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MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

9:30 a.m., Friday
February 16, 2007

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT: Leo Laska, Chair
Sue McCloud, Vice Chair
Gary Bales
David Pendergrass
Ken Gray
Joseph Russell
Don Jordan
Libby Downey

MEMBERS ABSENT: Jerry Smith

STAFF PRESENT: William Merry, General Manager
Timothy Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Richard Shedden, Senior Engineer
Richard Norton, Administrative Services Manager
Charles Rees, Finance Manager
Don Prescott, Information Systems Manager
Harry Hunzie, Materials Recovery Facility Manager
Jack Cook, Materials Recovery Facility Assistant Manager
Glen Evett, Last Chance Mercantile/Hazardous Waste Manager
Richard Pettitt, Site Manager
Ron Mooneyham, Equipment Maintenance Manager
Rebecca Aguilar, Administrative Support Supervisor
Kimberly Herring, Public Education Assistant
Amber Watson, Administrative Support Specialist I
Gracie Arreola, Site Support Specialist/OE3 Support Shop Steward
Suzan Fine, Recycling Attendant/SEIU President
Efrain Lopez, Maintenance Supervisor
Luis Cazares, Senior Maintenance Worker
Nancy Novoa, Sales Clerk I/SEIU Shop Steward
Veronica Lepe, Laborer I
Clementina Ventura, Laborer I
Antonio Moreno, Laborer II

OTHERS PRESENT: Bjorn Lundegard, City of Seaside
Patrick Mathews, County of Santa Cruz
John Ramirez, Monterey County Environmental Health Department
Don Dietrich, Operating Engineers Local 3
Jerry Verhasselt, Pebble Beach Community Services District
David Fisher, Salinas Valley Solid Waste Authority
Harry Gamotan, SEIU 521
Frank Garden, SEIU 521
Esmeralda Zapien, SEIU 521
Candace Ingram, The Ingram Group
Lewis Leader

PUBLIC COMMUNICATIONS

Suzan Fine, District SEIU President, addressed the Board and stated there seemed to be some confusion regarding the classification and compensation study. Initially, SEIU employees had been told the District would implement the compensation study, and then later told that it would not implement it. Compensation increases were being given to two positions, but why not for all of the positions, as recommended by the study. She stated management staff was considering an incentive program for SEIU employees, but not guaranteeing it. She urged the Board to reconsider their decision of not implementing the study.

Veronica Lepe, addressed the Board and expressed concern that the Board had approved the study and then decided not to implement it. She asked the Board to respect the study and implement the results, and stated she hoped an agreement could still be reached. Clementina Ventura, addressed the Board and stated the study was promised as part of the negotiations, and regretted pay increases resulting from the study would only be given to two positions. She stated the work in the Materials Recovery Facility (MRF) was dirty and dangerous, yet most employees were proud to work for the District. Nancy Novoa, SEIU shop steward, addressed the Board to state the study should be approved by the Board, and the pay increases shown in the table of the study should be provided to all SEIU employees and not just to two positions. Antonio Moreno, stated SEIU employees only wanted respect and equal pay for the work performed at the District. He stated that it was easy to make a decision from behind a desk based on numbers and statistics, but not necessarily on work performed.

Esmeralda Zapien, SEIU Business Representative, addressed the Board and stated the study was conducted by Koff & Associates, a consultant selected by the District. The District Board had then refused to implement the results and asked that the Board reconsider their decision. Harry Gampton, President of SEIU, addressed the Board and stated the District employees worked in dirty and dreadful conditions. The employees did not want to be confrontational, but believed they deserved to have their pay increased as recommended by the study.

INTRODUCTION OF EMPLOYEES - EFRAIN LOPEZ AND LUIS CAZARES

Assistant General Manager introduced Efrain Lopez, Maintenance Supervisor, and Luis Cazares, Senior Maintenance Worker, who were awarded Jonathon Livingston Seagull awards by the Management staff at the January general meeting for their outstanding lead efforts. He stated major repairs were made to the wood processing line equipment in the MRF and they had worked long hours and weekends during times the MRF was closed to ensure the work was coordinated smoothly. Chair Laska thanked them on behalf of the Board.

