

BOARD OF DIRECTORS

DENNIS ALLION
CHAIR

IAN OGLESBY
VICE CHAIR

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



TIMOTHY S. FLANAGAN
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.
January 15, 2016

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 Vice Mayor
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4
Bruce Delgado, City of Marina Mayor
Carrie Theis, City of Carmel-by-the-Sea Councilmember

MEMBERS ABSENT: None

STAFF PRESENT: Tim Flanagan, General Manager
Rob Wellington, Legal Counsel
Berta Torres, Human Resources Manager
Chuck Rees, Finance Manager
Clyde Walkup, Materials Recovery Facility Manager
David Ramirez, Senior Engineer
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Guy Petrabor, Principal Engineer
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
Charlie Cordova, GreenWaste Recovery
Mark Dias, Monterey County Environmental Health Bureau
Mike Niccum, Pebble Beach Community Services District
Mandy Brooks, Salinas Valley Recycles
Michael Hardy, Zero Waste Energy
Eric Herbert, Zero Waste Energy

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the January 15, 2016 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

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

- 1) Approve Minutes of December 18, 2015 Regular Board Meeting
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements

PRESENTATIONS

3) Receive Presentation from Zero Waste Energy

Eric Herbert, President of Zero Waste Energy (ZWE) provided a presentation on “MRWMD Organics to Energy - Update and Pathway Forward”. The District’s SmartFerm Demonstration Project has been in operation since 2013 and processes more than 5,000 tons of organic waste per year, produces approximately 50,000 kilowatts per hour of electricity per month which is used for the Monterey Regional Water Pollution Control Agency, and produces approximately 2,500 tons of finished compost per year. The District is currently under contract with ZWE through 2017. The partnership with ZWE and the current operation will help the District determine the direction for the future organics processing once the mixed waste Materials Recovery Facility is fully operational.

Staff also reported that on December 24, 2015, PG&E directed the Monterey Regional Water Pollution Control Agency (MRWPCA) to “shut-down” the electrical connection with the ZWE AD project due to conflict with MRWPCA’s Power Purchase Agreement with PG&E. Staff is working with ZWE and the MRWPCA for solutions that keep the AD plant and its processes operational and at the same time pursuing the administrative solutions with PG&E to return the plant to its previous status.

Board discussion followed regarding capacity of the current project, and scaleability of any future expansions. Mr. Herbert commented that a module can be added to complement the existing modules, or replaced with a new system. He stated that the system has improved by going from 21 days to 18 days to process waste. General Manager stated that discussion and analysis needs to be held to determine how to handle current operations going forward with regard to maintenance costs.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**4) Receive Report from Finance Committee Chair on Meeting of January 6, 2016**

The Board reviewed a memorandum from Finance Committee Chair Allion. Discussion at the meeting was focused mainly on the annual audit.

**It was moved by Director Downey, seconded by Director Parker, and Unanimously Carried to:
*Receive Report from Finance Committee Chair on Meeting of January 6, 2016.***

5) Receive Report from Personnel Committee Chair on Meeting of January 6, 2016

The Board reviewed a memorandum from Finance Committee Chair Allion. Discussion was held on proposed organizational structure changes and the appointment of Berta Torres as Human Resources Manager. General Manager stated that Ms. Torres had served as the Interim HR Manager since the retirement of the previous HR Manager in January 2015 and is a valuable member of the District staff.

The Board congratulated Ms. Torres on her permanent appointment and expressed appreciation for all of her efforts thus far.

**It was moved by Director Downey, seconded by Director Parker, and Unanimously Carried to:
*Receive Report from Personnel Committee Chair on Meeting of January 6, 2016.***

6) Adopt Resolution 2016-01 Changing Board Meeting Date to the Fourth Friday When Certain Criteria is Met and Approve Changes to 2016 Board Meeting Calendar

The Board reviewed a memorandum from the General Manager along with a Resolution and proposed revised calendar. General Manager stated that staff was recommending moving the Board meeting date from the third Friday to the fourth Friday of the month when the first or second day of the month is on a Friday, and there are five Fridays in a month. This will allow staff more time to develop monthly timed reports and only occurs two to three times per year on average. This would affect the meetings in April, July and September for 2016. Going forward, staff would prepare the yearly calendar based on this criteria. Otherwise, the Regular Board meetings will continue to be held on the third Friday of the month.

