

**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**

**October 6, 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, October 6, 2015 at 5:00 P.M.

**BOARD MEMBERS PRESENT:**

Al P. Krippner  
Joy L. Neugebauer  
Tyler Diep (arrived at 5:01 P.M.)  
Margie L. Rice  
Frank Cobo

**OTHERS AT MEETING:**

Ken Robbins, General Manager  
Robert Housley, Finance/HR Director  
James Eggart, General Counsel  
Danielle Gerardo, Board Secretary  
Jeff Snow, Rainbow Environmental  
Jerry Moffat, Rainbow Environmental  
Michelle Clark, Rainbow Environmental  
Dean Ruffridge, CR&R  
George Lazarus, CR&R  
Joyce Amato, CR&R

**PLEDGE AND INVOCATION**

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

**PUBLIC COMMENTS**

Dean Ruffridge from CR&R requested that the Board consider taking items 9D and 9E out of order and move them ahead on the agenda due to time constraints.

A motion was made by Director Neugebauer, seconded by Director Krippner to change the order of the agenda and move new business items 9D and 9E to after the consent calendar. 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 REGULAR MEETING OF SEPT. 15, 2015**

A motion was made by Director Rice, seconded by Director Neugebauer to approve the minutes of the meeting of September 15, 2015. 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 \$ 407,304.26**

#	CK #	Date	AMOUNT	VENDOR	
1				HANDCUT CHECKS:	
2	7884	9/17	37.93	The Gas Company - Maintenance Yard Fees for September 2015	
3	7885	9/17	12,625.01	US Bank	
4				(KR) Entry Locks for Mechanic Shop	\$107.94
5				(KR) (2) Shadow Trackers for NG9 & NG10	\$420.90
6				(KR) Franchise Committee Meeting 07/28/15	\$76.24
7				(KR) Wiarcom	\$922.10
8				(KR) Flight for CSDA Conference Monterey, CA 09/21-09/24/2015 (RH, FC, MR)	\$588.60
9				(KR) CASA Conference Registration 08/19-08/21/2015 (MR, JN, FC, AK, KR)	\$2,625.00
10				(KR) ISDOC Emergency Response Training (JN, MR, AK, KR)	\$52.00
11				(KR) 2015 Ann. Conf. CSDA Monterey, CA 09/21-09/24/2015 (FC, MR, JN)	\$1,650.00
12				(KR) 2015 Ann. Conf. CSDA Monterey, CA 09/21-09/24/2015 (RH, KR)	\$1,100.00
13				(KR) CASA Conference Hotel 08/19-08/21/2015 (MR, AK, FC, JN)	\$2,051.28
14				(KR) CASA Conference Hotel 08/19-08/21/2015 (KR)	\$512.82
15				(KR) Food for (KR) CASA Conference 08/19-08/21/2015 (KR)	\$77.38
16				(KR) Wiarcom Monthly Service AUG-2015	\$431.10
17					
18				(DGe) Board Meeting Refreshments for 08/04 & 08/18/2015	\$77.11
19					
20				(DG) Restock Sewer Supplies	\$611.82
21					
22				(RH) MWDOC Disaster Cost Recovery Training	\$125.00
23				(RH) City of Westminster Water - Westminster Lift Station 06/03-07/28/2015	\$14.33
24				(RH) Remington Monthly Services AUG-2015	\$64.00
25				(RH) Orange County Register JLY-2015	\$39.97
26					

