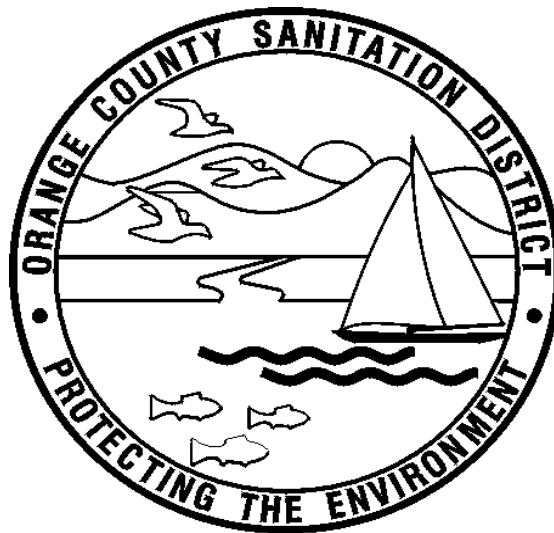


Orange County Sanitation District

MINUTES

BOARD MEETING

February 22, 2012



**Administration Building
10844 Ellis Avenue
Fountain Valley, California 92708-7018**

ROLL CALL

A regular meeting of the Board of Directors of the Orange County Sanitation District was held on February 22, 2012, at 6:40 p.m., in the Administration Building. Following the invocation and Pledge of Allegiance, a quorum was declared present by the Clerk of the Board as follows:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	Larry Crandall, Chair		Steve Nagel
X	Troy Edgar, Vice Chair		Ken Stephens
X	John Anderson		Jim Winder
X	Tom Beamish		Rose Espinoza
X	Joe Carchio		Devin Dwyer
X	Bill Dalton		Kris Beard
A	Jon Dumitru		Denis Bilodeau
X	Gail Eastman		Harry Sidhu
X	James M. Ferryman		Bob Ooten
A	Michael Levitt		Gordon Shanks
X	Jeffrey Lalloway		Steven Choi
A	Scott Nelson	X	Constance Underhill
X	Prakash Narain		Doug Bailey
X	Joy Neugebauer		Al Krippner
X	Janet Nguyen		Shawn Nelson
X	John Nielsen		Jerry Amante
A	Sharon Quirk-Silva		Pat McKinley
X	Brad Reese		Robert Fauteux
A	Steven Rosansky		Nancy Gardner
X	Don Schweitzer		Ron Garcia
X	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
A	Sal Tinajero		David Benavides
X	Constance Underhill		Joseph Aguirre
X	Mark Waldman		Steven Hwangbo
A	John Withers		Douglas Reinhart

STAFF MEMBERS PRESENT: Jim Ruth, General Manager; Bob Ghirelli, Assistant General Manager; Jim Herberg, Assistant General Manager; Nick Arhontes, Director of Facilities Support Services; Ed Torres, Director of Operations and Maintenance; Lorenzo Tyner, Director of Finance & Administrative Services; Jeff Reed, Director of Human Resources; Maria Ayala, Clerk of the Board; Norbert Gaia; Michael Gold; Todd Haynes; Kenneth Hernandez; Lilia Kovac; Rich Spencer; Rob Thompson; and Paula Zellar.

OTHERS PRESENT: Brad Hogin, General Counsel; Eric Sapirstein;

PUBLIC COMMENTS:

None.

REPORTS:

Ed Torres, Director of Operations and Maintenance, recognized Cahn Q. Nguyen, OSCD Scientist, with a Service Award for 20 years.

Chair Crandall announced that he attended the NACWA Conference in Los Angeles. He was accepted the NACWA Research and Technology Award on behalf of OCSD. Mr. Crandall reminded the Board about the OCSD Plant Tour scheduled for March 21st at 4 p.m. Following the Tour there will be a Special Steering Committee Meeting at 6 p.m.

Eric Sapirstein, provided the Board with a federal update on Congress, and the status of various pending legislative bills and cases.

General Manager, Jim Ruth, made the following announcements: New Board Member Orientation took place on February 1st, Directors Eastman, Nelson, Schweitzer, and Alternate Director Dwyer attended; He encouraged the Board members to attend the Plant Tour as it will be very informative; Staff will be providing a thorough update on EnerTech next month; Staff has made five nominations for the Honor Walk, those nominations will be brought to the Steering Committee for final approval; OCSD employee, Carla Dillon, was awarded an international study fellowship that will take place in New Zealand; and the Sanitation District received a AAA bond rating recently.

CLAIMS:

- 1. MOVED, SECONDED, AND DULY CARRIED: Ratify payment of claims of the District, by roll call vote, as follows:

<u>Claims Paid for the Period Ending:</u>	<u>01/15/12</u>	<u>01/31/12</u>
Totals	\$7,996,309.01	\$43,311,742.75

Directors Nguyen and Nielsen abstained from discussion and voting on all warrants pursuant to California Government Code Section 84308.

