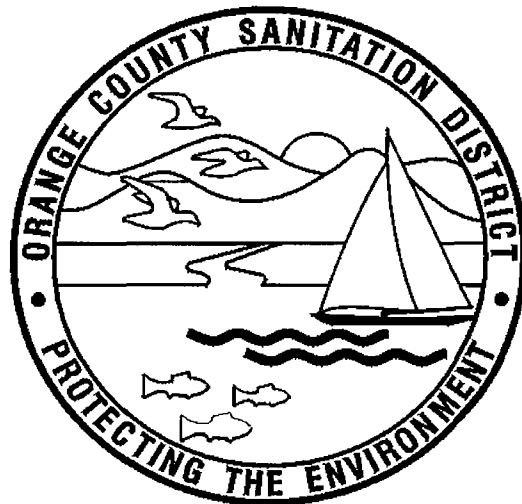


Orange County Sanitation District

MINUTES BOARD MEETING MARCH 27, 2002



**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 March 27, 2002, 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	Shirley McCracken, Vice Chair		Tom Daly
X	Mike Alvarez		Mark A. Murphy
X	Steve Anderson		Steve Simonian
X	Don Bankhead		Jan Flory
X	Shawn Boyd		John Larson
X	Brian Brady		Darryl Miller
X	Debbie Cook		Connie Boardman
X	Laurann Cook		Larry Crandall
X	Brian Donahue		David Shawver
X	James M. Ferryman		Arlene Schafer
	John M. Gullixson	X	Michael Duvall
X	Alice B. Jempsa		Arthur DeBolt
X	Tony Kawashima		Tracy Worley
	Beth Krom	X	Greg Smith
X	Mark Leyes		Bruce Broadwater
X	Pat McGuigan		Alberta Christy
X	Roy Moore		Marty Simonoff
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: Blake P. Anderson, General Manager; Penny Kyle, Board Secretary; Bob Ghirelli; Dave Ludwin; Greg Mathews; Patrick Miles; Lisa Murphy; Bob Ooten; Gary Streed; Lisa Tomko; Jim Benzie; Dennis May; Juanita Skillman; Ingrid Hellebrand; Sonja Wassgren; Jim Herberg; Mark Esquer; Ryal Wheeler; Fred O'Brien; Simon Watson; Mahin Talebi; Brian Bingman; Catherine Biele

OTHERS PRESENT: Thomas Nixon, General Counsel; Irwin Haydock; Jan Vandersloot; Larry Porter; Randy Fuhrman; Joey Racano; Dennis Baker; Doug Korthof; Eileen Murphy; Bill Butler; Les Jones; Greg Jewell; Charles T. Montoya; Marc Samulewicz; Wes Lewison; Colleen T.

Roque; Don Slaven; Sima Vajdan; Carl Neuhausen; George Carlson; Art Perry; Rocky Zoetec; Dean Albright; Ron Pina; Steve Ray; Mehmet Kitis; Kimo Look; Ben Wilson; Fred Soronshian

PUBLIC COMMENTS

The following persons spoke about ocean discharge issues and expressed their opposition to the waiver: Doug Korthoff; Steve Ray; Joey Racano; Dennis Baker; Larry Porter; Colleen Roque; Irwin Haydock; Dean Albright; Greg Jewell; Wes Lewison; Marc Samulewicz; Eileen Murphy.

Charles Montoya of Pioneer America, the District's current chemical supplier, spoke in support of the District's proposal to disinfect the effluent with bleach.

Randy Fuhrman requested the Directors to consider different alternatives other than bleach as a permanent solution of disinfection.

RESOLUTIONS OF COMMENDATION

MOVED, SECONDED AND DULY CARRIED: That the Board of Directors adopt a Resolution of Commendation expressing appreciation to James (Jim) Benzie, Source Control Supervisor, for his contribution and dedication to 40 years of public service upon his retirement from the District.

MOVED, SECONDED AND DULY CARRIED: That the Board of Directors adopt a Resolution of Commendation expressing appreciation to Dennis May, Principal Engineering Associate, for his contribution and dedication to 36 years of public service upon his retirement from the District.

