

**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**

December 20, 2016

CALL TO ORDER

President Diep called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, December 20, 2016 at 5:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Margie L. Rice
Charlie Nguyen
Frank A. Cobo
Tyler Diep

OTHERS AT MEETING:

Ken Robbins, General Manager
James Eggart, General Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 6, 2016

A motion was made by Director Rice, seconded by Director Cobo, to approve the minutes of the regular meeting of December 6, 2016. The motion was approved by the following 4-0-1 vote:

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

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF DECEMBER 8, 2016

A motion was made by Director Rice, seconded by Director Cobo, to approve the minutes of the special meeting of December 8, 2016. The motion was approved by the following 5-0 vote:

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

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 1,143,710.77

#	CK #	Date	AMOUNT	VENDOR	
1				HANDCUT CHECKS:	
2	8801	12/9	1,814.00	CalPERS Fiscal Services - Rate Plan ID 26759 PEPRRA Mbc. (Tier 3) 6/30/17 Unfunded Liability	
3	8802	12/9	754,535.00	CalPERS Fiscal Services - Rate Plan ID 8583 (Tier 1) 6/30/17 Unfunded Liability	
4	8803	12/9	345.24	AT&T Mobility - Service for November 2016; (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,	
5				Sewer 714-310-8654, Emergency 714-310-9004.	
6	8804	12/9	12,046.23	CalPERS Retirement - Retirement Contributions for December 2016	
7	8805	12/9	1,743.63	Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for November 2016	
8	8806	12/9	115.98	DirecTV - Service for December 2016	
9	8807	12/9	557.40	Enclso, Crystal - Reimbursement for CalPERS Educational Forum Riverside, CA 10/24-10/26/2016	
10	8808	12/9	4,207.47	The Gas Company - CNG Fuel for November 2016	
11	8809	12/9	336.94	OfficeMax - (2) Chairs for District Boardroom	
12	8810	12/9	4,480.63	US Bank	
13				(DGe) Board Meeting Refreshments for 11/01 & 11/15	\$45.90
14				(DGe) Holiday Party Invitations, Envelopes, Mailing Labels, Pens	\$37.76
15					DGe Total \$83.66
16				(DGr) CWEA Membership Renewal for 10/31/2016-10/31/2017	\$83.00
17				(DGr) Restock Sewer Supplies NOV-2016	\$66.50
18					DGr Total \$149.50
19				(RH) CSMFO 2017 Dues Renewal	\$110.00
20				(RH) Remington Monthly NOV-2016	\$64.00
21				(RH) City of Westminster - Water - Westminster Lift Station 08/24-10/18/2016	\$16.87
22				(RH) Oc Register Monthly SEP-2016	\$44.29
23				(RH) (2) Chisels for Shop	\$103.14
24				(RH) CSMFO Luncheon 12/15/2016 (RH)	\$30.00
25				(RH) Replacement Time Clock	\$421.19
26					RH Total \$789.49

