

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF  
COUNTY SANITATION DISTRICT NO. 2  
HELD AT THE OFFICE OF THE DISTRICT

June 14, 2023  
1:30 o'clock, P.M.

The Board of Directors of County Sanitation District No. 2 of Los Angeles County met in regular session.

There were present: Adele Andrade-Stadler, Director from Alhambra  
Ali Sajjad Taj, Alternate Director from Artesia  
Ali Saleh, Alternate Director from Bell  
Sonny Santa Ines, Director from Bellflower  
Bruce Barrows, Director from Cerritos  
Hugo Argumedo, Director from Commerce  
Emma Sharif, Director from Compton  
Claudia Frometa, Director from Downey  
Suely Saro, Alternate Director from Long Beach  
Tim McOsker, Alternate Director from Los Angeles City  
David Torres, Director from Montebello  
Jennifer Perez, Alternate Director from Norwalk  
Tony Ding, Alternate Director from San Gabriel  
Maria Avalos, Director from South Gate  
Crystal Larios, Director from Vernon  
Janice Hahn, Director from Los Angeles County  
Cathy Warner, Chairperson, Alternate Director from Whittier

Absent: Alejandra Cortez, Director from Bell Gardens  
Jose Sanchez, Director from Monterey Park  
Isabel Aguayo, Director from Paramount  
Erik Lutz, Director from Pico Rivera

Also present: Kimberly S. Christensen, Secretary to the Board  
Jessica Lienau, District Counsel

**CONSENT AGENDA**

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the Consent Agenda was approved as follows:

RE: PUBLIC COMMENT The Chairperson announced this was the time for any questions or comments by members of the public. There were no public comments or questions to address the Board on any matters.

RE: ALTERNATE DIRECTOR FROM CITY OF CERRITOS A copy of an action taken by the City Council of the City of Cerritos at a meeting held May 11, 2023, was presented to the Secretary stating that Mr. Naresh Solanki, a member of the City Council of the City of Cerritos, was appointed to serve as alternate Director from the city, was accepted and ordered filed.

RE: ALTERNATE DIRECTOR FROM CITY OF VERNON A copy of an action taken by the City Council of the City of Vernon at a meeting held January 17, 2023, was presented to the Secretary stating that Ms. Judith Merlo, a member of the City Council of the City of Vernon, was appointed to serve as alternate Director from the city, was accepted and ordered filed.

RE: MINUTES The minutes of the regular meeting held May 24, 2023, were approved.

RE: DISTRICT EXPENSES The following expenses for the month of March 2023 were presented and approved:

|                                 | District<br>No. 2 | Joint<br>Administration | Technical<br>Support | Joint Outfall<br>System | Solid Waste<br>System | Stormwater     |
|---------------------------------|-------------------|-------------------------|----------------------|-------------------------|-----------------------|----------------|
| Operations & Maintenance        | \$20,695          | \$1,671,610             | \$4,963,044          | \$22,773,620            | \$8,296,600           | <u>\$8,263</u> |
| Capital                         | <u>10,035</u>     | <u>144,765</u>          | <u>370,887</u>       | 15,726,728              | 1,378,481             |                |
| Allocated Expenses:             |                   |                         |                      |                         |                       |                |
| Joint Administration            |                   |                         |                      | 4,266,819               | 1,630,988             |                |
| Joint Outfall Technical Support |                   |                         |                      | <u>4,116,291</u>        | <u>243,313</u>        |                |
| Total Expenses:                 | <u>\$30,730</u>   | <u>\$1,816,375</u>      | <u>\$5,333,931</u>   | <u>\$46,883,458</u>     | <u>\$11,549,382</u>   | <u>\$8,263</u> |

RE: WASTEWATER MANAGEMENT  
LOS COYOTES WATER RECLAMATION  
PLANT PRIMARY STRUCTURES  
CONCRETE AND LINING REPAIRS  
J. F. SHEA CONSTRUCTION, INC.  
CONTRACT NO. 5322  
ACCEPTANCE OF THE WORK

J. F. Shea Construction, Inc., has completed the work in connection with Contract No. 5322 for construction of the *Los Coyotes Water Reclamation Plant (WRP) Primary Structures Concrete and Lining Repairs* (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of repairing corroded concrete surfaces and replacing deteriorated protective coating and lining systems in the primary treatment structures at Los Coyotes WRP. The Project also modified and replaced deteriorated equipment including the sludge collection systems, gates, piping, and associated electrical power systems. Thirty-one change orders totaling \$1,611,039.30 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5322, entered into by J. F. Shea Construction, Inc., on December 23, 2020, for construction of the *Los Coyotes Water Reclamation Plant Primary Structures Concrete and Lining Repairs*, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$21,922,985.65 was authorized in accordance with the terms of the contract.

