

## BOARD OF DIRECTORS

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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.  
September 17, 2010Boardroom  
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  
Libby Downey, City of Monterey Councilmember  
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4  
Ian Oglesby, City of Seaside Councilmember (Seated at 9:38 a.m.)

**MEMBERS ABSENT:** David Pendergrass, City of Sand City Mayor  
Bruce Delgado, City of Marina Mayor  
Kristin Clark, City of Del Rey Oaks Vice Mayor

**STAFF PRESENT:** William Merry, General Manager  
Tim Flanagan, Assistant General Manager  
Rob Wellington, Legal Counsel  
Rick Shedden, Senior Engineer  
Richard Norton, Administrative Services Manager  
Chuck Rees, Finance Manager  
Don Prescott, Information Systems Manager  
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager  
Harry Hunzie, Materials Recovery Facility (MRF) Manager  
Jeff Lindenthal, Public Education & Recycling Manager  
Jack Cook, Safety Manager  
Ron Mooneyham, Equipment Maintenance Manager  
Rebecca Aguilar, Administrative Support Supervisor  
Amber Watson, Administrative Support Specialist II  
Kimberle Herring, Public Education Coordinator  
Clyde Walkup, MRF Operations Supervisor/OE3 Operations Shop Steward

**OTHERS PRESENT:** Shellie Anderson, Byrce Consulting  
Charlie Cordova, GreenWaste Recovery  
Tim Raibley, HDR Engineering  
Suzan Fine, Hourly Represented Unit Representative  
Gricelda Barrow, LiUNA Laborers Construction Union

**OTHERS PRESENT:** Matt Fore, Monterey County Environmental Health Bureau  
**(continued)** Teresa Rios, Monterey County Environmental Health Bureau  
Tom Buell, Monterey Regional Water Pollution Control Agency  
Mike Niccum, Pebble Beach Community Services District  
Patrick Mathews, Salinas Valley Solid Waste Authority  
Lewis Leader

### ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and the presence of a quorum established, the September 17, 2010 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

There were no public communications.

### CONSENT AGENDA

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

- 1) **Approve Minutes of August 20, 2010 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Authorize Issuance of Request for Proposals for Purchase of New Excavator**
- 4) **Authorize General Manager to Purchase Used Fuel Truck at an Estimated Cost of \$120,000 or to Issue a Request for Proposals for the Purchase of a New Fuel Truck**
- 5) **Authorize Issuance of Request for Proposals to Consultants to Prepare Plans and Specifications for Construction of Landfill Module 5**
- 6) **Deny Claim Against District Filed by Thompson & Bileci, LLP, Attorneys at Law, for Ellen C. O'Shaughnessy, and Refer to Special District Risk Management Authority for Further Action**

### OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 7) **Accept Report from Finance Committee Chair on August 24, 2010 Meeting**

The Board reviewed a memorandum from Chair Laska summarizing the August 24<sup>th</sup> Finance Committee meeting. General Manager stated that GreenWaste Recovery (GWR) had begun delivery of the guaranteed 75,000 tons of regional waste annually. The Committee had recommended that upon execution of the GWR agreement, the budgeted \$5 per ton increase in the basic tipping fee should be deferred, and replaced with a cost of living adjustment of 1.7%, or approximately \$0.75 per ton effective January 1, 2011. He suggested that staff report back to the Board at their October meeting on how the additional revenue from the GWR agreement affects the budget and provide a recommendation to the Board.

General Manager also commented that during the discussion of the recently completed Conceptual Master Development Plan, prepared by HDR Consultants, the Committee had directed staff to review the wording in the proposed County General Plan regarding buffer zones around active landfills. He stated that the proposed language is weaker than previous drafts, with the wording regarding buffer zones taken out of one section of the General Plan and the word "may" replacing "shall" with regard to the County adopting an ordinance to establish a 1,000 foot buffer zone around landfills, in another section. He suggested that staff send a letter to the County expressing these concerns over the weakened language. Director Parker stated she had raised the question at a recent Monterey County Board of Supervisors meeting and stated a letter would be appropriate. Staff was directed to send such a letter.

**It was moved by Director Parker, seconded, and *Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of August 24, 2010.***

**8) Receive Presentation from HDR Consultants, and Accept Report Titled: Conceptual Master Development Plan - Monterey Regional Solid Waste, Wastewater, Renewable Energy and Related Facilities**

The Board received a copy of the Conceptual Master Development Plan - Monterey Regional Solid Waste, Wastewater, Renewable Energy and Related Facilities, prepared by HDR Consultants (HDR). General Manager stated that the report had been prepared in partnership with the Monterey Regional Water Pollution Control Agency (MRWPCA) to look at existing programs and operations, along with potential future programs related to recovery of resources and generation of renewable energy. The Board also reviewed a list of priorities prepared by staff which could be a guide on where to focus in the near term while considering longer term goals.