**It was moved by Director Parker, seconded by Vice Chair Oglesby, and Unanimously Carried to:
*Adopt Resolution 2016-01 Changing Board Meeting Date to the Fourth Friday When Certain Criteria is Met and Approve Changes to 2016 Board Meeting Calendar.***

STAFF REPORTS**7) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for the month of August 2015 and staff reported that the remaining financial statements continue to be delayed due to the year-end close, audit procedures and accounting and reporting changes due to GASB 68 implementation. Staff also reported that the Tipping Fees Revenues for the month of December 2015 are estimated at \$1,600,000 which is \$170,000 above budget and \$220,000 above last year. The Year to Date Tipping Fees Revenues through December are

estimated at \$10,300,000, which is \$1,700,000 above budget and \$1,100,000 above last year. The Board also reviewed the December 2015 Operating Report.

8) Report on Public Education and Recycling

The Board reviewed a memorandum from Director of Community Programs Jeff Lindenthal in which he reported on a cooperative advertising campaign with Monterey SEA to raise awareness about litter and pollution prevention during the rainy season. He also reported on the holiday polystyrene collection through the end of January and the District's partnership with Waste Management to pick up the material and ship to a recycler.

9) Report on District Capital Projects

The Board reviewed a memorandum from Principal Engineer Guy Petraborg which provided an update on the District's Capital Projects. The Truck Yard Project continues to be behind schedule, although improvements have been made by the contractor. Delays are due to subcontractor scheduling conflicts and delay in receiving material shipments. Board discussion followed regarding the contractor delays and cost contingencies for the project.

10) Report on Status of Monterey Bay Community Power Project Development Advisory Committee (PDAC)

The Board reviewed the December 10, 2015 PDAC meeting and the agenda for the January 14, 2016 meeting. General Manager reported that PDAC meeting, scheduled for March 10, 2016, will be held in the District Board room and he encouraged the Board, along with senior city staff, attend to hear discussion regarding regional governance structure. The current timetable for the Monterey Bay Community Power Project is to have this offering in front of the member agencies for a decision by summer of 2016.

OTHER CORRESPONDENCE

11) Resolution from Pebble Beach Community Services District RE: Reappointment of Director Leo Laska

The Pebble Beach Community Services District reappointed Director Leo Laska to another four year term to the Monterey Regional Waste Management Authority Board of Directors. Legal Counsel stated that the Monterey Regional Waste Management District Board would need to appoint him to the District Board as a member-at-large at the February Board meeting.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that staff has been in discussions with Assemblyman Stone's office and California Special Districts Association staff over the past several weeks regarding legislation to change Board member compensation. Assemblyman Stone and his staff have indicated that they are interested in the compensation adjustment concept.

BOARD COMMUNICATIONS

The Board reviewed the certificates Director Bales received for attending four webinars in order to receive insurance premium discounts through the Special District Risk Management Authority (SDRMA) Credit Incentive Program (CIP). Staff will provide additional information regarding how many incentive points are still available in order to obtain the maximum five CIP points offered for Property and Liability and for Workers Compensation.

CLOSED SESSION

The Board went into closed session at 11:35 a.m. regarding the following:

1. Conference with Property Negotiators:
Property: Landfill Site Space/Capacity
District Negotiators: Tim Flanagan
Negotiating Parties: GreenWaste Recovery/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 11:59 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 January 15, 2016 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 12:00 p.m.

RECORDED BY:



Rebecca G. Aguilar
Executive Assistant/Clerk of the Board

AUTHENTICATED BY:



Timothy S. Flanagan
General Manager/Secretary