

BOARD OF DIRECTORS

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VICE CHAIR

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DAVID PENDERGRASS
LIBBY DOWNEY
JANE PARKER
IAN OGLESBY
BRUCE DELGADO
KRISTIN CLARK



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

Friday, 9:30 a.m.
September 18, 2009

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
Libby Downey, City of Monterey Councilmember
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4
Bruce Delgado, City of Marina Mayor
Kristin Clark, City of Del Rey Oaks Vice Mayor

MEMBERS ABSENT: David Pendergrass, City of Sand City Mayor
Ian Oglesby, City of Seaside Councilmember

STAFF PRESENT: William M. Merry, General Manager
Rob Wellington, Legal Counsel
Tim Flanagan, Assistant General Manager
Rick Shedden, Senior Engineer
Richard Norton, Administrative Services Manager
Don Prescott, Information Systems Manager
Jeff Lindenthal, Public Education and Recycling Manager
Richard Petitt, Site Manager
Ron Mooneyham, Equipment Maintenance Manager
Harry Hunzie, Materials Recovery Facility (MRF) Manager
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Rebecca Aguilar, Administrative Support Supervisor
Clyde Walkup, MRF Operations Supervisor/OE3 Operations Shop Steward
Ed Radie, MRF Supervisor
Jeaneva Fresquez, MRF Operator II
Marco Corona, MRF Operator II

OTHERS PRESENT: Angela Brantley, City of Monterey
Tom Buell, Monterey Regional Water Pollution Control Agency
Joseph P. Russell
Lewis Leader

INTRODUCTION OF NEW BOARDMEMBER KRISTIN CLARK

Chair Laska welcomed new Boardmember, Kristin Clark, Vice Mayor for Del Rey Oaks, on behalf of the Board, and stated he looked forward to having Vice Mayor Clark serve on the Board.

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice having been duly given and the presence of a quorum established, the September 18, 2009, 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 comments from the public.

CONSENT AGENDA

Chair Laska requested Item 6 be acted on separately from the other Consent Agenda items.

- 6) **Adopt Resolution of Appreciation (2009-11) for Outgoing Del Rey Oaks Representative Joseph P. Russell**

It was moved by Director Parker, seconded, and Unanimously Carried To: Adopt Resolution of Appreciation (2009-11) for Outgoing Del Rey Oaks Representative Joseph P. Russell.

Chair Laska presented Joe Russell with the Resolution on behalf of the Board and stated it had been a pleasure working with him over the last five years on the District Board. Mr. Russell addressed the Board and stated it has also been a pleasure for him to serve on the District Board especially since the city of Del Rey Oaks had been a founding member of the District.

Following a motion by Director Delgado, and seconded, the Board approved the following actions under Consent:

- 1) **Approve Minutes of August 21, 2009 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Authorize Issuance of Request for Proposals for Purchase of Water Truck**
- 4) **Authorize Issuance of Request for Proposals for Purchase of Excavator**
- 5) **Authorize Issuance of Request for Proposals for Purchase of Aerial Lift**

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

7) Accept Report from Finance Committee Chair on Meeting of September 9, 2009

The Board reviewed a memorandum from the Chair of the Finance Committee on the meeting held on September 9, 2009. The Finance Committee received staff reports on operations and finances of the District. The Finance Committee continues to review declined tonnages and its effect on the District's revenue. They also discussed alternate funding and the sale of carbon offset credits.

Chair Laska stated staff is concerned with the continual delay of capital purchases and its effect on the District operations, which should be taken into consideration during preparation of next year's budget. He stated that a meeting of the District's Strategic Planning Advisory Task Force had been held on September 16th, at which funding and tip fee increases had been discussed. Representatives of most of the member cities attended and provided ideas to help the District continue to be financially viable and maintain the level of services that it provides.

Director Delgado asked what the current estimate for refuse tonnage was for fiscal year (FY) 2009/10 since, as stated in Chair Laska's memorandum, it was doubtful the District would receive the 205,000 tons projected in the current fiscal year budget. General Manager responded that the estimate was now approximately 195,000. He referred the Board to a chart attached to the memorandum, which showed the impact on District reserves with the decreased tonnage. He stated that refuse tonnage may never return to levels of previous years and even with a projected \$5 tip fee increase in January 2011, the District would still need to utilize reserves in FY 2013/14 and the reserve level would fall below the 20% level.

Board discussion followed regarding the impact of the economy on reduced waste tonnages, along with increased community efforts in reducing waste. Vice Chair McCloud suggested since this was a dilemma affecting solid waste organizations around the country, it would seem that the Solid Waste Association of North America should be helpful in finding solutions to this dilemma.

No Action Taken.

8) Authorize General Manager to Implement Final Pandemic H1N1 Influenza Preparedness and Response Plan (Item May be Continued Until After Closed Session)

The Board reviewed a memorandum from Administrative Services Manager Rich Norton requesting the Board to authorize the General Manager to implement a Final Pandemic H1N1 Influenza Preparedness and Response Plan after existing personnel policy questions have been resolved with the employee units. General Manager stated that staff has been working for several months on the plan.

