

**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 19, 2017

CALL TO ORDER

President Pro Tem 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 19, 2017 at 5:04 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner (arrived @ 5:08 PM)
Margie L. Rice
Chi Charlie Nguyen
Frank A. Cobo
Tyler Diep (arrived @ 5:08 PM)

OTHERS AT MEETING:

Ken Robbins, General Manager
James Eggart, General Counsel
Danielle Gerardo, Board Secretary
Sean Wine, Clean Energy

PLEDGE AND INVOCATION

Director Nguyen led the Pledge of Allegiance. GM Robbins gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF SEPT. 5, 2017

A motion was made by Director Nguyen, seconded by Director Cobo, to approve the minutes of the regular meeting of September 5, 2017. The motion was approved by the following 3-0 vote:

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

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 276,036.03

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	9356	9/7	349.07	AT&T Mobility - Service for August 2017; (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-360
3				Sewer 714-310-8654, Emergency 714-310-9004.
4	9357	9/7	121.98	DirectTV - Service for September 2017
5	9358	9/13	250.00	Cobo, Frank - Per Diem for CSDA Monterey, CA 09/24-09/28/2017
6	9359	9/13	250.00	Rice, Margie - Per Diem for CSDA Monterey, CA 09/24-09/28/2017
7	9360	9/13	4,625.75	The Gas Company - CNG Fuel for August 2017; District Office, Maintenance Shop,
8				& Wash Rack Usage Fees for August 2017
9	9361	9/13	1,290.36	Verizon Business - Internet Connection for September 2017
10			6,887.16	HANDCUT CHECKS SUBTOTAL
11				
12				REGULAR CHECKS:
13	9362	9/13	62.00	Advanced Gas Products - Cylinder Rental for August 2017
14	9363	9/13	170.00	Asbury Environmental - (300) Gallons of Used/Mixed Oils Pick-Up
15	9364	9/13	5,276.48	Bodyworks - Restock (2) Wire Harnesses, (1) Arm Raise Cylinder; Inspect & Repair Hill Rapid
16				Rail System for NG2
17	9365	9/13	1,955.00	California Air Resources Board - Generator Equipment 3-Year Registration
18	9366	9/13	19.96	CRC Cloud - Cross Border Fee for District Website Hosting
19	9367	9/13	80,152.41	CR Transfer - Tonnage from 08/16/2017 through 08/31/2017
20	9368	9/13	1,994.57	Daniels Tire Service - Restock (10) Recaps
21	9369	9/13	1,014.76	Franklin Truck Parts - (1) Rotor for NG5; (1) Rotor for Restock
22	9370	9/13	254.42	G & K Services - Uniform Services for August & September 2017
23	9371	9/13	575.77	Los Alamitos Napa Auto Parts - Restock (5) Air Filters, (1) Fuel Filter, (1) Oil Filter, (8) Breakers,
24				(1) Air Hose, (3) Couplers, (3) Adapters
25	9372	9/13	421.76	McNellus Truck & Mfg. Co. - 3-Year CNG Cylinder Inspection for NG1 & NG2
26	9373	9/13	351.90	NVB Equipment - A/C Inspection & Repair for NG10
27	9374	9/13	3,000.00	Odyssey Power Corporation - Generator Quarterly Service for District & Westminster Lift
28	9375	9/13	79,413.35	Orange County Sanitation District - Permit Fees for August 2017 (MCSD 5% = \$4,179.65)
29	9376	9/13	805.00	Rutan & Tucker - Legal Services for August 2017
30	9377	9/13	1,193.02	TEC of California - Restock (6) Brake Pads
31	9378	9/13	33.10	Underground Service Alert - (14) New Tickets for August 2017

32	9379	9/13	441.00	Wespac Security Services - Burglar, Fire, & Gas Alarm Services for July through September 201
33	9380	9/13	14,000.00	White Nelson Diehl Evans - Second Interim Billing of Audit for Fiscal Year Ending June 30, 2017
34	9381	9/13	2,970.00	Woodruff, Spradlin & Smart - Legal Services for August 2017
35			194,104.50	REGULAR CHECKS SUBTOTAL
36				
37				PAYROLL
38		9/1	4,872.06	Board of Director's Payroll for the Month of August 2017 Check # 15932
39		9/5	384.31	Board of Director's Nationwide Deferred Compensation for August 2017 (100% Paid By Director
40		9/12	67,928.00	Payroll - Staff Checks Taxes & Direct Deposits
41		9/13	1,145.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
42		9/13	715.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
43			75,044.37	PAYROLL SUBTOTAL
44				
45			276,036.03	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
46				
47				BANK TRANSFERS
48		9/6	250,000.00	Transfer Funds from LAIF to Checking Account

A motion was made by Director Cobo, seconded by Director Nguyen, to approve the expenditures in the amount of \$ 276,036.03. The motion was approved by the following 3-0 vote:

AYES: Cobo, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT: Diep, Krippner

REPORTS

Report of President

None at this time.

President Diep and Director Krippner arrived at the meeting at 5:08 P.M.

