

BOARD OF DIRECTORS
DENNIS ALLION
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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.
DISTRICT 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.
December 16, 2016

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 Vice Mayor
Jane Parker, (Unincorporated) Monterey County Board of Supervisors Chair (District 4)
Bruce Delgado, City of Marina Mayor
Carrie Theis, City of Carmel-by-the-Sea Mayor Pro Tem

MEMBERS ABSENT: Ian Oglesby (Vice Chair), City of Seaside Mayor Pro Tem

STAFF PRESENT: Tim Flanagan, General Manager
Rob Wellington, Legal Counsel
Guy Petraborg, Director of Engineering & Compliance/District Engineer
Jeff Lindenthal, Director of Communications & Sustainability
Peter Skinner, Director of Finance & Administration
Berta Torres, Human Resources Manager
Chuck Rees, Finance Manager
Clyde Walkup, Materials Recovery Manager
David Ramirez, Senior Engineer
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Ron Mooneyham, Equipment Maintenance Manager
Ida Gonzales, Administrative Support Specialist

OTHERS PRESENT: Rob Durham, Monterey County Environmental Health

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the December 16, 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

General Manager advised that Item 1, Approval of the November 18, 2016 Board meeting minutes, would need to be pulled from the agenda as they were not available due to the extended absence of the Board Clerk. The minutes would be brought to the Board for approval at the January 2017 meeting.

Following a motion by Director Pendergrass, and seconded by Director Delgado, the Board unanimously approved Consent Agenda Item 2.

2) Approve District Report of Disbursements, and Board and Employee Reimbursements

PRESENTATIONS

3) Small Planet News – Holiday Waste Reduction

Director of Communications & Sustainability Jeff Lindenthal addressed the Board and first provided a brief update on the December 15, 2016 Salinas Valley Solid Waste Authority (SVSWA) meeting. He stated that the SVSWA Board had reviewed a proposed newspaper circular titled “Dump the Landfill”, which provided background on the SVSWA and the five projects they have undergoing the CEQA process. He had addressed the SVSWA Board to clarify some of the circular content.

He continued by providing the Board with information on holiday waste reduction and packaging tips, the District’s tree recycling program, and recycling polystyrene during the holiday season. He reviewed the Holiday Recycling Guide which was placed in local newspapers. Public Education staff shared examples of creative holiday wrapping with reuse materials.

4) D.I.V.E. (Define, Investigate, Verify, Ensure) Incident Report: Landfill Dozer Fire

Director of Engineering & Compliance Guy Petraborg and Heavy Equipment Supervisor Randy Evanger provided the Board with information on how District site incidents are processed using the recent landfill dozer fire as an example. The acronym DIVE stands for ***Define*** (the incident by documenting the facts & the sequence of events), ***Investigate*** (to determine the primary cause & other causal factors that may have contributed to the magnitude of the incident), ***Verify*** (that this incident & similar incidents will not recur by developing corrective actions, assigning action with estimated completion dates), and ***Ensure*** (that all correctible actions implemented by tracking completions and sharing DIVE with all potentially impacted employees).

Board discussion followed regarding the incident. Staff was commended for the thorough report and utilizing the DIVE process.

5) Recognition of District’s Triple A (Attitude Achievement Award)

General Manager commented that the Triple A award is given to employees who consistently demonstrate a positive attitude that contributes to the workplace. Ida is the “front line” to customers and District staff

visiting the administration office and handles challenging situations and people with a positive attitude. She routinely offers to help and is always ready to chip in for whatever project needs her contribution.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

6) Receive Report from Finance Committee Chair on Meeting of December 7, 2016

The Board reviewed a summary of the meeting from Finance Committee Chair Allion. Chair Allion commented that discussion had been held mainly on long range financial planning, solicitation of audit services, and use of a W4 form instead of a 1099 form for compensation provided to the Board.

It was moved by Director Theis, seconded by Director Parker, and Unanimously Carried to: Receive Report from Finance Committee Chair on Meeting of December 7, 2016.

