

**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**

TELECONFERENCE MEETING LOCATION:

**DIRECTOR ALLAN KRIPPNER ATTENDED THIS REGULAR MEETING OF THE
BOARD OF DIRECTORS VIA TELECONFERENCE FROM THE FOLLOWING
LOCATION:
15872 PLUMWOOD STREET, WESTMINSTER, CA 92683**

January 7, 2020

CALL TO ORDER

President C. Nguyen 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, 2020 at 5:30 P.M.

General Counsel James Eggart asked Director A. Krippner, for the record, if the agenda was posted at his teleconference location 72 hours in advance, and if there were any members of the public present at the meeting from his location.

Director A. Krippner confirmed that the agenda was posted and that there were no members of the public present.

BOARD MEMBERS PRESENT:

Al P. Krippner (attending via teleconference)
Margie L. Rice
Andrew Nguyen
Sergio Contreras
Chi Charlie Nguyen

OTHERS AT MEETING:

Kenneth Robbins, General Manager
Robert Housley, Finance/HR Director
James Eggart, General Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

Director A. Nguyen led the Pledge of Allegiance. Director M. Rice gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 17, 2019

A motion was made by Director A. Nguyen, seconded by Director S. Contreras, to approve the minutes of the regular meeting of December 17, 2019. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 236,038.84

#	CK #	Date	AMOUNT	VENDOR
1				CHECKS:
2	11065	12/1	\$ 4,177.68	US Bank Corporate Payment Systems - District Credit Cards
3	11066	12/12	\$ 1,234.57	Wex Bank (Chevron) - Fuel Credit Card for December 2019
4	11067	12/12	\$ 5,127.09	SoCal Gas - CNG Fuel for December 2019
5	11068	12/12	\$ 71.66	SoCal Gas - District Office, Maintenance Shop, & Wash Rack Usage Fees for December 2019
6	11069	12/13	\$ 430.00	Dartco Transmission Sales & Service - Transmission Hose & Fitting for Solid Waste Truck NG6
7	11070	12/13	\$ 525.00	Ayala's Car Wash - Fleet Truck Washes on 12/10/19
8	11071	12/13	\$ 262.63	Cintas - Uniform Services for 12/12/19
9	11072	12/13	\$ 216.05	AT&T Mobility - Cell Phone Service for December 2019
10	11073	12/18	\$ 225.00	Ayala's Car Wash - Fleet Truck Washes on 12/17/19
11	11074	12/18	\$ 1,596.14	Bodyworks Equipment - Restock (3) Proximity Switches, Grabbers, Belts, Tubes, Idler Gear
12	11075	12/18	\$ 3,963.23	Daniels Tire Service - Restock (20) New Tires & (7) Repairs and Recaps
13	11076	12/18	\$ 771.99	Dartco Transmission Sales & Service - Restock (12) Transmission Filter Kits
14	11077	12/18	\$ 83.38	Hillco Fastner Warehouse - Restock (112) Washers and Locknuts
15	11078	12/18	\$ 120.16	Hose-Man - Restock Brass Fittings for Air Tank on Mack Trucks
16	11079	12/18	\$ 1,028.86	Los Alamitos Napa Auto Parts - Filters & Gear Oil, Battery, Wipers, Hoses, Halogen Light
17	11080	12/18	\$ 22,692.20	Rutan & Tucker - Legal Services for November 2019
18	11081	12/18	\$ 824.58	TEC of California - Restock Brake Kits, Seals, Gaskets, Clamps, Brake Housing, Tie Rod
19	11082	12/18	\$ 4,681.80	Truck Gears - Differential for Solid Waste Truck NG8
20	11083	12/20	\$ 75.00	Advanced Gas Products - Restock (5) Cylinder Rentals for November 2019
21	11084	12/20	\$ 317.72	AT&T - Brookhurst Lift Station Phone Service for December 2019
22	11085	12/20	\$ 661.38	TM Services (Be Safe Fire Protection) - Annual Fire Extinguisher Maintenance and Service
23	11086	12/20	\$ 264.15	Cintas - Uniform Services for 12/19/19
24	11087	12/20	\$ 228.11	City of Westminster - Water Service for December 2019 (District Offices, Maint. Shop, Wash Rack)

