

BOARD OF DIRECTORS  
DENNIS ALLION  
CHAIR

IAN OGLESBY  
VICE CHAIR

GARY BALES  
DAVID PENDERGRASS  
LEO LASKA  
LIBBY DOWNEY  
JANE PARKER  
BRUCE DELGADO  
CARRIE THEIS



1  
WILLIAM MERRY, P.E., BCEE  
GENERAL MANAGER/  
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN  
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.  
SENIOR ENGINEER

ROBERT WELLINGTON  
COUNSEL

# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

Friday, 9:40 a.m. (*Immediately Following Authority Meeting*)  
March 20, 2015

Boardroom  
MRWMD Offices  
14201 Del Monte Blvd., Marina CA

**MEMBERS PRESENT:** Dennis Allion (Chair), City of Del Rey Oaks Councilmember  
Gary Bales, City of Pacific Grove  
Ian Oglesby (Vice Chair), City of Seaside Mayor Pro Tem  
David Pendergrass, City of Sand City Mayor  
Leo Laska, Pebble Beach Community Services District Board Boardmember  
Libby Downey, City of Monterey Councilmember (*Via Teleconference*)  
Carrie Theis, City of Carmel-by-the-Sea Councilmember

**MEMBERS ABSENT:** Bruce Delgado, City of Marina Mayor  
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4

**STAFF PRESENT:** William Merry, General Manager  
Tim Flanagan, Assistant General Manager  
Rob Wellington, Legal Counsel  
Chuck Rees, Finance Manager  
Clyde Walkup, Assistant Materials Recovery Facilities Manager  
Berta Torres, Interim Human Resources Manager  
Jeff Lindenthal, Director of Community Programs  
Glen Evett, Last Chance Mercantile & Hazardous Materials Manager  
Rebecca Aguilar, Administrative Support Supervisor  
Ida Gonzales, Administrative Support Specialist

**OTHERS PRESENT:** Ted Terrasas, City of Monterey  
Charlie Cordova, GreenWaste Recovery  
Doug Kenyon, Republic Services of Salinas  
Susan Warner, Salinas Valley Recycles

---

### ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the March 20, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Director Allion at 9:40 a.m.

**PUBLIC COMMUNICATIONS**

There were no public comments.

**CONSENT AGENDA**

*Following a motion by Director Bales, and seconded by Vice Chair Oglesby, the Board unanimously approved the Consent Agenda.*

- 1) Approve Minutes of February 20, 2015 Regular Board Meeting
- 2) Approve Report of Disbursements, and Board and Employee Reimbursements

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

**3) Accept Report from Finance Committee Chair on Meeting of March 4, 2015**

The Board reviewed a memorandum from the Finance Committee Chair regarding discussion held at the meeting, which included the Selection of Committee Chair, Preliminary Budget for Fiscal Year 2015/16, Bond Update and HF&H Engineering Report Status, Capital Project Updates, and Status Report on Countywide Integrated Solid Waste Management Study.

The Board also reviewed a staff report on the capital project involving supplying electric service to the compressed natural gas (CNG) fueling station and the truck yard, which was prepared at the request of the Finance Committee.

*It was moved by Vice Chair Oglesby, seconded by Director Bales, and Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of March 4, 2015.*

**4) Receive Updated Timeline and Status Report on Bond Sale**

District Financial Advisor John Greenlee provided the Board with an overview of the updated Bond Timeline and stated that he had good reason to believe that the interest rates would not be increasing in the near future. He anticipated that a draft Engineering Consultant's Report (ECR), being prepared by HF&H Consultants, would be available during the week of March 23<sup>rd</sup>, and a copy would be provided to the Board. The ECR should be in final form prior to the Rating Agency meeting scheduled for April 2<sup>nd</sup>. The ECR is a critical piece of the overall Bond Documents package and in receiving the best rating. Mr. Greenlee reviewed with the Board base case and alternate scenarios and the varying debt service coverage ratios.

Board discussion followed regarding the Timeline, interest rates, assumptions, and projections. Mr. Greenlee responded to the Board's questions and stated that the District is a well-run organization and should receive a AA rating.

*It was moved by Vice Chair Oglesby, seconded by Director Laska, and Unanimously Carried To: Receive Updated Timeline and Status Report on Bond Sale.*

**5) Authorize General Manager to Execute an Agreement with Trillium to Supply Temporary Compressed Natural Gas (CNG) Fueling Station**

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding the need to execute an agreement with Trillium to provide a temporary supply of CNG to fuel the GreenWaste Recovery (GWR) garbage trucks prior to the completion of the new CNG fueling station which is anticipated to be in service in late July 2015. Assistant General Manager stated that the temporary station would also be able to fuel the District's CNG fueled roll-off truck avoiding a drive to Salinas to refuel.

Board discussion followed regarding the delayed timing of the installation of the permanent facility. Assistant General stated that the delays were due to linking in with Pacific Gas & Electric (PG&E) power and negotiating with two vendors for the execution of the permanent agreement, although District staff has been diligent in trying to meet GWR's needs to meet their franchise agreement commitments.

Mike Niccum, General Manager for Pebble Beach Community Services District, addressed the Board to thank the District and staff for their support to the seven member agencies during the franchise agreement process and negotiations. He stated that of all of the issues concerning implementation of the new agreements, supplying CNG was the most critical.

Emily Finn, GWR, also addressed the Board to express appreciation to the District staff for their assistance in not only obtaining CNG for their trucks, but for also providing the area in which to receive their debris boxes, park, and perform maintenance on the GWR trucks.

