

**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**

June 16, 2015

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, June 16, 2015 at 5:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Tyler Diep
Margie L. Rice
Frank Cobo

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, Finance/HR Director
Tom Nixon, General Counsel
Danielle Gerardo, Board Secretary
Joseph Larsen, Labor Counsel (arrived at 5:30P.M.)

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE MEETING OF MAY 19, 2015

A motion was made by Director Rice, seconded by Director Diep to approve the minutes of the meeting of May 19, 2015.

After Board discussion, a second motion was made by Director Neugebauer, seconded by Director Rice to continue the minutes of the meeting of May 19, 2015 in order for review of the minutes in order to clarify that the grand opening celebration of the District's CNG fueling station will be hosted by the District and financially sponsored by DPSI and the other principal contractors. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, and Rice
 NAYS:
 ABSTAIN:
 ABSENT:

APPROVAL OF THE MINUTES OF THE ADJOURNED MEETING OF MAY 26, 2015

A motion was made by Director Neugebauer, seconded by Director Diep to approve the minutes of the adjourned meeting of May 26, 2015, as presented. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, and Rice
 NAYS:
 ABSTAIN:
 ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 740,098.88

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	7644	5/20	159.91	AT&T - Brookhurst Lift Station Service for May 2015
3	7645	5/20	42,162.49	CalPERS Health Premium - Healthcare Premium for June 2015
4	7646	5/20	50.62	Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for May 2015
5	7647	5/20	250.00	Cobo, Frank - Per Diem for Waste Expo Las Vegas, NV 05/31/2015-06/04/2015
6	7648	5/20	200.00	Neugebauer, Joy - Per Diem for Waste Expo Las Vegas, NV 05/31/2015-06/04/2015
7	7649	5/20	250.00	Castro, Nick - Per Diem for Waste Expo Las Vegas, NV 05/31/2015-06/04/2015
8	7650	5/20	250.00	Rice, Margie - Per Diem for Waste Expo Las Vegas, NV 05/31/2015-06/04/2015
9	7651	5/20	250.00	Robbins, Kenneth - Per Diem for Waste Expo Las Vegas, NV 05/31/2015-06/04/2015
10	7652	5/27	40.00	City of Westminster - Hydrant Meter Water Usage for April 2015
11	7653	5/27	3,382.29	SDRMA Delta Dental - Dental Insurance Premium for June 2015
12	7654	5/27	1,618.80	Southern California Edison - Archives & Parking Garage \$74.29, District Office \$305.69,
13				Maintenance Shop \$240.14, Brookhurst Lift Station \$112.65, Westminster Lift Station \$365.99,
14				Willow Lift Station \$126.38, Hammon Lift Station \$393.66.

