

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

May 1, 2012

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, May 1, 2012 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, General Manager
Robert Housley, Finance/HR Director
Tom Nixon, District Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

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

APPROVAL OF THE MINUTES OF THE BUDGET MEETING OF APRIL 17, 2012

A motion was made by Director Krippner, seconded by Director Cobo to approve the minutes of the meeting of April 17, 2012. The motion was approved by a 4-0-1 vote, with Director Diep abstaining.

APPROVAL OF THE MINUTES OF THE MEETING OF APRIL 17, 2012

A motion was made by Director Diep, seconded by Director Cobo to approve the minutes of the meeting of April 17, 2012. The motion was approved by a 5-0 vote.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 234,730.36

#	CK #	Date	AMOUNT	VENDOR
1				
2	5292	05/01/12	139.90	Neugebauer, Joy - May 2012 Insurance Reimbursement
3	5293	05/01/12	6.90	Krippner, Al - Mileage Reimbursement for ISDOC Quarterly Meeting on 03/29
4	5294	05/01/12	6.90	Diep, Tyler - Mileage Reimbursement for ISDOC Quarterly Meeting on 03/29
5	5295	05/01/12	345.68	Advanced Gas Products - Cylinder Rental Fee for April 2012 & Bessey Spindle Assembly for Restock
6	5296	05/01/12	228.00	Advanced Workplace Strategies - Random Drug Tests (NC, RG, JQ, FM)
7	5297	05/01/12	5,653.72	Bodyworks - Restock (2) Rod Ends, (3) Sourcing Switches, (3) Relays for shop; Tube & RR Cylinder Mount for T:
8				Track Weldment for T65.
9	5298	05/01/12	45,523.39	CalPERS Health Premium - Health Premium for May 2012
10	5299	05/01/12	47,038.04	City of Westminster - Fuel Charges for January through March 2012
11	5300	05/01/12	2,475.07	CRC - Set-up Website Hit Review; New Computer for Finance/HR Director
12	5301	05/01/12	141.14	Dave's Flowers - Arrangement for Ignacio Gonzalez on 03/08
13	5302	05/01/12	289.98	G & K Services - Uniform Services for April 2012
14	5303	05/01/12	116.42	Los Alamitos Auto Parts - Air Filter for Refuse Vehicle; Battery for Hydro Pump
15	5304	05/01/12	677.99	Maxx Air - Filter Cleaning & Two Clamps for T65
16	5305	05/01/12	11,562.53	OPTISOURCE Technologies, Inc. - Scanned, Indexed, Electronic Storage & Delivery of MCSD Documents
17	5306	05/01/12	2,200.00	Performance Pipeline Technologies - CCTV Inspection on Monroe Street & Protruding Lateral Removed
18	5307	05/01/12	244.23	Plumbers Depot - (2) Hoses for M63 & M64
19	5308	05/01/12	805.60	Ray Gaskin Service - Repair and Restock Cylinder (from T53) for Fleet
20	5309	05/01/12	484.88	Reyes Alternators - A/C Compressor & Air-Dryer for T9
21	5310	05/01/12	4,079.12	Tarulli Tire, Inc. - (13) Retread Tires & (10) Retread Rear Tires for Restock
22	5311	05/01/12	1,227.00	Tech Air Mobile Services - Labor & Parts to Repair A/C on T9
23	5312	05/01/12	848.20	Tri-Star Industrial Products - Restock (1) Drum of Wash Soap for Fleet
24	5313	05/01/12	3,380.00	Woodruff, Spradlin & Smart - Legal Services Rendered through March 2012
25	5314	05/01/12	11,464.43	CalPERS Retirement - Retirement Contributions for 04/02-04/15/2012
26	5315	05/01/12	2,008.01	DJ Printing - Postage for Public Notice Mailer
27	5316	05/01/12	514.37	Ray Gaskin Service - Repair and Restock Cylinder (from T55) for Fleet
28	5317	05/01/12	1,512.44	Santa Ana Diesel - Labor & Parts to Repair T57 Engine
29				
30			142,973.94	SUBTOTAL
31				
32				ADD HANDCUT CHECKS:
33				
34	5277	04/16/12	VOID	Printer Malfunction
35	5278	04/17/12	200.00	Neugebauer, Joy - Per Diem for CASA Napa Valley 04/24-04/27/2012

36	5279	04/17/12	22,928.86	CalPERS Retirement - Retirement Contributions for 03/05-03/18 & 03/19-04/01/2012
37	5280	04/17/12	80.00	City of Westminster - Hydrant Meter Usage for February & March 2012
38	5281	04/17/12	102.02	The Gas Co. - District Offices and Maintenance Yard Fees for April 2012
39	5282	04/17/12	465.76	Verizon Business - Internet Connection for SCADA System for March 2012
40	5283	04/25/12	97.16	AT&T - Brookhurst Lift Station Service for April 2012
41	5284	04/25/12	367.13	City of Westminster - District Water, Maintenance Shop, & Wash Rack Fees for March 2012
42	5285	04/25/12	3,068.15	MetLife - Monthly Premium for May 2012
43	5286	04/25/12	1,928.29	Southern California Edison - Archives & Parking Garage \$40.11, District Office \$406.83,
44				Maintenance Shop \$201.35, Brookhurst Lift Station \$161.54, Westminster Lift Station \$437.86,
45				Willow Lift Station \$246.61, Hammon Lift Station \$433.99
46	5287	04/25/12	755.48	The Standard Life Insurance - Premium Coverage for May 2012
47	5288	04/25/12	1,359.00	SWRCB - Annual Permit Fee for 04/01/2012 through 03/31/2013
48	5289	04/25/12	251.48	First Bankcard (NC) - Restock Cleaning Supplies
49	5290	04/25/12	VOID	Printer Malfunction
50	5291	04/25/12	80.00	Westminster Prayer Breakfast Committee - Mayor's Prayer Breakfast (FC, JN, AK, KR)
51				
52			174,657.27	SUBTOTAL PLUS HANDCUTS
53				
54				Payroll
55		04/17/12	53,521.42	Payroll - Staff Check #15273-15277 Taxes & Direct Deposits
56		04/17/12	1,447.35	Payroll - Nationwide Deferred Compensation(100% Funded By Employees)
57		04/27/12	4,731.44	Board of Director's Payroll for the Month of April 2012 Chk #15279-15281
58		04/27/12	372.88	Board of Director's Nationwide Deferred Compensation for April 2012(100% Funded By Directors)
59				
60			234,730.36	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 234,730.36. The motion was approved by a 5-0 vote.

