

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

November 14, 2022
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, Alternate Director from Artesia
Lisbeth Flores, Alternate Director from Bell Gardens
Raymond Dunton, Director from Bellflower
Bruce Barrows, Alternate Director from Cerritos
Ivan Altamirano, Director from Commerce
Emma Sharif, Director from Compton
Claudia Frometa, Alternate Director from Downey
Joe Buscaino, Alternate Director from Los Angeles City
Henry Lo, Director from Monterey Park
Rick Ramirez, Director from Norwalk
Vilma Cuellar Stallings, Director from Paramount
Tony Ding, Director from San Gabriel
Maria Davila, Alternate Director from South Gate
Holly Mitchell, Director from Los Angeles County
Cathy Warner, Chairperson, Alternate Director from Whittier

Absent: Jeffrey Maloney, Director from Alhambra
Monica Arroyo, Director from Bell
Robert Garcia, Director from Long Beach
Kimberly Ann Cobos-Cawthorne, Director from Montebello
Monica Sanchez, Director from Pico Rivera
Leticia Lopez, Director from Vernon

Also present: Denise Springer, Deputy Secretary to the Board
Wes Beverlin, District Counsel

CONSENT AGENDA

Upon motion of Director Mitchell, 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 to Board on any matters.

RE: LEGAL SERVICES
PAYMENT AND
REIMBURSEMENT OF
EXPENSES ADVANCED An invoice dated October 12, 2022, from Lewis Brisbois, Bisgaard & Smith LLP, in the amount of \$171,929.20 for professional services rendered and reimbursement of expenses advanced in various Districts' matters during the month of September 2022, was approved, and the Chief Engineer and General Manager was authorized to have a warrant drawn in full payment of the invoice, the charges to be distributed to the affected Districts.

RE: RESOLUTION 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 - ADOPT A proposed 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, was presented. Remote teleconference 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 was attached to the agenda. A recommendation was made to adopt the Resolution.

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

AYES: Fifteen (15)

NOES: None

ABSTAIN: None

ABSENT: Six (6)

RE: SOLID WASTE MANAGEMENT
PUENTE HILLS MATERIALS RECOVERY
FACILITY RECYCLING EQUIPMENT
PHASE II - EMERGING ACQUISITIONS, LLC
DBA BULK HANDLING SYSTEMS
CONTRACT NO. 5057
ACCEPTANCE OF THE WORK

Emerging Acquisitions, LLC DBA Bulk Handling Systems has completed the work in connection with Contract No. 5057 for construction of the Puente Hill Materials Recovery Facility Recycling Equipment Phase II (Project) within the time allowed by the contract, and in accordance with its terms. 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 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. A recommendation was made to accept this work.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the work in connection with Contract No. 5057, entered into by Emerging Acquisitions, LLC DBA Bulk Handling Systems, on September 13, 2017, for construction of the Puente Hills Materials Recovery Facility Recycling Equipment Phase II, 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 \$15,957,111.84 was authorized in accordance with the terms of the contract.

REGULAR AGENDA

RE: WASTEWATER MANAGEMENT
CONSTRUCTION OF JOINT OUTFALL C
UNIT 6F TRUNK SEWER REHABILITATION
AWARD CONTRACT NO. 5481
INSITUFORM TECHNOLOGIES, LLC
ORDER SECRETARY TO EXECUTE

The Joint Outfall C Unit 6F Trunk Sewer Rehabilitation (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 map which was 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 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). The bids received at the District’s office on October 20, 2022, for construction of the Project are as follows:

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

The bid of Insituform Technologies, LLC, was the lowest bid received and that Insituform Technologies, LLC, was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to Insituform Technologies, LLC, at the unit prices stated in its bid amounting to approximately \$636,860. 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 Insituform Technologies, LLC, for construction of the Project.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, Contract No. 5481 for construction of the Joint Outfall C Unit 6F Trunk Sewer Rehabilitation was awarded to the lowest, regular, responsible bidder, to wit: Insituform Technologies, LLC, at the unit prices stated in its bid amounting to approximately \$636,860. Furthermore, the Board of Directors of County Sanitation District No. 2 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 Insituform Technologies, LLC, for construction of the Project.

