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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.

March 16, 2012

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT: Leo Laska (Chair), Pebble Beach Community Services District Boardmember
Sue McCloud (Vice Chair), City of Carmel-by-the-Sea Mayor
Gary Bales, City of Pacific Grove
David Pendergrass, City of Sand City Mayor
Libby Downey, City of Monterey Vice Mayor
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4
Ian Oglesby, City of Seaside Councilmember
Dennis Allion, City of Del Rey Oaks Councilmember

MEMBERS ABSENT: Bruce Delgado, City of Marina Mayor

STAFF PRESENT: William Merry, General Manager
Tim Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Richard Shedden, Senior Engineer
Chuck Rees, Finance Manager
Don Prescott, Information Technology Manager
Jeff Lindenthal, Public Education and Recycling Manager
Daylene Alliman, Human Resources Manager
Harry Hunzie, Material Recovery Facility/Landfill Gas Manager
Richard Petitt, Site Manager
Ron Mooneyham, Equipment Maintenance Manager
Rebecca Aguilar, Administrative Support Supervisor
Kimberle Herring, Public Education Coordinator
Ida Gonzales, Administrative Support Specialist
Clyde Walkup, Material Recovery Facility Operations Supervisor

OTHERS PRESENT: Christopher Avina, California State University – Monterey Bay
Kayla Baten, California State University – Monterey Bay
Kaitlin McTighe, California State University – Monterey Bay
Michael Morse, California State University – Monterey Bay
Susan Morse, California State University – Monterey Bay
Danielle Sandoval, California State University – Monterey Bay
Charlie Cordova, Green Waste Recovery
Michael Gross, GreenWaste Recovery
Mike Niccum, Pebble Beach Community Services District
Dave Meza, Salinas Valley Solid Waste Authority

OTHERS PRESENT: Joe Cadelago, Waste Management
(continued) Felipe Melchor, Waste Management
Jay Ramos, Waste Management
Lewis Leader
Albert Villa

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the March 16, 2012 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Laska at 9:30 a.m.

PUBLIC COMMUNICATIONS

Felipe Melchor, Waste Management (WM), addressed the Board to report on AB 341. He reported that by taking an average of all the cities on the Peninsula, it amounted to 75% compliance with AB 341. He applauded the cities for their efforts and stated that he has been meeting with individual city administrators to share the data and following completion of review by all the cities, WM staff will share the data with District staff in order for District staff to complete the annual reports, on behalf of member cities, to the State.

Susan Morse, Instructor at California State University – Monterey Bay (CSUMB), addressed the Board and stated that every semester she brings students from her “Participation in Community Economic Development” class, which focuses on people, planet, and profit. Most of the students are business majors.

Kayla Baten, CSUMB student, addressed the Board and stated that she and the other students present were all business majors and one of the purposes of the class is for students to experience the non-traditional, or non-profit sides of businesses. She appreciated the opportunity to tour the District facilities and to learn about what else can be done in the community towards recycling more and wasting less.

CONSENT AGENDA

Following a motion by Director Bales, and seconded, the Board approved the following actions:

- 1) **Approve Minutes of February 17, 2012 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Authorize Request for Bids for Construction of Module 5 Landfill Liner Project**
- 4) **Authorize Purchase of New Light Duty Dump Truck from Salinas Valley Ford of Salinas, CA, at a Total Cost of \$33,520, Including Sales Tax, License and Document Fees**

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 5) **Accept Report from Finance Committee Chair on Meeting of February 29, 2012**

The Board reviewed a memo from Chair Laska, which summarized the February 29, 2012 Finance Committee meeting. Chair Laska stated discussion was held on budgetary items, for fiscal year 2011/12 and 2012/13 projections, as well as discussion on the Landfill Gas (LFG) to energy project and Materials Recovery Facility (MRF) upgrades.

Director Bales stated that the LFG project was discussed in depth and District staff was working on different options to best utilize the gas. He advised the Board that it may be an appropriate time, after thirty years of operation of the LFG project, to reassess the entire project and consider building another state of the art renewable energy facility to properly manage and capture all of the gas that is currently being produced and to also consider potential new sources of renewable power such as from anaerobic digestion or solar.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Accept Report From Finance Committee Chair on Meeting of February 29, 2012.

6) Approve Three (3) Month Lease Agreement, with Three (3) Additional One Month Options, to Lease a Landfill Gas Utility Flare from LFG Specialties, LLC, of Findlay, OH, at a Cost of \$63,433 Including Delivery and Installation

The Board reviewed a memorandum from MRF/LFG Manager Harry Hunzie. MRF/LFG Manager stated that staff had been planning to rent a utility flare to conduct a field test to determine how much landfill additional gas may be available to support a fifth engine/generator. With the recent engine problems, it is necessary to utilize the flare sooner than anticipated in order to assist the engines in consuming the landfill gas.