15	7655	5/27	866.80	The Standard Life Insurance - Premium Coverage for June 2015	
16	7656	5/27	198.72	First Bankcard (NC) - Restock District Kitchen Supplies for May 2015	
17	7657	5/27	394.42	Vision Service Plan - Monthly Premium for June 2015	
18	7658	6/9	339.93	AT&T Mobility - Service for May 2015: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,	
19				Sewer 714-310-8654, Emergency 714-310-9004.	
20	7659	6/9	4,906.21	CalPERS Retirement - Retirement Contributions for May 2015	
21	7660	6/9	1,372.65	Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for May 2015	
22	7661	6/9	13.78	City of Westminster - Water Usage for Hammon Lift Station 04/08-06/02/2015	
23	7662	6/9	110.98	DirecTV - Service for June 2015	
24	7663	6/9	4,544.71	US Bank - (KR) (4) SwingSnap Poster Frames for New Trucks	\$1,240.00
25				(KR) Admin. Appreciation Luncheon 04/29/2015	\$398.95
26				(KR) OC Water Summit 05/15/2015 (RH, FC, AK, JN, MR)	\$700.00
27				(KR) Las Vegas Waste Expo Flight (NC, FC, MR, JN)	\$440.80
28				(KR) Airport Parking for CNG Truck Inspection 5/15/2015	\$56.00
29				(KR) Wiarcom Monthly Services MAY-2015	\$383.20
30				KR Total	\$3,218.95
31				(DGe) Board Meeting Refreshments for 5/05, 5/12, 5/19/2015	\$92.96
32				DGe Total	\$92.96
33				(DGr) Restock Sewer Supplies for MAY-2015	\$74.62
34				DGr Total	\$74.62
35				(RH) Orange County Register Monthly Svc. APR-2015	\$39.97
36				(RH) Ricoh Copier Service	\$270.00
37				(RH) Remington Monthly Service MAY-2015	\$64.00
38				(RH) OC Water Summit Parking 05/15/2015	\$25.00
39				RH Total	\$398.97
40				(NC) Restock Cleaning Supplies	\$46.80
41				(NC) Driver Safety Training Luncheon	\$245.61
42				(NC) Restock (10) Respirators	\$22.65
43				(NC) Parking at Airport for Waste Expo	\$56.00
44				(NC) Safety Flag for Highway (10)	\$46.58
45				(NC) Discharge Hose & Gas Engine Pump for Sewer	\$341.57
46				NC Total	\$759.21
47	7664	6/9	1,032.11	Verizon California - District Office Phones & Lift Stations for May 2015; \$564.38 District Office,	
48				\$155.91 Willow Lift, \$155.91 Westminster Lift, \$155.91 Hammon Lift.	
49	7665	6/10	4,720.87	CalPERS Retirement - Retirement Contributions for June 2015	
50	7666	6/10	443.04	Verizon Business - Internet Connection for SCADA System for June 2015	
51			67,558.33	HANDCUT CHECKS SUBTOTAL	
52				REGULAR CHECKS:	
53					
54	7667	6/10	146.90	Neugebauer, Joy - Health Insurance Reimbursement for June 2015	
55	7668	6/10	104.90	Rice, Margie - Health Insurance Reimbursement for June 2015	
56	7669	6/10	17.08	Robbins, Kenneth - Reimbursement for Waste Expo Las Vegas, NV 06/01-06/04/2015	
57	7670	6/10	273.09	Advanced Gas Products - (1) Cylinder of Compressed Gas, (1) Cylinder of Compressed Oxygen, & (8.2 Gallons)	
58				of Liquefied Propane for Restock	
59	7671	6/10	177.00	Advanced Workplace Strategies - Random DOT Drug Test; On-Site Fee	
60	7672	6/10	727.00	CRC Cloud - Maintenance & Support for June 2015	
61	7673	6/10	11,815.29	CR Transfer - Tonnage for May 2015	
62	7674	6/10	43.20	DJ Printing - Restock (500) Business Cards for Safety Supervisor (NC)	
63	7675	6/10	352,245.20	DPSI - CNG Fueling Station Project	
64	7676	6/10	105.49	Fastenal Industries - (400) Push nut Washer Caps for Bulky Route	