MOVED, SECONDED AND DULY CARRIED: That the Board of Directors adopt a Resolution of Commendation expressing appreciation to Ronald (Ron) Parker, Project Specialist, for his contribution and dedication to 32 years of public service upon his retirement from the District.

MOVED, SECONDED AND DULY CARRIED: That the Board of Directors adopt a Resolution of Commendation expressing appreciation to Bill Mills, General Manager of the Orange County Water District, for his contribution and dedication to public service upon his retirement from the Water District.

REPORT OF THE CHAIR

Chair Eckenrode reviewed the calendar for the working committees for the month of April.

REPORT OF THE GENERAL MANAGER

Blake Anderson, General Manager, reported on Assembly Bill 1892, authored by Tom Harman, which give the District the ability to help manage urban runoff in Orange County. He reviewed the progress made to date with flow diversion with the City of Huntington Beach and the County.

Since then beach sampling data indicates a 50% decrease in beach contamination, and the District is receiving approximately 2 million gallons of dry weather runoff on dry weather days.

With the Harman Bill in place, staff envisions: (1) Continuing dry weather diversions at those locations where water quality and environmental standards are being impacted with no other practical solution available; (2) Participating in planning and evaluation studies with the County and stakeholder cities to identify problems, setting priorities and developing technical approaches to solve those problems; (3) Emphasize opportunities to use treatment and impound alternatives other than diversions; and (4) Develop/fund a grant program similar to the cooperative projects program currently in place, which would be a matching grant program for those projects that meet certain qualifications.

Mr. Anderson reported staff has been successful in enlisting Assemblyman Harman to get the permissive language to do this. The Bill left Committee the prior week with a unanimous 11-0 vote, and it is expected that as the Bill moves on to the floor of the Assembly and the Senate over the next few weeks, that it would be approved. There was opposition registered by Friends of Harbors, Beaches, and Parks. They see a correlation between opposition to the waiver and what the District is trying to do with urban runoff. The legislative analyst did address the issue at length for the Committee and stated, "It wasn't clear how authorizing OCSD to develop and operate urban runoff treatment facilities has any bearing one way or the other on the on-going controversy over the 301(h) waiver. It could be argued that being able to treat urban runoff, even to the currently permissible levels, would still be considerably better for the environment than doing nothing." Mr. Anderson further stated that under Proposition 218, the District would be able to pass on user fees to recover the costs of facilities for diversions.

Mr. Anderson then updated the Directors on the Bill authored by Ken Maddox, that would prevent the District from applying for an additional 301(h) waiver and would require OCSD to move to full secondary treatment. Staff is rewriting the Bill to accomplish what they had originally intended. The Bill, as currently written, also applies to facilities in Goleta, San Diego and Morro Bay. It is staff's understanding that the Bill will be rewritten to apply only to OCSD. If the State decides to inject itself into this issue, Mr. Anderson will be seeking approval to go to Sacramento to look for \$400 million to come along with that Bill. The Bill was discussed in the Steering Committee and staff will work with Assemblyman Maddox's office to try to persuade him to drop his Bill.

It was then reported that staff hopes to move up the time for a tentative board decision on level of treatment to the May and June time frame. The five areas of concern that will be provided to the Board and the public are treatment technology, ocean science, financial implications, regulatory setting, and public input. Mr. Anderson reported that two budgets are being prepared. Budget A incorporates no change in the treatment process. Budget B will identify the incremental costs for disinfection and the incremental costs for additional secondary treatment. A permit application will need to be submitted to the EPA in December 2002 regardless of what the District is applying for.

REPORT OF THE GENERAL COUNSEL

Assistant General Counsel Tom Nixon indicated there would be a need for closed session.

APPROVAL OF MINUTES

The Chair ordered that the minutes of the regular meeting held February 27, 2002 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>02/15/02</u>	<u>02/28/02</u>
Totals	\$6,133,057.04	\$4,246,859.77

Director Mark Leyes abstained. Director Tony Kawashima abstained on Warrant No. 42028, and Director Russ Patterson abstained on Warrant No. 42070.

