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MONTEREY REGIONAL  
 WASTE MANAGEMENT DISTRICT  
*Home of the Last Chance Mercantile*

**MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT  
 REGULAR MEETING MINUTES**

Friday, 9:00 a.m.  
 September 18, 2020

MRWMD Bales Boardroom and Via Zoom  
 14201 Del Monte Blvd., Monterey County, CA

**MEMBERS PRESENT:** Carrie Theis (Chair), City of Carmel-by-the-Sea Councilmember  
 Gary Bales, City of Pacific Grove  
 Leo Laska, Pebble Beach Community Services District Director  
 Jane Parker, (Unincorporated) Monterey County Board of Supervisors Chair (District 4)  
 Dennis Allion, City of Del Rey Oaks  
 Jerry Blackwelder, City of Sand City Vice Mayor  
 Dan Albert, City of Monterey Councilmember

**MEMBERS ABSENT:** Bruce Delgado, City of Marina Mayor  
 Jason Campbell, (Vice Chair) City of Seaside

**STAFF PRESENT:** Tim Flanagan, General Manager  
 Rob Wellington, Legal Counsel  
 Guy Petrabor, Director of Engineering & Compliance  
 Peter Skinner, Director of Finance & Administration  
 Tim Brownell, Director of Operations  
 Zoe Shoats, Director of Communications  
 Garth Gregson, Finance Manager  
 David Ramirez, Senior Engineer  
 Ida Gonzales, Administrative Support Specialist (Acting Board Clerk)

**OTHERS PRESENT:** Mike Niccum, Pebble Beach Community Services District  
 Tina Reid,  
 Clyde Walkup  
 Kimberle Herring

**MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT**

**ROLL CALL AND ESTABLISHMENT OF QUORUM**

Notice duly given and presence of a quorum established, the September 18, 2020 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Theis at 9:00 a.m.

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMUNICATIONS**

No Public Comments on Items not on the Agenda.

**CONSENT AGENDA**

- 1) Approve Minutes of July 24, 2020 Regular Board Meeting.
- 2) Approve Report of Disbursements, and Board and Employee Reimbursements for July 2020 and August 2020.
- 3) Receive Report on August 5, and September 2, 2020 Finance Committee Meeting.
- 4) Receive Report on August 5, and September 2, 2020 Personnel Committee Meeting.
- 5) Adopt Resolution (2020-12) Amending Designated Positions on the Conflict of Interest Code.
- 6) Adopt Resolution (2020-13) Authorizing General Manager to Execute Agreements and Scope of Work with State of CA Department of Parks and Recreation for Acceptance of Materials
- 7) Adopt Resolution of Appreciation (2020-14) for Retiring Executive Assistant/Clerk of the Board Becky Aguilar.
- 8) Adopt Resolution of Appreciation (2020-15) for Retiring Sales Associate Amalia Beasely.
- 9) Adopt Resolution of Appreciation (2020-16) for Retiring Last Chance Mercantile/Hazardous Materials Manager Glen Evett.
- 10) Adopt Resolution of Appreciation (2020-17) for Retiring Weighmaster Gene Green.
- 11) Adopt Resolution of Appreciation (2020-18) for Retiring Public Education & Outreach Coordinator Kimberle Herring.
- 12) Adopt Resolution of Appreciation (2020-19) for Retiring Sales Assistant Nancy Novoa.
- 13) Adopt Resolution of Appreciation (2020-20) for Retiring Scale Supervisor Jeannette Pagan.
- 14) Adopt Resolution of Appreciation (2020-21) for Retiring Maintenance Shop Assistant II Frank Patague.
- 15) Adopt Resolution of Appreciation (2020-22) for Retiring Sorter I Francisco Ponce Torres.
- 16) Adopt Resolution of Appreciation (2020-23) for Retiring Accounting Technician Tina Reid.
- 17) Adopt Resolution of Appreciation (2020-24) for Retiring Materials Recovery Facility Maintenance Worker II David Reyes.
- 18) Adopt Resolution of Appreciation (2020-25) for Retiring Heavy Equipment Technician III Jose Tavares.
- 19) Adopt Resolution of Appreciation (2020-26) for Retiring Materials Recovery Facility Manager Clyde Walkup
- 20) Adopt Resolution of Appreciation (2020-27) for Retiring Recycling Attendant Holly Yanez.
- 21) Adopt Resolution of Appreciation (2020-28) for Retiring MRF Maintenance Worker I David Wanzong

*Following a motion by Director Delgado, seconded by Director Allion, the Board unanimously approved the Consent Agenda.*

**22) Presentations of Resolutions of Appreciations for Retiring District Employees**

The General Manager provided a statement about each retiree and displayed a slide with a photo of each retired District employee. Combined the retired employees provided 350 years of service.

