

**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**

December 16, 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, December 16, 2014 at 5:00 P.M.

BOARD MEMBERS PRESENT:

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

OTHERS AT MEETING:

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

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE MEETING OF DECEMBER 2, 2014

A motion was made by Director Diep, seconded by Director Rice to approve the minutes of the meeting of December 2, 2014. 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 ADJOURNED MEETING OF DECEMBER 5, 2014

A motion was made by Director Diep, seconded by Director Rice to approve the minutes of the adjourned meeting of December 5, 2014, with a change. 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 ADJOURNED MEETING OF DECEMBER 9, 2014

A motion was made by Director Rice, seconded by Director Diep to approve the minutes of the adjourned meeting of December 9, 2014, with a change. 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 \$ 353,062.07

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	7294	12/1	1,600.00	Crystal Rose Catering - Remaining Balance on 2014 Holiday Dinner
3	7295	12/5	334.11	AT&T Mobility - Service for October 2014: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,
4				Sewer 714-310-8654, Emergency 714-310-9004.
5	7296	12/5	8,320.00	CASA - Agency Membership Dues for 2015
6	7297	12/5	105.98	DirecTV - Service for December 2014
7	7298	12/5	5,718.51	US Bank - (\$2,748.47 KR) ISDOC Quarterly Meeting & Luncheon 10/30/2014 (FC, TD, AK, MR, JN, KR, RH);
8				Special District Leadership Academy Conference 11/16-11/19/2014 (AK, FC, JN, MR, KR, NC); Service on
9				Ricoh Copier 11/05/2014; Lunch after SDLA Conference 11/19/2014; Wiacom Monthly Service
10				NOV-2014. (\$125.54 DGe) Board Meeting Refreshments for 11/4 & 11/18/2014; Holiday Cards, Envelopes,
11				Invitations for 2014 Holiday Party. (\$1,087.61 DGr) Restock Sewer Maintenance Supplies.
12				(\$374.93 NC) 6-28" Cones for Sewer Truck M5; Restock District Kitchen Supplies; Driver's Training Lunch
13				11/22/2014. (\$1,401.96 RH) (3) Samsung Phones AT&T (Juan-Shop, David-Refuse, Sewer-Emergency);
14				City of Westminster - Water 08/27-10/21/2014 - Westminster Lift Station; Hotel Reservation for CalPERS
15				Conference 10/27-10/29/2014 (RH); Food for CalPERS Conference 10/27-10/29/2014 (RH); OC Register
16				Subscription NOV-2014; CSMFO Luncheon 12/18/2014 (RH, CE); Hotel Reservation & Food for LAIF
17				Conference 11/17-11/18/2014 (RH); CSMFO Conference Registration 02/17-02/20/2015 (RH).

