

To be held at the OFFICE OF THE DISTRICT
 1955 Workman Mill Road, Whittier, California

In response to concerns about the Novel Coronavirus (COVID-19), and in accordance with the provisions of California Government Code Section 54953(e), Directors will attend these meetings via teleconference. To join the meeting, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. You may find further information at: <http://www.lacsd.org/agendas>

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

MONDAY	November 14, 2022	At 1:30 P.M.
Governing Body	Director	Alternate
ALHAMBRA	MALONEY	ANDRADE-STADLER
ARTESIA	RAMOSO	TAJ
BELL	ARROYO	SALEH
BELL GARDENS	PULIDO	FLORES
BELLFLOWER	DUNTON	SANTA INES
CERRITOS	VO	BARROWS
COMMERCE	REBOLLO	ALTAMIRANO
COMPTON	SHARIF	-----
DOWNEY	PACHECO	FROMETA
LONG BEACH	R. GARCIA	-----
LOS ANGELES CITY	MARTINEZ	BUSCAINO
MONTEBELLO	COBOS-CAWTHORNE	PERALTA
MONTEREY PARK	H. LO	-----
NORWALK	RAMIREZ	PEREZ
PARAMOUNT	CUELLAR STALLINGS	AGUAYO
PICO RIVERA	SANCHEZ	CAMACHO
SAN GABRIEL	DING	MENCHACA
SOUTH GATE	RIOS	DAVILA
VERNON	LOPEZ	DAVIS
WHITTIER	VINATIERI	WARNER (Chairperson)
LOS ANGELES COUNTY	MITCHELL	SOLIS

CONSENT AGENDA

1. Public Comment
2. Authorize Payment to Lewis, Brisbois, Bisgaard & Smith LLP, in Amount of \$171,929.20, for Legal Services Rendered and Reimbursement of Expenses Advanced in Various Districts' Matters for Month of September 2022
3. Approve Resolution of the Board of Directors of County Sanitation District No. 2 of Los Angeles County Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency on March 4, 2020 by California Governor and Authorizing Remote Teleconference Meetings of the Legislative Body

Summary: Remote teleconferenced meetings, during the continued existence of the Governor's proclaimed state of COVID-19 emergency, will be conducted under the provisions of AB 361 which added California Government Code Section 54953(e), to the Brown Act. Under the provisions of AB 361 and Government Code Section 54953(e), each District must adopt, by majority vote, a resolution making certain findings about the continuing COVID state of emergency and health and safety risks of conducting their meeting in person. By statute, this Resolution and its referenced findings, are only legally valid for 30 days. The Resolution is attached to the agenda.

4. Accept Contract No. 5057 and Order Final Payment to Emerging Acquisitions, LLC DBA Bulk Handling Systems, for Construction of Puente Hills Materials Recovery Facility (MRF) Recycling Equipment Phase II (Project); Resulting in Total Contract Amount of \$15,957,111.84

Summary: The Project consisted of designing, installing, and commissioning a new materials recovery equipment system necessary to increase recovery of recyclables and assist in achieving the recycling goals adopted by the State. The Project included installation of the latest automated recycling equipment

4. Contd.

technology capable of processing mixed waste, dry-routed commercial waste, commingled recyclables, and extracting organics for separate processing. Ten change orders totaling \$175,690.84 were approved for this Project.

REGULAR AGENDA

1. Re: Contract with Insituform Technologies, LLC, in Amount of Approximately \$636,860, for Construction of [Joint Outfall C Unit 6F Trunk Sewer Rehabilitation](#) (Project)

(a) Report on Bids and Award and Order Executed Contract

(b) Order Staff to Review Insurance and Surety Bonds for Performance and Payment and, if Sufficient, Order Secretary to Execute Contract Evidencing Approval of Bonds and Insurance

Summary: The Project will consist of rehabilitation of approximately 3,400 feet of existing 15-inch to 21-inch-diameter corroded concrete pipe and appurtenant structures that were constructed in 1955. The work is located within the Cities of Artesia and Cerritos as shown on the attached map. The bid summary/recommendation to award is attached. 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 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).

