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CARRIE THEIS



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GENERAL MANAGER  
GUY PETRABORG P.E., G.E.  
PRINCIPAL ENGINEER  
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, 9:30 a.m.  
November 20, 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 Director  
Libby Downey, City of Monterey Councilmember  
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4  
Carrie Theis, City of Carmel-by-the-Sea Councilmember

**MEMBERS ABSENT:** Bruce Delgado, City of Marina Mayor

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

**OTHERS PRESENT:** Ted Terrasas, City of Monterey  
Mark Dias, Monterey County Environmental Health Bureau  
Doug Kenyon, Republic Services  
Mandy Brooks, Salinas Valley Recycles  
Dani Banionis, The Offset Project

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### ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the November 20, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Allion at 9:30 a.m.

## PUBLIC COMMUNICATIONS

There were no public communications.

## CONSENT AGENDA

Director Downey requested that Page 4 of the October 16, 2015 Minutes be amended to accurately reflect her comment regarding the District's Voluntary Early Retirement Incentive was that the City of Monterey would not have offered a year's salary as an incentive.

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

- 1) Approve Minutes of October 16, 2015 Regular Board Meeting, As Amended
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 3) Approve 2016 Board Meeting Calendar

## RECOGNITION

- 4) Recognition of Senior Engineer Rick Shedden, Accounting Technician Tina Reid, and Weighmaster Gene Green for 25 Years or More of Service to the District

General Manager commented that Rick Shedden was not present at the meeting. He stated that recognition is normally done at employee general meetings. After further consideration, he believed that 25 years or more was a significant achievement and going forward, employees with 25 years of service would be recognized at the Board meetings. General Manager stated that the three employees being recognized had been with the District for 27, 26, and 25 years, respectively. He also provided background information on each employee. He stated that Rick Shedden, Tina Reid, and Gene Green had witnessed the District's growth with the addition of many programs and facilities.

On behalf of the Board, Chair Allion thanked Tina Reid and Gene Green for their years of service to the District.

## OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 5) Receive Report from Finance Committee Chair on Meeting of November 4, 2015

The Board reviewed a report from Finance Committee Chair Allion. Discussion at the meeting was mainly on District Capital Projects.

*It was moved by Director Parker, seconded by Vice Chair Oglesby, and Unanimously Carried to:  
Receive Report from Finance Committee Chair on Meeting of November 4, 2015.*

- 6) Declare Surplus and Authorize Sale of Caterpillar (CAT) G3520C-GB Engine and 1,965 kW Generator as Surplus; and Authorize Purchase of Replacement "Longblock" for Jenbacher Engine #3

The Board reviewed a memorandum from Principal Engineer Guy Petraborg and Equipment Maintenance Manager Ron Mooneyham. As summarized in the memorandum, Chair Allion stated that in August of 2014,

staff recommended, and the Board approved the purchase of, the CAT G3520C-GB Engine and 1,965 kW Generator for \$1.4 million. In November of 2014, after performing the engineering analysis required to install the engine, staff learned that an additional \$2.2 million would be required to modify the LFG building and electrical infrastructure to accommodate the larger engine. While this amount has been budgeted for Fiscal Year 2015/16, staff has developed an alternative approach. This approach called for the sale of CAT G3520C-GB, which had not been delivered to the District site and was still in storage with the CAT dealer. It also called for the purchase of a replacement block for Engine #3, which has been out of service since 2014. Chair Allion further stated that GE/Jenbacher had significantly discounted the block replacement at \$418,000 as opposed to the \$2.2 million needed to install the CAT engine, making the replacement block more financially viable than the installation of the new CAT. He stated that the Finance Committee had thoroughly discussed the approach at their meeting on November 9, 2015.

General Manager expressed appreciation to Principal Engineer for his thorough analysis based on his landfill gas experience. With the catastrophic failure of Engine 4, it provided an opportunity for this further analysis. This approach essentially provided two new engines and provided the District with about five years to analyze a plan regarding the sale of renewable power. Since the Jenbacher engine fits under the basic air permit for the engine block it is replacing, staff expects that the permitting required for the block replacement to be easier than the new engine permitting would be. Staff had a reasonable level of confidence that the CAT can be sold based on preliminary discussions with other potential purchasers of landfill gas engines during the past two weeks.

Board discussion followed regarding the amount of recovery for the CAT engine and how long staff anticipated it would take to sell the engine. General Manager stated that staff anticipates being able to recover about 70% of the \$1.4 million purchase cost and anticipated it would take approximately 45 days to sell the engine. He stated that the CAT dealer network was assisting the District on the sale of the engine.

