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Huber Sole Source Resolution](#)

11. A-SIDE PRIMARY TREATMENT CLARIFIERS REPLACEMENT AT PLANT NO. 2, PROJECT NO. P2-98A [2020-1012](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the Sole Source Specification of Hallsten Corporation, manufacturer of Truss Supported Flat Aluminum Covers for A-Side Primary Clarifiers Replacement at Plant No. 2, Project No. P2-98A, as part of Primary Treatment Rehabilitation at Plant No. 2, Project No. P2-98".

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Hallsten Sole Source Resolution](#)

12. TPAD DIGESTER FACILITY AT PLANT NO. 2, PROJECT NO. P2-128 [2020-1013](#)

RECOMMENDATION: Recommend to the Board of Directors to:

A. Approve a Professional Design Services Agreement with Brown and Caldwell to provide engineering services for Temperature Phased Anaerobic Digestion (TPAD) Digester Facility at Plant No. 2, Project No. P2-128, for an amount not to exceed \$39,300,000; and

B. Approve a contingency of \$3,930,000 (10%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[P2-128 PDSA - Draft](#)

INFORMATION ITEMS:

None.

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:

The next Operations Committee meeting is scheduled for Wednesday, September 2, 2020 at 5:00 p.m.



Orange County Sanitation District

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

OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1115

Agenda Date: 7/1/2020

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 June 3, 2020.

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.

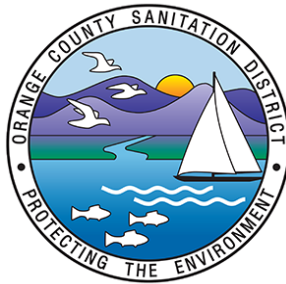
RELEVANT STANDARDS

- Resolution No. OCSD 19-19

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Minutes of the Operations Committee meeting held June 3, 2020



CALL TO ORDER

A regular meeting of the Operations Committee was called to order by Committee Chair Bob Collacott on Wednesday, June 3, 2020 at 5:00 p.m. in the Administration Building of the Orange County Sanitation District. Chair Collacott stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19). Chair Collacott led the Flag Salute.

The Clerk of the Board announced the teleconference meeting guidelines and stated that votes will be taken by roll call.

ROLL CALL AND DECLARATION OF QUORUM:

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

PRESENT: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Jesus Silva, Fred Smith, David Shawver and John Withers

ABSENT: Brad Avery and Steve Jones

STAFF PRESENT: Jim Herberg, General Manager; Kelly Lore, Clerk of the Board; Al Garcia; and Brian Engeln were present in the Board Room. Rob Thompson, Assistant General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Kathy Millea, Director of Engineering; Lan Wiborg, Director of Environmental Services; Jennifer Cabral; Dean Fisher; Tom Grant; Brad Hamilton; Tina Knapp; Jeff Mohr; and Wally Ritchie were in attendance telephonically.

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

PUBLIC COMMENTS:

None.

REPORTS:

Neither Chair Collacott or General Manager Jim Herberg provided a report.

CONSENT CALENDAR:**1. APPROVAL OF MINUTES**[2020-1086](#)**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Operations Committee held on May 6, 2020.

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith and John Withers

NOES: None

ABSENT: Brad Avery, Steve Jones and David Shawver

ABSTENTIONS: None

2. CAPITAL IMPROVEMENT PROGRAM CONTRACT PERFORMANCE REPORT[2020-1008](#)**Originator:** Kathy Millea

This item was pulled and heard separately. Questions regarding contingency increases and change orders with projects P1-101, P1-110 & P2-92 were responded to by Director of Engineering Kathy Millea.

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

Receive and file the Capital Improvement Program Contract Performance Report for the period ending March 31, 2020.

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith and John Withers

NOES: None

ABSENT: Brad Avery, Steve Jones and David Shawver

ABSTENTIONS: None

3. TOSHIBA 12KV CIRCUIT BREAKER PURCHASE[2020-1044](#)**Originator:** Rob Thompson

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

A. Award a Purchase Order Contract to Superior Electric Motor Services for the purchase of eight Toshiba HVK 12kV circuit breakers for Plant No. 1 Electrical Distribution System, per Specification No. E-2020-1162BD, for a total amount not to exceed \$195,072, including sales tax and freight; and

B. Approve a contingency of \$9,754 (5%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith and John Withers

NOES: None

ABSENT: Brad Avery, Steve Jones and David Shawver

ABSTENTIONS: None

4. 12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOFING REPLACEMENT, PROJECT NO. FE18-19R [2020-1077](#)

Originator: Kathy Millea

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

A. Receive and file Bid Tabulations and Recommendation for O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R;

B. Award a Construction Contract to O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R, for a total amount not to exceed \$674,800; and

C. Approve a contingency of \$67,480 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith and John Withers

NOES: None

ABSENT: Brad Avery, Steve Jones and David Shawver

ABSTENTIONS: None

NON-CONSENT:

5. HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. P1-128C [2020-1032](#)

Originator: Kathy Millea

Ms. Millea provided a brief description of this item and responded to questions regarding CEQA changes.

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

- A. Consider the Fountain Valley Crossings Specific Plan Program Environmental Impact Report (State Clearinghouse No. 2015101042) that evaluated the total buildout of the Specific Plan area with a goal of revitalizing the existing light industrial use;
- B. Consider, receive, and file the Initial Study/Addendum for the Administrative Headquarters Building, Project for P1-128, dated December 2019 to the City of Fountain Valley's Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan to demolish five warehouse buildings, construct and operate an administrative headquarters building, pedestrian bridge, signage, landscaping, lighting, and surface parking lot in the City of Fountain Valley;
- C. Receive and file Bid Tabulation and Recommendation for Headquarters Complex Site Preparation, Project No. P1-128C;
- D. Accept the formal bid withdrawal request received on March 13, 2020 from the initial lowest bidder, Interior Demolition, Inc.;
- E. Reject the bid from the second apparent low bidder AMPCO North, Inc. as non-responsive;
- F. Award a Demolition Contract to Resource Environmental, Inc. for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed \$1,555,000; and
- G. Approve a contingency of \$155,500 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers

NOES: None

ABSENT: Brad Avery and Steve Jones

ABSTENTIONS: None

**6. HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. [2020-1033](#)
P1-128C**

Originator: Kathy Millea

Assistant General Manager Rob Thompson provided a brief introduction to this Item.

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

A. Approve a Professional Construction Services Agreement with HDR, Inc. to provide construction support services for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed \$178,000; and

B. Approve a contingency of \$17,800 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers

NOES: None

ABSENT: Brad Avery and Steve Jones

ABSTENTIONS: None

INFORMATION ITEMS:

7. FY 2020-21 & FY 2021-22 BUDGET PRESENTATION

[2020-1067](#)

Originator: Lorenzo Tyner

Assistant General Manager Lorenzo Tyner introduced this Item. Controller Wally Ritchie provided an informative PowerPoint presentation of the FY 2020-21 & FY 2021-22 Budget including: revenues and outlays; user fee and property tax revenues; proposed operating expense summary focusing on salaries and benefits, contractual services, repairs and maintenance, operating materials and supplies, and utilities; departmental operating summaries; CIP program; and future debt service. Mr. Ritchie noted that the current proposed budget does not include the potential rate freeze, proposed by the Board Chairman, that will be presented to the Administration Committee on June 10.

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 Collacott declared the meeting adjourned at 5:42 p.m. to the meeting to be held on Wednesday, July 1, 2020 at 5:00 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board



Orange County Sanitation District

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

OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1011

Agenda Date: 7/1/2020

Agenda Item No: 2.

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

SUBJECT:

NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2, PROJECT NO. J-127

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127;
- B. Reject the bid from apparent low bidder, Well Anchored Inc., as non-responsive;
- C. Award a Construction Contract to Innovative Construction Solutions for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127, for a total amount not to exceed \$745,500; and
- D. Approve a contingency of \$74,550 (10%)

BACKGROUND

The natural gas systems at Orange County Sanitation District's (Sanitation District) Plant Nos. 1 and 2 feed onsite services including buildings and plant processes, as well as the Central Generation systems which utilize both natural gas and digester gas to produce electric power. Over time, the natural gas piping system has been built, modified, and expanded by various projects.

RELEVANT STANDARDS

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

PROBLEM

Recent condition assessments of the current natural gas piping have revealed that some of the metallic piping and risers have reached the end of their useful life due to corrosion.

PROPOSED SOLUTION

Award a construction contract for replacement of Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project J-127. The project will replace approximately 2,000 feet of buried steel pipe and risers. This work will include replacement of defective valve vaults that allow standing water to corrode pipe and valves and will add electrical isolation to wall penetrations to prevent cathodic corrosion.

TIMING CONCERNS

Delays completing this work could result in significant gas system leaks which might require emergency repairs.

RAMIFICATIONS OF NOT TAKING ACTION

The natural gas system will continue to degrade causing significant leaks that may require emergency repairs.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District advertised Project No. J-127 for bids on March 10, 2020 and four sealed bids were received on April 30, 2020. A summary of the bid opening follows:

| | |
|---------------------|------------|
| Engineer's Estimate | \$ 607,000 |
|---------------------|------------|

| | |
|-----------------------------------|----------------------|
| <u>Bidder</u> | <u>Amount of Bid</u> |
| Well Anchored Inc. | \$ 576,000 |
| Innovative Construction Solutions | \$ 745,500 |
| MMC, Inc. | \$ 784,551 |
| A.M. Ortega Construction, Inc. | \$1,251,251 |

The bids were evaluated in accordance with Sanitation District policies and procedures. The bid documents included a requirement to identify two projects completed in the last five years that included modification of natural gas service construction and purging requirements of a similar nature, scope, and complexity. If two projects had not been completed, bidders were offered the option to list current relevant projects.

The Well Anchored Inc. bid failed to identify any projects to address this requirement. In consultation with General Counsel, staff determined that Well Anchored Inc. failed to provide project experience information as required in the Bid Submittal Forms. This deficiency was found uncurable, therefore staff determined the bid was non-responsive.

An evaluation of the second apparent low bidder, Innovative Construction Solutions, found them to be

both responsive and responsible. A notice was sent to all bidders on May 26, 2020, informing them of the intent of Sanitation District staff to recommend award of the Construction Contract to Innovative Construction Solutions.

Staff recommends awarding a construction contract to the lowest responsive, responsible bidder, Innovative Construction Solutions, for a total amount not to exceed \$745,500.

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 because the project involves repairs, replacement, and or minor alteration of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the OC Clerk-Recorder after the Sanitation District's Board of Directors approves the Construction Contract.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted, (FY 2020-2021 and 2021-2022, Section 8, Page 41) and the project budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- J-127 Construction Contract

PART A
CONTRACT AGREEMENT

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CONTRACT AGREEMENT

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CONTRACT AGREEMENT
ORANGE COUNTY SANITATION DISTRICT

PROJECT NO. J-127

NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2

THIS AGREEMENT is made and entered into, to be effective, this July 22, 2020, by and between Innovative Construction Solutions, hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OCSD".

WITNESSETH

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

SECTION – 1 GENERAL CONDITIONS

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

A. Contract Documents Order of Precedence

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

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

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

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

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

B. Definitions

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

SECTION – 2 MATERIALS AND LABOR

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

SECTION – 3 PROJECT

The Project is described as:

PROJECT NO. J-127

NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2

SECTION – 4 PLANS AND SPECIFICATONS

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

PROJECT NO. J-127

NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2

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

SECTION – 5 TIME OF COMMENCEMENT AND COMPLETION

CONTRACTOR agrees to commence the Project within 15 calendar days from the date set forth in the "Notice to Proceed" sent by OCSD, unless otherwise specified therein and shall diligently prosecute the Work to completion within one hundred eighty (180) calendar days from the date of the "Notice to Proceed" issued by OCSD, excluding delays caused or authorized by OCSD as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions.

The time for completion includes seven (7) calendar days determined by OCSD likely to be inclement weather when CONTRACTOR will be unable to work.

SECTION – 6 TIME IS OF THE ESSENCE

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

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

SECTION – 7 EXCUSABLE DELAYS

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

SECTION – 8 EXTRA WORK

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

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

SECTION – 9 CHANGES IN PROJECT

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

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

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

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

SECTION – 10 LIQUIDATED DAMAGES FOR DELAY

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

SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT

- A. OCSD agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of Seven Hundred Forty-Five Thousand and Five Hundred Dollars (\$745,500) 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. OCSD shall issue at the commencement of the job a schedule which shows:

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

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

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

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

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

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

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

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

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

SECTION – 13 COMPLETION

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

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

SECTION – 14 CONTRACTOR’S EMPLOYEES COMPENSATION

A. Davis-Bacon Act:

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

B. General Prevailing Rate:

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

C. Forfeiture for Violation:

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

D. Apprentices:

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

E. Workday:

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

F. Registration; Record of Wages; Inspection:

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

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

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

SECTION – 15 SURETY BONDS

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

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

SECTION – 16 INSURANCE

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

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

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

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. 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.

- c. Broad Form Property Damage, expressly including damage arising out of explosion, collapse, or underground damage.
- d. Contractual Liability, expressly including the indemnity provisions assumed under this Contract.
- e. Separation of Insured Clause, providing that coverage applies separately to each insured, except with respect to the limits of liability.
- f. Independent CONTRACTOR's Liability.

To the extent first dollar coverage, including defense of any claim, is not available to OCSD or any other additional insured because of any SIR, deductible, or any other form of self insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied.

CONTRACTOR shall be responsible to pay any deductible or SIR.

- g. If a crane will be used, the General Liability insurance will be endorsed to add Riggers Liability coverage or its equivalent to cover the usage of the crane and exposures with regard to the crane operators, riggers and others involved in using the crane.
- h. If divers will be used, the General Liability insurance will be endorsed to cover marine liability or its equivalent to cover the usage of divers.

2. Automobile Liability: The CONTRACTOR shall maintain a policy of Automobile Liability Insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limits of liability coverage:

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

Or alternatively, (2) One Million Dollars (\$1,000,000) per person for bodily injury and One Million Dollars (\$1,000,000) per accident for property damage.

