

**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 28, 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, May 28, 2013 at 4:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice (absent)
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.

PUBLIC COMMENTS

None

APPROVAL OF THE AMENDED MINUTES OF THE MEETING OF MAY 7, 2013

A motion was made by Director Diep, seconded by Director Neugebauer to approve the minutes of the meeting of May 7, 2013, as amended. The motion was approved by a 4-0 vote.

APPROVAL OF THE MINUTES OF THE MEETING OF MAY 14, 2013

A motion was made by Director Neugebauer, seconded by Director Diep to approve the minutes of the meeting of May 14, 2013. The motion was approved by a 4-0 vote.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 408,190.19

#	CK #	Date	AMOUNT	VENDOR
1	6068	5/23	60.00	Advanced Gas Products - Cylinder Rental for April 2013
2	6069	5/23	114.00	Advanced Workplace Strategies - Drug Screenings (SG, MH)
3	6070	5/23	2,902.88	Arsenault Associates - Dossier System Update through 12/31/13
4	6071	5/23	1,135.62	Bodyworks - (2) Plungers, (2) Coils & (1) Joystick for T62
5	6072	5/23	8,094.90	CalPERS Fiscal Services Division - FY 2012-13 GASB 45 OPEB Contribution
6	6073	5/23	12,425.99	CalPERS Retirement - Retirement Contributions for May 2013
7	6074	5/23	737.00	Computer Research Center - Maintenance & Support for June 2013
8	6075	5/23	113,903.16	County of Orange Treasurer Tax-Collector - Parallel Sewer Main on Van Buren (County Project)
9	6076	5/23	47.86	CR Transfer - Tonnage for April 2013
10	6077	5/23	102.41	Cummins Cal Pacific - (1) Element Filter for T65
11	6078	5/23	2,653.23	Daniels Tire Service - (15) Recaps for Restock
12	6079	5/23	595.00	Five Star Fire Protection - Replace Flow Switch in Shop
13	6080	5/23	5,317.25	Flo-Systems, Inc - Preventative Maintenance for 3rd Quarter
14	6081	5/23	150.00	Four Pals - Backflow Testing & Repairs for District Offices & Westminster Lift
15	6082	5/23	598.69	G & K Services - Uniform Services for May 2013; District Shirt for Director (JN)
16	6083	5/23	286.06	Hilco - (6) Connectors, (60) Bolts, (150) Nuts, (20) Hose Clamps for Restock
17	6084	5/23	712.14	ID Industries - (10) Springs, (10) Rollers, (8) Switches for Restock
18	6085	5/23	500.00	Izing Electric - Service Call for Diesel Truck Smog Burner
19	6086	5/23	270.00	Konecranes - Inspection & Preventative Maintenance for April 2013
20	6087	5/23	1,677.13	Los Alamitos Auto Parts - (45) L.E.D. Lamps, (12) Headlights, (50 Ft) Hydraulic Hosing for Restock; (3)
21				Batteries for T57
22	6088	5/23	320.00	Memorial Care Med. Group -Drug Screenings(DH,RG,KR,NC);Preventative Serv.(RJ,PM,AG,MH)
23	6089	5/23	8,280.99	Orange County Sanitation District - Permit Fees for April 2013 (MCSD 5% = \$435.84)
24	6090	5/23	2,910.03	Orange County Sanitation District - 2012-2013 3rd Quarter OCHCA FOG/BMP Inspections
25	6091	5/23	400.00	Pitney Bowes - Postage Refill for District Postage Machine
26	6092	5/23	130,342.78	Rainbow Transfer & Recycling - Tonnage for April 2013
27	6093	5/23	1,545.70	Ray Gaskin Service - (3) In & Out Cylinder for Restock
28	6094	5/23	26,504.15	Rehrig Pacific Co- (48) 65 Gallon Blue Carts w/Lids &(600)65 Gallon Black Carts w/Lids for Restock
29	6095	5/23	280.90	Reyes Alternators - (1) Hydro Pump Motor for T9
30	6096	5/23	3,020.24	Rosemead Oil Prod- (180)SAE 15W-40 Motor Oil, (55)ATF C4 Motor Oil,(1)Drum Antifreeze for Restock
31	6097	5/23	667.00	Rutan & Tucker, LLP - Legal Services for April 2013
32	6098	5/23	1,533.71	TEC of California - (36) Air Filters, (2) Switch & (2) Expansion Tanks for Restock
33	6099	5/23	635.73	Top Mobile Vision - (2) 7" Monitors for Restock
34	6100	5/23	9.00	Underground Service Alert - (6) New Tickets for April 2013
35	6101	5/23	276.00	Wespac Security Services - Burglar & Fire Alarm Services for April, May, June 2013
36	6102	5/23	5,000.00	XL Insurance - Deductible for Claim (03/01/2013)
37				
38			334,009.55	SUBTOTAL