Administrative Services Manager stated that the upcoming flu season is anticipated to be more severe because of the H1N1 flu which is why staff had been working on a response plan. Consideration was given to reduced levels of staffing should an outbreak occur, and what steps should be taken to protect the health of employees and the public. He provided an overview of the draft plan to the Board and stated that there were certain elements of the plan that still needed to be resolved. He stated that the plan was scaleable and could be affected by outside authorities, such as the county or the state, if there were an outbreak.

Vice Chair McCloud requested that staff consider establishing a list of employees who are cross trained and could fill in for others and that if there were an outbreak, there might be fewer customers utilizing the site, and perhaps staff should consider reduced hours of operation. She also inquired whether this could be discussed in closed session to which Legal Counsel responded that since there were some aspects of the plan that affected personnel policies, it was a meet and confer issue, and therefore could be discussed in closed session as a labor negotiation item.

Director Downey applauded staff for their efforts since it was very important to consider the health and safety of the public. Chair Laska requested that any action, if necessary, on this item be postponed until after the closed session to which the Board agreed.

9) Authorize General Manager to Select a Firm for the Sale of Carbon Offset Credits and Present Contract for Board Approval in October

The Board reviewed a memorandum from Information Systems Manager Don Prescott regarding an opportunity for the District to sell its carbon offset credits which are available through destruction of landfill gas during the combustion process of the engines in generating renewable power. General Manager stated that staff had discussed this matter with the Finance Committee. In order to submit an application to the Climate Action Reserve (CAR) by their deadline in November, staff is requesting that the Board authorize him to select a firm and come back to the Board in October with a contract for their approval. Staff will request a proposal from three interested firms that specialize in the funding of greenhouse gas reducing projects and the marketing of the offset credits, and the variances and procedures with submitting an application to CAR. General Manager stated that the District could realize additional revenue of up to \$250,000 per year with the transaction.

Board discussion followed regarding how the sale of carbon offset credits is carried out, ensuring the District receives a fair market price, and any affect it may have on the sale of electricity to a water project. Information Systems Manager explained the process to the Board. General Manager stated staff would inquire from the firms about receiving the best price possible and responded that this transaction is not expected to affect the sale of electricity to a water project. Chair Laska asked that Legal Counsel provide a thorough review of the contract.

It was moved by Director Downey, seconded, and Unanimously Carried To: Authorize General Manager to Select a Firm for the Sale of Carbon Offset Credits and Present a Contract for Board Authorization in October.

10) Authorize Staff to Prepare Information Necessary to Pursue State Legislation to Allow District to Adopt Ordinances

General Manager stated the matter of the District adopting ordinances has come up several times over the last few years, particularly related to waste flow control and the Construction and Demolition Model Ordinance. If the District were able to adopt ordinances, it would assist to ensure that waste does not flow out of the District's watershed, aid in carrying out commercial and other recycling programs, and contribute to the support of the public infrastructure for recycling and waste management.

Director Bales inquired if the District had the ability to adopt ordinances, and would it apply to all District business. Legal Counsel responded that such would be the case, just as all cities, counties, and other special districts have the authority to adopt ordinances. Unfortunately, in the Garbage and Refuse Disposal District's Public Resources Code, language was not included to allow adoption of ordinances.

Vice Chair McCloud requested that staff seek this proposed legislation from both the Assembly and the Senate. Chair Laska inquired the length of time this process could take to which Legal Counsel responded that it could take 12 to 18 months.

It was moved by Vice Chair McCloud, seconded, and Unanimously Carried To: Authorize Staff to Prepare Information Necessary to Pursue State Legislation to Allow District to Adopt Ordinances.

11) Provide Direction on Pursuing State Legislation to Modify Public Resources Code with Regard to Boardmember Per Diem

The Board reviewed a memorandum from Legal Counsel Rob Wellington regarding Board member per diem as dictated by the Public Resources Code for Garbage and Refuse Disposal Districts, which states that "Members of the district board may also receive not more than fifty dollars (\$50) per diem for each day of actual attendance at the meetings of the board... No member of the district board shall, however, receive more than one hundred dollars (\$100) per diem in any calendar month." General Manager stated that District committees have been meeting more frequently over the last two or three years and it was appropriate that Board members be compensated for the time devoted to District business. Staff would seek legislation to change the framework for compensating Boardmembers to allow payment of up to \$100 per meeting, not to exceed payment of \$600 per month. The Board could then consider changes to the per diem allowance if they so chose.

It was moved by Director Bales, seconded, and Unanimously Carried To: Authorize Staff to Pursue State Legislation to Modify the Public Resources Code with Regard to Boardmember Per Diem.

12) Receive Report on Status of Stimulus Funding

The Board reviewed a memorandum from Finance Manager Chuck Rees. As discussed in the report, staff continues efforts to identify eligible projects for Stimulus Funding.

No Action Taken.

