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TIMOTHY S. FLANAGAN
GENERAL MANAGER

GUY PETRABORG, P.E., G.E.
DISTRICT 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.
September 23, 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 (Seated at 9:35 a.m.)
Gary Bales, City of Pacific Grove
David Pendergrass, City of Sand City Mayor
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

MEMBERS ABSENT: Leo Laska, Pebble Beach Community Services District Director
Bruce Delgado, City of Marina Mayor

STAFF PRESENT: Tim Flanagan, General Manager
Rob Wellington, Legal Counsel
Guy Petraborg, Director of Engineering & Compliance/District Engineer
Jeff Lindenthal, Director of Communications & Sustainability
Peter Skinner, Director of Finance & Administration
Berta Torres, Human Resources Manager
Chuck Rees, Finance Manager
Clyde Walkup, Materials Recovery Manager
David Ramirez, Senior Engineer
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Kacey Christie, Safety and Risk Manager
Mike Rivera, Site Operations and Facilities Manager
Ron Mooneyham, Equipment Maintenance Manager
Rebecca Aguilar, Executive Assistant/Clerk of the Board
Kimberle Herring, Public Education & Outreach Coordinator

OTHERS PRESENT: Ted Terrasas, City of Monterey
Charlie Cordova, GreenWaste Recovery
Jim Moresco, GreenWaste Recovery
Gabriela Carbajal, Monterey County Environmental Health Bureau
Jennifer Gonzales, Monterey Regional Water Pollution Control Agency
Mike Niccum, Pebble Beach Community Services District
Sten Strandberg, Former MRWMD Site Supervisor

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the September 23, 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.

Director Oglesby seated at 9:35 a.m.

INTRODUCTION OF NEW SITE OPERATIONS & FACILITIES MANAGER MIKE RIVERA

General Manager introduced, and the Board welcomed, Mike Rivera as the new Site Operations and Facilities Manager. Mr. Rivera addressed the Board to provide his background information.

INTRODUCTION OF NEW SAFETY AND RISK MANAGER KACEY CHRISTIE

General Manager introduced, and the Board welcomed, Kacey Christie as the new Safety and Risk Manager. Ms. Christie addressed the Board to provide her background information and stated it was pleasure to be at the District.

Chair Allion referred everyone to the Pillars of Sustainability and the first column entitled "People". He stated that in that column, one of the goals was to "build a high performance safety-oriented culture".

CONSENT AGENDA

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

- 1) Approve Minutes of July 22, 2016 Regular Board Meeting
- 2) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 3) Adopt Resolution 2016-10 Amending Designated Positions on the Conflict of Interest Code
- 4) Adopt Resolution of Appreciation (2016-11) for Retiring Site Maintenance Supervisor Sten Strandberg
- 5) Adopt Resolution of Appreciation (2016-12) for Retiring Senior Engineer Richard Shedden

PRESENTATIONS

6) Resolution of Appreciation to Retiring Site Maintenance Supervisor Sten Strandberg

General Manager stated that Sten was a good employee and multi-talented given the many positions he had held at the District. He also played in a band that had played at the District's 60th anniversary. Chair Allion read and presented the resolution to Sten. He also thanked him, on behalf of the Board, for his service to the District.

Sten thanked the District and the Board for the many opportunities he had been provided by working at the District.

GENERAL MANAGER COMMUNICATIONS

Chair Allion stated that since there was a staff member from the Monterey Regional Water Pollution Control Agency (MRWPCA) present, staff wished to move up General Manager Communications for one item. The Board concurred.

General Manager stated that substantial progress has finally been made in the anaerobic Digestion (AD) connection issue with PG&E. The final drawings were sent to Zero Waste Energy (ZWE) and the last piece of hardware that was needed had been shipped. Staff anticipates the ability to reconnect by early October.

General Manager also stated that an easement alignment had been requested by the MRWPCA in connection with their Pure Water Project. MRWPCA Engineering Manager Jennifer Gonzales addressed the Board and stated that it was taking longer than anticipated to prepare the required documents. She expressed appreciation to District staff for their willingness to facilitate the process because of the expedited timeline.

PRESENTATIONS (continued)

7) Small Planet News: Save the Food – Life of a Strawberry

The Board viewed a short video on the life of a strawberry, which had been presented at the recent CRRRA Conference, in connection with Food Waste. General Manager stated that the video was poignant and provided a stimulating look about the issues and challenges with food wasted in homes. Director of Communications and Sustainability Jeff Lindenthal commented that as part of public education, staff intended to provide Small Planet News every month to the Board on a variety of the 3Rs (Reduce, Reuse, Recycle).

Board discussion was held regarding the video and how to use the message provided to continue to educate the public. General Manager stated that staff will continue to work with the franchised haulers and restaurants to reduce food waste, but also to use food waste as a resource through the District's anaerobic digestion project. Director Theis commented that turning food waste into a resource at home could be accomplished through home composting. Public Education & Outreach Coordinator Kimberle Herring reminded everyone that the District has regular composting workshops and encouraged attendance.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

8) Receive Report on August 3, and September 7, 2016 Finance Committee Meetings

The Board reviewed the summaries of the meetings. Chair Allion stated that with regard to the MRWPCA reconnection to the AD provided power, he intended to write a letter to Governor Brown, regarding the quality of PG&E's bureaucratic service. The letter could be signed by any Board member wanting to sign it. Board discussion followed about including cost implications because of the delay in the letter, to include cost to the environment. General Manager stated that the kilowatts lost could be quantified.

It was moved by Vice Chair Oglesby, seconded by Director Bales, and Unanimously Carried to: Receive Report on August 3, and September 7, 2016 Finance Committee Meetings.

9) **Approve Right of Entry Agreement (Subject to Final Review by District Legal Counsel) with GreenWaste Recovery (GWR) Pending Finalization of Permanent Lease for Truck Yard and Administration Facility**

The Board reviewed the draft Right of Entry (ROE) Agreement. General Manager stated that a few issues needed to be addressed associated with receiving a final occupancy permit from the County and given all of the delays relative to the truck yard, this was a necessary interim step. Discussions for the final lease agreement between GWR and the District were still proceeding. Once a permit is obtained from the County, GWR needs to move into the facility quickly, especially since the declared “rainy” season by the Regional Water Control Board prohibits working on vehicles outside after October 15th.

Director Bales expressed concern regarding the maintenance agreement portion of the ROE. Legal Counsel advised that the final maintenance agreement can be further discussed through the District’s Technical Advisory Committee prior to signing the final agreement with GWR.

It was moved by Director Theis, seconded by Director Bales, and Unanimously Carried to: Approve Right of Entry Agreement (Subject to Final Review by District Legal Counsel) with GreenWaste Recovery Pending Finalization of Permanent Lease for Truck Yard and Administration Facility.

Following an inquiry from Chair Allion, staff advised that it had filed an application to PG&E to move two poles that were within the truck yard footprint, which staff believed were potential safety hazards. Director Oglesby suggested that staff track any communications with PG&E for use at a later date if needed.

10) **Approve Change Order to Contract with Bulk Handling Systems for Purchase, Installation, and Commissioning of Materials Recovery Facility Equipment in the Amount of \$447,076**

The Board reviewed a memorandum from the General Manager regarding the change order, which was necessary due to the change in schedule because of the delay in the construction part of the Materials Recovery Facility (MRF) Improvement project. The increased price in the contract of \$447,076 included increased costs for mechanical and electrical installation, storage, multiple handling of the equipment for unloading and reloading at the leased warehouse, and the extended warranty.

Director Bales inquired about the timeline for rebid of the construction contract. Director of Engineering and Compliance Guy Petraborg responded that staff planned to seek bids in November for consideration of Board approval at the December meeting. He further stated that there was additional work necessary for the foundation and slab modification for installation of the equipment which would be coordinated by BHS, through a subcontractor. Staff would be seeking approval of an additional BHS change order to provide for this work.

It was moved by Director Parker, seconded by Director Bales, and Unanimously Carried to: Approve Change Order to Contract with Bulk Handling Systems for Purchase, Installation, and Commissioning of Materials Recovery Facility Equipment in the Amount of \$447,076.

11) a. **Adopt Resolution 2016-13 Authorizing Sole Source Purchase of New Caterpillar 836K Compactor Using Preferential Competitive Pricing Through National Joint Powers Alliance; and**
b. **Accept the Proposal from Quinn Company of Salinas, to Provide Caterpillar 836K Compactor for a Total Purchase Price of \$1,150,152.82 (Including Sales Tax and Freight); and**
c. **Declare Unit LF11 836G Compactor as Surplus and Authorize Disposition by Competitive Bid Process**

The Board reviewed a memorandum from Equipment Maintenance Manager Ron Mooneyham regarding the purchase of new Caterpillar 836K from Quinn Company in the amount of \$1,150,152.82 using competitive pricing through the National Joint Powers Alliance.

It was moved by Director Parker, seconded by Director Pendergrass, and Unanimously Carried to: Adopt Resolution 2016-13 Authorizing Sole Source Purchase of New Caterpillar 836K Compactor Using Preferential Competitive Pricing Through National Joint Powers Alliance; and Accept the Proposal from Quinn Company of Salinas, to Provide Caterpillar 836K Compactor for a Total Purchase Price of \$1,150,152.82 (Including Sales Tax and Freight); and Declare Unit LF11 836G Compactor as Surplus and Authorize Disposition by Competitive Bid Process.

12) Receive Report on August 3 and September 7, 2016 Personnel Committee Meetings

The Board reviewed the summaries of the meetings.

It was moved by Director Downey, seconded by Vice Chair Oglesby, and Unanimously Carried to: Receive Report on August 3 and September 7, 2016 Personnel Committee Meetings.

STAFF REPORTS

13) Review Finance, Operating, and Recycling Reports

The financial statements for May 2016 were reviewed by the Board. The financial statements for July and August 2016 were not available due to the audit process. The year-to-date Tipping Fees Revenues through August 2016 are estimated at \$3.9 million which is above budget by \$1.0 million and prior year by \$0.4 million. The Operating Report for August 2016 was also reviewed by the Board.

14) Report on Public Education and Recycling

The Board reviewed a memorandum from Director of Communications and Sustainability reporting on the California Resource Recovery Association (CRRA) award the District had received at the CRRA conference. Director of Communications and Sustainability stated that staff had not applied for the award, rather the District had been nominated, and then selected by an awards committee. The award was in recognition of the portfolio of programs at the District and the ability to work cooperatively with the franchise haulers. As stated in the General Manager's acceptance speech, the award was a tribute to the employees, the Board, and the community for their efforts to reduce, reuse, and recycle.

He also reported on the 2015 SB 2016 per capita disposal rates for each jurisdiction, which are in the process of being finalized by CalRecycle following submittal of the Electronic Annual Updates in August. He provided information on how the rates are calculated. Board discussion followed regarding significant variations over the years and whether the rates are discussed with city representatives. Vice Chair Oglesby requested staff inform the Board if additional assistance can be provided in sharing the diversion information with the cities.

15) Report on District Capital Projects

Director of Engineering & Compliance provided a verbal report on District Capital Projects.

16) Report on Household Hazardous Waste Program

The Board received a presentation from Last Chance Mercantile/Hazardous Materials Manager Glen Evett on the Household Hazardous Waste (HHW) operations, which began in 1987 and was one of the first permanent programs in the US. District residents can turn in paint, used motor oil, household cleaners, pesticides, and

various other household hazardous materials at no charge, and may also pick up HHW (that has been dropped off in the program) for free at the Last Chance Mercantile (LCM). The HHW program has been able to consistently reuse 29% of all materials collected which significantly reduces program costs. The operating cost for the HHW program in FY 2015/16 was \$620,000 (including the cost of the one-day off-site collection event of \$43,500). Staff is currently reviewing program operations and staffing in order to efficiently handle the increase in turn-ins over the last few years.

17) Report on July 19, 2016 Meeting of Special Districts Association of Monterey County

The Board received a memorandum from Chair Allion summarizing the meeting.

18) Report on California Resource Recovery Association Conference (CRRA)

Public Education staff attended the annual CRRA conference held in Sacramento in August, in which Organics was a major topic of discussion.

19) Report on Solid Waste Association of North America 2016 WasteCon Technical Conference and Tradeshow

General Manager reported that he had attended SWANA WasteCon held in Indianapolis in August. Two major focuses were the need to develop programs and technologies to process organic waste (especially food waste) and the need to develop organizations and personnel working in the industry to have the skill sets required in order to meet the new diversion mandates being adopted at the state and federal level (especially around the reduction in greenhouse gases). He also reported that he had been elected to represent Region 1 to the SWANA Executive Board, which included California, Arizona, New Mexico, Nevada, Utah, and Colorado. He is also still the Board representative of SWANA's Sustainable Materials Management division.

General Manager reminded the Board that next year WasteCon would be held in conjunction with the International Solid Waste Association (ISWA) World Congress. It will be held in Baltimore, MD, September 25-27, 2017. Staff would send information to the Board and he encouraged Board member to consider registering early if they planned to attend this event, since it would more than likely fill up quickly with attendees from all over the world.

20) Report on August 31, 2016 Technical Advisory Committee Meeting

The Board reviewed the minutes of the meeting.

OTHER CORRESPONDENCE

There was no correspondence.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that due to delays with the Truck Yard facility, the District 65th Anniversary Event had been rescheduled to Saturday November 19th. Staff will plan for inclement weather conditions as needed.

BOARD COMMUNICATIONS

Director Bales inquired about a new law that regulates methane from cows and methane and how it affected the District. General Manager stated that the District follows a very prescriptive procedure and did not believe it would be affected.

Chair Allion stated that he had attended the Monterey County Business Council Egg and Issues meeting on September 22nd, and District staff had been present to respond to questions regard community choice aggregation. He also stated that he had asked the Board clerk to poll the Board regarding interest in serving on District committees to include serving as Chair of those committees. He would use the information in considering committee appointments.

CLOSED SESSION

The Board went into closed session at 11:20 a.m. regarding the following:

- 1) Public Employee Performance Evaluation: General Manager

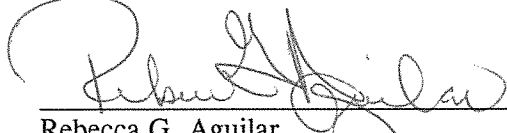
RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION

The Board came back into open session at 11:58 a.m. and Legal Counsel announced that in the closed session the Board had taken up the matter listed on the closed session agenda. Direction had been given to staff and no other action had been taken.

ADJOURNMENT

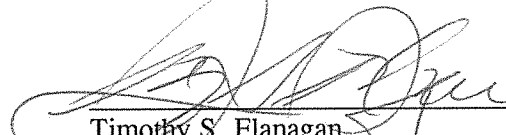
There being no further business to come before the Board at this time, the September 23, 2016 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Allion at 11:58 a.m.

RECORDED BY:



Rebecca G. Aguilar
Executive Assistant/Clerk of the Board

AUTHENTICATED BY:



Timothy S. Flanagan
General Manager/Secretary