

AGENDA

BOARD OF DIRECTORS ORANGE COUNTY SANITATION DISTRICT

DISTRICT'S ADMINISTRATIVE OFFICES
10844 ELLIS AVENUE
FOUNTAIN VALLEY, CA 92708
www.ocsd.com

REGULAR MEETING

July 18, 2001 – 7:00 p.m.

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the District's Administrative Offices not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.

In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done in compliance with Section 54954.2(b) as an emergency item, or that there is a need to take immediate action which need came to the attention of the District subsequent to the posting of the agenda, or as set forth on a supplemental agenda posted not less than 72 hours prior to the meeting date.

All current agendas and meeting minutes are also available via Orange County Sanitation District's Internet site located at www.ocsd.com. Upon entering the District's web site, please navigate to the Board of Directors section.

1. Invocation and Pledge of Allegiance
2. Roll Call
3. Consideration of motion to receive and file minute excerpts of member agencies relating to appointment of Directors, if any.
4. Appointment of Chair pro tem, if necessary
5. Public Comments: All persons wishing to address the Board on specific agenda items or matters of general interest should do so at this time. As determined by the Chair, speakers may be deferred until the specific item is taken for discussion and remarks may be limited to three minutes.

Matters of interest addressed by a member of the public and not listed on this agenda cannot have action taken by the Board of Directors except as authorized by Section 54954.2(b).

6. The Chair, General Manager and General Counsel present verbal reports on miscellaneous matters of general interest to the Directors. These reports are for information only and require no action by the Directors.
 - a. Report of Chair; consideration of resolutions or commendations, presentations and awards
 - b. Report of General Manager
 - c. Report of General Counsel

7. If no corrections or amendments are made, the minutes for the regular meeting held on June 27, 2001 will be deemed approved as mailed and be so ordered by the Chair.
8. Ratifying [payment of claims](#) of the District, by roll call vote, as follows:

<u>ALL DISTRICTS</u>	<u>06/15/01</u>	<u>06/30/01</u>
Totals	\$6,382,533.95	\$4,394,822.14

CONSENT CALENDAR

All matters placed on the Consent Calendar are considered as not requiring discussion or further explanation and unless any particular item is requested to be removed from the Consent Calendar by a Director, staff member or member of the public in attendance, there will be no separate discussion of these items. All items on the Consent Calendar will be enacted by one action approving all motions, and casting a unanimous ballot for resolutions included on the consent calendar. All items removed from the Consent Calendar shall be considered in the regular order of business.

Members of the public who wish to remove an item from the Consent Calendar shall, upon recognition by the Chair, state their name, address and designate by number the item to be removed from the Consent Calendar.

The Chair will determine if any items are to be deleted from the Consent Calendar.

9. Consideration of motion to approve all agenda items appearing on the Consent Calendar not specifically removed from same, as follows:

END OF CONSENT CALENDAR

10. Consideration of items deleted from Consent Calendar, if any.

NON-CONSENT CALENDAR

11. a. Verbal report by Chair of Steering Committee re July 18, 2001 meeting.
b. DRAFT STEERING COMMITTEE MINUTES – NO ACTION REQUIRED (Information only): The Chair will order the draft Steering Committee Minutes for the meeting held on June 27, 2001 to be filed.
12. Receive and file [Treasurer's Report](#) for the month of June 2001.
13. Approve modifications to the Scope of Work for [Cooperative Project Contract](#) No. CP-0002 with the City of Fountain Valley revising the project from televising and inspecting 95 miles of sewer to 30 miles with no change to the contract price.
14. a. Verbal report by Vice Chair of Joint Groundwater Replenishment System Cooperative Committee re July 9, 2001 meeting.
b. DRAFT JOINT GROUNDWATER REPLENISHMENT SYSTEM COOPERATIVE COMMITTEE MINUTES – NO ACTION REQUIRED (Information only): The Chair will order the draft Joint Groundwater Replenishment System Cooperative Committee Minutes for the meeting held on June 11, 2001, to be filed.

