



Minutes of February 18, 2015 Special Meeting

The Sonoma County Waste Management Agency met on February 18, 2015, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa, California.

Present:

City of Cloverdale	Bob Cox
City of Cotati	Susan Harvey
City of Healdsburg	Brent Salmi
City of Petaluma	John Brown
City of Rohnert Park	Don Schwartz
City of Santa Rosa	John Sawyer
City of Sebastopol	Larry McLaughlin
City of Sonoma	Madolyn Agrimonti
County of Sonoma	Shirlee Zane
Town of Windsor	Deb Fudge

Staff Present:

Counsel	Janet Coleson
Staff	Henry Mikus
	Patrick Carter
	Karina Chilcott
	Lisa Steinman
	Rebecca Hoehn
Agency Clerk	Sally Evans

1. Call to Order Regular Meeting

The meeting was called to order at 9:22 a.m.

2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9(d)(1)

Renewed Efforts of Neighbors Against Landfill Expansion vs. County of Sonoma, Sonoma Compost Company, Sonoma County Waste Management Agency
Case 3:14-cv-03804-THE

Pursuant to Government Code Section 54957
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Agency Counsel

3. Adjourn Closed Session

4. Agenda Approval

Item 9 was moved before Item 8.

Deb Fudge, Town of Windsor, motioned to amend and approve the agenda and Madolyn Agrimonti, City of Sonoma, seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Board Discussion

Shirlee Zane, County of Sonoma, recommended pulling Items 6.7-6.9 from Consent for discussion.

Vice Chair Don Schwartz, City of Rohnert Park, reported from closed session that the Board authorized Staff to negotiate and finalize the initial indemnification agreement with the County regarding compost operations.

5. Public Comments (items not on the agenda)

Liz Bortolotto, AB 939 Local Task Force, reported that the LTF, the Agency's Solid Waste Advisory Committee, recently formed a legislative sub-committee. Ms. Bortolotto added that the committee will be tracking and supporting waste reduction legislation in Sacramento.

Margaret Kullberg, Stage Gulch Road, recommended the compost site remain at the Central Site. Ms. Kullberg said that the creeks running into the Petaluma River are just as important as the one off the Central Site. Ms. Kullberg added that there will be similar pond costs and zero discharge will have to be met no matter the location.

6. Consent (w/attachments)

- 6.1 Minutes of January 16, 2015 Special Meeting
- 6.2 Minutes of January 21, 2015 Special Meeting
- 6.3 Recycle Guide Printing Contract
- 6.4 FY 14-15 2nd Quarter Financial Report
- 6.5 City/County Payment Program Authorization
- 6.6 Household Hazardous Waste Information Exchanges

Ms. Agrimonti motioned to approve the consent calendar with items 6.1-6.6. Mr. Bob Cox, City of Cloverdale, seconded the motion.

6.1 Minutes of January 16, 2015 Special Meeting

Brent Salmi, City of Healdsburg, Susan Harvey, City of Cotati, John Brown, City of Petaluma, and Ms. Zane abstained from the vote of Item 6.1 Minutes of January 16, 2015 due to their absence.

Vote Count:

Cloverdale	Aye	Cotati	Abstain
County	Abstain	Healdsburg	Abstain
Petaluma	Abstain	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -6- NOES -0- ABSENT -0- ABSTAIN -4-

6.2 Minutes of January 21, 2015 Special Meeting

Mr. Brown and Ms. Zane abstained from the vote of Item 6.2 Minutes of January 21, 2015 due to their absence.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Abstain	Healdsburg	Aye
Petaluma	Abstain	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -8- NOES -0- ABSENT -0- ABSTAIN -2-

6.3 – 6.6 – Consent Calendar Items

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

6.7 Compost Zero Discharge Plan Update Report

Ms. Zane pointed out that Items 6.7-6.9 total approximately \$1.8 million, reducing the fund balance and what can be spent on a new site.

Ms. Agrimonti motioned to approve Item 6.7 and Ms. Harvey seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed unanimously.

6.8 Compost Pond Engineering Design and 6.9 Compost Pond Construction Budget

Ms. Fudge motioned to approve Item 6.8 and 6.9 and Mr. Cox seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed unanimously.

Regular Calendar

7. Indemnity Escrow Account

Mr. Mikus, Agency Staff, reported that the Agency is nearing settling an Indemnification and Joint Defense Agreement with the County related to compost matters. Mr. Mikus stated that the Agency needs to establish an Indemnity Escrow Account to build a fund over time to \$5 million dollars. He added that the initial step is to transfer \$750,000 out of the reserve, and noted that this action requires a unanimous vote due to the dollar amount.

Board Discussion

Ms. Zane highlighted the funding impact, as it reduces the Organics Reserve Fund Balance to \$1.2 million.

Public Comment

None.

Board Discussion (continued)

Ms. Harvey motioned to approve Item 7 and Ms. Fudge seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed unanimously.

