

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

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 REGULAR MEETING MINUTES

Friday, 9:30 a.m.
December 18, 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
David Pendergrass, City of Sand City Mayor
Leo Laska, Pebble Beach Community Services District Director
Libby Downey, City of Monterey Councilmember
Carrie Theis, City of Carmel-by-the-Sea Councilmember

MEMBERS ABSENT: Ian Oglesby (Vice Chair), City of Seaside Mayor Pro Tem
Bruce Delgado, City of Marina Mayor
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4

STAFF PRESENT: Tim Flanagan, General Manager
Rob Wellington, Legal Counsel
Jeff Lindenthal, Director of Community Programs
Ron Mooneyham, Equipment Maintenance Manager
Guy Petrabor, Principal Engineer
Chuck Rees, Finance Manager
Richard Shedden, Senior Engineer
Berta Torres, Interim Human Resources Manager
Rebecca Aguilar, Administrative Support Supervisor
Kimberle Herring, Public Education Coordinator
Angela Goebel, Public Education Specialist

OTHERS PRESENT: Ken Griest, Carmel Unified School District
Scott Laurence, Carmel Unified School District
Paula Terui, Carmel Unified School District
Ted Terrasas, City of Monterey
Charlie Cordova, GreenWaste Recovery
Mark Dias, Monterey County Environmental Health Bureau
Mike Niccum, Pebble Beach Community Services District
Doug Kenyon, Republic Services
Dani Banionis, The Offset Project

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the December 18, 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

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

- 1) Approve Minutes of November 20, 2015 Regular Board Meeting
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 3) Declare Surplus and Authorize Sale of Utility Flare to Highest Bidder
- 4) Adopt Resolution 2015-15 Recognizing Carmel Unified School District's Commitment to Exemplary Environmental Stewardship and Earning the Distinction of Being the First School in the Nation to Become a NOAA Ocean Guardian School District

PRESENTATIONS/RECOGNITIONS

5) Presentation of Resolution 2015-15 to Carmel Unified School District

Chair Allion presented representatives from Carmel Unified School District (CUSD) with the Resolution and congratulated them on the Board's behalf. They were Superintendent Scott Laurence, Educator Paula Terui, and Principal Ken Griest. The Resolution recognizes CUSD for their commitment to environmental stewardship and earning the distinction of becoming the first school in the nation to become a NOAA Ocean Guardian School District. As part of their participation in the Ocean Guardian School Program, CUSD also participated in the Peninsula's first school food scrap compost program, with support from the District.

Kimberle Herring, District Education Coordinator was also acknowledged for her effort in assisting the CUSD in receiving the prestigious award, which was a great example of the District education efforts having a meaningful and direct impact in the community for in resource conservation, recycling and waste reduction efforts.

6) Recognition of District's Triple A (Attitude Achievement Award) Recipient, Regina Santa Cruz

The Board recognized Regina Santa Cruz for receiving the District AAA based on her efforts in setting an example for other employees, supporting operations, and coordinating many of the District's internal employee recognition events.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

7) Receive Report from Finance Committee Chair on Meeting of December 9, 2015

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

It was moved by Director Theis, seconded by Director Bales, and Unanimously Carried to: Receive Report from Finance Committee Chair on Meeting of December 9, 2015.

8) Receive Presentation and Accept Annual Audit for Fiscal Year 2014/15

The Board reviewed a memorandum from Finance Manager Chuck Rees, along with the 2014/15 Annual Audit and Financials. Jarrod Penner of Bianchi Kasavan & Pope, LLP (BK&P) addressed the Board and reported that BK&P had expressed a "clean" opinion, with no findings or recommendations over internal controls, and no audit adjustments.

Finance Manager Chuck Rees expressed appreciation to his accounting staff. He reported that the District operations finished stronger than budgeted with Unrestricted Cash Reserves of \$6,814,024. This was primarily the result of increased Operating Revenues from Contract waste, Last Chance Mercantile sales and Sand sales partially offset by a reduction Power sales. The increase in Operating expenses resulted primarily from increased Gas project maintenance, Professional Services, Maintenance of structures and equipment and Taxes, licenses and permits partially offset by reductions in Salaries and Employee benefits. The District's Audit Report has Income from Operations of \$2,596,327 compared to the budget of \$1,676,000. Non-operating Expenses were above budget by \$153,948.

