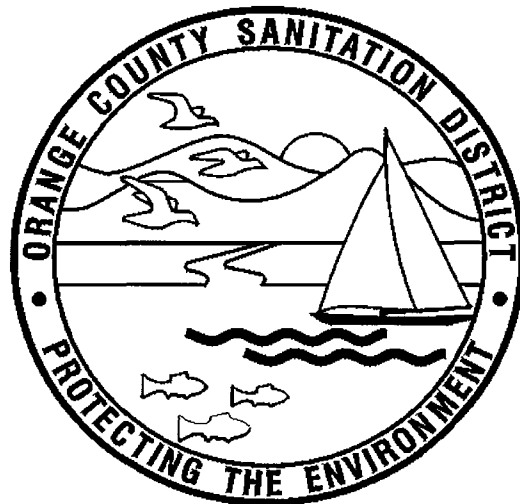


Orange County Sanitation District

MINUTES BOARD MEETING May 23, 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 May 23, 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
X	Shawn Boyd	John Larson
X	Brian Brady	Darryl Miller
X	Guy Carrozzo	Larry Crandall
A	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
X	Beth Krom	Mike Ward
X	Mark Leyes	Bruce Broadwater
X	Shirley McCracken	Tom Daly
X	Pat McGuigan	Alberta Christy
X	Roy Moore	Marty Simonoff
A	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	Paul Walker	Kenneth Blake

STAFF MEMBERS PRESENT: Penny Kyle, Board Secretary; Bob Ghirelli; Lisa Lawson; Dave Ludwin; Patrick Miles; Bob Ooten; Lisa Tomko; Gary Streed; Paula Zeller;

OTHERS PRESENT: Thomas L. Woodruff, General Counsel; Dean Albright; Joey Racano; Irwin Haydock; Jan Vandersloot; Don McGee; Larry Porter; Eileen Murphy; Terry Lane; Don Schulz; Paul Arms; Lisa Rosen; Doug Korthof

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>
Irvine	Beth Krom	Greg Smith
Irvine Ranch Water District	Brian Brady	Darryl G. Miller

PUBLIC COMMENTS

The following persons spoke about ocean discharge issues and expressed their opposition to the waiver: Larry Porter; Lisa Rosen; Doug Korthof; Dean Albright; Eileen Murphy; Jan Vandersloot; Don McGee; Joey Racano.

REPORT OF THE CHAIR

Chair Eckenrode announced that he was inviting Director Alice Jempsa to attend the upcoming Steering Committee meeting on June 27, 2001.

It was reported that Blake Anderson was currently in Washington, DC, attending the AMSA annual conference for environmental policy and briefings on the new administration's environmental policies and how they impact wastewater agencies. He is also lobbying for funding for the Huntington Beach testing and the Santa Ana Interceptor Relocation project.

It was announced that the District was the recipient of the AMSA Gold Award, which is given to those agencies that have met all discharge requirements for the year.

Bob Ghirelli, Director of Technical Services, then gave a brief report on the first round of Huntington Beach shoreline contamination testing.

REPORT OF THE GENERAL MANAGER

The General Manager was not in attendance.

REPORT OF THE GENERAL COUNSEL

Thomas L. Woodruff, General Counsel, reported a need to add two items to the Closed Session, needing immediate action, which arose subsequent to the posting of the Agenda. General Counsel stated that these items could be added pursuant to California Government Code Section 54954.2(b)(2) upon a two-thirds vote of the Board.

It was moved, seconded and duly carried to: (1) Find that the matters arose subsequent to the posting of the Agenda, pursuant to authority of California Government Code Section 54954.2(b)(2); and (2) Add two closed session items, as Item Nos. 19(a)(3) and 19(a)(4), to the Agenda, to wit: Tran, et al., v. Orange County Sanitation District, et al., Orange county Superior Court Case No. 00CC05306 (Government Code Section 54956.9); and Confer with District's Labor Negotiating Team (Thomas L. Woodruff, General Counsel) re IUOE Local 501 (Government Code Section 54957.6).

NOMINATIONS FOR CHAIR OF THE BOARD OF DIRECTORS

General Counsel briefly reviewed the provisions of the District's Rules of Procedure relating to nomination and election of the Chair and Vice Chair.

