

**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 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.

September 15, 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, September 15, 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
Kassie Rademacher, White Nelson Diehl Evans (via teleconference)
Rebecca Wong, White Nelson Diehl Evans (via teleconference)

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF SEPT. 1, 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 September 1, 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 \$ 254,745.35 (Roll Call Vote)

#	CK #	Date	AMOUNT	VENDOR	MEMO
1				CHECKS:	
2	11720	9/1	\$ 116.20	Advanced Workplace Strategies	Random drug test & collection for Sewer Maintenance dept
3	11721	9/1	\$ 740.00	Ayala's Car Wash	Fleet wash 8/24, 8/25, 8/27
4	11722	9/1	\$ 2,827.30	Bodyworks Equipment, Inc	Restock hydraulic packer cylinder and main relief valve for Solid Waste trucks
5	11723	9/1	\$ 1,050.00	CalPERS Fiscal Service Division	Fees for GASB-68 Reports & Schedules
6	11724	9/1	\$ 261.41	Cintas	Uniform Services for 8/27
7	11725	9/1	\$ 816.00	CRC Cloud	Maintenance/Support September 2020
8	11726	9/1	\$ 727.85	Hoseman	Transmission hoses for NG-5
9	11727	9/1	\$ 18,096.55	Orange County Sanitation District	Permit Fees August-2020
10	11728	9/1	\$ 288.19	Mobile Relay Associates	Restock radio mikes for Solid Waste trucks
11	11729	9/1	\$ 114.00	Remington Pure	August 2020 Water Filtration
12	11730	9/1	\$ 11.78	SoCal Auto & Truck Parts, Inc	Restock oil filters for Sewer Dept vehicles
13	11731	9/1	\$ 6,038.28	Southern California Edison	District Offices, CNG Station and Lift Stations for August 2020
14	11732	9/1	\$ 1,206.96	Standard Insurance Company	Life Insurance & AD&D Premium Coverage for September 2020
15	11733	9/1	\$ 300.00	Digital Deployment dba Streamline	Website Monthly Member Fee: September 2020
16	11734	9/1	\$ 41.11	TrucPar Company	Restock zip mounts used on Solid Waste trucks
17	11735	9/2	\$ 231.44	Advanced Gas Products	Welding material used on Solid Waste trucks and gloves for shop
18	11736	9/2	\$ 575.00	Ayala's Car Wash	Fleet wash 8/31
19	11737	9/2	\$ 350.00	Country City Towing	Towed NG-10 to the District yard
20	11738	9/2	\$ 1,940.11	Daniel's Tire Service	(9) Restock recap tires for Solid Waste use
21	11739	9/2	\$ 48.00	Robert Mayfield	Reimbursement for DMV driver's license
22	11740	9/2	\$ 367.81	Staples Business Credit	August 2020 Office Supplies
23	11741	9/2	\$ 942.84	TEC of California, Inc	Restock rotor disc for Solid Waste trucks
24		9/2		TEC of California, Inc	(1) Credit for Core Return (\$443.48)
25	11742	9/2	\$ 202.81	Tom's Truck Center	Thermostat coolant, brake clean and air filter for NG-11
26	11743	9/2	\$ 39.70	Underground Service Alert	(18) New Tickets for August 2020
27	11744	9/2	\$ 3,243.82	US Bank Corporate Payment Systems	District Credit Cards
28	11745	9/8	\$ 360.00	Ayala's Car Wash	Clean & sanitized cab 9/3
29	11746	9/8	\$ 2,149.42	Bodyworks Equipment, Inc	Restock hose, coil and switches for Solid Waste trucks
30	11747	9/8	\$ 261.41	Cintas	Uniform Services for 9/3

31	11748	9/8	\$117,039.78	CR Transfer Incorporated	Tonnage Fees 8/17/20 through 8/31/20
32	11749	9/8	\$ 844.94	Daniel's Tire Service	(2) Restock newtires for Solid Waste use
33	11750	9/8	\$ 100.00	Dennis Solano Sr.	Reimbursement for testing
34	11751	9/8	\$ 8.86	Haaker Equipment Company	Restock for water floatss, measure levels for NG-12 & NG-16 Sewer maintenance
35	11752	9/8	\$ 100.00	MemorialCare Medical Foundation	CDL medical card renewal (Solid Waste)
36	11753	9/8	\$ 746.74	Merchants Building Maintenance	Janitorial Services for September 2020
37	11754	9/8	\$ 2,704.40	Reliable Monitoring Service	Service work for gas detection system
38	11755	9/8	\$ 671.21	Snap-On Tools	Hand tools for shop use
39	11756	9/8	\$ 1,672.81	TEC of California, Inc	Restock filters, studs and dowels for Solid Waste radiator replacement for NG-14
40	11757	9/8	\$ 4,694.38	Truck Gears Incorporated	Rebuild differential assembly for NG-10
41	11758	9/8	\$ 5,447.26	Woodruff, Spradlin & Smart	Legal Services for August 2020
42			\$177,378.37	CHECKS SUBTOTAL	
43					
44				PAYROLL	
45	ACH	9/8	\$ 73,053.21	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
46	ACH	9/8	\$ 3,389.70	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Employees)
47	ACH	9/8	\$ 560.00	Nationwide Retirement Solutions	457 Roth (100% Paid By Employees)
48			\$ 364.07	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Board of Directors)
49			\$ 77,366.98	ACH TRANSFERS SUBTOTAL	
50					
51					
52				ACH PAYMENTS	
53				None	
54			\$ -	ACH TRANSFERS SUBTOTAL	
55					
56			\$254,745.35	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)	
57					
58				BANK TRANSFERS	
59	UB	9/8	\$250,000.00	Transfer Funds from LAIF to UB Checking Account	

