

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
BOARD MEETING
FEBRUARY 21, 2019**

CALL TO ORDER

President Cullen called the meeting to order at 6:01 p.m.

ROLL CALL

The following Board Directors were present:

County of Monterey	Chris Lopez, Alt. Vice President
County of Monterey	John M. Phillips
City of Salinas	Gloria De La Rosa, Vice President
City of Salinas	John Tony Villegas
City of Salinas	Joseph Gunter (<i>alternate</i>)
City of Gonzales	Elizabeth Silva
City of Soledad	Marisela Lara
City of King	Robert Cullen, President
City of Greenfield	Andrew Tipton

The following Board Directors were absent:

City of Salinas	Christie Cromeenes
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Staff Members Present:

Patrick Mathews, General Manager/CAO	Brian Kennedy, Engineering and Environmental Compliance Manager
Cesar Zuñiga, Asst. GM/Operation Manager	Erika J. Trujillo, Clerk of the Board
Ray Hendricks, Finance and Administration Manager	Rosie Ramirez, Administrative Assistant
	James Sanchez, Interim General Counsel

MEETING ANNOUNCEMENTS

(6:02) President Cullen announced the availability of translation services. No member from the public requested the service.

GENERAL MANAGER COMMENTS

(6:02) General Manager/CAO Mathews commented on the meeting he attended with the Natural Resource Conservation Service and other stakeholders whom are interested in pursuing a project of carbon sequestration at the Jolon Road Transfer Station leased ranch land. He indicated there is a grant opportunity with the state that would allow researchers to look at the effects of carbon sequestration on improving rangeland, with the Authority participating as collaborator in the grant with several research groups and the Conservation Service.

Mr. Mathews indicated an update would be given to the Board in May on the Solar Project at the Crazy Horse Landfill as discussing on agreement options are currently underway.

DEPARTMENT MANAGER COMMENTS

(6:05) None

BOARD DIRECTORS COMMENTS

(6:05) Director Gunter indicated the City of Salinas City Manager would be contacting General Manager/CAO Mathews the following day, Friday February 22, to submit the response letter to the Authority Financial Assurance letter. President Cullen indicated he will not be able to attend the March Board of Directors meeting.

PUBLIC COMMENT

(6:06) None

RECOGNITIONS

A. New Employee Introduction

(6:07) Item was postpone to March Board of Directors meeting.

CONSENT AGENDA (6:07)

1. Minutes of the January 24, 2019 Meeting
2. December 2018 Claims and Financial Reports
3. Member and Interagency Activity Report for January 2019 and Upcoming Events
4. Tonnage and Diversion Report for the Quarter Ended December 31, 2018
5. Mid-Year Adjustment to the Operating Budget for Fiscal Year 2018-19 Update
6. Update on Collaborative Opportunities Between the Salinas Valley Solid Waste Authority and Monterey Regional Waste Management District
7. Resolution No. 2019- 07 Approving Amendment No. 8 to the Revised and Restated Agreement Between the Salinas Valley Solid Waste Authority and R. Patrick Mathews for Services as General Manager/Chief Administrative Officer (GM/CAO)
8. Resolution No. 2019- 08 Approving the Bid Award to Ferguson Enterprises for the Johnson Canyon Compost Facility Aeration Piping and Fittings in the Amount of \$62,564.20

Board Comments: None

Public Comment: None

Motion: Director Lopez made a motion to approve the consent agenda as presented. Director Silva seconded the motion.

Votes: Motion carried 9 ,0

Ayes: Phillips, Lopez, De La Rosa, Villegas, Silva, Lara, Tipton, Cullen, Gunter (alt.)

Noes: None

Abstain: None

Absent: Cromeenes

PRESENTATION

9. 2019 STRATEGIC PLAN UPDATE

(6:08) General Manager/CAO Mathews provided an overview of the Strategic Plan actions developed at the October 2018 Board retreat and reviewed the current status for each.

Board Comments: The Board discussed the presentation.

Public Comment: None

Motion: None; Information only

CONSIDERATION

10. REQUEST FOR FISCAL YEAR 2019-20 PRELIMINARY BUDGET DIRECTION

(6:10) Finance and Administration Manager Hendricks presented the status quo preliminary budget and reviewed the timeline of the budget process and reason for it. Mr. Hendricks detailed the proposed budget assumptions, total budget increases, debt services schedule, five-year budget projection, projected revenue increase, and the proposed rate changes that

will assist in the balancing of the budget. He reviewed in detail the impacts to the residential and commercial rate payer with the proposed increases.

Board Comments: The Board discussed the presentation.

Public Comment: None

Motion: By consensus the Board accepted the report and directed staff to schedule a public hearing and final budget consideration for the March Board meeting.

