

**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**

TELECONFERENCE MEETING LOCATION:

**DIRECTOR ALLAN KRIPPNER ATTENDED THIS REGULAR MEETING OF THE
BOARD OF DIRECTORS VIA TELECONFERENCE FROM THE FOLLOWING
LOCATION:**

15872 PLUMWOOD STREET, WESTMINSTER, CA 92683

December 3, 2019

CALL TO ORDER

President C. 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, December 3, 2019 at 5:08 P.M.

General Counsel James Eggart asked Director A. Krippner to confirm, for the record, if there was any member of the public present at the meeting from his location.

Director A. Krippner confirmed that it was only him attending from his location.

General Counsel James Eggart asked Director A. Krippner if he posted the agenda from his location.

Director A. Krippner confirmed that he posted the agenda three days in advance.

BOARD MEMBERS PRESENT:

Al P. Krippner (attending via teleconference)
Margie L. Rice
Andrew Nguyen
Sergio Contreras (arrived at 5:10 P.M.)
Chi Charlie Nguyen

OTHERS AT MEETING:

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

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

Director S. Contreras arrived at the meeting at 5:10 P.M.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF NOVEMBER 19, 2019

A motion was made by Director A. Nguyen, seconded by President C. Nguyen, to approve the minutes of the regular meeting of November 19, 2019. The motion was approved by the following 4-0-1 roll call vote:

AYES: S. Contreras, A. Nguyen, M. Rice and C. Nguyen

NAYS:

ABSTAIN: A. Krippner

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 331,421.14

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	11005	11/15	\$ 750.00	Nguyen, Chinh - Repairs to Vehicle Damaged by MCSD Solid Waste Truck
3	11006	11/25	\$ 317.83	AT&T - Brookhurst Lift Station Service for November 2019
4	11007	11/25	\$ 216.05	AT&T Mobility - Service for November 2019: (KR) 714-310-2313, (NC) 714-310-8653,
5				(RG) 714-325-3606, Sewer 714-310-8654, Emergency 714-310-9004.
6	11008	11/25	\$ 715.00	Ayala's Car Wash - Fleet Truck Washes on 11/13, 11/14, & 11/18
7	11009	11/25	\$ 1,439.18	Wex (Chevron) - Fuel Credit Card for November 2019
8	11010	11/25	\$ 525.26	Cintas - Uniform Services for 11/14 & 11/21
9	11011	11/25	\$ 139,058.60	CR Transfer - Tonnage from 10/16/2019 through 11/15/2019
10	11012	11/25	\$ 707.38	CR&R Incorporated - Tonnage for 40-Yard Bin for Clean-Up Event 10/26/2019
11	11013	11/25	\$ 49.58	SoCal Gas - District Office, Maintenance Shop, & Wash Rack Usage Fees for November 2019
12	11014	11/25	\$ 127.60	LegalShield - Member Paid Services for November 2019
13	11015	11/25	\$ 150.00	Pitney Bowes/Purchase Power - Postage for Postage Machine October 2019

