

AGENDA

BOARD OF DIRECTORS ORANGE COUNTY SANITATION DISTRICT

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

REGULAR MEETING

January 23, 2002 – 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. (See listing in Board Meeting folders)
4. Appointment of Chair pro tem, if necessary
5. [Nominations and Election of Vice Chair](#)
6. 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).

7. 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
8. If no corrections or amendments are made, the minutes for the regular meeting held on December 19, 2001 will be deemed approved as mailed and be so ordered by the Chair.
9. Ratifying [payment of claims](#) of the District, by roll call vote, as follows:

| <u>ALL DISTRICTS</u> | <u>12/15/01</u> | <u>12/31/01</u> |
|----------------------|-----------------|-----------------|
| Totals | \$5,896,761.03 | \$6,196,694.66 |

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 or staff member, 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.

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

10. Consideration of motion to approve all agenda items appearing on the Consent Calendar not specifically removed from same, as follows:
 - a. Approve a second time extension of six months for [Cooperative Projects](#) Program Contract No. CP-0020, with the City of Seal Beach.
 - b. (1) Receive and file petition from [Vahe Hovnanian](#) requesting annexation of 0.577 acres to the District in the vicinity of Highcliff Drive and Miramar Circle in the unincorporated area of Orange County; and (2) Adopt Resolution No. OCSD 02-01, authorizing initiation of proceedings to annex said territory to the District (Proposed Annexation No. OCSD-23 - Hovnanian Annexation).
 - c. Approve agreement for reimbursement with the Orange County Flood Control District ([OCFCD](#)) providing for payment of \$75,000 to OCFCD as a deposit for Protection of Newland Street Interceptor Sewer, Contract No. 11-14, in

conjunction with OCFCD's improvements to the Huntington Beach Channel from Magnolia Street to Newland Avenue.

END OF CONSENT CALENDAR

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

NON-CONSENT CALENDAR

12. a. Verbal report by Chair of Steering Committee re January 23, 2002 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 November 28, 2001 to be filed.
- c. Review and consideration of agenda items considered by the Steering Committee re the January 23, 2002 meeting.
13. a. Verbal report by Chair of Finance, Administration and Human Resources Committee re the January 9, 2002 meeting.
- b. DRAFT FINANCE, ADMINISTRATION AND HUMAN RESOURCES COMMITTEE MINUTES – NO ACTION REQUIRED (Information only): The Chair will order the draft Finance, Administration and Human Resources Committee Minutes for the meeting held on January 9, 2002 to be filed.
- c. Receive and file [Treasurer's Report](#) for the month of December 2001.
- d. Adopt Resolution No. OCSD 02-02, A Resolution of the Board of Directors of Orange County Sanitation District Adopting Policies and Procedures for District's [Records Management Program](#), Records Retention, and Destruction of Obsolete Records, and Repealing Resolution No. OCSD 00-26
14. Ratify use of General Manager's emergency purchasing authority, Resolution No. OCSD 99-23, for Purchase Order No. 30319, issued to [Matrix Engineering Services](#), for a total amount not to exceed \$200,000; and Purchase Order No. 31251 issued to Techno Coatings for a total amount not to exceed \$130,000, for Emergency Repair of the Low Pressure Digester Gas Holder Tank at Treatment Plant No. 2, for a total amount not to exceed \$330,000.
15. Authorize the General Manager to prepare draft [legislation](#) to expand the agency's charter to include permissive language authorizing the diversion and management of dry weather urban runoff flows and to pursue legislation through the California Legislature.

16. a. Verbal report by Vice Chair of Joint Groundwater Replenishment System Cooperative Committee re January 14, 2002 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 December 10, 2001 to be filed.
- c. (1) Find that pursuant to California Environment Quality Act Guidelines Section 15164, that some minor changes or additions to the Environmental Impact Report/Environmental Impact Statement ([EIR/EIS](#)) on the Groundwater Replenishment System certified in March 1999, are necessary, but none of the conditions described in Public Resources Code Section 21166 and/or in Section 15162 have occurred that would require the preparation of a Subsequent Environmental Impact Report or Negative Declaration; and (2) Approve Addendum No. 2 to the EIR/EIS prepared by Environmental Science Associates.

