

**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**

February 5, 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 Tuesday, February 5, 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 Rice led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

APPROVAL OF THE MINUTES OF THE MEETING OF JANUARY 15, 2013

A motion was made by Director Rice, seconded by Director Neugebauer to approve the revised minutes of the meeting of January 15, 2013. The motion was approved by a 5-0 vote.

PUBLIC COMMENTS

None

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$221,428.29

#	CK #	Date	AMOUNT	VENDOR
1				
2	5855	2/1	146.90	Neugebauer, Joy - Health Insurance Reimbursement for February 2013
3	5856	2/1	28.55	Robbins, Ken - Reimbursement for CASA Indian Wells, CA 1/16-1/18/13
4	5857	2/1	157.53	Bodyworks Equipment - (1) In/Out Cylinder for T56; Restock (1) Check Valve & (3) Limit Switches
5	5858	2/1	24,851.98	CalPERS Retirement - Retirement Contributions for January 2013
6	5859	2/1	56,692.21	City of Westminster - Gasoline & Diesel Purchases from October through December 2012
7	5860	2/1	1,246.84	Computer Research Center - Replacement Computer & Labor for Receptionist
8	5861	2/1	2,134.06	Daniels Tire Service - (11) Recaps for Restock & (2) Repairs
9	5862	2/1	452.58	G & K Services - Uniform Services for January 2013
10	5863	2/1	204.27	Hillco Fastener Warehouse - (85) Locknuts, (415) Washers, (300) Wire Ties for Restock
11	5864	2/1	449.91	Hose Man, Inc. - Restock (7) Air Hoses & (10) Fittings for Shop
12	5865	2/1	2,617.55	Los Alamitos Napa Auto Parts - (21) Hose-End Fittings, (4) Clamps, (1) Air-Hose Reel, (1) Air-Converter,
13				(1) Air-Dryer, & (4) Brake Drums for Restock; (1) Battery for T9.
14	5866	2/1	190.58	Powertrain Industries - Labor & Parts to Repair PTO for T60
15	5867	2/1	431.78	Ray Gaskin Service - (1) Seal Kit, (1) Rod End & (1) In/Out Cylinder for Restock
16	5868	2/1	1,862.11	Rosemead Oil Products - (215) Gallons Hydraulic Oil for Restock
17	5869	2/1	621.00	Rufan & Tucker, LLP - Legal Services for December 2012
18				
19			92,087.85	SUBTOTAL
20				
21				ADD HANDCUT CHECKS:
22	5841	1/18	48,761.16	CalPERS Health Premium - Healthcare Premium for February 2013
23	5842	1/18	170.33	The Gas Company - District Office & Maintenance Yard Fees for December 2012
24	5843	1/18	20.63	Office Max - 2013 Calendar for District Boardroom
25	5844	1/18	463.37	Verizon Business - Internet Connection for SCADA System for December 2012
26	5845	1/22	100.00	Carrera, Gustavo - Five Year Safety Award
27	5846	1/23	100.08	AT&T - Brookhurst Lift Station Service for January 2013
28	5847	1/23	87.04	City of Westminster - District Water Usage from December 2012 through January 2013
29	5848	1/23	3,569.81	MetLife - Monthly Dental Premium for February 2013
30	5849	1/23	62.93	First Bankcard (NC) - Restock Kitchen & Cleaning Supplies for District
31	5850	1/29	VOID	Check Printed Incorrectly
32	5851	1/29	VOID	Check Printed Incorrectly
33	5852	1/29	VOID	Check Printed Incorrectly
34	5853	1/29	VOID	Check Printed Incorrectly
35	5854	1/29	852.62	Verizon CA - District Office Phones & Lift Stations for January 2013; \$431.44 District Office,
36				\$132.69 Willow Lift, \$143.25 Westminster Lift, \$145.24 Hammon Lift.
37	5870	1/29	91.08	City of Westminster - Maintenance & Wash Rack Water Usage from December 2012 through January

