

**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.

July 21, 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, July 21, 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
Dean Ruffridge, CR&R (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 JULY 7, 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 July 7, 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 \$ 1,022,426.45 (Roll Call Vote)

#	CK #	Date	AMOUNT	VENDOR	MEMO
1				CHECKS:	
2	11542	7/1	\$ 592.59	Advanced Gas Products	Nozzle and grind disc for welding & grinding shop use
3	11543	7/1	\$ 325.00	Andrew Nguyen	Flight to New Orleans for Waste Expo May 4-7 cancellation
4	11544	7/1	\$ 322.07	AT&T	Brookhurst Lift Station June 2020
5	11545	7/1	\$ 1,520.00	Ayala's Car Wash	Fleet wash 6/22, 6/25, 6/29
6	11546	7/1	\$ 270.12	Cintas	Uniform Services for 6/25
7	11547	7/1	\$ 31.64	City of Westminster	Hydrant Water Service for June 2020
8	11548	7/1	\$ 119,624.25	CR Transfer Incorporated	Solid Waste and Organics Tonnage Fees 6/01/2020 - 6/15/2020
9	11549	7/1	\$ 816.00	CRC Cloud	Maintenance/Support July 2020
10	11550	7/1	\$ 3,337.86	Cummins Sales & Service	NG-10 engine repairs (Solid Waste)
11	11551	7/1	\$ 491.98	Daniel's Tire Service	(2) Tires for CCC & Mack fleet trucks
12	11552	7/1	\$ 511.13	Dntech	Coronet Park 09/19/20 clean up event door hanger
13	11553	7/1	\$ 1,147.91	Frontier Communications	District Office Phones & Lift Stations for June 2020
14	11554	7/1	\$ 420.00	Konecranes, Inc	Quarterly inspection of 5 ton crane
15	11555	7/1	\$ 67.80	LegalShield	Member Paid Services for June 2020
16	11556	7/1	\$ 200.00	MemorialCare Medical Foundation	DMV Physicals
17	11557	7/1	\$ 220.50	Rutan & Tucker, LLP	Personnel Legal Services for May 2020
18	11558	7/1	\$ 558.16	Safety-Kleen Systems, Inc	Restock antifreeze for Solid Waste
19	11559	7/1	\$ 17,250.00	SCI Consulting Group	Sanitary Sewer Service & Solid Waste Fees FY 2020-21
20	11560	7/1	\$ 3,860.86	SDRMA	Dental Insurance Premiums for July 2020
21	11561	7/1	\$ 306,500.14	SDRMA	FY 2020-21 Liability Package
22	11562	7/1	\$ 76,032.42	SDRMA	FY 2020-21 Workers' Compensation Program
23	11563	7/1	\$ 557.42	South Coast AQMD	Emissions & Annual Renewal Fees District Generator FY 2020-21
24	11564	7/1	\$ 4,959.20	Southern California Edison	District Offices, CNG Station and Lift Stations for June 2020
25	11565	7/1	\$ 180.96	Time Warner Cable	Business Service TV for June 2020
26	11566	7/1	\$ 1,170.40	Standard Insurance Company	Life Insurance & AD&D Premium Coverage for July 2020
27	11567	7/1	\$ 138.03	TEC of California, Inc	Stud & drain valve for NG-4
28	11568	7/1	\$ 4,646.24	US Bank Corporate Payment Systems	District Credit Cards
29	11569	7/1	\$ 21.55	Underground Service Alert/SC	(7) New Tickets for June 2020
30	11570	7/1	\$ 2,457.97	Bodyworks Equipment, Inc	Restock pivot hose, cylinder and cushion kit for Heil system
31	11571	7/1	\$ 916.61	Cummins Sales & Service	Restock spark plug parts for Cummins engine
32	11572	7/1	\$ 1,840.44	Daniel's Tire Service	(9) Tires for refuse equipment
33	11573	7/1	\$ 549.00	Frog Environmental	2020-21 1Q Storm Water Monitoring System
34	11574	7/2	\$ 1,000.00	SFG Retirement Plan Consulting, LLC	Advisory Fee 457(b) and OBRA plans-Q2 2020
35	11575	7/7	\$ 360.00	Ayala's Car Wash	Fleet wash 7/2
36	11576	7/7	\$ 1,206.77	Wex Bank (Chevron)	Fuel Credit Card for June 2020
37	11577	7/7	\$ 270.12	Cintas	Uniform Services for 7/2
38	11578	7/7	\$ 17,804.58	County of Orange-Treasurer	Allocation of FY 2020-21 LAFCO Costs
39	11579	7/7	\$ 1,015.80	Daniel's Tire Service	(5) Tires for refuse trucks
40	11580	7/7	\$ 100.07	Hose-Man, Inc	Restock fittings for Solid Waste trucks

