

**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 4, 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, March 4, 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
Robert Housley, Finance/HR Director
Tom Nixon, District Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

**APPROVAL OF THE MINUTES OF THE ADJOURNED MEETING OF FEBRUARY 13,
2014**

Director Neugebauer asked why the District's purchasing policy does not specify that bids are to be opened in a particular location.

General Counsel Nixon stated that it is General Manager's practice to open bids during an open meeting, with the Board in attendance, even though it is expressed in the policy that it is not a legal mandate, and allows flexibility. He stated that it could be added to the policy if the Board preferred to have it stated as such.

The Board agreed that the change to the purchasing policy should be made and then brought back for final approval.

A motion was made by Director Neugebauer, seconded by Director Rice to approve the minutes of the meeting of February 13, 2014, with the recommendation of the Board to be carried out. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice
NAYS:
ABSTAIN:
ABSENT:

APPROVAL OF THE MINUTES OF THE MEETING OF FEBRUARY 18, 2014

A motion was made by Director Rice, seconded by Director Neugebauer to approve the minutes of the meeting of February 18, 2014, with changes. 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 \$ 227,634.70

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	6645	2/18	121.84	The Gas Company - District Office & Maintenance Yard Fees for February 2014
3	6646	2/18	200.00	Pitney Bowes - Add Credit to Postage Machine for District Office
4	6647	2/26	137.30	AT&T - Brookhurst Lift Station Service for February 2014
5	6648	2/26	2,331.79	Southern California Edison - Archives & Parking Garage \$47.71, District Office \$501.23,
6				Maintenance Shop \$238.91, Brookhurst Lift Station \$168.69, Westminster Lift Station \$401.38,
7				Willow Lift Station \$322.01, Hammon Lift Station \$651.86 .
8	6649	2/26	856.50	First Bankcard (NC) - Restock District Kitchen Supplies
9	6650	2/26	466.48	Verizon Business - Internet Connection for SCADA System for January 2014
10				
11			4,113.91	SUBTOTAL
12				
13				REGULAR CHECKS:
14	6651	3/3	39,150.80	CalPERS Health Premium - Healthcare Premium for March 2014
15	6652	3/3	3,628.66	MetLife - Monthly Dental Premium for March 2014
16	6653	3/3	822.62	The Standard Life Insurance - Premium Coverage for March 2014
17	6654	3/3	355.04	Vision Service Plan - Monthly Premium for March 2014
18	6655	3/3	146.90	Neugebauer, Joy - Health Insurance Reimbursement for March 2014

19	6656	3/3	62.00	Advanced Gas Products - Cylinder Rental for January 2014
20	6657	3/3	57.00	Advanced Workplace Solutions - DOT Drug Test (RM)
21	6658	3/3	5,591.27	Bodyworks Equipment - (1) Packer Paddle & Actuator Kit, (1) Pump, and (2) Valve Coils for T60
22	6659	3/3	11,988.90	CalPERS Retirement - Retirement Contributions for February 2014
23	6660	3/3	350.00	Country City Towing - Tow District Backhoe as Donation to Museum 02/05/2014
24	6661	3/3	1,792.38	Cummins Cal Pacific - Service for Hammon Lift Station, Westminster Lift Station, and District Generators
25	6662	3/3	279.96	G & K Services - Uniform Services for February 2014
26	6663	3/3	24.25	Huntington Beach Ford - (4) Gaskets for M5
27	6664	3/3	1,097.48	Los Alamitos Napa Auto Parts - (50) Feet Hydraulic Hosing, (24) Brakleen, (8) Hose Ends for Restock
28	6665	3/3	1,420.18	Los Angeles Freightliner - (1) Clutch, (1) Core, and (1) Solenoid for T61
29	6666	3/3	372.98	Proforma Solutions - (525) 'F.O.G.' Can Lids for District Public Outreach
30	6667	3/3	2,152.34	Ray Gaskin Service -Repair & Restock(2)Packer Cylinders,(1)In-n-Out Cylinder,(1)Dump Cylinder,(1)Grip Cylinder
31	6668	3/3	2,017.10	Top Mobile Vision - (1) 7" Monitor with Labor for T65
32	6669	3/3	300.96	TrucPar Company - (2) Sensors, (2) Valves, and (2) Governors for Restock
33	6670	3/3	2,070.00	Woodruff, Spradlin & Smart - Legal Services for January 2014
34	6671	3/3	164.96	Advanced Gas Products - (1) Cylinder of Compressed Gas, (4) Gallons of Liquefied Propane for Restock
35	6672	3/3	175.00	Country City Towing - Tow for T59 Back to District 02/24/2014
36	6673	3/3	500.00	Crystal Rose Catering - Deposit for District Holiday Dinner 12/07/2014
37	6674	3/3	26,314.47	KEC Engineering - Previously Abandoned Lift Station & (3) Unknown Manholes Filled with Slurry
38	6675	3/3	1,229.59	Los Alamitos Napa Auto Parts - (4) Brake Kils, (4) Brake Drums for Restock; (3) Bells for T55; (1) Turn Signal
39				Assembly for T65.
40	6676	3/3	350.00	Maxx Air - Filter Cleaning for T56
41	6677	3/3	54,344.94	Otto Environmental Systems - Restock (720) 95 Gallon Blue Carts with Lids & (456) 65 Gallon Black Carts with Lids
42	6678	3/3	1,123.35	Ray Gaskin Service - Restock (2) Grip Cylinders, (1) Dump Cylinder, and (1) Arm Lift Cylinder
43	6679	3/3	2,218.14	Tech Air Mobile Services - A/C Repair & Labor for T55
44	6680	3/3	1,846.69	Truck Gears Inc. - (1) Differential for T59
45	6681	3/3	143.05	Zee Medical Service Co. - Restock District Emergency Medical Supplies
46	6682	3/3	148.56	Robbins, Kenneth - Per Diem Reimbursement for CASA Washington D.C. 02/24-02/26/2014
47				
48			166,353.48	SUBTOTAL (BOTH HAND-CUTS & REGULAR CHECKS)
49				
50				PAYROLL
51	2/18		52,989.21	Payroll - Staff Check # 15604 - 15605 Taxes & Direct Deposits
52	2/18		1,250.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
53	2/18		943.72	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
54	2/28		5,647.05	Board of Director's Payroll for the Month of February 2014 Check # 15607 - 15610
55	2/28		451.24	Board of Director's Nationwide Deferred Compensation for February 2014 (100% Paid By Directors)
56			227,634.70	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Neugebauer, seconded by Director Diep to approve the expenditures as presented in the amount of \$227,634.70. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that Rainbow Environmental did a waste characterization study on the District's recycle loads and he is waiting for the results of that study. Director of Operations/Safety Castro took pictures of each load as it was being dumped.

