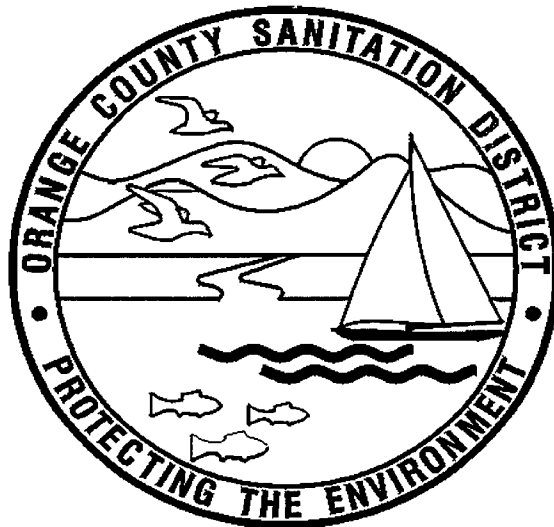


Orange County Sanitation District

MINUTES

BOARD MEETING

May 28, 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 May 28 2014, at 6:35 p.m., in the Administration Building. Chair Troy Edgar 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
	Steven Choi	X	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
	Peter Kim	X	Gerard Goedhart
X	Lucille Kring		Jordan Brandman
X	Michael Levitt		Gordon Shanks
X	Brett Murdock		Roy Moore
X	Steve Nagel		Michael Vo
X	Prakash Narain		Doug Bailey
X	Scott Nelson		Constance Underhill
X	Janet Nguyen		Shawn Nelson
X	John Nielsen		Allan Bernstein
X	Brad Reese		Greg Mills
X	Gregory Sebourn		Jan Flory
	David Shawver		Carol Warren
X	Fred Smith		Steve Berry
X	Teresa Smith		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; Angela Brandt; Jennifer Cabral; Jim Colston; Gregg Deterding; Norbert Gaia; Ted Gerber; Mark Kawamoto; Kelly Lore Andrew Nau; Roya Sohanaki; Paul Spasoff; and Paula Zellar.

OTHERS PRESENT: Brad Hogin, General Counsel and Bob Ooten (Alternate Director)

SPECIAL PRESENTATIONS:

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:

National Water Research Institute - Jim Ferryman, NWRI Chairman

Southern California Coastal Water Research Project - Ken Schiff, Deputy Director

Rob Thompson, Director of Engineering presented 20 year service awards to Mark Kawamoto, Engineer and Paul M. Spassoff, Office Assistant.

PUBLIC COMMENTS:

None.

REPORTS:

General Manager Herberg reported on the following information: Informative Legislative Cards; Newport construction project; Award for fleet services, OCSD ranked 13th in North America; this month's Community outreach efforts - we hosted 14 groups including a delegation from Korea; and Honor Walk recipients who were approved by the Steering Committee.

Chair Edgar reported on the following: OCSD/SAWPA Joint Policy Committee update and the upcoming Chino Basin Desalter tour; OCSD Honor Walk nominees: former employees Michael Heinz and Marshall Fairres and two previous Board Members, Steve Anderson, and Jim Silva; and the General Manager's Performance evaluation to be discussed at the next Steering Committee Meeting.

Chair Edgar announced that when he steps down as Chair of the Board next month he will also be stepping off the Board.

ELECTIONS:

General Counsel Brad Hogin facilitated the election.

1. **MOVED, SECONDED, AND DULY CARRIED:**
 - A. Open nominations for Chair of the Board of Directors (Election to be held at the regular June Board Meeting, unless only one candidate is nominated).

Chair Troy Edgar nominated Tom Beamish as Board Chair to be effective July 1, 2014. Director Reese seconded. There were no further nominations.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

B. Open nominations for Vice Chair of the Board of Directors (Election to be held at the regular June Board Meeting, unless only one candidate is nominated).

Vice-Chair Tom Beamish nominated John Nielsen as Board Vice-Chair to be effective July 1, 2014. Director Ferryman seconded. There were no further nominations.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

RATIFICATION OF PAYMENT OF CLAIMS:

2. **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>04/15/14</u>	<u>04/30/14</u>
Totals	\$ 6,412,873.43	\$ 12,774,929.70

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Shea (Alternate); F. Smith; and Withers.

NOES: None

ABSTENTIONS: Nguyen; Nielsen; Sebourn and T. Smith

ABSENT: Curry; Diep and Shawver

CONSENT CALENDAR:

3. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Regular Board Meeting held on April 23, 2014.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

A. Receive and file bid tabulation and recommendation; and

B. Award a construction contract to W.M. Lyles, Co. for Activated Sludge Facility 2 Aeration Basin Effluent Splitter Box Modification, Contract No. P1-102A, for a total amount not to exceed \$273,908; and

C. Approve a contingency of \$54,782 (20%).

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

5. **MOVED, SECONDED, AND DULY CARRIED:** Adopt Resolution No. OCSD 14-05, authorizing Financial and Legal Commitment of Funding Agreement and Related Documents for Funding under the U.S. Bureau of Reclamation, Water 2025, directing staff to apply for a grant up to \$450,000 for the Effluent Reuse Study, Project No. SP-173.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

OPERATIONS COMMITTEE:

6. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Committee Meeting held on May 7, 2014.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

7. **MOVED, SECONDED, AND DULY CARRIED:** Approve a three-year Memorandum of Understanding with California State University, Fullerton Auxiliary Services Corporation for Operation of the Center for Demographic Research, for the period July 1, 2014 through June 30, 2017, for a total amount not to exceed \$239,344.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

