

**Monterey Regional Waste Management District
Technical Advisory Committee**

Meeting Minutes of May 17, 2017 (9 a.m. – 11:30 a.m.)

Representatives from Carmel-by-the-Sea, Marina, Pacific Grove, Pebble Beach, Sand City, Seaside, and Monterey County Environmental Health, attended along with representatives from the District, HF&H Consultants, and GreenWaste Recovery staff. Agencies not represented: Del Rey Oaks and Monterey.

MEETING WITH THE MEMBER AGENCIES

District Tipping Fee Proposal: Peter Skinner provided an overview of the staff proposal to increase tipping fees for solid waste, yard waste, and food waste by 8.2%. This would increase the solid waste rate from \$51.75 to \$56., the Yard Waste rate from \$30 to \$32.50, and the food waste rate from \$42 to \$45.50. The objectives for the increases include: fund operating expenses in FY17/18, fund capital projects in FY17/18, and comply with revenue bond issuance conditions. The proposal has been favorably received by the District Finance Committee and will be presented to the full Board on May 19th (note: on 5/19 the Board approved the increases which will become effective 7/1/17).

GWR Rate Adjustments: Rob Hilton described the annual rate review process. The calculation of an annual adjustment to the rates includes analysis of three cost categories:

1. An Operating Component including labor cost, fuel cost, and CPI.
2. A Disposal/Processing Component that includes consideration of changes in tipping fees at the District.
3. A Fee Component which ensures that each rate includes the contractual franchise fee which is remitted to the agency by GreenWaste Recovery (GWR).

Once the rate adjustment has been calculated for each agency, the agency can choose to allocate the increase evenly across all customers or proportionately by residential, commercial and roll off sector. The impact of the District tip fee increase on the annual rate adjustment ranged from .8% to 2.6%. A significant factor impacting the Operating Component is a year over year increase in disposal tonnage which several jurisdictions recorded. Future rate adjustments can be minimized by increasing recycling tonnage and decreasing disposal tonnage.

The Committee also discussed the idea of moving up the date the annual rate adjustment data is submitted to allow more lead time for review and analysis, to brief elected officials, and notify the public. No decision was made although the TAC will continue to discuss. Rob Hilton also suggested that agencies could consider amending their agreements to allow for "administrative approval" by the City Manager rather than Council or Board approval as stipulated by Exhibit E of the franchise agreements. Mike Niccum suggested that City Councils could delegate the authority for administrative approval to their city manager or administrator.

MEETING WITH GREENWASTE RECOVERY

Update on Facility Improvements: Jeff Lindenthal updated the TAC on the Materials Recovery Facility (MRF) construction project: exterior power washing is now complete along with most interior cleaning and painting. The new equipment conveyor pit has retaining walls poured and backfilled. New equipment is scheduled to arrive beginning June 5th, a delay from the original May 22 date. A family of nesting owls was discovered behind a sign on one interior wall and allowing time to relocate them will cause a delay in completion of interior power washing and painting in that area. Overall, the project is running 1 month behind the planned schedule. Construction is expected to be complete in October with system performance testing in November.

The TAC discussed with GWR staff the idea of moving the annual rate adjustment process forward by a couple of months to allow more time for noticing. GWR is supportive of the idea, which would shift the 12 month period of data (labor, fuel, CPI) analyzed in the operating component forward. No decision was made to accelerate the schedule and the TAC will continue to discuss.

Rate Adjustments: Rob Hilton summarized the components considered in the annual rate adjustment and noted that this is the second year with no fuel adjustment as MRWMD has held the cost of CNG fuel fixed. Rob discussed the tonnage variance seen in many agencies with year over year solid waste disposal tonnage increasing. Rising disposal tonnage contributes to an increase in the annual adjustment.

Tonnage Analysis and Education and Outreach: The low rates of diversion for multi-family properties was discussed and it was agreed that this sector will be one to focus on in the coming months. GWR staff also reported that participants in the food scrap organics program has increased from an original 18 customers to 53 participants as of May with a significant corresponding increase food scrap tonnage year over year. It was suggested that each quarterly newsletter GWR could highlight one of their outstanding multi-family recycling and commercial recycling/organics customers in the respective newsletter as a way of recognizing their success and providing an example for other local businesses to learn from.

GWR staff reported they are preparing rate increase notices to go out in local newspapers. They are planning to advertise a general announcement rather than listing actual rates and will link to their website so customers can identify the rate increase in their jurisdiction.

GWR staff reported they have hired a recent CSUMB graduate to fill their new Outreach Coordinator staff position. The candidate will be starting soon.

The next meeting of the TAC to review 2nd quarter contract data is scheduled for: August 30, 2017 at 9 AM.