

MINUTES OF THE SPECIAL OPERATIONS COMMITTEE MEETING

Orange County Sanitation District
Wednesday, May 1, 2019, 4:00 p.m.

A meeting of the Operations Committee was called to order by Committee Chair Bob Collacott on Wednesday, May 1, 2019 at 4:05 p.m. in the Operations and Training Conference Room located at Plant No. 2 Operations Center, 22212 Brookhurst Street, Huntington Beach, CA 92646.

The meeting was recessed to a tour of Plant No. 2 beginning at 4:05 p.m.

The meeting reconvened at 5:00 p.m. Alternate Director Brooke Jones led the Flag Salute. A quorum was declared present, as follows:

COMMITTEE MEMBERS PRESENT:

Robert Collacott, Chair
Mariellen Yarc, Vice-Chair
Brad Avery
Tom Beamish (Alternate)
Allan Bernstein
Doug Chaffee
Brooke Jones (Alternate)
Steve Jones
Lucille Kring
Jesus J. Silva
Schelly Sustarsic (Alternate)
Fred Smith
John Withers, Board Vice-Chair

COMMITTEE MEMBERS ABSENT:

David Shawver, Board Chair

STAFF PRESENT:

Jim Herberg, General Manager
Rob Thompson, Assistant General Manager
Lorenzo Tyner, Assistant General Manager
Celia Chandler, Director of Human Resources
Kathy Millea, Director of Engineering
Lan Wiborg, Director of Environmental Services
Tina Knapp, Assistant Clerk of the Board
Don Cutler
Mike Dorman
Dean Fisher
Alfredo Garcia
Christopher Johnson
Rebecca Long
Kelly Lore
Jeff Mohr
Riaz Moinuddin
Adam Nazaroff
Wally Ritchie
Jim Spears
Don Stokes
MarcoPolo Velasco
Thomas Vu
Eros Yong

OTHERS PRESENT:

Brad Hogin, General Counsel
Denise Barnes, Alternate Director (Anaheim)
Austin Mejia (Supervisor Chaffee's office)

PUBLIC COMMENTS:

None.

REPORT OF GENERAL MANAGER:

General Manager Jim Herberg introduced Lan Wiborg, the newly hired Director of Environmental Services.

REPORT OF COMMITTEE CHAIR:

Committee Chair Collacott did not provide a report.

CONSENT CALENDAR:

1. APPROVAL OF MINUTES (Clerk of the Board)

MOVED, SECONDED, AND DULY CARRIED TO: Approve Minutes of the Regular meeting of the Operations Committee held on April 3, 2019.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: S. Jones and Shawver

2. REHABILITATION OF WESTERN REGIONAL SEWERS, PROJECT NO. 3-64 (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to: Approve a Cost Sharing Agreement between the Orange County Sanitation District and the City of Anaheim for traffic signal construction in conjunction with the Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A, for an amount not to exceed \$220,000.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: S. Jones and Shawver

3. **CAPITAL IMPROVEMENT PROGRAM CONTRACT PERFORMANCE REPORT**
(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, 2019.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: S. Jones and Shawver

4. **PLANT NO. 2 CENTRAL GENERATION STEAM TURBINE REHABILITATION, PROJECT NO. MP-105** (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to: Approve renegotiated Purchase Order terms and conditions with Dresser-Rand for the assessment and standard overhaul of Plant No. 2 Central Generation Steam Turbine Rehabilitation, Project No. MP-105.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: S. Jones and Shawver

5. **QUARTERLY ODOR COMPLAINT REPORT** (Rob Thompson)

Received and filed the Fiscal Year 2018/19 Third Quarter Odor Complaint Report.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: S. Jones and Shawver

NON-CONSENT:

6. **FERRIC CHLORIDE PURCHASE** (Rob Thompson)

Assistant General Manager Rob Thompson provided a PowerPoint presentation that addressed both Item Nos. 6 and 7 and reviewed the purpose and commercial considerations of Ferric Chloride, regional odor control, and collections liquid-phase. Mr. Thompson responded to a question from the Committee

regarding cost trends. At the Committee's request, staff committed to looking into chemical sustainability and responding to the Committee's request and questions.

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

- A. Approve a Purchase Order Agreement with Penccco, Inc. for the purchase of liquid ferric chloride, Specification No. C-2019-1037BD, for the period beginning July 1, 2019 through June 30, 2020, for a unit price of \$597 per dry ton delivered, for an estimated annual amount of \$1,791,000 (plus applicable sales tax) with four (4) one-year renewal options.
- B. Approve a Purchase Order Agreement with Kemira Water Solutions, Inc. for the purchase of liquid ferric chloride, Specification No. C-2019-1037BD, for the period beginning July 1, 2019 through June 30, 2020, for a unit price of \$630 per dry ton delivered, for an estimated annual amount of \$3,150,000 (plus applicable sales tax) with four (4) one-year renewal options; and
- C. Approve a unit price contingency of 10% per agreement.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: S. Jones and Shawver

7. **REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM, SPECIFICATION NO. C-2017-899BD – CONTINGENCY INCREASE** (Rob Thompson)

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to: Approve a unit price contingency increase of \$116.39/dry ton (11.91%) to the Ferrous Chloride Chemical Agreement with Hill Brothers Chemical Company for the Regional Odor and Corrosion Control Services Program, Specification No. C-2017-899BD, for the period beginning July 1, 2019 through June 30, 2020, for a new total contingency amount not to exceed \$136.93/dry ton (26.91%); an estimated total amount of \$2,583,000.

AYES: Avery, Beamish (Alternate), Bernstein, Chaffee, Collacott, Jones (Alternate), Kring, Silva, Sustarsic (Alternate), F. Smith, Withers, and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: S. Jones and Shawver

INFORMATION ITEMS:

**8. CAPITAL IMPROVEMENT PROGRAM PROPOSED BUDGET FOR FY 2019-20
(Kathy Millea)**

Each month, staff provides an informational presentation on topics of interest to the Board of Directors. This month's topic: Orange County Sanitation District Capital Improvement Program Proposed Budget for FY 2019-20. Director of Engineering Kathy Millea provided a PowerPoint presentation that reviewed total CIP budget authority, new projects, top budget increases and decreases, project cancellations/closures, projected FY 2019-20 net CIP outlays by project phase, projected FY 2019-20 net CIP outlays by project driver, and 10-year net CIP outlay: \$2.8 billion, and 20-year net CIP outlay: \$5.5 billion.

Director Steve Jones arrived at 5:34 p.m.

9. FY 2019-20 BUDGET UPDATE (Lorenzo Tyner)

Assistant General Manager Lorenzo Tyner introduced this item and Wally Ritchie, Controller, gave a PowerPoint presentation that provided an overview of the budget, revenue, expenses, operating expenses, Capital Improvement Program, and debt service.

DEPARTMENT HEAD REPORTS:

Ms. Millea introduced Eros Yong who was recently promoted to Engineering Manager.

**CL
OSED SESSION:**

None.

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

None.

BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:

At this time Board members may request staff to place an item on a future agenda.

ADJOURNMENT

Chair Collacott declared the meeting adjourned at 5:45 p.m. to the meeting to be held on Wednesday, June 5, 2019 at 5:00 p.m.

Submitted by,

Tina Knapp

Tina Knapp, CMC
Assistant Clerk of the Board

