

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

December 8, 2021
1:30 o'clock, P.M.

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

There were present: Ali Sajjad Taj, Director from Artesia
Marco Barcena, Director from Bell Gardens
Raymond Dunton, Alternate Director from Bellflower
Grace Hu, Director from Cerritos
Leonard Mendoza, Director from Commerce
Emma Sharif, Director from Compton
Robert Garcia, Director from Long Beach
Joe Buscaino, Alternate Director from Los Angeles City
Kimberly Ann Cobos-Cawthorne, Director from Montebello
Jennifer Perez, Director from Norwalk
Brenda Olmos, Director from Paramount
Chin Ho Liao, Director from San Gabriel
Maria Davila, Alternate Director from South Gate
Melissa Ybarra, Director from Vernon
Holly Mitchell, Director from Los Angeles County
Cathy Warner, Chairperson, Alternate Director from Whittier

Absent: Katherine Lee, Director from Alhambra
Ali Saleh, Director from Bell
Claudia M. Frometa, Director from Downey
Yvonne Yiu, Director from Monterey Park
Raul Elias, Director from Pico Rivera

Also present: Kimberly S. Christensen, Secretary to the Board
Wes Beverlin, District Counsel

CONSENT AGENDA

Upon motion of Director Davila, 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: DIRECTOR FROM LOS ANGELES COUNTY A certificate from the Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles was presented to the Secretary certifying that pursuant to Section 7 of the Rules of the Board of Supervisors, Supervisor Holly Mitchell assumed the Office of Chair of the Board of Supervisors at 9:30 a.m., on Tuesday, December 7, 2021, to serve in such capacity until December 13, 2022, or until the election or succession of her successor, which automatically places Supervisor Mitchell on the Board of Directors of this District, was accepted and ordered filed.

RE: MINUTES The minutes of the regular meeting held November 10, 2021, and the adjourned regular meeting held November 15, 2021, were approved.

RE: DISTRICT EXPENSES The following expenses for the month of September 2021 were presented and approved:

Local District Expenses:
Operations & Maintenance (O & M) \$ 148,330.76
Capital 20,150.89

Allocated Expenses:	
Joint Administration	462,287.25
Technical Support	590,687.61
Joint Outfall	2,480,516.01
Solid Waste System Expenses:	
Operations & Maintenance (O&M)	9,447,929.03
Allocated Expenses	1,028,421.66
Capital	891,362.17
Stormwater Expenses:	
Operations & Maintenance	<u>14,780.87</u>
Total Expenses	<u>\$15,084,466.25</u>

RE: WASTEWATER MANAGEMENT
SAN JOSE CREEK EAST WATER
RECLAMATION PLANT STAGE ONE
PROCESS AIR DISTRIBUTION
UPGRADES - STEVE P. RADOS, INC.
CONTRACT NO. 5259
ACCEPTANCE OF THE WORK

Steve P. Rados, Inc., has completed the work in connection with Contract No. 5259 for construction of the San Jose Creek East Water Reclamation Plant Stage One Process Air Distribution Upgrades (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of removal and replacement of the existing process air piping system to improve the energy efficiency and reliability of the

treatment process. The existing system was installed in the 1970s and was in poor condition due to corrosion. Five change orders totaling \$10,883.20 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5259, entered into by Steve P. Rados, Inc., on January 28, 2020, for construction of the San Jose Creek East Water Reclamation Plant stage one process air distribution upgrades, was hereby 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 \$3,005,883.20 is authorized in accordance with the terms of the contract.

REGULAR AGENDA

RE: WASTEWATER MANAGEMENT
ROOF ENCAPSULATION OF BUILDINGS AT
JOINT WATER POLLUTION CONTROL PLANT
REPORT ON BIDS AND AWARD OF ORDER

On October 19, 2021, four bids were received at the District's office for *Roof Encapsulation of Buildings at the Joint Water Pollution Control Plant*. The existing roofs of the East Weld Shop Building and West Maintenance Building, West Wing, which are 40 and 50

years old, respectively, are in poor condition and spot repairs are no longer adequate to prevent water leaks, making encapsulation with a new roof necessary. Encapsulation with a new roof, a cost-effective alternative to roof replacement, prevents disturbing asbestos containing materials in the existing roof. The bid summary/recommendation to award was attached to the agenda. 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 award a purchase order to the low bidder, C.I. Services, Inc., in the amount of approximately \$270,670.

