

BOARD OF DIRECTORS

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VICE CHAIR

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LIBBY DOWNEY
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BRUCE DELGADO
DENNIS ALLION



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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

Friday, 9:30 a.m.
June 17, 2011

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT: Leo Laska (Chair), Pebble Beach Community Services District Boardmember
Sue McCloud (Vice Chair), City of Carmel-by-the-Sea Mayor
Gary Bales, City of Pacific Grove
David Pendergrass, City of Sand City Mayor
Libby Downey, City of Monterey Councilmember
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4
Ian Oglesby, City of Seaside Councilmember
Bruce Delgado, City of Marina Mayor

MEMBERS ABSENT: Dennis Allion, City of Del Rey Oaks Councilmember

STAFF PRESENT: William Merry, General Manager
Tim Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Richard Norton, Administrative Service Manager
Rick Shedden, Senior Engineer
Don Prescott, Information Technology Manager
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Jack Cook, Safety Manager
Richard Petitt, Site Manager
Harry Hunzie, Material Recovery Facility Manager
Ron Mooneyham, Equipment Maintenance Manager
Rebecca Aguilar, Administrative Support Supervisor
Kimberle Herring, Public Education Coordinator
Sonia Haro, Administrative Support Specialist
Clyde Walkup, MRF Operations Supervisor/OE3 Operations Shop Steward

OTHERS PRESENT: Charlie Cordova, GreenWaste Recovery
Gabriela Carbajal, Monterey County Environmental Health Bureau
Teresa Rios, Monterey County Environmental Health Bureau
Brad Hagemann, Monterey Regional Water Pollution Control Agency
Suha Kilic, Pebble Beach Community Services District
Paige Johnson Roetter, Paige Johnson Design, Inc.

OTHERS PRESENT: Jose Gamboa, Salinas Valley Solid Waste Authority
(Continued) Felipe Melchor, Waste Management, Inc.
Jay Ramos, Waste Management
Lewis Leader
David Myers

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the June 18, 2011 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Laska at 9:30 a.m.

PUBLIC COMMUNICATIONS

Felipe Melchor, General Manager for Waste Management, addressed the Board and asked that they save the date of July 13, 2011 for the ribbon cutting ceremony for their new compressed natural gas fueling station at their Castroville facility. He stated that formal invitations would be sent out soon. He also expressed concern on a comment made by the General Manager in communication with the City of Carmel-by-the-Sea, in reference to a "pass through" clause contained in the franchise agreement. He stated that the pass through clause was in the agreement and a letter would be sent to the District asking that the General Manager rescind his statement. A letter would also be sent to the City. Vice Chair McCloud clarified that a general comment had been made in communication with District Legal Counsel and not the General Manager.

CONSENT AGENDA

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

- 1) **Approve Minutes of May 20, 2011 Regular Board Meeting**
- 2) **Approve Report of Disbursements**

PRESENTATIONS

- 3) **Presentation by Monterey County Environmental Health Bureau RE: Clean up Day**

Gabriela Carbajal, Monterey County Environmental Health Bureau, provided the Board with a verbal report on the results of the 6th Annual Monterey County Cleanup Day held on April 16, 2011. A total of 1,280 volunteers cleaned up litter and debris at 32 sites throughout the county.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 4) **Accept Report from Finance Committee Chair on Meeting of June 1, 2011**

The Board reviewed a memorandum from Chair Laska summarizing the June 1, 2011 meeting, in which discussion had centered on the Preliminary Budget for fiscal year (FY) 2011/12. The Finance Committee

directed staff to present the Final Budget without a cost of living tip fee increase, along with information on the dollar impact of a 2.8% tip fee increase, for Board consideration after negotiations have been completed.

It was moved by Vice Chair McCloud, seconded, and *Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of June 1, 2011.*

5) Adopt Resolution 2011-05 Authorizing Expenditure of Funds Pending Adoption of Final Budget for Fiscal Year 2011/12

Chair Laska stated that because the Final Budget for FY 2011/12 would not be ready for adoption until after negotiations with the employee bargaining groups had been completed, adoption of the resolution would allow the District to continue to cover usual and customary expenses into the new FY.

Vice Chair inquired whether the expenditures would follow federal guidelines which allowed for expenditures approved in the current year budget. Legal Counsel stated that the Preliminary Budget, approved by the Board at their May 15th meeting, established the expenditure guidelines.

It was moved by Director Parker, seconded, and *Unanimously Carried To: Adopt Resolution 2011-05 Authorizing Expenditure of Funds Pending Adoption of Final Budget for Fiscal Year 2011/12.*

6) Approve Memorandum of Understanding with Monterey Regional Water Pollution Control Agency for Renewable Energy Facility and Master Plan Project

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding a memorandum of understanding (MOU) with the Monterey Regional Water Pollution Control Agency (MRWPCA) for a renewable energy facility and Master Plan project. Assistant General Manager stated that during the last 18 months, both staffs have been discussing the feasibility of combining the MRWPCA's digester gas and the District's landfill gas, to support one energy production facility, as well as a long term management plan for biosolids. He expressed appreciation to MRWPCA staff and stated that the discussions and efforts have been beneficial to both agencies.