38	5871	1/29	2,373.78	Southern California Edison - Archives & Parking Garage \$48.84, District Office \$468.25,
39				Maintenance Shop \$235.77, Brookhurst Lift Station \$184.57, Westminster Lift Station \$554.77,
40				Willow Lift Station \$263.20, Hammon Lift Station \$618.38 .
41	5872	1/29	729.45	The Standard Life Insurance - Premium Coverage for February 2013
42	5873	1/29	11,825.98	US Bank - \$9,323.64 (KR) CASA Washington DC Conference Registration & Flight Tickets (KR, FC, MR, JN
43				CSDA How to Be an Effective Board Member Training (AK); MWDOC Water Policy Forum & Dinner (A
44				Flight Tickets for New Orleans Waste Expo (KR, NC, MR, JN, FC); CASA Indian Wells Hotel (KR, FC, JN, I
45				\$153.99 (Dge) Board Meeting Refreshments for 1/3 & 1/15. \$159.90 (DGr) Restock Sewer Maintenance
46				Supplies; New Printer for Sewer Office. \$1,865.40 (NC) Lawn Vacuum for District; Replacement Radio
47				Antenna for T52; Fluorescent Light for shop; New Labor Law Posters. \$373.00 (RH) Pro-Ware Asset
48				Keeper Software for District; Remington Monthly Service Charge.
49	5874	2/1	100.00	Ruano, Ron - Deposit for Mariachi Band to Perform at TET Parade 2013 for District
50	5875	2/1	VOID	Vendor Information Changed
51	5876	1/30	100.00	The South Vietnamese Marines Veteran Charity Association - Application for 2013 TET Parade Float for
52				District
53				
54			161,496.11	SUBTOTAL PLUS HANDCUTS
55				
56				PAYROLL
57		1/22	53,255.37	Payroll - Staff Check # 15425 - 15429 Taxes & Direct Deposits
58		1/23	1,213.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
59		1/25	5,059.25	Board of Director's Payroll for the Month of January 2013 Chk # 15431 - 15434
60		1/25	404.56	Board of Director's Nationwide Deferred Compensation for January 2013 (100% Paid By Directors)
61			221,428.29	TOTAL EXPENDITURES W/PAYROLL
62				
63				BANK TRANSFERS
64				None to Report

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$221,428.29. The motion was approved by a 5-0 vote.

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that the District has received an insurance quote from Special District Risk Management Authority (SDRMA) for the current year 2012/2013 and that there looks to be considerable savings for the District if the Board decides to switch carriers. SDRMA will forward the District the new 2013/2014 rates once they are released.

GM Robbins reported that he will be attending a Waste Discharge Requirement Meeting with regard to sewer system master plan audits on February 13, 2013.

The District received a one-time refund check in the amount of \$2,981 from Orange County Local Agency Formation (LAFCO) for 2013 fees.

GM Robbins reported that the District will see approximately \$2,000 in savings on uniform expenses this year due to renegotiating the District's contract with the same vendor.

Each Board member was provided with an annual 700 form, which they were asked to fill out and return to District staff.

GM Robbins stated that the TET Parade will begin at 9 A.M. this year instead of 9:30 but will take the same route, so Directors were asked to arrive at 8:30 A.M. in order to ride on the District vehicle. Director Neugebauer suggested that the District's website address be added to the banner.

GM Robbins stated that he would see if he could have it done by Sign Design.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that he attended the meeting of January 23, 2013. The OCSD Board voted to receive and file a waste water revenue program rate study that was done by engineers which they used to legitimize their proposed fee increase that is scheduled to start this year. OCSD has been trying to gather support for the rate fee increase from several organizations.

Director Neugebauer asked that a member of OCSD be invited to attend the next Board meeting in order to better inform the Board about the proposed fee increase.

Director Diep was asked to report back to the Board after the public hearing on Wednesday, March 20, 2013.