17.

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
 1. Confer with General Counsel re existing litigation, Orange County Sanitation District, et al. v. County of Kern, et al., Tulare County Superior Court Case No. 189564. (Government Code Section 54956.9)
 2. Confer with General Counsel re anticipated litigation, one (1) potential case. (Government Code Section 54956.9(c))
 3. Confer with General Counsel re existing litigation, Tran, et al. v. Orange County Sanitation District, et al., Orange County Superior Court Case No. 00CC05306. (Government Code Section 54956.9)
- b. Reconvene in regular session
- c. Consideration of action, if any, on matters considered in closed session

18. Matters which a Director may wish to place on a future agenda for action and staff report
19. Other business and communications or supplemental agenda items, if any
20. Future Meeting Date: The next Board of Directors regular meeting is scheduled for February 27, 2002.
21. 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. 01/23/02 |
| Item Number | Item Number 5 |

Orange County Sanitation District

FROM: Penny Kyle, Board Secretary

SUBJECT: NOMINATIONS/ELECTION OF VICE CHAIR OF BOARD OF DIRECTORS

GENERAL MANAGER'S RECOMMENDATION

Open nominations and election of Vice Chair of Board of Directors

SUMMARY

Nominations and election of the Vice Chair need to be conducted at the January regular meeting due to the vacancy created by a change in directors.

For new Directors' information, we have included below an excerpt from the current Rules of Procedures for meetings relative to the election of the Chair and Vice Chair of the Joint Administrative Organization.

"G. CHAIRPERSON AND VICE CHAIRPERSON OF THE BOARD. A Chairperson and Vice Chairperson of the Board shall be elected by a majority vote of Directors at the regular meeting in June of each year, and will assume office July 1st. The nominations for Chairperson shall be made at the regular Board meeting in May of each year, and the nominees may prepare a statement setting forth their qualifications for the office of Chairperson. The statements shall be mailed to members of the Board of Directors with the agenda and other meeting material for the June regular meeting.

The nominations and election for Vice Chairperson shall be made at the regular Board meeting in June of each year and shall be made immediately following the election of the Chairperson. The elected Vice Chairperson will assume office July 1st.

The Chairperson and Vice Chairperson shall serve at the pleasure of a majority of the Directors. In the event the office of Chairperson becomes vacant due to resignation or retirement of the incumbent prior to the expiration of the regular term, the Vice Chairperson shall automatically succeed to the office of the Chairperson and shall continue to serve through the remainder of the regular term unless sooner removed by action of a majority of the Directors. In the event the office of Vice Chairperson becomes vacant prior to the expiration of the regular term, nominations and the election of a Director to serve in that capacity shall be conducted at the next regular Board meeting. The person so elected shall serve the balance of the regularly scheduled term unless sooner removed as a result of action by a majority of the Directors.

Subject to the provisions about serving at the pleasure of a majority of the Directors, the Chairperson shall not serve more than two consecutive one-year terms for which he/she has been elected to the office of Chairperson."

PROJECT/CONTRACT COST SUMMARY

N/A

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

N/A

ALTERNATIVES

N/A

CEQA FINDINGS

N/A

ATTACHMENTS

BOARD OF DIRECTORS

| | |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir. 01/23/02 |
| Item Number | Item Number 9 |

AGENDA REPORT

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

ADDITIONAL INFORMATION

N/A

ALTERNATIVES

N/A

CEQA FINDINGS

N/A

ATTACHMENTS

1. Copies of Claims Paid reports from 12/01/01 – 12/15/01 and 12/16/01 – 12/31/01



BOARD OF DIRECTORS

AGENDA REPORT

| | |
|--------------|---------------------------|
| Meeting Date | To Bd. of Dir. 1/23/02 |
| Item Number | Item Number 10(a) |

Orange County Sanitation District

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

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

GENERAL MANAGER'S RECOMMENDATION

Approve a second time extension of six months for Cooperative Projects Contract No. 0020, with the City of Seal Beach.