A final 75th Anniversary Committee Meeting needs to be scheduled in April to finalize preparations for the District's Open House on April 19, 2014.

Performance Pipeline did a free point repair on a sewer line for the District using an ultraviolet light. GM Robbins, Finance/HR Director Housley, Director of Operations/Safety Castro and the sewer crew were all there for the 15 minute demo. GM Robbins stated that if there were a lot of breaks or compromises in a segment he would recommend relining the entire segment.

GM Robbins stated that he will be out on vacation starting this week.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that he attended two meetings during the month of February – an Administration Committee meeting on Wednesday, February 19, 2014 at which the Board voted to transfer all local sewage laterals in service area 7 (Tustin) to the East Orange County Water District. OCSD is transferring ownership to local agencies because their strategy is to make sure they are all being transferred to cities and special districts and only be responsible for the main lines and not the city and residential lines. This will go to LAFCO for final approval. OCSD currently has \$101 million in reserves for the maintenance of all the lines in Tustin and when they are transferred, those funds will also be transferred for maintenance of those lines. The Board also voted to go out for an Request for Proposal (RFP) to change their investment advisor (Pimco) due to recent financial losses.

Director Diep reported that he also attended a meeting of the full Board on Wednesday, February 26, 2014 at which there was discussion regarding State Senate legislation to memorialize the transfer of sewage lines from Yorba Linda to the Yorba Linda Water District and replacing that seat. On March 20, 2014, the California legislature will honor OCSD on its floor for 60 years of service to the residents of Orange County. Director Diep stated that MCSD should request something from its local assemblyman. There was a short closed session to discuss labor negotiations with the Orange County Employees Association, the International Union of Operating Engineers Local 501, the supervisor group and the professional group and then a 2 hour discussion and evaluation of OCSD General Counsel, Brad Hogan.

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

Directors Rice, Neugebauer, Cobo, Diep and GM Robbins attended the CASA conference in Washington D.C.

Director Rice reported that it was an excellent conference with some interesting workshops and speakers from Water Infrastructure Technology, the Department of Energy, but she especially enjoyed House of Representatives Subcommittee of Finance speaker, Jonathan Pawlow, who spoke regarding waste water and the Clean Water Act. She was disappointed that the Board members were sent to San Diego Legislators instead of Orange County Legislators.

Director Neugebauer reported that the enormity of the need for infrastructure for sewers across the nation comes down to funding and that there are 300 projects across the country vital to safely disposing of sewer water. There were five visits to congressional offices that were worthwhile, although she would have preferred more Orange County congressional members.

Director Neugebauer stated that she inquired if there was any money to be had for the District and if after the end of the budget year there was any money left over that would be available to be dispersed. She was told that those were very good questions and that there was a possibility.

Director Diep stated that he visited Congressman Lowenthal as well as lobbyist Jim McConnell and stated that he feels certain that the District will receive some funding for the District's CNG project with regard to AQMD.

President Cobo enjoyed learning about new energy sources and energy savings and stated that he would like staff to get information regarding solar panels for the District and place it on a future agenda for further discussion by the Board since the District is "going green".

