

BOARD OF DIRECTORS

JASON CAMPBELL
Chair

JERRY BLACKWELDER
Vice Chair

GARY BALES

LEO LASKA

BRUCE DELGADO

CARRIE THEIS

DAN ALBERT

KIM SHIRLEY

WENDY ROOT ASKEW



TIMOTHY S. FLANAGAN
General Manager

GUY PETRABORG, P.E., G.E.
Director of Engineering & Compliance

PETER SKINNER
Director of Finance & Administration

TIM BROWNELL
Director of Operations

ZOE SHOATS
Director of Communications

ROBERT WELLINGTON
Legal Counsel

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

Friday, 9:00 a.m.
June 18, 2021

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

MEMBERS PRESENT: Jason Campbell, (Chair) City of Seaside Councilmember
Jerry Blackwelder, (Vice Chair) City of Sand City Vice Mayor
Gary Bales, City of Pacific Grove
Leo Laska, Pebble Beach Community Services District Director
Bruce Delgado, City of Marina Mayor
Carrie Theis, City of Carmel-by-the-Sea Councilmember
Dan Albert, City of Monterey Councilmember
Kim Shirley, City of Del Rey Oaks Councilmember
Wendy Root Askew, (Unincorporated) Monterey County Board of Supervisors Chair (District 4)

MEMBERS ABSENT: None

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
Berta Torres, Human Resources Manager
David Ramirez, Senior Engineer
Efrain Lopez, Equipment Maintenance Manager
Garth Gregson, Accounting Manager
Giselle Koktapeh, Assistant Accounting Manager
Rosemary Perez, Accounting Technician
Erica Espinoza, Accounting Assistant

OTHERS PRESENT: Becky Aguilar, Acting Board Clerk
Mike Niccum, Pebble Beach Community Services District
Laura Emmons, Monterey County Office of Emergency Services
Cesar Zuniga, Salinas Valley Solid Waste Authority
David Myers
Don Chapin
Jeff Lindenthal

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice duly given and presence of a quorum established, the June 18, 2021 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Campbell at 9:00 a.m.

PUBLIC COMMUNICATIONS

There were no public communications.

CONSENT AGENDA

Director Askew commented that she is looking forward to working with Murray and Associates on the recruitment of the General Manager. She also requested that additional information on the Districts involvement and participation in the litter abatement program be provided to the Board.

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

- 1) **Approve Minutes of May 21, 2021 Regular Board Meeting.**
- 2) **Approve Report of Disbursements, and Board and Employee Reimbursements for May 2021.**
- 3) **Receive Report on June 2, 2021 Finance Committee Meeting.**
- 4) **Receive Report on June 2, 2021 Personnel Committee Meeting.**
- 5) **Authorize General Manager to Execute Engagement Letter with Eide Bailly, CPA's & Business Advisors for Fiscal 2021 Audit Fees Estimated to be \$33,400.**
- 6) **Receive 2021 Fiscal Planning Letter from Eide Bailly, CPA's & Business Advisors dated June 1, 2021.**
- 7) **Approve Extension of E Recycling of California Agreement**
- 8) **Adopt Memorandum of Understanding with County of Monterey Approving Expenditure Not to Exceed \$25,000 to Support Activities of the Monterey County Litter Abatement Program.**
- 9) **Authorize General Manager to Finalize and Execute a Facilities Lease and Operating Agreement with The Veterans Transition Center of Monterey County for Operation of The Last Chance Mercantile Substantially in Conformance with the Draft Agreement and Subject to Final Approval by Legal Counsel.**

RECOGNITION/PRESENTATIONS**10) Recognition of Accounting Technician Rosemary Perez for 20 Years of Service**

Accounting Technician Rosemary Perez started her tenure at the District in 2001 at the scales and was promoted to the Accounting Department in 2005. Rosemary stated that she loved coming to work every day and being with her District family. On behalf of the Board, Chair Campbell thanked Rosemary for her 20 years of service to the District and stated that it was invaluable to have her knowledge and experience.

