

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

August 2, 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, August 2, 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:

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

PLEDGE AND INVOCATION

Director Diep led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF JULY 19, 2011

A motion was made by Director Neugebauer, seconded by Director Diep to approve the minutes of the meeting of July 19, 2011. The motion was approved by a 5-0 vote.

APPROVAL OF THE MINUTES OF THE MEETING OF JULY 5, 2011

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

APPROVAL OF THE MINUTES OF THE MEETING OF JULY 12, 2011

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of July 12, 2011, as amended. The motion was approved by a 5-0 vote.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 426,586.64

#	CK #	CK AMOUNT	VENDOR
1	4718	57.00	Advanced Workplace Strategies - Random Drug Testing (IG)
2	4719	37.41	Bodyworks - Replace Hydro-Tube on T62
3	4720	13,392.43	CalPERS - Retirement for Service Period 07-2011-03
4	4721	75.00	City of Westminster FARP - Penalty for False Alarm on 7/17/11
5	4722	2,190.00	CleanFleets.net - Field Technician Services Inspection Phase One Balance Owed
6	4723	1,798.42	Daniel's Tire Service - Replace New Tires for T9 and Restock Parts
7	4724	287.88	G & K Services - Uniform Rental Services for July & August 2011
8	4725	42.16	Hose-Man, Inc. - Replace Fittings and Nuts on T62
9	4726	4,458.35	Hydraforce, Inc. - Crank Gear/Grip Gear for T57, T59, Spherical Bearing w/Seal/Pivot Pin Spacer
10			for T62, Tailgate Kit & Rod Mount Assy for T59, Dump Cyl for T62, Lift Cyl for T51
11	4727	122.77	Julia Sales - Reimbursement for Receptionist Training Seminar, Parking & Mileage
12	4728	1,015.01	Los Alamitos Auto Parts - Restock Filters, Power Steer Fluid, Hoses, Cable Tie's, Replace Fan
13			Clutch, Thermostat, Radiator on M5, Restock Parts & Credit for Hose End
14	4729	143.90	Nelson-Dunn, Inc. - Restock O-Ring's, Tube Supports, Cutter Wheels
15	4730	400.00	Pitney Bowes - Postage Meter Refill June 2011
16	4731	760.00	Dale Fike/Professional Safety Program - Confined Space, First Aid and CPR Training
17	4732	29,669.12	Rehrig Pacific Company - 648 65-Gallon Medium Black Cans with Lids
18	4733	VOID	Printer Malfunction
19	4734	146,325.50	Solid Waste Insurance Managers - Commercial Package 8/1/11 - 8/31/12
20	4735	485.33	Tec Of California - Replace Lamp on T51, Replace Brace for Muffler on T61
21	4736	8,916.00	Woodruff, Spradlin & Smart - Legal Services for June 2011
22	4737	583.64	Interstate Billing Services - Replace Engine Lights on T65
23	4738	142.70	Neugebauer, Joy - Insurance Reimbursement Aug 2011
24		210,902.62	SUBTOTAL
25			

26			ADD HANDCUT CHECKS:
27	4701	VOID	Printer Malfunction
28	4702	VOID	Printer Malfunction
29	4703	2,990.00	Cuu Thi Nguyen - Claim From Backup Sewer Incident on Dec. 10, 2010 (14712 Bushard St. #2)
30	4704	VOID	Printer Malfunction
31	4705	3,648.72	The Standard Dental Insurance - Premiums for Aug 2011
32	4706	493.52	Verizon Business - Internet Connection for Scada System Aug 2011
33	4707	VOID	Printer Malfunction
34	4708	VOID	Printer Malfunction
35	4709	366.30	City of Westminster - Maintenance Shop Water (\$14.39), Wash Rack Water (\$85.08)
36			District Office Water (\$266.83) 5/18 - 7/12/2011
37	4710	225.00	Steiner's Original BBQ Shack - Deposit for Employee Luncheon on Aug 3, 2011
38	4711	93.14	AT&T - Internet Brookhurst Lift Station (714) 531-0272
39	4712	45,063.65	CalPERS Health - Health Premiums for Aug 2011
40	4713	40.00	City of Westminster - Hydrant Meter for June 2011
41	4714	103.28	Gas Company - Fleet Maintenance (\$76.80), District Offices (\$26.48)
42	4715	100.00	Ron Ruano - Deposit for Mariachi Band for Founder's Day Parade Oct 22, 2011
43	4716	3,065.04	Southern California Edison - Archives & Parking Garage \$103.56, District Office \$861.00,
44			Maint. Shop \$303.56, Brookhurst Lift Station \$157.30, Westminster Lift Station \$621.66,
45			Willow Lift Station \$392.91, Hammon Lift Station \$625.26
46	4717	696.65	Standard Life Insurance - Premiums for Aug 2011
47			
48		267,787.92	SUBTOTAL PLUS HANDCUTS
49			
50			Payroll
51		150,775.62	Payroll Date 7/26/11 Staff Chk #15094 - 15101 Taxes & Direct Deposits
52		1,794.35	Payroll Date 7/26/11 Nationwide Deferred Compensation
53		5,778.07	Board of Director's Payroll for the Month of July 2011 Chk # 15103 - 15105
54		450.68	Board of Director's Nationwide Deferred Compensation for the Month of July 2011
55		426,586.64	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 426,586.64. The motion was approved by a 5-0 vote.

