



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: JUNE 14, 2021
TO: Board of Directors
FROM: General Manager
SUBJECT: Agenda Information for the June 18, 2021 Board Meeting

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

CALL TO ORDER AT 9:00 A.M.

ROLL CALL AND ESTABLISHMENT OF QUORUM

PUBLIC COMMUNICATIONS

Anyone wishing to address the Board on matters *not* appearing on the Agenda may do so now. *Please limit comments to a maximum of three (3) minutes.* The public may comment on any other matter listed on the agenda at the time the matter is being considered by the Board.

CONSENT AGENDA

These matters include routine financial and administrative actions, which are usually approved by a single majority vote. Individual items may be removed from Consent for discussion and action.

- 1) **Approve Minutes of May 21, 2021 Regular Board Meeting.**
- 2) **Approve Report of Disbursements, and Board and Employee Reimbursements for May 2021.**
- 3) **Receive Report on June 2, 2021 Finance Committee Meeting.**
- 4) **Receive Report on June 2, 2021 Personnel Committee Meeting.**
- 5) **Authorize the General Manager to execute the engagement letter with Eide Bailly, CPA's & Business Advisors for Fiscal 2021 Audit Fees Estimated to be \$33,400.**
- 6) **Receive 2021 Fiscal Planning Letter from Eide Bailly, CPA's & Business Advisors dated June 1, 2021.**
- 7) **Approve extension of E Recycling of California Agreement**
- 8) **Adopt Memorandum of Understanding with County of Monterey Approving Expenditure not to exceed \$25,000 to Support Activities of the Monterey County Litter Abatement Program.**
- 9) **Authorize General Manager To Finalize And Have Executed A FACILITIES LEASE AND OPERATING AGREEMENT By And Between The Monterey Regional Waste Management District And The Veterans Transition Center Of Monterey County For Operation Of The Last Chance Mercantile Substantially In Conformance With The Draft Agreement And Subject To Final Approval By Legal Counsel.**

The Agreement included in this packet conforms with the Memorandum of Terms approved by the Board at the May meeting. However, as this packet was being prepared, the Agreement had not yet been finalized with VTC. Staff is requesting the Board to authorize staff, in conjunction with District counsel, to complete and execute the Agreement with VTC for the operation of the Last Chance Mercantile. This Agreement needs to be completed before VTC can begin operations of the LCM which is expected to begin during the first week of July. With the next Board meeting not scheduled until July 23rd, this request is necessary. Staff will bring back to the Board the complete, final Agreement at the July 23rd Board meeting.

Recommendation: Approve Consent Agenda

RECOGNITION/PRESENTATIONS

10) Recognition of Accounting Technician Rosemary Perez for 20 Years of Service.

Please join us in recognizing Rosemary Perez Accounting Technician. Rosemary started her tenure at the District working in the scales and was promoted to the Accounting Department in 2005. Rosemary has been a key contributor to the District and brings her sunny disposition to work every day. This is part of our regular program of recognizing employees with significant lengths of service. We will try to get our employees to be able to be present for the zoom call for the meeting for the Board. Please join me in recognizing the significant achievements each of them has made to the District.

11) Retirement Recognition Director Gary Bales for 52 Years of Service –Fifty two (52) years of public service is unparalleled in our review of state special district annals. Gary has led the Board as a Vice-chair and Chair, and has served on the Personnel committee and has been on the Finance committee for more than ten years. Director’s Bales focus on fiscal responsibility, innovation, and recycling and waste diversion has catapulted the District to becoming one of the best overall solid waste and recycling systems in North America. Literally, every project, building, program, and area of focus has occurred under Gary’s oversight and tutelage. The District staff, Board, member agencies, and residents of the District owe a significant debt of gratitude to Director Bales. Please join me in celebrating 52 years of service and wishing Gary the best in his retirement.