41	11581	7/7	\$	125.00	Lucas McDivitt	Claim for item picked up in error during bulky item pick up
42	11582	7/7	\$	746.74	Merchants Building Maintenance, LLC	Janitorial Services for July 2020
43	11583	7/7	\$	93.59	Nick Castro	Work boots reimbursement
44	11584	7/7	\$	180.31	Plumber's Depot, Inc	NG-12 hose replacement
45	11585	7/7	\$	114.00	Remington Pure	June 2020 Water Filtration
46	11586	7/7	\$	170.50	SDRMA	Additional insured certificates and 2008 Peterbilt 320
47	11587	7/7	\$	482.03	TrucPar Company	Restock wiper blades for Solid Waste trucks
48	11588	7/7	\$	320.00	Westminster Herald	Advertising for notice of public hearing 4/30/20 & 5/7/20
49	11589	7/10	\$	160.00	Asbury Environmental Services	(350) Gallons public used oil/mixed oils
50	11590	7/10	\$	660.00	Ayala's Car Wash	Fleet wash 7/5
51	11591	7/10	\$	3,552.06	Bodyworks Equipment, Inc	Restock hydraulic hose kits & packer cylinder for Heil loader system
52	11592	7/10	\$	264.12	Cintas	Uniform Services for 7/9
53	11593	7/10	\$	126,127.92	CR Transfer Incorporated	Solid Waste & Organics Tonnage Fees 6/16/2020 - 6/30/2020
54	11594	7/10	\$	6,340.60	SoCalGas	CNG Station from 6/01/2020 through 7/01/2020
55	11595	7/10	\$	615.93	Los Angeles Freightliner	Air dryer for NG-9
56	11596	7/10	\$	493.16	Michael LaFreniere	Safety eye glasses reimbursement
57	11597	7/10	\$	49,479.80	Orange County Sanitation District	Permit Fees MAY/JUNE-2020
58	11598	7/10	\$	26,544.54	Oto Environmental Systems NA, Inc	95 Gal blue recycle carts (504)
59	11599	7/10	\$	29.20	Petty Cash-Ken Robbins	Notary to certify Qlty RNG report for Clean Energy, certified mail to DMV
60	11600	7/10	\$	308.06	Mobile Relay Associates	Replaced antenna NG-7, replaced microphone for NG-5
61	11601	7/10	\$	245.00	Rutan & Tucker, LLP	Personnel Legal Services for June 2020
62	11602	7/14	\$	370.00	Ayala's Car Wash	Fleet wash 7/9
63	11603	7/14	\$	3,763.50	Daniel's Tire Service	(14) Restock tires for refuse trucks
64	11604	7/14	\$	64.81	SoCalGas	District Offices Usage Fees for June 2020
65	11605	7/14	\$	3,860.86	SDRMA	Dental Insurance Premiums for July 2020
66	11606	7/14	\$	17.23	SoCal Auto & Truck Parts, Inc	Replaced broken swaybar link for M-5
67	11607	7/14	\$	1,494.46	Verizon	Internet Connection for July 2020
68			\$	799,919.01	CHECKS SUBTOTAL	
69						
70					PAYROLL	
71	ACH	6/30	\$	69,537.79	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
72	ACH	6/30	\$	3,552.82	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Employees)
73	ACH	6/30	\$	560.00	Nationwide Retirement Solutions	457 Roth (100% Paid By Employees)
74	ACH	7/14	\$	72,527.99	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
75	ACH	7/15	\$	3,366.18	Nationwide Retirement Solutions	457 Deferred Compensation (100% Paid By Employees)
76	ACH	7/15	\$	560.00	Nationwide Retirement Solutions	457 Roth (100% Paid By Employees)
77			\$	150,104.78	ACH TRANSFERS SUBTOTAL	
78						
79					ACH PAYMENTS	
80	ACH	7/1	\$	14,428.57	CalPERS	Retirement Contributions for 06/15/2020-06/28/2020
81	ACH	7/1	\$	3,606.74	CalPERS	Board of Directors Health Insurance Premiums for July 2020
82	ACH	7/1	\$	54,367.35	CalPERS	Active Employee and Retiree Health Ins Premiums for July 2020
83			\$	72,402.66	ACH TRANSFERS SUBTOTAL	
84						
85			\$	1,022,426.45	TOTAL EXPENDITURES (HANDCUT, REGULAR, PAYROLL, ACH TRANSFERS)	
86						
87					BANK TRANSFERS	
88	LAIF	7/1	\$	180,000.00	Transfer Funds from UB Money Market Account to UB Checking Account	
89	LAIF	7/8	\$	400,000.00	Transfer Funds from LAIF to UB Checking Account	

