

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

September 20, 2010

4:00 P.M.

CALL TO ORDER

President Neugebauer called the adjourned regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, on Monday, September 20, 2010 at 4:00 p.m.

BOARD MEMBERS PRESENT:

Tyler Diep
Grace P. Epperson
Joy L. Neugebauer
Margie L. Rice
Al Krippner

OTHERS AT MEETING:

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

PLEDGE AND INVOCATION

Director Krippner led the Salute to the Flag. Director Epperson gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF SEPTEMBER 7, 2010

President Neugebauer pointed out that the Board improperly took action on Item B from the Consent Calendar, and asked the Board to consider a motion to rescind that action. She pointed out that vacation pay in lieu of time off may not be a policy available to the District's management (salaried employees) and she would like the Board to review the District's policy and determine exactly what it is.

Legal counsel Tom Nixon pointed out that this matter was not on today's Agenda, even though the Meeting Minutes are, and suggested that the Board agendaize this at the next Board Meeting for a Motion for Reconsideration.

President Neugebauer asked Mr. Nixon whether he recommended that the Board continue the approval of these Minutes. He responded that it was within the Board's discretion, and that there was no reason that the Minutes had to be approved today.

A motion was made by Director Rice, seconded by Director Epperson to not approve the Minutes of the Meeting of September 7, 2010, but to bring this item back for reconsideration, as Item B on the Consent Calendar of the Agenda for the next Board Meeting. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice.
NOES: None

PUBLIC COMMENTS

Jumana Gammoh, who is a resident of Westminster, spoke on behalf of an email that she had previously sent to the District. She was requesting that the District consider a second pickup of the black refuse cans during the warm summer months. She stated that she felt it was an unsanitary condition to have trash sitting for a week's time. President Neugebauer thanked her for sharing her concern and told her that when we consider our budget for next year, the Board would consider adding an additional pickup to our costs.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 257,013.17

#	CK #	CK AMOUNT	VENDOR
1	3940	133.09	Advanced Gas - Cylinder Rental for August 2010
2	3941	552.00	Advanced Workplace Strategies - Random Drug Testing (DH, RM) and Annual DOT Membership
3	3942	54.77	Alamitos Auto Parts - Restock Power Steering Fluid
4	3943	321.75	Blue Shield of California - Nancy Gilbert COBRA Insurance for October 2010
5	3944	1,033.24	Chemsearch - Maxi-Lube Ultra
6	3945	982.56	Computer Research Center - Maintenance & Support for October 2010
7	3946	5,732.41	CR Transfer, Inc. - Tonnage for August 2010
8	3947	3,440.88	Daniels Tires - T-52 and Restock Tires, Disposal Fee

9	3948	2,250.00	EDD - Unemployment Insurance Benefit (NG) Charges From 04/01/2010 thru 06/30/10
10	3949	967.60	Fleet Services - T-61 Brake Drum and Core Kit, T-61 Air Dryer
11	3950	144.28	G & K Services - Uniform Rental Program Services for September 2010
12	3951	17,263.90	Hydraforce - T-54 Packer Valve and Complete Packer Paddle Kit, T-55 Gripper Cylinder,
13			T-61 Complete Packer Paddle Kit, T-55 Tri Cuff Double and Single
14	3952	10,400.00	Leaf & Cole, LLP - Progress Billing for Audit 2010
15	3953	13,307.60	OCSD - Permit Fees for August 2010
16	3954	230.89	Prudential Overall Supply - Services September 2010
17	3955	123,822.56	Rainbow Recycling - Tonnage Fees August 2010
18	3956	1,755.20	Reyes Alternators - T-56 Power Steering Pump, Gear Box Control and Restock
19			Gear Box Control
20	3957	915.68	Rosemead Oil Products, Inc. - Restock ATF C4 10 Motor Oil
21	3958	69.62	Sign Design - M-63 & M-64 White Vinyl Copy
22	3959	1,069.75	Tec of California - Labor and Parts for T-60 Engine
23	3960	12.00	Underground Service Alert - August 2010 Services
24			
25		184,459.78	SUBTOTAL
26			
27			ADD HANDCUT CHECKS:
28	3932	627.80	AT&T Mobility - (714) 310-2313 (KR) / 310-4406 (AC) / 310-8653 (NC)
29			310-8654 (Sewer Department) / 310-9004 (Emergency Phone)/
30			325-3035 (DH)/325-3606 (DG)/ 350-0402 (JS) 917-7887 August 2010
31	3933	107.69	City of Westminster - District Office Water July 16 2010 - August 2010
32	3934	8,865.13	US Bank - (AC) - Ice for Safety Meeting, Parts for M-64, Board Room Prep for New Logo
33			and Restock Sewer parts, (GN) New Logo for Board Room, CASA Conference Registration for
34			(JN,GE,MR,GN) CSDA Registration for (GN,JN,GE,AK,TD,MR,KR), Remington Water Service
35			for August 2010, Hotel Rooms for CASA Conference (JN,GE,MR,GN)
36			(KR) - Board Refreshments for Meetings, Picture Frames
37			(RH) CSDA Webinar Registration for (DG), Setup Scanner on copier for Front Office

