

**MINUTES OF THE REGULAR MEETING OF THE  
GOVERNING BOARD OF THE MIDWAY CITY  
SANITARY DISTRICT OF ORANGE COUNTY  
14451 CEDARWOOD AVENUE  
WESTMINSTER, CA 92683**

**March 16, 2010**

**3:00 P.M.**

**CALL TO ORDER**

President Neugebauer called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, on Tuesday, March 16, 2010 at 3:00 p.m.

**BOARD MEMBERS PRESENT:**

Tyler Diep (arrived 3:29)  
Grace P. Epperson  
Al P. Krippner  
Joy L. Neugebauer  
Margie L. Rice

**BOARD MEMBERS ABSENT:** None

**OTHERS AT MEETING:**

Greg Nordbak, General Manager  
Ken Robbins, Assistant General Manager  
Robert Housley, Finance Director  
Tom Nixon, District Counsel  
Julia Sales, Administrative Secretary

**PLEDGE AND INVOCATION**

Director Krippner led the salute to the flag. Director Epperson gave the Invocation.

**PUBLIC COMMENTS**

No public comment.

President Neugebauer, with the Boards approval, moved New Business item 'B' (Recycling Program, Westminster School District) to the beginning of the meeting to accommodate the request of Sue Gordon from Rainbow Disposal.

President Neugebauer then read an email from a Johnson Middle School employee thanking Rainbow Disposal and President Neugebauer for giving back to the school districts.

Sue Gordon introduced Rochelle Grow, Rainbow's recycling coordinator: Jane Ferguson, District Council PTA President and Superintendent Dr. Sharon Nordheim.

Sue Gordon, Rainbow Disposal presented checks to President Neugebauer who then presented them to Dr. Sharon Nordheim.

President Neugebauer explained the school recycling program and how it is a part of the Districts franchise agreement with Rainbow Disposal.

Pictures were taken.

Rochelle named the schools and amounts presented to each for their recycling collected.

The Board thanked Rainbow Disposal for their partnership and the School District for their participation.

Sue Gordon announced that Rainbow Disposal has contracted with the Discovery Science Center to assist in getting the Westminster School District fifth grade students hands on education on trash and recycling.

President Neugebauer again thanked everyone for the joint effort to keep the community involved.

**APPROVAL OF EXPENDITURES**

<b>March 16, 2010</b>			
<b>#</b>	<b>CK. #</b>	<b>CK AMOUNT</b>	<b>VENDOR</b>
1	3469	1,022.52	Advance Gas Products - Cylinder Rentals for January 2010, Re-stock Gloves,
2			Paint Markers, Propane and Electrodes
3	3470	39.00	Albert Cibrian - Driver License Renewal
4	3471	131,215.33	Bodyworks - Loader Arm for T-61, Relief Valve, and Body Replacement T-56
5	3472	VOID	Printer Malfunction
6	3473	1,040.87	Chemsearch - Maxi-Lube Ultra and Clear Barrel HD Grease Gun
7	3474	550.00	Cobocare/Floor Master - Steam Cleaning District offices Floor

8	3475	920.56	Computer Research Center - Computer Server, Back-up and Tech Support April 2010
9	3476	4,737.51	Daniel Tire Service - Re-stock Tires and Recaps
10	3477	426.10	Dartco Transmission - Re-stock Filter Kit and Plugs for T-53 & T-55
11	3478	12,220.00	DGA Consultants - Engineering Services for Bushard and McFadden Project
12			January 2010
13	3479	220.00	EDD - Unemployment Benefit 10/01/09 Thru 12/31/09 (RE)
14	3480	1,511.35	Fleet Services - Brake Kit, Brake Shoes and Core for T-59 Switch for T-51 Re-stock
15			Air Dryer, Core Air Dryer Fuel Spin-On
16	3481	45.00	Memorial Prompt Care Med. - DMV Exam (RG)
17	3482	153,990.51	Orange County Sanitation District - Permit Fees February 2010
18	3483	424.96	Prudential Overall Supply - March 2010
19	3484	93,665.97	Rainbow Recycling - Tonnage Fees February 2010
20	3485	239.65	Reyes Alternators - Alternator for T-51
21	3486	3,432.39	Tec of California, Inc. - Re-stock Hose, Pressure Sensor, Level Sensor
22			and Core Change, Hose for T-55 and Switch for T-53 & T-54
23	3487	10.50	Underground Service Alert of Southern California - 7 Tickets for February 2010
24	3488	255.00	Wespac Security Services - Monitoring January 2010 - March 2010
25	3489	5,019.67	CalPERS Retirement - Payroll Ending 03/09/10
26			
27			
28		<b>410,986.89</b>	<b>SUBTOTAL</b>
29			
30			
31			<b>ADD HANDCUT CHECKS:</b>
32	3458	250.00	Joy Neugebauer - Per Diem for CASA Conference in Washington D. C.
33	3459	250.00	Margie Rice - Per Diem for CASA Conference in Washington D. C.
34	3460	245.70	City of Westminster - Water Services for District Offices, Wash Rack and

