

**MINUTES**  
**REGIONAL SOLID WASTE ASSOCIATION**  
**Regular Meeting – January 7, 2010**

**Del Mar City Hall Annex**  
**1050 Camino Del Mar**  
**Del Mar, CA**

**BOARD MEMBERS IN ATTENDANCE:**

**Mayor Richard Earnest, City of Del Mar**  
**Deputy Mayor Maggie Houlihan, City of Encinitas – RSWA Treasurer**  
**Councilwoman Marie Waldron, City of Escondido**  
**Mayor Ron Morrison, City of National City - RSWA Chairman**  
**Deputy Mayor Carl Kruse, City of Poway**  
**Council Member Mike Nichols, City of Solana Beach – RSWA Vice-Chairman**  
**Council Member Frank Lopez, City of Vista - RSWA Board Secretary**

**STAFF RESOURCES IN ATTENDANCE:**

**Lin Wurbs, RSWA General Manager**  
**Tom Nixon, General Counsel**  
**Dale Nielsen, Fiduciary Agent – City of Vista**

**1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chairman Ron Morrison called the Regional Solid Waste Association meeting to order at 9:16 a.m. and then asked Vice Chairman Mike Nichols to lead the Pledge of Allegiance.

**2. SWEARING-IN OF NEW BOARD MEMBER – ACTION ITEM**

Carl Kruse, Council Member from the City of Poway was sworn in by General Counsel Nixon as the Board Member from Poway. Board Members welcomed Council Member Kruse. Council Member Waldron arrived at the Board Meeting.

**3. APPROVAL OF ASSOCIATION MEETING MINUTES OF OCTOBER 1, 2009 - ACTION ITEM**

This item was scheduled for approval of the October 1, 2009 Minutes.

**MOTION WAS MADE TO APPROVE THE MINUTES OF OCTOBER 1, 2009.**  
(Motion by Treasurer Houlihan, City of Encinitas / Second by Board Member Richard Earnest, City of Del Mar).

**Motion passed unanimously.**

4. **FINANCE AND BUDGET - INFORMATION & ACTION ITEMS**

**A. RSWA Investment Report – Information Item**

General Manager Wurbs reviewed the investment report which was estimated for the second quarter of the fiscal year 2009/2010.

The recommendation was to accept and file the investment report. By consensus the Board approved the staff request to accept and file the Investment Report.

**B. Review Budget and Expenditure Status for the Second Quarter of Fiscal Year 2009/2010 - Information Item**

General Manager Wurbs reviewed in detail the second quarter budget and expenditure status report, estimated for December 30, 2009.

The recommendation was to review the status of both the budget and expenditures and accept and file the reports, which the Board did by consensus.

**C. Review and Approval of Auditor’s Report – Action Item**

General Manager Wurbs reviewed the audit report by Caporicci & Larson. Ms. Wurbs pointed out that newly sworn-in Board Member Kruse had identified an error on page two of the Audit Report, which is on page one of the Management Discussion and Analysis, in the section entitled Statement of Net Assets. The language should read, “the RSWA is a government entity operating as a joint powers agency.....”, there are extra words included. The recommendation was to approve the audit report with the correction.

**MOTION WAS MADE TO APPROVE THE AUDIT REPORT WITH THE TYPOGRAPHICAL ERROR CORRECTION ON PAGE TWO OF THE AUDIT.** (Motion by Board Secretary Frank Lopez, City of Vista / Second by Treasurer Maggie Houlihan, City of Encinitas.)

**Motion passed unanimously.**

**D. Transition of Financial Fiduciary Assistance – Action Item**

General Manager Wurbs provided a brief update regarding the transition to the City of Vista for RSWA financial fiduciary assistance and advised that she would be asking for specific approval and authorization later in this agenda item, but wanted to “set the stage” regarding the need to transition from the City of Poway to the City of Vista for fiduciary assistance.

1. General Manager Wurbs then asked that the Board consider adoption of Resolution #2010-01 thanking the City of Poway for their assistance as RSWA's fiduciary agent for several years. Board Member Kruse utilized this opportunity in the agenda to introduced Penny Riley as the new interim City Manager for the City of Poway.

