



AGENDA

INVOCATION AND PLEDGE OF ALLEGIANCE: (Fred Smith – Buena Park)

ROLL CALL:

1. Receive and file Minute Excerpts of member agencies relating to appointments to the Orange County Sanitation District Board, as follows:

<u>City/Agency</u>	<u>Active Director</u>	<u>Alternate Director</u>
Board of Supervisors	Janet Nguyen	Shawn Nelson
Fullerton	Sharon Quirk-Silva	Pat McKinley
Orange	Jon Dumitru	Denis Bilodeau
Villa Park	Brad Reese	Robert Fauteux

PUBLIC COMMENTS: *If you wish to speak, please complete a Speaker's Form (located at the table outside of the Board Room) and give it to the Clerk of the Board. Speakers are requested to limit comments to three minutes.*

REPORTS: *The Chair and the General Manager may 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.*

CLAIMS:

2. Ratify payment of claims of the District, by roll call vote, as follows:

<u>Claims Paid for the Period Ending:</u>	<u>01/15/11</u>	<u>01/31/11</u>
Totals	\$ 10,578,477.19	\$ 43,223,956.94

DIRECTORS: *Pursuant to Government Code Section 84308, you are required to disclose any campaign contribution greater than \$250 received in the past twelve months from any party to a contract involving OCSD. This requires that you identify the contributor by name. Further, you may not participate in the decision making process to award a contract to such party. For reference, you are directed to the Register of Warrants as to all current contractors/vendors with OCSD. For the specifics of Government Code Section 84308, please see your Director's Handbook or call the office of General Counsel.*

CONSENT CALENDAR: *Consent Calendar Items are considered to be routine and will be enacted, by the Board of Directors, after one motion, without discussion. Any items withdrawn from the Consent Calendar for separate discussion will be considered in the regular order of business.*

3. Approve Minutes for the Regular Meeting held on January 26, 2011.
4. Approve Board Meeting change from April 27, 2011, to April 20, 2011.
5. Approve Amendment No. 1 to the Agreement with City of Fountain Valley for Permitting of Interim Improvements of the Orange County Sanitation District, providing for updated completion schedule and project list, in a form approved by General Counsel.
6. Adopt Resolution No. OCSD 11-02, Adopting Policies and Procedures for Providing Priority Service to Affordable Housing Projects, repealing Resolution No. OCSD 06-18.

STEERING COMMITTEE:

7. Approve Minutes of the January 26, 2011, Steering Committee meeting.
8. Adopt the 2011 Legislative Platform and Goals.

OPERATIONS COMMITTEE:

9. Approve Minutes of the February 2, 2011, Operations Committee meeting.
10.
 - A. Approve a Service Agreement with Synagro West, LLC., the lowest responsive and responsible bidder, for Digester Cleaning and Disposal, Specification No. S-2010-467, for period March 1, 2011 through June 30, 2011 for an amount not to exceed \$451,653.52;
 - B. Approve a contingency of \$22,583 (5%);
 - C. Approve four one-year renewal options beginning July 1, 2011 through June 30, 2012 for a total annual amount not to exceed \$1,354,960.54; and
 - D. Approve an annual cost escalator of 5% of the renewal base contract of \$1,354,960.54, plus an annual contingency of 5%.
11. Approve a budget increase of \$733,000 for Temporary Upgrades to Plant Security Barriers, Job No. J-108, for a total budget of \$3,118,000.

OPERATIONS COMMITTEE: (cont'd)

12. A. Authorize the General Manager to competitively bid and subsequently award a service agreement to the lowest responsive and responsible bidder, for the rehabilitation of Plant No. 1, Sunflower Pump No. 2 Auger and Trough Rehab, Project No. FR10-004, for an amount not to exceed \$945,000; and

B. Approve a contingency of \$175,000 (19%).
13. Approve a contingency increase of \$335,320 (4%) to the construction contract with Kiewit/Mass, a Joint Venture, for Replacement of the Rocky Point Pump Station, Contract No. 5-50, for a total contingency of \$838,300 (10%).
14. A. Approve a Professional Design Services Agreement with AECOM for Digester Ferric Chloride System Rehabilitation, Project No. P2-105, providing for engineering design services for an amount not to exceed \$478,548; and

B. Approve a contingency of \$47,855 (10%)
15. Establish a budget for Fall Protection Improvements at Plant Nos. 1 and 2, Project No. J-123, in the amount of \$2,974,000.

ADMINISTRATION COMMITTEE:

16. Approve Minutes of the February 9, 2011, Administration Committee meeting.
17. Approve the Budget Assumptions to be used for the presentation of the Fiscal Year (FY 2011-12) budget update.

GWRS STEERING COMMITTEE:

18. Receive and file Minutes of the Joint Groundwater Replenishment System Steering Committee meeting held on January 10, 2011.

NON-CONSENT CALENDAR:

19. Approve Amendment No. 2 to the Biosolids Management Agreement with EnerTech Environmental California, LLC, in a form approved by General Counsel.

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.

Convene in closed session, if necessary

(1) CONFERENCE WITH LEGAL COUNSEL RE. ANTICIPATED LITIGATION (Government Code Section 54956.9(b))

Significant Exposure to Litigation and Potential Initiation of Litigation

Number of Potential Cases: 3

- a) EnerTech Rialto Facility Contract
- b) Newport Trunk Sewer, Project 5-58
- c) Claim from Kiewit Infrastructure West re. New Secondary Treatment System at Plant No. 1, Project P1-102

(2) CONFERENCE WITH LEGAL COUNSEL RE. EXISTING LITIGATION (Government Code Section 54956.9(a))

Number of Cases: 2

- a) Case: *Nguyen Nguyen v. Orange County Sanitation District*, Orange County Superior Court, Case No. 30-2008-00115222
- b) Case: *Vu v. Orange County Sanitation District*, Orange County Superior Court, Case No. 30-2010-00344656

Reconvene in regular session and consider action, if any, on matters discussed in closed session.

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

ADJOURNMENT:

The next Board of Directors Regular Meeting is scheduled for Wednesday, March 23, 2011, at 6:30 p.m.

Accommodations for the Disabled: The Board of Directors Meeting Room is wheelchair accessible. If you require any special disability related accommodations, please contact the Orange County Sanitation District Clerk of the Board's office at (714) 593-7130 at least 72 hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.

Agenda Posting: In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted outside the main gate of the Sanitation District's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including any public records distributed less than 72 hours prior to the meeting to all, or a majority of the Board of Directors, are available for public inspection in the office of the Clerk of the Board.

NOTICE TO DIRECTORS: To place items on the agenda for the Regular Meeting of the Board of Directors, items must be submitted to the Clerk of the Board 14 days before the meeting.

Clerk of the Board, Donna Terrones
(714) 593-7130
dterrones@ocsd.com

BOARD OF DIRECTORS
AGENDA REPORT

Meeting Date	To Bd. of Dir. 02/23/11
Item Number	Item Number 2

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Lorenzo Tyner, Director of Finance and Administrative Services

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.

CONFLICT OF INTEREST NOTIFICATION

Pursuant to Government Code Section 84308, you are required to disclose any campaign contribution greater than \$250 received in the past twelve months from any party to a contract involving the Orange County Sanitation District. Further, you may not participate in the decision making process to award a contract to such party.

For reference, you are directed to the Register of Warrants as to all current contractors/vendors with the District.

In general, you must disclose the basis of the conflict by identifying the name of the firm or individual who was the contributor.

For the specifics of Government Code Section 84308, please see your Director's Handbook or call the office of General Counsel.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

See attached listing.

ATTACHMENTS

1. Copies of Claims Paid reports from 01/01/11 – 01/15/11 and 01/16/11 – 01/31/11

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
<u>Accounts Payable Warrants</u>			
A W Chesterton	36254	4,884.78	Repair & Maintenance Services and/or Supplies
Absolute Standards, Inc.	36255	123.00	Laboratory Services & Supplies
ADS LLC	36256	900.00	Professional Services/Engineering Design Services
AECOM USA, Inc.	36239	32,634.00	Professional Services/Engineering Design Services
Agilent Technologies, Inc.	36257	1,144.30	Laboratory Services & Supplies
Agilent Technologies, Inc.	36416	1,063.96	Laboratory Services & Supplies
Airgas Safety, Inc.	36258	3,499.61	Safety, Security, Health Equipment, Supplies, and Services
Airgas Safety, Inc.	36417	3,453.96	Safety, Security, Health Equipment, Supplies, and Services
Airgas West	36418	1,607.26	Repair & Maintenance Services and/or Supplies
Alhambra Foundry Co., Ltd.	36259	15,616.50	Repair & Maintenance Services and/or Supplies
Alhambra Foundry Co., Ltd.	36419	7,125.30	Repair & Maintenance Services and/or Supplies
Alimed, Inc.	36420	118.49	Safety, Security, Health Equipment, Supplies, and Services
Allen J. White	36562	195.00	Meeting/Training Expense Reimbursement
Allied Packing & Rubber, Inc.	36260	68.64	Repair & Maintenance Services and/or Supplies
American Express	36403	27,261.58	Purchasing Card Program for Miscellaneous Parts and Supplies
American Express TVL Related Svcs Co., Inc.	36421	1,311.30	Purchasing Card Program for Travel
American General Life Insurance Co.	36261	1,380.00	Life Insurance
AMS Acoustical Material Services	36262	1,369.55	Repair & Maintenance Services and/or Supplies
Amtech Elevator Services	36422	535.00	Miscellaneous Services
AppleOne Employment Service	36263	1,520.00	Professional Services/Temporary Services
Applied Industrial Technology	36264	25.93	Repair & Maintenance Services and/or Supplies
Archie Ivy, Inc.	36423	3,886.00	Repair & Maintenance Services and/or Supplies
ARS Enterprises, Inc.	36424	354.00	Laboratory Services & Supplies
AT & T Universal Biller	36265	3,303.10	Telecommunications
Atlas Underground, Inc.	36425	4,888.00	Repair & Maintenance Services and/or Supplies
Atom Engineering Construction	36266	4,289.00	Repair & Maintenance Services and/or Supplies
Awards & Trophies Company	36426	63.50	Awards and Framing Services
Basic Chemical Solutions, L.L.C.	334	9,956.43	Chemicals, Water/Wastewater Treatment
Battery Specialties	36427	983.61	Batteries, Various
BC Wire Rope & Rigging	36428	1,448.87	Tools & Supplies
Bell Pipe & Supply Co.	36429	643.04	Repair & Maintenance Services and/or Supplies
BioMerieux Vitek, Inc.	36267	2,170.08	Laboratory Services & Supplies
Black & Veatch Corporation	36240	134,556.09	Professional Services/Engineering Design Services
Black & Veatch Corporation	36430	16,815.17	Professional Services/Engineering Design Services
Blue Cross of California	36241	593,666.40	Employee Benefits
BMC Business Machines Consultants	36431	494.50	Miscellaneous Parts and Supplies
Bottomline Technologies, Inc.	36268	4,082.03	Computers, Software/Hardware
Brian Bingman	36552	125.00	Meeting/Training Expense Reimbursement
Butier Engineering, Inc.	36404	85,935.61	Professional Services/Engineering Design Services
California Barricade Rentals	36432	1,420.00	Miscellaneous Services
California Chamber of Commerce	36269	11.02	Subscription
California Dept. of Child Support	36433	1,919.51	Judgments Payable
California Recreation Company	36270	2,975.21	Boat Slip Rental - Nerissa Ocean Monitoring Vessel
California Relocation Services, Inc.	36271	427.50	Miscellaneous Services - Moving/Relocation
California Relocation Services, Inc.	36434	135.00	Miscellaneous Services - Moving/Relocation
Carollo Engineers	36435	18,727.43	Professional Services/Engineering Design Services
CDW Government, Inc.	36436	5,864.78	Computers, Software/Hardware
Charles P. Crowley Co.	36272	659.19	Repair & Maintenance Services and/or Supplies

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Cheyenne Livestock & Products, Inc.	36273	816.00	Safety, Security, Health Equipment, Supplies, and Services
Circle, Inc.	36274	2,444.04	Copier Toner/Ink Supplies
City National Bank	36550	19,441.45	Construction, Retention
City of Huntington Beach	36316	28.51	Water Use
City of Huntington Beach	36460	13.51	Water Use
Clean Harbors Environmental Services	36275	683.70	Grit & Screenings; Hazard Waste Disposal
Coastal Traffic Systems, Inc.	36437	550.00	Safety, Security, Health Equipment, Supplies, and Services
Colich & Sons	36250	51,032.10	Construction
Columbia Analytical Services	36276	500.00	Laboratory Services & Supplies
Computer Protection Technology, Inc.	36277	640.00	Electrical/Electronic Equipment, Parts & Repairs
Connell Chevrolet\GEO	36278	320.82	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Corporate Image Maintenance, Inc.	36405	35,995.00	Janitor & Household Service & Supplies
Counterpart Enterprises, Inc.	36279	886.40	Repair & Maintenance Services and/or Supplies
County of Orange Auditor Controller	36280	375.00	Governmental Agency Fees & Charges
County of Orange Auditor Controller	36438	134.00	Governmental Agency Fees & Charges
County of Orange Auditor Controller	36439	795.00	Governmental Agency Fees & Charges
Court Order	36469	2,179.38	Judgments Payable
Court Order	36471	150.00	Judgments Payable
Court Order	36477	225.00	Judgments Payable
Court Order	36502	108.00	Judgments Payable
Court Order	36549	912.50	Judgments Payable
CPS Human Resource Services	36281	839.30	Professional Organizations Meeting/Training/Membership
CR&R, Inc.	36282	2,205.00	Waste Disposal
Crane Veyor Corp.	36283	1,152.00	Repair & Maintenance Services and/or Supplies
Crane Veyor Corp.	36440	16,371.00	Repair & Maintenance Services and/or Supplies
CS-AMSCO	36242	27,646.45	Repair & Maintenance Services and/or Supplies
CWEA Membership	36284	132.00	Professional Organizations Meeting/Training/Membership
CWEA Membership	36441	349.00	Professional Organizations Meeting/Training/Membership
David's Tree Service	36285	375.00	Groundskeeping
Deirdre E. Bingman	36393	231.00	Meeting/Training Expense Reimbursement
Detection Instruments Corporation	36286	5,266.57	Electrical/Electronic Equipment, Parts & Repairs
Donald B. Van Voorst	36561	1,490.05	Meeting/Training Expense Reimbursement
Doug Rulison	36560	2,313.12	Meeting/Training Expense Reimbursement
Dudek & Associates, Inc.	36287	10,470.52	Professional Services/Engineering Design Services
Duhig & Company, Inc.	36442	328.53	Repair & Maintenance Services and/or Supplies
Dunn-Edwards Corporation	36443	73.15	Facilities, Maintenance, Services & Supplies
Eagle Protection of California	36444	275.00	Safety, Security, Health Equipment, Supplies, and Services
Employee Benefits Specialists, Inc.	36288	1,896.25	Reimbursed Prepaid Employee Medical & Dependent Care
Employee Benefits Specialists, Inc.	36445	12,755.17	Reimbursed Prepaid Employee Medical & Dependent Care
Enchanter, Inc.	36289	760.00	Vessel Services - Monitoring Vessel Nerissa
Entech Instruments, Inc.	36290	266.13	Laboratory Services & Supplies
Environmental Resource Associates	36291	1,856.23	Laboratory Services & Supplies
Ernesto Castro	36394	250.00	Meeting/Training Expense Reimbursement
Ewing Irrigation	36292	152.18	Irrigation Repair & Maintenance Services and/or Supplies
Ewing Irrigation	36446	345.96	Irrigation Repair & Maintenance Services and/or Supplies
Fedex Corporation	36293	173.69	Freight Services
Ferguson Enterprises, Inc.	36294	2,198.93	Repair & Maintenance Services and/or Supplies
Fernando Herrera	36395	325.00	Meeting/Training Expense Reimbursement
First American Corelogic	36295	651.17	Computers, Software/Hardware

