

**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**

**March 21, 2017**

**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, March 21, 2017 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  
Robert Housley, Finance/HR Director  
James Eggart, General Counsel  
Danielle Gerardo, Board Secretary

**PLEDGE AND INVOCATION**

GM Robbins led the Pledge of Allegiance. Director Rice gave the Invocation.

**PUBLIC COMMENTS**

None

**APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF MARCH 7, 2017**

A motion was made by Director Rice, seconded by Director Cobo, to approve the minutes of the regular meeting of March 7, 2017. The motion was approved by the following 5-0 vote:

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

**APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF MARCH 14, 2017**

A motion was made by Director Cobo, seconded by Director Nguyen, to approve the minutes of the special meeting of March 14, 2017. 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 \$ 206,794.28**

#	CK #	Date	AMOUNT	VENDOR	
1				<b>HANDCUT CHECKS:</b>	
2	8991	3/8	309.24	AT&T Mobility - Service for February 2017: (KR) 714-310-2313, (NC) 714-310-8653, (DGr) 714-325-3606,	
3				Sewer 714-310-8654, Emergency 714-310-9004.	
4	8992	3/8	123.98	DirectTV - Service for March 2017	
5	8993	3/8	5,772.47	US Bank -	
6				(DGe) Board Meeting Refreshments for 02/07 & 02/21/2017	\$14.97
7					<b>DGe Total \$14.97</b>
8				(DGr) Restock Sewer Operating Supplies for JAN-2017	\$454.85
9				(DGr) Return	-\$100.39
10					<b>DGr Total \$354.46</b>
11				(RH) City of Westminster - Water - Maint. Shop 11/23/16-01/17/2017	\$14.40
12				(RH) City of Westminster - Water - District Offices 11/23/16-01/17/2017	\$84.03
13				(RH) City of Westminster - Water - Wash Rack 11/23/16-01/17/2017	\$73.87
14				(RH) 1099MISC Forms	\$51.70
15				(RH) Remington Monthly Svcs FEB-2017	\$64.00
16				(RH) Restock Postage for District FEB-2017	\$50.25
17				(RH) City of Westminster - Water - Westminster Lift Station 12/14/16-02/07/2017	\$14.40
18				(RH) OC Register Subscription DEC-2016	\$54.68
19				(RH) CSMFO Luncheon 03/02/2017	\$30.00
20					<b>RH Total \$437.33</b>