11) Retirement Recognition Director Gary Bales for 52 Years of Service

General Manager stated that a more deserving recognitions would be held at the July or August Board meeting. General Manager reported that Gary had served as a Vice-Chair and Chair. He had served on the Personnel Committee, and currently served on the Finance Committee. He stated that in recognition of Gary's unparalleled 52 years of service, a video (with staff and the Board, along with previous staff and board members) had been created. Many shared what they were doing in April of 1969 when Director Bales had been appointed to the Board. General Manager talked about how under Director Bales' focus on fiscal responsibility, innovation, and recycling and waste diversion had led the District to becoming one of the best overall solid waste and recycling systems in North America. Literally, every project, building, program had occurred under Gary's oversight and tutelage. Everyone spoke to Gary's invaluable insight and input and how much he would be missed.

All Board members spoke at the meeting regarding Gary's unheard-of service and what it had meant to have him on the Board. Director Bales thought back on his early years on the Board when the meetings were held at the La Playa Hotel and thanked everyone for the nice presentation and all the kind words.

12) Presentation on Multi-Jurisdictional Hazard Mitigation Plan Participation by Monterey County Office of Emergency Services

Director of Engineering and Compliance Guy Petraborg introduced Monterey County's Office of Emergency Services (OES) Planner Laura Emmons who would provide a presentation on the OES activities to prepare a five year update to the 2016 Multi-Jurisdictional Hazard Mitigation Plan (MJHMP). He stated that the District had not been included in the previous version and had now joined the MJHMP steering committee with the intent to have the District's property and facilities covered in an appendix to the plan.

Ms. Emmons addressed the Board and provided a brief overview of the plan, which identifies potential hazards in Monterey County, potential mitigation measures, and the jurisdictional stakeholders either affected by and/or involved in emergency response activities. She stated that in the once completed, the plan will be brought back for adoption.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

13) Adopt Resolution 2021-06 Approving Final Budget for Fiscal Year 2021/22

The Board reviewed the Final Budget for Fiscal Year (FY) 2021/22. Accounting Manager Garth Gregson stated that the Board had reviewed the budget at the May Board meeting, and it had been reviewed by the Finance Committee. The proposed Budget does not recommend any tipping fee increases and projects \$38.6 million in Revenue and a Net Income of \$3.27 million, with Bond Debt coverage of 2.01, which is over the 1.25 prescribed limit.

Director of Finance & Administration acknowledged the work of the Accounting Manager and the input of the operating managers in preparation of the budget.

Director Delgado inquired there was opportunity to increase the \$25,000 for litter abatement once more information is provided as requested by Director Askew. He understood that the budget was a balancing act, but he believed that more was needed especially in light of the reduced services, such as the buyback center and the z-wall. General Manager stated that the \$25,000 was not the only funding that for litter abatement since staff also picks up litter and the District participates in the clean vouchers through the county. Additional funding can be provided if needed after staff provides additional information.

A motion was made by Director Bales seconded by Director Albert, and the Board unanimously voted to Adopt Resolution 2021-06 Approving Final Budget for Fiscal Year 2021/22.

14) Approve the Operating Engineers Local 3 (OE3) Support Unit, Laborers & Sales Clerks Unit, and Operations Unit Pay Schedules.

The Board reviewed a memorandum from HR Manager Berta Torres, who stated that the new pay schedules under this item and Items 15 and 16, incorporated the cost of living adjustments as provided by the memoranda of understanding as well as other adjustments included in the final budget.

A motion was made by Director Delgado seconded by Director Laska, and the Board unanimously voted to Approve the Operating Engineers Local 3 (OE3) Support Unit, Laborers & Sales Clerks Unit and Operations Unit Pay Schedules.

15) Approve the Management Unit, Unrepresented, Positions Pay Schedules

A motion was made by Director Laska seconded by Director Theis, and the Board unanimously voted to Approve the Management Unit, Unrepresented, Positions Pay Schedules.

16a) Review General Manager Compensation and Award Cost of Living Adjustment for Fiscal Year 2021/22.**b) Approve the General Manager Pay Schedule**

The Board reviewed a memorandum from HR Manager. She stated that normally approval of any adjustment for the General Manager is completed following his annual review. Since the General Manager has announced his retirement his review will not be completed this fiscal year due, it was recommended the General Manager receive the same COLA adjustment as the other at-will Directors and Managers.