2. Re: Contract with Lucas Builders, Inc., in Amount of Approximately \$3,797,502, for Construction of [Joint Outfall B Unit 6G Trunk Sewer Rehabilitation](#) (Project)

(a) Report on Bids and Award and Order Executed Contract

(b) Order Staff to Review Insurance and Surety Bonds for Performance and Payment and, if Sufficient, Order Secretary to Execute Contract Evidencing Approval of Bonds and Insurance

Summary: The Project consists of rehabilitation of approximately 3,629 feet of 36-inch-diameter defective vitrified clay pipe constructed in 2006. The work is located within the City of Alhambra as shown on the attached map. The cost of this repair was paid for by Mission Clay Products, LLC, as part of a settlement agreement previously approved by the Board. The bid summary/recommendation to award is attached. 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 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).

3. Authorize Issuance of Purchase Orders for Joint Water Pollution Control Plant (JWPCP) Secondary Treatment Technical Analysis and Facilities Plan in Support of Pure Water Southern California (PWSC) Project as Follows:

(a) To Hazen and Sawyer (Hazen) in Amount of Approximately \$395,000

(b) To Jacobs Engineering Group (Jacobs) in Amount of Approximately \$580,000

Summary: The Districts previously approved the *Regional Recycled Water Program Agreement* (Agreement) with Metropolitan Water District of Southern California to jointly investigate production and distribution of purified water for the PWSC project. Pursuant to the Agreement, additional studies necessary to assess economic and technical feasibility of the project must be conducted by each party at their cost. Accordingly, the Board previously authorized purchase orders for Jacobs and Hazen to evaluate nitrogen removal options at the JWPCP to help meet the water quality goals of PWSC. Due to a change in nitrogen goals for the purified water, this study needs to be updated. The updated study will be used to prepare a Facilities Plan that will document final selection of the nitrogen removal project and enable the Districts to apply for funding opportunities. Jacobs and Hazen are uniquely qualified to update the study and draft the Facilities Plan based on their prior work on this project and expertise in nitrogen removal. Jacobs and Hazen submitted cost-effective proposals with hourly rates similar to those charged on the previous competitively selected project. Retaining these firms is the most timely and cost-effective way to complete the work. This item is consistent with the Districts’ Guiding Principle to maximize use of our assets and resources (recycled water, recyclables, and energy).

4. Re: Vehicle Fuel Purchases for Three-Year Period as Follows:

- (a) Authorize Issuance of Purchase Order to Clean Energy Fuels (CE) in Amount of Approximately \$1,000,000 for Renewable Natural Gas (RNG) Vehicle Fuel
- (b) Authorize Issuance of Purchase Order to WEX Bank (WEX) in Amount of Approximately \$1,400,000 for Fuel Purchases at Retail Fuel Stations

Summary: The Districts operates a fleet of approximately 680 on-road vehicles throughout our service area. To meet the majority of the vehicle fueling requirements, the Districts' facilities have onsite bulk fuel tanks for gasoline and diesel fuel. However, due to the large service area the Districts covers, staff, on occasion, use a retail fuel station to purchase gasoline and diesel fuel. WEX offers a fleet fuel card that provides a two percent discount on retail fuel purchases and an additional \$0.05 per gallon discount at Chevron stations. For RNG requirements, the Districts owns four compressed natural gas (CNG) fuel stations. The Districts has contracts with CE to operate and maintain two of the larger CNG fueling stations at the Joint Water Pollution Control Plant and Puente Hills Material Recovery Facility, which are open to the public. The contracts have set pricing terms for the Districts' purchase of RNG at those stations and allow for the purchase of RNG at other stations in the CE network. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

5. Authorize Payment to Aon Risk Services, Inc., (Aon), Districts' Insurance Broker, for Districts' On-Road Vehicle Fleet Liability Insurance Coverage in Amount of \$1,003,982 for One-Year Period

Summary: Aon, the Districts' insurance broker, solicited quotes from 13 auto insurance carriers, and received one quote. Travelers Property Casualty Company offered the only quote for \$1,000,000 of coverage per accident with no deductible at a rate of approximately \$1,485 per vehicle, compared to last year's rate of \$1,368 per vehicle, an increase of 9 percent. Although general escalations have occurred in the insurance market in part due to increasing costs for court awards and settlements, and three claims against the Districts occurred within the last five-year review period that insurance companies use for premium cost evaluation, this year's increase is similar to inflation and Districts' rates are considered below average based on the number of vehicles and for a zero-deductible policy. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