A motion was made by Director M. Rice, seconded by President C. Nguyen, to approve the expenditures in the amount of \$ 1,022,426.45. 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 large clean up event taking place at the District on Saturday, July 25, 2020 at 9 A.M. He stated that the District would be handing out bottles of hand sanitizer.

GM K. Robbins reported that the one employee who tested positive for COVID-19 is doing well and will retest next Tuesday, July 28. If the test comes back negative, the employee will be back to work on Wednesday, July 29, 2020.

GM K. Robbins reminded Board members C. Nguyen, A. Nguyen and S. Contreras of the virtual ISDOC Quarterly meeting on Thursday, July 23, 2020.

GM K. Robbins reminded Board members A. Nguyen and M. Rice of the Calendar Committee meeting on Friday, July 24, 2020 at 10 A.M.

GM K. Robbins stated that he would like to be proactive and put an item on the next agenda to have General Counsel James Eggart look into incompatible offices and legalities within the District's jurisdiction just in case school Board members or City Council members consider running for the Midway City Sanitary District Board in November.

General Counsel James Eggart stated that, unless the Board objected, he would be happy to prepare a confidential legal memo to the Board with general parameters regarding this issue. Board consensus was for General Counsel to research the issue and provide a memo to the Board.

Report from Orange County Sanitation District (OCSD) Meeting on July 8, 2020

Director A. Nguyen reported that there was an update on health benefits and that there was an increase of only 1.4% in those benefits for 2020 and 2021 and for the first time ever OCSD had video conference tours. He reported that several family members related to a Director at OCSD had passed away and relatives and family members tested positive for COVID-19.

Report from the Franchise Committee Meeting on July 15, 2020

President C. Nguyen reported that he and Director M. Rice, and Dean Ruffridge from CR&R attended the meeting, along with GM K. Robbins and Finance/HR Director R. Housley.

Director M. Rice reported that the meeting went well. She brought up that she was the one that brought her concerns to the Board, who agreed and asked that the franchise committee meet to discuss some type of compensation to the District for the additional money that the District is spending for recyclables going to the landfill due to COVID-19. She stated that the District has spent approximately \$125,000 to date and if the District goes on for another two months, it will cost another \$50,000. She stated that Dean

Ruffridge from CR&R explained how COVID-19 is affecting them and stated that he hopes that CR&R will be able to compensate the District once everything is back to normal. She stated that it was not a promise but that it would be looked into. She stated that she was not trying to cause trouble, but just wants to be able to have answers for the taxpayers if they should question it.

President C. Nguyen reported that it was a productive meeting and that there would be further discussion during Old Business Item 8A.

CONSENT CALENDAR

A. Approve and file the Treasurer's Investment Report for June 2020
(Roll Call Vote)

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 4-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

OLD BUSINESS

A. Consider Approval of Extension to Temporary Addendum to the Exclusive Franchise Agreement with CR&R Incorporated Regarding the Temporary Transfer and Disposal of Recyclable Materials during the COVID-19 Emergency through July 2020 with an Option for August 2020
(Roll Call Vote)

GM K. Robbins stated that CR&R is working with the District. He stated that CR&R would be providing the ten dumpsters for the large cleanup event at the District on July 25, 2020 at no charge, that they loaned the District a truck to help pick up bulky items after the lockdown and that they helped clean up the street when the District had a truck fire.

Dean Ruffridge from CR&R stated that these are very trying times and that both the District and CR&R have unexpected expenditures. He stated that the shutdown on their sorting lines continue but that they are hopeful they will have them back up and running in a couple of weeks, and no more than six weeks. Unfortunately in order to cover their pass-through costs due to their inability to sort recyclables, they have requested that the District help to cover their costs. He stated that they have made changes to their sorting lines and have implemented social distancing on the lines and are hoping to be back up and running soon.

