

**MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT  
REGULAR MEETING MINUTES**

9:30 A.M., Friday  
February 21, 2003

Boardroom  
Marina Landfill  
Marina, CA

**MEMBERS PRESENT:** Dan Albert, Chair  
Jack Barlich, Vice Chair  
Gary Bales  
William Gianelli  
Edith Johnsen  
David Pendergrass  
Jim Perrine

**MEMBERS ABSENT:** Sue McCloud  
Tom Mancini

**STAFF PRESENT:** J. David Myers, General Manager  
William Merry, District Engineer/Assistant General Manager  
Rob Wellington, Legal Counsel  
Rick Shedden, Senior Engineer  
Richard Norton, Administrative Services Manager  
Don Prescott, Finance/Information Systems Manager  
Heidi Feldman, Public Education Coordinator  
Rebecca Aguilar, Administrative Support Supervisor  
Julia Partida, Administrative Support Specialist  
Cheryl Hall, Public Education Assistant  
Rodney Barber, Assistant Mechanic/OE3 Shop Steward  
Nancy Novoa, Sales Clerk/SEIU Secretary

**OTHERS PRESENT:** Bill Reichmuth, City of Monterey  
Stan Cook, Fort Ord Reuse Authority  
Alex Hulanicki, Monterey County Water Resources Agency

**ROLL CALL AND ESTABLISHMENT OF QUORUM**

Notice having been duly given and the presence of a quorum established, the February 21, 2003, Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Albert at 9:30 a.m.

**CONSENT AGENDA**

The Board reviewed an amended Page 2 of the January 17, 2003 Regular Meeting Minutes.

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

- 1) Approve Minutes of January 17, 2003 Regular Meeting.**
- 2) Approve Warrants #39692 - #39913.**

**ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**

- 3) Consider Request by Glen Church of Pacific Coast Soils for Retail Sales of Landscaping Products on Site**

The Board reviewed a letter from Glen Church, owner of Pacific Coast Soils, dated February 1, 2003 expressing his interest in selling various landscaping products to retail customers from his leased location on District property. General Manager commented that Mr. Church has been leasing property from the District for several years and purchases material from the District to blend with other material to make various landscaping products. The District purchases some of Mr. Church's topsoil blend, which is resold to District customers. Mr. Church has had numerous requests from his own customers and others who leave the site via the new paved road, to sell landscaping products directly from his leased location on the north side of the scales.

General Manager stated it is not in the best interest of the District to encourage non-landfill customers to travel into the site. He also stated the Master Use Permit would have to be amended and improvements would have to be made to an area that eventually would be used for landfill.

Staff has discussed this request and also the idea of expanding the retail sales of landscaping products to meet the demand on the Monterey Peninsula. Staff has also discussed the possibility of being able to more efficiently handle the loading of small pickup trucks and small trailer loads of compost, woodchips, and topsoil at the Last Chance Mercantile. The material could be sold by the yard, which could eliminate scale traffic.

Mr. Church addressed the Board and thanked them for considering his request. He stated that because of the zoning requirements and other issues, he agreed with staff that his request was unsuitable for the District. He commented that he had been looking for a commercial site for several years and asked the Board to consider addressing this issue within their jurisdictions because of the limited possibilities around the Monterey Peninsula for these types of operations due to zoning. There is a local demand for landscaping products and he offered to assist the District if it ever decided to expand its landscaping operations.

Director Gianelli concurred with staff recommendation and asked how long it would take staff to develop a more thorough report regarding this issue. General Manager responded that it would take a couple of months to prepare a report. The biggest issue and one that he was not enthusiastic about would be importing landscaping materials to the site to meet local demand.

Director Perrine expressed concern with the District venturing into the retail sale of imported landscaping products and requested that staff include in their report local options for purchasing landscaping material and benefits, if any, to the District in importing materials. Director Pendergrass stated that he was not necessarily opposed to the sale but was concerned that this type of venture was not part of the District's mission. Director Bales questioned whether the use permit would still have to be amended to include the importation. General Manager responded that his recommendation was not to explore the possibility of importing material, but to explore improvements to the current sale of recycled on site materials and report back to the Board.