STAFF REPORTS

13) Financial, Operating, and Recycling Reports

The financial statements for July and August were not available because the June financials are still open due to fiscal year end financial activity. The auditors have completed their fieldwork and are performing their reviews with the annual audit. Preliminary July and August accounting data show that Total Tipping Fees Revenue is \$2,225,000, up from prior months due primarily to resumption of sludge and problem waste from agriculture sources and the power plant at Moss Landing. The Board reviewed a chart which provided a graphical perspective to the continued decrease in waste being brought to the landfill.

The Board reviewed the Operating Report for August 2009. The Total Solid Waste Accepted into the site (excluding regional waste from Santa Cruz County and Watsonville) was 25,611 tons, a decrease of 692 tons from July 2009 and down 682 tons from July 2008. The Regional Waste tonnage increased 53 tons from July 2009.

13a) Diversion Focus on Materials Recovery Facility “Unders”

General Manager stated that the diversion of Materials Recovery Facility (MRF) unders, which was mostly dirt and inert material, was a process that required minimal labor, but it accounted for 32% of the overall diversion occurring in the MRF. Materials Recovery Facility Manager Harry Hunzie presented the Board with the “unders” diversion process and its use as alternate daily cover (ADC) on the landfill. He introduced employees, Ed Radie, Jeaneva Fresquez, and Marco Corona, who work on the equipment at the MRF.

14) Report on Investments for Quarter Ending June 30, 2009

The Board reviewed a memorandum from Finance Manager Chuck Rees with regard to the District’s investments in the Local Agency Investment Fund (LAIF). The District has not lost funds with any of its investments with the LAIF during this difficult economic time.

15) Report on Public Education, Recycling and Litter

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal reporting on the District’s sponsorship of Coastal Cleanup Day on September 19th at Fort Ord Dunes State Park and the Mayors Ocean Summit held on August 28th at West Marine in Watsonville.

Boardmembers were provided with “I’m a Fan on Facebook” buttons. The buttons promote the District’s pages on Facebook for the site and the Last Chance Mercantile in an effort to educate and hear from the public about District programs.

16) Report on State Recycling and Waste Management Legislation

General Manager provided the Board with legislative bills of interest as listed below.

- AB 737 (Chesbro) calls for 75% statewide diversion by 2020, along with strengthened commercial recycling provisions. SWANA is opposed to this bill.
- AB 1329 (Brownley and Chesbro) would delay the implementation of the new Department of Resources Recycling and Recovery for one year, thus keeping intact the California Integrated Waste Management Board (CIWMB) for one more year. Even if this bill passes, the Governor is unlikely to sign it, since he has been so focused to eliminate the CIWMB.

General Manager reported that, as Vice Chair of the SWANA California Chapters Legislative Task Force (LTF), he had met with four members of the CIWMB on September 8th to review topics of greatest interest and concern to SWANA members and solid waste management managers from around the state.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that a meeting of the ad hoc Personnel Committee has been scheduled for November 6th at 2 p.m. With Director Russell’s departure from the Board, there was a vacancy on the Committee.

BOARD COMMUNICATIONS

Chair Laska stated that Director Downey had volunteered to serve on the ad hoc Personnel Committee. As no other Boardmembers expressed interest, he appointed Director Downey to the ad hoc Personnel Committee. Vice Chair McCloud stated that at some point, the Chair should consider appointing the Vice Chair to the Finance Committee so that in the Chair's absence, the Vice Chair would be more informed.

Director Downey inquired where the District sent its electronic waste. Assistant General Manager responded that the District sent the waste to E-Recycling in Hayward, CA, which was a Basel Action Network signatory.

CLOSED SESSION

The Board went into closed session at 11:01 a.m. to discuss the following item:

1) Conference with Labor Negotiators:

District Negotiators: William Merry, Richard Norton, Tim Flanagan

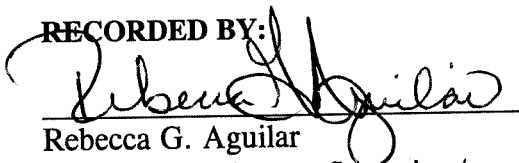
Employee Organizations: Operating Engineers, Represented Hourly Unit, Management Employees

The Board came back into open session at 11:31 a.m. Legal Counsel Wellington announced that during closed session the Board had received information and held discussion. Relative to Item 8 on the agenda, direction was given by the Board to the negotiators and approval was given for the General Manager to implement a Final Pandemic H1N1 Influenza Preparedness and Response Plan. No other action was taken.

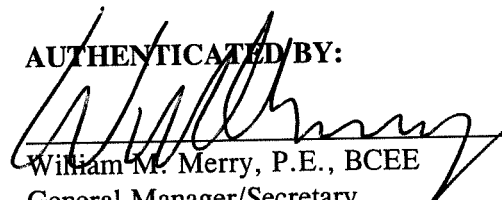
ADJOURNMENT

There being no further business to come before the Board at this time, the September 18, 2009 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to October 16, 2009 by Chair Laska at 11:32 a.m.

RECORDED BY:


Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:


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