27		(NC) Ratcheting Flare Tool	\$207.19
28		(NC) Decal Numbers	\$2.30
29		(NC) Eyewash Station	\$248.97
30		(NC) CWEA Renewal	\$164.00
31		(NC) (6) Magnum Padlocks	\$85.16
32		(NC) CWEA Renewal	\$81.00
33		(NC) Credit Return	-\$10.93
34			
35	7886 9/17	444.08 Verizon Business - Internet Connection for SCADA System for September 2015	
36	7887 9/25	1,115.00 Memorial Care Medical Group - Dot Drug Testing	
37	7888 10/1	182.32 AT&T - Brookhurst Lift Station Service for September 2015	
38	7889 10/1	1,501.37 The Bank of New York Mellon - COP for the Period November 1, 2014 to August 1, 2015	
39	7890 10/1	22,683.90 CALPERS Retirement - Retirement Contributions for August & September 2015	
40	7891 10/1	42,154.08 CALPERS Health Premium - Healthcare Premium for October 2015	
41	7892 10/1	1,422.03 Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for September 2015	
42	7893 10/1	13.78 City of Westminster - Water Usage for Hammon Lift Station 07/29-09/22/2015	
43	7894 10/1	25.40 The Gas Company - District Office Fees for September 2015	
44	7895 10/1	284.05 Pitney Bowes - Lease Payment for Postage Machine October 2015 to January 2016	
45	7896 10/1	150.00 Pitney Bowes/Purchase Power - Refill Postage for District Postage Machine	
46	7897 10/1	3,296.40 SDRMA Della Dental - Dental Insurance Premium for October 2015	
47	7898 10/1	4,924.24 Southern California Edison - District Office \$3,826.59, Brookhurst Lift Station \$89.40, Westminster Lift Station \$394.00, Willow Lift Station \$163.88, Hammon Lift Station \$450.37.	
48			
49	7899 10/1	874.32 The Standard Life Insurance - Premium Coverage for October 2015	
50	7900 10/1	234.68 First Bankcard (NC) - Restock District Kitchen Supplies for September 2015	
51	7901 10/1	1,461.14 US Bank	
52		(KR) Credit from Grand Hyatt San Diego	-\$247.01
53		(KR) (2) Hoses & Fire Nozzles	\$168.37
54		(KR) Frame of CNG Poster & Pictures	\$302.26
55		(KR) Foggers for District Offices	\$9.70
56		(KR) New Valve & Reducer Hose for Wash Rack	\$40.77
57		(KR) State of the City Luncheon 09/24/2015 (AK, TD)	\$70.00
58		(KR) Rainbow Public Records Inquiry	\$15.00
59			
60		(DGe) Board Meeting Refreshments for 09/01 & 09/15 Board Meetings	\$85.70
61		(DGe) Coffeemaker for District	\$19.31
62		(DGe) Budget Print out and Binding	\$78.09
63			
64		(DGr) Restock Sewer Supplies	\$183.73
65			
66		(RH) Remington Monthly SEP-2015	\$64.00
67		(RH) Orange County Register AUG-2015	\$42.13
68		(RH) City of Westminster Water - District Offices - 07/08-09/01/2015	\$121.87
69		(RH) City of Westminster Water - Wash Rack - 07/08-09/01/2015	\$128.20
70		(RH) City of Westminster Water - Maint. Shop - 07/08-09/01/2015	\$14.33
71		(RH) Food Monterey, CA (RH)	\$27.85
72			
73		(NC) Rear Tailgate Seal	\$5.37
74		(NC) Parts to Repair Waterline to Shop	\$45.85
75		(NC) Restock Hand Soap	\$16.39
76		(NC) 24" Tie Down Strap	\$17.11
77		(NC) Drain Plug for M1	\$5.11
78			
79	7902 10/1	1,173.05 Verizon California - District Office Phones & Lift Stations for September 2015: \$687.41 District Office, \$161.88, Willow Lift, \$161.88 Westminster Lift, \$161.88 Hammon Lift.	
80			
81	7903 10/1	394.42 Vision Service Plan - Monthly Premium for October 2015	
82		<b>94,997.20 HANDCUT CHECKS SUBTOTAL</b>	
83			

