

MINUTES
DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY
CITY OF CRESCENT CITY
COUNTY OF DEL NORTE
STATE OF CALIFORNIA

Regular Session, Wednesday February 11, 2015, 4:00 PM

PRESENT: Commissioner Ron Gastineau
Commissioner Roger Gitlin, Former Chair
Commissioner Rick Holley, Vice-Chair
Commissioner Mary Wilson
Legal Counsel Martha Rice
Acting Director / Program Manager Tedd Ward
Treasurer/Controller Richard Taylor

ABSENT: Commissioner Martha McClure

ALSO PRESENT: Tommy Sparrow, Recology Del Norte
Jeremy Herber, Recology Del Norte
Kathryn Murray, Crescent City Councilperson
Wes Nunn, Del Norte Solid Waste Task Force
Karen Phillips, PS Business Services
Joel Wallen, Hambro / WSG
Wes White, Hambro / WSG

4:00 PM CALL MEETING TO ORDER
PLEDGE OF ALLEGIANCE

Chairman Gitlin called the meeting to order at 4:00 p.m. and the pledge was led by the Chairman.

4:00 PM PUBLIC COMMENTS: ANY MEMBER OF THE PUBLIC MAY ADDRESS THE SOLID WASTE MANAGEMENT AUTHORITY ON ANY MATTER ON OR OFF THE AGENDA.

The following person(s) addressed the Commission: Laurie Markel expressed her concerns regarding Rich Taylor as Treasurer, CPA Don Scanlon's forensic report, and her concern regarding the missing funds from the Authority and comments made to her over the years. She would like to have the treasurer replaced and the forensic audit report made public.

4:00 PM OPEN SESSION ITEMS:

1. CONSENT AGENDA

- 1.1 Approve minutes, Regular Session, Wednesday, December 10, 2014.
- 1.2 Approve minutes, Regular Session, Wednesday, January 14, 2015.

- 1.3 Acknowledge and file Semi-annual Monitoring and Reporting report submitted to the North Coast Regional Water Quality Control Board regarding the Crescent City Landfill for the period July – December 2014.
- 1.4 Payment of Invoice #397 from Tim Haban Construction for the repair of the wall panel at the Del Norte County Transfer Station in the amount of \$7,764.00.
- 1.5 Payment to Smith & Newell Certified Public Accountants for completion of the audit of Authority financial records for fiscal year 13/14 in the amount of \$9,200.00.
- 1.6 Direct staff to execute an agreement with Total Compensation Systems, Inc. to conduct a required actuarial evaluation for an amount not to exceed \$2,600.00.
- 1.7 Approve budget transfer in the amount of \$19,200.00.

END CONSENT AGENDA

On a motion by Commissioner Wilson, seconded by Commissioner Holley, and unanimously carried, the Del Norte Solid Waste Management Authority approved and adopted the minutes of December 10, 2014 as presented.

On a motion by Commissioner Holley, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority corrected and approved the minutes of January 14, 2014. Correction was made to (page 3, line 10) 4.1 talks about "...back log of paint..." and it should be "...back log of money to help with paint disposal...".

Tedd Ward requested that item 1.6 be pulled for separate discussion due to receiving a letter from Bickmore dated Feb 9th.

Commissioner Wilson asked to have 1.3 pulled for separate discussion also.

On a motion by Commissioner Gastineau, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority approved and adopted consent agenda items 1.4, 1.5, and 1.7, as presented

Commissioner Wilson suggested some changes and points to item 1.3.

On a motion by Commissioner Wilson, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved and adopted consent agenda item 1.3, as presented.

Discussion was held regarding item 1.6 of an unsolicited proposal from Total Compensation Systems and Bickmore's amendment for the actuarial valuation of other post-employment benefit liabilities under the GASB 45. Commissioners Holley and Wilson expressed interest in getting a re-evaluation of the bids from both agencies to be fair, and the amount of the bids

A motion was made by Commissioner Wilson and seconded by Commissioner Holley to direct staff to renegotiate (item 1.6) with TCS and bring back the result at the next meeting for discussion and action. Discussion of the awkwardness of the process was held and being fair to both parties. Commissioners Wilson and Holley withdrew their motion and second.

On a motion by Commissioner Gastineau, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority voted to table item 1.6 until next meeting.

DISCUSSION/ACTION ITEMS

2. LANDFILL POSTCLOSURE

- 2.1 Discussion and possible action regarding submitting a Notice of Termination or Notice of Intent for Recertification under the new Statewide Industrial General Storm Water Permit for the Crescent City Landfill.

230101 A

Discussion was held regarding the notices. Storm water, surface water and groundwater are all three monitored. Staff recommended that the Notice of Termination be requested; there would be a significant reduction in the cost if this notice is approved. Commissioners expressed their happiness at seeing this matter on the agenda and being discussed.