9. **Draft 3rd Amendment of JPA Agreement**

Mr. Mikus explained that the Board had a special planning session in June of 2014, with the focus being the Agency's future beyond February 2017. Mr. Mikus stated that the Board's decision at the time was to issue a draft amendment to the original JPA agreement, making this a 3rd Amendment. Mr. Mikus added that it included extending the term of the Agency, as well as other provisions related to the voting requirements and Board structure, which were issues for members.

Mr. Mikus reported that the Agency has entered into a Zero Discharge Plan that includes an aggressive schedule to build a new site. Mr. Mikus added that part of the schedule that was submitted in the Zero Discharge Plan includes a timeline for the renewal of the Agency.

Mr. Mikus stated that in November 2014 the Board asked Counsel to redo the draft 3rd Amendment, making it strictly an amendment dealing with the Agency term extension. Mr. Mikus said it is included for the Board's approval. Mr. Mikus explained that as the JPA currently stands, the County is obligated to provide a compost site at no cost. Mr. Mikus pointed out that the County indicated that would not be the case past 2017, so there is language in the draft 3rd Amendment that addresses the County not being obligated to provide a site at no cost, if the Agency were to be extended past 2017.

Board Discussion

Ms. Harvey asked if the County has provided an amount.

Mr. Mikus replied that the amount is not known at this time.

Ms. Zane shared that the County Board of Supervisors asked for more information from Staff and added that they will be discussing this again at the beginning of March.

Mr. Brown stated he will not be voting in favor of this today. Mr. Brown added that while the City of Petaluma shares in the objectives and in meeting the AB 939 requirements, Petaluma is in a different situation than the other cities. Mr. Brown shared that the City of Petaluma is hauling their waste and green waste to a landfill in Marin County, and added that they intend to continue to haul their green waste to Marin County for the foreseeable future.

Mr. Brown shared that the City of Petaluma asked R3 to conduct an analysis on the costs and benefits of being engaged in the JPA in comparison to other alternatives and added that the report will be presented to their council on March 16th for feedback. Mr. Brown stated that it would be premature for him to vote to extend the JPA without input from his council.

Mr. Brown stated that he believes there is a benefit in staying in the JPA and added that the question for Petaluma is if they want to be obligated to all of the services that this JPA currently obligates Petaluma to. Mr. Brown suggested that they may want to see the language provide for more flexibility to choose those services they can't do themselves or that couldn't be provided by another agency.

Ms. Zane pointed out that this is just a change to the 3rd Amendment of the JPA Agreement and that it still has to go back to all the jurisdictions. Ms. Zane suggested that discussions can be

expedited within individual jurisdictions as soon as they have the background paper from Mr. Mikus.

Mr. Mikus replied that the background paper is in draft form and should be completed within a week. Mr. Mikus explained that what is being asked today is for approval of the 3rd Amendment so it can be sent out to the member jurisdictions for discussions.

Mr. John Sawyer, City of Santa Rosa, stated that Santa Rosa will be voting in favor due to Mr. Mikus' clarification. Mr. Sawyer added that his council has yet to have an in-depth discussion regarding the future and alternatives to the JPA, and this will help Santa Rosa move forward with their conversation.

Vice Chair Schwartz stated that the City of Rohnert Park is not supportive of the proposed action, and added that he does not want to take the amendment to his council multiple times without a dollar amount for compost. Vice Chair Schwartz pointed out that the 3rd Amendment currently includes that the County provide a free site for Household Hazardous Waste, and questioned the County's future intent on that.

Vice Chair Schwartz shared he is aware that City Attorneys have some concerns about the JPA Amendment. Vice Chair Schwartz stated that he understands that the white paper that Staff is providing is the next step in that process. Mr. Schwartz pointed out that the Board has been under the impression that the Board has until April to approve the 3rd Amendment, but his understanding now from Staff is that the Board actually has until an undetermined date in the Fall. Vice Chair Schwartz stated that Rohnert Park may need to be part of a regional solution, but it is unknown if the JPA is the regional solution. Vice Chair Schwartz suggested that having the County operate it under contract might be another more effective option.

Public Comment

None.

Board Discussion (continued)

Ms. Fudge asked Vice Chair Schwartz to outline the steps he's suggesting.

Vice Chair Schwartz outlined the following:

- 1) Ask the County to address the Household Hazardous Waste and Compost provisions regarding free site within the same time frame.
- 2) Ask that the white paper be distributed to the City Attorneys, Boardmembers, and Alternates as soon as it's available.
- 3) Ask that Staff provide the Board a summary of some of the documents that are behind the JPA; SWAG documents, summary of the June workshop, and legal clarification whether or not the JPA is required to operate these services on a regional basis.
- 4) Ask that Staff outline three scenarios for consideration; County Operated Services, Agency Operated Services, and a blend of both, containing an option to sign up for some but not all the services.

