

**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 2, 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, August 2, 2016 at 5:01 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Tyler Diep (arrived @5:04 PM)
Frank A. Cobo
Margie L. Rice

OTHERS AT MEETING:

Kenneth Robbins, General Manager
Robert Housley, Finance/HR Director
James Eggart, General Counsel
Danielle Gerardo, Board Secretary
Chris Rasmussen, Vacall Industrial Cleaning Equip.
Anita Rice, Resident

PLEDGE AND INVOCATION

Finance/HR Director Housley led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

PUBLIC COMMENTS

Chris Rasmussen, from Industrial Cleaning Group, stated that he would like to speak to New Business Item #9B on the agenda.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JULY 19, 2016

A motion was made by Director Krippner, seconded by Director Cobo, to approve the minutes of the regular meeting of July 19, 2016. The motion was approved by the following 3-0-1-1 vote:

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

Director Diep arrived at 5:04 P.M.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 176,689.59

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	8523	7/18	40.00	City of Westminster - Hydrant Meter Water Usage for June 2016
3	8524	7/18	60.26	The Gas Company - District Office, Maintenance Shop, & Wash Rack Usage Fees for July 2016
4	8525	7/18	500.44	Rainbow Environmental Services - Diesel & Unleaded Purchases for June 2016
5	8526	7/18	269.51	Mobile Relay Associates - Reprint of Check #8449
6	8527	7/27	202.58	AT&T - Brookhurst Lift Station Service for July 2016
7	8528	7/27	23,646.90	CalPERS Retirement - Retirement Contributions for July 2016
8	8529	7/27	43,463.63	CalPERS Health Premium - Healthcare Premium for August 2016
9	8530	7/27	1,140.79	Frontier California - District Office Phones & Lift Stations for July 2016; \$658.66 District Office,
10			\$160.71	Willow Lift, \$160.71 Westminster Lift, \$160.71 Hammon Lift.
11	8531	7/27	32.69	Pitney Bowes/Purchase Power - Finance Charge for District Postage Machine
12	8532	7/27	940.11	The Standard Life Insurance - Life Insurance & AD&D Premium Coverage for August 2016
13			70,296.91	HANDCUT CHECKS SUBTOTAL
14				
15				REGULAR CHECKS:
16	8533	8/1	153.60	Neugebauer, Joy - Health Insurance Reimbursement for August 2016
17	8534	8/1	104.90	Rice, Margie - Health Insurance Reimbursement for August 2016
18	8535	8/1	150.00	Cobo, Frank - Per Diem for CASA Conference Monterey, CA 08/10-08/12/2016
19	8536	8/1	150.00	Neugebauer, Joy - Per Diem for CASA Conference Monterey, CA 08/10-08/12/2016
20	8537	8/1	150.00	Rice, Margie - Per Diem for CASA Conference Monterey, CA 08/10-08/12/2016
21	8538	8/1	249.14	Advanced Workplace Strategies - DOT Drug Testing
22	8539	8/1	120.00	Asbury Environmental Services - (200) Gallons of Used Oil Picked-Up
23	8540	8/1	3,539.68	Bodyworks Equipment-Restock(2)Wire Harnesses,(4)Cushion Kits,(1)Grabber Drive Gear,(1)Idler Gear
24	8541	8/1	459.40	CR Transfer - Tonnage from 07/01/2016 through 07/15/2016
25	8542	8/1	1,039.65	Cummins Cal Pacific - Restock (24) Spark Plugs
26	8543	8/1	298.76	G & K Services - Uniform Services for July 2016
27	8544	8/1	521.86	Los Alamitos NAPA Auto Parts - (4) Brake Kits, (4) Core, (4) Spring Kits for Restock
28	8545	8/1	228.00	MemorialCare Medical Group - Preventative Services
29	8546	8/1	27,811.72	Rehrig Pacific Company - (324) 65-Gallon Black & (324) 65-Gallon Blue
30	8547	8/1	482.46	Rosemead Oil Products - (25) Pails of Spindle Oil ISO 10 for Restock

31	8548	8/1	2,975.00	Woodruff, Spradlin & Smart - Legal Services for June 2016
32			38,434.17	REGULAR CHECKS SUBTOTAL
33				
34				PAYROLL
35		7/19	60,574.18	Payroll - Staff Checks Taxes & Direct Deposits
36		7/19	1,295.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
37		7/19	690.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
38		7/29	4,987.30	Board of Director's Payroll for the Month of July 2016 Check # 15863 - 15866
39		7/29	412.03	Board of Director's Nationwide Deferred Compensation for July 2016 (100% Paid By Directors)
40			67,958.51	PAYROLL SUBTOTAL
41				
42			176,689.59	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
43				
44				BANK TRANSFERS
45		7/18	110,000.00	Transfer Funds from Money Market to Checking Account

A motion was made by Director Neugebauer, seconded by Director Krippner, to approve the expenditures in the amount of \$176,689.59. 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 Natural Gas Vehicle Institute (NGVi) training for District employees the previous week was successful. During the training, employees learned to adjust the valves in the CNG engine, which will save the District approximately \$40,000 every two years. Since last week, three trucks were serviced by District staff saving the District approximately \$4,000 for each truck and the cylinder inspection that has to be done every three years will save the District approximately \$20,000.