Board discussion followed regarding language in the MOU. Director Bales expressed concern about committing to \$30 per ton for acceptance of biosolids for a period of five years. Assistant General Manager responded that the \$30 per ton was the current rate and the five year period had been established since both staffs believe that within that time a better processing plan for biosolids will be developed. Legal Counsel stated that many MOUs are very detailed, similar to a memorandum of agreement, although there are also MOUs such as this one, where both parties agree to cooperate. He agreed that language could be added to clarify the Board's concern, such as that the parties "presently anticipate that" the District will accept the biosolids at the \$30 per ton rate.

Board discussion followed regarding the handling process for the biosolids and whether the \$30 per ton rate covered the processing. Assistant General Manager stated that staff has changed the handling process to minimize the costs, although it may be that the District subsidizes that cost slightly.

Director Downey applauded the District and the MRWPCA for their cooperative and collaborative efforts.

It was moved by Vice Chair McCloud, seconded, and *Unanimously Carried To: Approve Memorandum of Understanding with Monterey Regional Water Pollution Control Agency for Renewable Energy Facility and Master Plan Project, with the Added Language Provided by Legal Counsel.*

7) Accept Report from Personnel Committee Chair on Meeting of June 1, 2011

The Board reviewed a memorandum from Chair Laska summarizing the June 1, 2011 meeting, in which discussion had centered on the status of employee negotiations. He stated that there had been some discussion on additional employee positions, although no direction had been provided due to the limited time for discussion.

Vice Chair McCloud inquired whether the additional positions were new positions or positions already included in the current budget. General Manager commented that it was both; one new position was needed to staff the buyback center, and refilling of four positions vacated in the District Materials Recovery Facility, in an effort to meet the state's Green Building Standards Code requirements for a total of five positions.

It was moved by Director Parker, seconded, and Unanimously Carried To: Accept Report from Personnel Committee Chair on Meeting of June 1, 2011.

8) Accept Summary of April 21, 2011 Board Strategic Planning Workshop

The Board reviewed a summary of the April 21st Strategic Planning Board Workshop, "The MRWMD in Year 2020", prepared by Candy Ingram and her staff, with input by District staff. General Manager stated that action items in the summary would be incorporated into a revised Workplan, which would be presented to the Board at the July or August Board meeting.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Accept Summary of April 21, 2011 Board Strategic Planning Workshop.

9) Receive Staff Report and Provide Direction on New Organizational Identity and Logo

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal regarding the consideration of an organizational identity and logo change. General Manager stated this item had been discussed at the Board's April 21st Strategic Planning Workshop.

Public Education and Recycling Manager stated that in conjunction with the District's 60th anniversary and because of the confusion with the name of one of the local franchise haulers, Waste Management, staff was pursuing Board direction on changing the organizational identity and logo of the District. He provided a presentation with background information on the current logo and the definition of "waste" versus "resource" and the definition of "resource recovery" versus "resource management". He stated that consideration is being given to replace "Waste Management" with "Resource Recovery" in the District's name, to more clearly reflect the vision and function of the District, and provided various sample logos which incorporate that change.

Board discussion followed regarding the various logos. Vice Chair McCloud stated that "Monterey Regional Resource Recovery District" incorporated the 3Rs. Director Delgado expressed concern regarding the expense of changing all of the District's business stationary, apparel, website, etc. Chair Laska inquired on the impact of losing the good name and associated recognition of the District's name. Public Education and Recycling Manager responded that he estimated it would cost about \$10,000 to incorporate the change and that the District was really recognized locally by the Last Chance Mercantile and the Small Planet Garden. After discussion and input from the Board, staff was directed to provide additional information at the August 19, 2011 Board meeting, as well as anticipated costs to implement the change.

No Action Taken.

STAFF REPORTS**10) Review Finance, Operating, and Recycling Reports**

The Board reviewed the financial statements for April and May 2011. The Operating Income for May is \$149,004 and year-to-date income of \$1,805,181. The year-to-date total Operating Expenses are above budget by 1.0% at \$16,031,509. The year-to-date Operating Revenues are \$17,836,690, above last year by \$1,740,508 and 9.2% above budget. The tonnage for the month of May decreased by 4.2% from last month. Year-to-date tipping fee revenues increased to 10.6% above budget.

The Board reviewed the Operating Report for May 2011. The Total Solid Waste Accepted into the site (excluding Regional Waste) during December 2011 was 22,929 tons. Regional refuse tonnage from the cities of Watsonville, Capitola, and Scotts Valley was 1,037, 586, and 631, respectively. Regional Waste from GreenWaste Recovery was 12,690 tons of refuse and 1,793 tons of alternate daily cover (ADC).

11) Report on Public Education, Recycling and Litter

The Board reviewed a memorandum from Public Education and Recycling Manager regarding the implementation of parking lot signs at local grocery stores reminding customers to use reusable bags, funded by the Central Coast Recycling Media Coalition (CCMRC). He also reported that District staff had completed the CalRecycle beverage container and litter abatement funding requests for most of its member cities. In the past, the cities have pledged all or part of their funding back to the District to help fund the CCRMRC, which promotes beverage container recycling and litter reduction, regionally, through radio and television advertising as well as other public outreach campaigns such as the parking lot signs.

