



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: March 12, 2010
TO: Board of Directors
FROM: General Manager
SUBJECT: Agenda Information for the March 19, 2010 Board Meeting

Note: Assistant General Manager Tim Flanagan will be filling in for me at the March Board meeting. Please contact Tim or me (384-5313) if you have any questions prior to the Board meeting. Secondly, Director Downey will be out of town and will attend the meeting by teleconference.

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 February 19, 2010 Regular Board Meeting**
- 2) **Approve Report of Disbursements**
- 3) **Approve Purchase and Installation of Two Mechanical Door Openers and One Perforated Roll Up Door for Landfill Gas Building from Overhead Door Company of Salinas, CA, in the Amount of \$14,240**

Please refer to the enclosed memo from Site Manager Richard Petitt. The purchase was included in the Capital Outlay budget.

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

4) Accept Report from Finance Committee Chair on Meeting of February 25, 2010

Please refer to the enclosed memo from Chair Laska summarizing the meeting of the Finance Committee held on February 25th. The next meeting of the Finance Committee is scheduled for 9:30 am on Thursday, March 25th.

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

5) Pending Final Review by District Legal Counsel, Authorize General Manager to Execute a 10-Year Agreement with Pacific Gas & Electric for the Sale of Renewable Energy

Please refer to the enclosed memo from Information Systems Manager Don Prescott. The principal terms of the proposed Agreement, including the price for the sale of the power is in line with what has been previously discussed with the Board and with what others across the state are receiving, as we heard at the SWANA Landfill Gas Symposium on March 10th. It would be prudent and advisable to execute this deal at our earliest opportunity. Don can provide additional details at the Board meeting, and answer any questions you may have.

Recommendation: Pending Final Review by District Legal Counsel, Authorize General Manager to Execute a 10-Year Agreement with Pacific Gas & Electric for the Sale of Renewable Energy.

6) Approve Revised District Purchasing Policy to Include Increasing General Manager's Authority for Purchases from \$10,000 to \$30,000, and Addition of Code of Ethics Section

Please refer to the enclosed memo from Administrative Services Manager Rich Norton. The Finance Committee is recommending a revision to the District Purchasing Policy to increase the General Manager's procurement limit from \$10,000 to \$30,000, without prior authorization from the Board.

Recommendation: Approve Revised Purchasing Policy.

7) Award Contract to HF&H Consultants, LLC, of Walnut Creek, CA, at a Cost of \$58,255 for Near- and Long-Term Alternative Financing Strategy

Please refer to the enclosed memo from Public Education and Recycling Manager Jeff Lindenthal. Following a competitive process to solicit proposals from qualified firms and interviews with the two top rated firms, the panel is recommending selection of HF&H, and that they proceed with the Phase I work at a price of \$58,255. As an option for Board consideration, and as Jeff explains in his memo, HF&H has offered a reduction of \$4,800 from their proposed price, if both the Phase 1 (alternate funding work) is combined with Phase 2 (consolidated franchise collection work). Staff originally recommended proceeding with the entire work project and, from a technical and cost perspective, staff believes that would be the most expeditious way to proceed, as HF&H has offered in their proposal. The pros and cons of this option could be discussed further at the Board meeting if you wish. However, since the Board requested that the work be conducted in two separate phases, staff is recommending that the work be awarded to HF&H for Phase 1 work.

Recommendation: Award Contract to HF&H Consultants, LLC, of Walnut Creek, CA, at a Cost of \$58,255 for Near- and Long-Term Alternative Financing Strategy.

STAFF REPORTS

8) Finance, Operating and Recycling Reports

The financial statements for February 2010 have been completed and are enclosed. The Operating Income (Loss) for February is (\$31,883) and \$341,686 year-to-date. The year-to-date total Operating Expenses of \$11,194,182 are below budget by \$26,092. The year-to-date Operating Revenues are \$11,535,868, above last year by \$49,361 and below budget by \$163,312. Refuse Accepted (excluding Regional Waste) for February increased by 74 tons or 0.5% from last year and by 56 tons or 0.4% from last month. The total refuse for the last 12 months was 193,445 tons down 16,005 tons or 7.6% from the 12 month period ended February 2009.