27			(NC) (10) Lift & Turn Compression Latches	\$110.68
28			(NC) Restock Kitchen Supplies NOV-2016	\$131.79
29			(NC) (2) Ball Joint Lower, (2) Ball Joint Upper, Shock/Strut Assembly, (2) New Front Hancock Tires	\$1,682.04
30			(NC) Hoover GUY Vacuum for Wash Rack	\$196.33
31			(NC) Heavy Duty Push Broom for NGT11	\$12.95
32			(NC) Steel Wool Pads & Acefone for Restock	\$18.31
33			(NC) (10) Lift & Turn Compression Latches	\$154.68
34			(NC) (10) Lift & Turn Compression Latches	\$172.68
35			NC Total	\$2,479.46
36			(KR) Parts for Ice Maker Plumbing Supplies & Filter	\$102.17
37			(KR) Christmas Cards & Center Pieces for 2016 Holiday Party	\$194.28
38			(KR) Edible Arrangement for James Eggart	\$57.99
39			(KR) CWEA Membership Renewal for 10/31/2016-10/31/2017	\$172.00
40			(KR) Meeting w/Employees on Board Approved Items	\$20.98
41			(KR) Wiarcom Monthly Svc NOV-2016	\$431.10
42			KR Total	\$978.52
43	8811	12/14	165.00 Costco Wholesale - 2017 Membership Fees (KR, NC)	
44	8812	12/14	77.99 The Gas Company - District Office, Maintenance Shop, & Wash Rack Usage Fees for November 2016	
45	8813	12/14	3,238.61 Verizon Business - Internet Connection for November & December 2016	
46			783,664.12 HANDCUT CHECKS SUBTOTAL	
47			REGULAR CHECKS:	
48				
49	8814	12/14	60.00 Advanced Gas Products - Cylinder Rental for November 2016	
50	8815	12/14	1,693.62 Bodyworks - Restock (1) Control Box & (1) Directional Control Valve	
51	8816	12/14	943.00 CRC Cloud - Maintenance & Support for December 2016; Installation of New Time-clock	
52	8817	12/14	3,771.41 CR Transfer- Tonnage from 11/15/2016 through 11/30/2016	
53	8818	12/14	3,973.28 Danle's Tire Service - Restock (8) Recaps; (2) New Tires for M63; (2) New Tires for M64	
54	8819	12/14	434.64 G & K Services - Uniform Services for November & December 2016	
55	8820	12/14	339.56 Hose Man - Restock (14) fittings, (16) Pipe Adapters, (3) Air Hoses	
56	8821	12/14	1,221.28 Los Alamitos Napa Auto Parts - Restock (14) Fittings, (4) Air Filters, (4) Oil Filters, (4) Fuel Filters; (1) Set of Front Brake Pads for S1.	
57				
58	8822	12/14	178.00 MemorialCare Medical Group - Unisted Preventative Maintenance	
59	8823	12/14	36,436.30 Orange County Sanitation District - Permit Fees for November 2016 (MCSD 5% = \$1,917.70)	
60	8824	12/14	187,303.83 Rainbow Transfer Recycling - Tonnage from 10/15/2016 through 11/30/2016	
61	8825	12/14	232.30 Rainbow Environmental Services - Diesel Usage for November 2016	
62	8826	12/14	11,195.00 State Water Resources Control Board - Annual Permit Dues for 07/01/2016-06/30/2017	
63	8827	12/14	347.64 TEC of California - (2) Alternators for NG2 and Restock	
64	8828	12/14	736.90 TM Services Company - Annual Fire Extinguisher Maintenance Services	
65	8829	12/14	594.04 TSP Printing - (10,900) Customer Notice Tags for Restock	
66	8830	12/14	9.00 Underground Service Alert - (6) New Tickets for November 2016	
67	8831	12/14	441.00 Wespac Security Services - Burglar, Fire, & Gas Alarm Services for October through December 2016	
68	8832	12/14	400.00 White Nelson Diehl Evans - First Interim Billing on Audit of the District's State Controller Reports for FYE 07/01/2015-06/30/2016	
69				
70	8833	12/14	5,838.50 Woodruff, Spradlin & Smart - Legal Services for November 2016	
71			256,149.30 REGULAR CHECKS SUBTOTAL	
72				

73			PAYROLL	
74	12/6	101,912.35	Payroll - Staff Checks Taxes & Direct Deposits	
75	12/6	1,295.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)	
76	12/6	690.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)	
77		103,897.35	PAYROLL SUBTOTAL	
78				
79		1,143,710.77	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)	
80				
81			BANK TRANSFERS	
82	12/2	950,000.00	Transfer Funds from Money Market to Checking Account	
83	12/2	700,000.00	Transfer Funds from Checking Account to LAIF	
84	12/9	750,000.00	Transfer Funds from LAIF to Checking Account	

A motion was made by Director Cobo, seconded by Director Rice, to approve the expenditures in the amount of \$ 1,143,710.77. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

President Diep stated that he met with GM Robbins on December 13, 2016 to discuss the December 20, 2016 agenda, their different approaches to getting things done in 2017 and he felt that it was a very productive meeting.

President Diep stated that since this was his first Board meeting as Board President, he wanted to say that in the past, the Board had perhaps become emotional and spoke over each other at times. He encouraged the Board to be respectful of each other and not interrupt each other, and stated that he would make every effort to let everyone have equal time to speak because, at the end of the day, they are a team.

Report of General Manager

GM Robbins stated that Finance/HR Director Housley was not able to attend the Board meeting because he was attending an important wedding.

GM Robbins reported that one of the District's sewer pump mechanics was in a traffic accident on his way to work this morning. He was not injured but GM Robbins told him to take the rest of the day off because he was shaken up.

GM Robbins reported that the Orange County Transit Authority agreement regarding the widening of the 405 freeway was ready and would be brought back to the Board at the

second meeting in January and that the District will be reimbursed for the cost of inspections.

GM Robbins reported that the District's Christmas tree pickup program would begin on Monday, December 26, 2016 and last for two weeks, until January 6, 2017, during which time the District would not be picking up bulky items. He suggested that the District change the Christmas tree pickup dates to the first two weeks in January because most people do not throw their trees out the week after Christmas and it would be more constructive and cost-effective to change it to the later dates.