Board discussion followed regarding the generation of excess gas. MRF/LFG Manager stated that over the years, the quality of the methane gas has increased, along with the quantity, and therefore energy production has increased. General Manager stated although the contract regional waste coming into the District site has a large fraction of the organics removed, the additional waste has increased the amount of landfill gas being generated. Director Allion asked whether the proposed upgrades to the MRF would affect the composition of the material going into the landfill and possibly cause less generation of LFG. General Manager responded that staff has considered this possibility. One of the reasons to conduct a waste characterization study, which staff is recommending with the next agenda item, was to aid in understanding what type of material is in the waste stream and its potential to generate landfill gas. Vice Chair McCloud suggested issuing a press release advising the community that the flare would be in operation, since it may be visible at night.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Approve Three (3) Month Lease Agreement, with Three (3) Additional One Month Options, to Rent a Landfill Gas Utility Flare from LFG Specialties, LLC, of Findlay Ohio, at a Cost of \$63,433 Including Delivery and Installation.

7) Authorize Award of Contract to Cascadia Consulting Group, of Seattle, WA, for Preparation of a Characterization Study at a Cost Not to Exceed \$34,635

The Board reviewed a memorandum from Senior Engineer Rick Shedden regarding awarding a contract to Cascadia Consulting Group (Cascadia) for preparation of a waste characterization (WC) study. Assistant General Manager stated that in order to effectively design the proposed MRF upgrades, a study is necessary to determine what recoverable materials are in the waste stream. Two proposals were received and staff believes that the proposal from Cascadia best meets the needs of the District as Cascadia proposes to do more visual samples and to provide more work hours during the effort, leading to a more comprehensive study. Although their overall cost proposal was higher, their hourly rate was less than the other proposer, and their work effort was judged by staff to be more responsive to the needs of the District as outlined in the request for proposals.

Board discussion followed regarding the specifications of the study and whether the study would include the entire waste stream arriving across the scale at the District. Assistant General Manager stated that the major focus of the study would be commercial and multi-family waste streams, although some sampling would be conducted of other waste streams. Chair Laska inquired whether the study could include analysis of the methane production

that could be expected following additional processing of the waste stream as proposed with the MRF upgrades. General Manager responded that staff would inquire with Cascadia about reviewing the residue from the MRF for methane production potential, and will plan to include this suggestion in the work.

Jay Ramos, WM, addressed the Board and stated WM staff is very knowledgeable with the waste being generated from commercial and multifamily units and is willing to share the data and waste audits with District staff. He stated that in his opinion between WM and other waste haulers, there was not very much commercial and multifamily left to process. He expressed that by their sharing the information, a WC study was not necessary. Chair Laska stated that the information from WM might be helpful. Assistant General Manager stated that the information would be useful for Cascadia to include in their study and District staff looked forward to receiving the data since staff has requested it from WM on previous occasions.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Authorize Award of Contract to Cascadia Consulting Group, of Seattle, WA, for Preparation of a Characterization Study at a Cost Not to Exceed \$34,635.

8) Accept Report from Personnel Committee Chair on Meeting of February 29, 2012

The Board reviewed a memorandum from Chair Laska, summarizing the February 29, 2012 Personnel Committee meeting.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Accept Report From Personnel Committee Chair on Meeting of February 29, 2012.

STAFF REPORTS

9) Review Finance, Operating, and Recycling Reports

The financial statements for February 2012 were not available for review by the Board due to the early date of the Board meeting. Tipping Fees Revenue for February is projected to be \$1,020,000.

Refuse Accepted into the landfill and MRF was 13,173 tons, an increase of 369 tons from February 2011 and a decrease of 1,617 tons from January 2012. Staff reported that the refuse accepted into the site, not counting the Contract and Regional waste is at the lowest point since 1996 and the opening of the MRF .

The Total Solid Waste Accepted into the site was 20,908 tons. The tonnage from Contract and Regional Waste from Watsonville, Capitola, Scotts Valley, and GreenWaste Recovery, was 49, 551, 545, and 8,824, respectively.

Vice Chair McCloud requested staff to provide member agencies with a diversion by percentage report and suggested staff place a clean-up advertisement to bring in more waste.

Staff reported that as requested by the Board at the February 2012 Board meeting, the accounting firm of Bianchi, Kasavan & Pope, LLP agreed to perform the District audits for the years ending June 30, 2012, 2013 and 2014 for a fee of \$25,000 each year without cost of living adjustments.

