

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

**July 23, 2013**

**CALL TO ORDER**

President Cobo called the adjourned regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, July 23, 2013 at 4:00 P.M.

**BOARD MEMBERS PRESENT:**

Tyler Diep (4:04 arrival)  
Joy L. Neugebauer  
Al P. Krippner  
Margie L. Rice  
Frank Cobo

**OTHERS AT MEETING:**

Robert Housley, HR/Finance Director  
Nick Castro, Director of Operations/Safety  
Julia Sales, Administrative Secretary/Receptionist  
Joseph D. Larson, Rutan & Tucker, LLP  
Henry Pyle, Clean Energy  
Sean Wine, Clean Energy  
Maggi Rau, Clean Energy

**PLEDGE AND INVOCATION**

President Cobo led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

**PUBLIC COMMENTS**

None

**CONSENT CALENDAR**

A. Investment Report for June 2013

- B. Consider Attendance to Municipal Water District of Orange County (MWDOC) Water Policy Forum on Wednesday, July 24, 2013.
- C. Consider Attendance to California Association of Sanitation Agencies (CASA) Annual Conference in San Diego August 21-24, 2013.
- D. Consider Attendance at the California Special Districts Association (CSDA) Annual Conference in Monterey, CA September 16-19, 2013.

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

## **NEW BUSINESS**

- A. Presentation from Clean Energy Regarding Compressed Natural Gas (CNG) Fueling Facility

Henry Pyle, Account Manager from Clean Energy, gave a thorough presentation on Compressed Natural Gas (CNG) Fueling Facilities.

Director Neugebauer asked if, during an accident, CNG would be safer than diesel from catching fire.

Henry Pyle confirmed that CNG is much safer than diesel because the CNG tanks are stronger, are installed on the roof of the refuse trucks, and the gas fumes will rise and evaporate before combusting into flames, unlike diesel or gasoline that will puddle and burn.

Director Rice asked if the fast-fill procedure fills the CNG tank completely.

Henry Pyle explained how the fast-fill heats up through the compression area so the tank will seem full, but will be approximately 12% less full than the slow overnight fill.

Director Neugebauer asked if CNG miles per gallon were comparable to diesel.

Henry Pyle explained that CNG has as a diesel gallon equivalent which will give as much energy as a diesel gallon.

President Cobo asked how many CNG tanks will be needed per truck.

Henry Pyle explained that the standard CNG usage is a 60 diesel gallon equivalent which will take three to four tanks, depending on the style of tank that is used.

President Cobo asked if spare tanks could be added so that a truck can run two days without refueling.

Henry Pyle explained that it wouldn't be efficient to change CNG tanks during a route to add more fuel because there are many fueling stations to refill daily.

Director Neugebauer asked Nick Castro, Director of Operations/Safety, how often each truck will need to be refueled, using either slow or fast-fill.

Nick Castro explained that each truck's route is 45-50 miles a day, so each truck would need to be fueled daily by using either slow or fast-fill.

Director Krippner asked if there is less efficiency when the CNG tank starts to get empty.

Henry Pyle explained that there will be no loss in efficiency, that it is just like running out of gas in a normal car, and the truck would just stop running. The trucks have a PSI meter that would warn the driver that the tank is low.

President Cobo asked how many pounds of pressure each tank holds.

Henry Pyle stated that each tank can hold up to 4,500 pounds, but the fueling stations are designed to put 3,600 pounds of pressure.

Director Neugebauer asked if there is storage of the CNG after being changed from natural gas.

Henry Pyle assured the Board that this subject will be covered later in the presentation. He went on to explain that the CNG engine will have less after clean-up compared to the costly after clean-up from diesel emissions components.

Director Krippner asked if diesel running trucks can be converted to CNG.

Henry Pyle responded that it is possible but not recommended because it is not economically logical.

Henry Pyle moved on to the components that go into the stations. From the natural gas line to the compressor is a dryer to remove any moisture before getting to the compressor system, which is the heartbeat of the station. He suggested two compressors, having a second compressor for back up. The natural gas will go through the compressor before pumping CNG fuel into the vehicle.

There was discussion on the compressor's estimated time of delivery and set up. Henry Pyle confirmed that it will take an average of six months, but total station completion will take ten to twelve months.

It was stressed that the compressors should never get moisture inside because it will destroy its ability to function. The non-lube compressor is advised for a long term cost savings.

Discussion ensued confirming that Clean Energy has built many CNG stations and that they have a local warehouse, which would result in no untimely response for parts needed. The compressor compound measures approximately 30 feet X 60 feet, the parking would remain similar to the way the trucks are currently parked.

Henry Pyle then gave a thorough explanation of the building modifications that would need to be done and the permits that would be required.

Discussion ensued to affirm the time it would take from start to finish in order to build a complete station, including time required to get permits which can vary, but the average being 10-12 months. Henry stated that, once the CNG station is complete, Clean Energy has a team of 15 specialized technicians on call 24/7 and a complete parts warehouse in Carson City, California to cover the Southern California Region.

Henry Pyle went on to explain the building modifications required by the National Fire Protection Agency for working on a CNG vehicle inside a shop. He concluded with a summary of Clean Energy's services, history and future aspirations. He also confirmed that no other provider in the State of California can give the complete services that Clean Energy does.

The Board thanked the Clean Energy Representatives for the comprehensive presentation.

At 4:58P.M., President Cobo asked for a break before the Closed Session.

President Cobo reconvened the meeting at 5:14 P.M., then convened to a closed session at 5:14 P.M.

## **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.

- A. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency Designated Representatives: General Manager Robbins, Finance Director Housley and Labor Counsel Joseph Larsen, Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01

President Cobo reconvened the meeting at 5:53 P.M.

There was no reportable action taken due to the closed session.

### **BOARD CONCERNS/COMMENTS**

Director Neugebauer confirmed the 75<sup>th</sup> Anniversary Committee meeting on Wednesday, July 24, 2013 at 10:00 A.M.

Director Krippner confirmed that he is approved to attend the MWDOC Water Policy Forum on Wednesday, July 24, 2013.

President Cobo stated that he is excited about the CNG project and feels very strongly that the District is moving in the right direction.

### **GM/STAFF CONCERNS/COMMENTS**

Finance/HR Director Housley confirmed that the field audit will take place from August 5–9, 2013 at the District office, and that they will be setting a time for President Cobo to meet with the auditors. The actual budget document would be bound and provided to the Board at the next regular Board meeting on August 6, 2013.

### **ADJOURNMENT**

President Cobo adjourned the meeting to Tuesday, August 6, 2013 at 4:00 P.M. at the District Office at approximately 6:00 P.M.

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Margie L. Rice, Secretary