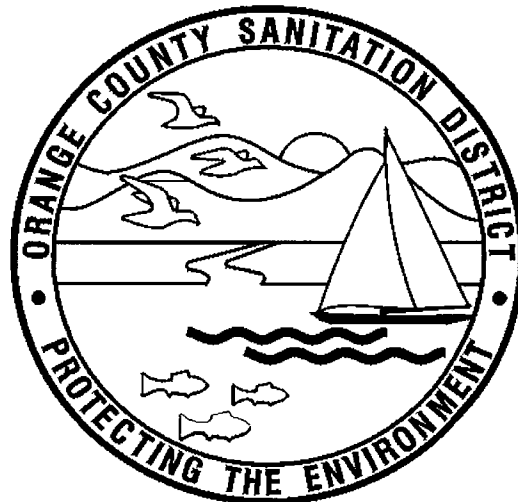


Orange County Sanitation District

MINUTES

BOARD MEETING

FEBRUARY 28, 2001



ADMINISTRATIVE OFFICES

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 February 28, 2001, at 7:00 p.m., in the District's Administrative Offices. Following the Pledge of Allegiance and invocation the roll was called and the Secretary reported a quorum present as follows:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	Norman Z. Eckenrode, Chair		Constance Underhill
X	Peter Green, Vice Chair		Dave Garofalo
X	Steve Anderson		Steve Simonian
X	Don Bankhead		Jan Flory
A	Shawn Boyd		John Larson
X	Guy Carrozzo		Larry Crandall
X	Brian Donahue		Bill Estrada
X	James M. Ferryman		Arlene Schafer
X	John M. Gullixson		Michael Duvall
X	Alice B. Jempsa		Arthur DeBolt
X	Tony Kawashima		Tracy Worley
A	Beth Krom		Mike Ward
X	Mark Leyes		Bruce Broadwater
X	Shirley McCracken		Tom Daly
X	Pat McGuigan		Alberta Christy
X	Roy Moore		Marty Simonoff
X	Mark A. Murphy		Joanne Coontz
X	Joy Neugebauer		Grace Epperson
X	Russell Patterson		Richard A. Freschi
X	Anna L. Piercy		Tim Keenan
X	Tod Ridgeway		Gary Adams
X	Jerry Sigler		Jim Dow
X	Jim Silva		Chuck Smith
X	Peer Swan		Darryl Miller
	Paul Walker	X	Kenneth Blake

STAFF MEMBERS PRESENT: Blake Anderson, General Manager; Penny Kyle, Board Secretary; Bob Ghirelli; Lisa Lawson; Dave Ludwin; Patrick Miles; Bob Ooten; Lisa Tomko; Gary Streed; Paula Zeller; Chuck Winsor; Doug Stewart; William Cassidy; Ryal Wheeler; Dean Karels

OTHERS PRESENT: Thomas L. Woodruff, General Counsel; Alternate Director Arlene Schafer; Alternate Director Alberta Christy; Don Hughes; Jan Vandersloot; Eileen Murphy; Michelle Tuchman; Don Schulz; Mr. & Mrs. D. Chavez; Ken Erbeznik; Terry Lane; Mike Forquer; Chuck Goodwin; Tony Henrich; Lynn Osborn; Irwin Haydock; Rick Borden; Mike Collins; Saeid Dastmalchi; Larry Porter

3. MOVED, SECONDED AND DULY CARRIED: Receive and file minute excerpts from the following re appointment of active and alternate Directors, as follows: (*Mayor)

<u>City/Agency</u>	<u>Active Director</u>	<u>Alternate Director</u>
Orange	Mark A. Murphy*	Joanne Coontz
Santa Ana	Pat McGuigan	Alberta Christy

PUBLIC COMMENTS

Mr. Mike Forquer of Yorba Linda addressed the Directors regarding the path of the relocation of the Santa Ana River Interceptor (SARI) line that would cross his property and several of his neighbors. He expressed concern over negative impact on their properties and asked the Directors to consider alternative paths for the line replacement.

Mr. Ken Erbeznik of Yorba Linda also spoke to Directors regarding the path of the SARI line and requested the Directors to consider alternate placements that would not impact his property. He also requested that he and those Yorba Linda residents who might be impacted by this line be kept informed of all items related to this project to be presented to the Board of Directors.

Ms. Eileen Murphy of Huntington Beach urged the Directors not to request a waiver for secondary treatment to the ocean outfall.

Don Schulz, a 40-year resident of Orange County, spoke against the District requesting a 301(h) waiver, and urged the Directors to reconsider going to full primary treatment of all wastewater going through the District's ocean outfall.

Mr. Jan Vandersloot of Newport Beach spoke to the Directors and urged the Directors not to request a 301(h) waiver for secondary treatment to the ocean outfall in the year 2002.

Larry Porter of Newport Beach spoke to the Directors and requested they not request a 301(h) waiver for secondary treatment to the ocean outfall.

MOVED, SECONDED AND DULY CARRIED: Receive and file correspondence dated February 25, 2001 from Carl W. and Marsha H. Schreiber opposing the proposed SARI line location; and,

MOVED, SECONDED AND DULY CARRIED: Receive and file correspondence dated February 27, 2001 from Thomas J. Stamatis opposing the proposed SARI line location.

REPORT OF THE CHAIR

Chair Eckenrode reported the go-no go decision on the groundwater replenishment system cooperative project (GWRS) with the Orange County Water District will be presented at the March 28th board meeting. He reminded the Directors this joint meeting would begin at 6:30 p.m.

The Directors were also reminded that a workshop on the GWRS would be held on Saturday, March 3rd at the Orange County Water District facility, and encouraged all to attend this workshop.

It was announced that the OMTS and PDC Committees would be dark in the month of July but not for the month of August.

A 20-year service award was then presented to employee Dean Karels.

REPORT OF THE GENERAL MANAGER

General Manager Blake Anderson assured the Board that staff would maintain transparency of the District's operations with concerned citizens regarding the Santa Ana River Interceptor and the District's 301(h) waiver. Regular meetings are being held with concerned citizens primarily from Huntington Beach and Newport Beach, as well as from other communities, with regard to wastewater management.

Mr. Anderson then reported during the last storms the flows peaked by an additional 100 million gallons per day. These increased flows were handled effectively and without any interruption to service.

REPORT OF THE GENERAL COUNSEL

General Counsel Thomas L. Woodruff referred the Directors to two memoranda included in their meeting folders that evening. The memorandum regarding a waiver of conflict of interest would require action by the Board and would need to be added as Item 18 in accordance with Government Code 54954.2(b)(2).

APPROVAL OF MINUTES

The Chair ordered that the minutes of the regular meeting held January 24, 2001 be deemed approved, as mailed.

RATIFICATION OF PAYMENT OF CLAIMS

MOVED, SECONDED AND DULY CARRIED: Ratify payment of claims set forth on exhibits "A" and "B", attached hereto and made a part of these minutes, and summarized below:

<u>ALL DISTRICTS</u>	<u>01/15/01</u>	<u>01/31/01</u>
Totals	\$3,400,711.30	\$11,236.329.16

Director Patterson abstained on Warrant No. 32647.

CONSENT CALENDAR

- 9. a. MOVED, SECONDED AND DULY CARRIED: Receive and file Summons and Complaint for Negligence, Nuisance, and Waste, Michael Rezvan, et al. v. Orange County Sanitation District, et al., Orange County Superior Court Case No. 01NL10525, in connection with Rehabilitation of Magnolia Trunk Sewer, Contract No. 3-35R, and refer to District's contractor, Barnard Construction Company, Inc., St. Paul Insurance Companies, and General Counsel, to appear and defend the interests of the District.

- b. **MOVED, SECONDED AND DULY CARRIED:** (1) Receive and file petition from Michael Hughes requesting annexation of 1.12 acres to the Orange County Sanitation District at the intersection of Amapola Avenue and Ranch Wood Trail in the City of Orange; and (2) Adopt Resolution No. OCSD 01-05, authorizing initiation of proceedings to annex said territory to the Orange County Sanitation District (Proposed Annexation No. OCSD -19 – Hughes Annexation).
- c. **MOVED, SECONDED AND DULY CARRIED:** To amend the motion to (1) Approve the purchase of real property located at 810 East Balboa Boulevard, Newport Beach, California at an amount not to exceed \$540,000, plus miscellaneous title and escrow fees; and (2) Approve a budget amendment of \$600,000 for Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, for a total project budget of \$2,848,000.
- d. This item was removed from the agenda.

NON-CONSENT CALENDAR

11. **DRAFT STEERING COMMITTEE MINUTES:** A verbal report was presented by Director Eckenrode, Chair of the Steering Committee, re the February 28, 2001 meeting.

The Chair then ordered the draft Steering Committee Minutes for the meeting held on January 24, 2001 to be filed.

12. **DRAFT OPERATIONS, MAINTENANCE AND TECHNICAL SERVICES COMMITTEE MINUTES:** A verbal report was presented by Director McGuigan, Chair of the Operations, Maintenance and Technical Services Committee, re the February 7, 2001 meeting.

The Chair then ordered the draft Operations, Maintenance and Technical Services Committee Minutes for the meeting held on February 7, 2001 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** 1) Authorize a total budget for an amount not to exceed \$1,000,000 for consulting service agreements for the Huntington Beach Shoreline Contamination Investigation, Phase III, Job No. J-85; 2) Authorize the General Manager to negotiate and award sole source contracts with government agencies, universities and consulting companies qualified to carry out those contracts for the Huntington Beach Shoreline Contamination Investigation, Phase III, Job No. J-85; 3) Authorize the General Manager to negotiate and award a sole source contract with the United States Geological Survey (USGS) to conduct all tasks associated with the design, installation, and collection of physical oceanographic data from fixed oceanographic moorings in an amount not to exceed \$500,000; and 4) Direct staff to request County of Orange to assist in the funding of the Huntington Beach Shoreline Contamination Investigation, Phase III, Job No. J-85.
- d. **MOVED, SECONDED AND DULY CARRIED:** Approve Change Order No. 1 to Purchase Order No. 100745 issued to BP Energy Company for Purchase of Natural Gas, Specification No. 9900-28, ending July 31, 2001, providing for an increase of \$1,680,000 to the contract for a total amount not to exceed \$2,810,000.

- e. **MOVED, SECONDED AND DULY CARRIED:** 1) Establish a budget of \$480,000 for Purchase and Installation of Mechanical Equipment for Plant No. 1 Activated Sludge Clarifiers (Specification No. E-297); 2) Adopt Resolution No. 01-06, authorizing specifications calling for a specific make and model of equipment in order that a field test may be conducted to determine the product's suitability for future use as authorized by California Public Contract Code Section 3400(b); and 3) Authorize the Purchasing Manager to negotiate and enter into a sole source contract with US Filter Envirex for Purchase and Installation of Mechanical Equipment for Plant No. 1 Activated Sludge Clarifiers (Specification No. E-297), for an amount not to exceed \$360,000.
13. **DRAFT PLANNING, DESIGN AND CONSTRUCTION COMMITTEE MINUTES:** A verbal report was presented by Director Anderson, Chair of the Planning, Design and Construction Committee, re the February 1, 2001 meeting.

The Chair then ordered the draft Planning, Design and Construction Committee Minutes for the meeting held February 1, 2001 to be filed, as corrected.

