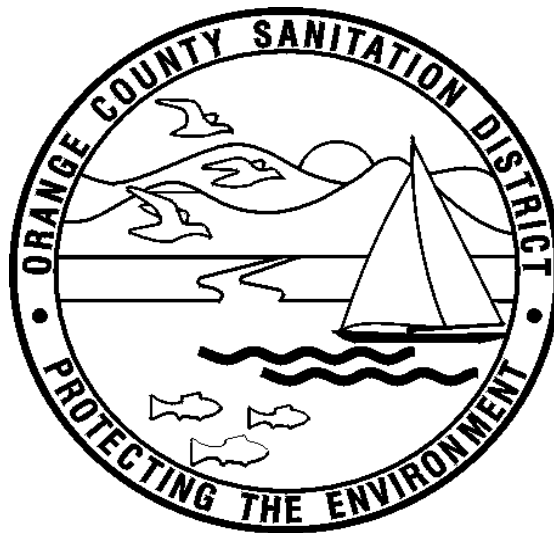


Orange County Sanitation District

MINUTES

BOARD MEETING

July 25, 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 July 25, 2012, at 6:30 p.m., in the Administration Building. Following the invocation and Pledge of Allegiance, a quorum was declared present by the Associate Clerk of the Board as follows:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	Troy Edgar, Chair		Gerri Graham-Mejia
X	John Anderson, Vice Chair		Jim Winder
X	Tom Beamish		Rose Espinoza
X	Joe Carchio		Devin Dwyer
X	Larry Crandall		Steve Nagel
X	Bill Dalton		Kris Beard
X	Jon Dumitru		Denis Bilodeau
X	Gail Eastman		Harry Sidhu
X	James M. Ferryman		Bob Ooten
X	Jeffrey Lalloway		Steven Choi
X	Michael Levitt		Gordon Shanks
X	Prakash Narain		Doug Bailey
A	Scott Nelson	X	Constance Underhill
X	Joy Neugebauer		Al Krippner
X	Janet Nguyen		Shawn Nelson
X	John Nielsen		Jerry Amante
X	Sharon Quirk-Silva		Pat McKinley
X	Brad Reese		Rick Barnett
X	Steven Rosansky		Nancy Gardner
X	Don Schweitzer		Ron Garcia
X	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
X	Sal Tinajero		David Benavides
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; Lorenzo Tyner, Director of Finance & Administrative Services; Jeff Reed, Director of Human Resources; Maria E. Ayala, Clerk of the Board; Cindi Ambrose; Jim Colston; Norbert Gaia; Ken Hernandez; Rob Thompson; Nakeisha Turner; and Paula Zellar.

OTHERS PRESENT: Brad Hogin, General Counsel

PUBLIC COMMENTS:

None.

REPORTS:

Jim Herberg, Assistant General Manager, introduced Roya Sohanaki, Engineering Supervisor, and recognized her service to the Sanitation District of over 25 years.

Chair Edgar did not deliver a report.

Mr. Ruth, General Manager, reported on the following from his Monthly General Manager’s Report: EMT held their annual retreat last week at IRWD and discussed a variety of goals for the new year; the response provided to Terra regarding the biosolids RFP; OCSD’s Open House on July 28; START Program (supervisor training program) was well attended with great reviews; OCSD’s Fleet Services was recognized as one of the 100 Best Government Fleets in the country; provided an update from GWRS (Ground Water Replenishment System); status of auditing SAWPA’s pretreatment program; and that the Natural Resources Defense Council (NRDC) has designated Huntington Beach as a 5-star beach, thanks large in part to the OCSD urban runoff diversion program.

Mr. Ruth also reported that OCSD has ceased sending biosolids to Enertech and the probability of working on a future contract with Enertech.

Jim Colston, Environmental Compliance-Regulatory Affairs Manager, provided a brief PowerPoint presentation of the timeline of the Sanitation District’s journey to Secondary Treatment.

RATIFICATION OF PAYMENT OF 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>06/15/12</u>	<u>06/30/12</u>
Totals	\$7,386,336.60	\$9,185,194.47

Directors Dumitru recused himself from this item.

CONSENT CALENDAR:

- 2. MOVED, SECONDED, AND DULY CARRIED: Receive and file the Orange County Sanitation District Directors’ Committee Assignments for 2012-2013.

3. MOVED, SECONDED, AND DULY CARRIED: Approve minutes for the Regular Board Meeting held on June 27, 2012.

Director Underhill abstained.

