

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

9:30 A.M., Friday
June 18, 2004

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT: Dan Albert, Chair
Jack Barlich, Vice Chair
Gary Bales
Ken Gray
Edith Johnsen
Leo Laska
Tom Mancini
Sue McCloud
David Pendergrass

MEMBERS ABSENT: None

STAFF PRESENT: J. David Myers, General Manager
William Merry, District Engineer/Assistant General Manager
Rob Wellington, Legal Counsel
Rick Shedden, Senior Engineer
Don Prescott, Finance/Information Systems Manager
Charles Rees, Accounting 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/Operating Engineers Shop Steward
Suzan Fine, Recycling Attendant/SEIU Shop Steward

OTHERS PRESENT: Rick Wood, Asilomar Conference Center
Laura Haag Gallin, Whole Foods Market
Dan Wolfe, Whole Foods Market
Tom Wright, Whole Foods Market

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice having been duly given and the presence of a quorum established, the June 18, 2004, Regular Meeting of the Monterey Regional Waste Management District Board of Directors was called to order by Chair Albert at 9:30 a.m.

PUBLIC COMMUNICATIONS

Ms. Laura Haag-Gallin addressed the Board and stated that she was at the meeting representing Whole Foods Market in Monterey and also present at the meeting were Dan Wolfe, Whole Foods Team Leader, Tom Wright, Whole Foods Consultant, and Ron Wood from the Asilomar Conference Center. Ms Haag-Gallin stated that one of the Whole Foods mission statements was to be environmental stewards so they try to divert as much waste as possible. An average of 20 tons per month per store is diverted by recycling plastic sheets, waxed cardboard, cans, paper, other plastic, sending its meat to a tallow company, as well as donating to food banks. She stated that although 20 tons did not seem like much, there was an interest in the business community to join this program and add to that diversion, by composting food waste. Ms. Haag-Gallin stated that although they have established contacts at Norcal and are aware that the nearest place to compost food is in Gilroy, they would rather work with a local agency like the District. She requested that the Board consider the need for food composting on the Monterey Peninsula when reviewing CEQA and also during the strategic planning process. She also requested that this issue be placed on a future agenda for Board discussion and action to include the permitting of food composting.

Mr. Rick Wood addressed the Board and stated that he represented the Asilomar Conference Grounds. He further stated that an analysis had been conducted in their kitchen operation and found that during 2003 over 260 tons of waste was generated. It was determined that 60% of that waste could have been diverted and because of this, were very interested in seeing a food composting operation established.

Mr. Dan Wolfe addressed the Board and stated that it was Whole Foods' goal to reduce their wastestream by 80% or about 30 tons per month. He understood by talking to others in the community that there was a demand for the end product which could offset the cost of establishing a food composting operation.

The Board referred the issue to District staff in order to have more information provided to the Board regarding this issue and also asked that this issue be placed on the July meeting agenda.

PRESENTATION OF THREE YEAR SERVICE AWARD TO EDITH JOHNSEN

Chair Albert presented Director Edith Johnsen with a three-year service award. He congratulated and thanked her for her time, expertise, and a job well done in representing Monterey County on the District Board.

CONSENT AGENDA

Following a motion by Vice Chair Barlich and seconded, with Director Mancini abstaining, the Board approved the following actions:

- 1) Approve Minutes of May 21, 2004 Regular Meeting**
- 2) Approve Report of Disbursements**

AMENDEDITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**3) Adopt Resolution 2004-05 Approving Final Budget for Fiscal Year 2004-05**

The Board reviewed a memorandum from Finance/Information Systems Manager detailing the recommended changes from the Preliminary to the Final Budget. The Board also reviewed the Final Budget resolution. General Manager stated that as shown in the memorandum, there was a total decrease in projected income of \$555,000 primarily because of reduced income for Salinas greenwaste and increased net costs for the landfill gas project. General Manager stated that staff has had good discussions with PG&E and the District may be able to sell additional power to them. The budget included total income of \$14,680,000 and total operating expenses of \$14,799,000, including \$2,400,000 for amortization and depreciation. It also included \$2,507,000 for capital outlay and \$1,112,000 for total debt reductions.

General Manager stated that in order to balance the budget, the District would be dipping into reserves in the amount of \$1,640,000. He also stated that the Board had agreed years ago that the District should operate on a pay-as-you-go basis which had worked well, but the District now needed to look at other sources of income since by the end of fiscal 2004-05, the District total cash would drop below \$5,000,000 for the first time in ten years. The new advisory task force would be reviewing District programs and determining whether the District should raise rates, cut services, and/or bring in outside waste.