RE: SOLID WASTE MANAGEMENT  
SCHOLL CANYON LANDFILL GAS  
COLLECTION SYSTEM - 2022  
TETRA TECH BAS, INC. - CONTRACT  
NO. 5408 - ACCEPTANCE OF THE WORK

Tetra Tech BAS, Inc., has completed the work in connection with Contract No. 5408 for construction of the *Scholl Canyon Landfill Gas Collection System - 2022* (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of expanding and modifying the existing gas collection system to support landfill operations and ensure continued compliance with South Coast Air Quality Management District regulations. The Project constructed approximately 6,800 feet of gas collection trenches, approximately 5,500 feet of gas header pipe, 36 gas collection wells, and all associated components. Five change orders totaling \$80,749.53 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5408, entered into by Tetra Tech BAS, Inc., on January 24, 2022, for construction of the *Scholl Canyon Landfill Gas Collection System - 2022*, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$2,758,657.38 was authorized in accordance with the terms of the contract.

## REGULAR AGENDA

RE: WASTEWATER MANAGEMENT  
JOINT OUTFALL D UNIT 5 TRUNK  
SEWER REHABILITATION  
AWARD CONTRACT NO. 5538  
TO SAK CONSTRUCTION, LLC  
ORDER SECRETARY TO EXECUTE

The *Joint Outfall D Unit 5 Trunk Sewer Rehabilitation* (Project) will consist of rehabilitation of approximately 2,018 feet of existing 36-inch and 42-inch corroded concrete pipe and appurtenant structures that were constructed in 1950. The work is located within the City of Torrance and unincorporated Los Angeles County as was shown on the map attached to the agenda. The bid

summary/recommendation to award was attached to the agenda. Staff has determined that the Project is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Sections 21080(b)(4) and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15301. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost

effectiveness). The bids received at the District's office on May 16, 2023, for construction of the Project are as follows:

| <u>BIDDER</u>                | TOTAL BID      |
|------------------------------|----------------|
| SAK Construction, LLC        | \$2,073,651.00 |
| Insituform Technologies, LLC | \$2,644,816.00 |

The bid of SAK Construction, LLC, was the lowest bid received and that SAK Construction, LLC, was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to SAK Construction, LLC, at the unit prices stated in its bid amounting to approximately \$2,073,651. Furthermore, a recommendation was made to order staff to review the insurance and surety bonds for performance and payment and, if sufficient, order the Secretary to execute the contract with SAK Construction, LLC, for construction of the Project.

Upon motion of Director Taj, duly seconded and unanimously carried, Contract No. 5538 for construction of the *Joint Outfall D Unit 5 Trunk Sewer Rehabilitation* was awarded to the lowest, regular, responsible bidder, to wit: SAK Construction, LLC, at the unit prices stated in its bid amounting to approximately \$2,073,651. Furthermore, the Board of Directors of County Sanitation District No. 5538 of Los Angeles County ordered the staff to review the insurance and surety bonds for performance and payment and, if sufficient, ordered the Secretary to execute the contract with SAK Construction, LLC, for construction of the Project.

RE: SOLID WASTE MANAGEMENT  
PUENTE HILLS GAS-TO-ENERGY  
FACILITY - OVERHAUL OF FUJI STEAM  
TURBINE VALVES - REPORT ON BIDS  
AND AWARD OF ORDER

On May 12, 2023, two bids were received at the District's office for *Overhaul of Fuji Steam Turbine Valves at Puente Hills Gas-to-Energy Facility*. The Fuji steam turbine and generator have been in operation since its last major inspection and repair in April 2019. Fuji, the original turbine manufacturer, recommends that the main stop and control valves be overhauled every two to three years. The bid summary/recommendation to award was attached to the agenda. Staff has determined that the valves can function reliably up to five years in between services and have been on a five-year overhaul schedule for many years. In total, there are six valves that are going to be serviced by Ethos Energy Field Services under this purchase order. Properly functioning valves are necessary for safe and reliable turbine operation. This item is consistent with the Districts' Guiding Principle to protect financial and facility assets through prudent investment and maintenance programs. A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to award a purchase order to the low bidder, Ethos Energy Field Services, in the amount of approximately \$101,622.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to the low bidder, Ethos Energy Field Services, for *Overhaul of Fuji Steam Turbine Valves at Puente Hills Gas-to-Energy Facility*, in the amount of approximately \$101,622 and in accordance with the bids received May 12, 2023.

RE: SOLID WASTE MANAGEMENT  
CALABASAS AND SCHOLL CANYON  
LANDFILLS - WATER TRUCK DUST  
CONTROL SERVICES - REPORT ON BIDS  
REJECT AND AUTHORIZE ISSUANCE OF  
PURCHASE ORDER TO WEST-MARK AND  
CONFIRM PURCHASE ORDER TO  
HERC RENTALS, INC.

One bid was received on October 6, 2022, at the District office, for *Water Truck Dust Control Services at Calabasas and Scholl Canyon Landfills*, per the summary attached to the agenda. Water trucks are required for dust control at Districts-operated landfills. Previously, the Districts used contracted services to supplement Districts' resources. On April 29, 2022, the contracted vendor, D. & V. Porter Enterprises, Inc., ceased providing services and the Districts was required to rent water trucks to meet

ongoing requirements. Bids were solicited for new service providers, but the sole bid was considered non-responsive. As a result, staff recommends purchasing new water trucks through the Sourcewell Cooperative Purchase Agreements (Sourcewell). Sourcewell provides nationally leveraged and competitively solicited purchasing contracts. Sourcewell provides a 24 percent discount off the list price for West-Mark manufactured products. Purchasing the equipment through Sourcewell is the most cost-effective means of procurement. In May 2022, Herc Rentals, Inc., (Herc) started providing rental water trucks through their Omnia Partners Cooperative Purchasing Agreement to meet the Districts' short-term requirements. The continued rental of up to five water trucks will be required until the new water trucks are delivered in April 2024. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to reject the sole bid received. Furthermore, a recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to West-Mark in the amount of approximately \$882,819 for five Freightliner 4,000 gallon water trucks; and for the Board to confirm the issuance of a purchase order to Herc in the total amount of approximately \$422,265 for water truck rental for a 24-month period.

