



Minutes of March 18, 2015 Special Meeting

The Sonoma County Waste Management Agency met on March 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	Dan St. John
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	Susan Klassen
Town of Windsor	Deb Fudge

Staff Present:

Counsel	Ethan Walsh
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 9:33 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

John Sawyer, City of Santa Rosa, motioned to approve the agenda and Don Schwartz, City of Rohnert Park, 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.

5. Public Comments (items not on the agenda)

Pam Davis, Sonoma Compost, shared that the 68th United Nations General Assembly declared 2015 International Year of Soils. Ms. Davis added that in recognition, Sonoma Compost will be giving away compost in Santa Rosa, Sebastopol, Healdsburg, and any additional cities wishing to participate.

Martin Mileck, Cold Creek Compost, stated that he has been working with compost for approximately thirty years and added that Cold Creek Compost built the first permanent compost facility in the North Coast Region. Mr. Mileck shared that Cold Creek Compost was recently involved in a similar lawsuit as the Agency, and prevailed in the litigation. Mr. Mileck stated that while Cold Creek Compost is in Mendocino County, most of their feedstock is from Sonoma County. Mr. Mileck stated that they sell the best and highest value compost in Sonoma County and added that he believes that Cold Creek Compost sales in Sonoma County are higher than the Agency’s own facility. Mr. Mileck stated that Cold Creek Compost handles material from Sonoma County that is beyond the capability of the Agency’s facility and added that Cold Creek Compost plays a large part in Sonoma County’s agriculture.

6. Consent (w/attachments)

- 6.1 Minutes of February 2, 2015 Special Meeting
- 6.2 Minutes of February 18, 2015 Regular Meeting
- 6.3 Compost Zero Discharge Plan Update Report

Bob Cox, City of Cloverdale, motioned to approve the consent calendar and Susan Harvey, City of Cotati, 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. Compost New Site Selection Process Update Report

Henry Mikus, Executive Director, stated that at the last Board meeting, Staff was asked to provide an update report with background data on site selection for a new compost facility, conduct additional preliminary work, and to inquire with the County as to what the cost of using Central Landfill property would be. Mr. Mikus stated that Tetra Tech Engineering has been working on the design report and is developing a phasing plan for construction. Mr. Mikus added that Tetra Tech is developing the mechanical and structural details, including some of the design parameters for the negative air system in the processing building, as well as the drainage system. Mr. Mikus stated that alternate facility layouts are also being looked at as a possible money saving measure.

Mr. Mikus explained that when the Agency provided the Board a construction cost estimate in October 2014, there was some uncertainty regarding the lump sum number, as details were not provided by the company that provides the Aerated Static Pile infrastructure. Mr. Mikus added that there was concern that there may have been double-counted construction costs in that estimate. Mr. Mikus stated that Tetra Tech has been in contact with other companies that developed similar systems and is working through that. Mr. Mikus added that the plan is to have something solid for discussion at the April Board meeting.

Mr. Mikus pointed out that the County's response letter to the Agency questions is included in the Board packet, and added that the County rental fee for the new site, if it were to be at Central, would be \$1.50 per ton with a 25 cent increase per ton every five years.

Mr. Mikus explained that the Agency put a chart together that starts with the level of current business at \$1.50 per ton and an estimated business increase of 5,000 tons per year, once the new site is built. Mr. Mikus pointed out that it would be 2022 or 2023 before the full 200,000 ton capacity would be reached, and added this takes into account the 25 cent increase per ton every five years. Mr. Mikus explained that in the beginning, the annual rent would be \$135,000 and added that at the end of 25 years, if the Agency reached the 200,000 ton design capacity, the rent cost would be a little over half a million dollars per year. Mr. Mikus calculated that it would be almost \$8 million dollars over the course of 25 years and compared this to the \$6.4 million purchase price for Site 40.

Mr. Mikus stated that the Board also requested the County ask Republic to do a cost proposal, per the provisions in the MOA. Mr. Mikus added that the County will be asking Republic to do that once the MOA is in place and a full permanent design is reached.

Mr. Mikus stated that Staff was also asked to present a timeline. Mr. Mikus explained that it's possible to certify the EIR in April and added that site selection and the negotiation of the purchase or lease price could take place in May. Mr. Mikus stated that the Agency would need to submit a solid waste permit application in May. He added that in order to do procurement and new site construction preparations in winter 2015, the decision on the Agency's future would need to be made by fall 2015. Mr. Mikus stated that construction could begin in March 2016, and the site could be constructed per the zero discharge plan in fall of 2016. Mr. Mikus added that the

work Tetra Tech has been doing has been funded by the Organics Reserve, and it's within the appropriation limits.

