

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 REGULAR MEETING MINUTES

Friday, 9:30 a.m.  
February 19, 2016

Boardroom  
MRWMD Offices  
14201 Del Monte Blvd., Marina CA

**MEMBERS PRESENT:** Dennis Allion, (Chair), City of Del Rey Oaks Councilmember  
Ian Oglesby (Vice Chair), City of Seaside Mayor Pro Tem  
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 Councilmember

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Tim Flanagan, General Manager  
Rob Wellington, Legal Counsel  
Berta Torres, Human Resources Manager  
Chuck Rees, Finance Manager  
David Ramirez, Senior Engineer  
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager  
Guy Petraborg, Principal Engineer  
Jeff Lindenthal, Director of Community Programs  
Ron Mooneyham, Equipment Maintenance Manager  
Rebecca Aguilar, Administrative Support Supervisor  
Kimberle Herring, Public Education Coordinator  
Angela Goebel, Public Education Specialist

**OTHERS PRESENT:** Mark Dias, Monterey County Environmental Health Bureau  
Cesar Zuniga, Salinas Valley Solid Waste Authority

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### ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the February 19, 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

*Following a motion by Director Pendergrass, and seconded by Vice Chair Oglesby, the Board unanimously approved the Consent Agenda.*

- 1) Approve Minutes of January 15, 2016 Regular Board Meeting
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 3) Approve Revised Salary Schedule to Incorporate General Manager Compensation
- 4) Approve Reappointment of Leo Laska, Monterey Regional Waste Management Authority Representative from Pebble Beach Community Services District as Director-at-Large on Monterey Regional Waste Management District Board of Directors

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

5) Receive Report from Finance Committee Chair on Meeting of February 3, 2016

The Board reviewed a memorandum from Finance Committee Chair Allion. Discussion was held mainly on Fiscal Year 2016/17 Budget assumptions and timeline and proposed organization alignment.

*It was moved by Vice Chair Oglesby, seconded by Director Downey, and Unanimously Carried to: Receive Report from Finance Committee Chair on Meeting of February 3, 2016.*

6) Receive Report from Personnel Committee Chair on Meeting of February 3, 2016

The Board reviewed a memorandum Personnel Committee Chair Allion, in which discussion was held on proposed organizational alignment.

*It was moved by Vice Chair Oglesby, seconded by Director Downey, and Unanimously Carried to: Receive Report from Personnel Committee Chair on Meeting of February 3, 2016.*

- 7) Approve Organization Structure Changes and New Organization Chart; and
- a) Approve Job Description and Salary Schedule for, and Hiring of, Director of Finance & Administration in Fiscal Year 2015/16; and
  - b) Approve Job Description and Salary Schedule for, and Hiring of, Director of Operations in Fiscal Year 2016/17; and
  - c) Authorize Retention of Recruitment Firm for Director of Operations Position at a Cost Not to Exceed \$50,000

The Board reviewed a memorandum from General Manager Tim Flanagan explaining the analysis conducted and the need for organizational alignment. The proposed structure establishes a Leadership Team, which includes the General Manager and four Directors (Director of Finance & Administration, Director of Operations, Director of Engineering & Compliance/District Engineer, and Director of Communications & Sustainability) responsible for setting Business Strategy, Business Management, and providing the requisite independent management and compliance oversight of the Operations Team.

The Board was provided a PowerPoint presentation which provided more information. General Manager provided background on recent retirements and pending retirements of key staff, and noted major operational changes expected in 2016 once current District projects are completed. Human Resources Manager Berta Torres reviewed the organizational chart by function and explained that the realignment essentially removed the Assistant General Manager position and divided the duties amongst the proposed four director positions. The Board also reviewed the revised organizational chart by position. Principal Engineer Guy Petraborg commented that the proposed changes would allow for strategic alignment of roles and responsibilities making full and complete use of existing staff resources and allowing for the recruitment of skill sets needed for the District's mission of "Turning Waste Into Resources". Staff estimated that the financial impacts of the proposed alignment were \$60,000 and the projected revenue from the operation of the improved Materials Recovery Facility (MRF) was expected to be between \$4-6,000,000 annually after it begins operation in early 2017.

