



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: February 5, 2016  
 TO: Board of Directors  
 FROM: Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of February 3, 2016

The Finance Committee met on February 3<sup>rd</sup> at 9:00 a.m., at the District administrative offices. Committee members in attendance were Directors Bales, Laska and Pendergrass. Staff members in attendance were Tim Flanagan, Chuck Rees, Guy Petraborg, Jeff Lindenthal and Becky Aguilar. George Thacher from Rob Wellington's office was also in attendance. The purpose of the meeting was introduction of Fiscal Year 2016/17 Budget assumptions and timeline, provide updates on the Capital Projects, the Monterey Bay Community Power Project Development Advisory Committee (PDAC) and General Management comments. There was a scheduled closed session item regarding property negotiations. Discussion is summarized below and followed the attached agenda.

### Preliminary Budget for Fiscal Year 2016/17

Staff presented the documentation of key assumptions to be used in the preparation of the Preliminary Budget. The Committee discussed the key assumptions and provided guidance to staff for preparation of the Preliminary Budget. It was noted that the construction of the Materials Recovery Facility (MRF) Improvements will cause operational disruptions. Staff identified key assumptions that will allow for monitoring of the financial impact during the implementation of the improved MRF operations. Staff presented a proposal for an Organization Restructuring. Discussion followed and the Committee requested that staff update the presentation for the financial impact compared to actual costs and current budget costs prior to the presentation to the Board.

### Capital Project Updates

Guy Petraborg updated the Committee on the Capital Projects. Additionally:

**Landfill Gas Update:** Engine #4 is on schedule for online in late February 2016. Engine #3 is on schedule for being on line my mid-year 2016.

**Compressed Natural Gas Facility:** The fueling station has been delayed from using pipeline gas and slow fill facility due to the timing of the paving of the Truck Yard and need of subcontractors to utilize the space for staging construction materials for the Maintenance Facility structures.

**Truck Yard and Maintenance Facility:** Staff noted that the contractor has increased their performance and completion is now anticipated to be completed after mid-year 2016.

**Materials Recovery Facility Equipment Installation:** The General Arrangement Drawings are complete and manufacturing is commencing with start-up anticipated in January 2017

### Update on the Monterey Bay Community Power Project Development Advisory Committee (PDAC)

It was noted that the PDAC will meet on March 10<sup>th</sup> in the District's Board room, and that it is open to interested parties including senior staff of District member agencies.

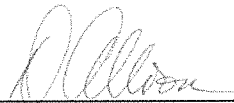
**General Manager Comments**

Update on Franchise Agreements. Jeff Lindenthal brought the Committee up to date on meetings between the commercial customers from Carmel and Pacific Grove with GreenWaste Recovery and the District regarding the rates being charged under the franchise agreements for services. After these meetings, it appears that with realignment of various services, the total cost of commercial collection can be reduced.

**Closed Session**

General Manager updated the Committee on the property negotiations. No action was taken.

**Next Meeting Date:** Wednesday, March 2, 2016 at 9:00 AM.



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Dennis Allion

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



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 FINANCE COMMITTEE MEETING

Wednesday  
February 3, 2016  
9:00 a.m.

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

**Attending:** Committee (Board) Chair Allion; Directors Bales, Pendergrass, and Laska  
Tim Flanagan, General Manager  
Rob Wellington, Legal Counsel  
Chuck Rees, Finance Manager  
Guy Petraborg, Principal Engineer  
Jeff Lindenthal, Director of Community Programs

### OPEN SESSION AGENDA

1. **Preparation of Fiscal Year 2016/17 Budget**
  - Proposal for Organization Restructuring
2. **Capital Project Updates**
  - Landfill Gas Update
  - Compressed Natural Gas Facility
  - Truck Yard and Maintenance Facility
  - Materials Recovery Facility Equipment Installation
3. **Update on Monterey Bay Community Power Project Development Advisory Committee (PDAC)**
4. **General Manager Comments**
  - Update on Franchise Agreements
5. **Next Meeting Date: Wednesday, March 2, 2016, 9:00 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-Milias-Brown representative.

- 1) Conference with Property Negotiators:
  - Property: Landfill Site Space/Capacity
  - District Negotiators: Tim Flanagan
  - Negotiating Parties: GreenWaste Recovery
  - Terms: All Terms and Conditions

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