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Legal Counsel

# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

Friday, 9:30 a.m.  
July 21, 2017

Boardroom  
MRWMD Offices  
14201 Del Monte Blvd., Marina CA

**MEMBERS PRESENT:** Carrie Theis (Vice Chair), City of Carmel-by-the-Sea Mayor Pro Tem  
Gary Bales, City of Pacific Grove  
Libby Downey, City of Monterey  
Jane Parker, (Unincorporated) Monterey County Board of Supervisors Chair (District 4)  
Jason Campbell, City of Seaside Councilmember  
Jerry Blackwelder, City of Sand City Vice Mayor

**MEMBERS ABSENT:** Bruce Delgado (Chair), City of Marina Mayor  
Leo Laska, Pebble Beach Community Services District  
Dennis Allion, City of Del Rey Oaks Councilmember

**STAFF PRESENT:** Tim Flanagan, General Manager  
Rob Wellington, Legal Counsel  
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  
Berta Torres, Human Resources Manager  
Chuck Rees, Finance Manager  
David Ramirez, Senior Engineer  
Kacey Christie, Safety & Risk Manager  
Ron Mooneyham, Equipment Maintenance Manager  
Becky Aguilar, Executive Assistant/Clerk of the Board  
Kimberle Herring, Public Education and Outreach Coordinator  
Angela Goebel, Public Education and Outreach Specialist  
Ida Gonzales, Administrative Support Specialist  
Chauncey Hendley, Heavy Equipment Operator  
Randy Evanger, Heavy Equipment Operator Supervisor  
Rodney Barber, Heavy Equipment Technician  
George Sayre, Heavy Equipment Technician  
Beverly Morris, Maintenance Worker  
Sal Delgado, Materials Recovery Facility Operator  
Antonio Diaz, Materials Recovery Facility Operator  
Baldo Trujillo, Materials Recovery Facility Supervisor

**OTHERS PRESENT:** Ted Terrasas, City of Monterey  
Nancy Lockwood, City of Watsonville  
Charlie Cordova, GreenWaste Recovery  
Mike Niccum, Pebble Beach Community Services District  
Doug Kenyon, Republic Services of Salinas  
Brian Kennedy, Salinas Valley Solid Waste Authority

### ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice duly given and presence of a quorum established, the July 21, 2017 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Vice Chair Theis at 9:30 a.m.

### PUBLIC COMMUNICATIONS

There were no comments from the public.

### CONSENT AGENDA

It was moved by Director Parker, seconded by Director Downey to approve the Consent Agenda.

- 1) **Approve Minutes of May 19, 2017 Regular Board Meeting.**
- 2) **Approve Minutes of June 23, 2017 Regular Board Meeting.**
- 3) **Approve Report of Disbursements, and Board and Employee Reimbursements.**
- 4) **Adopt Resolution 2017-15 Establishing District Investment Policy Guidelines for Fiscal Year 2017/18.**
- 5) **Adopt Resolution 2017-16 of Appreciation to Retiring Heavy Equipment Technician George Sayre.**

### RECOGNITION

- 6) **Presentation of Resolution of Appreciation to Retiring Heavy Equipment Technician George Sayre**

General Manager commented that George always brought great and positive energy to the workplace. He was one of the District's "go to" barbeque chefs and would be missed. Vice Chair Theis read aloud the resolution of appreciation. On behalf of the Board, she presented George with the Resolution and thanked him for his dedicated and exemplary service to the District, and wished him well in retirement.

- 7) **Recognition of Heavy Equipment Technicians Rodney Barber, Martin Renteria, and George Sayre; MRF Operators Saul Delgado and Antonio Diaz; MRF Supervisor Baldo Trujillo; Heavy Equipment Operator Chauncey Hendley; and Maintenance Worker Beverly Morris for Over 20 Years of Service to the District**

General Manager commented that the District has embarked on a process of recognizing long term staff for their efforts and contributions. Active employees with over 20 years of service were recognized for their contribution to the District and for helping make the District an award-winning facility and a leader in the industry.