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

Where permitted by law, CONTRACTOR hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OCSD, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OCSD in connection with the

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

6. Limits are Minimums: If CONTRACTOR maintains higher limits than the minimums shown in this Section, OCSD requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

B. Deductibles and Self-Insured Retentions

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

C. Other Insurance Provisions

1. Each such policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to contain, the following provisions:

- a. OCSD, its Directors, officers, agents, CONSULTANTS, and employees, and all public agencies from whom permits will be obtained, and their Directors, officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OCSD in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.
 - b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OCSD shall be excess only and not contributing with insurance provided under this policy.
2. Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, and that coverage shall not be cancelled for non-payment of premium except after ten (10) days prior written notice by certified mail, return receipt requested. Should there be changes in coverage or an increase in deductible or SIR amounts, CONTRACTOR undertakes to procure a manuscript endorsement from its insurer giving 30 days prior notice of such an event to OCSD, or to have its insurance broker/agent send to OCSD a certified letter describing the changes in coverage and any increase in deductible or SIR amounts. The certified letter must be sent Attention: Risk Management and shall be received not less than twenty (20) days prior to the effective date of the change(s). The letter must be signed by a Director or Officer of the broker/agent and must be on company letterhead, and may be sent via e-mail in pdf format.

3. Coverage shall not extend to any indemnity coverage for the active negligence of any additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Civil Code Section 2782(b).
4. If required by a public agency from whom permit(s) will be obtained, each policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to specify by name the public agency and its legislative members, officers, agents, CONSULTANTS, and employees, to be additional insureds.

D. Acceptability of Insurers

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

E. Verification of Coverage

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

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subcontractor's operations and work. OCSD and any public agency issuing permits for the Project must be named as "Additional Insured" on any General Liability or Automobile Liability policy obtained by a Subcontractor. The CONTRACTOR must obtain copies and maintain current versions of all Subcontractors' policies, Certificate of Liability and mandatory endorsements effecting coverage. Upon request, CONTRACTOR must furnish OCSD with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

- a. Certificate of Liability Form 25

2. Required Insurance Services Office, Inc. Endorsements (when alternative forms are shown, they are listed in order of preference)

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

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

3. Required State Compensation Insurance Fund Endorsements

- a. Waiver of Subrogation Endorsement No. 2570
- b. Cancellation Notice Endorsement No. 2065

4. Additional Required Endorsements

a. Notice of Policy Termination

Manuscript Endorsement

SECTION – 17 RISK AND INDEMNIFICATION

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

SECTION – 18 TERMINATION

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

SECTION – 19 WARRANTY

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

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, “Final Acceptance and Final Completion” that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may

be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OCSD shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OCSD may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR's warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period; or (2) one year after acceptance by OCSD of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

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

SECTION – 20 ASSIGNMENT

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

SECTION – 21 RESOLUTION OF DISPUTES

OCSD and the CONTRACTOR shall comply with the provisions of California Public Contract Code Section 20104 et. seq., regarding resolution of construction claims for any Claims which arise between the CONTRACTOR and OCSD, as well as all applicable dispute and Claims provisions as set forth in the General Conditions and as otherwise required by law.

SECTION – 22 SAFETY & HEALTH

CONTRACTOR shall comply with all applicable safety and health requirements mandated by federal, state, city and/or public agency codes, permits, ordinances, regulations, and laws, as

well as these Contract Documents, including but not limited to the General Requirements, Section entitled "Safety" and Exhibit B OCSD Safety Standards.

SECTION – 23 NOTICES

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

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

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

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

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

Copy to: Hirad Emadi
Innovative Construction Solutions
575 Anton Blvd, 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 Blvd, Suite 850
Costa Mesa, CA 92626

By_____

Printed Name

Its_____

CONTRACTOR's State License No. 764815 (Expiration Date – 06/30/2021)

OCSD: Orange County Sanitation District

By_____

David John Shawver
Board Chairman

By_____

Kelly A. Lore
Clerk of the Board

By_____

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

EXA-3 RETENTION AND ESCROW ACCOUNTS

A. Retention:

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

B. Substitution of Securities:

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

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

C. Release of Retention:

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

D. Additional Deductibles:

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

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

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

EXA-4 STOP PAYMENT NOTICE

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

EXA-5 PAYMENT TO SUBCONTRACTORS

Requirements

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

EXA-6 PAYMENT OF TAXES

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

EXA-7 FINAL PAYMENT

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

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

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

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

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT

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

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

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

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

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

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

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

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

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

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

Name

Title

Date

ATTACHMENT 2 – SCHEDULE OF PRICES

See next pages for Bid Submittal Forms: Innovative Construction Solutions

BF-14 SCHEDULE OF PRICES, Pages 1 – 2

BF-14 SCHEDULE OF PRICES

INSTRUCTIONS

A. General

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

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

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

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

B. Basis of Award

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

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

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

EXHIBIT A
SCHEDULE OF PRICES

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

| Item No. | Description | Unit of Measurement | Approx Qty | | Unit Price | | Extended Price |
|----------|--|---------------------|------------|--|------------|------|----------------|
| 1. | Mobilization: The amount for this Bid Item shall not exceed specified amount and shall include all work not included in other items and shall be in conformance with the Contract Documents for the lump sum price of... | Lump Sum | | | | = \$ | 30,000 |
| 2. | Permit and Inspection Fees: This item includes all fees to obtain required permits from Huntington Beach and Fountain Valley and any inspection services required of said permits. | Allowance | | | | = \$ | 10,000 |
| 3. | Completion of Work: This item includes labor, materials, and equipment necessary for all portions of Work set forth in the Contract Documents except for the Work performed in Items 1, 2 and 4, as described in Division 01, Section 01155 and in conformance with the Contract Documents for a lump sum price of... | Lump Sum | | | | = \$ | 705,500.00 |

TOTAL AMOUNT OF BID (BASIS OF AWARD)

\$ 745,500.00



Orange County Sanitation District

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

OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1078

Agenda Date: 7/1/2020

Agenda Item No: 3.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

EXTENSION OF COVID-19 DISINFECTING JANITORIAL SERVICES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Sole Source Purchase Order Contract Change Order to Contract P.O. 134070-OS with Gamboa Services, Inc. DBA Corporate Image Maintenance, extending the COVID-19 disinfecting janitorial services at Plant No. 1 and Plant No. 2, from August 1, 2020 through January 31, 2021, for a total change order amount not to exceed \$140,400, total Purchase Order contract amount not to exceed \$236,250.

BACKGROUND

In March 2020, the Orange County Sanitation District (Sanitation District) implemented special disinfecting janitorial services based on guidelines from the Centers for Disease Control and Prevention (CDC) related to the coronavirus pandemic (COVID-19) outbreak for a not to exceed price of \$40,500. Surface disinfection is a critical service to protect Sanitation District employees by reducing potential exposure to COVID-19 and promoting business continuity. Gamboa Services, Inc. DBA Corporate Image Maintenance was sole sourced because they had staff familiar with the treatment plant sites and facilities, and maintained all the insurance and training requirements to immediately provide services.

As the scope and longevity of the COVID-19 pandemic became clearer in May, it became necessary to provide additional cleaning services for night shift and weekend personnel and to extend the contract through July 2020. Additional change orders were issued under the General Managers authority for a total current contract value of \$95,850.

The current COVID-19 disinfecting service contract provides daily disinfection to frequently contacted surfaces seven days per week including the night shift work hours. The current disinfection contract was approved by the General Manager and expires July 31, 2020. The need for these critical disinfection services will be necessary for the foreseeable future.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability

- Commitment to safety & reducing risk in all operations
- Provide a safe and collegial workplace

PROBLEM

The COVID-19 disinfecting janitorial service is schedule to expired July 31, 2020. Discontinuing these services will increase the risk of COVID-19 transmission to staff and visitors and hamper critical staffing of the facilities.

PROPOSED SOLUTION

Extend the existing COVID-19 disinfecting janitorial service contract from August 1, 2020 through January 31, 2021 with Corporate Image Maintenance. Due to the uncertainty of the COVID-19 outbreak, the Sanitation District is looking to extend the existing COVID-19 disinfecting janitorial services to protect employees and reduced potential exposure to COVID-19. Using the same contractor for janitorial and disinfection services improves coordination of service delivery and site access coordination.

The normal janitorial services contract expires January 31, 2021. The disinfection services are being incorporated into the regular janitorial services contract which will begin the bidding process in August 2020, with services starting February 1, 2021.

TIMING CONCERNS

Due to the uncertainty of COVID-19 outbreak and the expiration of the existing COVID-19 disinfecting janitorial services contract with Corporate Image, it is vital that these services be extended to protect staff and visitors.

RAMIFICATIONS OF NOT TAKING ACTION

Failure to act to secure COVID-19 disinfecting janitorial services could potentially lead to employee exposure to COVID-19 which may affect the Sanitation District's ability to provide continuous critical wastewater treatment and recycling services.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

N/A

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This recommendation would be funded under the Professional and Contractual Service line item for Operations and Maintenance Department (Proposed Budget Fiscal Year 2020-21). The proposed budget funding is sufficient for this action.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 07/22/2020 | \$236,250 | N/A |

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

RM:dh:ab:qc



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1097

Agenda Date: 7/1/2020

Agenda Item No: 4.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

BLANKET PURCHASE ORDER FOR CHEVRON 5200 LOW ASH 40 OIL

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve Blanket Purchase Order for the purchase of Chevron 5200 HDAX Low Ash 40 Lubricating Bulk Oil, per Specification No. C-2020-1154BD, for the period beginning August 1, 2020 through July 31, 2021, with four, one-year renewal options, with the following three qualified firms, for a combined total amount not to exceed \$175,000 per year:
1. Dal Chem, Inc. (DBA Alexis Oil)
 2. Southern Counties Lubricants, LLC
 3. Southern Counties Oil Co., a CA Limited Partnership (DBA SC Fuels); and
- B. Approve an annual contingency of \$8,750 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) has a Central Generation facility at each treatment plant to convert biogas to electricity and heat to support the plant recycling process. The Central Generation facilities utilize Cooper Bessemer LSVB engines as prime movers. Plant No. 1 utilizes three 12-cylinder engines each with a 2.5 MW generation capacity and 900 gallon oil capacity. Plant No. 2 uses five 16-cylinder engines each with a 3 MW generation capacity and 1600 gallon oil capacity.

Chevron 5200 HDAX Low Ash 40 Lubricating Oil is used in the Cooper Bessemer LSVB Engines. Chevron 5200 HDAX Low Ash 40 Lubricating Oil is the equipment manufacturer's recommended lubricating oil for use in the engines. The Sanitation District had an independent study conducted to analyze and identify if other oils were recommended for the engines. The findings of the study recommend continued use of Chevron 5200 HDAX Low Ash 40 Lubricating Oil with no substitutes to prevent incompatible mixing of oil types.

The blanket purchase order will benefit the Sanitation District in having a competitively bid purchasing mechanism to buy bulk oil from qualified vendors. The qualified vendors will be offered the opportunity to quote on individual oil purchases, and the purchase will be awarded to the vendor

with the lowest quote. Cumulative purchases from all qualified vendors will not exceed \$175,000 per year.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- 24/7/365 treatment plant reliability
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

The Sanitation District uses a significant amount of engine oil for its Cooper Bessemer engines. Mixing of engine oil types, additives, or using remanufactured oil represents a risk of incompatibility or sludging to the engine systems and is not recommended. A competitive solicitation for each purchase of bulk oil is desired, but can be delayed by bid protests by vendors trying to substitute other products.

PROPOSED SOLUTION

Approve a blanket purchase order with qualified vendors identified through the Request for Qualification (RFQ) process to purchase Chevron 5200 HDAX Low Ash 40 Lubricating Bulk Oil. Individual bulk oil purchases will be made as needed by obtaining quotes from each qualified vendor.

TIMING CONCERNS

This blanket purchase order will allow for the timely purchase of oil in the event of oil contamination or oil loss, preventing extended power supply loss and maintaining compliance.

RAMIFICATIONS OF NOT TAKING ACTION

The Sanitation District will not have any means to purchase Chevron 5200 HDAX Low Ash 40 Lubrication Oil in a timely manner for any time-sensitive events.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

On April 21, 2020, through the RFQ process, the Sanitation District solicited Statements of Qualifications (SOQs). The Sanitation District received responses from the following vendors:

1. Dal Chem, Inc. (DBA Alexis Oil)
2. Southern Counties Lubricants, LLC
3. Southern Counties Oil Co., a CA Limited Partnership (DBA SC Fuels)

The responses were evaluated, all vendors met the requirements of the RFQ, and were deemed responsive and responsible.

Staff recommends approval of a blanket purchase order for bulk oil which will be purchased as needed based on obtaining quotes from all qualified vendors at the time of purchase.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This recommendation will be funded under the Repair and Maintenance line item for Operations and Maintenance Department (Proposed Budget Fiscal Year 2020-21). The proposed available funding is sufficient for this action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

RM:ks:ls:ab:gc



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1103

Agenda Date: 7/1/2020

Agenda Item No: 5.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

SERVICE CONTRACT FOR PLANT NO. 1 THICKENING AND DEWATERING ODOR CONTROL CARBON CHANGE-OUTS, SPECIFICATION NO. S-2020-1155

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Award a Purchase Order Contract to Prominent Systems, Inc. for Plant No. 1 Thickening and Dewatering Odor Control, Carbon Change-Outs, Specification No. S-2020-1155, for a total amount not to exceed \$122,758 for the period August 1, 2020 through July 31, 2021, with four, one-year renewal options; and
- B. Approve a contingency of \$18,414 (15%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) Plant No. 1 thickening and dewatering odor control facility is equipped with two activated carbon vessels/filter beds for polishing the foul air prior to stack emission. The carbon beds work in parallel (as one bed is down for service, the other is in use) to ensure all emissions from the thickening and dewatering process meet the South Coast Air Quality Management District (AQMD) permit and nuisance limits at all times.

RELEVANT STANDARDS

- Maintain a proactive asset management program
- 24/7/365 treatment plant reliability
- Protect Orange County Sanitation District assets

PROBLEM

The thickening and dewatering facility produces very strong odors not only from the new thickening and dewatering centrifuges, but also from the sludge blending tanks, the truckloading bay, and the centrate wetwell. This complex foul air is treated at the dedicated thickening and dewatering foul air system which consists of three trains of chemical scrubbers followed by two activated carbon

vessels. Tests have shown that to meet the AQMD permit and nuisance requirements, it is necessary to operate the two-stage chemical scrubbers in caustic-bleach mode followed by polishing activated carbon.

PROPOSED SOLUTION

To secure a Purchase Order Contract to replace the spent activated carbon in the thickening and dewatering odor control system on a preventative maintenance frequency. This will ensure consistent compliance with our AQMD permit to operate.

TIMING CONCERNS

Currently there is no contract in place to replace the activated carbon media and the current media is reaching saturation. Therefore, a maintenance contract needs to be in place to change out the media to avoid odor complaints and non-compliance events.