65	7677	6/10	450.00	Frog Environmental - Storm Water Runoff Sample #2 05/14/2015
66	7678	6/10	580.86	G & K Services - Uniform Services for May & June 2015
67	7679	6/10	219.72	Hilco Fastener Warehouse - (3) Weather pack Removal Tools & (10) Bolts for Restock
68	7680	6/10	276.58	Huntington Beach Ford - (1) Tube, Bushing, Plunger for T9; (1) Wiper Governor Assembly for T10
69	7681	6/10	350.00	Ironman Parts - D.P.F. Filter Cleaning for T60
70	7682	6/10	312.00	Konecranes - Inspection & Preventative Maintenance for June 2015
71	7683	6/10	678.52	Los Alamitos Napa Auto Parts - Restock (10) Fittings, (50ft) Heat Hosing, (5) Fuse holders, & (2) Air Filters
72	7684	6/10	41,746.80	Orange County Sanitation District - Permit Fees for May 2015 (MCSD 5% = \$2,197.20)
73	7685	6/10	2,889.94	Plumber's Depot - (1) Slither Hose, (1) Hose Leader, Adjust Vacuum Relief Valve for M63; (1) Hydraulic
74				Hose for M64
75	7686	6/10	660.16	Rainbow Transfer Recycling - Supplemental Diesel Purchases for April 2015
76	7687	6/10	2,134.31	Rainbow Transfer Recycling - CNG Fuel Purchases for May 2015
77	7688	6/10	10,401.73	Rainbow Transfer Recycling - Diesel Purchases for May 2015
78	7689	6/10	113,120.73	Rainbow Transfer Recycling - Tonnage for May 2015
79	7690	6/10	2,389.70	Rutan & Tucker, LLP - Legal Services for April 2015
80	7691	6/10	1,950.00	Safety Research Consultants - Driver Training Class on 05/09/2015
81	7692	6/10	241.68	South Coast AQMD - AQMD Fee for FY 2014-2015 for Hammon & Westminster Lift Stations
82	7693	6/10	409.64	Tell Steel - 48" x 96" Steel Plate for T57 & Shop
83	7694	6/10	13.50	Underground Service Alert - (9) New Tickets for May 2015
84	7695	6/10	3,735.00	Woodruff, Spradlin & Smart - Legal Services for April 2015
85	7696	6/10	2,531.95	Rosemead Oil - (110) Gallons Synthetic Transmission Fluid for Restock
86			\$ 550,747.97	REGULAR CHECKS SUBTOTAL
87				
88				PAYROLL
89	5/26		54,873.80	Payroll - Staff Check # 15762 - 15763 Taxes & Direct Deposits
90	5/26		1,200.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
91	5/26		600.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
92	5/29		5,563.37	Board of Director's Payroll for the Month of May 2015 Check # 15765 - 15768
93	5/29		435.68	Board of Director's Nationwide Deferred Compensation for May 2015 (100% Paid By Directors)
94	6/9		57,369.73	Payroll - Staff Check # 15769 - 15770 Taxes & Direct Deposits
95	6/9		1,200.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
96	6/9		550.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
97			\$ 121,792.58	PAYROLL SUBTOTAL
98				
99			\$ 740,098.88	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
100				

BANK TRANSFERS

5/14 500,000.00 Transfer Funds from LAIF to Checking Account

A motion was made by Director Rice, seconded by Director Neugebauer to approve the expenditures in the amount of \$ 740,098.88. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer, and Rice

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that during emergency training exercises on May 21, 2015, it was found that the District was in need of some new equipment such as bypass hoses and fittings. That equipment has been ordered and the District will have another emergency training exercise after the equipment is received.

Currently, the District purchases solid waste containers from Rehrig and Otto. GM Robbins stated that Toter, who manufactures rotisserie molded containers instead of injection molded containers, which are more durable and last longer was at the 2015 Waste Expo in Las Vegas, Nevada. They have already made contact with the District, come in for a meeting with Director Operations/Safety Nick Castro, provided a sample of their product and provided more competitive pricing. The District will be purchasing some solid waste containers from them soon.

GM Robbins reported that the District will need to purchase two new roll-up doors for the mechanics shop. The current doors were installed in 1965 and are rolled up and down daily. The two new doors will be motorized for safety at a cost of less than \$4,000 for both. The remaining roll up doors in the District yard will be checked and can be done in the future as needed.

GM Robbins reported that staff has looked into training for the drivers and mechanics for the CNG equipment and fueling station through the Natural Gas Vehicle Institute. The training will cost \$89 per person and can be done in July, 2015. It will teach the drivers what to do in the event of an accident, as well as proper shut-off and safety. There is also a technician, fleet operation, safety and system inspection training that is a 3-day on the job training course that will be held at the District and in the Districts vehicles. GM Robbins stated that he will be bringing it to the Board for approval because the cost will be approximately \$15,000 for ten employees.

The 4th of July holiday lands on a Saturday this year so the front office will be closed and office staff will be off on Friday, July 3, 2015. The Districts drivers will work on Friday, July 3rd and receive holiday pay for Saturday, July 4th.