CONSENT AGENDA

Following a motion by Vice Chair McCloud, seconded, the Board approved the following actions:

- 1) **Approve Minutes of January 19, 2007 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Declare Surplus and Authorize Sale of District Equipment**
- 4) **Authorize Chair to Cast Vote For Re-Election of Tom Perkins to Four Year Term as Special District Representative on the Local Agency Formation Commission of Monterey County**

ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**5) Receive Presentation from SCS Engineers on Conversion Technologies**

General Manager stated SCS Engineers was present at the meeting to give the Board a presentation regarding solid waste conversion technologies. SCS would make another presentation at the March meeting focusing on what types of programs and technologies might be worth considering by the District for the waste stream of the Monterey Peninsula Landfill. Both presentations are intended to provide background information for Board members and staff, in preparation for the April 18th strategic planning session.

Bruce Clark, Engineer and Project Director for SCS Engineers, gave a presentation on several conversion technologies including pyrolysis and thermal and biological processes, which are being considered by the waste management industry as alternatives or supplements to landfilling of wastes. He presented a background on conversion technologies, a summary of new technologies, the overall benefits and drawbacks, and estimated costs. He stated that with the increased price of fuel, conversion technologies are becoming more competitive. He recommended the Board proceed with caution in considering conversion technologies, and stated the foresight of the District Board made it possible to move forward without the short term constraint of limited landfill capacity. He noted the efficient operations the District has developed thus far.

Board discussion followed regarding waste to energy plants, drawbacks, and production of unmarketable byproducts. Michelle Leonard, Vice President and Project Director for SCS Engineers, stated the three waste-to-energy plants in California were successful, but it would be very difficult to site future plants in California due to public opposition and distrust of the technology involved with waste-to-energy. General Manager stated that although waste-to-energy plants were not popular in California, they are utilized in other parts of the United States, generally along the East Coast.

General Manager invited Board members to attend a webcast being offered by SWANA on conversion technologies on Wednesday, February 21st, from 10:45 a.m. to 12:00 p.m. Vice Chair inquired whether the information could be made available on a disk for viewing at a later date. General Manager responded that staff would inquire if it was available.

No Action Taken.

6) Provide Direction on Strategic Planning Session

General Manager introduced Candace Ingram with The Ingram Group who will be facilitating the April 18th Board Strategic Planning Session at the Embassy Suites. Ms. Ingram thanked the Board for the opportunity to assist with the planning session. General Manager stated Ms. Ingram had already met with Chair Laska and Vice Chair McCloud, and would be contacting other board members soon.

No Action Taken.

7) Authorize Agreement with Santa Cruz County to Accept Waste for Landfilling at Rate of \$27 Per Ton

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan, as well as the proposed Waste Disposal Agreement between Santa Cruz County (SCC) and the District. General Manager stated this issue had been reviewed at several board meetings and the Agreement was prepared within the Guiding Principles for Acceptance of Regional Waste, established by the Board at their September 2005 Board meeting. He thanked SCC staff for their efforts and commended SCC for developing a comprehensive recycling program which proposed diversion of 75% of SCC's wastestream. SCC is seeking additional landfill capacity as it prepares plans and permanent programs and facilities to manage the waste stream of the County.

Assistant General Manager stated the Agreement was a culmination of both the District and SCC's efforts, as well as the excellent direction from the District Board. The agreement calls for the acceptance of up to 120,000 tons of waste annually, with approximately 30,000 tons delivered the first year at a rate of \$27 per ton, with an annual price escalation clause. The District's Monterey Peninsula Landfill has a site life of over 100 years, and the District Board has determined that excess landfill capacity is available for regional waste for mid and long term use. He stated that once the District Board approved the Agreement with SCC, it would be taken to the SCC Board of Supervisors for their approval, and waste could arrive within 45-60 days following approval by both Boards.

