

**Orange County Sanitation District**  
**MINUTES**  
**BOARD MEETING**  
**SEPTEMBER 22, 2004**



**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 September 22, 2004, 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	Steve Anderson, Chair		Steve Simonian
X	James M. Ferryman, Vice Chair		Arlene Schafer
A	Don Bankhead		Leland Wilson
	Patricia Bortle	X	Rich Freschi
X	Carolyn Cavecche		Steve Ambriz
X	Alberta Christy		Mike Garcia
X	John Collins		Larry Crandall
X	Bill Dalton		Bruce Broadwater
A	Brian Donahue		David Shawver
X	Michael Duvall		Keri Lynn Wilson
X	Norman Z. Eckenrode		Judy Dickinson
X	Cathy Green		Gil Coerper
X	Alice B. Jempsa		Marilynn M. Poe
X	Tony Kawashima		Doug Davert
X	Beth Krom		Christina Shea
X	Patsy Marshall		Jim Dow
X	Shirley McCracken		Bob Hernandez
X	Darryl Miller		Peer A. Swan
X	Roy Moore		John Beauman
X	Joy Neugebauer		Grace Epperson
X	Anna L. Piercy		Tim Keenan
X	Tod Ridgeway		Don Webb
X	Jim Silva		Chuck Smith
A	Paul Walker		Larry Herman
X	Paul Yost		Charles Antos

**STAFF MEMBERS PRESENT:** Bob Ghirelli, Acting General Manager; Penny Kyle, Board Secretary; Carol Beekman; Patrick Miles; Bob Ooten; Gary Streed; Lisa Tomko; Jim Herberg; Sonja Wassgren; Fred O'Brien; Mike Moore; Simon Watson

**OTHERS PRESENT:** Brad Hogin, Assistant General Counsel; Doug Davert; Phil Luebben; Eric Saperstein; John Freshman; Scott Baugh; Chris Townsend; Art Perry

## PUBLIC COMMENTS

There were none.

## REPORT OF THE CHAIR

Chair Steve Anderson announced that the Advanced Water Purification Facility groundbreaking ceremony held on September 20<sup>th</sup> attracted more than 150 elected officials, community leaders and industry leaders from around the state and country. The dedication plaque and a rendering of what the finished facility will look like were on display in the board room.

It was then noted that the meeting would be adjourned that evening in memory of Harvey Hunt of Carollo Engineers. It was noted that Mr. Hunt was the lead designer and project manager during the mid to late 1960's when Carollo Engineers was engaged to design the 120-inch outfall. He oversaw the design of most of the original plants and was involved in the District's initial master plans.

Chair Anderson then recognized the District's lobbying team who represent the District in Sacramento and Washington, DC: Christopher Townsend, Townsend Public Affairs, Inc.; Scott Baugh, Mayer Brown, Rowe & Maw; Eric Saperstein, ENS Resources; and John Freshman, Freshman & Kast. Each team provided updates on their legislative activities and strategies.

## REPORT OF THE GENERAL MANAGER

Acting General Manager, Bob Ghirelli, reported that Blake Anderson should be returning to work by the end of October.

Fred O'Brien was recognized for 30 years of service to the District. It was also reported he would become the skipper of the District's vessel, "Nerissa", which was recently launched.

Mr. Ghirelli also reported that the Santa Ana Regional Water Quality Control Board has approved the District's NPDES permit. The EPA will begin their review and it should become effective 30 days after the review. This will then complete the permitting process for secondary treatment.

A brief update on the sewage spill over the Labor Day Weekend was then given. Staff is continuing its investigation and has noted 25 corrective measures that need to be fixed. A full report would be provided to the Directors in the near future.

## REPORT OF THE GENERAL COUNSEL

Acting General Counsel Brad Hogin had no report.

**APPROVAL OF MINUTES**

The Chair ordered that the minutes of the regular meeting held August 25, 2004, be deemed approved, as written.

Director Richard Freschi abstained.

**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>08/15/04</u>	<u>08/31/04</u>
Totals	\$9,672,923.74	\$12,593,187.18

Director Cavecche abstained from discussion and voting on Warrant Nos. 64249 and 64444. Director Green abstained from discussion and voting on Warrant No. 64695. Director Dalton abstained from discussion and voting on Warrant Nos. 64277, 64194 and 64650. Director Eckenrode abstained. Abstentions were pursuant to California Government Code Section 84308.

**CONSENT CALENDAR**

9. a. MOVED, SECONDED AND DULY CARRIED: Adopt Resolution No. OCSD 04-24, Adoption of District's 2004 Conflict of Interest Code, and Repealing Resolution No. OCSD 02-21.
- b. MOVED, SECONDED AND DULY CARRIED: Approve an encroachment permit over an existing sewer and easement with Tustin Gateway Plaza, LLC, in connection with Contract No. 7-2R, in a form approved by General Counsel.
- c. MOVED, SECONDED AND DULY CARRIED: Approve an Outside of Service Area Sewer Service and Connection Agreement for the Haynes Power Generation Facility with the City of Long Beach and the City of Los Angeles Department of Water and Power, in a form approved by General Counsel.