11. CONSIDERATION OF ACTIONS RELATED TO THE NOTICE OF WITHDRAWAL FROM THE CITY OF SALINAS

(6:41) Interim General Counsel Sanchez provided a summary on the Memorandum submitted to the Board of Directors regarding the voting procedures and conflict of interest opinion regarding City of Salinas's intent to withdraw from the Joint Powers Authority. Mr. Sanchez provided a response on the letter received from the City of Salinas City Attorney, Christopher A. Callihan, in response to the Mr. Sanchez memorandum and addressed the concern from the City of Salinas that Mr. Sanchez had a conflict of interest working with the Authority on matters related to of litigation with the City of Salinas do to his history in working for the City of Salinas during the formation of the Authority. Mr. Sanchez clarified he started working with the City of Salinas in August of 1997 and the formation of the Authority was in 1996 with its first official meeting held in January 1997. Since Mr. Sanchez began work with City of Salinas following the creation of the Authority and was not involved in any significant matters adverse to the Authority there is no conflict presented. Mr. Sanchez indicated that the remaining Board members conducting its due diligence to address the actions triggered by the City of Salinas one-year notice of intent to withdrawal is appropriate.

Board Comments: The Board discussed the report inquiring of the process taken when the County of Monterey submitted it's one-year notice of intent to withdraw from the Agency. Director Phillips expressed his disapproval to exclude the City of Salinas member for the closed session Item Nos. 15 and 16 citing his support for collaboration. Director Gunter stated the City of Salinas disagreed with the Interim Legal Counsel's memorandum and therefore the City of Salinas Board Directors would not be stepping out of closed session for Items Nos. 15 and 16. He indicated the City of Salinas is willing to negotiate and feels is still a part of the Joint Power Agency and therefore has a right to be in closed session for such said items. Director Gunter reiterated that the Authority would receive a response from the City of Salinas on the Financial Assurance the following day. Director Lopez commented on his support to postpone Item Nos. 15 and 16 considering the expectation of the letter of response from the City of Salinas. Director Villegas expressed his support to postpone Items Nos. 15 and 16. Director Cullen inquired of the availability for a special meeting if necessary, once the response letter is received.

Interim Legal Counsel:

Mr. Sanchez indicated that in his opinion without the letter or information within the letter there is a legal basis to hold closed session to discuss Item Nos. 15 and 16 without including the City of Salinas but it is a policy issue. He indicated that even though the legal basis is there it does become a policy decision whether the Board would like to do that.

General Manage/CAO:

Mr. Mathews indicated he would recommend not postponing Item No. 15 and move forward to discuss potential compromise negotiations. He indicated that from the operation perspective of deconstructing the Agency it would be very problematic to postpone compromise discussions.

Public Comment: None

Motion: Director Phillips made a motion to defer Item Nos. 15 and 16 with the caveat that an Emergency Meeting might be needed as early as next week. Director Lopez seconded the motion.

Ayes: Phillips, Lopez, De La Rosa, Villegas, Silva, Lara, Tipton, Cullen, Gunter (alt.)

Noes: None

Abstain: None

Absent: Cromeenes

FUTURE AGENDA ITEMS

12. AGENDA ITEMS – VIEW AHEAD SCHEDULE

(7:08) The Board reviewed the future agenda items.

CLOSED SESSION

(7:10) President Cullen invited public comment related to closed session Item Nos. 13 & 14:

13. Pursuant to Government Code 54957(b) to confer with General Manager/CAO Patrick Mathews and Asst. GM/Ops Manager Cesar Zuñiga, concerning the resignation of the Authority's General Counsel and the appointment/employment of counsel.

14. Pursuant to Government Code Section 54956.8 to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Asst. GM/Ops Manager Cesar Zuñiga, Finance and Administration Manager Ray Hendricks, and Interim General Counsel James Sanchez, concerning the possible terms and conditions of acquisition, lease, exchange or sale of 1) Salinas Valley Solid Waste Authority Property, APNs 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, CA: and 2) Republic Services Property, APNs 261-051-005, 007, and 019, located at 1120 Madison Lane, Salinas CA

~~**15.** Pursuant to Government Code Section 54956.9(d) to confer with legal counsel regarding one item involving potential significant exposure to litigation associated with the City of Salinas notice of intention to withdraw.~~

~~**16.** Pursuant to Government Code Section 54956.9(d) to confer with legal counsel regarding one item involving potential initiation of litigation associated with the City of Salinas Notice of intention to withdraw.~~

Public Comment: None

(7:08) President Cullen adjourned the meeting into closed session to discuss Item Nos. 13 and 14, with Item Nos. 15 and 16 being differed to a later date if needed.

RECONVENE

(7:29) President Cullen reconvened the meeting to open session with no recordable action taken in closed session.

ADJOURNED

(7:30) President Cullen adjourned the meeting.

APPROVED: _____

Gloria De La Rosa, Vice President

Attest: _____

Erika J. Trujillo, Clerk of the Board