



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: June 12, 2009
TO: Board of Directors
FROM: General Manager
SUBJECT: Agenda Information for the June 19, 2009 Board Meeting

CALL TO ORDER AT 9:30 A.M.

ROLL CALL AND ESTABLISHMENT OF QUORUM

PLEDGE OF ALLEGIANCE

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 May 15, 2009 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Declare Surplus Property and Authorize Disposition of District Equipment**

Please refer to enclosed memo from Finance Manager Chuck Rees regarding the reclassification of assets and disposition of surplus property.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

4) Adopt Resolution 2009-07 Authorizing Expenditure of Funds Pending Adoption of Final Budget for Fiscal Year 2009/10

The Final Budget for FY 2009/10 is not ready for adoption by the Board because there are unresolved items related to the contracts with employee bargaining groups, and which require Board action in closed session. With Board direction on those items, staff will proceed to finalize the Final Budget for FY 2009/10, and bring it to the Board for approval at the July meeting. Adoption of the resolution will allow the District to cover expenses into the new fiscal year, pending adoption of the final budget.

Recommendation: Adopt Resolution 2009-07 Authorizing Expenditure of Funds Pending Adoption of Final Budget for Fiscal Year 2009/10.

5) Consider Contract with Troutman Sanders Strategies of Washington, D.C., in the Amount of \$40,000, to Provide General Federal Affairs Representation and Assistance in Seeking Federal Stimulus Funding

Please refer to the enclosed memo from Finance Manager Chuck Rees. Staff has gathered further information and has concluded that the District's projects are not well enough suited, at this time, to qualify for stimulus funding, and as a result, justify retaining TSS to assist for such funding. Staff is proposing to direct efforts to further refine such a project(s), as a result of discussions coming out of the Board's April Workshop, and to report back to the Board in December on the matter.

Recommendation: Direct Staff to Continue Efforts in Seeking Federal Stimulus or Other Funding Related to Recycling or Renewable Energy Production Programs and Projects.

6) Approve Revised Strategic Planning Workplan (2007-2017)

Enclosed are two versions of the Revised Strategic Planning Workplan (2007-2017), resulting from the April 29th Workshop. Version 1 is a "clean" copy and Version 2 has the changes and markups. A Summary Report on the Workshop is also enclosed for your information. Staff has worked with Candace Ingram to produce the Summary Report and the Workplan. The Workplan is intended to reflect Board consensus from the Workshop on issues of highest priority for the District's efforts. Please review it and bring your comments to the meeting, or contact me prior to the meeting. Upon Board approval of the Workplan, it will become a working document for staff efforts. Further informational presentations will be made to the Board at regular Board meetings, or within a Special Meeting format over the next year.

The District' Advisory Task Force will be meeting on June 24th. The principal topics of discussion for the meeting will be alternative funding sources for the District and anticipated increased efforts toward multi-family and commercial recycling.

Recommendation: Approve Revised Strategic Planning Workplan (2007-2017).

STAFF REPORTS

7) Financial, Operating, and Recycling Reports

The financial statements for April and May 2009 have been completed and are enclosed. The Operating Income (Loss) for May is \$(147,290.96) and \$521,561.95 year-to-date. The year-to-date total Operating Expenses are below budget by 4.43% at \$14,841,755.12. The year-to-date Operating Revenues are \$15,363,317.07, below last year and budget by \$1,065,549.48 and \$2,831,682.93 (7.23%), respectfully. Refuse Accepted (excluding Regional Waste) for May decreased by 3,048 tons or 15.9% from last year and 607 tons from last month or 3.6%. This decrease was primarily due to reduced tonnage from Commercial and Industrial Customers.

The Operating Report for May 2009 is enclosed. The Total Solid Waste Accepted into the site (excluding regional waste from Santa Cruz County and Watsonville) during May was 22,792 tons, a decrease of 6,535 tons (or 22.3%) from May 2008. The variances resulted from decreased refuse tonnage from Franchise Haulers (2,134 tons – 15.4%), decreased tonnage from Commercial and Industrial haulers (4,555 tons – 46.1%), and was offset slightly by increased receipts from Cash customers (154 tons – 2.7%). The tonnage from Santa Cruz County was 294 in May (up 231 tons from April 2009). The City of Watsonville delivered 1,090 tons (down 88 tons from April 2009).