**COMMITTEE REPORTS AND RECOMMENDED ACTIONS**

11. DRAFT STEERING COMMITTEE: A verbal report was presented by Director Anderson, Chair of the Steering Committee, re the September 22, 2004 meeting.

**Consent Calendar**

- a. MOVED, SECONDED AND DULY CARRIED: Order the Steering Committee Minutes for the meeting held on August 25, 2004 to be filed.

**Non-Consent Calendar**

No items considered.

12. OPERATIONS, MAINTENANCE AND TECHNICAL SERVICES COMMITTEE (OMTS)

OMTS Consent Calendar

- a. MOVED, SECONDED AND DULY CARRIED: Order draft Operations, Maintenance and Technical Services Committee Minutes for the meeting held on September 1, 2004 to be filed.
- b. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 3 to Agreement No. AKB-00-015 with the Santa Ana Watershed Project Authority (SAWPA), Inland Empire Utilities Agency of San Bernardino County (IEUA), Western Municipal Water District of Riverside County (WMWD), and the Milk Producers Council (MPC) for a pilot program to sewer dairy washwater to the Santa Ana Regional Interceptor (SARI) providing for changes in responsibilities for the project.
- c. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 1 to Purchase Order No. 101758-OB for Purchase of Cationic Polymer, Specification No. C-2003-143, issued to Polydyne Inc., for the purchase of a substitute cationic polymer for part of the present contract with a unit rate increase of \$0.23, increasing the total price to \$1.28 per pound and increasing the contract amount from \$1,076,700 by \$375,000 for an estimated amount of \$1,451,700 for the period ending June 30, 2005.

OMTS Non-Consent Calendar

No items considered.

13. PLANNING, DESIGN AND CONSTRUCTION COMMITTEE (PDC)

PDC Consent Calendar

- a. MOVED, SECONDED AND DULY CARRIED: Order draft Planning, Design and Construction Committee Minutes for the meeting held on September 2, 2004 to be filed.
- b. MOVED, SECONDED AND DULY CARRIED: Ratify Change Order No. 2 for Facilities Modification for Odor Control II, Job No. J-71-3, with J.F. Shea Construction, Inc., authorizing an addition of \$183,375, and 30 calendar days, increasing the total contract amount to \$2,107,797.
- c. MOVED, SECONDED AND DULY CARRIED: Ratify Change Order No. 8 for Area Classification Study Implementation Plan, Plant Nos. 1 and 2, Job No. J-35-2, with J.F. Shea Construction, Inc., authorizing an addition of \$166,328, increasing the total contract amount to \$15,449,449.
- d. MOVED, SECONDED AND DULY CARRIED: Ratify Change Order No. 3 to Effluent Pump Station Annex, Job No. J-77, with J.F. Shea Construction, Inc., authorizing an addition of \$333,388, increasing the total contract amount to \$43,286,748.

- e. MOVED, SECONDED AND DULY CARRIED: (1) Ratify Change Order No. 2 to Bayside Drive Trunk Sewer Manholes, Contract No. 5-22-R1, with Paulus Engineering, Inc., authorizing an addition of \$60,677.27, increasing the total contract amount to \$367,153.22; and,  
  
(2) Accept Contract No. 5-22-R1 as complete, authorizing execution of the Notice of Completion and approving the Final Closeout Agreement.
- f. MOVED, SECONDED AND DULY CARRIED: (1) Ratify Change Order No. 1 to Circular Clarifier Drive Replacement Units D through Q, Job No. P2-85, Circular Clarifier Sludge Blanket Indicators Units D through Q, Job No. SP-73, with J. F. Shea Construction, Inc., authorizing an additional \$60,535, increasing the total contract amount to \$1,545,774; and,  
  
(2) Accept Circular Clarifier Drive Replacement Units D through Q, Job No. P2-85, and Circular Clarifier Sludge Blanket Indicators Units D Through Q, Job No. SP-73, as complete, authorizing the Final Closeout Agreement.
- g. MOVED, SECONDED AND DULY CARRIED: Ratify Change Order No. 9 to Bushard Trunk Sewer Rehabilitation, Job No. I-2-4, with Steve P. Rados, Inc., authorizing an addition of \$153,119, increasing the total contract amount to \$31,669,445.
- h. MOVED, SECONDED AND DULY CARRIED: Approve Professional Services Agreement with Brown and Caldwell for engineering services for Digester Rehabilitation at Plant No. 2, Job No. P2-91, for an amount not to exceed \$2,677,550.
- i. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 3 to the Professional Services Agreement with Water 3 Engineering, Inc. for Peak Flow Management, Job No. J-67, providing for additional engineering design services for an additional amount of \$35,226, increasing the total amount not to exceed \$1,138,998.
- j. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 4 to the Professional Services Agreement with Fluor Enterprises, Inc., for the Space Allocation and Interior Renovation, Job No. J-84, providing for engineering services for an additional amount of \$82,321, increasing the total amount not to exceed \$1,531,171.
- k. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No.1 to the Service Contract with NRG Thermal Services LLC providing for additional field services for Air Quality Improvements, Job No. J-79, for an additional amount of \$677,763, increasing the total amount not to exceed \$2,247,954.
- l. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 3 to the Professional Services Agreement with Malcolm Pirnie, providing for additional engineering services for Air Quality Improvements, Job No. J-79, for an

additional amount of \$521,707, increasing the total amount not to exceed \$1,830,547.