39				
40				ADD HANDCUT CHECKS:
41	6055	5/14	200.00	Cobo, Frank - Per Diem for Waste Expo, New Orleans 05/19-05/22/2013
42	6056	5/14	150.00	Neugebauer, Joy - Per Diem for Waste Expo, New Orleans 05/19-05/22/2013
43	6057	5/14	200.00	Castro, Nick - Per Diem for Waste Expo, New Orleans 05/19-05/22/2013
44	6058	5/14	200.00	Rice, Margie - Per Diem for Waste Expo, New Orleans 05/19-05/22/2013
45	6059	5/14	200.00	Robbins, Ken - Per Diem for Waste Expo, New Orleans 05/19-05/22/2013
46	6060	5/14	94.99	DirectTV - Service for May 2013
47	6061	5/14	26.19	Office Max - Restock Office Supplies for May 2013
48	6062	5/14	6,238.23	US Bank-(\$5,255.27 KR) Waste Expo Event & Hotel Reservations 05/19-05/22/2013(KR,FC,JN,MR,NC);
49				Administrative Employee Luncheon; CASA Spring Conference 4/24-4/26/13 (FC, JN, AK, TD, KR);
50				Wiarcom Monthly Service May 2013;Nationwide Luncheon(\$137.78 DG)Board Meeting Refreshments
51				for 04/02&04/16(\$477.21 DG)Sewer Supplies for Restock(\$445.67 RH)GFOA Financial Policies;District
52				Water Usage for 01/23-03/19/13; CSDA Salary & Benefits Survey; Remington Monthly Service.
53	6063	5/14	462.27	Verizon Business - Internet Connection for SCADA System for April 2013
54				Sewer 714-310-8654, Emergency 714-310-9004.
55	6064	5/23	117.73	AT&T - Brookhurst Lift Station Service for May 2013
56	6065	5/23	77.21	The Gas Company - District Office & Maintenance Yard Fees for April 2013
57	6066	5/23	2,311.15	Southern California Edison - Archives & Parking Garage \$41.78, District Office \$625.71,
58				Maintenance Shop \$218.07, Brookhurst Lift Station \$158.50, Westminster Lift Station \$457.77,
59				Willow Lift Station \$295.35, Hammon Lift Station \$513.97 .
60	6067	5/23	10,226.00	Zenith Insurance Company - Worker's Compensation Progressive Monthly Payment May 2013
61				
62			354,513.32	SUBTOTAL PLUS HANDCUTS
63				
64				PAYROLL
65			52,388.87	Payroll - Staff Check # 15489 - 15491 Taxes & Direct Deposits
66			1,188.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
67			100.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
68			408,190.19	TOTAL EXPENDITURES W/PAYROLL

A motion was made by Director Neugebauer, seconded by Director Diep to approve the expenditures in the amount of \$408,190.19. The motion was approved by a 4-0 vote.

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that the District has received a trial date of March 24, 2014 for the case of Irvin versus Midway City Sanitary District for the accident that occurred on

December 29, 2011, involving one of the District's drivers. He confirmed that the District's insurance carrier is handling the case.

GM Robbins stated that the Proposition 1A loan that was made to the State of California in the amount of \$113,000 in 2010 should be paid back to the District, with interest, before June 30, 2013.

GM Robbins reported that truck #T57 requires a new transmission at a cost of approximately \$6,700, and that this will be put on the next agenda for Board approval.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that he attended a meeting of the full Board during which there was discussion of the payment of invoices, but the majority of the meeting was held in closed session with regard to labor negotiations.

Report from Franchise Committee Meeting

Directors Neugebauer and Rice, MCSD's representatives to the franchise committee, attended the committee meeting on Wednesday, May 15, 2013 to discuss pending legislation. The meeting with representatives Jerry Moffatt from Rainbow Environmental, and David Fahrion and Dean Ruffridge from CR&R Environmental Services, was structured on pending legislation – specifically AB 323 and AB 1333. After discussion of each of the assembly bills, Director Rice asked Director Neugebauer to speak. Director Neugebauer stated that the position the full Board of the Midway City Sanitary District would take would be to consider the two bills and whether or not the District would adopt the same position as them, after considering the ramifications and/or impact on the District. Director Krippner was also present at the meeting, but did not participate. Director Neugebauer stated that Director Rice should be provided an opportunity to add to the report at the next regular MCSD Board meeting.

Report from the Orange County Water Summit

Director Krippner provided a handout that summarized the Orange County Water Summit.

Director Cobo stated that he enjoyed the event and that it was well attended.

Director Neugebauer stated that the event is geared toward clean water and is not as pertinent to the District's sewer water operations, although since it only held once a year, is the most comprehensive event regarding water and provides a lot of interesting information.

GM Robbins and Finance/HR Director Housley also attended the event.

Report from the Mayor's Ball

President Cobo reported that Tim Nelson was the Master of Ceremonies at the Mayor's Ball and that the auction was a success.

Director Krippner stated that Mayor Tri Ta spoke very well at the event as well as at a Memorial Day event.

Director Diep reported that the auction raised over \$22,000 for the Friends of the Rose Center Theater.

