



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

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

CALL TO ORDER AT 9:30 AM

INTRODUCTION OF NEW BOARDMEMBER KRISTIN CLARK

Welcome to new Boardmember, Kristin Clark, Vice Mayor for Del Rey Oaks, replacing former Del Rey Oaks Mayor Joe Russell on the Board. We look forward to having Vice Mayor Clark on the Board.

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 August 21, 2009 Regular Board Meeting**
- 2) **Approve Report of Disbursements**

3) Authorize Issuance of Request for Proposals for Purchase of Water Truck

Please refer to enclosed memo from Equipment Maintenance Manager Ron Mooneyham.

4) Authorize Issuance of Request for Proposals for Purchase of Excavator

Please refer to enclosed memo from Equipment Maintenance Manager.

5) Authorize Issuance of Request for Proposals for Purchase of Aerial Lift

Please refer to enclosed memo from Equipment Maintenance Manager.

6) Adopt Resolution of Appreciation (2009-10) for Outgoing Del Rey Oaks Representative Joseph P. Russell

I spoke with former Director Russell and he plans to attend the meeting to receive the Resolution of Appreciation.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

7) Accept Report from Finance Committee Chair on Meeting of September 9, 2009

Please refer to enclosed memo from the Chair of the Finance Committee. The Finance Committee received staff reports on operations and finances of the District and provided direction related to alternate funding sources.

Recommendation: Accept Report from Finance Committee Chair on Meeting of September 9, 2009.

8) Authorize General Manager to Implement Final Pandemic H1N1 Influenza Preparedness and Response Plan (Item May be Continued Until After Closed Session)

Please refer to the enclosed memo from Administrative Services Manager Rich Norton. Staff has been working for several months on a plan in response to an H1N1 outbreak. In the course of this effort, several questions have come up which may affect existing personnel policies. Therefore, as the Board has requested, anticipated personnel implications will be discussed in closed session prior to any action by the Board.

Recommendation: Authorize General Manager to Implement Final Pandemic H1N1 Influenza Preparedness and Response Plan.

9) Authorize General Manager to Select a Firm for the Sale of Carbon Offset Credits and Present Contract for Board Approval in October

Please refer to the enclosed memo from Information Systems Manager Don Prescott. There is an opportunity for the District to sell its carbon offset credits which are available through destruction of landfill gas during the combustion process of the engines in generating renewable power. There is a developing market, as discussed in Don's memo, for the sale of such carbon offset credits. There is a significant opportunity to realize revenue through the sale of the credits, although final review of the District's gas collection and destruction process will need to be completed and the application will need to be reviewed and approved by the Climate Action Reserve (CAR). Staff is hopeful the outcome will be positive.

To be able to submit an application in a timely manner, as required by the CAR, it would need to be completed by the end of October. The topic was discussed with the Finance Committee, and since time is of the essence, staff will discuss this matter with qualified firms and take informal proposals as time allows. The most qualified and responsive firm will be selected by the General Manager to enter into a contract with the District, and to then prepare and submit an application to the CAR for the purchase of the carbon offset credits. The General Manager, with the approval of the Board Chairman, will select the most qualified and responsive firm, and submit a contract to the Board for approval at the October meeting.

Recommendation: Authorize General Manager to Select a Firm for the Sale of Carbon Offset Credits and Present a Contract for Board Authorization in October.

10) Authorize Staff to Prepare Information Necessary to Pursue State Legislation to Allow District to Adopt Ordinances

The matter of the District adopting ordinances has come up several times over the last few years, particularly related to waste flow control and the Construction and Demolition Model Ordinance which the Board adopted in August 2006. Since then, District Counsel has reviewed the District's governing authority and has concluded the District does not have the authority to adopt ordinances. Recent discussions related to waste being hauled out of the watershed, decreasing tonnages to the landfill and associated revenue decreases and with proposed increased statewide diversion mandates projected to increase from 50% to 75% (See Item 16; AB 737) it would seem prudent to seek the ability for the District to be able to adopt ordinances. If the Board concurs, staff will prepare a Legislative Request Form and meet with Assemblyman Monning on the matter.