Director McCloud requested that the budget summaries refer to the reserves as such instead of unrestricted or restricted cash so that it is clear to the Board the amount of unrestricted reserves available rather than a total dollar figure. Finance/Information System Manager responded that the summaries were listed according to GASB rules. Director McCloud stated that she did not feel comfortable approving this agenda item before discussing Agenda Item 4 since the two items were related. She also felt that Item 4 should be discussed in closed session.

It was moved by Director McCloud, seconded, and *Unanimously Carried To: Table this Agenda Item Until After Discussion of Agenda Item 4, and to Move Agenda Item 4 to Closed Session.*

4) Approve Revised MOU's with Operating Engineers Union, Service Employees International Union, and Management & Confidential Employees Unit

See Motion Above.

5) Authorize Hayashi & Wayland Accountancy Corporation to Perform Annual Audit of District and JPA Financial Statements for Fiscal Year 2003-04

The Board reviewed a letter from Hayashi & Wayland Accountancy offering to prepare the annual audit for the District and Authority for the period ending June 30, 2004 at a cost of \$24,800.

It was moved by Director Bales, seconded, and *Unanimously Carried To: Authorize Hayashi & Wayland Accountancy Corporation to Perform Annual Audit for Fiscal Year 2003-04.*

6) Consider Amending Contract with EMC Planning Group for Additional Environmental Review Assistance Re: Fort Ord Special Waste

The Board reviewed a memorandum from Senior Engineer, regarding the need for more environmental review work on the Fort Ord lead contaminated waste project and the additional \$16,917.50 that EMC expected would be needed to complete the required work.

It was moved by Director McCloud, seconded, and *Unanimously Carried To: Approve Amended Contract with EMC Planning Group for an Additional \$16,917.50 for a Total Contract Amount of \$34,306.*

7) Consider Award of Contract to Shaw/EMCON/OWT for Assistance in Preparation of Landfill/MRF Joint Technical Document

The Board reviewed a memorandum from Senior Engineer requesting the assistance of Shaw/EMCON/OWT with the preparation of the "Joint Technical Document" (JTD) in an amount not to exceed \$25,000. The JTD is necessary for the revised landfill/MRF permit. General Manager stated that the process of preparing a JTD has been very complicated and time consuming. In order to be able to complete it sooner, staff felt that EMCON's assistance was necessary.

Director Laska asked whether the revised JTD would suffice if the District were to accept additional waste. General Manager responded that staff is trying to revise the permit so that considerable additional waste and vehicles would be acceptable.

It was moved by Director Johnsen, seconded, and *Unanimously Carried To: Award Contract to Shaw/EMCON/OWT for Assistance in Preparation of Landfill/MRF Joint Technical Document in an Amount not to Exceed \$25,000.*

8) Award Contract to Shaw/EMCON/OWT for Design and Construction of Landfill Gas System Improvements Phase II

The Board reviewed a memorandum from Site Superintendent regarding the landfill gas system improvements. General Manager stated that most of the work was included in EMCON's original proposal, but additional improvements had been proposed. The biggest expenditure was the realignment of the Module 1 main header which was needed in order to begin the sliver fill process if approved. The capital outlay budget for the next fiscal year had been increased by about \$250,000 since more of the EMCON work would take place sooner rather than in subsequent years.

It was moved by Director Bales, seconded, and *Unanimously Carried To: Award Contract to Shaw/EMCON/OWT for \$452,060 in Design and Construction Improvements to the Landfill Gas System.*

9) Review and Discuss New Conceptual Designs for Site Entrance

The Board reviewed additional designs for the environmental park site entrance. General Manager stated that additional columns had been added and he wanted to get a final consensus of what the Board preferred in order to forward the design to the MRWPCA Board for their consideration. He stated that he preferred to paint the adobe type bricks rather than plaster them or leave them unpainted. He stated that once a decision is made on the right turn lane from Del Monte Blvd. into Charlie Benson Lane, some changes will have to be made to the design, but deciding on what type of materials to use now would enable District staff to move this project along.

Board discussion followed regarding the designs and types of material. Director Bales asked whether it would be more cost effective to purchase the bricks rather than use District manpower to make bricks utilizing old paint. General Manager stated that staff had not determined whether or not it would be more cost effective, but would try to use manpower from the household hazardous waste department, and if it was not cost effective, staff would consider other alternatives.

It was moved by Director Bales, seconded, and *Unanimously Carried To: Authorize the Use of Recycled Paint Bricks and White Painted Walls with Intermittent Columns with Clay Tile Caps if Cost Effective.*

10) Award Contract for New Fencing at Last Chance Mercantile and Landfill Gas Building.