21		(NC) Restock District Kitchen Supplies	\$541.75
22		(NC) Prybar & Valve Adjustment Tool for Shop	\$213.94
23		(NC) Anaerobic Thread Sealant for CNG Station	\$94.96
24		(NC) 3-Piece Raingear	\$44.33
25		(NC) (2) Light Bulbs for Outside of District Building	\$36.01
26		(NC) MOD Kit & Fuel Filter for M1	\$380.31
27		(NC) Returns	-\$48.47
28			<b>NC Total \$1,262.83</b>
29		(KR) CSDA SDLA Conf La Jolla 02/26-03/01/2017 (KR)	\$600.00
30		(KR) CSDA SDLA Conf La Jolla 02/26-03/01/2017 (MR, CN, FC)	\$1,200.00
31		(KR) Meeting with President Diep 02/02/2017	\$15.00
32		(KR) Digital Camera for District	\$588.28
33		(KR) Flowers for Wanda Edwards (Wife of Former Board Member)	\$87.22
34		(KR) Heavy-Duty Mat with District Logo for Front Offices	\$230.48
35		(KR) Wiacom Monthly Svc JAN-2017	\$490.95
36		(KR) Wiacom Monthly Svc FEB-2017	\$490.95
37			<b>KR Total \$3,702.88</b>
38	8994	3/15 12,056.47 CalPERS Retirement - Retirement Contributions for March 2017	
39	8995	3/15 3,919.11 The Gas Company - CNG Fuel for February 2017	
40	8996	3/15 92.90 The Gas Company - District Office, Maintenance Shop, & Wash Rack Usage Fees for March 2017	
41	8997	3/15 Void: Printing Error	
42	8998	3/15 1,281.52 Verizon Business - Internet Connection for March 2017	
43	9019	3/15 704.00 Luong K. Luong - Reimbursement of Permit No. 6387	
44		<b>24,259.69 HANDCUT CHECKS SUBTOTAL</b>	
45			
46		<b>REGULAR CHECKS:</b>	
47	8999	3/15 251.16 Advanced Gas Products - Cylinder Rental for February 2017	
48	9000	3/15 531.63 Advanced Office Service - Restock (2) Black, (1) Yellow, (1) Cyan Toner for Ricoh Copier	
49	9001	3/15 232.90 Advanced Workplace Strategies - DOT Drug Testing	
50	9002	3/15 240.00 Asbury Environmental Services - (400) Gallons Used/Mixed Oils for Pick-Up	
51	9003	3/15 1,142.15 Bodyworks Equipment - (4) 4" Cam Follower, (20) 2" Cam Follower for Restock	
52	9004	3/15 62,515.23 CR Transfer - Tonnage from 02/16/2017 through 02/28/2017	
53	9005	3/15 2,214.57 Daniels Tire Service - (11) Recaps for Restock	
54	9006	3/15 246.18 G & K Services - Uniform Services for March 2017	
55	9007	3/15 180.00 Glyn's Mobile Opacity Testing - Perform Diesel Opacity Testing on S1, M63, & M64	
56	9008	3/15 91.12 Los Alamitos NAPA Auto Parts - (1) Oil Lubricant, (90) Shop Towels, (1) Working Hands Soap for Shop	
57	9009	3/15 1,940.94 Los Angeles Freightliner - (1) Spring & (1) Window for NG3; (1) Right & (1) Left Window for Restock	
58	9010	3/15 95.00 Memorial Care Medical Group - Unlisted Preventative Maintenance	
59	9011	3/15 262.70 North American Safety - (20) Screenprinted Reflective Safety Vests, (12) Pairs of Gloves for Restock	
60	9012	3/15 43,695.25 Orange County Sanitation District - Permit Fees for February 2017 (MCSD 5% = \$2,299.75)	
61	9013	3/15 92.03 Petty Cash -	
62		Meeting w/ Board President	\$7.02
63		Candy for Reception Area	\$45.54
64		Notarized Document (KR)	\$15.00
65		Parking for County	\$1.50
66		Parking for County	\$3.00
67		Candy for Reception Area	\$19.97

68	9014	3/15	1,058.00	Rutan & Tucker - Legal Services for February 2017
69	9015	3/15	4,535.82	TEC of California - (1) Disc Brake Kit for NG4; Restock (10) Drains for Fleet
70	9016	3/15	718.58	Tell Steel - (10) 5/16" Steel Plate 2'x96" for Restock
71	9017	3/15	12.00	Underground Service Alert - (8) New Tickets for February 2017
72	9018	3/15	3,060.00	Woodruff, Spradlin & Smart - Legal Services for February 2017
73			123,115.26	REGULAR CHECKS SUBTOTAL
74				
75				PAYROLL
76		3/14	57,284.33	Payroll - Staff Checks Taxes & Direct Deposits
77		3/14	715.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
78		3/14	1,420.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
79			59,419.33	PAYROLL SUBTOTAL
80				
81			206,794.28	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
82				
83				BANK TRANSFERS
84		3/2	250,000.00	Transfer Funds from LAIF to Checking Account
85		3/10	600,000.00	Transfer Funds from Money Market to Checking Account
86		3/10	350,000.00	Transfer Funds from Checking Account to LAIF

A motion was made by Director Cobo, seconded by Director Rice, to approve the expenditures in the amount of \$ 206,794.28. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

## REPORTS

### Report of President

None

### Report of General Manager

GM Robbins reminded the Board of the luncheon for solid waste driver, Sergio Gonzalez, the District's 2016 Employee of the Year on Wednesday, March 22, 2017 at 12 noon.

GM Robbins also reminded the Board of the Chamber of Commerce Spirit Awards luncheon on Thursday, March 30, 2017 at 11:30am at the Rose Center.

GM Robbins reminded the Board that their 700 forms were due by April 3, 2017.

**Report from the Orange County Sanitation (OCSD) Meeting on March 8, 2017**

None

**Report from the Franchise Committee Meeting on March 15, 2017**

Director Rice reported that the meeting was very beneficial and that General Manager Robbins was very well prepared and General Counsel Eggart brought up some valid points in the meeting, which resulted in some reduced costs for the District.

