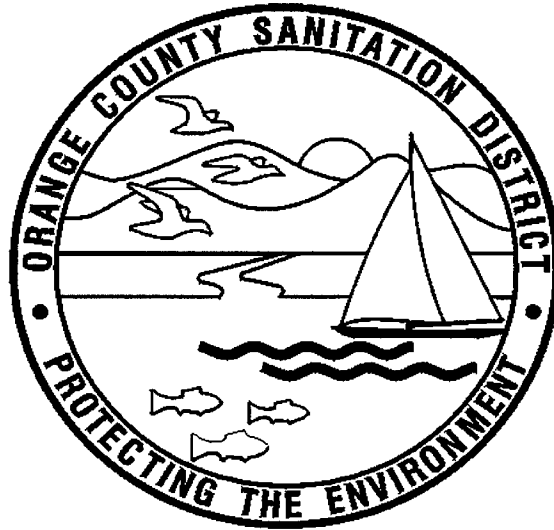


Orange County Sanitation District
MINUTES

BOARD MEETING

April 23, 2014



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 April 23, 2014, at 6:30 p.m., in the Administration Building. Director Mike Levitt 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	Tom Beamish, Vice Chair		Rose Espinoza
X	David Benavides		Sal Tinajero
X	Joe Carchio		Dave Sullivan
X	Steven Choi		Christina Shea
X	Keith Curry		Rush Hill
X	Tyler Diep		Al Krippner
X	James M. Ferryman		Bob Ooten
X	Gene Hernandez		John Anderson
X	Steven Jones		Kris Beard
X	Peter Kim		Gerard Goedhart
X	Lucille Kring		Jordan Brandman
X	Michael Levitt		Gordon Shanks
X	Brett Murdock		Roy Moore
	Steve Nagel	X	Michael Vo
X	Prakash Narain		Doug Bailey
	Scott Nelson	X	Constance Underhill
X	Janet Nguyen		Shawn Nelson
X	John Nielsen		Allan Bernstein
X	Brad Reese		Greg Mills
X	Gregory Sebourn		Jan Flory
X	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
	Teresa Smith	X	Mark Murphy
X	John Withers		Douglas Reinhart

STAFF MEMBERS PRESENT: Jim Herberg, General Manager; Bob Ghirelli, Assistant General Manager; Rob Thompson, Director of Engineering, 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; Norbert Gaia; and Kelly Lore.

OTHERS PRESENT: Brad Hogin, General Counsel; from SAWPA: Celeste Cantu, and Rich Haller; from OCWD: Cathy Green and Mike Markus; from OCHCA: Richard Sanchez and Larry Honeybourne; from OCPW: Shane Silsby; and Sarah Rose George, Student.

SPECIAL PRESENTATIONS:

- Celeste Cantu and Rich Haller, from SAWPA, presented OCSD with a Certificate of Commendation in acknowledgement of the District's 60th Anniversary.

Director Benavides arrived at the meeting at 6:37 p.m.

- Chair Troy Edgar and General Manager Jim Herberg presented Certificates of Commendation to the following agencies and their respective representatives as appreciation for their agency's collaborative work with the District over the last 60 years:
 - Santa Ana Watershed Project Authority, Celeste Cantu and Rich Haller
 - Orange County Water District, Mike Markus and Cathy Green
 - OC Public Works, Shane Silsby
 - County of Orange Health Care Agency, Richard Sanchez and Larry Honeybourne

Director Carchio arrived at the meeting at 6:39 p.m.

Director Diep arrived at the meeting at 6:43 p.m.

- Chair Edgar presented student, Sarah Rose George with the OC Science and Engineering Fair Award for Jr. Level OCSD Environmental Stewardship.

PUBLIC COMMENTS:

None.

REPORTS:

Chair Edgar announced the May 21st State of the District event, and said a reminder would be sent out in the next few days. He also reminded the Committee about the required discrimination and harassment training, and that two dates would be offered for the Board to participate in this training; a yellow form was provided for the Directors in their meeting folders so that they may select a training session. Chair Edgar took a moment to display the US Water Prize the District had recently been awarded.

Jim Herberg, General Manager, reported that OCSD's What 2 Flush campaign had received an Excellence in Communications award from CAPIO for marketing/communications campaign. He also announced that Chair Edgar was recently awarded the ACC-OC Liaison Awards for actively promoting the value and benefit of collaborative policymaking.

Mr. Herberg reported on the following from his General Manager's Monthly Status Update: upcoming earthquake inspections presentation at the next committee meetings; the District receiving the Water Prize, Safety award, Headworks award, and GFAO award; update on the disinfection program; recent hiring of four new managers (two engineering managers, a Risk Manager, and a Maintenance Manager); update on community outreach events for the month of April; labor negotiations brief update as no closed session would be necessary; and an update on the biosolids hydrogen fuel project.

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>03/15/14</u>	<u>03/31/14</u>
Totals	\$ 9,292,561.10	\$ 12,804,778.93

AYES: Beamish; Benavides; Carchio; Choi; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; Narain; Reese; F. Smith; and Underhill (Alternate).

NOES: None

ABSTENTIONS: Curry; Diep; M. Murphy (Alternate); Nielsen; Sebourn; Shawver; Vo (Alternate)

ABSENT: Nguyen; and Withers*

*Director Withers stepped out of the meeting at the time of the roll call vote on Agenda Item 1.

CONSENT CALENDAR:

2. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Regular Board Meeting held on March 26, 2014.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; Narain; Nielsen; Reese; Sebourn; Shawver; F. Smith; and Withers.

