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Director of Finance & Administration

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# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

## MONTEREY REGIONAL WASTE MANAGEMENT JOINT DISTRICT & AUTHORITY REGULAR MEETING MINUTES

Friday, 9:30 a.m.  
October 19, 2018

MRWMD Boardroom  
14201 Del Monte Blvd., Monterey County, 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  
Director Libby Downey, City of Monterey  
Jane Parker, (Unincorporated) Monterey County Board of Supervisors Chair (District 4 -  
*seated at 9:35 a.m.*)  
Dennis Allion, City of Del Rey Oaks Councilmember (*seated at 9:35 a.m.*)  
Jason Campbell, City of Seaside Councilmember  
Jerry Blackwelder, City of Sand City Vice Mayor

**MEMBERS ABSENT:** None

**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  
Clyde Walkup, Materials Recovery Manager  
David Ramirez, Senior Engineer  
Garth Gregson, Accounting Manager  
Kacey Christie, Safety & Risk Manager  
Rosa Marcelo, Assistant Accounting Manager  
Becky Aguilar, Executive Assistant/Clerk of the Board  
Kimberle Herring, Public Education and Outreach Coordinator  
Ida Gonzales, Administrative Support Specialist  
Martin Renteria, Heavy Equipment Technician

**OTHERS PRESENT:** Ted Terrasas, City of Monterey  
Adriana Flores, City of Watsonville  
John Greenlee, Caldwell Flores Winters  
Katie Kaneko, Koff & Associates  
Alvin Votran, Monterey County  
Karina Alcala, Monterey County Environmental Health  
Mike Niccum, Pebble Beach Community Services District  
Christina Urquidez, Republic Services of Salinas  
Brian Kennedy, Salinas Valley Solid Waste Authority

ROLL CALL AND ESTABLISHMENT OF QUORUM

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

PUBLIC COMMUNICATIONS

There were no public communications.

CONSENT AGENDA

*Following a motion by Chair Delgado, seconded by Director Downey, the Board approved the Consent Agenda.*

- 1) Approve Minutes of September 21, 2018 Regular District Board Meeting
- 2) Approve Minutes of September 21, 2018 Special Authority Board Meeting
- 3) Approve District Report of Disbursements, and Board and Employee Reimbursements
- 4) Receive Report on Meeting of October 3, 2018 Finance Committee Meeting
- 5) Receive Report on October 3, 2018 Personnel Committee Meeting
- 6) Authorize General Manager to Execute Labor & Services Contract with The Real Time Staffing Services, LLC (dba Select Staffing) for Temporary Staffing Services

General Manager requested, and the Board concurred, that Item 9 be moved up in the meeting.

*Director Allion and Parker were seated at 9:35 a.m.*

RECOGNITION

**7) Recognition of Heavy Equipment Technician Martin Renteria for 25 Years of Service to the District**

General Manager stated that Martin has been a dedicated and productive employee since he began working for the District in 1993. He started as a Laborer and worked his way up working in several positions before being promoted to his current position. The District was fortunate to have employees like Martin servicing and maintaining its equipment. On behalf of the Board, Chair Delgado congratulated Martin Renteria for his 25 years of dedicated service to the District. Martin expressed appreciation for being provided the opportunity to work at the District.

PRESENTATIONS

**8) Small Planet News**

General Manager thanked Waste Management Inc. (WMI) and everyone involved in bringing the first ever combined bulky item recycling and Household Hazardous Waste (HHW) collection event to the Big Sur community on Saturday, October 13<sup>th</sup>.

Kimberle Herring, District Public Education and Outreach Coordinator, provided a presentation on the event and stated that District staff had welcomed the opportunity to partner with WMI, State parks, and Stericycle. She introduced Kristin Skromme, Public Sector Manager for WMI. Ms. Skromme addressed the Board and provided information on the process of coordinating the event and a summary the types of materials collected which had amounted to over six tons. Ms. Herring also provided information on the amount of hazardous materials collected at the event.

Board discussion followed regarding where the materials came from and how the event had been publicized.

