

**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**

**EVERYONE WHO ATTENDED THIS HYBRID/TELECONFERENCE MEETING
ATTENDED FROM VARIOUS LOCATIONS PURSUANT TO THE PROVISION OF
THE GOVERNOR'S EXECUTIVE ORDER WHICH SUSPENDS CERTAIN
REQUIREMENTS OF THE RALPH M. BROWN ACT. AGENDA PACKETS WERE
MADE AVAILABLE AT THE DISTRICT OFFICE AND A LINK, PHONE NUMBER AND
ACCESS NUMBER WERE MADE AVAILABLE TO ANYONE WISHING TO ATTEND.
PER STATE OF CALIFORNIA EXECUTIVE ORDER NO. N-29-20, AND IN THE
INTEREST OF PUBLIC HEALTH AND SAFETY, THE DISTRICT STRONGLY
ENCOURAGED MEMBERS OF THE PUBLIC TO PARTICIPATE IN THIS MEETING
TELEPHONICALLY RATHER THAN ATTENDING IN PERSON.**

November 17, 2020

CALL TO ORDER

President C. Nguyen called the special teleconference meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, November 17, 2020 at 5:00 P.M.

BOARD MEMBERS PRESENT:

Margie L. Rice (via teleconference)
Andrew Nguyen (via teleconference)
Sergio Contreras (via teleconference)
Chi Charlie Nguyen (via teleconference)

OTHERS AT MEETING:

Kenneth Robbins, General Manager
Robert Housley, Finance/HR Director
James Eggart, General Counsel (via teleconference)
Danielle Gerardo, Board Secretary
Habib Isaac, IB Consulting (via teleconference)

PLEDGE AND INVOCATION

Director A. Nguyen led the Pledge of Allegiance. President C. Nguyen gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF NOV. 3, 2020 (Roll Call Vote)

A motion was made by Director A. Nguyen, seconded by Director M. Rice, to approve the minutes of the special meeting of November 3, 2020. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 770,426.19 (Roll Call Vote)

#	CK #	Date	AMOUNT	VENDOR	MEMO
1				CHECKS:	
2	11899	11/3	\$ 1,020.00	Ayala's Car Wash	Fleet wash 10/26, 10/29
3	11900	11/3	\$ 35,874.79	Bodyworks Equipment, Inc	(Bulky truck) bin attachment for front loader
4	11901	11/3	\$ 261.41	Cintas	Uniform Services for 10/29
5	11902	11/3	\$ 47.00	County of Orange-Treasurer-Tax Collector	Emergency radio in copier room 10/1/20-12/31/20 (Quarterly Fee)
6	11903	11/3	\$ 1,267.41	Daniels Tire Service	(3) Restock new front tires for Solid Waste trucks
7	11904	11/3	\$ 746.74	Merchants Building Maintenance, LLC	Janitorial Services for November 2020
8	11905	11/3	\$ 26,764.54	Offo Environmental Systems NA, Inc	(504) 95 Gallon Blue Carts-Re-stock
9	11906	11/3	\$ 34,400.00	Rengel + Company Architects, Inc	Architectural Services for Building Project
10	11907	11/3	\$ 609.00	Snap-On Tools	Replacement tools for sewer crew NG-16 & S-1
11	11908	11/3	\$ 252.91	SoCal Auto & Truck Parts, Inc	Restock supplies brake parts cleaner & Clean-R-Carb
12	11909	11/3	\$ 4,999.46	Southern California Edison	District Offices, CNG Station and Lift Stations for October 2020
13	11910	11/3	\$ 3,168.00	Slater Bros Market #27	(33) \$100 Slater Bros Gift Cards for employee recognition for the holidays
14	11911	11/3	\$ 300.00	Digital Deployment	Website Monthly Member Fee: November 2020
15	11912	11/3	\$ 3,521.31	TEC of California, Inc	Restock fuses, hub assembly, airbrake dryer & replacement pedal accelerator for NG-2
16	11913	11/3	\$ 108.83	TrucPar Company	Restock hose clamps for trucks
17	11914	11/3	\$ 46.30	Underground Service Alert/SC	(22) New Tickets for OCT 2020 & Monthly Fee
18	11915	11/3	\$ 4,143.11	US Bank Corporate Payment Systems	District Credit Cards
19	11916	11/3	\$ 388,900.11	TEC of California, Inc	2019 Mack Truck Front Loader (Solid Waste)
20	11917	11/9	\$ 780.00	Ayala's Car Wash	Fleet wash 11/2, 11/5
21	11918	11/9	\$ 1,171.52	Wex Bank (Chevron)	Fuel Credit Card for October 2020
22	11919	11/9	\$ 261.41	Cintas	Uniform Services for 11/5
23	11920	11/9	\$ 107,218.43	CR Transfer	Residential Waste and Organic Tonnage Fees 10/15/20 through 10/30/20
24	11921	11/9	\$ 3,518.37	Daniels Tire Service	(16) Restock new tires for Solid Waste trucks
25	11922	11/9	\$ 607.10	Golden Bell Products	(1) 55-Gallon Super Butyl for Restock
26	11923	11/9	\$ 5,921.25	Jaycox Construction CNG	Rear seal repair service for CNG station
27	11924	11/9	\$ 38,936.70	Orange County Sanitation District	Permit Fees October-2020
28	11925	11/9	\$ 934.00	Mobile Relay Associates	2-way radio for new front loader NG-17
29	11926	11/9	\$ 2,175.00	Safety Research Consultants	4-Hour Driver's Safety Training on 10/24/2019
30	11927	11/9	\$ 2,490.60	TEC of California, Inc	Cummins engine adaptor cable, restock brake pads, hub caps, rotors and seals for trucks
31	11928	11/9	\$ 1,545.88	TrucPar Company	Restock hydraulic fittings for Solid Waste trucks
32	11929	11/9	\$ 967.00	TSP Printing	Restock DOT driver inspection report books
33			\$ 672,958.18	CHECKS SUBTOTAL	
34					

