

**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 16, 2011

CALL TO ORDER

President Pro Tem Cobo 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 16, 2011 at 4:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice (absent)
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 AUGUST 2, 2011

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of August 2, 2011. The motion was approved by a 4-0 vote.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 277,186.15

#	CK #	CK AMOUNT	VENDOR
1	4752	140.00	Benjamin Studio - Portraits (KR, RH)
2	4753	3,539.04	Bodyworks Equipment, Inc. - Replace Loader Arm on T53
3	4754	13,392.43	CalPERS - Retirement for Service Period 07-2011-04
4	4755	54,637.76	City of Westminster - Gasoline and Diesel Fuel Purchased from Apr 2011 - Jun 2011
5	4756	727.00	Computer Research Center - Maintenance & Support for Sep 2011
6	4757	325.00	County of Orange Health Care Agency - Haz Mat Billing, CUPA Annual Invoice
7	4758	34,070.28	CR Transfer, Inc. - Tonnage for June and July 2011
8	4759	1,532.74	Daniel's Tire Service - Restock (4) New Tires
9	4760	287.88	G & K Services - Uniform Rental Services for August 2011
10	4761	75.00	Glyn's Mobile Opacity Testing - Smog Testing for T61
11	4762	37.11	Hose-Man, Inc. - Replace Fittings on T53
12	4763	3,500.00	James F. McConnell Attorney At Law - Fee for Lobbying Services for July 2011
13	4764	394.26	James F. McConnell Attorney At Law - Travel Expenses for July 2011
14	4765	1,711.64	Los Alamitos Auto Parts - Restock Oil Filters, Restock Fuel Filter, Brakeleen, AC belt for T56,
15			Brake Kit, Drums, Bearings, Seal for T57, Battery for M63, Air Filter for M64
16	4766	125.00	Memorial Prompt Care - Drug & Alcohol Testing (IG, TG, CR)
17	4767	14.71	Nelson-Dunn, Inc. - Restock O-Ring's
18	4768	139.51	Petty Cash - (Ken Robbins) See Summary Bottom of Second Page
19	4769	1,267.14	Plumbers Depot Inc. - Replace Footage Counter Wheel & Hose Reel - Vactor Trucks M63 & M64
20	4770	98,194.03	Rainbow Disposal - Tonnage Fee for July 2011
21	4771	2,026.36	Rosemead Oil Products, Inc. - Restock Super Deluxe Coronation Oil 15W-40
22	4772	416.53	Tec Of California - Restock Valves, Replace Control Valve on T56, Nforcement on T57
23			Credit for Returned Part
24	4773	672.16	Top Mobile Vision - Replace LCD Monitor on T65, Replace Video Cable on T61
25	4774	10.50	Underground Service Alert - 7 New Tickets July 2011 Services
26			
27		217,236.08	SUBTOTAL
28			

29			ADD HANDCUT CHECKS:
30	4739	200.00	Krippner, Allan - CASA Conference in San Diego Per Diem Aug 10-13, 2011
31	4740	150.00	Neugebauer, Joy - CASA Conference in San Diego Per Diem Aug 10-13, 2011
32	4741	100.00	Cody Ranslem - Five Year Safety Award
33	4742	100.00	David Hernandez - Five Year Safety Award
34	4743	646.51	AT&T Mobility - (KR) 714 310-2313 / (AC) 714-310-4406 / (NC) 714-310-8653
35			Sewer 714-310-8654 / Emergency 714-310-9004
36	4744	284.74	Steiner's Original BBQ Shack - Balance for Employee Luncheon on Aug 3, 2011
37	4745	205.89	Union Bank First Bankcard - (NC) Restock Water, Coffee, Cups, Cleaning Supplies
38	4746	VOID	Printer Malfunction
39	4747	VOID	Printer Malfunction
40	4748	2,280.75	US Bank CalCard - July 2011
41			(NC) \$43.91 Restock Gloves, (RH) \$64.00 Remington Water Monthly
42			(KR) \$1,656.26 MWDOC Conference 7/21/11 for JN, 2011 CSDA Conference (AK, FC, JN, KR,
43			MR, TD), Vision II Wireless Service, (D. Gerardo) \$250.11 Refreshments for Board Meetings
44			(D. Grimes) \$266.47 Sewer Maint Supplies (Power Cord, Lacquer Thinner, 3 Step Project Ladder)
45			Called out S.O.S. Plumbing for Service
46	4749	803.85	Verizon CA - Monthly Service - District Fax; 893-3553/893-3554/897-5368
47	4750	28.23	City of Westminster - Maintenance Shop Water (\$14.39), Hammon Lift Station (\$13.84)
48	4751	86.99	DirecTV - Monthly Service July 2011
49			
50		222,123.04	SUBTOTAL PLUS HANDCUTS
51			
52			Payroll
53		53,443.60	Payroll Date 8/09/11 Staff Chk #15106 - 15113 Taxes & Direct Deposits
54		1,619.51	Payroll Date 08/09/11 Nationwide Deferred Compensation
55		277,186.15	TOTAL EXPENDITURES W/PAYROLL
56			
57			Petty Cash Summary
58		19.18	Board Meeting Refreshment
59		14.74	Operating Supplies for Refuse
60		17.34	Operating Supplies for Sewer
61		22.00	Hotel Parking for OC Water Summit (TD)
62		6.25	Parking at County of Orange (Grand Jury Report)
63		60.00	Notary Fee for MCSD (NC, KR)
64		139.51	Total Petty Cash Expenditures