Recommendation: Authorize Staff to Prepare Information Necessary to Pursue State Legislation to Allow District to Adopt Ordinances.

11) Provide Direction on Pursuing State Legislation to Modify Public Resources Code with Regard to Boardmember Per Diem

The matter of per diem reimbursement to Boardmembers has come up over the last several years, most recently at the May Board meeting. For your information, please refer to the enclosed Table and the attached memo from Legal Counsel. District Board members are reimbursed for meetings as dictated by the Public Resources Code for Garbage and Refuse Disposal Districts, which states that "Members of the district board may also receive not more than fifty dollars (\$50) per diem for each day of actual attendance at the meetings of the board... No member of the district board shall, however, receive more than one hundred dollars (\$100) per diem in any calendar month."

The District Committees have been meeting more frequently over the last two or three years. It is appropriate that Board members be compensated for the time devoted to District business. Because of the current limits, they are sometimes now not compensated at all. The request to the Legislature would be to change the framework for compensating Boardmembers to allow payment of up to \$100 per meeting, not to exceed payment of \$600 per month consistent with legislation applicable to other special districts. With such a framework, the Board could then consider what actual changes they may wish to make regarding compensation, if any, within the Board's discretion. As you know, it will take time to move this matter along in the Legislature.

Recommendation: Provide Direction on Pursuing State Legislation to Modify Public Resources Code with Regard to Boardmember Per Diem.

12) Receive Report on Status of Stimulus Funding

Please refer to the enclosed memo from Finance Manager Chuck Rees. Staff continues efforts to identify an eligible project for Stimulus Funding.

Recommendation: No action required.

STAFF REPORTS

13) Financial, Operating, and Recycling Reports

The financial statements for the months of July and August are not available. The June financials are still open to facilitate the close with actual end of year financial activity. The auditors have completed their fieldwork and are performing their reviews. The preliminary July and August accounting data shows Total Tipping Fees Revenue were \$2,225,000 up

from prior months due primarily to resumption of sludge receipts from MRWPCA and problem waste from agriculture sources and the power plant at Moss Landing.

Please refer to the chart enclosed under Item 7, showing a tonnage decline which provides a graphical perspective to the continued decrease in waste being brought to the landfill. The tonnage figures are lower than we had hoped, and the bottom of the decline is not yet apparent. Should this trend continue the refuse received by the District would be between 6% and 8% below 1996 tonnages with a revenue shortfall between \$400,000 and \$700,000.

The Operating Report for August 31, 2009 is enclosed. The Total Solid Waste Accepted into the site (excluding regional waste from Santa Cruz County and Watsonville) during August 2009 was 25,611 tons, a decrease of 692 tons (or 2.6%) from July 2009 and down 682 tons (or 2.6%) from July of last year. The variances from last year resulted from decreased refuse tonnage from Franchise Haulers (879 tons – 6.5%), and Commercial and Industrial haulers (82 tons – 1.1%) which was partially offset by increased tonnage from Cash customers (279 tons – 5.0%). The Regional Waste tonnage increased 53 tons or 4.3% from last month.

13a) Diversion Focus on Materials Recovery Facility “Unders”

Staff will be providing the Board a short presentation this month with a targeted focus on another one of the District’s many diversion programs. This month’s “Diversion Focus” presentation, provided by Harry Hunzie, Materials Recovery Facility Manager, will be the “unders” produced as a result of the vibrating shaker screen on the sort line of the Materials Recovery Facility. The “unders” are used as alternate daily cover (ADC) on the landfill. While this may sound a bit mundane, since unders are essentially an inert-mostly dirt material, the method used to sort out the unders is somewhat unique and the diversion and financial benefits derived are substantial.

14) Report on Investments for Quarter Ending June 30, 2009

Please refer to the enclosed memo from Finance Manager Chuck Rees.

15) Report on Public Education, Recycling and Litter

Please refer to the enclosed memo from Public Education and Recycling Manager Jeff Lindenthal. The District is a sponsor of Coastal Cleanup Day this September 19th at Fort Ord Dunes State Park. The Mayors Ocean Summit took place on August 28th at West Marine in Watsonville. Mayors Sue McCloud and Joe Russell were co-sponsors along with Mayors Dan Cort, Ralph Rubio, and Chuck Della Sala.