RAMIFICATIONS OF NOT TAKING ACTION

Odor complaints across the Santa Ana River occur when the polishing activated carbon is not used or is deficient.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Staff developed a scope of work and invited vendors to submit a proposal. Two bids were received as listed in Table 1.

Table 1 Bid Results

| <u>Company</u> | <u>Bid Amount (includes tax)</u> | <u>Comments</u> |
|-------------------------|----------------------------------|-------------------------------|
| Prominent Systems, Inc. | \$122,757.60 | <u>Bid Award - Responsive</u> |
| Carbon Activated Corp. | \$140,730.00 | Responsive |

Staff has identified Prominent Systems, Inc. as the lowest responsive and responsible bidder.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted in Division 830 and 840, line item 65 Operating Budget 830.54030.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 07/01/2020 | \$122,758 | \$18,414 (15%) |

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1123

Agenda Date: 7/1/2020

Agenda Item No: 6.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

SHALLOW REBAR REPAIR SERVICES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order service contract to Tharsos Inc. to provide Shallow Rebar Repair Services, per Specification No. S-2020-1161BD, for a total amount not to exceed \$272,797 for the period beginning August 1, 2020 through July 31, 2021, with four, one-year renewal options; and
- B. Approve an annual contingency of \$13,640 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) has various concrete structures throughout its two treatment plants in Fountain Valley and Huntington Beach. These structures require maintenance to keep them operable. The purpose of this contract is to provide expeditious repairs to concrete structures with shallow or exposed rebar to prevent corrosion and reduce erosion due to exposure.

RELEVANT STANDARDS

- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program
- Sustain 1, 5, 20-year planning horizons

PROBLEM

The Sanitation District has identified multiple instances of exposed rebar in several primary basins at Plant No. 1. Close examination and inspection determined that the rebar was installed too shallow during construction, within an inch of the surface in some areas. Some of the rebar has spalled and become exposed.

PROPOSED SOLUTION

Award a blanket purchase order contract to perform repairs and seal the exposed rebar areas to prevent further corrosion, deterioration, and spalling. This contract will serve as a blanket contract for expeditious repairs of shallow rebar areas identified during condition assessments performed at Plant Nos. 1 and 2 on an as-needed basis. All repairs will be priced per the unit rates in the bid to include square footage of the repair, scaffolding setup and removal, and mobilization cost.

TIMING CONCERNS

N/A

RAMIFICATIONS OF NOT TAKING ACTION

Exposed rebar will continue to corrode causing concrete spalling which could affect structural integrity, likely to the point that more extensive and costly repair methods would be required. Concrete structures will be unavailable for service for much longer periods of time while repair services are individually bid after being taken out of service, cleaned, and inspected.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

A Notice Inviting Bids was issued on April 28, 2020 via PlanetBids. A non-mandatory pre-bid meeting was conducted virtually on May 12, 2020. Bids were due on June 2, 2020. The Sanitation District received five responsive bids. The following is a list of firms who submitted a bid.

| <u>Bidder</u> | <u>Amount of Bid</u> |
|-----------------------------------|----------------------|
| Tharsos, Inc. | \$272,797 |
| Slater Waterproofing | \$314,500 |
| Howard Ridley Co., Inc. | \$319,200 |
| W.A. Rasic Construction Co., Inc. | \$360,900 |
| Harbor Coating & Restoration | \$435,000 |

The basis of the bid amount was 1,200 square feet of repair, five mobilizations, and five scaffolding setup and removals. Staff recommends award a service contract to Tharsos, Inc. as the lowest responsive and responsible bidder.

CEQA

Shallow rebar repair services are categorically exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. Section 15301 (Class 1) exempts from CEQA "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical

features, involving negligible or no expansion of existing or former use,” including “(b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services”.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This recommendation will be funded under the Repair and Maintenance line item for Operations and Maintenance Department (Fiscal Year 2020-21 Budget). The proposed funding is sufficient for this action.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|--------------------------------|-------------------------------|---------------------------|
| 07/22/2020 | \$272,797 | \$13,640 (5%) |

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

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OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1124

Agenda Date: 7/1/2020

Agenda Item No: 7.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

PLANT NO. 1 SUNFLOWER PUMP NO. 2 GEAR DRIVE REPLACEMENT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Sole Source Purchase Order Contract to Nuttall Gear for the purchase of a Nuttall Gear Drive T/25 unit for Plant No. 1 Sunflower Pump Station, for a total amount not to exceed \$198,610, plus applicable tax and freight, and
- B. Approve a contingency of \$9,931 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) operates the Sunflower Pump Station to bring wastewater into Plant No. 1. The station consists of two screw pumps, normally with one pump as the duty pump and the second in stand-by mode. One pump can provide the necessary flow capacity; two pumps are needed for system reliability and to help to provide peak wet weather capacity.

The Nuttall gearbox is the driving gear between the motor and the auger. The complete gearbox assembly and all individual components were specifically designed for use at Sunflower Pump Station. All design details of the gearbox are proprietary to Nuttall Gear.

RELEVANT STANDARDS

- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program
- 24/7/365 treatment plant reliability

PROBLEM

One of the Sunflower pump gearbox units is experiencing a high rate of oil loss and must be pulled out of service and sent for extensive repairs with a long lead time for parts and service, and will limit the critical pump station to a single pump for an extended time period.

PROPOSED SOLUTION

Purchase a new gearbox through Nuttall Gear to serve as a swing unit. This swing gearbox unit will provide the means to repair either existing unit without limiting capacity of the pump station with minimal down-time, now and in the future. The purchase of the Nuttall Gear Drive/T25 provides the least operational risk solution to continued compliance and operation of the Sunflower Pump Station for the Sanitation District.

TIMING CONCERNS

The Sunflower Pump Station has limited redundancy with two installed pumps, both pumps will be required to be operational during peak wet weather events to pump the incoming trunkline flows.

RAMIFICATIONS OF NOT TAKING ACTION

Failure to act increases the risk of pump failure resulting in a disruption of flow to Plant No. 1, impacting process, and the ability to treat wastewater during peak wet weather events.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

N/A

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Budget FY 2020-21, Section 8 - Page 89, Operations & Maintenance Capital Program line item, M-SM-CAP) and the budget is sufficient for the recommended action.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 7/22/2020 | \$198,610 | \$9,931 (5%) |

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

RM:no:ab:gc



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1125

Agenda Date: 7/1/2020

Agenda Item No: 8.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

REHABILITATION OF SIXTEEN RECTANGULAR CLARIFIERS AT PLANT NO. 1

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a service contract to J.R. Filanc Construction Company, Inc. for the mechanical rehabilitation and overhaul of sixteen rectangular primary clarifier tanks at Plant No. 1, Specification No. S-2020-1148BD, for a total amount not to exceed \$1,319,313; and
- B. Approve a contingency of \$131,932 (10%).

BACKGROUND

At Orange County Sanitation District (Sanitation District) Plant No.1, there are 52 rectangular primary clarifier tanks which are the work horse of the wastewater treatment process. Their reliable operation is critical to meet both effluent treatment standards and to provide quality water to the Orange County Water District (OCWD) for reclamation. These primary clarifiers have been in service for a number of years with significant wear, tear, and corrosion of their mechanical systems. The Board of Directors previously authorized, and staff is completing, the first two phases of refurbishment for the primary clarifier tanks. This final phase of refurbishment for the remaining sixteen rectangular primary clarifier tanks is recommended to improve reliability and reduce unscheduled break downs per our asset management philosophy.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability
- Meet volume and water quality needs for the GWRS
- Maintain a proactive asset management program

PROBLEM

All influent wastewater must go through primary treatment. Due to the age and worn condition of the mechanical components associated with the rectangular primary clarifiers, breakdowns are occurring with increasing frequency. Breakdowns reduce hydraulic capacity at Plant No. 1 and negatively impact flows available to the Groundwater Replenishment System (GWRS). In addition, the primary

clarifiers' reliability is crucial to the Sanitation District's ability to support upcoming capital improvement projects that place greater reliance on the Plant No. 1 rectangular primary clarifiers for treatment during construction of these projects.

PROPOSED SOLUTION

Staff recommends approval of a mechanical overhaul and rehabilitation of sixteen (16) rectangular primary clarifier tanks at Plant No.1.

TIMING CONCERNS

Two Capital Improvement Projects Nos. P1-133 and P2-98 are scheduled to begin construction in 2021. These circular primary basin projects will place a greater emphasis and reliance on the rectangular primary clarifiers at Plant No. 1. Refurbishment of the rectangular primary clarifiers should be completed before this time.

RAMIFICATIONS OF NOT TAKING ACTION

Failure to take action could impact the Sanitation District's readiness to provide primary treatment which could delay or lengthen the duration of upcoming CIP projects that are dependent on reliable primary treatment capacity during their construction periods. This could also impact our ability to supply the desired quantity of effluent water to the GWRS.

PRIOR COMMITTEE/BOARD ACTIONS

January 2019 - Approve a Service Contract to Mehta Mechanical Company Inc., replacing the December 19, 2018 approval of a Purchase Order, for the mechanical rehabilitation and overhaul of twenty-four (24) Primary Clarifier Tanks at Plant No. 1, per Specification No. S-2018-985BD, for a total amount not to exceed \$1,998,000; and approved contingency of \$199,800.

December 2018 - Approved a Purchase Order contract to Mehta Mechanical Company Inc. for the mechanical rehabilitation and overhaul of twenty-four (24) Primary Clarifier tanks at Plant No. 1, per Specification No. S-2018-985BD, for a total amount not to exceed \$1,998,000; and approved a contingency of \$199,800.

June 2017 - Approved a Purchase Order to Frost Company for the mechanical rehabilitation and overhaul of 10 Primary Clarifiers at Plant No. 1 for a total amount not to exceed \$385,000, plus applicable tax; and approved a contingency of \$77,000.

ADDITIONAL INFORMATION

The Sanitation District issued a Notice Inviting Bids on April 10, 2020 for the mechanical rehabilitation and overhaul of sixteen Primary Clarifier tanks at Plant No. 1, per Specification No. S-2020-1148BD. Eleven sealed bids were received on June 2, 2020. The bids were evaluated in accordance with the Sanitation District's policies and procedures. Summary information of the bids received is as follows:

| Bidder | Amount |
|---|----------------|
| J.R. Filanc Construction Company, Inc. | \$1,319,312.50 |
| Abhe & Svoboda, Inc | \$1,351,780.00 |
| J.F. Shea Construction, Inc. | \$1,364,850.00 |
| Mehta Mechanical Company | \$1,563,400.00 |
| W.A. Rasic Construction Company, Inc. | \$1,587,340.00 |
| Houalla Enterprises, Ltd. | \$1,681,932.00 |
| ERS Industrial Services, Inc. | \$1,705,259.96 |
| Spiess Construction Co, Inc. | \$1,843,850.00 |
| Tharsos Inc. | \$1,874,999.92 |
| California Building Evaluation & Construction, Inc. | \$2,008,878.00 |
| Myers-George Reed | \$2,088,888.00 |

Staff recommends awarding a service contract to the lowest responsive and responsible bidder, J.R. Filanc Construction Company, Inc., for the mechanical rehabilitation and overhaul of sixteen (16) primary clarifier tanks.

A contingency of 10% is recommended because of the potential for additional work required resulting from operating constraints and seasonal wet weather occurrences.

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. Section 15301 (Class 1) exempts from CEQA “the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination” including “(b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services”.

The project is exempt because it involves repairs and minor replacement of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the Orange County Clerk-Recorder office after Board approval.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District’s Purchasing Ordinance. This recommendation will be funded under the Repair and Maintenance line item for Operations and Maintenance Department (Fiscal Year 2020-21 Budget). The proposed funding is sufficient for this action.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 07/22/2020 | \$1,319,313 | \$131,932 (10%) |

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Service Contract

RM:dh:rc:ab:gc

**SERVICE CONTRACT
REHABILITATION OF SIXTEEN (16) RECTANGULAR
CLARIFIERS AT PLANT 1 (MP-462)
Specification No. S-2020-1148BD**

THIS CONTRACT is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OCSD") and J.R. Filanc Construction Company, Inc. with a principal place of business at 740 North Andreasen Avenue, Escondido, California 92029 (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

W I T N E S S E T H

WHEREAS, OCSD desires to temporarily retain the services of Contractor for the Rehabilitation of Sixteen (16) Rectangular Clarifiers at Plant 1 (MP-462) "Services" as described in Exhibit "A"; and

WHEREAS, OCSD has chosen Contractor to conduct Services in accordance with Ordinance No. OCSD-52; and

WHEREAS, on July 22, 2020, the Board of Directors of OCSD, by minute order, authorized execution of this Contract between OCSD and Contractor; and

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

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

1. Introduction

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

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

Exhibit "A" Scope of Work as modified by Addendum No. 1

Exhibit "B" Bid

Exhibit "C" Acknowledgement of Insurance Requirements

Exhibit "D" OCSD Safety Standards and
Safety SOP-102 Personal Protective Equipment (PPE)
Safety SOP-604 Confined Space
Safety SOP-605 Control of Hazardous Energy (LOTO)
Safety SOP-607 Hazard Communication
Safety SOP-626 Fall Protection

Exhibit "E" Human Resources Policies

1.3 In the event of any conflict or inconsistency between the provisions of this Contract and any of the provisions of the exhibits hereto, the provisions of this Contract shall in all respects govern and control.

- 1.4 The provisions of this Contract may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.5 The various headings in this Contract are inserted for convenience only and shall not affect the meaning or interpretation of this Contract or any paragraph or provision hereof.
- 1.6 The term “days”, when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.7 OCSD holidays (non-working days) are as follows: New Year’s Day, Lincoln’s Birthday, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.8 The term “hours”, when used in this Contract, shall be as defined in Exhibit “A”.
- 1.9 Contractor shall provide OCSD with all required premiums and/or overtime work at no charge beyond the price provided under “Compensation” below.
- 1.10 Except as expressly provided otherwise, OCSD accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OCSD.
2. **Compensation** Compensation to be paid by OCSD to Contractor for the Services provided under this Contract shall be a total amount not exceed One Million, Three Hundred Nineteen Thousand, Three Hundred Thirteen Dollars (\$1,319,313.00).
3. **California Department of Industrial Relations (DIR) Registration and Record of Wages**
- 3.1 To the extent Contractor’s employees and/or its subcontractors who will perform Work during the design and preconstruction phases of a construction contract or perform work under a maintenance contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its subcontractors shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the work is subject to compliance monitoring and enforcement by the DIR.
- 3.2 The Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
- 3.3 Pursuant to Labor Code Section 1776, the Contractor and its subcontractors shall furnish a copy of all certified payroll records to OCSD and/or general public upon request, provided the public request is made through OCSD, the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement of the Department of Industrial Relations.
- 3.4 The Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

4. Payments and Invoicing

4.1 OCSD shall pay, net thirty (30) days, upon receipt and approval, by OCSD's Project Manager or designee, of itemized invoices submitted for Clarifiers completed in accordance with Exhibit "A", and for the prices set forth in Exhibit "B". OCSD, at its sole discretion, shall be the determining party as to whether the Clarifiers have been satisfactorily completed.