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 277,186.15. The motion was approved by a 4-0 vote.

Director Neugebauer stated her concern with the number of entries on the recent expenditures that said "Void - Printer Malfunction", and asked if this is a continuing problem and if it is being addressed.

Finance Director Housley explained that the District is using an older printer that works with the check signing machine. He explained that he has tried having it repaired, but we that we may have to replace it.

AGM Robbins stated that the District may need to go to electronic signature in the future.

REPORTS

Report of President

None

Report of Assistant General Manager

AGM Robbins reported that truck #T54 is in the process of being scrapped, as the Board requested, instead of being sold to CR Transfer for \$2,200. Any extra parts that are reusable by the District have been taken off the truck and now the District is expecting to get around \$4,500 from the scrap yard for the rest of the metal. There is still the need to go through the DMV for the proper certifications to declare it out of service, but the truck has been declared surplus.

AGM Robbins reported that there was a claim filed against the District on August 5, 2011 from the resident at 9512 Westwood Drive in Westminster. The claim comes more than a year after work was completed in their area (February 2009) near Bushard Street. Pictures were taken, the claim was sent to the contractor, the contractor is investigating it at this time.

AGM Robbins reported that the District received \$24,888 in grant money from the Department of Conservation for beverage containers.

AGM Robbins reported that the District also received County Pass through money in the amount of \$101,260. There was \$90,000 budgeted in this year's revenue based on past history. This redevelopment money must be spent in the Midway City portion of the District, so there will be another sewer lining project budgeted next year.

AGM Robbins reminded the Board of the Study Session with BHI Management Consulting on Saturday, September 17, 2011 from 10 A.M. until 3 P.M.

Finance Director Housley provided the Board with a copy of this year's final budget.

Report from Orange County Sanitation District Meeting (OCSD)

Director Neugebauer stated that the operations committee was dark in August so she had nothing to report.

Report from the CASA Conference in San Diego, CA

Director Krippner provided everyone with a handout of his thoughts from the conference, and stated that he felt that it was the best conference this year so far.

Director Neugebauer stated that Director Krippner's report was very comprehensive, and agreed with his comments, but she was most impressed with the Orange County Sanitation District staff reports on the groundwater replenishment system.

Director Diep enjoyed spending time with the chairpersons of Orange County Sanitation District, and feels that the groundwater replenishment program is a model project for the state of California.

CONSENT CALENDAR

Director Neugebauer requested that Item C be pulled from the Consent Calendar and dealt with separately.

- A. Approval of the Request of Solid Waste Employee David Hernandez to Receive 40 Hours of Vacation Pay in Lieu of Time Off
- B. Consider Approval of Driver Safety Training for the District's Class B Drivers
- D. Investment Report for July 2011

A motion was made by Director Neugebauer, seconded by Director Diep to approve the items on the consent calendar. The motion was approved by a 4-0 vote.

- C. Consider the Purchase of 30 Manhole Frames and Covers

Director Neugebauer asked if the County of Orange would be paying for this expense. Her concern is that the City of Westminster does not share the cost when they do a street project and the District's manholes need to be lifted.

AGM Robbins stated that the District will receive the money spent on the manhole frames and covers back from the County in the form of pass through funds.

A motion was made by Director Neugebauer, seconded by Diep to approve the purchase of 30 manhole frames and covers. The motion was approved by a 4-0 vote.

