

## BOARD OF DIRECTORS

DENNIS ALLION  
CHAIR

IAN OGLESBY  
VICE CHAIR

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



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, 9:37 a.m. (Immediately Following MRWMA Meeting)  
July 17, 2015

Boardroom  
MRWMD Offices  
14201 Del Monte Blvd., Marina CA

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

**MEMBERS ABSENT:** Jane Parker, (Unincorporated) Monterey County Supervisor, District 4

**STAFF PRESENT:** Tim Flanagan, Assistant General Manager  
Rob Wellington, Legal Counsel  
Chuck Rees, Finance Manager  
Berta Torres, Interim Human Resources Manager  
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager  
Jeff Lindenthal, Deputy General Manager-Community Programs  
Ron Mooneyham, Equipment Maintenance Manager  
Clyde Walkup, Materials Recovery Facility Operations Manager  
Guy Petraborg, Principal Engineer  
Rebecca Aguilar, Administrative Support Supervisor  
Kimberle Herring, Public Education Coordinator  
Ida Gonzales, Administrative Support Specialist

**OTHERS PRESENT:** Charlie Cordova, Green Waste Recovery  
Mark Dias, Monterey County Environmental Health Bureau  
Ric Encarnacion, Monterey County Environmental Health Bureau  
Teresa Rios, Monterey County Environmental Health Bureau  
Mike Niccum, Pebble Beach Community Services District  
Cesar Zuniga, Salinas Valley Solid Waste Authority  
Joe Cadelago, Waste Management, Inc.  
M. Vasquez, Intern to Supervisor Parker

**ROLL CALL AND ESTABLISHMENT OF QUORUM**

With notice duly given and presence of a quorum established, the July 17, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Allion at 9:37 a.m.

**PUBLIC COMMUNICATIONS**

There were no public comments.

**CONSENT AGENDA**

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

- 1) Approve Minutes of June 19, 2015 Regular Board Meeting
- 2) Approve Report of Disbursements, and Board and Employee Reimbursements
- 3) Adopt Resolution 2015-10 Establishing District Investment Policy Guidelines for Fiscal Year 2015/16
- 4) Approve Continuation of Chair and Vice Chair for Remainder of Calendar Year 2015
- 5) Ratify and Approve Terms of Compensation and Authorize the Chair of the Board of Directors to Execute an Employment Agreement with the District's New General Manager, Tim Flanagan.

On behalf of the Board, Chair Allion congratulated new General Manager Tim Flanagan and thanked him for his commitment to public service.

**OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION****6) Accept Report from Finance Committee Chair on Meeting of July 1, 2015**

The Board reviewed a memorandum from Chair Allion reporting on the July 1, 2015 Finance Committee meeting in which discussion was held regarding the investment policies of the Authority and the District, to include changes in the pension account under the Governmental Accounting Standards Board (GASB). The Committee also discussed capital projects including a recommendation to award a contract to Chicago Bridge and Iron Environmental & Infrastructure, Inc. (CB&I) for work associated with the underground electrical supply system for the MRF and the Truck Yard/CNG facility. Staff provided the Committee with an update on the Countywide Integrated Solid Waste Management Study (CISWMS).

Director Delgado inquired about the status of the CISWMS and its availability for review and comment by the Board. General Manager stated that the city managers group had requested that public input meetings be provided by the Salinas Valley Solid Waste Authority, Monterey County, and the District. He mentioned that the SVSWA held a meeting on July 16<sup>th</sup>, as part of their regular meeting. The County will hold a public meeting on July 21<sup>st</sup>, and the District is facilitating a meeting on July 29<sup>th</sup> at Seaside City Hall at 6 p.m. Legal Counsel stated that the draft CISWMS had been reviewed by District staff and the Finance Committee and input had been provided. Discussion continued regarding providing a presentation of the CISWMS to the Board for input and whether it was only necessary to receive the CISWMS. Director Bales expressed concern regarding the District financially supporting the CISWMS and not having the opportunity to comment on it.

Mike Niccum, Pebble Beach Community Services District General Manager, addressed the Board and stated that the meeting on July 29<sup>th</sup> would be the opportunity for the Board and the public to receive a presentation on the CISWMS, ask questions, and provide comments. He stated that although R3 Consultants had prepared the CISWMS, they were not policymakers. Nothing was being decided based on the CISWMS.