Director Cobo stated that CR&R is good to work with, and are knowledgeable and transparent and that he is glad that the General Manager works well with them as well.

Director Nguyen asked if there was opportunity to discuss the customer complaint against CR&R.

GM Robbins stated that the customer had complained again this morning, that she is being charged the same rate as before, and that there have been no changes. CR&R credited her account as a courtesy but the cameras show that her service was complete.

**CONSENT CALENDAR**

A. Approve and file the Treasurer's Investment Report for February 2017

B. Approval of Tour of CR&R's Organic Solutions Resources Facility in Perris, California

A motion was made by Director Cobo, seconded by Director Rice, 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 Possible Options Regarding the Request by the City of Westminster for Midway City Sanitary District to take on Essential City Service to Pick up Abandoned Items

GM Robbins explained that there were two possible options for the Board to consider. The first is to decline the request of the City of Westminster for the District to take over the essential City service of picking up abandoned items throughout the City. The second option is to propose a five year minimum reimbursement agreement for actual costs to the District for providing those services. GM Robbins noted that, upon contacting LAFCO, was told that the District would not be able to just take over and provide the service needed because the District is not vested with constitutional police powers and public works powers to provide the service, and that this is why no third option was presented to the Board. LAFCO questioned if it was legal to contract via agreement and recommended if a contract agreement was considered, that District Counsel make a finding in the Districts formation to legally do so.

Director Rice stated that she was not in support of the District taking on the service, especially since the District would need to hire additional employees, purchase an additional vehicle, and that the City should take responsibility for the service, especially since they just received a 1% sales tax increase.

Directors Cobo and Krippner agreed with Director Rice that the District should decline the request for service by the City of Westminster.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Krippner, seconded by Director Cobo, to direct the General Manager to write a letter declining the request by the City of Westminster for the District to take on essential City service to pick up abandoned items. The motion was approved by the following 4-0-1 vote:

AYES: Cobo, Diep, Krippner, and Rice

NAYS:

ABSTAIN: Nguyen

ABSENT:

### B. Consider Setting a Date for Presentation of the Solar Panel Program Development by OpTerra Energy Services and Review of the District's Options for 14451 Cedarwood Avenue, Westminster

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Cobo, seconded by Director Nguyen, to schedule a study session for a presentation of the solar panel program development by OpTerra Energy Services, and review the District's options on Tuesday, April 11, 2017 at 5 P.M. The motion was approved by the following 5-0 vote:

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

C. RESOLUTION NO. 2014-04

*(Roll Call Vote)*

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, COMMENDING EMPLOYEE AND 2016 PUBLIC SERVICE AWARD RECIPIENT, SERGIO GONZALEZ

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Krippner, seconded by Director Nguyen, to adopt Resolution No. 2014-04. The motion was approved by the following 5-0 roll call vote:

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

D. Consider and Approve Scheduling all of the Public Budget Workshop/Study Sessions and Public Hearing for Budget Adoption for Fiscal Year 2017-2018 (July 1, 2017 through June 30, 2018)

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Nguyen, seconded by Director Cobo, to approve April 25, 2017 at 5 P.M. for the first budget meeting, May 23, 2017 at 5 P.M. for the second budget meeting, and June 26, 2017 at 5 P.M. for the final budget meeting and public hearing. The motion was approved by the following 5-0 vote:

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

**INFORMATIONAL ITEMS**

A. Special District Risk Management Authority (SDRMA) Workers' Compensation Program Cost for Fiscal Year 2017-18

No action taken. Receive and file.

## BOARD CONCERNS/COMMENTS

Director Rice commended the General Manager and General Counsel for being so prepared for the Franchise Committee meeting.

## GM/STAFF CONCERNS/COMMENTS

None

## GENERAL COUNSEL CONCERNS/COMMENT

None

## CLOSED EXECUTIVE SESSION

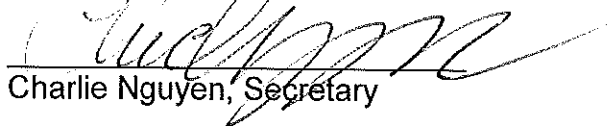
**CLOSED SESSION:** During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government 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, April 4, 2017 at 5:00 P.M. at the District office at approximately 5:38 P.M.

  
Charlie Nguyen, Secretary