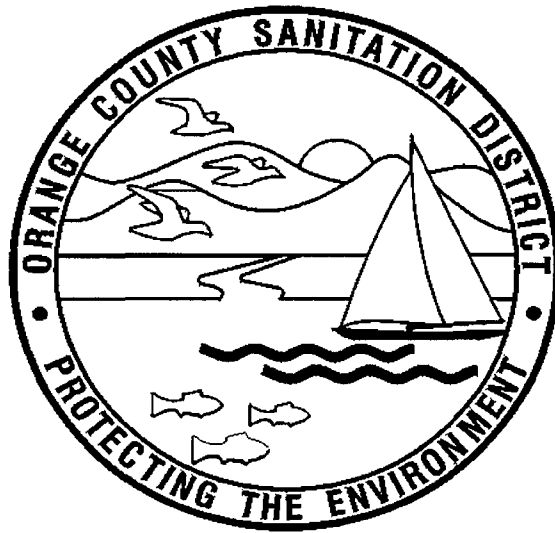


Orange County Sanitation District

MINUTES

BOARD MEETING

August 28, 2013



**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 August 28, 2013, at 6:30 p.m., in the Administration Building. Director Kim delivered the invocation and led the Pledge of Allegiance.

The Clerk of the Board declared a quorum present as follows:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	Troy Edgar, Chair		Richard Murphy
X	John Anderson, Vice Chair		Gene Hernandez
X	Tom Beamish		Rose Espinoza
	David Benavides	X	Sal Tinajero
X	Steven Choi		Christina Shea
X	Keith Curry		Rush Hill
X	Tyler Diep		Al Krippner
X	James M. Ferryman		Bob Ooten
X	Steven Jones		Kris Beard
X	Peter Kim		Gerard Goedhart
A	Lucille Kring		Jordan Brandman
A	Michael Levitt		Gordon Shanks
	Brett Murdock	X	Roy Moore
X	Steve Nagel		Mark McCurdy
X	Prakash Narain		Doug Bailey
X	Scott Nelson		Constance Underhill
X	Janet Nguyen		Shawn Nelson
X	John Nielsen		Jerry Amante
X	Brad Reese		Greg Mills
X	Gregory Sebourn		Jan Flory
X	Joe Shaw		Joe Carchio
X	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
X	Teresa Smith		Mark Murphy
A	John Withers		Douglas Reinhart

STAFF MEMBERS PRESENT: Jim Herberg, General Manager; Bob Ghirelli, Assistant General Manager; Nick Kanetis, Director of Engineering, 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 E. Ayala, Clerk of the Board; Janine Aguilar, Jennifer Cabral; Jim Colston; Norbert Gaia; Al Garcia; Kelly Lore; Rich Spencer, and Paula Zellar.

OTHERS PRESENT: Brad Hogin, General Counsel, and Jim Ruth, Consultant.

PUBLIC COMMENTS:

None.

REPORTS:

John Anderson, Board Vice-Chair, reported out on his attending the CASA Conference in San Diego.

Chair Edgar announced that a draft of the new OCSD Vision statement was distributed tonight for the Board’s review.

Chair Edgar also reported on the District’s Honor Walk Ceremony.

Ed Torres, Director of Operations and Maintenance, presented employee James Hauter, Instrumentation Tech II, with a 25-Year Service Award.

Jim Herberg, General Manager, reported on the two upcoming Board workshops. The Board workshop of September 11 will focus on the draft vision statement; and the October 2 workshops will focus on the other elements of the strategic plan for the next five years.

Director Nguyen arrived at the meeting at 6:46 p.m.

RATIFICATION OF PAYMENT OF CLAIMS:

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

Claims Paid for the Period Ending:	<u>07/15/13</u>	<u>07/31/13</u>
Totals	\$7,723,444.37	\$14,907,253.97

Directors Curry, Diep, Moore, Nguyen, Nielsen, and Sebourm abstained.

CONSENT CALENDAR:

The Clerk of the Board announced the following corrections to Agenda Item No. 2:

- On the 07/24/13 Board Minutes, Item 16, Page 6 of 8, should read that Director Nguyen “abstained” - not opposed.
- Under “Consideration of Action, if any, on matters considered in closed session”. The report out of closed session should be:

- (1) Board of Directors unanimously voted to deny the claim related to Project P1-102.
 - (2) Board of Directors authorize litigation against Federal OSHA Department to recover stolen data.
 - (3) Board of Directors authorizes General Council to appear and defend the interest of the Orange County Sanitation District.
2. MOVED, SECONDED, AND DULY CARRIED: Approve minutes, with corrections, for the Regular Board Meeting held on July 24, 2013.

Directors Kim and Underhill abstained.

3. A. MOVED, SECONDED, AND DULY CARRIED: Rescind June 26, 2013 Board Meeting Minute Order #16 awarding a Contract to Air Products and Chemicals Inc., for the purchase of liquid oxygen, Specification No. C-2013-567BD, due to the company's failure to comply with the insurance and indemnification requirements; and,
- B. Ratify contract award to the second lowest responsive and responsible bidder, Air Liquide, Industrial U.S LP, Specification No. C-2013-567BD, for the period August 1, 2013 through July 31, 2014 with four additional one-year renewals, for the purchase of liquid oxygen at a unit price of \$0.2234 per 100 cubic feet delivered, plus applicable sales tax for an estimated annual amount of \$555,000 subject to price adjustments based upon energy, labor, maintenance and distribution indices from Southern California Edison and Bureau of Labor Statistics for subsequent contract periods; and for services related to routine and emergency maintenance of OCSD's liquid oxygen storage and vaporization equipment for an estimated annual amount of \$20,000, based upon actual invoice costs plus 20% and labor cost at established manpower hourly rates adjusted annually based upon Bureau of Labor Statistics' Employment Cost Index; and,
- C. Ratify Amendment No. 1 to contract with Air Liquide, Industrial U.S. LP, Specification No. C-2013-567BD to amend contract term.

Agenda Item No. 4 was pulled by staff from the Consent Calendar and addressed as a Non-Consent Item.

Nick Kanetis and Rob Thompson gave a brief background on the zoning permitting.

4. A. **MOVED, SECONDED, AND DULY CARRIED:** Approve an Agreement between the City of Fountain Valley and the Orange County Sanitation District for the City building permits of thirteen existing buildings that were constructed at Reclamation Plant No. 1, for a total cost of \$315,945.04; and,
 - B. Approve the transfer of \$145,777.89 from the Replacement, Rehabilitation, and Refurbishment line 13, page A-2 of the 2013-14 Budget update, to the P1-115 budget to cover the cost for permitting eight of the thirteen buildings.

STEERING COMMITTEE:

Chair Edgar reported that the Steering Committee has established a Legislative and Public Affairs Special Committee that should last no more than one year. The Committee will be working with Heather Stratman to develop these legislative and public affairs programs in the District.

5. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Steering Committee Meeting held on July 24, 2013.

CLOSED SESSION

CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS: 54956.9(d)(1), 54956.9(d)(4), and 54957.6.

The Board convened in closed session at 7:05 p.m. to discuss five 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 Committee reconvened in regular session at 7:25 p.m.

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

Brad Hogin, General Counsel, reported out that the Board reached a unanimous decision to settle the Kiewit litigation regarding Project P1-102, with a settlement of \$500,000 in exchange for a settlement of action and release from all future liability.

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

None.

ADJOURNMENT:

The Chair adjourned the meeting at 7:26 p.m. until the next special meeting on September 11, 2013, at 6:30 p.m.



Maria E. Ayala, Clerk of the Board