

**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 17, 2016**

**CALL TO ORDER**

President Rice 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 17, 2016 at 5:00 P.M.

**BOARD MEMBERS PRESENT:**

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

**OTHERS AT MEETING:**

Robert Housley, Finance/HR Director/Acting GM  
James Eggart, General Counsel  
Danielle Gerardo, Board Secretary

**PLEDGE AND INVOCATION**

Board Secretary Danielle Gerardo led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

**PUBLIC COMMENTS**

None

**APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF MAY 3, 2016**

A motion was made by Director Diep, seconded by Director Neugebauer, to approve the minutes of the regular meeting of May 3, 2016. 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 BUDGET MEETING OF MAY 10, 2016**

A motion was made by Director Neugebauer, seconded by Director Cobo, to approve the minutes of the adjourned budget meeting of May 10, 2016, as presented. The motion was approved by the following 4-0-1 vote:

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

**APPROVAL OF EXPENDITURES**

**A. Demands in the amount of \$ 103,762.13**

#	CK #	Date	AMOUNT	VENDOR	
1				HANDCUT CHECKS:	
2	8362	5/2	953.74	Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for April 2016	
3	8363	5/2	698.00	CRC Cloud - Maintenance & Support for May 2016	
4	8364	5/2	1,124.60	Frontier Communications - District Office Phones & Lift Stations for April 2016; \$645.26 District Office,	
5				\$159.78 Willow Lift, \$159.78 Westminster Lift, \$159.78 Hammon Lift.	
6	8365	5/2	2,952.30	SDRMA Delta Dental - Dental Insurance Premium for May 2016	
7	8366	5/2	6,607.66	Southern California Edison - District Office \$5,616.41, Brookhurst Lift Station \$88.38, Westminster Lift	
8				Station \$406.36, Willow Lift Station \$124.49, Hammon Lift Station \$372.02.	
9	8367	5/2	345.03	AT&T Mobility - Service for April 2016: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,	
10				Sewer 714-310-8654, Emergency 714-310-9004.	
11	8368	5/6	6,796.06	US Bank	
12				(KR) DH Employee Luncheon	\$689.04
13				(KR) Registration Waste Expo 2016 Las Vegas (MR, JN, FC)	\$2,418.00
14				(KR) Registration Waste Expo 2016 Las Vegas (KR, NC)	\$1,612.00
15				(KR) Flight Tickets Waste Expo 2016 Las Vegas (MR, JN, FC)	\$354.60
16				(KR) Flight Tickets Waste Expo 2016 Las Vegas (KR, NC)	\$236.40
17				(KR) Administrative Appreciation Luncheon 4/20	\$381.84
18				<b>KR Total</b>	<b>\$5,691.88</b>
19				(DGe) (30) Tapes for Director Krippner (AK)	\$44.07
20				(DGe) Board Meeting Refreshments for 3/29, 4/05, & 4/19	\$62.22
21				<b>Dge Total</b>	<b>\$106.29</b>
22				(DGr) Restock Sewer Supplies MAR-2016	\$270.08
23				<b>DGr Total</b>	<b>\$270.08</b>

24		(RH) CSMFO Luncheon 4/07 (RH)	\$30.00
25		(RH) Remington Monthly Svc. MAR-2016	\$64.00
26		(RH) OC Register Monthly Svc. FEB-2016	\$44.29
27		<b>RH Total</b>	<b>\$138.29</b>
28		(NC) Restock Refuse/District Supplies MAR-2016	\$288.74
29		(NC) Food Driver's Safety Meeting 4/16	\$300.78
30		<b>NC Total</b>	<b>\$300.78</b>
31	8369-8386	5/11 VOID Printing Malfunction	
32	8387	5/11 1,950.00 CalPERS Fiscal Services - Fees for GASB-68 Reports & Schedules	
33	8388	5/11 11,152.35 CalPERS Retirement - Retirement Contributions for May 2016	
34	8389	5/11 16.22 City of Westminster - Water Usage for Hammon Lift Station 03/09/2016-05/03/2016	
35	8390	5/11 115.98 DirectTV - Service for May 2016	
36	8391	5/11 2,906.17 The Gas Company - CNG Fuel for April 2016	
37	8392	5/11 450.41 Verizon Business - Internet Connection for SCADA System for May 2016	
38		<b>36,068.52 HANDCUT CHECKS SUBTOTAL</b>	
39		<b>REGULAR CHECKS:</b>	
40			
41	8393	5/11 60.00 Advanced Gas Products - Cylinder Rental for April 2016	
42	8394	5/11 240.00 Asbury Environmental Services - (2) Drums of Used Oil & Gasoline Filters	
43	8395	5/11 58.75 CR Transfer - Tonnage for April 2016	
44	8396	5/11 1,176.60 Daniels Tire Service - Restock (6) Recaps	
45	8397	5/11 298.76 G & K Services - Uniform Services for May 2016	
46	8398	5/11 646.95 Orange County Sanitation District - Permit Fees for April 2016 (MCSD 5% = \$34.05)	
47	8399	5/11 2,676.69 Orange County Sanitation District - First Quarter FOG Inspections 2015-2016	
48	8400	5/11 154.14 Powertrain Industries - (1) PC Balance & Labor for NG5	
49	8401	5/11 586.22 Profoma Solutions - (500) Recycle Coloring Books & (576) Crayon Packs for Public Outreach	
50	8402	5/11 540.82 Rainbow Environmental Services - Diesel & Unleaded Purchases for April 2016	
51	8403	5/11 24.00 Underground Service Alert - (16) New Tickets for April 2016	
52	8404	5/11 3,126.50 Woodruff, Spradlin & Smart - Legal Services for April 2016	
53		<b>9,589.43 REGULAR CHECKS SUBTOTAL</b>	
54		<b>PAYROLL</b>	
55			
56	5/10	56,119.18 Payroll - Staff Checks Taxes & Direct Deposits	
57	5/10	1,345.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)	
58	5/10	640.00 Payroll - Nationwide Deferred Compensation (100% Paid By Employees)	
59		<b>58,104.18 PAYROLL SUBTOTAL</b>	
60			
61		<b>103,762.13 TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)</b>	
62			

