

**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**

September 20, 2016

CALL TO ORDER

President Rice called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, September 20, 2016 at 5:00 P.M.

BOARD MEMBERS PRESENT:

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

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, Finance/HR Director
Omar Sandoval, Assistant General Counsel
Danielle Gerardo, Board Secretary
Anita Rice, Resident

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

**APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 6,
2016**

A motion was made by Director Diep, seconded by Director Cobo, to approve the minutes of the regular meeting of September 6, 2016. The motion was approved by the following 5-0 vote:

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

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF SEPTEMBER 12, 2016

A motion was made by Director Neugebauer, seconded by Director Diep, to approve the minutes of the special meeting of September 12, 2016, as presented. The motion was approved by the following 5-0 vote:

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

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 300,951.61

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	8619	9/9	348.95	AT&T Mobility - Service for August 2016: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,
3				Sewer 714-310-8654, Emergency 714-310-9004.
4	8620	9/9	926.94	Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for August 2016
5	8621	9/9	13.85	City of Westminster - Water Usage for Hammon Lift Station 06/29/2016-08/23/2016
6	8622	9/9	115.98	DirectTV - Service for September 2016
7	8623	9/9	333.80	Office Max - Restock District Office Supplies for August 2016
8	8624	9/9	6,780.59	Southern California Edison - District Office \$5,838.31, Brookhurst Lift Station \$92.87, Westminster Lift
9				Station \$373.58, Willow Lift Station \$127.31, Hammon Lift Station \$378.52.
10	8625	9/9	1,698.72	Lopez, Linda - Claim 09/08/2016
11	8626	9/13	12,046.23	CalPERS Retirement - Retirement Contributions for September 2016
12	8627	9/13	4,517.44	The Gas Company - CNG Fuel for August 2016
13	8628	9/13	450.84	Verizon Business - Internet Connection for SCADA System for September 2016
14			27,233.34	HANDCUT CHECKS SUBTOTAL
15				REGULAR CHECKS:
17	8629	9/13	47.26	Rice, Margie - Per Diem Reimbursement for CASA Conference Monterey, CA 08/10-08/12/2016
18	8630	9/13	171.07	Advanced Gas Products - Restock (10) 3" Roloc Discs
19	8631	9/13	1,403.76	Bodyworks - (6) Micron Filter Elements for Restock
20	8632	9/13	980.50	Daniel's Tire Service - (5) Recaps for Restock
21	8633	9/13	719.09	Dartco - (12) Transmission Kits for Restock

22	8634	9/13	149.38	G & K Services - Uniform Services for September 2016
23	8635	9/13	753.75	Heritage Container Corp. - (248) Cardboard Trash Boxes for Public Outreach
24	8636	9/13	491.05	Los Alamitos Napa Auto Parts - Restock (4) Air Filters, (2) Fuel Filters, (2) Oil Filters, (24) Brakleen 14oz
25				(1) Impact Socket for Shop.
26	8637	9/13	89.00	MemorialCare Medical Group - Unlisted Preventative Service
27	8638	9/13		VOID Incorrect Dollar Amount on Check
28	8639	9/13	73,951.89	Rainbow Transfer Recycling - Tonnage from 08/16/2016 through 08/31/2016
29	8640	9/13	695.73	Rainbow Environmental Services - Diesel & Unleaded Purchases for July & August 2016
30	8641	9/13	1,728.48	RMS - Service Response of Gas Detection System at District & Battery Replacement for System
31	8642	9/13	3,185.21	Rosemead Oil Products - Restock (110) Gallons Hydraulic Oil & (100) Gallons CNG 15W-40 Oil
32	8643	9/13	2,230.15	Rutan & Tucker, LLP - Legal Services for August 2016
33	8644	9/13	139.35	RWC Group - Hydraulic Oil for NG5 & (2) Quick Release Valves for NG3 and Restock
34	8645	9/13	2,255.19	TEC of California - (7) Bendix Air Disc Pads & (4) Brake Kits for Restock
35	8646	9/13	11,500.00	White Nelson Diehl Evans - Interim Billing for District Annual Audit Fiscal Year 2015-2016
36	8647	9/13	4,133.50	Woodruff, Spradlin & Smart - Legal Services for August 2016
37	8648	9/14	46,869.33	Rotary Lift - Four Column Lift for District Shop
38	8649	9/14	60,181.83	Orange County Sanitation District - Permit Fees for August 2016 (MCSD 5% = \$3,167.46)
39			211,675.52	REGULAR CHECKS SUBTOTAL
40				PAYROLL
41				
42		9/13	60,057.75	Payroll - Staff Checks Taxes & Direct Deposits
43		9/13	690.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
44		9/13	1,295.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
45			62,042.75	PAYROLL SUBTOTAL
46				
47			300,951.61	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
48				
49				BANK TRANSFERS
50		9/2	500,000.00	Transfer Funds from LAIF to Checking Account

A motion was made by Director Krippner, seconded by Director Diep, to approve the expenditures in the amount of \$300,951.61. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that California Governor Jerry Brown signed Assembly Bill 32, which will reduce greenhouse gas emissions by 40% and to 1990 levels by 2030. The Little Hoover Commission is looking at how special districts are complying with AB 32 by converting to alternative energy sources. The next Little Hoover Commission meeting is in October.

