

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

9:30 a.m., Friday
May 19, 2006

Boardroom
Monterey Peninsula Landfill
Marina, CA

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

MEMBERS ABSENT: None

STAFF PRESENT: William Merry, General Manager
Timothy Flanagan, Assistant General Manager
Rob Wellington, Legal Counsel
Richard Shedden, Senior Engineer
Richard Norton, Administrative Services Manager
Don Prescott, Finance/Information Systems Manager
Charles Rees, Accounting Manager
Gary Metzler, Safety Manager
Harry Hunzie, Materials Recovery Facility Manager
Glen Evett, Last Chance Mercantile/Hazardous Materials Manager
Rebecca Aguilar, Administrative Support Supervisor
Cheryl Hall, Public Education Assistant
Clyde Walkup, Materials Recovery Facility Supervisor/OE3 Operations Shop Steward
Suzan Fine, Recycling Attendant/SEIU President
Dave Hall, Equipment Shop Supervisor
Gracie Arreola, Site Support Specialist/OE3 Support Shop Steward

OTHERS PRESENT: Angela Brantley, City of Monterey
Bjorn Lundegard, City of Seaside
Jim Hietzman, Monterey Regional Water Pollution Control Agency
Jerry Verhasselt, Pebble Beach Community Services District
Olivia Nunez, Waste Management, Inc.

ROLL CALL AND ESTABLISHMENT OF QUORUM

Notice having been duly given and the presence of a quorum established, the May 19, 2006, 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

Dave Hall, Equipment Shop Supervisor, addressed the Board and stated that he had spent the first week of May in Louisiana assisting with the hurricane clean-up effort. He expressed appreciation to the Board for providing him the opportunity and time to assist in that effort. On behalf of the Board, Chair Albert thanked Dave for his contributions to the District during his seven years of service and wished him well in his future endeavors after he retires from the District on June 15, 2006.

INTRODUCTION OF NEW PUBLIC EDUCATION & RECYCLING MANAGER JEFF LINDENTHAL

General Manager introduced the District's new Public Education and Recycling Manager Jeff Lindenthal. Jeff addressed the Board and stated he was pleased to be working at the District. He stated that it was great to be a part of an organization whose programs were so well integrated within its operations and the community. Chair Albert welcomed Jeff on behalf of the Board.

NOTE: Upon direction of Legal Counsel, Chair Albert announced that with regard to Item 6, the Board would review and accept public comments, and then go into closed session to discuss the negotiation aspects related to that agenda item.

CONSENT AGENDA

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

- 1) **Approve Minutes of April 21, 2006 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Award of Contract to Whitson Engineers for Aerial Mapping Services**
- 4) **Authorize Purchase of a New Industrial Grade Portable Pressure Washer**

ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 5) **Adopt Resolution of Appreciation (2006-02) for Retiring Pebble Beach Community Services District General Manager Richard Andrews**

It was moved by Director Laska, seconded, and Unanimously Carried To: Adopt Resolution of Appreciation (2006-02) for Retiring Pebble Beach Community Services District General Manager Richard Andrews.

Director Laska accepted the resolution on behalf of Richard Andrews and expressed that Richard would be missed at the Pebble Beach Community Services District.

6) Approve Organizational/Staffing Changes to Maintenance, Finance, Scales, and Information Systems Operations; Addition of a Heavy Equipment Mechanic and an Accounting Technician; and Changes in Memorandums of Understanding with Affected Bargaining Units

The Board reviewed a memorandum from Administrative Services Manager Rich Norton, which outlined several changes in staffing and organization of personnel. General Manager stated that a handout revising his recommendation had been provided to the Board as well as a letter from Finance/Information Systems Manager. He also stated that the proposed reorganization changes were a continuation of the substantial changes in personnel and organizational structure that had occurred since his appointment as General Manager.

Administrative Services Manager explained the proposed changes to the Board which included the reclassification of the Equipment Shop Supervisor to an Equipment Maintenance Manager reporting directly to the Assistant General Manager, and overseeing the MRF Maintenance operations in addition to the mechanic operations. The changes also included separating the duties of Finance/Information Systems Manager into two positions and creating a Finance Manager and an Information Systems Manager; designating current Accounting Manager as the interim Finance Manager and transferring oversight of the scale operation from him to the Site Manager. Staff was also requesting two new positions, an accounting technician and a heavy equipment mechanic, with the FY 2006-2007 Preliminary Budget. The recommendations were believed to be the most cost effective and operationally efficient use of District personnel and resources.

General Manager stated that the organizational changes had been presented to the Personnel/Finance Committee on May 8th and it was the unanimous recommendation of the Committee to go forward with the changes.

Director Bales stated that the Finance Committee had discussed this issue at length. Chair Albert stated that the changes were reasonable and would improve the overall structure of the District. Director Gray stated that the changes would allow even distribution of a heavy workload in order to complete software implementation and technology upgrades in the future. Director Laska stated that the Committee had been convinced that the changes were necessary to address the growth of the District and support the many changes in technology.

