



WILLIAM MERRY, P.E., BCEE
GENERAL MANAGER/
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

RICHARD NORTON
ADMIN. SERVICES MGR.

ROBERT WELLINGTON
COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

9:30 a.m., Friday
August 15, 2008

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT Leo Laska, Chair
Sue McCloud, Vice Chair
Gary Bales
David Pendergrass
Ken Gray
Joseph P. Russell
Don Jordan
Libby Downey
Ila Mettee-McCutchon

MEMBERS ABSENT: None

STAFF PRESENT: William M. Merry, General Manager
Rob Wellington, Legal Counsel
Tim Flanagan, Assistant General Manager
Richard Norton, Administrative Services Manager
Charles Rees, Finance Manager
Don Prescott, Information Systems Manager
Jeff Lindenthal, Public Education & Recycling Manager
Jack Cook, Safety Manager
Glen Evett, Last Chance Mercantile/Household Hazardous Manager
Ron Mooneyham, Equipment Maintenance Manager
Richard Petitt, Site Manager
Rebecca Aguilar, Administrative Support Supervisor
Amber Watson, Administrative Support Specialist
Kimberle Herring, Public Education Coordinator
Clyde Walkup, Materials Recovery Facility Supervisor/OE3 Operations Shop Steward

OTHERS PRESENT: Bjorn Lundegard, City of Seaside
Teresa Rios, County of Monterey
Matt Fore, Monterey County Environmental Health Department
Rob Clyburn, Monterey County Office of Emergency Services
Tom Buell, Monterey Regional Waste Pollution Control Agency
Brad Hagemann, Monterey Regional Waste Pollution Control Agency
Mike Niccum, Pebble Beach Community Services District
Marilyn Bailey, RMC Water & Environment
Felipe Melchor, Waste Management, Inc.
Janice Frost
Lewis Leader

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice having been duly given and the presence of a quorum established, the August 15, 2008, Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Laska at 9:30 a.m.

CONSENT AGENDA

Following a motion by Director Pendergrass, and seconded, the Board approved the following actions:

- 1) Approve Minutes of July 18, 2008 Regular Board Meeting.
- 2) Approve Report of Disbursements.

PRESENTATIONS**3) Presentation on Regional Water Project by Marilyn Bailey of RMC Water and Environment**

General Manager stated Marilyn Bailey of RMC Water and Environment was filling in for Dr. Lyndel Melton and would make a presentation to the Board on the proposed Regional Water Project (RWP). The project is proposed to be sited immediately adjacent to District property. The RWP would benefit from long term energy provided from the District's five megawatt landfill gas (LFG) to renewable energy project.

Ms. Bailey addressed the Board and stated the proposed RWP would address water supply gaps in Northern Monterey County and would provide over 25,000 acre feet of new water supplies for current and future urban water needs. The proposed project would increase reliability, be more sustainable, and improve groundwater quality. She stated the facilities for the RWP are proposed to be located adjacent to the District property which enhances the project because the Monterey Regional Water Pollution Control Agency (MRWPCA) would provide recycled water and the District could provide renewable energy from its LFG project. She stated that although the District is currently re-negotiating its agreement with Pacific Gas & Electric (PG&E), there was a potential to sell energy to the RWP for more money. The environmental review for the RWP is expected to be complete by mid 2009 and the entire project is expected to be completed and operational by 2012.

Vice Chair McCloud requested that staff work with RMC with regard to LFG supplies and power demands. Chair Laska inquired whether the project could continue if the District were unable to provide power. Ms Bailey responded yes it could, and added that the cost estimates for the project have been developed using PG&E market rates for purchase of power.

Board discussion followed regarding sale of power to others besides PG&E, future generation of power, as well as needs for power. General Manager stated the ad hoc Finance Committee would be discussing LFG Project power sales at their next meeting. PG&E has proposed to pay approximately \$0.09 per kilowatt-hour (kwh), up from the current \$0.065 per kwh average rate.

Some Board members expressed concern with negotiating with PG&E, without further discussing power needs with RMC for the proposed RWP, and whether the agreement with PG&E could provide flexibility to be able to supply power to the RWP in the future.

Other Board members expressed concern with trying to ensure power for a "proposed" project when, considering the District's current finances and need for additional revenue, it would seem to be better to ensure the sale of power to a known, substantial, long-term buyer such as PG&E.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

4) Consider Request from Monterey County and Authorize Reduction in Landfill Disposal Fees for Debris Resulting from Basin and Indians Fires, On a One-Time Basis; and Direct Staff to Develop a Policy Regarding Requests For Waivers of Fees Resulting From Natural Disasters and/or Hardship

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding a request from the County for a waiver or reduction of landfill tipping fees for debris resulting from the Basin and Indian fires in Big Sur. General Manager stated the District has received two requests over the last 20 years for reduced or waived tipping fees as a result of a local natural disaster. The normal fee charged by the District for fire debris is at a problem waste rate of \$90 per ton. Staff recommended accepting the debris at a reduced rate of \$45 per ton, which is the rate for basic refuse.