Kimberle Herring spoke and expressed her appreciation for District staff, collages, and the public. Tina Reid also spoke and expressed appreciation for the kind words from the General Manager and the Board. She also thanked the District for the opportunities that the District provides for its employees. Also present was Clyde Walkup he expressed his appreciation for the opportunities the District provided him and stated he will visit often.

Chair Theis thanked the General Manager for his presentation and thanked retirees for their years of service. Directors followed with words of appreciation and acknowledged their dedication and for setting the tone for the future workforce generations. The Board wished the retirees all the best in retirement and future endeavors.

**23) a) Authorize Site Improvements of compost area operations in the amount of \$2.5 million Dollars and; b) approve 10 year contract and lease extension with Gabilan AG Services.**

Guy Petraborg Director of Engineering and Compliance presented on the Site improvements of the compost area operations and the request for Board approval of 10- year contract and lease extension with Gabilan AG Services. He provided background, and proposed facility improvements to the composting operation. This expenditure is a compliance measure mandated by the RWQCB. Planned site improvements are to create a stable, durable and low-permeability surface across the permit area, a lined contact water pond and utility service – electrical and water supply upgrade. The cost for these improvements will be approximately \$2.5 million dollars. Staff is making an adjustment in our capital spending plan for FY 20/21 in order to not create an additional expenditure of capital for this fiscal year. Additional electrical and water supply to the site will help with future infrastructure projects.

Contingent on the Water Board approval of the design construction schedule to begin in October 2020 and through April 2021.

The operator, Gabilan AG Services (aka Keith Day Company (KDC)), has been an excellent partner for the District. KDC took over the composting in 2009 by taking over the wood and yard waste grinding operations. Upon the closure of the Zero Waste Energy Pilot AD KDC also took over the food waste composting.

The current lease the District holds with KDC is year-to-year, the proposed lease agreement will be to transition from one year lease to a ten year lease limited to two five-year extension periods. The ten-year lease will ensure use for that period of time and allow the District to recover capital improvement costs. Additional lease term information is summarized in the staff report. KDC has invested in their operation by adding \$3 million dollars in equipment purchases to accommodate changes to the of scope of work requests from the District and KDC recently hired a new operations manager to assist with operations of the composting facility.

Board discussion followed regarding capital funds suitable for bond spending reserve and AB 1383. General Manager stated when the most recent bond was acquired it included the improvements to the composting facility. The Finance Committee recommended support for this agenda item. Keith Shore and Michael Brautovich were also present during the presentation.

*It was moved by Director Allion, seconded by Director Laska and unanimously carried To: a) Authorize site improvements of compost area operations in the amount of \$2.5 million dollars and; b) approve 10-year contract and lease extension with Gabilan AG Services.*

**24) Review of Fiscal Year 2019/20 District Goals.**

Peter Skinner Director of Finance and Administration presented a review of FY 2019/2020 District goals. He highlighted the District's financial sustainability goals which included the success of the District negotiations with the Santa Cruz County cities and with the County for the renewal of our long-term disposal agreements. The District exceeded in financial performance this year eight percent over budget for revenues; even though the last four months of FY 19/20 the world shifted due to COVID-19 impacts and revenue reductions.

The District completed facilities development goals included the module six construction that was completed and accepted by the RWQCB for utilization and the approved MRF \$3.5 million upgrade to the processing facility. A full presentation of the completed upgrades will be presented at a future Board meeting.

The goal of improving the District's workforce development was met by creating an employee taskforce lead by Berta Torres Human Resources Manager, to review the rewards and recognition practices the District currently has in place. New electronic messaging boards were also installed sitewide to engage and inform employees of important information.

The goal of community engagement was to create awareness campaigns on materials coming to the District. During these challenging times, the District has relied on social media and the Public Education Department is reviewing new ways to reach the community.

The goal of creating operational efficiencies throughout the District have included the improvement of reporting from our accounting department to allow management to make informed purchase decisions sooner. Many safety improvements have also been applied to prevent the spread of COVID-19 at the District. Other completed goals included the completion of MRF upgrades; automated scale installation that was completed with the building of the new scale; our payroll system and our payroll timing changes to improve efficiency and pay our personnel was implemented; and our benchmarking metrics were rolled out across operations to allow for a real-time assessment of productivity and efficiency.

Chair Theis thanked staff for the summary of the goals that will assist with the upcoming review of the General Manger in closed session.