Finance/Information Systems Manager addressed the Board and stated his concerns with the changes and not allowing management staff to properly respond to the changes because of time constraints in preparing the Board packets. He asked the Board to consider delaying a decision on this issue to the June meeting to allow management staff to properly respond to the proposed changes.

It was moved by Director Gray, seconded, and Unanimously Carried To: Defer Action of this Item Until After Discussion in Closed Session.

7) Review Financial Reports and Adopt Preliminary Budget for Fiscal Year 2006-2007

The Board reviewed the financial reports for the month of April and the Preliminary Budget for Fiscal Year 2006-2007. General Manager stated that staff had reviewed the District needs over the next year in preparation of the preliminary budget and that any revenue from the acceptance of regional waste had not been included.

Finance/Information Systems Manager reviewed the preliminary budget with the Board and stated that staff anticipated a current year net income of \$1,265,000 and a decrease in unrestricted cash of \$603,000. The Preliminary Budget included an anticipated rate increase, already approved by the Board, of \$2 per ton on January 1, 2007 and January 1, 2008, resulting in a \$45 per ton rate at that time. The new budget included \$17,470,000 in revenues, operating expenses of \$16,154,000 and capital outlays of \$3,035,000.

The Board also reviewed a memorandum from Administrative Services Manager Rich Norton which outlined the wage and benefit aspects of the budget. The Personnel/Finance Committee had concurred with the Preliminary Budget at their May 8th meeting.

It was moved by Director Laska, seconded, and Unanimously Carried To: Adopt Preliminary Budget for Fiscal Year 2006-2007.

8) Status Report on Acceptance of Regional Waste for Disposal

Assistant General Manager stated that at their May 18, 2006 meeting, the Salinas Valley Solid Waste Authority (SVSWA) Board had raised issues concerning public acceptance of bringing material to the District. They are in the final stages of establishing criteria to be used in evaluation of their waste management and disposal system options. The non-financial criteria had been evaluated.

General Manager stated that he had met with SVSWA General Manager Steve Johnson and their consultant Michael Brown on May 3rd while at the SWANA Western Regional Symposium. He reiterated that the District Board supported acceptance of regional waste for disposal upon adoption of the guiding principles for acceptance of regional waste in late 2005.

Staff anticipates bringing an agreement for Board consideration at the June or July meeting for acceptance of Santa Cruz County waste. The Santa Cruz County Board of Supervisors would then consider the agreement for approval in August.

No Action Taken.

9) Status Report on County-Wide Construction and Demolition (C&D) Model Ordinance

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding the proposed county-wide model C&D ordinance. The C&D working group met on May 10th to discuss the ordinance in order to prepare an acceptable ordinance that can be adopted in some form by the cities. District staff is optimistic that increased diversion can be achieved and will continue to work with the group.

No Action Taken.

10) Support Collection of Household Batteries at Selected Locations Within District

The Board reviewed a memorandum from LCM/HHW Manager Glen Evett recommending support of the collection of household batteries at selected locations, such as fire stations. Staff has been in contact with representatives of the Monterey County Environmental Health Department, the SVSWA, and the California Integrated Waste Management Board (CIWMB) and they are all in agreement that it would be appropriate and acceptable to collect household batteries from residents at fire stations where personnel are trained to properly collect, store, and manage household batteries, which are a state regulated universal waste.

Board discussion followed regarding the collection of batteries at the curbside by the franchised haulers. Assistant General Manager responded that the batteries were picked up by Waste Management, Inc. (WMI) in Santa Cruz County as part of the contract with the County. Angela Brantley, City of Monterey, addressed the Board and stated that most trucks are now automated and having to pick up batteries requires the driver to step out of the truck to collect the batteries. Olivia Nunez, WMI, stated that she would provide the comments to other WMI staff so that the issue could be further pursued.

After further discussion, the Board agreed to support the collection of household batteries at selected and appropriate locations within the District.

No Action Taken.

11) Authorize Joint Study with the Monterey Regional Water Pollution Control Agency (MRWPCA) to Determine Feasibility of Joint Project for Biogas Utilization

The Board reviewed a memorandum from Assistant General Manager Tim Flanagan regarding a joint study with the MRWPCA to determine the feasibility of a joint project for biogas utilization. The MRWPCA had already commissioned similar work with Carollo Engineers, an engineering firm qualified and experienced in this work, as part of a workscope to determine the appropriate steps in order to handle digester gas from its operations at a cost of \$40,000. The District's share would be \$20,000. General Manager stated that District staff had met several times with MRWPCA staff to discuss issues of mutual interest. This was a good opportunity to explore the feasibility of future recovery and utilization of biogas.

Directors Pendergrass and Russell stated that they did not recall this topic being presented to the MRWPCA Board, of which they are members. General Manager responded that he had spoken to Keith Israel, General Manager of the MRWPCA, and since there was sufficient time, this item could be brought to their respective Boards in June. Jim Hietzman, MRWPCA Assistant General Manager, addressed the Board and stated that it appeared that there was excess gas that could be utilized and it was thought prudent to look into a joint venture with the District. He stated that the MRWPCA was in the process of this study and Carollo had suggested that due to the similarity in the projects, it was cost effective to conduct this part of the study jointly.