**It was moved by Director Theis, seconded by Vice Chair Oglesby, and Unanimously Carried to: Declare Surplus and Authorize Sale of Caterpillar (CAT) G3520C-GB Engine and 1,965 kW Generator as Surplus; and Authorize Purchase of Replacement "Longblock" for Jenbacher Engine #3.**

**7) Declare Surplus and Authorize Disposition of District Material Recovery Facility (MRF) Sort Line Equipment**

The Board reviewed a memorandum from Finance Manager Chuck Rees and Equipment Maintenance Manager regarding the need to declare the existing MRF equipment as surplus in order to begin dismantling the MRF equipment in preparation of the installation of the new MRF equipment. Equipment Maintenance Manager stated that staff anticipates that the existing MRF equipment has some value, although more information on the true value will be available once it has been deconstructed. Staff has been working with District Consultant JR Miller and Associates and equipment vendor Bulk Handling System to begin the scheduling and construction planning portion of the new MRF equipment installation.

Board discussion followed regarding down time of the MRF during the construction. General Manager responded that District consultant and equipment vendor have significant experience with this type of work and goal is to operate as normally as possible.

**It was moved by Director Theis, seconded by Director Parker, and Unanimously Carried to: Declare Surplus and Authorize Sale of MRF Sort Line Equipment.**

8) **Consider Request to Substitute Fryer's Roofing Company, Inc. in Place of Andy's Roofing Company, Inc. as Listed Subcontractor to Perform Thermoplastic Polyolefin Roofing Work on the Truck Parking & Maintenance Facility Project and Adopting Resolution 2015-14 Consenting to Substitution**

The Board reviewed a memorandum from General Manager regarding the request of the General Contractor for the Truck Parking & Maintenance Facility Project, Lewis C. Nelson (LCN) to replace the subcontractor for the roofing work, Andy's Roofing Company with Fryer's Roofing Company due to Andy's failure to agree to perform the work in accordance to the District plans and specifications at the contracted price. General Manager stated that a public hearing had been conducted to allow all parties to present evidence. Following the hearing, the General Manager, acting as the hearing officer, recommended that the request be approved by the Board.

Board discussion followed regarding potential liability to the District, responsiveness of substitute roofing company, and project delays. Legal Counsel provided the Board with the process, which was undertaken to minimize liability. General Manager stated that LCN presented evidence during the hearing process that Fryer's was ready and able to sign an agreement. He further stated that this had caused an additional delay, and the contractor was prepared to move forward following Board approval.

It was moved by Director Parker, seconded by Director Bales, and Unanimously Carried to: Approve Request to Substitute Fryer's Roofing Company, Inc. in Place of Andy's Roofing Company, Inc. as Listed Subcontractor to Perform Thermoplastic Polyolefin Roofing Work on the Truck Parking & Maintenance Facility Project and Adopting Resolution 2015-14 Consenting to Substitution.

9) **Authorize Participation in the California Used Mattress Recycling Program, Approve Elimination of Disposal Recycling Tipping Fees 10 Mattresses or Less, and Establish \$5 Per Mattress Tipping Fee for Delivery of 11 or More Commercial Mattresses and Box Springs**

The Board reviewed a memorandum from Director of Community Programs Jeff Lindenthal regarding participation in the California Used Mattress Recycling Program. He stated that there was a change to the recommendation. Instead of stating 10 mattresses or less, it would be for deliveries of 9 mattresses or less and charging \$5 for deliveries of 10 mattresses or more instead of 11 mattresses. The program will provide transfer trailers and pay the freight to ship all mattresses received to Bay Area recyclers. In addition, the program will pay the District \$2.96 for every mattress received by a certified mattress recycler for recycling.

It was moved by Director Downey, seconded by Director Parker, and Unanimously Carried to: Authorize Participation in the California Used Mattress Recycling Program, Approve Elimination of Disposal Recycling Tipping Fees 9 Mattresses or Less, and Establish \$5 Per Mattress Tipping Fee for Delivery of 10 or More Commercial Mattresses and Box Springs.

10) **Accept Draft Annual Report**

The Board reviewed the draft 2015 Annual Report, prepared principally by the Director of Community Programs and Public Education staff Kimberle Herring and Angela Goebel, with input from all department staff, along with assistance from design consultant Sandi Manor. Board members provided staff with input and expressed appreciation to staff for preparing the report which served to inform the public of the different activities conducted by the District. The final report will be made available to all member agencies and other local public entities and District customers.

It was moved by Director Parker, seconded by Vice Chair Oglesby, and Unanimously Carried to: Accept Draft Annual Report.

**11) Receive Report from Personnel Committee Chair on Meeting of November 4, 2015**

The Board reviewed a report from Personnel Committee Chair Allion. Discussion at the meeting was mainly on the proposed staffing changes as described under Agenda Item 12.

It was moved by Director Parker, seconded by Director Theis, and Unanimously Carried to: Receive Report from Personnel Committee Chair on Meeting of November 4, 2015.