**8) Recognition of Scale Supervisor Jeannette Pagan, Heavy Equipment Operator Supervisor Randy Evanger, and Executive Assistant/Clerk of the Board Becky Aguilar for 25 Years of Service to the District**

General Manager stated that twenty-five years in an any organization in this day and age was an incredible accomplishment. Both Becky and Randy are in different positions than when they began in 1992. Randy Evanger started with the District as an assistant mechanic and was subsequently promoted to Heavy Equipment Operator and then to Heavy Equipment Supervisor in 2007. Becky began in the scale operations, was promoted to administrative office, and was now the Executive Assistant/Clerk of the Board. Jeannette was not in attendance at the meeting and will be recognized at the September Board meeting.

**PRESENTATIONS**

**9) Small Planet News: District in the News**

Director of Communications and Sustainability Jeff Lindenthal provided a presentation highlighting recent "District in the News" in which the District had been featured in several stories on KSBW and other media with focus on mattress recycling, the hazardous waste recycling event, and recycling center closures.

**OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**

**10) Receive Report on July 11, 2017 Finance Committee Meeting**

The Board reviewed a memorandum from Finance Committee Chair regarding the July 11, 2017 meeting in which the Committee received information on the annual audit from Nathan Edelman from Varinik, Trine, Day & Co (VTD). The Committee also received information and discussed the Salinas Valley Solid Waste Authority request for information, Capital Projects, and the purchase of two new trailers for the Materials Recovery Facility.

**It was moved by Director Bales, seconded by Director Downey, and Unanimously Carried To: Receive Report on July 11, 2017 Finance Committee Meeting.**

**11) Receive Report on July 12, 2017 Personnel Committee Meeting**

The Board reviewed a memorandum from Personnel Committee Co-Chair regarding the July 11, 2017 meeting in which staff reported on the FY 2016/17 accomplishments and challenges, and the development of the FY 2017/18 Goals and objectives. The Committee provided input to staff and an extended Board meeting is scheduled for the October Board meeting to discuss long-term financial planning.

**It was moved by Director Parker, seconded by Director Bales, and Unanimously Carried To: Receive Report on June 7, 2017 Personnel Committee Meeting.**

**12) Adopt Resolution 2017-17 for the Election of Directors to the Special District Risk Management Authority Board of Directors**

The Board reviewed information on the seven candidates.

**It was moved by Director Downey, seconded by Director Parker, and Unanimously Carried To: Adopt Resolution 2017-15 for the Election of Directors to the Special District Risk Management Authority Board of Directors and Voting for Timothy Unruh, Mike Scheafer, Cindi Beaudet, and Jean Bracy.**

**13) Receive Report on 2016/17 District Goals and Strategic Objectives**

The Board reviewed the End of Year Report (Report) on Accomplishments of the 2016/17 District Performance Goals and Objectives. Director of Finance & Administration addressed the Board and thanked the Personnel Committee for their feedback and input. He reminded the Board that at the end of Calendar year 2016, with the Board's input, staff had established the 2016/17 goals and objectives.

Staff had focused the People Pillar and "building a high-performance safety oriented culture". With regard to the 2016 safety audit, 75% of the items have been completed and staff will continue to pursue 100% achievement. Half day employee training had been conducted and 90% of the training has been completed. Another half day training has been scheduled for January 2018. Job skills training is also being pursued. An employee survey was conducted and management staff has utilized the output to improve communications. Employee round tables are also being conducted in an effort to improve communications.

In the Finance Pillar, staff focused on "Develop a sustainable revenue structure that provide funding for the programs and services we provide to the community" and three goals were identified. Two were 100% complete and the third which was to "develop metrics and timely reporting processes for all lines of business to enable more agile decision making and greater transparency and accountability" was only 40% complete due to the Materials Recovery Facility (MRF) improvement delays. Under the Environment Pillar, staff had focused on "Construct the MRF improvement project to increase diversion", and the process was moving along, although there had been delays due to the contracting process. Director of Finance & Administration reminded the Board of having to split the project in three phases in order to align closely the projected costs.