6. Reject Claim of Injuries by Paul Barron Alleging Injuries Sustained at Downey Area Recycling and Transfer Facility (DART)

Summary: On August 15, 2022, a claim of injuries was received from Paul Barron, alleging that he was injured on February 15, 2022, while offloading refuse onto the tipping floor at DART. He claims that a Districts' employee operating a loader collided with the tailgate of Mr. Barron's vehicle, causing him to lose his footing and fall to the ground, injuring his head, neck, shoulders, arms, back, and legs. The claim is for \$50,000 for medical treatment. Districts' staff has investigated, and District Counsel has reviewed the claim and recommends that the claim be rejected. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

7. Adopt Policies as Follows:

- (a) [Purchasing Policy](#)
- (b) [Investment Policy](#)
- (c) [Debt Management Policy](#)
- (d) [Wastewater Financial Reserve Policy](#)
- (e) [Joint Outfall System Financial Reserve Policy](#)
- (f) [Solid Waste Financial Reserve Policy](#)

Summary: As part of the continuing effort to ensure the Districts follows best practices as it relates to financial matters, revisions to certain policies are being recommended. First, sound Investment, Debt Management, and Financial Reserve Policies are crucial to maintaining the Districts' financial stability, and changes are being proposed to the existing policies to ensure consistency across the Districts, ensure transparency in Districts' finances, and improve the Districts' investment performance. Second, the Districts' Purchasing Policy establishes rules for purchase of materials, supplies, equipment, services, and construction projects. Proposed revisions to the policy clarify certain provisions, ensure current practices are incorporated into the policy, and add provisions for related business practices. In October 2022, the Personnel Committee, comprised of the Chairs of all of the active Districts, unanimously endorsed the proposed revisions. A letter summarizing these proposed changes is attached. Links to the policies showing proposed revisions can be found on the posted agenda on the Districts'

7. Contd.

website (www.lacsd.org). 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.

Adjourn

Status Report: Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

Public Comment: Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board's authority. A "Request to Address Board of Directors" form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards' Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

Document Requests: Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts' Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY SANITATION
DISTRICT NO. 2 OF LOS ANGELES COUNTY PROCLAIMING A LOCAL EMERGENCY,
RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY
ON MARCH 4, 2020 BY CALIFORNIA GOVERNOR AND AUTHORIZING
REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY

WHEREAS, the County Sanitation District No. 2 of Los Angeles County (“District”) is committed to preserving and nurturing public access and participation in meetings of the District’s Board of Directors and committees; and

WHEREAS, all meetings of the District’s Board of Directors are open and public, pursuant to the requirements of the Ralph M. Brown Act (California Government Code Sections 54950-54963) (the “Brown Act”), so that any member of the public may attend, participate, observe and watch the District’s Board of Directors conduct business; and

WHEREAS, the Brown Act, Section 54953(e), allows for conducting and participating in meetings by members of a legislative body, without compliance with the requirements of the Brown Act Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition under the Brown Act Section 54953(e) is the declaration of a state of emergency by the Governor pursuant to California Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within California caused by the conditions outlined and described in California Government Code Section 8558; and

WHEREAS, a proclamation of a state of emergency is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-induced disasters; and

WHEREAS, it is further required that the state or local officials have imposed or recommended measures to promote social distancing, or the Board of Directors of the District have held a meeting where it considered and determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, such conditions now exist in the District as Governor Newsom declared a State of Emergency on March 4, 2020 as a result of the threat of COVID-19; and

WHEREAS, the County of Los Angeles Department of Public Health Order of the Health Officer issued September 22, 2022 (the “County Order”) includes recommendations for the protection of persons with elevated risk factors for severe health outcomes due to COVID-19 infection; and