- m. MOVED, SECONDED AND DULY CARRIED: (1) Approve Amendment No. 3 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 14<sup>th</sup> Street Pump Station, Contract No. 5-51; and Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, providing for additional design engineering services, for an additional amount of \$818,093, increasing the total amount not to exceed \$2,910,188.
- n. MOVED, SECONDED AND DULY CARRIED: Approve Amendment No. 1 to the Professional Services Agreement with Camp, Dresser, & McKee for Rehabilitation of Odor Control Facilities, Job No. J-71-8, providing for modifications to the Scope of Work for an additional amount of \$377,685, increasing the total amount not to exceed \$3,575,207.
- o. MOVED, SECONDED AND DULY CARRIED: Receive and file Study Summary and Recommendations and Field Testing Data Report, dated September 2004, prepared by CH2M Hill, Inc. for the Effluent Pathogen Reduction Alternative Plan Study, Job No. J-40-6.
- p. MOVED, SECONDED AND DULY CARRIED: (1) Approve a budget increase for an additional \$2,078,000 for Rehabilitation of 14<sup>th</sup> Street Pump Station, Contract No. 5-51, for a total budget of \$8,500,000;  
  
(2) Approve an additional \$2,019,000 for Rehabilitation of A" Street Pump Station, Contract No. 5-52, for a total budget of \$8,628,000;  
  
(3) Approve plans and specifications for Rehabilitation of the 14th Street Pump Station, Contract No. 5-51, and Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, on file at the office of the Board Secretary;  
  
(4) Approve Addendum Nos. 1 and 2 to the plans and specifications;  
  
(5) Receive and file bid tabulation and recommendation; and  
  
(6) Award a construction contract to Kiewit Pacific Co. for Rehabilitation of the 14<sup>th</sup> Street Pump Station, Contract No. 5-51, and Rehabilitation of the "A" Street Pump Station, Contract No. 5-52, for an amount not to exceed \$11,697,780.

PDC Non-Consent Calendar

No items considered.

14. FINANCE, ADMINISTRATION AND HUMAN RESOURCES COMMITTEE (FAHR)

FAHR Consent Calendar

- a. MOVED, SECONDED AND DULY CARRIED: Order draft Finance, Administration and Human Resources Committee Minutes for the meeting held on September 8, 2004 to be filed.
- b. MOVED, SECONDED AND DULY CARRIED: Receive and file Treasurer's Report for the month of June 2004.
- c. MOVED, SECONDED AND DULY CARRIED: Receive and file Quarterly Investment Management Program Report for the period April 1, 2004 through June 30, 2004.
- d. MOVED, SECONDED AND DULY CARRIED: Adopt Resolution No. OCSD 04-25, Amending Resolution No. OCSD 98-33, Amending Human Resources Policies and Procedures Manual.
- e. MOVED, SECONDED AND DULY CARRIED: Approve Change Order No. 1 to Purchase Order No. 43620 issued to Moss, Levy & Hartzheim as the District's internal auditor for fiscal year 2004/05, for an amount not to exceed \$19,260.
- f. MOVED, SECONDED AND DULY CARRIED: Adopt Resolution No. OCSD 04-26, Establishing A Grant Funding Program Policy and Code of Ethics in Support of Meeting the Contractual Requirements of Awarding Agencies for Monetary Assistance Granted to the District.

FAHR Non-Consent Calendar

No items considered.

15. GWR SYSTEM STEERING COMMITTEE (GWRSSC)

GWRSSC Consent Calendar

- a. MOVED, SECONDED AND DULY CARRIED: Order Joint Groundwater Replenishment System Cooperative Committee Minutes for the meeting held on August 9, 2004 to be filed.

GWRSSC Non-Consent Calendar

No items considered.

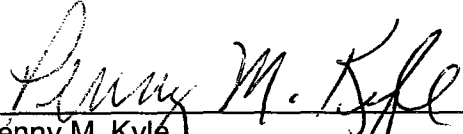


**NON-CONSENT CALENDAR**

16. **CONVENE IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9 AND 54956.8:** The Board convened in closed session at 8:00 p.m. pursuant to Government Code Sections 56956.9 and 54956.8. 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. A report of action taken will be publicly reported at the time the approved action becomes final re Agenda Item 16(a)(3). No reportable action was taken re Agenda Item Nos. 16(a)(1) and (4). The Board did not consider Agenda Item No. 16(a)(2), and no report was given.

**RECONVENE IN REGULAR SESSION:** At 8:15 p.m., the Board reconvened in regular session.

**ADJOURNMENT:** The Chair declared the meeting adjourned in the memory of Harvey Hunt at 8:15 p.m.

  
Penny M. Kyle  
Secretary of the Board of Directors of  
Orange County Sanitation District