GM Robbins reported that the water main leak in the District yard is being repaired by Paulus Engineering who detected three separate leaks.

GM Robbins reminded the Board that the first Concert in the Park would be taking place on Thursday, August 4, 2016 at 6 P.M.

GM Robbins stated that he would begin picking up Directors at 10:30 A.M. on Wednesday, August 10, 2016 in order for travel to the CASA conference in Monterey, CA.

Report from the Orange County Sanitation District (OCSD) Meeting on July 13, 2016

Director Neugebauer reported that she attended the Administration Committee Meeting on July 13, 2016, where they reviewed and recommended approval of the refund of certificate anticipation notes. There was also a presentation on energy supply and demand.

Report from the Orange County Sanitation District (OCSD) Meeting on July 27, 2016

Director Neugebauer reported that she attended the Board of Directors meeting on July 27, 2016, where the recommendation to refund certificate anticipation notes in the amount of \$120 million was approved.

Director Neugebauer stated that there was also a presentation on infrastructure and a report by the human resource chairman.

Orange County Sanitation District and Orange County Water District will be hosting an open house on Saturday, August 13, 2016 and Director Neugebauer brought a parking pass for anyone who wanted to attend.

Report from Safety Day on July 20, 2016

Director Krippner stated that Safety Day was well attended.

Director Cobo stated that it was a good event and that the Directors ran out of outreach materials to hand out.

President Rice stated that the kids love seeing the District's trucks.

Director Diep stated that there were lots of kids and he wondered how the event would be if it was during the school year instead of in the summertime.

GM Robbins reported that it started an hour early.

CONSENT CALENDAR

A. Approve Attendance to the City of Westminster State of the City Luncheon on Thursday, September 29, 2016

A motion was made by Director Diep, seconded by Director Neugebauer, 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. Consider Approving the Purchase of Four (4) New Mobile Column Lifts for the Midway City Sanitary District's Fleet Maintenance Department

A motion was made by Director Neugebauer, seconded by Director Cobo, to approve the purchase of four new rotary mobile column lifts for the fleet maintenance department from Pacific Lift and Equipment in the amount of \$43,479.01, as recommended by Staff. The motion was approved by the following 5-0 vote:

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

B. Consider (1) Waiving the Requirement for a Formal Bid Process and (2) Approving the Purchase of New Compressed Natural Gas (CNG) Sewer Vector Truck in Accordance with the Informal Procurement Process Conducted by Staff

Chris Rasmussen, Sales Manager from Environmental Rental Services and GM Robbins addressed the Board on this item.

Further discussion ensued.

A motion was made by Director Neugebauer, seconded by Director Krippner, to not waive the requirement for a formal bid process and to direct staff to go through with the formal bid process for the District's purchase of a new compressed natural gas (CNG) sewer vector truck pursuant to the policy. The motion was approved by the following 5-0 vote:

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

C. Discuss and Consider Ways to Teach and Encourage the Residents of the Midway City Sanitary District Correct Recycling in Order to Lower the District's Tonnage in Black Containers

GM Robbins reported that he was directed to look for an English only policy and was not able to find one.

The Board consensus was for the Ad Hoc Committee to meet again and to bring back specific ideas and a budget to educate and encourage correct recycling to the bilingual residents of the District.

Director Rice stated that the English speaking residents of the District need educating too.

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director Neugebauer commended Directors Cobo and Diep for their report from the Ad Hoc Committee meeting.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that he would be on vacation for the remainder of the week.

Finance/HR Director Housley stated that the District received notification from the County of Orange that they are going to do the billing for the wholly exempt parcels.

Finance/HR Director Housley stated that the District would be receiving a reimbursement of approximately \$92,000 in August from the California Employee Retiree Benefit Trust (CERBT) Other Post Employment Benefits (OPEB) (GASB 45 Health Care Trust) for prefunding the liability for future costs at a higher rate.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel James Eggart convened the meeting to closed session at 6:19 P.M. pursuant to Government Code Section 54957(b) and 54956.9(d)(3).

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. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(Government Code Section 54957(b)) Title: General Manager


B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(3)

President Rice reconvened the meeting at 6:52 P.M.

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

ADJOURNMENT

President Rice adjourned the meeting to Tuesday, August 16, 2016 at 5 P.M. the District office at approximately 6:53 P.M.



Frank Cobo, Secretary