WHEREAS, the District’s Board of Directors does hereby find that the ongoing and significant risks associated with COVID-19 infection, especially in the absence of capacity limits and physical distancing requirements for indoor activities, on those individuals with underlying health conditions that make them susceptible to severe COVID-19 illness and individuals who are not and cannot be vaccinated, that COVID-19 infection remains a significant health hazard to all residents, and desires to proclaim a local emergency and ratify the proclamation of a state of emergency by the Governor of the State of California, and further, ratify the County Order findings related to the ongoing health hazards of COVID-19; and

WHEREAS, as a consequence of the declared state of emergency and the local emergency, the Board of Directors of the District does hereby find that the District shall continue to conduct its meetings in accordance with the provisions and requirements of the Brown Act Section 54953(e), and that the legislative bodies of the District shall comply with the requirements to provide the public with access to, and an opportunity to comment at all meetings of the District’s legislative bodies in accordance with the requirements of the Brown Act Section 54953(e)(2); and

WHEREAS, the District will continue its practice of live streaming its meetings via the Zoom software platform which allows members of the public to observe and participate in the meetings via video or call-in options and will continue to offer members of the public an opportunity to make oral comments during the meetings and/or submit written comments before the meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true, correct, and are incorporated in this Resolution by reference.

Section 2. Proclamation of Local Emergency. The Board of Directors of the District does hereby proclaim that a local emergency now exists throughout the territory of the District and, as described in the County Order, recommendations from health officers include ongoing masking, and social distancing practices especially for indoor settings and particularly for individuals who, due to vaccine status or underlying health conditions, continue to be at risk for severe illness, and COVID-19 infection remains a significant health hazard to all residents of the District.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The District's Board of Directors hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Chief Engineer and General Manager, staff and legislative bodies are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, without limitation, conducting open and public meetings in accordance with the Brown Act Section 54953(e) and all other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of 30 days after the date of this resolution, or such time that the District's Board of Directors adopts a subsequent resolution in accordance with the Brown Act Section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with the requirements of the Brown Act Section 54953(b)(3).

PASSED AND ADOPTED by the Board of Directors of the County Sanitation District No. 2 of Los Angeles County this 14th day of November 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson

TO: BOARD OF DIRECTORS OF LOS ANGELES
COUNTY SANITATION DISTRICT NO. 2

RE: AGENDA ITEM NO. R-1(a)

FOR BOARD MEETING November 14, 2022

BIDS were received at the District Office on October 20, 2022

FOR Joint Outfall C Unit 6F Trunk Sewer Rehabilitation

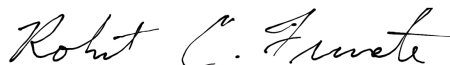
No. of Bids Received: 3

<u>BIDDER</u>	<u>TOTAL BID</u>
Insituform Technologies, LLC	\$636,860.00
Southwest Pipeline and Trenchless Corp.	\$679,739.00
Nor-Cal Pipeline Services	\$787,388.00

RECOMMENDATION:

