

**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**

August 20, 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, August 20, 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, HR/Finance Director
Tom Nixon, District Counsel
Joseph Larsen, Labor Counsel
Danielle Gerardo, Board Secretary
Sue Gordon, VP Pub. Affairs, Rainbow Environmental
Henry Pyle, Clean Energy

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE ADJOURNED MEETING OF JULY 23, 2013

A motion was made by Director Diep, seconded by Director Rice to approve the minutes of the meeting of July 23, 2013. The motion was approved by a 5-0 vote.

APPROVAL OF THE MINUTES OF THE MEETING OF AUGUST 6, 2013

A motion was made by Director Neugebauer, seconded by Director Diep to approve the minutes of the meeting of August 6, 2013, as amended. The motion failed due to a 2-3 vote, with Directors Cobo, Krippner and Rice voting no.

A second motion was made by Director Diep, seconded by Director Rice to approve the minutes of the meeting of August 6, 2013, as presented. The motion was approved by a 4-1 vote, with Director Neugebauer voting no.

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF AUGUST 13, 2013

A motion was made by Director Rice, seconded by Director Krippner to approve the minutes of the meeting of August 13, 2013, as amended. The motion was approved by a 3-0-2 vote, with Directors Diep and Neugebauer abstaining.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$239,478.54

#	CK #	Date	AMOUNT	VENDOR
1	6245	8/14	62.00	Advanced Gas Products - Cylinder Rental for July 2013
2	6246	8/14	270.00	Computer Research Center - Wireless Router Replaced for District Offices
3	6247	8/14	172.00	County of Orange/ Healthcare - Annual Hazardous Materials Fee for 07/01/13 through 06/30/14
4	6248	8/14	918.76	Daniels Tire Service - (5) Recaps, (2) Repairs for Restock
5	6249	8/14	8,326.49	Flo-Systems, Inc. - Preventative Maintenance for 4th Quarter; Repairs at Westminster Lift Station Pump
6	6250	8/14	400.00	Frog Environmental - 2013-14 Storm Water Services for 1st Quarter
7	6251	8/14	279.46	G & K Services - Uniform Services for August 2013
8	6252	8/14	243.00	Hedman - Annual Service Agreement for District Check Signature Machine
9	6253	8/14	1,038.16	ID Industries - (4) Micro, (4) Limit, (4) Pressure, (10) Rocker Switches; (10) Rollers for Restock
10	6254	8/14	114.31	Los Alamitos Napa Auto Parts - (12) Diesel Fuel Supplements for Restock
11	6255	8/14	531.44	Maxx Air - Filter Cleaning for T65
12	6256	8/14	2,113.00	Orange County Sanitation District - 2012-2013 4th Quarter OCHCA FOG/BMP Inspections
13	6257	8/14	147,636.65	Rainbow Environmental Services - Tonnage for July 2013
14	6258	8/14	4,954.70	Rutan & Tucker - Legal Services for July 2013
15	6259	8/14	3,688.87	Santa Ana Diesel - Labor & Parts for T53
16	6260	8/14	127.84	TrucPar Company - (4) Bushing for T65; (2) Valves, (2) Bushings for Restock
17	6261	8/14	21.00	Underground Service Alert - (14) New Tickets for July 2013
18	6262	8/14	425.00	Vision Communications - Field Service & Repair District Radios to Narrowband Operation
19				
20			171,322.68	SUBTOTAL
21				