35			Maintenance Shop for December 2009 - March 2010
36	3461	133.10	Office Max - Office Supplies
37	3462	1,644.10	Southern California Edison - Westminster Lift Station & Brookhurst Lift Station
38			District Admin & Refuse Offices and Wash Rack February 2010
39	3463	8,781.72	US Bank - (NC) - Keys for Maintenance Shop, Glue for Rear Door T-54 & Re-stock
40			Smog Check on M-5, M-10, M-6, T-9 and T-10
41			(AC) - Ponchos, Re-stock Gloves Batteries, Broom and Rapidest and United Rentals
42			(Demo Hammer), Smog T-3 (GN) - HB Staffing - Temp Help 01/24/10 - 02/07/10
43			Remington Water, Jan & Feb 2010, City for Westminster (Water), Printer Ink
44			Special District and Local Government Institute Seminar
45			(TD, RH, AK, GE, GN). (KR) - Office Supplies, Airline and Hotel for Margie Rice
46			CASA Conference DC and Newtek Technology, Office & Cleaning Supplies
47			USB and Phone lines and Board Meeting Refreshments
48			(RH) Capital Budgeting and Finance Book, Online Class for (JS)
49			Understanding the Brown Act Adding. QB to New Computer and
50			Parking for CSMFO Conference.
<b>#</b>	<b>CK. #</b>	<b>CK AMOUNT</b>	<b>ADD HANDCUT CHECKS:</b>
51	3464	660.92	AT&T Mobility - (714) 310-2313 (KR) / 310-4406 (AC) / 310-8653 (NC)
52			310-8654 (Sewer Department) / 310-9004 (Emergency Phone)/
53			325-3035 (DH)/325-3606 (DG)/ 350-0402 (JS) 917-7887 February 2010
54	3465	63.99	DirecTV - Monthly Service March 2010
55	3466	161.13	Office Max - Office Supplies for January 2010
56	3467	840.35	Verizon CA - Monthly Service - (714) 891-9410 (GE) Fax / 891-8624
57			District Fax 893-3553/ 893-3554/ 893-3555/ 897-5368 District Phones/
58			(714) 893-2299/ 903-1863/ 903-6154/ 903-6274 Lift Stations January 2010
59	3468	11,458.00	Zenith Insurance Company - Workman's Compensation Progressive Payment March 2010
60			

61			
62		435,475.90	<b>SUBTOTAL PLUS HANDCUTS</b>
63			
64			
65			<b>ADD PAYROLL, PAYROLL TAX AND DEFERRED COMPENSATION</b>
66		53,535.20	Payroll Ending 03/09/10 Staff Check #14635 - 14646 Tax & Direct Deposits
67		1,213.00	Payroll Ending 03/09/10 Nationwide Deferred Compensation
68			
69			
70		490,224.10	<b>TOTAL EXPENDITURES</b>

President Neugebauer verified that MCSD got their 5% prior to paying OCSD on line 17.

GM Nordbak confirmed OCSD is paid after the 5% retention is deducted for the District.

Finance Director Housley provided the exact amount that MCSD kept.

President Neugebauer asked what projects generated such a large amount of revenue.

AGM Robbins provided the information that it is a 36 unit, low income housing project at 280 Hospital Circle.

A motion was made by Director Rice seconded by Director Krippner to approve all items. The motion was approved by the following vote:

AYES: Directors Epperson, Krippner, Neugebauer and Rice

NOES:

ABSENT: Director Diep

Director Diep arrived at 3:29 p.m.

## REPORTS

### REPORT OF PRESIDENT

President Neugebauer reported that there are two letters: one to support LAFCO seats: Sean DeWayne requesting to unseat Charlie Wilson, and Rich Frechi attempting to unseat John Withers. The vote for this is at the April 2010 ISDOC meeting, so President Neugebauer asked that be an item on the next Agenda,

April 6, 2010 for the Board to instruct the next voting delegate and/or decide a letter to be submitted if no one attends, because this will be the same time that the Board will be in Newport at a CASA Seminar.

GM Nordbak said that he believes Board or Staff can get away from the CASA Seminar for a couple hours to attend the ISDOC meeting.

The Board agreed to have this item put to next Agenda to make a decision on exact process for these letters.

President Neugebauer reported that MCSD Board and Staff received a thank you note from Tom Nordbak for the plant.

### **REPORT OF GENERAL MANAGER**

GM Nordbak reported that there was a water leak on MCSD property north of the archive building. The Sewer department repaired the leak and the artificial turf will be cleaned and reinstalled next week.