Upon motion of Director Taj, the only bid received on October 6, 2022, for *Water Truck Dust Control Services at Calabasas and Scholl Canyon Landfills* was rejected. Furthermore, the Purchasing Agent was authorized to issue a purchase order to West-Mark for five Freightliner 4,000 gallon water trucks, at a cost of approximately \$882,819; and the Board confirmed the issuance of a purchase order to Herc Rentals, Inc., in the amount of approximately \$422,265 for water truck rental for a 24-month period.

RE: FACILITIES PLANNING  
ON-CALL PROFESSIONAL BIOLOGICAL  
RESOURCES SUPPORT SERVICES FOR  
VARIOUS PROJECTS - AUTHORIZE  
ISSUANCE OF PURCHASE ORDER TO  
CHAMBERS GROUP

Consulting services are necessary to provide specialized expertise for required biological surveys and construction monitoring activities for various wastewater and solid waste projects. It is more cost and time effective to use an on-call consultant to perform these services rather than to issue separate requests for proposals for each project due to their small size. Proposals were solicited

from 16 qualified firms and 5 were received. Chambers Group was the highest ranked firm based on qualifications and cost. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Chambers Group in the amount of approximately \$120,000 for On-Call Professional Biological Resources Support Services for various projects.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to Chambers Group for On-Call Professional Biological Resources Support Services for various projects, at a cost of approximately \$120,000.

RE: WASTEWATER MANAGEMENT  
SAN JOSE CREEK WATER RECLAMATION  
PLANT - PROFESSIONAL SERVICES AND  
EQUIPMENT TO UPGRADE THREE VIBRATION  
MONITORING SYSTEMS FOR PROCESS AIR  
COMPRESSORS - AUTHORIZE ISSUANCE OF  
PURCHASE ORDER TO BENTLY NEVADA, LLC

The vibration monitoring systems on the three Process Air Compressors (PACs) at the San Jose Creek Water Reclamation Plant (WRP) are obsolete and no longer supported by the manufacturer. The Vibration Monitoring Systems (VMS) is integral to the operation of the PACs as it protects the equipment from potential damage due to unsafe operating conditions. The PACs provide compressed air to the biological process and are highly

critical for compliant operations and the reliable production of recycled water. Bently Nevada, LLC (Bently), is the original equipment manufacturer of the VMS and is able to upgrade the existing systems without completely replacing them. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Bently in the amount of approximately \$136,627 for professional services and equipment to upgrade three VMS for PACs at the San Jose Creek WRP.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to Bently Nevada, LLC, for professional services and equipment to upgrade three vibration monitoring systems for process air compressors at the San Jose Creek Water Reclamation Plant, at a cost of approximately \$136,627.

RE: JOINT ADMINISTRATION - SELF-INSURED  
WORKERS' COMPENSATION PROGRAM  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO CORVEL CORPORATION

The Districts is self-insured for workers' compensation liability with a third party administering the claims. The Districts entered into a three-year agreement with CorVel Corporation (CorVel) effective September 1, 2019, with the option to renew the agreement for two subsequent

one-year periods. Staff recommends exercising the option to renew the agreement for a final one-year period from September 1, 2023, through August 31, 2024. For each year of the three-year agreement, CorVel increased prices by 3.5 percent and by 5.4 percent for the initial one-year extension. Due to increases in costs, the rates will be increased by 5 percent for this additional year. This item is consistent with the Districts' Guiding Principles of commitment to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to CorVel in the amount of approximately \$171,071 to administer Districts' self-insured workers' compensation program for a one-year period.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to CorVel Corporation to administer Districts' self-insured workers' compensation program for a one-year period, at a cost of approximately \$171,071.

RE: SOLID WASTE MANAGEMENT  
CALABASAS LANDFILL  
BREAKROOM/LOCKER-ROOM TRAILER  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO WILLIAMS SCOTSMAN, INC.

The office and breakroom/locker-room building at the Calabasas Landfill (CALF) was destroyed during the Woolsey Fire in November 2018. Since then, the site has been renting a Breakroom/Locker-Room Trailer (BRT) to support operations and maintenance staff. Staff recommends the purchase of a new BRT from Williams

Scotsman, Inc., (WilScot) through the Omnia Partners Master Intergovernmental Cooperative Purchasing Agreement (Omnia Partners). Omnia Partners provides nationally leveraged and competitively solicited purchasing contracts. Purchasing the trailer through Omnia Partners is the most cost-effective means of procurement. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to WilScot in the amount of approximately \$332,565 for the purchase of a BRT to replace a building destroyed in the 2018 Woolsey Fire at the CALF.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to Williams Scotsman, Inc., for the purchase of a breakroom/locker-room trailer to replace a building destroyed in the 2018 Woolsey Fire at the Calabasas Landfill, at a cost of approximately \$332,565.