Report of General Manager

GM Robbins thanked the Board for allowing him to take time off to go to Houston, Texas and stated that he was able to help seven households during the ten day trip.

GM Robbins stated that he, along with several Board members would be leaving on Sunday, September 24 for the California Special Districts Association (CSDA) conference next week in Monterey, CA.

Report from Orange County Sanitation District (OCSD) Meeting on Sept. 13, 2017

None

Report from Dia de la Familia on September 10, 2017

Director Cobo reported that it was a great event and that the items handed out by the Board from the District were greatly appreciated.

Director Rice reported agreed and stated that they gave everything away during the event.

CONSENT CALENDAR

A. Approve and file the Treasurer's Investment Report for August 2017

A motion was made by Director Rice, seconded by Director Cobo, to approve the Consent Calendar. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Open Sealed Bids for the 2017 Rehabilitation/Repair of Sewer Mains

GM Robbins stated that there would be 46 sewer main segments in the MCSD 2017 rehabilitation/repair sewer main lining project, and that the District had budgeted \$500,000 for the project. Three companies attended the mandatory pre-bid meeting and he opened the three sealed bids from those same three companies: Sancon Technologies - \$328,704.50, Southwest Pipeline - \$494,540.00 and Insituform - \$392,896.00.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Rice, seconded by Director Cobo, to direct the General Manager to review the bids and bring back a recommendation for award of a contract to the lowest responsive and responsible bidder. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

Director Krippner left the meeting at 5:28 P.M.

B. Consider Options for the District to Sell Greenhouse Gas Credits for Compressed Natural Gas Fueling Station from Clean Energy Fuels

GM Robbins stated that the Board visited this item a few months ago. There was some delay due to the merger between Clean Energy and BP Fuels and the carbon credits initiative passed in July 2017.

Sean Wine from Clean Energy Renewable Fuels gave a brief update to his last presentation, explaining how the District could contract with Clean Energy Renewables to sell its greenhouse gas credits from the compressed natural gas fueling station and to purchase renewable liquefied natural gas (RLNG) for use in lieu of conventional LNG. By doing so, Clean Energy estimates the District will reduce its greenhouse gas emissions by approximately 537 metric tons per year, which is like planting 13,737 trees, removing 113 cars off the road, or 193 tons of waste recycled instead of land-filled, and achieve net fuel cost savings of approximately \$9,270 per year. He further stated that the broker fees are paid for by the renewable natural gas (RNG) producers.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Cobo, seconded by Director Nguyen, to direct staff to bring back for the Board's consideration, a contract with Clean Energy Renewable Fuels for the sale and purchase of natural gas, as proposed. The motion was approved by the following 4-0 vote:

AYES: Cobo, Diep, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT: Krippner

C. Consider Approval of Bowling Green Park Area Cleanup Event on Saturday, November 4, 2017

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Rice, seconded by Director Cobo, to approve setting a date of November 4, 2017 for a cleanup event in the Bowling Green Park area of the District. The motion was approved by the following 4-0 vote:

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

INFORMATIONAL ITEMS

A. Westminster State of the City Address, Wednesday, Oct. 4, 2017

B. Orange County Sanitation District – State of the District Breakfast, Friday, Nov. 17, 2017

Receive and file.

BOARD CONCERNS/COMMENTS

Director Nguyen stated that he would be heading a Vietnamese Youth Committee walk-a-thon and concert fundraiser to raise funds for Hurricane Harvey relief on October 15, 2017 and was hoping that the District could help.

President Diep stated that Director Nguyen should put his request in writing.

Director Nguyen stated that he was interested in finding out if the District could co-sponsor the event. He stated that he had already discussed it with GM Robbins who stated that the District could donate cardboard trash receptacles for the event.

General Counsel Eggart stated that, as a general rule, special districts can't make contributions to non-profit organizations unless it serves a public purpose within the special district's jurisdiction, but he would review and discuss the nature of the event and request with the General Manager and Director Nguyen and provide further guidance.

Director Cobo stated that he was happy with the turnout for the Dia de la Familia and he congratulated GM Robbins for setting a good example by personally helping the victims of Hurricane Harvey in Houston, Texas.

Director Diep reported that he met with Finance/HR Director Housley to go over the agenda on September 15 and that they also discussed different formulas for controlling costs for District retirees, and stated that they anticipate a union proposal at the next regular meeting.

GM/STAFF CONCERNS/COMMENTS

None

GENERAL COUNSEL CONCERNS/COMMENT

None

CLOSED EXECUTIVE SESSION

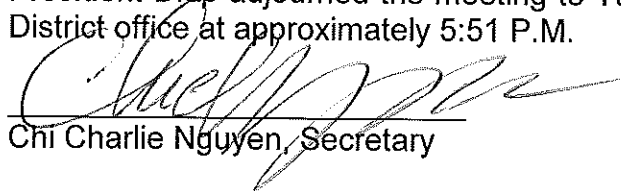
CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government 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.

None

ADJOURNMENT

President Diep adjourned the meeting to Tuesday, October 3, 2017 at 5:00 P.M. at the District office at approximately 5:51 P.M.


Chi Charlie Nguyen, Secretary