The Board requested that staff provide an electronic copy of the CISWMS to the Board. General Manager stated that staff would provide the CISWMS and could request R3 make a presentation to the Board.

It was moved by Director Delgado, seconded by Director Laska, and Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of July 1, 2015.

**7) Authorize Chair to Cast Ballot to Elect a Representative to California Special Districts Association Board of Directors for Coastal Network, Seat A**

The Board reviewed information from California Special Districts Association (CSDA) on the candidates seeking a seat on the CSDA Board. Board discussion followed regarding the candidates.

It was moved by Director Bales, seconded by Director Laska, and Unanimously Carried To: Authorize Chair to Cast Ballot for Bob Blair as Representative to the California Special Districts Association Board of Directors for Coastal Network, Seat A.

Please note, this item was reopened following Agenda Item 9.

**8) Adopt Resolution 2015-11 for the Election of Directors to the Special District Risk Management Authority Board of Directors**

The Board reviewed information from Special District Risk Management Authority regarding the candidates seeking to be elected to the SDRMA Board of Directors. Two incumbents were seeking re-election. Board discussion followed regarding the candidates.

It was moved by Director Bales, seconded by Vice Chair Oglesby, and Unanimously Carried To: Adopt Resolution 2015-11 Selecting Robert Swan, Ed Gray, and Sandy Seifert-Raffelson to Serve as Directors to the Special District Risk Management Authority Board of Directors

**9) Approve Contract with Chicago Bridge and Iron Environmental & Infrastructure, Inc. (CB&I), of Baton Rouge, LA in the Amount of \$891,700 for Electrical Supply System Installation**

The Board reviewed a memorandum from Principal Engineer Guy Petraborg and District consultant Dave Edwards, Inc (DEI). Principal Engineer provided the Board with background information with regard to the electrical supply installation and previous request for bids. He stated that the recent request had received three bids with a fourth bid not being received by the due date and time. The three bids were summarized in the memorandum. Due to a procedural matter on the bid form and staff's intention of changing the basis of the award from a "base bid only" basis to a "base bid with allowances" basis, bidders were notified and the bid protest period had been extended. Staff was now recommending award of a contract to the lowest qualified bidder CB&I in the amount of \$891,700 consisting of both base bid items and allowance items.

Board discussion followed regarding the 15% contingency and standard contingencies levels. Principal Engineer responded that the 15% was standard industry conduct for the private construction industry. Chair Allion inquired whether the bid amount was within the budgeted amount. General Manager responded that when the

project was developed 16 months earlier, the construction business was more competitive, and when the increase in construction projects, many contractors are too busy to bid, thus the low bid by CB&I was higher than budgeted. Staff is currently reevaluating scope changes to lower costs.

It was moved by Director Delgado, seconded by Director Laska, and Unanimously Carried To: Approve Contract with Chicago Bridge and Iron Environmental & Infrastructure, Inc. (CB&I), of Baton Rouge, LA in the Amount of \$891,700 for Electrical Supply System Installation.

Legal Counsel notified the Board that with regard to Item 7, staff had failed to include the information of a candidate.

It was moved by Director Bales, seconded by Director Laska, and Unanimously Carried To: Sustain the Previous Vote to Authorize Chair to Cast Ballot for Bob Blair as Representative to the California Special Districts Association Board of Directors for Coastal Network, Seat A, and to Include Peter Le for Consideration.

**7) Authorize Chair to Cast Ballot to Elect a Representative to California Special Districts Association Board of Directors for Coastal Network, Seat A**

The Board reviewed the information for Peter Le who was also seeking a seat on the CSDA Board. Board discussion followed regarding all of the candidates.

