

**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**

November 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, November 21, 2017 at 5:00 P.M.

BOARD MEMBERS PRESENT:

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

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, HR/Finance Director
James Eggart, General Counsel
Danielle Gerardo, Board Secretary

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF NOVEMBER 7, 2017

A motion was made by Director Nguyen, seconded by Director Rice, to approve the minutes of the regular meeting of November 7, 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 \$ 175,515.80

#	CK #	Date	AMOUNT	VENDOR	
1				HANDCUT CHECKS:	
2	9471	11/9	350.40	AT&T Mobility-Service for October 2017:(KR)714-310-2313,(NC)714-310-8653,(DGr)714-325-3606,	
3				Sewer 714-310-8654, Emergency 714-310-9004	
4	9472	11/9	121.98	DirectTV - Service for November 2017	
5	9473	11/9	4,075.66	The Gas Company - CNG Fuel for October 2017	
6	9474	11/9	3,576.86	US Bank	
7				(DGe) Board Meeting Refreshments for 10/03	\$7.99
8					Dge Total \$7.99
9				(DGr) Restock Sewer Maintenance Supplies OCT-2017	\$248.11
10					DGr Total \$248.11
11				(RH) Remington Monthly Services AUG-2017	\$64.00
12				(RH) CSDA Sample Policy Handbook	\$243.56
13				(RH) City of Westminster - Water - District Hydrant Meter Usage SEP-2017	\$56.23
14				(RH) City of Westminster - Water - Westminster Lift Station 07/26-09/19/2017	\$14.51
15				(RH) CSMFO Chapter Meeting 10/19/2017	\$30.00
16				(RH) City of Westminster - Water - District Hydrant Meter Usage OCT-2017	\$56.23
17					RH Total \$464.53
18				(NC) 2AMP Power Supply for Main Office Camera System	\$32.63
19				(NC) Restock District Kitchen Supplies OCT-2017	\$259.54
20				(NC) 2Pack Memory Card for NG9 & Restock	\$43.37
21				(NC) 1 3/8" Wrench for M63	\$35.87
22				(NC) (2)LED Tactical Flashlights for Sewer Maint.	\$28.48
23				(NC) (7) Small Steel Plates for NG Solid Waste Trucks Hopper Area	\$22.68
24				(NC) (12) Silicone All Surface for Tailgate Seals on NG Trucks	\$81.82
25				(NC) (6) Traffic Safety Signs & Cones for Vactor NG12(M65)	\$65.48
26				(NC) Food for Driver's Safety Training 10/14/2017	\$236.45
27				(NC) Coffee Maker for Driver's Office	\$239.24
28				(NC) (12) Fuses (15,20,25,30AMP)/(3) of Each	\$78.17
29				(NC) (4) Nipples, (2) Plugs, (2) Couplings, (1) Elbow, (1) Pipe to Upsize Air Connection Shop	\$20.92
30					NC Total \$1,144.65