SUMMARY

- The Orange County Sanitation District (District) implemented the Cooperative Projects Program in 1999.
- The program provides funds to local agencies for projects that reduce or eliminate inflow and infiltration (I/I) to the sewer collections system and thereby reduce peak flows to the District.
- Contract amendments are issued to extend the completion date and invoice submittal date of projects. The program allows only two time extensions of six months each. The first extension is included in Amendment No. 1 and was approved by the General Manager. The proposed second extension is included in Amendment No. 2 and must be approved by the Board of Directors.
- The City of Seal Beach (City) needs additional time to construct the new sewers in two alleys due to contractor scheduling delays.
- In order for the City to complete the installation of the new sewers, it is recommended that a second project extension of six months be approved.

PROJECT/CONTRACT COST SUMMARY

The request to extend the project for a second time does not change the contract dollar amount of \$224,100 for the District's contribution.

BUDGET IMPACT

- This item has been budgeted. (Line item: Section 8 – Page 154)
- 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-0020 for the City of Seal Beach (City) was issued on August 23, 2000, for a total District contribution of \$224,100. Amendment No. 1 to the original project schedule included a completion date of December 31, 2001 and an invoice submittal date of January 31, 2002. The proposed Amendment No. 2 for a second time extension would extend the completion date to June 30, 2002 and the invoice submittal date to July 30, 2002.

ALTERNATIVES

Do not approve the time extension. Not approving the time extension would not allow the District to provide funding to the City for construction of new sewers and reduce I/I within the City.

CEQA FINDINGS

Not applicable. Local agencies are responsible for CEQA compliance.

ATTACHMENTS

None

BOARD OF DIRECTORS

| | |
|--------------|---------------------------|
| Meeting Date | To Bd. of Dir. 1/23/02 |
| Item Number | Item Number 10(b) |

AGENDA REPORT

Orange County Sanitation District

FROM: David Ludwin, Director of Engineering
Originator: Bob Chenowith, Principal Engineering Associate

SUBJECT: PROPOSED ANNEXATION NO. OCSD-23 HOVNANIAN ANNEXATION

GENERAL MANAGER'S RECOMMENDATION

(1) Receive and file petition from Vahe Hovnanian requesting annexation of 0.577 acres to the Orange County Sanitation District (OCSD) in the vicinity of Highcliff Drive and Miramar Circle in an unincorporated area of Orange County; and (2) Adopt Resolution No. OCSD 02-01, authorizing initiation of proceedings to annex said territory to OCSD (Proposed Annexation No. OCSD-23 Hovnanian Annexation).

SUMMARY

- OCSD received a request from Vahe Hovnanian to annex 0.577 acres to OCSD. This property will be annexed into OCSD (Revenue Area 7).
- The property has an existing single family home on septic tank and would like to connect to a public sewer.
- The property owner will connect to an existing OCSD sewer in Newport Boulevard. The homeowner will pay his house connection permit fee to OCSD.
- The property owner will receive a credit from OCSD for sewage user fees previously collected in error by OCSD from the property tax bill.

PROJECT/CONTRACT COST SUMMARY

This annexation is in accordance with the terms of the negotiated agreement with the County of Orange regarding A.B.8 tax exchange for annexing properties, Board approved and effective March 14, 1989. Under this tax exchange, OCSD does not receive a percentage of the basic levy, and instead, collects a higher annexation fee. The fee of \$6,117 includes the following:

| | |
|--|---------------------|
| OCSD Processing | \$ 500 |
| LAFCO Processing Fee | 1,150 |
| State Board of Equalization Processing Fee | 300 |
| Revenue Area 7 Planning Study Fee | 58 |
| CA Environmental Quality Act Filing Fee | 43 |
| Annexation Acreage Fee (0.577 acre) | 2,240 |
| House Sewer Connection Fee (5 bedrooms) | <u>2,530</u> |
| SUBTOTAL | \$ 6,821 |
| Credit applied from tax bill collection | <u><u>(704)</u></u> |

TOTAL ANNEXATION AND SEWER CONNECTION FEE \$ 6,117

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

Typically annexations under one acre are charged the District Annexation fee for one acre as a minimum. In this case, approximately one-half of the parcel is already within the District, leaving approximately one-half of the parcel (0.577 acres) to be annexed. Therefore, Staff recommends charging 0.577 of the single (1.0) acre fee, or \$2,240, rather than the \$3,883 fee for one acre.