General Manager stated that due to the unique skill set requirement needed for the Director of Operations position, staff was also recommending the need for a specialized recruiter.

Board discussion followed regarding the proposed alignment, additional staffing needed with the improved MRF and costs, and staff calculation on MRF revenue. General Manager stated that additional staffing in the MRF, which is projected to be 20-30 employees, will depend on commodity pricing and changes in operation.

Director Bales commented that when the General Manager had been hired, he had been asked to evaluate the organizational structure and make recommendations and expressed appreciation to General Manager in moving forward with making a recommendation to the Board. He expressed concern regarding the cost of hiring a recruiter for the Director of Operations position. Human Resources Manager responded that the estimated cost was based on feedback that costs were typically 30% of a year's wages and that staff would negotiate with the recruiting firm.

**It was moved by Director Bales, seconded by Director Delgado, and Unanimously Carried to: Approve Organization Structure Changes and New Organization Chart; and**

- a) Approve Job Description and Salary Schedule for, and Hiring of, Director of Finance & Administration in Fiscal Year 2015/16; and**
- b) Approve Job Description and Salary Schedule for, and Hiring of, Director of Operations in Fiscal Year 2016/17; and**
- c) Authorize Retention of Recruitment Firm for Director of Operations Position at a Cost Not to Exceed \$50,000**

## STAFF REPORTS

### **8) Review Finance, Operating, and Recycling Reports**

Staff reported that the budget process for FY 2016/17 had begun and the first set of assumptions had been presented to the Finance Committee. As noted in the report from the Finance Committee Chair, the construction and start-up of the new MRF will have a significant impact on District Operations and staff is preparing the support for the Budget in order to isolate the financial impact of this one-time event.

Financial statements are being delayed due to the migration to the Microsoft Dynamics accounting and reporting system. Staff reported that Tipping Fees Revenues for January 2016 were estimated at \$1,500,000 (\$70,000 above budget and \$25,000 above last year). The Year to Date Tipping Fees Revenues through January were estimated at \$11,800,000 (\$1,800,000 above budget and \$1,100,000 above last year). The Board reviewed the Operating Report for January 2016.

**9) Report on Public Education and Recycling**

The Board reviewed a memorandum from Director of Community Programs Jeff Lindenthal in which he reported of the closure of several “buy-back” recycling facilities on the Monterey Peninsula and around the state. The only two remaining centers on the Peninsula were located behind Costco and the District’s redemption center behind the Last Chance Mercantile. Director of Community Programs stated that District staff has experienced the impact of the closure, with increased phone calls regarding the closure, and increased transactions at the District’s redemption center. He reported that on the first Saturday following the closure, 41 transactions occurred compared to a typical 15 transactions. The closures are attributed to a decline in recycled commodity market values and increased labor costs.

Board discussion followed regarding State plans to address this issue, and suggested alternate measures. Staff will continue to monitor the situation and report back to the Board.

Director of Community Programs reported that a “document shredding day” to be held at the District site is being planned around Earth Day, and also reported on the January 14<sup>th</sup> Technical Advisory Committee meeting and the January 27<sup>th</sup> Litter Abatement Task Force meeting.

**10) Report on District Capital Projects**

The Board reviewed a memorandum from Principal Engineer, which provided status updates of District capital projects. Principal Engineer also provided a verbal update at the meeting.

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

General Manager reported that the District will host the next Project Development Advisory Committee (PDAC) on Thursday March 10<sup>th</sup> from 9 a.m. to 2 p.m. Further discussion will be held regarding the rate comparison analysis, public education and outreach process, and beginning discussion around governance. The current timetable for the Monterey Bay Community Power Project is to have an offering for consideration in front of the member agencies by Summer/Fall of 2016.