22				ADD HANDCUT CHECKS:
23	6239	8/8	16.17	City of Westminster - Hammon Lift Station Water Usage from 06/05-07/30/2013
24	6240	8/8	94.99	DirectTV - Service for August 2013
25	6241	8/14	200.00	Neugebauer, Joy - Per Diem for CASA San Diego 08/21-08/24/2013
26	6242	8/14	200.00	Rice, Margie - Per Diem for CASA San Diego 08/21-08/24/2013
27	6243	8/14	150.00	Diep, Tyler - Per Diem for CASA San Diego 08/21-08/24/2013
28	6244	8/14	462.46	Verizon Business - Internet Connection for SCADA System for July 2013
29	6263	8/14	11,861.14	CalPERS Retirement - Retirement Contributions for August 2013
30	6264	8/14	172.06	Zee Medical Services - Restock District First-Aid Kits
31				
32			184,479.50	SUBTOTAL PLUS HANDCUTS
33				
34				PAYROLL
35		8/6	53,012.12	Payroll - Staff Check # 15526 - 15527 Taxes & Direct Deposits
36		8/6	1,160.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
37		8/6	826.92	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
38			239,478.54	TOTAL EXPENDITURES W/PAYROLL
				BANK TRANSFERS

A motion was made by Director Diep, seconded by Director Neugebauer to approve the expenditures in the amount of \$239,478.54. The motion was approved by a 5-0 vote.

REPORTS

Report of President

President Cobo reported that he was happy with the special meeting that took place on Tuesday, August 13, 2013 at Waste Management of Orange County in Santa Ana, because he learned a lot about CNG fueling stations.

Director Krippner stated that he considered that special meeting to be a study session because the Board needs to learn about CNG fueling stations prior to building one. He stated that there were no decisions made and that the attendees simply observed and asked questions.

Director Neugebauer questioned the necessity of a special meeting to take a tour of a facility and stated that she still feels very strongly as she stated in her email, which is included in the minutes of the August 13, 2013 special meeting. Director Neugebauer stated that she has been on the MCSD Board for 19 years and that is only the second meeting that she has missed. She stated that she feels very strongly about holding meetings where the Board's constituents are more comfortable.

Director Diep stated that he feels that Staff called a special meeting in order to protect the Board against any Brown Act violations.

Director Rice asked if Legal Counsel advised Staff to call it a special meeting.

Legal Counsel stated that there was discussion with Staff because the prior meeting had not been adjourned to the meeting at Waste Management at a specific time, because the time was still unknown, which necessitated a special meeting. Under the Brown Act, anytime you have not adjourned to a specific time and place, you cannot have a regular adjourned meeting, and it must be a special meeting.

Director Krippner asked Legal Counsel his advice on the Brown Act with regard to the conferences and activities that the Board members are active in, and attend regularly.

Legal Counsel stated that the Board can attend and can even sit together at events, but cannot discuss District business, or make any decisions regarding the District.

Report of General Manager

GM Robbins reported that the District has been awarded the 2013 California Association of Sanitation Agencies (CASA) Achievement Award for organizational excellence and will be receiving it at the CASA conference in San Diego, CA this week.

The District has also been awarded the California Special Districts Association (CSDA) Exceptional Public Outreach and Advocacy award which will be awarded at the CSDA conference in Monterey in September.

GM Robbins reported that the back doors of the District buildings would be replaced by fiberglass doors and then the termite problem will be dealt with afterwards.

GM Robbins stated that he has been asked to sit on a California Association of Sanitation Agencies (CASA) Utility Leadership Committee, which is a forum for discussion for colleagues to discuss emerging issues in the wastewater industry. He was asked to attend the first meeting on Wednesday, August 21, 2013 at 1:30 P.M. at the CASA conference in San Diego to decide if he wishes to seek appointment of that position.

Report from Orange County Sanitation District Meeting (OCSD)

None

Report from the Rainbow Environmental Services (2nd Quarter 2013 Tonnage Report)

Sue Gordon reported that, over the last school year, the Discovery Science Center taught 1,117 children at participating schools in Westminster and Midway City, about how to properly Reduce, Reuse, and Recycle in assemblies. Educational materials will again be distributed to the schools in Westminster and Midway City for kindergarteners through 8th grade sometime this October.

Sue Gordon reported that, as far as public outreach, this summer has been a slow period, but that Rainbow Environmental participated in the State of the City luncheon, Kiwanis meetings, and Chamber of Commerce luncheons.