Ms. Fudge recommended that #2 should include distributing the white paper to City Managers as well. Ms. Fudge pointed out that the SWAG goals outlined how 90% diversion could be reached. Ms. Fudge recommended including the R3 report to #3, as that explained the viability of the

Agency and costs that may be helpful to Cities in determining the most cost effective method. Ms. Fudge asked Vice Chair Schwartz for clarification if he is asking that everything be brought back to the Board at the next meeting.

Vice Chair Schwartz replied that the City of Rohnert Park would like to request that all the items be brought back for consideration at the next Board meeting. Vice Chair Schwartz stated that one of the biggest concerns the City of Rohnert Park has is that the documentation from the June workshop was inaccurate and incomplete. Vice Chair Schwartz added that one of the key points for his council is the importance of allowing the jurisdiction to decide who represents them on the Board.

Ms. Harvey stated that she also prefers to have a complete package to answer all the questions when going to her council. Ms. Harvey added that in addition to the SWAG goals, there was also a large HDR report conducted that would be useful.

Ms. Zane stated that in asking Staff to analyze what would happen if the JPA didn't get renewed, the critical question for her is what body then develops policy in order to reach the 90% diversion goals.

Vice Chair Schwartz formed a motion to ask Staff to work with the County to come up with dollar amounts for the compost site, resolve the question regarding household hazardous waste site costs, distribute the white paper to the City Attorneys, Boardmembers, Alternates, and City Managers, provide or make readily accessible the goals and key materials from SWAG, provide, if available, the summary of the June workshop that clearly reflects direction provided, provide the R3 Report that clarifies legal requirements, if any, for the JPA to conduct the services operated by the Agency, an executive summary of the HDR Report that came out of SWAG, as well as include in the white paper an analysis focusing on who's going to do policy with respect to the 90% diversion, and what would happen if the Agency was not around.

Ms. Zane recommended referencing the SWAG documents.

Vice Chair Schwartz commented that he realizes that this is changing course, and adds that this is due to the additional time that was not known was available before. Vice Chair Schwartz suggested that if the issues cannot be resolved in six months, they may not ever be resolved. Vice Chair Schwartz stated he is not opposed to moving forward with the JPA, and adds that he believes this is a more prudent approach to take and a decision can be made in the Fall about doing some kind of a simplified renewal with a more informed perspective.

Vice Chair Schwartz motioned to direct staff to present items as outlined and amended by Ms. Zane. Ms. Harvey seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Aye	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed unanimously.

Additional Public Comment:

Unincorporated resident asked how she is represented on this JPA.

Ms. Zane replied that while she represents the third district, she represents all the unincorporated by her seat on the JPA Board, with Supervisor Gorin being the alternate.

Ernie Carpenter, Sebastopol resident, commented that there is not a lot of time left for decision making and asked Vice Chair Schwartz to lead the effort in moving forward.

Mr. Brown left meeting at 9:50 a.m.

8. Wood Waste and Yard Debris Tipping Fee Adjustment

Mr. Mikus stated that this item is to discuss a potential wood waste and yard debris tipping fee adjustment. Mr. Mikus referenced earlier discussions regarding the indemnification and joint defense agreement and establishing an escrow account with the three quarter million dollar seed money. Mr. Mikus added that the target for the account over the next two years is to have the escrow account contain five million dollars, as contained in the indemnification agreement. Mr. Mikus pointed out that the Agency's reserves are not robust enough to come up with the entire \$5 million dollars; therefore he is proposing a tipping rate adjustment.

Mr. Mikus explained that if the indemnification agreement is approved and in effect by April 2015, and in order to build the account by February 2017, Agency Staff has looked at tonnage figures. Mr. Mikus added that adjustments were made due to Petaluma taking their green waste elsewhere. Mr. Mikus stated that it is also believed that self haul, which currently represents approximately 10% of the compost waste, will be impacted if the rate adjustment is significant enough. Mr. Mikus explained that the proposed rate adjustment is significant enough and added that there could be a significant loss of self haul business. Mr. Mikus stated that an attempt was made to make an educated guess regarding the amount of tonnage that could be generated over the course of the two years. Mr. Mikus added that it is estimated that \$200,000 per month could be generated, and based on that, the proposed rate adjustment would be \$32.20 per ton. Mr. Mikus stated that this would double the current rate. Mr. Mikus pointed out that the estimated impact on the can rate, not based on specific numbers, is between fifty cents and \$1.25 per ton. Mr. Mikus added that Staff prorated the figures obtained from Stu Clark during the tipping fee adjustment conversation for building a new site, as a basis.

Mr. Mikus pointed out that Staff has several concerns, and added that an adjustment of this magnitude would cause significant loss of self haul business. Mr. Mikus added that an alternative proposal for the Board is to discuss a tip fee adjustment on waste other than self haul. Mr. Mikus stated that Staff recommends the Board consider the tip fee increases and direct Staff to perform all necessary noticing and other work to bring the subject back at the March 18th meeting as a formal Board action.