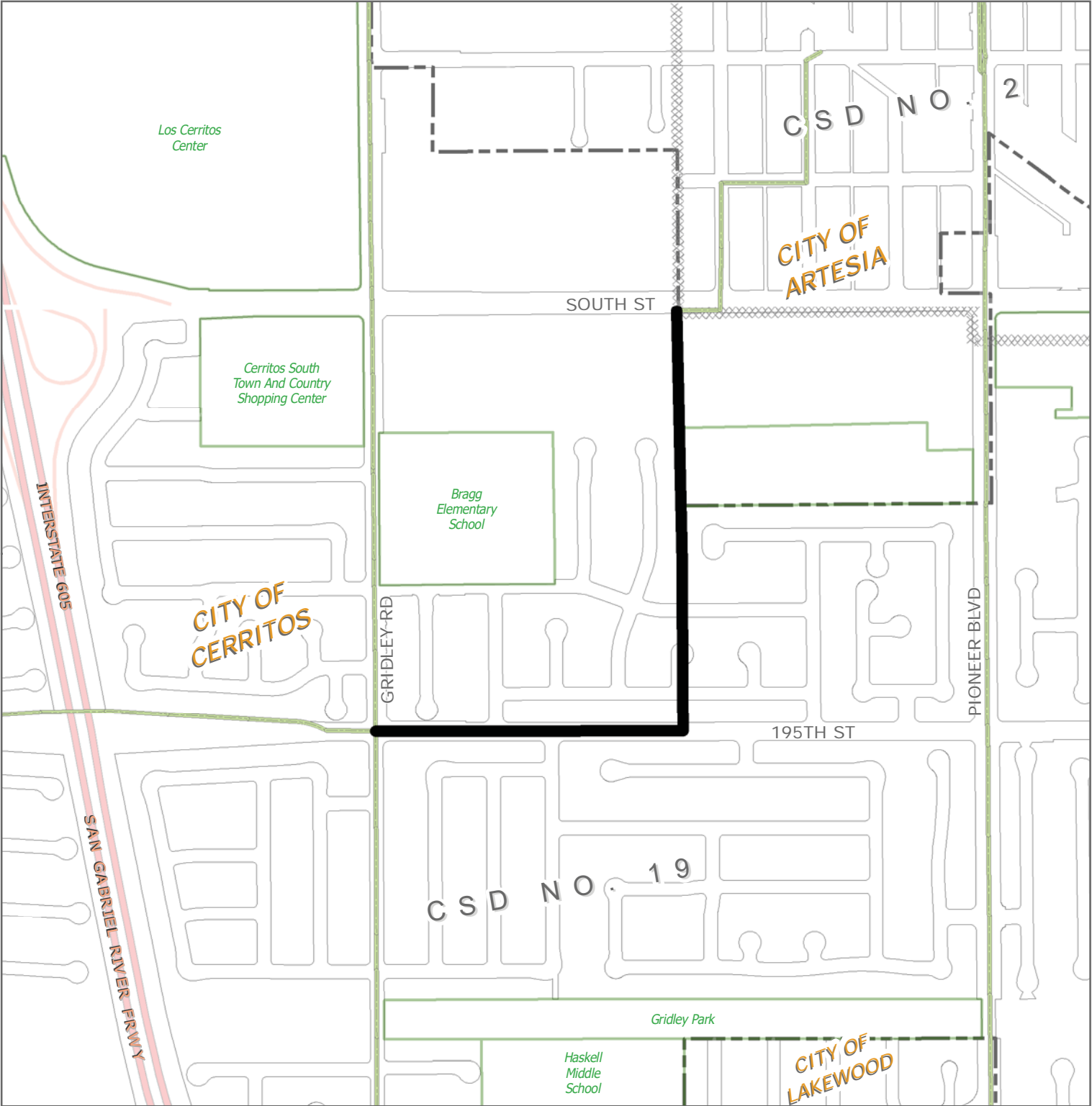
Award contract to Insituform Technologies, LLC, low bidder, in the amount of \$636,860.00.

Engineer's Estimate: \$650,000.00

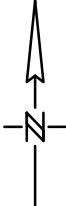


Robert C. Ferrante
Chief Engineer and
General Manager

JOINT OUTFALL C UNIT 6F TRUNK SEWER REHABILITATION



 PROJECT ROUTE



TO: BOARD OF DIRECTORS OF LOS ANGELES
COUNTY SANITATION DISTRICT NO. 2

RE: AGENDA ITEM NO. R-2(a)

FOR BOARD MEETING November 14, 2022

BIDS were received at the District Office on October 18, 2022

FOR Joint Outfall B Unit 6G Trunk Sewer Rehabilitation

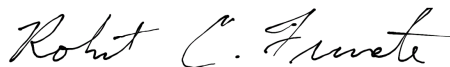
No. of Bids Received: 5

<u>BIDDER</u>	<u>TOTAL BID</u>
Lucas Builders, Inc.	<u>\$3,797,502.00</u>
Colich & Sons, L.P.	\$4,239,440.00
KEC Engineering	\$4,360,888.00
Mladen Buntich Construction	\$4,398,840.00
J.R. Pipeline Co., Inc.	\$5,027,465.00

RECOMMENDATION:

Award contract to Lucas Builders, Inc., low bidder, in the amount of \$3,797,502.00.

