

## MINUTES

### GARDEN GROVE SANITARY DISTRICT

A regular meeting of the Garden Grove Sanitary District Board of Directors was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, August 23, 2005, at 6:16 p.m.

ROLL CALL: PRESENT: (4) PRESIDENT DALTON, MEMBERS KREBS, NGUYEN, ROSEN

ABSENT: (1) MEMBER LEYES (Member Leyes joined the meeting at 6:18 p.m.)

#### PUBLIC INPUT ON CLOSED SESSION ITEM

There was no input from the public concerning the Closed Session item.

#### ADJOURN TO CLOSED SESSION

At 6:17 p.m., under the Ralph M. Brown Act, the meeting was adjourned to Closed Session in the Founders Room; and it was announced that pursuant to Government Code section 54956.9, the District Board will confer with its legal counsel regarding the status of Orange County Coastkeepers, Inc. v. Garden Grove Sanitary District, et al.

MEMBER LEYES JOINED THE MEETING AT 6:18 P.M.

#### RECONVENE IN OPEN SESSION

At 7:27 p.m., the meeting was reconvened in the Council Chamber with President Dalton and all Board members in attendance, and it was announced that the previously disclosed item was discussed and no others; and further, that no action was taken.

#### RECESS TO "A" ROOM

At 7:28 p.m., the meeting was adjourned to the "A" Room to hold the Public hearing.

RECONVENE IN THE "A" ROOM

At 7:45 p.m., the meeting was reconvened in the "A" Room of the Community Meeting Center with President Dalton and all Board Members in attendance.

PLEDGE OF ALLEGIANCE

The Pledge was led by the Boy Scout troop in attendance.

PUBLIC HEARING TO CONSIDER ADOPTION OF AN ORDINANCE  
ESTABLISHING REVISED SEWER USER FEES FOR SEWER SERVICES

Staff report dated August 23, 2005, was introduced.

President Dalton declared the public hearing opened on the three above-mentioned items and asked if anyone wished to address the Board on this matter.

There being no further comments from the audience or Board Members, the public hearing was declared closed.

ORAL COMMUNICATIONS – PUBLIC

RECESS

At p.m., the President declared a recess.

RECONVENE

At p.m., the meeting was reconvened with President Dalton and all Board members in attendance.

AWARD OF CONTRACT TO INSTALL A 6-INCH SEWER LATERAL AT 12927  
CHAPMAN AVENUE (F: S- )

Staff report dated August 23, 2005, was introduced.

It was moved by Member , seconded by Member , and carried by unanimous vote, that Mike Prlich & Sons, Inc., be and hereby is selected to install a 6-inch sewer lateral at 12927

Chapman Avenue, future site of Green's Glass; and the President and Secretary are authorized to execute said contract.

MINUTES (F: Vault)

It was moved by Member , seconded by Member , and carried by unanimous vote, that the Minutes of the Regular Meeting of the Sanitary District held June 28, 2005, and Adjourned Regular Meeting held July 12, 2005, be and hereby are approved.

PUBLIC HEARING TO CONSIDER ADOPTION OF AN ORDINANCE  
ESTABLISHING REVISED SEWER USER FEES FOR SEWER SERVICES

Staff report dated August 23, 2005, was introduced.

President Dalton declared the public hearing opened on the three above-mentioned items and asked if anyone wished to address the Board on this matter.

There being no further comments from the audience or Board Members, the public hearing was declared closed.

REPORT FROM ORANGE COUNTY SANITATION DISTRICT REPRESENTATIVE  
(F: S-128.4)

There was no report presented.

ADJOURNMENT

At 9:22 p.m., the meeting was declared adjourned to Tuesday, September 13, 2005, at 7:00 p.m. in the Council Chamber of the Garden Grove Community Meeting Center, 11300 Stanford Avenue.

RUTH E. SMITH  
SECRETARY

ORAL COMMUNICATIONS – PUBLIC

David Lautherboren addressed the Board Members, expressing his opposition to putting trash charges on the property tax rolls to save money. (F: S-53.3) (XR: S-60.1)

RECESS

At 8:03 p.m., the President declared a recess.

#### RECONVENE

At 8:48 p.m., the meeting was reconvened with President Dalton and all Board members in attendance.

#### STATUS REPORT ON THE SANITARY DISTRICT OPERATIONS WITHIN THE CITY (F: S-128.3)

Staff report dated June 28, 2005, was introduced, reviewing the status of the Garden Grove Sanitary District activities for the past month.

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that the Status Report on the Sanitary District activities within the city from mid-April through mid-June 2005, be and hereby is received and ordered filed.

#### AGREEMENT WITH THE ORANGE COUNTY SANITATION DISTRICT TO RECEIVE GRANT FUNDING FOR A COOPERATIVE PROJECT (F: S-55.9)

Staff report dated June 28, 2005, was introduced.

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that the Agreement by and between the Garden Grove Sanitary District and the Orange County Sanitation District to receive grant funding for a Cooperative Project to eliminate inflow and infiltration and over-capacity issues on a segment of sewer line that feeds into Midway City Sanitation District from the Garden Grove Sanitary District, be and hereby is approved.

#### MINUTES (F: Vault)

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that the Minutes of the Regular Meeting of the Sanitary District held April 26, 2005, be and hereby are approved.

