

NOTICE & AGENDA



Finance Committee Meeting

March 1, 2023, 9:00 a.m.

In-Person: Bales Board Room

Virtually: <https://us02web.zoom.us/j/83182721232>

Meeting ID: 831 8272 1232

Please see meeting information notice at the end of this agenda for more details.

Call to Order

Roll Call & Establishment of Quorum

Committee Chair: Leo Laska, Pebble Beach Community Services District

Directors: Kim Shirley, City of Del Rey Oaks

Bill Peake, City of Pacific Grove

Public Communications

Anyone wishing to address the Board on matters not appearing on the agenda may do so now. Please limit comments to a maximum of three (3) minutes. The public may comment on any other matter listed on the agenda at the time the matter is being considered by the Board. For information about submitting public comments in writing in advance of the meeting, please see the Meeting Information section of this agenda.

Discussion/Action

1. Approve February 1, 2023 Finance Committee Minutes

Recommendation: Approve Finance Committee Minutes

2. Discuss Budget Assumptions for Fiscal Year 2023/24

Recommendation: Information Only

3. Update on Draft White Paper

Recommendation: Information Only

4. Discuss Public Recycling Drop Off Area

Recommendation: Information Only

General Manager Communications

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Discuss Future Agenda Items

Closed Session

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a closed session to consider specific matters dealing with litigation, certain personnel matters, real property negotiations or to confer with the ReGen Monterey's Meyers-Milias-Brown Act representative.

Return to Open Session

Please note: A report out and announcement concerning the closed session will be provided. Anyone requesting a report out of closed session items may contact the board clerk.

Adjournment

Next Meeting Date: April 5, 2023

MEETING INFORMATION

The meeting will be held (1) as a regular in person meeting and 2) virtually via Zoom and is compliant with California Government Code Section 54953(e)(1)(A), with Governor Newsom's executive Order N-29-20 and with the Recommendation of the Monterey County Health Official dated September 22, 2021, regarding social distancing including remote meetings of legislative bodies, which together allow local legislative bodies to hold public meetings electronically or via teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and address the local legislative body to avoid public gatherings, and which suspended all contrary provisions of the Brown Act

To join the Zoom webinar: Click on this link: <https://us02web.zoom.us/j/83182721232> copy/paste the link into your browser, or type the link into your browser. If your computer does not have audio, you will also need to join the meeting via phone. To participate via phone, please call: 1-669-900-9128; **Meeting ID: 831 8272 1232.**

Public Comments: If you are unable to participate virtually or via telephone, you may also submit your comments by e-mailing the board clerk at LGonzales@ReGenMonterey.org with one of the following subject lines "Public Comment Item #" (insert the item number relevant to your comment) or "Public Comment - Non Agenda Item". Comments must be received by 4 p.m. on the day prior to the scheduled meeting. All submitted comments will be provided to the Board and may be read into the record or compiled as part of the record.

Posting Information

This agenda was posted at the ReGen Monterey administrative offices at 14201 Del Monte Blvd, Salinas, CA, 93908. The agenda, including staff reports and additional information regarding these items, are available on our website at ReGenMonterey.org and our administrative office during regular business hours (additional fee may apply for copying).

This agenda is subject to revision and may be amended prior to the scheduled meeting. If amended, a final agenda will be reposted.

**Accessibility**

All meetings are open to the public. ReGen Monterey does not discriminate against persons with disabilities and the boardroom is wheelchair accessible. In compliance with the Americans Disabilities Act, if you need special assistance to participate, please contact Board Clerk, Ida Gonzales at 831-384-5313 or email IGonzales@ReGenMonterey.org. Notification 48 hours prior to the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible. Recordings of meetings can be provided upon request.

MINUTES



The Finance Committee met on February 1, 2023, at 9:00 a.m., at the District administrative offices and via Zoom virtual conference. Committee members in attendance were Directors Laska, Shirley and Peake. Staff members in attendance were Felipe Melchor, Guy Petraborg, Helen Rodriguez, Zoe Shoats, Jay Ramos, Garth Gregson, Berta Torres and Ida Gonzales. Legal counsel Rob Wellington was also in attendance.