This being the annual meeting fixed by the Board at which nominations are to be made for the office of Chair of the Orange County Sanitation District, the Secretary then declared the nominations open.

Director Norm Eckenrode was then nominated as a candidate for the office of Chair of the Orange County Sanitation District. It was pointed out that nominations would remain open until the regular June Board meeting. The Secretary reported that the election would be held on June 27, 2001 in accordance with the Board's Rules of Procedure for the Conduct of Business of the District. Nominations and elections of a Vice Chair will also be held at the regular June meeting.

APPROVAL OF MINUTES

The Chair ordered that the minutes of the joint regular meeting with Orange County Water District on March 28, 2001, and the minutes of the regular meeting held April 25, 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.

<u>ALL DISTRICTS</u>	<u>04/15/01</u>	<u>04/30/01</u>
Totals	\$4,902,067.85	\$5,456,619.31

Director Patterson abstained on warrant number 34931. Director Leyes abstained on warrant numbers 35003, 35053, 35300 and 35411.

CONSENT CALENDAR

- 10. a. MOVED, SECONDED AND DULY CARRIED: Receive and file Summons and Complaint, City of Los Alamitos, a charter city v. Orange County Sanitation District, et al., Orange County Superior Court Case No. 01CC02192, in connection with eminent domain of the public road project commonly known as the "Katella Smart Street Improvement Project" in the City of Los Alamitos; and authorize District's General Counsel to appear and defend the interests of the District.

Director Jempso abstained.

NON-CONSENT CALENDAR

- 12. DRAFT STEERING COMMITTEE MINUTES: A verbal report was presented by Director Eckenrode, Chair of the Steering Committee, re the May 23, 2001 meeting.

The Chair ordered the draft Steering Committee Minutes for the meeting held on April 25, 2001 to be filed.

13. **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.

The Chair ordered the draft Operations, Maintenance and Technical Services Committee Minutes for the meeting held on May 2, 2001 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** Approve a sole source Consultant Services Agreement with Karen Monaco and Associates to provide technical consulting support for the District's Financial Information System in an amount not to exceed \$192,192 for a one year period effective July 1, 2001, with option to renew for one year.
- d. **MOVED, SECONDED AND DULY CARRIED:** Approve the Purchase of an IBM AS400 Model 820 (Specification No. E-2001-44BD) in support of the District's Financial Information System, for an amount not to exceed \$400,000 including all hardware, software, all applicable maintenance and applicable taxes. The purchase to be made by soliciting sealed bids from authorized IBM dealers.
- e. **MOVED, SECONDED AND DULY CARRIED:** (1) Authorize the General Manager to conduct sole source contract negotiations and approve Amendment No. 1 to the Consultant Services Agreement with SeaVisual Consulting, Inc. for services to analyze, interpret and report current meter data, for an additional amount of \$30,000, increasing the total amount not to exceed \$129,884, and extending the term of the contract to June 30, 2002 with an option to renew for three one-year periods; and (2) authorize the General Manager to conduct sole source contract negotiations and approve Amendment No. 1 to the Consultant Services Agreement with Tetra Tech, Inc. for services to evaluate the effects to the coastal marine environment of the discharge of treated wastewater effluent, for an additional amount of \$95,000, increasing the total amount not to exceed \$186,000, and extending the term of the contract to June 30, 2002 with an option to renew for three one-year periods.
- f. **DESIGN OF AN OCEAN MONITORING VESSEL AND APPROVE IN CONCEPT THE PURCHASE OF AN OCEAN MONITORING VESSEL**

A motion was made to: (1) Authorize the General Manager to approve an amount not to exceed \$50,000 from the FY 2000-2001 budget for a naval architect to provide a preliminary design and cost analysis for an ocean monitoring vessel; and (2) approve in concept the purchase of an ocean monitoring vessel (Specification No. V2001-43-BD) for a total amount not to exceed \$1,300,000 for FY 2001-2002.

A substitute motion was then **MOVED, SECONDED AND DULY CARRIED:** To delay consideration of this item until the June 27, 2001 Board Meeting when staff could present a Power Point presentation on this item.