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Fisher Scientific	36296	840.67	Laboratory Services & Supplies
Fisher Scientific	36447	1,333.46	Laboratory Services & Supplies
Franklin Covey	36297	312.33	Office Supplies
Frys Electronics	36298	160.35	Computers, Software/Hardware
Ganahl Lumber Company	36299	88.18	Facilities, Maintenance, Services & Supplies
Garratt Callahan Company	36300	3,732.32	Chemicals, Water/Wastewater Treatment
Garratt Callahan Company	36448	4,952.73	Chemicals, Water/Wastewater Treatment
Gates Fiberglass Installers	36301	6,796.25	Repair & Maintenance Services and/or Supplies
Geneva Scientific LLC	36406	39,560.00	Laboratory Services & Supplies
George L. Robertson	36559	106.52	Meeting/Training Expense Reimbursement
Gierlich-Mitchell, Inc.	36302	1,427.05	Repair & Maintenance Services and/or Supplies
Gierlich-Mitchell, Inc.	36449	4,935.30	Repair & Maintenance Services and/or Supplies
Glens Alignment & Brake Service	36303	256.90	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Glens Alignment & Brake Service	36450	110.00	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Golden State Overnight Delivery Service	36304	169.40	Courier Services
Golden State Overnight Delivery Service	36451	250.15	Courier Services
Golden State Water Company	36305	140.62	Water Use
Golden West Machine, Inc.	36306	3,762.75	Repair & Maintenance Services and/or Supplies
Golden West Window Service	36307	420.00	Facilities, Maintenance, Services & Supplies
Goodwill Industries of Orange County	36308	217.04	FOG Outreach Distribution Services
Grainger, Inc.	36309	3,263.27	Repair & Maintenance Services and/or Supplies
Grainger, Inc.	36452	1,089.05	Repair & Maintenance Services and/or Supplies
Graybar Electric Company	36453	10,999.86	Electrical/Electronic Equipment, Parts & Repairs
Haaker Equipment Company	335	133.05	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Hach Company	36454	741.11	Laboratory Services & Supplies
Hai-Thao T. Huynh	36554	119.38	Meeting/Training Expense Reimbursement
Handy Hose Services	36311	404.73	Repair & Maintenance Services and/or Supplies
Harrington Industrial Plastics, Inc.	36312	903.08	Repair & Maintenance Services and/or Supplies
Hasco Oil Co., Inc.	36455	656.44	Fuel and Lubricants
HDR Engineering, Inc.	36243	795,374.03	Professional Services/Engineering Design Services
Hewlett Packard Company	36456	12,870.45	Computers, Software/Hardware
Hill Brothers	338	139,712.99	Chemicals, Water/Wastewater Treatment
Hilti, Inc.	36313	299.20	Repair & Maintenance Services and/or Supplies
Home Depot	36314	773.10	Miscellaneous Parts and Supplies
Home Depot	36457	518.12	Miscellaneous Parts and Supplies
Horizon Technology	36458	2,064.08	Laboratory Services & Supplies
Hub Auto Supply	36315	1,227.26	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Hyatt Legal Plans, Inc.	36317	1,278.00	Voluntary Employee Benefit Program
Indiana Child Support Bureau	36461	290.00	Judgments Payable
Industrial Distribution Group	36318	347.27	Repair & Maintenance Services and/or Supplies
Industrial Distribution Group	36462	952.90	Repair & Maintenance Services and/or Supplies
Industrial Fabrics Corp.	36463	8,439.00	Repair & Maintenance Services and/or Supplies
Industrial Solution Services, Inc.	36464	2,237.69	Chemicals, Water/Wastewater Treatment
Industrial Threaded Products, Inc.	36465	3,633.06	Repair & Maintenance Services and/or Supplies
Inland Chevrolet	36319	23,843.44	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Insight Public Sector, Inc.	36320	1,348.12	Computers, Software/Hardware
Interstate Batteries of Cal Coast	36466	2,308.55	Repair & Maintenance Services and/or Supplies
Interwest Technologies	36321	13,650.00	Computers Applications & Services
Intl. Union of Oper. Eng. AFL CIO Local 501	36467	4,858.35	Dues Deductions

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Intratek Computer, Inc.	36322	3,279.06	Network/Server/Printer Maintenance Services
J F Shea Construction, Inc.	36251	432,383.00	Construction
James D. Herberg	36310	175.00	Meeting/Training Expense Reimbursement
Jamison Engineering Contractors, Inc.	36324	9,965.00	Professional Services/Construction Support Services
Jamison Engineering Contractors, Inc.	36407	60,577.36	Professional Services/Construction Support Services
Jays Catering	36325	1,590.31	Catering Services
Jays Catering	36468	657.99	Catering Services
JCI Jones Chemicals, Inc.	332	59,658.43	Chemicals, Water/Wastewater Treatment
JCI Jones Chemicals, Inc.	339	89,982.61	Chemicals, Water/Wastewater Treatment
JG Tucker And Son, Inc.	36323	3,262.50	Safety, Security, Health Equipment, Supplies, and Services
Jobs Available, Inc.	36326	315.00	Notices & Ads
John L. Hunter & Associates, Inc.	36327	2,300.00	Professional Services/FOG Inspections
Johnny J. Rocha	36398	250.00	Meeting/Training Expense Reimbursement
Kaman Industrial Technologies	36328	1,117.65	Repair & Maintenance Services and/or Supplies
Kemira Water Solutions	333	121,178.64	Chemicals, Water/Wastewater Treatment
Kirchner, Linda L.	36555	112.63	Meeting/Training Expense Reimbursement
L. Johnson Painting	36329	2,550.00	Facilities, Maintenance, Services & Supplies
Lab Support - Remit	36330	5,321.50	Temporary Employment Services
Lab Support - Remit	36470	2,320.00	Temporary Employment Services
Lawson Products, Inc.	36331	1,363.64	Repair & Maintenance Services and/or Supplies
Leyla . Perez	36557	231.00	Meeting/Training Expense Reimbursement
LH Engineering Co.	36389	4,819.93	Construction
Liebert Cassidy	36332	7,632.65	Professional Services/Employee Relations
Malcolm Pirnie, Inc.	36244	120,586.66	Professional Services/Engineering Design Services
Malcolm Pirnie, Inc.	36472	21,466.39	Professional Services/Engineering Design Services
Mandic Motors	36333	65.00	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Mandic Motors	36473	150.00	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
McKenna Engineering & Equipment Co., Inc	36474	8,292.19	Repair & Maintenance Services and/or Supplies
McMaster-Carr Supply Co.	36475	2,562.35	Repair & Maintenance Services and/or Supplies
Michael D. Larkin	36556	130.00	Meeting/Training Expense Reimbursement
Michael H. Harting	36553	1,001.81	Meeting/Training Expense Reimbursement
Midway Mfg. & Machining Co.	36334	3,810.60	Repair & Maintenance Services and/or Supplies
Miele, Inc.	36476	1,802.47	Laboratory Services & Supplies
Milton Rocha	36399	195.00	Meeting/Training Expense Reimbursement
Mladen Buntich Construction Company	36413	581,824.16	Construction
National Plant Service	36335	6,450.00	Repair & Maintenance Services and/or Supplies
National Seminars Group	36478	199.00	Training Registration
Neal Supply Co.	36479	1,649.37	Repair & Maintenance Services and/or Supplies
Neutron Products, Inc.	36336	12,110.41	Chemicals, Water/Wastewater Treatment
Neutron Products, Inc.	36480	5,992.57	Chemicals, Water/Wastewater Treatment
Nickell Metal Spray	36337	2,998.00	Repair & Maintenance Services and/or Supplies
Ninyo & Moore	36338	15,676.25	Professional Services/Geotech & Material Testing
Norman A. Olsson Construction, Inc.	36414	44,353.00	Construction
NPELRA Annual Training Conference	36339	525.00	Professional Organizations Meeting/Training/Membership
NRG Engine Services, L.L.C.	36408	336,436.53	Repair & Maintenance Services and/or Supplies
OCEA	36481	692.25	Dues Deductible
Office Depot	36340	499.70	Office Supplies
Office Depot	36482	386.21	Office Supplies
Olin Corporation	36341	3,886.40	Chemicals, Water/Wastewater Treatment

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Olin Corporation	36483	3,601.71	Chemicals, Water/Wastewater Treatment
OneSource Distributors, Inc.	36342	4,720.37	Electrical/Electronic Equipment, Parts & Repairs
OneSource Distributors, Inc.	36484	2,632.49	Electrical/Electronic Equipment, Parts & Repairs
Oracle Corporation	36343	20,466.82	Computer Applications & Services
Orange County Industrial Plastics	36344	218.90	Repair & Maintenance Services and/or Supplies
Orange County Sanitation District	36563	1,143.97	Petty Cash Expense
Orange County Sheriff	36485	807.56	Judgments Payable
Orange County United Way	36486	40.00	Employee Contributions
Orange County Water District	36409	54,960.20	GAP Water
ORE Offshore	36487	6,920.85	Laboratory Services & Supplies
Oxygen Service Company	36345	401.37	Laboratory Services & Supplies
Oxygen Service Company	36488	1,042.92	Laboratory Services & Supplies
PAC	36489	1,002.00	Laboratory Services & Supplies
Parker Supply Company	36490	6,069.34	Miscellaneous Parts and Supplies
Parkhouse Tire, Inc.	36491	524.61	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Parkhouse Tire, Inc.	36491	236.68	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Peace Officers Council of CA	36492	2,323.00	Dues Deductions, Supervisors & Professionals
Peerless Wiping Materials Co.	36493	799.53	Janitor & Household Service & Supplies
Performance Pipeline Technologies	36346	2,665.00	Professional Services/CCTV Inspection/Sewerline Cleaning
Performance Pipeline Technologies	36494	24,152.35	Professional Services/CCTV Inspection/Sewerline Cleaning
Perkinelmer Labs	36495	23,088.00	Laboratory Services & Supplies
PL Hawn Company, Inc.	36496	391.36	Repair & Maintenance Services and/or Supplies
Polydyne, Inc.	336	6,731.73	Chemicals, Water/Wastewater Treatment
Polydyne, Inc.	340	35,606.86	Chemicals, Water/Wastewater Treatment
Ponton Industries, Inc.	36497	5,638.71	Laboratory Services & Supplies
Praxair Distribution, Inc.	36347	155.75	Laboratory Services & Supplies
Primrose Ice Co., Inc.	36498	100.00	Water & Ice Services
Procure Work Injury Center	36348	730.00	Medical Services
Propipe Professional Pipe Services	341	500.00	Professional Services/CCTV Sewerline Inspections
PRSA Orange County Chapter	36499	365.00	Notices & Ads (Public Relations Society of America)
Prudential Insurance Company of America	36245	41,395.74	Benefits
Prudential Overall Supply	36500	5,122.58	Uniforms
Public Safety Management Assoc. (PASMA)	36349	150.00	Professional Organizations Meeting/Training/Membership
Pyramid Fence Company, Inc.	36501	925.00	Facilities, Maintenance, Services & Supplies
R L Abbott & Associates	36350	1,000.00	Professional Services/Advocacy Efforts
Rachel J. Van Exel	36401	231.00	Meeting/Training Expense Reimbursement
RBF Consulting	36503	8,888.13	Professional Services/Engineering Design Services
Red Wing Shoes	36351	123.54	Safety, Security, Health Equipment, Supplies, and Services
Restek Corp.	36504	289.34	Laboratory Services & Supplies
Retrofit Parts & Components, Inc.	36352	171.08	Repair & Maintenance Services and/or Supplies
Rockwell Engineering & Equipment Co.	36410	38,693.26	Repair & Maintenance Services and/or Supplies
Roto Rooter NOC#11	36505	241.00	Repair & Maintenance Services and/or Supplies
Royale Cleaners	36353	49.70	Miscellaneous Services
Royale Cleaners	36506	41.60	Miscellaneous Services
RPM Electric Motors	36507	7,171.01	Repair & Maintenance Services and/or Supplies
S P Kinney Engineers, Inc.	36514	472.28	Repair & Maintenance Services and/or Supplies
Sachs Electric Company	36551	3,696.51	Professional Services/Central Generation Automation
Saddleback Materials Co., Inc.	36354	340.81	Miscellaneous Parts and Supplies
San Diego/Orange Fluid System Technologies, Inc.	36508	86.06	Repair & Maintenance Services and/or Supplies

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Sancon Engineering, Inc.	36509	23,278.00	Repair & Maintenance Services and/or Supplies
SARBS-CWEA	36402	50.00	Professional Organizations Meeting/Training/Membership
Schwing Bioset	337	13,176.75	Repair & Maintenance Services and/or Supplies
Shamrock Supply Co., Inc.	36355	571.25	Repair & Maintenance Services and/or Supplies
Shamrock Supply Co., Inc.	36510	440.59	Repair & Maintenance Services and/or Supplies
Sigma-Aldrich, Inc.	36356	166.02	Laboratory Services & Supplies
Sigma-Aldrich, Inc.	36511	295.59	Laboratory Services & Supplies
Smith Paint and Supply	36357	97.13	Painting Services and Supplies
So. Cal Gas Company	36512	18,460.68	Utilities
South Coast Shipyard, Inc.	36358	2,475.00	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Southern California Edison	36246	71,929.11	Utilities
Southern California Edison	36513	1,718.89	Utilities
Sparklett-Dallas	36515	1,395.28	Miscellaneous Services
SPEX Certiprep, Inc.	36516	751.73	Laboratory Services & Supplies
St. Croix Sensory, Inc.	36359	1,320.00	Outside Laboratory Services
Stanley Steamer International, Inc.	36517	2,611.96	Janitor & Household Service & Supplies
Staples	36360	621.77	Office Supplies
Staples	36518	757.98	Office Supplies
State Board of Equalization	36519	523.60	Governmental Agency Fees & Charges
State Water Resources Control Board	36520	77.00	Governmental Agency Fees & Charges
Subash Mysore	36400	120.80	Meeting/Training Expense Reimbursement
Summit Steel	36361	838.60	Repair & Maintenance Services and/or Supplies
Sunny Express	36521	20.39	Freight Charges
Sunset Industrial Parts	36362	396.98	Repair & Maintenance Services and/or Supplies
Sunset Industrial Parts	36522	79.73	Repair & Maintenance Services and/or Supplies
Superior Sales Co.	36363	2,022.00	Repair & Maintenance Services and/or Supplies
Synagro West, Inc.	36247	302,229.88	Biosolids Management
Synoptek, Inc.	36364	20,400.00	Computers, Software/Hardware
Systea Scientific, L.L.C.	36365	482.18	Laboratory Services & Supplies
Technisource, Inc.	36366	914.25	Professional Services - MS Access Database Content Migration Project
Technisource, Inc.	36523	920.00	Professional Services - MS Access Database Content Migration Project
TekSystems	36367	7,777.80	Professional Services/Temporary Services
Tektronix Service Solutions	36524	171.43	Laboratory Services & Supplies
TestAmerica Ontario	36368	978.60	Laboratory Services & Supplies
TestAmerica Ontario	36525	976.00	Laboratory Services & Supplies
Tetra Tech, Inc.	36411	38,089.00	Professional Services/Engineering Design ServicesS
The Cei Group, Inc.	36369	3,680.42	Repair & Maintenance Services and/or Supplies
The Standard Insurance Company	36370	2,571.27	Disability Insurance
The Trane Company	36374	18,192.15	Repair & Maintenance Services and/or Supplies
The Wackenhut Corporation	36387	6,492.68	Safety, Security, Health Equipment, Supplies, and Services
Thermo Electron North America, L.L.C.	36526	16,700.00	Laboratory Services & Supplies
Thompson Industrial Supply, Inc.	36371	5,453.52	Repair & Maintenance Services and/or Supplies
Thompson Industrial Supply, Inc.	36527	4,513.54	Repair & Maintenance Services and/or Supplies
Time Warner Communications	36528	58.72	Telecommunications
Tom B. Meregillano	36397	840.42	Meeting/Training Expense Reimbursement
Tony's Lock & Safe Service & Sales	36372	399.75	Repair & Maintenance Services and/or Supplies
Tony's Lock & Safe Service & Sales	36529	112.64	Repair & Maintenance Services and/or Supplies
Total-Western, Inc.	36373	9,975.00	Repair & Maintenance Services and/or Supplies
TPC Training Systems	36530	11,340.00	Computer Applications and Services

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Traffic Control Service, Inc.	36531	5,019.71	Safety, Security, Health Equipment, Supplies, and Services
Transcat	36532	2,141.88	Repair & Maintenance Services and/or Supplies
Tremco Incorporated	36375	3,460.00	Repair & Maintenance Services and/or Supplies
Tropical Plaza Nursery, Inc.	36533	12,497.50	Landscape Maintenance Services
Truck & Auto Supply, Inc.	36376	200.60	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Tule Ranch/Magan Farms	36248	111,127.07	Biosolids Management
TW Telecom Holdings, Inc.	36534	3,564.70	Telecommunications
Ultra Scientific	36535	287.08	Laboratory Services & Supplies
Underground Service Alert of So. Calif	36377	1,189.50	Professional Services - Dig Alert Notification Service
Union Bank of California	36378	1,695.00	Annual Administrative Fee for Series 2007A Certificates of Participation
Union Bank of California Escrow	36390	22,757.00	Construction, Retention
United Pacific Services, Inc.	36536	4,800.00	Groundskeeping
United Parcel Service	36537	131.29	Freight Services
United States Plastic Corp.	36538	37.48	Miscellaneous Parts and Supplies
United States Postal Service	36539	5,000.00	Postage
US Peroxide, L.L.C.	36412	312,500.04	Chemicals, Water/Wastewater Treatment
Valin Corporation	36540	3,463.86	Repair & Maintenance Services and/or Supplies
Vapex Products, Inc.	36379	4,617.50	Electrical/Electronic Equipment, Parts & Repairs
Verizon California	36380	632.06	Telecommunications
Verizon California	36541	99.00	Telecommunications
Verizon California	36542	1,660.64	Telecommunications
Verizon Wireless	36381	637.16	Telecommunications
Verne's Plumbing	36382	4,995.30	Plumbing Services & Supplies
Village Nurseries	36383	1,006.20	Repair & Maintenance Services and/or Supplies
Vision Financial Corporation	36384	1,057.56	Employee Voluntary Benefits
Vladimir A. Kogan	36396	290.74	Meeting/Training Expense Reimbursement
Voided Check	36415	-	-
Voided Check	36459	-	-
Vortex Corp.	36385	913.31	Repair & Maintenance Services and/or Supplies
Voyager Fleet Systems, Inc.	36543	21,857.79	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
VWR Scientific Products	36386	1,671.36	Laboratory Services & Supplies
VWR Scientific Products	36544	2,498.66	Laboratory Services & Supplies
Waxie Sanitary Supply	36545	406.85	Janitor & Household Service & Supplies
Wells Fargo Bank Esc 80556300 Kiewit	36391	18,669.50	Construction, Retention
Wesley G. Bauer, II	36392	255.00	Meeting/Training Expense Reimbursement
West Coast Safety Supply Co.	36546	116.82	Safety, Security, Health Equipment, Supplies, and Services
Western States Controls	36547	1,375.94	Electrical/Electronic Equipment, Parts & Repairs
William F. Pierce	36558	142.00	Meeting/Training Expense Reimbursement
Woodruff Spradlin & Smart	36249	66,478.61	Professional Services - Legal
Yale/Chase Materials Handling, Inc.	36548	2,589.77	Electrical/Electronic Equipment, & Electric Cart Parts & Repairs
24 Hour Fire Protection, Inc.	36388	678.98	Repair & Maintenance Services and/or Supplies
Total Accounts Payable - Warrants		\$ 5,840,825.12	
<u>Payroll Disbursements</u>			
Employee Paychecks	46044 - 46072	\$ 4,868.00	Interim Payroll - ARBA (01/03/11)
Employee Paychecks	46073 - 46114	89,164.81	Biweekly Payroll (01/12/11)
Employee Paychecks	46115 - 46266	307,999.62	Interim Payroll - Vac/Pers Leave Mandatory Payouts (01/13/11)
Employee Paychecks	46267	326.80	Interim Payroll - Retro (01/13/11)
Employee Paychecks	46268 - 46270	8,552.80	Interim Payroll - Retirement (01/13/11)

