

**MINUTES OF REGULAR MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

**Board of Directors**

**December 7, 2006**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Board of Directors was held on Thursday, December 7, 2006 at 8:30 a.m. at their Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Board of Directors were present:

DOUG REINHART, Irvine Ranch Water District	Chairman
JOHN SCHATZ, Santa Margarita Water District	Vice Chairman
LARRY LIZOTTE, Moulton Niguel Water District	Director
TONI ISEMAN, City of Laguna Beach	Director
ROBERT W. MOORE, South Coast Water District	Director
NORM DOLBY, Emerald Bay Service District	Director
TED MARTIN, El Toro Water District	Director
MATT DISSTON, Trabuco Canyon Water District	Director
JOE SOTO, City of San Juan Capistrano	Director

Absent:

BILL CAMERON, City of San Clemente	Director
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Staff present:

TOM ROSALES	General Manager/Secretary
TERI NOSON	Executive Assistant/Assistant Secretary
PATRICIA GIANNONE	Bowie, Arneson, Wiles & Giannone
MIKE WILSON	Director of Operations
BRIAN PECK	Director of Engineering
MIKE DEMAREE	Director of Finance
ROBIN BLYTHE	Human Resource Manager
BRENNON FLAHIVE	Environmental Compliance Administrator

Guests:

JIM REED	Irvine Ranch Water District
KELLY HUBBARD	Municipal Water District of Orange County/Water Emergency Response Organization of Orange County Public – Dana Point
ED LABAHN	Moulton Niguel Water District
LARRY DEES	City of San Juan Capistrano
ZIAD MAZBOUDI	Irvine Ranch Water District
NOAH SANCHEZ	South Coast Water District
R. GARDNER	

Chairman Reinhart called the meeting to order at 8:30 a.m. and welcomed everyone present. Chairman Reinhart led the Pledge of Allegiance to the Flag of the United States of America.

**Approval of Minutes**

Chairman Reinhart asked if members of the public desired to address the Board of desired to reserve addressing the Board during the meeting regarding any item on the Agenda. No comments were received.

**ACTION TAKEN:**

No action required.

**Consent Calendar**

Chairman Reinhart referenced the items under the Consent Calendar and asked if there were any questions or comments. There were none.

**ACTION TAKEN:**

Motion was made by Director Moore and seconded by Director Disston to approve the items under the consent calendar. Motion carried unanimously, with all Directors voting aye.

**General Managers Report**

Mr. Rosales introduced and welcomed Mr. Joe Soto. Mr. Rosales stated that Alternate Director Soto was in attendance at today's meeting as the representative for the City of San Juan Capistrano.

**Resolution No. 2006-04 – Commending Diane L. Bathgate for Her Outstanding Service to the Authority**

Mr. Rosales reported that the Ms. Bathgate was unable to attend today's meeting due to a calendar conflict and requested that the item be tabled for consideration at the February 1, 2007, Board of Directors Meeting.

**ACTION TAKEN:**

There being no objection, Chairman Reinhart tabled this item and directed staff to place the item on the February 1, 2007, agenda for consideration. No further action was taken.

**Resolution No. 2006-05 – Supporting Aliso Creek Watershed Urban Runoff Management Strategies**

Mr. Rosales stated that to keep in sequence for the calendar year 2006, Resolution No. 2005-05 has been changed to Resolution No. 2006-04.

Mr. Rosales reported that an Ad Hoc Committee meeting was held on October 31, 2006, to discuss the issues regarding the Aliso Creek diversion into the Aliso Creek Ocean Outfall and to clarify SOCWA's position on the issue of the Aliso Creek diversion. Rosales stated that

Resolution 2006-04 signifies the Board's position on the issue of diverting a portion of Aliso Creek outfall into the Aliso Creek Ocean Outfall. Mr. Rosales welcomed questions from the Board.

Director Schatz welcomed the resolution and stated that resolution adequately framed SOCWA's position. An open discussion ensued.

**ACTION TAKEN:**

Motion was made by Director Moore and seconded by Director Martin to approve Resolution No. 2006-04 Supporting Aliso Creek Watershed Urban Runoff Management Strategies. Motion carried unanimously, with all Directors voting aye.

