

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 2

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

WEDNESDAY	December 14, 2022	At 1:30 P.M.
<b>Governing Body</b>	<b>Director</b>	<b>Alternate</b>
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	BLANCA PACHECO	FROMETA
LONG BEACH	RICHARDSON	-----
LOS ANGELES CITY	KREKORIAN	-----
MONTEBELLO	COBOS-CAWTHORNE	JIMENEZ
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	HAHN	HORVATH

**CONSENT AGENDA**

1. Public Comment
2. Receive and Order Filed as Follows:
  - (a) Action Appointing Ms. Angie Jimenez as Alternate Director of the City of Montebello
  - (b) Certificate of Ms. Janice Hahn, Presiding Officer of the Board of Supervisors of the County of Los Angeles
  - (c) Action Appointing Ms. Lindsey Horvath as Alternate Director of the Board of Supervisors of the County of Los Angeles
3. Approve Minutes of Regular Meeting Held November 9, 2022, and Adjourned Regular Meeting Held November 14, 2022
4. Approve September 2022 Expenses in Amount of \$22,835,043.43

Summary: Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Allocated expenses represent the District's proportionate share of expenses made by District No. 2, the Administrative District, on its behalf pursuant to either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each participating District. District No. 2 also acts as the Administrative District for the Solid Waste System expenses which are managed pursuant to the Solid Waste Management System Agreement, the Los Angeles County Refuse Disposal Trust Fund Agreement, and a series of Joint Powers Agreements. District No. 2 also acts as the Administrative District for Stormwater Management expenses the Districts incur, and are later reimbursed for, in assisting their member cities and unincorporated Los Angeles County address stormwater compliance issues. A listing of Districts' payments and previously approved budgets can be found on the Districts' website at

4. Contd.

[lacs.d.org/financial-documents](https://lacs.d.org/financial-documents). This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:	
Operations & Maintenance	\$ 15,367.57
Allocated Expenses:	
Technical Support	(30.69)
Joint Outfall	(2,344,297.46)
Joint Outfall System Expenses:	
Allocated Expenses	10,882,711.14
Solid Waste System Expenses:	
Operations & Maintenance	9,428,336.25
Allocated Expenses	2,367,090.93
Capital	2,480,035.75
Stormwater Expenses:	
Operations & Maintenance	5,829.94
Total Expenses	<u>\$22,835,043.43</u>

5. Accept Contract No. 5385 and Order Final Payment to Innovative Construction Solutions, for Construction of *San Jose Creek Water Reclamation Plant (WRP) Removal of Underground Fuel Storage Tanks (Project)*; Resulting in Total Contract Amount of \$471,678.77

Summary: The Project consisted of the removal and disposal of the existing gasoline and diesel underground storage tanks at San Jose Creek WRP East to comply with regulations issued by the State Water Resources Control Board. The Project also included demolition of the associated fuel dispensers, piping, and electrical components, and repaving of the disturbed areas. Seven change orders totaling \$98,124.77 were approved for this Project.

**REGULAR AGENDA**

1. Re: Contract with Rama Grading, Inc., in Amount of Approximately \$6,241,981, for Construction of [Scholl Canyon Landfill Geosynthetic Clay Liner Final Cover - Phase I](#) (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 constructing a geosynthetic clay liner final cover system on approximately 17 acres of the Scholl Canyon Landfill. The work includes the installation of a geocomposite drainage system, a geosynthetic-bonded clay barrier, and associated earthwork. The Project is required to establish final closure of the completed areas of the landfill. 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 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).

2. Re: Contract with Spiniello Infrastructure West, Inc., in Amount of Approximately \$19,163,500, for Construction of [Joint Outfall B Unit 1A Trunk Sewer Rehabilitation Phase 2](#) (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 6,500 feet of 144-inch-diameter corroded concrete pipe and appurtenant structures that were constructed in 1954. The work is located within the City of Carson 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).

## 3. Authorize Issuance of Purchase Orders as Follows:

- (a) To CE Schmidt, Ph.D, Environmental Consultant (CE Schmidt) in Amount of Approximately \$220,00 for Air Emissions Testing at Tulare Lake Compost Facility (TLC)

Summary: The TLC is within the regulatory jurisdiction of the San Joaquin Valley Air Pollution Control District (SJVAPCD). Air emissions testing of the compost and agricultural waste piles at TLC is required by the facility operating permits issued by the SJVAPCD. A Request for Proposals was released and one proposal was received. Staff has determined that the sole respondent, CE Schmidt, is technically qualified to perform this work, is a recognized innovator and leader for air emissions testing of compost piles, and submitted a cost effective proposal. 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).