The Board reviewed a memorandum from Senior Engineer requesting that a contract be awarded to the low bidder, Monterey Bay Fence, in the amount of \$13,678 for installation of a chain link fence around the new parking area and the monitor and television storage area in the Last Chance Mercantile, and replacement of the fence around the Landfill Gas Building. There are funds in the amount of \$25,000 in the capital outlay budget for this purpose.

It was moved by Director Mancini, seconded, and *Unanimously Carried To: Award Contract to Monterey Bay Fence in the Amount of \$13,678.*

STAFF REPORTS

11) Financial, Recycling, and Operating Reports

The Board reviewed the financial, recycling, and operating reports for May 2004. General Manager stated that net income was up, although tonnage was down because of the MRF modifications.

12) Status of General Manager Selection Process

General Manager reported that he had spoken to recruiter Regan Williams who reported that 29 applications had been received and that he would interview about 10. After those interviews, he would reduce the number to 3 or 4 finalists for the Board to interview in August.

Board discussion followed. Director McCloud stated the Board had previously requested that Mr. Williams provide the Board with all of the applications that he had selected for interviews, including the final 3 or 4 selected for full Board interviews. The Board concurred that Mr. Williams should provide the Board with this information 15 days prior to the scheduled interviews at the August 20th Board meeting.

13) Status of MRWMD Advisory Task Force

General Manager reported that he had sent out letters to all of the City Managers and Public Works Directors as well as other interested parties, regarding the formation of an advisory task force. He reported that the membership list was nearly complete and the first meeting would be held in mid July. Regular monthly meetings would be held prior to reporting back to the District Board with recommendations about future District operations at the November 2004 Board meeting.

OTHER CORRESPONDENCE**14) Correspondence with Department of Toxic Substances Control Re: Fort Ord Special Waste Determination**

The Board reviewed two letters from Karl Palmer of the Department of Toxic Substances Control regarding the special waste determination at Fort Ord. The letters were in response to an email from Dale Timmons from ARI Technologies of Kent, Washington. Mr. Timmons was questioning whether or not the lead painted wood should be allowed to come to the District site. ARI Technologies is a firm interested in deconstructing the Fort Ord buildings.

15) Letter to Regional Water Quality Control Board Re: Groundwater Sampling Results

The Board reviewed a letter to the Regional Water Quality Control Board from Senior Engineer, regarding the retest of well G21 which showed that the groundwater was clean and that previous test results probably were not indicative of a release from the District landfill.

16) Letter from California Special District Association Re: Support for Government Financing Reform Package

The Board reviewed a letter from the California Special Districts Association asking all special districts to support the recent local government reform package announced by Governor Schwarzenegger.

BOARD COMMUNICATIONS

Chair Albert shared with the Board that the General Manager will be receiving the Robert L. Lawrence award, the highest award given by the Solid Waste Association of North America, at WasteCon in September. Director McCloud requested a press release be issued given the nature of the award.

ELECTION OF OFFICERS FOR FISCAL YEAR 2004-05

As reported in the General Manager's report, Chair Albert and Vice Chair Barlich have expressed willingness to continue to serve as Chair and Vice Chair for fiscal year 2004-2005.

It was moved by Director Johnsen, seconded and *Unanimously Carried To: Reelect Dan Albert as Chair and Jack Barlich as Vice Chair of the Monterey Regional Waste Management District Board for Fiscal Year 2004-2005.*

CLOSED SESSION

The Board met in closed session at 10:42 a.m. regarding Agenda Item 4: **Approve Revised MOU's with Operating Engineers Union, Service Employees International Union, and Management & Confidential Employees Unit.**

The Board came back from closed session at 11:04 a.m. and Legal Counsel announced that the Board had reviewed and discussed Agenda Item 4 and no action had been taken. The Board would now take action on Agenda Item 3 that had previously been tabled, and Agenda Item 4.

3) Adopt Resolution 2004-05 Approving Final Budget for Fiscal Year 2004-05

It was moved by Director Johnsen, seconded, and *Unanimously Carried To: Adopt Resolution 2004-05 Approving Final Budget for Fiscal Year 2004-05.*

4) Approve Revised MOU's with Operating Engineers Union, Service Employees International Union, and Management & Confidential Employees Unit

It was moved by Director Johnsen, seconded, and *Unanimously Carried To: Approve Revised MOU's with Operating Engineers Union, Service Employees International Union, and Management & Confidential Employees Unit, as Provided for in the Memoranda of Understanding; and General Manager Benefit Package.*

ADJOURNMENT

There being no further business to come before the Board at this time, the June 18, 2004 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to July 16, 2004 by Chair Albert at 11:05 a.m.

RECORDED BY:

Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:

J. David Myers
General Manager