

BOARD OF DIRECTORS

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VICE CHAIR

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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.
April 22, 2016

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

MEMBERS PRESENT: Dennis Allion, (Chair), City of Del Rey Oaks Councilmember (Via Conference Call)
Ian Oglesby (Vice Chair), City of Seaside Mayor Pro Tem (seated at 9:33 a.m.)
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)
Carrie Theis, City of Carmel-by-the-Sea Mayor Pro Tem (seated at 9:33 a.m.)

MEMBERS ABSENT: Bruce Delgado, City of Marina Mayor

STAFF PRESENT: Tim Flanagan, General Manager
Rob Wellington, Legal Counsel
Berta Torres, Human Resources Manager
Chuck Rees, Finance Manager
Clyde Walkup, Materials Recovery Manager
David Ramirez, Senior Engineer
Guy Petraborg, Director of Engineering & Compliance
Jeff Lindenthal, Director of Communications & Sustainability
Ron Mooneyham, Equipment Maintenance Manager
Rebecca Aguilar, Executive Assistant/Clerk of the Board
Kimberle Herring, Public Education Coordinator
Angela Goebel, Public Education Specialist

OTHERS PRESENT: Ted Terrasas, City of Monterey
Charlie Cordova, GreenWaste Recovery
Ric Encarnacion, Monterey County Environmental Health Bureau
Mike Niccum, Pebble Beach Community Services District
Brian Kennedy, Salinas Valley Solid Waste Authority

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the April 22, 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.

Vice Chair Oglesby and Director Theis seated at 9:33 a.m.

CONSENT AGENDA

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

- 1) Approve Minutes of March 18, 2016 Regular Board Meeting
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 3) Adopt Resolution 2016-04 Declaring That Volunteers, Work-Study, and Interns Shall be Deemed to be Employees of the District for the Purpose of Providing Workers' Compensation Coverage for said Volunteers, Work-Study, and Interns While Providing Their Services

PRESENTATIONS

4) Presentation from HF&H Consultants on New Franchise Contracts with GreenWaste Recovery

Rob Hilton from HF&H Consultants provided the Board with a review of the GreenWaste Recovery (GWR) franchise contract process, implementation activities and challenges, performance (diversion, tonnage, customer service, and revenue), and the July 2016 rate adjustment. GWR has improved their call center wait times, worked with member agencies to find solutions for specific challenges affecting each agency, and provided significant informational outreach to customers and member agencies, to include participation in community events. Overall, GWR has responded well as situations have presented themselves.

The annual rate adjustments are included in each contract and considers inflation and material handling. Lower tonnages than projected has an impact on the rate adjustments. Director Bales expressed concern regarding the usage of less than a full year of data to implement the rate adjustments.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

5) Receive Report from Finance Committee Chair on Meeting of April 13, 2016

The Board reviewed a memorandum from Finance Committee Chair Allion.

It was moved by Director Downey, seconded by Vice Chair, and Unanimously Carried to: Receive Report from Finance Committee Chair on Meeting of April 13, 2016.

6) Receive Report from Personnel Committee Chair on Meeting of April 13, 2016

The Board reviewed a memorandum from Personnel Committee Chair Allion.

It was moved by Vice Chair Oglesby, seconded by Director Downey, and Unanimously Carried to: Receive Report from Personnel Committee Chair on Meeting of April 13, 2016.

7) **Approve Power Purchase Agreement for Sale of Landfill Gas Generated Power to the Monterey Regional Water Pollution Control Agency**

The Board reviewed a memorandum from Director of Engineering & Compliance Guy Petraborg. District staff has been working with staff of the Monterey Regional Water Pollution Control Agency (MRWPCA) for several months to coordinate the potential sale of renewable power generated from our LFG system for use by the MRWPCA in the operation of their new Groundwater Replenishment project (GWR). The MRWPCA Board voted unanimously to approve the Power Purchase Agreement (PPA) at their March 28, 2016 Board meeting. The 20-year PPA significantly increases the rate of compensation to the District at a rate of \$0.0939 p/kwh compared to our current open market rate of \$0.045 p/kwh, and provides the MRWPCA with a significantly lower rate for their blended power purchase. The District is currently developing the infrastructure to be ready to supply power to the MRWPCA when their project comes on line in the 2017/18 timeframe.

It was moved by Director Pendergrass, seconded by Director Theis, and *Unanimously Carried to: Approve Power Purchase Agreement for the Sale of Landfill Gas-Generated Power to the Monterey Regional Water Pollution Control Agency.*

8) **Approve Agreement with HF&H Consultants to Provide Contract Management Support Services at a Cost of \$41,600**

The Board reviewed a memorandum from Director of Communications & Sustainability Jeff Lindenthal and a proposal from HF&H Consultants to provide contract management support services. At the March Board meeting, staff presented a contract management needs assessment that has been reviewed and discussed by the Technical Advisory Committee (TAC). The participating member agencies contracting with GreenWaste Recovery (GWR) for Solid Waste, Recycling and Organics Collection Services have requested that the District contract with HF&H Consultants to provide those services itemized in the needs assessment at an annual cost of \$41,700. The participating agencies have also agreed to reimburse the District for their share of the annual cost of the services under a memorandum of understanding, which is Agenda Item 9.

