

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

**April 5, 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, April 5, 2011 at 4:00 P.M.

**BOARD MEMBERS PRESENT:**

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

AGM Robbins led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

**PUBLIC COMMENTS**

None

**APPROVAL OF EXPENDITURES**

**A. Demands in the amount of \$ 41,059.67**

<b>CK #</b>	<b>CK AMOUNT</b>	<b>VENDOR</b>
4447	61.31	<b>Krippner, Allan</b> - CASA Conference Palm Desert Travel Reimbursement
4448	142.70	<b>Neugebauer, Joy</b> - Insurance Reimbursement Apr 2011
4449	91.98	<b>Advanced Gas Products</b> - Compressed Gas (\$66.99), Welding Gloves (1
4450	620.00	<b>California Air Resources Board</b> -Three year Permit for Portable
4451	174.00	<b>Chemex Industries, Inc.</b> - Restock Air X Microcells
4452	949.08	<b>Computer Research Center</b> - Replace (DG) Computer
4453	9.53	<b>Cummins Cal Pacific, LLC</b> - Cap Filler for Restock and T65
4454	413.44	<b>Fleet Services</b> - Restock and Replace Air Element Filters for T52, Restock
4455	151.44	<b>G &amp; K Services</b> - Uniform Rental Services for Mar 2011
4456	100.00	<b>Glyn's Mobile Opacity Testing</b> - Smog Testing for T54 & T65
4457	2,345.59	<b>Interstate Billing Services/Rush Trucking</b> - Repair Fuel Pump and
4458	286.02	<b>Pitney Bowes</b> - Lease for Postage Machine Apr 10-Jul 2011
4459	11,765.08	<b>Rehrig Pacific Company</b> - 229 95-Gallon Blue Cans with Lids
4460	634.01	<b>Rosemead Oil Products</b> - Restock Antifreeze (55)
4461	501.13	<b>Shield Consulting Group, Inc.</b> - Professional Consulting Fees for Claims
4462	804.42	<b>South Coast Air Quality Management District</b> - Annual Operating and Hammon and Westminster Lift Stations FY10-11
4463	2,067.50	<b>Tec Of California</b> - Replace Climps, Gaskets, Core Deposit, Replace
4464	8,949.22	<b>Woodruff, Spradlin &amp; Smart</b> - Legal Services for Feb 2011
	<b>30,066.45</b>	<b>SUBTOTAL</b>
		<b>ADD HANDCUT CHECKS:</b>
4439	462.09	<b>City of Westminster</b> - Maintenance Shop Water (\$14.39), Wash Rack District Office Water (\$266.83) Feb-Mar 2011
4440	47.79	<b>Office Max</b> - Office Supplies
4441	2,168.58	<b>Southern California Edison</b> - Archives & Parking Garage \$66.71, District Brookhurst Lift Station \$174.69, Westminster Lift Station \$518.68 Willow Hammon Lift Station \$ 495.91
4442	866.80	<b>Standard Life Insurance</b> - Premiums for Apr 2011
4443	97.64	<b>Union Bank First Bankcard</b> - (AC) Restock Water, Paper Towels, and
4444	147.85	<b>Union Bank First Bankcard</b> - (NC) Restock Toiletries, Coffee, and
4445	6,422.02	<b>US Bank</b> - CalCard Mar 2011 (NC) \$143.74 - Refuse Operating Supplies \$43.28, Restock Relay Switch (AC) \$232.29 - Sewer Maintenance Operating Supplies (GN) \$3,014.00 - Credit for CSDA Board Clerk Conference for (DG) \$- American Sedan Rental Car Services for CASA DC Conference \$150.00 SDI Registration Fee for (AL,JN,FC,MR,GN) \$2,500.00, CASA Spring (KR) \$2,968.76 CASA Spring Conf. (KR) \$500.00, American Sedan Rental CASA DC Hotel Rooms for (KR,FC,JN) \$1,985.46, Virgin Airlines Baggage WiarCom, Inc. GPS Services Monthly Fee \$335.30 (DG) \$63.23 - Refreshments for Board Meetings
4446	780.45	<b>Verizon CA</b> - Monthly Service - District Fax; 893-3553/893-3554/897-5368 District Phones; (714) 893-2299/ 903-1863/ 903-6154/ 903-6274 Lift
	<b>41,059.67</b>	<b>SUBTOTAL PLUS HANDCUTS</b>
		<b>Payroll</b> None to Report
	<b>41,059.67</b>	<b>TOTAL EXPENDITURES W/PAYROLL</b>

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 41,059.67. The motion was approved by the following vote:

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

## **REPORTS**

### **Report of President**

None

### **Report of General Manager**

GM Nordbak reviewed all of the items that were sent to the Board along with the agenda packets. He also provided all Board members with a breakdown for check #4386 for the US Bank credit card which had been requested by Director Neugebauer at the last Board meeting.