Claims Paid From 01/01/11 to 01/15/11

Vendor	Warrant No.	Amount	Description
Employee Paychecks	46271 - 46273	75,068.21	Interim Payroll - Retirement Payouts (01/13/11)
Employee Paychecks	46274 - 46275	400.00	Interim Payroll - ARBA Adj (01/13/11)
Direct Deposit Statements	198343 - 198461	19,639.00	Interim Payroll - ARBA (01/01/11)
Direct Deposit Statements	198462 - 199026	1,417,625.00	Biweekly Payroll (01/12/11)
Total Payroll Disbursements		<u><u>\$ 1,923,644.24</u></u>	
<u>Wire Transfer Payments</u>			
OCSD Payroll Taxes & Contributions		\$ 1,093,127.86	Biweekly Payroll (01/12/11)
Intercare Insurance Services		\$ 24,401.71	Workers' Compensation Services
Bank of America		\$ 250,986.76	Series 2000A & B Refunding COPs Remarketing Fee
Kiewit Infrastructure West		\$ 1,090,771.00	Construction P1-102 (01/12/11)
Kiewit Infrastructure West		\$ 354,720.50	Construction 3-58 (01/12/11)
Total Wire Transfer Payments		<u><u>\$ 2,814,007.83</u></u>	
Total Claims Paid 01/01/11 - 01/15/11		<u><u>\$ 10,578,477.19</u></u>	

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
<u>Accounts Payable Warrants</u>			
A W Chesterton	36582	2,583.60	Repair & Maintenance Services and/or Supplies
A W Chesterton	36733	2,265.77	Repair & Maintenance Services and/or Supplies
Accounting Options, Inc.	36587	180.00	Meeting Registration - Division 610
ACCURATE AIR ENGINEERING INC	36584	5,812.30	Repair & Maintenance Services and/or Supplies
Ace Glass, Inc.	36734	969.81	Laboratory Services & Supplies
A-Check America, Inc.	36583	788.00	Human Resources Services
Adamson Industries	36735	247.30	Safety, Security, Health Equipment, Supplies, and Services
AECOM Technical Services, Inc.	36564	200,618.48	Professional Services/Engineering Design Services
AECOM Technical Services, Inc.	36736	9,297.83	Professional Services/Engineering Design Services
Agilent Technologies, Inc.	36585	9,695.07	Laboratory Services & Supplies
Agilent Technologies, Inc.	36737	2,176.08	Laboratory Services & Supplies
Ago IndustriesDBA So-Cal Sweeping	36586	1,960.00	Street Sweeping Services
AIR LIQUIDE AMERICA SPECIALTY GASES LLC	36588	79.45	Laboratory Services & Supplies
Air Products & Chemicals, Inc.	36714	27,166.23	Chemicals, Water/Wastewater Treatment
Airgas Safety, Inc.	36565	36,248.09	Safety, Security, Health Equipment, Supplies, and Services
Airgas Safety, Inc.	36738	839.84	Safety, Security, Health Equipment, Supplies, and Services
Airgas West	36589	1,088.80	Repair & Maintenance Services and/or Supplies
Airgas West	36739	746.57	Repair & Maintenance Services and/or Supplies
AKM Consulting Engineers	36740	15,921.00	Professional Services/Dig Alert Associate Engineer
Allied Packing & Rubber, Inc.	36590	142.66	Repair & Maintenance Services and/or Supplies
Amtech Elevator Services	36741	1,070.00	Miscellaneous Services
APOLLO INFORMATION SYSTEMS	36742	6,253.22	Computers, Software/Hardware & Managed Services
Applied Industrial Technology	36591	9,869.11	Repair & Maintenance Services and/or Supplies
Applied Industrial Technology	36743	15.36	Repair & Maintenance Services and/or Supplies
Arc Micro Optics	36592	351.33	Laboratory Services & Supplies
Archie Ivy, Inc.	36744	9,562.00	Repair & Maintenance Services and/or Supplies
Aspen Publishers, Inc.	36745	330.26	Books and Publications
Association of Energy Engineers	36746	185.00	Professional Organization
AT & T	36732	206.59	Telecommunications
AT & T Long Distance.	36747	19.69	Telecommunications
AT & T Mobility II, L.L.C.	36594	398.00	Telecommunications
AT & T Universal Biller	36593	118.19	Telecommunications
Atlas Underground, Inc.	36715	27,870.00	Repair & Maintenance Services and/or Supplies
Bartel Associates, L.L.C.	36595	685.00	Professional Services - Actuarial Services, Benefits Review and Cost Analysis
Battery Specialties	36596	552.02	Batteries, Various
BC Wire Rope & Rigging	36597	854.78	Tools & Supplies
Beach Wire and Cable	36598	446.42	Telecommunications
Bentley Systems, Inc.	36599	6,994.74	Software Maintenance Agreement
Black & Veatch Corporation	36566	78,528.57	Professional Services/Engineering Design Services
Black & Veatch Corporation	36716	211,840.83	Professional Services/Engineering Design Services
Black Box Corporation	36748	152.65	Computers, Software/Hardware
Bondlogistix L.L.C.	36600	1,000.00	Professional Financial Services
BP Energy Company	36601	15,040.52	Natural Gas
BRANOM INSTRUMENT CO.	36602	183.08	Repair & Maintenance Services and/or Supplies
BREA IMPERIAL, INC.	36749	2,500.00	Miscellaneous Services
Brown & Caldwell	36567	143,383.36	Professional Services/Engineering Design Services
Bush & Associates, Inc.	36603	6,672.00	Professional Services/Surveying Services
Butier Engineering, Inc.	36568	71,215.86	Professional Services/Engineering Design Services

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
California Dept. of Child Support	36750	1,919.51	Judgments Payable
California Municipal Treasurers Assoc.	36751	300.00	Professional Organizations Meeting/Training/Membership
California Relocation Services, Inc.	36752	135.00	Miscellaneous Services - Moving/Relocation
California Special District Association	36609	1,150.00	Professional Organizations Meeting/Training/Membership
CALPELRA	36604	345.00	Professional Organizations, and Meeting/Training Registration
CALPELRA	36753	690.00	Professional Organizations, and Meeting/Training Registration
CARBON ACTIVATED CORPORATION	36754	13,845.00	Repair & Maintenance Services and/or Supplies
Carl Warren & Co.	36755	300.00	Professional Services - Workers' Compensation
Carollo Engineers	36717	123,053.37	Professional Services/Engineering Design Services
CCG Systems, Inc.	36782	12,413.00	Computer Applications & Services
Cheyenne Livestock & Products, Inc.	36757	916.00	Safety, Security, Health Equipment, Supplies, and Services
Circle, Inc.	36605	194.79	Copier Toner/Ink Supplies
Citibank Escrow Account #203514435	36710	339.01	Construction, Retention
City Clerk's Association of California	36758	375.00	Professional Organizations Meeting/Training/Membership
City of Fountain Valley	36569	44,581.98	Water Use
City of Seal Beach	36848	109.06	Water Use
City of Tustin	36759	275.00	Water Use
Coast Rubber Stamp, Mfg.	36760	90.92	Stationery & Office Supplies
Colich & Sons	36731	72,427.40	Construction
Commercial Transportation Services	36761	2,294.10	On-Site Training
Communications Supply Corp.	36606	68.08	Computer Hardware & Software
Compressor Components of California	36762	8,160.00	Repair & Maintenance Services and/or Supplies
Consumers Pipe & Supply Co.	36763	95.13	Repair & Maintenance Services and/or Supplies
Controlled Motion Solutions	36764	124.00	Repair & Maintenance Services and/or Supplies
Converse Consultants	36607	11,170.50	Professional Services/Professional Services/Materials & Geotechnical Testing
COPPER AND BRASS SALES	36765	1,104.54	Safety, Security, Health Equipment, Supplies, and Services
CORNER BAKERY CAFE (CBC)	36756	62.25	Meeting Expenses
Corporate Image Maintenance, Inc.	36766	12,250.00	Janitor & Household Service & Supplies
Coss, Ronald J.	36873	344.80	Meeting/Training Expense Reimbursement
County of Orange Auditor Controller	36608	450.00	Governmental Agency Fees & Charges
County of Orange Auditor Controller	36767	88.00	Governmental Agency Fees & Charges
County of Orange Auditor Controller	36768	525.00	Governmental Agency Fees & Charges
Court Order	36812	2,179.38	Judgments Payable
Court Order	36813	150.00	Judgments Payable
Court Order	36817	225.00	Judgments Payable
Court Order	36841	108.00	Judgments Payable
Court Order	36872	912.50	Judgments Payable
CR&R, Inc.	36769	1,915.38	Waste Disposal
CS-AMSCO	36770	627.51	Repair & Maintenance Services and/or Supplies
Culligan of Orange County	36771	57.35	Repair & Maintenance Services and/or Supplies
Curt V. Shelp	36883	250.00	Meeting/Training Expense Reimbursement
CWEA Membership	36772	396.00	Professional Organizations Meeting/Training/Membership
David Wheeler Pest Control, Inc.	36610	1,973.00	Pest Control Services
David Wheeler Pest Control, Inc.	36773	5,412.00	Pest Control Services
David's Tree Service	36774	9,775.00	Groundskeeping
DLT&V Systems Engineering, Inc.	36775	2,491.21	Computer Applications & Services
Drake Controls - West, L.L.C.	36776	3,695.46	Electrical/Electronic Equipment, Parts & Repairs
Dunn-Edwards Corporation	36611	49.20	Facilities, Maintenance, Services & Supplies
Electrabond	36612	4,975.31	Repair & Maintenance Services and/or Supplies

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
Employee Benefits Specialists, Inc.	36777	13,684.55	Reimbursed Prepaid Employee Medical & Dependent Care
Enchanter, Inc.	36613	4,180.00	Vessel Services - Monitoring Vessel Nerissa
Enertech Environmental	36571	572,015.06	Biosolids Management
ENS Resources, Inc.	36778	7,500.00	Professional Services - Federal Advocacy
Environmental & Occupational Risk Mgmt.	36614	5,900.00	Safety, Security, Health Equipment, Supplies, and Services
Environmental Express, Inc.	36779	720.48	Laboratory Services & Supplies
Environmental Resource Associates	36615	1,731.88	Laboratory Services & Supplies
Environmental Resource Associates	36780	143.83	Laboratory Services & Supplies
Ewing Irrigation	36781	64.77	Irrigation Repair & Maintenance Services and/or Supplies
Fedex Corporation	36616	435.52	Freight Services
Fedex Corporation	36783	299.26	Freight Services
Fisher Scientific	36617	415.55	Laboratory Services & Supplies
Fisher Scientific	36784	892.76	Laboratory Services & Supplies
Fleetmatics USA, Inc.	36618	150.00	Professional Services - Human Resources
Fleetmatics USA, Inc.	36785	152.08	Professional Services - Human Resources
FOPCO INCORPORATED	36786	2,750.00	Repair & Maintenance Services and/or Supplies
Frank R. Steiger	36712	125.00	Meeting/Training Expense Reimbursement
Franklin Covey	36619	273.63	Office Supplies
Franklin Covey	36787	162.42	Office Supplies
Frys Electronics	36788	32.60	Computers, Software/Hardware
Gabriel, Lawrence C	36875	195.00	Meeting/Training Expense Reimbursement
Galco Industrial Electronics	36789	176.22	Electrical/Electronic Equipment, Parts & Repairs
Garland Manufacturing Co.	36620	971.27	Repair & Maintenance Services and/or Supplies
Gates Fiberglass Installers	36621	4,870.00	Repair & Maintenance Services and/or Supplies
George Rivera	36880	901.93	Meeting/Training Expense Reimbursement
Geo-Solutions, Inc.	36576	244,324.26	Construction
Golden State Overnight Delivery Service	36790	30.01	Courier Services
Golden West Machine, Inc.	36622	7,758.23	Repair & Maintenance Services and/or Supplies
Golden West Window Service	36623	3,437.00	Facilities, Maintenance, Services & Supplies
Golden West Window Service	36791	3,105.00	Facilities, Maintenance, Services & Supplies
Govplace	36624	8,160.75	Computer Applications and Services
Grainger, Inc.	36792	3,670.62	Repair & Maintenance Services and/or Supplies
Graphics Press, L.L.C.	36625	760.00	Professional Organizations Meeting/Training/Membership
Graybar Electric Company	36626	11.43	Electrical/Electronic Equipment, Parts & Repairs
Graybar Electric Company	36793	649.87	Electrical/Electronic Equipment, Parts & Repairs
GRM Information Management Services	36794	155.93	Miscellaneous Services & Supplies
Guarantee Records Management	36627	455.18	Professional Services - Document Storage & Shredding
Hach Company	36628	1,474.64	Laboratory Services & Supplies
Harrington Industrial Plastics, Inc.	36629	1,179.41	Repair & Maintenance Services and/or Supplies
Harrington Industrial Plastics, Inc.	36795	583.29	Repair & Maintenance Services and/or Supplies
Hewlett Packard Company	36796	9,796.99	Computers, Software/Hardware
Hills Brothers Lock & Safe	36797	250.00	Facilities, Maintenance, Services & Supplies
Home Depot	36630	114.02	Miscellaneous Parts and Supplies
Home Depot	36798	454.32	Miscellaneous Parts and Supplies
IAEI	36631	90.00	Professional Organizations Meeting/Training/Membership
Indiana Child Support Bureau	36799	290.00	Judgments Payable
Industrial Distribution Group	36800	435.47	Repair & Maintenance Services and/or Supplies
Inorganic Ventures, Inc.	36801	140.10	Laboratory Services & Supplies
Inplant Sales, L.L.C.	36802	797.50	Repair & Maintenance Services and/or Supplies