GM Nordbak reported that a hydraulic hose broke on a solid waste truck on Gumwood at 8291 and 8311, there was damage and a claim by the residents. Nick Castro followed up timely. The residents were satisfied with the cleanup from MCSD.

GM Nordbak reported that Julia Sales will be attending a seminar for Board Clerks in May.

GM Nordbak asked about attendees for April 23 & 24, 2010 SDI Conference in Indian Wells.

President Neugebauer felt the CASA Conference in Newport Beach will be more informative of a conference than the SDI Conference.

Director Krippner asked if the Board would mind if he attended the SDI Conference in Indian Wells. Director Krippner stated he won a free SDI seminar at the last conference and would like to go since the Conference registration would be no cost to the District.

President Neugebauer asked Staff to be sure the SDI Conference in Indian Wells is on the next Agenda for discussion.

### **REPORT FROM ORANGE COUNTY SANITATION DISTRICT MEETING**

President Neugebauer reported there was no meeting to report, and the next meeting will be Wednesday, March 24, 2010.

## **REPORT FROM SDI CONFERENCE**

Director Krippner gave a handout of the outline on the workshops.

Director Diep expressed that the most valuable workshop was on how Board members should interact with the District employees and the possibilities of legal liabilities. Also valuable was the update on term limits and how this affects Sacramento, which has an impact on Special Districts, because the State takes from the general fund and in turn takes from local agencies.

Director Epperson reported that it was pleasant, but a lot of repetition from prior meetings.

President Neugebauer commented that repetition is good, especially when it is important information.

GM Nordbak found that the hands-on section was very helpful, that it has reminded Staff to be sure that the Board is up-to-date on the AB1234 and Harassment training and other State required training.

Finance Director Housley reported that the legislative history on Special Districts and the how infrastructure has progressed was the most valuable.

GM Nordbak confirmed that Director Krippner's written remarks will be added to the record and kept on file (two separate sheets).

## **REPORT FROM CASA DC CONFERENCE**

President Neugebauer announced that Director Rice is a new member on the Board of Directors for CASA.

Director Rice reported that the whole conference was very good, but she found that the first time in ten years the Hotel service was terrible: she will be writing a letter of complaint. Director Rice reported that she was honored to meet Helen Thomas, Author: they not only got time to discuss several Presidents, but got a picture with Helen Thomas and a signed book. She explained they split into teams to go up on the hill to Lobby, her and President Neugebauer were split up for a short time.

President Neugebauer reported on Congressional Offices visited and listed District legislative priorities.

Discussion ensued.

## **CONSENT CALENDAR**

- A. Consider Investment Report for February 2010.

A motion was made by Director Diep seconded by Director Epperson to approve all items. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

## **OLD BUSINESS**

### A. Consideration of RESOLUTION NO, 2010-07

#### A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT OF THE MIDWAY CITY SANITARY DISTRICT WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

District Counsel Tom Nixon commented on the 4<sup>th</sup> paragraph in background section 'on or before...' should be '*on or after...*'

A motion was made by Director Rice seconded by Director Epperson to approve Resolution NO. 2010-07 with the correction to paragraph four. The motion was approved by the following roll call vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

### B. Consideration of RESOLUTION NO. 2010-08

#### RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS WITH TIME-IN –GRADE EXCEPTIONS

GM Nordbak reminded the Board that the MOU revision does not change MCSD's contribution of 6%.

A motion was made by Director Rice seconded by Director Diep to approve Resolution No. 2010-08 with the revision. The motion was approved by the following roll call vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

### C. Consider scheduling the First Budget Workshop/Study Session in April 2010

Discussion ensued.



A motion was made by Director Rice seconded by Director Diep to approve First Budget Session April 27, 2010 at 11:00am with lunch served. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

D. City of Westminster Ordinance 24-55 (Over the Top Program)

General Counsel Tom Nixon reported that he and Christian Bettenhausen, City of Westminster Attorney came to an agreement on the language for this Ordinance 24-55 and pending a copy to present to the Board for review.

A motion was made by Director Epperson seconded by Director Krippner to approve a continuation on this item. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

**NEW BUSINESS**

A. Consideration of RESOLUTION NO, 2010-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT, OF ORANGE COUNTY, CALIFORNIA, REVISING THE OFFICIAL DISTRICT TRAVEL POLICY.

President Neugebauer read the revisions to Resolution No. 2010-09 aloud.

General Counsel Tom Nixon recommended that receipts should still be documented and money refunded to the District if not spent.

Director Rice commented that the Westminster City Manager said there's no need to keep receipts or to refund any of the per diem as long as it's only \$50.00 per day.

Discussion Ensued.