CONSENT CALENDAR

9. a. MOVED, SECONDED AND DULY CARRIED: Approve sewer easement agreement with Armstrong Ranch co-owners for the Armstrong Ranch development in the city of Santa Ana, at no cost to the District, in a form approved by General Counsel.
- b. MOVED, SECONDED AND DULY CARRIED: Approve a second time extension of six months for Cooperative Projects Program Contract No. CP-0005, with the City of Huntington Beach.

NON-CONSENT CALENDAR

11. DRAFT STEERING COMMITTEE MINUTES: A verbal report was presented by Director Eckenrode, Chair of the Steering Committee, re the March 27, 2002 meeting.

The Chair then ordered the draft Steering Committee Minutes for the meeting held on February 27, 2002 to be filed.
 - d. DRAFT URBAN RUNOFF AD HOC COMMITTEE MINUTES: The Chair ordered the draft Urban Runoff Ad Hoc Committee Minutes for the meeting held on February 28, 2002 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 March 6, 2002 meeting.

The Chair then ordered the draft Operations, Maintenance and Technical Services Committee Minutes for the meeting held on March 6, 2002 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** (1) Authorize the General Manager to issue a request for proposals to qualified Ocean Monitoring Vessel Builders/Designers for Purchase of Ocean Monitoring Vessel, Specification No. V-2001-43BD; and (2) Authorize award of Purchase of Ocean Monitoring Vessel, Specification No. V-2001-43BD, to the lowest responsive bidder in an amount not to exceed \$1,300,000.

Director Debbie Cook opposed.

- d. **MOVED, SECONDED AND DULY CARRIED:** Approve an agreement with M.J. Schiff and Associates, Inc. for the development of a Corrosion Management Program, Specification No. S-2002-80BD, providing for consulting services for a study of the District's two treatment plants, interplant pipelines, and collections systems, and to establish the requirements for the implementation of a comprehensive management program, for an amount not to exceed \$145,000.

- 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 March 7, 2002 meeting.

The Chair then ordered the draft Planning, Design and Construction Committee Minutes for the meeting held on March 7, 2002 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** (1) Ratify Change Order No. 2 to Ocean Outfall Flowmeter Replacement at Plant No. 2, Job No. J-66, with Urbantec Engineers, Inc., authorizing an addition of \$175,769 and a time extension of 75 calendar days, increasing the contract amount to \$1,119,077; and (2) Approve a budget amendment increase of \$240,077 for Ocean Outfall Flowmeter Replacement at Plant No. 2, Job No. J-66, for a total project budget of \$1,739,077.
- d. **MOVED, SECONDED AND DULY CARRIED:** (1) Ratify Change Order No. 1 to Santa Ana River Interceptor Emergency Maintenance and Repairs, Contract No. 2-41-2, with Jamison Engineering Contractors, Inc., for an Adjustment of Engineer's Quantities, authorizing a deduction of \$45,566, and a time extension of 45 calendar days, decreasing the total contract amount to \$404,434; and (2) Accept Santa Ana River Interceptor Emergency Maintenance and Repairs, Contract No. 2-41-2, as complete, authorizing execution of the Notice of Completion and approving the Final Closeout Agreement.
- e. **MOVED, SECONDED AND DULY CARRIED:** Accept Clarifiers P & Q Retaining Walls at Plant No. 2, Job No. SP2000-60, with Castillo Western Industrial Constructors as complete, authorizing execution of the Notice of Completion and approving the Final Closeout Agreement.

