



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: September 26, 2013
 TO: Board of Directors
 FROM: Finance Committee Chair
 SUBJECT: Summary of Finance Committee Meeting of September 25, 2013

The Finance Committee met on September 25th at 10 a.m., at the District administrative offices. Committee members in attendance were Vice Chair Laska, Directors Bales and Pendergrass and me. Rob Wellington was also present. The purpose of the meeting was to review items related to the District's tonnages and financials, Franchise Agreement Proposal Process, Landfill Gas Power Project and Power Sales, the City Managers' Group Proposed County-Wide Solid Waste Study, LAFCO Budget Process and Municipal Services Review, Communication Relay Towers and Closed Session item regarding Property Negotiations. Discussion is summarized below and followed the attached agenda.

1. **Status Report on Tonnages and Financials.** A Draft Statements of Net Assets, Statements of Revenues, Expenses, and Changes in Net Assets for the FY ended 2012/13 and tonnage information for July and August 2013 were provided by staff. Staff noted that the auditors have completed their year-end procedures and are planning to attend the October Finance Committee meeting to discuss the Draft Audit Report. Staff reviewed the major variances on the Statements of Net Assets from this year versus last year and the major components of several liability accounts. The revenue received from Disposal fees are above Budget by \$674,957 or 4.4% due primarily to Contract Waste tonnage increases. The District ended the year in a sound financial condition.
2. **Franchise Agreement Proposal Process.** Staff reviewed the future Technical Advisory Committee (TAC) meeting schedule and discussion followed. Staff reported that the proposals are confidential and details cannot be disclosed during the evaluation period. HF&H is preparing comparative analysis for the TAC's review. The recommendation of the TAC is scheduled for the December Board meeting.
3. **Report on Landfill Gas (LFG) Power Project and Power Sales.** Staff reported on recent developments related to the LFG plant operation and sale of power. There have been no discussions with CalAm related to sale of power for a proposed desal plant in the last month, but a meeting was scheduled for September 25th. CalAm has been in contact with District staff related to required access and construction easements. Staff reported that the District is no longer selling power to PG&E, as the 30-year Power Sales Agreement with them has expired. Issues with the California Independent System Operator (CAISO) have been resolved to allow all the energy to be delivered to the grid. Beginning on September 11th, all the power from the 4 engines (5 megawatts) is being sold to 3Phase under the District's existing agreement with 3Phase.
4. **Report on City Managers' Group Proposed Study of Countywide Solid Waste Management System.** The City Managers' Group held a meeting on September 20th, but no information has been provided to the District from that meeting.

5. General Manager Comments

- a. LAFCO Budget Process and Municipal Services Review. The General Manager reported that he will be meeting with LAFCO regarding the upcoming 5-Year Municipal Services Review application. Chair Allion has offered to accompany the General Manager to a meeting with the LAFCO Budget Committee to discuss LAFCO's fee schedule.
 - b. Communication Towers. District staff is following up on this matter.
6. Closed Session: The Committee provided direction to staff on property negotiations. No action was taken.
7. Next Meeting Date: Wednesday, October 30, 2013 at 9:30 a.m.



Dennis Allion

Attachment

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 Mountains

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE MEETING

Wednesday
September 25, 2013
10:00 a.m.

Boardroom
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. Status Report on Tonnages and Financials.
2. General Manager Comments.
5. Next Meeting Date: October 30, 2013; 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-Miliias-Brown representative.

- 1) Conference with Property Negotiators:
Property: Landfill Site Space/Capacity
District Negotiators: William Merry and Tim Flanagan
Negotiating Parties: a. Cities of Gilroy/Morgan Hill
b. County of Monterey
Terms: All Terms and Conditions

o:\wmm\board\committees\finance com\2013\september\fin comm agenda 9.25.13.docx