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
Insight Public Sector, Inc.	36803	9,640.31	Computers, Software/Hardware
Intercare Holdings Insurance Svcs., Inc.	36632	3,166.67	Workers' Compensation Service
International Business Machines	36804	5,947.26	Computer Applications & Services
Intl. Union of Oper. Eng. AFL CIO Local 501	36805	4,858.35	Dues Deductions
Intratek Computer, Inc.	36806	3,294.48	Network/Server/Printer Maintenance Services
Irvine Ranch Water District	36633	8.00	Water Use
Irvine Ranch Water District	36807	47.38	Water Use
J I Solutions, Inc.	36634	119.50	Laboratory Services & Supplies
J I Solutions, Inc.	36808	371.84	Laboratory Services & Supplies
J. F. Shea Construction, Inc.	36577	515,318.78	Construction
James D. Ruth	36882	672.77	Meeting/Training Expense Reimbursement
Jamison Engineering Contractors, Inc.	36718	90,719.22	Professional Services/Construction Support Services
JCI Jones Chemicals, Inc.	342	36,295.60	Chemicals, Water/Wastewater Treatment
JCI Jones Chemicals, Inc.	345	58,583.58	Chemicals, Water/Wastewater Treatment
JOHNSON LIFT HYSTER	36809	292.97	Repair & Maintenance Services and/or Supplies
Johnstone Supply	36810	938.75	Repair & Maintenance Services and/or Supplies
JPR Systems, Inc.	36811	158.06	Repair & Maintenance Services and/or Supplies
Julian Sabri and Micro Computers	36885	1,974.81	Employee Computer Loan Program
Kaman Industrial Technologies	36635	550.10	Repair & Maintenance Services and/or Supplies
Kemira Water Solutions	346	211,851.63	Chemicals, Water/Wastewater Treatment
Koff & Associates, Inc.	36636	2,110.00	Professional Services/Comp & Class Study
Lakes Environmental Software, Inc.	36637	1,265.00	Computer Applications & Services
Larry R. Crandall	36874	986.97	Meeting/Training Expense Reimbursement
Lee & Ro, Inc.	36719	84,263.67	Professional Services/Engineering Design Services
Liberty Mutual Claims	36638	7,082.63	Insurance
Lisa A. Rothbart	36881	1,090.84	Meeting/Training Expense Reimbursement
Malcolm Pirnie, Inc.	36572	125,869.99	Professional Services/Engineering Design Services
Malcolm Pirnie, Inc.	36720	49,425.91	Professional Services/Engineering Design Services
Mandrick S. Taylor	36884	908.49	Meeting/Training Expense Reimbursement
Marinus Scientific	36639	87.00	Laboratory Services & Supplies
Marsella, Rose M.	36879	231.26	Meeting/Training Expense Reimbursement
Maxim Security Systems	36640	17,248.10	Safety, Security, Health Equipment, Supplies, and Services
McJunkin Red Man Corporation	36814	1,659.36	Repair & Maintenance Services and/or Supplies
McMaster-Carr Supply Co.	36641	110.02	Repair & Maintenance Services and/or Supplies
McMaster-Carr Supply Co.	36815	2,701.71	Repair & Maintenance Services and/or Supplies
Mesa Consolidated Water District	36642	44.00	Water Use
Michael I. Gold	36876	695.30	Meeting/Training Expense Reimbursement
Mid-West Associates, Inc.	36643	1,461.13	Repair & Maintenance Services and/or Supplies
Mid-West Associates, Inc.	36816	13,764.00	Repair & Maintenance Services and/or Supplies
Minarik	36644	722.93	Electrical/Electronic Equipment, Parts & Repairs
MWH Americas, Inc.	36573	345,262.47	Professional Services/Engineering Design Services
NaHabit & Associates, Inc.	36645	1,049.00	Professional Organizations Meeting/Training/Membership
NAS Associates, Inc.	36646	445.00	Laboratory Services & Supplies
National Fire Protection Association	36818	150.00	Professional Organizations Meeting/Training/Membership
Neutron Products, Inc.	36820	14,862.66	Chemicals, Water/Wastewater Treatment
New Horizons Computer Learning Center	36647	300.00	Professional Organizations Meeting/Training/Membership
New Horizons Computer Learning Center	36821	300.00	Professional Organizations Meeting/Training/Membership
Nickell Metal Spray	36822	2,210.00	Repair & Maintenance Services and/or Supplies
Norman A. Traub Associates	36648	5,418.00	Legal Services

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
NRG Engine Services, L.L.C.	36649	9,087.25	Repair & Maintenance Services and/or Supplies
O C Tanner Recognition Company	36650	1,880.17	Service Awards
O C Tanner Recognition Company	36823	1,449.12	Service Awards
OCB Reprographics	36651	5,448.07	Printing/Reprographics Services
OCEA	36824	692.25	Dues Deductible
Office Depot	36652	2,136.52	Office Supplies
Office Depot	36825	3,821.44	Office Supplies
Olin Corporation	36826	3,899.64	Chemicals, Water/Wastewater Treatment
OneSource Distributors, Inc.	36653	4,947.44	Electrical/Electronic Equipment, Parts & Repairs
OneSource Distributors, Inc.	36827	2,437.01	Electrical/Electronic Equipment, Parts & Repairs
Orange County Sheriff	36828	464.17	Judgments Payable
Orange County United Way	36829	40.00	Employee Contributions
Orange County Vector Control District	36830	164.48	Pest Control
Oxygen Service Company	36655	786.31	Laboratory Services & Supplies
Oxygen Service Company	36831	821.60	Laboratory Services & Supplies
Pacific Investment Management	36721	101,208.74	Professional Financial Services
Pacific Mechanical Supply	36656	716.69	Repair & Maintenance Services and/or Supplies
Pacific Mechanical Supply	36832	33.42	Repair & Maintenance Services and/or Supplies
Pamela A. Koester	36877	1,155.01	Meeting/Training Expense Reimbursement
PBS & J	36833	18,897.62	Professional Services/Engineering Design Services
Peace Officers Council of CA	36834	2,334.50	Dues Deductions, Supervisors & Professionals
Performance Pipeline Technologies	36657	3,200.00	Professional Services/CCTV Inspection/Sewerline Cleaning
Performance Pipeline Technologies	36722	35,715.61	Professional Services/CCTV Inspection/Sewerline Cleaning
Polydyne, Inc.	343	21,232.50	Chemicals, Water/Wastewater Treatment
Polydyne, Inc.	347	35,044.16	Chemicals, Water/Wastewater Treatment
Ponton Industries, Inc.	36835	3,125.79	Laboratory Services & Supplies
Port Supply	36658	356.28	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Primary Source Office Furnishings, Inc.	36659	693.83	Minor Equipment/Furniture & Fixtures
Primary Source Office Furnishings, Inc.	36836	3,234.23	Minor Equipment/Furniture & Fixtures
Primrose Ice Co., Inc.	36660	100.00	Water & Ice Services
Primrose Ice Co., Inc.	36837	100.00	Water & Ice Services
Procure Work Injury Center	36661	308.51	Medical Services
Projects Partners	36723	30,036.00	Professional Services/Temporary Employment Services
Propipe Professional Pipe Services	348	3,994.58	Professional Services/CCTV Sewerline Inspections
Prudential Insurance Company of America	36662	2,938.85	Benefits
Prudential Overall Supply	36838	3,741.37	Uniforms
PSOMAS	36663	8,800.00	Computer Applications & Services
PSOMAS	36839	10,780.00	Computer Applications & Services
Pump Action	36664	877.72	Oil Filters
QUAYLE CONSULTING INC.	36665	15,200.00	Computer Applications & Services
Quickstart Intelligence	36840	975.00	Professional Organizations Meeting/Training/Membership
Rainbow Disposal Co.	36666	232.91	Waste Disposal
Rainbow Disposal Co.	36842	3,261.39	Waste Disposal
Rainin Instrument, L.L.C.	36667	822.69	Laboratory Services & Supplies
RBF Consulting	36843	1,478.47	Professional Services/Engineering Design Services
Red Wing Shoes	36668	587.88	Safety, Security, Health Equipment, Supplies, and Services
RMC Water and Environment	36669	600.00	Professional Services
RMC Water and Environment	36844	468.12	Professional Services
Robert Half International, Inc.	36845	2,482.00	Computer Applications & Services

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
Royale Cleaners	36670	127.80	Miscellaneous Services
Royale Cleaners	36846	71.00	Miscellaneous Services
S. S. Mechanical Corporation	36711	3,051.08	Construction
Sachs Electric Company	36729	241,285.88	Professional Services/Central Generation Automation
Safety Environmental Consulting	36671	350.00	Safety, Security, Health Equipment, Supplies, and Services
San Diego/Orange Fluid System Technologies, Inc.	36672	307.66	Repair & Maintenance Services and/or Supplies
Sancon Engineering, Inc.	36724	68,547.00	Repair & Maintenance Services and/or Supplies
SCAQMD	36847	7,720.36	Governmental Agency Fees & Charges
Schwing Bioset	344	13,578.34	Repair & Maintenance Services and/or Supplies
Sea Coast Designs, Inc.	36673	364.86	Furniture
SGE, Inc.	36674	2,493.31	Laboratory Services & Supplies
Shamrock Supply Co., Inc.	36675	3,926.84	Repair & Maintenance Services and/or Supplies
Shamrock Supply Co., Inc.	36849	278.74	Repair & Maintenance Services and/or Supplies
Shureluck Sales & Engineering	36676	152.47	Repair & Maintenance Services and/or Supplies
Siemens Technology	36677	295.80	Air Conditioner Automation System
Siemens Water Technologies Corp.	36850	67.51	Repair & Maintenance Services and/or Supplies
Sigma-Aldrich, Inc.	36678	210.06	Laboratory Services & Supplies
SKC West, Inc.	36679	803.84	Laboratory Services & Supplies
SkillPath Seminars	36680	149.00	Professional Organization & Meeting/Training Registration
Smardan Supply Company	36681	75.14	Repair & Maintenance Services and/or Supplies
SMEAD MANUFACTURING COMPANY	36682	1,530.00	Computers, Software/Hardware & Managed Services
Society for Human Resource Management	36683	180.00	Professional Organizations Meeting/Training/Membership
Source Graphics	36684	126.61	Computer Applications & Services
Southern California Edison	36725	238,018.05	Utilities
Sparkletts	36851	1,478.11	Miscellaneous Supplies
SPENCER FLUID POWER INC	36685	194.64	Repair & Maintenance Services and/or Supplies
St. Croix Sensory, Inc.	36852	3,545.00	Outside Laboratory Services
Stanley Steamer International, Inc.	36853	1,274.00	Janitor & Household Service & Supplies
Staples	36686	10.31	Office Supplies
Summit Steel	36687	19.60	Repair & Maintenance Services and/or Supplies
Summit Steel	36854	216.09	Repair & Maintenance Services and/or Supplies
Sunset Industrial Parts	36688	10,870.35	Repair & Maintenance Services and/or Supplies
Sunset Industrial Parts	36855	155.34	Repair & Maintenance Services and/or Supplies
TEG STAFFING, INC.	36689	2,864.25	Temporary Employment Services
TekSystems	36690	3,790.80	Professional Services/Temporary Services
Terra Renewal, L.L.C.	36726	46,715.93	Grit & Screenings Disposal
TestAmerica Ontario	36691	966.00	Laboratory Services & Supplies
The Integration Works, L.L.C.	36856	1,602.00	Repair & Maintenance Services and/or Supplies
The Orange County Register	36654	1,112.00	Notices & Ads
The Pittsburgh Conference	36692	545.00	Professional Organizations Meeting/Training/Membership
The Wackenhut Corporation	36703	14,103.88	Safety, Security, Health Equipment, Supplies, and Services
The Walking Man, Inc.	36857	350.00	Miscellaneous Services
Thermo Electron Corp.	36858	38.24	Laboratory Services & Supplies
Thomas S. Hendy	36713	1,964.69	Meeting/Training Expense Reimbursement
Thompson Industrial Supply, Inc.	36859	5,239.63	Repair & Maintenance Services and/or Supplies
T-Mobile	36693	109.28	Telecommunications
Tony's Lock & Safe Service & Sales	36860	843.80	Repair & Maintenance Services and/or Supplies
Townsend Public Affairs	36694	7,500.00	Professional Services - State Legislative Advocacy
Tropical Plaza Nursery, Inc.	36861	4,882.50	Landscape Maintenance Services

Claims Paid From 01/16/11 to 01/31/11

Vendor	Warrant No.	Amount	Description
Truck & Auto Supply, Inc.	36862	214.86	Autos, Trucks & Marine Equipment, Parts, Accessories & Services
Tule Ranch/Magan Farms	36574	147,126.26	Biosolids Management
Underground Service Alert of So. Calif	36863	1,015.50	Professional Services - Dig Alert Notification Service
Union Bank of California	36864	2,523.75	Banking Services
United Parcel Service	36695	700.80	Freight Services
United Parcel Service	36865	60.61	Freight Services
Universal Flooring Systems, Inc.	36696	498.00	Facilities, Maintenance, Services & Supplies
UPDATE INTERNATIONAL INC	36866	2,631.00	Professional Organizations Meeting/Training/Membership
US Peroxide, L.L.C.	36697	5,243.46	Chemicals, Water/Wastewater Treatment
US Peroxide, L.L.C.	36727	178,909.85	Chemicals, Water/Wastewater Treatment
USA Mobility Wireless, Inc.	36698	634.33	Telecommunications
Valin Corporation	36699	1,574.48	Repair & Maintenance Services and/or Supplies
Verizon California	36867	49.30	Telecommunications
Verne's Plumbing	36700	3,900.00	Plumbing Services & Supplies
Verne's Plumbing	36868	650.00	Plumbing Services & Supplies
Village Nurseries	36869	365.77	Repair & Maintenance Services and/or Supplies
Vladimir A. Kogan	36878	541.79	Meeting/Training Expense Reimbursement
Voided Check	36570	-	-
Voided Check	36578	-	-
Voided Check	36580	-	-
Voided Check	36728	-	-
Voided Check	36819	-	-
Vortex Corp.	36701	2,177.20	Repair & Maintenance Services and/or Supplies
Vortex Corp.	36870	1,406.76	Repair & Maintenance Services and/or Supplies
VWR Scientific Products	36702	1,439.14	Laboratory Services & Supplies
VWR Scientific Products	36871	118.93	Laboratory Services & Supplies
WaterReuse Association	36704	350.00	Professional Organizations Meeting/Training/Membership
Waterreuse Foundation	36575	25,000.00	Professional Organization
Waxie Sanitary Supply	36705	717.49	Janitor & Household Service & Supplies
Wells Fargo Bank Esc 80556300 Kiewit	36730	63,728.75	Construction, Retention
Wells Fargo Bank Escrow 23518600	36579	217,364.55	Construction, Retention
Wells Fargo Bank Escrow 23861100 Kiewit	36581	32,946.20	Construction, Retention
Westport Apparatus dba Breaker Supply	36706	492.65	Electrical/Electronic Equipment, Parts & Repairs
Workplace Resource	36707	178.34	Furniture
Xerox Corporation	36708	944.24	Computers, Software/Hardware & Managed Services
1-800-Conference(R)	36709	200.81	Telecommunications
Total Accounts Payable - Warrants		<u><u>\$ 5,534,534.48</u></u>	
<u>Payroll Disbursements</u>			
Employee Paychecks	46277 - 46320	\$ 97,438.94	Biweekly Payroll (01/26/11)* & **
Employee Paychecks	46348 - 46350	460.66	Interim Payroll - Voided Ck # 46260 & Reissue of Ck #46260, IDEA, error correction (01/
Employee Paychecks	46351 - 46352	4,988.69	Interim - Retirement (01/27/11)
Employee Paychecks	46353 - 46354	26,766.41	Interim - Retirement Payouts (01/27/11)
Direct Deposit Statements	199027 - 199590	1,398,150.43	Biweekly Payroll (01/26/11)
Total Payroll Disbursements		<u><u>\$ 1,527,805.13</u></u>	

* Check Numbers 46276 & 46321 were assigned to zero net pay, no cash effect.

** Checks 46322 - 46347 printed out of order for a later pay date.

***Warrant 46260 was reported on 01/15/11 report.

Claims Paid From 01/16/11 to 01/31/11

<u>Vendor</u>	<u>Warrant No.</u>	<u>Amount</u>	<u>Description</u>
<u>Wire Transfer Payments</u>			
OCSD Payroll Taxes & Contributions		\$ 864,352.38	Biweekly Payroll (01/26/11)
Union Bank of California		4,787,283.93	Series 2003A Certificates of Participation Interest Payment (01/31/11)
Union Bank of California		2,037,569.40	Series 2007A Certificates of Participation Principal and Interest Payment (01/31/11)
Union Bank of California		12,441,669.58	Series 2007B Certificates of Participation Principal and Interest Payment (01/31/11)
U S Bank		503,178.39	Series 2008A Refunding Certificates of Participations Interest Payments (01/31/11)
U S Bank		391,884.67	Series 2008B Refunding Certificates of Participations Interest Payments (01/31/11)
U S Bank		7,933,800.65	Series 2009A Refunding Certificates of Participation Principal and Interest Payment (01/31/11)
U S Bank		2,228,953.00	Series 2010A Revenue Obligations and Interest Payment (01/31/11)
U S Bank		1,477,608.35	Series 2010C Revenue Obligations and Interest Payment (01/31/11)
Merrill Lynch, Pierce, Fenner and Smith Inc.		36,673.98	Series 2000 A & B Refunding COPs Remarketing Fee (October 1, 2010 - December 31,
Kiewit/Mass, A Joint Venture		1,956,280.95	Construction 5-49 (01/20/11)
Kiewit/Mass, A Joint Venture		296,515.80	Construction 5-50 (01/20/11)
Kiewit Infrastructure West Co.		1,205,846.25	Construction 3-58 (01/31/11)
Total Wire Transfer Payments		<u>\$ 36,161,617.33</u>	
Total Claims Paid 01/16/11 - 01/31/11		<u>\$ 43,223,956.94</u>	

BOARD OF DIRECTORS
AGENDA REPORT

Meeting Date	To Bd. of Dir. 02/23/11
Item Number	Item Number 4

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Donna N. Terrones, Clerk of the Board

SUBJECT: April Board Meeting Change

GENERAL MANAGER'S RECOMMENDATION

Approve Board Meeting change from April 27, 2011, to April 20, 2011.

SUMMARY

Board Chair Crandall is unable to attend the April 27, 2011 Board Meeting and is requesting Board approval to change the Board meeting date from April 27, 2011, to April 20, 2011.

PRIOR COMMITTEE/BOARD ACTIONS

At the January 26, 2011 Board Meeting a straw vote was taken to agendize the above request to the February Agenda for action. The vote passed.