4.2 Invoices shall be emailed by Contractor to OCSD Accounts Payable at APStaff@OCSD.com and "INVOICE" with the Purchase Order Number and Specification No. S-2020-1148BD shall be referenced in the subject line.

5. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its termination, OCSD shall have access to and the right to examine any directly pertinent books, documents, and records of Contractor relating to the invoices submitted by Contractor pursuant to this Contract.

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

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

8. **Contract Term** The Services provided under this Contract shall be completed within 365 calendar days from the effective date of the Notice to Proceed.

9. **Extensions** The term of this Contract may be extended only by written instrument signed by both Parties.

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

11. Termination

11.1 OCSD reserves the right to terminate this Contract for its convenience, with or without cause, in whole or in part, at any time, by written notice from OCSD of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all work under this Contract (unless the notice directs otherwise). OCSD shall thereafter, within thirty (30) days, pay Contractor for work performed (cost and fee) to the date of termination. Contractor expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Contract. Such notice of termination shall terminate this Contract and release OCSD from any further fee, cost or claim hereunder by Contractor other than for work performed to the date of termination.

11.2 OCSD reserves the right to terminate this Contract immediately upon OCSD's determination that Contractor is not complying with the Scope of Work requirements, if the level of service is inadequate, or any other default of this Contract.

11.3 OCSD may also immediately cancel for default of this Contract in whole or in part by written notice to Contractor:

- if Contractor becomes insolvent or files a petition under the Bankruptcy Act; or
- if Contractor sells its business; or
- if Contractor breaches any of the terms of this Contract; or
- if total amount of compensation exceeds the amount authorized under this Contract.

- 11.4 All OCSD property in the possession or control of Contractor shall be returned by Contractor to OCSD upon demand, or at the termination of this Contract, whichever occurs first.
12. **Insurance** Contractor and all subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). Contractor shall not commence work under this Contract until all required insurance is obtained in a form acceptable to OCSD, nor shall Contractor allow any subcontractor to commence service pursuant to a subcontract until all insurance required of the subcontractor has been obtained. Failure to maintain required insurance coverage shall result in termination of this Contract.
13. **Indemnification and Hold Harmless Provision** Contractor shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or be caused by Contractor's services under this Contract, or by its subcontractor(s) or by anyone directly or indirectly employed by Contractor, and whether such damage or injury shall accrue or be discovered before or after the termination of the Contract. Except as to the sole active negligence of or willful misconduct of OCSD, Contractor shall indemnify, protect, defend and hold harmless OCSD, its elected and appointed officials, officers, agents and employees, from and against any and all claims, liabilities, damages or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person or damage to property or interference with the use of property, arising out of or in connection with Contractor's performance under the Contract, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process, or any patented or unpatented invention, article or appliance, furnished or used under the Contract, and/or (c) on account of any goods and services provided under this Contract. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Contractor or anyone employed by or working under Contractor. To the maximum extent permitted by law, Contractor's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless, or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Contractor agrees to provide this defense immediately upon written notice from OCSD, and with well qualified, adequately insured, and experienced legal counsel acceptable to OCSD.
14. **OCSD Safety Standards** OCSD requires Contractor and its subcontractor(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as OCSD Safety Standards while working at OCSD locations. If during the course of the Contract it is discovered that OCSD Safety Standards do not comply with Federal, State, or local regulations, then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OCSD. Contractor and all of its employees and subcontractors, shall adhere to all applicable OCSD Safety Standards attached hereto in Exhibit "D" including Safety SOP-102 Personal Protective Equipment (PPE), Safety SOP-604 Confined Space, Safety SOP-605 Control of Hazardous Energy (LOTO), Safety SOP-607 Hazard Communication, Safety SOP-626 Fall Protection, and the Human Resources Policies in Exhibit "E".
15. **Warranties** In addition to the warranties stated in Exhibit "A", the following shall apply:
- 15.1 Manufacturer's standard warranty shall apply. All manufacturer warranties shall commence on the date of acceptance by the OCSD Project Manager or designee of the work as complete.

- 15.2 Contractor's Warranty (Guarantee): If within a one (1) year period of completion of all work as specified in Exhibit "A", OCSD informs Contractor that any portion of the Services provided fails to meet the standards required under this Contract, Contractor shall, within the time agreed to by OCSD and Contractor, take all such actions as are necessary to correct or complete the noted deficiency(ies) at Contractor's sole expense.
16. **Force Majeure** Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government or any other cause beyond its control, but said party shall use reasonable efforts to minimize the extent of the delay. Work affected by a Force Majeure condition may be rescheduled by mutual consent or may be eliminated from the Contract.
17. **Freight (F.O.B. Destination)** Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
18. **Familiarity with Work** By executing this Contract, Contractor warrants that: 1) it has investigated the work to be performed; 2) it has investigated the site of the work and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the work under this Contract. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCSD, it shall immediately inform OCSD of this and shall not proceed, except at Contractor's risk, until written instructions are received from OCSD.
19. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements including, but not limited to, 40 CFR 122, 123, 124, 257, 258, 260, 261, and 503, Title 22, 23, and California Water Codes Division 2.
20. **Environmental Compliance** Contractor shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Contractor, its subcontractors, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
21. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OCSD that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to engage in this work. Any and all fees required by Federal, State, County, City and/or municipal laws, codes and/or tariffs that pertain to the work performed under the terms of this Contract will be paid by Contractor.
22. **Applicable Laws and Regulations** Contractor shall comply with all applicable Federal, State, and local laws, rules, and regulations. Contractor also agrees to indemnify and hold harmless from any and all damages and liabilities assessed against OCSD as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
23. **Contractor's Employees Compensation**
- 23.1 **Davis-Bacon Act** – Contractor will pay and will require all subcontractors to pay all employees on said project a salary or wage at least equal to the prevailing rate of per diem wages as determined by the Secretary of Labor in accordance with the Davis-Bacon Act for each craft or type of worker needed to perform the Contract. The provisions of the Davis-Bacon Act shall apply only if the Contract is in excess of two thousand dollars (\$2,000.00)

and when twenty-five percent (25%) or more of the Contract is funded by Federal assistance. If the aforesaid conditions are met, a copy of the provisions of the Davis-Bacon Act to be complied with are incorporated herein as a part of this Contract and referred to by reference.

- 23.2 General Prevailing Rate – OCSD has been advised by the State of California Director of Industrial Relations of its determination of the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime work in the locality in which the work is to be performed for each craft or type of work needed to execute this Contract, and copies of same are on file in the Engineering Department. The Contractor agrees that not less than said prevailing rates shall be paid to workers employed on this Contract as required by Labor Code Section 1774 of the State of California. Per California Labor Code 1773.2, OCSD will have on file copies of the prevailing rate of per diem wages at its principal office and at each project site, which shall be made available to any interested party upon request.
- 23.3 Forfeiture For Violation – Contractor shall, as a penalty to OCSD, forfeit fifty dollars (\$50.00) for each calendar day or portion thereof for each worker paid (either by the Contractor or any subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.
- 23.4 Apprentices – Sections 1777.5, 1777.6, 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices are applicable to this Contract and the Contractor shall comply therewith if the prime contract involves thirty thousand dollars (\$30,000.00) or more or twenty (20) working days or more; or if contracts of specialty contractors not bidding for work through the general or prime Contractor are two thousand dollars (\$2,000.00) or more or five (5) working days or more.
- 23.5 Workday – In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the Contractor shall not require more than eight (8) hours of labor in a day from any person employed by it hereunder. Contractor shall conform to Article 3, Chapter 1, Part 7 (Section 1810 et seq.) of the Labor Code of the State of California and shall forfeit to OCSD as a penalty, the sum of twenty-five dollars (\$25.00) for each worker employed in the execution of this Contract by Contractor or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) week in violation of said Article. Contractor shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by Contractor in connection with the project.
- 23.6 Record of Wages; Inspection – Contractor agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the project and agrees to require that each of its subcontractors do the same. All payroll records shall be certified as accurate by the applicable Contractor or subcontractor or its agent having authority over such matters. Contractor further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. Penalties for non-compliance with the requirements of Section 1776 may be deducted from project payments per the requirements of Section 1776.

24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor's responsibility that all equipment furnished and installed be in accordance with the latest rules and regulations of the South Coast Air Quality Management District (SCAQMD). All Contract work practices, which may have associated emissions such as sandblasting, open field spray painting or demolition of asbestos containing components or structures, shall comply with the appropriate rules and regulations of the SCAQMD.
25. **Governing Law** This Contract shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in the County of Orange, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of either party of any breach or violation of, or default under, any provision of this Contract, shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Contract or default thereunder. Any breach by Contractor to which OCSD does not object shall not operate as a waiver of OCSD's rights to seek remedies available to it for any subsequent breach.
27. **Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OCSD rejects the goods or Services or revokes acceptance of the goods or Services, OCSD may (1) cancel the Contract; (2) recover whatever amount of the purchase price OCSD has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OCSD elects to "cover" as described in (3), OCSD shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the Contract price, together with any incidental or consequential damages.
28. **Dispute Resolution**
- 28.1 In the event of a dispute as to the construction or interpretation of this Contract, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.
- 28.2 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to California Code of Civil Procedure, Part 3, Title 9, Sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to California Code of Civil Procedure Section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.

29. **Attorney's Fees** If any action at law or inequity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which he may be entitled.
30. **Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.
31. **Severability** If any section, subsection, or provision of this Contract, or any agreement or instrument contemplated hereby, or the application of such section, subsection, or provision is held invalid, the remainder of this Contract or instrument in the application of such section, subsection or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.
32. **Damage to OCSD's Property** Any of OCSD's property damaged by Contractor, any subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OCSD.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from this project without the prior written consent from OCSD.
34. **Independent Contractor** The legal relationship between the parties hereto is that of an independent contractor, and nothing herein shall be deemed to make Contractor an OCSD employee. During the performance of this Contract, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as OCSD's officers, employees, or agents. Contractor and its officers, employees, and agents shall obtain no rights to any benefits which accrue to OCSD's employees.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OCSD. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OCSD and Contractor.
37. **Non-Liability of OCSD Officers and Employees** No officer or employee of OCSD shall be personally liable to Contractor, or any successor-in-interest, in the event of any default or breach by OCSD or for any amount which may become due to Contractor or to its successor, or for breach of any obligation for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract on behalf of the Parties warrant that they are duly authorized to execute this Contract and that by executing this Contract, the Parties are formally bound.
40. **Entire Contract** This Contract constitutes the entire agreement of the Parties and supersedes all prior written or oral and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

- 41. Notices** All notices under this Contract must be in writing. Written notice shall be delivered by personal service or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand or request sent. All notices shall be effective when first received at the following addresses:

OCSD: Darius Ghazi, Senior Buyer
Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92708

Contractor: Luis Reyes
General Manager
J.R. Filanc Construction Company, Inc.
740 North Andreasen Avenue
Escondido, CA 92029

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

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

ORANGE COUNTY SANITATION DISTRICT

Dated: _____ By: _____
David John Shawver
Chair, Board of Directors

Dated: _____ By: _____
Kelly A. Lore
Clerk of the Board

Dated: _____ By: _____
Ruth Zintzun
Purchasing & Contracts Manager

J.R. FILANC CONSTRUCTION COMPANY, INC.

Dated: _____ By: _____

Print Name and Title of Officer

IRS Employer's I.D. Number

Exhibit A
SCOPE OF WORK
For
Rehabilitation of Sixteen (16) Rectangular Clarifiers at Plant 1 (MP-462)

EXHIBIT A
SCOPE OF WORK
REHABILITATION OF SIXTEEN (16) RECTANGULAR
CLARIFIERS AT PLANT 1 (MP-462)
SPECIFICATION NO. 2020-1148BD

EXECUTIVE SUMMARY / OVERVIEW

In 1993, the Orange County Sanitation District (OCSD) constructed 10 rectangular primary sedimentation basins (PSBs) 6-15 on the westside of the primary treatment area at Plant No. 1. This work was performed as project P1-33. In 2006, the OCSD added 16 additional rectangular primary sedimentation basins (PSBs 16-31) under project P1-37, resulting in a primary clarifier complex of 26 rectangular sedimentation basins known collectively as PSBs 6-31. PSBs 6-31 have a combined design capacity of 160 MGD. The sedimentation basins are separated into four quadrants; Quadrant 1 includes PSBs 6-14 (even numbered), Quadrant 2 includes PSBs 7-15 (odd numbered), Quadrant 3 includes PSBs 16-31 (odd numbered), and Quadrant 4 includes PSBs 16-30 (even numbered). Primary sludge is produced in PSBs 6-31 through a “co-thickening” operation where dilute sludge is routed from Quadrants 1 and 2 to Dilute Sludge Sump 1 (DSS1) and then pumped to a sludge flume in Quadrant 4 sedimentation basins to be co-thickened with Quadrant 4 primary influent. Quadrant 3 clarifier sludge is drained to Dilute Sludge Sump 2 (DSS2) and pumped directly to the digesters without co-thickening.

The Contractor shall perform a turnkey solution including new replacement parts or approved equal parts to rehabilitate eight (8) pairs, sixteen (16) Rectangular Clarifier Basin Tank Sludge Collector Mechanisms, associated with original project P1-33.

1. BACKGROUND/GENERAL PROJECT DESCRIPTION

The Chain-and-Flight Clarifier equipment components in 8 clarifier pairs, 16 clarifier basin tanks, shall be replaced at the Rectangular Primary Sedimentation Basins Clarifiers at Plant 1. All replacement equipment components shall be provided by the Original Equipment Manufacturer (OEM) Brentwood Industries Inc. (PolyChem Systems), Evoqua (Envirex), or as stated herein. All components and parts shall be supplied from the same manufacturer. The Work, in general, consists of replacement of all mechanical collection system components as stated herein.

