



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: July 11, 2014  
 TO: Board of Directors  
 FROM: Dennis Allion, Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of July 9, 2014

The Finance Committee met on July 9<sup>th</sup> at 9:30 a.m., at the District administrative offices. Committee members in attendance, in addition to me, were Directors Bales, Laska and Pendergrass. Rob Wellington was also present. The purpose of the meeting was to review items and provide direction related the Budget for FY 2014/15, Truck Maintenance Yard, CNG Fueling Station, Landfill Gas Project Operations and Power Sales, and Financial Advisor report on Bond Financing. Discussion is summarized below and followed the attached agenda.

### Final Budget for FY 2014/15

Staff reported that the union negotiations are continuing and the Final Budget would not be available until the August 2014 Board meeting at the earliest. The District will continue to operate under the continuing resolution approved at the June 2014 Board meeting.

### Truck Yard Maintenance Facility and Compressed Natural Gas (CNG) Fueling Station

Staff updated the Committee on the Truck Yard Maintenance Facility and the CNG Fueling Station and recommended that the Committee support preparing a report for the Board to authorize the JR Miller Scope of Work, in the amount of \$736,520, to prepare plans and specifications and to solicit bids for the construction of the Truck Yard Maintenance Facility; and to approve the Scope of Work from Dave Edwards, Inc (DEI), in the amount of \$24,845 to prepare documents and issuance a Request for Qualifications (RFQ) and review submittals for the CNG Fueling Station. The Committee discussed the projects, their timing, overall costs, and impact on District operations. The Committee directed staff to develop a matrix that will show the timing, uses, funding and payback for each of the projects. The Committee agreed with staff's recommendation to request Board authorization for the JR Miller scope of work for the Truck Yard Maintenance Facility and the DEI scope of work for the CNG Fueling Station.

### Update on Landfill Gas Facility Operations and Power Sales

Staff updated the Committee on the Landfill Gas to Energy Facility contract negotiations with Ameresco to have them operate the generating plant.

Staff provided a status update in securing a new power sales agreement to replace the current contract when it expires in early 2015. District Consultant Brennen Jensen reported that the best method to secure a competitive rate for the District electricity sales would be to issue a Request for Proposals (RFP) to third party purchasers, seeking a three to five year term for the agreement. The Committee discussed the various marketing options for the District's landfill gas and concluded that the RFP should be brought to the Board for authorization to release it; in an effort to determine the market value of the renewable electricity produced from landfill gas. The Committee agreed that the terms of any new Power Sales agreement should not preclude the sale of power to the proposed CalAm desalination facility when it comes on line in three to five years. District staff has met with CalAm and they are in agreement with the RFP process.


### **Financial Advisor Report**

John Greenlee of CFW, Inc. the District's Financial Advisor made a presentation on the timeline in issuing an estimated \$24 million in Revenue Bonds by the end of 2014. The next step in the process would be to select the Bond Counsel and Underwriter. The Committee discussed the process to select the Bond Counsel and Underwriter. Director Laska agreed to sit on the interview panel for the Underwriter. The Committee agreed that the Board be requested to approve the issuance of separate RFQ/RFPs, one for underwriter services and another for bond counsel services. The Committee recommended that a Resolution be prepared and submitted to the Board for approval, outlining the need for the borrowing, description and estimated cost of projects to be included, and schedule for the borrowing.

### **General Manager Comments**

The General Manager updated the Committee on the County Wide Study on the integrated solid waste system.

Next Meeting Date: 9:30 a.m. Wednesday, September 3, 2014.



Dennis Allion

Attachment

BOARD OF DIRECTORS

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CHAIR

IAN OGLESBY  
VICE CHAIR

GARY BALES  
SUE MCCLLOUD  
DAVID PENDERGRASS  
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DISTRICT ENGINEER

TIMOTHY S. FLANAGAN  
ASST. GENERAL MANAGER

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  
July 9, 2014  
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  
William Merry, General Manager  
Tim Flanagan, Assistant General Manager  
Chuck Rees, Finance Manager

### OPEN SESSION AGENDA

1. Final Budget for Fiscal Year (FY) 2014/15
2. Authorize Scope of Work from JR Miller to Prepare Plans and Specification for Truck Yard Maintenance Facility and Issuance of RFQ CNG Fueling Station, Phase I work at a cost of 24,845
3. Update on Landfill Gas Project Operations and Power Sales
  - a. Ameresco Operations Contract Progress Report
  - b. Power Sales Agreement Discussion on Issuance of RFP for a Power Purchase Agreement - Projected Timeline
4. Financial Advisor Report
  - a. Memo from CFW Outlining Process Forward for Financing.
  - b. Report on Revising/Updating JPA Agreement.
5. General Manager Comments
6. Next Meeting Date: September 3, 2014; 9:30 a.m.