

**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**

April 16, 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, April 16, 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.

PUBLIC COMMENTS

None

APPROVAL OF THE AMENDED MINUTES OF THE MEETING OF MARCH 19, 2013

A motion was made by Director Neugebauer, seconded by Director Diep to approve the amended minutes of the meeting of March 19, 2013. The motion was approved by a 5-0 vote.

APPROVAL OF THE MINUTES OF THE MEETING OF APRIL 2, 2013

A motion was made by Director Rice, seconded by Director Diep to approve the minutes of the meeting of April 2, 2013. The motion was approved by a 5-0 vote.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 270,213.31

#	CK #	Date	AMOUNT	VENDOR
1	6003	4/10	62.00	Advanced Gas Products - Cylinder Rental for March 2013
2	6004	4/10	12,425.99	CalPERS Retirement - Retirement Contributions for March 2013
3	6005	4/10	33,552.45	Citiwide Engineering - Fourth Partial Payment for District 2013 Facility Improvement Project
4	6006	4/10	737.00	Computer Research Center - Maintenance & Support for May 2013
5	6007	4/10	6,298.66	Daniel's Tire Service - (8) New Tires for T65; (2) New Tires, (9) Recaps & (6) Repairs for Restock
6	6008	4/10	8,375.00	ECIS - Fog Inspections for March 2013
7	6009	4/10	400.00	FROG Environmental - 2012-2013 4th Quarter Storm Water Services
8	6010	4/10	273.82	G & K Services - Uniform Services for March & April 2013
9	6011	4/10	567.08	ID Industries - (20) Rocker Switches & (1) Crank Gear for Restock
10	6012	4/10	138.17	Los Alamitos Napa Auto Parts - (2) Front Brake Rotors & Wheel Seal for M-5
11	6013	4/10	6,732.12	Orange County Sanitation District - Permit Fees for March 2013 (MCSD 5% = \$354.32)
12	6014	4/10	120,824.16	Rainbow Transfer Recycling - Tonnage for March 2013
13	6015	4/10	852.82	South Coast AQMD - Annual Operating & Emissions Fees - Hammon and Westminster Lift Stations FY12-13
14	6016	4/10	1,359.00	State Water Resources Control Board - Annual Permit Fee for 04/01/13 through 03/31/14
15	6017	4/10	158.74	Tec of California - (2) Air Filters for Restock
16	6018	4/10	6.00	Underground Service Alert - (4) New Tickets for March 2013
17	6019	4/10	3,512.00	Woodruff, Spradlin & Smart - Legal Services for February 2013
18				
19			196,275.01	SUBTOTAL
20				
21				ADD HANDCUT CHECKS:
22	5998	4/2	468.63	AT&T Mobility - Service for March 2013: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,
23				Sewer 714-310-8654, Emergency 714-310-9004.
24	5999	4/2	6,739.83	US Bank - \$4,741.76 (KR) Board Secretary/Clerk Conference (DG); CASA Washington DC 2/24-2/27/13
25				Hotel, Luggage, Transportation (FC, JN, KR); Frames for Resolutions; Flower Arrangement (MR); Tulsa Rib
26				Employees of the Year Luncheon (JS, DG); Wiacom Monthly Service. \$165.32 (Dge) Board Refreshment
27				for 3/5 & 3/19 Board Meetings; Tapes for Board Meetings. \$280.15 (DGr) Sewer Maintenance Supplies.
28				\$1,075.65 (NC) Hazardous Waste Removal, Printer for Refuse Office, New Cell Phone (JS).
29				\$543.36 (RH) CSMFO Conference Oakland 02/20-02/22/13 Hotel & Refreshments; USPS Union Bank
30				Signature Cards; Remington Monthly Service.
31	6000	4/2	859.39	Verizon CA - District Office Phones & Lift Stations for March 2013; \$424.36 District Office,
32				\$135.77 Willow Lift, \$149.63 Westminster Lift, \$149.63 Hammon Lift.
33	6001	4/10	94.99	DirecTV - Service for April 2013

34	6002	4/10	10,226.00	Zenith Insurance Company - Worker's Compensation Progressive Monthly Payment April 2013
35				
36			214,663.85	SUBTOTAL PLUS HANDCUTS
37				
38				PAYROLL
39		4/2	54,336.46	Payroll - Staff Check # 15469 - 15473 Taxes & Direct Deposits
40		4/2	1,213.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
41			270,213.31	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$270,213.31. The motion was approved by a 5-0 vote.

