

**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**

January 16, 2018

CALL TO ORDER

President Nguyen called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, January 16, 2018 at 5:05 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Margie L. Rice (arrived at 5:07 P.M.)
Tyler Diep (arrived at 5:09 P.M.)
Frank A. Cobo
Chi Charlie Nguyen

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, HR/Finance Director
James Eggart, General Counsel
Danielle Gerardo, Board Secretary
George Lazaruk, CR&R
Thanh Tran, CR&R

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 2, 2018

A motion was made by Director Krippner, seconded by Director Cobo, to approve the minutes of the regular meeting of January 2, 2018. The motion was approved by the following 3-0 vote:

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

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 226,390.48

| # | CK # | Date | AMOUNT | VENDOR | |
|----|------|------|----------|--|----------------------------|
| 1 | | | | HANDCUT CHECKS: | |
| 2 | 9572 | 1/4 | 1,496.61 | Huong Kim Nguyen - Claim on 01/04/2018 for Incident on 12/31/2017 | |
| 3 | 9573 | 1/5 | 843.82 | Wayne Stickel - Claim on 01/05/2018 for Incident on 01/02/2018 | |
| 4 | 9574 | 1/9 | 331.08 | AT&T Mobility-Service for Dec. 2017:(KR)714-310-2313,(NC) 714-310-8653, (DGr)714-325-3606, | |
| 5 | | | | Sewer 714-310-8654, Emergency 714-310-9004. | |
| 6 | 9575 | 1/9 | 1,266.08 | Chevron & Texaco Bus. Card Svcs. - Gasoline Purchases for December 2017 | |
| 7 | 9576 | 1/9 | 121.98 | DirectTV - Service for January 2018 | |
| 8 | 9577 | 1/9 | 4,442.73 | The Gas Company - CNG Fuel for December 2017 | |
| 9 | 9578 | 1/9 | 4,306.21 | US Bank | |
| 10 | | | | (DGe) Board Meeting Refreshments for 11/21, 12/05, 12/01, 12/19 | \$52.73 |
| 11 | | | | | Dge Total \$52.73 |
| 12 | | | | (RH) Remington Monthly Service OCT-2017 | \$64.00 |
| 13 | | | | (RH) City of Westminster - Water - Westminster Lift Station 09/20-11/14/2017 | \$14.51 |
| 14 | | | | (RH) City of Westminster - Water - District Hydrant Meter Usage NOV-2017 | \$86.83 |
| 15 | | | | (RH) CSMFO Chapter Meeting 12/06/2017 | \$50.00 |
| 16 | | | | (RH) Remington Monthly Service NOV-2017 | \$64.00 |
| 17 | | | | | RH Total \$279.34 |
| 18 | | | | (NC) Restock District Kitchen Supplies NOV-2017 | \$164.88 |
| 19 | | | | (NC) (1) Mouse Trap for Shop & Restock (15) Respirators | \$27.12 |
| 20 | | | | (NC) (4) 32GB SD Cards for Restock, NG5, NG9 | \$77.82 |
| 21 | | | | (NC) Weed & Grass Spray for District Yard | \$32.56 |
| 22 | | | | (NC) Replace Piping for Steamer in Wash Rack | \$82.26 |
| 23 | | | | (NC) Restock District Kitchen Supplies DEC-2017 | \$52.44 |
| 24 | | | | | NC Total \$437.08 |
| 25 | | | | (KR) Tree Trimming Services for District Yard Trees 11/22/2017 | \$725.20 |
| 26 | | | | (KR) Agenda Meeting with GM & Board President 11/29/2017 | \$8.70 |
| 27 | | | | (KR) Front Office Holiday Decorations | \$57.57 |
| 28 | | | | (KR) Decorations, Utensils, Refreshments, Candy, Center Peices for Luncheon 12/09/2017 | \$442.73 |
| 29 | | | | (KR) Harbor Rental - (13) Round Tables, (13) Linens, (3) Banquet, (3) Linens, (108) Chairs | \$1,308.57 |
| 30 | | | | for Luncheon 12/09/2017, 30'x40' Canopy Tent, (10) Water Barrels | |
| 31 | | | | (KR) Bi-Metal Sow Blades for Shop | \$38.05 |
| 32 | | | | (KR) 8750 WATT Portable Generator for Sewer | \$625.29 |
| 33 | | | | (KR) Wiarcom Monthly Svc. DEC-2017 | \$490.95 |
| 34 | | | | | KR Total \$3,697.06 |