Ms. Harvey asked Mr. Mikus to comment on the Marin rates.

Mr. Mikus stated that he believes the published rate is in the \$50.00 per ton, and added that the preferred rate for large volume customers is in the mid \$40.00. Mr. Mikus stated the Agency rate

is below that now, and added that if the rate were to be doubled it would put it above the nearest competing facility; resulting in a decrease use of our facility.

Mr. Sawyer highlighted that the need to increase rates is in part to help fund the escrow account into the future. Mr. Sawyer then asked what the impact of out hauling would be if the Agency's compost were to close and if the increase to ratepayers could also be used to cover the out hauling.

Mr. Mikus replied that the Agency Staff's estimate, based on numbers from The Ratto Group and an educated guess, is between two and two and a half million dollars per year; making that approximately \$5 million in two years. Mr. Mikus pointed out that adjusting the rate and putting money into an indemnification account is one alternative with the other alternative being complete out hauling. Mr. Mikus added the alternative would be equally as expensive, requiring the same adjustment and recommended the adjustment to fund the indemnification account in order to keep compost going.

Ms. Zane stated that she understands this is necessary in order to reach the \$5 million dollar indemnification and asked for confirmation that this would mean rate payer's cost would double in April.

Mr. Mikus explained that the formula rate for curbside would be different and estimated the rate impact would be approximately \$1.50 based on passed figures. Mr. Mikus added that those most impacted would be at the gate.

Ms. Zane asked regarding changes in the franchise agreements due to costs.

Mr. Mikus replied that he suspects the franchise haulers may ask the Cities to adjust their rates as a consequence of the rate increase, and added that was pointed out in the Staff report.

Public Comment

Pam Davis, Sonoma Compost, expressed her support for the alternative proposal and asked that self haul not be included in the rate increase. Ms. Davis added that there would be a loss of revenue sharing, and pointed out that self haul is the sole stream of incoming clean material used for a very specific product and in very high demand. Ms. Davis pointed out that there hasn't been a rate increase since 2006 or 2007.

Board Discussion (continued)

Ms. Harvey said she would like to see an alternative to the alternative, and suggested that there be some increase on self haul.

Mr. Sawyer asked where the material might end up if the haulers didn't want to pay to take it to Central.

Mr. Mikus replied that there are competing facilities, such as Redwood Landfill, Napa, and additional facilities in the Bay Area. Mr. Mikus explained that Sonoma Compost carefully segregates the material they receive and added that the cleanest material they get is the self haul, which is kept separately and turned into mulch.

Mr. Sawyer highlighted that remaining competitive with self haul benefits the operator of the compost facility as well as the rate payers.

Ms. Harvey motioned to ask Staff to work with the proposed tipping fee increases, look to make them nominal increases in the self haul, perform the necessary noticing for that increase, and bring it back to the Board on March 18th. Mr. Salmi seconded the motion.

Ms. Fudge asked that nominal be defined and asked if it would be in a percentage like 25% of the rate increase.

Ms. Harvey replied that she is open to that suggestion and asked what that would put the rate at.

Mr. Mikus replied that 25% would put the rate in the \$42 or \$43 per ton range. Mr. Mikus added that 50% would put it at \$52 per ton.

Ms. Harvey replied that she thinks \$52 is too high.

Mr. Mikus suggested that \$52 per ton is not unreasonable, as it's close to the published rate at the Redwood Landfill.

Ms. Harvey replied she is okay with 25%.

Vice Chair Schwartz recommended focusing on the 25%-50% range in order to have the operator share in some of the benefits. Vice Chair Schwartz pointed out that the revenue sharing component already exists, and added that he does support 25% as the motion.

Vice Chair Schwartz requested that Staff provide a table that clearly outlines the options being looked at and the costs in Marin at the next meeting. Vice Chair Schwartz added that it should include the costs per ton and per can, showing at least an approximate percentage basis for the different options.

Mr. Mikus expressed that there are some limits on proprietary information from The Ratto Group in order to get an accurate figure.

Vice Chair Schwartz asked for a general range.

Ms. Fudge asked that the analysis included both the 25% and 50% rates for self haul and what the impact would be on residential in both cases. Ms. Fudge expressed that the difference will have to be made up at residential.

Vice Chair Schwartz noted the amendment to the motion. Ms. Harvey agreed with the amendment.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Absent	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Aye	Windsor	Aye

AYES -9- NOES -0- ABSENT -1- ABSTAIN -0-

Ms. Agrimonti left at 10:12 a.m.

10. FY 15-16 Draft Work Plan

Patrick Carter, Agency Staff, explained that the Work Plan works as a primer for the budget and added it's where existing and potential programs are discussed prior to the formal budget process to obtain feedback on what the Board is looking for. Mr. Carter explained that the projects and programs are broken down by funds and briefly went over the layout of the Work Plan.

