

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

January 18, 2011

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, January 18, 2011 at 4:01 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice

BOARD MEMBERS ABSENT:

Tyler Diep

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 Neugebauer led the Pledge of Allegiance. President Rice gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF JANUARY 4, 2011

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the minutes of January 4, 2011. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 322,333.51

#	CK #	CK AMOUNT	VENDOR
1	4235	60.68	Advanced Gas Products - Cylinder Rental
2	4236	17,866.25	CalPERS Fiscal Services - GASB 45 OPEB Monthly Contribution for January 2011
3	4237	5,404.26	CalPERS - Retirement for Service Period 12-2010-04
4	4238	982.56	Computer Research Center - Maintenance & Support for February 2011
5	4239	15,029.95	CR Transfer, Inc. - Tonnage for December 2010
6	4240	680.50	Cummins Cal Pacific, LLC - Repair Generator Control Panel for Hammon Lift Station
7	4241	87.00	DJ Printing - Business Cards (F. Cobo & D. Gerardo)
8	4242	5,838.52	Daniels Tires - Replace Tires on T61, T62 and Recap
9	4243	1,194.37	Fire Safety First - Perform Annual Fire Extinguisher Service
10	4244	154.43	Fleet Services - Restock Fittings
11	4245	375.00	Frog Env., Inc. - 2010-2011 Storm Water Services
12	4246	454.32	G & K Services - Uniform Rental Services for December 2010
13	4247	567.30	Grainger - Step Stool for Shop and Hard Hat
14	4248	407.81	Hedman L.A. - New Signature Plate for Check Signing Machine
15	4249	125.30	Los Alamitos Auto Parts - Restock Starter Fluid and Replace Oil, Air filter on Mini Van
16	4250	4,183.80	OCSD - Permit Fees for December 2010
17	4251	140.00	Resource Communications - Troubleshoot and Repair Phone Line After Rain
18	4252	736.83	Standard Life Insurance - Premiums for January 2011
19	4253	2,098.63	Tec of California - Parts for T51, T54 and Dipstick Oil Level for T61
20	4254	720.00	Terrastar Media - Web Hosting for Oct - Dec 2010
21	4255	107.63	Top Mobile Vision - Replace Trigger on Packer Camera for T54
22	4256	15.00	Underground Service Alert - December 2010 Services
23	4257	935.00	Wespac Security Services - Upgrade Alarm System
24	4258	11,682.00	Zenith Insurance Company - Worker's Compensation/Progressive Payment
25	4259	109,624.22	Rainbow Disposal - Tonnage Fee for December 2010
26		179,471.36	SUBTOTAL
27			
28			ADD HANDCUT CHECKS:

29	4219	629.56	AT&T Mobility - (714) 310-2313 (KR) / 310-4406 (AC) / 310-8653 (NC)
30			310-8654 (Sewer Department) / 310-9004 (Emergency Phone)
31	4220	100.00	City of Westminster - TET Parade Application Fee
32	4221	30.00	City of Westminster False Alarm Reduction Program - Alarm Permit
33	4222	83.99	DirecTV - Monthly Service January 2011
34	4223	286.02	Pitney Bowes - Lease for Postal Machine January 10, 2011 to April 10, 2011
35	4224	100.00	Ron Ruano - Mariachi Band Deposit for TET Parade Feb 05, 2011
36	4225	29.36	Union Bank First Bankcard - (KR) Board Meeting Refreshments
37	4226	262.63	Union Bank First Bankcard - (NC) Restock Toiletries, Coffee, Creamer and
38			Refreshments for Board Meeting
39			
40	CK #	CK AMOUNT	VENDOR
41	4227	11,652.72	US Bank - CalCard December 2010
42			(NC) - Refuse Operating Supplies \$313.78
43			(AC) - Sewer Maintenance Operating Supplies \$853.47
44			(GN) - Board Members Holiday Cards \$13.03, Water Filter Services \$64.00,
45			MCS D Holiday Dinner for Staff at El Torito's \$1277.38
46			CSDA Membership \$4456.00, Get Well Basket for Kenny Robbins \$79.32
47			(KR) - Environmental Membership \$208.00, Stater Bros Gift Cards for Employees \$3400.00
48			Picture Frame for G. Epperson \$21.71, Wiacom One Year Contract for GPS \$335.30
49			(RH) - Copier Repair \$318.74, Order New Checks for A/P \$294.18
50			(DG) - Refreshments for Board Meeting \$17.81
51	4228	827.51	Verizon CA - Monthly Service - (714) 891-9410 (GE) Fax / 891-8624
52			District Fax 893-3553/ 893-3554/ 893-3555/ 897-5368 District Phones
53			(714) 893-2299/ 903-1863/ 903-6154/ 903-6274 Lift Stations
54	4229	150.00	Cobo, Frank - CASA Conference Per Diem 1/12-1/14/2011
55	4230	150.00	Krippner, Allan - CASA Conference Per Diem 1/12-1/14/2011
56	4231	150.00	Neugebauer, Joy - CASA Conference Per Diem 1/12-1/14/2011
57	4232	150.00	Nordbak, Greg - CASA Conference Per Diem 1/12-1/14/2011
58	4233	150.00	Rice, Margie - CASA Conference Per Diem 1/12-1/14/2011
59	4234	150.00	Robbins, Ken - CASA Conference Per Diem 1/12-1/14/2011
60			
61		194,373.15	SUBTOTAL PLUS HANDCUTS
62			
63		62,017.49	Payroll Date 12/28/10 Staff Chk # 14923 - 14931 Taxes & Direct Deposits
64		2,723.15	Payroll Date 12/28/10 Nationwide Deferred Compensation