It was moved by Director Gianelli, seconded, and *Unanimously Carried To: Deny Request from Glen Church and Direct Staff to Explore Options for Improving On Site Sale, Local Availability, and Importation of Landscape Materials and Report Back to the Board.*

**4) Review Letter from Monterey County Water Resources Agency and Adopt Position on the Salinas Valley Water Project**

The Board reviewed a letter dated January 29, 2003 from Curtis Weeks, General Manager of the Monterey County Water Resources Agency (MCWRA), regarding the proposed Salinas Valley Water Project (SVWP). The Board also reviewed the ballots sent to the District. General Manager stated that the proposed dam would be located on the Salinas River at the northeastern corner of District property. He stated that there are several issues that need to be explored which include access to the dam, the sale of property and power, but more importantly, the potential of the groundwater level to rise and the effect that it could have on the landfill. In his letter, Mr. Weeks stated that the MCWRA was committed to mitigating the potential impacts associated with the rise in groundwater. Mr. Weeks also offered to make a presentation to the Board at their March meeting.

General Manager commented that he generally is in favor and recommends voting yes on the SVWP. Director Perrine stated that he was also in favor of the SVWP and had worked on the committee regarding the cost allocation. He believed that the SVWP was vital to the Salinas Valley agricultural businesses as well as others. He also stated that staff should continue discussion regarding potential impacts of the dam.

Director Gianelli asked District Engineer how the MCWRA would mitigate if there were a problem and the timeframe with regard to an agreement with the MCWRA about the dam. District Engineer believed that there were several ways problems could be corrected including lowering the water levels and setting up well points to lower the water if it rises. District Engineer gave a brief history of what has occurred since the initial discussion with regard to the dam and stated that the District would wait for the ballot results and if approved, staff was prepared to have a consultant study the impacts of the project. The MCWRA has indicated that they would pay the cost of the study if the ballot were passed. Director Gianelli stated that any costs associated with the dam should be incurred by the MCWRA.

Alex Hulanicki, from the MCWRA, addressed the Board and stated that Mr. Weeks had been unable to attend the meeting, but he would forward the Board's concerns to him. General Manager asked whether he should contact Mr. Weeks and have him attend the April meeting after the ballots had been counted on March 25<sup>th</sup>, which the Board agreed to.

It was moved by Director Perrine, seconded, and *Unanimously Carried To: Authorize General Manager to Vote in Favor of the Salinas Valley Water Project on the Ballots and to Continue Discussions with the Monterey County Water Resources Agency Regarding Possible Adverse Effects of Dam on District Landfill.*

**5) Authorize General Manager to Sign Reimbursement Agreement with State Department of Toxic Substances Control (DTSC) for the Payment of State Costs Related to the Review of the Variance Request for Acceptance of Lead Contaminated Building Debris from the Former Fort Ord**

The Board reviewed Resolution 2003-03 and an agreement with the State Department of Toxic Substances Control (DTSC) in the amount of \$92,500 for reimbursement of costs related to the review of a variance request for the acceptance of lead contaminated building debris from the former Fort Ord. The Board also reviewed a memorandum from District Engineer that included information about the reimbursement agreement and information for Agenda Items 6 and 7. General Manager commented that District staff is hopeful that the DTSC will approve the special waste designation, which is the first step in obtaining the variance. The acceptance of the lead contaminated wood at the District's landfill would save millions of dollars in transportation and tipping fees rather than having the material taken to a Class I hazardous waste landfill. He stated that the resolution includes language that allows him or the District Engineer, who has been working very closely with FORA staff, to sign the agreement. It is estimated that the costs

related to the variance review process could be as high as \$200,000, which the District would recover in tipping fee surcharges if the variance is approved. The District has \$100,000 in the 2002-2003 budget for this project.

Director Gianelli questioned if staff believed it would be difficult to obtain a transportation variance for the material if the special waste classification was approved. Stan Cook from FORA addressed the Board and stated that DTSC would conduct sampling to assist in making this determination. DTSC routinely grants transportation variances.

It was moved by Director Bales, seconded, and *Unanimously Carried To: Adopt Resolution 2003-03 Authorizing General Manager to Sign an Agreement with DTSC for the Payment of State Costs Related to the Review of the Variance Request.*

**6) Authorize Preparation of MOU with FORA for Reimbursement of District Expenses Related to DTSC Variance Application**

The Board reviewed a FORA staff report that was prepared for the February 7<sup>th</sup> FORA Board of Directors meeting and a draft "Memorandum of Understanding Concerning the Reimbursement of Costs Associated with Processing a Variance for the Disposal of Special Waste from the Former Fort Ord to the Monterey Regional Waste Management District Landfill Between the Fort Ord Reuse Authority, Monterey Regional Waste Management District, Clark/Pinnacle LLC, et al, as parties to the Agreement".