RE: WASTEWATER MANAGEMENT
JOINT OUTFALL B UNIT 6G TRUNK
SEWER REHABILITATION
AWARD CONTRACT NO. 5480
TO LUCAS BUILDERS, INC.
ORDER SECRETARY TO EXECUTE

The Joint Outfall B Unit 6G Trunk Sewer Rehabilitation (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 map which was attached to the agenda. 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 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 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 October 18, 2022, for construction of the Project are as follows:

<u>BIDDER</u>	TOTAL BID
Lucas Builders, Inc.	\$3,797,502.00
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

The bid of Lucas Builders, Inc., was the lowest received and that Lucas Builders, Inc., was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to Lucas Builders, Inc., at the unit prices stated in its bid amounting to approximately \$3,797,502. 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 Lucas Builders, Inc., for construction of the Project.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, Contract No. 5480 for construction of the Joint Outfall B Unit 6G Trunk Sewer Rehabilitation was awarded to the lowest, regular, responsible bidder, to wit: Lucas Builders, Inc., at the unit prices stated in its bid amounting to approximately \$3,797,502. Furthermore, the Board of Directors of County Sanitation District No. 2 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 Lucas Builders, Inc., for construction of the Project.

RE: FACILITIES PLANNING
JOINT WATER POLLUTION CONTROL
PLANT SECONDARY TREATMENT
TECHNICAL ANALYSIS AND FACILITIES
PLAN - AUTHORIZE ISSUANCE OF
PURCHASE ORDERS TO HAZEN AND
SAWYER AND JACOB ENGINEERING GROUP

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 Pure Water Southern California (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 Engineering Group (Jacobs) and Hazen and Sawyer (Hazen) to evaluate nitrogen removal options at the Joint Water Pollution Control Plant (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). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue purchase orders for the JWPCP secondary treatment technical analysis and Facilities Plan in support of PWSC project to Hazen and Sawyer in the amount of approximately \$395,000 and to Jacobs Engineering Group in the amount of approximately \$580,000.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue purchase orders to Hazen and Sawyer in the amount of approximately \$395,000 and Jacobs Engineering Group in the amount of approximately \$580,000 for the JWPCP secondary treatment technical analysis and Facilities Plan in support of PWSC project.

RE: SOLID WASTE MANAGEMENT
VEHICLE PURCHASES - AUTHORIZE
ISSUANCE OF PURCHASE ORDERS TO
CLEAN ENERGY FUELS AND WEX BANK

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 Bank (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 renewable natural gas (RNG) requirements, the Districts owns four compressed natural gas (CNG) fuel stations. The Districts has contracts with Clean Energy 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 Clean Energy Fuels (CE) network. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue purchase orders to Clean Energy Fuels in the amount of approximately \$1,000,000 for renewable natural gas vehicle fuel for a three-year period and to WEX Bank in the amount of approximately \$1,400,000 for fuel purchases at retail fuel stations for a three-year period.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue purchase orders to Clean Energy Fuels in the amount of approximately

\$1,000,000 for renewable natural gas vehicle fuel for a three-year period and WEX Bank in the amount of approximately \$1,400,000 for fuel purchases at retail fuel stations for a three-year period.

RE: JOINT ADMINISTRATION - RENEWAL OF DISTRICTS' ON-ROAD VEHICLE FLEET LIABILITY INSURANCE COVERAGE AUTHORIZE ISSUANCE OF PURCHASE ORDER TO AON RISK SERVICES, INC.

Aon Risk Services, Inc., (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. A recommendation was made to authorize a payment to Aon Risk Services, Inc., in the amount of approximately \$1,003,982 for renewal of on-road vehicle fleet liability insurance coverage for a one-year period.

Upon motion of Director Mitchell, 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., for renewal of on-road vehicle fleet liability insurance coverage for a one-year period in the amount of approximately \$1,003,982.

RE: FINANCIAL MANAGEMENT DOWNEY AREA RECYCLING AND TRANSFER FACILITY - MR. PAUL BARRON CLAIM FOR INJURIES - REJECT

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 Downey Area Recycling and Transfer (DART) Facility. 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. A claim has been filed with the District by Mr. Paul Barron alleging injuries sustained at Downey Area Recycling and Transfer Facility. District Counsel has reviewed the claim and recommends rejection.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the claim filed by Mr. Paul Barron alleging injuries sustained at Downey Area Recycling and Transfer Facility, was rejected.

RE: JOINT ADMINISTRATION PURCHASING POLICY, INVESTMENT POLICY, DEBT MANAGEMENT POLICY, WASTEWATER FINANCIAL RESERVE POLICY, AND JOINT OUTFALL SYSTEM FINANCIAL RESERVE POLICY, SOLID WASTE FINANCIAL RESERVE POLICY - ADOPT

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' 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. A recommendation was made that the Purchasing Policy, Investment Policy, Debt Management Policy, Wastewater Financial Reserve Policy, Joint Outfall System Financial Reserve Policy, and Solid Waste Financial Reserve Policy be approved and adopted.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the Purchasing Policy, Investment Policy, Debt Management Policy, Wastewater Financial Reserve Policy, Joint Outfall System Financial Reserve Policy, and Solid Waste Financial Reserve Policy were considered, approved, and adopted.

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

CATHY WARNER
Chairperson

ATTEST:

DENISE R. SPRINGER
Deputy Secretary

/drs