REPORTS

Report of President

President Cobo reported that he enjoyed celebrating Administrative Professionals Day with the Board and District Staff, and commended everyone for their support.

Report of General Manager

GM Robbins reported back to the Board on the Fountain Valley Sewer Agreement from 1963 located on Edinger between Brookhurst and Bushard. Fountain Valley paid for the majority of the costs for the 18 inch line that was installed at that time. There was mention in a letter that the City of Fountain Valley was to pay 40% of the annual maintenance cost on that sewer main but there was never anything written in the agreement regarding that issue, and it states that whoever owns the line is responsible. Fountain Valley cleans the line approximately once a year and Midway City Sanitary District also cleans it approximately once a year, so it is being maintained. Fountain Valley paid for the engineering and planning as well as the majority of the costs to rebuild it.

GM Robbins reported that he made a second call to George Lazaruk at CR&R regarding their diversion rate and a tour of the facilities for the Board this summer. Mr. Lazaruk's response was that he would get back to him with the information. GM Robbins will be sending a third request in writing, and pointed out that CR&R is losing approximately \$30,000 a month in business from the District.

The internet in the District mechanic shop has been installed and the fleet maintenance program is being backed up by the server manually at this time. The software for the Dossier program (2001) is not capable of tying in to the computer and needs to be updated at a cost of approximately \$3,200. The computer (2005) in the mechanic shop needs to be updated at a cost of approximately \$1,000. When the Dossier program is updated, a copy will also be put on Director of Operations/Safety Nick Castro's computer, as well as Finance/HR Director Robert Housley's and Accounting Assistant Crystal Enciso's since they pull the information for review and financial reports.

GM Robbins reported that the District was able to save \$2,400 on the original registration costs for 2013 Waste Expo.

The Franchise Committee Meeting that was scheduled for Friday, April 12, 2013 was cancelled due to illness of the Orange County Waste and Recycling representative and has been rescheduled for Thursday, May 2, 2013 at 10am.

The new phone cable for the phone that runs to the shop and connects the CB radios is being replaced at a cost of approximately \$2,000. This is the line that goes down whenever it rains, leaving the District with only one (1) working line for calls. The new line will be weather resistant since it is within a four inch conduit.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that there were no Board meetings, so he had nothing to report.

Report from 75 Year Anniversary Committee Meeting

Directors Neugebauer and Rice met on April 9, 2013 to discuss the District's 75 year anniversary celebration coming up in January 2014.

Director Neugebauer reported that the coloring books that the District hands out on Safety Day will be stamped with a 75 year anniversary celebration message in order to make the public aware of the event coming up in January of 2014. Directors Rice and Neugebauer discussed a possible Chamber of Commerce event in addition to the District's Open House as well as using the Summer Concerts in the Park program, that the District is a sponsor of, to advertise the upcoming event.

Director Rice mentioned that she would like to personalize pens and coffee cups as a method of advertising the District's 75 year Anniversary Celebration.

The committee will meet again on Thursday, June 6, 2013.

Report from Franchise Committee Meeting

No report as the meeting was cancelled and rescheduled.

CONSENT CALENDAR

- A. Approval of the Request of General Manager, Kenneth Robbins to Receive 80 Hours of Vacation Pay in Lieu of Time Off
- B. Approval of Attendance to the Mayor's Inaugural Ball at the Westminster Rose Center on Saturday, May 18, 2013
- C. Investment Report for March 2013

D. Approval of the Request of Sewer Department Employee Randy Griffith to Receive 40 Hours of Vacation Pay in Lieu of Time Off

Director Krippner asked that Item A be pulled from the consent calendar and dealt with separately.