RE: WASTEWATER MANAGEMENT  
SAN JOSE CREEK WATER RECLAMATION  
PLANT - PROCESS LOGIC CONTROLLERS,  
NETWORK SWITCHES, AND ASSOCIATED  
DEVICES TO UPGRADE SUPERVISORY  
CONTROL AND DATA ACQUISITION SYSTEM  
AUTHORIZE ISSUANCE OF PURCHASE ORDER  
TO ROYAL INDUSTRIAL SOLUTIONS

The San Jose Creek Water Reclamation Plant (WRP) Supervisory Control and Data Acquisition (SCADA) system is a computer-based system manufactured by Rockwell Automation (Allen-Bradley) for gathering and analyzing real-time data to monitor and control various treatment processes and equipment to ensure fully compliant operations. Portions of the SCADA hardware have been in service for more than 30 years, are nearing the end of their useful life, are obsolete, and have been

discontinued by the manufacturer. Replacement hardware is only available from Royal Industrial Solutions (Royal), the manufacturers' authorized representative. The upgrade will increase reliability of the SCADA system to ensure the safe, efficient, and reliable operation of processes and equipment. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Royal in the amount of approximately \$363,710 for process logic controllers, network switches, and associated devices to upgrade the SCADA system at the San Jose Creek Water Reclamation Plant.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to Royal Industrial Solutions for process logic controllers, network switches, and associated devices to upgrade the Supervisory Control and Data Acquisition System at San Jose Creek Water Reclamation Plant, at a cost of approximately \$363,710.

RE: WASTEWATER MANAGEMENT  
POMONA WATER RECLAMATION PLANT  
ALUMINUM ODOR CONTROL COVERS  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO HALLSTEN CORPORATION

Odor control covers are used at the plant to prevent the migration of foul odors offsite. The existing covers do not provide adequate odor control as they are not designed to be air-tight, which can allow fugitive emissions of odors. Additionally, they show signs of accelerated corrosion and should be replaced before

failure. Hallsten Corporation (Hallsten) aluminum covers have a gasketed air-tight design and have been used in similar applications at other treatment plants and Districts' facilities. They also have demonstrated superior corrosion resistance and strength. Hallsten aluminum covers are competitively priced and offer superior structural integrity over those of other cover manufacturers. The item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Hallsten in the amount of approximately \$643,250 for aluminum odor control covers at the Pomona Water Reclamation Plant.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to Hallsten Corporation for aluminum odor control covers at the Pomona Water Reclamation Plant, at a cost of approximately \$643,250.

RE: SOLID WASTE MANAGEMENT  
TEMPORARY LABOR SERVICES AT  
DISTRICTS' SOLID WASTE FACILITIES  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO IQ PERSONNEL, INC.

Temporary labor services are required at Districts' solid waste facilities to perform responsibilities of hazardous waste and landfill gas technicians. A temporary labor services purchase order allows the Districts to adjust staffing to handle changing workload, cover vacancies, and to provide assistance in conducting compliance

activities. In April 2023, the Districts issued a Request for Proposals (RFP) which was sent to four companies. Two proposals were received and all were deemed responsive. IQ Personnel, Inc., provided the highest rated and lowest cost proposal. In accordance with the RFP, the purchase order will have a three-year term with two additional one-year extensions upon mutual agreement, which would be subject to future Board authorization. Under this purchase order, the cost is estimated to be approximately \$1,448,000 for the three-year term. This item is consistent with the Districts' Guiding Principles to plan for both short-term and long-term needs to minimize the need for significant rate increases; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to IQ Personnel, Inc., in the amount of approximately \$1,448,000 for temporary labor services at Districts' solid waste facilities for a three-year period.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to IQ Personnel, Inc., for temporary labor services at Districts' solid waste facilities for a three-year period, at a cost of approximately \$1,448,000.

RE: FACILITIES PLANNING - ON-CALL  
ENVIRONMENTAL CONSULTING SERVICES  
IN SUPPORT OF CALIFORNIA ENVIRONMENTAL  
QUALITY ACT/NATIONAL ENVIRONMENTAL  
POLICY ACT REQUIREMENTS - AUTHORIZE  
ISSUANCE OF PURCHASE ORDERS TO AECOM  
AND DUDEK

Consulting services are necessary to provide specialized expertise and augment Districts' staff in preparing California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA) documents for projects. On-call consulting services are used for smaller projects or those that have short timeframes for completion. Proposals were solicited from 36 qualified firms, and proposals from 6 firms were received. AECOM and

Dudek were the highest ranked firms. Splitting the work between the two highest ranked firms allows each project to be assigned according to consultant expertise and availability. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue purchase orders to AECOM in the amount of approximately \$300,000 and to Dudek in the amount of approximately \$300,000 for on-call environmental consulting services in support of CEQA/NEPA requirements for various projects.

Upon motion of Director Taj, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue purchase orders to AECOM and Dudek for on-call environmental consulting services in support of California Environmental Quality Act/National Environmental Policy Act requirements for various projects, at a cost of approximately \$300,000 each.

