

**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**

August 6, 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, August 6, 2019 at 5:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Margie L. Rice
Andrew Nguyen
Sergio Contreras
Chi Charlie Nguyen

OTHERS AT MEETING:

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

PLEDGE AND INVOCATION

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

Director A. Krippner asked to dedicate the meeting to the victims of the recent mass shootings in El Paso, Texas and Dayton, Ohio.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JULY 16, 2019

A motion was made by Director A. Nguyen, seconded by Director M. Rice, to approve the minutes of the regular meeting of July 16, 2019. The motion was approved by the following 5-0 vote:

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

NAYS:

ABSTAIN:

ABSENT:

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 633,756.91

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	10728	7/17	\$ 298.30	AT&T Mobility - Service for June 2019: (KR) 714-310-2313, (NC) 714-310-8653,
3				(RG) 714-325-3606, Sewer 714-310-8654, Emergency 714-310-9004.
4	10729	7/17	\$ 1,094.73	Wex Bank (Chevron) - Fuel for July 2019
5	10730	7/17	\$ 517.14	Cintas - Uniform Services for July 2019
6	10731	7/17	\$ 1,500.00	City of Westminster - Sponsorship of Summer & Concert Nights 2019
7	10732	7/17	\$ 850.00	Crystal Clear Fleet & Auto Detailing - Wash & Detail Fleet Trucks for 6/9, 7/2, & 7/10
8	10733	7/17	\$ 153.98	DirectTV - Service for July 2019
9	10734	7/17	\$ 5,057.04	SoCalGas - CNG Fuel, District Office, Maintenance Shop & Wash Rack Usage Fees June 2019
10	10735	7/17	\$ 1,343.79	Verizon - Internet Connection for July 2019
11	10736	7/22	\$ 41,495.88	Pro-Vision, Inc. - (20) Cameras & Installation for Fleet Trucks Deposit
12	10737	7/25	\$ 196.56	AT&T - Brookhurst Lift Station Service for July 2019
13	10738	7/25	\$ 233.94	AT&T Mobility - Service for July 2019: (KR) 714-310-2313, (NC) 714-310-8653,
14				(RG) 714-325-3606, Sewer 714-310-8654, Emergency 714-310-9004.
15	10739	7/25	\$ 258.57	Cintas - Uniform Services for July 2019
16	10740	7/25	\$ 18.00	Orange County Health Care Agency - Above Ground Storage Tank 04/01/2019-06/30/2019
17	10741	7/25	\$ 86,585.80	CR Transfer Incorporated - Tonnage from 06/15/2019 through 06/30/2019
18	10742	7/25	\$ 529.13	CR&R Incorporated - 40-Yard Bins for Clean-Up Event 06/29/2019
19	10743	7/25	\$ 690.00	Crystal Clear Fleet & Auto Detailing - Wash & Detail Fleet Trucks for 7/17, 7/22, & 7/23
20	10744	7/25	\$ 759.53	Los Alamitos Napa Auto Parts - Restock (24) 14oz. Brakleen, (2) Oil Filters,
21				(4) Fuel Filters, (4) Air Filters; (1) Battery, (1) Air Filter for S1; (2) Solenoids for T9.
22	10745	7/25	\$ 600.20	Merchants Building Maintenance - District Offices Janitorial Services for July 2019
23	10746	7/25	\$ 8,877.75	Orange County Sanitation District - Permit Fees for June 2019 (MCSD 5% = \$467.25)
24	10747	7/25	\$ 395.87	Pitney Bowes/PurchasePower-Postage for Postage Machine June 2019; Restock Postage Ink

