

**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 HYBRID/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.**

March 23, 2021

CALL TO ORDER

President A. 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, March 23, 2021 at 5:00 P.M.

BOARD MEMBERS PRESENT:

Margie L. Rice (via teleconference)
Tyler Diep (arrived @ 5:10 PM via teleconference)
Sergio Contreras (via teleconference)
Chi Charlie Nguyen (via teleconference)
Andrew 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

PLEDGE AND INVOCATION

Director C. Nguyen led the Pledge of Allegiance and gave the Invocation.

PUBLIC COMMENTS

None

NEW BUSINESS

President A. Nguyen asked that the Board postpone discussion of Item A and discuss Item B first since Director T. Diep had not yet arrived at the meeting.

B. Budget Workshop – Overview of the Fiscal Year 2021-2022 (July 1, 2021 through June 30, 2022) Operating Budget, Capital Improvement Projects and Reserves
(Roll Call Vote)

Finance/HR Director R. Housley provided the Board with an overview of the District's operating budget, capital improvement projects and reserves for the fiscal year 2021-2022. He stated that the District's revenues are expected to come in around \$13.1 million and consist mainly of property taxes and user fees.

Director M. Rice stated that it hurts her to see the District's revenues and expenses so tight and that the expenses have gone up and she asked if it was due mainly to the organic waste.

Finance/HR Director R. Housley stated that the District's expenses go up every year, and that the organics definitely had a part in it, but that it is also due to the rising cost of insurance, employees, state and federal mandates, etc.

Finance/HR Director R. Housley stated that the District's expenses are projected at around \$10.5 million and include the Board's direction to increase the District's budget for public outreach from \$137,000 to \$210,000.

Director M. Rice stated that she is concerned with how long the District needs to continue to educate its residents on recycling properly because the cost is so high.

Finance/HR Director R. Housley stated that he broke out the numerous types of outreach that the District does – social media and radio events, clean-up events, District calendar, newsletters and public outreach regarding SB 1383 and organic waste reduction.

Finance/HR Director R. Housley stated that the District's revenues do exceed its expenses.

Director M. Rice stated that the expenses for public outreach for the east side of town exceed the west side of town and she didn't think it was fair.

Director T. Diep arrived at the meeting at 5:10 P.M.

Finance/HR Director R. Housley reviewed the District's capital outlay and improvements which will include the new District building and solar project, a new truck to replace the van, new inventory and shelving system, new steam cleaner and sweeper for the wash rack, and a new scissor lift.

Finance/HR Director R. Housley stated that the District's reserves are healthy and projected to be at 58%.

Director S. Contreras asked if the District could aggregate addition funds for capital improvement projects if needed.

Finance/HR Director R. Housley stated that the District could if needed and that from a financial perspective, the District is doing quite well.

Director T. Diep asked if the left over unspent funds in the Administration/Public Outreach portion of the current year's budget could be rolled over to the next year's fiscal budget.

Directors S. Contreras, C. Nguyen and M. Rice all stated that they would support that.

Finance/HR Director R. Housley stated there would be another budget meeting/study session on April 23, 2021 and that he would make all the Board's suggested modifications.

Director M. Rice stated that Dean Ruffridge from CR&R had mentioned that the District might be entitled to some compensation due to its losses during the first few months of the COVID-19 pandemic.

Director C. Nguyen stated that the District had not had a Franchise Committee meeting in a long time and asked GM K. Robbins to set one up to discuss these issues.

No action taken.

A. Discussion and Approval of Ad Hoc Committee for Community Outreach through June 30, 2021 **(Roll Call Vote)**

A motion was made by Director T. Diep, seconded by Director M. Rice, to approve of an Ad Hoc Committee for outreach and appoint Director T. Diep and President A. Nguyen, with Director S. Contreras as Alternate, through December of 2021. The motion was approved by the following 5-0 roll call vote:

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

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

Director M. Rice stated that she is glad for the District's Facebook page and asked that everything also be in English.

Director S. Contreras thanked Finance/HR Director R. Housley for the budget and stated that he appreciates his new District email and is also happy with the District's new Facebook page.

Director T. Diep thanked Finance/HR Director R. Housley and GM K. Robbins on a great job making the District a sound agency.

President A. Nguyen thanked staff for the budget meeting.

GM/STAFF CONCERNS/COMMENT

GM K. Robbins thanked the Board for their input and stated that staff will incorporate the changes that they requested for the next budget meeting, will have videos added to the District's Facebook page, and add links in English, Spanish and Vietnamese.

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 6, 2021 at 5:00 P.M. at the District office at approximately 5:50 P.M.

Sergio Contreras
Sergio Contreras, Secretary