



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: December 10, 2004  
TO: Board of Directors  
FROM: General Manager  
SUBJECT: Guiding Principles as Revised on October 15, 2004

At the October 15, 2004 meeting the Board agreed on the following Guiding Principles that were proposed by the MRWMD AdHoc Advisory Task Force which met this summer.

- **District Governance Structure**

Maintain existing governance structure. Do not expand current District boundaries or increase the size of the current nine-member Board of Directors.

- **Labor Policy**

Continue to operate District facilities with District staff. Do not use outside contractors to provide primary District services.

- **Reserve Policy and Debt Service Ratios**

Maintain District policy of retaining 25% of the operating expense budget in reserve. Maintain debt service ratios as required in bond covenant.

- **Range of Waste Management Services and Recycling/Diversion Rates**

Continue to provide existing recycling and landfill services, while maintaining diversion rates of at least 50% for member agencies. Service levels could be increased if additional revenue becomes available and additional programs, such as food waste composting, could be added.

- **Landfill Capacity and Service Area**

Consider a policy establishing a minimum 75 to 80 year landfill life to serve projected wastestreams exclusively generated by the MRWMD member agencies. Certified landfill capacity exceeding the 75 to 80 years would be considered excess capacity, which could be considered for sale to the County of Santa Cruz and the Salinas Valley Solid Waste Authority (SVSWA) at "market rates". The purpose of the sale of the excess capacity is to mitigate further rate increases to the MRWMD member agencies and to permit the SVSWA and the County of Santa Cruz adequate time to identify and develop additional long-term landfill capacity within their respective jurisdictions. The Board authorized staff to meet with the SVSWA and the County of Santa Cruz to discuss the parameters for the possible acceptance of additional waste.

- **Rate Policies**

The Board discussed rate policies including a \$3-5 per ton increase in 2005 with an annual increase thereafter of \$1/ton to ensure fiscal solvency and financing of the ongoing range of waste and recycling services provided by the District. Staff was asked to provide additional information regarding rate increase options for the Board at their November meeting.

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