

BOARD OF DIRECTORS

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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.
August 17, 2012

Boardroom
Monterey Peninsula Landfill
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
David Pendergrass, City of Sand City Mayor
Libby Downey, City of Monterey Vice Mayor
Ian Oglesby, City of Seaside Councilmember (Seated at 9:40 a.m.)
Bruce Delgado, City of Marina Mayor

MEMBERS ABSENT: Gary Bales, City of Pacific Grove
Jane Parker, (Unincorporated) Monterey County Supervisor, District 4

STAFF PRESENT: William Merry, General Manager
Tim Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Daylene Alliman, Human Resources Manager
Jeff Lindenthal, Public Education and Recycling Manager
Don Prescott, Information Systems Manager
Chuck Rees, Finance Manager
Rebecca Aguilar, Administrative Support Supervisor
Ida Gonzales, Administrative Support Specialist

OTHERS PRESENT: Sally Rideout, EMC Planning Group
Charlie Cordova, Green Waste Recovery
Teresa Rios, Monterey County Environmental Health Bureau
Susan Warner, Salinas Valley Solid Waste Authority
Felipe Melchor, Waste Management
Jay Ramos, Waste Management
Lewis Leader

ROLL CALL AND ESTABLISHMENT OF QUORUM

With notice duly given and presence of a quorum established, the August 17, 2012 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 comments.

CONSENT AGENDA

Following a motion by Vice Chair Allion, and seconded, the Board approved the following actions:

- 1) **Approve Minutes of July 20, 2012 Regular Board Meeting**
- 2) **Approve Report of Disbursements**

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 3) **Accept Report from Finance Committee Chair on Meeting of July 25, 2012**

The Board reviewed a memorandum from Chair Laska summarizing discussion from the July 25, 2012 Finance Committee meeting. Items discussed included a Financial Update, the procurement process for the member agency Franchise Agreements, the Materials Recovery Facility (MRF) Improvement Project (Upgrade), and operations and future plans of the Landfill Gas Project (LFG).

It was moved by Director Pendergrass, seconded, and Unanimously Carried To: Accept Report from Finance Committee Chair on Meeting of July 25, 2012.

- 4) **Receive Staff Report on Status of Compost and Recycling Use Permit, and:**
 - a) **Adopt Updated Mitigation Monitoring and Reporting Program for the Ongoing Composting and Recycling Operations**
 - b) **Adopt Resolution 2012-07 Approving Negative Declaration For Anaerobic Digester Composting and Recycling Operations**

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal. General Manager stated that this matter was considered by the Board at the June meeting at which time action was taken to re-establish the District as lead agency for CEQA purposes, complete the required environmental review, and adopt an addendum to the 1997 Mitigated Negative Declaration. A Use Permit Application was submitted to Monterey County on June 19th and the County 30 day review period was completed on July 19. At the July Board meeting, action was continued pending the County's recommendation to circulate a CEQA document for the anaerobic digester (AD) component of the ongoing composting operations for public review prior to the Use Permit Application going to the County Planning Commission for approval in late August or early September.

The Board was advised that no public comments were received during the 20-day public review period ending August 17, 2012, and no comments were received at the Board meeting.

It was moved by Director McCloud, seconded, and *Unanimously Carried To: Receive Staff Report on Status of Compost and Recycling Use Permit, and:*

- a) *Adopt Updated Mitigation Monitoring and Reporting Program for the Ongoing Composting and Recycling Operations.*
- b) *Adopt Resolution 2012-07 Approving Negative Declaration for Anaerobic Digester Composting and Recycling Operations.*

5) Authorize General Manager to Submit Application to PG&E to Request Interconnection Study at a Cost Not to Exceed of \$53,000

The Board reviewed a memorandum from Information Systems Manager Don Prescott regarding submitting an application to PG&E to request an interconnection study related to the installation of one or two new engine/generators (up to three megawatts total) at the landfill gas (LFG) to energy project, and the step process involved. General Manager stated that the District is currently renting a temporary flare to burn excess LFG and staff had concluded that the most favorable option was to install additional engine/generators to process the excess gas being generated. A fundamental part of the installation would be to interconnect the engine/generators to the grid. The District will have the option to halt the application at any time during the process.

Directors Oglesby seated at 9:40 a.m.

Board discussion followed regarding the process. General Manager also stated that the Monterey Bay Unified Air Pollution Control District (MBUAPCD) would like the District to have a permanent alternative to rental of the temporary flare by December 31, 2012, although staff believes that if the MBUAPCD is presented with a concrete plan, an extension may be negotiable. General Manager stated that Dave Edwards of Dave Edwards Inc. (DEI) will report to the Finance Committee at their August 29, 2012 meeting on options, which will be brought to the full Board at the September Board meeting. General Manager stated that all options will take time to implement.

Discussion followed regarding concern expressed by some Board members about information received and discussion that occurs at the Committee level, and recommendations which then come from the Committee following such discussion. The full Board is then asked to act on an item, without the benefit of all the information and discussion which was available to the Committee members. Chair Laska stated that all items discussed at the Committee meetings are brought to the Board for discussion as well. This matter will be discussed further at the next meeting of the Finance Committee.