On a motion by Commissioner Wilson, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved submittal of the Notice of Termination as proposed by staff.

- 2.2 Discussion and possible action regarding payment or partial payment and possible appeal of Invoice WD-0108569 from the State Water Resources Control Board for the annual permit fee for the Crescent City Landfill in the amount of \$70,781.00. **230102**

Discussion was held regarding the annual permit fee, which includes everything, but the storm water permitting. Del Norte County has a "1A" threat/complexity rating at this time. Staff suggested paying WDR fee associated with a 2A rating, and then appeal the rate they had done last year. Connie Morrison commented that she would like to look at the groundwater run-off and see if a reduction could be obtained if the public was educated about the landfill. The permit fees were described by staff.

On a motion by Commissioner Wilson, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority approved payment the 2A fee for Invoice WD-0108569 from the State Water Resources Control Board as the annual permit fee for the Crescent City Landfill and directed staff to appeal the permit "1A" fee/rating (\$30,625.00).

3. COLLECTIONS FRANCHISE – No Items

4. TRANSFER STATION

- 4.1 Discussion and possible action regarding submitting a Notice of Intent for Recertification, and possibly a No Exposure Certification under the new Statewide Industrial General Storm Water Permit for the Del Norte County Transfer Station. **230101 B**

Discussion was held regarding submitting the notice or certification. Staff recommended that both the No Exposure Certification (first) and the Notice of Intent (second) be sent to reduce costs, if possible. Commissioners expressed their appreciation for this and the cost savings to the community.

On a motion by Commissioner Wilson, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority authorized staff to submit a Notice of Intent for Recertification and the pursue a No Exposure Certification following that submittal.

5. GENERAL SOLID WASTE AUTHORITY MATTERS

- 5.1 Discussion and possible action regarding a request for a report from the Del Norte County Community Development Department for funding needs for Fiscal Year 15/16 for Code Enforcement and Blight removal / abatement.

Discussion was held regarding the request from the County of Del Norte Community Development Department regarding funding needs; this is a portion of the budgeting process. Heidi Kunstal, Director of Community Development, and Dave Mason, Code Enforcement Officer, reported. They would like to meet with staff prior to the 2015-16 budget and they will report back at a later date if there is any shortage of funds. No Authority action was necessary at this time.

- 5.2 Discussion and possible action regarding election of Authority Chair and Vice-Chair. **012104**

City resident Kathryn Murray noted she supports Commissioner Holley as Chairman, but feels that it would be wise to have a full board before electing the Vice-Chair. She introduced Mr. Fallman, who will be applying for the position as new public member.

On a motion by Commissioner Gastineau, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority nominated and appointed Commissioner Holley as Chairman for 2015.

Kathryn Murray again stated that she believes that is would be prudent to wait for a full board before voting for a Vice-Chairman.

A motion by Commissioner Wilson, seconded by Commissioner Gitlin, to nominate and appoint Commissioner Gitlin as Vice-Chairman for 2015, did not pass on at 2-2 polled vote, with Commissioners Holley and Gastineau voting "no".

A motion by Commissioner Holley, seconded by Commissioner Gastineau, to wait for a full board to vote for a Vice-Chair, did not pass on a 2-2 vote polled vote, with Commissioners Wilson and Gitlin voting "no".

Chairman Holley took the gavel at this time (5:29 p.m.) and no other action was taken with regarding to officers.

5.3 Discussion and possible action regarding Resolution 2015-01, Modifying By-Laws and Meeting Dates. **101503**

Discussion was held regarding Resolution 2015-01, entitled, A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY MODIFYING BY-LAWS AND MEETING DATES. Staff noted that in order to change the meeting dates, the bylaws would need to be amended by resolution. The need for a meeting date change was brought up because new appointee, County Supervisor Martha McClure, has a conflict with dates of the California Coastal Commission, of which she is a member and that precludes her from attending the current meeting dates. Ms. McClure requested that the date of Solid Waste Authority meetings be changed so she can attend them. Donna Westfall, city resident, stated she feels it is ridiculous to change the meeting dates for one commissioner. Commissioner Holley noted that it is important to work with all five members present to be fair to all. Meeting the fourth Tuesday of each month right after the Del Norte County Board of Supervisors meeting would seem to work (second or fourth Tuesdays), however, other Commissioners were troubled with the request and trying to shuffle other meetings to accommodate one commissioner

On a motion by Commissioner Holley, seconded by Commissioner Gastineau to adopt Resolution No. 2015-01, designating meeting times and dates as the 4th Tuesday of each month at 4:00 p.m., failed to pass when Commissioner Gastineau withdrew his second after discussion.

The Clerk of the Board of Supervisors was consulted and the 4th Thursday and first Tuesday of the month were that dates that work on the Board of Supervisors Chambers calendar, according to staff.

