

**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**

January 7, 2014

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, January 7, 2014 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
Tom Nixon, District Counsel
Danielle Gerardo, Board Secretary
Farman Shir, GreenbergFarrow
Vinny Tam, GreenbergFarrow

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE MEETING OF DECEMBER 17, 2013

A motion was made by Director Rice, seconded by Director Neugebauer to approve the minutes of the meeting of December 17, 2013, as amended. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 707,434.00

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	6526	12/17	15.00	County of Orange Auditor-Controller - County Processing Fee to Change Special Assessment
3	6527	12/20	12,073.94	CalPERS Retirement - Retirement Contributions for December 2013
4	6528	12/20	97.34	The Gas Company - District Office & Maintenance Yard Fees for December 2013
5	6529	12/20	137.21	Office Max - Restock District Office Paper for December 2013
6	6530	12/20	33.42	Pifney Bowes/Purchase Power - Funds for District Postage Machine December 2013
7	6531	12/20	7,730.41	US Bank - (\$4,415.98 KR) CASA Exec. Board Planning Session Registration, Hotel 11/14-11/15/2013 (MR);
8				CSDA Special Districts Leadership Academy Registration, Hotel, Meals 11/17-11/20/2013 (KR, JN, FC, MR)
9				O.C. Annual Report Parking; WiarCom Monthly Service for November & December 2013; Employee
10				Luncheon. (\$335.22 DGr) Restock Sewer Supplies. (\$188.26 Dge) Board Meeting Refreshments for
11				11/5/2013 Board Meeting; (7) Bricks of Cassettes for Board. (\$1,909.79 NC) (2) Tires for T9;
12				O2 Sensor Calibration for Sewer; (40) Traffic Safety Cones for Sewer; (10) Safety Hard Hats for Sewer.
13				(\$881.16 RH) CalPERS Educational Forum Registration, Travel, Meals, Hotel 10/21-10/23/2013 (RH);
14				City of Westminster Water Usage from 9/4-10/29/2013 for Maintenance Shop, Wash Rack, District Offices;
15				City of Westminster Water Usage from 9/25-11/19/2013 for Westminster Lift Station.
16	6532	12/20	465.47	Verizon Business - Internet Connection for SCADA System for November 2013
17	6533	1/2	124.83	AT&T - Brookhurst Lift Station Service for December 2013
18	6534	1/2	11,988.90	CalPERS Retirement - Retirement Contributions for December 2013
19	6535	1/2	42,009.74	CalPERS Health Premium - Healthcare Premium for January 2014
20	6536	1/2	40.00	City of Westminster - Hydrant Meter Water Usage for November 2013
21	6537	1/2	3,585.28	MeiLife - Monthly Dental Premium for January 2014
22	6538	1/2	2,272.52	Southern California Edison - Archives & Parking Garage \$51.88, District Office \$488.24,
23				Maintenance Shop \$241.99, Brookhurst Lift Station \$167.85, Westminster Lift Station \$483.30,
24				Willow Lift Station \$302.08, Hammon Lift Station \$537.18 .
25	6539	1/2	824.50	The Standard Life Insurance - Premium Coverage for January 2014
26	6540	1/2	972.05	Verizon California - District Office Phones & Lift Stations for December 2013; \$521.36 District Office,
27				\$150.23 Willow Lift, \$150.23 Westminster Lift, \$150.23 Hammon Lift.
28				
29			82,370.61	SUBTOTAL
30				
31				REGULAR CHECKS:
32	6541	1/2	88.90	Advanced Office Service - Toner Replacement for District Office Ricoh Printer
33	6542	1/2	500,000.00	CalPERS Fiscal Services Division - Payment Towards OPEB Unfunded Accrued Benefit Liability (UAL)
34	6543	1/2	50,000.00	CalPERS Fiscal Services Division - FY 2013-14 GASB 45 OPEB Contribution
35	6544	1/2	414.99	G & K Services - Uniform Services for December 2013
36	6545	1/2	4,953.54	Greenberg Farrow Architecture, Inc. - Services for CNG Fueling Station Engineering
37	6546	1/2	26.43	Hilco Fastener Warehouse - (17) Clamps, (10) Sockets, (25) Flange Nuts for Restock
38	6547	1/2	1,006.34	Los Alamitos Napa Auto Parts - (4) Brake Drums & (4) Brake Kits for Restock
39	6548	1/2	146.90	Neugebauer, Joy - Health Insurance Reimbursement for January 2014