#### PUBLIC HEARING TO CONSIDER THE PLACEMENT OF DELINQUENT SOLID WASTE DISPOSAL FEES AS LIENS AGAINST THE RESPECTIVE PROPERTIES (F: S-60.1) (XR: S-60.2) (XR: S-31.2)

PUBLIC HEARING TO CONSIDER REPORT DETAILING CHARGES PROPOSED TO BE COLLECTED ON THE TAX ROLL FOR REFUSE COLLECTION SERVICES IN IMPROVEMENT DISTRICT NO. 1 (F: S-60.1) (XR: S-60.2) (XR: S-31.2)

PUBLIC HEARING TO CONSIDER REPORT DETAILING CHARGES PROPOSED TO BE COLLECTED ON THE TAX ROLL FOR SEWER SERVICES IN AREAS OF THE DISTRICT THAT EXTEND BEYOND THE CITY LIMITS AND DO NOT RECEIVE WATER SERVICES FROM THE CITY (F: S-60.1) (XR: S-60.2) (XR: S-31.2)

Staff reports dated June 28, 2005, were introduced and reviewed by the Finance Director.

President Dalton declared the public hearing opened on the three above-mentioned items and asked if anyone wished to address the Board on these matters.

David Lautherboren addressed the Board, commenting that he is not in favor of moving the collection of trash fees onto the Orange County property tax roll. Additionally, he inquired whether there is any credit given for the green barrel recycling program. He noted that there currently are brand new trash trucks, commenting that the prior ones were no more than three years old.

There being no further comments from the audience or Board Members, the public hearing was declared closed.

In response to an inquiry from Member Nguyen, the General Manager noted that the request for the trash bills to go onto the property tax roll would come to the Board on July 12, 2005.

Member Rosen noted that the resolutions currently before the Board preserve the status quo.

At Member Rosen's request, staff provided information concerning the recycling program. It was noted that a deal was negotiated with Garden Grove Disposal to use those monies to pay for the recycling program because the program is not self-sufficient.

President Dalton requested staff provide financial information for the last five years on the recycling program. Additionally, in preparation for the July 12, 2005 meeting, he requested information concerning what happens now if a resident is delinquent in paying their bill and it is going to lien; will that then be done by the County under this proposed new collection system, and if so are they going to charge the City for that processing and for collecting the money.

RESOLUTION NO. 3679

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3679 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, OVERRULING PROTESTS TO THE PROPOSED CHARGE FOR DELINQUENT TRASH DISPOSAL ACCOUNTS, AND ADOPTING SAID REPORT, be and hereby is adopted.

RESOLUTION NO. 3681

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3681 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT AUTHORIZING CHARGES FOR IMPROVEMENT DISTRICT NO. 1 TO BE COLLECTED ON THE TAX ROLL, be and hereby is adopted.

RESOLUTION NO. 3680

It was moved by Member Krebs, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3680 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT AUTHORIZING CHARGES FOR SEWER SERVICES IN THE AREAS OF THE DISTRICT THAT EXTEND BEYOND THE GARDEN GROVE CITY LIMITS AND DO NOT RECEIVE WATER SERVICES FROM THE CITY OF GARDEN GROVE TO BE COLLECTED ON THE TAX ROLL, be and hereby is adopted.

PUBLIC HEARING TO CONSIDER PROPOSED BUDGET FOR FISCAL YEAR 2004-05 (F: S-34.1)

Staff report dated June 28, 2005, was introduced. Staff reviewed the accomplishments related to the Garden Grove Sanitary District during Fiscal Year 2004-05 and reviewed the goals for the upcoming fiscal year. It was noted that due to significant increases in construction costs which occurred over the past few years and are projected to remain high into the future, costs related to compliance with mandated Waste Discharge Requirement (WDR) milestones and to the shift of property tax funds to the State's Educational Revenue Augmentation Fund (ERAF), the proposed Sanitary Sewer budget

does not include adequate funding for needed capital improvement and replacement projects.

In response to an inquiry by Member Rosen, the General Manager noted that the proposed budget does not take into account any of the proposed rate increases; it is based on current rates, other than for the 4 percent increase CPI on the trash.

Member Leyes referenced the public hearing scheduled for July 12, 2005, on the method of billing for trash collection for the larger part of Garden Grove, noting that it allegedly will save the City \$70,000. He inquired whether that amount is reflected in the current budget, to which the General Manager responded that it is not.

President Dalton declared the public hearing opened and asked if anyone wished to address the Board on this matter.

David Lautherboren addressed the Board, commenting that sewer fees have been collected every since he bought his house in 1964, and he inquired where that money went.

Charles Mitchell addressed the Board, noting since the City was incorporated, sewer services have been expanded. If the sewer system fails, the City will face serious liability issues. New funds need to be added.

There being no further comments from the audience, the public hearing was declared closed.

Member Rosen suggested the Board approve the current budget before it and then bring an amended budget back in two months, after two proposed public hearings are held.

Member Rosen moved approval of the proposed budget, subject to reconsideration of the sewer budget depending on what happens with various proposed amendments. Member Krebs seconded the motion.

Member Leyes commented that he is not sure the Board should go on record with a budget that is subject to change in two months.

Legal Counsel indicated that there is no legal requirement to adopt the budget in terms of time frame; however, it would be cleaner to adopt the budget now and amend it later.

Member Rosen indicated Member Leyes raised a good point, and he withdrew his motion inasmuch as expenditures can continue at the present levels pending the adoption of a budget. Member Krebs withdrew his second.

It was moved by Member Nguyen, seconded by Member Rosen, and carried by unanimous vote, that this matter be continued to September 13, 2005.

REPORT FROM ORANGE COUNTY SANITATION DISTRICT REPRESENTATIVE  
(F: S-128.4)

There was no report presented.

ADJOURNMENT

At 9:22 p.m., the meeting was declared adjourned to Tuesday, July 12, 2005, at 7:00 p.m. in the Council Chamber of the Community Meeting Center.

RUTH E. SMITH  
SECRETARY