2. DEFINITIONS

- OCSD – Orange County Sanitation District
- LOTO – Lock-out/Tag-out
- Clarifier Basin(s) – “Clarifier(s)” or “Basin(s)”

3. PROJECT/WORK ELEMENTS

The Contractor shall perform the following turnkey solutions including new replacement parts or approved equal parts to rehabilitate sixteen (16) Rectangular Clarifier Basins associated with original project P1-33.

OCSD reserves the right to choose the location, sequence, and number of basins to be worked on during the duration of this Project.

3.1. General

Contractor shall have performed similar work described within this scope and demonstrate they have the experience and ability to conduct the work as completely and as diligently as required under the terms of the Contract.

- 3.1.1. All parts, unless noted otherwise, are to be supplied by Contractor, at a minimum as listed in APPENDIX A-1. Additional parts may be needed to complete job. Replacement parts shall be new. No refurbished parts are to be used.
- 3.1.2. All work performed by Contractor on the equipment listed herein shall be completed in accordance with manufacturer recommendations, instructions, and as required by the latest applicable codes and regulations. As-built Drawings are attached in APPENDIX A-2 for reference use.
- 3.1.3. The Operations and Maintenance (O&M) manuals and specifications/procedures for the Primary Rectangular Clarifiers are attached in APPENDIX A-3 for reference use.
- 3.1.4. OCSD reserves the right to keep all used, unused, and replaced parts. No project materials or equipment shall be taken off the Project/Construction site without OCSD written authorization.
- 3.1.5. Contractor shall provide detailed submittals/procedures with part numbers and their dimensions for review and approval by OCSD for all parts prior to fabrication or procurement by the Contractor. OCSD will respond to the Contractor within 20 days.
- 3.1.6. Except as specified elsewhere herein, Contractor shall furnish the following:
 - 1) Field Supervision
 - 2) Field Office Support
 - 3) Labor
 - 4) Permanent Materials

- 5) Construction Equipment and Tools
- 6) Consumable Supplies
- 7) Transportation
- 8) Testing
- 9) Safety Equipment and Personnel Protection Equipment
- 10) Temporary and Support Facilities
- 11) Forklift
- 12) Crane
- 13) Any other items not listed required to perform all activities described herein.

OCSD will provide all laydown area required for project. Contractor shall include all expenses/costs related to the trailer/laydown in their bid at no additional cost to OCSD.

- 3.1.7. Contractor shall bring all discrepancies between the Scope of Work, Specifications, and Reference Drawings, upon discovery, and in a timely manner to the attention of OCSD for resolution. No extra work shall proceed without OCSD's prior written authorization.
- 3.1.8. In the case of a wet weather/ storm event or other unforeseen circumstances, OCSD may require the Contractor to abandon work for up to a week on an in-process basin(s) and remove all equipment from the premises. OCSD will attempt to provide a minimum of 24-hour advanced notice of such an event.
- 3.1.9. All work on each pair of basins shall be completed within three (3) work weeks. If the Contractor requires additional time to complete a basin, written request of work extension is required by the Contractor, along with approval from OCSD.
- 3.1.10. OCSD will provide the Contractor up to two (2) pairs, four (4) Clarifier basins at a time.
- 3.1.11. OCSD reserves the right to witness Contractor's activities, including but not limited to all tests performed by Contractor. Contractor shall redo test, if they are deemed unreliable or erroneous at OCSD's sole discretion at no additional cost.
- 3.1.12. Hazardous substances, including all construction debris, shall be disposed of in an environmentally safe manner by Contractor at no additional cost and with prior approval from OCSD. Under no circumstances shall hazardous wastes be commingled with non-hazardous wastes.
- 3.1.13. Contractor shall be responsible for the repair or replacement-in-kind of any item damaged by Contractor or Contractor's Subcontractor without any

cost or schedule impact to OCSD until complete turnover and Acceptance of the Scope of Work by OCSD.

- 3.1.14. Contractor shall coordinate the work to avoid any interference with normal operations of plant equipment and processes. Written shutdown requests shall be submitted to the OCSD Project Manager. Request shall identify the system or equipment included in the shutdown request. The OCSD Project Manager's written acceptance of shutdown requests shall be obtained fourteen (14) days in advance. Any work that blocks roadways, access to buildings, and parking lots shall require written acceptance from OCSD. Contractor shall follow OCSD's LOTO procedures for isolation of equipment. OCSD will provide tags and Contractor shall provide lockout devices. If work on energized electrical systems is required, refer to the section entitled "Working on Energized Systems" of the OCSD Safety Standards.

3.2. Work Element

- 3.2.1. Perform all Operational and Maintenance tasks per the Original Equipment Manufacturer (OEM) Manual, attached for reference, APPENDIX A-3.
- 3.2.2. The service includes but not limited to all labor, supplies, OEM or approved equal parts and equipment to complete the following tasks:
 - 3.2.2.1. Perform LOTO. Wash down the empty basin removing any remaining materials, sediments, debris, etc. to provide for a safe environment enabling high quality repair work to proceed. Provide an appropriate safety barrier to prevent parts/people from inadvertently falling into the Clarifier.
 - 3.2.2.2. Inspect and remove existing equipment but not limited to the plastic drive chain and links, weld-washers on wear strips, plastic drive, bull sprocket, drive sprockets, and idler sprockets, and flight shoes. After measuring, recording, and documenting the parts' current condition and mechanical wear, etc., remove and replace the components with new OEM or approved equal replacement parts.

3.2.3. Equipment Installation

- 3.2.3.1. Install the following parts but not limited to: bull sprocket, wear strips, floor shoes, return shoes, stub shaft bearings, collector chain, drive chain, drive sprockets, idler sprockets, broken/damaged flights (flights will be provided by OCSD), tension collector chain, flight attachments, filler blocks, wear strip hardware, align drive sprockets and align drive chain. See APPENDIX A-1 for the parts list.

- 3.2.3.2. Inspect and replace all wear strips with new 4" wide wear strips, ensuring proper placement (~3/8" to 1/2" gap) with respect to the flight shoes. The mounting hardware to be installed appropriately to ensure that the wear strips are securely mounted to the basin floor, while ensuring that they do not protrude excessively, prematurely wearing the shoes on the flights.
- 3.2.3.3. Adjust the plastic drive chain tension appropriately, ensuring that all the flights are appropriately aligned and uniformly distributed on both sides of the drive chains; and, that neither the plastic chain nor flights inappropriately contact or rub against the basin ceiling, etc. during operation. The flight shoes should be properly aligned and riding on the wear strips; and, the flights should be perpendicular to the basin walls to withstand misalignment operation alarms.
- 3.2.3.4. OCSD will perform a job walk with the Contractor on each basin tank prior to any repairs being made, as well as subsequent work being performed. OCSD will review the completed repairs and workmanship after each basin rehabilitation. A test run will be performed to ensure the installation is done correctly before OCSD releases additional basins. OCSD has the right to require the Contractor to address or fix any perceived deficiencies, errors, etc. that are not in alignment with OCSD expectations.
- 3.2.3.5. After each basin rehabilitation and OCSD test run approval, vector services shall jet and vector debris and material in each hopper, including drain line.

4. MATERIAL REQUIREMENTS

The Contractor shall perform the following turnkey solutions including OEM parts required to rehabilitate sixteen (16) Primary Rectangular Clarifier Basins associated with this project:

4.1. For material use 100% Virgin UHMW/PE polymer per ASTM D4020-05a; 4.2 million min molecular weight and 24 min IV (intrinsic viscosity), Nylon-6, or approved equal. See APPENDIX A-1 for parts list.

4.2. Reference APPENDIX A1 for material requirements of Parts List.

5. RESOURCES AVAILABLE

Material/Equipment laydown and staging area can be provided as necessary. The Contractor shall be solely responsible to secure the laydown and staging area for all Contractor tools, equipment and delivered parts for this contract. Tools and equipment

shall be properly rated for the intended application and area classifications. Restroom Facilities shall be provided by the Contractor for the duration of the job, adequately sized and maintained for the construction crew. Access to 120v electrical supply, non-potable water, and compressed air available for use by the Contractor in the work area during this project.

6. PROJECT SCHEDULE

The project schedule will be dependent upon the availability of the basin(s), the asset demand at that particular time, and the required coordination of other ongoing projects or planned asset outings. The following schedule is provided for illustration purposes only. The actual project schedule will depend on basin availability at the time of mobilization readiness.

| Milestones/Timelines | Deadline (Weeks from Notice to Proceed Date) |
|--------------------------------------|---|
| Kick-Off Meeting / Notice to Proceed | 0 |
| Work Begins on first Set of Basins | 5 |
| Work Begins on Subsequent Basins | 8 |

(1) Each pair of basins shall be completed within three (3) weeks, from the start of these Basins unless there is a wet weather/ storm event.

7. PROJECT MANAGEMENT

7.1. Meetings

A minimum of one week prior to start of work, a meeting with relevant OCSD staff shall be held to establish appropriate contacts and review the Contractor's plan to implement this work, training records, safety plans, etc. If necessary, additional meetings may be required.

Contract conferences shall be held on an on-call basis with OCSD staff to keep OCSD apprised of the job, review work in progress, and receive comments. Conferences shall be held at the OCSD's offices. All notes and decision items shall be captured by the Contractor and reported in electronic format. The formal agenda shall be submitted with the previous meeting notes at least one week prior to each meeting.

7.2. Project Kick-Off Meeting

The Contractor and subcontractors shall attend the initial kick off meeting where team members will be introduced to each other. Contractor shall provide a draft workplan and schedule at the initial kick off meeting.

7.3. Project Progress Meetings

The Contractor and subcontractors shall attend progress meetings throughout the life of the project in order to coordinate all issues related to the work. Progress meetings shall be held every other week, or as determined by OCSD.

8. DELIVERABLES

Contractor shall provide the following deliverables and others as specified herein:

8.1. Progress Reports

With the first invoice provide a schedule of values which breaks down each bid item into sub items. Each invoice shall be accompanied by a detailed progress report of work completed and an updated work schedule. The progress report shall include at a minimum the following: a description of a) current activities; b) future activities; c) potential out-of-scope items; d) concerns and possible delays; and e) percentage of completion. If invoices are not submitted monthly, provide the schedule of values, reports, and schedules on a monthly basis. Include with each invoice, a detailed photo log (high resolution) of equipment and material before and after changes or improvements are made.

8.2. Final Report

A final job report shall be completed by the Contractor after the completion of the assigned work. The final job report shall include the following:

- Field repairs performed and their locations.
- A detailed list of the replacement parts installed and their parts numbers.
- Digital field photos of the work performed.
- Detailed description of any major mechanical issues found and repaired with digital photos

Three (3) hardcopies and one (1) digital file of the final job report including detailed written field observations, digital color photos shall be delivered to OCSD: Project Manager, (Office Phone No. 714-593-7085) within 14-business days following the completion of the last contracted basin rehab work. Note: All text documents must be completed in MS Word.

9. SAFETY & HAZARDOUS MATERIALS

9.1. Plant 1 P1-33 Primary Rectangular Clarifier Basins are a designated permit required confined space as defined by Cal OSHA. The Contractor will be required to provide confined space entry trained personnel capable of planning and performing confined space entries, and rescue of entry personnel from the Rectangular Clarifier Basins and appurtenances, as necessary. In addition, the Contractor is required to have an entry and rescue plan for this work approved by the OSCD Safety Department. The Contractor shall provide confined space

rescue response on-site for contract personnel. The Contractor shall supply personnel with the proper certification and training and provide proof of the same.

9.2. The Contractor shall also be responsible for training their personnel in fall protection and the proper use of personal protection equipment (PPE), appropriate for safely working in this environment.

9.3. The Contractor shall provide personnel with an experience level suitable for identifying hazards that may occur during the normal course of work.

9.4. Contractor shall provide each field staff member with an individual Gas Tech Analyzer for the duration of the project.

9.5. Contractor shall also provide a job site foreman or supervisor responsible for furnishing required tools, equipment, and supplies necessary to conduct and complete the above listed tasks as requested by OCSD. Any questions concerning safety or job hazards shall be submitted electronically to the OCSD Project Manager. The Contractor shall adhere to all OCSD's policies and procedures.

9.6. Job Hazard Analysis

A Job Hazard Analysis, (JHA), or Job Safety Analysis, (JSA), will be provided to the Contractor. Any questions concerning safety and job hazards shall be submitted by the Contractor electronically or in writing and shall be answered by OCSD Safety Department electronically or in writing and saved in the project records. The Contractor will adhere to all of OCSD's policies and procedures.

10. CONTRACT MANAGEMENT

The Contractor will be assigned a single point of contact on this project. All enquiries shall be addressed to this contact except any meetings or job walks related to this project, which shall be scheduled and approved by the Project Manager.

11. STAFF ASSISTANCE

The Contractor will be assigned a single point of contact on this project. Any meetings and/or correspondence related to this project shall be scheduled and approved by the Project Manager. In addition, Contractor's staff shall be available to support the OCSD's staff for LOTO and consultation during Contractor working days.

12. PAYMENT SCHEDULE FOR LABOR AND PARTS

In order to reduce the Contractor's parts Carrying cost, OCSD will pay the Contractor for all labor and parts based on deliveries of parts for up to eight (8) clarifiers on the following schedule:

- 12.1. Payments for each of the first four (4) clarifiers (Clarifiers# 1, 2, 3, 4, 9, 10, 11, 12)** - Upon the successful installation/rehab of each clarifier OCSD shall pay one (1) unit of Labor as Bid submitted per Bid Price Form (Exhibit B Line 1) and up to two (2) basins worth of parts (if already delivered to OCSD) as Bid submitted per Bid Price Form (Exhibit B Line 2).
- 12.2. For each of the second four (4) clarifiers (Clarifiers# 5, 6, 7, 8, 13, 14, 15, 16)** - Upon the successful installation/ rehab of each clarifier OCSD shall only pay one (1) unit of Labor as Bid submitted per Bid Price Form (Exhibit B Line 1).