ADDITIONAL INFORMATION

N/A

CEQA

N/A

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

N/A

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 02/23/11
Item Number	Item Number 5

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Assistant General Manager
Project Manager: Dean Fisher

SUBJECT: PERMITTING FOR INTERIM IMPROVEMENTS WITHIN THE CITY OF
FOUNTAIN VALLEY

GENERAL MANAGER'S RECOMMENDATION

Approve Amendment No. 1 to the Agreement with City of Fountain Valley for Permitting of Interim Improvements of the Orange County Sanitation District, providing for updated completion schedule and project list, in a form approved by General Counsel.

SUMMARY

In April 2010, the Orange County Sanitation District (Sanitation District) approved an Agreement with the City of Fountain Valley (City) for Permitting Improvements of the Sanitation District administrative buildings subject to plan review by the City.

In December 2010, Staff met with the City to discuss updating the agreement to reflect the current project schedules, scopes, and budgets.

The primary change in schedule would allow the Sanitation District additional time in the near-term to incorporate newly discovered needed repairs for the buildings that are being brought up to current code under the Agreement with the City. The final completion date of 2018 for all buildings at our Fountain Valley property will not be changed.

PRIOR COMMITTEE/BOARD ACTIONS

April 2010 – Approved Agreement with the City of Fountain Valley for Permitting Improvements of the Orange County Sanitation District within the City of Fountain Valley, in a form approved by General Counsel.

ADDITIONAL INFORMATION

Proposed changes to project completion dates in attached Exhibit “A” reflect more detailed project completion schedules than were available at the time of the initial Agreement execution.

CEQA

The construction activities are categorically exempt under CEQA because they consist of the minor alteration of existing structures, involving no expansion of use. Specifically, the project will involve activities under Section 15301(a) that include the interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances. A Notice of Exemption will be filed with the County of Orange

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. No project expenditures are being requested at this time.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
N/A	N/A	N/A

CM:aln:el:gc

ATTACHMENT

Exhibit "A" – Proposed Completion Dates

Exhibit "A" (Modified Addendum No. 1)

City Compliance Project

This will include design and construction of the grounds improvements followed by the general building improvements. The proposed completion schedule for the improvements is as follows:

<u>TASK DESCRIPTION</u>	<u>PROPOSED COMPLETION</u>
Ground Improvements Design	March 2011
Ground Improvements Constructed	February 2012
Trailer 42 Removal and Demolition	September 2011
Building Improvements Design	Preliminary Design Report – October 2011 Submit Design to City of FV – August 2012
Maintenance Buildings 5 & 6 Shop A & Paint Shop	June 2014
Purchasing, Warehouse, Body Shop, Building 4	June 2015
Administrative Building	June 2016
Laboratory & Human Resources Buildings	June 2017
Engineering Trailer Complex	June 2018

BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 02/23/11
Item Number	Item Number 6

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Assistant General Manager
Project Manager: Jim Burror, Engineering Supervisor

SUBJECT: Adopt Resolution No. OCSD 11-02

GENERAL MANAGER'S RECOMMENDATION

Adopt Resolution No. OCSD 11-02, Adopting Policies and Procedures for Providing Priority Service to Affordable Housing Projects and Repeal Resolution No. OCSD 06-18.

SUMMARY

The passage of CA Senate Bill 1087 (SB 1087) in 2005 amended the Government Code Section 65589.7. The revised Code requires public agencies or private entities that provide water or sewer services to adopt written policies and procedures with specific objective standards for providing priority service to lower income housing projects.

In addition, a public agency or private entity that provides water or sewer service, shall not deny or condition the approval of an application for services to, or reduce the amount of services applied for by a proposed development, that includes lower income housing units unless the public agency or private entity makes specific written findings that the denial, condition, or reduction is necessary. See additional information for examples.

Currently, the Orange County Sanitation District (OCSD) does not have any quotas or other politically derived restrictions for new sewer connections. The Government Code changes and the passage of this Resolution will prohibit future restrictions from being placed on lower income housing projects by OCSD.

SB1087 requires OCSD to update and approve the provisions of this resolution at least once every five years.

PRIOR COMMITTEE/BOARD ACTIONS

August 2006 – Adopted Resolution No.OCSD 06-18; Policies and Procedures for Providing Priority Service to Affordable Housing Projects

ADDITIONAL INFORMATION

Examples of acceptable reasons for the denial, condition, or reduction in services to a proposed development that contain lower income housing units, include one or more of the following:

- (1) Insufficient water supply or insufficient water treatment or distribution capacity;
- (2) A State Department of Health Services order prohibiting new water connections;
- (3) Insufficient sewer treatment or collection capacity;
- (4) A Regional Water Quality Control Board order prohibiting new sewer connections; or
- (5) The applicant has failed to agree to reasonable terms and conditions

CEQA

The recommended action is also statutorily exempt pursuant to CEQA Guidelines Section 15268(b) because this action establishes requirements for connection permitting, is absent of any discretionary provision, and is required by the State of California.

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
N/A	N/A	N/A

ATTACHMENT

Resolution No. OCSD 11-02

JB:sa

STEERING COMMITTEE

AGENDA REPORT

Meeting Date 02/23/11	To Bd. of Dir. 02/23/11
Item Number 2	Item Number 8

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Michael Gold, Public Affairs Manager

SUBJECT: 2011 Legislative Platform and Goals

GENERAL MANAGER'S RECOMMENDATION

Adopt the 2011 Legislative Platform and Goals

SUMMARY

Last month, at the workshop with the Steering Committee and lobbyists, staff presented the draft 2011 Legislative Platform and the group discussed goals for the coming year. These goals provide staff and lobbyists with direction in both policy and funding areas at the state and federal levels.

PRIOR COMMITTEE/BOARD ACTIONS

Legislative Platform adopted by the Board of Directors, February 2010.

ADDITIONAL INFORMATION

The Legislative Platform guides staff's day-to-day decisions on bills and policy issues and allows staff to act quickly on important matters. Each year, staff works with the Steering Committee to develop goals and priorities for the legislative program and, if needed, modify the policy statements.

This year, there are no proposed changes to the Legislative Platform other than an update of the goals based on last month's workshop. Based on the Committee's input, staff has developed the following goals:

State Priorities

- Aggressively fight against Sacramento taking \$60 million from OCSD's property tax revenues by:
 - Meeting with Legislators and their staff to make them aware of the impact such a take would have on our ability to serve the 2.5 million users of our system.
 - Developing fact sheets and other educational materials to explain how we use property tax revenues to support our mission.
 - Working with advocacy groups and trade association partners, such as CASA and CSDA on legislative strategies, specific bills and building coalitions to protect enterprise district revenues.
 - Ensuring that property tax revenues passed through redevelopment agencies to OCSD remain intact.

State Priorities (cont'd)

- Build relationships with Sacramento legislators by:
 - Scheduling tours of our facilities and issue briefings.
 - Arranging briefings in Sacramento and in legislators' district offices.
 - Providing briefing materials and position papers in advance of key votes. This year, in addition to meeting with members of the entire Orange County delegation, we will focus special attention on new members of the Assembly:
 - Curt Hagman (R-60th),
 - Alan Mansoor (R-68th)
 - Chris Norby (R-72nd)
 - Don Wagner (R-70th)
- This year we will work with sister agencies, trade associations, and our lobbyists to aggressively pursue legislative and regulatory changes that would lower the cost of OCSD doing business. These include:
 - Relaxed rules on converting biosolids to energy.
 - Changing the income rules for serving on the State and Regional Water Boards to create a larger pool of eligible candidates.
 - Curtailing bans on land application of biosolids.
 - Greater flexibility for water recycling projects and chemical usage, based on sound science.
 - Increased flexibility for air emissions regulations, particularly related to the use of biogas and biosolids to energy.

Federal Priorities

- In support of future project funding, OCSD will request a \$35 million authorization that will help us access future funds for clean water infrastructure. These funds will be used for:
 - Infrastructure replacement and rehabilitation
 - Energy efficiency upgrades
 - Plant improvements to improve water quality
 - Alternative and innovative treatment technologies
 - Projects in support of GWRS
- To expedite the relocation of the SARI Line and ensure OCSD is repaid our \$60 million loan to the County of Orange, we will work cooperatively with the County of Orange to ensure adequate funding is appropriated to complete the Santa Ana Mainstem Project in a timely manner. In addition, OCSD staff will work with County staff, the Army Corps of Engineers, and Congressman Gary Miller's office to provide regular updates on project status.

Federal Priorities (cont'd)

- As Congress discusses the reauthorization of the Clean Water Act, OCSD will work with CASA and our lobbyist to address the regulatory issues identified above, and also:
 - Changing the income rule that disqualifies many otherwise qualified individuals from serving on the State and Regional Water Quality Control Boards
 - Modifying the SRF loan program to provide infrastructure grants and equitable funding for urban and rural agencies so OCSD can compete for these funds.

Grants

- Work with Congress, the Department of Energy and the private sector seeking funds for alternative fuel and energy-related projects with the goal of reducing OCSD's capital outlays . Projects may include:
 - FOG to biodiesel production
 - Expanding fuel cell/hydrogen energy facilities
 - Digester gas to energy projects
- Seek grant opportunities, including round 2 of the Integrated Regional Water Management Funds and regularly report to the Steering Committee on grant efforts.

Staff is requesting that the Steering Committee adopt the 2010 Legislative Platform.

CEQA

N/A

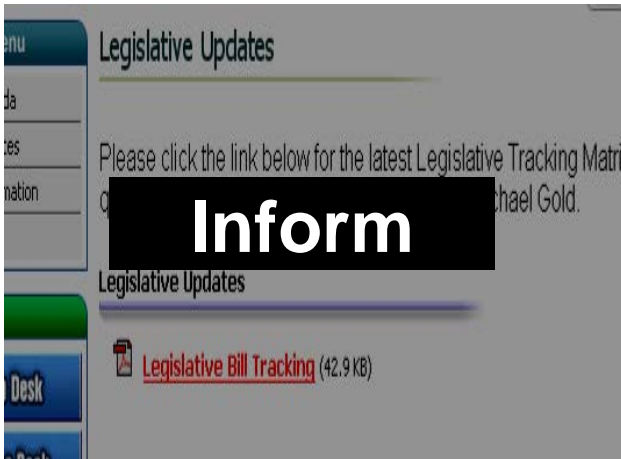
BUDGET / DELEGATION OF AUTHORITY COMPLIANCE

N/A

ATTACHMENTS

2011 Legislative Platform and Goals

Orange County Sanitation District 2011 Legislative Platform and Goals



Legislative Affairs Team

OCSD Staff

Michael Gold Public Affairs Manager	Ph: (714) 593-7529 Cell: (714) 263-5541	mgold@ocsd.com
Robert Ghirelli Assistant General Manager	(714) 593-7400	rghirelli@ocsd.com
James D. Ruth General Manager	(714) 593-7110	jruth@ocsd.com

Federal Lobbying Team

Eric Sapirstein ENS Resources	(202) 466-3755	esap@ ensresources.com
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Sacramento Lobbying Team

Townsend Public Affairs Christopher Townsend	(949) 399-9050	ctownsend@ TownsendPA.com
Heather Dion-Stratman	(949) 399-9050	hdion@ TownsendPA.com

Introduction

The Orange County Sanitation District (OCSD) recognizes the need for an active State and Federal legislative advocacy program to ensure the interests of the ratepayer and Board of Directors are protected. Towards that end, the legislative affairs team monitors activities in Sacramento and Washington, D.C. and takes appropriate action in support or opposition of legislative initiatives.

Each year, the Board of Directors adopts a **Legislative Platform**, which is a summary of goals, key issues and OCSD's policy position. The following legislative policies have been developed by OCSD staff and legislative advocates in consideration of OCSD service area cities' and policy needs. These Board-approved policies serve as OCSD's official positions of support or opposition on issues of importance to the agency. The Legislative Platform is a dynamic document, adopted annually and changing to the needs of the Board.

The legislative affairs team, in conjunction with the Board, may take appropriate action consistent with the Legislative Platform, including, but not limited to, drafting letters, lobbying legislators and staff and crafting bills.

Procedure for Taking Positions on Bills

1. Staff will track bills of greatest interest to the District, particularly those that fall within the goals and objectives identified by the Board of Directors. Staff will monitor bills being watched by similar agencies in Orange County (OCWD, MWDOC, etc.) as well as State Agencies such as California Association of Sanitation Agencies (CASA), the California Special Districts Association (CSDA) and the Association of California Water Agencies (ACWA).
2. For those bills that are being tracked where there is clear policy direction stated in the Board-adopted Legislative Platform or adopted goals, staff can send letters and give direction to the lobbyists to advocate that position.
3. Where a particular issue is not urgent, all legislative letters will be hand-signed by the Chair or Vice-Chair. If a matter is urgent, staff may use the signature stamp, so long as a clear policy direction exists.
4. A summary of bills being tracked will be presented to the Steering Committee monthly.
5. When a bill does not fall within the scope of the Legislative Platform or is a politically controversial issue, staff will seek direction from the Steering Committee.
6. If a bill does not fall within the scope of the Legislative Platform, but the California Association of Sanitary Agencies (CASA), the California Special Districts Association (CSDA) or the National Association of Clean Water Agencies (NACWA) has an adopted position, staff may follow this position but must inform the Steering Committee of such action at the next regularly scheduled meeting.

State and Federal Legislative Goals for 2011

State Priorities

- Aggressively fight against Sacramento taking \$60 million from OCSD's property tax revenues by:
 - Meeting with Legislators and their staff to make them aware of the impact such a take would have on our ability to serve the 2.5 million users of our system.
 - Developing fact sheets and other educational materials to explain how we use property tax revenues to support our mission.
 - Working with advocacy groups and trade association partners, such as CASA and CSDA on legislative strategies, specific bills and building coalitions to protect enterprise district revenues.
 - Ensuring that property tax revenues passed through redevelopment agencies to OCSD remain intact.

- Build relationships with Sacramento legislators by
 - Scheduling tours of our facilities and issue briefings.
 - Arranging briefings in Sacramento and in legislators' district offices .
 - Providing briefing materials and position papers in advance of key votes. This year, in addition to meeting with members of the entire Orange County delegation, we will focus special attention on new members of the Assembly:
 - Curt Hagman (R-60th),
 - Alan Mansoor (R-68th)
 - Chris Norby (R-72nd)
 - Don Wagner (R-70th)

- This year we will work with sister agencies, trade associations, and our lobbyists to aggressively pursue legislative and regulatory changes that would lower the cost of OCSD doing business. These include:
 - Relaxed rules on converting biosolids to energy.
 - Changing the income rules for serving on the State and Regional Water Boards to create a larger pool of eligible candidates.
 - Curtailing bans on land application of biosolids.
 - Greater flexibility for water recycling projects and chemical usage, based on sound science.
 - Increased flexibility for air emissions regulations, particularly related to the use of biogas and biosolids to energy.

Federal Priorities

- In support of future project funding, OCSD will request a \$35 million authorization that will help us access future funds for clean water infrastructure. These funds will be used for:
 - Infrastructure replacement and rehabilitation
 - Energy efficiency upgrades
 - plant improvements to improve water quality and
 - Alternative and innovative treatment technologies
 - Projects in support of GWRS

- To expedite the relocation of the SARI line and ensure OCSD is repaid our \$60 million loan to the County of Orange, we will work cooperatively with the County of Orange to ensure adequate funding is appropriated to complete the Santa Ana Mainstem Project in a timely manner. In addition, OCSD staff will work with County staff, the Army Corps of Engineers, and Congressman Gary Miller's office to provide regular updates on project status.
- As Congress discusses the reauthorization of the Clean Water Act, OCSD will work with CASA and our lobbyist to address the regulatory issues identified above, and also:
 - Changing the income rule that disqualifies many otherwise qualified individuals from serving on the State and Regional Water Quality Control Boards.
 - Modifying the SRF loan program to provide infrastructure grants and equitable funding for urban and rural agencies so OCSD can compete for these funds.

Grants

- Work with Congress, the Department of Energy and the private sector seeking funds for alternative fuel and energy-related projects with the goal of reducing OCSD's capital outlays. Projects may include:
 - FOG to biodiesel production
 - Expanding fuel cell/hydrogen energy facilities
 - Digester gas to energy projects
- Seek grant opportunities, including round 2 of the Integrated Regional Water Management Funds and regularly report to the Steering Committee on grant efforts.

Federal and State Legislative Policies

1. **Air Quality:** OCSD is committed to complying with federal, state, and local air quality laws and rules. OCSD is further committed to establishing an odor policy to assure that the district is a good neighbor to the surrounding communities.
 - a. Support air quality legislation that emphasizes the use of advance technologies and applicable market incentives, and incentives for the use of alternative fuels and the development of the infrastructure for alternative fuel vehicles.
 - b. Support measures that maintain and enhance local decision-making authority, where appropriate, in the development and implementation of air quality attainment strategies.
 - c. Support legislation to ensure greater consistency between the California and Federal Clean Air Acts; including the need to demonstrate cost-effective public health or environmental benefit if California elects to exceed federal standards.
 - d. Support strategies that clearly demonstrate and provide for the most cost-effective means for meeting air quality goals.
 - e. Support, in concept, legislation that would utilize incentives and pricing strategies as a preferred alternative to traditional command and control regulations for meeting emission reduction objectives for all sources.
 - f. Oppose actions that preclude implementation of the Air Quality Management Plan (AQMP) to the extent that such actions could subject the basin to sanction or conformity penalties.