18	7299	12/5	1,014.28	Verizon California - District Office Phones & Lift Stations for November 2014; \$547.96 District Office,
19				\$155.44 Willow Lift, \$155.44 Westminster Lift, \$155.44 Hammon Lift.
20	7300	12/5	383.55	Vision Service Plan - Monthly Premium for December 2014
21	7301	12/5	4,896.41	CalPERS Retirement - Retirement Contributions for December 2014
22	7302	12/28	435.90	Verizon Business - Internet Connection for SCADA System for December 2014
23			22,808.74	HANDCUT CHECKS SUBTOTAL
24				
25				REGULAR CHECKS:
26	7303	12/10	60.00	Advanced Gas Products - Cylinder Rental for November 2014
27	7304	12/10	1,436.92	Bodyworks Equipment - Restock (12) Cam Followers, (1) Crank Gear, (1) Idler Gear
28	7305	12/10	737.00	Computer Research Center Cloud - Maintenance & Support for December 2014
29	7306	12/10	1,104.52	CR Transfer - Tonnage for November 2014
30	7307	12/10	143.93	Cummins Pacific - (1) Pressure Sensor, (3) Gasket Connections
31	7308	12/10	290.10	G & K Services - Uniform Services for November & December 2014
32	7309	12/10	92.76	Hillco - (25) Sockets, (90) Washers, (30) Locknuts, & (60) Bolts for Restock
33	7310	12/10	71.83	Huntington Beach Ford - (3) Gasket, (1) Nut, (1) Stud for T5
34	7311	12/10	4,308.05	Los Alamitos Napa Auto Parts - Restock (2) Brake Drums, (2) Brake Kits, (2) Air Filters, (6) Adapters, (6)
35				Couplers, (6) Air Brakes, (8) Slack Adjustments, (1) Torque Wrench, (50) Feet Hosing, (18) Hose Ends,
36				(10) Grommets, (15) Hubcaps, (3) Circuit Breakers, (2) Switches, (2) Air Dryer, (1) Brake Fluid, & (10)
37				Wiper Blades; (1) Brake Shoe for T4; (1) Air Dryer for T57.
38	7312	12/10	141.36	Los Angeles Freightliner - Labor to Diagnose Starting Problem with M63
39	7313	12/10	880.68	North American Safety - (30) Blue T-Shirts with Screen-printing, (48) Straw hats; (5) Safety Vests
40	7314	12/10	70,619.20	Orange County Sanitation District - Permit Fees for November 2014 (MCSD 5% = \$3,716.80)
41	7315	12/10	113,240.41	Rainbow Transfer Recycling - Tonnage for November 2014
42	7316	12/10	3,943.59	Rainbow Transfer Recycling - Natural Gas Fuel Charges for November 2014
43	7317	12/10	420.50	Reyes Alternators - (1) Power Steering Pump for T52; (1) Alternator for Restock
44	7318	12/10	1,950.00	Safety Research Consultants - (2) 4-Hour Safety Training for Fleet 11/22/2014
45	7319	12/10	24,144.00	SDRMA - Workers' Compensation FY 2014-2015 3rd Qtr JAN-MAR 2015
46	7320	12/10	337.33	TEC of California - (18) Air Filters, (3) Gaskets, (3) Wingnuts for Restock; (1) Valve for T62.
47	7321	12/10	1,354.87	Truck Gears - Labor & Parts to Repair Differential for T4
48	7322	12/10	597.16	Top Mobile Vision - Labor & Parts to Install (1) Monitor for T60
49	7323	12/10	22.50	Underground Service Alert - (15) New Tickets for November 2014
50			\$ 225,896.71	REGULAR CHECKS SUBTOTAL
51				
52				PAYROLL
53		12/9	102,671.62	Payroll - Staff Check # 15712 - 15713 Taxes & Direct Deposits
54		12/9	1,135.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
55		12/9	550.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
56			\$ 104,356.62	PAYROLL SUBTOTAL
57				
58			\$ 353,062.07	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$ 353,062.07. 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 the District received a request for information from the Orange County Grand Jury which he forwarded to each of the Directors. The request must be responded to by December 29, 2014. He called Paul Borzcik, the Grand Jury Foreman, to inquire about the information requested, which is already available on the Midway City Sanitary District's website.

GM Robbins stated that the District received a subpoena requesting all documents concerning maintenance and repairs to the sewage line located within a 100 yard radius to 8068 Worthy Drive in Westminster for the last ten years. GM Robbins stated that the District has no facilities within 100 yards of the residence and that it looks like a private party dispute between the homeowner and the homeowner's association. He forwarded the subpoena to General Counsel, who will prepare a response.

GM Robbins stated that Christmas Day and New Year's Day fall on a Thursday this year so he would like to give the front office staff Friday, December 26, 2014 and Friday, January 2, 2015 off. The solid waste department will be working Friday and Saturday to make up for the Christmas Day closure and on Friday will be able to handle any calls to the District.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that the Legislative and Public Affairs Committees voted to retain Eric Saperstein as OCSD's federal lobbyist for another year.

The contract for OCSD's State Representative, Townsend Public Affairs located in Newport Beach, CA was also renewed at \$6,000 per month.

The OCSD Board welcomed eight new Directors and said goodbye to Joe Carchio from Huntington Beach along with several other Board members.

CONSENT CALENDAR

- A. Investment Report for November 2014
- B. Approve Attendance to the California Special Districts Association (CSDA) Board Secretary/Clerk Conference in San Diego, CA February 12-13, 2015
- C. Approve Attendance to the California Association of Sanitation Agencies (CASA) Conference in Washington D.C., February 23-25, 2015
- D. Approve Annual Vacation Pay in Lieu of Time Off Requests for Represented Employees
- E. Approve Annual Vacation Pay in Lieu of Time Off Requests for Management, Salaried and Unrepresented Employees

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 and Rice

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. RESOLUTION NO. 2014-16

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT, OF ORANGE COUNTY, CALIFORNIA, APPROVING A CHANGE TO THE TIME OF THE DISTRICT'S REGULAR MEETING AND DIRECTING THAT THE POLICIES AND PROCEDURES OF THE BOARD OF DIRECTORS BE REVISED ACCORDINGLY

GM Robbins stated that since the Board voted to change the regular Board meeting time to 5 P.M. instead of 5:30 P.M. at the reorganization meeting a new resolution must be adopted and the policies and procedures of the Board must also be amended due to the change.