31			(KR) Food & Refreshments for CSDA Conference Monterey, CA 09/25-09/28/2017 (KR)	\$206.29
32			(KR) Hotel for CSDA Conference Monterey, CA 09/25-09/28/2017 (KR)	\$1,373.50
33			(KR) Meeting with President Diep 10/09/2017	\$9.79
34			(KR) Book Purchase at CSDA Conference Monterey, CA 09/25-09/28/2017	\$20.00
35			(KR) ISDOC Quarterly Luncheon 10/26/2017 (RH)	\$17.00
36			(KR) ISDOC Quarterly Luncheon 10/26/2017 (TD)	\$17.00
37			(KR) ISDOC Quarterly Luncheon 10/26/2017 (CN)	\$17.00
38			(KR) ISDOC Quarterly Luncheon 10/26/2017 (AK)	\$17.00
39			(KR) ISDOC Quarterly Luncheon 10/26/2017 (FC)	\$17.00
40			(KR) ISDOC Quarterly Luncheon 10/26/2017 (MR)	\$17.00
41				KR Total \$1,711.58
42	9475	11/15	1,466.68 Chi Charlie Nguyen -Reimbursement for Travel,Hotel,&Food for the CSDA Conference	
43			Monterey,CA from 09/25/2017 to 09/27/2017	
44	9476	11/15	67.68 The Gas Company -District Office,Maintenance Shop,Wash Rack Usage Fees for November 2017	
45	9477	11/15	1,302.41 Verizon Business - Internet Connection for November 2017	
46			10,961.67 HANDCUT CHECKS SUBTOTAL	
47				
48			REGULAR CHECKS:	
49	9478	11/15	62.00 Advanced Gas Products - Cylinder Rental for October 2017	
50	9479	11/15	262.70 Advanced Office Services - Service & Replacement Toner for Ricoh MPC2500	
51	9480	11/15	170.00 Asbury Environmental - (350) Gallons of Used/Mixed Oils Pick-Up	
52	9481	11/15	2,904.15 Atlas Radiator - Parts & Labor to Repair Radiator for NG1	
53	9482	11/15	798.52 Bodyworks Equipment - (8) Grip Belts for Restock	
54	9483	11/15	1,015.00 City of Westminster - (58) One-Pound See's Candy Certificates	
55	9484	11/15	30.00 City of Westminster FARP - 2018 FARP Permit Dues	
56	9485	11/15	3,689.86 Clean Energy - Corrective Service for Leak & Low Pressure to CNG Station	
57	9486	11/15	72,956.05 CR Transfer - Tonnage from 10/16/2017 through 10/31/2017	
58	9487	11/15	2,453.98 Daniels Tire Service - (4) New Tires & (2) Recaps for Restock	
59	9488	11/15	254.42 G & K Services - Uniform Services for November 2017	
60	9489	11/15	136.99 Hillco Fastener Warehouse - (197) Locknuts, Bolts, Washers for Restock	
61	9490	11/15	1,046.74 Los Alamitos NAPA Auto Parts - Restock (6) Halogen Lamps, (2) Air Filters, (2) Oil Filters,	
62			(2) Fuel Filters, (24) 14oz Brakleen, (50ft) Hydraulic Hosing.	
63	9491	11/15	524.94 Merchants Building Maintenance - District Offices Janitorial Services for November 2017	
64	9492	11/15	1,804.28 NVB Equipment - Air Conditioning Inspection & Service for NG5, NG6, M64	
65	9493	11/15	2,134.55 Orange County Sanitation District - Fourth Quarter FOG Inspections 2016-2017	
66	9494	11/15	5,484.49 Rehrig Pacific Company - (112) 95-Gallon Black Containers for Restock	
67	9495	11/15	VOID Correction to Transaction Error	
68	9496	11/15	2,880.00 Stater Brothers Market #27 - (30) Gift Cards with 4.0% (\$120.00) Discount Applied	
69	9497	11/15	607.50 Theresa Kaszyk - District Website Services from July 2017 through October 2017	
70	9498	11/15	33.10 Underground Service Alert - (14) New Tickets for October 2017	
71			99,249.27 REGULAR CHECKS SUBTOTAL	
72				

72			
73			PAYROLL
74	11/7	63,444.86	Payroll - Staff Checks Taxes & Direct Deposits
75	11/8	715.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
76	11/8	1,145.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
77		65,304.86	PAYROLL SUBTOTAL
78			
79		175,515.80	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL)
80			
81			BANK TRANSFERS
82	11/9	8,000.00	Transfer Funds from Money Market to Checking Account
83	11/9	965.48	ACH Retirement Payment to CalPERS for November 2017
84	11/9	1,113.08	ACH Retirement Payment to CalPERS for November 2017
85	11/9	10,624.69	ACH Retirement Payment to CalPERS for November 2017
86	11/13	750,000.00	Transfer Funds from Checking Account to LAIF
87	11/13	1,000,000.00	Transfer Funds from Money Market to Checking Account

A motion was made by Director Cobo, seconded by Director Nguyen, to approve the expenditures in the amount of \$ 175,515.80. 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 that the District would be closed on Thursday, November 23rd for the Thanksgiving holiday. He stated that the office would also be closed on Friday, but that the drivers would be working on Friday, November 24th, and Saturday, November 25th.

GM Robbins reported that staff sent an email to the City of Westminster to inquire if they are interested in purchasing the District's vector truck #M63 for their services. The District will probably put it up for auction if there is no word from the City by December.

GM Robbins stated that he would be leaving the office early on Monday, November 27, 2017 for a personal family event.