2. **Biosolids:** OCSD strives to beneficially use biosolids through multiple management options performed at reasonable costs that are protective of public health and the environment.
 - a. Support legislation that supports the use of biosolids as on non-food production agricultural lands.
 - b. Support policies that encourage biosolids product use by horticulture and retail consumers.
 - c. Oppose legislation that bans the use of biosolids for land application in any region, county, or state.
 - d. Support science-based legislation that establishes a state-wide regulatory system for biosolids management.

3. **Grant Funding:** OCSD is committed to offsetting its research, special projects and wastewater infrastructure project and construction costs by obtaining funding through grants and cooperative agreements.
 - a. Support appropriations legislation, bonds, programs, and projects that provide funding for infrastructure construction and rehabilitation, special studies and research or projects relating to security, environmental education, water quality, wastewater processing, urban runoff, water conservation, and water recycling.
 - b. Support projects that provide for public benefit, over projects that are primarily intended for private benefit or gain.
 - c. Support continued federal funding for protecting and realigning the Santa Ana River Interceptor project and for secondary treatment upgrades.
 - d. Oppose proposals placing further requirements on grant recipients that return low value for high administrative costs.

4. **Labor Relations:** OCSD is committed to the exercise of and provision of orderly procedures for the administration of employer-employee relations, including, but not limited to, meeting and conferring in good faith with recognized employee organizations regarding the wages, hours of work, and other terms and conditions of employment.
 - a. Support measures to reform current workers compensation formulas to rely on higher thresholds for compensation or a proportionate exposure formula.
 - b. Support health insurance reform that does not create additional financial burdens on special districts.
 - c. Support measures to ease applicability of the Fair Labor Standards Act (FLSA) on public agencies.
 - d. Oppose any measure imposing compulsory and binding arbitration with respect to public employees.
 - e. Oppose any measure that imposes upon local government mandated employee benefits that are more properly decided at the local bargaining table.
 - f. Oppose efforts reducing local control over public employee disputes and imposing regulations on an outside agency.
 - g. Oppose any measure granting public employees the right to strike.
 - h. Oppose a new mandatory Social Security tax for public employers and public employees.

5. **Planning:** OCSD ensures the long-range planning of capital improvement programs in order to deliver the highest quality facilities.
 - a. Support reform of existing state, regional, and local planning processes only if directly linked to reforms in the current revenue and tax structure of state and local governments.
 - b. Support measures that provide new revenues for growth management and the public facilities necessary to support expected growth.
 - c. Support proposals encouraging regional, sub-regional or countywide cooperation in planning urban development strategies, especially those that provide funding for effective implementation of agreed upon goals.
 - d. Oppose legislation consolidating special districts that fail to address the concerns of cities affected by the proposed consolidation.
 - e. Oppose measures that prevent or restrict the ability of cities or special districts to participate in the Southern California Association of Governments' (SCAG) sub-regional process.

6. **Public Health:** Protection of public health is OCSD's core mission. OCSD will work cooperatively with county and state health officers to assure local health protection.
 - a. Support hazard mitigation, emergency response, planning and recovery through direct legislation, policy directives and funding toward floodplain security within the Santa Ana River watershed.
 - b. Support (generally) measures that provide for improved public health through regulation.
 - c. Support the protection of public health through the construction and implementation of advanced wastewater treatment technology.

7. **Public Works:** OCSD is committed to the achievement of effective and efficient projects that provide wastewater treatment services that benefit its ratepayers.
 - a. Support measures that provide funding and support to publicly owned treatment works and sewerage collection systems.
 - b. Support legislation that allows public agencies to procure goods and services in manners similar to private industry, thereby reducing overall costs of delivery.
 - c. Support legislation that improves the Utility Underground Service Alert Program in order to improve coordination, identification, minimize damage, minimize environmental risks and minimize cost exposure to publicly owned facilities when contractors are performing sub-surface work.

- d. Support a comprehensive response to the State's electricity and natural gas shortages that provide a stable energy supply, respects the ability of municipalities to provide power, recognizes that infrastructure (i.e. emergency and standby generators) exists that could be employed temporarily during weak periods with minimal air quality impact and protects ratepayers (including cities and special districts) against dramatic rate increases and statewide power outages.
 - e. Support legislation that allows OCS D to utilize the Best Value Design/Build option for the construction of public works projects.
- 8. Revenue and Taxation:** Track pending legislation to ensure OCS D remains in compliance with the government code as it pertains to wastewater system user fees and property tax revenues and the investment of public funds.
- a. Support measures leading to a greater financial independence from the state and would result in greater stability and predictability in local government budgeting.
 - b. Oppose measures that impose mandated costs for which there is no guarantee of local reimbursement or offsetting benefits.
 - c. Oppose legislation that shifts tax revenues away from local governments without the adequate provision of a constitutionally guaranteed backfill to offset the lost revenues of those local governments.
 - d. Oppose measures that allow state retention of existing local revenue sources, including the special district share of property tax, sales tax, vehicle license fees and rate payer fees.
 - e. Oppose the use of revenues traditionally used to fund the delivery of municipal services to fund programs for which the state is responsible, particularly the courts, health, and welfare programs.
- 9. Special Districts:** OCS D supports the maintenance of special districts to provide specific services, in response citizen's demands, in a cost effective manner.
- a. Support outreach to local, regional, and state elected officials to foster a greater understanding regarding the critical relationship between adequate reserves and the successful short-and-long-term operation of water and wastewater agencies.
 - b. Support the work of the Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA), and California Special Districts Association (CSDA) in any future discussions or negotiations pertaining to the legislative and budget issues relative to preserving control of members' reserves.
 - c. Oppose further state regulations that adversely impact special district financing and operations.
 - d. Oppose measures that create or grant powers to sub-regional or regional bodies that would result in an infringement on clearly local concerns.

- e. Oppose any administrative or legislative efforts to access or transfer any reserve funds held by water and wastewater districts.
- f. Oppose the imposition of unfunded, mandated programs on local governments.

10. Water Quality and Supply: OCSD is committed to participating collaboratively in the protection of regional water resources for the benefit of the people we serve.

- a. Support continued federal and state funding for the Santa Ana River Interceptor Relocation project.
- b. Support (generally) measures to increase water supply and improve water quality in the region.
- c. Support measures that would increase funding for water reuse technologies, including support for the Groundwater Replenishment System project by the Orange County Water District and OCSD to create new water supplies through recycling.
- d. Support U.S. Army Corps of Engineers projects for Orange County regarding watershed and water quality protection and sand replenishment.
- e. Support measures that promote and provide for the use of reclaimed water.
- f. Support “watershed-based” solutions, including cost-shared studies with the US Army Corps of Engineers of water quality impairments that reflect state-of-the-art science.
- g. Support policy development, funding, and research for addressing urban runoff and beach closures, including funding for studies that identify the sources of bacterial, viral and other contaminants and human pathogens.
- h. Support measures to evaluate water quality standards, as needed, to ensure the objectives are appropriately protecting the designated use.
- i. Support measures to develop a state-wide consistent policy for total maximum daily load (TMDL) listing and delisting.
- j. Support State General Fund subventions and Bond revenue to special districts for local and regional efforts that educate the public on urban runoff, which provide for long-term capital improvements (like storm drain diversions and filters), and encourage municipalities to implement Urban Runoff Best Management Practices at the local level.
- k. Support legislation that would retain any Regional Board fines levied against a permit violator within the Region of the fine.
- l. Support legislation that provides “amnesty” from administrative civil liability (ACL) fines from Regional Boards for agencies participating in comprehensive watershed studies that will, when complete, address the problem that resulted in the ACL fine.
- m. Support efforts, including legislation, clarifying that Regional Water Quality Control Board rules that require spending funds are unfunded mandates.
- n. Support measures addressing non-point source pollution in order to protect our ocean water quality and provide funding to mitigate its effects.
- o. Support measures for alternative energy sources.

- p. Support efforts to reduce the toxic and non-reusable waste load.
- q. Support legislation and regulations that promote improved water use efficiency in construction of water efficient buildings and communities.
- r. Support legislation that promotes improved water use efficiency through state and federal assistance in evaluating and implementing new programs and technologies and increasing public awareness of water use efficiency.
- s. Support legislation that provides for groundwater management on a local level, with respect to coordination of programs, extraction and production rights, long-term protection and groundwater quality protection.
- t. Support legislation that provides for the development of the watershed approach, including watershed management plans and watershed based permitting.
- u. Oppose proposed environmental constraints on government agencies that would result in economic damage to the region while providing only minimal protections.
- v. Oppose efforts to make all NPDES permits the same. Requirements of other permits may be too onerous or not applicable. OCSD's permit should be tailored to the Orange County region and watershed.
- w. Oppose the imposition of statewide/nationwide fees for environmental cleanup that is privately caused or regional in nature (e.g., when the nexus between those responsible for environmental abuse and those required to pay for cleanup or mitigation is absent).
- x. Support measures supporting urban runoff studies and urban runoff reduction.
- y. Support Coastal Water Quality efforts to ensure that clean beach projects remain a top priority for the state, whether through negotiations on upcoming resources bonds, in setting of legislative priorities, implementation of funding programs, and in any other relevant process.

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/11
Item Number 2	Item Number 10

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Ed Torres, Director of Operations and Maintenance

SUBJECT: DIGESTER CLEANING AND DISPOSAL CONTRACT

GENERAL MANAGER'S RECOMMENDATION

- A. Approve a Service Agreement with Synagro West LLC., the lowest responsive and responsible bidder, for Digester Cleaning and Disposal, Specification No. S-2010-467, for period March 1, 2011 through June 30, 2011 for an amount not to exceed \$451,653.52; and
- B. Approve a contingency of \$22,583 (5%); and
- C. Approve four one-year renewal options beginning July 1, 2011 through June 30, 2012 for a total annual amount not to exceed \$1,354,960.54; and
- D. Approve an annual cost escalator of 5% of the renewal base contract of \$1,354,960.54, plus an annual Contingency of 5%.

SUMMARY

The Sanitation District currently performs routine digester cleaning on a five-year cycle. This is done to remove materials that build up over time and limits process capacity as well as to assess the structural and mechanical conditions.

The previous digester cleaning contract expired October 2010, approving the recommendations will allow O&M to maintain its current goal of completing three digester cleanings per year, and align the future annual cleaning cycles with the fiscal year.

PRIOR COMMITTEE/BOARD ACTIONS

September 2008: The Board of Directors approved Change Order No. 1 to the Purchase Order Contract (P.O. No.102964OA) issued to Walker Centrifuge Services, LLC, for Digester Cleaning and Debris Disposal, Specification No. S-2007-343, authorizing an addition of \$1,885,001, increasing the total contract to an amount not to exceed \$2,981,100 per year and for all subsequent authorized renewal periods; and, approved an annual contingency of \$298,100 (10%).

ADDITIONAL INFORMATION

This Contract was competitively bid with 29 perspective bidders with four bid packages being received by the District. The companies that bid (and the bid amounts based on three digesters being cleaned) is listed below. Staff recommends Synagro West LLC be awarded the Digester Cleaning and Disposal Contract as the lowest responsible and responsible bidder.

Bidder	Total Cost
Synagro West, LLC	\$1,354,960.54
American Process Group	\$1,386,776.10
Ancon Marine	\$1,621,582.74
Bio-Nomic Services Inc.	\$1,826,900.00

The cleaning and disposal price is a set cost per 10,000 gallons of material removed and disposed of as well as equipment mobilization and demobilization. The average cost per digester cleaning has been \$450,000.

CEQA

N/A

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. This item has been budgeted in Division 850 operating budget line item 53030.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
02/23/11	\$1,354,960.54	\$67,748 (5%)

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/11
Item Number 3	Item Number 11

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Director of Engineering
Project Manager: Victoria Pilko

SUBJECT: Temporary Upgrades to Plant Security Barriers, Job No. J-108

GENERAL MANAGER'S RECOMMENDATION

Approve a budget increase of \$733,000 for Temporary Upgrades to Plant Security Barriers, Job No. J-108, for a total budget of \$3,118,000.

SUMMARY

This project provides a new 1,300-foot long, 8-foot tall masonry block wall along the north perimeter of Reclamation Plant No. 1, and other appurtenances including improved signage, landscaping, lighting, and electronic security systems. Phase 1 of this project was completed on November 15, 2010. Phase 2, which includes site landscaping, construction of the monuments, signage installation, and electronic security improvements is planned to restart in early 2011.

There have been significant additional administration, inspection, and engineering costs incurred on this project due to unknown subsurface differing site conditions, requiring relocation of unknown utilities and footing design changes due to soil conditions. This requested budget increase is to cover these costs and estimated future staff costs to complete the work. This item does not change the construction contract amount.

PRIOR COMMITTEE/BOARD ACTIONS

June, 2010 – Approved contingency increase of \$115,530 (12%) to the construction contract with LH Engineering Company, Inc. for Temporary Upgrades to Plant Security Barriers, Job No. J-108, for a total contingency of \$259,943 (27%).

December, 2009 - Awarded a Professional Consultant Services Agreement with RBF Consulting to provide construction support services for Temporary Upgrades to Plant Security Barriers, Job No. J-108, for an amount not to exceed \$105,301; and approved contingency of \$10,530 (10%).

December, 2009 – Awarded a contract to LH Engineering Company, Inc., for the construction of the Temporary Upgrades to Plant Security Barriers, Job No. J-108, for an amount not to exceed \$962,751, and approved contingency of \$144,413 (15%).

ADDITIONAL INFORMATION

The project was awarded to LH Engineering Company, Inc. on December 16, 2009. Notice to Proceed was issued to the Contractor on January 26, 2010.

The budget was originally estimated utilizing minimal staffing due to the relative simplicity of the project. Unfortunately there have been complications during construction that were unforeseen and have required additional resources. There has been significant additional staff costs incurred on this project due to unknown subsurface differing site conditions requiring relocation of unknown utilities, additional utility crossings and footing design changes due to soil conditions. This work required extensive coordination with the O&M Department and District construction inspectors. The changes have also increased the effort of Engineering staff to respond to contract changes and contractor claims.

The budget increase does not include additional costs for contractor claims. A claim was received on November 16, 2010 and is currently being evaluated for merit. If there are verified costs that exceed available contract contingency, they will be assessed in the future.

CEQA

This project was determined to be categorically exempt in accordance with Section 15301 (b). A Notice of Exemption was filed on August 24, 2007.

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. This item requests a budget increase to complete the project. No changes to any individual contracts are being requested at this time. Funds for this request will be offset from reductions on other projects within the CIP budget (FY 2010-11 Section 8, Page 99). This item does not increase the construction contract authorization or contract amount.

JH:DF:VP:el:gc

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/10
Item Number 4	Item Number 12

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Ed Torres, Director of Operations & Maintenance

SUBJECT: REHABILITATION OF PLANT NO. 1 SUNFLOWER PUMP NO. 2

GENERAL MANAGER'S RECOMMENDATION

- A. Authorize the General Manager to competitively bid and subsequently award a service agreement to the lowest responsive and responsible bidder, for the rehabilitation of Plant No. 1, Sunflower Pump No. 2 Auger and Trough Rehab, Project No. FR10-004, for an amount not to exceed \$945,000; and
- B. Approve a contingency of \$175,000 (19%).

SUMMARY

The Sanitation District operates the Sunflower Pump Station to bring wastewater into Plant No. 1. The station consists of two pumps that are over 20 years old and have never been rehabilitated.

In June 2010, the Board of Directors authorized the General Manager to bid and award a service agreement to perform major repairs to both pumps at the Sunflower Pump Station (FE08-14R). The second pump was removed from the scope of the contract that after discovering damage to the first pump was significantly more extensive than originally anticipated. Rather than pay for change order work on the second pump, staff elected to address the rehabilitation of Pump No. 2 at a later date when the full extent of repair costs for Pump #1 were understood.

Staff has estimated construction costs for the second pump to be \$945,000. Staff is also requesting a contingency amount of \$175,000 (19%). This higher contingency is being requested because the pump is located in a very corrosive environment and there are likely unknown conditions that will be discovered when the pump is removed.

PRIOR COMMITTEE/BOARD ACTIONS

October 2010: The Board of Directors ratified the General Manager's purchasing authority, increasing the Plant No. 1 Sunflower Pump Station Rehabilitation project contingency amount by \$40,000 for emergency repairs to Sunflower Pump No. 1 and approved an additional contingency of \$40,000 for a total contingency amount of \$205,000 (33%).

June 2010: Authorized the General Manager to competitively bid and subsequently award a service agreement to the lowest responsible and responsive bidder, for P1 Sunflower Pump Station Rehabilitation project Job No. FE08-14R for \$625,000 and a contingency of \$125,000 (20%).

ADDITIONAL INFORMATION

A new scope of work for the second pump has been established and is based upon the work recently completed on the Sunflower Pump No. 1. Project specifications and equipment drawings are being developed and will be used for competitive bidding.

Staff is requesting authority to bid and award the contract under this one Board action to reduce the overall repair schedule in order to avoid entering into the 2011 rainy season with only one Sunflower Pump available for service.

