

**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**

April 19, 2022

CALL TO ORDER

President A. 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, April 19, 2022 at 5:34 P.M.

BOARD MEMBERS PRESENT:

Tyler Diep (arrived @ 5:38)
Sergio Contreras
Chi Charlie Nguyen (arrived @ 5:35)
Andrew Nguyen
Mark Nguyen

OTHERS AT MEETING:

Robert Housley, Acting GM/Finance/HR Director
James Eggart, General Counsel
Danielle Gerardo, Executive Board Secretary
Cynthia Oldster, MCSD Receptionist

PLEDGE AND INVOCATION

Director S. Contreras led the Pledge of Allegiance and gave the Invocation.

PUBLIC COMMENTS

None

Director C. Nguyen arrived at the meeting at 5:35 P.M.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF APR. 5, 2022
(Roll Call Vote)

A motion was made by Director M. Nguyen, seconded by President A. Nguyen, to approve the minutes of the regular meeting of April 5, 2022. The motion was approved by the following 4-0 roll call vote:

AYES: S. Contreras, A. Nguyen, C. Nguyen, M. Nguyen
 NAYS:
 ABSTAIN:
 ABSENT: T. Diep

APPROVAL OF EXPENDITURES **(Roll Call Vote)**

A. Demands in the amount of \$ 316,975.72

#	CK #	Date	AMOUNT	VENDOR CHECKS:	MEMO:
1	13637	4/7	11,715.13	Dntech	Printing & Mailing of Prop 218 Public Hearing Notices
2	13638	4/8	1,009.29	Alfa Auto Glass	Glass door for NG-4 solid waste truck
3	13639	4/8	785.00	Ayala's Car Wash	Solid waste trucks fleet wash
4	13640	4/8	7,829.71	Bodyworks Equip. Inc.	Heil parts for solid waste trash truck
5	13641	4/8	1,938.77	Chevron Texaco (Wex Bank)	Fuel for Apr-2022
6	13642	4/8	662.72	Cintas Corporation	Employee uniform & laundry services
7	13643	4/8	206.44	City of Westminster-Water Billing	Westminster lift station water
8	13644	4/8	237.37	Cummins Pacific LLC	Water outlet tube for solid waste truck
9	13645	4/8	606.85	Golden Bell Products	(1) 55-Gallon Super Butyl for Shop
10	13646	4/8	70.21	Haaker Equipment Co.	Router switch for NG-12 Sewer Maint.
11	13647	4/8	3,196.88	HB Staffing/Cathyjon Enterprises, Inc.	Temporary employee services
12	13648	4/8	166.14	Hillco Fastener Warehouse Inc.	Weather pack seal, terminals, washers, lock nuts and bolts for solid waste
13	13649	4/8	809.80	Hydraforce, Inc.	Hydraulic cylinders for solid waste trucks
14	13650	4/8	6,240.00	IB Consulting, LLC	Services for cost of services study & Prop 218 Notice
15	13651	4/8	200.00	Memorial Care Medical Foundation	Pre-employment drug test and DMV physical for CDL
16	13652	4/8	1,944.32	NVB Equipment, Inc.	A/C repairs for solid waste truck
17	13653	4/8	38,073.73	Orange County Sanitation District	Permit Fees Apr-2022
18	13654	4/8	238.00	Remington Pure	Water filtration service
19	13655	4/8	9,658.75	Rengel + Company Architects, Inc	Revised plan services for building project
20	13656	4/8	6,971.96	Siemens Industry, Inc.	Hydrorangers for Sewer
21	13657	4/8	1,238.00	SoCal Auto & Truck Parts, Inc.	Hydraulic hose for solid waste trucks
22	13658	4/8	111.85	Staples Business Credit	MCSO office supplies
23	13659	4/8	300.00	Streamline	Website monthly member fee
24	13660	4/8	18.25	Underground Service Alert	Dig Alerts Mar-2022
25	13661	4/11	1,000.00	Shuster Advisory	Advisory fee for 457 (b) & OBRA plans
26	13662	4/11	2,242.52	Tesco Controls, Inc.	Replaced 3 Siemens hydro rangers
27	13663	4/11	4,325.24	US Bank Corporate Payment System	District credit cards
28			\$ 101,796.93	CHECKS SUBTOTAL	
29					
30				PAYROLL:	MEMO
31	ACH	4/6	\$ 6,245.87	Nationwide Retirement Solutions	457 Deferred Compensation (100% paid by employees)
32	ACH	4/6	\$ 68,835.25	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
33			\$ 75,081.12	ACH TRANSFERS SUBTOTAL	
34					
35				ACH PAYMENTS:	MEMO
36	ACH	4/6	\$ 15,097.67	CalPERS	Retirement Contributions for 03/21-04/03/2022
37	ACH	4/7	\$ 125,000.00	CalPERS	Board approved Contribution for CEPPT 115 Trust Account
38			\$ 140,097.67	ACH TRANSFERS SUBTOTAL	
39					
40			\$ 316,975.72	TOTAL EXPENDITURES (ACCOUNTS PAYABLE CHECKS, PAYROLL, ACH TRANSFERS)	
41					
42				BANK TRANSFERS:	
43	UB	4/7	\$ 125,000.00	Transfer Funds from LAIF to Union Bank Checking	
44			\$ 125,000.00	BANK TRANSFERS	