RE: SOLID WASTE MANAGEMENT - PARTS  
AND SERVICE TO SUPPORT DISTRICTS'  
FLEET OF CATERPILLAR EQUIPMENT  
QUINN COMPANY - CONTRACT NO. 5540  
APPROVE AND AUTHORIZE ISSUANCE OF  
PURCHASE ORDER

The Districts currently owns and operates a fleet of 50 pieces of heavy equipment manufactured by Caterpillar. This equipment is predominately used in Solid Waste Operations. Quinn Company (Quinn) is the only authorized Original Equipment Manufacturer (OEM) dealer for Caterpillar equipment in Los Angeles County. By entering into an agreement, Quinn will provide percentage

discounts, up to 37 percent, on commonly used parts and services to help support the Districts' fleet of Caterpillar equipment. The use of OEM parts has proven to be the most cost-effective way to maintain the fleet when factoring in the extended warranties provided by the dealer. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to approve and order executed a *Customer Service Agreement* (Agreement) with Quinn. Furthermore, a recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Quinn in the amount of approximately \$3,000,000 for parts and service of Caterpillar equipment for a three-year period.

Upon motion of Director Taj, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 2 of Los Angeles County found and determined that it would be to the advantage of the District to enter into a *Customer Support Agreement* with Quinn Company providing for percentage discounts on commonly used parts and services, as set forth in the Agreement and under terms and conditions contained therein. All the terms and conditions of the *Customer Support Agreement*, Contract No. 5540, dated June 14, 2023, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Agreement on behalf of the District. Furthermore, the Purchasing Agent was authorized to issue a purchase order

to Quinn Company for parts and service of Caterpillar equipment for a three-year period, at a cost of approximately \$3,000,000.

RE: WASTEWATER MANAGEMENT  
SAN JOSE CREEK WATER RECLAMATION  
PLANT INFLUENT SEWER REHABILITATION  
MLADEN BUNTICH CONSTRUCTION CO., INC.  
CONTRACT NO. 5495 - APPROVE CHANGE  
ORDER NO. 1 - EXTRA WORK

During a recent inspection of an existing diversion structure at the San Jose Creek Water Reclamation Plant (WRP), it was revealed that significant concrete corrosion of the structure walls had damaged the cast-in-place slide gate and prevented it from fully closing. This diversion structure is a critical facility at the San Jose Creek WRP and is used to direct flow into the treatment

plant or to be bypassed into the downstream collection system. Although the slide gate remains functional, the accelerated replacement of the diversion structure is required to restore operational reliability and to prevent the risk of overflows in downstream sewers that have limited capacity. A cost proposal for construction of a new diversion structure was requested from the contractor due to their qualifications, experience, availability, and the proximity of the work in relation to the ongoing *San Jose Creek WRP Influent Sewer Rehabilitation* (Project). Staff has determined that the cost proposal submitted is cost effective and in accordance with industry standards. In the event that a final negotiated lump sum cost for the work cannot be reached, the cost will then be established on an actual time and material basis. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). The claim has been reviewed and the work determined to be beyond the scope of the plans and specifications. A recommendation was made to approve Change Order No. 1 to Contract No. 5495 with Mladen Buntich Construction Co., Inc., for Construction of the *San Jose Creek WRP Influent Sewer Rehabilitation*; resulting in estimated payment of \$1,000,000 for extra work.

Upon motion of Director Taj, duly seconded and unanimously carried, Change Order No. 1 to Contract No. 5495 with Mladen Buntich Construction Co., Inc., for the construction of *San Jose Creek Water Reclamation Plant Influent Sewer Rehabilitation*, resulting in a payment of \$1,000,000, was approved.

RE: TECHNICAL SERVICES - INLAND  
EMPIRE REGIONAL COMPOSTING AUTHORITY  
ONE-HALF OF CAPITAL COSTS OF INLAND  
EMPIRE REGIONAL COMPOSTING FACILITY  
BUDGETED FOR FISCAL YEAR 2022-2023  
AUTHORIZE PAYMENT

The Board previously approved the Joint Powers Agreement (JPA) forming the Inland Empire Regional Composting Authority (IERCA), the purpose of which was to design, construct, and operate a biosolids composting facility along with the Inland Empire Utilities Agency (IEUA). The composting facility has been operational since 2007 and has a capacity of 150,000 tons of

biosolids per year, approximately 75,000 tons each for IEUA and the Districts. On June 6, 2022, the IERCA Board of Directors approved a budget for fiscal year 2022-2023, which included a request for \$1,600,000 in additional capital funds that cannot be accrued through normal operating revenue sources. A portion of the requested funds will be used to replenish the capital reserve fund to meet the minimum fund balance threshold that is established in the IERCA Capital Reserve Policy. The remainder of the funds will be for the purchase of two front-end loaders that are necessary to maintain the existing equipment fleet. Under the terms of the JPA, the Districts is responsible for one-half of the capital costs, or \$800,000. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15301. This expenditure is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize payment to the IERCA in the amount of \$800,000 for one-half of capital costs of Inland Empire Regional Composting Facility budgeted for fiscal year 2022-2023.

