



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: June 8, 2022
TO: Board of Directors
FROM: Committee Chair
SUBJECT: Summary of Finance Committee Meeting of June 1, 2022

The Finance Committee met on June 1, 2022 at 9:00 a.m., at the District administrative offices and via Zoom virtual conference. Committee members in attendance were Directors Laska, Albert and Shirley. Staff members in attendance were Felipe Melchor, Guy Petraborg, Helen Rodriguez, Zoe Shoats, Berta Torres, Garth Gregson, and Ida Gonzales. Legal counsel Rob Wellington was also in attendance.

Draft Final Budget for FY 2022/23

Staff presented the draft final budget for FY 2022/23 and reviewed the changes from the draft preliminary budget that had been presented at the May 3 Finance Committee meeting. The change to the draft preliminary budget impacted the FY 2022/23 budget by less than \$10,000. There was discussion and comments from the Committee. The Committee supported the draft final budget and it will be presented at the Board meeting on June 17, 2022 for approval.

Discuss Agreement between MRWMD and LCM/VTC - Revenue Fund

Staff met with representatives from the managers of the Last Chance Mercantile (LCM), the Veterans Transition Center (VTC) to discuss the establishment and administration of the joint financial reserve account as stipulated in the agreement between the District and the VTC. The LCM will conclude its first year of operation in July 2022 and this will be the first year the reserve has been calculated. There were questions, and comments from the Committee. The Committee recommended that 3 District employees be appointed to be on a committee with LCM staff to advise as to the use of the financial reserve account.

Discuss Reserve Policy Development

Staff presented information about a proposed policy to establish reserves that pertain to an operating reserve, a capital equipment reserve and a capital infrastructure reserve. The District has an operating reserve policy that is 20% of cash operating expenses. Staff has prepared draft capital equipment and capital infrastructure reserves. Staff is recommending developing reserves for landfill closure, landfill post-closure and the CalPERS pension liability. There was discussion and questions from the Committee. The Committee approved the draft reserve policy as prepared and recommended that staff continue to develop reserve policies that were discussed.

Discuss Site Landscaping

Staff proposed that the District review some landscape design concepts that would result in lower water usage and lower maintenance costs. There was discussion and the Committee supported the plan to review different landscape design concepts at the District. Staff will pursue this plan with a third party landscape architect/design firm.

Module 7 – Phase 2 Excavation Project

Staff gave information about the Module 7 Phase 2 excavation costs. The estimated cost of the excavation project will be approximately \$1 million. There were questions and discussion from the Committee. Staff will be presenting a recommendation to approve the project at the June 17 Board meeting.

Monterey Microgrid & Renewable Energy Project Feasibility Study

Staff gave information about the status of the project. A manager has been hired to oversee the project that is being jointly managed by the District and Monterey One Water. The project manager will be responsible for submitting grant applications that could result in the receipt of \$3 million in grant funds for the project. Staff will continue to provide project status updates at future meetings.

GENERAL MANAGER COMMUNICATIONS

1. Former General Manager Tim Flanagan appreciation dinner, June 8
2. BBQ for all District employee, June 26

The meeting adjourned went into closed session at 10:23 a.m.

NEXT MEETING DATE: July 6, 2022, at 9:00 a.m.