Director Gray inquired about the contents of Exhibit B, and when it would be available to the Board for review. Assistant General Manager stated that it was not in final form, but it would include the waste acceptance protocol. General Manager added that Exhibit B would include the provisions of SCC's aggressive diversion program, and no hazardous material would be delivered to the District site. Director Gray inquired about the type of vehicles that would be delivering the waste. Assistant General Manager stated that the waste would be delivered in large transfer trailers, but the Agreement also provided for a small amount to be delivered by franchise garbage trucks if necessary. Vice Chair inquired whether Legal Counsel had reviewed the agreement and the response was affirmative.

Director Bales inquired on the amount of waste accepted per day at the site and if acceptance of additional refuse would be allowed under the District's current permit. Senior Engineer responded that the District was permitted to accept 3,500 tons per day (tpd) and only approximately 1,000 tpd was currently received for landfilling. Director Bales questioned the acceptance of up to 25% of waste delivered by "self haulers" and its impact on the highways. Assistant General Manager stated that the Initial Study and negative declaration resulting from the environmental review process concluded that additional truck traffic would not significantly impact traffic on Highway 1. General Manager clarified that only franchised garbage trucks would be allowed under the Agreement, not "self-haulers". Legal Counsel stated that the term will be clarified in the final agreement. Vice Chair McCloud asked about the time of the deliveries and she thought the Board had agreed the delivery of waste would not be during peak hours of traffic on Highway 1, which was not included in the agreement. Assistant General Manager stated SCC did not want the trucks tied up in traffic; therefore SCC would endeavor to avoid

peak hour deliveries. Senior Engineer stated a study conducted by Higgins Associates had determined the peak hours were between 4 p.m. and 5 p.m., and language to restrict deliveries after 4 p.m. would be included in the final Agreement.

Vice Chair McCloud stated that although the Board is agreeable to accepting waste from SCC, it would serve the District to carefully consider impacts to the site and its surroundings. Director Gray requested that the Board be given the opportunity to review Exhibit B prior to approving the agreement.

Patrick Mathews, Solid Waste Manager with Santa Cruz County, thanked the Board and staff for considering acceptance of SCC waste for disposal, which would provide time for the County to consider additional programs for diversion, management and disposal of the wastestream. SCC is also looking at conversion technologies. He commended the Board on development of its Guiding Principles and stated that the concerns being raised by the Board were legitimate ones. SCC's goal was to send as little waste as possible to the District landfill, and that only materials that could not be recovered would be sent for landfilling. SCC had adopted a ban at their landfill two years ago requiring SCC staff to inspect all loads coming into their site to ensure that any recyclable or hazardous materials were diverted prior to disposal. He stated he did not want the transfer trucks stuck in traffic during peak hours and that the initial intent would be to load the trucks at night with the first deliveries occurring around 5:30 a.m. He added that the bulk of the material would come in late morning, and he would be happy to work out a delivery schedule with the District.

Chair Laska asked that the use of the term "self haul" trucks be eliminated. Mr. Mathews stated the ability to bring material in garbage trucks would only be done when necessary, especially during the transitional period. Chair Laska asked whether it would be prudent to approve the agreement with the stipulation that adjustments to the delivery schedule and protocols could be made during the first six months if possible. Legal Counsel stated that the conditions and procedures for delivery would be included in Exhibit B.

Director Bales expressed concern over the use of the term "self haul" in the agreement, stating the use of the term "self haul" was too liberal and needed to be clarified, if the intent is that only transfer and franchised packer vehicles (i.e. garbage trucks) would come to the site. Legal Counsel suggested that the term "self haul" be replaced with "packer style" vehicles.

Director Bales inquired about the ability of SCC to bypass the scales upon arrival at the District's landfill site. Assistant General Manager responded that in order to facilitate the deliveries, the District would use the weight provided by SCC and the District would be able to weigh incoming loads from time to time to verify the weights.

Director Gray commented there seemed to be changes needed and suggested that the agreement be brought back to the Board at the March meeting. Legal Counsel expressed concern over not having Exhibit B and that it would need to be provided to the SCC Board prior to their approval. He stated that some of the changes could be done contingent on Exhibit B and would leave it to the Board's discretion. Vice Chair McCloud stated she was reluctant to approve the agreement without reviewing Exhibit B and it would be prudent to bring the entire agreement with the recommended changes to include Exhibit B back to the Board.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Make Available Exhibit B and Make Recommended Changes to the Agreement for Board Approval at the March Meeting.

