

**INTEGRATED WASTE MANAGEMENT AUTHORITY
SPECIAL BOARD MEETING**

MINUTES OF AUGUST 29, 2018

1. Call to Order and Roll Call

Board Members Present:

Debbie Arnold, San Luis Obispo County Supervisor
Sheila Blake, City of Pismo Beach *(arrived shortly after roll call)*
Tim Brown, City of Arroyo Grande
Lynn Compton, San Luis Obispo County Supervisor
Robert Enns, Vice President, Authorized Districts
Bruce Gibson, San Luis Obispo County Supervisor
Aaron Gomez, City of San Luis Obispo
John Hamon, City of Paso Robles
Jeff Lee, President, City of Grover Beach
Tom O'Malley, City of Atascadero
John Peschong, San Luis Obispo County Supervisor

Board Members Absent:

Adam Hill, San Luis Obispo County Supervisor
Robert "Red" Davis, City of Morro Bay

Staff Members Present:

Patti Toews, IWMA Staff
Jeffrey Minnery, IWMA Counsel

2. Public Comments

Wayne Hall, Stew Jenkins, Claire Mamakos, Mark London, and Patty Welsh addressed the Board.

PUBLIC HEARING

- 3. Retirement and Resignation of Manager.** Mr. Minnery reviewed with the Board Mr. Worrell's resignation and retirement and also explained IWMA's contractual and statutory requirements upon termination of Mr. Worrell's employment. Mr. Minnery proposed an addition to the staff recommendations which authorized the President to issue notification to Nationwide that Mr. Worrell is no longer employed by IWMA.

President Lee opened the meeting for public comment on the retirement and resignation of Mr. Worrell. Stew Jenkins addressed the Board.

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Board Member Gibson moved staff recommendation, including the addition, to (1) Receive and consider the retirement and resignation of Mr. Worrell; (2) Direct staff to pay Mr. Worrell in accordance with its statutory and contractual obligations, including but not limited to, any deferred compensation; and (3) Authorize the President to issue notification to Nationwide that Mr. Worrell is no longer employed by IWMA. Seconded by Board Member Hamon and passed on the following roll call vote:

AYES: Arnold, Blake, Brown, Compton, Enns, Gibson, Gomez, Hamon, O'Malley, Peschong, and Lee

NOES: None

ABSTAIN: None

ABSENT: Davis, Hill

4. **Consideration of Auditor.** Mr. Minnery gave an overview of the Executive Committee's recommendation to issue an RFP for audit services focusing on the expenditures of IWMA, including the suggestion of a tiered approach as to the scope of the RFP.

President Lee introduced to the Board Mr. James Erb, San Luis Obispo County Auditor-Controller. Mr. Erb answered questions from the Board regarding audit options, including forensic versus non-forensic audits, scope, and timing.

President Lee opened the meeting for public comment on the consideration of an auditor. Wayne Hall and Stew Jenkins addressed the Board.

Board Member Gibson moved to direct the Executive Committee work with IWMA staff to prepare an RFP for a forensic audit with a scope to investigate allegations made about the accounting practices of the IWMA, to direct the Executive Committee review the responses and bring a recommendation back to the full Board for consideration. Seconded by Board Member Hamon and passed on the following roll call vote:

AYES: Arnold, Blake, Brown, Compton, Enns, Gibson, Gomez, Hamon, O'Malley, Peschong, and Lee

NOES: None

ABSTAIN: None

ABSENT: Davis, Hill

5. **Appointment of Interim Manager.** The Authority considered three candidates for the position of Interim Manager. Each was asked in open session a series of five identical questions and one or two questions specific to the candidate's experience. The candidates were questioned in the following order:

Michael Giancola, Ron Munds, and Robert Perrault

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President Lee asked Mr. Munds and Mr. Perrault to step outside chambers while Mr. Giancola was questioned.

President Lee opened the meeting for public comment on the appointment of Interim Manager. Tom Martin and Claire Mamakos addressed the Board.

At the suggestion of Board Member Gibson, President Lee paused public comment and invited Mr. Perrault and Mr. Munds back into chambers to give those candidates the benefit of hearing public comment as well. Stew Jenkins then provided public comment. President Lee invited Tom Martin and Claire Mamakos to restate their public comments in the hearing of Mr. Munds and Mr. Perrault, and these public comments were restated.

Following public comment, Mr. Perrault and Mr. Munds were once again asked to step outside while Mr. Giancola was questioned.

At the conclusion of Mr. Giancola's questioning, President Lee asked Mr. Giancola to step outside with Mr. Perrault while Mr. Munds was questioned.

Following Mr. Munds' questioning, President Lee asked Mr. Munds to step outside with Mr. Giancola while Mr. Perrault was questioned.

Subsequent to Mr. Perrault's questioning, all candidates were invited back into chambers.

President Lee opened the meeting for public comment on the closed session item. Stew Jenkins addressed the Board.

6. **Closed Session.** The Authority adjourned to closed session for discussion of the appointment of an Interim Manager (Government Code section 54957(b)(1)).
7. **Report on Closed Session.**
The Authority chose Michael Giancola as Interim Manager. Decision passed on the following roll call vote:

AYES: Arnold, Brown, Compton, Enns, Hamon, O'Malley, and Peschong
NOES: Blake, Gibson, Gomez, and Lee
ABSTAIN: None
ABSENT: Davis, Hill

8. **Compensation and Term of Interim Manager.** With an appointment made, the Authority discussed compensation and contract terms of the Interim Manager.

President Lee invited Mr. Giancola to comment on his preferences for compensation and terms of contract. Mr. Giancola addressed the Board.

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Board Member Brown made a motion for a contract term of three (3) months with an extension possible of an additional three (3) months, if needed, at a base rate of \$152,000.00 annually. Seconded by Board Member O'Malley and passed on the following roll call vote:

AYES: Arnold, Blake, Brown, Compton, Enns, Gibson, Gomez, Hamon, O'Malley, Peschong, and Lee
NOES: None
ABSTAIN: None
ABSENT: Davis, Hill

Board Member Brown made a motion that the remainder of the contract details be worked out between the Executive Committee, Mr. Giancola, and Legal Counsel at their earliest convenience, provided that the previous motion of the Board represented Mr. Giancola's compensation in full. Seconded by Board Member Enns and passed on the following roll call vote:

AYES: Arnold, Blake, Brown, Compton, Enns, Gibson, Gomez, Hamon, O'Malley, Peschong, and Lee
NOES: None
ABSTAIN: None
ABSENT: Davis, Hill

The Authority directed legal counsel to facilitate an evaluation of Mr. Giancola at three (3) months, at the recommendation of the Executive Committee.

- 9. Adjournment.** The meeting was adjourned to the next regular meeting of the IWMA scheduled for **September 12, 2018** at 1:30 p.m. in the San Luis Obispo County Board of Supervisors' Chambers, County Government Center, San Luis Obispo, CA 93408.

THESE MINUTES ARE NOT OFFICIAL NOR A PERMANENT PART OF THE RECORD UNTIL APPROVED BY THE IWMA AT THE NEXT REGULAR MEETING.

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