Director Anderson was not present for the vote.

CONSENT CALENDAR:

- 2. MOVED SECONDED, AND DULY CARRIED: Approve minutes for the Regular Board Meeting held on January 25, 2012.

3. MOVED, SECONDED, AND DULY CARRIED: Approve the updated 2007 Orange County Regional Water and Wastewater Multi-Hazard Mitigation Plan.
4.
 - A. MOVED, SECONDED, AND DULY CARRIED: Award a service agreement to Kaveh Engineering & Construction, Inc. for P2 78-inch Outfall Land Section Piping Repair FR-2011-500 for a total amount not to exceed \$141,956; and
 - B. Approve a contingency of \$28,400 (20%).
5. Item was moved to Non-Consent.
6.
 - A. MOVED, SECONDED, AND DULY CARRIED: Approve Plans and Specifications for 15 kV Upgrades at Plant No. 2, Project No. P2-108, on file at the office of the Clerk of the Board;
 - B. Approve Addendum Nos. 1 and 2 to the plans and specifications;
 - C. Receive and file bid tabulation and recommendation;
 - D. Award a construction contract to Helix Electric, Inc. for 15 kV Upgrades at Plant No. 2, Project No. P2-108, for a total amount not to exceed \$2,745,000 and,
 - E. Approve a contingency of \$192,150 (7.0%).
7.
 - A. MOVED, SECONDED, AND DULY CARRIED: Approve Addendum No. 1 to the plans and specifications;
 - B. Receive and file bid tabulation and recommendation;
 - C. Award a construction contract to W. M. Lyles Company for Fall Protection Improvements at Plant Nos. 1 and 2, Project No. J-123, for a total amount not to exceed \$1,810,832; and,
 - D. Approve a contingency of \$181,083 (10%).
8. MOVED, SECONDED, AND DULY CARRIED: Approve a negotiated agreement between the Orange County Sanitation District and the public school districts within its service area for payment of Capital Facilities Capacity Charges (CFCC).

Director Nguyen abstained.

NON-CONSENT:

5. A. MOVED, SECONDED, AND DULY CARRIED: Approve an Easement Agreement with VBAS Corporation and Southern California Edison Company to compensate Orange County Sanitation District for a nonexclusive grant of easement on the Rocky Point Pump Station property and for costs incurred to appraise the value of the easement, in an amount of \$37,200, in a form approved by General Counsel.
- B. Grant a non-exclusive easement to Southern California Edison, which will encompass underground facilities on the eastern portion of the Rocky Point Pump Station property, in a form approved by General Counsel.

Director Beamish recused himself from this item.

9. A. MOVED, SECONDED, AND DULY CARRIED: Consider, receive, and file the Final Environmental Impact Report for the Ocean Outfall Land Section and Ocean Outfall Booster Pump Station (OOBS) Piping Rehabilitation Project, prepared by Environmental Science Associates, dated February 2012;
- B. Adopt Resolution No. OCSD 12-02, certifying the Final Environmental Impact Report for implementation of the Ocean Outfall Land Section and OOBS Piping Rehabilitation; making certain findings relating to environmental effects of Alternative 2 identified in the Final Environmental Impact Report; adopting a Statement of Overriding Considerations; adopting a Mitigation Monitoring and Reporting Program; and approving the Ocean Outfall Land Section and OOBS Piping Rehabilitation Project (Alternative 2).

STEERING COMMITTEE:

Chair Crandall reported out from the Steering Committee that many items were discussed. With limited time, however, the closed session item regarding the general counsel's evaluation was not discussed and will, therefore, be continued to the March 28th Board Meeting.

10. MOVED, SECONDED, AND DULY CARRIED: Approve minutes of the January 25, 2012, Steering Committee Meeting.
11. MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. OCSD 12-03, Establishing the Procedure to Conduct an Annual Performance Evaluation of the General Counsel.

12. MOVED, SECONDED, AND DULY CARRIED: Approve out-of-country travel for one Orange County Sanitation District employee to New Zealand to engage in discussion and sharing of information on advanced odor control issues and technology at no cost to the Sanitation District for any type of travel or conference registration expenditures.
13. Seeking direction from the Board of Directors on a process and criteria for selection of OCSD representatives to the Redevelopment Agency Oversight Boards.

MOVED, SECONDED, AND DULY CARRIED: The Board of Directors agreed to request that the respective cities submit their recommendation to the OCSD Board Chair. The OCSD Board will then receive the recommendations and make formal appointments at the March 28, 2012 Board Meeting.

