

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

September 6, 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, September 6, 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 Krippner led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF AUGUST 16, 2011

A motion was made by Director Diep, seconded by Director Cobo to approve the minutes of the meeting of August 16, 2011. The motion was approved by a 4-1 vote, with President Rice abstaining.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 173,039.70

#	CK #	CK AMOUNT	VENDOR
1	4788	60.12	Advanced Gas Products - Monthly Cylinder Rental for July 2011
2	4789	57.00	Advanced Workplace Strategies - Random Drug Testing (CR)
3	4790	7,013.72	Alhambra Foundry Co. - 30 Manhole Frames & Covers
4	4791	50.00	Benny's Oil Filter Recycling - Oil Filter Drum Charge
5	4792	1,829.61	Bodyworks Equipment, Inc. - Two Solenoids & Loader Harness for T53, Coordinator II for T60,
6			Rocker Switch, Tube 1/2" Release, Two Coil Kits for T59
7	4793	1,115.50	California Suspension - Parts & Labor to Fix Front Suspension on T9
8	4794	11,709.89	CalPERS - Retirement for Service Period 08-2011-03
9	4795	11,419.21	CalPERS - Retirement for Service Period 08-2011-04
10	4796	1,353.36	Computer Research Center - Anti-virus Software Installation
11	4797	1,377.09	Daniel's Tire Service - Recap & Restock Parts
12	4798	268.47	Fastenal - Restock Nuts & Bolts
13	4799	433.32	G & K Services - Uniform Rental Services for Aug. 2011
14	4800	444.06	Hedman L.A., Inc. - Signature Plate for M. Rice and T. Diep
15	4801	6,017.31	Hydraforce, Inc. - Restock Switches, Crank Gear, Valve T53, Pressure Switch T55, Coil T61&T53
16	4802	2,425.35	Los Alamitos Auto Parts - Restock Filters, Fittings, Hydraulic Hoses, Replace Broken Impact,
17			Tube, Bender, Restock Relay, Brake Drums & Kit for T61, Credit for Returned Filters
18	4803	363.29	Los Angeles Freightliner - Replace Reservoir Assembly for Windshield Washer Tank,
19			Panel Support Dashboard, Valve Assembly Parking Brake on M63
20	4804	142.70	Neugebauer, Joy - Insurance Reimbursement Sept 2011
21	4805	633.65	OCSD - Permit Fees for July 2011 (MCSD 5%= \$33.65)
22	4806	205.00	Randy Griffith - Reimbursement for CWEA Technical Certification Program
23	4807	66.81	Robbins, Ken - Reimbursement for CASA Conference Expenses
24	4808	240.00	Rutan & Tucker, LLP. - Legal Services for July 2011
25	4809	156.78	Sign Design - Three Metal Signs for Used Oil Program
26	4810	7,022.78	Woodruff, Spradlin & Smart - Legal Services for July 2011
27			
28		54,405.02	SUBTOTAL
29			

30			ADD HANDCUT CHECKS:
31	4775	93.22	AT&T - Internet Brookhurst Lift Station (714) 531-0272
32	4776	77.76	Gas Company - Fleet Maintenance \$53.84, District Offices \$23.92
33	4777	3,015.61	Southern California Edison - Archives & Parking Garage \$97.91, District Office \$983.68,
34			Maintenance Shop \$292.40, Brookhurst Lift Station \$157.83, Westminster Lift Station \$576.85,
35			Willow Lift Station \$266.11, Hammon Lift Station \$640.83
36	4778	87.37	Union Bank First Bankcard - (NC) Restock Water, Seat Covers, Candy, Soda
37	4779	115.83	Krippner, Allen P. - Mileage Reimbursement for MWDOC Water Policy Forum/Dinner,
38			CASA Conference & OCS D Hydrogen Energy Station Celebration
39	4780	123.01	Diep, Tyler - Mileage Reimbursement for MWDOC Water Policy Forum/Dinner, CASA Conference
40	4781	44,054.20	CalPERS Health - Health Premiums for Sept 2011
41	4782	40.00	City of Westminster - Hydrant Meter Water Usage for July 2011
42	4783	VOID	Printer Malfunction
43	4784	3,025.44	The Standard Dental Insurance - Premiums for Sept 2011
44	4785	675.84	Standard Life Insurance - Premiums for Sept 2011
45	4786	7,650.39	US Bank CalCard - August 2011
46			(NC) \$164.43 Shop Supplies, Restock for Shop & Trucks, Relays for T60, T61, T53, Wooden Fence
47			Repair (RH) \$2,075.18 Remington Water Monthly, Adv. Office Serv., HB Staffing (Temp Services),
48			CalPERS Conference, CSDA Webinar (KR) \$4,974.96 CASA Conference San Diego for MR, TD, JN,
49			AK, KR, Totally Wireless GPS, Picture Frames, Photo Paper, CASA Conference Meal,
50			Hilton San Diego CASA Conference for KR, JN, MR, AK, WiarCom Monthly Service
51			(D. Gerardo) \$298.90 Refreshments for Board Meetings (D. Grimes) \$137.02 Sewer Maint Supplies
52	4787	235.86	South Coast AQMD - AQMD "Hot Spots" Air Toxin Program Fee Westminster&Hammon Lift Stations
53			
54		113,363.69	SUBTOTAL PLUS HANDCUTS
55			
56			Payroll
57		52,043.85	Payroll Date 8/23/11 Staff Chk # 15115-15122 Taxes & Direct Deposits
58		1,620.46	Payroll Date 8/23/11 Nationwide Deferred Compensation
59		5,576.58	Board of Director's Payroll for the Month of August 2011 Chk # 15124-15126
60		435.12	Board of Director's Nationwide Deferred Compensation for the Month of August 2011
61		173,039.70	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Diep, seconded by Director Krippner to approve the expenditures in the amount of \$ 173,039.70. The motion was approved by a 5-0 vote.

