



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: September 8, 2017
 TO: Board of Directors
 FROM: Finance Committee Chair Allion
 SUBJECT: Summary of Finance Committee Meeting of September 6, 2017

The Finance Committee met on September 6th at 9:00 a.m., at the District administrative offices. Committee members in attendance were Board Chair Delgado, and Directors Bales and Laska. Staff members in attendance were Tim Flanagan, Peter Skinner, Guy Petraborg, Tim Brownell, Chuck Rees, Jeff Lindenthal, and Becky Aguilar. Rob Wellington was also in attendance. The purpose of the meeting was to receive information on Future Capital Improvements, a proposed amendment to the Power Purchase Agreement with Monterey One Water, Capital Project Update, receive General Manager Comments and hold a Closed Session regarding anticipated litigation. Discussion is summarized below and followed the attached agenda.

1. **Discussion on Future Capital Improvements.** Guy Petraborg made a presentation on the history of the development of the District that will be included in the extended Board Meeting to review the Strategic Plan and Future Capital Improvements. The Committee commented and asked questions during the presentation. The presentation included the topics of services provided, number of employees, tip fees, tonnages and budget data. The Committee requested that Staff include a comparative sheet presentation of these items over time including industry metrics regarding productivity. Staff concluded the presentation with a comparison of size, services and fees of the regional landfills.
2. **Amendment to Power Purchase Agreement with Monterey One Water.** Staff provided background on a proposal by Monterey One Water to amend the current Power Purchase Agreement with MRWMD to increase the Minimum Required amount of energy delivered by MRWMD from 1800 kW to 2800 kW. After extensive discussion, the Committee directed Staff to bring this proposal to the full board in September.
3. **Capital Project Updates.** Staff updated the Committee on the progress of the MRF Improvement Project. The MRF processing equipment from BHS equipment and installation is progressing on schedule, Granite Rock will begin site work the week of September 11th and MRF Office construction will begin by the end of September. The MRF performance testing is trending to start after the end of the year.

Staff informed the Committee that the repair of the Module 1 and 2 North Slope Vegetative Cover that was damaged during the winter storms is estimated at \$75,000+ and work will be performed on a time and material basis. These costs will be included in the claim being filed with FEMA. The Committee after extensive discussion agreed that this work should progress and requested that the periodic updates be provided.

Staff will bring to the Board a short-term service proposal to operate and maintain the landfill gas collection system until the budgeted full time staff are hired and trained to conduct these tasks.

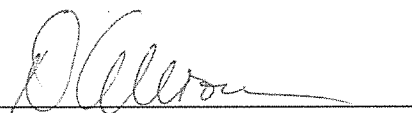
Staff informed the Committee and provided background on a proposal from Golder Associates for the design of Module 6 that will be brought to the Board for approval. Staff also informed the Committee that the June 2016 request to relocate 2 poles out of the Truck Yard had been approved and a contract has been received at a cost of approximately \$60,000.

General Manager Comments. General Manager provided background on the closure of the Buy Back Center in Sand City and his communications with the CalRecycle. It was noted that any change that would improve the service to the community would require legislative action. The businesses that are not within the area of a convenience center buy-back facility face a daily fine of \$100 unless they redeem containers in their store.

Staff updated the Committee on the restriction on recycling materials entering China. It was noted that this new policy has been established to limit the contaminated loads being exported from mixed waste recycling facilities. It is anticipated that the current harsh guidelines will be eased as the quality of the exports improves. Staff will monitor these restrictions and keep the Committee updated.

Closed Session. As listed on the agenda, the Committee met in closed session. The Committee provided guidance to staff and no action was taken.

Next Meeting Date: Wednesday, October 4, 2017 at 9:00 a.m.

A handwritten signature in black ink, appearing to read "Dennis Allion", is written over a horizontal line.

Dennis Allion

Attachment

BOARD OF DIRECTORS

BRUCE DELGADO
Chair

CARRIE THEIS
Vice Chair

GARY BALES
LEO LASKA
LIBBY DOWNEY

JANE PARKER
DENNIS ALLION
JASON CAMPBELL

JERRY BLACKWELDER



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

TIMOTHY S. FLANAGAN
General Manager

GUY PETRABORG, P.E., G.E.
Director of Engineering & Compliance

JEFF LINDENTHAL
Director of Communications & Sustainability

PETER SKINNER
Director of Finance & Administration

TIM BROWNELL
Director of Operations

ROBERT WELLINGTON
Legal Counsel

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE MEETING

Wednesday
September 6, 2017
9:00 a.m.

Board Room
MRWMD Offices
14201 Del Monte Blvd., Monterey County CA

Attending: Board Chair Delgado, Committee Chair Allion, Directors Bales and Laska
Rob Wellington, Legal Counsel
Tim Flanagan, General Manager
Chuck Rees, Finance Manager
Guy Petrabor, Director of Engineering & Compliance/District Engineer
Jeff Lindenthal, Director of Communications & Sustainability
Peter Skinner, Director of Finance & Administration
Tim Brownell, Director of Operations

OPEN SESSION AGENDA

1. Discussion on Planning of Future Capital Improvements.
2. Amendment to Power Purchase Agreement with Monterey One Water (Monterey Regional Water Pollution Control) to Increase Minimum Required Amount from 1800 kW to 2800 kW.
3. Capital Project Updates.
 - Materials Recovery Facility (MRF) Improvements Project
 - Modules 1 and 2 North Slope Vegetative Soil Cover Layer Reconstruction
 - GCCS Operation & Maintenance Field Service Proposals.
 - Module 6 Design Services Proposal
 - PG&E Power Pole Relocation Contract.
4. General Manager Comments.
5. Next Meeting Date: Wednesday, October 4, 2017, 9:00 a.m.

CLOSED SESSION AGENDA

As permitted by the Brown Act (California Government Code Sections 54950 and following), the Committee may adjourn to closed session to consider the specific items listed below:

- 1) Conference with Legal Counsel--Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9:
(One Case)