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 the low bidder, C.I. Services, Inc., for the *Roof Encapsulation of Buildings at the Joint Water Pollution Control Plant*, in the amount of approximately \$270,670, in accordance with the bids received October 19, 2021.

RE: TECHNICAL SERVICES - VARIOUS
SOLID WASTE AND WASTEWATER
FACILITIES - AIR EMISSIONS TESTING
AUTHORIZE ISSUANCE OF PURCHASE
ORDER TO AIRKINETICS, INC.

The Districts operates solid waste and wastewater facilities which utilize a wide variety of combustion equipment such as boilers, engines, flares, and turbines that combust landfill gas, digester gas, and natural gas. The South Coast Air Quality Management District requires testing be performed by an independent

contractor to verify emissions from the equipment are compliant with local air district, state, and federal regulations. Staff has determined that AirKinetics, the sole respondent to a Request for Proposals, is technically qualified to perform this work and has extensive experience performing air emissions testing. The activities

described herein do not constitute a “Project” under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15378. 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 Air Kinetics, Inc., in the amount of approximately \$209,450 for air emissions testing at various solid waste and wastewater facilities.

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 AirKinetics, Inc., for air emissions testing at various solid waste and wastewater facilities, at a cost of approximately \$209,450.

RE: FACILITIES PLANNING
EVENT OUTREACH FOR COUNTYWIDE
HOUSEHOLD HAZARDOUS WASTE AND
ELECTRONIC WASTE FOR CALENDAR
YEARS 2022 AND 2023 - AUTHORIZE
ISSUANCE OF PURCHASE ORDER TO
INDUSTRIAL STRENGTH ADVERTISING

The Districts and the County of Los Angeles will continue to conduct the HHW/E-Waste Collection Program under the terms of the Household Hazardous Waste Agreement previously approved by the Board. Proposals were solicited from 11 firms for event outreach services, and one was received. Industrial Strength Advertising submitted a highly rated and cost-effective proposal. The cost, which is reimbursed by the

County from solid waste disposal fees, includes all event outreach for the anticipated 140 collection events to be conducted in the next two years. This item is consistent with 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 Industrial Strength Advertising in the amount of \$915,000 to provide event outreach for the countywide household hazardous waste and electronic waste collection programs for calendar years 2022 and 2023.

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 Industrial Strength Advertising to provide event outreach for the countywide household hazardous waste and electronic waste collection programs for calendar years 2022 and 2023, at a cost of approximately \$915,000.

RE: WASTEWATER MANAGEMENT
VALENCIA WATER RECLAMATION PLANT
FURNISH AND DELIVER CATIONIC EMULSION
POLYMER - AUTHORIZE EXTENSION OF
PURCHASE ORDER TO SNF POLYDYNE, INC.

In October 2015, the Board authorized issuance of a purchase order to SNF Polydyne, Inc., (Polydyne) the lowest responsive bidder in a competitive bid process, to furnish and deliver cationic emulsion polymer used in biosolids dewatering at the Valencia Water Reclamation Plant (WRP). The Districts exhausted the original

contract duration, including two 1-year extensions, in October 2020, and the contract was then extended for one additional year to continue to supply emulsion polymer at the same terms and conditions as the 2019 contract extension. Polydyne has historically been an extremely reliable supplier including throughout the recent pandemic and, due to the current global supply chain instability, transportation labor shortages, and rising energy costs, it would be in the Districts’ best interest to extend the contract with Polydyne for another year at a unit price increase of approximately 23 percent. A review of cost increases in shipping, raw materials, and labor has determined that the increase is justified, the proposal is competitive, and it is in the best interest of the Districts to extend at this time. 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 one-year extension of a purchase order with SNF Polydyne, Inc., in the amount of approximately \$405,000 to furnish and deliver cationic emulsion polymer at the Valencia WRP.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to extend the purchase order, for a one-year period, with SNF Polydyne, Inc., to furnish and deliver cationic emulsion polymer at the Valencia Water Reclamation Plant, at a cost of approximately \$405,000.

RE: INSURANCE - ALL RISK INSURANCE
AND EARTHQUAKE AND FLOOD
COVERAGE - ENERGY FACILITIES
AUTHORIZE ISSUANCE OF PURCHASE
ORDER TO AON RISK SERVICES, INC.