25	10748	7/25	\$	90.71	PSI - Wash Rack Steamer Repairs
26	10749	7/25	\$	4,952.50	Rosemead - Restock (619) Gallons of Hydraulic Fluid
27	10750	8/1	\$	45.87	AT&T Mobility - Service for July 2019: (KR) 714-310-2313, (NC) 714-310-8653,
28					(RG) 714-325-3606, Sewer 714-310-8654, Emergency 714-310-9004.
29	10751	8/1	\$	258.57	Cintas - Uniform Services for July 2019
30	10752	8/1	\$	2,730.00	City of Westminster - 2nd Qtr Over-the-Top Fees for APR-MAY-JUN2019
31	10753	8/1	\$	200.00	Crystal Clear Fleet & Auto Detailing - Wash & Detail Fleet Trucks for 7/29
32	10754	8/1	\$	1,144.31	Frontier Communications - District Office Phones & Lift Stations for July 2019;
33					\$629.96 District Office, \$171.25 Willow Lift, \$171.99 Westminster Lift, \$171.11 Hammon Lift.
34	10755	8/1	\$	127.60	LegalShield - Member Paid Services for July 2019
35	10756	8/1	\$	3,524.47	SDRMA Delta Dental - Dental Insurance Premium for August 2019
36	10757	8/1	\$	5,352.83	Southern California Edison-District Office \$3,708.61, Brookhurst Lift Station \$95.23,
37					Westminster Lift Station \$758.67, Willow Lift Station \$220.79, Hammon Lift Station \$569.53.
38	10758	8/1	\$	1,231.36	The Standard Life Insurance - Life Insurance & AD&D Premium Coverage for August 2019
39	10759	8/1	\$	144.10	Union Bank - Retirement Gift and Box for Juan Salce
40	10760	8/1	\$	476.35	Vision Service Plan - Monthly Premium for August 2019
41			\$	171,734.88	HANDCUT CHECKS SUBTOTAL
42					
43					REGULAR CHECKS:
44	10761	8/1	\$	75.00	Advanced Gas Products - Cylinder Rental for June 2019
45	10762	8/1	\$	208.20	Advanced Workplace Strategies - DOT Drug Testing, Collection Fees, & Mileage Fees
46	10763	8/1	\$	130.00	Asbury Environmental Services - (550) Gallons Used/Mixed Oil for Pick Up
47	10764	8/1	\$	5,234.31	Bodyworks Equipment - Restock (4) Packer Cylinders
48	10765	8/1	\$	97,293.04	CR Transfer - Tonnage from 07/01/2019 through 07/15/2019
49	10766	8/1	\$	816.00	CRC Cloud - Maintenance & Support for August 2019
50	10767	8/1	\$	2,850.40	Cummins Cal Pacific, LLC - Restock (33) Ignition Coils
51	10768	8/1	\$	10,667.68	Daniels Tire Service - Restock (6) New Tires, (14) Recaps, & (4) Repairs
52	10769	8/1	\$	760.73	Dartco Transmission Sales & Svcs. - Restock (12) Transmission Filter Kits
53	10770	8/1	\$	2,576.04	DTNtech - (35) Black Shirts with District Logo Embroidered for Staff
54	10771	8/1	\$	3,300.80	Haaker Equipment Co. - Repairs & Parts for NG12
55	10772	8/1	\$	9.48	Hilco Fastener Warehouse - Restock (4) Nuts for NG6
56	10773	8/1	\$	1,710.16	Los Alamitos Napa Auto Parts - Restock (10) Hub caps, (18) Hose Ends, (4) Oil Filters, (4) Fuel
57					Filters, (8) Air Filters.
58	10774	8/1	\$	1,000.00	MacLeod Watts Inc. - Prepare GASB 75 Actuarial Report for FYE June 30, 2019
59	10775	8/1	\$	1,982.08	NVB Equipment, Inc. - A/C Service & Repair for NG2
60	10776	8/1	\$	60,042.89	Otto Environmental Systems - Restock (720) 65-Gallon Black, (504) 95-Gallon Blue Containers
61	10777	8/1	\$	174.47	Plumbers Depot - (3) Extendable Cone Bars for Sewer Vactor & Trucks
62	10778	8/1	\$	10,412.50	PumpmanLLC-Planned Maint for Lift Stations Fourth Payment for FY 07/01/2018-07/01/2019
63	10779	8/1	\$	150.00	Mobile Relay Associates - Labor for Two Way Radio Repeater

