

**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**

March 22, 2022

CALL TO ORDER

President A. Nguyen called the special meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, March 22, 2022 at 5:33 P.M.

BOARD MEMBERS PRESENT:

Tyler Diep (absent)
Sergio Contreras
Chi Charlie Nguyen (via teleconference)
Andrew Nguyen
Mark Nguyen

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, Finance/HR Director
James Eggart, General Counsel
Danielle Gerardo, Executive Board Secretary

PLEDGE AND INVOCATION

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

PUBLIC COMMENTS

None

NEW BUSINESS

A. RESOLUTION NO. 2022-08

(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 motion was made by Director C. Nguyen, seconded by Director S. Contreras, to approve adoption of Resolution No. 2022-08. 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

B. Budget Workshop – Overview of the Fiscal Year 2022-2023 (July 1, 2022 through June 30, 2023) Operating Budget, Capital Improvement Projects and Reserves

(Roll Call Vote)

Finance/HR Director R. Housley reviewed the budget overview for the District's approximate 100,338 residents for fiscal year 2022-2023. He stated that the capital outlay and improvement budget for the District was slightly modified to allow for the Board approved new side loader truck which will cost \$425,000 instead of \$360,000. He stated that the budget includes the potential increase in residential sewer and solid waste services, plus the commercial sewer services as planned for, even though the Board has not had that hearing yet or adopted those rates, and they are reflected within the budget. The District's revenues are mostly from property taxes, user fees and pass thru funds, and expenses are mostly for the solid waste, sewer and administration departments. He reviewed the District's budget assumptions used to come up with current annual service rates for sewer and solid waste and employer contribution rates for CalPERS. He stated that the District does not yet have the tonnage rates for the 2022-2023 year from CR&R but the rates are expected to go up 3½% to a little over 6% and are reflected in the budget. He reviewed the District's reserves and trust funds and stated that the goal levels are at approximately 69% and have not changed. He stated that the District uses its OPEB 115 trust fund to pay for all retiree benefits and then requests reimbursements quarterly or annually.

Finance/HR Director R. Housley stated that the District's operating budget and total revenues are \$13,913,200, total expenditures \$11,006,253, leaving a difference of \$2,906,947 net for reserves or capital projects, and explained that depreciation and amortization expenses help the District save money for future projects. He reviewed the capital outlay and improvement budget of \$6,575,000, which includes the building project, solar project, steam cleaner for the wash rack, 2 new trucks, lift station pumps and SCADA system upgrades and payments towards the District's unfunded liabilities.

Finance/HR Director R. Housley reviewed the details of the District's operating and non-operating revenues which total \$13,913,200, as well as the details of the District's expenses, which total \$11,006,253. He also reviewed some of the details of the District's expenses by department.

Finance/HR Director R. Housley stated that the resolutions for the budget, rates, and special agreements will be added after they are adopted.

There was discussion regarding the number of ADU's within the District and the lack of parking for those units, leading to numerous cars on the streets blocking the District's containers and the problems that the District's drivers are having servicing the containers.

General Counsel, J. Eggart, stated that there was a bill introduced into legislature this year that will eliminate all parking requirements for any structure within a half mile of a major transit stop.

No action was taken.

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director M. Nguyen thanked Finance/HR Director R. Housley for his hard work.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins stated that there would be a luncheon with a taco truck at the District on Wednesday, April 13, 2022.

Finance/HR Director R. Housley stated that MCSD employee Sergio Contreras started as the District's new Lead Solid Waste Worker on Tuesday, March 22, 2022.

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 A. Nguyen adjourned the meeting to Tuesday, April 5, 2022 at 5:30 P.M. at the District office at approximately 5:22 P.M.

Sergio Contreras

Sergio Contreras, Secretary