**MOTION WAS MADE TO APPROVE RESOLUTION # 2010-01 THANKING THE CITY OF POWAY FOR THEIR ASSISTANCE AS RSWA'S FIDUCIARY AGENT.** (Motion by Board Member Richard Earnest, City of Del Mar / Second by Board Secretary Frank Lopez, City of Vista). **Motion passed unanimously.**

Chairman Morrison read the Resolution into the record and provided the signed framed resolution to Board Member Kruse who accepted on behalf of the Mayor and Council of the City of Poway and the Poway City Manager. Ms. Wurbs provided a thank-you wooden pen from RSWA to the two key staff persons who had worked with RSWA from the City of Poway – Ms. Annette Gonzales and Mr. Andrew White.

Ms. Houlihan suggested that at some point in the agenda that perhaps everyone in the audience could identify themselves. The Chairman suggested that the Board continue with this agenda item and that he would definitely handle that request further on the agenda.

2. General Manager Wurbs provided a verbal report on the requested approval of the transition of financial fiduciary agency responsibility to the City of Vista. Ms. Wurbs reviewed for the Board the recommendation which included the delegation of authority to the City of Vista to invest funds or to sell or exchange securities on behalf of RSWA. The investment approach will be to utilize the investment opportunities that the City of Vista utilizes by pooling our funds with Vista's funds when LAIF interest rates are lower than the interest rates available through the City of Vista.

Ms. Wurbs described that the new process would eliminate the need for a RSWA check book or any money being "fronted" or "floated" by the City of Vista on RSWA's behalf. RSWA's funds will be separated and discreetly held for RSWA and invested by the City of Vista. There will be a tally sheet provided on a monthly basis to the Treasurer and General Manager from Vista to ensure the reconciliation of accounts. Ms. Wurbs also explained that the City of Vista has offered to assist RSWA in finding an audit firm for the RSWA books.

Ms. Wurbs did explain that Ms. Geldert was not able to be at the meeting due to a previous engagement and Ms. Wurbs did reintroduce both Patrick Johnson the Assistant City Manager of the City of Vista and Dale Nielsen the Finance Manager of the City of Vista who were present and available to answer any questions.

Treasurer Houlihan asked if it would be possible for electronic checks to be written by the City of Vista to the Board Members for stipends and other regular payments to staff for instance and Mr. Nielsen of the City of Vista responded that the City is working on electronic funds transfer payments through accounts payable, but it is not yet available. Ms. Houlihan reiterated the desire to “go paperless” as soon as practicable.

General Manager Wurbs recommended that the Board formally approve, by motion, the delegation of financial authority to the City of Vista to invest funds or to sell or exchange securities pursuant to California Government Code Section 53607, to the City of Vista effective immediately, the RSWA Board meeting of today, January 7, 2010.

Board Secretary Lopez asked if it was appropriate for him to vote on this item from the City of Vista and Mr. Nixon responded that there was no conflict of interest and that he may vote on the item.

Board Member Earnest asked about the investment implications around this recommendation and stated that the genesis of his question was if our monies are going to reside at the City of Vista, are the investment policies of the City of Vista the same or similar, and do we get to make our own investment decisions. Ms. Houlihan responded that regarding the investment policy, it is definitely a similar approach to the current RSWA policy in that you first want security and then liquidity and return. Ms. Houlihan continued that the City’s investment return has been very good and that is a substantial benefit to RSWA.

Ms. Wurbs also responded that the new RSWA Investment Policy is next on the agenda and staff would be recommending approving it assuming that the Board approves the transition item that is currently before the Board. Ms. Wurbs also stated that the proposed Investment Policy is very similar to our existing policy and that it mirrors the City of Vista Investment Policy. Ms. Wurbs also explained that normally the Investment Policy is on the agenda in April and that previously the RSWA Investment Policy mirrored the City of Poway Investment Policy since they were our fiduciary agent. Ms. Wurbs reported that the Chairman and Treasurer recommended putting the new “conforming” Investment Policy on the agenda at this time as one of the pieces in moving forward with the fiduciary agent transition process.

Board Member Earnest asked if RSWA would retain flexibility and not have options foreclosed on the agency and Ms. Wurbs responded that RSWA would continue to have maximum flexibility to move money as desired by the Board and that in fact a LAIF account will be retained with a zero balance to move money to and from if RSWA chooses to move money back into LAIF.