Board discussion followed regarding the implementation of Governmental Accounting Standards Board Statements 68 and 71, which resulted in a prior period adjustment to financial position of \$6,509,647. Finance Manager stated that the adjustment did not have any impact on the cash reserves, however, it resulted in a decrease in the Unrestricted Net Position of \$6,331,843 as of June 30, 2015. The Audit Report Footnote 7 described the method of computing and associated disclosures regarding the Net Pension Liability of the District.

It was moved by Director Laska, seconded by Director Downey, and Unanimously Carried to: Receive Presentation and Accept Annual Audit for Fiscal Year 2014/15.

9) Consider Request to Substitute Rosie the Roofer, LLC, in Place of Fryer's Roofing Company as Listed Subcontractor to Perform Thermoplastic Polyolefin Roofing Work on the Truck Parking & Maintenance Facility Project

The Board reviewed a memorandum from the General Manager regarding the need to substitute the roofing contractor for the Truck Parking & Maintenance Facility Project due to previous contractor going out of business. The memorandum also provided background on the problems with the roofing contractors to date.

Board discussion was held on delays in the project due to the situation with the roofing contractor. Staff responded that they are working with the primary contractor to try and minimize longer delays.

It was moved by Director Downey, seconded by Director Theis, and Unanimously Carried to: Approve Request to Substitute Rosie the Roofer, LLC, in Place of Fryer's Roofing Company as Listed Subcontractor to Perform Thermoplastic Polyolefin Roofing Work on the Truck Parking & Maintenance Facility Project.

STAFF REPORTS

10) Review Finance, Operating, and Recycling Reports

Finance Manager reported 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. The Tipping Fees Revenues for the month of November 2015 are continuing the good start and are estimated at \$1,575,000 which is \$140,000 (10%) above budget and \$160,000 (11%) above last year. The Year to Date Tipping Fees Revenues through November is estimated at \$8,650,000 which is \$1,500,000 (21%) above budget and \$830,000 (11%) above last year. The Board reviewed the November 2015 Operating Report.

11) Report on District Capital Projects

The Board reviewed a memorandum from Principal Engineer Guy Petraborg, which provided an update on Capital Projects.

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

The Board received the October 29, 2015 PDAC meeting highlights. General Manager verbally reported on the PDAC meeting held on December 11th. Member agencies are currently having their PG&E load data analyzed as the timetable for the Monterey Bay Community Power Project is to have an offer for member agencies is summer of 2016.

13) Report on November 19, 2015 Technical Advisory Committee (TAC) Meeting

The Board received the minutes of the November 19th TAC meeting. The next meeting is scheduled for January 21, 2016.

OTHER CORRESPONDENCE

There was no other correspondence.

GENERAL MANAGER COMMUNICATIONS

General Manager provided the Board with a Legislative Update from HF&H Consultants, which summarized 2015 solid waste legislation and identified bills that will be considered in the 2016 session. Staff will be monitoring these bills and new legislation as introduced and will report back to the Board as bills move through the Assembly and Senate.

Copies of the Annual Reports were provided to the Board members. Staff will be delivering them to city halls and libraries.

BOARD COMMUNICATIONS

There were no additional Board comments.

ELECTION OF OFFICERS FOR CALENDAR YEAR 2016

Director Pendergrass (as Vice Chair of the Nomination Committee) stated that the Committee recommended that Chair Allion and Vice Chair Oglesby be reappointed to serve for Calendar Year 2016.

It was moved by Director Laska, seconded by Director Downey, and Unanimously Carried to: Reelect Chair Allion and Vice Chair Oglesby as Chair and Vice Chair for Calendar Year 2016.

CLOSED SESSION


General Manager announced that there was no additional information available and therefore a closed session was not necessary.

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

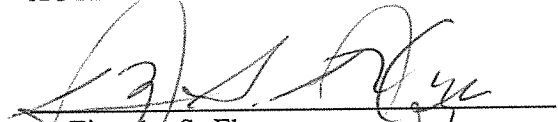
ADJOURNMENT

There being no further business to come before the Board at this time, the December 18, 2015 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 10:56 a.m.

RECORDED BY:


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

AUTHENTICATED BY:


Timothy S. Flanagan
General Manager/Secretary