

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

9:30 a.m., Friday
March 18, 2005

Boardroom
Monterey Peninsula Landfill
Marina, CA

MEMBERS PRESENT: Dan Albert, Chair
Sue McCloud, Vice Chair
Gary Bales
David Pendergrass
Ken Gray
Leo Laska
Joseph Russell
Jerry Smith
Don Jordan

MEMBERS ABSENT: None

STAFF PRESENT: William Merry, General Manager
Rob Wellington, Legal Counsel
Richard Shedden, Senior Engineer
Richard Norton, Administrative Services Manager
Heidi Feldman, Public Education Coordinator
Don Prescott, Finance/Information Systems Manager
Chuck Rees, Accounting Manager
Richard Petitt, Assistant Site Superintendent
Gary Metzler, Safety Manager
Jack Cook, Assistant MRF Manager
Rebecca Aguilar, Administrative Support Supervisor
Julia Partida, Administrative Support Specialist
Cheryl Hall, Public Education Assistant
Dave Hall, Equipment Shop Supervisor/Operating Engineers Shop Steward
Suzan Fine, Recycling Attendant/SEIU President

OTHERS PRESENT: Angela Brantley, City of Monterey
Mark Arsenault, Waste Management, Inc.
Patrick Mathews, Santa Cruz County

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice having been duly given and the presence of a quorum established, the March 18, 2005, 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

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

- 1) Approve Minutes of February 18, 2005 Regular Board Meeting.**
- 2) Approve Report of Disbursements.**

ITEMS FOR BOARD CONSIDERATION, DISCUSSION, AND ACTION

3) Consider Guidelines for Accepting Out-of-District Waste

The Board reviewed a memorandum from Accounting Manager, Chuck Rees, which provided discussion points for the development of a District policy regarding the acceptance of waste from outside the District boundaries. General Manager stated that this item was, to some extent, a continuation of discussions that had been held in previous months by the Board and the Task Force that was formed of representatives of the District jurisdictions, as well as District Boardmembers and staff. The outcome of those discussions formed the basis of the guiding principles adopted by the Board at its October meeting. He stated that at the February meeting, the Board had discussed a request from Randazzo Enterprises, Inc. for reduced tipping fees for waste originating from the Clark Realty Builders project on the Presidio of Monterey. The Board had rejected the request, and directed staff to develop a policy around which to consider such future requests. General Manager stated that the broader issue of importing refuse needed to be discussed.

The Board reviewed a letter from Santa Cruz County (SCC) Public Works Director Thomas Bolich to the Board of Supervisors, dated February 3, 2005 and presented to the SCC Board of Supervisors on February 15. The letter outlined a comprehensive summary of resource recovery and solid waste management programs and planning objectives for SCC. SCC residents are opposed to siting a landfill within the county at this time so SCC has halted such efforts. Staff has met with Patrick Mathews, Solid Waste Manager for SCC regarding sending 30,000 tons of waste per year from their Ben Lomond transfer station to the District's landfill, pending agreement on terms and an acceptable rate for disposal. The Salinas Valley Solid Waste Authority is also interested in bringing in waste from the Salinas Valley area of Monterey County.

Chair Albert questioned what action was required by the Board at this meeting after discussion by the Board. Legal Counsel stated that the eventual outcome of discussions would be to establish a District policy for acceptance of waste from outside the District boundaries.

Director Pendergrass expressed concern regarding SCC halting its efforts to establish a landfill, since he did not feel the District should assume responsibility for a neighboring county's problems, i.e. waste disposal. He believed that a limited amount of waste could be accepted on a short term basis. Director Russell stated that it seemed that the aim of the District was to prolong the life of the landfill. He would consider outside waste being accepted even though the reduction of site life would be 23 years, which was a valuable commodity that other counties did not have. He suggested that perhaps it was better to review requests on an adhoc basis instead of

establishing a policy. Legal Counsel stated that a companion issue along with prolonging the life of the landfill was to stabilize the landfill tipping fee for District customers. General Manager commented that at the presentations given to member agency city councils, he had stated that recycling programs increased expenses and importing waste would increase revenues. He also stated that he had attended a SWANA legislative task force meeting in Sacramento this week. There were 70 proposed bills in the legislature related to solid waste with one that would increase local diversion (recycling) rates from 50% to 75% by the year 2015. He advised local community leaders to voice their comments and concerns to legislators regarding this proposed increase in the state mandate for recycling, which would likely increase costs at the local level. The State Waste Board has a strategic goal of "zero waste" which would mean that landfills would no longer be necessary. Therefore, a site life of over 100 years was a very long time.