A motion was made by Director Diep, seconded by Director Cobo, to approve the expenditures in the amount of \$ 103,762.13. 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 Finance/HR Director/Acting GM**

Finance/HR Director and Acting GM Robert Housley reported that GM Robbins and his family were busy enjoying France and Italy on their vacation.

Finance/HR Director and Acting GM Robert Housley provided the Board with a copy of an email that Michelle Clark from Rainbow Environmental sent letting Staff know that they could not attend today's meeting in order to do the Earth Day presentation to Lexus of Westminster and ABC Market due to another engagement. He stated that Staff will coordinate with Rainbow to see if they will do the presentation at the next Board meeting and Staff will continue to keep the Board informed.

Finance/HR Director and Acting GM Robert Housley provided the Board with a copy of the CNG fueling station maintenance diagnostic training that was Board approved and that Director Neugebauer brought up at the last meeting. The next training date will be the week of Monday, July 25, 2016.

Finance/HR Director and Acting GM Robert Housley reported that MCSD truck #T65's (2008) loader arm assembly is cracked and the fleet maintenance department tried to repair it but were not able to. The part has been ordered and the cost to replace it has been estimated at \$3,414.87

Finance/HR Director and Acting GM Robert Housley reported that CRC will be replacing two older routers in the District office and connecting the new time clock to the system.

Finance/HR Director and Acting GM Robert Housley spoke with Nitin Patel from White Nelson Diehl Evans, who does the independent audit for the District. Mr. Patel will be at the budget meeting on June 14, 2016 to speak to the Board about the Other Post Employment Benefits (OPEB) valuation, what is going on with it and whether it will affect the auditing process. He will have some information from the actuaries as well. There will be a meeting before that at the State level for the auditors.

Finance/HR Director and Acting GM Robert Housley Franchise stated that the franchise audit is ongoing with Rainbow still providing information and that the auditors are hoping that the remaining items will be provided to them this week.

Finance/HR Director and Acting GM Robert Housley stated that the District's Sewer Crew will be attending training all day on Wednesday, May 18 and half-day on Thursday, May 19, 2016 with Hacker who is the equipment manufacturer of the District's vactor trucks.

On Thursday, May 19, 2016, the Sewer Crew will be doing the required OSHA and DOT training for traffic control and flag safety in Buena Park

Finance/HR Director and Acting GM Robert Housley stated that the Orange County Water Summit was on Friday, May 20, 2016 and that Director Krippner was registered to attend that event.

Finance/HR Director and Acting GM Robert Housley reminded the Board that the District would be closed on Monday, May 30, 2016 in observance of Memorial Day, and that all residential curbside service for that week would be delayed by one day. That information can be found in the District's calendar and on the District's website.

#### **Report from the Mayor's Prayer Breakfast on Thursday, May 5, 2016**

Director Neugebauer reported that the prayer breakfast was inspiring, the speaker, Dr. Sandra Morgan, was good and she enjoyed hearing from pastors from so many different churches. She especially enjoyed Officer Al Pinella's prayer for the men in uniform from the City of Westminster.

President Rice agreed with Director Neugebauer and stated that Rachel Proulx, who sang the national anthem, had a beautiful voice.

Director Diep also attended the Mayor's Prayer Breakfast.

#### **Report from the Mayor's Ball on Saturday, May 7, 2016**

Director Krippner stated that it is a misnomer to call it a ball because there is no dancing.

President Rice stated that the event brought in about \$15,000, with about 50 people in attendance.

Director Neugebauer stated that she reimbursed the District for her ticket because she was not able to attend.