Adoption of the Orange County Regional Water and Wastewater Multi-Hazard Mitigation (HAZMIT) Plan

Mr. Rosales reported that the Federal Emergency Management Agency (FEMA) began restricting grant applications for pre and post-disaster hazard mitigation funds for agencies that were not covered by an approved Hazard Mitigation (HAZMIT) Plan. A HAZMIT Plan is a pre-disaster strategic plan written to guide how a community will lower its risk and exposure to disasters. In response the proposed HAZMIT Plan is being adopted by the Municipal Water District of Orange County (MWDOC) and its various members and other regional service providers. Mr. Rosales referred to pages 61 and 62 of the Agenda Book identifying the listing of participating agencies and pages 62 and 63 listing the final list of hazards profiled for Orange County. Mr. Rosales referenced page 65 and stated that the document requested to show approval of the plan was the letter under Exhibit A acknowledging SOCWA's participation in the plan. Mr. Rosales stated it was staff's recommendation to approve and adopt SOCWA's involvement in the Orange County Regional Water hazard plan and introduced Ms. Kelly Hubbard from MWDOC to answer any additional questions from the Board.

Director Lizotte inquired if there were any Plan costs. Mr. Rosales reported that there were no associated costs moving forward with the Plan.

Director Dolby inquired if the estimated replacement values were for the facilities of all the agencies listed. Chairman Reinhart inquired if the Plan was an umbrella plan and are the specifics different for different types of plants. Ms. Hubbard stated that the estimated replacement costs were based on an average for the types of facilities in Orange County, and confirmed that the Plan was an umbrella plan stating that the process identified the hazards within the County and noted that each participating agency's infrastructure was taken into consideration.

ACTION TAKEN:

Motion was made by Director Disston and seconded by Director Moore to approve the Orange County Regional Water and Wastewater Multi-Hazard Mitigation Plan, subject to incorporation of comments, if any, by the State Office of Emergency Services and the Federal Emergency Management Agency upon completion of their review and direct staff to prepare a letter to WEROC certifying adoption, substantially in the form of Exhibit A. Motion carried unanimously, with all Directors voting aye.

Status Report – Biosolids Management Activities

Mr. Rosales reported that he attended a meeting on November 14<sup>th</sup> with Paul Jones, General Manager for IRWD, and Jim Stahl, Chief Engineer/General Manager for the Los Angeles County Sanitation Districts, and his staff to discuss LACSD's biosolids situation and the potential that SOCWA might find another option through the use of some of their management assets. LACSD owns and operates landfills in the LA County and has pursued acquisition of farmland and landfills outside of the Los Angeles region and moving away from contracting with private vendors to manage their biosolids. LACSD will instead, rely on disposal, reuse and energy production on their own properties. Mr. Rosales stated that an inquiry was made regarding the possibility of SOCWA acquiring or using excess capacity, and based on the response, this is an unlikely option for SOCWA or its member agencies. In conclusion, Mr. Rosales stated that LACSD did allow outside agencies to unload biosolids on a first come first serve basis at their facilities.

Chairman Reinhart inquired why LACSD was moving away from private contracts. Mr. Rosales stated that LACSD wanted to manage their own facilities.

Mr. Rosales reported that SOCWA staff met with representatives from Orange County Sanitation District and County of Orange Integrated Waste Management Department to discuss the status and new developments related to the potential location of an enclosed compost facility at the Prima Deshecha Landfill. Mr. Rosales stated that the County was moving towards developing a Municipal Waste Recovery Facility (MWRF) at the landfill. If it is feasible, SOCWA and OCSD will be looking to engage their respective County Supervisor to support a potential joint venture in the future.

Mr. Rosales provided a brief update on the San Bernardino County referenced on page 68 of the Agenda book. Mr. Rosales reported the San Bernardino Land Use Commission approved the conditional use permit for the project and the project was projected to open in 2009. An open discussion ensued.

Mr. Rosales reported that a federal judge in Los Angeles issued a preliminary injunction November 22<sup>nd</sup> that allows the City of Los Angeles and other Southern California agencies to continue the land application of biosolids on farm land in Kern County. Mr. Rosales stated that this was good news for all parties concerned with biosolids land applications. An open discussion ensued.

**ACTION TAKEN:**

There being no objection, Chairman Reinhart directed that the Biosolids Management Activities Status Report be received and filed.

General Manager's Status Report

Mr. Rosales referred to page 75 of the Agenda book and reported that the State Water Resources Control Board and Department of Water Resources have finalized the IRWM implementation Grant Program Draft Funding Recommendations for the first funding cycle. Mr. Rosales stated that SOCWA, as a participant in the funding effort, would receive approximately \$5 million for the AWT Project and the SUPER Project. The final approval will be made by the State Water Resources Control Board at their January 17, 2007, meeting, and contracts between the State Board/DWR and each recommended recipient group will need to be signed in May 2007. Mr. Rosales welcomed questions from the Board.

Director Moore inquired as to who would receive the allocated funds, SOCWA or the County of Orange and who makes the decision as to which projects will be funded. Mr. Rosales stated that the County will receive the funds as the lead agency and the 'group' collectively decides who receives the funds. Mr. Rosales noted that members of the group included himself, Mr. Bob Gumerman, MNWD, and Eric Bauman, CSJC. An open discussion ensued.