- g. **MOVED, SECONDED AND DULY CARRIED:** (1) Approve a budget amendment of \$1,575,000 for laboratory and miscellaneous supplies, equipment, consulting service agreements, staff time and miscellaneous contracts, and an additional \$350,000 for AES Power Plant portion of studies, for the Huntington Beach Shoreline Contamination Investigation, Phase III, Job No. J-85, for a total project budget of \$2,925,000; (2) authorize staff to seek reimbursement from AES Power Plant for \$350,000; (3) authorize the General Manager to negotiate and award sole source contracts, including those in excess of \$100,000, with government agencies, universities, consulting, equipment, supply, and service companies qualified to carry out those contracts; and (4) pledge that any and all necessary future funding for studies relating to said project would be made available by the District.

Directors Krom and Leyes opposed.

- 14. **DRAFT PLANNING, DESIGN AND CONSTRUCTION COMMITTEE MINUTES:** A verbal report was presented by Director Patterson, Vice Chair of the Planning, Design and Construction Committee, re the May 17, 2001 meeting.

The Chair then ordered the draft Planning, Design and Construction Committee Minutes for the meeting held May 17, 2001 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** Approve a Sole Source Consulting Services Agreement with the Lewis Group for development of the Capital Project Management Process Phase 2 for a total amount not to exceed \$308,000.
- d. **MOVED, SECONDED AND DULY CARRIED:** Approve Professional Services Agreements with Law/Crandall, Ninyo & Moore, and Converse Consultants to provide for materials testing, inspection, and geotechnical engineering services for capital projects, Specification No. PSA-2001-33BD, for an amount not to exceed \$80,000 for each consultant for July 2001/2002 (\$240,000 total), with the option to renew for two additional one-year periods for an amount not to exceed \$130,000 for each agreement for July 2002/2003 (\$390,000 total), and for an amount not to exceed \$100,000 for each agreement for July 2003/2004 (\$300,000 total).
- e. **MOVED, SECONDED AND DULY CARRIED:** Approve Professional Services Agreements with Bell Land Surveying, MDS Consulting, and Bush & Associates, to provide for surveying services for capital projects, Specification No. PSA-2001-34BD, for an amount not to exceed \$120,000 for each agreement for July 2001/2002 (\$360,000 total), with the option to renew for two additional one-year periods for an amount not to exceed \$170,000 for each agreement for July 2002/2003 (\$510,000 total), and for an amount not to exceed \$95,000 for each agreement for July 2003/2004 (\$285,000 total).

- f. **MOVED, SECONDED AND DULY CARRIED:** Approve Professional Services Agreements with Power Systems Testing Co. and Electro Test Inc., to provide electrical acceptance testing services for capital projects, Specification No. PSA-2001-35BD, for an amount not to exceed \$70,000 for each agreement for July 2001/2002 (\$140,000 total), with the option to renew for two additional one-year periods for an amount not to exceed \$150,000 for each agreement for July 2002/2003 (\$300,000 total), and for an amount not to exceed \$175,000 for each agreement for July 2003/2004 (\$350,000 total).

 - g. **MOVED, SECONDED AND DULY CARRIED:** (1) Ratify Change Order No. 8 to Improvements to Miller-Holder Trunk Sewer System, Reach 1, Contract No. 3-38-1, with Fleming Engineering, Inc., authorizing an addition of \$23,722 and 27 calendar days, increasing the total contract amount to \$8,810,056.56; (2) Ratify Change Order No. 9 for an adjustment of Engineer's Quantities authorizing an addition of \$90,780, increasing the total contract amount to \$8,900,836.56; and (3) Accept Improvements to Miller-Holder Trunk Sewer System, Reach 1, Contract No. 3-38-1, as complete, authorizing execution of the Notice of Completion and approving the Final Closeout Agreement.

Director Patterson abstained.

 - h. **MOVED, SECONDED AND DULY CARRIED:** Ratify Change Order No.1 to Ocean Outfall Flowmeter Replacement at Plant No. 1, Job No. J-66, with Urbantec Engineers, Inc., authorizing a credit of \$2,692 and a time extension of 290 calendar days, decreasing the total contract amount to \$943,308.