- (b) To MDJ Management, LLC (MDJ Management) in Amount of Approximately \$228,363 for Joint Water Pollution Control Plant (JWPCP) Laboratory Parking Lot Renovations Project

Summary: The JWPCP Laboratory staff have experienced numerous instances of theft from their vehicles parked in broad daylight at the parking lot located immediately south of the JWPCP Laboratory. The proposed project entails modifications to the existing JWPCP parking lot to improve security. The modifications include construction of a pedestrian-controlled access gate and block wall that will create two separate parking lots: one for Laboratory staff, accessible through one of the JWPCP's guarded security entrances, and one for visitors, accessible to the public via Figueroa Street. 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).

## 4. Re: Furnish and Deliver Renewable Red Dyed Diesel and Unleaded Gasoline to Various Districts' Locations

- (a) Confirm Increase of Purchase Order to Merrimac Energy Group (Merrimac) in Amount of Approximately \$1,950,000 for Prior One-Year Period
- (b) Authorize Extension of Purchase Order to Merrimac in Amount of Approximately \$3,000,000 for Additional One-Year Period

Summary: The Districts uses fuel for its fleet of vehicles and mobile equipment in various locations throughout our service area. To the extent possible, the Districts has committed to expanding the use of alternative fuels for its fleet to reduce greenhouse gas emissions (GHG). Currently, these efforts are reducing GHG emissions by 2,100 metric tons of CO<sub>2</sub> equivalent per year. In 2021, the Board awarded a purchase order to Merrimac to supply unleaded gasoline to all Districts' facilities and expand the supply of renewable diesel. The initial term of the agreement was for one year with the option to extend the agreement for two additional one-year periods. During the first year of the agreement, the volume estimates were in line with actual usage, but the cost per gallon for both unleaded gasoline and renewable red dyed diesel, which are based on a wholesale fuel index, were significantly higher due to market conditions and exceeded the original agreement amount. Merrimac has also proposed to extend the agreement for a second year per the contract specifications with no change in contract pricing. Staff recommends extending the purchase order for an additional one-year period since the proposal is competitive and 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).

## 5. Authorize Payment to Aon Risk Services, Inc., (Aon) for All-Risk Insurance and Earthquake and Flood Coverage for One-Year Period at Annual Premium of \$1,027,818 for Puente Hills Gas-to-Energy (PERG) and Joint Water Pollution Control Plant (JWPCP) Total Energy Facilities

Summary: 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 PERG and the JWPCP Total Energy Facilities, which are the District's two largest energy generation facilities. The current insurance carriers, ACE American Insurance Company (ACE) and Starr Surplus Lines Insurance Company (Starr), submitted the only quote in the amount of \$990,000, plus \$37,818 for engineering fees,

## 5. Contd.

which represents an increase of 22 percent over last year's premium. ACE will provide 24.5 percent of the coverage, and Starr will provide 75.5 percent of the coverage. Twelve other carriers 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.

6. Authorize Chief Engineer and General Manager (Chief Engineer) to Execute [Fifth Amendment to License Agreement](#) (Amendment) with Friends of Wilmington Sports Complex, LLC, (FWSC) for Interim Operation of Wilmington Athletic Complex (WAC)

Summary: The WAC is located adjacent to the Joint Water Pollution Control Plant (JWPCP) on 18 acres of Districts' property in the Wilmington neighborhood of the City of Los Angeles (City). In the 1960s, the Districts purchased what was then vacant land to act as buffer for the JWPCP and support potential plant expansion. In the late 1970s, the Districts leased the property to a local organization, which constructed athletic fields and ancillary facilities on the premises. In July 2021, the Board authorized the Chief Engineer to terminate the lease and enter into a License Agreement (License) with FWSC to operate the WAC on an interim basis while the Districts negotiates a long-term Lease Agreement (Lease) with the City's Department of Recreation and Parks. In June 2022, the Board approved a deal term sheet for the Lease and authorized the Chief Engineer to execute the Lease. The License expires on December 31, 2022, but staff continues to work with the City on the Lease. In order to allow additional time to finalize the Lease, it is recommended that the Board authorize the Chief Engineer to execute the attached Amendment, which extends the term of the License by three months, through March 31, 2023, and increases the monthly payment to FWSC from \$7,500 to \$9,500 per month to cover shortfalls in the net operating cost of the WAC. Staff has determined that authorizing the Chief Engineer to execute the Amendment does 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. As fee title holder of the WAC property, District No. 8 must authorize the action requested, and District No. 2, as the administrative District, must approve the authority granted by District No. 8. This item is consistent with the Districts' Guiding Principle of commitment to continual improvement.