It was moved by Director Pendergrass, seconded, and *Unanimously Carried To: Authorize General Manager to Submit Application to PG&E to Request Interconnection Study at a Cost Not to Exceed of \$53,000.*

6) Approve Agreement with Appraiser Stephen G. Brown, MAI, SRA, for Real Property Valuation Services in the Amount Not to Exceed \$7,500 (Item May be Continued Until After Closed Session)

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding the need to conduct a valuation of an access easement over Charlie Benson Lane (CBL). Dole Fresh Vegetables is requesting the easement, since they are considering selling the 46 acre parcel which is adjacent to District property, and along CBL. Staff recommended deferring action on this item until after closed session.

It was moved by Director Downey, seconded, and *Unanimously Carried To: Defer Action Until After Closed Session.*

STAFF REPORTS

7) **Financial, Operating and Recycling Reports**

The financial statements for June and July 2012 were not provided to the Board due to the Fiscal Year (FY) 2011/12 year-end close and audit procedures. Staff reported that Bianchi, Kasavan & Pope will begin their audit fieldwork on August 27, 2012. For FY 2011/12, Tipping Fee Revenues are \$14,673,000 - 5.9% below budget; Total Operating Revenues are \$19,700,000 - 4.2% below budget; and Preliminary Tipping Fee Revenues are \$1,430,000.

The Board reviewed the Operating Report for July 2012. The Total Solid Waste Accepted into the site (excluding Regional and Contracted Waste) was 26,079 tons. Regional and Contracted waste decreased by 85 tons from July 2011 due primarily to the decrease in Watsonville tonnage partially offset by waste from GreenWaste Recovery/Zanker. Staff also provided a chart which showed the rolling 12 month average refuse accepted with and without the Contracted and Regional waste.

8) **Report on Public Education, Recycling and Litter**

The Board reviewed a memorandum from Public Education and Recycling Manager Jeff Lindenthal regarding 2011 AB 939/1016 Annual Reports. Staff submitted the reports for all member jurisdictions with the exception of the City of Monterey and unincorporated Monterey County. Chair Laska inquired why Pebble Beach Community Services District (PBCSD) was not separated into population/employment. Staff responded that PBCSD numbers are not official as they are only provided to cities and the county. Staff was requested to develop estimated values for PBCSD.

Staff has also been actively involved in distributing recycling bins to local hotels. Discussion was held by the Board regarding following up with hotel staff to determine the success of the bin distribution. General Manager commended the franchise haulers for their diligent efforts with distribution program.

Felipe Melchor, Waste Management, addressed the Board and stated that WM conducted training with hotel staff, in cooperation with District staff,.

OTHER CORRESPONDENCE

There was no other correspondence.

GENERAL MANAGER COMMUNICATIONS

General Manager reported that he, along with Assistant General Manager, Senior Engineer, and Director Bales, will attend the annual Solid Waste Association of North America Wastecon in Washington, D.C. from August 13-16, 2012.

BOARD COMMUNICATIONS

There were no additional Board communications.

CLOSED SESSION

The Board went into closed session at 10:10 a.m. regarding the following:

1) Conference with Property Negotiators:

Property: Easement Along Charlie Benson Lane
District Negotiators: William Merry and Tim Flanagan
Negotiating Parties: Dole Fresh Vegetables
Terms: All Terms and Conditions

2) Conference with Property Negotiators:

Property: Landfill Site Space/Capacity
District Negotiators: William Merry and Tim Flanagan
Negotiating Party: County of Monterey; Green Waste Recovery/Zanker Road Resource Management
Terms: All Terms and Conditions

The Board came back into open session at 11:06 a.m. Legal Counsel announced that with regard to Item 2, information was received by the Board and no action was taken. With regard to Item 1, information was received and discussion held. In open session, the Board took up the following item.

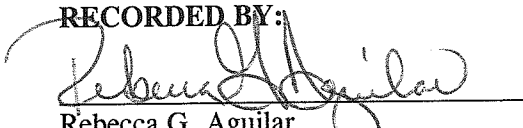
6) Approve Agreement with Appraiser Stephen G. Brown, MAI, SRA, for Real Property Valuation Services in the Amount Not to Exceed \$7,500 (Item May be Continued Until After Closed Session)

It was moved by Director Downey, seconded, and Unanimously Carried To: Approve Agreement with Appraiser Stephen G. Brown, MAI, SRA, for Real Property Valuation Services in the Amount Not to Exceed \$7,500.

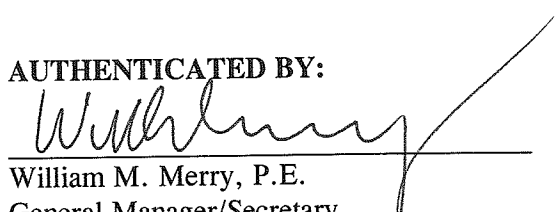
ADJOURNMENT

There being no further business to come before the Board at this time, the August 17, 2012 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to September 21, 2012 by Chair Laska at 11:07 a.m.

RECORDED BY:


Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:


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