1. Election of Committee Chair for 2023

The Committee elected Leo Laska to chair the Finance Committee for 2023.

2. Approve January 4, 2022 Finance Committee Minutes

The Committee approved the minutes of the January 4, 2023 Finance Committee meeting.

3. Update on Budget Planning

There was discussion about the fiscal 2024 budget preparation. Disposal fees increased 7% on July 1, 2022 and disposal fee adjustments for fiscal 2024 were discussed. The MOU for one of the bargaining units expires in June 2023 and the negotiations will impact the budget for next year. In addition to a COLA increase there is expected to be a living wage adjustment. There will be some carryover of capital spending from the fiscal 2023 budget and prices are expected to be higher for capital spending projects. The existing reserve policies will be reviewed and adjustments made as appropriate. Staff will have a preliminary budget to review at the April committee and Board meetings.

4. Extension of Litter Abatement MOU with County of Monterey

Staff presented information about extending the MOU with the County of Monterey for an additional two years. The current MOU expires on June 30, 2023. The District spent \$12,400 in fiscal 2021 and \$25,000 in fiscal 2022 supporting the program. Costs will not exceed \$25,000 for each of the next two fiscal years. The committee supports the recommendation to extend the MOU for two years. This item will be presented at the February Board meeting.

5. Update of Joint Feasibility Study for Organic Waste Processing, Microgrid, and Renewable Energy

Staff presented an update on the feasibility study of the microgrid project. The study work started in January and is expected to be completed by July 2023. A coordinator has been hired and will report to both the ReGen and M1W. The estimated cost of the study to ReGen is \$450,000. There was discussion and questions from the Committee. This information is being presented for discussion only and no action is necessary. Staff will provide updates on the status of the study at future committee meetings.

6. Potential for Co-Digestion Joint Project with Monterey One Water (M1W)

Staff presented an update on the co-digestion joint project with M1W. The feasibility study for this project was approved by the Board in 2018. M1W joined the study in 2021. The Board approved an 18-month pilot project in 2021. Staff is asking the Committee for direction on whether or not to proceed with the project. There was discussion and questions from the Committee. This item will be presented at the February Board meeting.

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General Manager Communications

The General Manager provided information on the following items.

Invitation to Bid/Module 7, Phase 3 – Excavation & Liner: Sealed bids will be received at the MRWMD office until Monday, February 27, 2023 for this public works construction project. This project includes Alternate Engineered Design Liner Systems as a result of not encountering natural clay materials in the Phase 2 Excavation last August that would be necessary for the Prescriptive Liner System. The project budget will need to be revised significantly because of these changes. Staff will provide an update at the February Board meeting and the March Committee meetings.

Recognition for Employee Donations: The District received an invitation from Interim, Inc., one of the charitable organizations that received funds from the employees Christmas fundraiser. They have invited us to submit a special message for a plaque that will go on the “donor wall” of the new Sun Rose apartment complex. The apartment complex will house adults with mental disabilities and support independent living and self-sufficiency.

Landfill Ops Trial Work Shift: The landfill operations department will be implementing several 4-day - 10-hour shift assignments on a trial basis. The landfill operates 11.5 hours per day and 6 days per week (Monday – Saturday). The new assignments will be used on the second shift of the day and will:

- Provide better coverage on Saturdays with +1 HEO.
- Expand HEO bandwidth by adding two hours per shift for landfill maintenance work and project work.
- Reduce overtime (Last year Landfill Ops incurred \$108K in overtime, HEOs worked 1,660 hours of OT).
- Support better work-life balance with two consecutive days off for all Landfill Ops staff.
- The trial period will be for 6-12 months and will end if outcomes are not realized.
- Union was informed and given opportunity to comment.
- Shifts offered by seniority basis.

