



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: February 4, 2015
 TO: Board of Directors
 FROM: Leo Laska, Finance Committee Vice-Chair
 SUBJECT: Summary of Finance Committee Meeting of February 4, 2015

The Finance Committee met on February 4th at 9:30 a.m., at the District administrative offices. Committee members in attendance were Directors Bales and Pendergrass. Chair Allion was absent. George Thacher was also present. The purpose of the meeting was to review items and provide direction for Midyear Budget, Operations and Capital Projects, Bond financing process, and received General Manager Comments. There was also a Closed Session regarding property negotiations. Discussion is summarized below and followed the attached agenda.

Midyear Budget Review

Staff presented the Midyear Budget and reviewed the items that had a significant change from the Budget. It was noted that Operating Revenues are estimated to be \$455,000 above budget primarily due to increased tonnages for in-District, Contract and Regional Waste (\$670,000) that is partially offset by decreased Power Sales (\$250,000) due to decreased production resulting from maintenance and air emissions concerns. Operating Expenses are estimated to \$5,000 above budget. Non-Operating Revenues/Expenses are estimated to be \$110,000 below budget due to the delay in issuing the Revenue Bonds and construction of the Truck Yard Facility. Capital Outlays for existing operations have been delayed by \$1,240,000. The result of these estimates is to increase the Unrestricted Cash Reserves by \$2,145,000. The Committee discussed the items and related assumptions and accepted the Midyear Budget Report and recommended that it be presented to the Board at the February 20th meeting.

HF&H Engineering Report Status

Staff provided an oral report and the Committee asked questions regarding the timing and content. The Committee requested that staff make sure that John Greenlee of Caldwell Flores Winters Inc. (District Financial Advisor) is involved in the report and that the content will meet the needs of the Bond rating agency.

Bond Update Process and Schedule

Schedule: The Committee reviewed the Preliminary Timeline and directed staff to continue to provide the Board an updated schedule at each meeting.

Review of Draft Resolution in Support of \$40 Per Ton to be Paid for Clean Recyclables: Staff updated the Committee on the status of the resolution to pay member jurisdictions \$40 per ton for clean recyclables delivered to the District when the Materials Recovery Facility improvements are completed. This resolution is to match the agreements the jurisdictions have entered into with Green Waste Recovery. Discussion followed and the resolution will be presented at the February 20th Board meeting.

Status of Approvals of Amendment to JPA Agreement: Staff reported that all of the District Member agencies have approved the JPA Agreement Amendment including the County. Discussion followed and it was agreed that staff should coordinate with the agencies that approved the amendment before the final wording changes by the City and County of Monterey to have them place the final amendment on their next available agenda for approval.

Status Report on Countywide Integrated Solid Waste Management Study

Staff provided a verbal update that noted that all the information requests from the consultants had been provided and staff had not attended any meetings since the last Committee meeting. It was noted that R3 had held a meeting with city representatives and the District and Salinas Valley Solid Waste Authority had not been invited.


General Manager Comments/Project Updates

Staff reported that an agreement with the Wallace Group had been retained and Brad Hagemann would be assisting with overall project management. Discussion followed and the Committee commented that they would like to monthly updates on status of each of the projects and that onsite project management will be critical as each of these projects progress. It was noted in particular that the Landfill Gas/Electrical System Upgrade is a highly technical and complex process and will impact each of the other infrastructure upgrades. Staff reported that onsite project management was in place for the Truck Yard Facility and that the Wallace Group had expertise in overseeing the Electrical System Upgrade. JR Miller is overseeing the MRF improvement project and once the equipment supplier is selected, an onsite project manager will be selected.

Closed Session

The Committee went into closed session and received information from staff and provided guidance regarding the property negotiations. No action was taken.

Next Meeting Date: Wednesday, March 4, 2015 at 9:30 AM.



Leo Laska

Attachment

BOARD OF DIRECTORS
DENNIS ALLION
CHAIR

IAN OGLESBY
VICE CHAIR

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



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

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 FINANCE COMMITTEE MEETING

Wednesday
February 4, 2015
9:30 a.m.

Board Room
MRWMD Offices
14201 Del Monte Blvd., Marina CA

Attending: Committee (Board) Chair Allion; Directors Bales, Pendergrass, and Laska
Rob Wellington, Legal Counsel
Tim Flanagan, Assistant General Manager
Chuck Rees, Finance Manager

OPEN SESSION AGENDA

1. Midyear Budget Review.
2. HF&H Engineering Report Status
3. Bond Update and Schedule
 - a. Review Proposals and Resolution in Support of \$40 Per Ton to be Paid for Clean Recyclables.
 - b. Status of Approvals to Amendment to JPA Agreement.
4. Status Report on Countywide Integrated Solid Waste Management Study
5. General Manager Comments/Project Updates
 - Materials Recovery Facility Procurement
 - Compressed Natural Gas Facility
 - Truck Yard and Maintenance Facility
 - Landfill Gas/Electrical System Update
6. Next Meeting Date: Wednesday, March 4, 2015, 9:30 a.m.

CLOSED SESSION AGENDA

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed or Executive Session to consider specific matters dealing with pending or prospective litigation, real property negotiations, certain personnel matters, or to confer with District's Meyers-Millas-Brown representative.

- 1) Conference with Property Negotiators:
 - Property: Methane Gas in Monterey Peninsula Landfill
 - District Negotiators: William Merry and Tim Flanagan
 - Negotiating Parties: Pacific Gas & Electric, 3 Phase Energy, Marin Energy Authority, and Alameda Municipal
 - Terms: All Terms and Conditions