Upon motion of Director Taj, duly seconded and unanimously carried, payment of \$800,000 to Inland Empire Regional Composting Authority was authorized for one-half of capital costs of the Inland Empire Regional Composting Facility budgeted for fiscal year 2022-2023.

RE: FINANCIAL MANAGEMENT  
INTRODUCE ORDINANCE PRESCRIBING  
FEE AND CHARGE RATES FOR SOLID WASTE  
MANAGEMENT ACTIVITIES AT THE SCHOLL  
CANYON LANDFILL

A proposed *Ordinance Prescribing Fee and Charge Rates for Solid Waste Management Activities at the Scholl Canyon Landfill* (Ordinance) was presented to the Board for consideration and introduction. The District operates the Scholl Canyon Landfill (SCLF) on behalf of the City of Glendale (City) and the County of Los

Angeles (County) under a joint powers agreement. Approximately 50 percent of the tipping fee revenue funds the landfill's operating and capital costs, with the remainder paid to the City in the form of host payments and lease payments. The District operates at cost and is not responsible for shortfalls in revenue. A letter describing the recommended Board action and a copy of the proposed Ordinance accompanied the agenda. The Ordinance would increase the municipal solid and inert waste (MSW) rate at the SCLF from \$76.37 per ton to \$95.46 per

ton effective August 1, 2023. Changes to the rates for hard-to-handle and bulky items, special handling, and pull-offs are also proposed. The proposed rate increases are necessary to offset increasing operational and capital costs. The City and County have concurred with the increases. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases. A recommendation was made to waive the reading of the Ordinance in its entirety.

Upon motion of Director Taj, duly seconded and unanimously carried, an *Ordinance Prescribing Fee and Charge Rates for Solid Waste Management Activities at the Scholl Canyon Landfill* was introduced, and after reading of the title thereof, further reading of the Ordinance was waived.

RE: APPROPRIATIONS LIMIT  
FOR FISCAL YEAR 2023-24  
ESTABLISH AND ADOPT

A letter discussing the 2023-24 fiscal year budget matters accompanied the agenda. The Government Code requires the governing body of each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year.

The documentation used in the determination of the appropriations limits must be available 15 days prior to this action being taken. The method by which the Districts' appropriations limits were calculated has been available to the public at the Districts' Joint Administration Office since May 18, 2023, and was provided to the Directors with the letter of June 2, 2023, mailed with the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short and long term needs to minimize the need for significant rate increases.

The appropriations limit for fiscal year 2023-24 has been determined by adjusting the previous fiscal year's limits using the factors specified in the Government Code. The appropriations limit has also been adjusted to include mandated costs, all in accordance with the procedures outlined in Article XIII B of the Constitution and Section 7910 of the Government Code. A recommendation was made that, in order to comply with legal requirements, this Board adopt an appropriations limit of \$41,925,899 for fiscal year 2023-24.

Upon motion of Director Taj, duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED, that pursuant to Section 7910 of the Government Code of the State of California, the Board of Directors of County Sanitation District No. 2 of Los Angeles County does hereby establish and adopt an appropriations limit of \$41,925,899 for fiscal year 2023-24, utilizing the population change and the change in the personal per capita income.

RE: BUDGET 2023-24  
OPERATING FUND

The Chief Engineer and General Manager introduced Mr. Matt Eaton, Deputy Assistant Chief Engineer, to give a brief presentation of the wastewater budget matters for Fiscal Year 2023-24.

ters for Fiscal Year 2023-24.

Mr. Eaton stated that today's agendas include items related to wastewater matters and he would spend a few minutes providing an overview of the final budgets, which are attached to the Director's agendas.

The final budgets are consistent with preliminary budgets presented earlier in the year and with the detailed presentation given to the Personnel Committee in January. For today's meeting all Districts, except District No. 4, are part of the Joint Outfall System (JOS). These Districts operate as one physical system of sewers and water reclamation plants, with each District paying for its share of expenses. The vast majority of costs for each District go toward the JOS.

He showed a slide of a simplified summary of the JOS final budget. Operating revenue consists of the payments from individual Districts, contracts and industrial waste revenue. Non-operating revenue is interest. Capital revenue is capital payments from individual Districts and connection fees, plus additional debt proceeds budgeted at approximately \$290 million in next fiscal year. The expenses are those required for ongoing operations, capital projects and debt service.

As previously discussed a number of times over the last year or so, capital spending has increased significantly and is projected to continue, due to the desire to accelerate sewer repair and rehabilitation work, for new water recycling projects, and for potential future regulatory requirements. In addition, Operations and Maintenance costs have been increasing more than expected primarily due to chemicals and utilities. As a result, the JOS is drawing down reserves and will be issuing the new debt as mentioned. Although reserves are projected to be at 74 percent of target at the end of the year, the Districts expect to approach target in the following three to five years. The amount of reserves is more than adequate to cover current needs.

The JOS current service charge rates are part of a four-year package with annual rate increases of about two percent in most Districts. In 2026, a new rate package will be presented. We expect the next round of



increases to be significantly higher – at least 10 percent per year. Despite the higher increase, rates are expected to remain below those of comparable agencies for the foreseeable future.