**12) Report on January 19, 2016 Meeting of Special Districts Association of Monterey County**

The Board reviewed a report on the meeting from Chair Allion.

**OTHER CORRESPONDENCE****13) Letter from Local Agency Formation Commission of Monterey County RE: Call for Nominations of Candidates for Two Special District Seats on LAFCO**

The Board reviewed a letter regarding a call for nominations for the selection of two representatives on LAFCO. Director Bales and Director Laska are the only board members eligible to run since neither is an elected official of a City or of the County.

**14) Letter to Los Angeles County Board of Supervisor RE: Support of Los Angeles County Pharmaceuticals and Sharps Collection and Disposal Stewardship Ordinance**

The Board received a copy of a letter sent in support of the LA County ordinance for pharmaceutical and sharps collection. General Manager stated that this issue will have increasing importance as the District endeavors to sort and recycle more and more of the mixed waste and single stream materials in the improved MRF.

**GENERAL MANAGER COMMUNICATIONS**

General Manager reported that on February 8<sup>th</sup> Assemblyman Stone submitted AB 1817, which, if passed, it would allow for a payment to the Board of \$100 per day up to a maximum of six days per month for meetings of the Board or day of service as directed by the Board. Staff will advise the Board on when the bill will be heard in committee.

General Manager reported that staff is continuing to work with PG&E and the Monterey Regional Water Pollution Control Agency (MRWPCA) staff in an attempt to bring back on line the electrical connection with MRWPCA through the Zero Waste Energy facility. A meeting has been scheduled with PG&E for the week of February 22<sup>nd</sup>.

General Manager also reported that District staff and MRWPCA staff are meeting and working on details to develop a Memorandum of Understanding for the potential transmission of power from the District to the MRWPCA for utilization in their operations. This issue will be brought back to the Board at a future Board meeting.

**BOARD COMMUNICATIONS**

Director Bales commented that he was aware that the Delaware Solid Waste Authority would be touring California facilities and desired to visit the District facilities in May.

Director Downey expressed appreciation for the public service of being able to dispose of medical waste at the District site. She requested a tour of the District facilities in an effort to see all of the projects on site. General Manager responded that Board members were welcome to tour the site at any time, and would schedule a tour for any Board member interested in attending following the March Board meeting.

Director Delgado commented that he had been made aware of Coastal Habitat Education and Environmental Restoration (CHEER), which is a coastal watershed garbage museum with articles retrieved from the Pajaro River. The mobile trailer is available through grant funds to visit local schools and provide education on how to protect watersheds.

**CLOSED SESSION**

The Board went into closed session at 11:32 a.m. regarding the following:

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

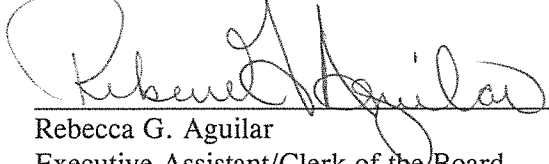
**RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION**

The Board came back into open session at 11:43 a.m. and Legal Counsel announced that in the closed session the Board had taken up the matter listed on the agenda for the closed session and reported the Board received information from its negotiators; no reportable action was taken.

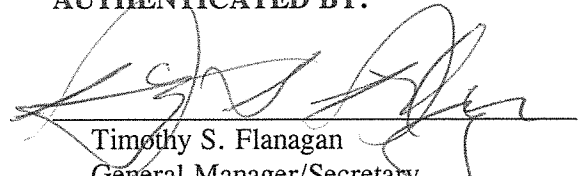
ADJOURNMENT

There being no further business to come before the Board at this time, the February 19, 2016 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11:44 a.m.

**RECORDED BY:**

  
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Rebecca G. Aguilar  
Executive Assistant/Clerk of the Board

**AUTHENTICATED BY:**

  
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Timothy S. Flanagan  
General Manager/Secretary