Mr. Nielsen also responded that the reason the City of Vista is able to provide an “enhanced return” for the RSWA funds is because the City has over 100 million to invest and provides the opportunity to have a more diverse portfolio and not be forced to hold money in a money market type account such as LAIF. Board Member Kruse reiterated that an enhanced portfolio was a benefit as long as we stay within the strict security and liquidity requirements. Mr. Nielsen responded that all cities are governed by Government Code 53601, which addresses the safety of the investments and that the City of Vista must conform to the state requirements.

Vice Chairman Nichols asked for assurance that if there was a “raid” by the State on the City of Vista’s funds that RSWA’s money is protected as a separate and distinct JPA. Mr. Nielsen described that he had already set up a separate fund for RSWA within the City of Vista General Ledger and that regardless of what the State does to the City of Vista, RSWA would have same day access to the funds and be protected in the separate fund.

**MOTION WAS MADE TO APPROVE TRANSITION OF FINANCIAL FIDUCIARY AGENCY RESPONSIBILITY TO THE CITY OF VISTA WHICH INCLUDES THE DELEGATION OF AUTHORITY TO THE CITY OF VISTA TO INVEST FUNDS OR TO SELL OR EXCHANGE SECURITIES ON BEHALF OF RSWA PURSUANT TO GOVERNMENT CODE SECTION 53607.** (Motion by Board Member Carl Kruse, City of Poway / Second by Treasurer Houlihan, City of Encinitas).

**Motion passed unanimously.**

4. E. **Review and Adopt the Investment Policy, New LAIF Resolution and Investment Approach - Action Items**

1. General Manager Wurbs advised the Board that with the action just taken in Item 4.D., it would be most appropriate to consider adopting a new Investment Policy that mirrors the investment polity of the City of Vista. Ms. Wurbs stated that City of Vista Finance Director Tom Gardner and Finance Manager Dale Nielsen, in addition to Treasurer Houlihan, General Manager Wurbs and Legal Counsel Nixon are all recommending adoption of the Association’s new Investment Policy.

**MOTION WAS MADE TO APPROVE THE INVESTMENT POLICY.** Motion by Treasurer Houlihan, City of Encinitas / Second by Vice Chairman Nichols, City of Solana Beach).

**Motion passed unanimously.**

2. General Manager Wurbs advised that the LAIF Resolution needs to be updated to provide authorization of signature authority to move monies between accounts and that Resolution is in the Board Packet as Resolution #2010-02. General Manager Wurbs recommended approval of the resolution.

**MOTION WAS MADE TO APPROVE THE LAIF RESOLUTION – RESOLUTION #2010 – 02.** Motion by Board Member Kruse, City of Poway / Second by Board Member Earnest, City of Del Mar

**Motion passed unanimously.**

The Chairman suggested that pursuant to the earlier request, that we take the time to introduce everyone in the audience for the benefit of our new Board Member.

#### **5. Report by Jurisdictions on Special Programs – Information Item**

The Board requested that an opportunity be provided on the agenda for each city to report on any special programs that have been developed by the city in the area of recycling, household hazardous waste and information programs – as “environmental actions”, which may have been funded by environmental enhancement funds.

**Board Secretary Lopez**, City of Vista, led off the discussion by providing an update on the battery collection program at City Hall and the library and that Vista is currently working with Wal-Mart on a battery “take-back” program. Mr. Lopez also highlighted the recycled bag program with the City’s logo to help minimize plastic bags and that the City of Vista actively participates in Earth Day with bookmarks and seed packets.

**Board Member Earnest**, City of Del Mar, commented on acid batteries and that there is an organization in Los Angeles that will pay for acid batteries and will break the battery down.

**Board Member Waldron**, City of Escondido, reported on the prescription medication drop off program that the City of Escondido is involved with as well as highlighted the recovery grant through the federal stimulus program that will provide for the replacement of part of the fleet with hybrids, changing out ball field lighting with more energy efficient lights, a home energy waste audit to determine water and energy usage which will include providing worm bins and recycling bins and information to residents and a program to modify the generators used for the water circulating system at the lake to use solar energy as well as a greenhouse gas reduction and climate action plan to measure emissions. Kathy Winn of the City also provided information on the programs for the City of Escondido including a battery collection program at the City Public Works Facility.