Engineer's Estimate: \$4,000,000.00

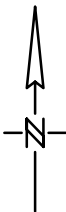


Robert C. Ferrante
Chief Engineer and
General Manager

JOINT OUTFALL B UNIT 6G TRUNK SEWER REHABILITATION



PROJECT ROUTE





November 9, 2022

Boards of Directors
Los Angeles County Sanitation Districts

Directors:

Financial Policies

The agenda for upcoming meetings of the Boards of Directors contains an item regarding proposed revisions to several District policies.

FINANCIAL POLICIES

Financial policies form the cornerstone of the Districts' financial practices and are intended to provide guidance when preparing budgets, adopting rates, and developing long-term capital programs. Use of the policies helps create financial stability, allowing us to provide the vital services in a cost-effective manner, weather periods of economic downturn without having to impose significant rate increases, and construct capital projects in a timely fashion despite fluctuations in costs from year to year. Revisions to the financial policies are recommended that will ensure consistency across the Districts, ensure transparency in Districts' finances, and improve the Districts' investment performance. These revisions were endorsed by the Personnel Committee on October 26, 2022.

One administrative change is consolidation of each of the individual Districts' Investment, Debt Management and Wastewater Financial Reserve policies into common policies adopted by all of the Districts. With few exceptions, the existing individual District policies are identical to each other. Consolidating the policies will streamline the adoption of the policies and improve transparency.

Other recommended revisions to the financial policies are as follows:

Investment Policy

- Addition of state issued bonds (all 50 states) and local agencies (within California only) as permitted investments.
- Clarification that downgraded securities are treated as "A" rated policies for the purposes of limit testing, eliminating the need to sell securities at a loss when they are downgraded.
- Removal of a provision allowing Investments between the Districts' Solid Waste System and the Joint Outfall System for the Clearwater Tunnel Project. Alternative financing has been secured for the Clearwater Tunnel and this provision is no longer needed.
- Reduction of audits for compliance with investment limits from quarterly to semi-annually.

Debt Management Policy

- Addition of a provision for federal low-interest loans through the Water Infrastructure Finance and Innovation Act or WIFIA.
- Removal of two debt instruments that are no longer applicable.
 - CIF debt is no longer applicable due to changes in the most recently adopted connection fee ordinances

- As mentioned above, a debt agreement between the Districts' Solid Waste System and the Joint Outfall System for the Clearwater Tunnel Project is no longer needed.
- Addition of a provision to encourage participation and selection of disadvantaged businesses for underwriting services.

Financial Reserve Policies

- Update of uses of the Natural Disaster and Self-Insured Retention Fund to include not only deductible and self-insure retention costs, but also costs above the Districts' insured limits. This is recommended to expand this fund's coverage for costs above the Districts' insured limits, in addition to covering the deductible and self-insured retention layers.
- Inclusion of all Joint Administration Funds to ensure all funds are covered under the Wastewater Policy.
- Addition of Rate Stabilization Fund to the Wastewater Policy, which is currently tracked but not held as a separate fund.
- Addition of Fee-in-Lieu and Puente Hills Landfill Park Settlement related funds in the Solid Waste Policy.

PURCHASING POLICY

Revisions are also recommended for the Purchasing Policy, which establishes rules for purchase of materials, supplies, equipment, services, and construction projects. Most of the revisions clarify and improve wording.

Purchasing Policy

- Authorizes the Purchasing Agent to procure temporary property rights up to \$100,000 to accommodate construction of District's projects.
- Clarifies reporting responsibilities to the Board on any action taken with emergency authority: requires a report at the next Board meeting and approval by the Board when the work is complete.
- Increases authority to settle or reject claims up to \$100,000 from the current authority of \$5,000.
- Adds a provision to allow issuance of orders and contracts without Board approval when there is an urgent need, and the Board is not expected to meet. Ratification by the Board is required at the next meeting.

CONCLUSION

The proposed Policies will be presented to each Board for adoption over the next several months. You may find the link to the policies on the posted agenda on the Districts' website (www.lacsd.org), or you may contact Kim Christensen at kchristensen@lacsd.org, for hard copies to be mailed directly to you. If approved, the new Policies will take effect after adoption by all of the Boards.

Very truly yours,



Robert C. Ferrante

RCF:MAE