

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE MIDWAY CITY
SANITARY DISTRICT OF ORANGE COUNTY
14451 CEDARWOOD AVENUE
WESTMINSTER, CA 92683**

July 3, 2012

CALL TO ORDER

President Rice called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, July 3, 2012 at 4:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice
Tyler Diep

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, Finance/HR Director
Tom Nixon, District Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

Director Diep led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 5, 2012

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of June 5, 2012, with a change. The motion was approved by a 4-0-1 vote, with Director Krippner abstaining.

APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 19, 2012

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of June 19, 2012, with a change. The motion was approved by a 5-0 vote.

APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 26, 2012

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of June 26, 2012, with a change. The motion was approved by a 5-0 vote.

PUBLIC COMMENTS

Doug Schroeder, legal counsel and representative for the family of Betty Dietz, introduced himself as well as her sister, Ruth Irvin, and her nephew, Tom Ebert. Mr. Schroeder stated that he wanted to personalize the process of the two claims against the District, and asked a series of questions. The Board was provided with a transcript of the questions asked.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 980,206.08

#	CK #	Date	AMOUNT	VENDOR
1				
2	5415	7/2	139.90	Neugebauer, Joy - Health Insurance Reimbursement for July 2012
3	5416	7/2	27.00	Castro, Nick - Reimbursement for 2012 Waste Expo Transportation
4	5417	7/2	654.95	Bodyworks - (4) Valves, (3) Coils, (1) Plunger & (14) Rocker Switches for Restock
5	5418	7/2	23,009.41	CalPERS Retirement - Retirement Contributions for June 2012
6	5419	7/2	2,611.37	CRC - Maintenance & Support for July 2012, Updated NAS System, (3) iPad Configurations
7	5420	7/2	3,405.97	Daniel's Tire Service - (8) New Tires for Restock
8	5421	7/2	59.37	Dartco - (1) Output Seal for T59
9	5422	7/2	434.43	G & K Services - Uniform Services for June 2012, MCSD Shirts for MR, JN, AK, FC
10	5423	7/2	8.60	Hillco - (15) Female Terminal Seal Gauges, (10) Seals & (10) Male Terminal Seal Gauges for Resto
11	5424	7/2	275.70	Hose-Man, Inc. - (2) Air Hoses for M64, (4) Air Hoses for T56, (2) Air Hoses for M63
12	5425	7/2	540.00	KoneCranes - Quarterly Preventative Maintenance
13	5426	7/2	1,084.80	Maxx Air - Filter Cleaning for T60, T61 & T62
14	5427	7/2	136.58	Nikki's Flag Shop - (1) U.S. Flag & (1) California State Flag to Replace Stolen Flags
15	5428	7/2	283.39	Pitney Bowes - Lease Payment for Postage Machine July through September 2012
16	5429	7/2	1,019.69	Ray Gaskin Service - (2) Seal Kits, (1) New Rod & (1) Rod Eye for Restock
17	5430	7/2	4,152.24	Rosemead Oil - (565) Gallons of Hydraulic Oil (Bulk) for Restock
18	5431	7/2	31.94	Tec of California - (6) Feet of Hose for T56
19	5432	7/2	250.00	TM Services Company - Fire Extinguisher Training on 06/13
20	5433	7/2	414.41	Top Mobile Vision - 7" Monitor for T56
21	5434	7/2	232.96	TrucParCo - (4) Brass Pipe Bushings & (1) Valve for T53
22	5435	7/2	90.00	Westminster Chamber of Commerce - Annual Installation & Awards Dinner Admission for JN, AK, F
23	5436	7/2	67.62	Westminster Herald - Notice of Public Hearing on June 26, 2012 (Published June 7 & 14)

24	5437	7/2	6,997.09	Woodruff, Spradlin & Smart - Legal Services Rendered for May 2012
25	5438	7/2	824,144.61	The Bank of New York Mellon - COP Semi-Annual Principal & Interest Payment
26				
27			869,250.18	SUBTOTAL
28				
29				ADD HANDCUT CHECKS:
30				
31	5406	6/21	199.92	City of Westminster - District Water, Maintenance Shop, & Wash Rack Fees for May 2012
32	5407	6/21	79.90	The Gas Co. - District Offices and Maintenance Yard Fees for May 2012
33	5408	7/2	97.17	AT&T - Brookhurst Lift Station Service for May 2012
34	5409	7/2	45,138.57	CalPERS Health Premium - Health Premium for July 2012
35	5410	7/2	2,889.15	MetLife - Monthly Dental Premium for July 2012
36	5411	7/2	2,438.85	Southern California Edison - Archives & Parking Garage \$47.31, District Office \$611.15,
37				Maintenance Shop \$284.96, Brookhurst Lift Station \$166.11, Westminster Lift Station \$573.91,
38				Willow Lift Station \$239.06, Hammon Lift Station \$516.35 .
39	5412	7/2	692.34	The Standard Life Insurance - Premium Coverage for July 2012
40	5413	7/2	213.14	First Bankcard (NC) - Restock Office Supplies
41	5414	7/2	300.00	SARBS-CWEA - Registration for 22nd Collections Training for Sewer Crew on 07/26
42				
43			921,299.22	SUBTOTAL PLUS HANDCUTS
44				
45				Payroll
46		6/26	50,387.10	Payroll - Staff Check # 15309 - 15314 Taxes & Direct Deposits
47		6/26	1,443.56	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
48		6/29	6,563.28	Board of Director's Payroll for the Month of June 2012 Chk # 15316 -15318
49		6/29	512.92	Board of Director's Nationwide Deferred Compensation for June 2012 (100% Paid By Directors)
50				
51			980,206.08	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Neugebauer, seconded by Director Diep to approve the expenditures in the amount of \$ 980,206.08. The motion was approved by a 5-0 vote.

