



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

**DATE:** February 12, 2010  
**TO:** Board of Directors  
**FROM:** General Manager  
**SUBJECT:** Agenda Information for the February 19, 2010 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 January 15, 2010 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Ratify Purchase of Three Used Pick Up Trucks in the Amount of \$22,007**

Please refer to the enclosed memo from Equipment Maintenance Manager Ron Mooneyham. The purchase of the trucks was included in the budget, and originally planned as new truck purchases. In consideration of District finances, staff opted to purchase three used trucks, each less than \$10,000.

- 4) **Ratify Purchase of Used Mobile Aerial Lift from Hertz Rentals of Bakersfield, CA, in the Amount of \$66,732.50**

Please refer to the enclosed memo from the Equipment Maintenance Manager. This purchase has been included in the budget, and was originally planned as a new purchase. However, due

to insufficient funds in the budget to purchase new, and with a good selection of used aerial lifts available, the purchase of a used aerial lift was made, with prior concurrence from the Board Chair and Legal Counsel, and then upon my authorization.

**5) Approve Letter to Superior Court of California Responding to Finding in Final Report of the 2009 Monterey County Civil Grand Jury**

Enclosed is a draft letter responding to the 2009 Grand Jury Report related to a Regional Water Project. The draft letter has been reviewed by the Chair, Vice Chair, and Legal Counsel.

**OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION**

**6) Accept Report from Finance Committee Chair on Meeting of January 25, 2010**

Please refer to the enclosed memo from Chair Laska summarizing the meeting of the Finance Committee held on January 25<sup>th</sup>. The Committee received a report from Finance Manager Chuck Rees on the 2009/10 Mid Year Budget status. Tonnages into the site continue to be significantly below budget projections. The Committee also received information from staff and provided direction regarding assumptions to be used in preparation for the Fiscal Year (FY) 2010/11 Budget.

***Recommendation: Accept Report from Finance Committee Chair on Meeting of January 25, 2010.***

**7) Financial Reports and Mid Year Budget Review**

Please refer to the enclosed memo and related information from the Finance Manager, who has worked closely with staff in light of the depressed economy and reduced tonnages in preparing the Mid Year Budget review. He will make a presentation and answer questions at the meeting.

The financial statements for December 2009 and January 2010 are enclosed. The Operating Income (Loss) for January is (\$177,424) and \$408,162 year-to-date. The year-to-date total Operating Expenses of \$9,806,031 are at budget levels. The year-to-date Operating Revenues are \$10,214,193, below last year and budget by \$93,581 and \$17,474, respectively. Refuse Accepted (excluding Regional Waste) for January decreased by 1,717 tons or 10.9% from last year and by 1,219 tons or 8.0% from last month. The total refuse for the last 12 months was 193,371 tons, down 19,702 tons or 9.2% from the 12-month period ending January 2010.

***Recommendation: Accept Mid Year Review of 2009/2010 Fiscal Year Budget***

**8) Accept Report from Ad Hoc Power Sales Committee Chair on Meeting of January 25, 2010**

Please refer to the enclosed memo from Chair Laska summarizing the meeting of the Power Sales Committee held on January 25<sup>th</sup>. Staff is completing discussions with PG&E to sell renewable power under a ten-year agreement at a nominal price of \$100 per megawatt, as authorized by the Board in November 2008. The final terms of such an agreement may be available to present to the Board as early as March.

*Recommendation: Accept Report from Ad Hoc Power Sales Committee Chair on Meeting of January 25, 2010.*

**9) Report on January 19<sup>th</sup> Meeting of Special Districts Association of Monterey County**

Please refer to the enclosed memo from Director Parker summarizing the meeting of January 19<sup>th</sup>, which she and I attended.

*Recommendation: Accept Report on January 19<sup>th</sup> Meeting of Special Districts Association of Monterey County.*

**10) Adopt Resolution 2010-01 In Support of Local Taxpayer, Public Safety and Transportation Protection Act of 2010**

Please refer to my enclosed memo and Resolution. The California Special District's Association (CSDA), along with the California League of Cities, the California State Association of Counties, and many local governments, are supporting the effort to place this matter on the 2010 Ballot as an initiative. Additional information is available at: [www.savelocalservices.com](http://www.savelocalservices.com).

