

BOARD OF DIRECTORS
DENNIS ALLION
CHAIR

LEO LASKA
VICE CHAIR

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



1
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

Honor of the Last Chance Mercedites

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT REGULAR MEETING MINUTES

Friday, 9:00 a.m.
October 18, 2013

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

MEMBERS PRESENT: Leo Laska (Vice Chair), Pebble Beach Community Services District Boardmember
Gary Bales, City of Pacific Grove
Sue McCloud, City of Carmel-by-the-Sea
David Pendergrass, City of Sand City Mayor
Libby Downey, City of Monterey Vice Mayor
Bruce Delgado, City of Marina Mayor (seated at 9:10 a.m.)
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4 (seated at 9:38 a.m.)
Ian Oglesby, City of Seaside Councilmember (seated at 9:08 a.m.)

MEMBERS ABSENT: Dennis Allion (Chair), City of Del Rey Oaks

STAFF PRESENT: William Merry, General Manager
Tim Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Daylene Alliman, Human Resources Manager
Chuck Rees, Finance Manager
Jeff Lindenthal, Deputy General Manager for Community Programs
Ron Mooneyham, Equipment Maintenance 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: Ted Terrasas, City of Monterey
Charlie Cordova, Green Waste Recovery
Mark Dias, Monterey County Environmental Health Division
John Ramirez, Monterey County Environmental Health Division
James Coleman Monterey Regional Water Pollution Control Agency
Dave Meza, Salinas Valley Solid Waste Authority
Susan Warner, Salinas Valley Solid Waste Authority
Tom Frutchey, Pacific Grove
Mike Niccum, Pebble Beach Community Services District
Joe Cadelago, Waste Management Inc.

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the October 18, 2013 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Vice Chair Laska at 9:00 a.m.

PLEDGE OF ALLEGIANCE

CLOSED SESSION

The Board went into closed session at 9:06 a.m. regarding the following:

- 1) Conference with Property Negotiators:
 - Property: Landfill Site Space/Capacity
 - District Negotiators: William Merry and Tim Flanagan
 - Negotiating Parties: a. Cities of Gilroy/Morgan Hill
b. County of Monterey
 - Terms: All Terms and Conditions

The Board came back into open session at 9:35 a.m., and Legal Counsel announced that in closed session, the Board had received information and discussion was held on the closed session item; action was taken relative to the California Environmental Quality Act.

Directors Oglesby and Delgado were seated during closed session.

PUBLIC COMMUNICATIONS

Tom Frutche, City Manager for Pacific Grove, addressed the Board to report that the effort on a comprehensive Study of countywide solid waste management system continued and the city managers group would be discussing the revised Request for Proposals and Scope of Work at their meeting of October 18th.

Director Parker was seated at 9:38 a.m.

CONSENT AGENDA

Director McCloud requested that Item 3 be pulled from the Consent Agenda.

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

- 1) Approve Minutes of September 20, 2013 Regular Board Meeting
- 2) Approve Report of Disbursements

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

3) Approve General Manager's Goals for Fiscal Year 2013/14

The Board reviewed the General Manager's Goals for 2013/14. Board discussion was held regarding the language and measurability of the goals.

It was moved by Director Bales, seconded, and Unanimously Carried To: Approve General Manager's Goals for Fiscal Year 2013/14.

4) Accept Report from Finance Committee Chair on Meeting of September 25, 2013

The Board reviewed a memorandum from Chair Allion. The Committee received preliminary financial information for the Fiscal Year ending June 30, 2013; staff reported that the District ended the fiscal year in a sound financial condition. Director Bales commended staff for their efforts and a job well done.

General Manager reported that he met with Local Agency Formation Commission (LAFCO) Executive Officer Kate McKenna and one of the topics of discussion was LAFCO's fee schedule. Ms. McKenna provided information showing that LAFCO charges applicants 100% of the costs for a project, such as an annexation request. He and Chair Allion were scheduled to attend the LAFCO Budget & Finance Committee meeting on November 7, 2013 and he intended to provide positive comments related to their budget management.

It was moved by Director Bales, seconded, and Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of September 25, 2013.

STAFF REPORTS

5) Review Finance, Operating, and Recycling Reports

The Board reviewed the financial statements for July and August 2013. The Operating Income for August is \$408,070 and \$881,905 year-to-date. The year-to-date total Operating Expenses are below budget by \$137,787 at \$2,998,546. The year-to-date Operating Revenues are above budget by \$756,284 and last year by \$246,687.

Year-to-date tipping fee revenues are \$3,095,383, above last year by \$197,306 and budget by \$719,550 due primarily to the increased Contract Waste received. The year-to-date tonnage through September increased by 12.5% from last year (the non-contracted refuse is down 4.2% and regional and contracted waste is up 36.4%). Refuse Accepted (excluding Regional and Contract Waste) for September 2013 was 15,218 tons, a decrease of 1,168 tons from August 2013 and an increase of 855 tons from September 2012. The total refuse for the last 12 months was 185,181 tons, up 5,270 tons from the 12 month period ended September 2012.

