



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: May 8, 2020  
TO: Board of Directors  
FROM: Finance Committee Chair  
SUBJECT: Finance Committee Meeting of May 6, 2020

The Finance Committee met on May 6<sup>th</sup> at 9:00 a.m., at the District administrative offices and via conference call. Committee members in attendance were Directors Allion, Bales, and Laska. Staff members in attendance were Tim Flanagan, Peter Skinner, Guy Petraborg, Tim Brownell, Zoe Shoats, Garth Gregson, Berta Torres, Becky Aguilar, and Ida Gonzales. Legal counsel Rob Wellington was also in attendance.

- 1. Update on COVID-19 Planning, Procedures, & Impacts.** Staff gave an update on the action that has been taken at the District regarding the impact of the Covid-19 virus on District operations. The District is complying with all the directives from the county. There was discussion and comments and questions from the Committee.
- 2. Update on State of the District Finances.** Staff gave an update on the state of the financial condition of the District in the current economic climate. The District expects to be near the Fiscal 2020 budget targets at year end considering declines in tonnage. Staff does not anticipate results that would threaten compliance with the 2015 and 2018 revenue bond covenants. There continues to be uncertainty about the Fiscal 2021 tonnage and staff will develop scenarios for different tonnage numbers in Fiscal 2021. There was discussion and comments and questions from the Committee and Board members.
- 3. Discussion on Fiscal Year 2020/21 Budget Planning.** Staff presented information on the Fiscal Year 2020/21 budget preparation and impact the Covid-19 pandemic may have on the District operations. Some base line scenarios were presented to the Committee which included lower tonnage forecasts, lower revenue, possible rate increases and cost reduction opportunities. Staff has recommended that a budget be prepared for Fiscal 2021 and then reviewed and adjusted as necessary each quarter. There was discussion and comments and questions from the Committee and Board members and the Committee concurred with staff's plan to update the Fiscal 2021 budget each quarter.
- 4. Discussion on Regional Waste Contracts.** Staff presented information regarding letters sent to the cities of Capitola, Watsonville and Scotts Valley proposing terms for a new waste disposal agreement. Staff is having discussion with the County of Santa Cruz about a new waste disposal agreement. There was discussion and comments from the Committee. Staff will provide updates on the waste contracts as more information becomes available.

**5. General Manager Comments.**

- **Discovery of Deceased Infant in MRF (April 28, 2020).** The General Manager gave an update on the investigation about the deceased infant found in the MRF on April 28. Staff has been cooperating with the County Sheriff's department with their investigation. The MRF has returned to normal operating procedures.
- **Permanent Closure of Buy-Back Center.** The General Manager presented information regarding the Buy-Back Center describing that it is the intention of the District to not reopen the operation when the County directives are eased or lifted in the future. The rationale for not reopening are driven by economic and safety considerations. The District will take the appropriate action to provide notice to the public and CalRecycle regarding this plan.

**CLOSED SESSION**

The Committee met in closed session at 10:10 to discuss the following items:

1. Conference with Property Negotiators:

Property: Landfill Site Space/Capacity  
District Negotiators: Tim Flanagan & Guy Petraborg  
Negotiating Parties: City of Capitola, City of Scotts Valley, City of Watsonville, Santa Cruz County  
Terms: All Terms and Conditions

2. Conference with Labor Negotiators:

District Negotiators: Tim Flanagan, Peter Skinner, Timothy Brownell, and Berta Torres  
Employee Organizations: Operating Engineers and Management Employees

**RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION**

The Committee came back into open session at 10:28 a.m. and Legal Counsel announced that the Committee received information as to each of the closed session items; no reportable action was taken.

**ADJOURNMENT**

The meeting was adjourned at 10:29 a.m.

**NEXT MEETING DATE:** Wednesday, June 3, 2020 at 9:00 a.m.



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Dennis Allion