84			<b>REGULAR CHECKS:</b>
85	7904	10/1	146.90 Neugebauer, Joy - Health Insurance Reimbursement for October 2015
86	7905	10/1	104.90 Rice, Margie - Health Insurance Reimbursement for October 2015
87	7906	10/1	157.00 Advanced Workplace Strategies - DOT Drug Test
88	7907	10/1	1,172.24 Chemsearch - (120) Lb Maxi Lube for Restock
89	7908	10/1	4,145.72 CR Transfer - Tonnage from 09/01/2015 through 09/15/2015
90	7909	10/1	44.10 Cummins Cal Pacific - (1) Thermostat for NG-1
91	7910	10/1	3,684.77 Danlefs Tire Service - (13) Recaps and (5) Repairs for Restock
92	7911	10/1	525.00 Frog Environmental - 2nd Quarter 2015-2016 Non-Storm Observation
93	7912	10/1	430.15 G & K Services - Uniform Services for September 2015
94	7913	10/1	585.09 Golden Bell Products - (55) Gallons Super Butyl for Restock
95	7914	10/1	4.66 Hose Man - (1) Hose End
96	7915	10/1	3,690.47 Huntington Beach Ford - (1) Tube for G-2; Parts & Service for G-2
97	7916	10/1	11358.90 Orange County Sanitation District - Permit Fees for September 2015 (MCSD 5% = \$597.84)
98	7917	10/1	2,631.13 Plumbers Depot - (1) Hose, (2) Brass Shoes, (5) Pipe Elbows for Sewer Restock
99	7918	10/1	7,483.90 Rainbow Transfer Recycling - CNG Fuel & Diesel Purchases for August 2015
100	7919	10/1	63,943.66 Rainbow Transfer/Recycling - Tonnage from 09/01/2015 through 09/15/2015
101	7920	10/1	928.05 Mobile Relay Associates - Parts and Installation for Antenna for NG-10
102	7921	10/1	200.00 Resource Communications - Install (3) Lines for Alarm Reporting
103	7922	10/1	989.00 Rutan & Tucker, LLP - Legal Services for August 2015
104	7923	10/1	529.50 Shields Consulting Group - Professional Services for Balance Due of 2001/2002 Claims
105	7924	10/1	316.60 Sign Design - (6) 4'x8' Signs for Fleet
106	7925	10/1	2,381.09 Top Mobile Vision - Installed New Monitor and 4-Camera System on NG-10
107	7926	10/1	39,811.67 Toter, LLC - (864) 64-Gallon Black Carts for Restock
108	7927	10/1	24,908.53 Waxie - (3) Big Belly Duo Stations for Public Outreach
109	7928	10/1	276.00 Wespac Security Services - Burglar & Fire Alarm Services for July through September 2015
110	7929	10/1	249.00 Westminsler Chamber of Commerce - Annual Dues from 12/01/2015 to 12/01/2016
111	7930	10/1	VOID Printer Malfunction
112	7931	10/1	2,262.85 Los Alamitos Napa Auto Parts - (6) Hose Ends, (2) Bendix, (1) Disc Pad, (10) Super Weather Adhesive, (4) Fuel Filters, (4) Oil Filters for Restock; Terminal Assortment for T10; (1) Coolant Temp Sensor for Shop Van; Oil & Fuel Filter for G-2; Headlamp Assembly for M-1; (2) Batteries for M-64; (6) Couplers & (2) Pressure Relief Valves for M-63; (2) ABS Valves for T-62; (3) Serpentine Belts for T-65.
113			
114			
115			
116	7932	10/1	1,728.26 Los Alamitos Napa Auto Parts - Restock (2) WD40, (1) Hose, (1) Grease Gun, (20) Hose Ends, (10) Fittings, (50) Feet Hosing for Restock.
117			
118	7933	10/1	4,605.12 Woodruff, Spradlin & Smart - Legal Services for August 2015
119			\$ 179,294.26 REGULAR CHECKS SUBTOTAL
120			
121			<b>PAYROLL</b>
122	9/15		61,105.14 Payroll - Staff Checks Taxes & Direct Deposits
123	9/15		1,200.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
124	9/15		700.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
125	9/29		62,429.70 Payroll - Staff Checks Taxes & Direct Deposits
126	9/29		1,200.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
127	9/29		700.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
128	9/25		5,273.40 Board of Director's Payroll for the Month of September 2015 Check # 15802 - 15805
129	9/24		404.56 Board of Director's Nationwide Deferred Compensation for September 2015 (100% Paid By Directors)
130			\$ 133,012.80 PAYROLL SUBTOTAL
131			
132			\$ 407,304.26 TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$ 407,304.26. 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 the employees' MOU was not on this agenda because the represented employees were not able to review it prior to the meeting. They are planning to accept the MOU and it will be on the next agenda for approval.

### **Report from Orange County Sanitation District on September 23, 2015**

Directors Diep and Neugebauer were not able to attend the OCSD Board meeting.

### **Report from the California Special Districts Association (CSDA) Conference in Monterey, CA September 21-24, 2015**

Director Neugebauer reported that the conference was very well attended. She enjoyed the financial leadership session and would like to see the District put together a manual to consolidate the District's financials. The speaker for the generations session explained the different thought processes and decision making of traditionals, baby-boomers, gen x's and gen y's. She especially enjoyed interacting with the other special districts in attendance.