*Recommendation: Adopt Resolution 2010-01 In Support of Local Taxpayer, Public Safety and Transportation Protection Act of 2010.*

**STAFF REPORTS**

**11) Operating and Recycling Reports**

The Operating Report for January 31, 2010 is enclosed. The Total Solid Waste Accepted into the site (excluding regional waste) was 19,516 tons, a decrease of 4,406 tons (or 18.4%) from January 2009 and the lowest recorded since the opening of the Materials Recovery Facility (MRF) in 1996. The variances resulted from decreased waste from Franchise Haulers (278 tons - 2.5%), Commercial and Industrial haulers (3,719 tons - 47.0%) and Cash customers (409 tons - 8.6%). Regional Waste was 1,068 tons, down 396 tons (27.0%) from January 2009.

**12) Report on Public Education, Recycling and Litter**

Enclosed is a memo from Public Education and Recycling Manager Jeff Lindenthal. In his memo, Jeff provides a summary of new State Building Code provisions, effective January 12<sup>th</sup> 2011, requiring 50% diversion of construction and demolition (C&D) material. The Green Building Committee of the Monterey County Building Council will be discussing this new Code requirement, and District staff will be joining that discussion and the local impact of the new requirement. Fortunately for District member agencies, and for others that choose to use it, the District's MRF presently achieves 50% diversion of incoming co-mingled C&D material.

**13) 2009/10 Strategic Plan Update**

Enclosed, for your information, is the updated Strategic Planning Workplan. The Workplan has been used in preparation of my 2010 Goals, is being used by staff to direct efforts, and will be used in preparation for the April 29<sup>th</sup> Board workshop.

**14) Legislative Update**

SWANA's Legislative Task Force (LTF) met by telecom on February 4<sup>th</sup>. I was elected Chair for a two-year term. An LTF membership list is enclosed. The legislative session is just beginning and there have not been a large number of bills introduced yet, or as in past years, a large number related to recycling and waste management, which is probably due to jobs issues, the economy, and confirmations. The following items were discussed:

- State Bottle Bill. The state budget and the administration's bottle bill proposal were discussed. The legislature does not seem keen on the bill, in particular consumers "paying more without getting something back". Local governments have a concern about not getting the funding more automatic, as is now the case, rather than what is proposed where the legislature would control payments. The beverage container manufacturers do not seem concerned about the proposed bill now. The legislature raiding the fund has been part of the problem. The cost of recycling the containers would be added in to the basic bottle redemption amounts, which is intended to favor those that are recycled easier. SWANA will watch this Bill.
- State Building Code Requirement for 50% Diversion, Related to New Construction. The LTF will be following up on this matter to determine impacts to local government.
- EPA Funded Composting Study. The USEPA recently issued a study on emissions from composting operations. The study was not peer-reviewed and contains inaccuracies. The LTF will be providing comments on the report.
- CalRecycle. Senior staff from CalRecycle will attend the March 4<sup>th</sup> meeting of the LTF to provide an overview of its new role.

**OTHER CORRESPONDENCE**

**15) Letter from LAFCO RE: LAFCO Budget for Fiscal Year 2010/11**

Enclosed is a memorandum, dated February 1, 2010, from LAFCO Executive Officer Kate McKenna with preliminary cost estimates for annual contributions by special districts to the expenses of LAFCO in FY 2010/11. The total annual contributions from local agencies are 4% less than the current year. The District is the second largest contributor among the special districts. LAFCO may be providing further information on their budget prior to the February Board meeting.

**16) Letter from LAFCO RE: Call for Nominations for Selection of One Regular LAFCO Commissioner**

For your information, enclosed is a letter, dated January 29, 2010, from Kate McKenna, regarding a call for nominations for the selection of a LAFCO Commissioner. As Ms. McKenna states, the term of Tom Perkins representing the King City Cemetery District will expire in May and he is not seeking reelection. There are two members of the District Board eligible to run, Chair Laska and Director Bales, since neither is an elected official of a City or of the County. If they are interested, they may nominate themselves by submitting the required paperwork by March 1, 2010.

**17) Letter From/To Del Mesa Carmel Association RE: Acceptance of Household Hazardous Waste**

The District received a letter from the President of the Del Mesa Carmel Association (located in Carmel Valley). Following my conversation with the Association General Manager, a reply letter was sent, presenting an interim solution to a countywide and statewide problem. As Chair of the County Integrated Waste Management Task Force, I have also requested that this item be placed on their February agenda for discussion toward a countywide solution.