**9) Koff & Associates: Preliminary Analysis and Recommendation of Comparator Agencies for Total Compensation Study**

General Manager introduced Katie Kaneko from Koff & Associates. Ms. Kaneko addressed the Board and stated that she had been working with staff in preparation of the total compensation study. One important step in the process involves selecting appropriate comparator organizations against which the District can compare its current compensation practices. She provided an overview of the agencies that were considered based on their likeness and the rating process. Following discussion with staff and the Personnel Committee, they had arrived at the 10 comparator agencies that would be used.

Board discussion followed regarding the agencies that were being considered, and the agencies used in the 2010 compensation study. General Manager stated that in 2010, staff had been directed to use local agencies, although some of the comparator agencies used did not provide services or had positions comparable to the District's, so a lot extrapolation had been necessary. Director Downey stated that she had requested staff provide the 2010 study for the Board's information. Several Board members expressed they were comfortable with the comparator list as presented. Vice Chair Theis stated that additional agencies could be included at an additional cost and inquired if there was a way of adjusting pay scale according to region. Ms. Kaneko stated that they had the ability to adjust pay for better comparison. Out of the 10 agencies selected, 5 were local agencies.

Board discussion continued regarding the use of cities and local agencies as comparators, increasing the cost of the study to include more agencies instead of just 10, and having useful information that could be utilized during negotiations. Only about 10% of the District's workforce were the administrative category which was easier to compare locally. The other positions were hard to compare locally. Director Downey commented that given the fact that salaries were a large part of the budget, the cost of the study should not be the deciding factor. Director Blackwell stated that consideration of similar agencies provides valid information for the employees as well. Human Resources Managers stated that the goal was to find agencies with similar positions and within the selected agencies, 42 positions out of the District's 65 positions would be compared.

**PUBLIC HEARING**

**10) Conduct Joint Public Hearing to the Receive Public Comments on Proposed District and Authority Board Action to Approve the Issuance and Sale of Revenue Bonds in an Amount not to Exceed \$25,000,000 Aggregate Principal Amount to Finance the Design, Acquisition and Construction of Improvements to the District's Solid Waste Disposal and Recycling System and Related Facilities**

The Board received the legal notice published in the *Monterey Herald*. General Manager provided brief background information on the proposed action. Chair Delgado opened the public hearing at 10:29 a.m. and following no public comments, the public hearing was closed at 10:29 a.m.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 11) **Adopt District Resolution 2018-19 Approving the Issuance of Not To Exceed \$25,000,000 Aggregate Principal Amount of Integrated Waste Management System Revenue Bonds; and Approving the Forms of and Authorizing the Execution of an Integrated Waste Management System Improvement Agreement, a Continuing Disclosure Agreement, a Preliminary Official Statement, an Official Statement and a Bond Purchase Agreement**

The Board reviewed all of Bond documents, except for the Official Statement, which would not be prepared until after the actual sale of the bonds. Director of Finance & Administration Peter Skinner stated that there was a lot of information to go over and District Financial Advisor John Greenlee of Caldwell Winters Flores would provide the overview.

Mr. Greenlee addressed the Board and provided the Board with background information on the bond issuance and a description of each document. He stated that the 2018 bonds would be used in two series, 50% non-AMT and 50% AMT (alternative minimum tax). An AMT bond was a private activity municipal bond whose interest is treated as a preference item for purposes of computing the AMT imposed on individuals and corporations. He stated that it was anticipated that the District would maintain its AA- status. He also provided a timeline, and if approved, the District would receive funds by November 15<sup>th</sup> and he would come back at the November 30<sup>th</sup> Board meeting to provide an update.

Board discussion followed regarding the estimated interest rate, the total par amount, and whether future rate increases would be necessary with the additional funding. Mr. Greenlee responded to the Board's questions. Staff responded that the 10% rate increases were part of the District's financial model as part of the three-year assumptions. This issue will be revisited each year during the budget preparations.