Director Rice and GM Robbins also attended the event.

Report from the 2013 Waste Expo

Director Neugebauer reported that the Waste Expo was the most intense conference she has ever attended. The sessions regarding bio gases, establishing a good rapport with your consumers, how to be safer in the workplace and how to respond in a natural disaster being her favorites, as well as touring the many exhibits. While at the Expo, she found that the approximate cost of a new compressed natural gas truck for the District fleet would come at a cost of approximately \$340,000 each. For an extra \$4,000, the District could purchase one with a steering wheel on both sides for training purposes. She stated that she felt it would be well worth the cost, since so many District employees will be retiring within a few years of each other. Director Neugebauer also got some ideas for the District's 75 year anniversary celebration coming up in January 2014.

President Cobo found the entire event interesting and was impressed with the trucks on display.

GM Robbins stated that he was surprised at how many different countries were represented at the event, including Europe and Africa, which just proves that everyone around the world is focused on conversion and zero waste.

CONSENT CALENDAR

A. Investment Report for April 2013

A motion was made by Director Diep, seconded by Director Neugebauer to approve the consent calendar. The motion was approved by a 4-0 vote.

OLD BUSINESS

None

NEW BUSINESS

A. Approval of Joint Powers Agreement (JPA) in Relations to Special Districts Risk Management Authority (SCRMA)

A motion was made by Director Neugebauer, seconded by Director Diep to approve as recommended by staff. The motion was approved by a 4-0 vote.

B. RESOLUTION NO. 2013-10

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A SIXTH AMENDED JOINT POWERS AGREEMENT AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY PROPERTY/LIABILITY PROGRAM AND WORKERS' COMPENSATION PROGRAMS

Director Neugebauer asked if legal counsel had reviewed the resolution and found it to be in the proper form.

Legal Counsel Nixon confirmed that he had.

A motion was made by Director Diep, seconded by Director Neugebauer to adopt Resolution No. 2013-10. The motion was approved by a 4-0 roll call vote.

C. RESOLUTION NO. 2013-11

(Roll Call Vote)

A RESOLUTION OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA FOR A CERTIFICATE OF CONSENT TO SELF INSURE WORKERS COMPENSATION LIABILITIES

Director Neugebauer asked if legal counsel had reviewed the resolution and found it to be in the proper form.

Legal Counsel Nixon confirmed that he had.

A motion was made by Director Diep, seconded by Director Neugebauer to adopt Resolution No. 2013-11. The motion was approved by a 4-0 roll call vote.

D. Approval of Cancellation Letter to Existing Property, Liability and Workers' Compensation Insurance Providers

A motion was made by Director Diep, seconded by Director Neugebauer to approve the letter, with changes. The motion was approved by a 4-0 vote.

E. Letter Opposing Assembly Bill 323 (Chesbro) – Solid Waste: Recycling: Diversion: Green Materials – As Introduced on February 12, 2013

A motion was made by Director Neugebauer, seconded by Director Diep to approve the letter with added language. The motion was approved by a 4-0 vote.

F. Proposed Amendments to Independent Special Districts of Orange County (ISDOC) Bylaws

A motion was made by Director Neugebauer, seconded by Director Diep to defer this item until a full Board is present. The motion was approved by a 3-1 vote, with Director Krippner abstaining.

G. Consider the Call to Action from California Association of Sanitation Agencies (CASA) for Support of House of Representatives 836 (H.R. 836) Miller

A motion was made by Director Neugebauer, seconded by Director Diep to send a communication indicating the District's support. The motion was approved by a 4-0 vote.

INFORMATIONAL ITEMS

A. Web Site Activity for the Month of April 2013 (39,689 Successful Hits)

B. May 2013 Solid Waste Rate and Service Study

A motion was made by Director Neugebauer, seconded by Director Diep to receive and file the informational items, and give staff kudos for the very comprehensive solid waste rate and service study that was done. The motion was approved by a 4-0 vote.

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that she did not feel that today's meeting necessitated a special meeting, since it had been rescheduled in advance due to a conflict according to the Board's policies and procedures.

General Counsel Nixon stated that is generally true, but with changes to the Brown Act, he felt that it would be safer to act with extra caution in order to not have a potential Brown Act violation.

Director Neugebauer disagreed, and stated that the meeting is a regular meeting.

Director Krippner agreed with Director Neugebauer.

GM/STAFF CONCERNS/COMMENTS

GM Robbins asked that any Board member wishing to carpool to the ISDOC quarterly meeting on Thursday, May 30, be at the District office at 11 A.M.

GENERAL COUNSEL CONCERNS/COMMENTS

Legal counsel Nixon stated that he had a response to Director Neugebauer's inquiry regarding potentially providing the Board President compensation for ten days of service per month like the Chair of Orange County Sanitary District is currently authorized to receive. After review, his position is that the Midway City Sanitary District Board of Directors is limited to six total days per month due to section 6489 of the Sanitary District Act of 1923.

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 at approximately 4:56 P.M.

Al P. Krippner, Secretary Pro Tem