Bid Results**Bidder Details**

Vendor Name J.R. Filanc Construction Co. Inc.
Address 740 N. Andreasen Ave.
 Escondido, CA 92029
 United States

Respondee Luis Reyes
Respondee Title General Manager
Phone 626-391-1484 Ext.
Email lreyes@filanc.com

Vendor Type CADIR
License # 134877
CADIR 1000001631

Bid Detail

Bid Format Electronic
Submitted June 2, 2020 1:28:32 PM (Pacific)
Delivery Method
Bid Responsive
Bid Status Submitted
Confirmation # 214273
Ranking 0

Respondee Comment**Buyer Comment****Attachments**

| File Title | File Name | File Type |
|-------------------------|----------------------------|--------------------|
| Exhibit K: Bidders Bond | Exhibit K Bidders Bond.pdf | Bid Bond |
| Exhibits C,G,H,I,J | Exhibit C,G,H,I,J.pdf | General Attachment |

Line Items

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|--|---|-----------|-----|-----------------|-----------------------|---------|
| TOTAL Estimated Lump Sum (Cost of Basin Rehabilitation in accordance with the Scope of Work, Exhibit A, including applicable material, sales tax, labor, freight (FOB Destination), equipment, confined space entries, safety provisions, Estimated optional Vactor and Jetting Services and miscellaneous costs. BIDDERS MUST BID ON ALL LINE ITEMS. NOT BIDDING ON ALL LINE ITEMS SHALL DEEM THE BID SUBMITTED AS NON-RESPONSIVE. | | | | | | |
| 1 | Labor Cost Per Basin - Rehabilitation of Rectangular Clarifier Basins per Installation of New Parts & Components (Per Scope of Work) | PER BASIN | 16 | \$33,960.00 | \$543,360.00 | |
| 2 | Parts only Per Basin – including related hardware and applicable Sales tax and Freight (FOB Destination) (Per Appendix A-1) | PER BASIN | 16 | \$42,625.00 | \$682,000.00 | |
| 3 | Optional – Vactor And Jetting Services - Hourly Bill rate for these optional services shall include all vactor/jetting equipment necessary to conduct this service, including the operating staff, and other misc. cost associated with this service. | PER HOUR | 150 | \$626.35 | \$93,952.50 | |
| | | | | Subtotal | \$1,319,312.50 | |
| | | | | Total | \$1,319,312.50 | |



Orange County Sanitation District

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

OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1010

Agenda Date: 7/1/2020

Agenda Item No: 9.

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

SUBJECT:

HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the sole source specification of SUEZ Water Technologies & Solutions for refurbishing four existing bar screens and for furnishing two new bar screens for Headworks Rehabilitation at Plant No. 1, Project No. P1-105".

BACKGROUND

The headworks facilities are the first treatment process at a wastewater treatment plant and protect downstream equipment by removing large objects and abrasive materials. Large objects are removed by bar screens which are racks of bars placed in a channel with a mechanical rake to remove the collected material from the channel.

Headworks Rehabilitation at Plant No. 1, Project No. P1-105, is a complete renovation of the existing headworks, including the bar screens.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Comply with Public Contract Code Section 3400
- Comply with OCSD Policy - Purchasing Ordinance No. OCSD-52, Section 1.07.A Sole Source Procurement

PROBLEM

The existing bar screen facility at Orange County Sanitation District's (Sanitation District) Plant No. 1 includes six bar screen channels. Four are currently equipped with bar screens; two with 5/8-inch clear spacing and two with 1-inch clear spacing. All four screens were manufactured by Infilco Degremont, Inc., which has since been acquired by SUEZ Water Technologies & Solutions (Suez).

The two existing 5/8-inch screens are in poor condition and need complete refurbishment. The 1-inch bar screens are used only under high flow conditions because the larger material they allow to pass causes plugging in downstream equipment. This project will refurbish the two 5/8-inch screens, replace the two 1-inch screens with 5/8-inch screens, and install two additional 5/8-inch screens in the remaining channels. The additional screens are needed because the 5/8-inch screens have a lower hydraulic capacity than the 1-inch screens.

Refurbishing the four existing bar screens is estimated to save approximately \$2 million instead of replacing them. Replacing the bar screens would also require channel modifications that would likely reduce the hydraulic capacity of the channels. To ensure efficient and reliable operation, all six bar screens should be of the same design and manufacture. Only Suez can supply the parts and material to refurbish the four existing bar screens. Therefore, only Suez can supply bar screens that match the four existing bar screens.

PROPOSED SOLUTION

Adopt a resolution supporting sole sourcing of the refurbishment of the four existing bar screens and furnishing two new screens.

Suez has committed to a price of approximately \$3.8 million for the scope of this work. The design consultant has confirmed that this price is fair and reasonable based on a review of prices for similar installations.

TIMING CONCERNS

Without this sole source approval, staff cannot advertise this project for bids. That would delay the start of construction and potentially result in construction cost escalation.

RAMIFICATIONS OF NOT TAKING ACTION

Not approving Suez as a sole source manufacturer would require more destructive replacement and retrofitting to accommodate competing bar screen manufacturers. Design and construction costs would also increase.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District and the Design Consultant completed a condition assessment and performed evaluation studies to investigate the screening mechanism, replacement of existing bar screens, and installing new bar screens.

The Sanitation District determined that the four rehabilitated bar screens and two new bar screens should be of the same technology and manufacturer so that all six bar screens share materials of construction, design, and spare parts. This approach is the most cost-effective solution.

CEQA

To comply with CEQA, as the lead agency, the Sanitation District Board of Directors adopted Resolution No. OCSD 19-07 on July 24, 2019 certifying a Mitigation Negative Declaration that was prepared for this project.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Adopted Budget Fiscal Years 2020-2021 and 2021-2022, Section 8, Page 54) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Resolution No. OCSD 20-XX

GR:dm:gc

RESOLUTION NO. OCSD 20-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT, MAKING FINDINGS PURSUANT TO PUBLIC CONTRACT CODE SECTION 3400 IN SUPPORT OF THE SOLE SOURCE SPECIFICATION OF SUEZ WATER TECHNOLOGIES & SOLUTIONS FOR REFURBISHING FOUR EXISTING BAR SCREENS AND FOR FURNISHING TWO NEW BAR SCREENS FOR HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105

WHEREAS, the Orange County Sanitation District (Sanitation District) is a duly organized County Sanitation District existing pursuant to the County Sanitation District Act, California Health and Safety Code Section 4700, et seq., providing for the ownership, operation, and maintenance of wastewater collection, treatment, and disposal facilities within Orange County, California; and

WHEREAS, Public Contract Code Section 3400 provides that local agencies may describe in the invitation for bids or request for proposals that a particular material, product, thing or service is designated by specific brand or trade name if the awarding authority, or its designee, finds that the product is designated "in order to obtain a necessary item that is only available from one source"; and

WHEREAS, Public Contract Code Section 3400 establishes that an item is available from only one source if there is not an "equal" product, meaning a product that will "function as well, in all essential respects" as the designated product; and

WHEREAS, Carollo Engineers, Inc., the Sanitation District's Design Consultant, has completed the plans and specifications for the Headworks Rehabilitation at Plant No. 1, Project No. P1-105 ("Project"); and

WHEREAS, the Project includes refurbishing four existing bar screens and furnishing two new bar screens; and

WHEREAS, the four bar screens to be refurbished were manufactured by a Infilco Degremont, Inc., which has since been acquired by SUEZ Water Technologies & Solutions; and

WHEREAS, commonality of functions, performance, parts, training, and controls among all bar screens is a compelling need to effectively operate and maintain the bar screens, and

WHEREAS, based on extensive research and investigation, Sanitation District staff has determined that SUEZ Water Technologies & Solutions is the only manufacturer of equipment suitable for refurbishing four existing bar screens and for

furnishing two new bar screens that match the existing four bar screen while being cost effective and meeting the Sanitation District's needs.

NOW, THEREFORE, in consideration thereof, the Board of Directors of the Orange County Sanitation District, does hereby resolve, declare, determine, and order as follows:

Section 1: All of the recitals herein contained are true and correct.

Section 2: SUEZ Water Technologies & Solutions is the “like for like” replacement of the bar screens due to technology and space requirements and is the only manufacturer meeting the Sanitation District's needs.

Section 3: SUEZ Water Technologies & Solutions with 5/8-inch screens is a necessary component of the Project design and is only available from one source.

Section 4: The SUEZ Water Technologies & Solutions bar screens meeting the Sanitation District's needs shall be specified by name in the invitation for bids for the Project.

Section 5: This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held on July 22, 2020.

David John Shawver
Board Chairman

ATTEST:

Kelly A. Lore, MMC
Clerk of the Board

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 20-XX was passed and adopted at a regular meeting of said Board on the 22nd day of July 2020, by the following vote, to wit:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 22nd day of July 2020.

Kelly A. Lore, MMC
Clerk of the Board of Directors
Orange County Sanitation District



Orange County Sanitation District

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

OPERATIONS COMMITTEE

Agenda Report

File #: 2019-832

Agenda Date: 7/1/2020

Agenda Item No: 10.

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

SUBJECT:

HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the sole source specification of Huber Technology for grit washing and dewatering systems for Headworks Rehabilitation at Plant No. 1, Project No. P1-105".

BACKGROUND

The headworks facilities are the first treatment process at a wastewater treatment plant and protect downstream equipment by removing large objects and abrasive materials. The current grit washing and classification systems are based on an older technology and have poor removal efficiency. Headworks Rehabilitation at Plant No. 1, Project No. P1-105, is a complete renovation of the existing headworks, including replacement of the grit washing and dewatering systems.

Abrasive materials, referred to as grit, are removed in grit basins, and conveyed to a grit washing and dewatering system to remove water and organic material. Removal of these abrasive materials is essential to improving the life of all down-stream mechanical equipment like sludge pumps, sludge thickening centrifuge systems, digester mixing systems, biosolids dewatering centrifuge systems and solids storage, and truckloading systems. In addition, these abrasive materials do not produce biogas in a digester. Rather, they tend to settle in the bottom of digesters which requires extensive digester cleaning on a five-year cycle.

There are two technologies typically used for washing and dewatering grit at large wastewater treatment plants: grit classifiers and a proprietary equivalent manufactured by Huber Technology referred to as COANDA units. Other technologies used for grit washing and dewatering are not practical or are not proven at the scale of the Orange County Sanitation District's (Sanitation District) plants. An extensive evaluation of the technologies found that the COANDA units produce a much cleaner grit product and generate so much less odor that the air flow rate from the building housing the units, which must be treated using large-scale odor control units, can be substantially reduced. As a result, utilizing the COANDA system results in an estimated life cycle cost reduction of approximately \$3 million compared to a conventional grit classifier installation.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Comply with Public Contract Code Section 3400
- Comply with OCSD Policy - Purchasing Ordinance No. OCSD-52, Section 1.07.A Sole Source Procurement

PROBLEM

The current grit removal and treatment technology at Plant No. 1 has been in service since 1990 and is in need of refurbishment. Improved grit removal and organic material passthrough are needed to reduce plant odors and improve the life of mechanical equipment throughout the plant.

PROPOSED SOLUTION

Adopt a resolution supporting sole sourcing the COANDA grit washing and dewatering system as provided by Huber Technology.

Huber Technology has committed to a price of approximately \$2.3 million for this equipment. Based on a review of prices for similar installations, staff considers this price fair and reasonable.

TIMING CONCERNS

Without this sole source approval, staff cannot advertise this project for bids. That would delay the start of construction and potentially result in construction cost escalation.

RAMIFICATIONS OF NOT TAKING ACTION

Not selecting the Huber Technology system as a sole source manufacturer will result in larger grit handling and odor control buildings and higher project cost. Design and construction costs will be impacted to accommodate classifiers.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

N/A

CEQA

To comply with CEQA, as the lead agency, the Sanitation District Board of Directors adopted Resolution No. OCSD 19-07 on July 24, 2019, certifying a Mitigation Negative Declaration that was prepared for this project.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2020-2021 and 2021-2022, Section 8, Page 54) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Resolution No. OCSD 20-XX

GR:dm:gc

RESOLUTION NO. OCSD 20-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT, MAKING FINDINGS PURSUANT TO PUBLIC CONTRACTS CODE SECTION 3400 IN SUPPORT OF THE SOLE SOURCE SPECIFICATION OF HUBER TECHNOLOGY FOR GRIT WASHING AND DEWATERING SYSTEMS FOR HEADWORKS REHABILITATION AT PLANT NO. 1, PROJECT NO. P1-105

WHEREAS, the Orange County Sanitation District (Sanitation District) is a duly organized County Sanitation District existing pursuant to the County Sanitation District Act, California Health and Safety Code Section 4700, et seq., providing for the ownership, operation, and maintenance of wastewater collection, treatment, and disposal facilities within Orange County, California; and

WHEREAS, Public Contract Code Section 3400 provides that local agencies may describe in the invitation for bids or request for proposals that a particular material, product, thing or service is designated by specific brand or trade name if the awarding authority, or its designee, finds that the product is designated "in order to obtain a necessary item that is only available from one source"; and

WHEREAS, Public Contract Code Section 3400 establishes that an item is available from only one source if there is not an "equal" product, meaning a product that will "function as well, in all essential respects" as the designated product; and

WHEREAS, Carollo Engineers, Inc., the Sanitation District's Design Consultant, has completed the plans and specifications for the Headworks Rehabilitation at Plant No. 1, Project No. P1-105 ("Project"); and

WHEREAS, the Project includes four new grit washing and dewatering units, each with a 250 gallon per minute hydraulic capacity, and ten new grit cyclones, each with a 650 gallon per minute rated design flow; and

WHEREAS, grit cyclones are directly connected to grit washing and dewatering units must therefore be supplied by same supplier as grit washing and dewatering systems; and

WHEREAS, the grit washing and dewatering systems are a critical component of the design to produce a cleaner and drier grit product while minimizing odor generation; and

WHEREAS, the grit washer and dewatering system manufactured by Huber Technology (Huber) is the only system that can produce the required grit product quality; and

WHEREAS, the grit washer and dewatering system manufactured by Huber is the only system that generates such low strength odors that the required air exchange rate within the building housing the system can be substantially reduced; and

WHEREAS, the lower required air flow rate within the building housing the system results in substantial life cycle cost savings compared to competing systems; and

NOW, THEREFORE, in consideration thereof, the Board of Directors of the Orange County Sanitation District, does hereby resolve, declare, determine, and order as follows:

Section 1: All of the recitals herein contained are true and correct.

Section 2: Huber is the only manufacturer of a grit washing and dewatering system that can produce a cleaner, drier grit product and requires a much lower building air flow rate resulting in large life-cycle cost savings for odor control.

Section 3: COANDA Grit Washer, Model RoSF4, Size II, by Huber, in the size of 250 gallon per minute and cyclones as provided by Huber in the size of 650 gallon per minute is a necessary component of the Project design and is only available from one source.

Section 4: The COANDA Grit Washer manufactured by Huber and grit cyclones as provided by Huber meeting the Sanitation District's needs shall be specified by name in the invitation for bids for the Project.

Section 5: This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held on July 22, 2020.

David John Shawver
Board Chairman

ATTEST:

Kelly A. Lore, MMC
Clerk of the Board

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 20-XX was passed and adopted at a regular meeting of said Board on the 22nd day of July 2020, by the following vote, to wit:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 22nd day of July 2020.