- c. Approve Addendum No. 3 to the Professional Services Agreement with NCG Porter Novelli for Groundwater Replenishment System, [Job No. J-36](#), providing for an Interim Public Information and Education Outreach Program effective July 18, 2001 through October 2001 for an additional amount of \$27,750, increasing the total amount not to exceed \$403,645 with Orange County Sanitation District and Orange County Water District having equal shares in the additional amount of \$13,875.
- d. Approve the [Memorandum of Understanding](#) with the City of Anaheim and the Orange County Water District authorizing reimbursement of \$1,500,000 to the City of Anaheim for well replacement and landscaping improvements associated with the Groundwater Replenishment System, with the Orange County Water District and the Orange County Sanitation District paying equal shares in the amount of \$750,000 each.

15.

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

- a. Convene in closed session, if necessary
 - b. Reconvene in regular session
 - c. Consideration of action, if any, on matters considered in closed session
16. Matters which a Director may wish to place on a future agenda for action and staff report
17. Other business and communications or supplemental agenda items, if any
18. Adjournment

NOTICE TO DIRECTORS: To place items on the agenda for the Regular Meeting of the Board of Directors shall submit items to the Board Secretary no later than the close of business 14 days preceding the Board meeting. The Board Secretary shall include on the agenda all items submitted by Directors, the General Manager and General Counsel and all formal communications.

Board Secretary:

Penny Kyle

(714) 593-7130 or
(714) 962-2411, ext. 7130

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 07/18/01
Item Number	Item Number 8

Orange County Sanitation District

FROM: Gary Streed, Director of Finance
Originator: Lenora Crane, Executive Assistant

SUBJECT: PAYMENT OF CLAIMS OF THE ORANGE COUNTY SANITATION DISTRICT

GENERAL MANAGER'S RECOMMENDATION

Ratify Payment of Claims of the District by Roll Call Vote.

SUMMARY

See attached listing.

PROJECT/CONTRACT COST SUMMARY

N/A

BUDGET IMPACT

- This item has been budgeted. (Line item: N/A)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

None.

ALTERNATIVES

N/A

CEQA FINDINGS

N/A

ATTACHMENTS

1. Copies of Claims Paid reports from 06/01/01 - 06/15/01 and 06/16/01 - 06/30/01

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 07/18/01
Item Number	Item Number 12

Orange County Sanitation District

FROM: Gary Streed, Director of Finance
Originator: Michael White, Controller

SUBJECT: TREASURER'S REPORT FOR THE MONTH OF JUNE 2001

GENERAL MANAGER'S RECOMMENDATION

Receive and file Treasurer's Report for the month of June 2001.

SUMMARY

Pacific Investment Management Co. (PIMCO), serves as the District's professional external money manager, and Mellon Trust serves as the District's third-party custodian bank for the investment program.

The District's Investment Policy, adopted by the Board, includes reporting requirements as listed down the left most column of the attached PIMCO Monthly Report for the "Liquid Operating Monies" and for the "Long-Term Operating Monies" portfolios. The District's external money manager is operating in compliance with the requirements of the District's Investment Policy. The District's portfolio contains no reverse repurchase agreements.

Historical cost and current market values are shown as estimated by both PIMCO and Mellon Trust. The District's portfolios are priced to market ("mark-to-market") as of the last day of each reporting period. The slight differences in value are related to minor variations in pricing assumptions by the valuation sources at the estimate date.

PROJECT/CONTRACT COST SUMMARY

None.

BUDGET IMPACT

- This item has been budgeted. (Line item:)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

Schedules are attached summarizing the detail for both the short-term and long-term investment portfolios for the reporting period. In addition, a consolidated report of posted investment portfolio transactions for the month is attached. The attached yield analysis report is presented as a monitoring and reporting enhancement. In this report, yield calculations based on book

values and market values are shown for individual holdings, as well as for each portfolio. Mellon Trust, the District's custodian bank, is the source for these reports. Transactions that were pending settlement at month end may not be reflected.

These reports accurately reflect all District investments and are in compliance with California Government Code Section 53646 and the District's Investment Policy. Sufficient liquidity and anticipated revenues are available to meet budgeted expenditures for the next six months.

The table below details the book balances of the District's funds at month-end. A graphical representation of month-end balances is shown by the attached bar chart.

