

BOARD OF DIRECTORS

LEO LASKA
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DENNIS ALLION
VICE CHAIR

GARY BALES
SUE MCCLOUD
DAVID PENDERGRASS
LIBBY DOWNEY
JANE PARKER
IAN OGLESBY
BRUCE DELGADO



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

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

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.
April 19, 2013

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

MEMBERS PRESENT: Leo Laska (Chair), Pebble Beach Community Services District Boardmember
Dennis Allion (Vice Chair), City of Del Rey Oaks Councilmember
Sue McCloud, City of Carmel-by-the-Sea
Gary Bales, City of Pacific Grove
David Pendergrass, City of Sand City Mayor
Bruce Delgado, City of Marina Mayor

MEMBERS ABSENT: Libby Downey, City of Monterey Vice Mayor
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4
Ian Oglesby, City of Seaside Councilmember

STAFF PRESENT: William Merry, General Manager
Tim Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Rick Shedden, Senior Engineer
Daylene Alliman, Human Resources Manager
Chuck Rees, Finance Manager
Jeff Lindenthal, Public Education and Recycling Manager
Ron Mooneyham, Equipment Maintenance Manager
Glen Evett, Last Chance Mercantile/Household Hazardous Waste Manager
Jack Cook, Safety Manager
Richard Petitt, Site Manager
Clyde Walkup, Materials Recovery Facility Operations Supervisor/OE3 Representative
Rebecca Aguilar, Administrative Support Supervisor
Ida Gonzales, Administrative Support Specialist

OTHERS PRESENT: David Armanasco, Armanasco Public Relations, Inc.
Charlie Cordova, Green Waste Recovery
Yavuz Atila, Monterey Bay Technologies
Brad Hageman, Monterey Regional Water Pollution Control Agency
Doug Kenyon, Republic Services of Salinas
Dave Meza, Salinas Valley Solid Waste Authority
Omar Hernandez, UC Berkeley
Joe Cadelago, Waste Management

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the April 19, 2013 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

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

- 1) Approve Minutes of March 15, 2013 Regular Board Meeting
- 2) Approve Report of Disbursements
- 3) Approve Purchase of a Clark Model C50SL 10,000 LB Propane Powered Forklift with Rotator Attachment from K-Lift Company of Salinas, CA, for a Total Price of \$58,232.75 (Including Sales Tax and Freight)
- 4) Declare Surplus and Authorize Sale of Unit MR05, 1996 CAT DP40 Forklift
- 5 Accept Report on California Energy Commission Grant Application Outcomes

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**6) Accept Report from Finance Committee Chair on Meeting of March 20, 2013**

The Board reviewed a memorandum from Chair Laska and a Tip Fee Survey that provided useful information on the hours of operation and tipping fees charged at landfills located within 50 miles of the District's operations. Staff presented information and discussion was held related to preparation of the FY 2013/14 Preliminary Budget. Staff also presented information on operation of the landfill gas to energy plant and future plans for utilization of the landfill gas.

Director Delgado expressed appreciation for the tip fee survey information and suggested that tip fees for other types of materials as well as minimum charges be considered by the Finance Committee, especially since the District tip fees were much lower in comparison to other facilities. He stated that he was concerned with reducing services and hours of operation just to keep tip fees low. Chair Laska stated that staff had been asked to provide more information regarding fees at the next Finance Committee meeting and to review hours in which there were less customers coming to the site. There was Board consensus to accept the Report.

7) Authorize General Manager to Issue Request for Proposals for Operation and Maintenance (O&M) Services for the Landfill Gas Power Plant

The Board reviewed a memorandum from Senior Engineer Rick Shedden regarding soliciting proposals for the Landfill Gas (LFG) plant operations, in an effort to improve efficiencies in operations. General Manager stated that staff had previously issued a request for qualifications to identify firms that were interested and qualified to

operate the LFG plant. Selection of a contractor may take 3 to 6 months and the term of the contract is anticipated to run for two or three years, which will allow for flexibility in operations, expansion of generating capacity as needed, and for sale of excess power through the grid or “over the fence”.

Board discussion followed regarding the pre-selection criteria in determining which firms were qualified and the need to perhaps advertise in a trade journal. General Manager stated that operation of an LFG facility was very specialized work. Discussion continued on the current consultant assisting the District with the operation of the LFG facility during the interim, especially with the reduction in staffing in the LFG operation due the voluntary early retirement incentive (VERI) program. General Manager responded that in light of the VERI program, now was the time to explore possible cost savings by outsourcing the LFG operations, especially since operation includes outsourced major repairs and parts, as well as the substantial staff time in dealing with PG&E, keeping the plant running within compliance limits of air regulations including air sampling and reporting, and other permitting and regulatory requirements.

It was moved by Director McCloud, seconded, and Unanimously Carried To: Authorize General Manager to Issue Request for Proposals for Operation and Maintenance (O&M) Services for the Landfill Gas Power Plant.

8) Accept Report from Personnel Committee Chair on Meeting of March 20, 2013

The Board reviewed a memorandum from Chair Laska. Staff provided information related to personnel in preparation of the Preliminary Budget for FY 2013/14.

STAFF REPORTS

9) Report on Landfill Gas Utilization

The Board reviewed a memorandum that was presented to the Board at the March 15, 2013 Board meeting, which outlined future options for utilization of landfill gas at the District dated March 8, 2013. The Board also reviewed a summary of a meeting the General Manager held with Carmel Mayor Jason Burnett, Chair of the Monterey Peninsula Water Supply Project Governance Committee.

Board discussion was held regarding the list of options. General Manager stated that the top two options were to continue to increase the amount of renewable electricity generated, for sale on the grid, or for sale “over the fence” to the proposed CalAm Regional Water Project, although staff was engaged in review of all the options.