STAFF REPORTS

8) Financial and Operating Reports

General Manager reported the operating report was not available due to implementation of the new scale software. While the transition to the new scale software went relatively smoothly, preparation of the monthly operating report took longer than anticipated. The Board reviewed the financial statement for the month of December.

9) Public Education and Recycling and Litter

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal, related to recycling and community outreach. The Board also received a list of recycling buy-back centers located on the Peninsula. The Department of Conservation (DOC) recently sent the District a letter supporting a buy-back center at the District which staff is reviewing for requirements, feasibility and budget impacts and will report to the Board at a future meeting.

The Board also reviewed news articles from the Herald and the Californian summarizing the DOC's Comprehensive Recycling Community Program held at Monterey City Disposal's Material Recovery Facility on Monday, January 22nd.

Director Gray expressed concern that with all of the educational efforts, too often there were no recycling containers for the community. He stated that a recycling receptacle should be available wherever plastic or glass containers are sold. General Manager stated that more needed to be done and the District would be working to establish recycling containers at large community events through a grant obtained last year from DOC.

OTHER CORRESPONDENCE

10) Letter from California Regional Water Quality Control Board (RWQCB) Central Coast Region and District Response RE: Notice of Violation at Monterey Peninsula Landfill

The Board reviewed a letter from and to the California Regional Water Quality Control Board Central Coast Region regarding a recent ink spill at the District site. Senior Engineer's response lists corrective action measures and other preventative measures to be taken to minimize the potential for future releases.

11) Letter from City of Capitola RE: Request to Formalize Acceptance of Capitola Waste

The Board reviewed a letter from the city of Capitola requesting to formalize the existing practice of bringing their wastestream to the District site. General Manager stated that staff will meet with officials from Capitola and report back to the Board.

BOARD COMMUNICATIONS

Chair Laska stated that the Budget/Personnel Ad Hoc Committee would be appointed at the March meeting and asked for volunteers. Director Downey expressed appreciation to Legal Counsel and General Manager for providing her with background information about the District and current issues.

CLOSED SESSION

The Board went into closed session at 11:34 a.m. regarding the following:

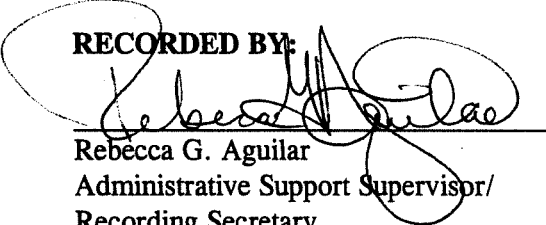
- 1) Conference with Property Negotiators
Property: Landfill Site Space/Capacity
District Negotiators: William Merry, Tim Flanagan, and Rick Shedden
Negotiating Parties: Santa Clara County, Santa Cruz County,
Salinas Valley Solid Waste Authority
Terms: All Terms and Conditions
- 2) Conference with Legal Counsel - Anticipated Litigation
a) Significant Exposure to Litigation Pursuant to Subdivision (b) of Section 54965.9: 1 case
- 3) Conference with Labor Negotiators
District Negotiators: William Merry and Richard Norton
Employee Organizations: Service Employees International Union

The Board came back into open session at 12:24 p.m. Legal Counsel Wellington announced that the Board had received information for all of the items on the agenda, and no action was taken.

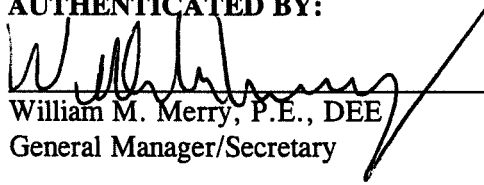
ADJOURNMENT

There being no further business to come before the Board at this time, the February 16, 2007 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to March 16, 2007 by Chair Laska at 12:25 p.m.

RECORDED BY:


Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:


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