25	11088	12/20	\$ 56.23	City of Westminster - Hydrant Water Service for December 2019
26	11089	12/20	\$ 93.70	LegalShield - Member Paid Services for December 2019
27	11090	12/24	\$ 74,338.04	CR Transfer - Tonnage from 12/01/2019 through 12/15/2019
28	11091	12/24	\$ 3,263.06	CRC Cloud - IT Maintenance & Support for January 2020 and New Computer for Accounting
29	11092	12/24	\$ 254.48	Pliney Bowes Global Financial Services - Postage Machine Lease Payment for the Period: 01/10/2020 - 04/06/2020
30	11093	12/24	\$ 3,465.85	SDRMA Delta Dental - Dental Insurance Premium for January 2020
31	11094	12/24	\$ 1,151.92	The Standard Life Insurance - Life Insurance & AD&D Premium Coverage for January 2020
32	11095	12/26	\$ 65.00	Asbury Environmental Services - (300) Gallons Used/Mixed Oil Pick-Up
33	11096	12/26	\$ 525.00	Ayala's Car Wash - Fleet Truck Washes on 12/23/19
34	11097	12/26	\$ 300.00	Memorial Care Medical Foundation- DMV Exams and Testing
35	11098	12/26	\$ 1,194.40	Rosemead Oil Products - Restock Oil for Solid Waste Trucks
36	11099	12/26	\$ 478.50	Sign Design - (10) Custom Truck Magnets for Solid Waste Trucks
37	11100	12/31	\$ 225.00	Ayala's Car Wash - Fleet Truck Washes on 12/30/19
38	11101	1/1	\$ 2,365.37	Bodyworks Equipment - In & Out Cylinder for Lift Arm NG4, Restock Idler Gear for Lift Arm Grabbers
39	11102	1/1	\$ 264.15	Cintas - Uniform Services for 12/27/19
40	11103	1/1	\$ 1,325.03	Frontier Communications - District Office Phones & (Hammon, Willow, Westminster) Lift Stations for December 2019
41	11104	1/1	\$ 3,906.76	Southern California Edison- District Offices, CNG Station and Lift Stations for December 2019
42	11105	1/1	\$ 145.81	Tom's Truck Center - Oil Change for Bulky Pick-up Truck NG11
43			\$ 142,996.68	CHECKS SUBTOTAL
44				
45				PAYROLL
46		12/17	\$ 66,722.46	Payroll - Staff Checks Taxes & Direct Deposits
47		12/17	\$ 2,524.76	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
48		12/17	\$ 660.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
49		12/20	\$ 2,986.94	Payroll - Staff Checks Taxes & Direct Deposits (final payroll for seperated employee)
50		12/20	\$ 100.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
51		12/27	\$ 5,135.37	Board of Director's Payroll for the Month of December 2019
52		12/27	\$ 396.14	Board of Director's Nationwide Deferred Compensation for November 2019 (100% Paid By Directors)
53		12/31	\$ 71,139.10	Payroll - Staff Checks Taxes & Direct Deposits
54		12/31	\$ 2,540.35	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
55		12/31	\$ 560.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
56			\$ 78,525.67	PAYROLL SUBTOTAL
57				
58				ACH PAYMENTS
59		12/16	\$ 14,516.49	Retirement Contributions to CalPERS for 12/02/2019-12/15/2019
60		12/30	\$ 14,570.86	Retirement Contributions to CalPERS for 12/16/2019-12/29/2019
61		1/2	\$ 52,831.79	ACH Employee Health Insurance Payment to CalPERS for January 2020
62		1/2	\$ 5,585.39	ACH Board Health Insurance Payment to CalPERS for January 2020
63			\$ 14,516.49	ACH TRANSFERS SUBTOTAL
64				
65			\$ 236,038.84	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)
66				
67				BANK TRANSFERS
68		12/19	\$ 2,500,000.00	Transfer Funds from Money Market to Checking Account

A motion was made by Director M. Rice, seconded by Director A. Nguyen, to approve the expenditures in the amount of \$ 236,038.84. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

President C. Nguyen thanked staff for their help with a resident who needed assistance with their large bins from CR&R.

Report of General Manager

GM K. Robbins reported that the sewer spill that occurred while he was out on vacation was the first in 26 months and that all requirements were met as far as reporting the incident to proper authorities.

GM K. Robbins reported that the District is still picking up Christmas trees instead of bulky items but that tonnage for the trees is trending down from the last few years.

GM K. Robbins reported that during the last loads being dropped at CR&R on Monday, January 6, 2020 there was a fire which shut down the MRF and is the reason the drivers were working late on Tuesday, January 7, 2020.

GM K. Robbins stated that the drivers requested to change up their routes every quarter but that after doing so, there were some complaints. The union sent the District a cease and desist letter due to the complaints. GM K. Robbins responded by respectfully disagreeing and pointing out that under Article 18 of the MOU (management rights) this is operations and that nothing has changed. He stated that he had a meeting with the drivers to discuss it on Tuesday, January 7, 2020.

GM K. Robbins stated that the District received thank you notes from 5th grade students at Schroeder Elementary School who were educated on what the District does.

Report from the Orange County Sanitation District (OCSD) Meeting on December 18, 2019

Director A. Nguyen reported that the meeting was mainly discussion regarding who was in, who was out, meetings with legislators and the impeachment of the President.

Report from the 2020 Little Saigon Westminster Tet Parade Organization Meetings on December 22 & 23, 2019

Director A. Nguyen reported that he went to meet with the committee on December 22, 2020 and was told that there had been new people appointed to the committee. He returned on December 23, 2020 in order to make sure that the money owed to the City of Westminster (\$70,000) for the required permit was paid.

GM K. Robbins stated that he purchased magnetic signs for the vehicles the Directors will be using to represent the District in the parade.