- f. **MOVED, SECONDED AND DULY CARRIED:** Approve Memorandum of Understanding with Santa Ana Watershed Project Authority for Santa Ana River Interceptor Relocation and Protection, Contract No. 2-41, establishing the terms of interagency coordination and interim reimbursement of expenses in connection with the protection, repairs, and maintenance of the Santa Ana River Interceptor, in a form approved by General Counsel.
- g. **MOVED, SECONDED AND DULY CARRIED:** Approve a budget amendment of \$247,610 for Interim Strategic Plan Update, Job No. J-40-8, for a total project budget of \$687,610; and (2) Approve Addendum No.1 to the Professional Services Agreement with Camp Dresser and McKee for additional engineering services for Interim Strategic Plan Update, Job No. J-40-8, for an additional amount of \$247,610, increasing the total amount not to exceed \$597,340.
- h. **MOVED, SECONDED AND DULY CARRIED:** (1) Approve a budget amendment of \$139,170 for Supplement No. 1 to the 1999 Strategic Plan Final Program Environmental Impact Report, Job No. J-40-5, for a total project budget of \$287,170; and (2) Approve Addendum No. 1 to the Professional Services Agreement with Environmental Science Associates for additional environmental services for Supplement No. 1 to the 1999 Strategic Plan Final Program Environmental Impact Report, Job No. J-40-5, for an additional amount of \$116,170, increasing the total amount not to exceed \$194,000.
- i. **MOVED, SECONDED AND DULY CARRIED:** Approve Addendum No. 8 to the Professional Services Agreement with Carollo Engineers for Investigation and Repair of Ocean Outfalls, Job No. J-39, providing for additional engineering services in the amount of \$652,137 for a total amount not to exceed \$1,619,118.
- j. **MOVED, SECONDED AND DULY CARRIED:** (1) Approve Addendum No. 1 to the Professional Services Agreement with Lee & Ro, Inc. for Replacement of the Bitter Point Pump Station, Contract No. 5-49; Replacement of the Rocky Point Pump Station, Contract No. 5-50; Rehabilitation of the 14th Street Pump Station, Contract No. 5-51; and Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, providing for additional engineering services for an additional amount of \$495,247, increasing the total amount not to exceed \$1,645,048; (2) Approve a budget amendment increase of \$1,322,000 for Replacement of the Bitter Point Pump Station, Contract No. 5-49, for a total project budget of \$4,882,000; (3) Approve a budget amendment increase of \$1,376,000 for Replacement of the Rocky Point Pump Station, Contract No. 5-50, for a total project budget of \$5,775,000; (4) Approve a budget amendment increase of \$1,877,000 for Rehabilitation of the 14th Street Pump Station, Contract No. 5-51, for a total project budget of \$4,493,000; and (5) Approve a budget amendment increase of \$1,748,000 for Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, for a total project budget of \$4,596,000.
- k. **MOVED, SECONDED AND DULY CARRIED:** Approve a budget amendment increase of \$2,118,000 for the Warner Avenue Relief Sewer, Contract No. 11-22, for a total project budget of \$7,016,000.

- I. **MOVED, SECONDED AND DULY CARRIED:** Motion was amended to approve Professional Services Agreement with Project Partners, Inc. to provide project engineering and project management consulting services for the District's Capital Improvement Program, for an estimated amount not to exceed \$600,000 for the first year, with a not-to-exceed CPI annual escalation fee, for a contract period effective March 27, 2002 through May 30, 2008.
- m. **MOVED, SECONDED AND DULY CARRIED:** Approve Professional Services Agreement with CH2M Hill, Inc. for engineering services for the Effluent Pathogen Reduction Evaluation Study, Job No. J-40-6, for an amount not to exceed \$134,858.

14. **DRAFT FINANCE, ADMINISTRATION AND HUMAN RESOURCES COMMITTEE MINUTES:** A verbal report was presented by Director Brady, Chair of the Finance, Administration and Human Resources Committee, re the March 13, 2002 meeting.

The Chair ordered the draft Finance, Administration and Human Resources Committee Minutes for the meeting held on March 13, 2002 to be filed.

- c. **MOVED, SECONDED AND DULY CARRIED:** Receive and file Treasurer's Report for the month of February 2002.
- d. **MOVED, SECONDED AND DULY CARRIED:** Reallocate \$60,700 from the Central Training budget to the Tuition Reimbursement budget, increasing funding from \$74,300 to \$135,000 for Fiscal Year 01-02.

15. **MOVED, SECONDED AND DULY CARRIED:** Ratify use of General Manager's emergency purchasing authority, Resolution No. OCSD 99-23, for Emergency Repair of the No. 3 Central Generation Engine at Plant No. 1, for Purchase Order Nos. 31480 and 31939 issued to Cooper Energy Services for a combined total of \$115,882.59, plus a 10% contingency for freight and any unforeseen work that may be required to complete the repair, for a total amount not to exceed \$127,500.00.

