

***CORRECTED***

**Orange County Sanitation District**

**MINUTES**

**BOARD MEETING**

**July 22, 2009**



**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 July 22, 2009 at 6:30 p.m., in the Administrative Offices. Following the Pledge of Allegiance and invocation, the roll was called and the Clerk of the Board reported a quorum present as follows:

**ACTIVE DIRECTORS**

**ALTERNATE DIRECTORS**

X	Doug Davert, Chair		John Nielson
X	Larry Crandall, Vice Chair		Steve Nagel
X	John Anderson		Jim Winder
X	Charles Antos		Gordon Shanks
X	Tom Beamish		Rose Espinoza
	Keith Bohr	X	Don Hansen
	Bill Dalton	X	Andrew Do
X	Jon Dumitru		Denis Bilodeau
X	Troy Edgar		Ken Stephens
X	James M. Ferryman		Bob Ooten
X	Phil Luebben		Prakash Narain
X	Patsy Marshall		Fred Smith
X	Roy Moore		Ron Garcia
X	Joy Neugebauer		Al Krippner
X	Chris Norby		Janet Nguyen
X	Sharon Quirk		Pam Keller
X	Brad Reese		Bill Mac Aloney
X	David Shawver		Carol Warren
	Christina Shea	X	Steven Choi
X	Harry Sidhu		Lucille Kring
X	Sal Tinajero		David Benavides
X	Constance Underhill		Joseph Aguirre
X	Mark Waldman		Henry Charoen
A	Don Webb		Leslie Daigle
X	John Withers		Douglas Reinhart

**STAFF MEMBERS PRESENT:** Jim Ruth, General Manager; Bob Ghirelli, Assistant General Manager; Lilia Kovac, Associate Clerk of the Board; Nick Arhontes; Jim Herberg; Ed Torres; Lorenzo Tyner; Norbert Gaia; Michael Gold; Tod Haynes; Randall Kleinman; Juanita Skillman; Simon Watson; Paula Zeller

**OTHERS PRESENT:** Brad Hogin, General Counsel; Dick Ackerman; Andy Chan; Dan Duncan; Al Krippner; Gino Rapagna

PUBLIC COMMENTS

There were no comments.

REPORT OF THE CHAIR

Doug Davert, Board Chair, briefly reported that he and Vice Chair Crandall received an award on behalf of OCSD presented by NACWA in Milwaukee, Wisconsin, for the GWRS; Vice Chair Crandall reported on the status of the ad hoc Recognition Committee.

It was announced that the committees would be dark in August; and the GWRS Steering meeting was scheduled for August 10 at OCWD.

REPORT OF THE GENERAL MANAGER

Jim Ruth, General Manager, briefly presented his report on the reorganization of the Public Affairs department; goal-setting offsite meeting; work plan for the Strategic Plan; and insurance renewal final numbers. Michael Gold presented an update of the state budget.

REPORT OF THE GENERAL COUNSEL

There was no report.

RATIFICATION OF PAYMENT OF CLAIMS

MOVED, SECONDED AND DULY CARRIED: Ratify payment of claims, as corrected and set forth on Exhibits "A" and "B", attached hereto and made a part of these minutes.

<u>ALL DISTRICTS</u>	<u>06/15/09</u>	<u>06/30/09</u>
Totals	\$16,648,155.94	\$22,068,439.25

Director Crandall abstained from discussion and voting on Warrant Nos. 22051 and 22318. Director Luebben abstained from discussion and voting on Warrant Nos. 21494, 22071, and 22322. Director Shawver abstained from discussion and voting on Warrant Nos. 21951 and 22292. Directors Hanson, Do, Norby, and Sidhu abstained from discussion and voting on all warrants. Abstentions were pursuant to California Government Code Section 84308.

CONSENT CALENDAR (2 - 6)

2. MOVED, SECONDED AND DULY CARRIED: Approve the minutes for the regular meeting held on June 24, 2009, to be filed and deemed approved, as mailed.

3. **MOVED, SECONDED AND DULY CARRIED:** Authorize the General Manager to execute an Agreement with Irvine Ranch Water District to administratively transfer three neighborhoods located in the City of Newport Beach west of the San Joaquin Hills Transportation Corridor adjacent to Jamboree Road, from the Consolidated Revenue Area to Revenue Area 14, in a form approved by General Counsel.
4. **MOVED, SECONDED AND DULY CARRIED:** Adopt Resolution No. OCSD 09-10, Authorizing the Orange County Sanitation District's Treasurer to Invest and/or Reinvest District's Funds; Adopting District's Investment Policy Statement and Performance Benchmarks for FY 2009-10; and, Repealing Resolution No. OCSD 08-13.
5. **MOVED, SECONDED AND DULY CARRIED:** Adopt Resolution No. OCSD 09-11, Authorizing a payment deferral option of Capital Facility Capacity Charges (connection fees) through June 30, 2010, to builders of large housing development projects.
6. **MOVED, SECONDED AND DULY CARRIED:** Receive and file letter dated June 11, 2009 from Nossaman LLP on behalf of Jazz Semiconductor requesting transfer of Conexant Flow Baseline to Jazz Semiconductor.