The contingency agreement would provide that FORA reimburse the District half of any costs related to the variance application if it is denied by the DTSC. General Manager explained that if the variance were approved, the District would be able to accept the lead contaminated building debris and offset the costs of the variance request through tipping fees. Since it is not clear whether Clark/Pinnacle will be able to participate because the buildings that they will be demolishing for new government housing have not been adequately tested for lead contamination, staff was requesting the Board authorize an agreement with FORA only. He stated that in Agenda Item 7, staff was requesting EMC Planning Group assist in the environmental review process.

The Board agreed that an agreement was appropriate and necessary in order to ensure reimbursement.

It was moved by Director Perrine, seconded, and *Unanimously Carried To: Authorize General Manager, Working with Counsel, to Develop a Cost Sharing Agreement with FORA to Equally Share in any Costs to Process the DTSC Variance, in the Event the Variance is Denied.*

*Note: Director Perrine made the motion for both 6 and 7.*

**7) Accept Proposal from EMC Planning Group to Prepare a CEQA Initial Study Re: Fort Ord Special Waste Disposal**

The Board reviewed the proposal from EMC Planning Group (EMC) dated January 3, 2003 to assist the District and DTSC with the environmental review process related to the disposal of lead contaminated debris at the District landfill. EMC is very familiar with District operations and activities at Fort Ord. Their involvement will help expedite the variance application review and complete work that the District would have to pay the State to do. Funds are available in the fiscal year 2002-2003 budget.

It was moved by Director Perrine, seconded, and *Unanimously Carried To: Approve the Proposal from EMC Planning Group for Environmental Review Assistance Related to Fort Ord Special Waste Disposal, at a Cost of \$14,388.90.*

**8) Review Financial Reports and Budget at Midyear, and Consider Delay in Rate Increase Planned for January 1, 2004**

The Board reviewed the mid year budget report prepared by Don Prescott, Finance/Information Systems Manager, along with the Financial reports for the months of December and January. General Manager stated that the District was in a very good financial position. Revenues are estimated to be \$959,000 higher than expected and expenditures will be \$261,000 less than expected. He stated that in spite of the economy, there were several construction projects around the Monterey Peninsula and the District could expect to continue to receive additional revenue for the remainder of the year.

General Manager stated that because of the additional unanticipated revenue, staff was recommending that the Board postpone the proposed \$5 per ton rate increase, originally planned for January 1, 2004, until July 1, 2004. A public hearing could be scheduled for the latter part of 2003 in order to provide the haulers sufficient notice.

It was moved by Director Gianelli, seconded, and *Unanimously Carried To: Delay Rate Increase Until July 1, 2004.*

**9) Approve Work Scope and Authorize Single Point of Contact/Tri Power Group, Inc. to Install Fiber Optic/Wireless Communication System Between District Buildings**

The Board reviewed a memorandum from District Engineer regarding the installation of a fiber optic/wireless communications system between District buildings at a total cost of \$38,114 which is less than the \$50,000 budgeted for this project. General Manager commented that the Information Systems Committee had worked closely with Single Point of Contact and their subcontractors, the Tri Power Group.

It was moved by Director Perrine, seconded, and *Unanimously Carried To: Approve Work Scope and Authorize Single Point of Contact/Tri PowerGroup to Install Fiber Optic/Wireless Communications System at a Total Cost of \$38,114.*

**10) Approve Work Scope and Authorize Single Point of Contact to Upgrade Computer System Network**

The Board reviewed a memorandum from District Engineer and a work scope related to the upgrade of the District's computer system network at a total cost of \$123,210.97. General Manager commented that the District's computer systems are outdated and need to be upgraded and expanded. The cost of this work, which includes new servers and workstations, exceeds the overall budget by \$51,325 after incorporating savings from the fiber optic installation.

