



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: July 14, 2017  
 TO: Board of Directors  
 FROM: Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of July 11, 2017

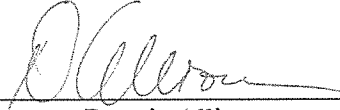
The Finance Committee met on July 11<sup>th</sup> at 9:00 a.m., at the District administrative offices. Committee members in attendance were Directors Delgado, Allion and Bales. Director Laska was absent. Staff members in attendance were Tim Flanagan, Peter Skinner, Guy Petraborg, Tim Brownell, Chuck Rees, and Jeff Lindenthal. Rob Wellington was also in attendance. Nathan Edelman from Varinek, Trine, Day & Co was in attendance for the update of the annual audit. The purpose of the meeting was to receive and update on the annual audit, information request from Salinas Valley Solid Waste Authority, Capital Project Updates, the purchase of two trailers for the Materials Recovery Facility, receive General Manager Comments, and hold a Closed Session regarding property negotiations and anticipated litigation. Discussion is summarized below and followed the attached agenda.

1. **Update on Annual Audit for Fiscal Year 2016/17.** Nathan Edelman from Varinek, Trine, Day & Co (VTD) was introduced as the independent audit partner. Nathan reviewed the roll of the independent auditor and updated the Committee on the status of their preliminary work. Discussion followed and it was noted that the Board is looking to the auditors for representation in regards to accounting process and procedures. Nathan indicated that VTD will update the Board on areas of concern regarding internal controls and adjustments that are found during their generally accepted auditing process.
2. **Salinas Valley Solid Waste Authority (SVR) Request for Information.** Staff updated the Committee on communications received from SVR regarding the EIR scoping document and their Clean Fiber Recovery Project. Discussion followed regarding the District's response to the follow-up letter received from SVR. The Committee gave direction to Staff in preparation of the District's response and have the draft communication be returned to the Committee for review at the next meeting.
3. **Capital Project Updates.** Staff updated the Committee on the progress of the MRF Improvement Project. The MRF processing equipment from BHS equipment has begun arriving at the site and is being installed in the west side of the building. Phase I work (building improvements) continues as planned and has moved to the east side of the building. The electrical equipment has been ordered with delivery expected in October. Site work on the south side of the building will start in September. The construction contractors are moving to be completed by the end of October. The MRF performance testing is trending to start in late October through the end of the year. Staff updated the Committee on status of operations during the shutdown of the MRF C&D line.
4. **Purchase of Two New Trailers for the MRF.** Staff updated the Committee on the need to purchase two new Semi Truck Walking Floor Trailers to handle the residue from the Improved MRF processing equipment. These trailers were included in the Budget for FY 2017/18. Discussion was held regarding the idea of having the General Manager approve the purchase up to the budgeted amount. The Committee directed staff to bring back the recommended purchase for approval by the full Board.

5. **General Manager Comments.** General Manager noted that the October Board Meeting was going to be an extended meeting to provide background on Financial and Capital projections. This will lead to the review of the Strategic Plan in early 2018, which will be included in the 2018 Board meeting calendar.

**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, August 2, 2017 at 9:00 a.m.



---

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



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 Administration/Finance  
TIM BROWNELL  
Director of Operations  
ROBERT WELLINGTON  
Legal Counsel

# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE MEETING

Tuesday  
July 11, 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 Petraborg, 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. Receive Update on Annual Audit for Fiscal Year 2016/17.
2. Salinas Valley Solid Waste Authority Request for Information.
3. Capital Project Updates.
  - Materials Recovery Facility (MRF) Improvements Project
4. Purchase of Two New Trailers for the MRF.
5. General Manager Comments.
6. Next Meeting Date: Wednesday, August 2, 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 Property Negotiators  
Property: Sale of Land for Construction of Pure Water Project  
District Negotiators: Tim Flanagan and Guy Petraborg  
Negotiating Parties: Monterey Regional Water Pollution Control Agency  
Terms: All Terms and Conditions
- 2) 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)

o:\library-mgmt\board\committees\finance com\2017\july\fin comm agenda 7.11.17.docx