7) Schedule a Public Hearing for January 20, 2017 to Consider to Add a New Rate of \$90.00 Per Ton for the Construction and Demolition (C&D) Debris Recycling to Meet Cal- Green Recycling Requirement During the MRF Construction Effective February 1, 2017

The Board reviewed the Fact Sheet for the temporary construction and demolition (C&D) recycling processes fee that staff proposes effective February 1, 2017. General Manager stated that there is a need for options to handle the increased state mandates for recycling and diversion of building and construction material while the improvements to the District's Materials Recovery Facility are underway. Staff has negotiated a minimum guaranteed diversion rate of 65% with the Zanker Road Landfill processing facility in San Jose. The service also offers two (2) LEED credits potential given the facility's certification. The C&D recycling rate is \$70 per ton plus approximately \$20 per ton in transportation through a "back-haul" arrangement with Zanker Road. Staff would recommend that the Board schedule this topic for a public hearing and approve the new temporary rate at the January Board meeting. The increased rate would only be for District customers that require the diversion service.

It was moved by Director Downey, seconded by Director Parker, and Unanimously Carried to: Authorize Staff to Schedule Public Hearing on January 20, 2017 to Consider to Add a New Rate of \$90.00 Per Ton for the Construction and Demolition (C&D) Debris Recycling During New MRF Construction, Effective February 1, 2017.

8) Approve General Manager Goals and District Strategic Objectives in Accordance with Strategic Plan "Pillars of Sustainability"

The Board reviewed the revised FY 2016/17 Goals and Strategic Objectives to include a work plan, as directed by the Board at the October 2016 meeting. The revised plan more fully defines the primary activities and goals staff would be focusing on during the fiscal year.

Director Delgado clarified that the "boxed" items were the primary objectives. Director Parker stated that she looked forward future updates to goals and objectives.

It was moved by Director Delgado, seconded by Director Downey, and Unanimously Carried to: Approve General Manager Goals and District Strategic Objectives in Accordance with Strategic Plan "Pillars of Sustainability".

9) Authorize Staff to Solicit Proposals for Preparation of Annual Audit for Fiscal Years 2016/17 through 2019/20

Chair Allion stated that the Finance Committee had reviewed the draft memorandum being presented to the Board for issuing a Request for Proposal (RFP) for audit services for the four-year period FY 2016/2017 through FY 2019/2020 (Agenda Item 8) and had directed staff to include it in the Board packet for approval. He stated that although the current auditor, Bianchi, Kasavan & Pope, LLP (BK&P), had done a good job, it was appropriate to solicit proposals again. Finance Manager stated that the Government Finance Officers Association (GFOA), which is a professional association of state and local government finance officers in United States and Canada, recommended the rotation of the auditing firm on the basis that such practice enhanced auditor independence. GFOA also recommended awarding multi-year agreements since this allowed for greater continuity and helped reduce audit costs by allowing auditors to recover certain start-up costs over several years rather than in a single year.

Discussion followed regarding the distribution list containing auditors outside of Monterey County, and BK&P if the intent was to rotate auditing firms. Finance Manager responded that many audit firms included on the distribution list had asked to be included in the RFP process. Chair Allion stated that the Finance Committee had discussed the inclusion of BK&P and decided to include them on the list. Director Downey suggested an additional audit firm be added to the list.

It was moved by Director Parker, seconded by Director Delgado, and Unanimously Carried to: Authorize Staff to Solicit Proposals for Preparation of Annual Audit for Fiscal Years 2016-17 through 2019-20.

10) Discuss Policy Regarding Board Chair as Member of Both Board Committees

The Board reviewed the current policy for the election of Board Officers and Appointment to Board Committees. General Manager advised that the item had been placed on the agenda for discussion and action would be taken at the January Board meeting.

Director Parker stated that, as a member of the ad hoc Nominating Committee and having been part of creating the election policy, during review and solicitation of nominating choices for officers, concern was expressed regarding the commitment of the Board chair to serve on committees. The District's policy states that the Board Chair was required to serve on all Board committees. She stated that in other organizations, the Chair of the Board is allowed, but not required to attend committee meetings.