Mr. Carter stated that there are two programs in the Reserve; the Compost Site Relocation Project and the JPA Renewal. Mr. Carter stated that Staff and consultant time have been included for those two projects, which are funded out of Reserves.

Mr. Carter pointed out that the Organics Programs and the Household Hazardous Waste Facility programs are largely the same as in the past. Mr. Carter pointed out that one potential program they propose allocating some Staff time in is Extended Producer Responsibility Grants; which may be available from CalRecycle or another party. Mr. Carter stated the education tasks remain the same and explained that Agency Staff has continued the focus proposed last year and implemented the use of permanent staff in the Mandatory Commercial Recycling Program. Mr. Carter added that a staff member was hired to help implement that. Mr. Carter pointed out that one of the tasks is due to legislation passed on the State level that requires businesses generating organic waste to have recycling programs. Mr. Carter added that staff time has been allocated to help reach out to those businesses to make sure they have the resources to meet that program.

Mr. Carter stated that the remaining tasks are mainly the same for planning, general administration and the projects that Agency Staff does on behalf of the County, including Disposal Site Support. Mr. Carter added that the Agency also staffs the AB 939 Local Task Force and helps with some Annual Storm water Reporting.

Ms. Zane pointed out that there is no work item for the Zero Discharge Plan, such as the money identified in the work plan for the compost associated with the management of the two ponds. Ms. Zane also noted that there is very little money set aside in the work plan to pursue the new compost site.

Mr. Carter replied that the description for the compost relocation project was included, but it is unknown if it will be a lease or purchase, therefore the hard costs are not available at this time. Mr. Carter added that as the process moves forward, Staff will return to the Board with budget appropriations to make sure costs can be covered. Mr. Carter stated that regarding Zero Discharge and hauling of the compost water would be included in the composting program in Item 1.1. Mr. Carter agreed that those numbers should be higher as a result of the hauling costs, therefore will be amending and presenting those additional costs for hauling the compost water clearly.

Ms. Zane also recommended a place holder for the new compost site in the Work Plan.

Vice Chair Schwartz requested that those components be added. Vice Chair Schwartz asked for clarification that Staff is looking to have \$100,000 available for consulting and everything else would be managed by Staff.

Mr. Carter replied that what was approved in the consent calendar is the consultant time, and added that most of that will be accomplished during this current fiscal year. Mr. Carter added that there may be some money that gets transferred into the next fiscal year or the possibility of a need to make technical adjustments to the budget.

Vice Chair Schwartz expressed concern about time sensitive projects not getting the necessary amount of expert management attention and wanted to confirm that could be handled with the proposed amount.

Mr. Carter replied that what is being provided now are estimates and added that the feedback provided by the Board will be taken into account when the budget is presented to the Board.

Vice Chair Schwartz suggested that it would be helpful to have Mr. Carter's attention to facilitate communication between the different jurisdictions, attending council meetings, and drafting materials. Vice Chair Schwartz asked if Mr. Carter will be able to add that to his work load over the next six or seven months.

Mr. Carter replied that additional Staff has been added and he has started transitioning into a more administrative role. Mr. Carter stated that the budget to be presented to the Board will reflect that Mr. Carter is spending approximately half of his time on general administration and half on compost related items.

Vice Chair Schwartz asked for an estimate of what will be left in the organics reserve at the end of 15-16 if the Work Plan is adopted along with the items.

Mr. Carter estimated that the balance would be \$1.25 million.

Public Comment

Ken Wells, LTF and Sierra Club Representative, stated that one of the omissions he noted in the Work Plan is that demolition debris comprised 20% of the waste going to landfill in 2014 is mostly recyclable and is a current issue. Mr. Wells shared that in speaking with the Redwood Empire Remodelers Association, there is confusion regarding the rules among the different cities in the county. Mr. Wells added that in past years there was a Work Plan item for a construction demolition debris program and added that the Agency Board put a draft ordinance together several years ago but it was never implemented. Mr. Wells added that contractors and recyclers would like to see consistency and added that the Agency Board is the only body that can look at things countywide and establish a program as provided by almost every county in the state. Mr. Wells stated it's a large part of the waste green and contributes greenhouse gas reduction emissions.

Board Discussion (continued)

Mr. Mikus explained that Staff presents a draft Work Plan for feedback, modifies it, and bring it back to the Board the following month for final approval prior to drafting a budget. Mr. Mikus added that feedback is obtained from the Board again prior to reaching a final budget.

Mr. Sawyer motioned to adopt the Staff recommendation along with the amendment suggested by Ms. Zane to examine the feasibility of uniform C&D rules. Ms. Harvey seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Absent	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Absent	Windsor	Aye

AYES -8- NOES -0- ABSENT -2- ABSTAIN -0-

Ms. Zane commented that C&D is at 20% only because less than 300 permits were pulled in the last year, which is the lowest in seven years and added that normally it's 30% of the landfill. Ms. Zane shared that the materials are coming from the smaller jobs that are not mandated to recycle.