### **Report from Orange County Sanitation District Meeting (OCSD)**

Director Neugebauer reported that the operations committee would be meeting on Wednesday, April 6, 2011. The newly appointed Clerk of the Board is no longer there and is being temporarily replaced by Lila Kovac.

Director Neugebauer also reported on an email that she had received from Jim Ruth regarding retirement system shortfalls. OCSD is a member of Orange County Employee Retirement System (OCERS), which has a shortage of funds. Employee compensation was underreported which is the basis for calculating their employee premiums, so as a result an insufficient amount of premiums has been collected to fully fund the retirement obligations.

### **Report from Independent Special Districts of Orange County (ISDOC) Meeting**

Director Diep, who is the Districts representative for ISDOC, gave a summary of the quarterly meeting attended by the Board on March 31, 2011. There was a presentation by featured speaker Matthew Cunningham of Pacific Strategies. He gave an update to Special District Directors on new types of communication that can be used by local governments to reach out to ratepayers. He spoke of new ways to bypass traditional media to keep in touch with what the local governments are doing.

David Cordero gave updates from Sacramento including a thorough summary of Special Districts and an organization called California Forward which wants to take away local control and to centralize government.

President Rice stated that her biggest concern was the ISDOC bylaws, but that they admitted that they were wrong, and stated that there will be no more secret ballots.

Director Neugebauer stated that the California Forward pamphlet explains about consolidating governments and gives the number of counties, cities, school districts, community college districts, and special districts in the State of California, with special districts being the highest.

President Rice stated that she feels that the public would be interested to know about California Forward's mission to consolidate cities and special districts.

## **CONSENT CALENDAR**

None

## **OLD BUSINESS**

### **A. Consideration of General Manager's Employment Agreement**

President Rice asked if the Board would like to put off this item until after the closed session, to which they unanimously responded yes.

## **NEW BUSINESS**

### **A. Consider Letter of Engagement for Independent Audit Services, Retaining the Audit Firm Leaf & Cole LLP, for the Fiscal Year 2010-11**

A motion was made by Director Diep, seconded by Director Neugebauer to approve the engagement letter and staff's recommendation to retain Leaf & Cole as the District's auditor. The motion was approved by the following vote:

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

### **B. RESOLUTION NO. 2011-02**

## **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT, OF ORANGE COUNTY, CALIFORNIA COMMENDING RETIRING EMPLOYEE ALBERT CIBRIAN.**

Director Neugebauer made several suggestions for changes to the Resolution, including adding a space for GM Nordbak and AGM Robbins' signatures.

A motion was made by Director Neugebauer, seconded by Director Cobo to adopt Resolution No. 2011-02, commending retiring employee Albert Cibrian, with changes made. The motion was approved by the following roll call vote:

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

#### C. Consider Attendance at the Mayor's Prayer Breakfast

A motion was made by Director Diep, seconded by Director Cobo to approve attendance at the Mayor's Prayer Breakfast. The motion was approved by the following vote:

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

#### D. Discuss Earthquake Management

President Rice stated that the City of Westminster has an emergency preparedness group that she feels that the District can work with. She asked Director Krippner if he would like to be in charge of a committee to insure that the District is prepared for an emergency. He will work with GM Nordbak and AGM Robbins.

GM Nordbak stated that he and AGM Robbins are both on the Orange County Disaster Emergency Notification Release team and are notified immediately when there is an emergency. He suggested that Finance Director Housley be included since both he and AGM Robbins would probably be pulled away by the county if there was a disaster.

AGM Robbins reported that the District has not been invited to the Emergency Response Team events since Rebecca Barlow retired but that there will be an event called the Great Shakeout on May 19, 2011. He stated that he will contact Bill Collins and ask that the District be invited.

Director Neugebauer asked that MCSD's emergency plan be presented to the Board in order to see what is in place and then to decide if any modifications need to be made to bring it up to date.

GM Nordbak stated that staff would look into it and bring it back to the Board.

No motion was needed because direction was given.

#### E. Consider Amending the Board of Directors' Policies and Procedures Relating to Processing of Meeting Minutes

Legal Counsel Nixon explained the requested changes made to the policies and procedures relating to the processing of future meeting minutes, and stated that if the

Board was content with the changes that they could move to adopt the following resolution.

**F. RESOLUTION NO. 2011-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT, OF ORANGE COUNTY, CALIFORNIA, MODIFYING THE DISTRICT'S POLICIES AND PROCEDURES REGARDING REVIEW OF BOARD OF DIRECTOR MEETING MINUTES.**

GM Nordbak stated that, with the resolutions approval, the meeting minutes would no longer be sent to the Board Secretary prior to being sent out with agenda packets for the Board's approval.

