

**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**

March 5, 2013

CALL TO ORDER

President Cobo called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, March 5, 2013 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
Jim Herberg, OCSD General Manager
Lorenzo Tyner, OCSD Dir. Admin. Services/Treasurer
Jennifer Cabral, OCSD Principal Staff Analyst
Ron Hankle, Insurance Broker

PLEDGE AND INVOCATION

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

APPROVAL OF THE MINUTES OF THE MEETING OF FEBRUARY 19, 2013

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of February 19, 2013, with a change. The motion was approved by a 4-0-1 vote, with Director Rice abstaining.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$131,379.19

Director Diep left the meeting at 4:04 P.M.

#	CK #	Date	AMOUNT	VENDOR
1	5917	3/1	1,194.07	Bodyworks Equipment - (8) Bearing Switches, (16) Rollers, (1) Coil, (1) Crank, (1) Check Valve for Restock
2	5918	3/1	12,425.99	CalPERS Retirement - Retirement Contributions for February 2013
3	5919	3/1	15.00	Cobo, Frank - Reimbursement for CASA Indian Wells, CA 01/16-01/18/2013
4	5920	3/1	600.00	Color Wheels Custom Paint - Bumper & Paint Repair for Accident on 02/25/2013 R. Griffith
5	5921	3/1	291.03	G&K Services - Uniform Services for February 2013
6	5922	3/1	900.83	Los Alamitos Napa Auto Parts - (24) Cans of Brakleen, (2) Brake Kits, (2) Brake Drums, (20) Mini Lamps,
7				(10) Wiper Blades for Restock
8	5923	3/1	11.11	Los Angeles Freightliner - (1) Headlight & (1) Rocker Switch for T62
9	5924	3/1	350.00	Maxx Air - Filter Cleaning for T57
10	5925	3/1	146.90	Neugebauer, Joy - Health Insurance Reimbursement for March 2013
11	5926	3/1	749.27	Orange County Sanitation District - FOG Inspections 2nd Quarter 2012-2013
12	5927	3/1	124.20	PSI - (50') Hose for Restock
13	5928	3/1	766.00	Reyes Alternators - (1) New Starter for Restock and (1) New Starter for T56
14	5929	3/1	555.93	Rosemead Oil Products - (1) Drum of Anti-Freeze for Restock
15				
16			18,130.33	SUBTOTAL
17				
18				ADD HANDCUT CHECKS:
19	5907	2/19	28.23	City of Westminster - Hammon & Westminster Lift Stations Water Usage for January 2013
20	5908	2/19	132.52	The Gas Company - District Office & Maintenance Yard Fees for January 2013
21	5909	2/19	463.37	Verizon Business - Internet Connection for SCADA System for January 2013
22	5910	2/25	120.81	AT&T - Brookhurst Lift Station Service for February 2013
23	5911	2/25	125.43	Office Max - Restock District Office Supplies
24	5912	2/25	200.00	Pitney Bowes - Refill Postage Machine for District
25	5913	2/25	2,438.84	Southern California Edison - Archives & Parking Garage \$63.93, District Office \$464.30,
26				Maintenance Shop \$275.53, Brookhurst Lift Station \$178.50, Westminster Lift Station \$493.84,
27				Willow Lift Station \$250.49, Hammon Lift Station \$712.25 .
28	5914	2/25	332.73	First Bankcard (NC) - Restock District Kitchen Supplies
29	5915	3/1	46,341.43	CalPERS Health Premium - Healthcare Premium for March 2013
30	5916	3/1	3,569.81	MetLife - Monthly Dental Premium for March 2013
31				
32			71,883.50	SUBTOTAL PLUS HANDCUTS
33				

34				PAYROLL
35	2/19	53,554.30	Payroll - Staff Check # 15443 - 15446 Taxes & Direct Deposits	
36		1,213.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)	
37	2/22	4,386.07	Board of Director's Payroll for the Month of February 2013 Chk # 15448 - 15451	
38		342.32	Board of Director's Nationwide Deferred Compensation for February 2013 (100% Paid By Directors)	
39		131,379.19	TOTAL EXPENDITURES W/PAYROLL	
40				
41				BANK TRANSFERS
42			None to Report	

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$131,379.19, as presented. The motion was approved by a 4-0-1 vote, with Director Diep absent.

Director Diep returned to the meeting at 4:06 P.M.

President Cobo suggested that new business item 9A, the presentation from Orange County Sanitation District, regarding their proposed sewer service fee, be moved forward on the agenda.

A motion was made by Director Neugebauer, seconded by Director Rice to consider moving agenda item 9A out of its order on the agenda, and at the President's discretion. The motion was approved by a 5-0 vote.

Mr. Jim Herberg, General Manager of Orange County Sanitation District, thanked the Board for giving him the opportunity to represent the sanitation district and discuss their services and five year rate proposal. He explained their mission and the services that they provide to put context to the rates and the rate discussion that would take place by giving a power point presentation. He explained that there will be a public hearing at the sanitation district at 6:30 P.M. on March 27, 2013.

Discussion ensued between the Board and the representatives from OCSD.

Director Rice requested a tabulation of all Redevelopment Agency (RDA) funds that OCSD received after they were dissolved.

Director Diep stated for the record, that last week, OCSD ratified Jim Herberg as the successor General Manager to Jim Ruth who is retiring. The Board congratulated him and wished him luck.

REPORTS

Report of President

President Cobo gave his report on the CASA conference in Washington D.C. and said he was particularly interested in the presentation regarding the Clean Water Act.

Director Neugebauer stated that she was extremely impressed with the caliber of speakers that were at the conference.