**STEERING COMMITTEE (7)**

7. **MOVED, SECONDED AND DULY CARRIED:** Order Steering Committee Minutes for the regular meeting held on June 24, 2009 to be filed.

**OPERATIONS COMMITTEE (8 - 12)**

8. **MOVED, SECONDED AND DULY CARRIED:** Order Operations Committee Minutes for the meeting held on July 1, 2009 to be filed.
9. **MOVED, SECONDED AND DULY CARRIED:** a) Approve a Professional Consultant Services Agreement with AECOM Technical Services, Inc. to provide construction support services for Sludge Digester Rehabilitation at Plant No. 1, Job No. P1-100, for an amount not to exceed \$2,761,337; and,  
  
b) Approve a contingency of \$276,134 (10%).
10. **MOVED, SECONDED AND DULY CARRIED:** Approve a contingency increase of \$33,650 (5%) to the construction contract with Avi-Con, Inc., dba CA Construction, for P1 Miscellaneous Buildings Office Improvements, Project No. FE07-08, for a total contingency of \$134,600 (20%).
11. **MOVED, SECONDED AND DULY CARRIED:** a) Authorize the General Manager to approve renewal of a contract with Neutron Products, Inc., for Purchase of Anionic Polymer, Specification No.C-2006-273 (P.O. 102634-OB), in the amount of \$3.00/Active Pound delivered, plus applicable sales tax, for a one-year period

effective September 1, 2009 through August 31, 2010, and authorizing an additional one-year renewal option; and,

b) Authorize a 10% annual unit price escalation contingency.

12. Item pulled for discussion

### **NON-CONSENT CALENDAR (12)**

Director Sidhu expressed concern over the escalation clause for subsequent renewals. After some discussion, it was recommended that it would be approved for one year; it was then:

12. **MOVED, SECONDED AND DULY CARRIED:** a) Approve a Professional Consultant Services Agreement with Project Partners, Inc. for Facilities Records Group Staffing Support, Specification No. CS-2009-408BD, for an amount not to exceed \$879,000 for the period of July 1, 2009 through June 30, 2010.

### **GWR SYSTEM STEERING COMMITTEE (13)**

13. **MOVED, SECONDED AND DULY CARRIED:** Approve Joint Groundwater Replenishment System Steering Committee Minutes for the meeting held on May 11, 2009, to be filed.

### **NON-CONSENT CALENDAR (14 – 15)**

14. **MOVED, SECONDED AND DULY CARRIED:** a) Approve a budget increase of ~~\$700,000~~ \$630,000 for Santa Ana River Interceptor, 2009-10 Protection Repairs, Contract No. 2-41-6, for a total budget amount not to exceed ~~\$900,000~~ \$830,000; and,

b) Authorize the General Manager to enact the specialized services provision of the Delegation of Authority Resolution No. 07-04, Section 3.10, Subsection A (4), to solicit bids and subsequently award to either Jamison Engineering Contractors, Inc., or Ken Thompson, Inc., a maintenance repair contract for Santa Ana River Interceptor, 2009-10 Protection Repairs, Contract No. 2-41-6, for an amount not to exceed \$400,000; and,

c) Approve a contingency of \$40,000 (10%).

15. **MOVED, SECONDED AND DULY CARRIED:** Approve a contingency increase of \$203,944 (4%) to the construction contract with Steve Bubalo Construction Company, for Coast Trunk Sewer Rehabilitation, Contract No. 11-26R, for a total contingency of \$611,844 (12%).

**CLOSED SESSION**

**CONVENE IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a):** The Board convened in closed session at 7:10 p.m. pursuant to Government Code Section 54956.9(b) and 54956.9 to discuss two matters.

**RECONVENE IN REGULAR SESSION:** The Board reconvened in regular session at 7:45 p.m.

General Counsel reported that the Board of Directors took the following actions in closed session:

- a. The Board of Directors approved the Jazz Semiconductor's request to adjust the supplemental capital facilities charge baseline.

Director Neugebauer opposed.

- b. Approved a settlement payment in the amount of \$300,000 regarding Thuthuy Nguyen v. Orange County Sanitation Districts (WCAB No.: ADJ1906593)

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS, IF ANY**

Director Norby announced he was arranging a sludge tour to the Rialto processing plant.

**ADJOURNMENT:** The Chair declared the meeting adjourned at 7:45 p.m.



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Lilia Kovac  
Associate Clerk of the Board  
Orange County Sanitation District