Kelly A. Lore, MMC
Clerk of the Board of Directors
Orange County Sanitation District



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1012

Agenda Date: 7/1/2020

Agenda Item No: 11.

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

SUBJECT:

A-SIDE PRIMARY TREATMENT CLARIFIERS REPLACEMENT AT PLANT NO. 2, PROJECT NO. P2-98A

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District, making findings pursuant to Public Contract Code Section 3400 in support of the Sole Source Specification of Hallsten Corporation, manufacturer of Truss Supported Flat Aluminum Covers for A-Side Primary Clarifiers Replacement at Plant No. 2, Project No. P2-98A, as part of Primary Treatment Rehabilitation at Plant No. 2, Project No. P2-98".

BACKGROUND

Orange County Sanitation District's (Sanitation District) primary clarifiers are used to remove suspended solids before biological treatment and can be a significant source of odors. The existing primary treatment system at Plant No. 2 consists of 14 circular clarifiers. The clarifiers are covered with geodesic domes to capture foul air for treatment at two large foul air treatment facilities.

A-Side Primary Clarifiers Replacement at Plant No. 2, Project No. P2-98A, will demolish four existing primary clarifiers, a power building, and an air treatment facility, and will construct four new primary clarifiers with flat covers, a new odor control and chemical facility, a new electrical distribution center building, and ancillary facilities and utilities.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Comply with Public Contract Code Section 3400
- Comply with OCSD Policy - Purchasing Ordinance No. OCSD-52, Section 1.07.A Sole Source Procurement

PROBLEM

The primary clarifiers must be covered to capture foul air. Operations staff, however, need access to the water surface for visual observation and to take daily samples. The two options for the cover are

a dome and a flat cover system. With dome covers, operations staff must walk into the dome, which requires a minimum level of ventilation. The higher air flow requires larger foul air treatment facilities. Flat covers do not require staff entry, so ventilation and foul air treatment requirements are much lower. To provide access to the water surface, however, hinged panels are required.

The design consultant and staff have completed an extensive evaluation of cover options by reviewing similar projects, site visits of other facilities, and literature research. Flat covers have the lowest life cycle cost because they require the smallest amount of air volume to be treated through an odor control system.

The design consultant and staff met with several flat cover manufacturers and determined that Hallsten Corporation (Hallsten) is the only manufacturer that has a proven configuration to provide hinged panels over the entire clarifier water surface. Other manufacturers' systems allow for individual panels to be lifted and removed, but not with a hinge in all areas. For access, each panel must be unscrewed from their supporting trusses prior to removal. Hallsten's cover system utilizes a unique patented hinge arrangement that can be applied to every panel of the cover system, thereby allowing for all panels to be openable by a single person.

PROPOSED SOLUTION

Adopt a resolution supporting the sole sourcing of the flat cover system as provided by Hallsten.

Hallsten has committed to furnish the materials for approximately \$5.3 million. The design consultant and staff have reviewed cost information provided by Hallsten from other projects and have concluded that the proposed cost is fair and reasonable.

TIMING CONCERNS

Without this sole source approval, staff cannot advertise this project for bids. That would delay the start of construction and potentially result in construction cost escalation.

RAMIFICATIONS OF NOT TAKING ACTION

Not selecting Hallsten as a sole source manufacturer will require the specifications be modified to allow other flat cover systems to bid. This would likely result in a flat cover system that does not have full access to the water surface, which would significantly impair the ability of the operations staff to monitor and optimize the performance of the clarifiers. There may also be safety implications if staff attempt to open panels without appropriate hinging.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

N/A

CEQA

The project is exempt from CEQA under the Class 2 categorical exemptions set forth in California Code of Regulations sections 15302 because the project involves replacement or reconstruction of existing structures and facilities where the new structure replaced will have substantially the same purpose and capacity as the structure replaced. A Notice of Exemption was filed with the OC Clerk-Recorder on April 26, 2018 and the Sanitation District's Board of Directors approved the Professional Services Design Agreement on July 7, 2016.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Adopted Budget Fiscal Years 2020-2021 and 2021-2022, Section 8, Page 82) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Resolution No. OCSD 20-XX

SN:dm:gc

RESOLUTION NO. OCSD 20-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT, MAKING FINDINGS PURSUANT TO PUBLIC CONTRACT CODE SECTION 3400 IN SUPPORT OF THE SOLE SOURCE SPECIFICATION OF HALLSTEN CORPORATION, MANUFACTURER OF TRUSS SUPPORTED FLAT ALUMINUM COVERS FOR A-SIDE PRIMARY CLARIFIERS REPLACEMENT AT PLANT NO. 2, PROJECT NO. P2-98A, AS PART OF PRIMARY TREATMENT REHABILITATION AT PLANT NO. 2, PROJECT NO. P2-98

WHEREAS, the Orange County Sanitation District (Sanitation District) is a duly organized County Sanitation District existing pursuant to the County Sanitation District Act, California Health and Safety Code Section 4700, et seq., providing for the ownership, operation, and maintenance of wastewater collection, treatment, and disposal facilities within Orange County, California; and

WHEREAS, Public Contract Code Section 3400 provides that local agencies may describe in the invitation for bids or request for proposals that a particular material, product, thing or service is designated by specific brand or trade name if the awarding authority, or its designee, finds that the product is designated "in order to obtain a necessary item that is only available from one source"; and

WHEREAS, Public Contract Code Section 3400 establishes that an item is available from only one source if there is not an "equal" product, meaning a product that will "function as well, in all essential respects" as the designated product; and

WHEREAS, Black and Veatch, the Sanitation District's Design Consultant is finalizing the plans and specification for the A-Side Primary Clarifiers Replacement at Plant No. 2, Contract No. P2-98A ("Project"); and

WHEREAS, the design of the Project includes a truss-supported flat cover system for four new circular primary clarifiers to capture odor; and

WHEREAS, operation of the primary clarifiers requires full access to the water surface for visual observations and sample collection; and

WHEREAS, based on extensive research, and investigation, Sanitation District staff has determined that Hallsten Corporation (Hallsten) is the only manufacturer of a truss-supported flat cover system the provides full access to the clarifier water surface using hinged covers.

NOW, THEREFORE, in consideration thereof, the Board of Directors of the Orange County Sanitation District, does hereby resolve, declare, determine, and order as follows:

Section 1: All of the recitals herein contained are true and correct.

Section 2: Hallsten is the only manufacturer that has produced a proven truss supported flat cover system meeting the Sanitation District's needs.

Section 3: The truss-support flat cover system as manufactured by Hallsten is a necessary component of the Project design and is only available from one source.

Section 4: The flat cover system as manufactured by Hallsten meeting the Sanitation District's needs shall be specified by name in the invitation for bids for the Project.

Section 5: This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting held on July 22, 2020.

David John Shawver
Board Chairman

ATTEST:

Kelly A. Lore, MMC
Clerk of the Board

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 20-XX was passed and adopted at a regular meeting of said Board on the 22nd day of July 2020, by the following vote, to wit:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 22nd day of July 2020.

Kelly A. Lore, MMC
Clerk of the Board of Directors
Orange County Sanitation District



OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1013

Agenda Date: 7/1/2020

Agenda Item No: 12.

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

SUBJECT:

TPAD DIGESTER FACILITY AT PLANT NO. 2, PROJECT NO. P2-128

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Design Services Agreement with Brown and Caldwell to provide engineering services for Temperature Phased Anaerobic Digestion (TPAD) Digester Facility at Plant No. 2, Project No. P2-128, for an amount not to exceed \$39,300,000; and
- B. Approve a contingency of \$3,930,000 (10%).

BACKGROUND

Sludge is a byproduct of wastewater treatment that requires further processing to reduce pathogens and volatile organic carbon content so the remaining material can be beneficially reused in compliance with state and federal requirements. The Orange County Sanitation District (Sanitation District) uses anaerobic digesters at both plants to stabilize sludge prior to dewatering. Anaerobic digesters are large enclosed concrete structures that require pumping, mixing, heating, and gas handling systems. Anaerobic digesters also generate methane gas used to produce power and heat.

The Sanitation District has 18 digesters at Plant No. 2 that were built from 1959 through 1979. In 2017, the Sanitation District completed a comprehensive Biosolids Master Plan that provided a roadmap and framework for sustainable and cost-effective biosolids management options. The study recommended upgrading the existing digester complex by adding Temperature Phased Anaerobic Digestion (TPAD) facilities including new thermophilic digesters and batch tanks, and refurbishing some existing digesters as the most resilient, lowest lifecycle cost.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability
- Safe, beneficial reuse of Biosolids
- Use all practical and effective means for resource recovery
- Comply with Government Code Section 4526: Select the “best qualified firm” and “negotiate”

PROBLEM

The existing digesters at Plant No. 2 are over 40 years old and are reaching the end of their life and are not seismically sound. The existing facilities cannot produce Class A biosolids which would allow greater flexibility for biosolids reuse. Per the 2017 Biosolids Master Plan, some of these digesters should be replaced by a TPAD digester facility, and a design consultant is required to prepare the design.

PROPOSED SOLUTION

Award a Professional Design Services Agreement for TPAD Digester Facility at Plant No. 2, Project No. P2-128. The new facilities will include a new Digester Feed Facility, thermophilic digesters, batch tanks, heating, cooling, and associated interconnecting pump stations. This facility will produce Class A biosolids and mitigate existing seismic risks.

TIMING CONCERNS

If this project is delayed, the Sanitation District will continue to operate with less reliable digesters and continued seismic risk. Due to escalation, each one-month delay could result in approximately \$1 million higher construction costs.

RAMIFICATIONS OF NOT TAKING ACTION

A seismic event could lead to failures and limit the Sanitation District's ability to process sludge and could result in more costly repairs in the future. The existing digesters will need costly, extensive rehabilitation and soil stabilization to ensure the Sanitation District has reliable digesters for the future.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATIONConsultant Selection:

During the Biosolids Master Plan development, Sanitation District staff realized that the pool of design consultants qualified and able to complete such a large project could be more limited than on smaller projects. Beginning in 2017, the Sanitation District included the project on its monthly Design Request for Proposal (RFP) Schedule, which is published to the external ocsd.com website. Beginning June 2019, the Sanitation District began reaching out to consultants to invite them to meet with staff to discuss the projects goals, objectives, and challenges. Two teams of two consulting firms accepted offers to meet with the Sanitation District to discuss the upcoming project.

The Sanitation District requested and advertised for proposals for TPAD Digester Facility at Plant No. 2, Project No. P2-128, on January 22, 2020. The following evaluation criterion were described in the RFP and used to determine the most qualified Consultant.

| CRITERION | WEIGHT |
|---------------------------------------|--------|
| Project Understanding and Approach | 35% |
| Related Project Experience | 30% |
| Project Team and Staff Qualifications | 35% |

A few weeks before proposals were due, the Sanitation District learned that one of the teams that had previously met with the Sanitation District was no longer planning to submit a proposal. Staff then reached out to all the consultants who had downloaded the RFP with a questionnaire about their intention to bid.

- Two firms confirmed that they will be proposing together as a team.
- One firm had planned to submit as a major subconsultant to the firm who had decided not to submit. At that point, it was much too late to assemble a complete team and prepare a proposal.
- Two firms felt they did not have a high enough probability of winning to justify the cost and effort to propose.
- Two firms said they did not have the team available to propose on a such a large project.
- One firm already has a Sanitation District large contract and did not want to have this project conflict.
- One firm said they ran out of time after trying for months to put a team together.
- The three other firms did not respond to staff's attempts to contact them.

The Sanitation District considered the feedback and concluded that extending the proposal due date would not likely result in additional proposals and the impact to the project schedule and associated construction escalation costs would be greater than the risk of only receiving one proposal.

One proposal was received on March 11, 2020 and evaluated in accordance with the evaluation process set forth in the Sanitation District's Purchasing Ordinance by a pre-selected Evaluation Team consisting of the following Sanitation District staff: Senior Engineer (Project Manager), three Engineering Managers, and one Operations Manager.

The Evaluation Team also included one non-voting representative from the Contracts Administration Division and eight non-voting technical advisors from Sanitation District staff.

The Evaluation Team scored the proposal on the established criterion as summarized in the table below:

| Criterion | Maximum Score | Brown and Caldwell |
|--------------------|---------------|--------------------|
| Approach | 35 | 32 |
| Related Experience | 30 | 28 |
| Team | 35 | 33 |
| Total Score | 100 | 93 |

The proposal demonstrated that Brown and Caldwell has a very clear understanding of the project, including the drivers, issues, and risks. The proposal also demonstrated an effective plan on how to execute the project and design a resilient, optimized facility on schedule.

Contacting other agencies listed as references indicated that those agencies had very high opinions of the work that was done and the professionalism of Brown and Caldwell's team. The proposed team on this project is highly qualified and the work elements are being split between multiple highly experienced project engineers, which further demonstrates Brown and Caldwell's understanding of what the job will require to be successful. Therefore, all members of the Evaluation Team recommended selecting Brown and Caldwell without conducting interviews.

Review of Fee Proposal and Negotiations:

The proposal was accompanied by sealed fee proposals. In accordance with the Purchasing Ordinance, the fee proposal was opened only after approval by the Director of Engineering of the Evaluation Committee's recommendation.

Staff conducted negotiations with Brown and Caldwell 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.

During the first three weeks of negotiations, the Sanitation District met with Brown and Caldwell in eight separate three-hour meetings to confirm in detail the level of effort required to complete the project elements. In addition, focused negotiation meetings were held to provide highly detailed reviews of the project elements and fee. In total, the team met over 20 times with over 50 hours of meetings to conclude negotiations. These meetings allowed the Sanitation District to confirm that the final level of effort and fee truly fit the project requirements.

| | Original Fee Proposal | Negotiated Fee |
|-------------|-----------------------|----------------|
| Total Hours | 191,567 | 185,663 |
| Total Fee | \$39,810,783 | \$39,300,000 |

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 5%, which is based on an established formula based on the Sanitation District's standard design agreements.

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 Design Services Agreement to Brown and Caldwell.

CEQA

This project is included in the Sanitation Districts' Biosolids Master Plan CEQA Program Environmental Impact Report, which was adopted by the Board on June 27, 2018.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted, (Adopted Budget, Fiscal Years 2020-2021 and 2021-2022, Section 8, Page 74) and the project budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Draft Professional Design Services Agreement

VR:dm:gc

PROFESSIONAL DESIGN SERVICES AGREEMENT

THIS 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 "SANITATION DISTRICT", and «CONSULTANT COMPANY», for purposes of this Agreement hereinafter referred to as "CONSULTANT".