40	6549	1/2	1,141.28	Ray Gaskin Service - (4) Heil Dump Seal Kits, (2) Heil Grip Rods for Restock
41	6550	1/2	274.00	Scott Harison Plumbing & Heating - A/C Diagnostic and Labor to Repair Leak
42	6551	1/2	248.40	Sign Deslgn - (2) Signs with MCSD Logo Celebrating 75 Years for District Gates
43	6552	1/2	595.00	TM Service Company - Annual Maintenance on District's Fire Extinguishers (Fleet & Offices)
44	6553	1/2	968.67	Top Mobile Vision - Parts & Labor for Installation of Video Cameras at District
45	6554	1/2	3,487.50	Woodruff, Spradlin & Smart - Legal Services for November 2013
46				
47			645,722.56	SUBTOTAL (BOTH HAND-CUTS & REGULAR CHECKS)
48				
49				PAYROLL
50	12/24		53,669.45	Payroll - Staff Check # 15582 - 15584 Taxes & Direct Deposits
51	12/24		1,235.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
52	12/24		951.92	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
53	12/27		5,434.95	Board of Director's Payroll for the Month of December 2013 Chk # 15586 - 15589
54	12/27		420.12	Board of Director's Nationwide Deferred Compensation for December 2013 (100% Paid By Directors)
55			707,434.00	TOTAL EXPENDITURES W/PAYROLL
				BANK TRANSFERS
	12/24		2,500,000.00	Transfer Funds from Money Market to Checking Account
	12/26		2,000,000.00	Transfer Funds from Checking Account to LAIF Account

A motion was made by Director Neugebauer, seconded by Director Diep to approve the expenditures in the amount of \$707,434.00. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

President Cobo reported that he attended the funeral mass for Midway City Sanitary District employee Juan Salce's wife, Andrea Salce. Director Krippner also attended the mass.

Report of General Manager

GM Robbins reported that a Midway City Sanitary District driver hit a low hanging Verizon wire last week while picking up Christmas trees. Verizon was in the process of transferring wires from one pole to another. The insurance company has been notified but nobody was hurt and there should be no outfall from the incident.

GM Robbins reported that staff is working on a fuel service agreement for the CNG fueling station. The City of Westminster and Orange County Sanitation District have expressed interest in fueling at the District site for employees that work in the area. It will need to be reviewed by the Board and legal counsel prior to finalization. In order for grant funding to be secured, those service agreements will need to be finalized soon. Lobbyist James McConnell notified GM Robbins today that there is \$15.5 million available in grants, but the agreements and plans and specifications for the fueling station need to be in place as well as being Board approved prior to applying for any grants.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that OCSD's Chairman and General Manager are in Washington D.C. lobbying for similar items as well as legislation pertaining to the sanitation industry. Director Diep brought OCSD's 60 year anniversary calendar to share with the Board and as a new member of the legislative and public affairs committee, they have been working on several ideas in order to educate ratepayers. One such idea is a lid for the Drain is Not a Dump campaign. The lid will fit on just about any size can in order for grease to be put in it and disposed of properly. Director Diep proposed the idea and asked Staff to check into the cost for possible future Midway City Sanitary District outreach.

Report from GreenbergFarrow Regarding the District's Compressed Natural Gas Fueling Station

Farman Shir, engineer from GreenbergFarrow stated that he wanted to provide the Board with a brief update on accomplishments regarding the engineering of the District's CNG fueling station to date and walk the Board through the schedule with some anticipated milestone dates. A facility survey has been conducted in order to find underground pipes, aboveground structures and parking as well as the street, sidewalk and wall locations. Also completed, is a geotechnical soil analysis which will give an indication of the soil condition and stability under the area that is proposed to hold the heavy equipment. He confirmed that there are no issues with a shallow water table.

An application for zoning clearance was submitted to the City of Westminster this week, as well as a site plan, elevation of the facility, and a general description of the project. GreenbergFarrow should be receiving a response or clearance on or around the middle of this month (January) and if there are no issues, can move ahead with construction documents and specifications which will be used for review and permitting by the City of Westminster's building and public works departments, utilities such as Southern California Edison and the Gas Company, and the Orange County Fire Authority. Final approval and permit ready status is anticipated for mid May of 2014. At that point the bidding process for construction can begin.

Southern California Edison has requested that the three services currently being used by the District be combined into one single service as well as a new meter since 480

volts are needed for the fueling station. The Gas Company is preparing a study for the engineers at GreenbergFarrow in order to make sure that they can supply the demand needed for the two compressors that are anticipated for the fueling station.

Mr. Farman Shir then reviewed the proposed site plan for the Board as well as the proposed revisions to the project. The building where the trucks are currently parked overnight will need to be upgraded to hold the new CNG trucks and the slow-fill fueling station. A fast-fill fueling station is proposed to be installed in front of the current mechanic's shop, and the compressors and other equipment necessary for the fueling station are to be located in the farthest corner away from residential homes. The proposed revision on today's agenda consists of the grinding and overlay of the existing parking areas, upgrades to the wash building and parking area for District vehicles, remodel of the restroom facility in the mechanic's shop to ADA compliance, as well as the upgrade of the electrical service required by SCE and the agencies application plan review fees, building permits, grading permit and Gas company analysis fee.

Director Neugebauer asked whether a canopy over the fast fill fueling station was included in the proposal, and whether there was a need to add one to the proposal. Mr. Farman Shir stated that it is not included, but if the Board wanted to add it, this was the time because the proposed position of the fast-fill station would need to be moved if a canopy was decided on. Mr. Shir stated that he would find out the requirements, codes and costs for a canopy, whether there are limitations for the District without a canopy, and report his findings back to the Board at the next regular meeting.