Tim Raibley of HDR, addressed the Board and provided an overview of the existing functions of both the District and the MRWPCA. He stated although both the District and the MRWPCA have many excellent functions and programs, there were still many other opportunities for development of future uses of both sites to complement current functions, such as an improved biogas plant, anaerobic digestion facility, solar power field, and conversion technologies. The Board was provided a map of the sites outlining where future operations could be established. He provided a list of top short term (within 6 to 24 months), medium term (2-5 years), and long term (beyond 5 years) priorities.

Board discussion followed the differences of bioreactor landfill and anaerobic digestion, proposed expansion of the District's Materials Recovery Facility (MRF), and whether the short term priorities could be conducted with the current site structure. Mr. Raibley stated that the feedstock for anaerobic digestion, which consists of green waste and food waste, decomposes quicker than the solid waste in a bioreactor landfill. With regard to the MRF expansion, Chair Laska stated that there seemed to be a consensus to expand the MRF for higher diversion and added that a question remained whether the operation of the MRF could or should be contracted out.

General Manager stated that the next step for staff was to work cooperatively with the MRWPCA to discuss potential opportunities to work together and suggested that the list of priorities be brought back to the Board for further consideration at a future meeting.

**It was moved by Director Downey, seconded, and *Unanimously Carried To: Receive Presentation from HDR Consultants, and Accept Report Titled: Conceptual Master Development Plan - Monterey Regional Solid Waste, Wastewater, Renewable Energy and Related Facilities.***

9) **Approve Memorandum of Understanding (MOU) Between the Monterey Regional Waste Management District, Marina Coast Water District, Monterey County Water Resources Agency, and Monterey Regional Water Pollution Control Agency in Support of the Regional Water Project**

The Board reviewed a memorandum from Information Systems Manager Don Prescott regarding a revised Memorandum of Understanding (MOU) between the District, the Marina Coast Water District (MCWD), the Monterey County Water Resources Agency (MCWRA), and the Monterey Regional Water Pollution Control Agency (MRWPCA), in support of developing a renewable energy facility to support the Regional Water Project (RWP). The MOU was revised at the direction of the Board at their August meeting, which was to create two MOUs, one for the RWP and another one for the Salinas Valley Water Project (SVWP). The SVWP MOU is a two-party agreement between the MCWRA and the District.

Board discussion followed regarding the power demands of the two water projects, ability to meet the demands, power output of the proposed new power plant, and ensuring that the RWP was given first priority for power demands. Information Systems Manager stated that 6.3 megawatts (MWs) were needed for the RWP initially and 1.2 MWs were needed for the SVWP. Although the proposed renewable power plant would be designed to house six engine/generators, which generate 1.5 MWs each, the plan would be to initially install only five engine/generators to produce 7.5 MWs and meet the initial needs of both projects.

*It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Approve Memorandum of Understanding Between the Monterey Regional Waste Management District, Marina Coast Water District, Monterey County Water Resources Agency, and Monterey Regional Water Pollution Control Agency in Support of the Regional Water Project.*

10) **Approve Memorandum of Understanding Between the Monterey Regional Waste Management District and the Monterey County Water Resources Agency in Support of the Salinas Valley Water Project**

Discussion for this item was held in conjunction with Item 9.

*It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Approve Memorandum of Understanding Between the Monterey Regional Waste Management District and the Monterey County Water Resources Agency in Support of the Salinas Valley Water Project.*

**STAFF REPORTS**

11) **Review Finance, Operating, and Recycling Reports**

General Manager reported that the financial statements were not available as the June financials were still open to capture actual fiscal year (FY) 2009/10 financial activity, although operating income for FY 2009/2010 was \$670,000 or 6% below budget. The preliminary Tipping Fees Revenue for August 2010 was \$1,050,000, below last year by \$50,000, and at budget for FY 2010/11. Refuse Accepted (excluding Regional Waste) in August was 17,603 tons. General Manager also reported that the auditors have completed their fieldwork and are performing their reviews in order to prepare and complete the FY 2009/10 audit.