Ms. Harvey shared that Staff has looked at this multiple times, and added that she agrees that it's something that needs to be looked at again.

11. Potential EPR or Diversion Programs

Mr. Mikus stated that Karina Chilcott and Lisa Steinman, Agency Staff, will be talking about some additional waste diversion programs for the Board to consider in the future.

Ms. Steinman spoke regarding a potential satellite Household Hazardous Collection Waste Facility in the north county. Ms. Steinman explained that the current facility in Petaluma is more heavily utilized by residents living in close proximity and added that mobile services are being utilized countywide. Ms. Steinman pointed out that there has been interest from prior Board members to expand the current program with the addition of a satellite facility in the north part of the county. Ms. Steinman pointed out that there are many variations of HHW facilities ranging in construction costs from \$114,000 to \$2.3 million. Ms. Steinman added that a more detailed analysis can be provided on the expanded system, if the Board wishes to pursue an expansion of the current Household Hazardous Waste Collection Program through construction of an additional facility.

Ms. Steinman added that another potential program is the implementation of a countywide Pharmaceutical Ordinance requiring that pharmaceutical manufacturers manage their product waste. Ms. Steinman shared that such ordinances have been introduced in Alameda County, King County in Washington, and most recently in San Francisco. Ms. Steinman commented that it's likely similar ordinances will be introduced in California, since no State legislation has passed.

Ms. Steinman reported that on October 29th, 2014, the Russian River Watershed Association held a Safe Medicine Disposal Symposium, which brought together members of the community, local and other California governments to learn about and discuss issues surrounding Safe Medicine Disposal. Ms. Steinman added that there is interest by the above mentioned parties to explore the possibility of an ordinance in Sonoma County. Ms. Steinman stated that if the Board wishes, Staff will research other jurisdiction's costs in the developing of the ordinance and any associated costs related to legal actions.

Ms. Chilcott reported that a preliminary research of a ban on Polystyrene (Styrofoam) shows that San Jose, Mendocino County, and El Cerrito have or are in the process of implementing

Polystyrene bans targeting specifically food service Polystyrene. Ms. Chilcott pointed out that unlike the EIR required by the carryout bags ordinance, implementing a ban on EPS food service waste could be much simpler.

Ms. Chilcott reported that according to San Jose City Staff, the certification of their Negative Declaration was uncontroversial and there were no objections filed.

Ms. Chilcott stated that another program for consideration in a fluorescent lamp take-back program or ordinance. Ms. Chilcott commented that Sonoma County is lacking infrastructure opportunities for the public to properly recycle this waste. Ms. Chilcott stated that Agency Staff has experience with managing a fluorescent lamp collection program through a two year grant from PG&E. Ms. Chilcott stated that the grant supported residential fluorescent lamp take-back at twenty two retail and labor center locations throughout Sonoma County. Ms. Chilcott added that it cost \$25,000 to \$30,000 per year in disposal costs alone to support these stores. Ms. Chilcott pointed out that San Luis Obispo manages this waste by ordinance.

Ms. Steinman spoke regarding the state law requiring that all sharps waste be transported to a collection facility in a sharps container approved by the Local Enforcement Agency. Ms. Steinman stated that another potential program would be to expand residential drop off location for sharps by paying for disposal through a county wide ordinance. Ms. Steinman shared that the current opportunities for proper sharps collection in Sonoma County are limited to the Agency's Household Hazardous Waste Programs, three retailers/hospitals, and eight FDA approved mail-back option locations willing to accept sharps from the public.

Ms. Steinman shared that 2,275 pounds of sharps were collected through the Agency's Household Hazardous Waste Program in fiscal year 13-14. Ms. Steinman added that it is estimated that the majority of sharps are not being disposed of properly, and added that the most convenient disposal method would be for the public to return used sharps to the purchase locations. Ms. Steinman pointed out that existing or in progress ordinances include San Luis Obispo, Sacramento, as well as Tulare and Santa Cruz County.

Ms. Steinman stated that non-rechargeable household batteries and Construction and Demolition Debris (C&D) are additional challenging waste streams. Ms. Steinman stated that Agency Staff has been working with the California Product Stewardship Council (CPSC) and Call2Recycle, a battery recycler, to implement an interim battery take-back program until statewide legislation is passed. Ms. Steinman added that more information will be brought back before the Board at a later time.

Ms. Steinman reported that some of the proposed projects, such as the ordinances, could be implemented prior to the Agency's sunset, however, constructing and implementing a satellite HHW facility using potential grant funding, would only be possible by the Agency's existence beyond 2017. Ms. Steinman stated that the Staff report is a starting point for discussion and added that each item presented fits within the Agency's mission.