A motion was made by Director M. Rice, seconded by Director A. Nguyen, to approve the expenditures in the amount of \$254,745.35. 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

None

Report of General Manager

GM K. Robbins reminded the Board of the clean up event on Saturday, September 19, 2020 at Coronet Park starting at 8 A.M.

GM K. Robbins reported that the mattress recycling program was going well with 80-100 being dropped off per week, and since the District has not been picking up mattresses and boxsprings, the District has been able to pick up more bulky items for residents of the District.

GM K. Robbins reported that there was a claim filed against the District by someone who was on District property when dropping off a mattress and that he would give the Board an

update at the next meeting. The claim is currently being reviewed by SDRMA who carries the District's insurance.

Report from the Orange County Sanitation District (OCSD) Meeting on Sept. 9, 2020

Director A. Nguyen reported that everyone at OCSD is back to work with no new cases of COVID-19. There was a report of pension costs which are approximately \$50 million a year and a review of investments.

Report from the Calendar Committee Meeting on Sept. 14, 2020

Director M. Rice reported that there were several changes made to the calendar and it is difficult to explain them. She stated that she felt that a meeting of the Board in person to review the final draft was needed.

Director A. Nguyen stated that he would discuss this item further during item 9D on the agenda.

CONSENT CALENDAR

(Roll Call Vote)

A. Approve and file the Treasurer's Investment Report for August 2020

B. Approve the August 2020 Financial Reports and Budget Review for the Period of July 1, 2020 through August 31, 2020

A motion was made by Director A. Nguyen, seconded by President C. Nguyen, 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 and Approval of the Fiscal Year 2019-2020 Independent Financial Audit Report for Midway City Sanitary District (July 1, 2019 through June 30, 2020)
(Roll Call Vote)

Finance/HR Director R. Housley stated that the audit was done electronically this year due to COVID-19, that it was complete and on time.

Kassie Rademacher and Rebecca Wong from White Nelson Diehl Evans gave the Board a review of the annual audit which was done by a new team due to the State law that requires a partner rotation every few years.

A report of a summary of Staff's recommendation was provided and considered by the Board. A motion was made by Director A. Nguyen, seconded by Director M. Rice, to approve to receive and file the fiscal year 2019-2020 independent financial audit report for MCSD. 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. Consider Approval of Paying \$164,521 Dollars towards the District's Pension Plans Unfunded Accrued Liability and Receive and File the CalPERS June 30, 2019 Annual Valuation Reports
(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 paying \$164,521 towards the District's pension plans' unfunded accrued liability and receive and file the CalPERS June 30, 2019 annual valuation reports. 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. Consider the Approval of Four Quarterly Contributions of \$125,000 to the District's California Employers Pension Prefunding Trust (CEPPT) Trust Account, for the 2020-2021 Fiscal Year and Authorize the Director of Finance and Human Resources to Execute the Transactions
(Roll Call Vote)

Director S. Contreras asked what the cost to the District was for the trust account.

Finance/HR Director R. Housley stated that the cost for the administration fee was minimal but he would look into it.

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 of four quarterly contributions of \$125,000 to the District's California Employers Pension Prefunding Trust (CEPPT) Trust account for the 2020-2021 fiscal year and authorize the Director of Finance and Human Resources to execute the transactions. 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 and Consider Changing the Midway City Sanitary District's Regularly Scheduled Board Meeting On Tuesday, October 6, 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 Director A. Nguyen, seconded by Director M. Rice, to approve having a hybrid teleconference meeting on Tuesday, October 6 at 5:30 P.M., giving the public the option to attend the meeting by phone, in order for the Board to review the final draft of the District's 2021 annual calendar before it goes to final print. 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 M. Rice welcomed back GM K. Robbins and thanked Director of Finance/Human Resource R. Housley for the well-prepared annual budget.

Director A. Nguyen thanked GM K. Robbins, Finance/HR Director R. Housley and staff.

President C. Nguyen thanked GM K. Robbins for his efforts in the disaster relief in Louisiana and stated that he appreciates all his efforts.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins thanked the Board for their support and allowing him to go out on disaster relief to Louisiana.

Mark Monin, President of El Toro Water District, came on the line and asked to speak to the Board. He stated that he is running for President of ISDOC and was looking for the Board's support.

Finance/HR Director R. Housley thanked the Board for their support while GM K. Robbins was out on vacation and for their support with the financials and the District's annual audit. He also stated that, in answer to Director S. Contreras' question earlier on Item 9C, the District's trust administration fees were approximately \$3,071 per year.

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, October 6, 2020 at 5:30 P.M. at the District office at approximately 5:53 P.M.

Sergio Contreras
Sergio Contreras, Secretary