| | | | | |
|----|------|------|------------|--|
| 35 | 9579 | 1/9 | 1,288.72 | Verizon Business - Internet Connection for January 2018 |
| 36 | | | 14,097.23 | HANDCUT CHECKS SUBTOTAL |
| 37 | | | | |
| 38 | | | | REGULAR CHECKS: |
| 39 | 9580 | 1/11 | 263.25 | Advanced Gas Products - Cylinder Rentals for December 2017; Restock Gloves for Shop |
| 40 | 9581 | 1/11 | 2,934.15 | Atlas Radiator - Labor & Parts to Repair Radiator for NG9 |
| 41 | 9582 | 1/11 | 5,490.55 | Bodyworks Equipment-Restock (2)Interface Boxes, Grip Cylinder, Arm Cylinder, Packer Cylinder |
| 42 | 9583 | 1/11 | 172.40 | CRC Cloud - Upgrade and Parts for Receptionist Computer Hard drive |
| 43 | 9584 | 1/11 | 60,872.34 | CR Transfer - Tonnage from 12/18/2017 through 12/30/2017 |
| 44 | 9585 | 1/11 | 686.28 | Danlet's Tire Service - (3) Recaps for Restock |
| 45 | 9586 | 1/11 | 3,964.00 | DinTech - (20) 29"x93" PVC Truck Signs for Organic Recycling Program for Fleet |
| 46 | 9587 | 1/11 | 525.00 | Frog Environmental - 2017-2018 Storm Water Payment #3 |
| 47 | 9588 | 1/11 | 254.42 | G & K Services - Uniform Services for December 2017 & January 2018 |
| 48 | 9589 | 1/11 | 181.56 | Grainger - 3'x20' Suction Hose for District Sewer Bypass Pump |
| 49 | 9590 | 1/11 | 1,072.28 | Haaker - (2) Tiger Tails and (2) Manhole Rollers for Restock & Vactor Trucks (NG12 & M64) |
| 50 | 9591 | 1/11 | 347.50 | Konecranes - 2017 Quarterly PM Service of Shop Crane |
| 51 | 9592 | 1/11 | 180.42 | Los Alamitos Napa Auto Parts - Restock (2) Grip Kits and (2) HD Plus |
| 52 | 9593 | 1/11 | 17,069.48 | Orange County Sanitation District - Permit Fees for December 2017 (MCSD 5% = \$898.39) |
| 53 | 9594 | 1/11 | 23,314.27 | Otto Environmental Systems - Restock (456) 95-Gallon Blue Containers |
| 54 | 9595 | 1/11 | 2,176.28 | Plumber's Depot - (1) Each Directional Valve, Throttle Switch, Sensor Socket, Rodder Pump |
| 55 | | | | Sensor, Strainer Screen; (2) Each Y-Strainer Cap Gasket, Y-Strainer Baskets- for M63 |
| 56 | 9596 | 1/11 | 475.52 | PSI - Labor & Parts to Repair Wash Rack Steamer |
| 57 | 9597 | 1/11 | 3,452.00 | Pumpman - Sewage Pump Troubleshoot Check Valve at Brookhurst Lift Station |
| 58 | 9598 | 1/11 | 550.00 | Radio Bolsa - 10-Minute Talk Shows for Recycling on 12/25 & 12/27/2017 |
| 59 | 9599 | 1/11 | 4,540.67 | Rosemead Oil Products - Restock (100) Gallons each of CNG Plus Oil, SMART Oil, (2) Drums |
| 60 | | | | HD Antifreeze, (200) Gallons of Hydraulic Oil |
| 61 | 9600 | 1/11 | 2,178.63 | TEC of California - (2) Sentry Seats for NG4 & NG7; (1) Rotor & Seal for NG1 |
| 62 | 9601 | 1/11 | 348.75 | Theresa Kaszyk - District Website Services from November 2017 & December 2017 |
| 63 | 9602 | 1/11 | 483.60 | Top Mobile Vision-Labor & Parts (2) 65' Video Cables Installation/Replacement for NG3 Camera |
| 64 | 9603 | 1/11 | 20.13 | TrucPar - Restock (4) Fittings for Shop |
| 65 | 9604 | 1/11 | 18.25 | Underground Service Alert - (5) New Tickets for December 2017 |
| 66 | 9605 | 1/11 | 550.00 | Viet-Nam California Radio - 10-Minute Talk Shows for Recycling on 12/22 & 12/25/2017 |
| 67 | | | 132,121.73 | REGULAR CHECKS SUBTOTAL |
| 68 | | | | |
| 69 | | | | PAYROLL |
| 70 | | 1/2 | 65,608.27 | Payroll - Staff Checks Taxes & Direct Deposits |
| 71 | | 1/2 | 1,145.00 | Payroll - Nationwide Deferred Compensation (100% Paid By Employees) |
| 72 | | 1/2 | 715.00 | Payroll - Nationwide Deferred Compensation (100% Paid By Employees) |
| 73 | | | 67,468.27 | PAYROLL SUBTOTAL |
| 74 | | | | |
| 75 | | | | ACH TRANSFERS |
| 76 | | 1/9 | 965.48 | ACH Retirement Payment to CalPERS for December 2017 |
| 77 | | 1/9 | 1,113.08 | ACH Retirement Payment to CalPERS for December 2017 |
| 78 | | 1/9 | 10,624.69 | ACH Retirement Payment to CalPERS for December 2017 |
| 79 | | | 12,703.25 | ACH TRANSFERS SUBTOTAL |
| 80 | | | | |