Robert Clyburn of the Monterey County Office of Emergency Services addressed the Board and stated that only the refuse from affected residents, with no homeowners insurance, would fall under this request. He stated that Waste Management Inc., had agreed to haul the debris at a discounted rate.

Board discussion followed regarding waste screening procedures and eligibility criteria and confirmation. Mr. Clyburn stated that of the 28 homeowners who were eligible to participate, 20 have agreed to participate. Eligibility had been conducted by a local homeowners association and by the Southern Baptist Relief Organization (SBRO). He also stated that the SBRO has volunteered to sort through the debris prior to hauling to ensure the removal of any hazardous or regulated materials.

It was moved by Director Downey, seconded, and Unanimously Carried To: Authorize Reduced Landfill Disposal Fees of \$45 Per Ton for Debris Resulting from the Basin and Indians Fires, On a One-Time Basis and Not to Exceed 21 Homeowner Sites; and Directed Staff to Develop a Policy Regarding Requests For Waivers of Fees Resulting From Natural Disasters and/or Hardship.

5) Adopt Resolution 2008-09 Establishing a Reduction in Staffing Policy

The Board reviewed a memorandum from Administrative Services Manager Rich Norton regarding the District's newly developed Reduction in Forces Policy. General Manager stated that the District currently did not have a policy in place to address layoff procedures. During budget deliberations in 2007, it was concluded the District should have such a policy. Administrative Services Manager stated the policy had been modeled after the City of Marina's policy, with some modifications.

Board discussion followed regarding notification of the employee groups and their concurrence. Legal Counsel responded that the policy could be amended to include notice to the union representing the employee being laid off. He also stated that the employee groups agreed with the policy, although it was not a meet and confer issue since the policy was not part of the personnel policies.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Adopt Resolution 2008-09 Establishing a Reduction in Staffing Policy As Amended to Include Notification of Union Representatives.

6) **Approve Revisions to Harassment and Discrimination Policy**

General Manager stated that the memorandum, under Item 5, from Administrative Services Manager Rich Norton also addressed the revised District Policy on harassment and discrimination. He stated the existing District policy was developed in 1992. In cooperation with District Legal Counsel, the policy had been revised to include the concept of retaliation, and administrative procedures from initiation, to response, and action.

Legal Counsel indicated that although the policy was now broader, he believed that there still might be some minor changes needed.

Chair Laska stated that the policy should be brought back to the Board in final format at a future meeting. Director Bales requested that when it was brought back to the Board, the staff report should indicate how employees will be notified and supervisors trained on the revised policy. Director Pendergrass stated the policy did not address prevention. Legal Counsel stated harassment training, to include prevention, had been provided to all supervisors as covered by state law.

The Board agreed to table this issue until the September meeting.

7) **Authorize Purchase of Two 3-Axle Roll Off Trucks From Central Valley Truck Center of Fresno, CA in the Amount of \$333,384.48.**

The Board reviewed a memorandum from Equipment Maintenance Manager Ron Mooneyham regarding the purchase of two new roll off trucks from Central Valley Truck Center in the amount of \$333,384.48. The trucks would replace the existing trucks, used on-site to move materials, which have reached the end of their useful service life. The cost for these purchases has been included in the Capital Outlay portion of the Budget.

Board discussion followed regarding purchase versus leasing of the trucks, what would be done with the old trucks, consideration of local dealers, and the District's current bond rating. Finance Manager responded the District does consider leasing as an alternative to purchasing equipment, but funds were available in the current budget for this purchase. Equipment Maintenance Manager responded the old trucks would be declared surplus and sold. He also stated that the local heavy truck dealer in Salinas had opted not to respond to the request for bids. Information Systems Manager responded that the District's (Authority) bond rating with Standard and Poors is an "A" with a "stable outlook".

It was moved by Director Downey, seconded, and Unanimously Carried To: Authorize Purchase of Two 3-Axle Roll Off Trucks From Central Valley Truck Center of Fresno, CA in the Amount of \$333,384.48.

STAFF REPORTS

8) **Financial, Operating and Recycling Reports**

General Manager stated the June financials were not available due to delays with the year-end closure of the financials, but the preliminary financials showed Total Operating Revenues for the month were \$1,600,000, down slightly from May, due primarily to decreased Commercial and Industrial customer refuse.