65	61,370.88	Payroll Date 01/11/11 Staff Chk # 14933 - 14942 Taxes & Direct Deposits
66	1,607.94	Payroll Date 01/11/11 Nationwide Deferred Compensation
67	240.90	Board of Directors Nationwide Deferred Compensation for the Month of December 2010
68		
69	322,333.51	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the expenditures in the amount of \$ 322,333.51. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
 NOES: None
 ABSENT: Director Diep

REPORTS

Report of President

President Rice provided Board Members with a listing of grants received by the City of Westminster which Director Neugebauer had requested.

Report of General Manager

GM Nordbak let the Board know that he received an email from Tiffany Baca at the Municipal Water District of Orange County (MWDOC) and that they, in conjunction with the Metropolitan Water District of Southern California, have invited the District to participate in an upcoming infrastructure tour on January 28, 2011. GM Nordbak asked if anyone on the Board would like to attend the event. Everyone declined, so it was decided that there was no need to walk this item onto the agenda, and that it would be noted as received and filed.

GM Nordbak informed the Board of a situation that has come to his attention with Standard Insurance Company. Mr. Ron Hankle, who has been the District's representative for Standard Insurance has not been receiving his commissions (on the Life Insurance portion) for over a year because he was erroneously removed and replaced by Bill Pajaud. Standard Insurance was wrongly authorized by Jose Sanchez of AFSCME, to change the District's authorized broker from Ron Hankle to Bill Pajaud, thus changing who receives commission from the District. This was never authorized by anyone at the District and GM Nordbak is dealing with, and working diligently to correct the situation with Standard Insurance. He will keep the Board informed of the outcome.

Report from Orange County Sanitation District Meeting (OCSD)

Director Neugebauer reported that the operations committee has been dark, but that there will be a meeting of the Board of Directors on January 26, 2011. The main item on the next agenda will be the ongoing negotiations with EnerTech. The last action that the Board took was to delay consideration of Amendment #2 to the agreement with EnerTec. It deals with incorporating terms providing for a secured recovery of all overcharged and overpaid fees for diverted bio solids. Director Neugebauer has been receiving emails regarding a newspaper that is doing an article on this topic, but OCSD has asked that no one comment as they are still in negotiations.

CONSENT CALENDAR

- A. Investment Report for December 2010
- B. Approval of the request of Sewer Maintenance Employee Alejandro Gonzalez to receive 40 hours of vacation pay in lieu of time off.

A motion was made by Director Neugebauer, seconded by Director Krippner to approve all items on the consent calendar. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

OLD BUSINESS

- A. Approval of Design and Specifications (Rehabilitation/Repair of Sewer Mains) within the unincorporated Midway City portion of the District.

Director Krippner pointed out that the word “unincorporated” is not accurate and should not be in the agreement because there is not an incorporated and unincorporated portion of Midway City.

Director Neugebauer asked about the time frame for the project, saying that the agreement states that over a half-mile of sewer will be completed in 60 days.

GM Nordbak and AGM Robbins stated that the job would take approximately 6 weeks to complete.

A motion was made by Director Neugebauer, seconded by Director Krippner to approve the agreement with the removal of the word “unincorporated”. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

B. Nominations for CSDA, Region 6, Seat B

After checking his schedule, Director Krippner's schedule cannot accommodate the position. A motion was made by Director Neugebauer, seconded by Director Cobo to take no action. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

C. Agreement with Washington D.C. Lobbyist James McConnell

A motion was made by Director Cobo, seconded by President Rice to postpone and bring this item back to the next agenda when there is a full Board in attendance. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

NEW BUSINESS

A. Consider nominating James R. Fisler for the alternate Local Agency Formation Commission (LAFCO) seat.

Mesa Consolidated Water District sent a letter to President Rice asking for MCSD's support for James Fisler for the LAFCO special district alternate seat.

Director Neugebauer provided all Board members with a fax that she had received from the East Orange County Water District asking for the District's support for Bill VanderWerff for alternate seat.

The Board decided to take no action regarding James Fisler and Bill Vanderwerff and confirmed that they had already decided to support Cheryl Brothers for the LAFCO seat.

