

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

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

**BOARD MEMBERS PRESENT:**

Al P. Krippner  
Joy L. Neugebauer  
Frank Cobo  
Margie L. Rice  
Tyler Diep (arrived @ 4:02 P.M.)

**OTHERS AT MEETING:**

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

**PLEDGE AND INVOCATION**

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

**APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 21, 2011**

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the minutes of the meeting of June 21, 2011. The motion was approved by a 5-0 vote.

**APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 23, 2011**

A motion was made by Director Neugebauer, seconded by Director Diep to approve the minutes of the meeting of June 7, 2011, as amended. The motion was approved by a 5-0 vote.

## PUBLIC COMMENTS

None

## APPROVAL OF EXPENDITURES

### A. Demands in the amount of \$ 988,957.45

#	CK #	CK AMOUNT	VENDOR
1	4651	177.72	<b>Advanced Gas Products</b> - Monthly Cylinder Rental, Compressed Gas, Restock Acetylene
2	4652	10,806.80	<b>California Suspension &amp; Alignment Mobile Services</b> - Hangers with Bushings for T56,T57,T59,
3			T60,T61,T62
4	4653	5340.57	<b>CalPERS</b> - Retirement for Service Period 06-2011-03
5	4654	5351.07	<b>CalPERS</b> - Retirement for Service Period 06-2011-04
6	4655	4,108.32	<b>Daniel's Tire Service</b> - Restock and Recap Tires
7	4656	5,000.00	<b>Financial Pacific</b> - Insurance Deductable for Accident on 4/25/2011 with T62
8	4657	287.88	<b>G &amp; K Services</b> - Uniform Rental Services for June 2011
9	4658	203.49	<b>Hillco</b> - Fleet Operating Supplies
10	4659	6,183.63	<b>Hydraforce, Inc.</b> - Hopper Cover for T52,T62, Middle Harness for T55,T61, Coil Assy. for T55,T53,
11			Tail Gate Cable for T51-T61, Trycuff Grabber Assy., Actuator Plate, Thrust Plate, Spherical Bearing for T53
12	4660	<b>VOID</b>	Printer Malfunction
13	4661	142.70	<b>Neugebauer, Joy</b> - Insurance Reimbursement July 2011
14	4662	442.00	<b>OC News Independent Westminster Journal</b> - Notice of Public Hearing for Sewer Special Agreement
15			Rate Increase
16	4663	2,988.44	<b>OCSD</b> - Fog/BMP Inspections for 2010 - 11 Qtr 3
17	4664	286.02	<b>Pitney Bowes</b> - Lease for Postage Machine Jul-Oct 2011
18	4665	4,252.13	<b>Plumbers Depot Inc.</b> - Replace Hoses on M63 and M64
19	4666	245.61	<b>Quality Air</b> - Parts & Labor for A/C on T53
20	4667	2,159.49	<b>Rutan &amp; Tucker, LLP.</b> - Professional Legal Fees for May 2011
21	4668	175.00	<b>SARBS-CWEA - 20th Collection Training Seminar</b> - Sewer Crew Attending (D. Grimes, M. Jimenez,
22			C. Ranslem, A. Gonzalez, R. Griffith) at a cost of \$35 each on July 21, 2011
23	4669	2,089.21	<b>Tec Of California</b> - Reinforcement of Panel's for T56, Replace Ball, Socket, P/S Cylinder, Replace Seat on T
24	4670	811,050.80	<b>The Bank of New York Mellon</b> - COP Semi-Annual Principal & Interest Payment
25	4671	33.84	<b>Westminster Herald</b> - Notice of Public Hearing for Sewer Special Agreement Rate Increase
26	4672	7,538.68	<b>Woodruff, Spradlin &amp; Smart</b> - Legal Services for May 2011
27	4673	1,441.48	<b>Los Alamitos Auto Parts</b> - Restock, Batteries, Bulbs, Air Hoses, Turn Lights, Grommets
28		<b>870,304.88</b>	<b>SUBTOTAL</b>
29			