#### **Report from the Orange County Sanitation District (OCSD) Meeting on May 11, 2016**

Director Neugebauer reported that she attended the Administration Committee meeting which gives recommendations to the Board as a whole. Among those recommendations were designation of the applicant's agent for disaster relief and approval of the U.S. General Services Agreement. There were presentations regarding the capital improvement program and a pre-treatment program overview. Director Neugebauer stated that at the Administration Committee meeting, she received a "The Drain is Not a Dump" promotion packet with a Fats, Oils and Grease (FOG) lid accompanied by an explanation and instructions of how to use it in at least two languages.

Director Neugebauer also reported that she attended the Sexual Harrassment/Discrimination Training on May 12, 2016 at Orange County Sanitary District and was taught by Barbara Raileanu from Woodruff, Spradlin and Smart. She stated that the workshop was very well done and that she had received a certificate of completion. She also reported that, in relation to the suggestion she had made at a prior District budget workshop regarding budgeting for additional part-time employees, she asked Ms. Raileanu privately about whether it would be justifiable to have additional employees present if needed for security or to address potential harassment of personnel, and Ms. Raileanu indicated it would.

Director Neugebauer stated that the Mayor of Buena Park, Fred Smith, was in the Sexual Harassment/Discrimination workshop and that he commented on what a positive experience attending the City of Westminster Mayor's Ball was.

### **Earth Day Presentation from Rainbow Environmental Services/CR&R to Lexus of Westminster and ABC Market**

Staff provided a copy of the email from Michelle Clark at Rainbow Environmental postponing the Earth Day Presentation.

### **CONSENT CALENDAR**

A. Investment Report for April 2016

B. Approve Attendance to the Independent Special Districts of Orange County (ISDOC) Quarterly Meeting on Thursday, June 30, 2016

A motion was made by Director Diep, seconded by Director Krippner, to approve the Consent Calendar. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

### **OLD BUSINESS**

None

## **NEW BUSINESS**

### **A. Discussion of California Special Districts Association (CSDA) Proposed Bylaws Updates**

A motion was made by Director Neugebauer, seconded by Director Cobo, to complete the ballot and indicate the District's approval of adoption of the proposed amendments to the California Special Districts Association Bylaws. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

### **B. Consider Approval of Quarterly Lift Station Maintenance Agreement for Fiscal Year 2016-2017**

A motion was made by Director Diep, seconded by Director Neugebauer, to approve the proposed maintenance service agreement with Orange County Pump Co. for fiscal year 2016-2017 lift station maintenance. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

### **C. RESOLUTION NO. 2016-04**

**A RESOLUTION NO. 2016-04 OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ESTABLISHING THE APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2016-2017 FOR THE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 9 OF TITLE 1 OF THE CALIFORNIA GOVERNMENT CODE**

A motion was made by Director Neugebauer, seconded by Director Diep, to adopt Resolution No. 2016-04 as proposed. The motion was approved by the following 5-0 roll call vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

D. RESOLUTION NO. 2016-05

A RESOLUTION NO. 2016-05 OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ESTABLISHING A POLICY APPLICABLE TO DISTRICT DEPOSITS AND INVESTED FUNDS

A motion was made by Director Neugebauer, seconded by Director Diep, to adopt Resolution No. 2016-05 as proposed. The motion was approved by the following 5-0 roll call vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

E. RESOLUTION NO. 2016-06

A RESOLUTION NO. 2016-06 OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, APPROVING THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2016-2017 (JULY 1, 2016 THROUGH JUNE 30, 2017)

A motion was made by Director Cobo, seconded by Director Neugebauer, to adopt Resolution No. 2016-06 as proposed. The motion was approved by the following 5-0 roll call vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

F. Discussion of Election Information for the November 8, 2016 General Election and Transmittal of Election Information Special District

Finance/HR Director and Acting GM Housley stated that in the past, the District authorized 200 words and did not pay for the candidate's statement.

A motion was made by Director Cobo, seconded by Director Diep, to direct Staff to complete and transmit the Transmittal of Election information for Special Districts form to the County Registrar of Voters for the November 2016 election and have the form state that two Directors will be elected at-large, that the District authorizes the candidates' statement of qualification to contain no more than 200 words, and that the District will not pay for candidate's statement of qualifications. 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 April 2016 (67,116 Successful Hits)
- B. 1<sup>st</sup> Quarter 2016 Tonnage Reports for the City of Westminster and Midway City

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

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

### **BOARD CONCERNS/COMMENTS**

President Rice stated that she saw an old, rusted, dirty truck of Rainbow's that had a square hole in the back of it that she thought must have been from the 60's and she wondered if they had a truck like that.

General Counsel Eggart stated that Rainbow had to provide a list of all their equipment to the District annually.

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

None

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

None

## CLOSED SESSION

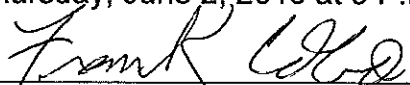
CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

None

## ADJOURNMENT

President Rice adjourned the meeting to Wednesday, June 1, 2016 at 10:00 A.M. and Thursday, June 2, 2016 at 5 P.M. at the District office at approximately 5:40 P.M.

  
\_\_\_\_\_  
Frank Cobo, Secretary