It was moved by Director Laska, seconded by Vice Chair Oglesby, and *Unanimously Carried to: Approve Agreement with HF&H Consultants to Provide Contract Management Support Services at a Cost of \$41,600.*

9) **Approve Memorandum of Understanding with Member Agencies Contracting with GreenWaste Recovery for Reimbursement of Contract Management Services Costs**

It was moved by Director Laska, seconded by Vice Chair Oglesby, and *Unanimously Carried to: Approve Memorandum of Understanding with Member Agencies Contracting with GreenWaste Recovery for Reimbursement of Contract Management Services Costs.*

10) **Authorize Chair to Cast Vote for One Candidate for Special District Alternate Member Seat on the Local Agency Formation Commission (LAFCO) of Monterey County**

The Board reviewed information from LAFCO notifying that Warren Poitras of the Monterey County Regional Fire District had been elected as the regular member. The Board was now being asked to cast a ballot for an alternate member. Stephen Snodgrass of Pajaro/Sunny Mesa Community Services District and Grant Leonard of North County Recreation and Park District were the candidates. Director Downey reminded the Board that Mr. Leonard had attended the March Board meeting to speak on his behalf.

It was moved by Director Downey, seconded by Director Theis, and *Unanimously Carried to: Authorize Chair to Cast Vote for Grant Leonard as Alternate Member on the Local Agency Formation Commission (LAFCO) of Monterey County.*

STAFF REPORTS**11) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for December 2015 and January 2016 which were produced using the Microsoft Dynamics accounting and reporting system. The Year-to-Date Operating Income through January 2016 was \$2,009,378 or \$1,924,211 above Budget. The Year-to-Date Operating Expenses through January 2016 was below budget by \$110,000. The Tipping Fees Revenues for March 2016 were estimated at \$1,950,000 which is \$515,000 above budget and \$400,000 above last year. The Year to Date Tipping Fees Revenues through March were estimated at \$15,500,000 which is \$2,600,000 above budget and \$1,925,000 above last year.

The Operating Report for March 2016 was also reviewed by the Board.

12) Report on Public Education and Recycling

The Board reviewed a memorandum from Director of Communications & Sustainability reporting on Zero Waste Week activities and the District's most recent school newsletter.

13) Report on District Capital Projects

The Board reviewed a memorandum from Director of Engineering & Compliance, who also provided the Board with a time lapse video of the truck yard progress to date.

14) Accept Report on Local Agency Formation Commission's (LAFCO) Final Fiscal Year 2016/17 Budget and Work Plan

The Board reviewed a memorandum from LAFCO Executive Director Kate McKenna regarding the LAFCO budget for fiscal year 2016/17 and also the LAFCO Work Plan. The proposed total cost share for the special districts is \$11,000 (4%) higher than the current year cost share. This increase appears to be reasonable within the demands of the LAFCO projected work plan.

15) Report on April 14, 2016 Monterey Bay Community Power Project Development Advisory Committee (PDAC)

The Board received the April 14, 2016 meeting highlights provided by Gine Johnson. Monterey Bay Community Power has made substantial progress in the key areas of economic feasibility analysis, community outreach and education planning, and schedule development for community power. General Manager reported that special study sessions for elected officials and executive staff to learn more about Community Choice Energy will take place on June 9th in Santa Cruz and San Benito Counties in their Board of Supervisors chambers, and on May 24th from 9:30 a.m. to noon in the Monterey County Board of Supervisors Chambers. The consultants and project team who worked on the analysis will also be present as will Community Choice Energy experts from around the State. The goal is to have formal presentations for adoption in front of each city and county by mid-September and to have a regional agency formation in place by the end of October 2016 with an implementation/delivery of power date of late 2017.

OTHER CORRESPONDENCE

There was no other correspondence.

GENERAL MANAGER COMMUNICATIONS

General Manager reported on the SWANApalooza Conference held in Charleston, SC on April 4-7, 2016. He also reported that he had received the Recycling and Special Waste Division's "Distinguished Individual Achievement Award".

General Manager also reported that AB 1817 had passed the Assembly floor on a 53-16 vote and 11 abstentions, and was now headed to the Senate.

The Board received a copy of a letter dated April 15, 2016 from the Salinas Valley Recycles (SVR) regarding "Inter-Agency Collaboration and CEQA Analysis", and containing numerous questions and sub-categories of questions for operational analysis, financial review, CEQA review, and governance evaluation. Chair Allion appointed an AdHoc Committee consisting of himself, and Directors Bales and Downey to consider the content of the letter and bring back a recommendation to the full Board on how to respond to the letter.

BOARD COMMUNICATIONS

Director Downey commented on the fine job that CalTrans has been doing on litter pick-up and control.

CLOSED SESSION

The Board went into closed session at 10:58 a.m. regarding the following:

- 1) Conference with Legal Counsel--Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: (One Case)
- 2) Conference with Legal Counsel- Existing Litigation
Lewis v. Monterey Regional Waste Management District, et al
Monterey County Superior Court Case No. M127713

RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION

The Board came back into open session at 11:27 a.m. and Legal Counsel announced that in the closed session the Board had taken up the matters listed on the agenda for the closed session and reported the Board received information from its negotiators; no reportable action was taken.

ADJOURNMENT

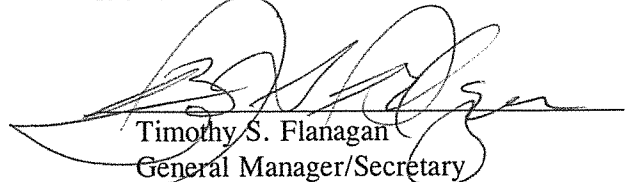
There being no further business to come before the Board at this time, the April 22, 2016 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11:27 a.m.

RECORDED BY:



Rebecca G. Aguilar
Executive Assistant/Clerk of the Board

AUTHENTICATED BY:



Timothy S. Flanagan
General Manager/Secretary