WITNESSETH:

WHEREAS, the SANITATION DISTRICT desires to engage a CONSULTANT for **TPAD Digester Facility at Plant No. 2, Project No. P2-128**; and to provide Design services for new thermophilic digesters; batch tanks; new supporting facilities including a new digester feed facility, heating and cooling facilities; and a new Power Building at Plant No. 2; 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, the SANITATION DISTRICT has adopted procedures for the selection of professional services and has proceeded in accordance with said procedures to select a CONSULTANT to perform this work; and,

WHEREAS, at its regular meeting on «Board Meeting Date» the Board of Directors, by Minute Order, accepted the recommendation of the Operations Committee to approve this Agreement between the SANITATION DISTRICT and CONSULTANT.

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. Where approval by the SANITATION DISTRICT 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. CONSULTANT shall respond to all comments, suggestions, and recommendations on the SANITATION DISTRICT's review comment sheets (i.e. DS1, DS2 and DS3). All

comments shall be incorporated into the design prior to the next submittal deadline or addressed, in writing, as to why the comment has 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 work is not performed to the satisfaction of the SANITATION DISTRICT 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. The SANITATION DISTRICT may charge to CONSULTANT all costs, expenses and damages associated with any such corrections or revisions.
- D. All CAD drawings, figures, and other work shall be produced by CONSULTANTS and Subconsultants using the SANITATION DISTRICT CAD Manual. Conversion of CAD work from any other non-standard CAD format to the SANITATION DISTRICT format shall not be acceptable in lieu of this requirement.

Electronic files shall conform to the SANITATION DISTRICT specifications. Any changes to these specifications by the CONSULTANT are subject to review and approval of the SANITATION DISTRICT.

Electronic files shall be subject to an acceptance period of 45 calendar days during which the SANITATION DISTRICT shall perform appropriate reviews and including CAD Manual compliance. CONSULTANT shall correct any discrepancies or errors detected and reported within the acceptance period at no additional cost to the SANITATION DISTRICT.

- E. The CONSULTANT shall ensure that all plans and specifications prepared, or recommended under this Agreement allow for competitive bidding. The CONSULTANT shall design such plans or specifications so that procurement of services, labor or materials are not available from only one source, and shall not design plans and specifications around a single or specific product, piece of major equipment or machinery, a specific patented design or a proprietary process, unless required by principles of sound engineering practice and supported by a written justification that has been approved in writing by the SANITATION DISTRICT. The CONSULTANT shall submit this written justification to the SANITATION DISTRICT prior to beginning work on such plans and specifications. Whenever the CONSULTANT recommends a specific product or equipment for competitive procurement, such recommendation shall include at least two brand names of products that are capable of meeting the functional requirements applicable to the project.
- F. 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 the SANITATION DISTRICT, its agents and employees.

Neither the documents nor their contents shall be released to any third party without the prior written consent of the SANITATION DISTRICT. 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 the SANITATION DISTRICT, (b) subsequently becomes publicly known to the CONSULTANT other than through disclosure by the SANITATION DISTRICT.

2. COMPENSATION

Total compensation shall be paid to CONSULTANT for 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, the SANITATION DISTRICT 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 the SANITATION DISTRICT, CONSULTANT shall provide the SANITATION DISTRICT 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, the SANITATION DISTRICT 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, the SANITATION DISTRICT 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 the attached hourly rate Schedule and as specified in the Scope of Work. The SANITATION DISTRICT 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

The SANITATION DISTRICT 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. The SANITATION DISTRICT shall also pay to CONSULTANT actual costs for equipment rentals, leases or purchases with prior approval of the SANITATION DISTRICT. Upon request, CONSULTANT shall provide to the SANITATION DISTRICT 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 in scope of work resulting from field investigations and field work required by Contract. 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

The SANITATION DISTRICT 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 the SANITATION DISTRICT 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. The SANITATION DISTRICT 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 the SANITATION DISTRICT any excess reimbursements after the reimbursement has been paid by the SANITATION DISTRICT.

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

Local Travel is considered travel by the CONSULTANT within the SANITATION DISTRICT 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 the SANITATION DISTRICT for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of the SANITATION DISTRICT 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 the SANITATION DISTRICT.

Travel Meals – Per-diem rates as approved by IRS shall be utilized for travel meal 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 seventy-five percent (75%) of the not-to-exceed amount of the Agreement, including approved additional compensation, CONSULTANT shall notify the SANITATION DISTRICT 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 the SANITATION DISTRICT’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 the SANITATION DISTRICT 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

The SANITATION DISTRICT, 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 the SANITATION DISTRICT. 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 project element work performed during the period covered by the statement, as may be required by the SANITATION DISTRICT.

Upon approval of such payment request by the SANITATION DISTRICT, payment shall be made to CONSULTANT as soon as practicable of one hundred percent (100%) of the invoiced amount on a per-project-element basis.

If the SANITATION DISTRICT determines that the work under this Agreement or any specified project element hereunder, is incomplete and that the amount of payment is in excess of:

- i. The amount considered by the SANITATION DISTRICT's Director of Engineering to be adequate for the protection of the SANITATION DISTRICT; or
- ii. The percentage of the work accomplished for each project element.

He may, at his discretion, retain an amount equal to that which insures that the total amount paid to that date does not exceed the percentage of the completed work for each project element 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-project-element basis. In the event the SANITATION DISTRICT'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, the SANITATION DISTRICT 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 the SANITATION DISTRICT, 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 the SANITATION DISTRICT a release of all claims against the SANITATION DISTRICT 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT; c) conspires to defraud the SANITATION DISTRICT by getting a false claim allowed or paid by the SANITATION DISTRICT; d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to the SANITATION DISTRICT; or e) is a beneficiary of an inadvertent submission of a false claim to the SANITATION DISTRICT, and fails to disclose the false claim to the SANITATION DISTRICT 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 SANITATION DISTRICT and/or general public upon request, provided the public request is made through SANITATION DISTRICT, 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 Professional 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 Professional Services, shall be the property of the SANITATION DISTRICT. The SANITATION DISTRICT'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. The SANITATION DISTRICT 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 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, 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 the SANITATION DISTRICT.
- 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, the SANITATION DISTRICT will accept State Compensation Insurance Fund, for the required policy of Worker's Compensation Insurance subject to the SANITATION DISTRICT's option to require a change in insurer in the event the State Fund financial rating is decreased below "B". Further, the SANITATION DISTRICT 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 the SANITATION DISTRICT 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: Five million Dollars (\$5,000,000) per occurrence with Ten Million Dollars (\$10,000,000) aggregate unless aggregate applies separately to this project (via use of ISO CG 25 03 or 25 04), then aggregate limit = \$ 5 Million (i.e.; ½ the general aggregate). Said insurance shall include coverage for the following hazards: Premises-Operations, blanket contractual liability (for this Agreement), Ten Million Dollars (\$10,000,000) aggregate for 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 SANITATION DISTRICT 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.

C. Umbrella Excess Liability

The minimum limits of general liability and Automotive 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 automotive liability.

D. Automotive/Vehicle liability Insurance

The CONSULTANT shall maintain a policy of Automotive Liability Insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limits of liability coverage: Combined single limit of One Million Dollars (\$1,000,000) with Two Million (\$2,000,000) aggregate or alternatively, One Million Dollars (\$1,000,000) per person for bodily injury and One Million Dollars (\$1,000,000) per accident for property damage. 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 the SANITATION DISTRICT.

F. Worker's 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 Worker's Compensation Insurance shall be endorsed to provide for a waiver of subrogation in favor of the SANITATION DISTRICT. 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 Ten Million Dollars (\$10,000,000) 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 the SANITATION DISTRICT a certificate of insurance in a form acceptable to the SANITATION DISTRICT 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT before work commences. The SANITATION DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required, at any time. The following are approved forms that must be submitted as proof of coverage:

- Certificate of Insurance ACORD Form 25 (5/2010) or equivalent.
- Additional Insurance (General Liability) (ISO Form) CG2010 11 85 or
The combination of (ISO Forms)
CG 2010 10 01 and CG 2037 10 01

All other Additional Insured endorsements must be submitted for approval by the SANITATION DISTRICT, and the SANITATION DISTRICT may reject alternatives that provide different or less coverage to the SANITATION DISTRICT.
- Additional Insured (Auto Liability) Submit endorsement provided by carrier for the SANITATION DISTRICT approval.
- Waiver of Subrogation State Compensation Insurance Fund Endorsement No. 2570 or equivalent.
- Cancellation Notice State Compensation Insurance Fund Endorsement No. 2065 or equivalent.

I. Cancellation Notice

Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days' prior written notice. The Cancellation Section of ACORD Form 25 (5/2010) shall state the required thirty (30) days' written notification. The policy shall not terminate, nor shall it be cancelled, nor the coverage reduced until thirty (30) days after written notice is given to the SANITATION DISTRICT except for nonpayment of premium, which shall require not less than ten (10) days written notice to the SANITATION DISTRICT. Should there be changes in coverage or an increase in deductible or SIR amounts, the CONSULTANT and its insurance broker/agent shall send to the SANITATION DISTRICT a certified letter which includes a description of the changes in coverage and/or any increase in deductible or SIR amounts. The certified letter must be sent to the attention of Risk Management, and shall be received by the SANITATION DISTRICT not less than thirty (30) days prior to the effective date of the change(s) if the change would reduce coverage or increase deductibles or SIR amounts or otherwise reduce or limit the scope of insurance coverage provided to the SANITATION DISTRICT.

J. Primary Insurance

All liability policies shall contain a Primary and Non Contributory Clause. Any other insurance maintained by the SANITATION DISTRICT shall be excess and not contributing with the insurance provided by CONSULTANT.

K. Separation of Insured

All 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 the SANITATION DISTRICT on the Certificate of Insurance. All deductibles and/or self-insured retentions require approval by the SANITATION DISTRICT. At the option of the SANITATION DISTRICT, either: the insurer shall reduce or eliminate such deductible or self-insured retention as respects the SANITATION DISTRICT; or the CONSULTANT shall provide a financial guarantee satisfactory to the SANITATION DISTRICT guaranteeing payment of losses and related investigations, claim administration and defense expenses.

N. Defense Costs

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 SANITATION DISTRICT 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, requested by SANITATION DISTRICT, 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.

9. PROJECT TEAM AND SUBCONSULTANTS

CONSULTANT shall provide to SANITATION DISTRICT, 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-project-element 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 the SANITATION DISTRICT.

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. SANITATION DISTRICT 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 the SANITATION DISTRICT determines are necessary to discover and verify that the CONSULTANT is in compliance with all requirements under this Agreement. The CONSULTANT shall include the SANITATION DISTRICT's right as described above, in any and all of their subcontracts, and shall ensure that these rights are binding upon all Subconsultants.
- B. SANITATION DISTRICT retains the right to examine CONSULTANT's books, records, documents and any other evidence of procedures and practices that the SANITATION DISTRICT 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 the SANITATION DISTRICT's policy. The CONSULTANT shall make available to the SANITATION DISTRICT for review and audit, all project related accounting records and documents, and any other financial data within 15 days after receipt of notice from the SANITATION DISTRICT. Upon SANITATION DISTRICT's request, the CONSULTANT shall submit exact duplicates of originals of all requested records to the SANITATION DISTRICT. If an audit is performed, CONSULTANT shall ensure that a qualified employee of the CONSULTANT will be available to assist SANITATION DISTRICT'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 the SANITATION DISTRICT.

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 the SANITATION DISTRICT at:

ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708-7018
Attention: Natasha Dubrovski, Contracts Supervisor
Copy: Valerie Ratto, 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 SANITATION DISTRICT's staff must be approved in writing by the SANITATION DISTRICT's Project Manager prior to action from the CONSULTANT.

14. TERMINATION

The SANITATION DISTRICT 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT upon the termination or completion of the work. CONSULTANT agrees to furnish to the SANITATION DISTRICT 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 the SANITATION DISTRICT.

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.

17. AGREEMENT EXECUTION AUTHORIZATION

Both the SANITATION DISTRICT 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, the SANITATION DISTRICT informs CONSULTANT that any part of the services fails to meet those standards, CONSULTANT shall, within the time prescribed by the SANITATION DISTRICT, 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 the SANITATION DISTRICT, which approval shall not be unreasonably withheld), protect and hold harmless the SANITATION DISTRICT and all of SANITATION DISTRICT's officers, directors, employees, CONSULTANT's, 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 the SANITATION DISTRICT'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 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT 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 the SANITATION DISTRICT. A copy of the evaluation shall be sent to the CONSULTANT for comment. The evaluation, together with the comments, shall be retained by the SANITATION DISTRICT and may be considered in future CONSULTANT selection processes.

25. COMPLIANCE WITH SANITATION DISTRICT POLICIES AND PROCEDURES

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

26. CLOSEOUT

When the SANITATION DISTRICT determines that all Work authorized under the Agreement is fully complete and that the SANITATION DISTRICT requires no further work from CONSULTANT, or the Agreement is otherwise terminated or expires in accordance with the terms of the Agreement, the SANITATION DISTRICT 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, the SANITATION DISTRICT 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 the SANITATION DISTRICT.

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 the SANITATION DISTRICT (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 the SANITATION DISTRICT 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 the SANITATION DISTRICT 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.

DRAFT

IN WITNESS WHEREOF, this Agreement has been executed in the name of the SANITATION DISTRICT, by its officers thereunto duly authorized, and CONSULTANT as of the day and year first above written.

CONSULTANT: COMPANY NAME

By _____ Date _____

Printed Name & Title

ORANGE COUNTY SANITATION DISTRICT

By _____ Date _____
David John Shawver
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" – Labor Hour Matrix
Attachment "C" – Conflict of Interest Disclaimer
Attachment "D" – Allowable Direct Costs
Attachment "E" – Fee Proposal
Attachment "F" – Professional Design Services Agreement (PDSA)
Attachment "G" – Acknowledgement of PDSA
Attachment "H" – Professional Construction Services Agreement (PCSA)
Attachment "I" – Cost Matrix and Summary
Attachment "J" – Acknowledgement of Addenda Receipt
Attachment "K" – Minor Subconsultant Hourly Rate Schedule
Attachment "L" – OCSD Safety Standards

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.

PERFLUOROOCTANOIC ACID (PFOA) – An ingredient for several industrial applications including carpeting, upholstery, apparel, floor wax, textiles, sealants, food packaging, and cookware (Teflon).

PERFLUOROOCTANESULFONIC 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.