Report of General Manager

GM Robbins reported that the Air Resources Control Board did an audit on the District's solid waste fleet and found the District 100% compliant, with the exception of T55, the District's solid waste vehicle, which will need a new Diesel Particulate Filter (DPF) muffler before January 1, 2015 or will need to be scrapped.

A member of the California Highway Patrol will be presenting at the monthly Safety Meeting being held at the District for all employees on Wednesday, March 13, 2013 at 7 A.M.

GM Robbins reported that the Employees' Union Representative faxed over requests for information in order to start negotiations. Those requests have been forwarded to District Counsel, Joseph Larsen who will review those requests and provide responses.

Director Rice requested that the Board be able to review that information and meet Joseph Larsen prior to any response, since he has not represented the Board in the past.

GM Robbins stated that the District will be saving approximately \$250 a month due to renegotiating the cell phone contract with AT&T, and thanked Director Krippner for suggesting it.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that the Steering Committee met last week and voted to name Jim Herberg as successor to General Manager Jim Ruth, and the full Board voted to ratify that decision. There was also a lively discussion on the fee increase. A request was made for OCSD to bring forward a list of the Capital Improvement Projects that the fee increase is projected to pay for.

Report from California Association of Sanitation Agencies (CASA) Conference Call

Director Rice reported that the monthly CASA meetings will now be via telephone conference instead of travelling in order to save funds. CASA has hired a temporary consultant to help with their business plan, salary caps, and by-laws. They have also appointed an ad hoc committee to assist Bobbie Larson in revising all the various committees.

Report from California Association of Sanitation Agencies (CASA) Conference, Washington D.C.

President Cobo, Director Neugebauer and GM Robbins reported on the CASA conference in Washington D.C. under Reports of the President.

CONSENT CALENDAR

A. Approval of the Request of Sewer Leadsman Darrell Grimes to Receive 40 Hours of Vacation Pay in Lieu of Time Off

B. Approval of the Request of Solid Waste Employee Rafael Gonzalez Jr. to Receive 80 Hours of Vacation Pay in Lieu of Time Off

A motion was made by Director Rice, seconded by Director Diep to approve the consent calendar. The motion was approved by a 4-0-1 vote, with Director Krippner abstaining.

OLD BUSINESS

A. Set Date and Time for a Workshop to Discuss Midway City Sanitary District Board Policies and Procedures

A motion was made by Director Neugebauer, seconded by Director Rice to schedule a workshop to discuss MCSD Board policies and procedures on Tuesday, March 12 at 9:30 A.M. The motion was approved by a 5-0 vote.

NEW BUSINESS

A. Presentation from Orange County Sanitation District (OCSD) Regarding Proposed Sewer Service Fee Increase

A presentation by the Orange County Sanitation District regarding their proposed sewer service fee increase was given by their General Manager, Jim Herberg, earlier in the agenda by a motion of the Board.

B. Consider Attendance to the Mesa Water District VIP Ceremony Celebrating 100% Local Water Reliability

A motion was made by Director Rice, seconded by Director Diep to approve attendance for any Board members or staff wishing to attend. The motion was approved by a 5-0 vote.

C. Consider Press Release Regarding Midway City Sanitary District's Operating Budget Award

A motion was made by Director Neugebauer, seconded by Director Diep to refer the press release to the 75th Anniversary Committee. The motion was approved by a 5-0 vote.

D. Consider a Proposal from and Agreement with McGinn Actuaries LTD., to Provide an Updated Valuation Report of Other Post Employment Benefits (OPEB) as Required by Governmental Accounting Standards Board (GASB) Statement No. 45

A motion was made by Director Diep, seconded by Director Neugebauer to approve the proposal from and agreement with McGinn Actuaries LTD. The motion was approved by a 5-0 vote.

E. Consider and Approve the Letter of Engagement for Independent Audit Services, of White Nelson Diehl Evans LLP, to Perform the Fiscal Year 2012-13 (July 1, 2012 through June 30, 2013) Audit

A motion was made by Director Neugebauer, seconded by Director Diep to approve staff's recommendation that the Board exercise the option to renew the agreement for fiscal year 2012-2013, approve the scope of services submitted by White Nelson Diehl Evans LLP, direct legal counsel to prepare the renewal and authorize the Board President to sign the renewal on behalf of the District. The motion was approved by a 5-0 vote.

BOARD CONCERNS/COMMENTS

Director Neugebauer suggested that the District website mention the Facility Improvement Project of the District yard under the Construction section.

Director Neugebauer stated that, as long as she has been on the Board, she had never had a tour of CR&R facilities and that she would like to take one sometime.

Director Krippner stated that on the May 2013 page of the current District calendar, it does mention that no food waste should be put down the garbage disposal.

Director Rice gave her deep thanks and gratitude to everyone, but especially GM Robbins for his and his wife, Patricia's assistance, while she was ill most recently.

GM/STAFF CONCERNS/COMMENTS

GM Robbins asked for a confirmation of attendance to the Public Service Awards luncheon to be held on Thursday, March 14. Directors Rice, Krippner, Diep and

President Cobo confirmed their attendance. Director Neugebauer stated that she would be sitting at the Kiwanis Club table.

GM Robbins stated that the fax from the Employees Union requesting information was received late Friday afternoon after the agendas had been delivered and posted and thus was not on this agenda for the Board to discuss.

GM Robbins stated that the District received an additional work order for 8 steel purlin beams in the wash rack that are rusted and need to be replaced. The cost to the District will be approximately \$5,135.

GENERAL COUNSEL CONCERNS/COMMENTS

None

CLOSED SESSION

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.

INFORMATIONAL ITEMS

None

ADJOURNMENT

President Cobo adjourned the meeting to Tuesday, March 12, 2013 at 9:30 A.M. at the District office, at approximately 5:39 P.M.

Margie L. Rice, Secretary