CONSENT CALENDAR

None

OLD BUSINESS

None

NEW BUSINESS

A. RESOLUTION NO. 2020-01

(Roll Call Vote)

A RESOLUTION NO. 2020-01 OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT, OF ORANGE COUNTY, CALIFORNIA, REVISING THE POLICIES AND PROCEDURES OF THE BOARD OF DIRECTORS REGARDING ELECTION OF OFFICERS TO ESTABLISH A POLICY FOR THE ROTATION OF OFFICER POSITIONS

General Counsel James Eggart stated that at the December 10, 2019 reorganization meeting, the Board directed him to prepare a policy to establish a policy limit to terms that individuals can serve in a single office for up to two years and to provide for the rotation of the officer positions. He stated that he attempted this by adding one sentence to the end of the first paragraph of the Board's procedures which states - "It is the policy of the Board that officer positions should be rotated so that the same individual does not serve more than two consecutive terms in the same position." He stated that if the Board was satisfied with the language, there is a Resolution to effectuate it, or if the Board would like the language to be different, they could provide that to him to bring back to the Board for adoption.

There was a lengthy discussion regarding this item and the language needed to make it satisfactory to all members of the Board.

A motion was made by Director S. Contreras, seconded by Director M. Rice, to adopt a policy stating that officer positions should be rotated so that the same individual does not serve more than two consecutive years, or more than two total years during the individuals' elective term, in the same position.

A substitute motion was made by President C. Nguyen, seconded by Director A. Nguyen, to direct General Counsel James Eggart to prepare multiple options of policy language reflecting the different views of the Board members and to bring those back to the Board at the next meeting for its consideration in order to adopt Resolution No. 2020-01, revising the policies and procedures of the Board of Directors regarding election of officers to establish a policy for the rotation of officer positions. The substitute motion was approved by the following 3-2 roll call vote:

AYES: A. Nguyen, A. Krippner and C. Nguyen

NAYS: M. Rice and S. Contreras

ABSTAIN:

ABSENT:

B. Consider Approval of Attendance at the 2020 Waste Expo being held at the Ernest N. Morial Convention Center in New Orleans, Louisiana May 4-7, 2020
(Roll Call Vote)

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director M. Rice, seconded by Director A. Nguyen, to approve attendance at the 2020 Waste Expo being held at the Ernest N. Morial Convention Center in New Orleans, Louisiana May 4-7, 2020. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

C. Approve the Professional Services Agreement between the Midway City Sanitary District and White Nelson Diehl Evans LLP to Perform the Independent Audit Services for Three (3) Fiscal Years Ending June 30, 2022, with an Option for Two(2) Additional One Year Periods Ending June 30, 2024 *(Roll Call Vote)*

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by President C. Nguyen, to approve the professional services agreement between the Midway City Sanitary District and White Nelson Diehl Evans LLP to perform the independent audit services for three fiscal years ending June 30, 2022, with an option for two additional one year periods ending June 30, 2024. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

D. Consider Proposal from SCI Consulting Group to Provide a Comprehensive Parcel and Levy Audit of the District's Parcel Program *(Roll Call Vote)*

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by President C. Nguyen, to approve the proposal from SCI Consulting Group to provide a comprehensive parcel and levy audit of the District's parcel program. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

E. Consider Amendment to Legal Agreement with Rutan & Tucker, LLP Providing for Increased Hourly Billing Rates for Legal Counsel Services Commencing on January 1, 2020 *(Roll Call Vote)*

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by Director S. Contreras, to approve the amendment to legal agreement with Rutan & Tucker, LLP providing for increased hourly billing rates for legal counsel services commencing on January 1, 2020. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

F. Consider Approval of Attendance at Fund Raising Event for the 2020 Little Saigon Westminster Tet Parade on Friday, January 10, 2020 *(Roll Call Vote)*

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by President C. Nguyen, to approve attendance at fund raising event for the 2020 Little Saigon Westminster Tet Parade on Friday, January 10, 2020 and to purchase a table for 10 in the amount of \$650. The motion was approved by the following 5-0 roll call vote:

AYES: M. Rice, S. Contreras, A. Nguyen, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, January 30, 2020

Receive and file.

BOARD CONCERNS/COMMENTS

Director Rice stated that she felt that the Board spent a lot of unnecessary time on item 9A.

Director S. Contreras thanked Director A. Krippner for his efforts in attending the meetings but stated that he feels that there needs to be a better system in place. He asked that staff look into an alternative system for telecommunication during the meetings.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins stated that since Director A. Krippner did not plan to attend and there was an open seat at the 2020 Little Saigon Westminster Tet Parade fundraiser on January 10, 2020, that he would attend in order to fill the District's table.

GM K. Robbins wished Director M. Rice a happy birthday.

Finance/HR Director R. Housley thanked the Board for their support while GM K. Robbins was out on vacation.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel J. Eggart stated that at the Board's request he checked to see if there were any legal limits to the amount of times that a Director could attend the Board meetings via teleconference and he stated that there were none and that it was up to the Board to set any limits if they chose to do so. As far as the technology used for the telecommunication during the meetings, he stated that there needs to be clear communication between Director A. Krippner and the rest of the Board during the meetings.

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 C. Nguyen adjourned the meeting to Thursday, January 16, 2020 at 9:30 A.M. at the District office at approximately 7:00 P.M.

Sergio Contreras

Sergio Contreras, Secretary