



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: June 13, 2014  
 TO: Board of Directors  
 FROM: Dennis Allion, Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of June 11, 2014

The Finance Committee met on June 11<sup>th</sup> at 1:00 p.m., at the District administrative offices. Committee members in attendance were Directors Bales, Laska and Pendergrass and myself. Counsel George Thacher was also present. The purpose of the meeting was to review financial information and to receive reports on the operation of the anaerobic digester, selection of a Financial Advisor and Landfill Gas Facility Operations. There was a closed session regarding Property Negotiations. Discussion is summarized below and followed the attached agenda.

**Preliminary Budget for FY 2014-2015 and Financial Report.** Staff reported that the negotiations with the employee groups are continuing and will not be completed in time to present the Final Budget at the Board meeting on June 20<sup>th</sup>. It was recommended that staff present a resolution authorizing the expenditure of funds for usual and customary operations until the Final Budget can be adopted. Staff presented an operational report of the Anaerobic Digester (AD) facility, for the first twelve months of operation and the committee asked questions regarding the various tonnages, revenues and expenses. The Committee requested that staff update the information and present the results of the pilot AD project to the Board at the July meeting and present a case for continuing with the AD project to include: continuing as is, expanding it, or not having such an operation at all; presented in a cost benefit format.

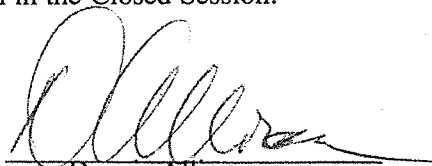
**Financial Advisor Selection.** Staff updated the Committee on the Financial Advisor selection process that resulted in the recommendation of Caldwell Flores Winters, Inc. (CFW) of Emeryville, CA, to be the firm to assist the District in securing funds for the future capital improvements. The Committee asked questions regarding the firm's qualifications, fees and experience. It was agreed that the Committee would support the recommendation to the Board of CFW to be the Financial Advisor. The Committee members discussed and provided guidance for the timing of approving capital projects, providing funding and securing leases to utilize the improvements.

**Report on Landfill Gas Facility Operations.** Staff updated the Committee on the Landfill Gas to Energy Facility operations that included the PG&E interconnection process to add 3.2 megawatts of generating capacity, options for selling the renewable power and the status for development of an Agreement with Ameresco for plant operations.

**General Manager Comments.** The General Manager updated the Committee on the status of the Countywide Solid Waste Management Study and reported that the adjacent Armstrong Property is apparently being prepared to grow strawberries.

**Closed Session.** Discussion was held, no action was taken in the Closed Session.

**Next Meeting Date:** 9:30 a.m. Wednesday, July 9, 2014.



Dennis Allion

Attachments

o:\wmm\board\committees\finance com\2014\june\fincommtgsum report 6.11.14.docx

BOARD OF DIRECTORS

DENNIS ALLION  
CHAIR

LEO LASKA  
VICE CHAIR

GARY BALES  
SUE MCCLLOUD  
DAVID PENDERGRASS  
LIBBY DOWNEY  
JANE PARKER  
IAN OGLESBY  
BRUCE DELGADO



WILLIAM MERRY, P.E., BCEE  
GENERAL MANAGER/  
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  
June 11, 2014  
1 p.m.

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

**Attending:** Committee (Board) Chair Allion; Vice Chair Laska, Directors Bales and Pendergrass  
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 and Financial Report
  - a. Anaerobic Digester Cost of Operations
  - b. Capital Projects
2. Financial Advisor Selection
  - a. Schedule for Financing
3. Landfill Gas (LFG) Operations Update
  - a. Status Report on Adding 3 Megawatts of Generating Capacity
  - b. LFG Plant Operations
4. General Manager Comments
  - a. LAFCO Municipal Services Review.
  - b. Status Report on Countywide Solid Waste Management Study
  - c. Armstrong Property
5. Next Meeting Date: July 9, 2014; 9:30 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: William Merry and Tim Flanagan  
Negotiating Parties: Cities of Gilroy/Morgan Hill  
Terms: All Terms and Conditions

o:\wmm\board\committees\finance com\2014\june\fin comm agenda 6.11.14.docx