Ms. Steinman stated that it's recommended that the Board rate the list of projects in order of priority and direct Staff to incorporate working on one or more of the projects in Fiscal Year 15-16, to be included in the budget. Ms. Steinman pointed out that an alternative is for the Board to add one or more of the proposed projects or remove existing programs and use the revised project list for preparation of the 15-16 budget.

Ms. Fudge pointed out that fluorescent lights are not considered universal waste and asked how LEDs are being disposed of.

Ms. Steinman replied that according to the State, LEDs can be handled as a hazardous or universal waste. Ms. Steinman added that currently there are no universal waste recyclers taking that waste stream and pointed out that while LEDs could be handled as a hazardous waste in the meantime, they are not banned from the trash in California.

Ms. Fudge shared that the Town of Windsor will be conducting a study to remodel their corporation yard. Ms. Fudge pointed out that they already an oil recycle site, located outside the gate. Ms. Fudge suggested conversation between corporate yard staff and Agency Staff regarding an opportunity for a household hazardous waste site open to the public inside the gate. Ms. Fudge suggested that it may help lower the cost of an HHW and suggested seeking more analysis and at least some discussion.

Ms. Zane stated that she would like to move the pharmaceutical ordinance to the top of the priority list. Ms. Zane pointed out that City of Santa Rosa Water Department and the Sonoma County Water Agency have spent over a quarter of a million dollars for this program since its inception in 2007. Ms. Zane added that while costly, it's been a very effective program. Ms. Zane added that it is the pharmaceutical company's responsibility to pay for the disposal.

Ms. Zane shared that Nate Miley is the Supervisor in Alameda County who put forward the Alameda County Ordinance. Ms. Zane shared that they are in their 3rd round with the 9th Circuit Court. Ms. Zane expressed that she believes this is a very important ordinance.

Vice Chair Schwartz stated that due to the JPA renewal, he is cautious about making countywide ordinances at this time.

Public Comment

Laurie-Ann Barbour, Cotati Resident, stated she is in favor of a Polystyrene ordinance and added that Polystyrene is non-biodegradable, breaks into pieces and causes problems for animals. Ms. Barbour pointed out that there are alternatives for its uses.

Mr. Wells asked that the Board include the Polystyrene take-out container ban high on the Board's priority list and added that he would like to see an EPR on packaging in general. Mr. Wells pointed out that a Polystyrene ordinance is straight forward and models after the single use bag ban.

Liz Bortolotto stated her support for a ban on Polystyrene and shared some of the risks known by workers handling the material. Ms. Bortolotto shared that there is difficulty with Polystyrene at a Federal level and added that it is something that can be easily done at a local level.

Board Discussion (continued)

Mr. Sawyer asked for a timeline for the proposed programs, as he would like to obtain his Council's feedback.

Mr. Mikus replied that would depend on the items selected, as there is a huge range of effort that would be involved. Mr. Mikus added that once priority was to be determined, conversation could follow regarding money involved. Mr. Mikus suggested including some effort in this year's work

plan to start laying the ground work for one or two items to determine what the planning effort would require. Mr. Mikus stated that a suggested pharmaceutical ordinance seems to have community support.

Mr. Sawyer shared that he would personally like to see Styrofoam go away and highlighted the importance of the pharmaceutical ordinance.

Mr. Mikus responded that if one or two items were selected, the Agency would start a planning effort and establish a budget. Mr. Mikus pointed out that while the bag ban didn't move as quickly, waiting until court cases were resolved was cost effective. Mr. Mikus added that while it is unknown when the Alameda court case will be resolved, it will provide some clarity.

Ms. Zane recommended that Agency Staff speak with Alameda County Supervisor Nate Miley, as she believes that could expedite the ordinance. She added that Mr. Miley has been spearheading this. Ms. Zane shared that the pharmaceutical industry mark-up is 200 to 700 percent, therefore they could afford it.

Ms. Harvey expressed her support for the pharmaceutical and Polystyrene ordinances. Ms. Harvey added that having reviewed the R3 report, she would like to see something in northern county to help with hazardous waste collection.

Vice Chair Schwartz stated he is concerned about taking numerous issues to his council in the next seven or eight months and added that he would prefer to only take one issue to them.

Vice Chair Schwartz proposed asking Staff to include a proposal outlining the cost for assessing options for a Household Hazardous Waste Facility in North County and addressing Polystyrene in the Work Plan. Vice Chair Schwartz asked that Staff report back news on the court resolution and any discussions with Supervisor Miley in Alameda County.

Mr. Mikus asked for confirmation that Staff is being asked to budget for a planning effort and added that he did not plan on asking for decisions being made by members within the next six months.