GM Robbins stated that he is still waiting for a response from the Westminster Memorial Cemetery Manager regarding the small parcel of land owned by the District. Staff has also contacted an appraiser in order to determine the value of the land and is waiting for that report. Once received, staff will report the findings to the Board.

GM Robbins reported that NG3 (the District's 3rd new CNG solid waste truck) arrived today, June 16, 2015, and will be going out on the road next week. Four more of the District's new CNG trucks will be leaving Tennessee this week, going to Heil for final inspection, then to Crane Carrier for final inspection prior to final delivery. Another three CNG trucks are in the building process.

GM Robbins stated that Wednesday, June 17, 2015 is the start of National Garbageman's Week.

GM Robbins confirmed the Midway City Community Cleanup Day, hosted by the County of Orange is being held on Saturday, June 20, 2015 from 8-11:30 A.M.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that he, along with the rest of the OCSD Board, have been served with a civil lawsuit regarding unfair bidding practices.

Director Neugebauer stated that she was also in attendance at the OCSD Board meeting and reported that four names have been added to the Walk of Fame including Shirley McCracken, former manager Jim Ruth, former attorney Tom Woodruff and an OCSD employee.

At the OCSD meeting, an election was held for Chairman and Vice Chairman. John Nielsen from Tustin was elected as Chairman and Greg Sebourn from Fullerton was elected as Vice Chair.

Director Neugebauer stated that there was discussion and review of their multi-year budget. \$5 million was cut from the operating budget and \$1.6 million was added to capital improvement projects (CIP) for a total of \$2.3 billion and 126 projects. Single-family and multi-unit connection rates were cut. They also announced receipt of a \$450,000 grant from the Bureau of Reclamation to be used to explore methods or technology that can add to the efficiency of the Groundwater Replenishment System (GWRS). They also approved paying \$50,000 toward their unfunded liability to the County of Orange during the meeting.

Report from 2015 Waste Expo, Las Vegas, Nevada

President Cobo felt the Waste Expo was worthwhile and highly commended Santa Monica's program.

Director Rice stated that she also especially enjoyed learning about Santa Monica's waste and recycling program. There was a speaker from Houston, Texas who reported that there was no money designated for a refuse program there. Director Rice stated that she was surprised by how many classes there were pertaining to organics and feels that the District will need to address that issue eventually.

Director Neugebauer stated that the program for fleet safety for CNG vehicles was of particular interest to her because the speaker knew her subject matter and stressed the importance of drivers being provided with additional fleet safety training when driving the new CNG vehicles. Director Neugebauer also enjoyed the contrast between Houston, Texas which covers 628 square miles and has a 2.2 million population and Santa Monica which covers 8.4 square miles with a 93,000 population. The Lunch and Learn sessions were interesting and they all enjoyed an event hosted by Heil. She had an interesting conversation with an engineer from Brazil and realized that waste problems are the same worldwide. Director Neugebauer was very proud that the District already has a lot of the technology that was being introduced by some of the Waste Expo vendors.

Director Krippner provided a written report which he provided to everyone at the meeting. He thanked GM Robbins for the scooter that he was provided for the event.

GM Robbins reported that he was impressed with all the new technologies and especially the food waste program, which takes food waste and turns it into bark. He feels the District could do a program such as that in-house.

CONSENT CALENDAR

A. Investment Report for May 2015

B. Approval of Attendance to the California Association of Sanitation Agencies (CASA) 60th Annual Conference in San Diego, CA August 19-21, 2015

C. Approval of Attendance to the California Special Districts Association (CSDA) Annual Conference in Monterey, CA Sept. 21-24, 2015

D. Approval of Midway City Sanitary District's Participation in the City of Westminster's Annual Safety Day on Wednesday, July 22, 2015

Director Neugebauer asked to pull Consent Calendar Item C.

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

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

Director Neugebauer recommended that the Board nominate Director Rice for CSDA Director of the Year.

