



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: December 11, 2009
TO: Board of Directors
FROM: General Manager
SUBJECT: Agenda Information for the December 18, 2009 Board Meeting

CALL TO ORDER AT 9:30 AM

PLEDGE OF ALLEGIANCE

ROLL CALL AND ESTABLISHMENT OF QUORUM

PUBLIC COMMUNICATIONS

Anyone wishing to address the Board on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the agenda at the time the matter is being considered by the Board.

CONSENT AGENDA

These matters include routine financial and administrative actions, which are usually approved by a single majority vote. Individual items may be removed from Consent for discussion and action.

- 1) **Approve Minutes of November 20, 2009 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Approve 2010 Calendar of Board Meetings and Other Events**

Please review the enclosed 2010 Calendar of Board Meetings. You will note the League of California Cities meeting next year is being held from September 15-18, and our Board meeting is on September 17th. There was the same conflict in 2009, and only one Board member missed the meeting, so there is reason to believe we will have a quorum for our meeting in 2010. Additionally, the Board may wish to hold a half day workshop sometime in April. We have tentatively selected April 29th, for such a workshop pending a final decision by the Board to hold it at all this year. You do not need to make that decision at this meeting, but reserving a date may be prudent.

4) Approve General Manager Goals for 2010

My Goals have been revised to incorporate comments from the Board at the November meeting and are presented for your approval.

5) Adopt Resolution of Appreciation (2009-12) for Rick Mauck, Retiring from the City of Santa Clara

Rick Mauck contributed significantly to the advancement of recycling and solid waste management in California and across the Country in his various capacities with the City of Santa Clara and with SWANA. Someone from the District will attend his retirement dinner to present him with the Resolution.

PRESENTATION

6) “Greater Regional Waste Management System Cooperation?” by Hilton Farnkopf & Hobson (HF&H) Consultants

Please refer to the enclosed information related to the presentation from HF&H. Additionally, please refer to Agenda Item 7 and the meeting minutes from HF&H’s presentation to the December 2nd meeting of the District’s Strategic Planning Advisory Task Force on the same matter. Bob and Rob Hilton will attend the meeting to make a presentation titled “Greater Regional Waste Management System Cooperation?”. The main point of the presentation will be to outline the benefits to be gained by District member agencies by joining together to cooperatively solicit bids for franchise garbage collection service prior to the expiration of the current contracts in 2015. Many other California communities have benefited from such a process with lowered monthly garbage bills and increase service levels.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

7) Receive Minutes from the December 2, 2009 District Strategic Planning Advisory Task Force Meeting and Authorize Letter to Member Agencies Requesting Two-Year Moratorium on Extension of Franchise Agreements

Please refer to the enclosed minutes from the December 2nd meeting of the Strategic Planning Advisory (SPATF) Task Force. As you can see from the attendance list, all of the member agencies were represented at the meeting, except Carmel. Those in attendance found the presentation to be very informative and useful. The experience that has been gained from other communities will be very useful during discussions on the benefits of a consolidated franchise collection contract in 2015.

The enclosed memo from Public Education and Recycling Manager Jeff Lindenthal outlines consensus from the SPATF to support a call for a two-year moratorium among the member agencies, during which time there would be no franchise extensions granted to the haulers, either Monterey Disposal Service or Waste Management. The two-year period would provide sufficient time for member agencies and the District to explore the benefits, alternatives, and options in pursuing a consolidated franchise agreement, and if so what type of agreement would be most appropriate. For example, as the enclosed minutes state, the consensus of the SPATF members was for a Delegated Formal agreement, which would place a significant responsibility on the District to manage the franchise agreement(s). However, such a decision would be an outcome of discussions held during the two-year period.

If the Board were to concur with a moratorium, a next step in early 2010 would be to outline a procurement strategy and process to secure a more sustainable funding source for the District. This could be achieved through issuance of a request for proposals for assistance to conduct further analysis on the benefits of a consolidated franchise collection agreement and to assist the District in analyzing and selecting alternative funding options to support District operations. Staff plans to bring such a request to the Board for authorization in early 2010.

Recommendation: Receive Minutes from the December 2, 2009 District Strategic Planning Advisory Task Force Meeting and Authorize Letter to Member Agencies Requesting Two-Year Moratorium on Extension of Franchise Agreements.

8) Receive Report on Listing of Carbon Offset Credits with the Climate Action Reserve (CAR), and Supplying Renewable Energy to Regional Water Project

Please refer to the enclosed memo from Information Systems Manager Don Prescott. We have some very good news in that the Climate Action Reserve has accepted the District's application to be able to earn carbon offset credits. As previously reported, this is one of the only landfills in California to be so approved. The next step is that staff will be assessing options for sale of the credits.

Don's memo also provides a brief summary of a recent meeting on supplying renewable power for a regional water supply project which is supported by the Board. As a next step, District staff is preparing a report for the Board on alternatives for supplying renewable power, along with the cost to do so and an implementation schedule.

Recommendation: No Action Required.

9) Authorize Purchase of Siemens Continuous Methane (Landfill Gas) Monitoring Unit at a Cost Not to Exceed \$50,000

Please refer to the attached memo from Don. As he explains in the memo, this device will continuously record the methane content of the landfill gas consumed (carbon destroyed) by the engines in producing renewable energy. Having the continuously recording device installed eliminates a 10% discount imposed by CAR when using a portable measuring device as we now do. Staff hopes to have a price quote for the unit by the time of the Board meeting.