A motion was made by Director Rice, seconded by Director Neugebauer to approve Items B, C and D on the consent calendar. The motion was approved by a 5-0 vote.

A motion was made by Director Neugebauer, seconded by Director Rice to approve Item A on the consent calendar. The motion was approved by a 4-1 vote, with Director Krippner voting no.

OLD BUSINESS

None

NEW BUSINESS

A. Discussion and Consideration of California Association of Sanitary Agencies (CASA) Proposed Increase to 2014 Membership Dues

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

B. Discussion Regarding Board Members Contacting Legal Counsel

A motion was made by Director Neugebauer, seconded by Director Rice to approve staff's recommendation, have General Counsel inform the Board if any Director contacts him and save all the recordings from the Board meetings. The motion was approved by a 3-1-1, with Director Diep abstaining and Director Krippner voting no.

C. RESOLUTION NO. 2013-06 *(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 Diep, seconded by Director Rice to adopt Resolution No. 2013-06. The motion was approved by a 5-0 roll call vote.

GM Robbins asked the Board to consider switching the order of Items D and E on the agenda because the date of public hearings needed to be set prior to the review of public hearing notices and CPI adjustment to commercial, industrial and other nonresidential sanitary sewer services and notice of rate adjustment.

A motion was made by Director Neugebauer, seconded by Director Rice to move out of order and reverse Items D and E on the agenda. The motion was approved by a 5-0 vote.

E. Set Dates and Review and Approve Notices of Public Hearings for Sanitation and Sewer Service Charges, and for Adoption of 2013-2014 Budget

A motion was made by Director Neugebauer, seconded by Director Rice to set the date of the public hearing for sanitation and sewer service charges to Tuesday, June 25, 2013 at 4P.M. and adoption of the 2013-2014 budget. The motion was approved by a 5-0 vote.

D. Review Consumer Price Index (CPI) Adjustment to Commercial, Industrial and Other Nonresidential Sanitary Sewer Services and Notice of Rate Adjustment

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

F. RESOLUTION NO. 2013-07 *(Roll Call Vote)*

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, DONATING 1965 TRACTOR TO THE WESTMINSTER HISTORICAL SOCIETY

A motion was made by Director Diep, seconded by Director Cobo to adopt Resolution No. 2013-07, to declare all items as surplus with no monetary value and declare the District free to dispose of said items. The motion was approved by a 5-0 roll call vote.

G. Approval to Purchase Plaque Commemorating each Board Member and Time Served from 1939 to Present to Display in Board Meeting Room

A motion was made by Director Neugebauer, seconded by Director Diep to approve the purchase of the plaque. The motion was approved by a 5-0 vote.

INFORMATIONAL ITEMS

A. California Public Employees' Retirement System (CalPERS) Dependent Eligibility Verification Project

B. Web Site Activity for the Month of March 2013 (39,553 Successful Hits)

There was discussion, but no action was taken on the informational items.

BOARD CONCERNS/COMMENTS

Director Rice stated that she wanted to emphasize that she would like District staff to retain a taped audio copy of the meetings.

Director Neugebauer stated her concern over the comment made by General Counsel under Concerns and Comments in the minutes of April 2, 2013, stating that he would not take calls from the Board until there was a discussion or policy and she asked for clarity and whether General Counsel would be taking calls from Board members after the conversation in today's meeting.

GM/STAFF CONCERNS/COMMENTS

GM Robbins reminded the Board that they would be attending the CASA Conference in Newport Beach next week Wednesday, April 24 through Friday, April 26, 2013, and for those carpooling with him in the District van, pickup would be at approximately 11A.M.

GM Robbins stated that the Calendar Committee, which consists of President Cobo and Director Rice, would need to meet to begin the process of the District's annual calendar.

GM Robbins stated for clarification that there would be an amendment to the Board policies and procedures regarding contact with General Counsel that was just recently adopted.

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.

ADJOURNMENT

President Cobo adjourned the meeting to Thursday, April 18, 2013 at 10 A.M. at the District office at approximately 5:25 P.M.

Margie L. Rice, Secretary