Please refer to the three enclosed charts showing tonnage declines which provide a graphical perspective to the continued decrease in waste being brought to the landfill.

8) Report on Public Education, Recycling and Litter

Please refer to the enclosed memo from Public Education and Recycling Manager Jeff Lindenthal. Jeff's memo summarizes recent District efforts, such as assisting the Marina Chamber of Commerce in very successfully carrying out the first "waste free" event of its kind on the Peninsula at the Annual International Flavors of Marina on June 3rd.

Also enclosed is a very complimentary and well prepared article in the *Haven Magazine* of the *Herald*, highlighting the treasures one can find at the District's Last Chance Mercantile. The article was authored by Sandra Leader.

On June 12th, staff provided a tour to 20 international graduate students from Hawaii's East-West Center, through a program coordinated in part through the efforts of Dr. Daniel Fernandez of CSUMB. The students represented several Asian countries and are touring several local agencies/companies. Each student submitted one question they hoped to have answered while on tour, several related directly to the programs and efforts of the District in recycling, environmental regulations, and public outreach.

9) Receive Legislative Report from General Manager

At the May meeting, the Board directed staff to provide the pros and cons of legislation for which the District may be writing a letter of support/opposition. Since then, many of the bills have turned into two-year bills, and will not reappear until January 1, 2010. As such there is no immediate urgency to take a formal position at this time. As time allows, staff will prepare letters of support for AB 283 and AB 1173 and letters of opposition on AB 479 and SB 25 and provide justification for doing so. The priority legislation, of greatest interest to the District, is as follows:

- **AB 283 (Chesbro)** – Extended Producer Responsibility. SWANA Supports if Amended. This is a comprehensive bill that would require greater product stewardship by producers. This is now a two year bill.
- **AB 479 (Chesbro)** – Solid waste: Diversion. SWANA was Opposing, but may change position. The provision of the bill to increase diversion levels to 60% by 2015 has been dropped, along with a requirement to raise landfill tipping fee. The bill still contains a requirement to implement commercial recycling programs. It is out of Committee.
- **AB 1173 (Huffman)** – Recycling: compact fluorescent lamps. SWANA has not taken a position. This bill would create and allocate funds to establish a statewide system for take back and collection of fluorescent tubes. If certain details in the take-back provisions and fund allocations are worked out with the author, SWANA will support this bill. This bill is out of Committee.
- **SB 25 (Padilla)** – Solid Waste: Diversion. SWANA Opposes. This bill would require a statewide diversion rate of 60% by 2015, along with other provisions, and a \$2.13 per ton increase to the landfill tipping fees.
- **SB 44 (Denham)** – Integrated Waste Management. This was the bill to abolish the Waste Board. It died, but it may come back to life in the form of another bill. As you may know, the Governor, in early May, again called for abolishment of the Board, in an effort to save money. This bill died. There remains considerable interest in changing how the waste board functions, or eliminating it, as the Governor has proposed. The SWANA LTF members have very divergent views on this matter, ranging from elimination to support existing board structure.

10) Report on Proposed Landfill Gas Monitoring System

Please refer to the memo from Senior Engineer regarding acceptance of the landfill gas perimeter monitoring system. The series of wells was installed late last year, was installed within the intent of the State regulations and meets with the LEA approval and will hopefully meet with State approval.

11) Update on Acceptance of Regional Waste

Enclosed, for your information, is an April staff report from the Santa Cruz County Director of Public Works to the Board of Supervisors outlining the status of the County's proposed "Zero Waste Eco-Park". The report contains many items of interest, since several of them are similar to what the District is already doing, or what we plan to do. The County has decided that "Given the complexity, controversy, and drawn-out time frame associated with approving a conversion technology facility, it appears prudent to delete this waste management approach....". District staff has concluded similarly for our purposes. The County is planning to improve recycling and diversion, as we are here.

Enclosed, for your information is a May 2009 staff report from the Salinas Valley Solid Waste Authority (SVSWA) discussing waste flow from North Monterey County. With the closure of the Crazy Horse Landfill, the closest and lowest cost landfill for North County residents is the Monterey Peninsula Landfill, although much of that service area lies within the SVSWA. To discuss this and other matters, a meeting is planned between Board members and the General Managers of the District and the SVSWA for mid July, pending schedules of the participants. Chair Laska plans to appoint a Committee of the Board at the June meeting, to participate in these meetings.