REPORTS

Report of President

President Rice reported that she attended the Eco Challenge recycling exhibit at the Discovery Science Center which was sponsored by Orange County Waste and Recycling.

While there, Supervisor Janet Nguyen told President Rice about a program in which the County chooses one school from each school district to attend the Discovery Science Center for the day. President Rice was excited and honored to find out that she will get to pick the school to participate in this District.

Report of Assistant General Manager

GM Robbins reported that truck T54 was sold for scrap in the amount of \$3,902.00. As many parts as possible were removed for reuse in the shop prior to the sale.

GM Robbins reported that on Monday, September 12, 2011 he would be out of the office for medical reasons.

GM Robbins reported that he would like to have quarterly or biannual meetings with Rainbow Disposal to discuss any new waste and operational issues.

GM Robbins reported that the tree that was dedicated to Jim Evans is not doing well and will be replaced by a king palm.

GM Robbins stated that the last day to cancel attendance to the California Special Districts Association (CSDA) Conference as well as the hotel reservations in Monterey is September 19, 2011, so if anyone cannot attend, would they please let staff know by then.

Report from Orange County Sanitation District Meeting (OCSD)

Director Neugebauer reported that there was a meeting of the Board of the Directors and the Finance Corporation on August 24, 2011.

The Operations Committee will be meeting and a tour on Wednesday, September 7, 2011 at Plant #2.

Report from Senator Feinstein Briefing at Orange County Sanitary District (OCSD)

Director Krippner passed out a summary of the briefing.

Director Neugebauer reported that Senator Feinstein spoke of the debt ceiling and indicated that she will continue to say no to entitlements since she is the chair of the appropriations committee. She felt that she proved to be extremely knowledgeable and qualified to speak on the groundwater replenishment system.

Director Diep felt that Senator Feinstein's presentation was extremely well done and appreciated her strong command of the event.

President Rice was impressed with Senator Feinstein's honesty in admitting why she voted for the war in Iraq, how she was misled into that vote, and how she regrets it now.

CONSENT CALENDAR

- A. Approval of Attendance to the Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, September 29, 2011

A motion was made by Director Neugebauer, seconded by Director Krippner to approve the item on the consent calendar. The motion was approved by a 5-0 vote.

President Rice suggested that item 9A be dealt with out of order to accommodate Mr. Scott Snowden and his colleagues, Suzy Osborn and Mario Tromba, who came to present the proposal for renewal of the District's Worker's Compensation Policy for next year.

A motion was made by Director Neugebauer, seconded by Director Krippner to take 9A out of order. The motion was approved by a 5-0 vote.

NEW BUSINESS

- A. Proposal for Renewal of Midway City Sanitary District Worker's Compensation Insurance for October 1, 2011 – October 1, 2012

Mr. Snowden reminded the Board that the District's expiring carrier is Zenith and that there are no open claims at this time.

A motion was made by Director Neugebauer, seconded by Director Cobo to approve renewal of the District's Worker's Compensation Package with The Zenith for the period of October 1, 2011 through October 1, 2012. The motion was approved by a 5-0 vote.

OLD BUSINESS

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

A motion was made by President Rice, seconded by Director Krippner to bring this item back for reconsideration at a later date and after adopting a policy on document retention. The motion was approved by a 5-0 vote.