GM Robbins reported that the City of Westminster will be doing a street improvement project on Westminster between Goldenwest and Edwards and the District will need to pay to raise 12 manholes at \$808 each.

Report from the Franchise Committee Meeting on September 13, 2016

Director Neugebauer reported that she and President Rice met with Bill Morgan who was the auditor for the CR&R and Rainbow audit. He walked them through the audit page by page, answered all of their questions completely and stated that in conclusion, there were no red flags found.

GM Robbins stated that both the franchisee audit and the District's annual audit could be reported on at the October 18, 2016 regular Board meeting.

Report from the Orange County Sanitation District (OCSD) Meeting on September 14, 2016

Director Neugebauer reported that she attended the Administration Committee meeting where there was a presentation regarding OCSD's contract for security services. They will be recommending an increase in the contract for those services at both plants. The Board also recommended the renewal of benefits and insurance program for employees.

CONSENT CALENDAR

A. Investment Report for August 2016

A motion was made by Director Cobo, seconded by Director Krippner, 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

A. Approval of Printer for 2017 Midway City Sanitary District Calendar

A motion was made by Director Diep, seconded by Director Krippner, to approve OCC Printing Systems as the printer for the 2017 MCSD calendar, with editing costs not to exceed 6 hours (\$300). The motion was approved by the following 3-2-0-0 vote:

AYES: Cobo, Diep, and Krippner

NAYS: Neugebauer and Rice

ABSTAIN:

ABSENT:

NEW BUSINESS

A. 2016 Rehabilitation/Repair of Sewer Mains Project – Award of Contract to Insituform Technologies, Inc.

A motion was made by Director Neugebauer, seconded by Director Diep, to approve staff's recommendation and waive any informality in the bids, award a contract for the 2016 Rehabilitation/Repair of Sewer Mains Project to Insituform Technologies, Inc., as the lowest bidder, for \$95,938.00, and authorize the General Manager to execute the contract. The motion was approved by the following 4-0-1-0 vote:

AYES: Cobo, Diep, Neugebauer and Rice

NAYS:

ABSTAIN: Krippner

ABSENT:

B. Approval of Specifications and Authorization to Solicit Bids for a New Compressed Natural Gas (CNG) Combination Sewer Vactor Truck

A motion was made by Director Neugebauer, seconded by Director Diep, to approve the specifications and give authorization to staff to solicit bids for a new CNG combination sewer Vactor truck. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

C. Approval of Budget to Encourage the Residents of the Midway City Sanitary District Correct Recycling in Order to Lower the District's Tonnage in Black Containers

A motion was made by Director Diep, seconded by Director Cobo, to approve the \$10,000 budget, as recommended by staff. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

Director Diep stepped out of the meeting at 5:35 P.M.

D. Discuss and Approve Recognition for Midway City Sanitary District Employees at Holiday Dinner on Sunday, December 4, 2016

A motion was made by Director Neugebauer, seconded by Director Krippner, to continue this item to the next regular meeting. The motion was approved by the following 4-0-0-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

E. Consider Changing the Date or Time of the Tuesday, October 4, 2016 Regularly Scheduled Board Meeting in Order to Accommodate the Westminster Chamber of Commerce Candidates Forum from 7-9 P.M.

A motion was made by Director Neugebauer, seconded by Director Cobo to change the date of the regularly scheduled Tuesday, October 4, 2016 meeting to Monday, October 3, 2016 at 5:00 P.M. The motion was approved by the following 4-0-0-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

INFORMATIONAL ITEMS

A. Tier 4 CNG Cylinder Tank Life Span

No action taken.

Director Diep returned to the meeting at 5:44 P.M.

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that she received several emails from Director Cobo regarding processing wire transfers. She ignored them but alerted the District staff immediately because it was a phishing scam by a hacker.

GM Robbins stated that the District's wire transfers are not done like that and that there are policies in place.

President Rice asked GM Robbins how the new solid waste service to the mobile home park was going.

GM Robbins stated that it was going well and that the residents of the Mission Del Amo mobile home park were extremely happy with the change.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that the District received a public records request from the Voice of Orange County and had responded immediately. He is predicting that the District will receive more due to the upcoming elections.

Director Neugebauer stated that she would like an electronic copy of the responses too.

GENERAL COUNSEL CONCERNS/COMMENTS

Assistant General Counsel Omar Sandoval stated that James Eggart had a doctor's appointment so he was standing in for him.

President Rice convened the meeting to closed session at 5:53 P.M. for purposes of a performance evaluation of the General Manager pursuant to Government Code Section 54957(b).

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.

President Rice reconvened the meeting at 6:10 P.M.

Assistant General Counsel Sandoval stated that the Board had met in closed session pursuant to Agenda Item No. 14 and that no reportable action taken was as a result of the closed session.

ADJOURNMENT

President Rice adjourned the meeting to Monday, October 3, 2016 at 5 P.M. at the District office at approximately 6:11 P.M.



Frank Cobo, Secretary