Director Pendergrass questioned the practicality of zero waste. General Manager stated that Santa Cruz County, along with a handful of other California communities, has adopted a goal of zero waste.

General Manager reviewed the discussion points in the memorandum with the Board. Points of discussion were the landfill capacity and service area; Vector Engineering report regarding the acceptance of outside waste and the reduction of site life; current tipping fee structure that included all District services; holding the income earned from the acceptance of the outside waste in a designated fund for additional waste diversion and recycling programs; pros and cons of accepting the waste; stipulations that needed to be met prior to the acceptance; and acceptance of waste from private haulers and public entities.

Director Gray stated that perhaps instead of offering a long term agreement, an annual request could be required by those entities seeking to bring in waste, and given to the highest bidder. He expressed concern over other agencies becoming dependent on the District to solve their waste problems. General Manager stated that there could be a problem for those public entities since many of them have long term budget projections. He stated that the Board could allocate a certain airspace volume (cubic yards) to a community and track the waste placed in it so that the number of reserved years would not be compromised. He reminded the Board that the Monterey Peninsula Landfill site life had been increased from 40 to 102 years over the last 25 years. Legal Counsel stated that it would be the Board's decision to accept a defined amount of waste which would be part of any agreement and SCC and other entities would know that the acceptance would be for a defined amount of waste, over a fixed period of time, with a cancellation clause.

Director Laska stated that initially he had been concerned about accepting outside waste and reducing the site life by any number, but the more he learned, the more he realized that it could be done with benefit to the District. He believed that the income would protect current rate payers from continued increases and agreed that strict terms needed to be in place as well as a standard price with escalators for acceptance of the outside waste.

Director McCloud stated that if other jurisdictions were aiming for zero waste, there was a certain disincentive of not providing any recycling for that waste. She cited demographic changes and how that could affect contracts especially with public jurisdictions that make long term projections. She questioned whether long term may be CEQA issues with the out of District waste and whether or not the District could be challenged by other member jurisdictions when making selective decisions to reduce the rates on local projects, such as demolition from the former Fort Ord. General Manager responded that the Board should discuss and consider whether special consideration and rates should be given to waste originating from the former Fort Ord or any other special circumstances project such as affordable housing projects. Additionally, CEQA requirements would be appropriately addressed as necessary when the particular projects or agreements are forward.

Director Bales stated that the Task Force was formed last year to provide guiding principles to the Board and they had recommended that an amount be set aside from the sale of airspace for rate stabilization. He felt that staff

had provided good information to start discussions on this issue. He agreed that the two goals were conserving landfill space and stabilizing rates. He stated that setting aside the income from the sale of airspace to continue to develop recycling programs could in the long term conserve the landfill space sold.

Director Russell asked whether a separate agreement could be made with each out of District public agency depending on circumstances. He expressed that equality could be maintained with private contractors. Director Gray commented on the economics of garbage where a situation could occur that the rates are so low that all garbage would be brought here or too high and it gets taken elsewhere. The Board needed to decide on the appropriate rate. He was in favor of setting aside this income to develop additional recycling programs for member agencies, especially with the State trying to increase recycling diversion requirements.

Director Bales stated that any agreements needed to be short term solutions to long term problems. General Manager stated that SCC was trying to find a short term disposal solution for now and perhaps a long term waste management solution as well.

Mark Arsenault, General Manager of Waste Management, Inc., addressed the Board and stated that the District landfill had one of the longest site lives in California. He urged the Board to consider the market place dynamics and referred to the waste coming from Santa Clara County to the Crazy Horse Canyon Landfill at \$29 per ton, while the basic tipping fee for local waste would be \$50 per ton July 1, 2005.

Patrick Mathews addressed the Board and expressed appreciation to the Board for its consideration of acceptance of waste from SCC. He stated that SCC was very dedicated to recycling and would be in agreement of any condition or clause to maintain diversion rates. Every agency should be obligated to recycle. He stated that currently there were two issues, the short term acceptance of the Ben Lomond waste currently going to the Buena Vista Landfill, and the long term solution which included waste transfer and waste conversion technologies. Their goal would be to buy a few years of time of about 10 to 20 years to find a long term solution. He stated that the proposal of siting a new landfill received significant community opposition. The Buena Vista Landfill had a remaining site life of about 15 years.

Chair Albert asked the Board for further comments. Director Smith stated that the Board would have to define terms of any agreements since it was managing a resource. He was in agreement of setting aside the funds for recycling and public education. Legal Counsel stated that the next agenda item would deal with the issue of being able to reach definition for an agreement.

General Manager stated that the Board had provided sufficient comments to staff at this time, and staff would report back at the April meeting.

