

REGULAR AGENDA

RE: WASTEWATER MANAGEMENT
SAN JOSE CREEK WATER RECLAMATION
PLANT REMOVAL OF UNDERGROUND FUEL
STORAGE TANKS
AWARD CONTRACT NO. 5385
TO INNOVATIVE CONSTRUCTION SOLUTIONS
ORDER SECRETARY TO EXECUTE

The San Jose Creek Water Reclamation Plant (WRP) Removal of Underground Fuel Storage Tanks (Project) involves the removal and disposal of the existing gasoline and diesel underground storage tanks at San Jose Creek WRP to comply with regulations issued by the State Water Resources Control Board. The Project also includes demolition of the associated fuel dispensers, piping, and electrical components, and

restoration of pavement and landscaping. 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 Section 21084 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Sections 15301 and 15330. 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). The bids received at the District's office on August 24, 2021, for construction of the Project are as follows:

<u>BIDDER</u>	<u>TOTAL BID</u>
Innovative Construction Solutions	\$ 446,390.00
Heed Engineering	\$ 695,500.00
Minako America Corporation dba Minco Construction	\$ 778,000.00
E2 Contracting, Inc.	\$1,028,095.00
Fleming Environmental, Inc.	\$1,044,380.00

The bid of Innovative Construction Solutions was the lowest bid received and that Innovative Construction Solutions was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to Innovative Construction Solutions at the unit prices stated in its bid amounting to approximately \$446,390. Furthermore, a recommendation was made to order the Staff to review the surety bonds for performance and payment and, if sufficient, order the Secretary to execute a contract with Innovative Construction Solutions for construction of the Project.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, Contract No. 5385 for construction of the San Jose Creek Water Reclamation Plant Removal of Underground Fuel Storage Tanks was awarded to the lowest, regular, responsible bidder, to wit: Innovative Construction Solutions at the unit prices stated in its bid amounting to approximately \$446,390. Furthermore, the Board of Directors of County Sanitation District No. 2 of Los Angeles County ordered the Staff to review the surety bonds for performance and payment and, if sufficient, order Secretary to execute the contract with Innovative Construction Solutions for construction of the Project.

RE: FACILITIES PLANNING
VACANT DISTRICTS' PROPERTY ADJACENT
TO JOINT WATER POLLUTION CONTROL
PLANT - CONCRETE STOCKPILE REMOVAL
AND DISPOSAL
REPORT ON BIDS - REJECT
READVERTISE

One bid was received on August 17, 2021, at the Districts' office, for Concrete Stockpile Removal and Disposal, per the summary attached to the agenda. The vacant property serves as a buffer for the Districts' JWPCP located in the city of Carson and is currently being remediated and prepared for the possible construction of the Regional Recycled Water Program on the site. Beginning in December 2018, the Districts

issued Dirtmaster, Inc., (Dirtmaster) a series of entry permits to utilize the vacant land to crush imported concrete debris. Upon expiration of the permits, Dirtmaster did not vacate the property and left a stockpile of approximately 30,000 cubic yards of concrete debris and approximately 4,500 tons of crushed concrete aggregate. The Districts obtained Board authority to initiate litigation against Dirtmaster in August 2020 and entered into a settlement agreement with Dirtmaster in March 2021, allowing the Districts to remove the concrete from the property. In July 2021, bids were solicited for contractors to remove the concrete debris and crushed concrete aggregate left by Dirtmaster. One bid was received, but it was significantly higher than the Engineer's estimate as the value of crushed concrete aggregate has dropped significantly due to an abundant supply of this material. Staff recommends that the bid be rejected and the project re-bid with a revised scope of work and timeline that should make the work more cost effective. The bid summary/recommendation to reject the bid and re-advertise was attached to the agenda. This item is consistent with the Districts' Guiding Principles of commitment to continual improvement; 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 reject the sole bid received,

and that the Purchasing Agent be authorized to establish a new date for receipt of bids, that the project be readvertised, and that new bids be received.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, the only bid received on August 17, 2021, for purchase of Concrete Stockpile Removal and Disposal was rejected, and the Purchasing Agent was authorized to establish a new date for receipt of bids, and to readvertise for bids for the purchase of the project.