16. **MOVED, SECONDED AND DULY CARRIED:** Approve sewer service and connection agreement with Irvine Ranch Water District for connection of El Morro Elementary School that is currently located outside of the Orange County Sanitation District boundaries, in a form approved by General Counsel.

17. Blake Anderson, General Manager, reported that last month the concept of disinfection was brought before the Board of Directors. The Board authorized staff to move forward with some of the conceptual work and preliminary studies, and authorized expenditures up to \$200,000 so that momentum would be maintained. A more detailed report was requested by the Board of Directors, as well as the results of the so-called 1996 20-meter study.

Bob Ghirelli, Director of Technical Services, reported that although the report, dated March 2002, deals with the 1996 and 1997 data. The information developed out of these studies was reported to the Regional Water Quality Control Board and EPA in 1996 and 1997 as part of discussions staff had with those agencies when the results were prepared, but a formal report was never written. He then provided a brief overview of the data contained within the report. The studies indicated the plume comes into the 20-meter depth contour at detectable levels. There were several instances where bacteria were found associated with the plume at the 60-meter depth, which is about two miles offshore of Huntington Beach at the same time that bacteria were detected at the beach. The purpose of the study was to gain a better understanding of compliance issues in order to ensure the District was complying with state water quality standards, which applies up to three miles offshore. As a result of the findings in this report, a change was made by the Santa Ana Regional Water Quality Control Board (SARWQCB) to their Basin Plan to interpret the recreational zone as the top 10 feet of water, which is consistent with the way the other Regional Water Quality Control Boards and the State interpret the recreational zone.

Bob Ooten, Director of Operations and Maintenance, gave a brief report on the District's treatment facilities, what it accomplishes, and reported on microfiltration research, one of the treatment technologies being considered for long-term use.

Mark Esquer, Process Engineering Manager, then reported on the reasons to use bleach followed by dechlorination as the currently preferred alternative for short-term disinfection. He also reported on other methods to disinfect, such as ultraviolet light, ozone, and peracetic acid. He also briefly reviewed the environmental review process required for this project. A mitigated negative declaration statement should be sufficient for the short-term project. Staff anticipates the statement should be sent out in mid-April for public review.

MOVED, SECONDED AND DULY CARRIED: (1) Receive and file the OCSD Engineering report on Short-Term Ocean Outfall Bacteria Reduction Evaluation dated March 20, 2002; (2) Receive and File report entitled, Analysis and Interpretation of Fall 1996 and Summer 1997 Water Quality Data, dated March 2002; and (3) Designate the use of chemical bleach and sodium bisulfite (dechlorination as a mitigation measure) as the Preferred Alternative for further detailed evaluation.

Director Debbie Cook opposed.

18. MOVED, SECONDED AND DULY CARRIED: Award a sole source Professional Services Agreement to Black & Veatch Corporation for professional services for Short-Term Outfall Bacteria Reduction, Job No. J-87, for an amount not to exceed \$447,920.

Directors Don Bankhead and Debbie Cook opposed.

19. **MOVED, SECONDED AND DULY CARRIED:** Approve an increase to the Temporary Employment Services budget allocation of \$300,000, raising the total budgeted amount from \$1,000,000 to \$1,300,000 for the remainder of FY 01-02.

20. **DRAFT JOINT GROUNDWATER REPLENISHMENT SYSTEM COOPERATIVE COMMITTEE MINUTES:** The Chair ordered the Joint Groundwater Replenishment System Cooperative Committee Minutes for the meetings held on February 11, 2002 and February 25, 2002 to be filed.

c. Item removed.

21. CONVENE IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9: The Board convened in closed session at 9:55 p.m., pursuant to Government Code Section 54956.9, to discuss Agenda Item No. 21 (a)(1). 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 reportable action was taken re Agenda Item No. 21(a)(1).

RECONVENE IN REGULAR SESSION: At 10:00 p.m., the Board reconvened in regular session.

ADJOURNMENT: The Chair declared the meeting adjourned at 10:01 p.m.



Secretary of the Board of Directors of
Orange County Sanitation District