## 7. Re: Food Waste Slurry at Joint Water Pollution Control Plant (JWPCP)

- (a) Approve Two Template Agreements for Delivery and Acceptance of Food Waste Slurry at JWPCP
- (b) Authorize Districts' Chief Engineer and General Manager to Execute Future Template Agreements for Delivery and Acceptance of Food Waste Slurry at JWPCP with Same Pricing, Terms, and Conditions

Summary: The Districts operates a food waste recycling program at JWPCP. Processed food waste slurry is received and co-digested with wastewater sludge to generate renewable natural gas. Twelve companies currently deliver food waste slurry to JWPCP under contracts through December 31, 2022. Depending on the contract selected, the Template Agreements allow the companies to deliver food waste slurry to JWPCP until December 31, 2023, or December 31, 2024. The Template Agreements have similar terms to the current contract but include a new tiered discount rate structure dependent on the delivered quantity. Customers can receive a discount of \$1 to \$8/ton off the current base fee of \$29/ton. Customers will have the option to choose between a one-year Template Agreement or two-year put-or-pay Template Agreement, which offers an additional \$0.50/ton discount. Board authority is requested for the Districts' Chief Engineer and General Manager to execute future Template Agreements and all related documents regarding delivery and acceptance of food waste slurry at JWPCP. To comply with the California Environmental Quality Act, a Mitigated Negative Declaration was previously approved for the project by the Board on February 28, 2018. This item is consistent with the Districts' Guiding Principle to provide leadership in our industry through innovation, compliance, and cost effectiveness.

## 8. Re: Sanitary Sewer Overflow (SSOs) Occurring from Joint Outfall System (JOS) from January 2018 to September 2022

- (a) CLOSED SESSION – *Conference with Legal Counsel and Staff Pursuant to Government Code Section 54956.9(d)(2) – Potential Litigation* – California Regional Water Quality Control Board – Los Angeles Region, Administrative Civil Liability (ACL) Complaint Relating to SSO Event ID Nos. 878549, 844340, 845320, 855878, 855879, 856060, 856635, 860403, 864079, 866253, 869694, 874673, 877650, and 883181
- (b) Delegate Authority to Chief Engineer and General Manager to Negotiate and Execute *Settlement Agreement* with California Regional Water Quality Control Board – Los Angeles Region, to Resolve ACL Complaint Relating to SSO Event ID Nos. 878549, 844340, 845320, 855878, 855879, 856060, 856635, 860403, 864079, 866253, 869694, 874673, 877650, and 883181 and to Take all Further Actions Necessary to Effectuate Settlement of this Matter including Implementation of Associated Supplemental Environmental Projects

8. Contd.

Summary: This matter is related to confidential settlement negotiations with the Los Angeles Regional Water Quality Control Board regarding a sewer spill that occurred in December 2021 and discharged to the Dominguez Channel Estuary, as well as 13 other SSOs occurring from the JOS during January 2018 - September 2022. *The Chief Engineer and General Manager and District Counsel will discuss this matter in closed session.*

Adjourn to Monday December 19, 2022, 1:30 p.m. at Districts' Joint Administration Office, via teleconference

**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.

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

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

FOR BOARD MEETING December 14, 2022

BIDS were received at the District Office on November 1, 2022

FOR Scholl Canyon Landfill Geosynthetic Clay Liner Final Cover - Phase I

No. of Bids Received: 2

<u>BIDDER</u>	<u>TOTAL BID</u>
Rama Grading, Inc.	<u>\$6,241,981.00</u>
Zusser Company, Inc.	<u>\$7,186,836.00</u>

RECOMMENDATION:

Award contract to Rama Grading, Inc., low bidder, in the amount of \$6,241,981.00