 - i. **MOVED, SECONDED AND DULY CARRIED:** Establish a budget of \$144,000 for the Newland Street Interceptor Sewer Protection Project, Contract No. 11-14R.
15. **DRAFT FINANCE, ADMINISTRATION AND HUMAN RESOURCES COMMITTEE MINUTES:** A verbal report was presented by Director McCracken, Chair of the Finance, Administration and Human Resources Committee, re the May 9, 2001 meeting.
- The Chair then ordered the draft Finance, Administration and Human Resources Committee Minutes for the meeting held May 9, 2001 to be filed.
- c. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Treasurer's Report for the month of April 2001.

 - d. **MOVED, SECONDED AND DULY CARRIED:** Receive, file and approve the Third Quarter Financial Report for the period ending March 31, 2001.

- e. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Quarterly Investment Management Program Report for the period January 1, 2001 through March 31, 2001.
 - f. **MOVED, SECONDED AND DULY CARRIED:** Renew the District's Boiler & Machinery Insurance Program for the period May 15, 2001 to May 15, 2002, with CNA Insurance Company, in an amount not to exceed \$75,724.
 - g. **MOVED, SECONDED AND DULY CARRIED:** Adopt Resolution No. OCSD 01-10, Directing the County Tax Collection-Treasurer to include Sanitary Sewer Charges on the 2001-02 Property Tax Bills.
16. **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 May 14, 2001.
- The Chair ordered the draft Joint Groundwater Replenishment System Cooperative Committee Minutes for the meeting held on April 9, 2001 to be filed.
17. **MOVED, SECONDED AND DULY CARRIED:** 1) Receive and file bid tabulation and recommendation; and, 2) award a contract to Pioneer Americas, Inc. for the Purchase of Caustic Soda Solution No. C-150, for the period of July 1, 2001 through June 30, 2002, with four one year renewal options, for an estimated annual amount not to exceed \$969,117.
18. **Ordinance No. OCSD-15, An Ordinance of the Board of Directors of Orange County Sanitation District Adopting Sewer Service Charges; Adopting Capital Facilities Connection Charges; Establishing Miscellaneous Charges and Fees Relating to Industrial Dischargers, Source Control Permittees and Wastehaulers; and Repealing Ordinance Nos. OCSD-05, OCSD-06, OCSD-11, and OCSD-13:**
- a. **MOVED, SECONDED AND UNANIMOUSLY CARRIED:** Receive and file General Counsel's memo dated May 11, 2001.
 - b. **MOVED, SECONDED AND UNANIMOUSLY CARRIED:** Read Ordinance No. OCSD-15 by title only and waive reading of said entire ordinance.
 - c. **MOVED, SECONDED AND DULY CARRIED:** Introduce Ordinance No. OCSD-15, and pass to second reading and public hearing on June 27, 2001.

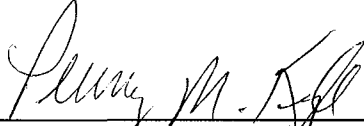
Director Leyes opposed.

19. CONVENE IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9 and 54957.6: The Board convened in closed session at 8:59 p.m., pursuant to Government Code Sections 54956.9 and 54957.6, to discuss Agenda Item Nos. 19 (a)(1), (2), (3) and (4). Confidential Minutes of the Closed Session held by the Board of Directors have been prepared in accordance with California Government Code Section 54957.2, and are maintained by the Board Secretary in the Official Book of Confidential Minutes of Board and Committee Closed Meetings. No action was taken re Agenda Item No. 19(a)(1). A report of the actions taken will be reported at the time the approved actions become final re Agenda Item Nos. 19(a)(2), (3) and (4).

RECONVENE IN REGULAR SESSION: At 9:10 p.m., the Board reconvened in regular session.

21. MOVED, SECONDED AND DULY CARRIED: Receive and file Summons and Complaint, the Mortelette Family Trust v. Orange County Sanitation District, et al., Orange County Superior Court Case No. 01CC01525, for alleged property damage in connection with Relocation of Lido Pump Station, Contract No. 5-41-1; and authorize General Counsel to appear and defend the interests of the District.

ADJOURNMENT: The Chair declared the meeting adjourned at 9:12 p.m.


Secretary of the Board of Directors of
Orange County Sanitation District