A motion was made by Director Askew seconded by Director Theis, and the Board unanimously voted to Review General Manager Compensation and Award Cost of Living Adjustment for Fiscal Year 2021/22 and Approve the General Manager Pay Schedule.

17a) Adopt Resolution 2021-07 authorizing the sole source purchase of one new Caterpillar D6XE Dozer, one new Caterpillar 740 Ejector Truck, and one new Caterpillar 966XE Loader using the preferential competitive pricing offered by Sourcewell (formally known as National Joint Powers Alliance, NJPA);**b) Approve the purchases from Sourcewell through Quinn Company of Salinas, CA approving the three proposals (attached) by Quinn Company of Salinas, CA, dated June 10, 2021, to Provide a Caterpillar D6XE Dozer for the Total Price of \$597,263.56; a Caterpillar 740 Ejector Truck for the Total Price of \$849,273.05; and a Caterpillar 966M Loader for the Total Price of \$574,996.08, for total of all three pieces of equipment of \$2,021,532.69 including sales tax, freight.**

The Board reviewed a memorandum from Director of Operations Tim Brownell regarding the sole source purchase of a new Caterpillar Dozer, Ejector Truck, and 966M Loader for the total purchase price of \$2,021,532.69 including sales tax and freight. Director of Operations stated that by purchasing Caterpillar equipment provided consistency for staff training, maintenance, and parts inventory. Staff had discussed the purchases with the Finance Committee, and he provided additional background information to the Board.

A motion was made by Director Albert seconded by Director Askew, and the Board unanimously voted to Adopt Resolution 2021-07 authorizing the sole source purchase of one new Caterpillar D6XE Dozer, one new Caterpillar 740 Ejector Truck, and one new Caterpillar 966XE Loader using the preferential competitive pricing offered by Sourcewell (formally known as National Joint Powers Alliance, NJPA); b) Approve the purchases from Sourcewell through Quinn Company of Salinas, CA approving the three proposals (attached) by Quinn Company of Salinas, CA, dated June 10, 2021, to provide a Caterpillar D6XE Dozer for the total price of \$597,263.56; a Caterpillar 740 Ejector Truck for the total price of \$849,273.05; and a Caterpillar 966M Loader for the total price of \$574,996.08. Purchase total for all three pieces of equipment to be \$2,021,532.69 including sales tax, freight.

18) Award Construction Contract for Landfill Module 7 Mass Excavation Project to the Qualified Low Bidder, Don Chapin Company, Inc. of Salinas, CA, in the Amount of \$1,682,000.

The Board reviewed a memorandum from Director of Engineering and Compliance regarding awarding a construction contract to the Don Chapin Company in the amount of \$1,682,000 for the construction of the new Module 7. He stated that this was the first phase of a two-phase project. The first phase would mass-excavate native soils and prepare the area for lining in phase 2. Ten bids had been received and were publicly opened on June 10, 2021. The two lower bids were more than likely due to their knowledge of the District operations and site. Completion is expected by November.

Director Delgado inquired about the engineer's estimate and staff plans had the bids come in higher than expected. Director of Engineering and Compliance responded that the engineer's estimate had been \$1.9 million without contingency and \$2.3 million with contingency. Staff would have considered whether budget funding was available or modification of design and going out to bid again had there not been a qualified low bidder.

A motion was made by Director Askew seconded by Director Laska, and the Board unanimously voted to Award Construction Contract for Landfill Module 7 Mass Excavation Project to the Qualified Low Bidder, Don Chapin Company, Inc. of Salinas, CA, in the Amount of \$1,682,000.

19) Approve MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs Subject to Final Approval by Legal Counsel; and 2) Allocate \$140,000 of FY 20/21 Recycling Revenues Towards FY 21/22 SB 1383 Shared Costs.

The Board reviewed a memorandum from Director of Communications Zoe Shoats in which she provided information regarding a memorandum of understanding with member jurisdictions for SB 1383 shared costs and allocating \$140,000 of the recycling revenues towards the shared costs. She stated that staff had worked with HF&H in calculating the shared costs and how they should be allocated. District staff was recommending that a portion of the increased revenues from the sale of recyclable material experienced in 2020 and 2021 be used to promote the required outreach and education efforts necessary to ultimately divert 75% of organics from the landfill by 2025. General Manager reported that staff has been working with the Technical Advisory Committee and the haulers for the past year to develop an implementation plan for compliance with the new SB1383 regulations.

