

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE MIDWAY CITY
SANITARY DISTRICT OF ORANGE COUNTY
14451 CEDARWOOD AVENUE
WESTMINSTER, CA 92683**

April 17, 2023

CALL TO ORDER

President T. Diep called the special meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Monday, April 17, 2023, at 5:32 PM.

BOARD MEMBERS PRESENT:

Tyler Diep
Andrew Nguyen
Chi Charlie Nguyen
Sergio Contreras
Mark Nguyen

STAFF PRESENT:

Robert Housley, General Manager
Cynthia Olsder, Executive/Board Secretary
Milo Ebrahimi, District Engineer

OTHERS PRESENT:

James Eggart, Legal Counsel
Wendy Davis, Davis Farr LLP

PLEDGE AND INVOCATION

President T. Diep led the Pledge of Allegiance. Director M. Nguyen gave the Invocation.

PUBLIC COMMENTS

None

NEW BUSINESS

- A. Budget Workshop – Overview of the Fiscal Year 2023-2024 Operating Budget, Capital Improvement Projects, Net Position, and Reserves

GM R. Housley began the presentation with an overview of the Midway City Sanitary District. He stated that the District provides services to more than 2,000 businesses and over 100,000 residents in Westminster and Midway City, and he provided a demographic breakdown of the District's residents. The District has over 19,804 residential solid waste customers using a 3-cart system (trash, recyclables, organics), over 34,957 sewer connections, over 170 miles of sewer pipes, and 4 lift stations. The District is the only agency in Orange County that has its own residential solid waste fleet, and all of the solid waste and sewer vector trucks run exclusively on renewable CNG fuel. The bulky program had 7124 items collected from 5519 stops made last year. The District issued 185 sewer building permits in 2022 and 150 permits had been issued so far this year. The District typically receives 100 calls per day, or 26,000 calls annually.

GM R. Housley stated that revenue is expected to increase by 3.1% and consists of service fees, property tax fees, interest and investment fees, as well as other unspecified sources. Fees for sewer and residential solid waste services will both increase by 3%. Expenses are expected to increase by 2.1%, with the majority coming from solid waste, administration, and sewer.

GM R. Housley went over the District's organizational goals, key priorities and concerns for the budget for the fiscal year 2023-2024. He also covered the reserves and net position before concluding by noting that the District's finances are in good shape, there is no debt, and our service rates are still the lowest in comparison to the surrounding area. A survey of rates charged by other jurisdictions in Orange County was provided to the Board.

GM R. Housley briefly discussed the budget for the sewer master plan, noting that it will probably cost more than what has previously been spent. GM R. Housley and District Engineer M. Ebrahimi also responded to Board questions and provided information regarding the status of the District's sewer infrastructure and a capital improvement program for infrastructure improvements. It was noted that the District does not currently charge a separate fee to fund capital improvements to the sewer system. Legal Counsel, J. Eggart stated that the need to adopt such fees frequently coincides with the adoption of a capital improvement program.

GM R. Housley also discussed the costs and challenges associated with enforcement of District regulations and provided details regarding an illegal sewer connection as an example. Legal Counsel, J. Eggart provided additional information to the Board on enforcement limitations and options.

No action was taken.

BOARD CONCERNS/COMMENTS

Director C. Nguyen questioned the trash rate survey for the city of Irvine and Los Alamitos.

GM R. Housley said he would confirm the numbers at the following meeting.

GM/STAFF CONCERNS/COMMENT

None

GENERAL COUNSEL CONCERNS/COMMENTS

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 T. Diep adjourned the meeting at 6:31 PM to the next Board meeting to be held at the District on Tuesday, April 18, 2023, at 5:30 PM

Andrew Nguyen, Secretary