**12) Approve Changes to Organizational Chart, and Related Salary Schedules and Job Descriptions for:**  
a) Addition of Associate Operator Classification to Operating Engineers Local 3 Operations Unit  
b) Title Changes for Public Education Coordinator to Public Education and Outreach Coordinator; Public Education Assistant to Public Education and Outreach Specialist; and Administrative Support Supervisor to Executive Assistant/Clerk of the Board  
c) Change of Direct Reporting for Administrative Support Specialist

The Board reviewed memorandums from Interim HR Manager Berta Torres regarding the addition of an Associate Operator and the proposed changes in title and reporting in an effort to provide clarity and improve efficiencies. She stated that the Associate Operator would assist the Last Chance Mercantile Supervisor in the operation of the forklift due to the increase in electronic donations and would also fill the role of Sales Clerk II as needed. The proposed title changes do not have carry any financial impact. All of the changes were discussed with the Personnel Committee at the November 4, 2015 meeting, and the Committee fully supported staff recommendations.

Director Bales expressed concern with the number of direct reports to the General Manager. General Manager stated that staff is developing a revised organizational chart for fiscal year 2016/17 during the budget preparation and considered the direct reporting structure as temporary.

It was moved by Director Downey, seconded by Director Bales, and Unanimously Carried to: Approve Changes to Organizational Chart, and Related Salary Schedules and Job Descriptions for:

- a) Addition of Associate Operator Classification to Operating Engineers Local 3 Operations Unit.
- b) Title Changes for Public Education Coordinator to Public Education and Outreach Coordinator; Public Education Assistant to Public Education and Outreach Specialist; and Administrative Support Supervisor to Executive Assistant/Clerk of the Board.
- c) Change of Direct Reporting for Administrative Support Specialist.

**STAFF REPORTS**

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

Finance Manager commented that the financial statements continue to be delayed due to the year-end close, audit procedures and accounting and reporting changes due to GASB 68 implementation. District auditor Bianchi, Kasavan & Pope have completed their field audit procedures and are proceeding with their internal reviews and are planning to attend the Finance Committee meeting on December 9<sup>th</sup>. They have reported no problems to date. The Tipping Fees Revenues for the month of October 2015 are estimated at \$1,750,000 which is \$320,000 above budget and \$140,000 above last year. The Year to Date Tipping Fees Revenues through October is estimated at \$7,080,000 which is \$1,350,000 (24%) above budget and \$1,040,000 (17%) above last year. The Board also reviewed the Operating Report for October 2015.

**14) Report on District Capital Projects**

General Manager stated that progress is being made on the permanent fueling station that is anticipated to go on line in January. The MRF Improvement is in the design phase with the assistance of Mario Gutierrez, who had significant experience in these types of projects. District staff provided additional background on the financial overview and schedule of existing and anticipated project costs for the major capital projects currently or soon to be underway.

Chair Allion inquired about explosion potential with the fueling station. General Manager stated that extensive training would be provided to limit any potential liabilities.

**15) Report on October 20, 2015 Meeting of Special Districts Association (SDA) of Monterey County**

The Board reviewed a memorandum from Director of Community Programs summarizing the October 20, 2015 SDA meeting.

**16) Report on October 15 and November 19, 2015 Technical Advisory Committee (TAC) Meetings**

The Board reviewed the minutes of the October 15, 2015 TAC meeting. Staff also provided a verbal report of the November 19, 2015 TAC meeting.

**OTHER CORRESPONDENCE**

There was no other correspondence.

**GENERAL MANAGER COMMUNICATIONS**

General Manager expressed appreciation to Mobile Fueling Technician/Project Manager of Operations David Owens, from Trillium CNG who went above and beyond to help bring the District back on line when the temporary fueling station was damaged by a vehicle and the fueling system was shut off. He also expressed appreciation several District employees and David Carriaga, representing the Operating Engineers Local #3, who rallied together to help a long-time employee and member of the District "family" (who has an undiagnosed serious illness) move his belongings in their personal vehicles.

General Manager reminded the Board of the Annual Employee Award Luncheon and invited the Board to attend the luncheon following the December Board meeting.

**BOARD COMMUNICATIONS**

Director Downey inquired from Director Bales the status of the commercial cardboard pickup. Director Bales responded that GreenWaste Recovery (GWR) is working with city representatives to find a solution. Board members commented on certain instances GWR was able to resolve issues.

**CLOSED SESSION**

The Board went into closed session at 10:38 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


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

The Board came back into open session at 10:50 a.m. and Legal Counsel announced that in the closed session the Board had taken up the matter listed on the agenda for the closed session and reported the Board received information from its negotiators; no reportable action was taken.

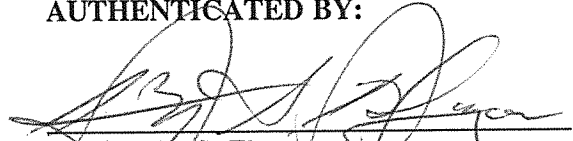
**ADJOURNMENT**

There being no further business to come before the Board at this time, the November 20, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion, with prayers for the District employee out on leave, at 10:50 a.m.

**RECORDED BY:**

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

**AUTHENTICATED BY:**

  
Timothy S. Flanagan  
General Manager/Secretary