64	10780	8/1	\$ 7,366.34	TEC of California - Restock (2) Rotor, (4) Spares Kits, (3) Relays, (6) Brake Pads,
65				(7) Filter Elements:(16) Studs, (16) Washers, (16) Nuts, (16) Cone Fittings for NG10;
66	10781	8/1	\$ 20,820.00	TESCO Controls - Install Emergency Back-Up Auto Dialers at all Four Lift Stations
67	10782	8/1	\$ 600.00	Theresa Kaszyk - District Website Services from April 2019 through June 2019
68	10783	8/1	\$ 246.98	TopMobileVislon -Labor to Install&(1)6-Inch Cable for NG7;Labor to Install&(1)Cable for NG14
69	10784	8/1	\$ 19.90	Underground Service Alert - (6) New Tickets for June 2019
70	10785	8/1	\$ 3,370.50	Woodruff, Spradlin & Smart - Legal Services for June 2019
71			\$ 231,817.50	REGULAR CHECKS SUBTOTAL
72				
73				PAYROLL
74		7/16	\$ 69,825.29	Payroll - Staff Checks Taxes & Direct Deposits
75		7/16	\$ 2,271.94	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
76		7/16	\$ 1,500.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
77		7/16	\$ 860.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
78		7/30	\$ 68,648.02	Payroll - Staff Checks Taxes & Direct Deposits
79		7/30	\$ 2,272.11	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
80		7/30	\$ 1,500.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
81		7/30	\$ 660.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
82			\$ 147,537.36	PAYROLL SUBTOTAL
83				
84				ACH TRANSFERS
85		7/17	\$ 11,073.21	ACH Retirement Payment to CalPERS for Classic 8583 06/17/2019-06/30/2019
86		7/17	\$ 2,094.50	ACH Retirement Payment to CalPERS for PEPRA 06/17/2019-06/30/2019
87		7/17	\$ 1,294.16	ACH Retirement Payment to CalPERS for Classic 8584 06/17/2019-06/30/2019
88		7/25	\$ 11,568.56	ACH Retirement Payment to CalPERS for Classic 8583 07/01/2019-07/14/2019
89		7/25	\$ 2,220.89	ACH Retirement Payment to CalPERS for PEPRA 07/01/2019-07/14/2019
90		7/25	\$ 1,358.21	ACH Retirement Payment to CalPERS for Classic 8584 07/01/2019-07/14/2019
91		8/1	\$ 4,563.01	ACH Board Health Insurance Payment to CalPERS for August 2019
92		8/1	\$ 48,494.63	ACH Employee Health Insurance Payment to CalPERS for August 2019
93			\$ 82,667.17	ACH TRANSFERS SUBTOTAL
94				
95			\$ 633,756.91	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)
96				
97				BANK TRANSFERS
98		7/19	\$ 100,000.00	Transfer Funds from Money Market to Checking Account

A motion was made by Director A. Krippner, seconded by Director M. Rice, to approve the expenditures in the amount of \$ 633,756.91. The motion was approved by the following 5-0 vote:

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

NAYS:

ABSTAIN:

ABSENT:

REPORTS

Report of President

None

Report of General Manager

GM K. Robbins reminded the Board of the District sponsored clean up event being held on Saturday, August 10, 2019 at Westminster Village Park from 10 A.M. until 1 P.M., or until the bins are filled.

GM K. Robbins reported that a vehicle hit one of the Districts trucks on Monday, August 5 and that it was all caught on the truck's video and the video was already sent to the insurance company in case a claim is filed.

Report from the Orange County Sanitation District (OCSD) Meeting on July 17 and July 24, 2019

Director A. Nguyen reported that both meeting dates were changed – the meeting on July 17 was changed to July 10, and the meeting on July 24 was changed to July 18. He reported that OCSD does ocean monitoring a few times a year. He was able to go out as a guest on their boat and the fish while the water was tested and monitored. He also reported that due to SB 1383, plant #2 in Huntington Beach is planning to take and digest food waste. Several employees were honored for their 25-35 years of service and on Saturday, July 27, OCSD celebrated their 65-year anniversary with an Open House. He reported that plant #1 is the largest of its kind in the world and is now processing 180 million gallons a day.

Report from the City of Westminster Summer Movie Nights on July 18 and 25, 2019 and the City of Westminster Summer Concert on August 1, 2019

Directors A. Krippner, A. Nguyen and C. Nguyen attended and commented that attendance was low and that most people brought their own food.

President C. Nguyen stated that he attended on behalf of the District and is glad that the District sponsored this event.

Report from the City of Westminster's Safety Day on July 18, 2019

All Directors attended Safety Day.

Director M. Rice reported that it is always a good event and that the kids especially enjoy the Districts trucks.

Director S. Contreras agreed that it is was good event and a good way to promote the District.

Director A. Nguyen reported that there were volunteers cooking the food and that people enjoyed seeing the helicopter and SWAT team in action.