The Board reviewed the Operating Report for July 2008. Total Solid Waste Accepted into the site (excluding regional waste from Santa Cruz County and Watsonville) during July 2008 was 29,195 tons, an increase of 2,214

tons from June 2008 and up 597 tons (or 2.1%) from July of last year. The tonnage from Santa Cruz County was 2,082 in July and a total of 25,752 tons for the 15 months since deliveries began in May 2007. The City of Watsonville delivered 1,042 tons during the month.

Vice Chair McCloud inquired why regional waste was excluded from the overall tonnage acceptance. Finance Manager stated that in an effort to clarify the difference in tonnage from previous years and because the regional waste tonnage was accepted at a lower rate, the tonnages were reported separately. He stated he would review and determine if a different method could be used to more clearly present the tonnages.

The Board also reviewed the AB 939 Recycling Rates, as of August 8, 2008, which showed diversion levels through the second quarter of 2008. The recycling rates for the District member agencies for the second quarter of 2008 ranged from 61% to 68%, well above the state mandate of 50%.

9) Report on Public Education, Recycling and Litter

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal. Public Education and Recycling Manager stated the District Litter Abatement Task Force had met on August 13th and discussion had been held on the draft Ocean Protection Counsel Implementation Strategy which addressed changing consumer and producer behavior. He also stated that Hope Community Services had adopted a local stretch of county roadway. CalTrans reported it has placed a freeze on the Adopt-a Highway program. Director Downey reported that an incident had occurred which had prompted CalTrans to implement the freeze until a decision is made on the incident and safety procedures in picking litter along highways. Hope Community Services has also implemented an Adopt-A-Beach program and District staff will be assisting with that program and will also request that Hope conduct a waste characterization study on beach litter.

Director Bales expressed appreciation to staff for keeping the Board informed of current issues.

10) Report on SWANA Legislative Task Force (LTF) Activity and State Legislation

General Manager reported on SWANA Legislative Task Force (LTF) Activity and State Legislation. SB 1020 (Padilla), which would have increased mandated diversion from 50% to as high as 75%, appeared to be dead in this legislative session. SB 1016 (Wiggins) which will change how recycling rates are calculated and will require landfilling less waste has the strong support of the California Integrated Waste Management Board (CIWMB), and continues to move forward, as wording is revised to help achieve passage. SWANA has taken a position of "support if amended" and the League of California Cities supports the bill. He stated that there is considerable confusion at the CIWMB regarding the regulations and installation deadlines for landfill gas probes. The regulatory deadline is now September 20, 2008, but may be extended for a year. He reminded the Board that at the July meeting they had authorized a contract with Vector Engineers to install 13 landfill gas monitoring probes around the perimeter of the landfill site, in compliance with the state regulatory deadline of September 20th.

OTHER CORRESPONDENCE

11) Letter from Solid Waste Association of North America RE: 2008 Excellence Award Winner

The Board reviewed a letter received from the Solid Waste Association of North America (SWANA) regarding the receipt of the 2008 Bronze Excellence Award for its Household Hazardous Waste Program. The award will be made at SWANA's annual WASTECON exposition and tradeshow in October.

12) Letter to Member Agencies RE: Formation of MRWMD Advisory Task Force on Strategic Planning

The Board reviewed a letter sent to member agencies regarding a meeting scheduled for October 8, 2008 of the Advisory Task Force on Strategic Planning. The letter requests that member agencies send senior level representatives to the meeting.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that the ad hoc Finance Committee would be meeting on August 22nd to review District finances and operations and to receive staff reports on biosolids management, the landfill gas project, and future plans for recycling and waste management.

BOARD COMMUNICATIONS

CLOSED SESSION

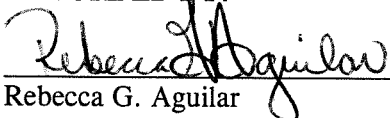
Chair Laska announced that as advised by Legal Counsel, a closed session was not necessary.

- 1) Conference with Legal Counsel- Existing Litigation
Arreola v. Monterey Regional Waste Management District, et al
Monterey County Superior Court Case No. M90896

ADJOURNMENT

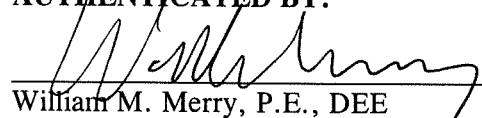
There being no further business to come before the Board at this time, the August 15, 2008 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to September 19, 2008, by Chair Laska at 10:40 a.m.

RECORDED BY:



Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:



William M. Merry, P.E., DEE
General Manager/Secretary