Board discussion followed regarding the use of PG&E pipeline gas versus using landfill gas to produce CNG. Assistant General Manager explained that a joint biogas study with the Monterey Regional Water Pollution Control Agency is underway as the use of digester gas was less costly to convert to CNG than LFG because of less contaminants. He stated that once the roll-out of the GWR move-in was completed, staff would move forward with providing options to the Board. Director Laska expressed concern with public perception that the District was not using landfill gas for the CNG fueling station and requested that staff prepare some type of public announcement. General Manager stated that there are companies that are experienced in cleaning up LFG and that the biogas study would provide staff with options.

**It was moved by Director Theis, seconded by Director Downey, and Unanimously Carried To:  
*Authorize General Manager to Execute an Agreement with Trillium to Supply Temporary Compressed Natural Gas Fueling Station.***

**6) Accept Report from Personnel Committee Chair on Meeting of March 4, 2015**

The Board reviewed a memorandum from the Personnel Committee Chair regarding discussion held at the meeting relative to the recruitment of the Principal Engineer and the General Manager.

**It was moved by Vice Chair Oglesby, seconded by Director Bales, and Unanimously Carried To:  
*Accept Report from Personnel Committee Chair on Meeting of March 4, 2015.***

**7) Authorize Hiring Employee at Higher Step in Salary Range (Item May Be Adjourned Until After Closed Session)**

General Manager suggested that the Board might want to consider discussion in closed session regarding hiring the Principal Engineer at Step 4. He stated that he is authorized to hire employees up to Step 3.

Board discussion followed regarding the difference in pay between Step 3 and 4, and when was it anticipated that the Principal Engineer would start working. General Manager stated that upon approval from the Board, the new Principal Engineer was prepared to begin work at the end of May 2015.

**It was moved by Director Pendergrass, seconded by Director Bales, and Unanimously Carried To: Authorize Hiring the Principal Engineer at Step 4 with a Starting Annual Salary of \$136,687.**

**STAFF REPORTS**

**8) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for January. The February financial statements were not available, although Tipping Fees Revenues for the month are estimated at \$1,340,000 which is \$85,000 below budget and \$125,000 above last year. Finance Manager stated that the reports are very indicative of how well the District is doing.

The Operating Report for February 2015 was also reviewed by the Board.

**9) Report on Public Education and Recycling, to Include Information on Earth Day**

The Board reviewed a memorandum from Director Community Programs Jeff Lindenthal regarding the food scrap composting program underway at Carmel Unified School District, planned Earth Day activities, and reusable shopping bags produced from local recycled agricultural plastic. The Board was provided with the reusable bags, which will be distributed to member agencies and general public.

**10) Report on Partnership with Paintcare, Inc. to Eliminate Disposal Fees for Paint Accepted at the District's Household Hazardous Waste Facility**

The Board reviewed a memorandum from Last Chance Mercantile & Hazardous Materials Manager Glen Evett regarding the proposed partnership with Paintcare, Inc. which will save the District over \$40,000 per year through a product stewardship program offered in California and other states. Under this agreement, Paintcare will pay the District for latex paint that gets reused at the Last Chance Mercantile, and they will pay the freight cost to ship non-reusable paint to their recycling facility.

**11) Report on February 19, 2015 and March 12, 2015 Technical Advisory Committee (TAC) Meeting**

The Board received summary reports for both meetings of the TAC. Director Downey thanked staff for providing a thorough summary.

**OTHER CORRESPONDENCE**

There was no correspondence.

**GENERAL MANAGER COMMUNICATIONS**

General Manager advised the Board the April Board meeting was initially intended to conduct the General Manager interviews, but as discussed at this meeting, it was going to be necessary to approve the Bond documents as well. He stated that the April Board meeting would begin at 9:00 a.m., to first consider and act upon the bond documents, with the interviews beginning at 9:45 a.m. in closed session. Lunch would be provided to the Board.

**BOARD COMMUNICATIONS**

There were no Board communications.

**CLOSED SESSION**

Legal Counsel stated that there was no need to discuss Items 1 and 2a in closed session. The Board went into closed session at 11:00 a.m. regarding Item 2b on the agenda.

- 1) Conference with Property Negotiators:  
Property: Landfill Site/Property/Operations  
District Negotiators: William Merry, Tim Flanagan  
Negotiating Parties: Green Waste Recovery
- 2) Personnel Matter
  - a) Public Employee Appointment: Principal Engineer
  - b) Public Employee Appointment: General Manager

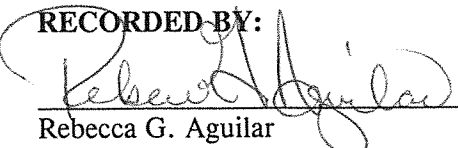
**RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION**

The Board came back into open session at 11:47 a.m. and Legal Counsel announced that in closed session the Board had received information and discussed Item 2a listed on the agenda, and that no action had been taken.

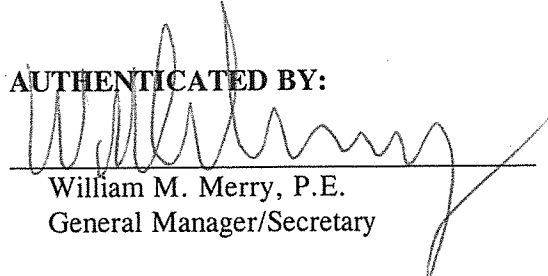
**ADJOURNMENT**

There being no further business to come before the Board at this time, the March 20, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11:48 a.m.

**RECORDED BY:**

  
Rebecca G. Aguilar  
Administrative Support Supervisor/  
Recording Secretary

**AUTHENTICATED BY:**

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