REPORTS

Report of President

None

Report of General Manager

GM Robbins stated that each Director was provided with a campaign statement form 460 which is due by July 31, 2012.

GM Robbins stated that President Rice and Director Neugebauer are due for Ethics Training (AB1234) in order to remain in compliance. Staff was asked to check to see if it will be offered at the CASA Conference in Monterey in August.

Report from Orange County Sanitation District Meeting (OCSD)

Director Neugebauer reported that there was a meeting on Wednesday, June 27, 2012 at which the agreement with EnerTec was being considered. The contract with EnerTec was terminated and OCSD will stop sending bio-solids to them immediately. After a lengthy discussion regarding awarding a new agreement to contract the bio-solids, it was continued to a future agenda.

Director Neugebauer stated that Orange County Sanitation District and Orange County Water District will be holding an open house which includes a tour of the waste water plant on Saturday, July 28, 2012 from 10 A.M. until 2 P.M., and she asked that staff be informed of the event.

Director Neugebauer reported that the captain of OCSD's boat has retired and Kate Peet has been hired as the new captain to replace him. The boat is used to take and test ocean water samples to ensure that none of the treated water has a negative impact on sea life.

Report from the Calendar Committee

Director Neugebauer reported that the new calendar for 2013 is being updated and made more user-friendly in order to make it easier for residents to more quickly grasp the importance of recycling and the Pushing the Blues program. The front page will have a statement reporting that the Orange County Grand Jury gave the District straight A's for its website transparency.

CONSENT CALENDAR

- A. Approval of the Request of Solid Waste Employee Manny Hernandez to Receive 40 Hours of Vacation Pay in Lieu of Time Off

A motion was made by Director Diep, seconded by Director Cobo to approve the Consent Calendar. The motion was approved by a 5-0 vote.

OLD BUSINESS

- A. Confirm Attendance to the California Association of Sanitation Agencies (CASA) Annual Conference in Monterey, CA August 8-11, 2012

President Rice, Director Neugebauer and GM Robbins confirmed that they will be attending the conference. Directors Diep and Krippner confirmed that they will not be attending, and Director Cobo stated that he will let staff know if he is able to attend.

NEW BUSINESS

- A. Consider and Confirm Attendance to the Municipal Water District of Orange County (MWDOC) Water Policy Forum on Wednesday, July 25, 2012

A motion was made by Director Diep, seconded by Director Neugebauer to approve attendance for a District representative to attend the MWDOC Water Policy Forum. The motion was approved by a 5-0 vote.

- B. Consider a Construction Agreement with the Orange County Flood Control District (OCFCD) for the Relocation of the Midway City Sanitary District (MCSD) Sewer Siphon at Newland Avenue and Oberlin Street

GM Robbins stated the necessity of the relocation of the sewer siphon due to a County upgrade in the channel which is in the center of Newland Street. DGA Consultants have designed the siphon and the District will piggyback off the County contractor who will be building it according to District specifications.

A motion was made by Director Diep, seconded by Director Neugebauer to approve the construction agreement with the Orange County Flood Control District. The motion was approved by a 5-0 vote.

- C. California Special Districts Association (CSDA) 2012 Board Elections

A motion was made by Director Neugebauer, seconded by Director Krippner to cast their vote for Elaine Sullivan and Cheryl Brothers for the 2012 CSDA Board elections. The motion was approved by a 5-0 vote.

- D. General Manager's Employment Agreement

A motion was made by Director Diep, seconded by Director Cobo to approve the General Manager's Employment Agreement. The motion was approved by a 5-0 vote.

E. Consider Scheduling a Study Session to Review Compressed Natural Gas (CNG) Fueling Facility Feasibility Study

A motion was made by Director Neugebauer, seconded by Director Diep to schedule a study session to review the CNG fueling feasibility study for Wednesday, July 18, 2012 at 11 A.M. The motion was approved by a 5-0 vote.

F. Consider Setting a Special Meeting to Review and Discuss Midway City Sanitary District's Response to the 2011-2012 Orange County Grand Jury Report Entitled "Let There Be Light – Dragging Special Districts from the Shadows".

A motion was made by Director Neugebauer, seconded by Director Diep to schedule a special meeting for Wednesday, July 11, 2012 at 4 P.M. in order to review the District's response to the Grand Jury's report. The motion was approved by a 5-0 vote.

CLOSED SESSION

President Rice convened the meeting to closed session at 4:55 P.M. pursuant to Government Code Sections 54957.6.

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 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.

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(b) (Two items: claims relating to Betty Dietz)

President Rice reconvened the meeting at 5:14 P.M.

District Counsel, Tom Nixon, stated that there was no reportable action taken during the closed session.

BOARD CONCERNS/COMMENTS

Director Neugebauer wished everyone a safe and sane 4th of July.

President Rice congratulated GM Robbins on his renewed contract with the District.

GM Robbins thanked the Board for his renewed contract and stated that the 4th of July holiday has a high potential for fire hazard to the District trucks and containers.

Director Neugebauer stated that she read in the weekly newsletter that two large dumpsters had been impounded.

GM Robbins stated that they were impounded due to the exclusive franchise agreement with Rainbow Environmental, and that both of the dumpsters impounded (one from Ware Disposal and the other from Crown Disposal) knew that they were in violation of the franchise agreement.

GM/STAFF CONCERNS/COMMENTS

None

GENERAL COUNSEL CONCERNS/COMMENTS

None

INFORMATIONAL ITEMS

None

ADJOURNMENT

President Rice adjourned the meeting to Wednesday, July 11 at 4 P.M. at approximately 5:20 P.M.

Joy Neugebauer, Secretary