OLD BUSINESS

None

NEW BUSINESS

A. Consider Bids for the Electronic Data Management System (EDMS)

A motion was made by Director Neugebauer, seconded by Director Diep to continue this item to the next Board meeting. The motion was approved by a 4-0 vote.

B. Review Outline of the "Pushing the Blues" Program

A motion was made by Director Neugebauer, seconded by Director Krippner to have staff provide a breakdown of each phase of the program, provide the Board with more information and bring this item back for further Board discussion. The motion was approved by a 4-0 vote.

C. 4th Quarter Financial Reports – Fiscal Year 2010-2011

Finance Director Housley explained the 4th Quarter Financial Reports to the Board.

A motion was made by Director Diep, seconded by Director Neugebauer to receive and file the 4th quarter financial reports. The motion was approved by a 4-0 vote.

D. Consider Approval of the Request of Solid Waste Employee Robert Mayfield to Receive 40 Hours of Vacation Pay in Lieu of Time Off

A motion was made by Director Neugebauer, seconded by Director Diep to approve the request for pay in lieu of time off. The motion was approved by a 4-0 vote.

E. Consideration of General Manager Employment Agreement

A motion was made by Director Neugebauer, seconded by Director Krippner to continue this item to after the closed session. The motion was approved by a 4-0 vote.

CLOSED SESSION

President Pro Tem Cobo convened the meeting to closed session at 4:46 P.M. pursuant to Government Code Sections 54957 and 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. PUBLIC EMPLOYMENT APPOINTMENT (Government Code Section 54957)

Title: General Manager

B. CONFERENCE WITH LABOR NEGOTIATORS (Govt. Code Section 54957.6)

Agency Designated Representative: Thomas F. Nixon

Unrepresented Employee: General Manager

President Pro Tem Cobo reconvened the meeting at 5:18 P.M.

Legal Counsel stated that the Board of Directors approved the appointment of Kenneth Robbins to General Manager of the District during the closed session. It was a unanimous vote of 4-0.

Legal Counsel then stated that there was no reportable action taken during the closed session regarding the second item regarding conference with labor negotiators.

E. Consideration of General Manager Employment Agreement

Legal Counsel Nixon stated that the Board of Directors had before them a proposed employment agreement for the General Manager with a recommendation that the Board of Directors approve it and enter into an agreement with Kenneth Robbins, and that the agreement is available for public review.

A motion was made by Director Neugebauer, seconded by Director Diep to approve the General Manager's employment agreement and authorize signature by the Board President. The motion was approved by a 4-0 vote.

BOARD CONCERNS/COMMENTS

Directors Neugebauer and Cobo congratulated Kenneth Robbins as the District's new General Manager.

AGM/STAFF CONCERNS/COMMENTS

GM Robbins thanked the Board for finalizing his new position as General Manager of the District.

GM Robbins addressed the issue of the copies of payroll information supplied to the Board with their agenda packets for each Board meeting. The agenda packets are often left on the Directors' doorsteps or in their mail box. The Board agreed with GM Robbins that the confidentiality of the information is at risk, so from now on a copy of the payroll information will be provided for those who want it at Board meetings.

Finance Director Housley stated that the yearly audit is under way, and that the District will be working with Mr. Russell Bushby from Leaf and Cole again this year. He let the Board know that Mr. Bushby may be contacting them for information for the audit.

Toshia Kudlak's last day at the District was on August 5, 2011, and Julia Sales is out on vacation for two weeks. Crystal Enciso from HB Staffing, is filling in as receptionist during that time, When Julia returns, Crystal will be working in the accounts payables.

Finance Director Housley reported that he and GM Robbins have met with Ron Hankle regarding the District's dental insurance, and are still looking over several proposals. They are working together to bring more information back to the Board for their consideration.

Finance Director Housley reported that all of the District's financial information, including budget, audit and compensation information is now available on the District website. This also includes the Grand Jury Report and the annual budget.

Finance Director Housley also congratulated Kenneth Robbins on his appointment as the District's new General Manager.

GENERAL COUNSEL CONCERNS/COMMENTS

None

INFORMATIONAL ITEMS

- A. California Special Districts Association (CSDA) to Convene Working Group on Local Agency Formation Commission (LAFCo) Las
- B. CalPERS Health Open Enrollment October 10 – November 4, 2011

A motion was made by Director Neugebauer, seconded by Director Diep to receive and file the informational items. The motion was approved by a 4-0 vote.

ADJOURNMENT

President Pro Tem Cobo adjourned the meeting at approximately 5:26 P.M.

Joy Neugebauer, Secretary

Happy Birthday to Director Cobo!