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MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

STRATEGIC PLANNING ADVISORY TASK FORCE MEETING MINUTES

Wednesday
December 2, 2009
9:30 to 11:30 a.m.

MRWMD Boardroom
14201 Del Monte Blvd.
Marina, CA

The Monterey Regional Waste Management District (District) Strategic Planning Advisory Task Force (SPATF) met on December 2, 2009 (list of attendees attached). The following action items resulted from the meeting:

ACTION ITEMS:

1. There was consensus among jurisdictions in attendance to not extend existing garbage collection franchise agreements within the next two years to allow time to further discuss and work through the cooperative approach that best suits member agencies.
2. Several jurisdictions spoke in favor of a Formal Delegated process with the potential to offer: greater consistency in services and economies of scale with the District playing a key role in contract procurement and management.
3. It will be important to define the procurement strategy in the next six months.
4. Agenda for next meeting to include a report on flexibility and services, and feedback.

DISCUSSION ITEMS

1. **Introductions**

Attendees introduced themselves.

2. **Update on District Finances**

Updated charts depicting waste flow for 12 years (1997 - 2009) were presented. The trend continues downward. The bottom has likely not been reached. Discussion was held on alternative funding mechanisms and on the possibility of consolidation of services with Salinas Valley Solid Waste Authority (SVSWA).



3. Bob Hilton, HF&H Consultants

- Greater Franchise Management System Cooperation
- Local Franchise Agreement Comparison Matrix
- Alternative Financing Overview

HF&H was represented by Bob and Rob Hilton. The firm is 20 years old, works exclusively for local governments and has offices in Walnut Creek and Newport Beach.

Bob Hilton introduced his presentation by discussing the benefits from cooperation including both informal and formal agreements. Most clients seek to cooperate to improve contractor performance and are looking for increased services including specialized waste collection services such as pharmaceutical drugs, sharps, batteries and fluorescent bulbs.

In summary, greater cooperation can lead to: lower rate payer costs, improved contractor services and performance, increased customer service and revenues, and greater system funding flexibility. This was followed by an overview of current conditions including recognition that the collection landscape is changing as AB 32 will require mandatory commercial recycling. In general, agencies around the State are moving to a “materials management system” to replace the “disposal-based system” of the past.

Three different types of cooperation among agencies and the District, and the pros and cons of each, were identified: informal cooperative, formal cooperative, formal delegated. A procurement schedule was presented which calls out the key tasks and milestones along with the timeline for decision making.

Bob Hilton will provide an abbreviated presentation for the District Board at its December 18th meeting.

4. Information Exchange on Local Issues of Importance

- The concept of adding vehicle impact fees and/or vehicle inspection fees to local franchise agreements was discussed.
- The ownership of the Waste Management materials recovery facility in Castroville was discussed including what rights local agencies have to the facility.
- Consolidation with SVSWA will be looked into, but allowing for flexibility for different members. Issues and feedback should be shared.

5. Next Meeting

The next meeting was scheduled for Wednesday, March 3, 9:30 a.m., at the District’s administrative offices.

Strategic Planning Advisory Task Force
Meeting Attendees
December 2, 2009

1	Daniel Dawson	City of Del Rey Oaks
2	Gary Cramblett	City of Marina
3	Christi di Iorio	City of Marina
4	Hans Usler	City of Monterey
5	Angela Brantley	City of Monterey
6	Leslie Milton	City of Monterey
7	Allen Stroh	Monterey County Environ. Health Div.
8	Charles Pooler	City of Sand City
9	Daphne Hodgson	City of Seaside
10	Celia Martinez	City of Pacific Grove
11	Jim Becklenberg	City of Pacific Grove
12	Mike Niccum	PBCSD
13	Suha Kilic	PBCSD
14	Libby Downey	MRWMD Board/City of Monterey
15	William Merry	MRWMD
16	Tim Flanagan	MRWMD
17	Rob Wellington	MRWMD Legal Counsel
20	Rick Shedden	MRWMD
21	Rich Norton	MRWMD
22	Glen Evett	MRWMD
23	Harry Hunzie	MRWMD
24	Richard Petitt	MRWMD
25	Don Prescott	MRWMD
26	Chuck Rees	MRWMD
27	Kimberle Herring	MRWMD
28	Becky Aguilar	MRWMD
18	David Myers	
19	Lewis Leader	



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by WMM Date 12/11/09
General Manager

DATE: December 11, 2009
 TO: General Manager
 FROM: Public Education and Recycling Manager
 SUBJECT: Strategic Planning Advisory Task Force Discussion of Unified Franchise Agreement(s) and Request for Two Year Moratorium

RECOMMENDATION: That the Board of Directors authorize the General Manager to send a letter to member agency city managers requesting that local franchise agreements for waste and recycling collection services not be extended or renewed for a period of two years.

BACKGROUND

The District's Strategic Planning Advisory Task Force (SPATF) is comprised of representatives from District member agencies, and has been meeting quarterly since October 8, 2008. The SPATF has been presented with a range of information on topics including: the District tip fee and services it pays for, alternative financing, and the opportunity to unify local franchise agreements.

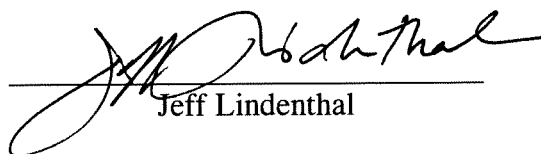
DISCUSSION

At the SPATF meeting of December 2nd, member agencies heard a presentation by Bob and Rob Hilton of Hilton Farnkopf & Hobson (HF&H) Consultants, a firm with a great deal of expertise in working with government agencies on their franchise agreements. Their presentation included an overview of current franchise conditions along with the pros and cons associated with greater franchise agreement cooperation among local jurisdictions. Bob and Rob Hilton will present a summary of this presentation to the Board at the December 18th meeting. A copy of this presentation is included under Agenda Item #6 along with a copy of a local Franchise Terms Comparison Matrix completed by HF&H.

At the conclusion of the SPATF meeting there was consensus among attendees to agree to not extend or renew their existing franchise agreements for a period of two years. HF&H Consultants presented three scenarios describing how a cooperative process might work ranging from Informal Cooperative, to Formal Cooperative, and Formal Delegated. Several members spoke in favor of a Formal Delegated approach where the District would assume a greater role in franchise agreement implementation and management. Existing local franchise agreements will expire in 2015.

CONCLUSION

A moratorium on extending or renewing existing agreements for a period of two years (through December 2011) will allow time to fully consider the opportunity to unify and competitively bid a new franchise agreement with the potential to maximize rate efficiencies and service standards. It will also allow time for member agencies, District staff and the Board to fully consider the options and opportunities defined by HF&H consultants. Staff recommends that the Board authorize the General Manager to send a letter to member agency city managers requesting that local franchise agreements for waste and recycling collection services not be extended or renewed for a period of two years.



Jeff Lindenthal