Report from Orange County Sanitation District (OCSD) Meeting on Nov. 8, 2017

Director Krippner provided a copy of the most recent written minutes from OCSD.

Report from the Orange County Sanitation District (OCSD) State of the District Breakfast on November 17, 2017

Director Rice and Cobo reported that it was interesting to hear the updates to OCSD's operations.

CONSENT CALENDAR

- A. Approve and File the Treasurer's Investment Report for October 2017
- B. Approve Renewal of the District's California Special District's Association (CSDA) 2018 Membership Dues

A motion was made by Director Rice, seconded by Director Nguyen, 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. Approval of First Amendment to General Manager's Employment Agreement

General Counsel James Eggart stated that the General Manager would be recusing himself from the discussion on this item.

General Counsel James Eggart stated that, before the Board was the first amendment to the General Manager's Employment Agreement, which he prepared at the Board's direction. It extends the term of the existing agreement by three years, with annual salary increases of 3% in each of those three years. Other than that, there are no other changes. The recommendation is that the Board approve the first amendment to the General Manager's Employment Agreement and authorize the Board President to sign the agreement on behalf of the District.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Rice, seconded by Director Cobo, to approve the First Amendment to the General Manager's Employment Agreement. The motion was approved by the following 4-1-0 vote:

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

B. Discussion of Midway City Sanitary District Organic Waste Recycling Program

GM Robbins explained that the District will need to order two new solid waste trucks at a cost of approximately \$750,000, 19,230 new 65-gallon green organic carts costing approximately \$788,430, hire at least one new employee, and increase tonnage fees for the organic waste recycling program. The total estimated start up cost is \$2,025,870, with an estimated annual cost of \$700,000. The District should get higher diversion numbers due to more source separation, while being in compliance with the State. The District's rates will need to be adjusted in 2019 or 2020 to cover the costs.

GM Robbins stated that staff would put together a full financial plan within the strategic plan so that the Board will have a better understanding of the program and that it will need to be implemented by late 2018. He stated that the District will also need to update its solid waste ordinance.

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 receive and file. The motion was approved by the following 5-0 vote:

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

C. Consider Approval of First Mailer Informing Residents and Promoting Midway City Sanitary District Organic Recycling Program

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 Rice, to approve the first mailer informing residents and promoting the District's organic recycling program. The motion was approved by the following 5-0 vote:

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

D. Consider Approval of Appointment of Ad Hoc Committee for Midway City Sanitary District 80th Anniversary

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director Rice, seconded by Director Cobo, to approve the appointment of Directors Diep and Cobo to an Ad Hoc Committee for the District's 80th anniversary, with Director Rice as an alternate. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director Rice stated that her black container has a crack in it and needs to be exchanged.

Director Nguyen gave kudos to GM Robbins for the District's 2018 calendar.

GM/STAFF CONCERNS/COMMENTS

GM Robbins asked the Board to please reply to the District's Christmas luncheon invitation so that the appropriate amount of food can be ordered.

GENERAL COUNSEL CONCERNS/COMMENT

None

General Counsel James Eggart convened the meeting into closed session for the Board to confer with its labor negotiators identified on agenda item 14A (pursuant to Government Code Section 54957.6) regarding ongoing negotiations with the Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01 at 5:29 P.M.

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.

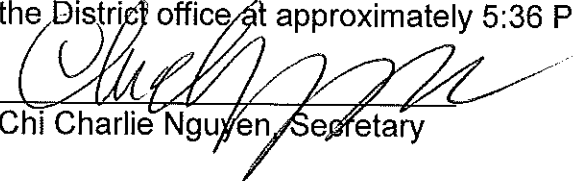
A. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency Designated Representatives: General Manager Robbins, Finance/HR Director Housley
Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01

The Board reconvened in open session at 5:36 P.M.

General Counsel James Eggart stated that the Board met in closed session to confer and give direction to its designated labor negotiators pursuant to Government Code 54957.6 as stated in agenda item 14A and that there was no reportable action as a result of the closed session.

ADJOURNMENT

President Diep adjourned the meeting to Tuesday, December 1, 2017 at 5:00 P.M. at the District office at approximately 5:36 P.M.


Chi Charlie Nguyen, Secretary