Funds/Accounts	Book Balances June 30, 2001	Estimated Yield (%)
State of Calif. LAIF	\$ 17,318,891	5.0
Union Bank Checking Account	343,603	N/A
Union Bank Overnight Repurchase Agreement	477,000	3.3
PIMCO – Short-term Portfolio	41,962,072	6.5
PIMCO - Long-term Portfolio	380,950,839	6.0
District 11 GO Bond Fund 921	1,789	5.1
Debt Service Reserves w/Trustees	36,004,205	5.5
Petty Cash	<u>5,000</u>	N/A
TOTAL	<u>\$477,063,399</u>	

ALTERNATIVES

None.

CEQA FINDINGS

None.

ATTACHMENTS

1. Monthly Investment Reports
2. Monthly Transaction Report

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 7/18/01
Item Number	Item Number 13

Orange County Sanitation District

FROM: David Ludwin, Director of Engineering
Originator: Jim Herberg, Engineering Supervisor

SUBJECT: COOPERATIVE PROJECTS PROGRAM, JOB NO. J-73

GENERAL MANAGER'S RECOMMENDATION

Approve modifications to the Scope of Work for Cooperative Project Contract No. CP-0002 with the City of Fountain Valley revising the project from televising and inspecting 95 miles of sewer to 30 miles with no change to the contract price.

SUMMARY

- The Orange County Sanitation District (District) implemented the Cooperative Projects Program two years ago.
- The program provides funds to the local agencies for projects that reduce or eliminate inflow and infiltration (I/I) to the sewer collection system.
- Due to increased Closed Circuit Television (CCTV) inspection costs, the City of Fountain Valley (City) requests a decrease in the length of sewer to be televised as part of Contract No. CP-0002.
- The Cooperative Projects Guidance Review Committee reviewed this request during its May 14, 2001 meeting. The Committee directed Staff to seek Board approval for the project revision.

PROJECT/CONTRACT COST SUMMARY

The modification to the Scope of Work for CP-0002 (City of Fountain Valley) does not change the contract dollar amount of \$135,000.

BUDGET IMPACT

- This item has been budgeted. (Line item: FY 200-01 Budget, Section 8- Page 11)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

The total budget for the Cooperative Projects Program, Job No. J-73, is \$142,675,600 and will be spent over the next 18 years on projects that reduce inflow/infiltration (I/I) throughout the Orange County Sanitation District (District). The proposed project change does not impact the project budget.

ADDITIONAL INFORMATION

Cooperative Projects Program Contract No. CP-0002 for the City of Fountain Valley (City) was issued on February 7, 2001, at a total project cost of \$270,000. This contract included Closed Circuit Television (CCTV) inspection of ninety-five (95) miles of sewer within the City (\$150,000) and preparing a Sewer Master Plan Update (\$120,000). The estimated cost for the CCTV work was based on a unit cost of \$0.30 per linear foot. The City submitted a letter on April 11, 2001 explaining that the original unit cost was based on non-prevailing wage rates, and that the rates have increased significantly due to supply and demand.

The City is now proposing to televise only 30 miles of sewer. The cost for this effort was reduced from \$150,000 to \$125,000 (approximately \$0.80/foot, which is comparable to costs, requested by other agencies for the same service). Based on recent bids received from Consultants, the City also proposes to increase the Master Plan portion of the project from \$120,000 to \$145,000. The total project cost of \$270,000 remains unchanged.

Per program requirements, the District would pay half of the total project cost or \$135,000.

ALTERNATIVES

Do not approve the project changes. Not approving the requested project changes would not allow the District to provide funding to the City.

CEQA FINDINGS

Not applicable. Local agencies are responsible for CEQA compliance.

ATTACHMENTS

None

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 7/18/01
Item Number	Item Number 14(c)

Orange County Sanitation District

FROM: Lisa Lawson, Communications Manager

SUBJECT: INTERIM PUBLIC OUTREACH PLAN

GENERAL MANAGER'S RECOMMENDATION

Approve Addendum No. 3 to the Professional Services Agreement with NCG Porter Novelli for Groundwater Replenishment System, Job No. J-36, providing for an Interim Public Information and Education Outreach Program effective July 18, 2001 through October 2001 for an additional amount of \$27,750, increasing the total amount not to exceed \$403,645 with Orange County Sanitation District and Orange County Water District having equal shares in the additional amount of \$13,875.