Report from the Orange County Sanitation (OCSD) Meeting on December 14, 2016

Director Krippner stated that he had nothing to report at this time.

CONSENT CALENDAR

A. Approve and File the Treasurer's Investment Report for November 2016

B. Approve Annual Vacation Pay in Lieu of Time off Requests for Represented Employees

C. Approve Annual Vacation Pay in Lieu of Time off Requests for Management, Salaried and Unrepresented Employees

D. Approve General Manager's Vacation Request for May 19, 2017 through June 2, 2017 for a Total of Ten (10) Days and Approval of Acting Pay for Finance Director for the Ten (10) Days

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

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Discussion of and Possible Agreement for Service with the City of Westminster for a City-Wide Abandoned Items Pick-up Program

A motion was made by Director Cobo, seconded by Director Krippner, to approve for District staff to try and negotiate an agreement with the City of Westminster for the District to be compensated for a citywide abandoned item pick-up program and to bring it back to the Board for approval. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

B. Consider California Association of Sanitation Agencies (CASA) 2017 Membership Dues

A motion was made by Director Krippner, seconded by Director Rice, to discontinue the District's membership with California Association of Sanitation Agencies (CASA). The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

C. Consideration of Proposed Resolution Updating Policy Regarding Board of Director Days of Service

Board direction to staff was to:

1) Elimination of Subsection D entitled Notifications on page one of MCSD Board of Director Policy Regarding Requested Days of Service (which will result in re-lettering of the subsequent sections) – "Except for Board of Director or District Committee meetings, Board Members should, if practical, notify the General Manager at least 21 days on advance of the planned attendance at an event constituting a day of service to the District."

2) Addition of the words President Pro Tem to number 9 of Exhibit 1 Meetings/Requested Days of Service – "Service rendered as the Treasurer, Secretary, President, President Pro Tem or other officer of the Board (such as Treasurer/Treasurer Pro Tem review of District warrants and Secretary/Secretary Pro Tem review of Board meeting minutes)."

D. RESOLUTION NO. 2016-15

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ADOPTING A REVISED POLICY REGARDING BOARD OF DIRECTOR DAYS OF SERVICE PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 6489

A motion was made by Director Rice, seconded by Director Cobo, to approve the changes to the policy and adopt Resolution No. 2016-15. The motion was approved by the following 5-0 roll call vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. California Public Employees' Retirement System (CalPERS) Circular Letters

B. Updated Policy Handbook Provided at the Dias

No action taken. Receive and file.

BOARD CONCERNS/COMMENTS

Director Cobo wished everyone a Merry Christmas and Happy New Year, and stated that he was looking forward to working with the District's new Director, Charlie Nguyen.

Director Rice thanked everyone for the gifts that she received. She also thanked staff for the past year and everything that had been accomplished.

Director Nguyen thanked everyone for welcoming him, wished everyone a happy holiday and stated that he brought everyone a personalized gift.

Director Nguyen stated that he would not be able to attend the January 3, 2017 meeting.

President Diep stated that he appreciated that everyone on the Board unanimously authorized staff to work with the City regarding the abandoned items and wished everyone a Merry Christmas and Happy New Year.

GM/STAFF CONCERNS/COMMENTS

GM Robbins wished everyone a Merry Christmas and Happy New Year. He stated that the next agenda, the first in January, would be very light, and that the Resolution for approval of Board of Director and staff attendance at specified events would be on that agenda. He stated that the Resolutions are needed for District transparency and in order to receive the District of Transparency award. GM Robbins stated that Director Nguyen should attend the Special District Leadership Academy conference in La Jolla February 27 through March 1, 2017, which would give him an overview of Special District governance as well as Ethics and Sexual Harassment training, which he is required to do.

GENERAL COUNSEL CONCERNS/COMMENT

General Counsel Eggart stated that Section 17 of the District's Policy and Procedures dictates that if Board members have individual contact with him regarding District legal issues, that he must report it at the next regular meeting. He stated that after the last meeting on December 8, 2016, Finance/HR Director Housley brought General Counsel Eggart into a meeting with President Diep regarding what turned out to be items 9C and 9D on tonight's agenda – what the current policy was and how to go about changing it. General Counsel Eggart stated that he would work with the General Manager to get it before the Board. He wished a Happy Holiday to everyone.

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 Diep adjourned the meeting to Tuesday, January 3, 2016 at 5:00 P.M. at the District office at approximately 5:46 P.M.


Charlie Nguyen, Secretary