*It was moved by Director Allion, seconded by Director Downey To: Adopt District Resolution 2018-19 Approving the Issuance of Not To Exceed \$25,000,000 Aggregate Principal Amount of Integrated Waste Management System Revenue Bonds; and Approving the Forms of and Authorizing the Execution of an Integrated Waste Management System Improvement Agreement, a Continuing Disclosure Agreement, a Preliminary Official Statement, an Official Statement and a Bond Purchase Agreement.*

- 12) **Adopt Authority Resolution 2018-5A Authorizing the Issuance of Not To Exceed \$25,000,000 Aggregate Principal Amount of Integrated Waste Management System Revenue Bonds; Approving the Forms of and Authorizing the Execution of a Trust Agreement, an Integrated Waste Management System Improvement Agreement, a Preliminary Official Statement, an Official Statement and a Bond Purchase Agreement; and Approving Certain Other Matters in Connection Therewith**

*It was moved by Director Laska, seconded by Director Parker To: Adopt Authority Resolution 2018-5A Authorizing the Issuance of Not To Exceed \$25,000,000 Aggregate Principal Amount of Integrated Waste Management System Revenue Bonds; Approving the Forms of and Authorizing the Execution of a Trust Agreement, an Integrated Waste Management System Improvement Agreement, a Preliminary Official Statement, an Official Statement and a Bond Purchase Agreement; and Approving Certain Other Matters in Connection Therewith.*

Chair Delgado thanked staff for providing the necessary information to bring this issue to approval. General Manager thanked the District's financial team for their outstanding representation. It had been a team effort along with staff. He also thanked the Board for their vote of confidence.

**STAFF REPORTS****13) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for September 2019 along with the operating and recycling reports. Staff also provided the financial information in the format requested by Director Downey. Accounting Manager provided an update on the California redemption value revenue. He stated that the District had submitted several claims and expected to receive its first payment shortly and had been added to the District's revenue.

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

Director of Communications & Sustainability Jeff Lindenthal provided the Board with an update on the usage of the What Goes Where app and website. He also reported that the District's Litter Abatement Task Force was considering dissolving itself since members are the same as the Monterey County Illegal Dumping Committee. He thanked Director Downey for chairing the task force for the last several years.

**15) Report on Materials Recovery Operations and Recycling**

General Manager commented that the report would be done at a future meeting since Director of Operations Tim Brownell was not at the meeting.

**OTHER CORRESPONDENCE**

There was no other correspondence.

**GENERAL MANAGER COMMUNICATIONS**

General Manager reported that staff has been working with all the stakeholders in the discussion of the memorandum of understanding with Salinas Valley Recycles. A meeting has been set for November 13, 2018. He also reported that District staff had met with Monterey One Water staff of each agency regarding issues of power generation and distribution, bio-gas utilization, operational functions, and concepts of developing a joint "master plan" for the combined campus.

General Manager also reported that the District celebrated the month of September with a no OSHA recordable injuries. This was especially notable since the Materials Recovery Facility had also experienced significant gains in productivity and operational efficiency during this same time period. He also reminded the Board to save the date of December 9, 2018 for the employee appreciation event. Further information will be provided later.

**BOARD COMMUNICATIONS****16) Appoint Ad Hoc Nomination Committee to Consider Board Chair and Vice Chair Appointments**

Chair Delgado appointed Directors Parker and Downey to serve on the nomination committee.

**CLOSED SESSION**

The Board met in closed session at 11:45 a.m. on the following matter:

- 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 12:32 p.m. Legal Counsel announced that in closed session discussion had held and the Board had completed the General Manager's performance review. No other reportable action was taken.

**ADJOURNMENT**

There being no further business to come before the Board at this time, the October 19, 2018 Regular Joint Meeting of the Monterey Regional Waste Management District/Authority Board of Directors was adjourned by Chair Delgado at 12:33 p.m.

**RECORDED BY:**



Rebecca G. Aguilar  
Executive Assistant/Clerk of the Board

**AUTHENTICATED BY:**



Timothy S. Flanagan  
General Manager/Secretary