A motion was made by Director Rice seconded by Director Epperson to approve Resolution No. 2010-09. The motion was approved by the following roll call vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

B. Recycling Program, Westminster School District (Dr. Sharon Nordheim, Superintendent)

This New Business, Item 'B' was moved to the beginning of the meeting to accommodate a request by Sue Gordon of Rainbow Disposal and acted on prior to the Expenditures.

C. ISDOC Report on State Funding Take-a-way

General Manager did not receive the information yet.

President Neugebauer recommended putting to next meeting.

Discussion Ensued.

President Neugebauer stated to table this item indefinitely, do not bring back.

A motion was made by Director Rice seconded by Director Diep to approve this item 'C' be tabled indefinitely. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice

NOES:

D. Consider nomination for OCSD Honor Walk.

President Neugebauer asked if MCSD Board or Staff had any nomination suggestion.

Discussion ensued.

Director Rice nominated Jim Evans; he did so much and gave a lot to this District.

President Neugebauer will print prior information on Jim Evans.

Discussion ensued.

GM Nordbak reminded the Board that the nominee must have serviced to OCSD.

Director Rice confirmed that he did service with OCSD prior to herself and that will not be a problem.

Director Krippner suggested changing the word from 'engraved' to 'imprinted' or 'embossed' on the Agenda Item 9D second paragraph, last sentence.

GM Nordbak said this information is direct from OCSD.

A motion was made by Director Rice seconded by Director Epperson to approve to nominate Jim Evans for OCSD Honor Walk. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer and Rice  
NOES:

E. Consider attendance to the State of the City Luncheon

Director Rice notified the Board that this is changed and is extended until August 2010, so there is no need for consideration.

President Neugebauer agreed this can be deferred until August 2010.

### **BOARD CONCERNS/COMMENTS**

Director Krippner announced that he has no opposition to the Censure of Allan Krippner, but this might be a Brown Act violation. He said he will not be following up at this time on this, but everyone should be careful.

Director Rice reported that she did not violate the Brown Act.

Director Rice asked if anyone was aware that Ron Shenkman was in the hospital for two weeks and he almost died.

Director Rice thanked the Board for the opportunity to go to Washington D.C. to represent the District.

President Neugebauer stated that there was no violation of the Brown Act: Director Diep had approach her with questions and she stated that she could not discuss any of his concerns until the Board meeting.

Director Diep announced that he was unaware of any situation and his questions were general.

President Neugebauer asked Staff if there was information on the AB939 Report that was shared with the Board.

GM Nordbak reported the information on the AB939 Report is in the yellow informational folders.

President Neugebauer reported Orange County Register's email and letter received were handled and answers were given. She wants everyone to be aware and not surprised because information will be published.

### **DISTRICT COUNSEL CONCERNS/COMMENTS**

No comment at this time.

## **GM/STAFF CONCERNS/COMMENTS**

GM Nordbak explained that the Reporter from the Orange County Register wanted pounds per resident not the dollars and cents rates, which is what he was asking, so AGM Robbins handled the Reporter and his questions. AGM Robbins did an outstanding job giving the technical information to the reporter.

Discussion ensued.

GM Nordbak reported that the Holiday Menu selection is in the Board folders and will be on next Agenda, April 6, 2010.

GM Nordbak reported that the CalTRUST monthly update is interesting reading and it reflects on the front page that MCSD is a new participant to the CalTRUST plan.

GM Nordbak reported that the Storm Drain Project on Hazard is on delay for traffic approval.

GM Nordbak announced that he received his SDI Leadership and Management Certificate at the last conference.

GM Nordbak announced that MCSD had a sizeable claim last week on Grambling, one of MCSD's sewer lines slid over and blocked the residents lateral. This caused back up into the house, and the claim is currently up to \$14,650.00, there will be more, MCSD needs to hire a contractor to dig up and fix the sewer line. GM Nordbak asked the Board to consider having a policy for these types of claims. This claim is abusive to MCSD and there should be a limit to how much of MCSD's money that a resident can spend.

Discussion Ensued.

AGM Robbins announced that he is now certified CALEMA (California Emergency Management Agency).

President Neugebauer reminded that there is a luncheon on Wednesday, March 31, 2010 for Rafael Gonzalez, JR.

GM Nordbak announced that MCSD has an employee that has earned a five year safety award and the MOU states that this employee is entitled to a pin, a hundred dollars and a certificate.

Discussion ensued about pins and certificates.

## **CLOSED SESSION**

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED  
LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section  
54956.9

This session was cancelled since there was no new information.

**INFORMATIONAL ITEMS**

There were no informational items on this agenda, other than what was previously reported in the General Manager's Report.

**ADJOURNMENT**

President Neugebauer adjourned the meeting at approximately 4.48 p.m.

---

Al P. Krippner, Secretary