Regarding the mandatory commercial recycling program, of the 587 businesses that qualify, 223 have had face-to-face consultations with Rainbow. Of those, 18 have chosen to source separate, 154 chose to stay with mixed waste processing, 51 self-haul to authorized recycling facilities or donate, and 150 reported having scavengers. The Albertsons on Westminster Blvd. is the only account that recycles its food waste which makes it a true closed loop story because that food waste is made into compost and resold.

Starting in September, Rainbow will be doing a monthly Commercial Recycling Review newsletter. In the first issue, they will explain the law and the benefits of source separation and why the commercial businesses should consider it. Each month, they will highlight a business within the community that is recycling correctly. In the first issue they will be featuring Lexus of Westminster who has a 90% recycling rate, and is hoping to reach 100%, with zero waste.

GM Robbins and Director of Operations/Safety Nick Castro attended the CalRecycle Annual Report Tour with Sue Gordon and Theresa James. They toured Lexus of Westminster to see a sample of excellent recycling and also toured areas with high contamination like the Little Saigon area and the Newland and Magnolia area.

GM Robbins reported that he found the CalRecycle Annual Report Tour and CalGreen extremely informative. The District was asked to advertise CalGreen on its flier with plan checks and reviews at construction sites explaining the exclusive franchise agreement, that Rainbow Environmental must be used for bins within the District, and the rates for those bins. GM Robbins was especially impressed by the tour of Lexus of Westminster.

Director Krippner requested some sample stickers for the bins that indicate what goes where. Sue Gordon stated that she would give them to GM Robbins to pass along.

Sue Gordon went over the quarterly report which shows the District's overall diversion rate at 49%, which is 1% below what it needs to be. Rainbow is battling every day with higher contamination rates and scavengers, who seem to be getting smarter and staying one step ahead of the haulers.

Director Rice pointed out that commercial recycling within the District needs to improve. Residential is at 70% or above.

Report from the Calendar Committee Meeting

Director Rice stated that the final draft of the District's 2014 calendar is on today's agenda for final approval by the Board, so she had no report at this time.

Report from the Fifth Concert in the Park

Directors Rice reported that she and Neugebauer made the front page of the newspaper with a picture that was taken of them and a group of Marines at the Concert in the Park.

Director Neugebauer was asked by a resident at the Concert in the Park why the District does not have a green waste container.

Director Neugebauer explained that if the District had a third container, the trucks would need to make a complete third circuit, which would add to the District's costs. The District's agreement with Rainbow states that the black container is for green waste and that the items in that container go to the Material Recover Facility (MRF) to be sorted through and diverted properly before going to the landfill. She explained that if the District were to add a third cart, it would add to the District's costs, which would require rates to be increased. The resident seemed satisfied with Director Neugebauer's response to her question.

Report from California Association of Sanitation Agencies (CASA) Conference Call

Director Rice reported that there was a decision to raise membership dues by 4%, which comes to about \$320.00 for the District.

The Executive Committee formed a Utility Leadership Committee to advise the Executive Board. Eight members were appointed by the CASA Board President and Director Rice suggested GM Robbins for the 15-member committee.

CONSENT CALENDAR

- A. Investment Report for July 2013
- B. Approval of Attendance to the Westminster Chamber of Commerce Salute to Seniors Luncheon on Wednesday, August 21, 2013
- C. Approval of Attendance to Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, August 29, 2013
- D. Approval of the Request of Fleet Maintenance Lead Worker, Juan Salce, to Receive 80 Hours of Vacation Pay in Lieu of Time Off
- E. Approval of the Request of Solid Waste Employee, David, Hernandez, to Receive 40 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

A. RESOLUTION NO. 2013-20

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, APPROVING PURCHASING POLICY AND PROCEDURES

A motion was made by Director Neugebauer, seconded by Director Rice to adopt the Resolution No. 2013-20, as amended. The motion was approved by a 5-0 roll call vote.

