



**COSTA MESA SANITARY DISTRICT
MINUTES OF BOARD OF DIRECTORS STUDY SESSION
JULY 14, 2015**

CALL TO ORDER

The Board of Directors of the Costa Mesa Sanitary District met in study session on July 14, 2015 at 9:30 A.M. at 628 W. 19th Street, Costa Mesa.

ROLL CALL

DIRECTORS PRESENT: Michael Scheafer, Arthur Perry, Robert Ooten, Arlene Schafer, James Ferryman

DIRECTORS ABSENT: None

STAFF PRESENT: Robin Hamers, District Engineer; Wendy Davis, Finance Manager; Noelani Middenway, District Clerk; Elizabeth Pham, Management Analyst II.

OTHERS PRESENT: Dean Ruffridge, CR&R; Lawrence Jones, CR&R

President Scheafer noted that General Manager, Scott Carroll, was not present at the study session meeting as he was attending the General Manager's Summit. He also commented on a presentation made by staff at the General Manager's Summit on the use of tablets in the Board room and on the field and commended staff on a job well done.

PUBLIC COMMENT - None

ITEMS OF STUDY

1. Recycling & Waste Diversion Reports – June 2015

Recommendation: That the Board of Directors receive and file the report.

Elizabeth Pham, Management Analyst II, provided report details.

Lawrence Jones, CR&R, indicated that a report will be provided on the collection of the organics.

Discussion followed regarding where compostable bags could be purchased, and the delivery of additional organics carts and removal of extra mixed waste carts.

2. Code Enforcement Officer Report – June 2015

Recommendation: That the Board of Directors receive and file the report.

Ed Roberts, Code Enforcement Officer, provided report details and discussed scavenging activity and how the incidents were addressed. He also noted an increase of complaints reported that are to be addressed by City code enforcement.

3. Organics Ad Hoc Committee Update

Recommendation: The July Organics Ad Hoc Committee meeting was cancelled and there is nothing to report at this time.

4. Board of Director's Compensation via Direct Deposit

Recommendation: That the Board of Directors provide staff with direction regarding paperless Direct Deposit for the Director's compensation.

The Board of Directors directed staff to remain status quo and not to begin the direct deposit of the Director's compensation.

5. Unfunded Retirement and Reserve Policy Review

Recommendation: That the Board of Directors provide staff with direction to amend the Operating Budget Reserves Policy.

Wendy Davis, Finance Manager, provided details of the District's unfunded retirement and reserve policy. She discussed the projected unfunded liability and noted that staff recommends that the Other Post-employment Benefits (OPEB) liability be paid off and that the Board wait on paying off the Public Employees Retirement System (PERS) liability.

Discussion followed regarding payments towards the District's unfunded liability and the reporting of the unfunded liability on the financial statements.

The Board of Directors directed staff to pay off the District's OPEB liability and continue to make payments towards the PERS liability.

Ms. Davis discussed details of the operating reserves and recommended that the Board approve a 30 percent increase to the operating reserve.

Discussion followed.

The Board of Directors directed staff to bring the item back to next meeting with new reserve policy for the solid waste fund fee of 30 percent for solid waste and 25 percent in wastewater fee and bring back the OPEB payoff to the board and continue to watch the PERS liability payoff.

6. Future Study Session Items

Recommendation: That the Board of Directors provide staff with direction on items to be placed on future study session agendas.

President Scheafer suggested to CR&R representatives to consider creating a central point for disposal of gardening waste.

ORAL COMMUNICATIONS

Assistant Secretary Schafer suggested providing information regarding the District's large item pick up service in the upcoming newsletter.

ADJOURNMENT

There being no further business to come before the Board, President Scheafer adjourned the meeting at 10:37 A.M.

Robert Ooten
Secretary

Michael Scheafer
President