A motion was made by Director C. Nguyen, seconded by Director M. Nguyen, to approve the expenditures in the amount of \$ 316,975.72. The motion was approved by the following 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT: T. Diep

REPORTS

Report of President

None

Report of General Manager

Acting GM R. Housley reminded the Board of the Clean-Up Event at Park West Park in Midway City on Saturday, April 30, 2022 starting at 8 A.M.

Acting GM R. Housley reminded Directors C. Nguyen and T. Diep that there was an Outreach Committee meeting on Wednesday, April 20 at 12 noon to discuss plans for the upcoming month.

Acting GM R. Housley reported that the Prop 218 Notices for the rate hearing would start to be mailed out and delivered beginning around May 4, 2022.

Acting GM R. Housley stated that the Board was registered for the ISDOC Quarterly meeting via Zoom that would take place on Thursday, April 28, 2022 and should have received a link.

Director T. Diep arrived at the meeting at 5:38 P.M.

Report from Orange County Sanitation District Meeting on Apr. 13, 2022

President A. Nguyen reported that the operations budget review for 2022, 2023, 2024 and talked about inflation, issues with availability of supplies, and trucking deliveries that were affecting costs. The budget was estimated to be around \$180 million at the beginning of the year and is up to \$200 million due to the rise in costs. There was discussion regarding Increasing their pay rates from residents which has been 1 ½% for the last five years and increasing it to 4%. Some Board members were asking why an increase in pay rates are needed when Los Angeles and San Diego rates decreased. The sewer project in Westminster on Bolsa Chica would be starting tonight, April 19, 2022.

Report from the District Luncheon on Apr. 13, 2022

President A. Nguyen reported that he attended for a short time

Director S. Contreras stated that he attended and was able to talk to Director of Operations N. Castro and GM K. Robbins, and to have an informal conversation with the District's contact from CR&R.

CONSENT CALENDAR

(Roll Call Vote)

A. Approve and File the Treasurer's Investment Report for March 2022

A motion was made by Director C. Nguyen, seconded by President A. Nguyen, to approve the Consent Calendar. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

None

NEW BUSINESS

A. A Resolution No. 2022-10 of the Board of Directors of the Midway City Sanitary District of Orange County, California, Establishing the Midway City Sanitary District Health Reimbursement Arrangement (HRA) and Policy *(Roll Call Vote)*

Acting GM R. Housley stated that this is a new policy for the District that the Board gave direction to staff to prepare for review and consideration. He stated that this plan will be integrated to supplement the District's current medical benefit plan. He stated that the benefits of an HRA plan are that the District will have complete control and ownership of the plan, decides how much, how long, if its going to continue the plan, and no OPEB liability with the plan. This also provides the District with a lever in future negotiations and for maintaining and retaining employees, and is not a retiree benefit. Employees cannot cash out and if not used it is forfeited.