34					
35				PAYROLL	
36	ACH	11/3	\$ 73,192.13	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
37	ACH	11/4	\$ 2,366.18	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Employees)
38	ACH	11/4	\$ 560.00	Nationwide Retirement Solutions	457 Roth (100% Paid By Employees)
39	ACH	11/4	\$ 1,000.00	Nationwide Retirement Solutions	457 Catch Up
40	ACH	11/6	\$ 4,225.90	Paychex	Board of Directors Payroll - Checks, Taxes, & Direct Deposits
41	ACH	11/6	\$ 323.63	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Board of Directors)
42			\$ 81,667.84	ACH TRANSFERS SUBTOTAL	
43					
44				ACH PAYMENTS	
45	ACH	11/1	\$ 15,800.17	CalPERS	Retirement Contributions for 10/19/2020-11/01/2020
46			\$ 15,800.17	ACH TRANSFERS SUBTOTAL	
47					
48			\$ 770,426.19	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)	
49					
50				BANK TRANSFERS	
51	UB	11/2	\$150,000.00	Transfer Funds from LAIF to UB Checking Account	
52	UB	11/3	\$300,000.00	Transfer Funds from LAIF to UB Checking Account	
53	UB	11/3	\$389,000.00	Transfer Funds from LAIF to UB Checking Account	

A motion was made by Director M. Rice, seconded by Director S. Contreras, to approve the expenditures in the amount of \$770,426.19. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

President C. Nguyen thanked everyone for their support during the elections and stated that he was looking forward to working with everyone for the next four years.

Report of General Manager

GM K. Robbins reported that this Saturday, November 21, 2020 was the District's last cleanup of the year being held at Buckingham Park starting at 8 A.M.

Report from the Orange County Sanitation (OCSD) Meeting on Nov. 10, 2020

Director A. Nguyen reported that OCSD had already demolished three buildings across the street to make way for their new building which is estimated to be completed in the fall of 2022. He also reported that five Directors were being replaced, he was provided with a comprehensive annual financial report, an audit was reportedly done, and OCSD's net worth was reported to be approximately \$2.5 billion.