12) Report on LAFCO's Final Fiscal Year 2011/12 Budget and Work Plan

The Board reviewed LAFCO's Final Budget for FY 2011/12, along with their Draft Final Work Program for the year. General Manager reported that LAFCO had adopted their Final Budget on May 23rd, which is 4% less than the current fiscal year's budget, and the District's contribution will be \$35,006. District staff reviewed LAFCO's Budget and Work Program and found them to be reasonable. He also noted that in the Work Program, municipal service reviews of water, wastewater, and solid waste districts are expected to be initiated during the early part of 2012.

13) Report on June 2, 2011 SWANA Legislative Task Force Meeting

General Manager reported on the June 2, 2011 Legislative Task Force teleconference meeting. He stated that AB 341 (Chesbro), which calls for a 75% diversion goal by 2020, had passed off the Assembly floor on a very close vote and late at night.

14) Report on June 3, 2011 Monterey Bay Regional Climate Action Summit

The Board reviewed a memorandum from Assistant General Manager along with the article from the *Santa Cruz Sentinel*, regarding the June 3rd summit held in Santa Cruz to discuss climate change on the Central Coast.

OTHER CORRESPONDENCE**15) Letter from the Golden State Theatre RE: Appreciation for Showing of "Bag It" Film**

The Board reviewed a letter from the Golden State Theatre applauding the District for assisting in the coordination of, and participation in, the public viewing of the film "Bag It".

GENERAL MANAGER COMMUNICATIONS

General Manager reported that Dan Niles of the Central Coast Regional Water Regional Water Quality Control Board (RWQCB) had conducted the annual landfill site inspection June 2, 2011, and had found no violations. Mr. Niles attended an internal meeting for the Module 5, 30% design review meeting, and had provided input on key design criteria.

The Board received the 2011 California Special District Association Education Catalog. Three of the workshops will be hosted by the District in the Boardroom. General Manager asked the Board to consider participating in the training, which would provide an insurance premium reduction to District through the Special District Risk Management Authority Credit Incentive Program.

General Manager stated that staff is considering holding a workshop following the September Board meeting, consisting of city managers and Board members to discuss the model franchise agreements and the District's facilities plan. Vice Chair McCloud commented that it would be helpful for the General Manager to first meet with the city managers without Board members present, on the workshop topics to facilitate discussion. General Manager accepted the comment and stated that he has met with three city managers and he would plan on meeting with the rest of the city managers prior to holding a workshop.

BOARD COMMUNICATIONS**16) Report by Director Bales on SWANA Western Regional Symposium**

Director Bales provided the Board with a summary on his attendance at the SWANA Western Regional Symposium held at the Embassy Suites in Seaside on May 16-19. General Manager stated that Director Allion and other District staff, some of whom participated as speakers or moderators, had attended the Symposium.

ELECTION OF OFFICERS FOR FISCAL YEAR 2011/2012

Director Downey stated that at a recent Monterey-Salinas Transit meeting, it had been suggested that the positions of Chair and Vice Chair be rotated among Board members. She asked that this item be discussed at the Personnel Committee meeting. Director Pendergrass commented that rotation was not always the best since some Board members were not interested in serving in that role. Director Delgado inquired whether any other Board members were interested in serving and none expressed an interest.

It was moved by Director Pendergrass, seconded, and Unanimously Carried To: Re-elect Leo Laska as Chair and Sue McCloud as Vice Chair for Fiscal Year 2011/12.

CLOSED SESSION

The Board went into closed session at 11:07 a.m. regarding the following:

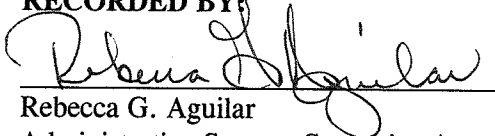
- 1) Conference with Property Negotiators:
Property: Landfill Site Space/Capacity
District Negotiators: William Merry and Tim Flanagan
Negotiating Party: County of Monterey
Terms: All Terms and Conditions
- 2) Conference with Labor Negotiators:
District Negotiators: William Merry, Richard Norton and Tim Flanagan
Employee Organizations: Operating Engineers and Management Employees

The Board came back into open session at 11:48 a.m. Legal Counsel announced that with regard to closed session agenda Item 1, no discussion had been held. With regard to closed session agenda Item 2, information was provided to the Board, and instructions were given to the negotiators. No other action was taken.

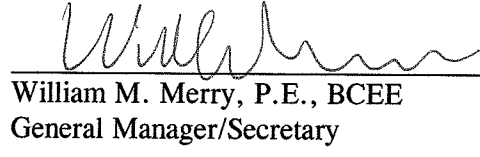
ADJOURNMENT

There being no further business to come before the Board at this time, the June 17, 2011 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to July 15, 2011 by Chair Laska at 11:49 a.m.

RECORDED BY:


Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:


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