#	CK #	CK AMOUNT	VENDOR
38	3935	100.00	CSMFO - Fee for FY 2010-11 Budget Review/Award
39	3936	83.99	DirecTV - Monthly Service September 2010
40	3937	3,040.16	The Standard Dental Insurance - Premiums for October 2010
41	3938	37.45	Verizon - Internet Access District Offices September 2010
42	3939	70.93	Gas Company - Utility Service for District Offices, Yard and Fleet Maintenance
43	3961	150.00	Epperson, Grace - CSDA Conference Per Diem 9/21-23/2010
44	3962	150.00	Krippner, Allen - CSDA Conference Per Diem 9/21-23/2010
45	3963	150.00	Neugebauer, Joy - CSDA Conference Per Diem 9/21-23/2010
46	3964	150.00	Nordbak, Greg - CSDA Conference Per Diem 9/21-23/2010
47	3965	150.00	Rice, Margie - CSDA Conference Per Diem 9/21-23/2010
48	3966	150.00	Robbins, Ken - CSDA Conference Per Diem 9/21-23/2010
49	3967	150.00	Diep, Tyler - CSDA Conference Per Diem 9/20-23/2010
50		198,442.93	SUBTOTAL PLUS HANDCUTS
51			
52		56,980.40	Payroll Date 09/07/10 Staff Chk # 14814 - 14823 Taxes & Direct Deposits
53		1,589.84	Payroll Date 09/07/10 Nationwide Deferred Compensation
54			
55		257,013.17	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Krippner, seconded by Director Epperson to approve the expenditures in the amount of \$257,013.17. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice.
NOES: None

REPORTS

REPORT OF PRESIDENT

None

REPORT OF GENERAL MANAGER

GM Nordbak reported that the District had received two refund checks from our auto insurance carrier - one due to the sale of 2 surplus vehicles sold at auction and the second due to a change in our rating.

The auditor from Leaf and Cole will be returning this Thursday and Friday, September 23 and 24, 2010 to complete the field portion of his audit and to finalize.

The M-63 Vactor truck is currently being repaired and will hopefully be finished by the end of this week. In the meantime, the sewer crew has been doing maintenance to the District yard and parking lot – specifically, repainting all of the parking and handicapped spaces, as well as some general maintenance.

District employee, Raul Jimenez, is recovering from surgery, and was sent flowers and a card from the Board, Staff, and Employees of the District.

A public records request for Board members' compensation and benefits was made by Mr. William De La Garza. GM Nordbak will be responding to his request tomorrow, Tuesday, September 21, 2010.

GM Nordbak approved one-day training for SD Nick Castro and AGM Ken Robbins called "Dealing with Difficult People" at a cost of \$99.00 per person to the District.

REPORT FROM ORANGE COUNTY SANITATION DISTRICT MEETING (OCSD)

President Neugebauer told the Board that a new Clerk of the Board had been chosen from over 70 applicants.

The Operations Committee will be discussing EnerTech at their next meeting. EnerTech is working to create an energy source from bio solids.

