

MINUTES OF MEETING
BOARD OF DIRECTORS, ORANGE COUNTY WATER DISTRICT
September 4, 2019, 5:30 p.m.

President Sarmiento called to order the September 4, 2019 regular meeting of the Orange County Water District Board of Directors at 5:30 p.m. in the Boardroom at the District office. Following the Pledge of Allegiance to the Flag, the Secretary called the roll and reported a quorum as follows.

Directors

Denis Bilodeau
Jordan Brandman (arrived 5:53 p.m.)
Cathy Green
Dina Nguyen
Kelly Rowe
Vicente Sarmiento
Stephen Sheldon
Tri Ta
Roger Yoh
Ahmad Zahra

Staff

Michael R. Markus, General Manager
Jeremy Jungeis, General Counsel
Janice Durant, District Secretary

EMPLOYEE OF THE QUARTER AWARD

The Board presented the Employee of the Quarter Award to Human Resources Assistant Natasha Issak.

VISITOR PARTICIPATION

There were no persons wishing to address the Board on items not on tonight's Agenda.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Ta, seconded by Director Green and carried [9-0] as follows.

Ayes: Bilodeau, Green, Nguyen, Rowe, Sarmiento, Sheldon, Ta, Yoh, Zahra

Absent: Brandman

1. Approval of Cash Disbursements

MOTION NO. 19-118
APPROVING CASH DISBURSEMENTS

Payment of bills for the period August 15, 2019 through August 28, 2019 in the total amount of \$4,444,981.36 is ratified and approved.

2. Approval of Minutes of Board Meeting

MOTION NO. 19-119
APPROVING MINUTES OF BOARD MEETINGS

The minutes of the Board of Directors meetings held July 17 and August 7, 2019 are approved as presented.

3. Agreement with C Tech for 3-Dimensional Analysis and Visualization of PFAS Data

RESOLUTION NO. 19-9-129
APPROVING AGREEMENT WITH C TECH DEVELOPMENT CORPORATION FOR
3-DIMENSIONAL ANALYSIS AND VISUALIZATION OF PFAS DATA

RESOLVED, that issuance of an Agreement is authorized with C Tech Development Corporation for an amount not to exceed \$27,000 for PFAS data analysis and visualization services; and, upon approval as to form, its execution by the District staff is authorized.

4. Agreement with FST Sand and Gravel for Removal of Sediment from Prado Basin

RESOLUTION NO. 19-9-130
APPROVING AGREEMENT WITH FST SAND AND GRAVEL FOR REMOVAL OF
SEDIMENT FROM THE PRADO BASIN

RESOLVED, that issuance of an Agreement is authorized with FST Sand and Gravel to annually remove sand from District property behind Prado Dam for a five-year period; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Director Brandman arrived at 5:53 p.m. during discussion of the following item.

MATTER FOR CONSIDERATION

5. Award of Contract No. GWRS-2019-01, GWRS Final Expansion Project, to Shimmick Construction Co., Inc.

GWRS Program Manager Sandy Scott Roberts reviewed the bid solicitation process for the GWRS Final Expansion Project. She advised that the Engineer's estimate was \$189 million and stated that, based upon review of the bids, staff recommends awarding the project construction contract to the lowest responsible and responsive bidder, Shimmick Construction Company, Inc. in the amount of \$199,942,000. She advised that the second lowest bidder, W.M. Lyles, submitted a bid protest letter requesting that OCWD reject Shimmick's bid as non-responsive and not responsible because of alleged OSHA safety violations at other Shimmick projects that, according to Lyles, were not properly disclosed by Shimmick during the prequalification and bidding process. Ms. Scott Roberts advised that staff has determined that the safety violations are currently being appealed by Shimmick and/or occurred where Shimmick was participant in a Joint Venture with another firm and do not warrant rejection of Shimmick's bid. She presented staff's recommendation to reject

W.M. Lyles bid protest and award the contract to Shimmick Construction in the amount of \$199,942,000. She further recommended issuance of an Agreement to Converse Consultants for special inspection and materials testing services during construction of the Project, and adjustment of the project budget upwards to \$310,304,000. Shimmick Construction representatives Jimmy Draper and Brad Fales reviewed the safety record of their projects and urged the Board to move forward with award of the contract to Shimmick. The Board questioned staff further on Shimmick’s safety violations and requested information on how staff plans to mix the PFAS-free project water into the basin. After discussion, the following action was taken.

Upon motion by Director Yoh, seconded by Director Rowe, the following resolution was unanimously carried [10-0].

Ayes: Bilodeau, Brandman, Green, Nguyen, Rowe, Sarmiento, Sheldon, Ta, Yoh, Zahra

RESOLUTION NO. 19-9-131
 REJECTING BID PROTEST OF W.M. LYLES CO. AND AWARDING CONTRACT
 NO. GWRS-2019-01, GROUNDWATER REPLENISHMENT SYSTEM FINAL EXPANSION
 PROJECT, TO SHIMMICK CONSTRUCTION; AND AUTHORIZING AGREEMENT TO
 CONVERSE CONSULTANTS FOR SPECIAL INSPECTION AND MATERIALS TESTING
 SERVICES DURING PROJECT CONSTRUCTION, AND
 INCREASING GWRSFE PROJECT BUDGET