4) Authorize Professional Engineering Services Contract with EMCON/OWT, Inc. for Solid Waste Disposal Fee Evaluation

The Board reviewed a memorandum from Senior Engineer Rick Shedden regarding the retention of EMCON/OWT, Inc to provide professional engineering services to evaluate a solid waste disposal fee. General Manager stated that as the Board considered a policy on accepting outside waste, the Board would also need to determine what the tipping fee should be to appropriately reflect the cost to provide the service to landfill the waste. Although staff has considerable experience and ability to direct this effort, they were recommending the retention of EMCON because of their broader perspective on the matter. The Board reviewed EMCON's proposed work scope. General Manager stated that EMCON had just completed a similar effort for Fresno County where they had recommended reducing the landfill tipping fee.

Director Pendergrass questioned the expense of hiring an outside firm to conduct the work when staff was capable of performing the work. General Manager responded that although staff was experienced in the subject matter, EMCON was very knowledgeable, especially since they had conducted similar work for Fresno County. Director Jordan expressed concern of development of a policy before an evaluation. General Manager stated that a first task for EMCON would be to develop a written scope of work after meeting with staff.

It was moved by Director Gray, seconded, and Approved by Chair Albert, Vice Chair McCloud, Directors Bales, Gray, Laska, Russell, Smith, and Jordan; opposed by Director Pendergrass, To: Authorize Professional Engineering Services Contract with EMCON/OWT, Inc. for Solid Waste Disposal Fee Evaluation on a Time and Materials Basis Not to Exceed \$26,400.

5) Select New Representative to Monterey County Special Districts Association

It was moved by Chair Albert, seconded, and **Unanimously Carried To: Elect Director Jordan as the New Representative to Monterey County Special Districts Association.**

6) Authorize Purchase of Four New Roll-Off Boxes From Wastequip McLaughlin of Lockeford, California

The Board reviewed a memorandum from Jack Cook, Assistant MRF Manager regarding the purchase of four new roll off boxes. Staff recommended the purchase from the low bidder, Wastequip McLaughlin of Lockeford, CA for the total price of \$21,718.09. The boxes will be used for the District's recycling operations at the materials recovery facility and drop off z-wall.

It was moved by Director Laska, seconded, and Unanimously Carried To: Authorize Purchase of Four New Roll-Off Boxes From Wastequip McLaughlin of Lockeford, California at a Total Purchase Price of \$21,718.09.

STAFF REPORTS

7) Financial, Operating, and Recycling Reports

The Board reviewed the financial, operating and recycling reports for February 2005.

8) Salinas Valley Solid Waste Authority Update

General Manager reported that the Salinas Valley Solid Waste Authority (SVSWA) had obtained its Crazy Horse Canyon Landfill operating permit from the state and would no longer have an immediate need to bring waste to the District's site. Discussions will continue between the Authority and District staffs regarding the acceptance of waste from the SVSWA. The SVSWA is continuing with an ongoing effort for site selection of a new landfill in Southern Monterey County, east of King City.

9) Report on County Illegal Dumping and Litter Abatement Task Force Meeting of March 2

The Board reviewed the minutes of the March 2nd meeting of the County Illegal Dumping and Litter Abatement Task Force. Public Education Coordinator Heidi Feldman had attended the meeting and the Board also reviewed her summary of the meeting.

10) Briefing on Recycling Diversion Calculations

The Board did not receive information regarding calculation of community diversion numbers. The briefing by staff will be rescheduled for a future meeting.

BOARD COMMUNICATIONS

Director Gray commented that General Manager should be commended on his great presentations to the member agencies as well as other work during his first 100 days as the new General Manager.

CLOSED SESSION

The Board went into closed session at 10:55 a.m. regarding the following:

Conference with Property Negotiators

Property: Landfill Site Space/Capacity
District Negotiators: William Merry and Don Prescott
Negotiating Parties: Randazzo Enterprises, Santa Clara County, Santa Cruz County,
and Salinas Valley Solid Waste Authority
Terms: All Terms and Conditions

Conference with Labor Negotiators:

District Negotiators: William Merry and Richard Norton
Employee Organizations: Operating Engineers and Service Employees International Unions;

The Board returned into open session at 11:26 a.m. Legal Counsel stated that the Board did not discuss the first matter. With regard to the second matter, he stated that the Board gave instructions to the negotiators. No other action was taken.

ADJOURNMENT

There being no further business to come before the Board at this time, the March 18, 2005 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to April 15, 2005 by Chair Albert at 11:27 a.m.

RECORDED BY:

Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

AUTHENTICATED BY:

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