A motion was made by Director Neugebauer, seconded by President Cobo to approve attendance to the CSDA annual conference in Monterey, CA September 21-24, 2015 and to nominate Director Rice as CSDA Director of the Year. The motion was approved by the following 4-0-1 vote:

AYES: Cobo, Diep, Krippner, and Neugebauer
NAYS:
ABSTAIN: Rice
ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Approval to Surplus Five (5) of the District's Solid Waste Automated Side Loader Trucks with Heil Bodies

GM Robbins explained that with the eight new CNG trucks arriving at the District in the next few weeks, he would like to begin the process of surplussing the oldest diesel trucks in the fleet in order to make room in the yard.

There was discussion whether to sell to them to CR&R, send them to auction, sell them for parts or advertise them in a trade magazine in order to get the highest price possible.

GM Robbins stated that he would look into every possible option in order to get the highest possible price for the older trucks.

A motion was made by Director Neugebauer, seconded by Director Diep to approve the surplus of the District's five designated solid waste side loader trucks – T52, T56, T57, T59 and T60. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice
NAYS:
ABSTAIN:
ABSENT:

B. Consideration and Approval of Letter to be Sent to Exclusive Franchise Contractors for Midway City Sanitary District – CR&R Inc. and Rainbow Environmental Services

GM Robbins stated that this letter was a result of President Cobo's voiced concern from the last Board meeting at which he asked if Rainbow Environmental had provided bins to the Little Saigon Cleanup event without Board direction. GM Robbins provided copies of emails between him and Rainbow and the letter drafted is a result of those conversations while also making it clear who the franchisees works for.

Director Neugebauer asked that the letter be amended to add the words, "without notification to or authorization from" (the Board).

A motion was made by Director Neugebauer, seconded by Director Rice to approve the letter to the District's franchisees – Rainbow Environmental and CR&R, with additional language. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

C. Discuss and Consider California Special Districts Association (CSDA) 2015 Board Elections, Southern Network, Seat A

A motion was made by Director Rice, seconded by Director Neugebauer to nominate Jo MacKenzie for Seat A of the Southern Network of CSDA. The motion was approved by the following 4-0-1 vote:

AYES: Cobo, Diep, Neugebauer and Rice

NAYS:

ABSTAIN: Krippner

ABSENT:

D. Discussion and Consideration of the Purchase of Big Belly Solar Trash Compactors

Director Neugebauer asked if this would be a good time for the District to approach its franchisee in order to find out if they would be interested in sharing the cost of the trash compactors to be placed at the Westminster Civic Center.

President Cobo stated that the Board should have the General Manager ask the franchisee, send them the information and then report back to the Board in order for them to make a decision.

A motion was made by Director Neugebauer, seconded by Director Rice to continue the implementation of this item until the General Manager reviews the franchise agreement and converses with the District's franchisee in order to find out if they are interested in helping to finance the purchase. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. Web Site Activity for the Month of May 2015 (102,877 Successful Hits)

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

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

President Cobo called a recess to the meeting at 6:06 P.M.

President Cobo convened the meeting to closed session at 6:11 P.M. pursuant to Government Code Section 54957.6.

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 6:46 P.M.

General Counsel Tom Nixon stated that there was no reportable action taken due to the closed session.

BOARD CONCERNS/COMMENTS

Director Neugebauer requested that all dates be included in the Board meeting minutes for the record. She also asked that information regarding the Midway City Community Cleanup event on Saturday, June 20, 2015 be provided to the Board at the Thursday, June 18, 2015 budget meeting.

Director Rice stated that she and Director Krippner had not had a Calendar Committee meeting to date and asked him to choose a date to meet or she would resign. She stated that she had asked many times and then she stated that she was resigning from the Calendar Committee.

Director Krippner also resigned from the Calendar Committee.

President Cobo asked that this item be added to the June 30, 2015 budget meeting agenda for discussion.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that he will be taking a couple of days off in August in order to speak at a boy's camp.

GENERAL COUNSEL CONCERNS/COMMENTS

None

ADJOURNMENT

President Cobo adjourned the meeting to Thursday, June 18, 2015 at the District office at 5:00 P.M. at approximately 6:53 P.M.


Al Krippner, Secretary