Future Agenda Items: The following items will be included on future Finance Committee agendas.

- Cost information of handling material.
- A five-year projection of the tonnage that will be received at the District.

Closed Session

The Committee went into closed session at 10:41 a.m. No reportable action was taken.

Next Meeting Date: March 1, 2023 at 9:00 a.m.

MEMO

Item #: 4

Meeting Date: March 1, 2023

To: Finance Committee
From: Jay Ramos, Director of Operations
Approved by: Felipe Melchor, General Manager



Subject: Public Recycling Drop Off Area Update

Recommendation

Information Only.

Background

Since about the mid-1990s, ReGen has operated a self-service public recycling drop off facility. The drop off facility is located between the Administrative parking lot and the Last Chance Mercantile facility. The drop off facility allows visitors to drop certain recyclable materials in separate bins without a transaction process. The drop off facility is setup to accept cardboard, metal and mixed rigid plastic utilizing six large drop boxes. Prior to the COVID pandemic's temporary curtailment of "non-essential" services, the drop off area was staffed with a full-time employee six days a week to provide guidance and oversight of those persons using the drop off area. Since that time, the drop off area has not been staffed and the facility's use by the public has been on an honor system without any monitoring by staff.

Discussion

Staff would like to share some observations and make the Board of Directors aware of a few areas of concern of the use of the drop off facility.

- Inappropriate Dumping - Customers are dropping off non-program material in this area (e.g., furniture, e-waste, oil, hoses, household waste or trash, film plastic, Styrofoam, etc.).
- Contamination – Customers are not properly separating the material by type to align with the material type designated for each drop box. We are seeing metal in the cardboard, cardboard in the metal bin, rigid plastics in the metal bin, for example.
- Facility Damage – The safety gates, located along the top of the retaining walls to protect users from falling into the drop box, have been repaired numerous times by users dropping heavy items on top of the gates. The Board approved \$40,000 for replacement gates in October 2022. Staff has been reluctant to perform the repairs as it has been monitoring user behavior to assess levels of inappropriate dumping and contamination. These observations will assist staff's current evaluation of the drop off facility's operations and whether these concerns can be satisfactorily addressed to yield acceptable program operations to minimize damage to the facility.
- Safety / Scavenging – Staff has observed customers bypassing the safety gates and going into the bins to retrieve items (scavenging). Scavenging is a prohibited activity and is inherently unsafe. The drop boxes are located adjacent to the Last Chance Mercantile parking area. Any overflow from the boxes has the potential of falling and damaging a LCM customer vehicle.

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Financial Impact

There is not a financial impact at this time. The cost savings realized by ReGen for not having the drop-off facility staffed (1 FTE) have been partially offset by the operational costs incurred to address the increased contamination and inappropriate dumping that has been periodically occurring. Staff will characterize any financial impacts following receiving Board feedback to the self-service recycling program. Should there be any changes proposed to the program that cause a change to the current financial basis of the facility's operations, staff will characterize the financial impacts at that time.

Considerations

Staff is seeking the Board's feedback and guidance on potential alternatives that are present for the operations of the public recycling drop off facility.

- Continue to operate the unstaffed facility, repair the safety gates as approved by the Board, and improve signage to help guide proper use of the facility.
- Seek Board approval to staff area during operating hours, repair the safety gates as approved by the Board, and improve signage to help guide proper use of the facility.
- Close the public recycling drop off facility and direct the users through the Scale Facility and then to the north side of the MRF (Transfer Station drop off area) that is currently staffed during operating hours, install a safety rail (no gates), and remove the drop boxes and existing signage. It is anticipated that a few users may not adopt this new procedure and choose another means to get rid of cardboard, rigid plastics, and metals. It is also anticipated that there will be increased traffic at both the scale entrance and MRF drop off area with associated increased wait times. This approach has the benefit that the recycling of these drop off materials would occur in a consolidated manner at the MRF drop off area where they are also currently performed.