NOES: None

ABSTENTIONS: M. Murphy (Alternate); Underhill (Alternate); and Vo (Alternate)

ABSENT: Nguyen

3. **MOVED, SECONDED, AND DULY CARRIED:**

- A. Approve Plans and Specifications for CenGen Emissions Control, Project No. J-111; and
- B. Approve Addendum Nos. 1, 2, 3, 4, 5, and 6 to the plans and specifications; and
- C. Receive and file bid tabulation and recommendation; and
- D. Award a construction contract to Shimmick Construction Company, Inc. for CenGen Emissions Control, Project No. J-111, for a total amount not to exceed \$14,895,000; and
- E. Approve a contingency of \$1,117,125 (7.5%).

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Nguyen

4. **MOVED, SECONDED, AND DULY CARRIED:**

- A. Authorize the General Manager to award a contract to the lowest responsive and responsible bidder, for the Replacement of Valves at Bay Bridge Valve Vault, Project No. FR10-018, for an amount not to exceed \$235,600; and
- B. Approve a contingency of \$47,120 (20%).

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Nguyen

NON-CONSENT, PUBLIC HEARING:

Mr. Hogin, General Counsel, gave a brief explanation of the change in compensation being proposed for the new ordinance.

- 5. A. At 7:00 p.m. Chair Edgar opened the public hearing for proposed Ordinance No. OCSD-45, pertaining to the compensation of the members of the Board of Directors.
- B. No public comments were received.
- C. At 7:01 p.m. Chair Edgar closed the public hearing.
- ~~D. Motion to read Ordinance No. OCSD-45 by title only and waive reading of said entire Ordinance on April 23, 2014; and~~
- ~~E. Adopt Ordinance No. OCSD-45, entitled "An Ordinance of the Board of Directors of Orange County Sanitation District Amending Ordinance No. OCSD-34 Pertaining to the Compensation of the Members of the Board of Directors".~~

Director Nguyen arrived at 7:11 p.m.

After considerable discussion by the Board, the Board of Directors:

MOVED, SECONDED, AND DULY CARRIED to TABLE Agenda Items 5D and 5E until time uncertain.

AYES: Beamish; Benavides; Carchio; Choi; Diep; Edgar; Ferryman; Hernandez; Jones; Kring; Levitt; Murdock; Narain; Nguyen; Nielsen; Reese; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: Curry; Kim; M. Murphy (Alternate); and Sebourn.

ABSTENTIONS: None

ABSENT: None

OPERATIONS COMMITTEE:

6. Approve minutes for the Committee Meeting held on April 2, 2014.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

7. **MOVED, SECONDED, AND DULY CARRIED:**

A. Approve a Professional Consultant Services Agreement with Black & Veatch Corporation to provide construction support services for CenGen Emissions Control, Project No. J-111, for an amount not to exceed \$1,097,212; and

B. Approve a contingency of \$109,721 (10%).

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

8. **MOVED, SECONDED, AND DULY CARRIED:**

A. Approve a Professional Consultant Services Agreement with Brown & Caldwell to provide construction support services for Newport Force Main Rehabilitation, Project No. 5-60, for an amount not to exceed \$2,231,925; and

B. Approve a contingency of \$178,554 (8%).

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

ADMINISTRATION COMMITTEE:

9. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Committee Meeting held on April 9, 2014.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

10. **MOVED, SECONDED, AND DULY CARRIED:** Authorize the General Manager to issue new fixed rate Certificates of Participation (COP), to be referred to as Wastewater Refunding Revenue Obligations, in an amount sufficient to refund up to \$267.3 million of COP Series 2007B.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

STEERING COMMITTEE:

11. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Steering Committee Meeting held on March 26, 2014.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

LEGISLATIVE AND PUBLIC AFFAIRS SPECIAL COMMITTEE:

12. **MOVED, SECONDED, AND DULY CARRIED:** Receive and file the minutes of the April 16, 2014 meeting of the Legislative and Public Affairs Special Committee.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

GWRS STEERING COMMITTEE:

13. **MOVED, SECONDED, AND DULY CARRIED:** Receive and file the Groundwater Replenishment System Steering Committee minutes of the January 13, 2014 meeting, and the amended minutes of the January 10, 2011; April 9, 2012; July 9; 2012; April 8, 2013 and July 8, 2013 meetings.

AYES: Beamish; Benavides; Carchio; Choi; Curry; Diep; Edgar; Ferryman; Hernandez; Jones; Kim; Kring; Levitt; Murdock; M. Murphy (Alternate); Narain; Nguyen; Nielsen; Reese; Sebourn; Shawver; F. Smith; Underhill (Alternate); Vo (Alternate) and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: None

AB 1234 REPORTS:

Chair Edgar gave a report on his recent trips with the General Manager to:

- Washington DC. Accepted the U.S. Water Prize and held various congressional meetings.
- Sacramento. Attended the AB 946 Hearing.

Director Ferryman reported on his recent meetings as part of the following Boards:

- SARFPA; OCCOG; and NWRI.

CLOSED SESSION

None.

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

Chair Edgar noted that staff projections indicate that lower than anticipated CIP expenditures will result in greater than forecasted reserve levels. He asked staff to review these projections and provide options to reduce OCSD's debt and/or unfunded liabilities with these reserves at a subsequent Board meeting.

ADJOURNMENT:

The Chair adjourned the meeting at 7:20 p.m., until the next Regular Board Meeting on May 28, 2014 at 6:30 p.m.



Maria E. Ayala, Clerk of the Board