NEW BUSINESS

A. Approval of 2014 Midway City Sanitary District Calendar

Director Neugebauer stated that she found the format and content of the calendar to be excellent, and that the calendar committee is to be commended.

Director Krippner stated that he had several suggestions for change on the calendar but did not want to debate them at this time. He also did not approve of staff's recommendation on agenda item 9A of today's agenda to approve the calendar.

A motion was made by Director Diep, seconded by Director Rice to approve of the District's 2014 calendar, as amended, and subject to any changes suggested by the printer. The motion was approved by a 4-1 vote, with Director Krippner voting no.

B. Approval of Printer for 2014 Midway City Sanitary District Calendar

Director Krippner stated that the cost of printing the calendar went up 6.4% and suggested that the Board go out to bid for this project and let someone else have a chance at it.

A motion was made by Director Neugebauer, seconded by Director Rice to approve of DJ Printing to do MCSD's 2014 calendar. The motion was approved by a 4-1 vote, with Director Krippner voting no.

C. Approval of Bid Documents and Specifications of 2014 Closed Circuit Television (CCTV) Inspection of Sewer Mains Project

A motion was made by Director Neugebauer, seconded by Director Diep to approve as recommended by staff, and as amended by legal counsel. The motion was approved by a 4-1 vote, with Director Krippner voting no.

D. Discussion and Action on Independent Special Districts of Orange County (ISDOC) Membership in Orange County Council of Government (OCCOG), Amendments to Independent Special Districts of Orange County (ISDOC) Bylaws and Procedural Changes

A motion was made by Director Rice, seconded by Director Diep to direct the Board President to vote no to ISDOC's membership to OCCOG, and mail the ballot by certified mail or fax in order to get a receipt.

There was Board discussion on how the ballot should be delivered to ISDOC.

Director Rice restated her motion to direct the Board President or Vice President, whomever is present at the ISDOC meeting, to vote no to ISDOC's membership to OCCOG and personally deliver the ballot at the ISDOC meeting on August 29, 2013. The motion was approved by a 4-0-1 vote, with Director Krippner abstaining.

E. Approval of Request for Proposal (RFP) to Solicit Bids for Technical Consulting and Design Services for the Compressed Natural Gas (CNG) Fueling Station

A motion was made by Director Rice, seconded by Director Neugebauer to approve staff's recommendation. The motion was approved by a 4-1 vote, with Director Krippner voting no.

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director Neugebauer stated that she received information from California Special Districts Association (CSDA) regarding its opposition to Senate Bill 594 and would like to have it on the next agenda for discussion.

Legal Counsel offered to provide more information as well as a staff report for the Board meeting on August 27, 2013 since staff would be out of town at the California Association of Sanitation Agencies (CASA) conference for the rest of this week.

Director Rice stated that she had an article from the Orange County Register regarding the District's lobbyist, James McConnell, and asked staff to send it to him along with a letter of congratulations from the Board.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that for those interested in carpooling to the California Association of Sanitation Agencies (CASA) conference in San Diego, he would begin picking them up at 10:30 A.M. on Wednesday, August 21, 2013.

GENERAL COUNSEL CONCERNS/COMMENTS

None

President Cobo called a recess to the meeting at 5:36 P.M.

President Cobo reconvened the meeting at 5:50 P.M., and immediately convened to a closed session.

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.

A. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency Designated Representatives: General Manager Robbins, Finance Director Housley and Labor Counsel Joseph Larsen, Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01
President Cobo reconvened the meeting at 6:10 PM.

President Cobo reconvened the meeting at 6:23 P.M.

Legal Counsel stated that there was no reportable action taken due to the closed session.

ADJOURNMENT

President Cobo adjourned the meeting to Tuesday, August 27, 2013 at 4:00 P.M. at the District office, at approximately 6:23 P.M.

Margie L. Rice, Secretary

HAPPY BIRTHDAY PRESIDENT COBO!