A motion was made by Director Neugebauer, seconded by Director Cobo to adopt Resolution No. 2011-02, modifying the District's policies and procedures regarding review of Board of Director meeting minutes and as presented by Legal Counsel. The motion was approved by the following roll call vote:

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

**BOARD CONCERNS/COMMENT**

Director Neugebauer stated that at the last Board meeting the Board had approved to sponsor the Summer Concerts in the Park Series for the City of Westminster and she requested that MCSD's website also be provided as well as the District's logo at the concerts.

Director Neugebauer stated that while she does not mind doing the District's bank transfers, she would not do them anymore due to Resolution No. 2010-14 that authorizes only the General Manager, the Treasurer, and the President to do banking transfers and deposits. She requested that if she was needed to continue to do the transfers, that a new resolution be adopted with her title as Secretary be added.

President Rice asked that the President be replaced by the Secretary on the resolution.

Director Diep stated that he was working with Finance Director Housley to come up with a new method of transferring funds in order to take the burden off of the Board, as well as saving the District money for these transactions. He stated that it will be brought onto the next agenda for discussion and will hopefully be resolved at the next Board meeting. President Rice stated that Director Diep, as Treasurer, was to do all banking transfers until any change is possibly made in the future.

Director Neugebauer requested that this be an agenda item at the next Board meeting.

## **GENERAL COUNSEL CONCERNS/COMMENTS**

Legal Counsel reported that he was doing a follow up on the discussion of electronic storage preservation that he had mentioned at the last Board meeting. The Secretary of State is currently reviewing comments that have been submitted on the proposed rule. Once that process is completed they will either issue the proposed regulations that have been commented on or will release revised regulations for an additional revised 15 day period. He stated that as he receives additional information from the State, he will continue to keep the Board informed.

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

GM Nordbak stated that he and President Rice will be attending the first two days of the CASA Conference in Sacramento, and then returning to join the other Board members at the SDI Conference in Indian Wells. GM Nordbak has been made a judge due to the award that the District won last year and he has a presentation to do for the School Recycling Outreach Program.

GM Nordbak reminded the Board members of the retirement lunch and party for Albert Cibrian at the District office on April 6, 2011.

GM Nordbak reported that he and AGM Robbins attended a Rainbow Disposal meeting regarding a half-million-dollar grant from Orange County Waste and Recycling. It is a public outreach program for schools in Huntington Beach and Fountain Valley that introduces composting in the form of earthworms. The Shipley Nature Center is to host the program. The goal is to eventually have an area at the schools where all the garbage from school lunches is put, broken down by the worms and turned into castings, or fertilizer. GM Nordbak, AGM Robbins, and Rainbow Disposal will be meeting again next week, but in the meantime GM Nordbak is asking the Board to consider supporting the program.

## **CLOSED SESSION**

President Rice convened the meeting to closed session at 5:01P.M. pursuant to Government Code Sections 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 Section 54957.6) Agency Designated Representative: Thomas F. Nixon  
Unrepresented Employee: General Manager
- B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (pursuant to Government Code Section 54957) Title: General Manager

President Rice reconvened the meeting at 5:52 P.M.

Legal Counsel Nixon stated that the Board handled Closed Session Item 13B alone with Legal Counsel, and then with the GM participating. Subsequent to that, the Board met alone again for 13A with Legal Counsel Nixon and as a result of those meetings, there was no reportable action.

## **OLD BUSINESS**

### A. Consideration of General Manager's Employment Agreement

Director Neugebauer spoke out against the motion because she feels that the District is top heavy in the dollars spent for management and she proposed a six month extension for the General Manager's contract. She further stated that when GM Nordbak was hired, it was to be for a limited amount of time and to mentor and give further experience to AGM Robbins, which she feels he has done very well. Director Neugebauer stated that since GM Nordbak has done this so well, she cannot support a twelve month extension to his contract, but could support a six month extension.

Director Neugebauer made a move to amend the motion to extend the contract with all of the existing conditions for a period of six months. The motion died for the lack of a second.

A motion was made by Director Diep, seconded by Director Cobo, to approve the General Manager's Employment Agreement as written and authorize the President to sign the agreement on behalf of the District. The motion was approved by the following vote:

AYES: Directors Krippner, Diep, Cobo and Rice  
NOES: Director Neugebauer

Director Neugebauer stated that now that the Board majority had voted for the twelve month extension to the General Manager's contract, she would work with full cooperation with the General Manager and staff.

President Rice stated that she did not feel that the District was financially heavy in monies spent for management, and that the District has saved money in engineering costs by having AGM Robbins do inspections.

## **INFORMATIONAL ITEMS**

None

## **ADJOURNMENT**

President Rice adjourned the meeting at approximately 5:57 P.M.

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Joy Neugebauer, Secretary