Director Neugebauer requested, and the Board unanimously agreed, that item #58 regarding the deferred compensation for Directors needs to clearly indicate that this expenditure is 100% funded by the Directors and not by the District.

REPORTS

Report of President

President Rice reported that there was an article in the Orange County Register today – Tuesday, May 1, 2012 regarding the just-released Grand Jury Report in which they state that they want to do away with Special Districts.

Report of General Manager

GM Robbins stated that the current Calendar Committee, which is made up of Directors Neugebauer and Krippner, should consider setting a date for the first meeting for next year's calendar.

At 2 P.M. on May 10, 2012, there will be a Franchise Committee meeting to discuss deliverables within the 3rd amendment of the franchise agreement and what steps are being taken toward AB 341 commercial recycling requirements that will take effect on July 1, 2012.

GM Robbins reported that the C&G Fuel Study that Facility Builders and Erectors are working on is being held up due to the Gas Company who is doing an evaluation of the six inch gas main to determine whether or not it can handle the anticipated load.

Finance/HR Director Housley will be handling the parcel program this year with Crystal Enciso assisting. Former employee Ronny Liddel has been contacted and has consented to give some aid and advice where needed.

GM Robbins reported that the Out-of Area Sewer Service Agreement with the City of Huntington Beach for the Van's skate park was sent back denying revisions by their legal counsel which would add liabilities to the District. There has been no word back from them as of yet.

Report from Orange County Sanitation District Meeting (OCSD)

Director Krippner attended the Orange County Sanitation District meeting since Director Neugebauer was out of town. He gave everyone a handout of the agenda from that meeting.

Director Neugebauer reported that the Operations Committee will be meeting on Wednesday, May 2, 2012.

Report from CASA Spring Conference in Napa, California

President Rice reported that she and Director Neugebauer were allowed to close the conference in honor of past Director Grace Epperson.

Director Neugebauer stated that the most outstanding sessions were on recycling and reusing, AB 32 and electronic reporting. There was also an air quality update, information regarding the history of CalPERS, and a review of the Governor's 12 point pension reform plan. Director Neugebauer stated that the conference was very informative, some of it technical, and one of the major benefits is the interaction with delegates from all over the state whose common interest is taking care of the dirty water in California.

President Rice reported that Salerno Community College now offers a waste water technology program curriculum that has been in the works since 2006.

Reporting as a Board member for CASA, she stated that they did adopt a budget and are moving forward on hiring an Executive Director.

GM Robbins reported that he found the session regarding communication with the different generations particularly interesting.

CONSENT CALENDAR

None

OLD BUSINESS

None

NEW BUSINESS

- A. 3rd Quarter Financial Reports – Fiscal Year 2011-12 (07/01/11 through 03/31/12)

Finance/HR Director Housley gave an overview of the 3rd Quarter financial reports. They were received and filed.

- B. Consider Setting a Date for the Tree Dedication in Memory of Director Grace P. Epperson

A motion was made by Director Neugebauer, seconded by Director Diep to have the tree dedication for Grace Epperson at 3PM on May 29, 2012. The motion was approved by a 5-0 vote.

- C. Consider Approving the Core Values Statement for the Midway City Sanitary District

A motion was made by Director Diep, seconded by Director Cobo to approve the core values statement, as amended. The motion was approved by a 5-0 vote.

- D. Consider Approving the Vision Statement for the Midway City Sanitary District

A motion was made by Director Cobo, seconded by President Rice to approve the vision statement. The motion was approved by a 5-0 vote.

E. Notification of the Soon To Be Released 2011-12 Orange County Grand Jury Report Titled: Compensation Cost Transparency

A motion was made by Director Diep, seconded by Director Cobo to appoint Director Neugebauer and Finance/HR Director Housley to review the Grand Jury report on May 8, 2012, with Director Diep as alternate. The motion was approved by a 5-0 vote.

F. Orange County Grand Jury Report on Special Districts

Legal Counsel and staff were instructed to produce responses to the Grand Jury report and then bring them back to the Board for approval.

BOARD CONCERNS/COMMENTS

Director Krippner reported that he received a complaint from a resident named Mark Lawrence regarding the District's solid waste service.

Director Neugebauer reported that she also received a call from the same resident.

Director Neugebauer stated that she felt that the District should apply for the CASA Achievement Award and asked that it be on the next agenda.

GM/STAFF CONCERNS/COMMENTS

GM Robbins reported that the District employees have requested a plaque for past employees, as well as framed copies of the District's mission, vision and core values statements for the District office.

Finance/HR Director Housley stated that Operations Director Castro left several MCSD shirts with logos in different colors and sizes for the Directors to look through.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel Nixon stated that he provided everyone with a copy of an article about Dave Larsen that was published in the Legal Journal regarding the mission he is on.

CLOSED SESSION

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.

INFORMATIONAL ITEMS

None

ADJOURNMENT

President Rice adjourned the meeting at approximately 5:11 P.M.

Joy Neugebauer, Secretary