The Community Pillar had contained two objectives, the first was "Strengthen the District identity in the community", to include rebranding of the District, which staff believed was best suited with the introduction of the improved MRF. Public Education staff has done initial research and vendor discussions have been conducted. The remaining work had been deferred to FY 2017/18. The second was to "Build upon our coordinated education and outreach programs between District community partners", "by developing social media outlets to promote programs, expanding the District's website and developing collateral materials, and continuing to work with the haulers in areas of source reduction, re-use, and recycling." The District's website redesign has been completed, including many program and employee videos, and the full roll out is scheduled for FY 2017/18. Staff is using Facebook along with Twitter, which is also used to "retweet" related information. Staff is trying Instagram, as well as looking at Pinterest relative to the Last Chance Mercantile. Staff has used certain Facebook features to obtain feedback and metrics information. General Manager will be presenting at the California Resource Recovery Association Conference in August on the District's use of social media.

Under the Innovation Pillar, focus had been on "Maximizing opportunities to become a carbon-neutral energy producer" with three goals identified. Although District staff had made a successful grant application to the California Energy Commission and had managed reconnection (through PG&E) between the anaerobic digestion power generation and Monterey Regional Water Pollution Control Agency, a lot of work needs to be done on organics processing and the development of an organic master plan, which has been deferred to FY 2017/18. Staff had also supported the successful formation of the Monterey Bay Community Power (MBCP) project. Director Parker expressed appreciation for the District's continued involvement in the MBCP project. From the County's perspective, General Manager efforts were critical in moving the project to completion. Director Campbell inquired about the organic master plan. General Manager stated that organics are divided into three streams, yardwaste, foodwaste, and unders from the MRF sort line. Staff will be looking at technology for the best use of these organic materials.

**It was moved by Director Parker, seconded by Director Bales, and Unanimously Carried To: Receive Report on 2016/17 District Goals and Strategic Objectives.**

**14) Accept 2017/18 District Goals and Strategic Objectives**

General Manager thanked management staff for their participation in developing the 2017/18 goals and objectives. Many of the goals are mandated by the State. The goals are strategic, not tactical, aligned with the five Pillars of Sustainability, and ought to be easily trackable, measurable, and reportable on the progress. He stated that with regard to long-term planning goals, staff will be developing a long-range strategic plan that further defines the District's direction with an economically sustainable future for the District and identify critical strategic decisions the District will face. Staff will involve board members and other District stakeholders at key points during the process. An extended Board meeting is scheduled for October to discuss long term financial planning, as well as a Board strategic planning session early in 2018. The plan will include four elements: Operational, Financial, Communications, and Human Capital. General Manager provided information relative to the four elements. Significant capital infrastructure projects will be the focus of this year's planning process and the need for the necessary financial structural changes and revenue development required to sustain funding for the long-term capital needs for the District.

Staff has also identified three critical operational priorities for the year: the MRF Improvement Project, Financial Performance, and Safety, with related deliverables.

Board discussion followed regarding the goals and objectives. Vice Chair Theis stated that in looking ahead, a critical juncture will be the MRF operations. Director Bales stated that development of future goals was contingent on getting the MRF operational. Director Campbell expressed appreciation for the information on future goals.

**It was moved by Director Blackwelder, seconded by Director Bales, and Unanimously Carried To: Accept 2017/18 District Goals and Strategic Objectives.**

**STAFF REPORTS****15) Review Finance, Operating, and Recycling Reports**

The Board reviewed the May 2017 financial statements. The June 2017 financial statements were not available because of the review procedures required to prepare for the annual audit. The Year-to-Date Operating Income through May 2017 was \$3,427,242 above Budget. The Year-to-Date Operating Expenses through May 2017 was \$536,299 above budget. The Tipping Fees Revenues for the month of June 2017 are estimated at \$2,010,000 which is \$500,000 above budget. The Year to Date Tipping Fees Revenues through June are estimated at \$23,220,000, which is 29% above budget. The Board also reviewed the Operating Report for June 2017.