Report from the California Association of Sanitation Agencies (CASA) Mid-Year Conference, Indian Wells, CA

Director Neugebauer found the presentation on Harvesting Privately Owned Treatment Works Energy Resources through Public/Private Partnerships interesting and asked if the District had included energy management within the strategic plan.

GM Robbins stated that the District did not, but that the District received an Edison energy grant in 2011 and all lighting was upgraded at that time.

President Cobo reported that he especially enjoyed the last speaker on the last day of the conference.

Director Rice reported that she attended the Executive Board meeting and that there was a survey of memberships asking for ideas for change to CASA. The primary response was to do away with the spring conference, and have a legislative day instead.

The Executive Board approved the execution of a six month professional services contract to allocate \$45,000 for the strategic plan, going from a flat monthly fee to an hourly billing arrangement with a not to exceed amount, in order to save money.

Director Rice also attended a meeting of the Scholarship Foundation where they set up parameters and appointed people to write the criteria in order to choose candidates for scholarships. She reported that almost \$30,000 has already been pledged. With that, three scholarships in the amount of \$10,000 each could be provided toward groundwater, the treatment of water or sewer education.

Report from California Special Districts Association (CSDA) Event: How To Be an Effective Board Member

Director Krippner reported that it was a good meeting, with a lot of material provided.

Report from Metropolitan Water District of Orange County (MWDOC) Water Policy Forum

Director Krippner provided the Board and staff with a handout reviewing the information provided at the MWDOC Water Policy Forum.

Report from Table Top Expo with Mayor of Westminster

Director Rice stated that she felt that Mayor Tri Ta did a good job, but the City of Westminster's fees need to be reviewed and some need to be raised.

Director Neugebauer reported that she felt that Mayor Tri Ta, was well informed, well intentioned, open minded, appears to be committed to his new position, and she was very impressed with him.

President Cobo agreed with Director Neugebauer, and stated that Mayor Tri Ta attempted to answer every question that he was able to.

Report from Independent Special Districts of Orange County (ISDOC)

President Cobo reported that he was impressed by speaker Shawn Nelson, Orange County Supervisor.

CONSENT CALENDAR

A. Approval of the Request of Utility Worker Gustavo Carrera to Receive 40 Hours of Vacation Pay in Lieu of Time Off

B. Approval of the Request of Solid Waste Employee Robert Mayfield to Receive 32 Hours of Vacation Pay in Lieu of Time Off

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

OLD BUSINESS

None

NEW BUSINESS

A. Consider Setting a Date for a Special Meeting for Discussion of District Yard Ingress and Egress Configuration as Presented by Director Krippner

A motion was made by Director Neugebauer, seconded by Director Rice to not set a date for a meeting to discuss the District yard ingress and egress suggested by Director Krippner. The motion was approved by a 4-1 vote, with Director Krippner voting no.

B. Consideration Approval of New Sign Change Order to the 2013 Facility Improvement Project Proposed by Citiwide Engineering

A motion was made by Director Neugebauer, seconded by Director Rice to approve of the new sign change order subject to the City of Westminster approving the permit, in its present location. The motion was approved by a 4-1 vote, with Director Krippner voting no and protesting.

C. RESOLUTION NO. 2013-01

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY CALIFORNIA ADOPTING A POLICY REGARDING BOARD OF DIRECTOR DAYS OF SERVICE PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 6489.

A motion was made by Director Neugebauer, seconded by Director Krippner to defer Resolution No. 2013-01 and set a date for a Board policy workshop at the next regularly scheduled Board meeting. The motion was approved by a 5-0 vote.

D. Consider Changing the Date of the Tuesday, May 21, 2013 Regularly Scheduled Board Meeting In Order to Accommodate Board Travel to the 2013 Waste Expo in New Orleans, Louisiana

A motion was made by Director Diep, seconded by Director Neugebauer to change the date of the Tuesday, May 21, 2013 regularly scheduled Board meeting to Tuesday, May 28, 2013. The motion was approved by a 4-1 vote, with Director Krippner voting no.