It was moved by Director Barlich, seconded, and *Unanimously Carried To: Approve Work Scope and Authorize Single Point of Contact to Upgrade Computer System Network at a Total Cost of \$123,210.97.*

**11) Approve Increased Budget and Scope of Work for Vector Engineering Re: Landfill Site Master Plan**

The Board reviewed a memorandum from Senior Engineer regarding an increase in the scope of work and budget for Vector Engineering related to the site master plan. General Manager explained that Vector was doing a good job and working hard, but they have encountered more work than anticipated in providing more detail regarding the fill sequence plan and exploring ways to maximize the landfill capacity. Vector is recommending sliver filling the closed areas of the landfill, which would increase the site life. General Manager gave the Board a brief overview of what the District has done over the years in maximizing the capacity. He stated that once the Site Master Plan has been updated, the Board will receive a full presentation.

It was moved by Director Gianelli, seconded, and *Unanimously Carried To: Approve Increased Budget and Scope of Work for Vector Engineering on a Time and Materials Basis not to Exceed \$53,110.*

**12) Authorize Purchase of New Computerized Fuel System**

The Board reviewed a memorandum from Site Superintendent recommending the purchase of an automated fueling system. There is \$25,000 in the 2002-2003 capital outlay budget for this purpose. This system will provide much better security for the District fuel dispensing system and automated record keeping.

It was moved by Director Bales, seconded, and *Unanimously Carried To: Authorize Purchase of Fuel Management System from Megatronics International of San Antonio, Texas at a Total Cost of \$19,926.25.*

**13) Review Revised Strategic Plan Status Report, Including Report on Factors That Influence Retention of Quality Employees**

The Board reviewed an updated strategic plan three-year goal status report and a report from Administrative Services Manager regarding factors that influence employee retention. The Board also reviewed an article from the *Futurist*, which stresses the importance of a stable workforce. General Manager stated that a big step in employee retention was the new benefit package that had been negotiated for hourly employees.

It was moved by Director Barlich, seconded, and *Unanimously Carried To: Accept Updated Strategic Planning Status Report.*

**14) Review Employee Safety Committee Minutes for December 18, 2002**

The Board reviewed the Employee Safety Committee Minutes for the December 18, 2002 meeting. General Manager commented that staff has been revising District safety plans and will continue to develop its safety program as recommended by the safety consultant's report which the Board will receive at the March meeting.

**STAFF REPORTS**

**15) Status of Boardmember Appointments**

The Board reviewed correspondence indicating that Mayor David Pendergrass' appointment to the Board had been reapproved by the city council. General Manager reported that Gary Bales had been reappointed by the Pacific Grove City Council at its February 19<sup>th</sup> meeting.

**16) Recycling and Operating Reports**

The Board reviewed the AB939 diversion rates through 2002. General Manager stated that the rates had remained the same from the third quarter of 2002, except for Sand City, whose percentage had increased from 49% to 50%, and Seaside, whose percentage had decreased drastically from 55% to 47%. He stated that the decrease was due largely to the Hayes Park construction project that had a lot of demolition material that was not recyclable. Staff has talked to the construction project company and the State to see what can be done. The City of Seaside may need to revise its base year and complete a new waste generation study so that material that is diverted at Fort Ord can be counted.

General Manager reported that January's tonnage of nearly 30,000 tons was up more than 1,000 tons over December and about 700 tons above January 2002. Diversion rates of 39% and 34% without sludge were above December and above the rates for calendar year 2002.

General Manager stated that the State's 4<sup>th</sup> Annual Recycled Product Trade Show was scheduled for April 10-11, 2003 at the Sacramento Convention Center. This is a good event for purchasing agents and other public and private officials to find out about the availability of recycled products in California.

**BOARD COMMUNICATIONS**

Chair Albert recognized Bill Reichmuth for his contribution to the City of Monterey's recycling efforts during his tenure as Public Works Director.

**CLOSED SESSION**

The Board met in closed session at 10:05 a.m. to discuss the following matters:

- 1) Conference with Legal Counsel - Anticipated Litigation
  - a. Significant exposure to litigation pursuant to subdivision (b) of Section 54965.9: one case.
- 2) Personnel Matter (Public Employee Appointment: General Manager)

The Board came out of closed session at 10:41 a.m. Legal Counsel announced that the Board had received information and no action was taken.

**ADJOURNMENT**

There being no further business to come before the Board at this time, the January 17, 2003, Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to February 21, 2003 by Chair Albert at 10:34 a.m.

**RECORDED BY:**

**AUTHENTICATED BY:**

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Rebecca G. Aguilar  
Administrative Support Supervisor/  
Recording Secretary

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J. David Myers  
General Manager