

**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**

January 3, 2013

CALL TO ORDER

President Cobo called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Thursday, January 3, 2013 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 Diep led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF DECEMBER 18, 2012

A motion was made by Director Rice, seconded by Director Diep to approve the minutes of the meeting of December 18, 2012. The motion was approved by a 5-0 vote.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$74,316.90

#	CK #	Date	AMOUNT	VENDOR
1				
2	5788	01/01/13	146.90	Neugebauer, Joy - Health Insurance Reimbursement for January 2013
3	5789	01/01/13	193.38	Advanced Gas Products - Cylinder Rental Activity for November 2013 & Restock (2) Boxes of Dust Ma
4				(10) Outer Lens, (1) Box of Gloves.
5	5790	01/01/13	1,273.37	Bodyworks - Restock (4) Coils, (12) Springs, (2) Collars, (4) Bearings, (2) Clamps.
6	5791	01/01/13	2,858.08	Daniel's Tire Service - (16) Recaps & (2) Nail Repair for Restock
7	5792	01/01/13	302.22	G & K Services - Uniform Services for November & December 2012
8	5793	01/01/13	583.74	Golden Bell Products - (55) Gallons of Super Butyl (Degreaser) for Restock
9	5794	01/01/13	91.85	Hillco Fastener Warehouse - (10) Washers, (25) Sockets, (41) Nuts for Restock
10	5795	01/01/13	641.11	Los Alamitos Napa Auto Parts - (1) Air Dryer for T65
11	5796	01/01/13	287.12	Los Angeles Freightliner - (2) Park/Turn Lamps and (2) Front Lamps for M63 & M64
12	5797	01/01/13	205.00	Randy Griffith - CWEA License (\$73.00) & Annual Dues (\$132.00) Reimbursement for 2012
13	5798	01/01/13	1,817.11	Ray Gaskin - (1) In/Out Cylinder, (1) Packer Cylinder, (2) Dump Cylinder, (2) Grip Cylinder, (1) Lift
14				Cylinder for Restock.
15	5799	01/01/13	125.00	Resource Communications - Repair Mechanic Shop Phone Line; Test Line 4 and Refer to Verizon for Rep
16	5800	01/01/13	734.95	Reyes Alternators - (1) Gear Box for Restock
17	5801	01/01/13	463.86	Tec of California - (2) Expansion Tanks, (2) Air Sensors, (2) Air Filters & (4) Coolant Filters for Restock.
18	5802	01/01/13	396.00	TM Services Company - Perform Annual Maintenance on District Fire Extinguishers
19	5803	01/01/13	586.00	Hedman L.A. - New Signature Plates for President Cobo & Treasurer Neugebauer
20				
21			10,705.69	SUBTOTAL
22				
23				ADD HANDCUT CHECKS:
24	5782	12/18/12	100.17	AT&T - Brookhurst Lift Station Service for December 2012
25	5783	12/18/12	249.21	Office Max - Restock District Office Supplies
26	5784	12/18/12	465.76	Verizon Business - Internet Connection for SCADA System for December 2012
27	5785	12/24/12	28.23	City of Westminster - Hammon & Westminster Lift Stations Water Usage for November 2012
28	5786	12/24/12	80.00	City of Westminster - Hydrant Meter Water Usage for November & December 2012
29	5787	12/24/12	2,035.11	Southern California Edison - Archives & Parking Garage \$50.76, District Office \$437.38,
30				Maintenance Shop \$226.66, Brookhurst Lift Station \$158.89, Westminster Lift Station \$459.80,
31				Willow Lift Station \$250.18, Hammon Lift Station \$451.44 .
32				
33			13,664.17	SUBTOTAL PLUS HANDCUTS
34				
35				PAYROLL
36		12/24/12	53,389.24	Payroll - Staff Check # 15410 -15414 Taxes & Direct Deposits
37		12/24/12	1,213.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)

38	12/28/12	5,591.75	Board of Director's Payroll for the Month of December 2012 Chk # 15416 - 15418
39	12/28/12	458.74	Board of Director's Nationwide Deferred Compensation for December 2012 (100% Paid By Directors)
40		74,316.90	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Rice, seconded by Director Neugebauer to approve the expenditures in the amount of \$74,316.90. The motion was approved by a 5-0 vote.

REPORTS

Report of President

President Cobo reported that he enjoyed and was extremely impressed by the Association of California Cities of Orange County: Election 2012 event that he and the Board attended.

Report of General Manager

GM Robbins reported that the County of Orange now wants Midway City Sanitary District to pay for a nearly 2,000 linear foot portion of the parallel sewer main, which includes relocation of the current sewer main, on Van Buren Street. He is hoping to set a meeting next week with both counsels in order to review and discuss since he feels that the District should only be responsible for the relocation of around 900 linear feet of sewer main.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep gave a report on his first meeting on December 19, 2012, at which there was quite a sizeable turnover of the Board. There were several important votes during the meeting. The steering committee and staff recommended that the full Board give staff direction to prepare a Proposition 218 notice in order to set a new fee schedule for the next 8 years. There will be a public hearing on March 27, 2013. The proposed fee increase will be 4.8% for 2013-2014, then 2.4% for the next seven years which is an eight year increase package. It will come before the Board at the next OCSD meeting on February 27, 2013.

Director Diep reported that the steering committee also discussed pension reform. They have created a tier three for any employee hired after January 1, 2013.

Report from Association of California Cities of Orange County (ACCOC): Election 2012

Director Rice stated that the speaker, Dan Schnur knows Sacramento and the political field very well. She was surprised at how many newly elected people were there.