Director S. Contreras thanked the Franchise Committee for taking the time to get clarification so that everyone is on the same page and also stated that he appreciates the partnership with CR&R, especially during these challenging times.

Director M. Rice thanked Dean Ruffridge for his understanding of where the District is coming from due to the public and she wanted to be able to make them aware of what the District is getting in return.

Dean Ruffridge from CR&R stated that he is happy that the District has only had one case of COVID-19 because CR&R is suffering at their Stanton, Garden Grove and South County locations with a loss of about 10% of their drivers. CR&R has asked most of their cities and districts to allow them to continue their collections until after 7 P.M. in order to finish their routes and they are hopeful that their drivers will be able to return to work in the next five to seven days.

President C. Nguyen thanked Dean Ruffridge for CR&R's sponsorship of the clean up event at the District and stated that he is hopeful that CR&R will compensate the District in some way once this is all over.

General Counsel James Eggart asked for clarification regarding the extension to July 2020 and possibly August 2020.

GM K. Robbins stated that he understood that the extension was through July 2020 and possibly August 2020 and that if another extension was needed beyond August 2020, he would bring it back to the Board for consideration.

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 the extension to the temporary addendum to the exclusive franchise agreement with CR&R Incorporated regarding the temporary transfer and disposal of recyclable materials during the COVID-19 emergency through July 2020 with an option for the General Manager to grant a further extension through August 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:

NEW BUSINESS

A. Modification of General Manager 2020 Vacation Request – New Dates of August 24 2020 through September 6, 2020 for a Total of Ten (10) Days and Approval of Acting Pay for Finance Director for the Ten (10) Days. Also Postponement of Original Approved Request of Fifteen (15) Days for 2020 and moving it to October 2021
(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 M. Rice, to approve modification of the General Manager's vacation request for 2020 with new dates of August 24, 2020 through September 6, 2020 for a total of ten days and approval of acting pay for Finance Director for the ten days, and to include postponement to October 2021 of original approved request of fifteen days. 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 the 2021 Dental and Vision Premium Rates Effective
January 1, 2021 **(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 A. Nguyen, to approve the 2021 dental and vision premium rates effective January 1, 2021. 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. Discussion of Solid Waste Bulky Program, Charging for Extra Containers and
Local Agency Formation Commission (LAFCO) Response to the District Picking
Up Abandoned Items within the Public Right-of-Way **(Roll Call Vote)**

GM K. Robbins presented the Board with a report regarding potential modification to the District's solid waste bulky item program, changes in the District's procedures for picking up mattresses, charges for extra black solid waste containers, and the response from LAFCO's Executive Director to the District's inquiry about picking up abandoned items. Board discussion ensued.

A motion was made by Director A. Nguyen, seconded by President C. Nguyen, to receive and file the report. 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. Discussion of Setting a Date and Time for a Special Closed Session to Begin Bargaining with Represented Employees Union **(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 set a special teleconference meeting for a closed session to begin bargaining with represented employees union on Monday, August 3, 2020 at 5 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:

E. Consider Authorizing Staff to Prepare for Board Approval a Request for Proposal (RFP) for 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)**

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 M. Rice, to approve authorizing staff to prepare for Board approval a Request for Proposal (RFP) for 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. 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 stated that she is happy with the way the Board works and cooperates together.

Director S. Contreras thanked the Franchise Committee for doing their due diligence for the District and is grateful for the partnership with CR&R. He asked GM K. Robbins how employee morale is at the District. and that he appreciates staff for all their hard work.

GM K. Robbins stated that employee morale was good and that everyone works well together as a team. He stated that the District does little things for employees and for instance buys a cake once a month for birthdays, but has had to forgo luncheons due to COVID-19.

Director S. Contreras stated that he appreciates staff for all their hard work.

President C. Nguyen stated that he would be attending the virtual ISDOC meeting on Thursday but would not be able to attend the clean up event at the District on Saturday, July 25th.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins thanked the Board for allowing him to change his vacation and reminded everyone of the big clean up event at the District on Saturday, July 25, 2020 starting at 9 A.M.

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 Monday, August 3, 2020 at 5:00 P.M. at the District office at approximately 6:10 P.M.

Sergio Contreras
Sergio Contreras, Secretary