Director Rice attended the session on New Developments in the Brown Act and was surprised to learn that there were no new developments or laws. She also attended the Disruptive Behavior at Board meetings session where they provided ideas to deter that behavior.

President Cobo attended many sessions including the Computer Security Specialist session which included cyber crime, identity theft and hackers. He also enjoyed the Negotiations with Employees session.

**Report from the Westminster State of the City Luncheon on Thursday, September 24, 2015**

Director Diep reported that Mayor Tri Ta reviewed projects that the City of Westminster is involved in and kept his speech very positive.

Director Krippner stated that the emphasis was on big and small business and expansion in the City of Westminster.

**Report from the City of Westminster Oversight Committee Meeting on Thursday, October 1, 2015**

Director Rice, GM Robbins and Finance/HR Housley attended the Oversight Committee meeting.

Finance/HR Director Housley stated that it was mainly the business that has to be gone through to approve the ROP's, money spent, reports to the State, and loans to be given by the City to help cover the bridge until the money comes back through the process of the successor agency.

Director Rice stated that she did not receive an agenda for the City of Westminster Oversight Committee until she was seated.

Director Neugebauer stated that the Oversight Committee is made up of representatives of different levels of government and the MCSD Board appointed Director Rice who is also Chair and she asked if any other agencies were there.

Director Rice stated that there were only four representatives there. The manager of Westminster was not there, the person representing the college was not there, the Board of Supervisors was not there.

Director Neugebauer asked if the Board could send a message to the Oversight Committee stating that their due diligence is lacking when the Chair does not receive the agenda until she is there and seated.

Director Rice stated that she did not wish to publicly criticize her.

Director Neugebauer stated that she would like them to be more efficient.

GM Robbins stated that they have asked in the past to be made aware of these meetings in advance but those requests have been ignored.

Director Rice stated that if he wanted to complain about that it was fine but the agenda is her personal thing to handle and she did not want to embarrass anyone.

GM Robbins stated that he found out about the meeting because he called Director Rice to inquire how she was feeling and she said that she had to rush out to a meeting at the last minute.

Director Neugebauer stated that if the Board does not wish to make them aware that is fine but she would like to be made aware of the next meeting in order to attend and voice her opinion since that is an appointed position in order to benefit the District.

## **CONSENT CALENDAR**

None

## **NEW BUSINESS**

### **D. Approval to Send Notice of Automatic Agreement Renewal Cancellation to Exclusive Franchise Haulers CR&R and Rainbow Environmental Services**

GM Robbins stated that over the last year or so the District has been getting conflicting stories as to whether Rainbow was bought out by Republic. He stated that he feels that a three-chord agreement is good, whether it is the District, CR&R and Rainbow or the District, CR&R and Republic, but the District needs to know who they are doing business with. Staff would like the franchises brought to the table for definition of ownership in order to move forward. GM Robbins stated that a Notice of Automatic Renewal Cancellation would be a place to start, but that down the road the District might have to do a 30 day cancellation.

A motion was made by Director Rice to have Legal Counsel send a letter requesting information such as who owns the company, etc. by a deadline. The motion died due to lack of a second.

Director Krippner agreed with Director Rice.

GM Robbins stated that there are things that need to come before the Board for approval because the District has an obligation to its customers. There are a lot of good services that have been brought up in the committee meetings that are not in the contract, but should be and need to be defined and added. The report of financials has not been clear but the District needs to reconcile and move forward.

Director Neugebauer asked what all of this has to do with an automatic agreement renewal cancellation. She stated that there have been several franchise committee meetings and New Business Item # 9E (engagement of audit) should have been addressed first because that was discussed and verbalized during those meetings. She stated that there was no discussion at the franchise committee meetings regarding the automatic agreement renewal cancellation and that when the Board voted to continue

with the evergreen agreement, she was the one Board member who voted against it. She stated that she feels that an automatic agreement renewal cancellation is premature and that an audit by White Nelson Diehl Evans LLP should be done first. The committee did not recommend any action that might cause the District to become embroiled in any of the areas being litigated presently. She stated that she is 100% in favor of engaging the auditors who have the experience, wherewithal and staff to do a complete and concise review and report of the fees enacted and collected before addressing an automatic agreement renewal cancellation.