Vice Chair Schwartz asked that be brought back for approval at the next meeting as part of the budget process and proposed to move forward the three items. Ms. Zane seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Absent	Rohnert Park	Aye
Santa Rosa	Aye	Sebastopol	Aye
Sonoma	Absent	Windsor	Aye

AYES -8- NOES -0- ABSENT -2- ABSTAIN -0-

12. Appointment of Interim Agency Counsel

Mr. Mikus announced that after service since 2005, Ms. Coleson has resigned as Agency Counsel. Mr. Mikus added that Ms. Coleson's firm has provided a notice of termination within 30 days. Mr. Mikus shared that Ms. Coleson notified the Board in advance, allowing the Agency time to seek

new Agency Counsel. Mr. Mikus added that the Board Executive Committee has gone through an interview process and a decision has been made regarding new Agency Counsel.

Mr. Sawyer left at 10:56 a.m.

Vice Chair Schwartz stated that the interviews were conducted on February 17, 2015 via telephone by Ms. Fudge and himself due to the unavailability of the full executive committee. Vice Chair Schwartz shared the recommendation for Ethan Walsh, Best Best and Krieger LLP, to be selected as Agency Counsel, and added that the reason for his selection is largely due to Mr. Walsh's collaborative nature. Vice Chair Schwartz proposed conversation regarding whether that should be an interim or permanent appointment. Vice Chair Schwartz asked the Board to take a look at Mr. Walsh's background in the proposal provided by Best Best & Krieger handed out at the meeting. Vice Chair Schwartz announced that there are copies available for the public as well.

Ms. Fudge added that two different people were interviewed and it was a unanimous decision to select Mr. Walsh. Ms. Fudge shared that Mr. Walsh provided direct answers and specific examples to questions. Ms. Fudge shared that the interview panel was pleased with the qualifications of Christopher Diaz, as a back-up to Agency Counsel, and the qualifications of the firm. Ms. Fudge added that Mr. Diaz has a strong background in the California Environmental Quality Act.

Vice Chair Schwartz noted that he spoke with one of the attorneys for one of the jurisdictions on February 17, 2015, and was told it is unusual to have a counsel selection committee outside the full Board process. Vice Chair Schwartz added that the committee followed the direction provided by the full Board in December. Mr. Schwartz explained that the direction was to identify and recommend candidates and pointed out that there are not a lot of potential candidates due to potential conflicts of interest. Mr. Schwartz added that the direction was to make an interim appointment and added that the Board can make this a permanent appointment and explained that the contract is similar to the current one; which allows the Board to terminate the contract within notice.

Mr. Salmi shared that Mr. Walsh was his City Attorney when he was in Rio Vista and added that he supports appointing Mr. Walsh on a permanent basis.

Ms. Fudge and Vice Chair Schwartz thanked Ms. Coleson for her years of service.

Public Comment

None.

Board Discussion (continued)

Mr. Schwartz stated that he would like to bring Mr. Walsh on board as soon as the contract is signed so that Mr. Walsh can build relationships, support everyone, and to allow for transition time. Mr. Schwartz stated he would like to approve the contract and suggested using the blended rate provided in the proposal. Mr. Schwartz asked that the contract include identical termination clauses as the current contract, and added he would like to add a requirement for an annual review with the Board, as well as a six month review at the Board's request.

Mr. Schwartz motioned to make the Agency Legal Counsel a permanent appointment and Mr. Bob Cox, City of Cloverdale, seconded the motion.

Vote Count:

Cloverdale	Aye	Cotati	Aye
County	Aye	Healdsburg	Aye
Petaluma	Absent	Rohnert Park	Aye
Santa Rosa	Absent	Sebastopol	Aye
Sonoma	Absent	Windsor	Aye

AYES -7- NOES -0- ABSENT -3- ABSTAIN -0-

13. Attachments/Correspondence:

13.1 Reports by Staff and Others:

13.1.a February and March 2015 Outreach Events

Mr. Mikus pointed out the February and March Outreach calendar with the weekly community toxic collections, monthly e-waste events, and additional events.

Public Comment

None.

14. Boardmember Comments

Vice Chair Mr. Schwartz commented that according to previous comments made by Chair St. John, the interest is in having a more robust timeline for site construction in the Work Plan, assuming the site selection proceeds. Mr. Schwartz stated that he would anticipate some direction at the next Board meeting for a detailed robust plan with definitive timelines about things like JPA renewal, contracts and financing.

15. Staff Comments

Mr. Carter reminded the Board that the 700 Forms are due by April 1st.

Ms. Steinman shared that a new hazardous waste Bill, AB 45, has been introduced and added that the Agency will be providing the Board with further information on the Bill.

Ms. Mikus added that item has a quick timeline, therefore an email will be sent out to the Board.

Ms. Steinman stated that there is not a lot of information in the Bill at this time, but it would establish curbside pickup for household hazardous waste. Ms. Steinman added that local government is concerned as to who will be funding this and how it would affect EPR programs.

16. Next SCWMA meeting: March 18, 2015

17. Adjourn

The meeting was adjourned at 11:05 am.

Submitted by
Sally Evans