Director Laska inquired why the District was paying over half the costs and whether staff was aware what the costs would be in subsequent years. Director of Communications replied that the \$140,000 was previously given to member agencies. Mike Niccum, Pebble Beach Community Service District General Manager, stated that there were many variables that would have to be looked at each year to determine the best way of meeting compliance and the required funding.

A motion was made by Director Albert seconded by Director Bales, and the Board unanimously voted to Approve MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs subject to final approval by Legal Counsel; and 2) Allocate \$140,000 of FY 20/21 recycling revenues towards FY 21/22 SB 1383 Shared Costs.

20) Authorize General Manager to Cast Ballot to Elect a Representative to California Special Districts Association Board of Directors for Coastal Network, Seat B

The Board reviewed the candidates seeking a seat on the California Special Districts Association Board.

A motion was made by Director Askew seconded by Director Delgado, and the Board unanimously voted to Authorize General Manager to Cast Ballot for Elaine Magner as Representative to the California Special Districts Association Coastal Network, Seat B.

STAFF REPORTS

21) Review Finance, Operating, and Recycling Reports

The Finance, Operating, and Recycling reports for May 2021 were reviewed by the Board. Accounting Manager also provided a financial review.

22) Report on Update on Technical Advisory Committee and SB1383

Staff provided an update on the Technical Advisory Committee and SB 1383 under Agenda Item 19.

OTHER CORRESPONDENCE

23) Letter of Appointment from the City of Pacific Grove

The Board reviewed a letter from the City of Pacific Grove notifying that Councilmember Like Coletti had been appointed to the District Board to serve out Director Bales' term. General Manager stated that a appointment would need to be made on Finance Committee.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that District staff and M1W staff were requesting a meeting of the Joint Ad Hoc committee meeting for discussion on the Power Purchase Agreement, Micro grid development, joint organic management, site security and maintenance, Site Master Planning, and land development cooperation. Chair Campbell, Vice-chair Blackwelder, and Supervisor Askew are the designated District members.

He also reported that District staff continues to monitor the ever-changing criteria and guidelines for COVID 19 by respective agencies and recommended that the Board provide direction to staff regarding resuming in-person meetings, keeping the zoom meetings, or a hybrid form. Several Board members stated that they would like for Zoom to be an option even though in person meetings are resumed.

General Manager stated that due to the recruitment process for the General Manager position, it will be necessary to hold an August meeting, which will be scheduled for Friday August 20th at 9 a.m. He also reported that Bob Murray and Associates, who performed the last two general manager recruitments for the District, had been selected as the recruiter.

BOARD COMMUNICATIONS

21) Committee Members

Chair Campbell stated that he would ask Director Albert to move to the Finance Committee and ask newly appointed Board member Luke Coletti to serve on the Personnel Committee.

CLOSED SESSION

The Board met in closed session at 11:10 a.m. on the following matters:

1. Conference with Property Negotiators
Property: Landfill Site Space/Capacity
District Negotiators: Tim Flanagan, Timothy Brownell, Guy Petraborg, Peter Skinner and Zoe Shoats
Negotiating Parties: Green Waste Recovery, San Jose CA
2. Conference with Legal Counsel--Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of section 54956.9: One case
3. Public Employment Appointment (Govt. Code sec. 54957)
Position to be filled: General Manager

RETURN TO OPEN SESSION WITH ANY REQUIRED ANNOUNCEMENTS FROM CLOSED SESSION

The Board came back into open session at 12:37 p.m. Legal counsel announced that in closed session the Board received information as to each of the closed session items and discussion had been held; no reportable action was taken.

ADJOURNMENT

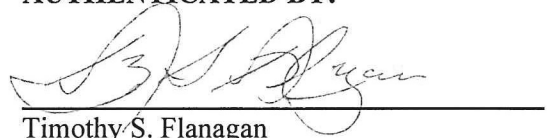
There being no further business to come before the Board at this time, the June 18, 2021 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned by Chair Campbell at 12:38 p.m.

RECORDED BY:



Becky Aguilar
Acting Board Clerk

AUTHENTICATED BY:



Timothy S. Flanagan
General Manager/Secretary