In a letter dated June 2, 2023, to the Board, matters were discussed pertaining to the budget for the 2023-24 fiscal year. A sewerage system final budget for the 2023-24 fiscal year was presented and a recommendation was made that the budget be adopted.

Upon motion of Director Taj, duly seconded and unanimously carried, the sewerage system final budget for 2023-24 was approved, adopted, and ordered filed.

RE: TAX LEVY  
OPERATING FUND

Data for the tax levy necessary for the Operating Fund was presented and a recommendation was made that the tax levy be requested in accordance therewith.

Upon motion of Director Taj, duly seconded and unanimously carried, the following resolution was adopted:

BE IT HEREBY DETERMINED, RESOLVED, AND ORDERED AS FOLLOWS:

That pursuant to the provisions of Article 6, Section 4815 of the County Sanitation District Act (Chapter 3, Part 3, Division V, of the Health & Safety Code of the State of California), the Board of Directors of County Sanitation District No. 2 of Los Angeles County does hereby find and declare that the sum of \$9,195,000 is and will be the amount necessary to maintain, operate, extend, or repair any work or improvements of the District for the collection, treatment, and disposal of sewage, and to defray all other expenses incidental to the exercise of any of the District's powers, except the amounts necessary to acquire, construct, maintain, and operate a refuse transfer or disposal system, or both, and any other expenses incidental to the operation of the system during the ensuing year and prior to the annual levy of taxes for the fiscal year 2024-25, and the Board of Supervisors of Los Angeles County is hereby requested to cause to be levied and collected at the same time and in the same manner as the next general tax levy for the County a tax upon the real property in the District, in an amount sufficient to raise the required amount, to wit: \$9,195,000, to be paid into the County Treasury to the credit of the Operating Fund of the District.

The Secretary is hereby instructed to furnish a copy of this resolution and statement to the Board of Supervisors of Los Angeles County at least fifteen (15) days before the first day of September 2023.

RE: APPROPRIATIONS  
OPERATING FUND 2023-24

Upon motion of Director Taj, duly seconded and unanimously carried, the appropriations from the Operating Fund for Fiscal Year 2023-24 were ordered made as

shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

RE: SOLID WASTE MANAGEMENT  
JN GREASE SERVICES, INC. - AUTHORIZE  
SETTLEMENT OF FOOD WASTE DELIVERIES  
PAYMENT OBLIGATIONS

Company representatives have not responded to requests to remedy their outstanding balance and have not met proposals to incrementally pay the balance in regular installments. This authorization includes any amounts otherwise due and any additional amounts that become

due prior to the institution of litigation, during the litigation, and/or prior to settlement. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to authorize settlement of food waste deliveries payment obligations of JN Grease Services, Inc., in the principal sum of \$165,651.04, and authorize the Chief Engineer and General Manager and District Counsel to take all appropriate steps to secure collection of all past due amounts including authority to institute litigation, stipulate to judgment, and execute a *Settlement Agreement* that provides for the payment of indebtedness on a periodic basis.

Upon motion of Director Taj, duly seconded and unanimously carried, settlement of food waste deliveries payment obligations of JN Grease Services, Inc., in the principal sum of \$165,651.04, and the Chief Engineer and General Manager and District Counsel were authorized to take all appropriate steps to secure collection of all past due amounts including authority to institute litigation, stipulate to judgment, and execute a *Settlement Agreement* that provides for the payment of indebtedness on a periodic basis.

RE: SOLID WASTE MANAGEMENT  
FACUNDO LUNA - SETTLEMENT AGREEMENT  
AND RELEASE OF ALL CLAIMS - CONFERENCE  
WITH LEGAL COUNSEL-POTENTIAL  
LITIGATION - DISCUSS

On June 29, 2021, Mr. Facundo Luna was a customer at the Districts' South Gate Transfer Station and was injured by a wooden beam that was pushed by a loader operated by a Districts' employee. Mr. Luna's attorney provided evidence of past medical bills, potential future medical costs, and potential loss of income/earning capacity. Mr. Luna's attorney and District Counsel have tentatively agreed on a proposed settlement in the amount

of \$225,000. District Counsel believes the settlement is cost effective and recommends that the proposed settlement be approved. The Chief Engineer and General Manager and District Counsel discussed this matter in closed session.

District Counsel advised that it would be in the interest of the District to meet in closed session pursuant to Section 54956.9(d)(2) of the California Government Code *Conference with Legal Counsel-Potential Litigation* to confer on the matter of Mr. Luna.

The Chairperson took the Board of Directors of County Sanitation District No. 2 of Los Angeles County into closed session at 2:11 p.m. pursuant to Section 54956.9(d)(2) of the California Government Code *Conference with Legal Counsel-Potential Litigation* to confer on the matter referred by District Counsel.

Upon completion of the closed session, the meeting reconvened in regular session at 2:29 p.m. District Counsel advised that no action was taken of a nature that requires disclosure pursuant to Government Code Section 54957.1.

In open session, upon motion of Director Taj, duly seconded and unanimously carried, the Board approved the *Settlement Agreement* and release of all claims; and authorized the Chief Engineer and General Manager, or his designee, to execute all documents required for the settlement.