It was moved by Director Gray, seconded, and Unanimously Carried To: Authorize Joint Study with the MRWPCA to Determine Feasibility of Joint Project for Biogas Utilization for a Cost Not to Exceed \$20,000.

12) Receive LAFCO's Administrative Draft of MRWMD Municipal Service Review

The Board reviewed the Local Agency Formation Commission of Monterey County (LAFCO) Administrative Draft of the MRWMD Municipal Service Review. General Manager asked the Board to provide any comments for inclusion before finalization of LAFCO's review and analysis of District's services, organization, and financing.

STAFF REPORTS

13) Operating and Recycling Reports

The Board reviewed the operating and recycling reports for April.

14) Review of Legislation and Regulations Related to Waste Management

The Board reviewed a color-coded summary of pending legislation affecting waste management in California. It depicted not only SWANA's position on the legislation, but also the position of Californian's Against Waste, the League of California Cities, and the California State Association of Counties.

OTHER CORRESPONDENCE

15) Letter to Cities RE: Litter Efforts

The Board reviewed a letter that was sent on May 2, 2006 to the cities, as directed by the Board, outlining actions approved at the April meeting to enhance the litter control and abatement programs on the Peninsula.

Vice Chair McCloud stated that at the May 17th meeting of the Board's Ad Hoc Litter Committee, it had been agreed that a major media event should be held, which would launch the total program with all participants involved. Director Pendergrass stated that Sand City had agreed to monetarily fund the two-mile stretch of Highway One that runs through Sand City, and currently adopted by the District.

16) Letter to Cities RE: Waste Flow Provisions of Joint Powers Authority (JPA) Agreement

The Board reviewed a letter that was sent to the cities on May 9, 2006, as directed by the Board detailing the waste flow provisions of the Joint Powers Authority agreement. It will be sent to the cities annually as a reminder of the importance of working together locally on waste diversion and management efforts.

17) Letter to Cities RE: DOC Funding for Regional Media Campaign

The Board reviewed a sample letter that would be sent to member cities requesting that they share their Department of Conservation funds with the Central Coast Recycling Media Coalition.

GENERAL MANAGER COMMUNICATIONS

General Manager commented that the implementation of a "1-877-5NoTrash" litter hotline was under discussion.

He stated that Senior Engineer had met with the District's appraiser, John Piini and the Monterey County Water Resources Agency appraiser, John Hanna on May 10th to discuss the property in question and to tour the site. Staff anticipated making a report to the Board in June on the matter. Director Pendergrass stated that the MRWPCA would be touring the Orange County rubber dam at the end of June if anyone was interested in attending.

General Manager asked for Board feedback with regard to the facilitator for the Strategic Planning Session in 2007. In the past, Marilyn Snider had assisted the District with this effort and was available at the end of April 2007 to assist the District again. She would be assisting the MRWPCA with their annual Strategic Planning effort and if the sessions were held on consecutive days, a Thursday (District) and a Friday, her expenses would be reduced. Board discussion followed with regard to the facilitator.

CLOSED SESSION

The Board went into closed session at 10:57 a.m. regarding the following:

- 6) Approve Organizational/Staffing Changes to Maintenance, Finance, Scales, and Information Systems Operations; Addition of a Heavy Equipment Mechanic and an Accounting Technician; and Changes in Memorandums of Understanding with Affected Bargaining Units**

The Board returned into open session at 11:21 a.m. Legal Counsel stated that the Board had discussed Item 6 relative to negotiations. Direction had been given to the negotiators with no other action taken.

It was moved by Director Jordan, seconded, and Unanimously Carried To: Approve Organizational/ Staffing Changes to Maintenance, Finance, Scales, and Information Systems Operations; Addition of a Heavy Equipment Mechanic and an Accounting Technician; and Changes in Memorandums of Understanding with Affected Bargaining Units, Effective July 1, 2006 and Pending Any Required Meet and Confer Issues.

The Board returned into closed session at 11:23 a.m. regarding the following:

- 1) Conference with Property Negotiators
Property: Landfill Site Space/Capacity
District Negotiators: William Merry, Tim Flanagan, and Rick Shedden
Negotiating Parties: Santa Clara County, Santa Cruz County, Salinas Valley Solid Waste Authority
Terms: All Terms and Conditions
- 2) Conference with Legal Counsel - Anticipated Litigation
 - a. Significant Exposure to Litigation Pursuant to Subdivision (b) of Section 54965.9: 1 case
- 3) Conference with Legal Counsel - Existing Litigation
 - a. Don Prescott v. Monterey Regional Waste Management a District, et al.
Monterey County Superior Court Case No. M75658

The Board returned into open session at 11:29 a.m. Legal Counsel reported that the Board had not taken up Item 1. With regard to Items 2 and 3, the Board had received information. No action was taken by the Board.

ADJOURNMENT

There being no further business to come before the Board at this time, the May 19, 2006 Regular Meeting of the Monterey Regional Waste Management District Board of Directors was adjourned to June 16, 2006 by Chair Albert at 11:30 a.m.

RECORDED BY:

AUTHENTICATED BY:

Rebecca G. Aguilar
Administrative Support Supervisor/
Recording Secretary

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