The Board also reviewed the September 2013 Operating Report.

6) Report on SWANA 2013 Wastecon Technical Conference and Tradeshow

The Board received memorandums from Director Bales and staff reporting on the SWANA Annual WasteCon Conference. The Conference provides a good source of information from vendors, consultants and other waste management professionals.

Director Bales commented that the recommendation heard at WasteCon with regard to conversion technologies, was that entities should be very careful and very deliberate in adopting new technologies and that the District seemed to moving at the right track. The District is held in high regard nationally, as an organization that operates a range of community responsive and cost effective programs, and there was much interest this year in the District's Anaerobic Digester pilot project.

Director McCloud suggested that information learned at conferences be communicated to the public and that staff summaries highlight potential programs that might be implemented.

7) Report on October 15, 2013 Meeting of Monterey County Special Districts Association

The Board reviewed the agenda for the October 15th meeting of the Special Districts Association of Monterey County, along with the minutes from the meeting of July 16th. General Manager stated that he would provide a written report at the next Board meeting.

8) Report on Solid Waste Legislation and Regulatory Matters

The Board received a memorandum from the General Manager summarizing legislative and regulatory matters related to solid waste.

Director McCloud suggested that on legislative items of more importance, staff provide a one-page summary that could be shared at city council meetings. Director Pendergrass stated that there was a phone application that provided information on legislation.

OTHER CORRESPONDENCE

GENERAL MANAGER COMMUNICATIONS

General Manager reported that former Site Superintendent Karl J. Hackamack passed away on September 20th, at the age of 78. Karl served with the District from 1989 to 1997. He devised a landfill leachate recirculating system that worked well in its time and which staff named after him, Karl's Automatic Recirculating Leachate System (KARLS). He took great pride in the entire operation and served at a time of significant transition at the District, as the Materials Recovery Facility (MRF) was constructed and began operation.

BOARD COMMUNICATIONS

There were no Board communications.

BOARD WORKSHOP (At approximately 10:00 AM)

9) Receive Staff Presentation on Achieving 75% Diversion Goal

General Manager began the workshop by stating that the purpose of the Workshop was to update the Board on the State's SB 1016 diversion measurement methodology, provide an update on diverting organics and the SmartFerm Anaerobic Digestion (AD) Pilot Project, provide an update on the status of the MRF Improvement project, and consider adopting a 75% waste diversion goal.

In his memorandum, District Deputy General Manager for Community Programs provided the Board with a history of recycling legislation (AB 939, SB 1016, AB 341). He provided an updated SB 1016 diversion rate chart and stated that when CalRecycle reviews the annual reports, which the District prepares on behalf of most of its member agencies, they are evaluating the effectiveness of local diversion programs and materials diverted. With AB 341, the State has mandated commercial and multi-family recycling and established a goal of 75% diversion by the year 2020. Many in the industry believe this "goal" is likely to become a "mandate" in the future. He stated that staff would be requesting that the Board adopt a 75% diversion goal at the November meeting. He also provided the Board with an overview and a five-month operational summary of the AD pilot project.

Previously, in March of 2011, the Board received an overview of "Zero Waste" programs, and model zero waste policy was presented by consultant Gary Liss. The following is a link to the Board minutes for that meeting: http://www.mrwmd.org/archives/2011%20Board%20Meeting/Apr/MRWMDMar11_Minutes.pdf. This provided an overview of the concept and recognized that the infrastructure in place at the District includes most of the fundamental programs needed to implement a 75% diversion, or a zero waste goal.

With the planned MRF improvements, and the success of the District's AD project with Zero Waste Energy, the District is ideally positioned to establish its 75% diversion goal. Doing so would seem to be a prudent next step for the District and would insure that member agencies are in compliance with the State 75% diversion goal by 2020.

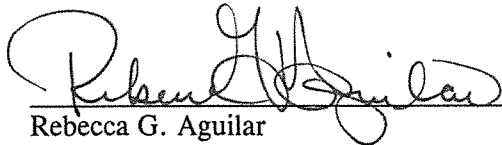
Assistant General provided the Board with a presentation and update on the planned MRF improvement project. He also reviewed with the Board a revised project schedule. The improvements would provide the recycling infrastructure at the District for the next 20 years.

Board discussion was held regarding the future of recycling different types of materials. General Manager summarized the discussion and stated that staff would be coming back to the Board for approval on planned improvements at future Board meetings.

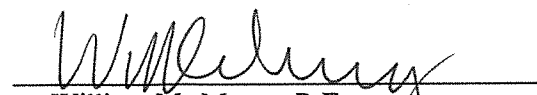
ADJOURNMENT

There being no further business to come before the Board at this time, the October 18, 2013 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned in memory of Karl Hackmack to November 15, 2013 by Vice Chair Laska at 11:40 a.m.

RECORDED BY:


Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:


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