A motion was made by Director Diep, seconded by Director Rice to adopt Resolution No. #2014-16 and waive further reading. The motion was approved by the following 5-0 roll call vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

B. Discuss and Consider Making Changes to the District's Mission Statement

A motion was made by Director Rice, seconded by Director Neugebauer to continue discussion and consideration of making changes to the District's mission statement to the next meeting as part of the strategic plan discussion. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

C. Approval of Grant Award from Clean Transportation Funding from the Mobile Source Air Pollution Review Committee (MSRC) in the Amount of \$250,000

A motion was made by Director Diep, seconded by Director Rice to accept the grant and approve authorizing the General Manager to sign the agreement for the \$250,000 grant award from Clean Transportation Funding from the Mobile Source Air Pollution Review Committee. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

D. Review and Discussion of Midway City Sanitary District's Employee Group Dental Coverage and Renewal Rates for January 1, 2015 through December 31, 2015 Discussion of Possible District Promotion in 2015

GM Robbins stated that Met Life has raised the District's group dental insurance rates so Finance/HR Director Housley has been looking into other options including SDRMA.

Finance/HR Director Housley explained that he has had contact with the Rule Group who manages the District's current group dental insurance due to the increase and that the District has several options. One option is to consider switching to a pool plan with SDRMA who uses the largest provider, Delta Dental.

Director Neugebauer stated that the Board changed dental insurance carriers at the District employees' request, that her concern is their level of satisfaction and the last word was that they were content with MetLife as the current insurance provider.

Director Rice stated that staff should inquire as to the satisfaction rate with the current dental insurance and to make employees aware of the price increases before changing.

A motion was made by Director Neugebauer, seconded by Director Rice to continue discussion of the District's group dental insurance coverage, until a date uncertain, when staff has obtained additional feedback from District employees. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

E. Discussion of Possible District Promotion in 2015

GM Robbins stated that many residents and City employees are unaware of the District's position as their service provider, with Rainbow and CR&R Environmental as the District's franchisees for commercial accounts and are under the impression that Rainbow Environmental is and has been their solid waste provider, separate from the District. In order to further promote the District and to clear up the confusion, clear signage is being suggested for use at high traffic events.

Director Diep stated that he feels that getting the District's name out there is good public policy but if the goal is to make residents aware of who their service provider is the District should not isolate promotions to City events but events with the largest crowd.

A motion was made by Director Rice, seconded by Director Diep to approve and allow the General Manager to move forward with a District promotional item of disposable cardboard boxes with the District's information for events within the District. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. Indemnification Language for CNG Fueling Station Contract

B. Web Site Activity for the Month of November 2014 (46,663 Successful Hits)

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

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that she appreciated all of staff's effort and support during the year, wished everyone a blessed holiday season and thanked everyone for the holiday remembrances.

Director Neugebauer stated that she also wished to comment on the thank you letter from Board President Frank Cobo to Tim Nelson and the Surf City Singers for the entertainment provided at the District's holiday dinner.

Director Rice thanked everyone for the nice gifts, for the support from the Board and staff all year long and stated that she enjoyed the District's holiday dinner and the hats provided to everyone.

President Cobo wished everyone good health, a Merry Christmas, and Happy New Year.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that anyone wishing to carpool to Rainbow Environmental for the holiday event on Thursday, December 18, 2014 should be at the District at 11:30 A.M.

GM Robbins had photos from the District's holiday dinner enlarged and framed for the front and back offices in the District. He thanked everyone for the gifts, help and support over the past year.

Finance/HR Director Housley thanked the Board and wished everyone a happy holiday.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel Nixon thanked the Board and staff and wished everyone a Merry Christmas.

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, January 6, 2014 at the District office at 5:00 P.M. at approximately 5:53 P.M.

Al Krippner, Secretary