Director Neugebauer reported that it was very well done, well planned out and worthwhile.

Director Diep reported that he enjoyed the program and pointed out that there was no cost to the District for the event. He was also impressed by Dan Schnur, who he explained, used to work for Governor Pete Wilson, and was appointed by Governor Schwarzenegger to the Fair Political Practice Commission (FPPC). Mr. Schnur was able to give an inside view of Governor Jerry Brown and what he did to pass Prop. 30, which extends the sales tax rate from 7.5 to 8% in Orange County for the next 5 years.

Director Krippner stated that he is suspicious of anything that is free.

GM Robbins found the event interesting and said that he enjoyed speaker and USC Professor Mr. Schnur as well.

Report from the Rainbow Environmental Holiday Luncheon

All of the Directors enjoyed the event at Rainbow Environmental.

Director Krippner stated that he feels that Jeff Snow understands the Board's needs.

Director Neugebauer asked GM Robbins to resend the pictures that were taken that day.

CONSENT CALENDAR

GM Robbins informed the Board that approval of the consent calendar means approval of the payment of the subject invoice or approval of attendance at the subject event.

- A. California Association of Sanitation Agencies (CASA) 2013 Annual Membership Dues
- B. California Special Districts Association (CSDA) Training Workshop for Special District Board Members – How to be an Effective Board Member on Tuesday, January 22, 2013 from 9am-4pm at MWDOC/OCWD Board Room in Fountain Valley, CA
- C. Association of California Cities of Orange County (ASSOC) Newly Elected Officials Orientation and Public Policy Makers Academy 2-Day Training Session February 7-8, 2013
- D. Independent Special Districts of Orange County (ISDOC) 2013 Annual Membership Dues
- E. Consider Attendance to the Municipal Water District of Orange County (MWDOC) Water Policy Forum on Wednesday, January 2013

Director Neugebauer asked to pull items B and C off of the consent calendar.

A motion was made by Director Diep, seconded by Director Rice to approve items A, D and E on the consent calendar. The motion was approved by a 5-0 vote.

After some discussion by the Board, a motion was made by Director Neugebauer, seconded by Director Krippner to approve of items B and C. The motion was approved by a 4-0-1 vote, with Director Diep abstaining.

OLD BUSINESS

A. Consider Scheduling a Workshop on District Communications Systems

Director Neugebauer stated that she felt that no workshop was needed and commended staff on the comprehensive staff report.

A motion was made by Director Neugebauer, seconded by Director Rice to have staff bring back a cell phone policy for Board approval. The motion was approved by a 5-0 vote.

NEW BUSINESS

A. Consider Midway City Sanitary District (MCSD) Employee Five Year Safety Award

A motion was made by Director Neugebauer, seconded by Director Diep to present a 5-year award to Gustavo Carrera and have a luncheon at a later date. The motion was approved by a 5-0 vote.

B. Confirm Attendance to the 2013 Waste Expo in New Orleans, Louisiana May 20-23, 2013

Staff was asked to look into membership to Wastec in order to save on costs. Directors Neugebauer, Rice, and President Cobo confirmed that they would be attending the Waste Expo in New Orleans, Louisiana. Director Diep stated that he would like to attend if he can get the time off of work. Director Krippner stated that it is one big boondoggle that will cost the District thousands of dollars, and he would not be attending.

C. Westminster Chamber of Commerce Public Service Award

A motion was made by Director Rice, seconded by Director Diep to nominate Julia Sales. The motion was approved by a 5-0 vote.

There was some discussion about nominating a second recipient.

A motion was made by Director Krippner, seconded by Director Neugebauer to also nominate Danielle Gerardo. The motion was approved by a 5-0 vote.

BOARD CONCERNS/COMMENTS

Director Rice stated that she feels strongly that the Board needs to attend the Waste Expo in order to educate the Board on solid waste issues for the District.

Director Neugebauer stated that there needs to be a policy committee meeting to clarify and review Board policies. GM Robbins suggested that the Board review all policies and procedures sometime in July.

GM Robbins reported that he and Director Rice, who is the committee appointee, attended the Oversight Committee meeting where they reported that after the auditors' review, have found that for low to moderate housing, there is \$14,293,406 that has not been spent. They will be returning that money to the taxing agencies, of which the District should receive around \$500,000.

GM/STAFF CONCERNS/COMMENTS

GM Robbins asked the Board if they wished to leave for the CASA conference in Indian Wells the morning of or the night before, directly after the next regularly scheduled Board meeting. Directors Rice and Krippner stated that they would go out the night before, while GM Robbins would carpool with President Cobo and Director Neugebauer the morning of the conference.

Director Krippner stated that the District should look into a flight for travel to Palm Springs as they are inexpensive and fast.

Finance/Hr Director Housley stated that the District's fees and tax receipts have started coming in and are right on target with what was budgeted.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel Tom Nixon reported on an article in the Orange County Register that relates to the Midway City Sanitary District Board. The Attorney General has given permission to Costa Mesa Sanitary District to file a lawsuit to remove a member of their Board from office because he also sits on the City of Costa Mesa planning commission, which makes the two positions incompatible. The same legislation applies to the Board members of the Midway City Sanitary District, but, he further stated that District Board members that were also on City Council need not be concerned because the Health and Safety Code provides that because the City of Westminster is fully encompassed within the jurisdictional area of the Midway City Sanitary District, a member of the

Westminster City Council may legally concurrently serve on the District's Board of Directors.

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 Cobo adjourned the meeting at approximately 5:29 P.M.

Margie Rice, Secretary

HAPPY BIRTHDAY DIRECTOR RICE!