| | | | |
|----|-------|--------------|---|
| 80 | | | |
| 81 | | 226,390.48 | TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS) |
| 82 | | | |
| 83 | | | BANK TRANSFERS |
| 84 | 12/27 | 2,700,000.00 | Transfer Funds from Checking Account to LAIF |
| 85 | 1/5 | 1,000,000.00 | Transfer Funds from Checking Account to LAIF |
| 86 | 1/5 | 1,336,694.84 | 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 \$ 226,390.48. The motion was approved by the following 3-0 vote:

AYES: Cobo, Krippner, and Nguyen

NAYS:

ABSTAIN:

ABSENT: Diep, Rice

Director Rice arrived at the meeting at 5:07 P.M.

REPORTS

Report of President

President Nguyen reported that when he met with the General Manager to go over the agenda, they discussed possibly getting the cost for small waste containers for inside of people's homes for organic waste.

Report of General Manager

GM Robbins reported that Director Diep was on his way to the meeting.

GM Robbins reported that the District's sewer crew is down one due to an automobile accident one of the employees had while out on vacation. The District is doing some cross training in the meantime, especially during siphon week, and he is planning to return to work in February.

GM Robbins reported that he asked Tesco Control to provide the District with a cost study to upgrade the SCADA System using radio waves instead of the internet. The District has been having internet issues for some time and the routers for each lift station need to be upgraded. GM Robbins stated that he will have another company provide a quote in order to compare and that this item will be on next years' budget.

GM Robbins reported that the three class C trucks that the District ordered will be arriving this week but won't go into service immediately because they will need to have arrowboards and logos attached.

GM Robbins stated that each Director was provided with information regarding 460 or 470 forms, which are due January 31, 2018 and 700 forms which are due in April.