CONSENT CALENDAR

A. Approve the June 2019 Financial Reports and Budget Review for the Period of July 1, 2018 through June 30, 2019

B. Approve Removal of 3,845 Fully Depreciated Refuse Containers from the District's Assets List in the amount of \$203,248.80

C. Approval of Five (5) Year Employee Safety Award for Midway City Sanitary District Solid Waste Driver, Carlos Gomez

D. Approval of Five (5) Year Employee Safety Award for Midway City Sanitary District Solid Waste Driver, Dennis Solano

A motion was made by Director M. Rice, seconded by Director S. Contreras, to approve the Consent Calendar. The motion was approved by the following 5-0 vote:

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

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. Consider the Restatement of the Midway City Sanitary District's Existing 457(b) Retirement and Omnibus Budget Reconciliation Act of 1990 (OBRA) Plans and Adoption of Updated Plan Agreements

Finance/HR Director R. Housley stated that, in September 2018, the Board elected to hire Mark Shuster and his firm to go through the District's 457 plan, to look at where the costs are, and to see how to better align it with the District's employees. Mark Shuster is also the District's fiduciary in that regard and the Board, at that time, also elected to have him represent the District in that role as well.

Mark Shuster from Shuster Financial Group stated that in 1992, Article 16, Section 17 of the California Code State Constitution implemented (for deferred compensation plans) the identical rules that 401K Plans have. The rules state that they must provide an institution or plan sponsor fiduciary standards for the plan. Nationwide is the District's incumbent record-keeper and the District's Nationwide Fixed Account is very unique plan. He stated that his goal is to obtain the lowest fees, the highest interest rates and the best mutual funds for the District as a whole.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Krippner, seconded by Director A. Nguyen, to approve the adoption of updated plan agreements. The motion was approved by the following 5-0 vote:

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

NAYS:

ABSTAIN:

ABSENT:

B. Receive and File the Annual GASB 75 Actuarial Report Providing Information on Other Post-Employment (OPEB) Liabilities of the Midway City Sanitary District for the Fiscal Year Ending June 30, 2019

Finance/HR Director R. Housley stated that as of June 30, 2019, the District's OPEB liability is \$5,126,646 and that the District has \$5,207,878 in its OPEB trust. This covers the District's current obligation with a net asset of \$81,232, which leaves the District fully funded.

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 receive and file the annual GASB 75 actuarial report providing information on Other Post-Employment (OPEB) Liabilities of the Midway City Sanitary District for the fiscal year ending June 30, 2019. The motion was approved by the following 5-0 vote:

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

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

A. CalPERS Health Benefits Circular Letter – Contracting Agency Administrative Fee for Fiscal Year 2019-20, Contribution Change, and Termination Processes, and Health Billing Dates

B. CalPERS Reports Preliminary 6.7 Percent Investment Return for Fiscal Year 2018-19

C. Web Site Activity for the Month of July 2019 (163,333 Successful Hits)

Receive and file.

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

BOARD CONCERNS/COMMENTS

Director M. Rice stated that she felt that the District's trucks were going too fast because they are dropping her containers and she has trouble picking them up.

GM K. Robbins stated that he would look into it but that due to street sweeping they have to be up on the curb and the containers don't stand up well on their own when they are empty on grass.

President C. Nguyen stated that he had a commercial business customer ask him about switching from CR&R bin service to service from the District.

GM K. Robbins stated that it depends on the kind of business they have, if they have a place to put the containers, whether they have alley access and that it may or may not be more cost effective than their current service.

President C. Nguyen stated that they are having problems with scavengers.

GM K. Robbins stated that they would continue to have the same problem with the District's containers.

GM/STAFF CONCERNS/COMMENTS

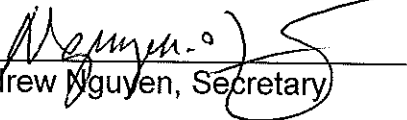
GM K. Robbins stated that there was concern among staff at MCSD regarding the mass shootings that had occurred in El Paso, Texas and Dayton, Ohio.

GENERAL COUNSEL CONCERNS/COMMENTS

None

ADJOURNMENT

President C. Nguyen adjourned the meeting to Tuesday, August 20, 2019 at 5:00 P.M. at the District office at approximately 5:53 P.M.


Andrew Nguyen, Secretary