14	11016	11/25	\$ 3,518.05	SDRMA Delta Dental - Dental Insurance Premium for December 2019
15	11017	11/25	\$ 14,073.00	State Water Resources Control Board - Annual Permit Dues for 07/01/2019-06/30/2020
16	11018	11/25	\$ 1,842.29	Verizon Business - Internet Connection for November 2019
17			\$ 163,489.82	HANDCUT CHECKS SUBTOTAL
18				
19				REGULAR CHECKS:
20	11019	12/1	\$ 77.50	Advanced Gas Products - Restock (5) Cylinder Rentals for October 2019
21	11020	12/1	\$ 1,214.30	Bodyworks Equipment - Restock (20) Rocker Switches, (10) O-Rings, (1) Interface Box, (1) Control Box Harness.
22				
23	11021	12/1	\$ 30.00	City of Westminster FARP - 2020 FARP Permit Dues
24	11022	12/1	\$ 2,104.05	Daniels Tire Service - Restock (3) New Tires & (4) Recaps
25	11023	12/1	\$ 290.86	Los Alamitos Napa Auto Parts - Restock (9) Hose Ends
26	11024	12/1	\$ 638.37	NVB Equipment - A/C Service & Repair for NG6
27	11025	12/1	\$ 2,484.00	Rufan & Tucker - Legal Services for October 2019
28	11026	12/1	\$ 1,983.83	TEC of California - Restock (2) Brake Shoes, (2) Brake Drums, (2) Air Springs
29	11027	12/1	\$ 105.23	TrucPar Company - (24) 14oz. Brake Cleaner Spray for Restock
30	11028	12/1	\$ 2,657.50	Woodruff, Spradlin & Smart - Legal Services for Oct 2019; AB 1825 Harassment Seminar & Training
31			\$ 11,585.64	REGULAR CHECKS SUBTOTAL
32				
33				PAYROLL
34		11/19	\$ 69,662.22	Payroll - Staff Checks Taxes & Direct Deposits
35		11/19	\$ 2,374.76	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
36		11/19	\$ 660.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
37			\$ 72,696.98	PAYROLL SUBTOTAL
38				
39				ACH TRANSFERS
40		11/25	\$ 10,927.01	ACH Retirement Payment to CalPERS for Classic 8583 11/04/2019-11/17/2019
41		11/25	\$ 2,483.62	ACH Retirement Payment to CalPERS for PEPRA 11/04/2019-11/17/2019
42		11/25	\$ 1,106.38	ACH Retirement Payment to CalPERS for Classic 11/04/2019-11/17/2019
43		11/25	\$ 10,927.01	ACH Retirement Payment to CalPERS for Classic 8583 10/21/2019-11/03/2019
44		11/25	\$ 2,483.62	ACH Retirement Payment to CalPERS for PEPRA 10/21/2019-11/03/2019
45		11/25	\$ 1,055.43	ACH Retirement Payment to CalPERS for Classic 8584 10/21/2019-11/03/2019
46		12/2	\$ 50,102.62	ACH Employee Health Insurance Payment to CalPERS for December 2019
47		12/2	\$ 4,563.01	ACH Board Health Insurance Payment to CalPERS for December 2019
48			\$ 83,648.70	ACH TRANSFERS SUBTOTAL
49				
50			\$ 331,421.14	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)
51				
52				BANK TRANSFERS
53			\$ -	No Wire Transfers for This Period

A motion was made by Director M. Rice, seconded by Director S. Contreras, to approve the expenditures in the amount of \$ 331,421.14. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, A. Nguyen, M. Rice, A. Krippner, and C. Nguyen
NAYS:
ABSTAIN:
ABSENT:

REPORTS

Report of President

None

Report of General Manager

GM K. Robbins reported that the District's annual Christmas luncheon scheduled for Saturday, December 7 would be moved indoors due to potential rain in the forecast.

GM K. Robbins reported that there were only approximately 20 late stops reported due to the rain and the Thanksgiving holiday.

Report from the Orange County Sanitation District (OCSD) Meeting on November 20, 2019

Director A. Nguyen reported that there were 2 confidential closed sessions during the meeting.

CONSENT CALENDAR

None

OLD BUSINESS

None

NEW BUSINESS

A. Consider Proposals for Independent Auditor Services

GM K. Robbins stated that staff asked the Board to go out for RFP's for independent audit services since it had been five years. It was sent to a number of firms but only three responded with proposals.

Finance/HR Director R. Housley stated that the District sent out its proposal to nine firms that met the Board's preferences, which are that they are local, well established and have extensive experience auditing special districts. He stated that three firms submitted bids – Harshwall & Company, Davis Farr and White Nelson Diehl Evans. Harshwall and Company is located in San Diego, has been around for 10 years and submitted their bid by taking the RFP off the District's website (the District did not directly submit to them). They were the smallest of the three firms with only 15 employees, and their estimated date of presentation to the Board was November (the Board has had a preference to September or October at the latest in the past). They do have previous experience with special districts and their price was the lowest of the three.

Davis Farr has been around for 35 years, has about 45 employees and meet the standards but looking at the proposal, Finance/HR Director Housley did not find any special district experience. Mark Davis, who is a partner, is also employed by Costa Mesa Sanitary District as Treasurer.