The Operating Report for February 28, 2010 is enclosed. The Total Solid Waste Accepted into the site (excluding Regional Waste) during February 2010 was 20,296 tons, a decrease of 667 tons (or 3.2%) from February 2009. The variances resulted from decreased waste from Commercial and Industrial haulers (1,876 tons – 28.2%) partially offset by increased waste from Franchise Haulers (669 tons – 6.6%) and Cash customers (540 tons – 13.2%). Regional Waste was increased by 660 tons due primarily to the new contract for regional waste from Scotts Valley.

9) Report on Public Education, Recycling and Litter

Enclosed is a memo from Public Education and Recycling Manager Jeff Lindenthal.

10) Report on SWANA Legislative Task Force and Legislative Update

Enclosed, for your information, is a memo reporting on the annual meeting of the SWANA Legislative Task Force (LTF) in Sacramento on March 4th. A White Paper on diversion is enclosed, titled *Achieving Greater Waste Diversion in California: Fundamental Strategies and Essential Tools*. It was developed by the LTF, and is intended as an informational paper on why additional diversion may be desirable in some communities, and it provides some tools on how it may be achieved. Also enclosed is a letter to the Governor's Office urging him to sign AB X8 7, which would return some bottle and can money to cities. As time was of the essence, after hearing of it on March 4th, I signed and sent the letter. We learned on March 12th that he did sign the bill (see Jeff's memo in the Item 9 above for more information). Please refer to my enclosed memo in considering if you would like staff to provide additional information on legislation, or if you would like the Board to take a position on proposed legislation.

11) Report on Revision of Mission Statement and Development of Vision Statement and Core Values Statement

Enclosed is a memo from Administrative Services Manager Rich Norton. As Rich explains in his memo, staff has spent some time in developing a draft Vision Statement and a Core Values Statement and will be suggesting some draft revisions to the Mission Statement as a result. The Chair at this time may wish to appoint an ad hoc Committee of the Board to meet with staff to finalize this work and bring it forward with a recommendation to the Board. We estimate such an ad hoc Committee would need to meet only a couple of times with staff over the next couple of months, and then make a recommendation to the full Board.

OTHER CORRESPONDENCE

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 Finance Managers have met to exchange financial information during the last month. The SVSWA is continuing work on

their long term financial plan and have given no indication of when that work may be completed. I have spoken to their General Manager Patrick Mathews about working together on a coordinated county wide Universal Waste program, on such items as household batteries, fluorescent tubes, and pharmaceutical wastes.

- **SWANA Landfill Gas Symposium (LFG)**. Don, Mario, and I attended SWANA's annual LFG Symposium in San Diego during the week of March 8th, where we heard the latest information and experiences from around the country on operation of LFG projects, utilization of LFG, green house gas emission impacts, biocovers used to reduce landfill emissions, drying of biosolids using landfill gas, use of landfill gas as a vehicle fuel, regulatory issues and more. The valuable information we learned makes this a very, very useful symposium and we will be incorporating it into programs and plans here at the District.
- **Certification of Appreciation from the US Army Civil Affairs and Psychological Operations Command (Airborne)**. A US Army Team recently conducted training at the landfill. They were appreciative to be able to use the District's landfill for training, since one of the first problems the troops encounter in many of the places they are deployed to, is trash, and proper, practical training is not always included before they are deployed.
- **Letters to City Managers**. As directed by the Board in February, letters were sent to member agency city managers regarding the impact of declining tonnage to franchise hauler rates. You should have received a copy of the letter for your city via email. The letters to each city were the same, with the exception that the tonnage and cost for disposal from each city varied.

As requested by Director Downey, a letter was also sent to the Monterey City Manager along with copies of staff memos recommending acceptance of regional waste for disposal at the landfill and outlining the reasons for accepting such waste at a tipping fee below the basic tipping fee.

- **Bird Control at the Landfill**. The falconer began work on site this week in efforts to reduce or eliminate the seagull population at the landfill face and from around the site. His efforts have been very successful thus far in keeping the birds away. The heavy equipment operators and customers at the landfill face are very appreciative that the birds are being kept away, as it improves their ability to go about their work without that constant nuisance. Staff is planning to show some photos resulting from use of the falconer. If anyone would like to take a trip to the landfill on the day of the Board meeting to see this first hand, please contact Becky or Tim for arrangements.
- **LAFCO Budget**. There were no changes made to the LAFCO Final Budget, from what the District Board looked at last month, at which time the Board had no comment. In the event you would like to view the final LAFCO Budget for FY 2010/11, please let Becky know.

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: APRIL 16, 2010

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'William M. Merry', with a long horizontal flourish extending to the right.

William M. Merry