4. A. MOVED, SECONDED, AND DULY CARRIED: Approve Plans and Specifications for Activated Sludge Plant 1 Waste Sludge Pump Downsizing, Project No. FE10-18, on file at the office of the Clerk of the Board;
- B. Receive and file bid tabulation and recommendation;
- C. Award a construction contract to W. M. Lyles, Co. for Activated Sludge Plant 1 Waste Sludge Pump Downsizing, Project No. FE10-18, for a total amount not to exceed \$158,030; and,
- D. Approve a contingency of \$23,705 (15%).
5. MOVED, SECONDED, AND DULY CARRIED: Approve a 1.5% rate adjustment based on the Consumer Price Index for the purchase of Green Acres Project Water.
6. A. MOVED, SECONDED, AND DULY CARRIED: Approve the eighth amended Joint Powers Agreement confirming the creation of the agency known as Southern California Coastal Water Research Project (SCCWRP) Authority for the term July 1, 2013 through June 30, 2017.
- B. Approve annual funding in the amount of \$400,000 per year for SCCWRP during the term of this agreement.
- C. Approve Resolution No. OCSD 12-09, Eighth Amended Joint Powers Agreement confirming the creation of an agency known as Southern California Coastal Water Research Project.
7. A. MOVED, SECONDED, AND DULY CARRIED: Receive and file complaint in the case *Vallejo Gallery LLC v. OCSD, et al.*; and,
- B. Authorize the General Counsel to appear and represent the District's interests.

STEERING COMMITTEE:

8. MOVED, SECONDED, AND DULY CARRIED: Approve minutes of the June 27, 2012, Steering Committee Meeting.

Director Crandall departed the meeting at 6:58 p.m.

Chair Edgar announced that at this time the Board would consider the GWRS Steering Committee items.

GWRS STEERING COMMITTEE

Director Crandall reported a brief report and update on Ground Water Replenishment construction operations.

12. MOVED, SECONDED, AND DULY CARRIED: Receive and file minutes of the Groundwater Replenishment System Steering Committee meeting held on October 10, 2011.
13. MOVED, SECONDED, AND DULY CARRIED: Receive and file minutes of the Groundwater Replenishment System Steering Committee meeting held on January 9, 2012.
14. MOVED, SECONDED, AND DULY CARRIED: Receive and file minutes of the Groundwater Replenishment System Steering Committee meeting held on April 9, 2012.

ADMINISTRATION COMMITTEE:

9. MOVED, SECONDED, AND DULY CARRIED: Approve minutes of the July 11, 2012, Administration Committee Meeting.
10. A. MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. OCSD 12-10, authorizing the execution and delivery by the Sanitation District of an Installment Purchase Agreement, a Trust Agreement and a Continuing Disclosure Agreement in connection with the execution and delivery of Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012B, authorizing the execution and delivery of such Revenue Obligations evidencing principal in an aggregate amount of not to exceed \$90,000,000, 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. MOVED, SECONDED, AND DULY CARRIED: Recommend to the Orange County Sanitation District Financing Corporation approve the documents supporting and authorizing the Revenue Obligations in an aggregate amount of not to exceed \$90,000,000.
11. MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. OCSD 12-11, Authorizing the Orange County Sanitation District's Treasurer to Invest and/or Reinvest District's Funds; Adopting District's Investment Policy Statement and Performance Benchmarks for FY 2012-13; and Repealing Resolution No. OCSD 11-12.

The Board Meeting recessed at 6:58 p.m.

ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

CALL TO ORDER:

Chair Edgar called the Board of Directors, Orange County Sanitation District Financing Corporation meeting to order at 6:58 p.m.

ROLL CALL:

The Clerk of the Board announced that 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.*

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

APPROVAL OF MINUTES:

MOVED, SECONDED, AND DULY CARRIED: If no corrections or amendments are made, the minutes for the meeting held on February 22, 2012, will be deemed approved and be so ordered by the Chair.

ACTION ITEM:

MOVED, SECONDED, AND DULY CARRIED: Adopt Resolution No. FC-18, authorizing the execution and delivery by the Sanitation District of an Installment Purchase Agreement, a Trust Agreement and a Continuing Disclosure Agreement in connection with the execution and delivery of Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012B, authorizing the execution and delivery of such Revenue Obligations evidencing principal in an aggregate amount of not to exceed \$90,000,000, 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. ***(See Agenda Report for Item No. 10)***

The meeting of the Board of Directors, Orange County Sanitation District Financing Corporation adjourned at 7:00 p.m.

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The meeting of the Board of Directors, Orange County Sanitation District reconvened at 7:00 p.m.

CLOSED SESSION:

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

The Board convened in closed session at 7:01 p.m. to discuss one item. 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 Committee reconvened in regular session at 7:08 p.m.

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

No report from closed session.

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

Chair Edgar announced that this would be Director Quirk-Silva's last meeting as a member of the Board of Directors for the Orange County Sanitation District. Director Quirk-Silva announced she appreciated and is thankful for being able to be a part of this organization.

Vice-Chair Anderson encouraged all to attend Saturday's upcoming Open House and announced that Directors may come in casual attire.

Director Nguyen thanked staff for their follow-up Memo on questions from a previous meeting.

ADJOURNMENT:

The Chair declared the meeting adjourned at 7:10 p.m. until the next regular meeting on August 22, 2012, at 6:30 p.m.



Maria E. Ayala
Clerk of the Board