30			<b>ADD HANDCUT CHECKS:</b>
31	4639	40.00	<b>City of Westminster</b> - Hydrant Meter for May 2011
32	4640	75.13	<b>Gas Company</b> - Fleet Maintenance (\$49.75), District Offices (\$25.38)
33	4641	250.00	<b>Volvo Trucks North America</b> - New Engine ID Labels for 5 District Trucks Due to Illegibility
34	4642	102.00	<b>ISDOC</b> - Qtrly Mtg. on Thursday 06-30-11 (DG,TD,AK,JN,KR,RH)
35	4643	93.17	<b>AT&amp;T</b> - Internet Brookhurst Lift Station (714) 531-0272
36	4644	46,130.83	<b>CalPERS Health</b> - Health Premiums for July 2011
37	4645	98.87	<b>Office Max</b> - Office Supplies
38	4646	2,402.21	<b>Southern California Edison</b> - Archives & Parking Garage \$70.46, District Office \$283.11, Maint Shop
39			\$493.41 Brookhurst Lift Station \$177.63, Westminster Lift Station \$524.36 Willow Lift Station \$292.47
40			Hammon Lift Station \$560.77
41	4647	756.41	<b>Standard Life Insurance</b> - Premiums for Jul 2011
42	4648	344.72	<b>Union Bank First Bankcard</b> - (NC) Restock Water, Paper Towels, Candy, Replace Vacuum, Microwave
43	4649	799.82	<b>Verizon CA</b> - Monthly Service - District Fax; 893-3553/893-3554/897-5368
44			District Phones; (714) 893-2299/ 903-1863/ 903-6154/ 903-6274 Lift Stations
45	4650	2,642.15	<b>US Bank Visa</b> - June 2011
46			(KR) \$1,482.85 Wal-Mart Picture Frames, Wiarcom Monthly Wireless Service, Refreshments for Board Mtg
47			(6-6-11 & 6-7-11), Omni Hotel San Diego - SDI Conference (KR,MR,FC,JN,AK),(RH) \$785.04 Dave's
48			Flowers - Tricia Robbins, Adv. Office Serv. Ricoh Copier, Staples - File Cab for Darrell Grimes, Pitney Bowes
49			Red Ink Cartridge, Remington - Service for June, Omni Hotel San Diego SDI Conf., Food at Omni Hotel
50			(D. Gerardo) \$28.50 Refreshments for Board Meeting, (D. Grimes) \$131.10 Home Depot -
51			Tape, Float, Harbor Freight - Gloves, Lowes - Concrete Mix, 50# Permanent & EZ Pothole Mix
52			(NC) \$214.66 JK Electronics - Restock, Acroprint - Time Cards, Home Depot - Grip Springs, Chain & Lock
53		<b>924,040.19</b>	<b>SUBTOTAL PLUS HANDCUTS</b>
54			
55			<b>Payroll</b>
56		57,120.81	Payroll Date 6/28/11 Staff Chk #15076-15083 Taxes & Direct Deposits
57		1,792.48	Payroll Date 6/28/11 Nationwide Deferred Compensation
58		5,584.41	Board of Director's Payroll for the Month of June 2011 Chk # 15073 - 15075
59		419.56	Board of Director's Nationwide Deferred Compensation for the Month of June 2011
60		<b>988,957.45</b>	<b>TOTAL EXPENDITURES W/PAYROLL</b>

Director Neugebauer questioned check number 4662 and 4671 to a different vendor for the same service with one check being eleven times higher than the other. Director Neugebauer then asked Legal Counsel Nixon if we were required (legally) to publish the legal notices in two newspapers or if one was sufficient, because there was about \$400 difference in the two charges. Staff was asked to determine if each of these two vendors were legally qualified to publish notices.

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 988,957.45. The motion was approved by a 5-0 vote.

## **REPORTS**

### **Report of President**

President Rice reported to the Board that she received a letter from CASA to inform them that Jackie Kepke (CASA's Climate Change Program Manager) will be leaving and taking a position with East Bay Mud, and Zeynep Erdal will be taking her place for the duration of the contract.

### **Report of Assistant General Manager**

AGM Robbins reported that the District is now in stage two of the pushing the blues program. The District is not providing large black containers anymore - only medium and small size containers in order to encourage more recycling.

AGM Robbins reported that the Electronic Data Management System RFP was mailed out on June 29, 2011. Only one company has responded so far. Incrementum will be at the District on July 13, 2011 for a walk through meeting.

AGM Robbins notified the Board that he will be on vacation the next few days.