- A. Terminate the agreement of May 1, 2007, between OCSD and SCCWRP, which provided use of OCSD laboratory facilities; and
- B. Direct the General Manager of OCSD to notify the Executive Director of SCCWRP of the decision to terminate this agreement effective three months from the date of the notice.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

- A. Approve Change Order No. 2 to Purchase Order 104627-OB to Olin Chlor Alkali Products, for the Purchase of sodium hypochlorite, Specification No. C-2012-536 authorizing a unit price increase of \$0.05 per gallon for a new total unit price of \$0.489/gallon delivered, plus applicable sales tax, for the

period beginning September 1, 2014 through August 31, 2015, and for all subsequent contract renewal periods; and

B. Approve a 10% annual unit price contingency.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

A. Award a Contract to Polydyne Inc. for the purchase of Cationic Polymer, Specification No. C-2013-591BD, for a unit price of \$2.425 per active pound delivered for Solution Polymer (WE-192) plus applicable sales tax, and \$2.225 per active pound delivered for Mannich Polymer (C-331) plus applicable sales tax, and \$2.929 per active pound delivered for Emulsion Polymer (WE-1233) plus applicable sales tax, and \$2.643 per active pound delivered for Emulsion Polymer (WE-1328) plus applicable sales tax, for a total estimated amount of \$1,650,100 for the period July 1, 2014 through June 30, 2015, with four one-year renewal options; and

B. Approve a 10% annual unit price contingency.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

- A. Approve Amendment No. 6 to the Professional Design Services Agreement with Tetra Tech, Inc., providing for additional engineering services for Gisler-Redhill System Improvements, Reach B, Contract No. 7-37, for an additional amount of \$416,000 increasing the total amount not to exceed \$1,475,479; and
- B. Approve a contingency increase for an additional amount of \$73,774 (5%).

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

ADMINISTRATION COMMITTEE - CONSENT:

12. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Committee Meeting held on May 14, 2014.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

13. **MOVED, SECONDED, AND DULY CARRIED:** Approve not-to-exceed numbers as follows, with the understanding that the Sanitation District's insurance broker will continue to negotiate with insurers to seek the lowest possible premiums prior to the expiration date of the current major insurance policies:

- A. Excess liability insurance - \$390,224; and
- B. Excess workers compensation insurance - a rate of \$0.3408 per \$100 of payroll (estimated premium at \$223,000); and

C. Property and Boiler & Machinery combined - \$705,830.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

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

A. Authorize the General Manager to enter into contracts for Temporary Employment Services (Specification No.CS-2009-421BD) for a one-year period (July 1, 2014 through June 30, 2015), for a total amount not to exceed \$550,000 per year, with a 5% annual aggregate escalation factor, with four one-year renewal options; and

B. Authorize the General Manager to add or delete such firms as necessary to meet work requirements as identified by the Human Resources Department.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

ADMINISTRATION COMMITTEE - NON-CONSENT:

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

A. Introduce Ordinance No. OCSD-46, entitled "An Ordinance of the Board of Directors of the Orange County Sanitation District amending Section 2.03 of Article II of Ordinance No. OCSD-41 concerning rebates and refunds of Sanitary Sewer Service Charges."

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: Nguyen

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

MOVED, SECONDED, AND DULY CARRIED:

- B. Motion to read Ordinance No. OCSD-46 by title only and waive reading of said entire Ordinance on May 28, 2014; and
- C. Set June 25, 2014 as the date for the second reading and adoption of Ordinance No. OCSD-46; and
- D. Direct the Clerk of the Board to publish summaries of the Ordinance as required by law.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: Nguyen

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

STEERING COMMITTEE:

- 16. **MOVED, SECONDED, AND DULY CARRIED:** Approve minutes for the Steering Committee Meeting held on April 23, 2014.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

17. **MOVED, SECONDED, AND DULY CARRIED:** Authorize the General Manager or his designee to vote on behalf of the Orange County Sanitation District in support of the California Association of Sanitation Agencies' new bylaws via ballot due on June 16, 2014.

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

LEGISLATIVE AND PUBLIC AFFAIRS SPECIAL COMMITTEE:

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

AYES: Beamish; Benavides; Carchio; Edgar; Ferryman; Goedhart (Alternate) Hernandez; Jones; Kring; Levitt; Murdock; Nagel; Narain; Nelson; Nguyen; Nielsen; Reese; Sebourn; Shea (Alternate); F. Smith; T. Smith and Withers.

NOES: None

ABSTENTIONS: None

ABSENT: Curry; Diep and Shawver

Chair Edgar presented a brief update to the Board on Legislative matters including: Advisability of rebranding the Sanitation District to emphasize "clean water" rather "waste water" and District Governance Bill SB946.

Director Curry arrived at 7:10 p.m.

AB 1234 REPORTS:

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

- SARFPA; OCCOG; and NWRI.

CLOSED SESSION

CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS: 54956.9(d)(1)(2)(4))

The Board convened in closed session at 7:14 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.

Director Janet Nguyen left the meeting at 7:27 p.m.

RECONVENED IN REGULAR SESSION: The Committee reconvened in regular session at 7:51 p.m.


Consideration of action, if any, on matters considered in closed session.

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

Chair Edgar thanked staff for the great job they did with the State fo the District event. He also asked everyone to try to make it to the Honor Walk Ceremony prior to next month's Board Meeting.

ADJOURNMENT:

The Chair adjourned the meeting at 7:52 p.m., until the next Regular Board Meeting on June 25, 2014 at 6:30 p.m.



Kelly A. Lore
Acting Clerk of the Board