E. Selection of Date and Location for District 2013 Employee Holiday Party

A motion was made by Director Rice, seconded by President Cobo to set the date of the District's 2013 holiday party for December 1, 2013, if available or December 8, 2013 at the Rose Center. The motion was approved by a 5-0 vote.

F. Consider a 75th Year Celebration Open House of the Midway City Sanitary District

A motion was made by Director Diep, seconded by President Cobo to nominate Directors Rice and Neugebauer for the committee to plan the event. The motion was approved by a 5-0 vote.

Director Neugebauer stated that she would like a press release put in the various local newspapers to make the public aware of the event and to acknowledge Director Cobo as the Board's new President. Director Neugebauer brought a draft press release for the Board to review and the Board consensus was that it was satisfactory.

Director Diep left the meeting at 5:10 P.M. and did not return.

G. Supplemental Responses of Midway City Sanitary District to the Grand Jury Report: Let There Be Light – Dragging Special Districts from the Shadows

A motion was made by Director Neugebauer, seconded by Director Rice to recommend that staff submit the response and add a referral to the District's website in order to show that the District is already doing what they asked. The motion was approved by a 4-0 vote.

H. Review of Calendar Year 2012 Compensation and Benefit Information to be posted on the District's Website

A motion was made by Director Neugebauer, seconded by Director Rice to add a note that Directors pay 100% of their deferred compensation, and to receive and file the information. The motion was approved by a 4-0 vote.

I. RESOLUTION NO. 2013-02

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA ADOPTING A POLICY REGARDING THE USE OF DISTRICT CREDIT CARDS

A motion was made by Director Cobo, seconded by Director Rice to adopt Resolution No. 2013-02. The motion was approved by a 3-1 roll call vote, with Director Krippner voting no.

J. Approval to Authorize the District's Franchise Waste Hauler to Conduct a Survey and Notify the Commercial Properties of their Recycling Options within the Commercial Recycling Program

A motion was made by Director Rice, seconded by President Cobo to approve to authorize Rainbow Environmental to conduct a survey and notify the commercial properties within the District of their recycling options within the new commercial recycling program. The motion was approved by a 4-0 vote.

K. 2nd Quarter Financial Reports (7/01/12 through 12/31/12) – Fiscal Year 2012/2013

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

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that she received a certificate of recognition, as well as a personal letter from Jim Ruth at OCSD for her 17 years of service on that Board.

Director Neugebauer stated that, regarding the letter to the editor that was in the Westminster Herald, Journal, and two issues of the Orange County News regarding the conference the Board will be going to in New Orleans, that the December 18th meeting minutes do show that it was approved by a 5-0 vote. Director Neugebauer has received calls at her home regarding those articles and she informed the callers that that information can be verified by going online to the District's website.

Director Krippner stated that he didn't feel that nobody from the District should go to the Waste Expo but that he does feel that only General Manager Ken Robbins and Board President Frank Cobo should be attending the 2013 Waste Expo in New Orleans, Louisiana in May.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that he would contact Sign Design to add the District website to the banner for the side of the float in time for the TET parade.

GM Robbins stated that he would also contact OCSD to see if they could send someone to do a presentation regarding their possible rate increase to the February 19 or March 5 regularly scheduled meeting.

GENERAL COUNSEL CONCERNS/COMMENTS

None

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

A. Orange County Local Agency Formation Agency (LAFCO) Notice of Public Hearing for the “2013-2018 Municipal Service Review and Sphere of Influence Updates for Orange County Cities and Special Districts”

B. California Special Districts Association (CSDA) Accomplishments for 2012

ADJOURNMENT

President Cobo adjourned the meeting at approximately 5:48 P.M.

Margie L. Rice, Secretary