10) Review Financial, Operating and Recycling Reports

The Board reviewed the financial statements for February and March 2013. The Operating Income for February and March are \$80,206.75 and \$23,363.20, respectively. The year-to-date Operating Income through March is \$758,054.76. The year-to-date total Operating Expenses are below budget by 2.35% at \$14,071,083.12. The year-to-date Operating Revenues are \$14,829,137.88, below last year by \$62,277.53 and 2.48% below budget. Accepted tonnage for the month of March increased by 17.9% from February.

The Board also reviewed the Operating Report for March 2013. Staff also provided a table which showed the monthly changes in all commodity tonnages accepted from the prior year and prior month and year-to-date tonnages to prior year.

11) Report on Public Education, Recycling and Litter

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal providing information on 2013 first quarter public education tours, presentations, and other activities. Additionally, he reported that the District has a newly revised website (www.mrwmd.org).

12) Report on Anaerobic Digestion (AD) Project and Franchise Agreement Request for Proposals

The Board reviewed a memorandum from Public Education and Recycling Manager providing an update on the AD project and the status of the Franchise Agreement Request for Proposals (RFP) review by member agencies.

Public Education and Recycling Manager stated that the AD project was fully operational and producing power, which was being utilized by the Monterey Regional Water Pollution Control Agency. There has been a huge interest in the AD project as it is one of only two such projects in the state. Board discussion was held on the amount of food waste currently being accepted and the amount that the project is able to accept.

With regard to the franchise agreement RFP, Public Education and Recycling Manager reported that good comments and suggestions have been provided by District member agencies, although staff was still waiting for some member agency councils to consider the matter. Staff anticipates returning to the Board at the May Board meeting with revisions to the RFP and to request Board authorization to release it. The Board suggested providing a version of the RFP with revisions clearly denoted.

13) Report on Special District Risk Management Authority (SDRMA) Safety/Claims Education Day

The Board reviewed a memorandum from Safety Manager Jack Cook summarizing the SDRMA training received by him and Director Bales in Sacramento on March 28, 2013. Through their efforts, the District saved \$37,693 in insurance premiums during this fiscal year. Under the administration track, staff has earned the maximum 8 points available, although three points are available under the governance track with potential savings of \$9,226. Staff provided information on future training and webinars. Director Bales urged the Board to consider attendance and staff was requested to provide additional information on dates and times of the webinars scheduled prior to the end of the fiscal year for Board consideration.

14) Report on April 11, 2013 Meeting of the Monterey County Integrated Waste Management Task Force

General Manager provided the Board with a summary of the April 11, 2013 meeting of the Monterey County Integrated Waste Management Task Force. Attendance of member agency staff continues to be a challenge and more outreach will be conducted prior to the next meeting to encourage attendance. At the meeting, discussion was held on the plastic bag ordinance (ban) and there were many suggestions with regard to the litter aspects of the bag ban. It was suggested that this be a topic for the next District Litter Abatement Task Force meeting.

15) Report on April 16, 2013 Meeting of Special Districts Association of Monterey County

The Board reviewed the agenda for the April 16th Special Districts Association (SDA) meeting which will be held at the Shoreline Conference Center. Director Allion and Human Resources Manager Daylene Alliman attended the meeting representing the District, and provided a verbal report of the meeting.

16) Report on Solid Waste Legislation and Regulatory Matters

The Board reviewed three letters that the District General Manager had sent supporting extended producer responsibility (EPR) bills for the disposal of sharps (AB 403 – Stone), household batteries (AB 488 – Williams), and pharmaceuticals (SB 727 – Jackson). EPR will assist in alleviating some of the financial burden placed on local government to properly manage these types of wastes.

OTHER CORRESPONDENCE

17) Letter to CalRecycle RE: 75% Initiative and Request to Review Draft Report

The Board reviewed a letter dated April 12, 2013 sent to CalRecycle, requesting that Stakeholders be allowed to comment on final Draft of CalRecycle's 75% Diversion Report.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that the annual election of the Board Chair and Vice Chair for fiscal year 2013/14 would be held at the end of the June Board meeting and Chair Laska has communicated his intention to step down as Chair.

He also reported that he would be participating in a panel discussion on the "The Economics of Implementing Zero Waste Systems" at the Air and Waste Management Association (AWMA) Annual Conference in June, providing a good opportunity for the District to present its experience, programs and vision for the future, and to gain information from others. Staff had also been invited by Zero Waste Energy (ZWE), the AD equipment and construction supplier, to tour small and large AD projects in Germany in August. The opportunity for interaction would be very productive with the cost per person estimated at \$2500 for airfare, hotel and meals for a week. Following Board discussion regarding budgeted costs and benefits in touring these facilities, it was the consensus of the Board that staff be allowed to attend the tour.

BOARD COMMUNICATIONS

There were not Board communications.

CLOSED SESSION

The Board went into closed session at 11:20 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/Salinas Valley Solid Waste Authority
 - Terms: All Terms and Conditions

The Board came back into open session at 11:45 a.m. and Legal Counsel announced that in the closed session the Board had received information and discussion was held; no action was taken.

ADJOURNMENT

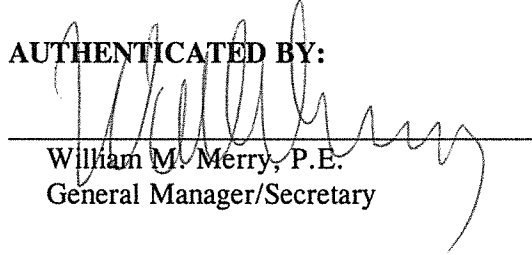
There being no further business to come before the Board at this time, the April 19, 2013 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to May 17, 2013 by Chair Laska at 11:59 a.m.

RECORDED BY:



Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:



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