16) Report on State Recycling and Waste Management Legislation

The following legislative bills are of interest. The legislative session ends this week, which has caused last minute shuffling of bill content.

- AB 737 (Chesbro) now contains the contents of former AB 479. This bill calls for 75% statewide diversion by 2020, along with strengthened commercial recycling provisions. SWANA is opposed to this bill (http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_0701-0750/ab_737_bill_20090904_amended_sen_v95.pdf).
- AB 1329 (Brownley and Chesbro) would delay the implementation of the new Department of Resources Recycling and Recovery for one year, thus keeping intact the California Integrated Waste Management Board (CIWMB) for one more year. Even if this bill passes, the Governor is unlikely to sign it, since he has been so focused to eliminate the CIWMB (http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_1301-1350/ab_1329_bill_20090904_amended_sen_v95.pdf).

On September 8th, as Vice Chair of the SWANA California Chapters Legislative Task Force (LTF), and along with the Chair of the LTF, I met with four of the five members of the CIWMB to review those topics of greatest interest and concern to SWANA members. The LTF priorities for 2009 are:

- “Raising the Bar” Increased Diversion/Reduced Disposal
- Local Government Budgets (**main priority**)
- Decline in materials market
- Commercial Recycling
- Extended Producer Responsibility/Product Stewardship
- Greenhouse Gas/Global Warming/AB 32 Implementation at the ARB
- Potential State Tipping Fee Increases and Proposed Uses Thereof
- Conversion Technologies
- Illegal Dumping
- ADC Diversion Credits/Usage and Enforcement
- Closure and Post Closure
- Specifics of financial disbursements must be in statute

OTHER CORRESPONDENCE

GENERAL MANAGER COMMUNICATIONS

- **Ad Hoc Personnel Meeting.** A meeting of the ad hoc Personnel Committee has been scheduled for November 6th at 2 p.m. Director Russell was a member of the Committee. With his departure, Chair Laska may be soliciting another member for the Committee. The members of this Committee are Chair Laska and Directors Pendergrass and Delgado. If you are interested in serving on the committee, please contact Chair Laska or me.

- **District's Strategic Planning Advisory Task Force.** The next meeting will be held on Wednesday, September 16th at the District's Administrative offices. Chair Laska and Director Downey have been attending these meetings. A copy of the agenda is enclosed for your information.
- **RMC Meeting.** On Sept 3rd, staff met with Lyndel Milton and Marilyn Bailey of RMC to review the District's efforts in supporting of the Regional Desalination Project. Topics included updates from RMC on the project's power requirements, schedule, renewable energy credits (RECs), and financing. Staff plans to prepare a report for the Board, possibly as early as the October meeting, on the alternative means available for the District to supply renewable power to a Regional Water Project, and necessary steps to do so.
- **Renewable Energy Production Incentive Payments from US DOE.** Enclosed, for your information, are letters from the US Department of Energy notifying the District that we will be receiving a total of \$107,792 in incentive payments for producing renewable power at the landfill gas to energy project.
- **SWANA Wastecon Annual Symposium and Tradeshow.** Wastecon will be held from September 22-24 in Long Beach. It is late, but not too late to attend. Let Becky know if you would like to attend, even for a day.

BOARD COMMUNICATIONS

CLOSED SESSION

A confidential packet is enclosed.

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.

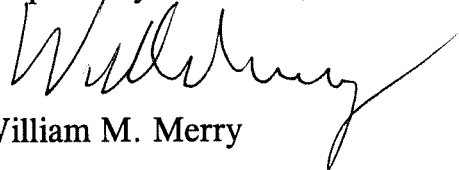
1) Conference with Labor Negotiators:

District Negotiators: William Merry, Richard Norton, Tim Flanagan,

Employee Organizations: Operating Engineers, Represented Hourly Unit, Management Employees

NEXT MEETING DATE: OCTOBER 16, 2009

Respectfully submitted,



William M. Merry