CONSENT CALENDAR

A. Consider Attendance to the Business to Business Table Top Expo with Tri Ta, Mayor of the City of Westminster, Tuesday, January 21, 2014

B. Approve Attendance to the California Special Districts Association (CSDA) Training Workshop for Special District Board Members – "How to be an Effective Board Member" on Thursday, January 23, 2014 from 9 A.M. – 4 P.M. at the MWDOC/OCWD Board Room in Fountain Valley, CA

C. Approval of Attendance to the Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, January 30, 2014

A motion was made by Director Diep, seconded by Director Rice to approve the consent calendar. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Consideration and Approval of Revision Number One to the Engineering Portion of the Compressed Natural Gas (CNG) Fueling Station Project

Director Neugebauer stated that she was not in support of spending \$31,900 in additional funds needed for the revision of the engineering portion of the fueling station project.

Director Rice stated that the original bid was \$74,500 and that an additional \$31,900 seemed excessive for a revision.

Farmin Shir of GreenbergFarrow agreed to modify the revision to the engineering proposal to \$22,900 with the District to pay for the \$9,000 in permits separately.

A motion was made by Director Diep, seconded by Director Rice to approve revision number one for engineering services from GreenbergFarrow for the CNG fueling station in the amount of \$22,900, with \$9,000 in permits to be paid separately by MCSD, for a new total for engineering services, including revision one, in the amount of \$97,400. The motion was approved by the following 4-1 vote:

AYES: Cobo, Diep, Krippner, Rice

NAYS: Neugebauer

ABSTAIN:

ABSENT:

B. California Senate Bill 751

Director Neugebauer stated that the District is and has been in compliance with the new law.

A motion was made by Director Rice, seconded by Director Neugebauer to receive and file the information. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

C. Discuss and Consider the District's Participation in the City of Westminster's TET Parade Tentatively Scheduled for Sunday, February 2, 2014

Directors Diep and Rice confirmed that the TET Parade had been changed to Saturday, February 1, 2014.

Director Neugebauer stated that she was not in support of the parade due to the negative publicity and controversial attention attracted by it.

A motion was made by Director Rice, seconded by Director Diep to approve attendance for the District. The motion was approved by the following 4-1 vote:

AYES: Cobo, Diep, Krippner, Rice

NAYS: Neugebauer

ABSTAIN:

ABSENT:

D. Review and Judging of Carts Decorated for the Midway City Sanitary District's 75th Anniversary – Competition Submissions

A motion was made by Director Diep, seconded by Director Krippner to award a grand prize of \$150 to the winner, \$100 to all other entries, directed staff to create certificates of commendations for each entrant, and allow the 75 year committee to decide the rest of the matter at their next meeting on February 4, 2014. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

E. Consider Press Release Regarding the Formation of the Midway City Sanitary District in Celebration of its 75th Anniversary

A motion was made by Director Rice, seconded by Director Diep to approve the press release, with a change. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. Web Site Activity for the Month of December 2013 (45,237 Successful Hits)

A motion was made by Director Neugebauer, seconded by Director Rice to receive and file. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that there were two separate articles in the Orange County Register watchdog section that concerned the Midway City Sanitary District and benefits to employees.

GM Robbins responded that the figures were taken from 2011, which was a year that was high due to a higher number of employees and an expensive separation. At this point in time benefits are at about 27% due to the reorganization and new benefit tiers.

Director Neugebauer asked staff to bring back information regarding the Costa Mesa Sanitary District's Board pay per meeting.

Director Rice complimented staff regarding the special service received by a neighbor of hers recently and asked that the driver be personally thanked as well. Director Rice also thanked staff for the 2014 calendar of ISDOC meetings.

GM/STAFF CONCERNS/COMMENTS

GM Robbins reminded the Board that if they were carpooling to the California Association of Sanitation Agencies (CASA) conference in Indian Wells, CA next Wednesday, he would begin picking up Directors at 7 am.

GM Robbins thanked the Board for the positive discussion regarding the CNG fueling station.

GENERAL COUNSEL CONCERNS/COMMENTS

None

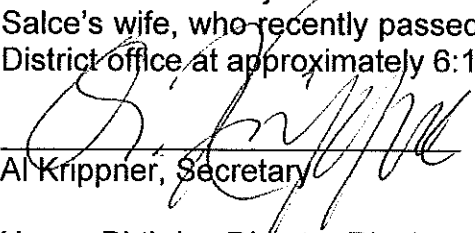
CLOSED SESSION

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.

ADJOURNMENT

President Cobo adjourned the meeting in honor of Andrea Salce, MCSD employee Juan Salce's wife, who recently passed away, to Tuesday, January 21, 2014 at 4 P.M. at the District office at approximately 6:17 P.M.


Al Krippner, Secretary

Happy Birthday Director Rice!