REPORT FROM GENERAL MANAGER ON THE ANNUAL CASA CONFERENCE

GM Nordbak told the Board that he had enjoyed the CASA conference overall and felt that they did a good job of organizing it, but that in the future he would like to see them deal with more issues that concern Special Districts such as solid waste, labor, worker's compensation, and training issues, instead of such an emphasis on bio solids.

CONSENT CALENDAR

A. Investment Report for August 2010.

A motion was made by Director Rice, seconded by Director Diep, to approve the Investment Report for August 2010. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

OLD BUSINESS

A. Consider purchasing a Global Positioning System (GPS) fleet tracking system.

There was some discussion regarding the proposals from ATTI and FleetMatics. AGM Robbins pointed out that the system would give the District a better tracking of our trucks and their drivers. He said that, in fact, there was a recent accident in which a resident reported that an MCSD truck had struck their parked vehicle. The driver of the truck on that route has denied this claim, and the damage does not match up with the truck, but it cannot be proven. This system would remedy that situation as well as give accountability, and increase safety.

Director Krippner asked if we could start with just eight trucks instead of the entire fleet. AGM Robbins pointed out that there are actually twelve trucks being used regularly by the refuse department, but the quote is for all 20 vehicles.

GM Nordbak commented that the District needed to equip all of the trucks that are operated by represented employees.

President Neugebauer asked that we negotiate for the price of the three-year contract quoted after the first year is up prior to signing the agreement.

A motion was made by Director Rice, seconded by Director Krippner to give management the authority to negotiate and carry out the purchase of the GPS fleet tracking system provided the contractor will honor the same cost for years two and three. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

B. Consider providing input into the development of the County of Orange 2011 Legislative Platform.

It was agreed that the Board needs to reiterate their input from last year with stronger emphasis and language so that their suggestions are recognized, and the changes are made.

A motion was made by Director Rice, seconded by Director Krippner to restate the District's input from last year and ask that it be moved into the top ten listed priorities. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

NEW BUSINESS

A. Consider approval of the Workers' Compensation Insurance Proposal

Mr. Scott Snowden from Solid Waste Insurance Manager's, was on hand to answer questions regarding the renewal of the Worker's Compensation Insurance Policy due to renew on October 1, 2010. The proposals from Zenith and Sea Bright had both revised, with a distinct difference in price. Mr. Snowden pointed out that Zenith holds an A rating, and is considered the best in the country. GM Nordbak commented that after meeting with Mr. Snowden and SD Castro his preference would be to stay with Zenith. It does not take many claims to make up the savings and the District will pay for any claims for four years. GM Nordbak and Mr Snowden met with Safety Director Nick Castro, he has commended Zenith numerous times, and has taken many of the monthly safety seminars that they offer. SeaBright Insurance Co. has an A- rating, is less expensive, and does not have the same good track record. Mr. Snowden warned that if the District chose to go with SeaBright, and had a claim, they may not be able to come back to Zenith in the future.

A motion was made by Director Rice, seconded by Director Epperson to remain with Zenith Insurance Company for the period of October 1, 2010 - October 1, 2011. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

B. Consider setting date for web-site preview.

President Neugebauer pointed out that the word “trash” was on the front page of the new website, and asked that it be changed to “refuse” or “solid waste”. A date and time was decided on for a special meeting with Theresa from TerraStar and the Board of Directors to preview the new web site.

A motion was made by Director Krippner, seconded by Director Rice to set the date for the web-site preview for Tuesday, October 12, 2010 at 3 P.M. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

C. Consider adopting a Public Records Request Form and adding it to web-site.

GM Nordbak made the recommendation to the Board to leave a Public Records Request Form off of the web-site, and was agreed upon by all Board members.

A motion was made by Director Diep, seconded by Director Krippner to take no action, and to receive and file the consideration of adopting a Public Records Request Form and adding it to the web-site. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

D. Confirm attendance to Independent Special Districts of Orange County (ISDOC) quarterly meeting on Thursday September 30th.

All five Board members plus GM Nordbak and AGM Robbins confirmed that they will be attending the Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, September 30.