Recommendation: Authorize Purchase of Siemens Continuous Methane (Landfill Gas) Monitoring Unit at a Cost Not to Exceed \$50,000.

10) Approve Long-Term Agreement with City of Scotts Valley to Accept Waste for Disposal at Rate of \$28 Per Ton

Please refer to the enclosed memo from Assistant General Manager Tim Flanagan, and material related to airspace capacity at the Monterey Peninsula Landfill (MPL) to accommodate the anticipated 10,000 tons per year of refuse for disposal. The refuse would be accepted at a rate of \$28 per ton and landfilled. The language of this agreement is consistent with the long-term disposal agreements signed in 2007 with the County of Santa Cruz and the City of Watsonville. The City of Scotts Valley has achieved a 74% diversion rate.

Recommendation: Approve Long-Term Agreement with City of Scotts Valley to Accept Waste for Disposal at Rate of \$28 Per Ton.

STAFF REPORTS

11) Financial, Operating, and Recycling Reports

The financial statements for November 2009 have been completed and are enclosed. The Operating Income for November is \$98,204 and \$739,979 year-to-date. The year-to-date total Operating Expenses are below budget by 0.95% at \$6,848,519. The year-to-date Operating Revenues are \$7,588,498, above last year and budget by \$109,181 (1.46%) and \$281,334 (1.60%), respectfully. Refuse Accepted (excluding Regional Waste) for November decreased by 26 tons or 0.2% from last year and by 1,543 tons from last month or 9.0%. The total refuse for the last 12 months was 198,902 tons down 17,773 tons or 8.2% from the 12-month period ending November 2008.

The Operating Report for November 30, 2009 is enclosed. The Total Solid Waste Accepted into the site (excluding regional waste from Santa Cruz County and Watsonville) during

November 2009 was 24,117 tons, an increase of 215 tons (or 0.9%) from November 2008. The variances resulted from decreased waste from Franchise Haulers (242 tons – 2.1%) and Cash customers (106 tons - 1.8%) offset by the increased waste from Commercial and Industrial haulers (563 tons - 8.5%). Santa Cruz County delivered 24 tons of refuse during November 2009, down 1,482 tons from last year. The City of Watsonville delivered 1,016 tons during the month of November 2009, up 133 tons (15.1%) from November 2008.

12) Report on Public Education, Recycling and Litter

Please refer to the enclosed memo from Public Education and Recycling Manager Jeff Lindenthal. The District has been very active in the community sponsoring a workshop and working cooperatively with other local agencies on the topics of reuse and capture of rainwater.

OTHER CORRESPONDENCE

13) Letter to Assemblyman Bill Monning RE: Request for Legislation - Board Member Per Diem

This letter was prepared and sent at the direction of the Board at the September meeting. Assemblyman Monning's office has informed me that he is not able to sponsor such a piece of legislation at this time due to other pressing legislative matters and because Assemblyman Monning believes this is not a good time to take such a measure forward due to the economy and challenging finances. His office suggested we bring the matter back next year at this time.

14) Letter to Assemblyman Bill Monning RE: Request for Legislation – Ordinances

This letter was prepared and sent at the direction of the Board at the September meeting. The Assemblyman's office is considering this matter and has requested additional information from the District. However, this request may need additional supportive justification, such as letters from all or most of the member agencies.

GENERAL MANAGER COMMUNICATIONS

Regional Cooperation.

- The General Manager of the Salinas Valley Solid Waste Authority (SVSWA), Patrick Mathews, informs me that the topic of delivering North County wastes to the MPL will not be discussed by the SVSWA Board until early next year. At that time, the SVSWA Board will be reviewing their updated ten-year financial plan. The Finance Managers of the District and the SVSWA have been exchanging financial information related to each of the two agencies.

The SVSWA is seeking alternative funding mechanisms, other than the landfill tipping fee, as is the District. According to Patrick, the SVSWA is not interested in holding another joint meeting of Board members pending completion of discussions by their Board on their ten-year financial plan sometime early in 2010.

- Discussions were held with the Monterey Regional Water Pollution Control Agency senior staff on matters related to management of biosolids and opportunities to work together to develop new sources of renewable power production. As a result of the discussions, a plan is being prepared, which will outline potential opportunities for renewable energy production, and will place a priority on the most promising opportunities.
- **District Employee Recognition Luncheon.** Please plan to join us at the annual employees' recognition luncheon, which will begin at 11:30 a.m., right after the Board meeting
- **Best wishes to you and your families, from all of us here at the District, for a safe and healthy Holiday Season.**

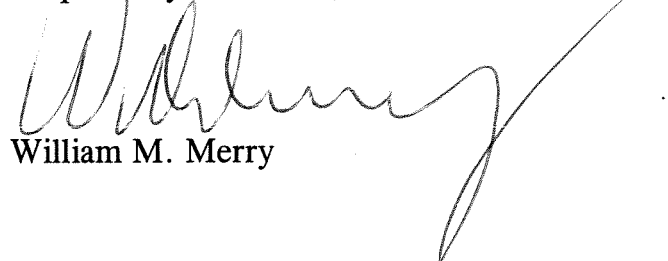
BOARD COMMUNICATIONS

CLOSED SESSION

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed or Executive Session to consider specific matters dealing with pending or prospective litigation, real property negotiations, certain personnel matters, or to confer with District's Meyers-Milias-Brown representative.

NEXT MEETING DATE: JANUARY 15, 2010

Respectfully submitted,



William M. Merry