12) Presentation on Multi-Jurisdictional Hazard Mitigation Plan Participation by Monterey County Office of Emergency Services

A representative of Monterey County’s Office of Emergency Services (OES) will present an oral report on their activities to prepare a five year update to the 2016 Multi-Jurisdictional Hazard Mitigation Plan (MJHMP). The presentation is one of the requirements for the District’s participation in the MJHMP update. As the plan title

suggests, the MJHMP identifies potential hazards in the Monterey County, potential mitigation measures, and the jurisdictional stakeholders either affected by and/or involved in emergency response activities. The District has joined the steering committee for the MJHMP update with the intent to have the District's property and facilities covered in an appendix to the plan and for the potential hazards, mitigation, and emergency response activities to be presented. In general, the appendix will present an overview of the District, a facility risk assessment, a capability assessment, hazard mapping, and potential mitigation actions. As solid waste management facilities often provide a crucial service in post-disaster response activities, Staff feel it is important that the District's facilities be presented in the MJHMP. In addition, with coverage in a MJHMP, the District will be able to participate in grant funding through Cal OES and FEMA in conjunction with the County of Monterey.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

13) Adopt Resolution (2021-06) Approving Final Budget for Fiscal Year 2021/22

Please refer to the enclosed Final Budget. Garth Gregson will provide a presentation on the Final Budget at the meeting. Finance Committee recommends approval of the enclosed Budget. Of significance to note, the proposed Budget does not recommend any tipping fee increases for FY21/22. The FY 21/22 Budget is projecting \$38.6 million in revenue and a Net Income of \$3.27 million, and a Bond Debt coverage of 2.01, which is over the 1.25 prescribed limit.

***Recommendation:* Adopt Resolution (2021-06) Approving Final Budget for Fiscal Year 2021/22**

14) Approve the Operating Engineers Local 3 (OE3) Support Unit, Laborers & Sales clerks Unit and Operations Unit Pay Schedules.

Please refer to the enclosed memo and pay schedules.

***Recommendation:* Approve the Operating Engineers Local 3 (OE3) Support Unit, Laborers & Sales clerks Unit and Operations Unit Pay Schedules.**

15) Approve the Management Unit, Unrepresented, Positions Pay Schedules

Please refer to the enclosed memo and pay schedules.

***Recommendation:* Approve the Management Unit, Unrepresented, Positions Pay Schedules**

16) a) **Review General Manager Compensation and Award Cost of Living Adjustment for Fiscal Year 2021/22.**

b) **Approve the General Manager Pay Schedule**

Normally this approval is completed post annual review of the General Manager. Since the annual GM review will not be completed this fiscal year due to the pending retirement, this approval of the pay schedule is necessary to have the General Manager receive the same COLA adjustment as the other at-will Directors and Managers.

Recommendation: Review General Manager Compensation and Award Cost of Living Adjustment for Fiscal Year 2021/22 and Approve the General Manager Pay Schedule

17)a) **Adopt Resolution 2021-07 authorizing the sole source purchase of one new Caterpillar D6XE Dozer, one new Caterpillar 740 Ejector Truck, and one new Caterpillar 966XE Loader using the preferential competitive pricing offered by Sourcewell (formally known as National Joint Powers Alliance, NJPA);**

b) **Approve the purchases from Sourcewell through Quinn Company of Salinas, CA approving the three proposals (attached) by Quinn Company of Salinas, CA, dated June 10, 2021, to provide a Caterpillar D6XE Dozer for the total price of \$597,263.56; a Caterpillar 740 Ejector Truck for the total price of \$849,273.05; and a Caterpillar 966M Loader for the total price of \$574,996.08. Purchase total for all three pieces of equipment to be \$2,021,532.69 including sales tax, freight.**

Please refer to the enclosed memo from Tim Brownell, Director of Operations.

Recommendation: Adopt Resolution 2021-07 authorizing the sole source purchase of one new Caterpillar D6XE Dozer, one new Caterpillar 740 Ejector Truck, and one new Caterpillar 966XE Loader using the preferential competitive pricing offered by Sourcewell (formally known as National Joint Powers Alliance, NJPA); b) Approve the purchases from Sourcewell through Quinn Company of Salinas, CA approving the three proposals (attached) by Quinn Company of Salinas, CA, dated June 10, 2021, to provide a Caterpillar D6XE Dozer for the total price of \$597,263.56; a Caterpillar 740 Ejector Truck for the total price of \$849,273.05; and a Caterpillar 966M Loader for the total price of \$574,996.08. Purchase total for all three pieces of equipment to be \$2,021,532.69 including sales tax, freight.

18) **Award Construction Contract for Landfill Module 7 Mass Excavation Project to the Qualified Low Bidder, Don Chapin Company, Inc. of Salinas, CA, in the Amount of \$1,682,000.**

This contract award is for the mass excavation element (aka "rough grading") of construction of the new Module 7. The entire Module 7 construction will be a phased project which may be accomplished over two fiscal years. Approximately 75% of the project is expected to be

completed by the end of next fiscal year (FY21/22). This is necessary for the continued expected commitment of post-processed waste tonnages from our current Agreement with Green Waste Recovery of San Jose.

