

**MINUTES OF MEETING  
SALINAS VALLEY SOLID WASTE AUTHORITY  
EXECUTIVE COMMITTEE  
January 10, 2019**

**CALL TO ORDER**

Vice President Cullen called the meeting to order at 4:00 p.m.

**COMMITTEE MEMBERS PRESENT**

Robert Cullen                      Vice President  
Gloria De La Rosa              Alternate Vice President

**STAFF MEMBERS PRESENT**

Patrick Mathews, <i>General Manager/CAO</i>	
Cesar Zuñiga, <i>Asst. General Manager/ Operations Manager</i>	Brian Kennedy, <i>Engineer and Environmental Compliance Manager</i>
Ray Hendricks, <i>Finance and Administration Manager</i>	Monica Ambriz, <i>Human Resources Supervisor</i>
Mandy Brooks, <i>Resource Recovery Manager</i>	Erika J. Trujillo, <i>Clerk of the Board</i>

**GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS**

(4:01) General Manager/CAO Mathews informed the Committee that the jurisdiction appointments to the Authority Board have been made, except for the City of Soledad. He indicated there will be five new Board Members and is currently working on scheduling an orientation with each of them. Mr. Mathew's also reported on the first meeting with the Monterey Regional Waste Management District (District) regarding the Memorandum of Understanding that included District Management staff, Monterey County Administrative Officer Lew Bauman, City of Salinas City Manager Ray Corpuz, and Authority staff. Engineer and Compliance Manager Kennedy commented on the expected delivery date of the Turbo De-Packager for the Organics program. Indicating he foresees the initial trial of the equipment to be around the first part of March.

**COMMITTEE COMMENTS**

(4:03) None

**PUBLIC COMMENT**

(4:02) None

**CONSIDERATION ITEMS**

**1. Minutes of December 6, 2018, Special Meeting**

(4:03)

**Public Comment:**                      None

**Committee Discussion:**              None

**Committee Action:**                      Alternate Vice President De La Rosa made a motion to approve the minutes as presented. Vice Preside Cullen seconded the motion. The motion passed unanimously: 2-0.

**2. November 2018 Claims and Financial Reports**

(4:03) Finance and Administration Manager Hendricks provided a report on the Authority's finances, indicating that finances for all departments are in line and are trending comparably to last year. Mr. Hendricks indicated that with Republic Services, the waste hauler for the City of



Salinas, purchasing the Madison Lane Transfer Station it is expected to no longer have revenues and expenditures for the overflow of tonnage.

**Public Comment:** None

**Committee Discussion:** The Committee discussed the report.

**Committee Action:** Alternate Vice President De La Rosa made a motion to forward to the Board recommending approval. Vice President Cullen seconded the motion. The motion passed; 2-0

### **3. 2018 Employee Survey Results**

(4:05) Human Resource Supervisor Ambriz presented the results of the annual survey and a three-year comparison on measured items such as moral, job attitude, and engagement. The report demonstrated a decline in morale for the second year in a row. Ms. Ambriz indicated that comments submitted within the survey correlate the low moral with the City of Salinas One Year Notice to Withdraw from the Authority and the announcement of the purchase of the Madison Lane Transfer Station by Republic Services, demonstrating uncertainty of the Authority operated Salinas Transfer Station or any facility to serve the City of Salinas area.

**Public Comment:** None

**Committee Discussion:** None

**Committee Action:** None; Information Only

### **4. Report on the Approval of the City of Salinas' One Year Notice of Intention to Withdraw from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority and Long-Term Facility Needs Project Implications**

(4:12) General Manager/CAO Mathews presented an overview of the City of Salinas' stated reasons for withdrawal and their stated financial options. He reviewed the status of the Authority's Strategic Plan Objectives that were developed at the October 2018 Board of Directors Retreat by the Board, detailing the deferred or on hold items do to impacts from the notice of withdraw, the purchase of the Madison Lane Transfer by Republic Services, and absence of the Alisal Market Place developer for the sale of the Sun Street Transfer Station. Mr. Mathews presented the history of the actions taken by the City of Salinas leading up to the notice of withdrawal. He thoroughly explained current actions being taken, such as the waste characterization study that will begin in February and the next steps needed for the Authority to continue to meet state regulations and provide services to its jurisdiction. Mr. Mathews informed the Board of the next obligatory actions prompted by the notice of withdraw, deeming it important that the City of Salinas provide the Authority a conclusion as promptly as possible.

**Public Comment:** None

**Committee Discussion:** The Committee discussed the report.

**Committee Action:** None; Information Only

### **5. Request for Fiscal Year 2019-20 Preliminary Budget Direction**

(4:40) Finance and Administration Manager Hendricks explained the process of the budget direction request normally conducted every January. He presented three budget options detailing the projected rate increase for each and the potential impacts of employment loss for each. Option One, a status quo budget for all services except for the organics program; Option two, a budget that includes diverting the City of Salinas and North Monterey County solid waste to the Monterey Regional Waste Management District as proposed by the City of Salinas Memorandum of Understanding; and Option Three, a budget with the withdrawal of the City of Salinas from the Authority.



- Public Comment:** Jeff Lindenthal, Director of Communications and Sustainability of the Monterey Regional Waste Management District inquired about the potential profit margin of the green waste program to offset some of the financial shortfall on budget options two and three. He commented on the transportation fee currently being charged to the waste hauler in addition to the tipping fee.
- Committee Discussion:** The Committee discussed the report and requested that additional information regarding rate payer impacts be included in the presentation that will be given to the Board of Directors at the January 24 meeting.
- Committee Action:** By Consensus the Committee directed staff to forward this item and an additional slide that includes the rate payer impacts information to the Board of Directors for further discussion.

### **FUTURE AGENDA ITEMS**

#### **6. Future Agenda Items**

(5:09) The Committee reviewed the future items.

### **CLOSED SESSION**

(5:11) Vice President Cullen adjourned the meeting to closed session to discuss the following:

7. 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, 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
8. Pursuant to **Government Code 54957(b)** to confer with General Manager/CAO Patrick Mathews, Asst. GM/Ops Manager Cesar Zuñiga, and Legal Counsel Tom Bruen, concerning the resignation of the Authority's General Counsel and the appointment/employment of counsel.
9. Pursuant to **Government Code Section 54957.6** to provide direction to General Manager/CAO Patrick Mathews and Asst. GM/Ops Manager Cesar Zuñiga, for labor negotiations; for all represented units.
10. Pursuant to **Government Code Section 54957 (b)** to consider the Performance Evaluation of the General Manager/Chief Administrative Officer Patrick Mathews.

### **RECONVENE**

(5:39) Vice President Cullen reconvened to meeting to open session with no reportable actions taken in closed session.

### **ADJOURNMENT**

(5:40) Vice President Cullen adjourned the meeting.

ATTEST:   
Erika J. Trujillo, Clerk of the Board

APPROVED:   
Robert Cullen, Vice President