A motion by Commissioner Gastineau to table the matter was withdrawn with no second.

Staff will bring the matter back for discuss as a special single item meeting to be announced.

5.4 Discussion regarding possible release of the Forensic Audit dated 16 July 2013 by Donald Scanlon. **012101**

Discussion was held regarding the release of the Forensic Audit. The report is involved in an open criminal investigation, which has not been closed, according to staff. CPA Don Scanlon, who prepared the report, is now deceased. Donna Westfall, city resident, noted that the cash and cash counting processes in place and noted that there was not enough evidence to charge the two suspects. She would like to know what the Scanlon report reveals so the public can follow up with the report. Connie Morrison noted she is aware this might be embezzlement, but she feels that all investigations should be transparent. Commissioner Holley does not want the release of this report at this time so that it does not poison any future investigation or charges in this case. Commissioner Wilson stated she felt comfortable with giving the report to the public to read, she does not see any reason not to open the report, noting there was a lack of evidence to charge anyone in this case. Commissioner Gastineau noted that it was unfortunate, but he is unopposed to opening the report to the public. Chairman Gitlin stated that there is no clear reason why the report is being held back at this time; he has no issue with releasing the report at the solid waste office for reading only.

On a motion by Commissioner Wilson, seconded by Commissioner Gastineau, and carried on a four-fifths polled vote, with Commissioner Holley voting “no”, the Del Norte Solid Waste Management Authority authorized the release of the Forensic Audit, dated July 16, 2013 by Don Scanlon, to be held at the DNSWMA office for public reading only. The report is not to be copied or taken from the reading room.

5.5 Receive and file FY 13/14 Audit of the Del Norte Solid Waste Management Authority by Smith & Newell. **012101**

Discussion was held regarding the Fiscal Year 2013-2014 Audit by Smith & Newell. Commissioner Wilson noted on the Statement of Revenue and Expenses, page 5, that the 2004 franchise fees were not added by the auditor. She feels the positive was the change in the complexity rating and the fee decrease because of this reduction to this liability. She feels the audit was pretty “status quo” and noted that the Authority is moving forward. Chairman Holley asked if the cost of the R3 and Scanlon reports were not included in the report.

On a motion by Commissioner Wilson, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners received and filed the Fiscal Year 2013/2014 Smith and Newell Audit of the Del Norte Solid Waste Management Authority, as submitted.

6. DIRECTOR’S & TREASURER’S REPORTS

Agenda items 6.1 through 6.5 are provided for information only

- 6.1 Acting Director’s Report **231501**
- 6.2 Treasurer/Controller Report for December 2014
- 6.3 Claims approved by Treasurer & Director for January 2015
- 6.4 Monthly Cash and Charge Reports for January 2015
- 6.5 Earned Revenue Comparisons between FY13/14 and FY14/15

The listed reports were discussed, including: the written Director's Report in the agenda packet; a fencing issue needing attention; the account clerk position open; the fifth surprise cash count came out to the penny, which shows that the policies and procedures in place are working; negotiation of additional capacity needs to be addressed; meetings and follow-up; and the staffing chart. Commissioner Wilson noted her concern regarding moving ahead with the administrative assistant who was hired. She feels that this position should have a very strong financial background. She asked for the procedure for the filling of positions. Mr. Ward indicated that he had conferred with the County Personnel Office regarding the procedure regarding filling positions and he has the authority to hire a person who was already working in the interim position. Commissioner Wilson expressed concerned with the job duties. Counsel noted that it is within the director's job duty to hire and fire and the interim director is fulfilling the job duties of the director at this time.

Mr. Gitlin left the dais at 5:43 p.m.

Counsel noted that it is standard for new positions to have a probationary period. The Commission cautioned that probationary periods need to be reviewed. Staff noted how helpful Ms. Babcock, the new administrative assistant, was during this transition and stated he has a high level of confidence in her work.

Richard Taylor reviewed the Treasurer/Controller's report. He indicated that the Authority is rolling along fine. He supports continued efforts to establish an accrual basis for tracking the Authority's revenues and expenses as a parallel system to the modified cash accounting used by Del Norte County.

It was noted that the Monthly Cash Reports well ahead of revenue projections this year and a little behind on franchise fees.

7. ADJOURNMENT

Adjourn to the next meeting of the Del Norte Solid Waste Management Authority scheduled for 4:00 PM March 11, 2015 at the Del Norte County Board of Supervisors Chambers, 981 H Street, Suite 100 in Crescent City.

There being no further business to come before the Authority, the Chairman adjourned the meeting at 5:49 P.M., until the next regularly scheduled meeting on March 11, 2015.

Richard Holley, Chair
Del Norte Solid Waste Management Authority

Date / /

ATTEST:

Mary Wilson, Secretary
Del Norte Solid Waste Management Authority

Date / /