**GENERAL MANAGER COMMUNICATIONS**

- **Update on Issues Related to Salinas Valley Solid Waste Authority (SVSWA)**. At the November meeting, staff was requested to provide a monthly report to the Board on discussions between the District and the SVSWA. The SVSWA Board held a workshop on January 27<sup>th</sup>, at which staff presented a proposed arrangement with Waste Management, Inc. (WM), to upgrade the Madison Lane Transfer Station (TS) to include additional processing of commercial wastes; and with plans to construct a MRF/TS at the Work Street location. The Madison Lane TS upgrades may be related to the new ten-year franchise agreement the Board of Supervisors awarded earlier this month to WM, and the need to provide some processing capability for North

County wastes. SVSWA staff intends to request Board approval of the concept, as early as their February meeting. Their Draft Audited Financial Statement may be viewed at:

[http://www.svswwa.org/about/Executive Committee/EC %202010-02/Item %205.pdf](http://www.svswwa.org/about/Executive%20Committee/EC%202010-02/Item%205.pdf).

- **MSW Management Article**. Enclosed for your information is an editorial out of *MSW Magazine* on the benefits and importance of regional cooperation, forging alliances, and working together to maintain the infrastructure for providing essential community services.
- **April 29<sup>th</sup> Board Workshop**. A Board Workshop is planned from 8:30 a.m. to 1:00 p.m. on Thursday, April 29<sup>th</sup>, at the Marina Public Library. Suggested topics for discussion could include alternative funding, consolidated franchise agreement effort, increased diversion efforts within the District, recovery of resources (wastes) and production of renewable power, sustainability initiatives and creation of District Vision and Values Statements.
- **Presentation at SWANA Executive Seminar**. Enclosed is a notice from the February 3<sup>rd</sup> *Monterey Herald*. I attended the SWANA seminar and gave a presentation on the benefits realized to date by the District in long term planning, along with current planning efforts. There were some very good presentations on the state of the industry and national trends. You may learn more by going to: [ses.swana.org/2010Presentations/tabid/1069/Default.aspx](http://ses.swana.org/2010Presentations/tabid/1069/Default.aspx).
- **CalRecycle**. Enclosed for your information is an informational message by the new CalRecycle - Department of Resources Recycling and Recovery, what was once the California Integrated Waste Management Board (CIWMB). The people (minus the five Board members whose positions were eliminated) and programs from the former CIWMB moved to this new Department, which is conducting business as usual for the most part.
- **Monterey County Business Council (MCBC)**. Enclosed for your information is a summary of accomplishments by the MCBC during 2009. The MCBC Green Building Committee, which I have co-chaired for the past two years, will be discussing the new requirements in the State Building Code for recycling 50% of C&D material. The District is a member of the MCBC.
- **Update on SDRMA Insurance Incentive Program**. On February 10<sup>th</sup>, Directors Gary Bales and Bruce Delgado participated in Ethics AB 1234 webinar training. In doing so, they reduced the District's insurance expenses by \$14,000 and completed their bi-annual ethics training requirement due this calendar year. Additionally, they have volunteered to attend the Special District Risk Management Authority (SDRMA) Safety/Claims Education Day on March 30<sup>th</sup> in Sacramento, which will save an additional \$14,000 in insurance premiums and maximize the discounts available in the governance track for this fiscal year. You may wish to take advantage of the opportunity to fulfill the ethics training requirement by taking part in the next ethics webinar scheduled for July 16<sup>th</sup>. Please take a look at the Credit Incentive Program Training Matrix Rich Norton provided to you last month for other opportunities to earn insurance premium discounts for the District and contact Rich or Becky if you are able to participate. Thank you all for considering to assist by participating in this training before April 1<sup>st</sup>, and in particular to Directors Bales and Delgado for doing so. Please consider participating for the next calendar year to help the District obtain these substantial savings in insurance premiums.

**BOARD COMMUNICATIONS**

**CLOSED SESSION**

A Confidential Memo is enclosed in your Packet.

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.

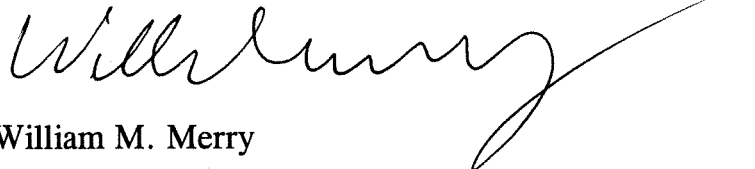
1) Conference with Labor Negotiators:

District Negotiators: William Merry, Richard Norton and Tim Flanagan

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

**NEXT MEETING DATE: MARCH 19, 2010**

Respectfully submitted,



William M. Merry