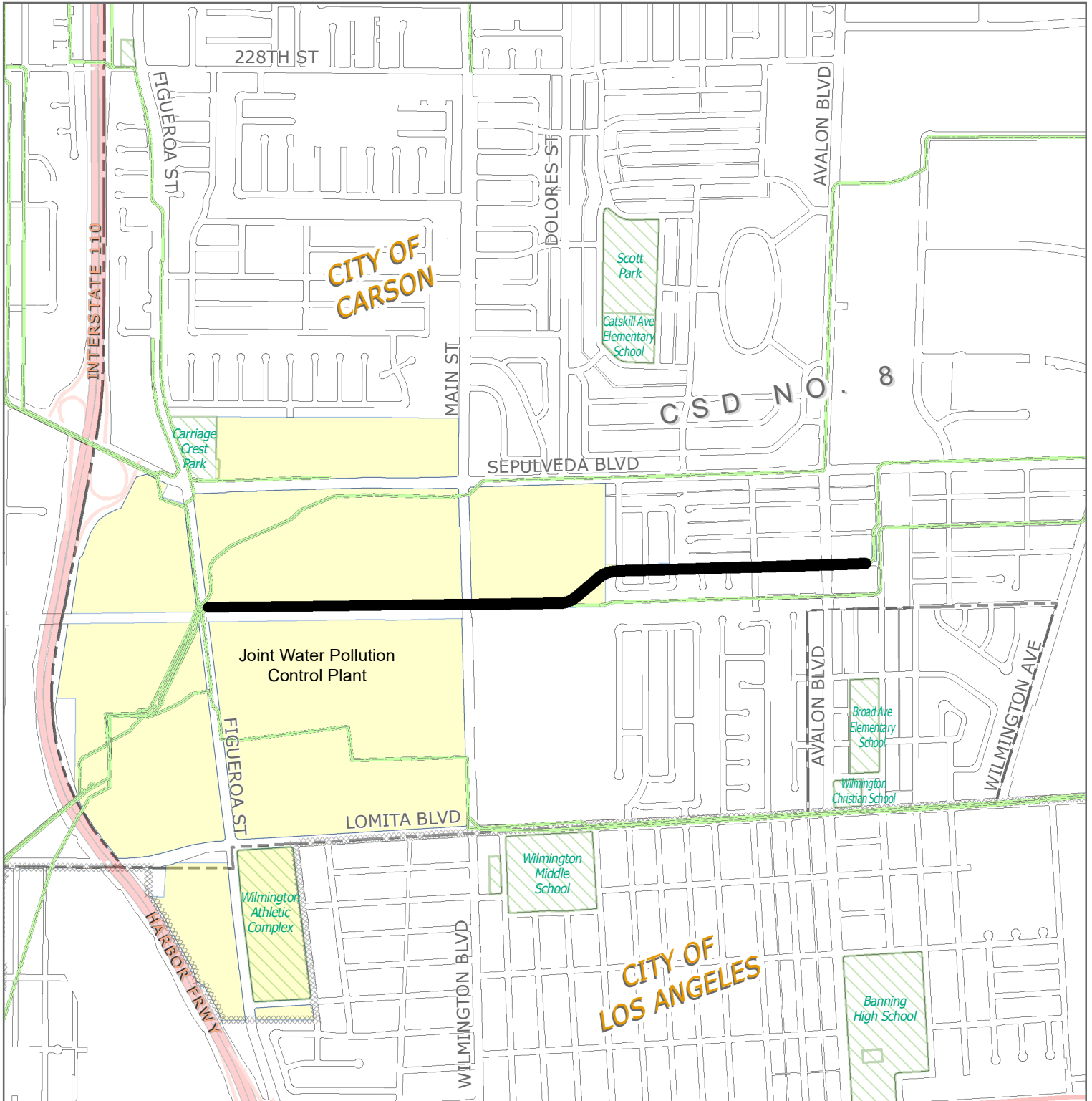
Engineer's Estimate: \$7,100,000.



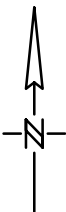
Robert C. Ferrante  
Chief Engineer and  
General Manager



# JOINT OUTFALL B UNIT 1A TRUNK SEWER REHABILITATION PHASE 2



 PROJECT ROUTE



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

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

FOR BOARD MEETING December 14, 2022

BIDS were received at the District Office on November 22, 2022

FOR Joint Outfall B Unit 1A Trunk Sewer Rehabilitation Phase 2

No. of Bids Received: 5

<u>BIDDER</u>	<u>TOTAL BID</u>
Spiniello Infrastructure West, Inc.	<u>\$19,163,500.00</u>
Mladen Buntich Construction	\$21,354,425.00
KEC Engineering	\$22,666,622.00
J.R. Pipeline Co., Inc.	\$27,856,010.00
Colich & Sons, L.P.	\$37,572,100.00

RECOMMENDATION:

Award contract to Spiniello Infrastructure West, Inc., low bidder, in the amount of \$19,163,500.00.

Engineer's Estimate: \$21,000,000.00



Robert C. Ferrante  
Chief Engineer and  
General Manager