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

Director Neugebauer reported that there was an OCSD meeting on Wednesday, June 22, 2011 and that they approved the budget. The OCSD Board approved the MOU. Their PERS are at 10% with employees paying 6 ½% and OCSD paying 3 ½%. The operations committee meeting will be held on July 6, 2011.

Director Neugebauer requested that staff agendize the August 16, 2011 event for the hydrogen refueling system dedication and initiation.

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

Directors Neugebauer, Krippner and Diep gave an overview of the quarterly ISDOC meeting held on June 30, 2011.

## **CONSENT CALENDAR**

None

## **OLD BUSINESS**

- A. Review and Discuss Options for 2012 Midway City Sanitary District Outreach Program

A motion was made by Director Neugebauer, seconded by President Rice to approve the calendar and award the bid to DJ Printing. The motion was approved by a 4-1 vote, with Director Krippner voting no.

- B. Consider Hiring BHI Management Consulting for a Planning Workshop in September 2011

A motion was made by Director Neugebauer, seconded by Director Diep to hire BHI Consulting for the strategic planning workshop. The motion was approved by a 4-1 vote, with Director Krippner voting no.

A motion was made by Director Neugebauer, seconded by Director Cobo to have the the strategic planning workshop on September 10, 2011 or September 17, 2011, as a secondary option. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

## **NEW BUSINESS**

- A. Discuss Attending the Municipal Water District of Orange County (MWDOC) Water Policy Forum and Dinner

A motion was made by Director Neugebauer, seconded by Director Krippner to approve attendance to the Water Policy Forum and Dinner. The motion was approved by a 5-0 vote.

- B. Consider the 2011 Midway City Sanitary District Emergency Action Plan

A motion was made by Director Neugebauer, seconded by Director Diep to move as recommended by staff and bring it back in its final form with the recommended changes made. The motion was approved by a 5-0 vote.

- C. Discuss and Consider the Board of Directors' Compensation

A motion was made by Director Neugebauer, seconded by President Rice to not consider this item at this time. The motion was approved by a 5-0 vote.

- D. Review and Discuss the District's Official Travel Policy

A motion was made by Director Neugebauer, seconded by Director Krippner to continue and defer this item until after the strategic planning workshop in September. The motion was approved by a 5-0 vote.

- E. Consider Attendance for Ten (10) District Employees to First Aid, Confined Space and CPR Training

A motion was made by President Rice, seconded by Director Krippner to approve attendance for training. The motion was approved by a 5-0 vote.

- F. Consider Indemnification Agreement with Water Emergency Response Organization of Orange County (WEROC)

A motion was made by Director Neugebauer, seconded by Director Krippner to defer this item until the first meeting in August. The motion was approved by a 5-0 vote.

- G. Consider California Special Districts Association (CSDA) 2011 Board Elections

A motion was made by Director Neugebauer, seconded by Director Cobo to instruct the Board President to cast the District's ballot for Dewey Asmus. The motion was approved by a 5-0 vote.

- H. Consider California Special Districts Association (CSDA) Bylaws Amendments

A motion was made by Director Neugebauer, seconded by Director Cobo to move to instruct the Board President to cast a NO vote for the District. The motion was approved by a 5-0 vote.

- I. Response to Grand Jury Report Regarding Compensation Survey of Orange County Water and Sanitation Districts

A motion was made by Director Neugebauer, seconded by Director Cobo to continue to the last meeting in July. The motion was approved by a 5-0 vote.

- J. Consider a Lump Sum Payment to CalPERS to Prepay the 2011/12 Employers Contribution Rate

A motion was made by Director Neugebauer, seconded by Director Krippner to follow staff recommendation and not prepay. The motion was approved by a 5-0 vote.

## **CLOSED SESSION**

President Rice convened the meeting to closed session at 5:14 P.M. pursuant to Government Code Sections 54957.9

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.

President Rice reconvened the meeting at 5:35 P.M.

Legal Counsel stated that there was no reportable action taken during the closed session.

## **BOARD CONCERNS/COMMENTS**

Director Neugebauer commended staff on the District website.

## **AGM/STAFF CONCERNS/COMMENTS**

None

## **GENERAL COUNSEL CONCERNS/COMMENTS**

None

## **INFORMATIONAL ITEMS**

None

## **ADJOURNMENT**

President Rice adjourned the meeting to Tuesday, July 12, 2011 at approximately 5:38 P.M.

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Joy Neugebauer, Secretary