It was moved by Director Delgado, seconded by Director Bales, and Approved by Director Delgado, Opposed by Chair Allion, Director Bales, Director Downey, Director Laska, Vice Chair Oglesby, Director Pendergrass, and Director Theis To: Authorize Chair to Cast Ballot to Cast a Ballot for Peter Le as Representative to the California Special Districts Association Board of Directors for Coastal Network, Seat A. Motion Failed

It was moved by Director Laska, seconded by Vice Chair Oglesby, and Approved Chair Allion, Vice Chair Oglesby, Director Bales, Director Downey, Director Laska, Director Pendergrass, and Director Theis, Opposed by Director Delgado, To: Authorize Chair to Cast Ballot to Cast a Ballot for Bob Blair as Representative to the California Special Districts Association Board of Directors for Coastal Network, Seat A. Motion Carried

## **STAFF REPORTS**

**10) Review Financial, Operating and Recycling Reports**

The Board reviewed the May 2015 financial statements for the District and Authority, which reflected the May 28<sup>th</sup> issuance of the Authority Revenue Bonds. The financial statements for June 2015 were delayed due to the year-end close and audit procedures. The Tipping Fees Revenues for the month June 2015 are estimated at \$1,675,000, which was \$250,000 above budget. The full year Tipping Fees Revenues are projected to be \$1,350,000 above budget. The Board also reviewed the June 2015 Operating Report.

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

The Board reviewed a memorandum from Director of Community Programs Jeff Lindenthal, which reported on the Household Hazardous Waste (HHW) collection event held on June 27<sup>th</sup> at Monterey Peninsula College parking lot, record sales at the Last Chance Mercantile for fiscal year 2014/15, and the successful completion of the Paintcare contract, which significantly reduces HHW program cost for management of paint.

Director of Community Programs also provided the Board with a PowerPoint presentation on the successful HHW collection event in which there were a total of 586 turn-ins with a total of 70,690 pounds collected. He stated that the cost of the event was lower compared to the event held in 2014.

#### 12) Report on District Capital Projects

The Board reviewed a memorandum from the Principal Engineer regarding the District Capital Projects. Board discussion followed regarding project completion deadlines, project budget, and lease agreement with GreenWaste Recovery (GWR). General Manager stated a Finance Committee is being scheduled for August in order to provide project budget information for discussion and any budget adjustments will be brought back to the full Board. Staff is working with Legal Counsel with regard to the GWR lease agreement.

#### 13) Report on June 18 and July 16, 2015 Technical Advisory Committee Meeting

The Board reviewed the minutes of the June 18<sup>th</sup> Technical Advisory Committee (TAC) meeting. The meeting minutes for the July 16<sup>th</sup> TAC meeting will be provided at the August Board meeting.

#### 14) Report on Community Choice Aggregate – Project Development Advisory Committee

The Board reviewed a copy of a letter requesting each city (and County) in Monterey, San Benito, and Santa Cruz County to request data from PG&E, which is required to study the potential for Community Choice Aggregation. The study is being funded entirely through privately raised funds. Director Bales requested that an update be provided to the Board to see what cities have responded.

### OTHER CORRESPONDENCE

There was no other correspondence.

### GENERAL MANAGER COMMUNICATIONS

General Manager reported that the new Doppstadt 726-E trommel had been installed. The new trommel will process over 80 tons per hour of ground material and screen the ground yard and wood waste into two categories.

Director Downey retired from the meeting at 11:15 a.m.

### BOARD COMMUNICATIONS

Chair Allion commented that the new Garden Center in Del Rey Oaks was having their grand opening today.

### CLOSED SESSION

The Board went into closed session at 11:18 a.m. regarding the following.

#### 1. Conference with Property Negotiators:


Property:	Landfill Site Space/Capacity
District Negotiators:	Tim Flanagan
Negotiating Parties:	City of Milpitas
Terms:	All Terms and Conditions

The Board came out of closed session at 11:48 a.m. and Legal Counsel announced that in Closed Session, with Regard to Item 1, the Board received information; no reportable action was taken.

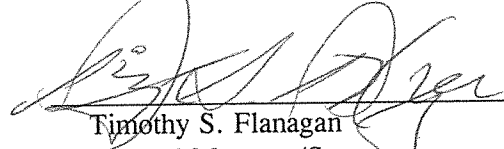
**ADJOURNMENT**

There being no further business to come before the Board at this time, the July 17, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11:49 a.m.

**RECORDED BY:**

  
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Rebecca G. Aguilar  
Administrative Support Supervisor/  
Recording Secretary

**AUTHENTICATED BY:**

  
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Timothy S. Flanagan  
General Manager/Secretary