

MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE FINANCE COMMITTEE
May 10, 2018 – 12:15 p.m.
San Carlos Library Conference Room A**

Call To Order: 12:06PM

1. Roll Call

Agency	Present	Absent
Bill Widmer	X	
Michael Brownrigg	X	
Carol Augustine	X	
Jay Benton	X	

SBWMA Staff Members Present: Joe La Mariana, Hilary Gans, John Mangini, Cyndi Urman, Jean Savaree

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so. Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting. If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

None

3. Executive Director's Report

Executive Director La Marina welcomed John Mangini to the Committee.

He discussed his meeting with Steven Gortler regarding the bond refunding. He noted that recommends waiting until next spring to begin the process of refunding due to costs associated with the bond call date not being until September 2019. The committee discussed the interest rate spread, and that due to rising interest rates refunding now may offset the costs of the call date. Member Benton commented that going into a revenue bond with the commodity market collapse might be risky. The committee directed staff to reach out to Josh Cooperman and Rich Morales to get their input and look into refunding the bonds sooner than next year.

Executive Director noted that the Agency attorney has a conflict with the committee's request to staff to look into various fees that are charged to the agency, so she has reached out to a colleague in South City who is interested in the work.

4. Approval of Minutes from the April 10, 2018 Finance Committee Meeting

Motion/Second: Widmer/Brownrigg as amended

Voice Vote: All in favor

5. FY18/19 Draft Budget Preview

Executive Director La Mariana noted that there has been no update in the China commodity market issue, and in fact China is currently not accepting anything from the US for one month. Shoreway material continues to move, not to China, but at considerably lower market value.

Executive Director La Mariana outlined the budget noting that it represents a \$14 tip fee increase, and builds the Capital reserve to \$1.4M.

The Finance Committee asked staff to look at the reserve policy as soon as possible and more tightly define what each reserve can be used for. Executive Director La Mariana noted that it was scheduled to be reviewed at the June Board meeting.

Member Widmer noted that he would like to see projections in the packet for rate impacts. Member Benton noted that a 13% tip fee increase doesn't translate into a 13% rate increase for the residents. The Finance Committee asked to see a City by City rate increase.

Member Augustine noted that there were a number of small errors in the staff report and she would send those recommended changes to the Executive Director.

The committee recommended that the staff report included why a 13% increase was being recommended and give the background, included a City by City estimated increase, and noted that a 13% tip fee increase does not equal a 13% rate increase.

Member Brownrigg asked if there would be a CapEx discussion as part of the budget discussion.

The committee discussed that the budget discussion should be an appropriation for the capital projects, and that it should be general terms and the detail would come at the time of project approval.

Motion/Second: Widmer/Benton to recommend moving the budget with the amendments, corrections and competitive analysis discussed forward to the Board for approval.

Voice Vote: All in favor

6. Discussion on Capital Improvement Plan Recommendations

The Finance Committee decided to reconvene on CapEx projects after the Zero Landfill Committee has a chance to meet.

7. Finance Committee Member Comments

8. Adjourn 1:28PM