Acting GM R. Housley stated that the staff recommendation states that staff recommends for the District to use Paychex as the third party administrator, however, after looking into it more, Paychex is not ideal as a complement to the District's health insurance, so he would like it amended to give the General Manager the authority to sign up with a third party administrator better suited to the District, which will cost under \$2,000 a year. Staff selected \$250 per month as a starting point, for a total of \$3,000 per year, using IRS standards.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by President A. Nguyen, seconded by Director T. Diep, to approve and adopt Resolution No. 2022-10, establishing the MCSD health reimbursement arrangement (HRA) and policy and a modification to allow the General Manager to select a third-party administrator. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ABSTAIN:

ABSENT:

B. Consider Approval to Purchase Eight (8) New Back-up Pumps for Midway City Sanitary District Lift Stations
(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 T. Diep, seconded by Director S. Contreras, to approve the purchase of eight (8) new back-up pumps for the Midway City Sanitary District's lift stations and waive the purchasing policy. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ABSTAIN:

ABSENT:

C. Discussion and Consideration of Midway City Sanitary District's Participation in the City of Westminster's Public Works Open House on May 18th from 3PM to 7PM
(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 S. Contreras, seconded by Director T. Diep, to approve of the District's participation in the City of Westminster's Public Works Open House on May 18, 2022. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ASTAIN:

ABSENT:

D. Consider Proposals for Technology Upgrades Voice-Over IP Phone System, Cloud Based Computing and Camera System for the Midway City Sanitary District
(Roll Call Vote)

Acting GM R. Housley stated that GM K. Robbins submitted the proposal for RFP's and only two came back with bids, which were provided to the Board for comparison.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director M. Nguyen, seconded by President A. Nguyen, to approve staff recommendation to approve CRC and have the General Manager renegotiate for a lower price and bring back for Board approval.

A substitute motion was made by Director T. Diep, seconded by Director S. Contreras to table this item and postpone until the General Manger returns and put it on the next regular Board meeting agenda for discussion. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ASTAIN:

ABSENT:

E. RESOLUTION NO. 2022-11

(Roll Call Vote)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, MAKING SPECIFIED FINDINGS AND REAUTHORIZING THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 AND GOVERNMENT CODE SECTION 54953(e) FOR MEETINGS OF THE MIDWAY CITY SANITARY DISTRICT BOARD OF DIRECTORS AND OTHER DISTRICT COMMITTEES SUBJECT TO STATE OPEN MEETINGS LAWS

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director C. Nguyen, seconded by Director S. Contreras, to approve adoption of Resolution No. 2022-11. The motion was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS:

ASTAIN:

ABSENT:

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

President A. Nguyen thanked Director C. Nguyen for promoting the District's clean-up event at the end of April on Little Saigon Radio.

Director C. Nguyen stated that he does a television show on Fridays and that he did mention the clean-up event and said that residents would need to bring id to show that they were a resident of the District living in Westminster or Midway City.

GM/STAFF CONCERNS/COMMENT

Acting GM R. Housley thanked the Board for their support.

GENERAL COUNSEL CONCERNS/COMMENTS

General Counsel J. Eggart stated that he was asked about the article regarding the Surplus Land Act in the Special District Magazine that all the Directors received. He clarified that it applies to all Special District's when they sell property and establishes the legal process that must be followed.

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 A. Nguyen adjourned the meeting to Wednesday, April 20, 2022 at 12:00 P.M. at the District office at approximately 6:21 P.M.

Sergio Contreras

Sergio Contreras, Secretary