ALTERNATIVES

N/A

CEQA FINDINGS

Notice of Exemption will be filed.

ATTACHMENTS

1. Exhibit A Legal Description
2. Exhibit B Map

BOARD OF DIRECTORS

| | |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir. 01/23/02 |
| Item Number | Item Number 10(c) |

AGENDA REPORT

Orange County Sanitation District

FROM: David Ludwin, Director of Engineering
Originator: Bob Chenowith, Principal Engineering Associate

SUBJECT: AGREEMENT FOR REIMBURSEMENT WITH ORANGE COUNTY FLOOD CONTROL DISTRICT (AGREEMENT D01-007) REGARDING PROTECTION OF NEWLAND STREET INTERCEPTOR SEWER, CONTRACT NO. 11-14

GENERAL MANAGER'S RECOMMENDATION

Approve agreement for reimbursement with the Orange County Flood Control District (OCFCD) providing for payment of \$75,000 to OCFCD as a deposit for Protection of Newland Street Interceptor Sewer, Contract No. 11-14, in conjunction with OCFCD's improvements to the Huntington Beach Channel from Magnolia Street to Newland Avenue.

SUMMARY

- OCFCD is widening the Huntington Beach Flood Control Channel (DO1) and will have to protect and modify the Orange County Sanitation District (OCSD) sewers that cross the channel. This work will be included in OCFCD's construction contract.
- The OCFCD is requesting a \$75,000 deposit for the estimated costs of the additional work as described below:

| | |
|--|-----------------|
| 1. Protection of OCSD 48-inch sewer | \$50,000 |
| 2. Construct access to OCSD 21-inch sewer | \$23,000 |
| 3. Remove interfering portions of OCSD 21-inch sewer | <u>\$ 2,000</u> |
| Estimated Total Cost | \$75,000 |
- The final accounting of costs, including actual construction bid costs, any change orders, and a 15% administration and inspection fee relating to the OCSD portion of the work, to be paid by OCSD to OCFCD will be done upon acceptance of the construction work as provided in the agreement,

PROJECT/CONTRACT COST SUMMARY

A deposit of \$75,000 paid by OCSD to OCFCD is provided by the agreement to occur within 60 calendar days of the award of OCFCD's construction contract. Any additional costs to be paid by OCSD will be deferred to the end of the contract.

BUDGET IMPACT

- This item has been budgeted. (Line item: Facilities Engineering Projects Collections, Section 8, Page 6, \$300,000 total)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

Orange County Flood Control District (OCFCD) owns the land in fee over which Orange County Sanitation District (OCSD) has an easement. OCFCD issued an Encroachment Permit No. 80-00552 dated July 3, 1980 to OCSD. Therefore, OCSD must pay OCFCD for any costs for improvements, including access and protection of OCSD's facilities.

ALTERNATIVES

OCSD issues a construction contract for the work. OCFCD has exclusive rights and is managing the construction contract. There is not sufficient time for OCSD to complete the needed work prior to OCFCD's construction contract.

CEQA FINDINGS

Not applicable. OCFCD is responsible for CEQA compliance.

ATTACHMENTS

None.

FAHR COMMITTEE

AGENDA REPORT

| | |
|--------------------------|----------------------------|
| Meeting Date 01/09/02 | To Bd. of Dir. 01/23/02 |
| Item Number FAHR02-01 | Item Number 13(c) |

Orange County Sanitation District

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

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

GENERAL MANAGER'S RECOMMENDATION

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

On December 21, the sum of \$24.5 million was received from the Orange County Tax Collector's property tax apportionment schedule. Of this amount, \$20.5 million was deposited into the District's State of California LAIF account.

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 December 31, 2001 | Estimated Yield (%) |
|---|------------------------------------|------------------------|
| State of Calif. LAIF | \$ 29,990,470 | (1) |
| Union Bank Checking Account | 511,992 | N/A |
| Union Bank Overnight Repurchase Agreement | 4,916,000 | 1.2 |
| PIMCO – Short-term Portfolio | 42,910,075 | 4.2 |
| PIMCO - Long-term Portfolio | 350,623,810 | 4.7 |
| District 11 GO Bond Fund 921 | 1,831 | (1) |
| Debt Service Reserves w/Trustees | 35,165,295 | 4.3 |
| Petty Cash | <u>5,000</u> | N/A |
| TOTAL | <u>\$464,124,473</u> | |

(1) Unavailable as of the date of this report.