OPERATIONS COMMITTEE:

14. MOVED, SECONDED, AND DULY CARRIED: Approve minutes of the February 1, 2012, Operations Committee Meeting.
15. MOVED, SECONDED, AND DULY CARRIED: Approve Amendment No. 2 to the Professional Consultant Services Agreement with Carollo Engineers Inc. for Phase 1 of Project No. P1-116, Primary Clarifiers 6-31 Evaluation and Optimization Study, authorizing services for an additional amount of \$71,500, increasing the total amount not to exceed \$385,445.
16. A. MOVED, SECONDED, AND DULY CARRIED: Establish a budget for the Lakeview Grade Separation Project, Project No. 2-75, in the amount of \$250,000; and
B. Approve a Reimbursement Agreement with the Orange County Transportation Authority for the entirety of project expenditures, in a form approved by General Counsel, for an estimated amount not to exceed \$250,000.

ADMINISTRATION COMMITTEE:

17. MOVED, SECONDED, AND DULY CARRIED: Approve minutes of the February 8, 2012, Administration Committee Meeting.
18. A. MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. OCSD 12-04, authorizing the execution and delivery by the Sanitation District of an Installment Purchase Agreement, a Trust Agreement, an Escrow Agreement and a Continuing Disclosure Agreement in connection with the execution and delivery of Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012A, authorizing the execution and delivery of such Revenue Obligations evidencing

principal in an aggregate amount of not to exceed \$110,000,000, approving a Notice of Intention to Sell, authorizing the distribution of an Official Notice Inviting Bids and an Official Statement in connection with the offering and sale of such Revenue Obligations and authorizing the execution of necessary documents and related actions; and,

B. Recommend to the Orange County Sanitation District Financing Corporation to approve the documents supporting and authorizing the Revenue Obligations in an aggregate amount not to exceed \$110,000,000.

19. **MOVED, SECONDED, AND DULY CARRIED:** Approve the budget assumptions to be used for the preparation of the FY 2012-13 and FY 2013-14 two-year budget.

The OCSD Board of Directors recessed at 7:30 p.m.

ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

The members of the Orange County Sanitation District Board of Directors are each being compensated \$212.50 for the Board Meeting; there is no additional compensation for the Financing Corporation Meeting.

CALL TO ORDER:

Chair Crandall called the Board of Directors, Orange County Sanitation District Financing Corporation meeting to order at 7:30 p.m.

ROLL CALL:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	Larry Crandall, Chair		Steve Nagel
X	Troy Edgar, Vice Chair		Ken Stephens
X	John Anderson		Jim Winder
X	Tom Beamish		Rose Espinoza
X	Joe Carchio		Devin Dwyer
X	Bill Dalton		Kris Beard
A	Jon Dumitru		Denis Bilodeau
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X	Don Schweitzer		Ron Garcia
X	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
A	Sal Tinajero		David Benavides
X	Constance Underhill		Joseph Aguirre
X	Mark Waldman		Steven Hwangbo
A	John Withers		Douglas Reinhart

APPROVAL OF MINUTES:

MOVED, SECONDED, AND DULY CARRIED: Approve the minutes for the meeting held on October 26, 2011.

ACTION ITEMS:

- (1) MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. FC-17, authorizing the execution and delivery by the corporation of an installment purchase agreement and a trust agreement in connection with the execution and delivery of Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012A, authorizing the execution and delivery of such revenue obligations evidencing principal in an aggregate amount of not to exceed \$110,000,000 and authorizing the execution of necessary documents and related actions. *(see Agenda Report for Item No. 16).*

Board of Directors, Orange County Sanitation District Financing Corporation meeting adjourned at 7:31 p.m.

* * * * *

Board of Directors, Orange County Sanitation District meeting reconvened at 7:31 p.m.

CLOSED SESSION:

CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS: 54956.9(b) and 54956.9(a)

Convene in closed session, if necessary.

The Board convened in closed session at 7:32 p.m. to discuss four items. Confidential Minutes of the Closed Session have been prepared in accordance with the above Government Code Sections and are maintained by the Clerk of the Board in the Official Book of Confidential Minutes of Board and Committee Closed Meetings.

RECONVENE IN REGULAR SESSION: The Board reconvened in regular session at 8:15 p.m.

CONSIDERATION OF ACTION, IF ANY, ON MATTERS CONSIDERED IN CLOSED SESSION:

The Board voted to approve the recommended settlement with former employee Ennis. Directors Carchio, Lalloway, Nguyen, and Shawver opposed.

OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS, IF ANY:

Chair Crandall reminded the Board about the March 21st Plant Tour for the Board. Chair Crandall also announced the following meeting dates: Operations Committee Meeting, March 7, 2012; and Administration Committee Meeting, March 14, 2012.

ADJOURNMENT:

The Chair declared the meeting adjourned at 8:20 p.m. until the next regular Meeting on February March 28, 2012, at 6:30 p.m.

Maria E. Ayala
Clerk of the Board

RECONVENE IN REGULAR SESSION: The Board reconvened in regular session at 8:15 p.m.

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Maria E. Ayala
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