The Operating Report for August 2010 was reviewed by the Board. The Total Solid Waste Accepted into the site (excluding regional waste) during August was 25,555 tons. The cities of Watsonville, Scotts Valley and Capitola delivered 99 tons, 580 tons, and 846 tons of regional waste, respectively.

**12) Report on August 12, 2010 Strategic Planning Advisory Task Force Meeting**

The Board reviewed a memorandum from Recycling and Public Education Manager Jeff Lindenthal, along with the minutes from the August 12<sup>th</sup> Strategic Planning Advisory Task Force (SPATF) meeting, and planned discussion for the September 15, 2010 SPATF meeting. The consultant, HF&H, will be providing a preliminary report of findings to the Board at the October meeting, and will answer questions and take input at that meeting. Such input will be incorporated into a final report to the Board, anticipated for the December meeting.

**13) Report on September 8, 2010, Monterey County Integrated Waste Management Task Force Meeting**

General Manager reported on the September 8<sup>th</sup> meeting of the Monterey County Integrated Waste Management Task Force (MCIWMTF) and stated that attendance had been low and a quorum was not present at the meeting. The adoption of the updated Countywide Non Disposal Facility Element (NDFE) will be delayed until the next meeting, set for 2 p.m., December 1, 2010, at the District administrative offices, since the State requires the MCIWMTF to approve the NDFE.

Vice Chair McCloud commented that with only 9 of the 27 member agencies represented at the meeting, it might be prudent to look at other committees or task forces that may have similar member agency representation and topic discussion, and consider piggybacking the meetings. General Manager responded that the MCIWMTF was a requirement of AB 939, and as Chair of the MCIWMTF, he would discuss Vice Chair McCloud's suggestion with the County.

**14) Reports on Solid Waste Association of North America 2010 Wastecon Technical Conference and Tradeshow**

Reports on SWANA's annual Wastecon Conference were provided to the Board by Director Bales and staff. Assistant General Manager and Public Education and Recycling Manager both gave presentations at Wastecon, and staff was involved at meetings or moderating sessions at the conference.

General Manager noted that there were over 400 developers of conversion technologies in the U.S. and it was highly recommended by experts at Wastecon to be very careful with promised results from developers, and to be sure to check out promises, facts, and dates.

**15) Report on SWANA Legislative Task Force (LTF) and Legislative Update**

General Manager reported on the SWANA Legislative Task Force (LTF) teleconference held on September 2<sup>nd</sup>. CalRecycle (CR) Executive Director, Mark Leary, participated as a guest speaker and discussed that CR is proposing to assess a fee relative to financial assurance reviews for landfills. The purposed annual fee would range from \$5,000 to \$15,000 per landfill, beginning in 2011, due to reductions in revenue from tipping fees because of reduced tonnages. The impact of this fee to the District is anticipated to be \$10,000 to \$15,000 per year. General Manager also reported that discussions were occurring at the State level that would significantly increase the design criteria the State would apply in reviewing financial assurance reports for landfills, such as using Maximum Credible Earthquake event standards on Class III landfills, which is above the Maximum Probable Earthquake event standards in Title 27 CCR. The increased design standard could cost each landfill operator tens of thousands or even hundreds of thousands of dollars to conduct and prepare the engineering studies. The LTF is engaged in discussions with State staff over their proposals.

**OTHER CORRESPONDENCE**

**GENERAL MANAGER COMMUNICATIONS**

General Manager reported that following the submission of a proposal for processing of their organics material, District staff has an interview on October 1<sup>st</sup> with the Salinas Valley Solid Waste Authority.

**BOARD COMMUNICATIONS**

**CLOSED SESSION**

The Board went into closed session at 11:05 a.m. regarding the following:

1) Conference with Labor Negotiators:

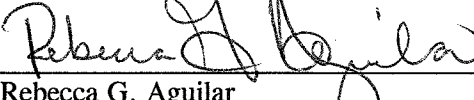
District Negotiators: William Merry, Richard Norton and Tim Flanagan  
Employee Organizations: Operating Engineers, Hourly Represented Unit, and Management Employees

The Board came back into open session at 12:17 p.m. Legal Counsel announced that the Board had received information from staff and the consultant, and provided direction to the negotiators. No other action was taken.


**ADJOURNMENT**

There being no further business to come before the Board at this time, the September 17, 2010 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to October 15, 2010 by Chair Laska at 12:18 p.m.

**RECORDED BY:**

  
Rebecca G. Aguilar  
Administrative Support Supervisor/  
Recording Secretary

**AUTHENTICATED BY:**

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