SUMMARY

The Groundwater Replenishment System Joint Cooperative Committee (JCC) met and recommended to the OCSD Board of Directors that the next phase of the GWR System outreach and public relations support be increased. It was further recommended that proposals from quality public relations firms be solicited to determine the appropriate firm for this expanded program.

In the interim, the JCC requested the preparation of an Interim Public Information and Education (PIE) Outreach program to carry the project forward until October 2001, when the selected outreach team will be on board. The following documents are attached:

- Interim PIE Plan
- Interim PIE Plan from NCG Porter Novelli

PROJECT/CONTRACT COST SUMMARY

A total of \$27,750 is required by NCG Porter Novelli to complete their portion of the Interim Public Outreach and Education Plan for the Groundwater Replenishment System (GWRS) project.

BUDGET IMPACT

- This item has been budgeted. (Line item:)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

The JCC met in June to discuss the direction of the GWR System outreach program from now until 2005, when Phase I of the project will begin producing water. The JCC decided the outreach efforts need to be increased in order to reach more people in Orange County, and that more people will focus on the project as it comes closer to reality.

To keep the outreach momentum going during the period from now until October 2001, staff prepared an Interim PIE Program. NCG Porter Novelli will complete its portions of the Interim PIE Program as a change order. The selected public relations consultant should be on board in October 2001.

ALTERNATIVES

None

CEQA FINDINGS

N/A

ATTACHMENTS

Interim PIE Plan
Interim PIE Plan from NCG Porter Novelli

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 7-18-01
Item Number	Item Number 14(d)

Orange County Sanitation District

FROM: David Ludwin, Director of Engineering
Originator: Wendy Sevenandt, Project Manager

SUBJECT: GROUNDWATER REPLENISHMENT SYSTEM, JOB NO. J-36

GENERAL MANAGER'S RECOMMENDATION

Approve the Memorandum of Understanding with the City of Anaheim and the Orange County Water District authorizing reimbursement of \$1,500,000 to the City of Anaheim for well replacement and landscaping improvements associated with the Groundwater Replenishment System, with the Orange County Water District and the Orange County Sanitation District paying equal shares in the amount of \$750,000 each.

SUMMARY

- In January 2001, the Joint Orange County Water District (OCWD) and Orange County Sanitation District (District) Cooperative Committee (JCC) authorized OCWD to negotiate a memorandum of understanding (MOU) with the City of Anaheim (City) for improvements associated with the Groundwater Replenishment (GWR) System.
- These improvements include replacement of two City water supply wells that are located in close proximity to the percolation basin that will receive GWR System water, and landscaping of water recharge facilities located in the City.
- The MOU provides for reimbursement by OCWD to the City of \$1,500,000 in for costs to implement these improvements. Since these costs are part of the GWR System, it is recommended that the \$1,500,000 be shared equally between the two agencies with OCWD and the District paying \$750,000 each.

PROJECT/CONTRACT COST SUMMARY

A total authorization of \$750,000 is being requested as shown in the attached Budget Information Table.

BUDGET IMPACT

- This item has been budgeted. (Line item: 2001-02 CIP Budget Sec. 8, page 152)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

This item will require authorization to spend \$750,000 from the \$16,000,000 project contingency line item as shown in the attached Budget Information Table.

ADDITIONAL INFORMATION

Please refer to the attached January 29, 2001 Joint Cooperative Committee (JCC) Agenda Item Submittal describing the proposed memorandum of understanding (MOU).

ALTERNATIVES

Not approving the District cost share. This alternative would make it difficult to proceed with development of the Ground Water Replenishment (GWR) System recharge and pipeline facilities to be located in the City of Anaheim.

CEQA FINDINGS

The Environmental Impact Report for the GWR System was certified by the District and OCWD Boards of Directors on March 24, 1999.

ATTACHMENTS

- 1). Budget Information Table
- 2) January 29, 2001 Joint Cooperative Committee Agenda Item Submittal re: City of Anaheim Request for Forebay Landscaping and Water Well Purchase.
- 3) Memorandum of Understanding between the City of Anaheim and the Orange County Water District Related to Construction of the Groundwater Replenishment System.