GM Robbins reminded the Board of the Independent Special Districts of Orange County (ISDOC) Quarterly meeting and luncheon on Thursday, January 25, 2018 at 11:30 A.M. The topic at the meeting will be Midway City Sanitary District.

Director Diep arrived at the meeting at 5:09 P.M.

CONSENT CALENDAR

A. Approve and File the Treasurer's Investment Report for December 2017

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. Consider Adoption of Midway City Sanitary District 2018 Strategic Plan

GM Robbins stated that the updated changes were highlighted and include the Board of Directors, Projects Completed Since 2003, Concerns to the District, Estimated Operating Expenses, Estimated M.R.F. Per Ton Rate and Fees, Reserve Assumptions, Suggested Fee Rate Structure and Increases and the 75% Recycling Goal and Curbside Organic Recycling. The largest concern of the District is the high number of cars on the street that the District's solid waste fleet has to avoid while servicing containers. The biggest update is the implementation cost of a curbside organic recycling program was also added, with a fully burdened operational annual cost to the District of \$712,759.

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 staff's recommendation to adopt the Midway City Sanitary District 2018 Strategic Plan. The motion was approved by the following 5-0 vote:

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

B. Consider Approval of Purchase of Two New 26-Yard Automated Side Loader, Cab-Over Compressed Natural Gas (CNG) Solid Waste Collection Trucks for the Midway City Sanitary District Fleet

GM Robbins asked that the Board waive the formal bid process for these two trucks since the formal bid process was completed in 2013-14 and added that if approved, would be part of the 2018-2019 budget.

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 waive the formal bid process and approve staff's recommendation to approve the purchase of two new 26-yard automated side loader, cab-over CNG solid waste trucks from TEC Equipment for a total of \$650,156.16. The motion was approved by the following 5-0 vote:

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

C. Consider Approval of Purchase of a New Compressed Natural Gas (CNG) Combination Sewer Vactor Truck from Haaker Equipment Company

GM Robbins stated that the District went through a rigorous bidding process for the Vactor truck that was delivered in July 2017 and that the sewer crew is pleased with the truck. The second truck will cost more due to 2% inflation, a California compliant Cummings ISL near zero NOX engine and a jet scan camera nozzle with tablet. GM Robbins again asked the Board to waive the formal bid process, if approved.

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 waive the formal bid process and approve staff's recommendation to authorize staff to purchase one new CNG sewer Vactor truck from Haaker Equipment Company at a total cost not to exceed \$484,588.91. The motion was approved by the following 5-0 vote:

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

D. Consider Approval of Employee Ten-Year Driving Safety Award for Relief Solid Waste Driver/Utility, Gustavo Carrera

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 ten year safety award for Relief Solid Waste Driver/Utility Gustavo Carrera in the amount of \$300. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Nguyen and Rice

NAYS:

ABSTAIN:

ABSENT:

Director Rice asked if there would be a luncheon to present the award.

GM Robbins stated that the District could do a luncheon in March and include Sewer Lead Worker, Darrell Grimes, who would be at the District 30 years in May 2018. Also, depending on whether the Chamber does the Employee of the Year award, the District could do its own and combine all three.

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director Rice stated that she has a black container that is broken and needs to be exchanged.

Director Cobo stated that he brought business cards for two different mariachi bands for the General Manager to look into for the TET Parade.

President Nguyen thanked George Lazaruk and Thanh Tran from CR&R for attending the meeting.

GM/STAFF CONCERNS/COMMENTS

GM Robbins wished Director Diep a happy birthday.

Finance/HR Director Housley stated that each Director was provided with a list of 2018 pay dates and W-2 forms.

GENERAL COUNSEL CONCERNS/COMMENT

None

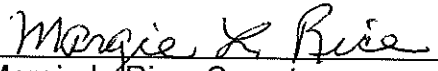
CLOSED EXECUTIVE SESSION

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.

ADJOURNMENT

President Nguyen adjourned the meeting to Tuesday, February 6, 2018 at 5:00 P.M. at the District office at approximately 5:47 P.M.


Margie L. Rice, Secretary