RE: TECHNICAL SERVICES - CALIFORNIA REGIONAL WATER QUALITY BOARD - LOS ANGELES REGION, ADMINISTRATIVE CIVIL LIABILITY COMPLAINTS RELATING TO SANITARY SEWER OVERFLOW - CONFERENCE WITH LEGAL COUNSEL-POTENTIAL - DISCUSS

This matter is related to pending and ongoing discussions with the Los Angeles Regional Water Quality Board regarding a sewer spill that occurred in December 2021 and discharged to the Dominguez Channel Estuary, as well as 13 other sanitary sewer overflows occurring from the Joint Outfall System during January 2018 to September 2022. The Chief Engineer and General Manager and District Counsel discussed this matter in closed session.

District Counsel advised that it would be in the interest of the District to meet in closed session pursuant to Section 54956.9(d)(2) of the California Government Code *Conference with Legal Counsel-Potential Litigation* to confer on the matter of Sanitary Sewer Overflow (SSO) Event ID Nos. 878549, 844340, 845320, 855878, 855879, 856060, 856635, 860403, 864079, 866253, 869694, 874673, 877650, and 883181.

The Chairperson took the Board of Directors of County Sanitation District No. 2 of Los Angeles County into closed session at 2:11 p.m. pursuant to Section 54956.9(d)(2) of the California Government Code *Conference with Legal Counsel-Potential Litigation* to confer on the matter referred by District Counsel.

Upon completion of the closed session, the meeting reconvened in regular session at 2:29 p.m. District Counsel advised that no action was taken of a nature that requires disclosure pursuant to Government Code Section 54957.1.

RE: STATEMENT FROM DISTRICT COUNSEL ITEMS NOT LISTED ON AGENDA

The Chief Engineer and General Manager stated that the Districts' legal counsel team at the firm of Lewis, Brisbois, Bisgaard, and Smith LLP (LBBS) consists of a dedicated legal team within LBBS that focuses on Districts' matters. Unfortunately, there was recent negative news coverage of LBBS related to attorneys leaving the firm and their email correspondence. He introduced Ms. Jessica Lienau, District's General Counsel, to make a statement regarding this matter..

Ms. Lienau's statement to the Board was as follows:

"Thank you to the Chief Engineer, Chairperson Warner, and the Directors for allowing me the opportunity to address the Boards. As the Chief Engineer stated, the Districts' legal counsel is at the law firm of Lewis, Brisbois, Bisgaard & Smith. Our team of lawyers feels privileged to serve the Districts and we continually strive to provide efficient and quality legal representation.

Lewis Brisbois, as a law firm (Firm), has recently faced some serious challenges that you may have read about in the press. First, a group of labor and employment lawyers left the Firm. Following the departure of these attorneys, an anonymous complaint was lodged against two of the former partners concerning their behavior while at the firm. The Firm's investigation into both of these former partners revealed private emails between the two containing unacceptable and offensive language aimed at Firm colleagues, clients, opposing counsel, and even judges. Some of the emails apparently included other Firm lawyers or third parties, but Firm management has stated that any other Firm attorneys were passive recipients of these emails and did not participate in the email correspondence. Further, none of the Firm attorneys who handle Districts' legal work were even aware of these emails prior to their publication in the last few weeks (and were not copied on any of the emails). The Firm's investigation is ongoing, we want to make it clear that the Firm and we individual

attorneys strongly condemn their conduct and will do everything within our power to ensure that nothing like this ever happens again.

Going forward, the Firm will continue to take all measures necessary to hold ourselves to the highest standards of professional conduct that are truly reflective of our commitment to diversity, equity and inclusion (DEI) as well as basic human decency. Various controls are being discussed among the Firm and a DEI consultant. The Firm has always been a leader amongst law firms in DEI efforts and the despicable conduct of two former partners does not negate the decades of work that the Firm has done nor is it representative of the more than 1500 other quality attorneys at the Firm.

We, your Districts Counsel team, were embarrassed and shocked to learn of the conduct of our former partners which we learned about at the same time the emails were provided to the media. However, their conduct is in no way representative or reflective of the team of lawyers who serve the Districts or the Firm at large. Our Districts legal team – and the Firm at large – are committed to maintaining the highest ethical and professional standards in the delivery of quality legal work. Thank you.”

The Chief Engineer and General Manager stated that he has worked with the attorneys from LBBS for 20 to 25 years. They have never exhibited any behavior such as that described in the press. The Districts Counsel team has always been very professional. As he recently stated during Mr. Wes Beverlin’s announcement of his transition to partial retirement, the Districts’ legal team at LBBS has always exhibited high ethical standards towards Districts’ staff and its team.

Director Hahn stated that she appreciated Ms. Lienau’s statement.

The Chairperson stated that an ad hoc committee was previously convened to review proposals from law firms, including LBBS. It was determined that LBBS was the best firm to serve as General Counsel due to a number of reasons including the LBBS team’s extensive knowledge of Districts’ business.

Upon motion of Director Saleh, duly seconded and unanimously carried, the meeting was adjourned.



CATHY WARNER  
Chairperson

ATTEST:



KIMBERLY S. CHRISTENSEN  
Secretary

/ee