GM Robbins stated that White Nelson Diehl Evans LLP does a standard audit every three years for a three year period and that this audit will be for 2012, 2013, and 2014.

Director Neugebauer asked if the audits looked into the over and under charges.

GM Robbins stated that they do not.

President Cobo stated that the backup material shows different rates being charged and that this has been going on for quite a while.

Director Rice stated that there have been bins delivered to the City without Board approval as well as the wrong rates being charged and that the franchise has not abided by the contract between themselves and the District.

Director Neugebauer asked if it goes against the language in the contract.

GM Robbins stated that staff would like the attorney to look into all of this.

Director Rice stated that she stated clearly in the committee meetings that they broke the contract and that a letter needed to be written.

GM Robbins stated that the information needed for the franchise committee meeting only arrived this afternoon instead of last week and that they were already given additional time to provide the information due to the conference the Board attended in Monterey.

Director Diep stated that he feels that GM Robbins makes a valid point and understands his frustration but he does not sit on the committee, is not privy to the information, and this is his first time hearing this information. He stated that if the point is to bring the franchisee to the table, the District has their attention because they are all in attendance at tonight's meeting. He stated he believes that when you formally put out a notice of cancellation, it is an extreme trigger that the District may not want to pull tonight. He suggested that if answers are what the District is looking for, maybe a list of needs could be generated by staff and legal counsel could send them with a deadline and then if staff is still not satisfied, they could bring it back to the Board at the next meeting.



Director Rice stated that she had no problem putting item 9D off for now and that the letter that she requested to be written will get resolved.

Director Diep stated that the Board should put item D off for now and let the General Manager work with CR&R and Rainbow and if he is still not happy with them at the next meeting, then the Board could take action at that time.

President Cobo asked GM Robbins if he could put a list together in a letter and request answers to questions and give them a deadline.

GM Robbins stated that he would bring it back to the first meeting in November.

A motion was made by Director Rice, seconded by Director Neugebauer to table this item for a future meeting and not send a notice of automatic agreement renewal cancellation to exclusive franchise haulers CR&R and Rainbow Environmental Services at this time. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

Michelle Clark, Dean Ruffridge and Jeff Snow each individually approached the Board, stating that they appreciated the Board and staff's patience during the long and tedious process and apologized for any inconveniences.

GM Robbins asked the Board if they wanted legal counsel to look into any of this.

Director Neugebauer stated that White Nelson Diehl Evans LLP should look into the agreement when they do the audit instead of spending additional money for legal counsel. After the audit the Board can determine whether additional in house evaluation is necessary.

E. Approval to Seek Engagement of White Nelson Diehl Evans LLP to Perform an Agreed-Upon Procedure Review of the Over/Under Charges by Franchise in Relation to the Approved Fees by the Midway City Sanitary District as Per its Franchise Agreement with Rainbow Environmental and CR&R Transport

GM Robbins stated that an audit can be simple or extensive and that, during an audit as items come up they are looked into. One of the items will be the over/under charges.

Director Neugebauer stated that with regard to the area of non-compliance and in another agreement, the District should have a penalty in place for non-compliance.

A motion was made by Director Neugebauer, seconded by Director Rice to approve as recommended by staff, with additional suggestions and engage White Nelson Diehl

Evans LLP to perform an agreed upon procedure review of the over/under charges by franchise in relation to the approved fees by the District as per its franchise agreement with Rainbow Environmental and CR&R Transport. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

## **OLD BUSINESS**

### **A. Approval of Printer for 2016 Midway City Sanitary District Calendar**

The Board asked GM Robbins if he had visited OCC printer in order to see if they were capable of handling the calendars.

GM Robbins stated that he had visited OCC Printing and that they were a large operation and would be able to handle the job.

There was Board discussion regarding the unclear costs for editing, postage, delivery and handling and taxes between the two different vendors.

Director Diep stated that he did not understand why the Board would choose to not try another local vendor in order to save thousands of dollars instead of using the same printer year after year.

A motion was made by Director Diep, seconded by Director Krippner to select OCC Printing for the 2016 MCSD in full color calendar due to the lower cost. The motion was approved by the following 4-1 vote:

AYES: Cobo, Diep, Krippner and Rice

NAYS:

ABSTAIN: Neugebauer

ABSENT:

Director Neugebauer stated that she was abstaining from the vote due to the discrepancies in the quotes for the cost to print the calendars.