White Nelson Diehl Evans has worked with the District before, has been around for more than 90 years, is located in Orange County, with 150 employees and extensive resources, and has performed audits for special districts in the past.

Finance/HR Director noted the difference in the estimated number of hours for each firm and the cost differences for the three year contracts. He received several favorable references for White Nelson Diehl Evans, one for Davis Farr and none for Harshwall & Company. He stated that they all meet the standards from staff's perspective but that White Nelson Diehl Evans is a good fit moving forward, with a new partner and staff.

Director M. Rice stated that the District has been happy with White Nelson Diehl Evans in the past, they are familiar with the District and the District went out for bids as required.

Director A. Krippner asked if the cost each year is the same for each firm.

Finance/Hr Director R. Housley stated that there is an escalator built in each year for each firm.

President C. Nguyen asked when the Board decided on the minimum requirements.

Finance/HR Director R. Housley stated that around six years ago the District contracted with Leaf and Cole, which is located in San Diego and the District has some timing issues, which is why they decided they wanted a local firm.

President C. Nguyen stated that he spoke with White Nelson Diehl Evans on behalf of the Board of Directors and he felt that they were outstanding and very thorough.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director M. Rice, seconded by Director S. Contreras, to approve White Nelson Diehl Evans as Independent Auditor for the District. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, A. Nguyen, M. Rice, A. Krippner, and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

B. Consider Approval of New Web Site Set-up and Monthly Support with Streamline in Order for the Midway City Sanitary District Website to Remain ADA (Americans with Disabilities Act)/Section 508 Compliant

GM K. Robbins stated that as of January 1, 2020 the District's website must be ADA (Americans with Disabilities Act) compliant which has to do with colors and the way it is readable. The District submitted to two companies – Planetaria and Streamline. Theresa Kasprzyk, the District's web site developer, does not have the ability to keep the District's website ADA compliant, but will continue to help District staff. Streamline's monthly subscription includes basic site set up, unlimited hosting, domain name, all new features and updates, unlimited support, access to their knowledge base and website boot-camps.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by President C. Nguyen, seconded by Director S. Contreras, to approve of new web site set-up and monthly support with Streamline in order for the District's website to remain ADA/Section 508 compliant. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, A. Nguyen, M. Rice, A. Krippner and C. Nguyen

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. State Treasurer to Increase Local Agency Investment Fund (LAIF) Deposit Limit to \$65 Million Effective January 1, 2020

Receive and file.

BOARD CONCERNS/COMMENTS

Director S. Contreras welcomed Director A. Krippner back.

President C. Nguyen reminded the Board of the District's holiday luncheon was on Saturday, December 7, 2019 and the reorganization meeting was on Tuesday, December 10, 2019.

GM/STAFF CONCERNS/COMMENTS

GM K. Robbins thanked the Board for moving forward on both the auditors and the District's website compliance.

GENERAL COUNSEL CONCERNS/COMMENTS

None

General Counsel James Eggart convened the meeting at 5:38 P.M. to executive closed session pursuant to Government Code Section 54957 to discuss a matter of public employee discipline. He stated that the purpose of the closed session is for the Board to consider adoption of written findings and a decision following the hearing held in closed session on November 19, 2019, consistent with the findings and decision reported orally at that time.

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.

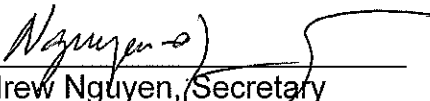
A. PUBLIC EMPLOYEE DISCIPLINE (Government Code Section 54957)

President C. Nguyen reconvened the meeting at 5:52 P.M.

General Counsel James Eggart reported that the Board met in closed session to consider adoption of written findings related to a public employee discipline matter pursuant to government code section 54957, and in that closed session the Board voted 3-0 to adopt the decision in written findings consistent with those made at the November 19, 2019 meeting and reported out. Those written findings will be served on both the General Manager and the appealing employee. He stated that the vote was 3-0 with Directors S. Contreras and A. Krippner abstaining.

ADJOURNMENT

President C. Nguyen adjourned the meeting to Tuesday, December 10, 2019 at 5:00 P.M. at the District office at approximately 5:53 P.M.



Andrew Nguyen, Secretary