10) Report on Public Education, Recycling and Litter, Including February 22, 2012 Technical Advisory Committee Meeting

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal, which included a summary of the meeting of the TAC and upcoming Earth Day activities in April. The Board also reviewed a recent article from *Forbes Magazine* titled "When Trash becomes a Resource", which tied into the District's model franchise agreement (MFA) and MRF upgrade initiatives aimed at increasing diversion and recovering organics for renewable energy production..

General Manager stated that a Subcommittee of the TAC met on March 15th, to discuss the MFA and the process for its implementation. Staff anticipates bringing a report on the MFA to the Board at the April meeting, including the final MFA document.

11) Report on Solid Waste Legislation and Regulatory Matters

General Manager provided the Board with a summary of the March 1, 2012 Legislative Task Force meeting held in Sacramento. There are well over 50 bills currently related to recycling and solid waste matters. He pointed out that several were related to the theft of metal, a topic of concern all around the state. He will be in contact with County staff responsible for legislation on this issue. He stated that CalRecycle Director Carroll Mortensen had indicated that good faith efforts toward implementing a plan to be in compliance with AB 341 would be sufficient for the July 1, 2012 deadline, and that the ongoing efforts between the haulers the member agencies and the District will meet the intent of the July 1, 2012 deadline. Beyond that, the State will want to see progress toward full implementation of plans within one or two years, such as with the District's plans to upgrade the MRF to process mixed commercial and multi-family wastes.

OTHER CORRESPONDENCE

12) Letter from Monterey County Equal Opportunity Office RE: Monterey County Commission on Disabilities' 10th Anniversary and District Certificate of Recognition

The Board reviewed a letter from the Monterey County Equal Opportunity Office advising the District would be recognized by the Monterey County Commission on Disabilities for providing both physical access and use to the facilities for people with disabilities. General Manager stated that the District was honored to receive the recognition and that District Human Resources Manager Daylene Alliman would attend the recognition luncheon to be held on March 23, 2012, and would accept the certificate on behalf of the District.

13) Letter to California State University - Monterey Bay, Division of Science and Environmental Policy Re: Support of California Institute for Energy and Environment Proposal for Tracking and Analysis of SMART FERM System

The Board reviewed a copy of the letter sent to CSUMB supporting their grant request to the state, which if awarded, would provide funds to support one or more student interns to assist in studying the feedstock and operation of the pilot anaerobic digestion (AD) project at the District.

Vice Chair inquired if tours would be available of the pilot AD project once it was operational. Public Education and Recycling Manager responded that an event will be planned to invite the public to see the project in operation. Director Oglesby stated he would be interested in staff providing a presentation at a Seaside council meeting in the next couple of months, but in the interim, requested that the presentation that was provided to the Board by Zero Waste be provided on the District website.

14) **Letter from Local Formation Commission of Monterey County RE: Call for Board of Directors**

The Board reviewed information from LAFCO regarding a call for applications from Board Members to serve on the LAFCO Board. Chair Laska and Director Bales declined to nominate themselves. They are the only two District Board members who are not members of a legislative body of a city or the county, and who would be eligible to serve.

GENERAL MANAGER COMMUNICATIONS

General Manager presented the American Society of Civil Engineers (ASCE) California Infrastructure Report Card 2012, in which solid waste received a B grade, the highest grade of all the infrastructure categories evaluated. He also reported that he would be out of the office and out of the Country from March 22-April 8, 2012. The Assistant General Manager would be in charge during his absence.

BOARD COMMUNICATIONS

Chair Laska stated that the annual Countywide clean up day is scheduled for April 21, 2012, from 8 a.m. to 12 noon.

CLOSED SESSION

The Board went into closed session at 10:40 a.m. regarding the following:

- 1) **Conference with Property Negotiators:**
Property: Methane Gas in Monterey Peninsula Landfill
District Negotiators: William Merry, Tim Flanagan, Don Prescott
Negotiating party: Northern California Power Agency and 3 Phases Renewable Power
Terms: All Terms and Conditions
- 2.) **Personnel Matter**
 - a. **Public Employee Performance Evaluation: General Manager**

The Board came back into open session at 11:25 a.m. and Legal Counsel announced that with regard to Item 1, the Board received information and authorized the General Manager to send a letter to County Supervisor Parker; no other action was taken. With regard to Item 2, information was received by the Board and the 2012 General Manager Goals were approved by the Board; no other action was taken.

ADJOURNMENT

There being no further business to come before the Board at this time, the March 16, 2012 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to April 20, 2012 by Chair Laska at 11:26 a.m.

RECORDED BY:

AUTHENTICATED BY:

Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

William M. Merry, P.E.
General Manager/Secretary