Director Neugebauer asked if the Board could instruct the District's chairman to use her best judgment in the selection of an alternate at the ISDOC meeting.

GM Nordbak reminded the Board that they would now also need a copy of today's minutes for the ISDOC meeting on January 27, 2011.

A motion was made by Director Neugebauer, seconded by Director Cobo to instruct the District's chairman, President Rice, to use her best judgment in selection of an alternate. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

B. Consider Department of the Treasury Reinvest Notice of Maturing
\$200,000 U.S. Treasury Bill

GM Nordbak gave an overview of the reinvestment options available. He explained that the interest rate for CalTRUST is higher than that of the Treasury Bills and that the funds would be liquid. The Board agreed that they preferred to remain more diversified, and to reinvest in the U.S. Treasury Bill for 26 weeks.

A motion was made by Director Krippner, seconded by Director Neugebauer to reinvest the maturing \$200,000 U.S. Treasury Bill for another 26 weeks. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

C. Discuss Approval of Attendance to the California Association of
Sanitation Agencies (CASA) Conference on March 14-16, 2011 in
Washington D.C.

President Rice requested that a staff member, specifically AGM Robbins, be allowed to go to the CASA Conference along with any Board Members attending. Director Neugebauer stated she would prefer the motion to be any staff member in case Mr. Robbins could not make it. A motion was made by Director Krippner, seconded by Director Neugebauer to approve for any Board Members and one staff member to attend the conference in Washington D.C. The motion was approved by the following vote:

AYES: Directors Krippner, Neugebauer, Cobo and Rice
NOES: None
ABSENT: Director Diep

BOARD CONCERNS/COMMENTS

Director Krippner stated he did not wish to make a report on the CASA Conference.

Director Cobo stated that he found his first conference very interesting and was extremely impressed with the presentation and the amount of information given by CASA.

Director Neugebauer also enjoyed the conference. She especially liked the climate change update, the technology and innovation information and she was surprised to learn of the phosphorus crisis (shortage) is worldwide.

President Rice is on the Board for CASA and noted that she received special treatment for that, which she does not feel is necessary or right. She asked that everyone who attended please respond to the online evaluations for the conference as she feels that it is important to let them know how they are doing.

Director Krippner joined in the comments of the other Directors regarding the CASA conference, reiterated their thoughts and concerns, and remarked that he was appreciative for the new agenda binder provided for today's Board meeting.

GENERAL COUNSEL CONCERNS/COMMENTS

None

GM/STAFF CONCERNS/COMMENTS

GM Nordbak pointed out to each Board member that they had received their 2010 W2 in their packets.

He also provided the Board with a copy of a thank you note from a resident of Westminster for the yearly calendar she had received.

From the Whittier Daily News, he provided a copy of an article titled "D.A. Reviewing Water District's Travel Expenses" that he found interesting.

GM Nordbak made the Board aware that Hoover Street, between Hazard Avenue and Bolsa Avenue, will be closed in both directions starting Monday, January 24, 2011 for approximately a month in order to install a storm drain.

A copy of the re-organization press release that was provided to the Westminster Herald and the Orange County Register was provided to all Board members.

GM Nordbak gave all Board members a copy of a spreadsheet done with a total of all Christmas trees picked up by the District in the last 2 weeks, which came to a total of 42.18 tons.

Also provided was a copy of the District's updated information for the 2011 ISDOC Directory.

GM Nordbak provided a copy of an email from Nick Castro regarding the front windshield that had been cracked on the Rainbow Disposal front loader. The District borrowed the truck for two weeks to pick up Christmas trees. The windshield is being replaced at a cost of \$231.70.

GM Nordbak let the Board know that he had received an email from Sue Gordon at Rainbow Disposal regarding checks for the schools in Westminster that need to be distributed. The Board was asked how they would like to present the checks and it was decided that there should be a check presentation with both the Westminster School District and Rainbow Disposal in attendance.

Also provided was a printout from Wespac Security for the new alarm system, which indicates who is arming and disarming the alarm daily, and at what time.

GM Nordbak provided a very informative year-end synopsis created by AGM Robbins for the District's Year Ending 2010. The information on the sheet is quite complete and shows what the District has been busy with for the year.

GM Nordbak said that he also enjoyed the conference, but noted that the updates from the State and Federal lobbyists regarding the budget were quite honest and much more bleak than previous years.

AGM Robbins also enjoyed the conference but is concerned about the new alternative fuels and the regulations on them. He also wanted to make the Board aware that WTV3 has requested to do a video sometime in the future on the District's field operations – both sewer and refuse.

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.

INFORMATIONAL ITEMS

ADJOURNMENT

President Rice adjourned the meeting at approximately 5 P.M.

Joy Neugebauer, Secretary

HAPPY BIRTHDAY DIRECTOR DIEP!