**25) Accept District Goals for Fiscal Year 2020/21.**

General Manager presented five focused goal categories. Due to COVID-19 impacts staff decided to scale back on the number and breadth of goals for FY 20/21 and focus on just a few critical business areas: 1. safety of employees and customers relating to COVID-19 and continued improvement on operational safety; 2. working on the reopening of the LCM; 3. managing and performance of finances, restructure of the workforce by looking for ways to do things efficiently with emphasis on cost control and revenue enhancement objectives to maintain a bond covenant debt service coverage ratio of greater than 1.25 ; 4. initiating the planning process with the TAC and haulers around implementation of SB1383 and its deadlines for calendar year 2022 and 2025; and to develop compliance for SB 1383. The District will need to pull together with member agencies, franchise haulers, and the public to meet the requirements for SB 1383 and ; 5. We will continue our efforts to clean up the recyclable stream and educate the public to "recycle right." Public Education will assist with the recycling and waste reduction along with COVID-19 efforts will be presented virtually and through social media outlets. This will be achieved with reduced department staffing and budget.

*It was moved by Director Parker, seconded by Director Black and Unanimously Carried To: Accept District Goals for Fiscal Year 2020/21.*

- 26) a) Approve Addition of New Classification of Electro Mechanical Technician in the OE3 Operations Unit to Replace the Vacant Position of Industrial Maintenance Technician and Approve the Related Compensation Schedule; b) Approve Addition of Two Maintenance Worker Positions; c) Reduce Count of Senior Maintenance Worker Position**

Director of Operations, Tim Brownell presented on the need for the addition of positions due to staffing changes outlined in the staff report provided to the Board. Discussion followed regarding impact of the current vacancies and the recruitment time for the positions to be filled as soon as possible. For immediate response during the recruitment process Bulk Handling Service continues to be available. The impact of the recommended changes would be approximately be \$75,000 for the year.

*It was moved by Vice Chair Allion , seconded by Director Bales and Unanimously Carried To: a) Approve Addition of New Classification of Electro Mechanical Technician in the OE3 Operations Unit to Replace the Vacant Position of Industrial Maintenance Technician and Approve the Related Compensation Schedule; b) Approve Addition of Two Maintenance Worker Positions; c) Reduce Count of Senior Maintenance Worker Position.*

## STAFF REPORTS

*By Board consensus Agenda item 29 was moved to the beginning of the Staff reports.*

### **29) Last Chance Mercantile Project Update**

Director of Operations, Tim Brownell provided an update on the LCM reopening project. The project team continues to work on defining and reviewing the goals of reopening conditions, mission and objectives of the facility. Information gathered during discussions from Board committees and District leadership indicate a commitment to reopen with the financial goal of breaking even. Meetings with labor management, former LCM staff and other reuse entities who have an interest in providing assistance are still continuing.

The project team is reviewing options and will bring back possibilities to the Board that meet the community needs and the goals of the District. A request for qualifications will be created to solicit third-party interest and qualifications by lease or contract agreement. Simultaneously, the project team will create an option that includes a District-operated model with former LCM staff.

Chair Theis referred to the staff report that provides information on the options for the reopening.

#### Public Comments

Former employees Christina Harris, Sandra Rubio and Gigi Ortiz spoke on behalf of former LCM employees and employees also asked the Board to consider hiring them back instead of reaching out to a third party.

Brisy Dorado spoke in support of the LCM employees returning to work and the store reopening.

The District received a public comment in appreciation of the Last Chance Mercantile and not having items sent to the landfill and that former employees are very knowledgeable.

**27) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for August 2020, along with operating and recycling reports. Accounting Manager Garth Gregson presented the August 2020 financial review.

**28) Communications and Public Education Plan for Fiscal Year 2020/21**

Director of Communications, Zoe Shoats and Public Education and Outreach Specialist, Angela Goebel presented the Communications and Public Education Plan for Fiscal Year 2020/21.

**30) Report on California Resource Recovery Association Conference (CRRA)**

The Board received report on the CRRA conference. General Manger thanked Public Education and Outreach Specialist, Angela Goebel for presenting during the conference.

**31) Report on August 12, 2020 District Technical Advisory Committee (TAC) Meeting.**

The Board received the TAC meeting summary and Mike Niccum, general manager of the Pebble Beach Community Services District provided a verbal update.

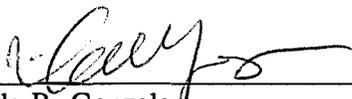
**GENERAL MANAGER COMMUNICATIONS**

**BOARD COMMUNICATIONS**

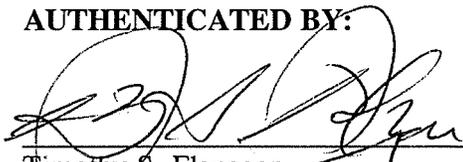
**ADJOURNMENT**

There being no further business to come before the Board at this time, the September 18, 2020 Regular Meeting of the Monterey Regional Waste Management District Board adjourned at 12:28 p.m.

**RECORDED BY:**

  
\_\_\_\_\_  
Ida R. Gonzales  
Administrative Support Specialist/Acting Board Clerk

**AUTHENTICATED BY:**

  
\_\_\_\_\_  
Timothy S. Flanagan  
General Manager/Secretary