CONSENT CALENDAR

None

OLD BUSINESS

None

NEW BUSINESS

A. Consider Approval of Attendance to the Orange County Water Summit on Friday, May 16, 2014

A motion was made by Director Rice, seconded by Director Neugebauer to approve attendance to the Orange County Water Summit. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

B. Consider the City of Westminster's Request for Sponsorship of the 2014 Summer Concerts in the Park Series

Director Neugebauer recommended that the Board consider sponsoring the 2014 Concert in the Park Series at the top level rate of \$1,200 this year only due to the District's 75 Year Anniversary celebration this year.

Director Krippner stated that he would like to further discuss this item later in closed session because he had reservations about sponsoring the event.

Discussion ensued and Director Krippner withdrew his request for a closed session.

A motion was made by Director Neugebauer, seconded by Director Rice to continue this item to the next meeting because there is adequate time to respond to the sponsorship request. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, Rice

NAYS:

ABSTAIN:

ABSENT:

C. Consider Scheduling a Date for the Administrative Professional's Day Luncheon

A motion was made by Director Rice, seconded by Director Neugebauer to schedule the Administrative Professional's Day luncheon on Wednesday, April 23, 2014. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

D. Consider One-Time Flooring Maintenance Proposal from Merchants Building Maintenance

A motion was made by Director Rice, seconded by Director Diep to approve the one-time flooring maintenance proposal from Merchants Building Maintenance. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

E. Approve Drivers Safety Training for Midway City Sanitary District Commercial Drivers

A motion was made by Director Neugebauer, seconded by Director Diep to approve driver's safety training for all Midway City Sanitary District commercial drivers, as recommended. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

F. Consider Entering into an Annual Supervisory Control and Data Acquisition (SCADA) Maintenance Agreement with TESCO Controls

GM Robbins stated that the District has had recent issues with the SCADA system which monitors the lift stations and that this proposal is strictly a maintenance agreement that would be added to the budget for next year if approved.

Director Neugebauer asked whether this item qualifies as a sole source or if it should go out to bid due to the amount.

General Counsel Nixon stated that sole source should not be used unless there is substantial evidence that only one source is available to fulfill the District's requirements and all sole source purchases over \$5,000 require Board approval. The General Manager would also need to insure that whoever is contracted to do the work, have worker's compensation insurance, automobile liability insurance, and commercial general coverage in place.

GM Robbins stated that he will contact other vendors to inquire if they are capable of doing what TESCO Controls has proposed.

A motion was made by Director Neugebauer, seconded by Director Rice to continue until Staff provides further information to the Board. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

G. Consider Approval of Attendance to California Association of Sanitation Agencies (CASA) Public Policy Forum in Sacramento, CA on April 28th and 29th, 2014

A motion was made by Director Diep, seconded by Director Rice to approve attendance to the CASA Public Policy Forum in Sacramento April 28th and 29th, 2014. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

H. Consider Press Release Regarding Midway City Sanitary District's 75th Anniversary

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

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

I. Rainbow Environmental Request for Weight Tickets for Materials to CR&R Facility 2008 to Present

GM Robbins stated that the District received an official public records request from Rainbow Environmental requesting weight tickets from 2008 to 2013 for their overall tonnage reporting.

President Cobo excused himself from the meeting at 5:08 P.M.

Director Diep took over the meeting.

A motion was made by Director Neugebauer, seconded by Director Rice to approve staff's recommendation that the District comply with the laws of transparency and the California Public Records Act. The motion was approved by the following 4-0 vote:

AYES: Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Cobo

President Cobo returned to the meeting at 5:11 P.M.

INFORMATIONAL ITEMS

Director Neugebauer stated that she received information regarding a California Special Districts Association (CSDA) webinar relating to public records requests and complying with the Public Records Act. The webinar is next Tuesday, March 11, 2014 from 10 A.M. until 12 P.M., and thought it would be pertinent and beneficial to the Board to participate.

A motion was made by Director Neugebauer, seconded by Director Rice to bring participation in the March 11, 2014 webinar onto the agenda because information about the webinar did not become available to the District prior to the posting of the agenda and there is a need to take immediate action in order to be able to participate in the webinar. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

A motion was made by Director Neugebauer, seconded by Director Diep to approve participation in the CSDA webinar next Tuesday, March 11, 2014 relating to Public Records Requests. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

BOARD CONCERNS/COMMENTS

Director Rice wished GM Robbins a good vacation.

Director Neugebauer suggested that the 75 Year Anniversary Committee meet at 10 A.M. on Wednesday, April 2, 2014, prior to the District employee luncheon to celebrate Miguel Jimenez' 10 year safety award. She also wished GM Robbins a safe vacation.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that when he returned from vacation there would be a lot of work to be done and that he would be checking in occasionally.

GENERAL COUNSEL CONCERNS/COMMENTS

None

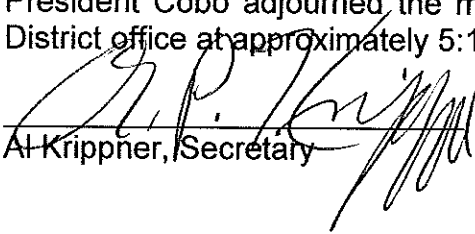
CLOSED SESSION

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 to Tuesday, March 18, 2014 at 4 P.M. at the District office at approximately 5:19 P.M.


Al Krippner, Secretary