Mr. Rosales referenced item five (5) of the General Manager's status report. Mr. Rosales stated that in moving forward with the Board approved Organization Assessment Plan (OAP), he recently met with Ms. Sharon Davidson, a consultant with Organizational Associates, to review the "Management and Supervisory Training and Work Skills" one of the key components of the OAP. Ms. Davidson suggested conducting a "Strategic Plan Lite" effort that would focus on the desired type of management goals and leadership development needs. This effort would involve one or two meetings with the Board to get input on desired skill building development goals. Mr. Rosales stated that he was in the process of evaluating a proposal from Ms. Davidson and would begin the process at the beginning of the new year. Mr. Rosales welcomed questions from the Board.

**ACTION TAKEN:**

There being no objection, Chairman Reinhart directed that the General Manager's Status Report be received and filed.

**Operations Reports**

Mr. Rosales deferred this item to Mr. Wilson. Mr. Wilson reported that he had no further comments and welcomed questions from the Board.

Director Moore referred to page 85, section IV., "Visitors", of the Agenda book and inquired as to the number of people that toured the Coastal Treatment Plant. Mr. Wilson stated that Ms. Kelly, Chief Operator, teaches a class and her students periodically tour the facilities and that it was not uncommon to have people visit the various plants.

Mr. Wilson noted one item in the Operations Report. Referring to page 119 of the Agenda book, Mr. Wilson stated that the samples were taken at the Creek and were not shoreline samples at the ocean outfall. The high sample numbers for C1 and C2 were most likely due to seasonal bird occupancy at the Creek. Mr. Wilson welcomed questions from the Board.

Director Moore referenced page 141 and inquired if there were any additional meetings planned at the County regarding the Prima Deshecha Compost Facility Alternative Siting Study. Mr. Rosales referenced his previous biosolids status report comments and reiterated that no further meetings were planned at this time. Director Moore suggested that Chairman Reinhart and staff meet with the newly elected Supervisor to provide a brief history and outline SOCWA interests on the Prima Deshecha landfill issues. Chairman Reinhart duly noted the request.

Director Moore then referenced page 143 and inquired as to the status of the Access Bridge Project. Mr. Rosales reported that a letter was recently received from the Corps of Engineers advising of additional secured funding for the project for their next fiscal year. Mr. Rosales stated that the issue will now be presented to Project Committee 15 to consider interest in continuing on with the project. An open discussion ensued.

**ACTION TAKEN:**

There being no objection, Chairman Reinhart directed that the Operations Reports be received and filed.

**Other Matters**

Chairman Reinhart indicated that one item had been submitted to be considered which arose subsequent to the agenda being posted and asked if any other items were submitted to be considered. There were none.

Chairman Reinhart requested that a motion be made to add to the agenda for consideration Budget Revisions – Project Committee's 2, 3A, 15 & 17.

**ACTION TAKEN:**

Motion was made by Director Martin and seconded by Director Disston to add to the agenda for consideration Budget Revisions – Project Committee's 2, 3A, 15 & 17. Motion carried unanimously, with all Directors voting aye.

**Budget Revisions – Project Committee's 2, 3A, 15 & 17**

Mr. Rosales reported that at the October 5, 2006, the Board approved new Chlor-Alkali contracts that resulted in significant savings over the approved 2006/2007 budgets. Director Martin requested that revisions be prepared to reflect those savings. Mr. Rosales stated that it was staff and the Finance Committee's recommendation to approve the budget revisions as submitted.

**ACTION TAKEN:**

Motion was made by Director Martin and seconded by Director Moore to approve the budget revisions as submitted for Project Committee's 2, 3A, 15 & 17. Motion carried unanimously, with all Directors voting aye.

**Announcements**

Mr. Rosales reminded Board members to submit copies of their AB1234 Ethics Training completion certificates to Ms. Noson for record keeping purposes; and, stated that the Annual Conflict of Interest Forms are forthcoming via U.S. mail.

Mr. Rosales reported that the Employee Recognition Luncheon was scheduled for next Wednesday and stated that the luncheon was an annual event focused on the achievements and service of SOCWA employees. Mr. Rosales extended invitations to the Board for the event. Chairman Reinhart stated that the recognition was an employee function and noted that Board attendance was welcome.

**Adjournment**

There being no further business, Chairman Reinhart adjourned the meeting at 9:27 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Regular Meeting of the South Orange County Wastewater Authority Board of Directors of December 7, 2006, and approved by the Board of Directors of the South Orange County Wastewater Authority.



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Thomas R. Rosales, General Manager / Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY