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Vice Chair
GARY BALES
LEO LASKA
LIBBY DOWNEY
JANE PARKER
DENNIS ALLION
JASON CAMPBELL
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GUY PETRABORG, P.E., G.E.
Director of Engineering & Compliance
JEFF LINDENTHAL
Director of Communications & Sustainability
PETER SKINNER
Director of Finance & Administration
TIM BROWNELL
Director of Operations
ROBERT WELLINGTON
Legal 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.
January 19, 2018

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

- MEMBERS PRESENT:** Bruce Delgado (Chair), City of Marina Mayor
Carrie Theis (Vice Chair), City of Carmel-by-the-Sea Mayor Pro Tem
Gary Bales, City of Pacific Grove
Leo Laska, Pebble Beach Community Services District
Libby Downey, City of Monterey
Dennis Allion, City of Del Rey Oaks Councilmember
Jason Campbell, City of Seaside Councilmember
Jerry Blackwelder, City of Sand City Vice Mayor
- MEMBERS ABSENT:** Jane Parker, (Unincorporated) Monterey County Board of Supervisors Chair (District 4)
- STAFF PRESENT:** Rob Wellington, Legal Counsel
Guy Petraborg, Director of Engineering & Compliance/District Engineer
Jeff Lindenthal, Director of Communications & Sustainability
Peter Skinner, Director of Finance & Administration
Tim Brownell, Director of Operations
Berta Torres, Human Resources Manager
David Ramirez, Senior Engineer
Clyde Walkup, Materials Recovery Facility Manager
Kacey Christie, Safety & Risk Manager
Becky Aguilar, Executive Assistant/Clerk of the Board
Angela Goebel, Public Education and Outreach Specialist
Ida Gonzales, Administrative Support Specialist
Social Committee Members (Jessica Arreola, Kirk Bennett, Mel Campa, Angela Goebel, Ida Gonzales, Jon Houck, Sonia Martinez, Leo Martinez, Jr., Jeannette Pagan, Frank Patague, Regina Santa Cruz, Maria Tavares, Clementina Ventura, and Lety Yanez)
- OTHERS PRESENT:** Ted Terrasas, City of Monterey
Mike Niccum, Pebble Beach Community Services District
Steve McCaffrey, Republic Services
Michael Hardy, ZeroWaste Energy

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice duly given and presence of a quorum established, the January 19, 2018 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Delgado at 9:30 a.m.

EMERGENCY ITEM

Director of Finance & Administration advised the Board that staff was requesting to add an emergency item to the agenda since action was needed prior to the next meeting. Staff would be requesting the Board adopt a resolution allowing for the submittal of an application to CalRecycle for District certification as a California Redemption Value (CRV) "Processing Facility" and "Community Service Program" for the products that would be processed through the new materials recovery facility (MRF).

It was moved by Chair Delgado, seconded by Director Downey, and Unanimously Carried To: Add Emergency Item to the Board Agenda as Item E1.

PUBLIC COMMUNICATIONS

Michael Hardy, Zero Waste Energy, addressed the Board and provided information on odor mitigation measures that ZWE has undertaken and stated that ZWE is working with the Monterey Bay Air Resources District (MBARD) to ensure odor situations are dealt with efficiently and swiftly.

ELECTION OF OFFICERS FOR CALENDAR YEAR 2018

The Board reviewed a memorandum from the AdHoc Nominating Committee recommending the continuation of Bruce Delgado as Chair and Carrie Theis as Vice Chair for calendar year 2018.

It was moved by Director Bales, seconded by Director Laska, and Unanimously Carried To: Elect Bruce Delgado as Chair and Carrie Theis as Vice Chair for Calendar Year 2018.

CONSENT AGENDA

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

- 1) Approve Minutes of November 17, 2017 Regular Board Meeting
- 2) Approve Report of Disbursements, and Board and Employee Reimbursements
- 3) Receive Report on December 6, 2017, and January 3, 2018 Finance Committee Meetings
- 4) Receive Report on January 3, 2018 Personnel Committee Meeting
- 5) Adopt Resolution 2018-01 Declaring That Governing Body Members and Volunteers Shall be Deemed to be Employees of the District for the Purpose of Providing Workers' Compensation for Said Certain Individuals While Providing Their Services
- 6) Approve Addition of Sort Line Lead Classification for Materials Recovery (MRF) Facility Operations

- 7) **Adopt Resolution of Appreciation (2018-03) for Retiring Maintenance Worker II Beverly Morris**
- 8) **Approve Amended Salary Schedule for At-Will/Unrepresented Employees to Include Increase to General Manager Salary**

PRESENTATIONS

- 9) **Three Year Service Award to Carmel-by-the-Sea Representative on District Board, Carrie Theis**

On behalf of the Board and staff, Chair Delgado congratulated Vice Chair Theis and thanked her for her many contributions and dedicated service to the District over the last three years.

- 10) **Resolution of Appreciation for Retiring Maintenance Worker II Beverly Morris**

Chair Delgado read the resolution for Beverly Morris, who was not present at the meeting, and asked that staff let her know that the Board wished her well in retirement and thanked her for over 20 years of service to the District.

- 11) **Recognition of Social Committee for Efforts Throughout 2017**

The Board recognized the Social Committee for their efforts in and great job planning District events. Chair Delgado mentioned that the Annual Employee Recognition Luncheon had been classy with its Hawaiian theme and he had enjoyed the game which allowed everyone the opportunity to get to know one another. Social Committee members are Jessica Arreola, Kirk Bennett, Mel Campa, Angela Goebel, Ida Gonzales, Jon Houck, Sonia Martinez, Leo Martinez, Jr., Jeannette Pagan, Frank Patague, Regina Santa Cruz, Maria Tavares, Clementina Ventura, and Lety Yanez.

- 12) **Small Planet News: District's Revised Website**

Public Education and Outreach Specialist Angela Goebel provided the Board with an overview of the District's new website. She stated that information obtained from the phone system, as to what the community was accessing, provided insight on ways of re-structuring the website to improve information delivery and make it more functional for use by mobile devices. The Board thanked staff for their efforts.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 13) **Receive Presentation and Accept Annual Audit for Fiscal Year 2016/17**

The Board received the 2016/17 Annual Audit and Financials documents prepared by Vavrinek, Trine, Day & Co., LLP (VTD), which were reviewed by the Finance Committee at their December 6, 2017 meeting. Accounting Manager introduced Nathan Edelman of VTD.

Mr. Edelman addressed the Board and stated that the District had received a "clean, unmodified opinion," which meant that the management of the District was following all of the accounting rules in place. All transactions requested by VTD were accessible, transaction cycles were appropriate, and no recommendations to internal controls were made.

Board discussion followed regarding the audit. Director Allion commented that the audit results were a tribute to staff. Director Campbell commented on the fact that there were no adjustments. Mr. Edelman responded that several things are looked at, lots of questions are asked, and a lot of information is requested. He stated that there might be some suggestions on how to do things differently, but nothing that rose to the level of reporting. Director Allion inquired about the GASB statements included in the notes of the audit and the landfill closure/postclosure costs and requested that staff provide additional information to the Finance Committee.

It was moved by Director Allion, seconded by Director Downey, and Unanimously Carried To: Accept Annual Audit for Fiscal Year 2016/17.

E1. Adopt Resolution 2018-03 Authorizing General Manager to Submit Application to CalRecycle for Certification as a California Redemption Value (CRV) "Processing Facility" and "Community Service Program"

The Board reviewed a memorandum from Senior Engineer regarding the need to obtain certification from CalRecycle. The new MRF will receive CRV containers as part of the mixed materials delivered to the building. Once processed, CRV containers will be baled with other like materials and sold on the commodities market. With the CRV "Processing Facility" and CRV "Community Service Program" certifications, the District will be able to submit CRV tonnages to CalRecycle and be paid the CRV redemption values. CalRecycle requires that a public agency be authorized by their governing board, by way of resolution, to submit the certification application.

It was moved by Chair Delgado, seconded by Director Allion, and Unanimously Carried To: Adopt Resolution 2018-03 Authorizing General Manager to Submit Application to CalRecycle for Certification as a California Redemption Value (CRV) "Processing Facility" and "Community Service Program".

STAFF REPORTS

14) Review Finance, Operating, and Recycling Reports

The Board reviewed the financial statements for September and October 2017. The year-to-date Tipping Fees revenue through December 2017 are \$13.1 million which is \$2.7 million or 25.5% above budget and \$1.4 million or 11.7% higher than the same period last year. The Board also reviewed the Operating Report for December 2017. District tonnage for December decreased 7,421 tons or 11.4% from the prior month and decreased 2,696 tons or 4.5% from the same month last year. Year to date District tonnage is 20,104 tons or 5.3% higher than the same period last year. Contract waste tonnage for December is 5,010 tons or 13.7% lower than the prior month and it is 8,014 tons or 33.9% higher than the same month last year. Year to date contract tonnage is 44,606 tons or 27.7% higher than the same period last year. Cash and cash equivalents as at December 31, 2017 is \$13.2 million compared to \$13.5 million as at December 31, 2016

15) Report on District Capital Projects

Senior Engineer provided an update on the progress of the Materials Recovery Facility Improvements Project.

16) Report on November 29, 2017 District Technical Advisory Committee Meeting

The Board reviewed the minutes of the November 29, 2017 District Technical Advisory Committee meeting.

OTHER CORRESPONDENCE

17) Letter from Monterey Bay Air Resources District RE: Notification of Fine

The Board reviewed a notice of violation from the Monterey Bay Air Resources District (MBARD) that MRWMD had an exceedance of sulfur oxide (SOx) emissions during 2017. District staff notified MBARD of the exceedance following receipt of laboratory test results from the Annual Source Test for the enclosed flare. SOx emissions are created when Hydrogen Sulfide is present in the landfill gas and the gas is combusted in the flare or in the engine-generators to produce power. H₂S is a decomposition product commonly created by drywall in the landfill. The potential fine, which is calculated on a formulaic basis in accordance with Air District policy, is about \$81,000. The size of the fine is primarily related to the size of the organization (determined by gross revenue) and the number of days in excess. District staff has worked with MBARD to obtain a temporary variance of these emissions to continue operation.

Board discussion followed regarding the length of time of the exceedance, which was 108 days, not measuring earlier, and any emissions impact. Staff responded that the staff was the one that advised MBARD of the exceedance, and the trend of monthly monitoring data had not predicted the exceedance. Discussion was also held on the costs to mitigate the situation. Staff will be working on an approach for the gas clean-up system to be adopted for the short run to supplement the treatment unit that was already installed and will evaluate options for the long term over the next several months. Legal Counsel stated that staff would meet with MBARD staff to work on coming to an agreement and report back to the Board.

18) Letter from Local Agency Formation Commission of Monterey County RE: Call for Nominations to Fill Special District Seats on LAFCO

The Board reviewed a letter regarding a call for nominations for the selection of two representatives on LAFCO. Directors Bales, Downey, and Laska are the only members eligible since they are not elected officials of a City or of the County. If they are interested, they may nominate themselves by submitting the required paperwork by February 1, 2018.

GENERAL MANAGER COMMUNICATIONS

In his manager's report, General Manager reported that District and M1W staff have been meeting regularly over projects of common interest such as new power generation and power delivery concepts, evaluation of combined operations for organics processing, shared services, and joint evaluation of potential impacts of easements and Cal-Am plant construction to Charlie Benson Rd.

Staff reported that the District has received a matching grant for the proposed bio-gas conversion process to compressed natural gas truck fuel project in the amount of up to \$1.8 million from the California Energy Commission (CEC). A contract agreement will need to be developed by staff to bring to the Board for approval, this is a significant award that will fund approximately 50% of the development of this proposed facility. This will be the first of its kind on the Central Coast. The cleanup process design will address removal of non-methane constituents in the LFG such as sulfur compounds. Staff will be providing further project analysis prior to any funding decision milestones and will update the Board as additional progress is made.

Director Allion retired from the meeting at 11:27 a.m.

Staff reported that the District has received a couple of reports from the Air District and the County regarding odors. These instances were assessed, and no conclusion was able to be determined as to the source of the odors. Chair Delgado stated that City of Marina residents had reported odors coming through closed windows. Staff will continue to offer tours to anyone who requests to visit our operations.

Staff reminded the Board that the Open House/Ribbon Cutting for the new MRF would be held on February 23rd from 4-6 p.m., for local elected officials, city managers and staff, and industry representatives. On February 24th, a Community Open House will be held for the public from 10 a.m. – 2 p.m.

BOARD COMMUNICATIONS

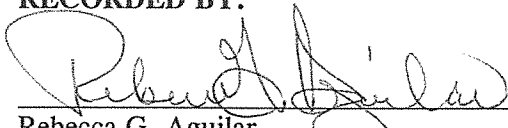
Director Downey recommended that everyone get a flu shot with the new strain even if they had received a flu shot already as this has been one of the worst flu seasons.

Chair Delgado commented that Lapis Road has a lot of trash and requested District staff provide assistance. He requested to attend the next Litter Abatement Task Force meeting.

ADJOURNMENT

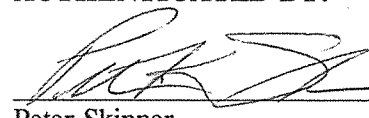
There being no further business to come before the Board at this time, the January 19, 2018 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Delgado at 11:37 a.m.

RECORDED BY:



Rebecca G. Aguilar
Executive Assistant/Clerk of the Board

AUTHENTICATED BY:



Peter Skinner
Director of Administration & Finance