RE: WASTEWATER MANAGEMENT
SAN JOSE CREEK WATER RECLAMATION
PLANT MAINTENANCE BUILDING
AUTHORIZE ISSUANCE OF
PURCHASE ORDER TO
RITE-WAY ROOFING CORPORATION AND
ACCO ENGINEERED SYSTEMS

The roofs and rooftop heating, ventilation, and air conditioning (HVAC) mechanical equipment for the San Jose Creek Water Reclamation Plant (WRP) Maintenance Building were constructed in 1971 and 1982. The roofs have been repaired numerous times but have developed additional water leaks which are no longer cost effective to repair and require replacement.

In addition, the rooftop HVAC equipment is obsolete, inefficient, and also requires replacement. Pursuant to authority previously granted by the Board, the project will be completed utilizing the job order contracting program which relies on pre-established, competitively bid construction tasks that will accelerate project delivery and reduce administration and design costs. 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 California Public Resources Code Section 21084 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). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Rite-Way Roofing Corporation in the amount of approximately \$328,842 for the San Jose Creek WRP roof replacement; and to ACCO Engineered Systems in the amount of approximately \$189,410 for the San Jose Creek WRP HVAC mechanical equipment replacement.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Rite-Way Roofing Corporation for the San Jose Creek Water Reclamation Plant roof replacement, at a cost of approximately \$328,842; and ACCO Engineered Systems in amount of approximately \$189,410 for the San Jose Creek Water Reclamation Plant Heating Ventilation Air Conditioning mechanical equipment replacement.

RE: SOLID WASTE MANAGEMENT
FIRST AMENDMENT TO LABOR SERVICES
AGREEMENT
STAFF NETWORK HOLDINGS, LLC
CONTRACT NO. 5234A - APPROVE

Labor services are required at Districts' materials recovery facilities and transfer station to perform a variety of tasks including belt and floor sorting recyclables, operating and maintaining various types of stationary and mobile equipment, and cleaning various areas of the facility. In August 2019, subsequent to the

receipt of proposals, the Board approved and ordered executed a *Labor Services Agreement* (Agreement) with Staffing Network to provide labor services for a two-year period. The Agreement provided for two additional two-year extension periods upon mutual agreement of the parties, with cost increases limited to specifically identified pass-through costs and a Consumer Price Index inflation factor. The California Supreme Court's recent decision on prevailing wage requirements for special districts necessitates a significant increase in the billing rates paid to Staffing Network for the services they provide and requires an amendment to the original agreement which is being limited to a one-year period to allow for further development of a permanent prevailing wage by the state Department of Industrial Relations. The *First Amendment to Labor Services Agreement* (First Amendment) incorporates prevailing wage requirements and extends the Agreement for a one-year period through September 30, 2022. The cost for this extension period is approximately \$4.4 million. Staffing Network has an excellent employee retention rate and safety record. 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 Section 21084 and Section 15301 of the CEQA Guidelines. 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 approve and order executed a *First Amendment to Labor Services Agreement* with Staffing Network Holdings, LLC, for labor services at the Districts' materials recovery facilities and transfer station for a one-year period.

The Chief Engineer and General Manager stated that this item applies to all 15 Solid Waste Districts. District No. 2 will be considering approval of an amendment to the labor services agreement for contract labor

at the Districts' materials recovery facilities (MRFs). He advised that there is a significant increase of approximately 20 to 25 percent or \$1 million. This matter was previously discussed with the Personnel Committee, consisting of all Districts' Chairs. The California Supreme Court recently decided that special districts that includes operations and maintenance in public facilities are subject to prevailing wage. Historically, prevailing wage only applied to construction, not operations and maintenance. The California Supreme Court had a different interpretation, which requires changes for the agency. The District must redo the contract for belt or floor sorters. The Districts may set the prevailing wage because the Districts might be the only agency in Southern California. In addition to salary, the Districts requires that contract employees be given time-off and medical coverage. However, until the Department of Industrial Relations sets a permanent prevailing wage, the Districts must significantly increase billing rates. Staff will follow this matter and will be discussed further with the Personnel Committee at an upcoming meeting in October.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, an amendment to the agreement entered into with Staff Network Holdings, LLC, Contract No. 5234 dated August 28, 2019, providing for labor services for a one-year period, as set forth therein, was approved. All the terms and conditions of the *First Amendment to Labor Services Agreement*, Contract No. 5234 A, dated September 22, 2021, were accepted and approved, and the Chairperson and Secretary were authorized to execute the First Amendment on behalf of the District.

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

CATHY WARNER
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

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