Recommendation : Award Construction Contract for Landfill Module 7 Mass Excavation Project to the Qualified Low Bidder, Don Chapin Company, Inc. of Salinas, CA, in the Amount of \$1,682,000.

- 19) **Approve MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs subject to final approval by Legal Counsel; and 2) Allocate \$140,000 of FY 20/21 recycling revenues towards FY 21/22 SB 1383 Shared Costs.**

Staff has been working with the Technical Advisory committee and the haulers for the past year to develop an implementation plan for compliance with the new SB1383 regulations. These regulations were not even finalized by Cal-Recycle until December 2020. These new regulations are very complicated and involve a number of stakeholders. Staff has worked through an approach where there will be shared responsibility to compliance with SB 1383. Member agencies and the haulers will have a part in the compliance. District staff is recommending that a portion of the increased revenues from the sale of recyclable material we experienced in 2020 and 2021 be used to promote the required outreach and education efforts necessary to ultimately divert 75% of organics from the landfill by 2025.

Recommendation: Approve MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs subject to final approval by Legal Counsel; and 2) Allocate \$140,000 of FY 20/21 recycling revenues towards FY 21/22 SB 1383 Shared Costs

- 20) **Authorize General Manager to Cast Ballot to Elect a Representative to California Special Districts Association Board of Directors for Coastal Network, Seat B.**

STAFF REPORTS

- 21) **Review Finance, Operating, and Recycling Reports**
- 22) **Report on Update on Technical Advisory Committee and SB1383**

OTHER CORRESPONDENCE

- 23) **BOARD APPOINTMENT**

GENERAL MANAGER COMMUNICATIONS

Director Gary Bales Celebration At the time of this writing, it was not clear what the COVID 19 guidelines for in-person events would be. Staff would recommend that we hold off having an in-person event for Director Bales until we can hold a suitable in person event to celebrate Gary's 52 years of service. Staff will see if the July or August Board meetings would be better to hold an event that appropriately recognize Gary and allow us to have a lunch or dessert (or both)!

M1W Ad Hoc District staff and M1W staff are requesting a meeting of the Joint Ad Hoc committee meeting of the two agencies. Topics for the agenda will be our Power Purchase Agreement, Micro grid development, joint organic management, site security and maintenance and Site Master Planning and land development cooperation. Chair Campbell, Vice-chair Blackwelder, and Supervisor Askew are the designated District members.

Office Reopening and in person Board meetings. – District staff is monitoring the ever-changing criteria and guidelines for COVID 19 by respective agencies. Since at the time of this writing there is not a clear designation of office opening details, District staff is recommending that the Board provide direction to staff around their interest on issue of public, in-person meetings. Staff is specifically interested in what form of meeting is the Board would like to have – an in-person meeting, a hybrid form of public meeting (which may be challenging from a delivery standpoint), or keeping the zoom meeting format for the time being until clear, specific, guidelines are developed by the CDC, state office of Public Health, or Cal-OSHA.

August Board Meeting – Due to the recruitment process for the General Manager position, staff believes it will be necessary to hold an August meeting. The meeting would be scheduled for Friday August 20th at 9am.

GM Recruitment - Bob Murray and Associates has been selected as the recruiter for the GM position. Bob Murray has performed the last two GM recruitments for the District and has extensive experience in public sector recruiting.

BOARD COMMUNICATIONS

24) Committee Appointments

CLOSED SESSION

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the District's Meyers-Milias-Brown Act representative.

1. Conference with Property Negotiators
Property: Landfill Site Space/Capacity
District Negotiators: Tim Flanagan, Timothy Brownell, Guy Petraborg, Peter Skinner and Zoe Shoats
Negotiating Parties: Green Waste Recovery, San Jose CA
2. Conference with Legal Counsel--Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of section 54956.9: One case
3. Public Employment Appointment (Govt. Code sec. 54957)
Position to be filled: General Manager


RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION

Please note: A report out and announcement concerning the closed session will be provided to anyone requesting same by emailing igonzales@mrwmd.org.

ADJOURNMENT

NEXT MEETING DATE: July 23, 2021 at 9 a.m.

Respectfully submitted,



Timothy S. Flanagan