ALTERNATIVES

None.

ATTACHMENTS

1. Monthly Investment Reports
2. Monthly Transaction Report

ATTACHMENTS

Resolution No. OCSD 02-02 and Exhibit "B"

BOARD OF DIRECTORS

AGENDA REPORT

| | |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir. 01/23/02 |
| Item Number | Item Number 14 |

Orange County Sanitation District

FROM: Robert Ooten, Director of Operations and Maintenance
Originator: Mark Esquer, Manager, Division 820

SUBJECT: Emergency Repair of Low Pressure Digester Gas Holder Tank at Treatment Plant No. 2

GENERAL MANAGER'S RECOMMENDATION

Ratify use of General Manager's emergency purchasing authority, Resolution No. OCSD 99-23, for Purchase Order No. 30319, issued to Matrix Engineering Services, for a total amount not to exceed \$200,000; and Purchase Order No. 31251 issued to Techno Coatings for a total amount not to exceed \$130,000, for Emergency Repair of the Low Pressure Digester Gas Holder Tank at Treatment Plant No. 2, for a total amount not to exceed \$330,000.

SUMMARY

Background/Discussion

- Unanticipated damage to the low-pressure digester-gas holder was discovered during an investigation associated with the Plant Utility Rehabilitation and Capital Improvement Project, P2-82.
- The low-pressure digester-gas holder stores fuel for the Central Generation facility.
- The tank liner in the digester-gas holder was torn and required immediate replacement.
- Matrix Engineering was hired to perform the emergency rubber tank liner replacement.
- Matrix Engineering is the contractor that installed the replacement tank liner in 1993 as part of a capital improvement project, is familiar with the District's facility, and is prepared to perform the required work; therefore a sole-source contract was issued.
- An inspection of the inside of the tank revealed corrosion damage.
- The corrosion damage must be repaired prior to replacing the tank liner.
- Bids were urgently solicited from painting contractors to repair the corrosion damage, sandblast the inside of the tank, and install a new protective coating (paint).
- Techno-Coatings was determined to be the lowest responsible bidder. As information a Bid tabulation sheet is attached.
- Resolution No. OCSD 99-23 allows for purchase of supplies, services, and materials in excess of \$100,000, without observing procedures set for in said resolution, provided the purchase is required for continued operation of the wastewater treatment plant. This action requires ratification of such emergency procurement by the Board of Directors.

PROJECT/CONTRACT COST SUMMARY

The emergency repair associated with this effort was not budgeted and is an unanticipated expense. However, the \$3,794,000 Plant Utilities Rehabilitation Project, P2-82 budget, has sufficient funds to cover the cost of the emergency repairs.

BUDGET IMPACT

- This item has been budgeted. (Line item: CIP Project P2-82)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

None

ALTERNATIVES

None

CEQA FINDINGS

Not Required

ATTACHMENTS

Coatings application bid tabulation sheet.

BOARD OF DIRECTORS

| | |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir. 01/23/02 |
| Item Number | Item Number 15 |

AGENDA REPORT

Orange County Sanitation District

FROM: Robert P. Ghirelli, Director of Technical Services
Originator: James Colston, Senior Regulatory Specialist

SUBJECT: Recommendation to Prepare Charter Legislation

GENERAL MANAGER'S RECOMMENDATION

Authorize the General Manager to prepare draft legislation to expand the agency's charter to include permissive language authorizing the diversion and management of dry weather urban runoff flows and to pursue legislation through the California Legislature.

SUMMARY

Due to the beach closures along Huntington Beach city and State beaches during the summer of 1999, the Orange County Sanitation District (OCSD) began an emergency acceptance of some local urban runoff flows to help reduce beach contamination. Subsequently, the agency formed the Urban Runoff Ad Hoc Committee to develop a policy to formalize the acceptance of urban runoff flows. Based on the development of this policy and changing community needs, agency staff is recommending that the Board of Directors expand the charter of the agency to include treatment, reuse and disposal of urban runoff flows, as appropriate.