REPORTS

Report of President

None

Report of Assistant General Manager

AGM Robbins reported that he received an email from lobbyist James McConnell regarding a possible meeting with the EPA in September. The best day for him is Thursday, September 22, 2011, with the 15th or 19th as alternates and the meeting would be held in Washington D.C. Director Neugebauer asked whether it could be handled as a conference call. The Board decided that they would make a decision on this at a later date.

AGM Robbins reported that the District had to order a new arm for solid waste truck #T53.

AGM Robbins reported that the mariachi band has been hired by staff for the Founder's Day parade at a cost of \$600.

AGM Robbins reported that this Friday, August 5, 2011, would be Administrative Secretary, Toshia Kudlak's last day with the District.

Director Neugebauer asked if the District would be doing anything for her since the Employee Luncheon is on Wednesday, August 3, 2011. It was unanimously decided by the Board that the District would have a cake for her as well as the two employees receiving safety awards at the luncheon.

AGM Robbins reported that the Special Sewer Agreement with the City of Huntington Beach for the Van's skate park has been put on hold by them until they get final approvals. It is expected to be back on the agenda for the Board's review and approval at the last meeting in September.

AGM Robbins reported that he will be out of office on Friday afternoon for personal family time.

Report from Orange County Sanitation District Meeting (OCSD)

Director Neugebauer reported that there was a meeting on July 27, 2011. There are several different represented employee groups at OCSD. Director Neugebauer shared the details of one of the negotiated agreements with the Board for their information.

Director Neugebauer reported that OCSD has received the Excellence Award for purchasing for the tenth consecutive year.

Director Neugebauer reported that the EMT (Executive Management Team) met offsite to review strategic issues. There will be a planning workshop for the Board members to attend at a later date.

The operations committee for the month of August has been cancelled.

Report from Metropolitan Water District of Orange County (MWDOC) Meeting

Director Krippner handed out notes from the MWDOC Water Policy Forum and Dinner meeting.

Director Neugebauer reported that \$140 million dollars has been spent on the Delta plan and it is still not yet in the design stage. She stated that she feels it is interesting, but not encouraging, and that it is going to be a long time before the Delta Bay project will bring any relief to Southern California as a water supply.

Director Diep stated that aside from what was already covered, he hopes to be able to hear Senator Dianne Feinstein speak on the subject at OCSD/MWDOC in a few weeks.

CONSENT CALENDAR

Director Neugebauer asked that the items on the consent calendar be pulled and dealt with separately.

- A. Consider Approval of Attendance at the California Special Districts Association (CSDA) Annual Conference in Monterey, CA on October 10-13, 2011

A motion was made by Director Neugebauer, seconded by Director Cobo to approve attendance for the Board and staff to the CSDA Conference in Monterey in October. The motion was approved by a 5-0 vote.

- B. Consider Attendance at Orange County Sanitation District (OCSD) to Hear Speaker U.S. Senator Dianne Feinstein on August 25, 2011

A motion was made by Director Neugebauer, seconded by Diep to approve attendance for the Board and staff to hear Senator Dianne Feinstein speak at the Groundwater Replenishment System/Orange County Sanitation District (OCSD) headquarters on August 25, 2011. The motion was approved by a 5-0 vote.

OLD BUSINESS

- A. Consider the 2011 MCSD Emergency Action Plan

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the 2011 MCSD Emergency Action Plan. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

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

A motion was made by Director Diep, seconded by Director Cobo to approve the indemnification agreement with WEROC. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

C. 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 reconsider this item. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the District's response, as amended and stated by Legal Counsel. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

NEW BUSINESS

A. Discussion of Agreement between Midway City Sanitary District and the Standard Insurance Company for Dental Insurance Services

A motion was made by Director Diep, seconded by President Rice to authorize staff to research alternative dental insurance services for MCSD staff. The motion was approved by a 5-0 vote.

B. Consider Midway City Sanitary District's Participation in the Taste and Tour of Little Saigon

A motion was made by Director Diep, seconded by Director Cobo to authorize attendance for the Board and staff, at the lowest cost to the District. The motion was approved by a 4-1 vote, with Director Krippner abstaining.

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

A motion was made by Director Neugebauer, seconded by Director Diep to reinvest the maturing \$200,000 U.S. Treasury Bill for a period of 13 weeks. The motion was approved by a 5-0 vote.

CLOSED SESSION

President Rice convened the meeting to closed session at 4:47 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.

- A. PUBLIC EMPLOYMENT APPOINTMENT (Government Code Section 54957)
Title: General Manager

President Rice reconvened the meeting at 5:27 P.M.

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

BOARD CONCERNS/COMMENTS

Director Cobo and Director Neugebauer both commented on how pleased they were to have President Rice back and in good health.

Director Neugebauer requested that a report of the Pushing the Blues program be added to the next agenda for discussion.

AGM/STAFF CONCERNS/COMMENTS

AGM Robbins confirmed the Board's travel arrangements to the CASA Conference in San Diego next week.

GENERAL COUNSEL CONCERNS/COMMENTS

None

INFORMATIONAL ITEMS

- A. CalPERS Reports Preliminary 2010-11 Fiscal Year Gain of 20.7 Percent
- B. Consideration of Options for Publishing Notices

Director Neugebauer suggested that the Board wait to make a decision at such time when the District would need to publish again.

A motion was made by Director Neugebauer, seconded by Director Diep to receive and file the informational items. The motion was approved by a 5-0 vote.

ADJOURNMENT

President Rice adjourned the meeting at approximately 5:34 P.M.

Joy Neugebauer, Secretary