CEQA

N/A

BUDGET / DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. This item has been budgeted. (FY2010-11 Budget Line item: SP-34, Section 8, Page 113). Total project budget is \$11.7M of which \$8.5M remains.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
02/23/11	\$945,000	\$175,000 (19%)

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/11
Item Number 5	Item Number 13

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Director of Engineering
Project Manager: Martin Dix

SUBJECT: Replacement of the Rocky Point Pump Station, Contract No. 5-50

GENERAL MANAGER'S RECOMMENDATION

Approve a contingency increase of \$335,320 (4%) to the construction contract with Kiewit/Mass, a Joint Venture, for Replacement of the Rocky Point Pump Station, Contract No. 5-50, for a total contingency of \$838,300 (10%).

SUMMARY

The purpose of this project is to replace the existing 70-year old Rocky Point Pump Station with a new pump station that meets national and state codes, utilizing the current Orange County Sanitation District (Sanitation District) Design Guidelines. The project will include a new pump station and all appurtenances located on property acquired from the International Bay Clubs, Inc. by the Sanitation District.

The highest risk portion of the work is constructing new gravity sewers and force mains in West Coast Highway, a roadway heavily congested with traffic and underground utilities. This highway work is currently underway and changes to the design must be made to accommodate existing undisclosed underground utilities. These construction changes, together with a differing site condition claim made during the shoring of the pump station, have the potential to exceed the authorized construction contingency.

To cover any further unexpected field conditions or interferences, staff has determined that the contingency budget of 6% is inadequate and requests an additional contingency of \$335,320 (4%), for a total project contingency of \$838,300 (10%).

PRIOR COMMITTEE/BOARD ACTIONS

August 2009 – Awarded a construction contract to Kiewit/Mass, a Joint Venture for Replacement of the Rocky Point Pump Station, Contract No. 5-50, for a total amount not to exceed \$8,383,000; and, approve a contingency of \$502,980 (6%).

ADDITIONAL INFORMATION

During the shoring of the pump station, soils four times more dense were encountered resulting in more time and cost than originally planned. According to the Contractor's request for change, the installation of the shoring at the Rocky Point Pump Station was estimated to take 10 days. The actual installation took longer and as a result, the Contractor submitted a total cost claim of \$321,992 for the additional shoring effort. Sanitation District staff is currently reviewing the merit of the Contractor's claim and has yet to make a determination.

CEQA

The Final Environmental Impact Report (EIR) for the Replacement of Rocky Point Pump Station, Contract No. 5-50, was certified by the Sanitation District's Board of Directors on August 25, 2004. The Notice of Determination was filed with the State Clearinghouse on August 27, 2004.

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request for increase in the project contingency complies with authority levels of the Sanitation District's Delegation of Authority. This item has been budgeted (Line Item 05-50: Section 8, Page 24) and the budget is sufficient for the recommended action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
08/26/09	\$8,383,000	\$502,980 (6%)
02/23/11		<u>\$335,320 (4%)</u>
	Total Contingency	\$838,300 (10%)

JH:MD:aln:el

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/11
Item Number 6	Item Number 14

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Director of Engineering
Project Manager: Umesh Murthy

SUBJECT: DIGESTER FERRIC CHLORIDE SYSTEM REHABILITATION, PROJECT NO. P2-105

GENERAL MANAGER'S RECOMMENDATION

- A. Approve a Professional Design Services Agreement with AECOM for Digester Ferric Chloride System Rehabilitation, Project No. P2-105, providing for engineering design services for an amount not to exceed \$478,548; and
- B. Approve a contingency of \$47,855 (10%).

SUMMARY

The Professional Design Services Agreement includes preparation of a technical memo to identify alternatives and engineering design to replace the existing ferric chloride storage and distribution facility.

A Request for Proposal was sent to five firms and three proposals were received. Based on the overall qualifications and expertise, staff recommends awarding a Professional Design Services Agreement to AECOM for a total fee not to exceed \$478,548.

PRIOR COMMITTEE/BOARD ACTIONS

None

ADDITIONAL INFORMATION

Digester Ferric Chloride System Rehabilitation, Project No. P2-105, will rehabilitate or replace the existing ferric chloride station and associated pipelines at Plant No. 2. The project also includes upgrades to the instrumentation and control systems that are currently operated manually.

Staff Evaluation of Proposals:

A Request for Proposal was sent to five engineering firms and three proposals were received by the Orange County Sanitation District (Sanitation District). A panel consisting of five members of the Sanitation District's staff reviewed and ranked each of

ADDITIONAL INFORMATION (cont'd)

the proposals in accordance with Resolution No. OCSD 07-04, Section 5.07. The proposals were evaluated in the following five categories: project approach and understanding of the scope of work, plan for managing and performing the work, staff qualifications, related project experience, team organization and use of subconsultants, and project schedule. Staff also conducted interviews with two of the top ranked firms to meet the key team members and further explore the firm's proposal. AECOM was the top ranked team.

All proposals were accompanied by a sealed fee proposal estimate. The fee proposal estimates were not opened until the proposals were evaluated and a firm was selected in accordance with Resolution No. OCSD 07-04, Section 5.07. Staff recommends awarding the design contract to AECOM.

**TABLE 1
PROPOSAL EVALUATION**

Consultant	AECOM	Carollo Engineers	Brown and Caldwell
Evaluator			
Reviewer A	81%	60%	59%
Reviewer B	85%	80%	81%
Reviewer C	79%	84%	69%
Reviewer D	80%	95%	67%
Reviewer E	90%	76%	58%
Overall Score	83%	79%	67%
Ranking	1	2	3
Proposal Fee	\$489,948	\$496,165	\$498,934
Negotiated Proposed Fee	\$478,548*		

***NOTE:**

The Sanitation District staff met with AECOM to clarify the requirements of the scope of work and negotiate the final proposal fee. During the negotiations, fees for different tasks were discussed, reallocated, and the total fees reduced by \$11,400.

CEQA

The recommended action is categorically exempt pursuant to CEQA Guidelines Sections 15301 because it consists of the operation, repair, maintenance, permitting, and/or minor alteration of existing public structures, facilities, and/or mechanical equipment, involving no expansion of use beyond that currently existing. A Notice of Exemption was filed with the County of Orange on August 3, 2010.

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. This item has been budgeted and the budget is sufficient for the recommended action. (Line item: Section 8, Page 9).

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
02/23/2011	\$478,548	\$47,855 (10%)

JH:UM:el

OPERATIONS COMMITTEE

AGENDA REPORT

Meeting Date 02/02/11	To Bd. of Dir. 02/23/11
Item Number 7	Item Number 15

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Director of Engineering
CIP Project Manager: Dean Fisher

SUBJECT: FALL PROTECTION IMPROVEMENTS AT PLANT NOS. 1 AND 2,
PROJECT NO. J-123

GENERAL MANAGER'S RECOMMENDATION

Establish a budget for Fall Protection Improvements at Plant Nos. 1 and 2, Project No. J-123, in the amount of \$2,974,000.

SUMMARY

This project will install handrail, gates, and other fall protection devices in several areas around both treatment facilities including around primary clarifier facilities, central generation facilities, Steve Anderson Lift Station, and other areas.

This project will consolidate several smaller Facilities Engineering (FE) projects that have been designed to improve handrail and fall protection items in various areas. This will allow for improved efficiency in managing this work as one project instead of several smaller projects. This combined project will be too large to effectively manage as an FE project and the FE project budgets will be closed. The construction cost of Project No. J-123 is estimated at \$2,250,000.

The design of this project was completed by staff under the Primary Basin Handrails, Project No. FE08-09. Project No. FE08-09 was originally bid in February 2010 and all bids were rejected. This project was re-evaluated and several elements were added resulting from work practice safety concerns. In addition, handrail gates are being added at ladders due to recent changes to Occupational Safety and Health Administration (OSHA) guidelines.

PRIOR COMMITTEE/BOARD ACTIONS

None

ADDITIONAL INFORMATION

Facilities Engineering (FE) vs. Capital Improvement Program (CIP)

The Engineering Department has two designations for engineering projects. The CIP designation is intended for major or complex projects, while the FE designation includes

ADDITIONAL INFORMATION (cont'd)

smaller projects with shorter schedules. Many of the policies and procedures are different in order to allow the smaller projects to have a shorter schedule. In addition the Delegation of Authority relating to the procurement of design services is different between the two groups and the design size of the FE projects is limited. The budgets are more defined for the larger CIP projects with unique project level budget line items.

Project History

There are currently several Facilities Engineering projects that include fall protection elements including, Project No. FE08-09, Handrail at Plant 1 Primary Clarifiers; Project No. FE09-10, Plant 1 Co-Generation Facility Roof Railing; Project No. FE10-07, Check Valve Access at Steve Anderson Lift Station; Project No. FE10-01, Plant 2 Scum Box Hand Railing; Project No. FE 10-03 SALS Roof Railing; Project No. FE 10-09 and FE10-10, Plant 1 and Plant 2 Ladders in Process areas. All of these projects include elements that are very similar in scope and in equipment to be installed.

Project No. FE 08-09 was the first of these projects that completed design and was bid, but all bids were rejected due to inconsistencies with the bidding as well as elements that were not included properly in the original design. The project was re-evaluated and elements were added based on fall protection needs. It became clear that there are advantages to combining all of the smaller handrail and fall protection safety related projects together to simplify installation, as well as administration of the work. Additional elements based on recent OSHA guideline changes were added to complete the project.

The design of the project is complete, but the overall combined project is too large to effectively manage within the Facilities Engineering parameters and would be better managed and administered as a CIP project. This item establishes a CIP budget and project to complete this work. All of the smaller FE projects that are incorporated into Project No. J-123 will be cancelled and the work will be combined into this new project.

CEQA

A Notice of Exemption was filed for this project on January 5, 2011.

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This request complies with authority levels of the Sanitation District's Delegation of Authority. This item has not been budgeted. Funding for this project will come from offset reductions within the CIP Budget.

JH:DF:el:gc

ADMINISTRATION COMMITTEE
AGENDA REPORT

Meeting Date 02/09/11	To Bd. of Dir. 02/23/11
Item Number 2	Item Number 17

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Lorenzo Tyner, Director of Finance & Administrative Services

SUBJECT: Consideration of Budget Assumptions and Budget Calendar for
Preparation of the FY 2011-12 Budget Update.

GENERAL MANAGER'S RECOMMENDATION

Approve the FY 2011-12 budget assumptions and direct staff to incorporate these parameters in preparing the FY 2011-12 budget update.

SUMMARY

For the budget update process, the Administration Committee establishes the Budget Assumptions and approves the Budget Calendar.

Staff will make a brief presentation at the Committee meeting.

PRIOR COMMITTEE/BOARD ACTIONS

None.

ADDITIONAL INFORMATION

Currently, there are no proposed changes to the District Fiscal Policy. The Fiscal Policy is published in the FY 2010-11 and 2011-12 Budget document (Section 3, Pages 1-8), and is available on the Sanitation District's website.

CEQA

N/A

BUDGET / DELEGATION OF AUTHORITY COMPLIANCE

N/A

ATTACHMENTS

1. Preliminary Budget Assumptions Highlights (Pages 2-6)
2. Budget Update Calendar (Pages 7-9)

JR:LT:MW:jf

FY 2011-12 Preliminary Budget Assumptions

Economic Assumptions

- Inflation for Orange County in FY 2011-12 is projected to be 2.0 percent based on the 2011 projected percentage change in consumer price index obtained from the December 2010 Economic and Business Review report prepared by Chapman University. This approximates the 1.7 percent inflation factor that was used in the FY 2011-12 budget.

Revenue Assumptions

- Year 4 of the five-year Sewer Service Fee Rate Schedule has been ratified by the Board.
- The district-wide rate for a single-family residence (SFR) will increase 9.4% to \$267.00 in FY 2011-12, followed by a 10.1% increase to \$294.00 in FY 2012-13.
- Note that each \$1 increase in the SFR rate generates approximately \$900,000 per year.
- Notification of a rate increase is not required as the rate increase will not exceed 9.4%, the maximum amount possible for the fourth year of the five-year schedule that was included in the last notification.
- The capital facilities capacity charge (CFCC) fee captures only those infrastructure costs that relate to additional capacity. Other infrastructure costs such as improved treatment, rehabilitation, refurbishment, and replacement, will be supported through user fees.

Given the new Facilities Master Plan adopted in December 2009, a new rate study was completed in April 2010 to ensure that the CFCC fee methodology remains equitable and to confirm that an appropriate share of system costs would be recovered from new development.

Revenues will be budgeted to reflect a decline in Equivalent Dwelling Unit (EDU) connections that have averaged 4,000 EDU's over the past ten years.

- Permit user rates for flow, Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) will follow the most recent Rate Study.
- Annexation fees capture both the net current assets and the equivalent property tax allocations totaling \$4,235 per acre.
- Annexable property in the District's service area sphere is minimal; consequently, no FY 2011-12 income from annexation fees is anticipated.
- Property tax revenues of \$60,259,000 in FY 2011-12 are proposed to remain unchanged from FY 2010-11.

An annual increase in Assessed Value of 2% or CPI, whichever is less, is authorized by the state constitution and is included in the increases noted above. An offsetting decrease is incorporated, however, due to anticipated reductions in Assessed Value to reflect recent market trends.

- Earnings on the investment of the District's operating cash and reserves will be budgeted at 2.0% of the average cash and investment balance projected for the fiscal year.
- A \$50 million Certificates of Participation (COP) debt issuance is scheduled for FY 2011-12 in order to assist in the funding of the \$119.9 million CIP outlay scheduled for FY 2011-12.

FY 2011-12 Preliminary Budget Assumptions

Operating Assumptions

- Dry weather urban run off up to 4 mgd will continue to be treated at no charge. Above this threshold, there is a charge of \$1,440.42 per mgd up to a maximum of 10 mgd permitted.
- Secondary treatment facilities will be operated and maintained in accordance with the Levels of Service and the Operational Plan – January 2009 Update.
- Interim short-term disinfection facilities will continue to be operated and maintained with estimated decreased costs of 30% at P2 due to new trickling filters coming on-line.
- Operating expenses are expected to approximate the adopted FY 2011-12 budget of \$156,434,870.
- Average daily flow for FY 2011-12 is projected to be 214 mgd. This projection reflects an expected increase of 2% per year based on increased economic activity and the potential for moderate rainfall. The FY 2011-12 flow projection is 17 mgd above the actual for the first 5 months of the current year. The final actual flow for FY 2009-10 was 207 mgd.

Employee/Staffing Assumptions

- Staffing level is expected to remain flat. The total FY 2011-12 authorization level is 638.0 FTEs.
- Vacant positions as of 12/31/09 have been projected and expensed at step 3 for FY 2011-12. New positions for FY 2010-11 have been projected at 100% of step 2 for FY 2011-12.
- A 3% vacancy factor has been budgeted for FY 2011-12 for authorized positions to account for time spent for recruitment and turnover. The actual vacancy factor for 2009-10 was 7.65% (measured at year-end during hiring freeze.)
- The Memorandum of Understanding (MOU) for the Supervisor and Professional (SPMT) group was completed in FY 2010-11 and will be considered in the FY 2011-12 budget update. An adjustment will be made to reflect the 0.5% range adjustment that will be effective for all employees in this bargaining group as of the first pay period beginning in July.
- The MOUs for both OCEA and Local 501 will expire June 30, 2011. Pending the completion of the negotiation process, no salary adjustments will be included in the budget (neither for COLA nor for step increases) for periods beyond expiration of current MOUs.
- The Employer required Orange County Employees Retirement System (OCERS) contribution is estimated at 29.2%. (28.6% was included for FY 2011-12 in the adopted FY 2010-12 budget) This \$18,495,000 includes the OCSD pickup of 3.5% of the employee's required contribution (current level of benefit). The benefit has been discontinued for new Supervisors and Professional bargaining unit members.
- Medical and dental insurances will be budgeted at \$6,973,100 and \$682,000 for increases of 12% and 5.5% respectively based on insurance industry trends. Vision, life, and disability insurances will be budgeted with a 6% increase for FY 2011-12.

FY 2011-12 Preliminary Budget Assumptions

Materials, Supplies, & Services Assumptions

- The proposed operating budget will continue to reflect an emphasis on safety, technical, and management training. The FY 2011-12 budget will include a budget for training that is equal to 1.5% of regular salaries and wages.
- An amount equal to half of one percent of the Operating materials and supplies budget will be a contingency for prior year re-appropriations. Since the current year's budget lapses on June 30, a contingency is needed in the succeeding budget year for goods or services ordered at the end of one budget year but not delivered until the following year.
- An amount equal to one half of one percent of the Operating materials and supplies budget will be the General Manager's contingency budget. These funds will be allocated to appropriate line items during the year after requests and justifications for unanticipated needs are approved by the General Manager. Use of monies from the General Manager's contingency budget requires an approved Operating Budget Transfer Form.
- Resource needs for strategic initiatives will be included in the budget.

Capital Improvement Program Assumptions

- The FY 2011-12 cash flow budget is based on the Validated Capital Improvement Program (CIP) is the target.
- The baseline CIP cash flow for FY 2011-12 is \$119.9 million.
- The FY 2011-12 CIP budget will only increase for critical projects which were not previously identified in the Strategic Plan Update.
- It is anticipated that 85% of the FY 2010-11 CIP budget will be expended by June 30, 2010.