Scotts Valley has expressed an interest in delivering waste for disposal to the District under the long term contract provisions offered to Santa Cruz County and Watsonville. Scotts Valley generates approximately 4,000 tons per year.

12) Report on May 28, 2009 Meeting of Monterey County Integrated Waste Management Task Force

I am very pleased to report that eight of the nine District member agencies were in attendance for the May 28th meeting of the Monterey County Integrated Waste Management Task Force (MCIWMTF). An agenda and list of attendees is enclosed. With a quorum present, the MCIWMTF approved the 5-Year California Integrated Waste Management Plan (CIWMP) Review Report, subject to final edits, which covers the entire County, and is required by the State to be reviewed and approved every five years. The Review Report will be made available when complete. Representatives of the California Integrated Waste Management

Board made a presentation on provisions of the new SB 1016 requirements which will change the AB 939 accounting method for diversion.

The MCIWMTF also adopted revised By-Laws. The existing By-Laws were over 15 years old, and did not include the SVSWA as a member, among other needed updates. The revised By-Laws will be presented to the County Board of Supervisors for adoption in June or July. I am pleased that during my two year term as Chair of the MCIWMTF we were able to complete this important piece of work. Again, I appreciate your assistance in having your agencies attend the meeting to provide a quorum.

OTHER CORRESPONDENCE

GENERAL MANAGER COMMUNICATIONS

- **State 18-Month Inspection.** We are very pleased to report that we passed the State's 18-month inspection of the landfill and Materials Recovery Facility (MRF) operations with flying colors. The inspection was conducted in cooperation with County Local Enforcement Agency (LEA) staff on June 11th.
- **Special District Managers Meeting.** The General Managers of the local Special Districts held a meeting on June 9th to share ideas and discuss opportunities for cost saving measures and service consolidations. Monterey City Manager Fred Meurer attended the meeting to report on local city efforts in this regard. Several assignments were made at the meeting for follow-up and the next scheduled meeting will be a joint meeting with the City Managers group on August 21st.
- **California Gold Rush Chapter Meeting.** SWANA's Northern California Gold Rush Chapter will be holding its next meeting/tour on Wednesday, July 15th at the Zanker Road Recycling Facility in San Jose. The recently remodeled facility contains many features the District is considering in remodeling the MRF over the next few years, to accommodate more efficient processing of multi-family and commercial wastes. This would be a very good opportunity to tour this facility if you have the time. Please let Becky or me know if you are interested. Car pool rides will be available from the District.
- **SWANA WasteCon.** The annual Symposium and Trade Show will be held in Long Beach, CA, September 21-24. This is a great opportunity to hear about waste management programs from around the country and the world. If you are interested in attending, please contact Becky or me.

BOARD COMMUNICATIONS

ELECTION OF OFFICERS FOR FISCAL YEAR 2009/2010

The one year term of Chair and Vice Chair of the District Board ends with the June meeting. Chair Laska was elected to the position in January 2007 following the departure of Monterey Mayor Albert, who served as Chair for five years. Chair Laska was re-elected in June 2007 and June 2008. Vice Chair McCloud has served in that position since January 2005 with re-election in June each year since then. Nominations for the positions of Chair and Vice Chair may be made on the day of the meeting. There are no procedures outlined in the governing legislation of the District related to election of officers, nor has the District Board adopted formal procedures for such elections. There is no limitation to the number of one-year terms an officer may serve. Board Members interested in serving in either of these positions may contact Chair Laska or me for further information.

Elections for the Monterey Regional Waste Management Authority will be held in July in conjunction with the annual meeting of the Authority. Traditionally, the Authority officers have been the same as for the District.

CLOSED SESSION

Enclosed is a confidential packet for the closed session.

1) Conference with Labor Negotiators:

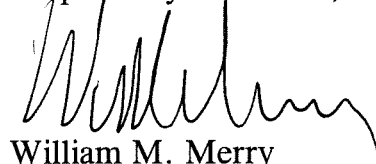
District Negotiators: William Merry, Richard Norton and Tim Flanagan
Employee Organizations: Operating Engineers, Service Employees International Union,
Management Employees

2) Conference with Legal Counsel- Existing Litigation

Arreola v. Monterey Regional Waste Management District, et al
Monterey County Superior Court Case No. M90896

NEXT MEETING DATE: JULY 17, 2009

Respectfully submitted,



William M. Merry