- c. **MOVED, SECONDED AND DULY CARRIED:** Ratify Change Order No. 7 to Rehabilitation of Digesters I, J, K, L, M, N, and O at Plant No. 2, Job No. P2-39, with Margate Construction, authorizing an addition of \$221,581 and 30 calendar days, increasing the total contract amount to \$10,549,632.
- d. **MOVED, SECONDED AND DULY CARRIED:** Accept Extension of Reclaimed Water Line at Plant No. 2, Job No. SP2000-20, as complete, authorizing execution of the Notice of Completion and approving the Final Closeout Agreement with Margate Construction, Inc.
- e. **MOVED, SECONDED AND DULY CARRIED:** Approve Professional Services Agreement with Parsons Engineering Science, Inc. to conduct a Value Engineering workshop and prepare a Value Engineering study for the Santa Ana River Interceptor Relocation and Protection, Contract No. 2-41, for an amount not to exceed \$57,759.
- f. **MOVED, SECONDED AND DULY CARRIED:** (1) Approve a budget amendment of \$222,500 for HVAC Equipment Replacement at Plant Nos. 1 and 2, Job No. J-80, for a total project budget of \$1,124,500; (2) Receive and file bid tabulation and recommendation; and (3) Award a construction contract to Adams/Mallory Construction, Inc. for HVAC Equipment Replacement at Plant Nos. 1 and 2, Job No. J-80, for an amount not to exceed \$897,339.
- g. **MOVED, SECONDED AND DULY CARRIED:** (1) Establish a budget of \$354,815 for Interim Facility Record and Engineering Data System Maintenance, Job No. J-25-6; and (2) Approve Professional Services Agreement with Brown and Caldwell for Interim Facility Record and Engineering Data System Maintenance, Job No. J-25-6, for an amount not to exceed \$294,815.

- h. **MOVED, SECONDED AND DULY CARRIED:** Approve Addendum No. 1 to the Professional Services Agreement with Boyle Engineering Corporation for additional design engineering services for the Abandonment of Airbase Trunk Sewers, and construction of Watson Avenue Sewer and California Street Sewer, Contract No. 6-13, for an additional amount of \$54,652, increasing the total amount not to exceed \$112,237.
- i. This item was removed from the agenda.

14. **DRAFT FINANCE, ADMINISTRATION AND HUMAN RESOURCES COMMITTEE MINUTES:** A verbal report was presented by Director McCracken, Chair of Finance, Administration and Human Resources Committee re the February 14, 2001 meeting.

The Chair then ordered the draft Finance, Administration and Human Resources Committee Minutes for the meeting held February 14, 2001 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Treasurer's Report for the month of January 2001.
- d. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Mid-Year Financial and Operational Report for the period ending December 31, 2000.
- e. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Quarterly Investment Management Program Report for the period October 1, 2000 through December 31, 2000.
- f. **MOVED, SECONDED AND DULY CARRIED:** Receive, file and approve the Five-Year Staffing and Business Plan, fiscal year 2000-01 to 2004-05, as approved unanimously by the OMTS and PDC Committees.

Director Peer Swan opposed.

15. **DRAFT JOINT GROUNDWATER REPLENISHMENT SYSTEM COOPERATIVE COMMITTEE MINUTES:** A verbal report was presented by Director Patterson, representative on the Joint Groundwater Replenishment System Cooperative Committee, re the meeting held on January 29, 2001.

The Chair then ordered the draft Joint Groundwater Replenishment System Cooperative Committee Minutes for the meeting held on January 29, 2001 to be filed.

- 16. There was no closed session.
- 17. No action

18. **MOVED, SECONDED AND DULY CARRIED:** Authorize adding Item No. 18 to the agenda to consider approving a waiver of conflict of interest. The need for action arose subsequent to the posting of the agenda and requires action at this time pursuant to authority of Government Code Section 54954.2(b)(2); and,

FURTHER MOVED, SECONDED AND DULY CARRIED: That the Waiver of Conflict of Interest be, and is hereby, approved with regard to Rutan & Tucker, Special Counsel to the District in the matter of Crow Winthrop Development, LP vs. Orange County Sanitation District to allow the firm to represent the City of Anaheim in regard to a public work project for which the City is seeking reimbursement from the District.

ADJOURNMENT: The Chair declared the meeting adjourned at 8:20 p.m.



Secretary of the Board of Directors of
Orange County Sanitation District