Legal Counsel advised that there could only be a maximum of four committee members, so if the Board chair served as an ex-officio member, the committees would be reduced to three regular members. Chair Allion stated that communication between Board committees and the Board chair needed to occur if the chair was unable to attend the committee meetings. Director Parker commented that the reports provided by the Committee chair were very informative and useful. Discussion continued regarding the size of the committees, having the chair be required to be a member of all committees, using alternates, and language revisions to the policy. Legal Counsel advised that the agenda item was to discuss having the Board chair be a member of all committees only. Board consensus was that the policy should be revised so that the Board chair could serve as an ex-officio member.

No Action Taken.

STAFF REPORTS

11) Review Finance, Operating, and Recycling Reports

The Board reviewed the financial statements for September and October 2016 which continue to show the favorable results primarily from the increased Contract Waste tonnages and Operating Expenses at budget levels. The FY 2016-2017 year-to-date Tipping Fees Revenues through November 2016 are estimated at \$9.8 million which is above budget by \$2.3 million and prior year by \$1.1 million. The Operating Report for November 2016 was also reviewed by the Board.

12) Report on District Capital Projects

Director of Engineering & Compliance provided a brief update on District capital projects. He stated that the truck yard project punch list items were almost completed. The MRF Improvements will be delivered through the bidding and contracting of three (3) packages; MRF Building Improvements, Site Improvements, and MRF Office Improvements. The MRF Building Improvements will be advertised and bid in December 2016. The Site Improvements and MRF Office Improvements bidding are now anticipated to occur in January 2017. The sequential order of the bidding parallels the 'delivery schedule' needs of the MRF Equipment Installation process.

13) Report on November 16 and 30, 2016 Technical Advisory Committee Meetings

The Board reviewed the minutes of the meetings.

14) Final 2017 Board Meeting and Other Events Calendar

The final calendar, which was approved at the November 18, 2016 Board meeting, was inadvertently not included in the Board packet, but would be provided to the Board via email.

OTHER CORRESPONDENCE

15) Letter from City of Del Rey Oaks RE: Dennis Allion Reappointment

The Board received a copy of a letter from the city advising that Chair Allion had been reappointed to another four-year term expiring on December 31, 2020.

16) Email from Karyn Wolfe Lynn RE: Thank you for Support of Coast Live Oak Woodland in Marina

The Board received a copy of an email from Ms. Lynn expressing appreciation for the compost and wood chips the District had provided for their restoration project.

17) Email from Chris Alexander RE: Meals on Wheels Donation

The Board received a copy of an email from Ms. Alexander expressing appreciation for the recent employee donation to the Meals on Wheels program.

GENERAL MANAGER COMMUNICATIONS

General Manager advised the Board that following staff evaluation, it was decided that Engine 2, which was damaged in the LFG fire in October 2016, would be repaired since it would be relatively expedient and the least costly alternative to pursue. Staff expects that the repairs will take from 12-15 weeks to complete, re-test the engine, and have it pass a new emission source test.

He stated that staff was preparing information for the Board around long-term capital infrastructure development and replacement needs that are above normal annual capital spending requirements. These needs are primarily centered on future capital requirements for organics management and processing, landfill module development, site storm water compliance measures, LFGTE re-capitalization and expansion, and other disposal compliance measures.

General Manager announced that the District's 65th Anniversary Event and Truck Yard Open House was now scheduled for Saturday, March 18, 2017 from 10 a.m. - 2 p.m. A short presentation ceremony is scheduled to commence at 11 a.m. followed by a lunch and other activities for the public. Tours of the landfill, truck yard, anaerobic digestion facility, and additional site locations will also take place.

He reminded the Board that the annual employee recognition luncheon would take place following the meeting and the employee social committee had done an exceptional job in planning and decorating for the event. He would plan to recognize the committee at the January Board meeting.

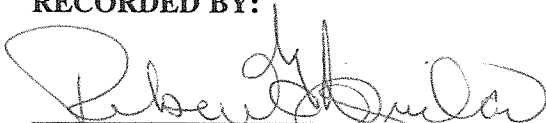
BOARD COMMUNICATIONS

Director Pendergrass commented that he had been reappointed to the District for another four-year term.

ADJOURNMENT


There being no further business to come before the Board at this time, the December 16, 2016 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11 a.m.

RECORDED BY:



Rebecca G. Aguilar (via recording)
Executive Assistant/Clerk of the Board

AUTHENTICATED BY:



Timothy S. Flanagan
General Manager/Secretary