**16) Report on Public Education and Recycling**

The Board reviewed a memorandum from Director of Communication and Sustainability reporting on the successful 4<sup>th</sup> Annual Hazardous Waste Collection event held at the Monterey Peninsula College in June. Public Education and Sustainability Coordinator Kimberle Herring provided a PowerPoint presentation of the event. Residents from all District jurisdictions participated with a total of 569 turn-ins at the event. The outreach plan included a press releases, newspaper advertising, and direct mail to Carmel, Carmel Valley, and along the coast. The use of Facebook and Twitter was also used in the outreach effort, along with flyers at several places on the Monterey Peninsula. Stericycle provided the processing service and transportation. District staff was also on hand along with service learning students to assist in handing out reusable bags that contained valuable information, and to conduct a brief survey. Results from the survey will assist in planning for future events.

Director Parker retired at 11:08 a.m.

#### 17) Report on District Capital Projects

Staff provided an update on District capital projects to include pictures on the progress of the installation of the MRF equipment.

#### OTHER CORRESPONDENCE

#### 18) Letter to The Honorable Hannah-Beth Jackson RE: Oppose AB 1479 (Bonta) Public Records: Custodian of Records: Civil Penalties

General Manager reported that thanks to the District's letter, and other opposition letters, Assemblymember Bonta had agreed to make amendments to the bill in the Senate Judiciary Committee. As agreed to be amended, the burden of proof to win a civil lawsuit is much higher, eliminating the probability of serial litigation and the bill now focuses solely on bad acting public agencies that "knowingly and willfully" violate the CPRA.

#### GENERAL MANAGER COMMUNICATIONS

General Manager reported that the District will be engaging Sloane/Vasquez for the development of a recycling brokerage Request for Qualifications (RFQ). The RFQ will be designed to engage at least three to four brokerage entities to have negotiated discussion for the sale and brokering of the District's recycling commodities. These arrangements are highly specialized and do not lend themselves to a structured bidding process – hence the need to engage qualified expertise to assist the District in a selection of a commodity broker.

Senior Engineer David Ramirez introduced summer Engineering Intern Caty O'Connor, who would be transferring to San Jose State in the fall majoring in Civil Engineering. She is interested in sustainable agriculture and hopes to work in waste management with a special interest in compost.

General Manager reminded Board member that staff was available following the meeting to take them on a tour of the MRF if they chose to do so. This was a great opportunity to see the MRF project in about 30-35% completion state.

#### BOARD COMMUNICATIONS

There were no Board communications.

#### CLOSED SESSION

The Board went into closed session at 11:29 a.m. regarding the following:

- 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)
- 3) Public Employee Performance Evaluation: General Manager


RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION

The Board came back into open session at 11:53 a.m. and Legal Counsel announced that in the closed session the Board had received information with regard to Item 1 and 2; no reportable action was taken.

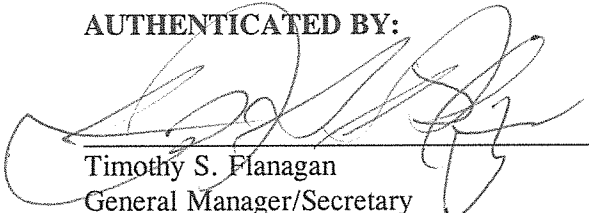
ADJOURNMENT

There being no further business to come before the Board at this time, the July 21, 2017 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Vice Chair Theis at 11:54 a.m.

**RECORDED BY:**

  
\_\_\_\_\_  
Rebecca G. Aguilar  
Executive Assistant/Clerk of the Board

**AUTHENTICATED BY:**

  
\_\_\_\_\_  
Timothy S. Flanagan  
General Manager/Secretary