Debt Financing

- The District will issue new debt in the form of COPs as needed to fund the CIP and to maintain reserves.
- A \$50 million COP debt issuance is scheduled for FY 2011-12 in order to assist in the funding of the \$119.9 million CIP outlay scheduled for FY 2011-12.
- Debt will only be used for CIP and capital expenses, not for operating expenses.
- Capital financing plans which include fewer future borrowings after FY 2011-12 will be considered.
- Borrowing is proposed only for facilities which do not add capacity and that are funded by all users for replacement, rehabilitation, and improved treatment.

FY 2011-12 Preliminary Budget Assumptions

Reserve Assumptions

- The current reserve policy was reviewed by Public Resources Advisory Group and the Board during FY 2003-04. No changes were proposed and direction was given to continue to maintain reserve levels at a level that is adequate to offset exposure to variable rate COPs due to interest rate increases.

- The current reserve policy is summarized as follows:
 - ▶ A cash flow reserve will be established to fund operations, maintenance and certificates of participation expenses for the first half of the fiscal year, prior to receipt of the first installment of the property tax allocation and sewer service user fees which are collected as a separate line item on the property tax bill. The level of this reserve will be established as the sum of an amount equal to six months operations and maintenance expenses and the total of the annual debt (COP) service payments due in August each year.

 - ▶ An operating contingency reserve will be established to provide for non-recurring expenditures that were not anticipated when the annual budget and sewer service fees were considered and adopted. The level of this reserve will be established at an amount equal to ten percent of the annual operating budget.

 - ▶ A capital improvement reserve will be maintained to fund annual increments of the capital improvement program. The long-term target is for one half of the capital improvement program to be funded from borrowing and for one half to be funded from current revenues and reserves. With this program in mind, the target level of this reserve has been established at one half of the average annual capital improvement program through the year 2020.

 - ▶ Catastrophic loss, or self-insurance, reserves will be maintained for property damage including fire, flood and earthquake, for general liability and for workers' compensation. These reserves are intended to work with purchased insurance policies, FEMA disaster reimbursements and State disaster reimbursements. The potential infrastructure loss from a major earthquake has been estimated at \$1.3 billion. The level of this reserve has been set to fund the District's non-reimbursed costs, estimated to be \$57 million.

 - ▶ Accumulated capital funds will be set aside for certain specific, short-term capital improvements as the need and availability arise.

 - ▶ A capital replacement/renewal reserve policy has been established to provide thirty percent of the funding to replace or refurbish the current collection, treatment and disposal facilities at the end of their useful economic lives.

The current replacement value of these facilities as of 2009 is estimated to be \$3.46 billion for the collection facilities and \$3.45 billion for the treatment and disposal facilities. The initial reserve level has been established at \$50 million, which will be augmented by interest earnings and a small portion of the annual sewer user fee, in order to meet projected needs through the year 2030.

FY 2011-12 Preliminary Budget Assumptions

- ▶ Provisions of the various certificate of participation (COP) issues require debt service reserves to be under the control of the Trustee for that issue. These reserve funds are not available for the general needs of the District and must be maintained at specified levels. The current level of required COP service reserves is projected to be \$246.1 million.
- ▶ Accumulated funds exceeding the levels specified by District policy will be maintained in a rate stabilization fund. These funds will be applied to future years' needs in order to maintain rates or to moderate annual fluctuations. There is no established target for this reserve.

FY 2011-12 Budget Update Calendar

Tasks	Responsibility	Event/Due Date
<u>PHASE I – BUDGET PREPARATION</u>		
CIP – Call for Projects Issued	Engineering	10/06/10
CIP – Project Description/Justification and CLR Forms Submitted to Engineering Planning	CIP Budget Coordinators	10/28/10
CIP – Training for FY 2011-12 CIP Business Case Preparation (as needed)	Jim Burror	Week of 11/01/10
CIP – Business Cases Submitted to Engineering Planning	CIP Budget Coordinators	11/18/10
CIP – New Project Presentations to Managers	CIP Budget Coordinators	12/06/10
CIP – New Project Recommendations to EMT	Managers	12/16/10
CIP – Database, Forms & Instruction Manual Developed	CIP Process Team	01/10/11
CIP – New Project Presentations to EMT	CIP Budget Coordinators	01/10/11
CIP – CIP Database Opened for Input	Financial Planning	01/17/11
CIP - Budget Preparation Training (CIP Database)	Financial Planning	As needed
CIP – New Project “Go/No Go” Decisions	EMT	01/20/11
Preliminary Budget Assumptions Identified	Financial Planning	01/17/11
Preliminary Budget Assumptions Presented to EMT	Financial Planning	01/24/11
Draft Budget Calendar Presented to EMT	Financial Planning	01/24/11
Preparation for Budget Kickoff / Training Session: <ul style="list-style-type: none"> • Develop line item worksheets with adopted FY11/12 budget revised to reflect Beyond 2012 reorganization • Prepare/update budget instruction manual 	Financial Planning	01/21/11
Budget Kickoff / Training Session: <ul style="list-style-type: none"> • Distribute budget manual update • Conduct budget training session • Describe budget worksheet data required for each division 	Financial Planning	01/25/11
Budget Assumptions Presented to Admin Committee	Admin Services Dept.	02/09/11
Mid-Year Financial Report to Admin Committee	Admin Services Dept.	02/09/11
Operating Divisional Budgets: New Position/Additional Employee Decision Packages Due to Financial Planning (Edith Smith, Ext. 7568)	Divisional Budget Coordinators	02/10/11
Operating Divisional Budgets: Equity Adjustment & Position Reclassification Decision Packages Due to Human Resources (Ann Sullivan, Ext. 7143)	Divisional Budget Coordinators	02/10/11

FY 2011-12 Budget Update Calendar

Tasks	Responsibility	Event/Due Date
Capital Equipment Budget: Vehicle Capital Equipment Decision Packages Due to Fleet Services (Chuck Forman, Ext. 7647)	Divisional Budget Coordinators	02/10/11
Computer Equipment Decision Packages Due to Information Technology (Rich Castillon, Ext. 7283)	Divisional Budget Coordinators	02/10/11
Division Budget Update Packages Due to Finance: <ul style="list-style-type: none"> • Update 2010-11 projected costs • Proposed operating costs for 2011-12 • Operating Budget Expense Detail • Preliminary Contractual Material & Services Form • Capital equipment decision Packages (other than computer and vehicle decision packages which were due on 02/10/11) • New program decision packages (Financial Planning will compile this information into packages for use during the budget review process.)	Divisional Budget Coordinators	02/18/11
Mid-Year Financial Report to Board	Administrative Svcs.	02/23/11
Complete the Compilation of the Preliminary Division Budget Update Packages	Financial Planning	02/23/11
CIP – Project Request with Project Information Entered in CIP Database Completed	CIP Budget Coordinators	02/25/11
CIP – New Project Numbers Assigned	Eng. Planning Division	03/04/11
CIP – Completed CIP Budget Delivered to Finance	CIP Budget Coordinators	03/11/11
<ul style="list-style-type: none"> • Department Budgets – Update the department text from the Executive Summary: <ul style="list-style-type: none"> ○ General Manager, pages 20 – 21 ○ Administrative Services, pages 22-23 ○ Facilities Support Services, new ○ Engineering, pages 26-27 ○ O&M, pages 28-30 	Department Budget Coordinator	03/11/11

PHASE II - BUDGET REVIEW

CIP - Review Workshop	Financial Planning & Department Heads	01/14/11
CIP - Resource Availability Review	Engineering & O&M	01/31/11
Divisional Budgets - Distribution of Preliminary Line Item Requested Budget Updates to Department Heads and Managers along with Analysis/Questions for Review	Financial Planning	03/02/11

FY 2011-12 Budget Update Calendar

TASKS	Responsibility	Event/Due Date
CIP – Committee Review	Operations Committee	03/02/11
Operating Budget - Budget Review Meetings with Finance and Department Representatives	Financial Planning & Department Representatives	03/03/11-03/09/11
Operating Budget – Information on Position Upgrades & Reclassifications Submitted to the General Manager	Human Resources	03/11/11
Operating Budget – Recommendations to General Manager	Financial Planning	03/14/11
Final Operating Budget – General Manager Review of Budget Update Recommendations	Financial Planning, GM, & Department Heads	03/17/11-03/23/11
CIP – General Manager and Designee(s) Approval	General Manager	03/24/11
CIP Schedules Through 2020 Completed	Financial Planning	04/07/11

PHASE III - BUDGET PRESENTATION

Operating Budget – Presentation of Preliminary Budget Update by Division/Department to EMT	Financial Planning	04/11/11
CIP – Operations Committee Review of FY 2011-12 Budget	Engineering	04/06/11
Operating Budget Update – Overview to Administration Committee	Financial Planning	04/13/11
CIP - Final CIP Budget Document Preparation and Incorporation into Final Budget Document	Financial Planning	04/18/11
Initial - Proposed Budget Update Finalized	Financial Planning	04/25/11
Initial – Proposed 2011-12 Budget Update Presented to Committees	CIP – Engineering Operating – Finance	Ops – 05/04/11 Admin – 05/11/11
General Manager’s Budget Message Completed	GM / Financial Planning	05/04/11
Approval of General Manager’s Budget Message	General Manager	05/09/11
Final - Proposed Budget Update to Printer	Financial Planning	05/11/11

PHASE IV - BUDGET DELIBERATIONS

Final Draft - Proposed 2011-12 Budget Update Presented to Committees	Financial Planning	Ops – 06/01/11 Admin – 06/08/11
Public Hearing & Board Adoption	Board of Directors	06/22/11

PHASE V – DISTRIBUTION OF BUDGET

Final line item budget and equipment budgets posted in H:\ntglobal	Financial Planning	07/08/11
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BOARD OF DIRECTORS

AGENDA REPORT

Meeting Date	To Bd. of Dir. 02/23/11
Item Number	Item Number 19

Orange County Sanitation District

FROM: James D. Ruth, General Manager
Originator: Jim Herberg, Assistant General Manager
Project Manager: Jim Colston, Environmental Compliance Manager

SUBJECT: Amendment No. 2 to the Biosolids Management Agreement with EnerTech

GENERAL MANAGER'S RECOMMENDATION

Approve Amendment No. 2 to the Biosolids Management Agreement with EnerTech Environmental California, LLC, in a form approved by General Counsel.

SUMMARY

At the Board's direction, staff and general counsel have been negotiating an amendment to the agreement with EnerTech Environmental California, LLC, (EnerTech) and their bondholders covering management of Orange County Sanitation District's (OCSD) biosolids. The proposed amendment will repay OCSD over time for the difference in cost for diverting biosolids to Arizona versus processing at the Rialto, California facility, and it temporarily reduces the biosolids management fee for diverted biosolids.

PRIOR COMMITTEE/BOARD ACTIONS

November 2006 – Adopted Amendment No. 1 to Agreement with EnerTech Environmental California, LLC, increasing the amount of Biosolids from 200 tons to 225 tons, and increasing the contract period from 10 to 25 years, with one additional five-year period, and to increase cost from \$69.40 to \$72.40 per ton.

July 2005 – Adopted 10-year agreement with EnerTech Environmental California, LLC with four five-year options at an initial cost of \$69.40 per ton of biosolids managed.

ADDITIONAL INFORMATION

Background

Since the late 1990s, the long-term sustainability of biosolids land application significantly diminished in California. Several Counties including Kings, Kern, and Riverside have approved ordinances that severely restrict or ban the land application of biosolids. As a result, OCSD studied various alternatives to land application including, among others, technologies which convert biosolids to a renewable fuel. OCSD issued requests for proposals for five different biosolids management options and 12 proposals

ADDITIONAL INFORMATION (cont'd)

were received and evaluated. Ultimately, in May 2006, OCSD contracted with EnerTech, which utilizes a drying technology known as SlurryCarb, as a sustainable local alternative to land application.

In addition to OCSD, EnerTech also contracted with the Cities of San Bernardino, Rialto, and Riverside, and the County Sanitation Districts of Los Angeles to convert their biosolids to fuel at a new facility in Rialto, California. EnerTech's Rialto facility was developed with private funding at a cost of approximately \$120 million.

Under the basic terms of OCSD's agreement with EnerTech, OCSD sends 225 tons per day of biosolids to EnerTech for a fee of \$77.93 per wet ton. EnerTech is required to convert these biosolids into a renewable fuel at the Rialto facility. A limited diversion of biosolids from the Rialto facility is permissible and adjustments to the tonnage fee are allowed based on fuel costs and the annual consumer price index.

The \$77.93 (total per year of \$6.93 million) per wet ton management fee is \$30.59 per ton higher than the \$47.34 (total per year of \$3.89 million) per wet ton cost of land application of biosolids in Arizona. Although the cost is higher than the present cost for land application, the EnerTech contract provides OCSD with a sustainable and reliable long-term alternative to land application, and is one of the lowest cost energy options available today. While low-cost land application in Arizona is available in the near term, over the long term, there is no guarantee that the practice will be allowed beyond the next five to ten years. The benefit to OCSD from the EnerTech contract is sustainability, closer location, and diversity of management technology.

Current Status

In October 2008, EnerTech began to commission its biosolids to energy facility. To date, EnerTech has not been able to complete full commissioning of the facility, limiting the throughput of the facility to approximately 40% of the design capacity. This failure has been attributed to numerous startup issues related to technical problems with their SlurryCarb process and related equipment.

In May 2010, EnerTech met with OCSD staff to explain the startup problems. EnerTech also presented an Interim Technical Plan designed to address the deficiencies. By fall of 2010, EnerTech provided a project timeline of March 2, 2012 to complete the technical plan sufficient to process all of OCSD's contracted biosolids through the facility.

Since November 2008, EnerTech has been diverting approximately two-thirds (2/3) of OCSD's biosolids to Arizona for land application at the current management fee of \$77.93 per wet ton. EnerTech currently pays \$47.32 per wet ton for land application of OCSD's biosolids that it receives but does not process at the Rialto facility. The

ADDITIONAL INFORMATION (cont'd)

quantity of biosolids diverted to Arizona exceeds the contract limitation of 30 days in a calendar year or 14 consecutive days. OCSD has waived compliance to date for the additional amount of material diverted away from the facility in anticipation of completion of the project.

Since June 2010, OCSD's General Counsel and staff have been negotiating with EnerTech and their bondholders over the failure to successfully complete commissioning of the facility and the disparity between the existing contract management cost and the cost of land application. In addition, OCSD has also been working with the other project partners including the County Sanitation Districts of Los Angeles, the City of Riverside, and the City of San Bernardino Municipal Water Department.

Going forward, there are some key considerations that OCSD must weigh. One consideration is the continued need for a long-term alternative to land application, which has become uncertain. Another consideration is the risk that the technical plan will not succeed. With any investment in new technology there are risks. In this case, staff believes that the benefit of a long-term alternative to land application is worth the risk because the benefit is so important. Fortunately, OCSD has no direct investment in the technology. OCSD's biosolids have been managed in accordance with the contract that minimizes the risk by providing no capital outlay-only contract terms with guaranteed tons, price, and length of time.

Another consideration is that OCSD's decision will affect the other participants including the County Sanitation Districts of Los Angeles, the City of Riverside, and the City of San Bernardino Municipal Water Department. If OCSD was to cease participation in the EnerTech biosolids to energy project, it is likely that the project would fail and all of the participating agencies would need to pursue other biosolids options.

Key Terms of Proposed Amendment No. 2

- EnerTech will implement the Interim Technical Plan by March 2, 2012;
- Between now and March 2, 2012, OCSD will refrain from declaring a default under the Agreement based on EnerTech's diversion of OCSD's biosolids to land application sites in excess of the permitted amount, unless the Rialto facility shuts down entirely for more than 30 consecutive days;
- From February 15, 2011 until March 2, 2012, EnerTech will reduce their contract management fee for OCSD biosolids diverted to Arizona from \$77.93 per wet ton to \$62.63 per wet ton. If 50% of the contracted biosolids are diverted to Arizona during this time period, this will result in a savings of about \$1.3 million. Biosolids managed at the facility will remain at the current contract price; and

ADDITIONAL INFORMATION (cont'd)

- EnerTech will reimburse OCSD, in equal installments over 10 years commencing three years after March 2, 2012, for the difference between the contract management fee of \$77.93 and the estimated average cost of land application in Arizona of \$47.34 per wet ton for all biosolids diverted to Arizona between July 1, 2010 and February 15, 2011 (estimated at \$1.1M).
- EnerTech will also reimburse OCSD for all biosolids diverted to Arizona from February 15, 2011 to March 2, 2012 for the difference between the reduced management fee of \$62.63 per wet ton and the land application cost of \$47.34 per wet ton. If 50% of the contracted biosolids are diverted to Arizona during this time period, this will result in a savings of about \$1.3 million. The repayment would occur as discussed above, or sooner, if monies are available.

The proposed reduced biosolids management fee of \$62.63 per wet ton of diverted biosolids compares favorably to our current average biosolids management cost of \$65 per wet ton.

CEQA

N/A

BUDGET/DELEGATION OF AUTHORITY COMPLIANCE

This item has been budgeted (FY 2010-11 Budget, Line Item 53010)

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
07/20/05	\$69.40 per ton + costs	N/A
11/15/06	\$72.40 per ton + costs	N/A

JC:jb:gc