CONSENT CALENDAR

A. Approve and File the Treasurer's Investment Report for October 2020

B. Approve the October 2020 Financial Reports and Budget Review for the Period of July 1, 2020 through October 30, 2020

A motion was made by Director A. Nguyen, seconded by Director M. Rice, to approve the Consent Calendar. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Consider the Proposals Received and Select a Consultant to Prepare a Cost of Service Rate Study to Evaluate and Provide Recommendations Regarding the District's Fees and Rate Structures for Sewer Services and Residential Solid Waste Services
(Roll Call Vote)

Finance/HR Director R. Housley stated that there was a change in the recommendation. After receiving multiple proposals, two agencies were the best fit as candidates for the District – IB Consulting and HF&H Consultants. HF&H is a large company known for their strength in solid waste. Their references came back good and upon evaluation, the point system put them at the top. However, after the staff report was done and the agenda went out, the evaluations continued to come in to the District regarding IB Consulting and those, along with the fact that IB Consulting has a partner that does waste characterization studies, moved them to the top.

GM K. Robbins confirmed that he felt that IB Consulting would be a good fit due to the possible waste characterization study since the District's tonnage had been down recently according to CR&R.

Finance/HR Director R. Housley pointed out that Habib Isaac and his partner Andrea Boehling from IB Consulting both had previously worked for Raftelis and Willdan for many years and that IB Consulting President, David Davis had worked for HF&H and handled the solid waste side of things at IB Consulting.

Habib Isaac stated that his firm was formed last year and that he and his partner had worked together for 9 years. He stated that IB Consulting focused on water, waste water and solid waste and that they keep the work they take on manageable in order to give attention to each project.

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 M. Rice, to approve of the new staff recommendation and go with IB Consulting as the District's consultant to prepare a cost of service rate study to evaluate and to provide recommendations regarding the District's fees and rate structures for sewer services and residential solid waste services. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

B. Receive and File the California Employers' Retiree Benefit Trust (CERBT) and California Employers' Pension Prefunding Trust (CEPPT) Annual Account Update
(Roll Call Vote)

Finance/HR Director R. Housley stated that staff has a meeting or conference call with the trust program that handles the District's CERBT and CEPPT (the District's health and retirement trust accounts) annually and then puts it on the agenda for the Board to review. He pointed out that the CERBT account summary (trust for retiree health benefits) which was as of November 6, 2020, was started in 2010, that the District had contributed a little over \$4.3 million to date and that the investment earnings were \$2.1 million for a total asset of \$6.1 million. The CEPPT account summary (trust retirement account) was started just last year with a little over \$2.6 million and is now at \$2.8 million. He stated that it was a good decision by the Board to join both of these trust accounts.

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 A. Nguyen to approve the staff recommendation to receive and file the CERBT and CEPPT annual account update. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

C. Discuss and Consider Changing the Midway City Sanitary District's Regularly Scheduled Board Meeting on Tuesday, December 1, 2020 at 5:30 P.M. to a Special Teleconference Meeting at 5 P.M. due to the COVID-19 Pandemic
(Roll Call Vote)

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 changing the District's regularly scheduled Board meeting on Tuesday, December 1, 2020 at 5:30 P.M. to a special teleconference meeting at 5 P.M. due to the COVID-19 pandemic. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

D. Discuss the Midway City Sanitary District's Swearing In and Reorganization Meeting of the Board Scheduled for Friday, December 4, 2020 with Regard to the COVID-19 Pandemic **(Roll Call Vote)**

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 have the District's newly elected and re-elected Board members sworn in individually prior to the meeting and have the reorganization meeting as a special teleconference meeting on Friday, December 4, 2020 at 1 P.M. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director S. Contreras congratulated President C. Nguyen on his re-election.

Director M. Rice congratulated President C. Nguyen and also to new incumbent Director T. Diep.

Director A. Nguyen congratulated the new Board members and thanked staff for the good job.

President C. Nguyen thanked everyone and stated that he was looking forward to the working with everyone for next four years.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins thanked the Board for approving the rate study and stated that he would contact each elected or re-elected Board member to arrange for swearing in times.

Finance/HR Director R. Housley thanked the Board for approving the proposal with IB Consulting and he congratulated President C. Nguyen on his re-election.

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 C. Nguyen adjourned the meeting to Tuesday, December 1, 2020 at 5:00 P.M. at the District office at approximately 5:54 P.M.

Sergio Contreras
Sergio Contreras, Secretary