## **NEW BUSINESS**

### **A. Approval of Midway City Sanitary District 2016 Color Calendar**

Director Krippner made several suggestions for change to the calendar.

Director Diep left the meeting at 6:15 P.M.

A motion was made by Director Neugebauer, seconded by Director Rice to approve the MCSD 2016 color calendar with changes and direct the committee to approve the final draft from the printer. The motion was approved by the following 4-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

#### B. Consider Scheduling a Meeting to Review the District's Website

Director Neugebauer stated that all the changes have been made to the website with the exception of the Board members' and General Manager's names and contact at the top of the mast head.

A motion was made by Director Neugebauer, seconded by Director Rice to have staff continue to implement the Board's requests for changes to the District's website from the March 25, 2015 meeting. The motion was approved by the following 4-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

#### C. Approval of Request for Midway City Sanitary District (MCSD) to Serve as a Host and Speaker for the Junior Ambassador's Environment Awareness Session on Saturday, October 17, 2015 from 10am to 1pm at Midway City Sanitary District Offices

Director Rice: They want to have it here?

President Cobo: Yes

Director Rice: It's a small group of students that Sergio has worked with and he's called them ambassadors and they're doing a great job volunteering for different things in the community. I've worked with them and seen them a couple of times and they're very, very nice, well-behaved students.

President Cobo: Well they want to be involved too, what's going on, what we do as a District here and they need to be. It's a good education you know platform for them to come over and look at what's involved in our what we do in our District and you can educate them and you know get them because they got answers. They've got questions that they need answers for.

GM Robbins: I think it's a great program. I've spoken with them several times at several City events.

Director Rice: I think it's great.

GM Robbins: I just bring it up for Board approval since they want to bring it to our facility and it has to be approved by the Board for our insurance.

Director Neugebauer: Are there any other groups that we could include with this small group?

GM Robbins: If there is any group that would want to attend that's fine too. I don't know of any other groups that have requested anything,

Director Rice: I don't really know the number, do you? Of the students?

GM Robbins: Number of the students? I don't know.

Director Neugebauer: It's very labor intensive and I don't want to have it for five or ten. There are other youth groups.

Director Rice: No. It's not for five or ten. I met quite a few of them at the high school when I was asked to speak there and I also met some of them at different other functions that Sergio has been at with them. I've never asked him how many.

President Cobo: I would imagine, I spoke to him, but he usually shows up with around ten people.

GM Robbins: It all depends on who is available too that day.

President Cobo: We've had them too over at the City.

Director Rice: You showed them around?

President Cobo: Yea. I am really in support of this because it's for our District.

Director Neugebauer: Can you be there to address them? I'd like our President to be there.

President Cobo: I'm going to be present but I'm going to have our, cause they're going to have questions, our General Manager can answer them as well too. I'll be there.

Director Neugebauer: You can tell them about the election.

Director Rice: I want to be there too. They're really nice kids.

Director Neugebauer: I can be there too?

President Cobo: Anybody can be there. I don't see why not.

GM Robbins: It's up to you guys.

Director Rice: I've worked with them on other functions. I certainly will be here.

President Cobo: Yea. That will work out. So, it's for the Board if they want to...

Director Rice: You can post it if you want to Kenneth so legally we can all be here.

GM Robbins: All right.

Director Rice: Just to make sure we're legal.

GM Robbins: We can do that.

Director Rice: I would move that we move this, to approve it.

Director Neugebauer: From ten to one though with a lunch I would second once I know – is lunch going be served? Ten to one.

President Cobo: Well, it's gonna be like small horsdoerves, just like that and drinks.

GM Robbins: It will be a small lunch if anything, little sandwiches.

Director Neugebauer: So if there's any food it would be provided by the group?

Director Rice: Albertson's has little sandwiches about like this on a big tray and they're very good.

GM Robbins: Drinks and light food. Actually I would recommend that the District provide.

GM Robbins: Hopefully we'll get an actual number from Mr. Contreras.

President Cobo: You can contact him and ask him.

GM Robbins: Once we get approval.

Director Rice: He called me twice yesterday but I was in meetings so I did not talk to him.

President Cobo: So you would move to approve this?

Director Rice: I would move to approve this yes.

President Cobo: I would second that. Do you want to move to second it Joy?