E. Consider MCSD’s participation in the City of Westminster’s Founders Day Parade

It was agreed upon by the Board that the District would participate in the City of Westminster’s Founders Day Parade to be held on Saturday, October 23, 2010 at 9:30A.M., and that the mariachi band should be hired on again for this event.

A motion was made by Director Krippner, seconded by Director Epperson to attend and participate in the City of Westminster's Founders Day Parade. The motion was approved by the following vote:

AYES: Directors Diep, Epperson, Krippner, Neugebauer, and Rice
NOES: None

BOARD CONCERNS/COMMENTS

Director Krippner thanked everyone for the flowers that were sent to him after his hip surgery, and said that they had arrived on a particularly difficult day, and were very much appreciated.

President Neugebauer asked if anyone knew what the incubation period was for flies and maggots because the guest speaker had remarked that this was the problem with having only one refuse pickup per week in the hot summer months. It was unanimously agreed upon that it was approximately 1 week and staff was asked to follow up and verify.

President Neugebauer suggested that something be added to the calendar next year to address this question.

GENERAL COUNSEL CONCERNS/COMMENTS

None

GM/STAFF CONCERNS/COMMENTS

GM Nordbak informed the Board that Finance Director Robert Housley put in a request for himself and employee, Toshia Kudlak, to attend the annual CalPERS workshop being held in Indian Wells on October 25-27, 2010. It is a forum covering retirement, payroll, and health benefits related to CalPERS and how it relates to MCSD. The entry deadline is October 8, 2010. This item will be put on the Agenda for the next Board meeting for discussion.

GM Nordbak presented a pocket calendar to the Board, which could be purchased for \$1.99 each with a minimum order of 50. This will also be put on the next agenda.

In each yellow folder is a picture and description of the plant sent to employee Raul Jimenez following his prostate surgery from the Board, Staff, and Employees of MCSD.

GM Nordbak nominated Midway City Sanitary District's "Earn While You Learn" program for the Innovative Program Award for California Special District's Association (CSDA), but was notified by email that we were not chosen as the winner this year.

Each Board member was provided with a copy of the email sent to Jerry Moffatt of Rainbow Disposal regarding the accident at 6116 Hefley in Westminster where the resident stated that a Rainbow Disposal truck hit their parked vehicle earlier this week.

GM Nordbak sent an email to all District employees requiring everyone to park in marked parking spaces starting Monday, September 20, 2010 due to safety and insurance issues.

An email from Tim Skeber at Rainbow Disposal provided the requested information for the Over the Top Program for the second quarter of 2010.

GM Nordbak also provided each Board member with a copy of OCSD's Member Cities/Agencies Local Sewer Fee Rates which were compiled for June 2010.

GM Nordbak asked the Board if they liked the revised emergency cards, so that he could have them laminated. Everyone responded that they were happy with the new cards, and recommended the purchase of a laminator.

Board members were provided with a copy of an article that was in the Westminster School District's Newsletter about Mayor Rice and highlighting MCSD's "Earn While You Learn" program.

GM Nordbak let Director Diep know that his AB1234 Ethics Training will expire in April 2011. Director Krippner was also advised that his will expire at the end of October 2010, and that if he is not able to make it to the CSDA conference this week to do his training, staff will find an online class so that he can get it done as soon as possible.

President Neugebauer clarified that the Board had recommended the purchase of a laminator, not just for the emergency card project, but for its many cost saving uses in the future.

CLOSED SESSION

President Neugebauer convened the meeting to closed session at 5:15 P.M. pursuant to subdivision (b) Government Code Section 54957.6.

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.

A. CONFERENCE WITH LABOR NEGOTIATORS (Govt. Code 54957.6)

Agency Designated Representative: Thomas F. Nixon and Greg Nordbak
Unrepresented Employee: Assistant General Manager
Requested by Director Rice

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9:
Claim of Jacob Watson

President Neugebauer reconvened the meeting to open session at 5:48 P.M.

General Counsel Tom Nixon reported that on Items 13 A & B, there was no reportable action.

INFORMATIONAL ITEMS

None

ADJOURNMENT

President Neugebauer adjourned the meeting at approximately 5:52 P.M.

Al P. Krippner, Secretary