PROJECT/CONTRACT COST SUMMARY

\$25,000 for consultant services to sponsor the charter amendment legislation.

BUDGET IMPACT

- This item has been budgeted. (Line item:101)
- This item has been budgeted, but there are insufficient funds.
- This item has not been budgeted.
- Not applicable (information item)

ADDITIONAL INFORMATION

The Irvine Ranch Water District and the Santa Margarita Water District adopted similar legislation during 2001 via Assembly Bill 810. The specific language of this bill authorizes the districts "to acquire, construct, operate, maintain, and furnish facilities for the diversion of urban runoff from drainage courses within the district, the treatment of the urban runoff, the return of the water to the drainage courses, or the beneficial use of the water." The proposed changes in OCSD's Charter would be modeled after the IRWD bill.

ALTERNATIVES

No recommendation to staff to develop the legislation language or begin the sponsorship process.

CEQA FINDINGS

N/A

ATTACHMENTS

Assembly Bill 810 (2001)

BOARD OF DIRECTORS

AGENDA REPORT

| | |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir. 01/23/02 |
| Item Number | Item Number 16(c) |

Orange County Sanitation District

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

SUBJECT: GROUNDWATER REPLENISHMENT SYSTEM, JOB NO. J-36
Addendum no. 2, to the groundwater replenishment system environmental
impact report/environmental impact statement

GENERAL MANAGER'S RECOMMENDATION

(1) Find that pursuant to California Environment Quality Act Guidelines Section 15164, that some minor changes or additions to the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) on the Groundwater Replenishment System certified in March 1999, are necessary, but none of the conditions described in Public Resources Code Section 21166 and/or in Section 15162 have occurred that would require the preparation of a Subsequent Environmental Impact Report or Negative Declaration; and (2) Approve Addendum No. 2 to the EIR/EIS prepared by Environmental Science Associates.

SUMMARY

- The Orange County Water District (OCWD) has applied for a \$145,000,000 loan, and a \$5,000,000 grant from the State Water Resources Control Board (SWRCB).
- During the SWRCB review of the application, they requested that staff address some minor changes in the project that were not detailed in the Environmental Impact Report.
- The modifications include constructing the Groundwater Replenishment System Pipeline in the western levee of the Santa Ana River, constructing a temporary pipeline connection to the Metropolitan Water District water for use in the seawater intrusion barrier, constructing temporary offices for project and construction management staff, and increasing the height of the lime storage silos.
- In order to comply with California Environment Quality Act (CEQA), and satisfy this request of the SWRCB, Staff has prepared Addendum No. 2 to the Groundwater Replenishment System (GWR) EIR/EIS, that the OCWD and Orange County Sanitation District (OCSD) Boards certified in March 1999.
- Pursuant to CEQA, an Addendum is the appropriate document to describe the minor modifications to the proposed project. According to CEQA, no public circulation or review period is required for an Addendum prepared for a previously circulated and certified Final EIR.
- At the January 14, 2001, Joint Cooperative Committee (JCC) meeting, the JCC recommended approval of the Addendum to the EIR by OCWD and OCSD Boards of Directors.

PROJECT/CONTRACT COST SUMMARY

There is no cost impact for the approval of this Addendum to the Groundwater Replenishment System 1999 Environmental Impact Report/Environmental Impact Statement.

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)

ADDITIONAL INFORMATION

Please refer to the January 14, 2002, Joint Cooperative Committee (JCC) Agenda Item Submittal.

ALTERNATIVES

None. In the event, the Addendum for this project is not filed in the District's office prior to the beginning of construction and/or bidding, the District would be considered in violation of CEQA.

CEQA FINDINGS

The Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) for the Groundwater Replenishment System was certified by the Orange County Sanitation District and the Orange County Water District Board of Directors on March 24, 1999. Addendum No. 1 was approved on March 28, 2001.

ATTACHMENTS

January 14, 2002, JCC Agenda Item Submittal re: Addendum No. 2 to EIR.