WHEREAS, pursuant to Resolution No. 16-09-128 adopted 09/21/2016, OCWD established the Groundwater Replenishment System Final Expansion (GWRSFE) Project which included the following actions: Adopt findings with respect to the California Environmental Quality Act; determine project feasible and necessary and of general benefit to the lands in the District and deem project duly instituted; approve the GWRS Final Expansion Engineer’s Report and project budget; and authorize filing of Notice of Determination; and

WHEREAS, pursuant to Motion No. 18-149 adopted December 20, 2018, OCWD authorized Publication of Public Invitation to Prequalify to Bid for Construction of the GWRSFE; and

WHEREAS, pursuant to Motion No. 19-47 adopted March 20, 2019, OCWD approved the list of nine prequalified general contractors, including Shimmick Construction, for construction of the GWRSFE Project, and authorized solicitation of a Notice Inviting Bids accordingly; and

WHEREAS, staff has advised of the subsequent issuance of Addenda Nos. 1, 2, 3, 4, and 5 to such contract to provide updated classification of piping material, pipeline alignment through Southern California Edison (SCE) property, electrical and process specifications; and

WHEREAS, the following four bids were received and opened on July 23, 2019:

Shimmick Construction Co., Inc.	\$199,942,000
W.M. Lyles Co.	\$208,215,000
Kiewit Infrastructure West Co.	\$223,849,000
JF Shea Construction, Inc.	\$229,858,887

WHEREAS, on August 7, 2019, the District received a bid protest letter from W.M. Lyles Co. requesting that OCWD reject Shimmick's bid as non-responsive and non-responsible because of alleged OSHA safety violations at other Shimmick projects; and

WHEREAS, the District staff has determined that Shimmick was properly prequalified without objection by any of the other bidders, and further that all alleged safety violations are currently being appealed by Shimmick and/or occurred where Shimmick was participant in a Joint Venture with another firm and therefore did not render Shimmick's bid non-responsive or non-responsible; and as such do not warrant rejection of Shimmick's bid; and

WHEREAS, the District staff has recommended that the Board reject the bid protest of W.M. Lyles Co. and award said contract to the lowest responsive bidder, Shimmick Construction Co., Inc., in the amount of \$199,942,000; and

WHEREAS, the District staff has further recommended issuance of an Agreement to Converse Consultants in the amount of \$1,277,820 for special inspection and materials testing services during construction of the GWRS Final Expansion Project; and

WHEREAS, the Committee has further recommended an increase in the GWRSFE Project Budget to \$310,304,000;

NOW, THEREFORE, the Board of Directors of the Orange County Water District does hereby resolve as follows:

Section 1: The Affidavit of Publication of the Request of Prequalification of Bidders for Contract No. GWRS-2019-1, is received and filed.

Section 2: Issuance of Addenda Nos. 1, 2, 3, 4, and 5 are hereby ratified.

Section 3: The bid protest of W.M. Lyles Co. is hereby rejected.

Section 4: The lowest responsive and responsible bid of Shimmick Construction Co., Inc., in the amount of \$199,942,000 is accepted and all other bids are rejected.

Section 5: The President or Vice President and General Manager or District Secretary are authorized to execute an Agreement on behalf of the District, in a form heretofore approved by this Board, with Shimmick Construction Co., Inc., pursuant to the terms of its proposal.

Section 6: The District General Counsel is authorized to approve the Performance and Labor and Materials Bonds submitted by said contractor on behalf of the District, provided the bonds comply with the requirements of the bid proposal.

Section 7: The District staff is directed to notify the unsuccessful bidders of the action taken herein and, upon execution of the agreement by the successful bidder, to return to the unsuccessful bidders their Bid Bonds.

Section 8: Issuance of an Agreement to Converse Consultants is authorized in the amount of \$1,277,820 for special inspection and materials testing services during construction of the GWRS Final Expansion Project; and, upon approval as to form by District General Counsel, its execution by the District officers is authorized.

Section 9: A revised Project Budget of \$310,304,000 is authorized.

INFORMATIONAL ITEMS

6. Santa Ana Watershed Project Authority Activities

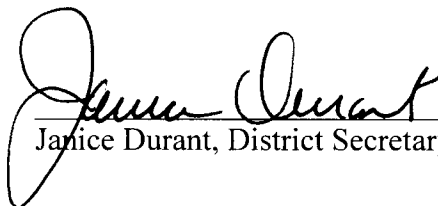
Directors Bilodeau and Rowe updated the Board on recent SAWPA activities.

7. Committee/Conference/Meeting Reports

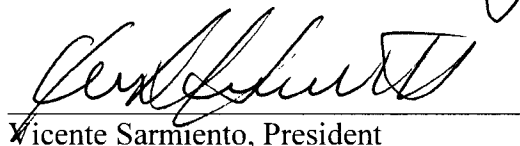
Director Zahra reported that he hosted a Fullerton community water meeting titled "Let's Talk Water" on August 24 that was also attended by Director Ta and General Manager Markus. Directors Brandman, Rowe and Ta reported on their attendance at the WasteReuse Conference in Anaheim with Jason Dadakis and Mike Markus. Director Bilodeau reported on his attendance at the Dow Membrane System tour of the GWRS plant. Directors Brandman, Green, Sarmiento and reported on their attendance at the meeting on August 16 with Senator Umberg. Director Green also reported that she and Director Brandman attended the memorial for former Director Irv Pickler on August 24.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:15 p.m.



Janice Durant, District Secretary



Vicente Sarmiento, President