Aon, the Districts’ insurance broker, solicited quotes for all risk insurance covering property damage, business interruption, boiler and machinery, extra expense, earthquake, and flood for the Puente Hills Gas-To-Energy (PERG) and the Joint Water Pollution Control

Plant (JWPCP) Total Energy Facilities, which are the District's two largest energy generation facilities. One of the current joint carriers, ACE American Insurance Company, combined with a partner company, Starr Surplus Lines Insurance Company, submitted the lowest quote in the amount of \$840,943, which represents an increase of 7 percent over last year's premium, with an increase in the deductible from \$250,000 to \$1,000,000. Sixteen other carriers provided higher pricing or indicated they could not provide insurance for this type of operation. Price increases across the insurance industry continue to be high due to large recent disasters and associated claims. The primary limit of coverage is \$100,000,000 per occurrence with sub-limits per occurrence of \$10,000,000 for earthquake, \$10,000,000 for flood, \$13,453,940 for business interruption, \$22,300,000 for extra expense, and \$25,000,000 for boiler and machinery. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to authorize a payment to Aon Risk Services, Inc., for all risk insurance and earthquake and flood coverage for a one-year period at an annual premium of \$840,943 for the PERG and JWPCP Total Energy Facilities.

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 Aon Risk Services, Inc., the Districts' insurance broker, for all risk insurance and earthquake and flood coverage, for a one-year period for the Puente Hills Gas-to-Energy and the Joint Water Pollution Control Plan Total Energy Facilities, at an annual premium of \$840,943.

RE: FACILITIES PLANNING - TEMPORARY
RELOCATION AGREEMENT WITH UNITED
STATES ARMY CORPS OF ENGINEERS, LOS
ANGELES DISTRICT CONTRACT NO. 5406
APPROVE

In order to accommodate construction of its Whittier Narrows Dam Safety Modification Project, the United States Army Corps of Engineers, Los Angeles District (Army Corps), has requested the Districts' permission to temporarily relocate approximately 80 linear feet of the Joint Outfall "H" Unit 9B Trunk Sewer (Sewer). The

proposed *Contract for Temporary Relocation* (Agreement) requires the Army Corps to prepare the necessary environmental documents and relocate the affected portion of the Sewer and reconstruct it along its original alignment once the dam work is completed. The Agreement also requires the Army Corps to perform the work according to the Districts' specifications at no cost to the Districts, including reimbursement to the Districts for construction inspection services. Staff has determined that approval of the Agreement is not a "Project" under the California Environmental Quality Act (CEQA) pursuant to the California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principles of commitment to protect financial and facility assets through prudent investment and maintenance programs; and to provide reliable and responsible services with safety first. A recommendation was made to approve and order executed an Agreement with United States Army Corps of Engineers, Los Angeles District, for temporary relocation of a portion of the Joint Outfall "H" Unit 9B Trunk Sewer.

Upon motion of Director Davila, duly seconded and unanimously carried by a roll-call vote, 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 *Contract for Temporary Relocation* with United States Army Corps of Engineers, Los Angeles District, providing for the temporary relocation of a portion of the Joint Outfall "H" Unit 9B Trunk Sewer, as set forth in the Agreement and under terms and conditions contained therein. All the terms and conditions of the *Contract for Temporary Relocation* Contract No. 5406, dated December 8, 2021, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Agreement on behalf of the District.

RE: COUNTY SANITATION DISTRICT
NO. 2 OF LOS ANGELES COUNTY
WESTLAKE FARMS, INC.
CONFERENCE WITH LEGAL COUNSEL
EXISTING LITIGATION - DISCUSS

District Counsel advised that it would be in the interest of the District to meet in closed session pursuant to Section 54956.9(d)(1) of the California Government Code *Conference with Legal Counsel-Existing Litigation*, to discuss the status of Westlake Farms, Inc. v. County Sanitation District No. 2, San Luis Obispo County Superior

Court, Case No. 16CV-0244 and Ceil Howe, Jr. v. County Sanitation District No. 2, San Luis Obispo County Superior Court Case No. 16CV-0283, two cases.

Upon motion of Chairperson Warner, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 2 of Los Angeles County met in closed session at 2:15 p.m. pursuant to Section 54956.9(d)(1) of the California Government Code—*Conference with Legal Counsel- Existing Litigation*, to confer on the referenced matter.

Upon motion of Chairperson Warner, the meeting reconvened in regular session at 2:46 p.m. District Counsel advised that no action was taken in closed session that requires disclosure pursuant to Government Code Section 54957.1.

Upon motion of Director Taj, duly seconded and unanimously carried, the meeting was adjourned to Monday December 13, 2021, 1:30 p.m., via teleconference at the District's Joint Administration Office.

CATHY WARNER
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

/mh