**Board Member Kruse** deferred to Annette Gonzalez of the City of Poway who highlighted that Poway is collecting batteries at the Poway City Library in addition to the Household Hazardous Waste facility, the City has completed a greenhouse study and done retrofits at city parks and city facilities of restrooms and lighting, and has formed a sustainability committee looking at implementing conservation programs relating to energy and water.

**Treasurer Houlihan** reported that the City of Encinitas had their second annual "Day without a Bag". All of the grocery stores in the City of Encinitas participate in the program. Bill Wilson reported that Stater Bros. in Encinitas expenditures for plastic bags had gone down thirty percent. Encinitas still does subsidize compost bins and workshops which is where some of the City's Environmental Enhancement Funds go. The City increased the battery disposal drop-off program beyond City Hall to include four additional locations throughout the city. The City of Encinitas also has the BMW pilot "pure electric" program which provides a vehicle for use. Bill Wilson also commented on the clear stream recycling container program which allows organizations to "check-out" the clear containers and metal frames for their events for bottles and cans.

**Vice Chairman Nichols** reported on the City of Solana Beach plastic bag recycling program which goes into making Trex products. He pointed out that Solana Beach had completed their baseline study for greenhouse gas emissions. Mr. Nichols also reported on a meeting he attended of the local area Sierra Club who added a fourth R to the traditional Reduce, Reuse, and Recycle - by adding Refuse. He also highlighted that the Solana Beach "Clean and Green Committee" comes up with many great ideas. One of those ideas, which is conservation related, is to transition some small grass areas into areas replanted with drought tolerant plants. Danny King mentioned that Solana Beach is the number one collector of plastic bags in the Trex program and that Solana Beach is looking at reentry in the compost bin program using the Environmental Enhancement Programs funds.

6. **HOUSEHOLD HAZARDOUS WASTE (HHW) ISSUES – INFORMATION ITEM**

General Manager Wurbs and Bill Wilson of the City of Encinitas provided a status report on the level of participation in HHW services by each jurisdiction.

7. **ADMINISTRATIVE MATTERS - ACTION ITEMS**

A. **Review Future Meeting Schedule:**

April 1, 2010

July 1, 2010

October 7, 2010

Ms. Wurbs reviewed with the Board the meeting schedule for 2010 and there were no changes made. Board Secretary Lopez suggested that the July 1, 2010 Board Meeting be held at the new City of Vista City Hall and Council Chambers. The Board accepted the offer to hold the July 1, 2010 RSWA Board Meeting at Vista City Hall.

**B. Approval of Board Members and Staff Attendance and Conference Expenses at all of the following meetings of the following organizations which list shall be titled "List of Accepted Conferences":**

1. SWANA (Solid Waste Association of North America) Sponsored Conferences, including WASTECON, "THINKING OUTSIDE THE BLUE BOX", & SWANA Chapter Meetings
2. NSWMA (National Solid Waste Management Association) & WASTECON (Waste Equipment Technology Association) Sponsored Conferences, including the Global Waste Management Symposium & Waste Expo
3. NAHMMA (North American Hazardous Materials Management Association) Sponsored Conferences and Meetings
4. National Recycling Coalition sponsored events
5. CIWMB (California Integrated Waste Management Board) sponsored events

**MOTION WAS MADE TO APPROVE BOARD MEMBER AND STAFF ATTENDANCE AND EXPENDITURE OF FUNDS AT ALL OF THE CONFERENCES LISTED BY NAME OF ORGANIZATION IN ITEMS 1 – 5 OF THE RSWA BOARD AGENDA ITEM 7.B.** (Motion by Treasurer Maggie Houlihan, City of Encinitas / Second by Vice Chairman Mike Nichols, City of Solana Beach). **Motion passed unanimously.**

**8. ORAL COMMUNICATIONS**

There were no speakers.

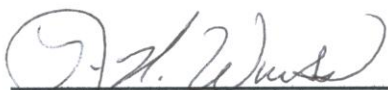
**9. COMMENTS FROM ASSOCIATION MEMBERS, GENERAL COUNSEL AND GENERAL MANAGER**

There were no speakers.

**10. ADJOURNMENT**

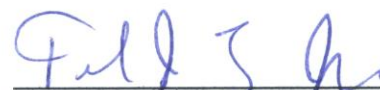
The meeting was adjourned at 10:23 a.m.

**Respectfully Submitted:**



**Lin Wurbs  
General Manager**

**Approved:**



**Frank Lopez  
RSWA Secretary**