- B. Consider Scheduling a Study Session Regarding the District's Dental Insurance Services

A motion was made by Director Neugebauer, seconded by President Rice to continue this item until staff has contacted another broker for additional information. The motion was approved by a 5-0 vote.

NEW BUSINESS

- A. Proposal for Renewal of Midway City Sanitary District Worker's Compensation Insurance for October 1, 2011 – October 1, 2012

This item was taken out of order and dealt with earlier in the agenda.

- B. Discuss Menu for 2011 Holiday Dinner Party

Director Neugebauer stated that she especially liked the Special Holiday Menu, but is concerned with the minimum number of people needed for it. President Rice offered to speak with staff at the Rose Center regarding the minimum number of people needed, and the number that the District is planning to host.

A motion was made by Director Neugebauer, seconded by Director Krippner to reaffirm holding the holiday dinner at the Rose Center, the committee of President Rice and Director Cobo, and authorize that committee to negotiate the dinner menu and the number of people attending. The motion was approved by a 5-0 vote.

- C. Discuss and Consider Recognition for Employees at Holiday Dinner Party

A motion was made by Director Neugebauer, seconded by Director Diep to purchase two (2) pounds of See's candy and a \$100 gift card for Stater Brothers for recognition of District employees. The motion was approved by a 4-0-1 vote, with Director Krippner abstaining.

- D. Approval of the "Pushing the Blues" Waste Recycling Program

A motion was made by Director Neugebauer, seconded by Director Diep to have the Board approve the "Pushing the Blues" waste recycling program as an official program of the District. The motion was approved by a 5-0 vote.

- E. Consideration of Proposed Policy on Document Retention

Director Krippner stated that he does not approve of destroying any original paper records.

Director Diep reminded the Board that the auditor suggested that the District consider a policy on document retention.

A motion was made by Director Diep, seconded by Director Cobo to approve the policy on document retention. The motion was approved by a 4-1 vote, with Director Krippner voting no.

President Rice asked that Items 9F and 9G on the agenda be dealt with after the closed session.

CLOSED SESSION

President Rice convened the meeting to closed session at 5:04 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. CONFERENCE WITH LABOR NEGOTIATORS (Government Code 54957.6)

Agency Designated Representative: General Manager Robbins
Unrepresented Employees: Finance Director, Administrative Secretary,
Solid Waste Supervisor/Safety Director, Sewer System
Supervisor/Inspector and Fleet Maintenance Supervisor

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of
Government Code
Section 54956.9 (one potential case) Claim of Mario Geurena
re: 9512 Westwood Drive, Westminster, CA

President Rice reconvened the meeting at 5:38 P.M.

F. Consideration of Damage Claim of Mario Geurena Filed Against Midway City Sanitary District on August 5, 2011 With Regard to 9512 Westwood Drive, Westminster, CA

A motion was made by Director Neugebauer, seconded by Director Krippner to return the claim of Mario Guerena as untimely. The motion was approved by a 5-0 vote.

G. Consider Approving District Reorganization and Modified Job Descriptions

A special meeting will be scheduled for discussion of this item on Wednesday, September 14, 2011 at 9:30 AM.

BOARD CONCERNS/COMMENTS

Director Cobo stated that he was glad to have President Rice back at the District.

Director Neugebauer wished Director Krippner a Happy Birthday, and said she was also glad to have President Rice back.

President Rice thanked everyone for their good wishes, and thanked the Board for appointing Ken Robbins to the General Manager's position.

GM/STAFF CONCERNS/COMMENTS

Per Director Neugebauer's request, GM Robbins asked to schedule the next calendar committee meeting. It was agreed that they would meet on Tuesday September 13, 2011 at 2PM.

Finance Director Housley stated that Russell Bushby the District's independent auditor from Leaf & Cole would be at the District office on Wednesday, September 7, 2011 at 7:30 AM and meeting with President Rice the same day at 1:30 PM.

Finance Director Housley reported that McGinn Actuaries were hired to do an actuarial study on the District's OPEB (GASB45 liability for post employment health benefits). The District received information last week from CalPERS which has been forwarded to McGinn Actuaries. As soon as the District receives the results of the study it will be brought to the Board for review.

GENERAL COUNSEL CONCERNS/COMMENTS

None

INFORMATIONAL ITEMS

A. California Employer's Retiree Benefit Trust Annual Statement

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

ADJOURNMENT

President Rice adjourned the meeting to Wednesday, September 14, 2011 at 9:30 AM at approximately 5:44 P.M.

Joy Neugebauer, Secretary

Happy Birthday to Director Krippner!