Director Neugebauer: No, your second is good.

President Cobo: Ok

Director Krippner: I will second.

A motion was made by Director Rice, seconded by Director Krippner to approve as directed by staff. The motion was approved by the following 4-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

Director Rice stated that she thought it was great that young people want to start learning about their City.

F. Public Hearing to Increase the Compensation of the Midway City Sanitary District Board of Directors by \$50.00 to 2007 Pre-Recession Status

Director Rice stated that she asked for this to be put on the agenda and she feels that the Board should reinstate the \$50.00 that they took away from their salaries in 2007.

President Cobo opened the public hearing.

There were no public comments.

President Cobo closed the public hearing.

Director Neugebauer asked if there had been any phone calls or written communication from the public concerning the public hearing.

GM Robbins stated that there were none.

Director Neugebauer stated that the public notice stated that the Board was authorized to increase their pay by \$62.23, which would represent the 5% per year for an amount of \$269.69 rather than \$257.46. The legislation that allows the Board to do this specifically refers to increases in the amount of 5% per year. She asked if there could be a legal problem or a delay if the Board chooses to just go back to the \$257.46 because the Board is not going by the 5% rule. She stated that she would rather increase their pay by \$12.00 more (\$269.69) and be within the framework of the enabling legislation.

Legal Counsel stated that Director Neugebauer made a good point and that if the Board adopts the \$50.00 increase at this time instead of the full allowed amount of \$269.69 the next time that they adjust their pay, they will increase it by 5% and go from there so the Board would be leaving \$12.00 on the table at this time.

Director Neugebauer stated that she would prefer to stay within the language of the enabling legislation and Health and Safety Code Section 6489B authorizing the increase to \$269.69.

Discussion ensued regarding modifying Ordinance #68 and adjusting the compensation for the Board of Directors to \$269.69.

**G. ORDINANCE #68**

*(Roll Call Vote)*

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ADJUSTING THE COMPENSATION FOR THE BOARD OF DIRECTORS**

A motion was made by Director Neugebauer, seconded by Director Rice to adopt Ordinance #68, as modified. The motion was approved by the following 4-1 roll call vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

Legal Counsel stated that the compensation takes effect in 60 days and that there is a 60-day referendum in case the public wants to challenge it.

**INFORMATIONAL ITEMS**

**A. Web Site Activity for the Month of September 2015 (104,107 Successful Hits)**

A motion was made by Director Neugebauer, seconded by Director Rice to receive and file. The motion was approved by the following 4-1 vote:

AYES: Cobo, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT: Diep

## **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.

None

## **BOARD CONCERNS/COMMENTS**

Director Neugebauer stated that the Orange County Sanitary District State of the District event was scheduled for Friday, October 16, 2015 and asked if staff had made arrangements for Board attendance.

Staff confirmed that they had made arrangements for the Board and staff to attend.

Director Neugebauer asked if there would be carpooling and what time the event was taking place.

GM Robbins confirmed that the event was from 8-10 A.M. at OCSD headquarters and if anyone wished to carpool they should be at the District at 7 A.M.

Director Neugebauer stated that it was a very busy agenda with a lot of important items and she commended GM Robbins and staff for bringing all the items to the Boards attention.

Director Rice also thanked staff.

## **GM/STAFF CONCERNS/COMMENTS**

GM Robbins thanked the Board for their direction and stated that he felt he should be at the meeting due to the items on the agenda. He stated that he would be out of the office for the rest of the week on sick leave per doctor's orders.

GM Robbins stated that he just received information today for the Franchise Committee Meeting scheduled for next Tuesday, October 13, 2015 at 10 A.M. but if Directors Neugebauer and Rice wanted to come at 9 A.M., they could have a discussion prior to Rainbow and CR&R arriving for the meeting.

Director Neugebauer stated that she would like to meet without the franchisees and an hour might not be long enough.

GM Robbins stated that they would meet at 9 A.M. without the franchisees.

Finance/HR Director Housley stated that the audit is ongoing and he would continue to keep the Board informed.

#### **GENERAL COUNSEL CONCERNS/COMMENTS**

None

#### **ADJOURNMENT**

President Cobo adjourned the meeting to Tuesday, October 20, 2015 at the District office at 5:00 P.M. at approximately 6:55 P.M.

  
Al Krippner, Secretary