Board Discussion

Debora Fudge, Town of Windsor, asked at what point in the timeline would the Board discuss the site costs presented by the County and allow for further discussion with the County.

Mr. Mikus replied that based on the engineering work being conducted, a new cost estimate will be provided prior to the April meeting. He recommended having a discussion regarding the estimate and the proposed County site costs at the same time in April. Mr. Mikus added that the timeline provides time in May for purchase or lease negotiations.

Ms. Fudge asked if Board direction would be provided in April and Mr. Mikus replied affirmatively.

Ms. Harvey stated she would like to see dollar figures for the significant insurance indemnity and defense protections, as the information is vague. Ms. Harvey also asked for confirmation that the Agency would only be paying for utilities specific to Agency operations.

Mr. Mikus replied that currently the Agency pays for the utilities accrued for the Agency's two operations only and added that there are meters in place to capture the usage.

Ms. Harvey stated that eight million dollars seems like a lot of funds, compared to the six million, and asked for clarification if these costs are additive. Ms. Harvey questioned why money would be spent on other things if the Agency were not to move forward.

Mr. Schwartz asked what the \$1.50 per ton rate translates into per can rate.

Mr. Mikus replied that the tip fee adjustment section provides a chart prepared by Ratto as to what the per can rate may change to, depending on fee adjustment. Mr. Mikus stated that according to the chart, it could be an increase of .10 to .12 cents per can.

Dan St. John, City of Rohnert Park, asked what level of detail is required for the May permit submittal and if the necessary technical work has been completed.

Mr. Mikus replied that the necessary technical work is being completed by Tetra Tech in April and added that Staff will be preparing the permit submittal with assistance from Tetra Tech.

Chair St. John pointed out that Mr. Mikus' staff report insinuated that there may be a reason to look at Site 40, due to real estate prices. Chair St. John acknowledged that there are many factors that will potentially be raising the rates, and recommended a conversation as to what the best financial solution is and if the Agency would be better off out hauling. Chair St. John asked if Staff is prepared to bring a comprehensive business plan to the Board in April that bottom lines the overall decision the Board has to make regarding ultimate project development.

Mr. Mikus replied affirmatively.

Ms. Harvey stated that the County's letter states the County is not prepared to take a position on how the new facility is constructed or operated until further information is provided concerning

alternate service delivery models. Ms. Harvey added that was not mentioned in the staff report, and asked who will be proving that information and when.

Mr. Mikus replied that has to do with the Board making a choice, at some point, as to who is going to manage compost in the future, and whether it will stay within the Agency or if it would be a County operation that Republic would take on. Mr. Mikus pointed out that there was Board discussion at the June planning meeting about when and how that decision should be made.

Chair St. John stated that will be addressed in discussion regarding the JPA process. Chair St. John added that Board statements have been made and conversation will continue regarding if compost were to remain at Central Site, if it made more sense to have the County take over operations that exist on that site.

Chair St. John clarified that when he speaks of a business plan, he is speaking of how the project is delivered. Chair St. John added that the Board has not formally made a decision, but is headed down the path of building a facility, and if one were to be built it would be using a design-build operating style agreement. Chair St. John proposed that a Board discussion include what the commitment from the Cities is, what the contractor would need from the Board to obtain financing to build, and what could be done now to prepare to be fully engaged in that process.

Mr. Mikus replied that a funding discussion took place and that a design-permit-build-operated contract was contemplated from the beginning, due to the inability to finance under the current JPA agreement situation. Mr. Mikus added that the situation may change, and explained that when the Draft 3rd Amendment was done in summer of 2014, language was added in the agreement that would allow the Agency to take on bonds or other debt. Mr. Mikus added that he has asked Tetra Tech to assist the Agency is looking at other financing options.

Mr. Don Schwartz, City of Rohnert Park, inquired regarding site selection and asked if there will be an alternative that states what it would cost to have more compost and who would build this site in the County.

Mr. Mikus replied that Staff has provided those numbers based on the Ratto bid.

Mr. Schwartz asked that be included in the report, as he is looking for a comprehensive report that stands on its own.

Mr. Mikus stated that the numbers provided are based on current circumstance, and the numbers change dramatically when tonnage is doubled.

Public Comment

Nea Radford stated that she appreciates the information over the last two years regarding the Central Site, and asked when a thorough discussion or presentation of the alternative site will be provided.

Chair St. John stated that Item 8 will partially address her question, and recommended that she speak with Staff.

Mr. Mikus said he will speak with her.

Roger Larsen, Happy Acres resident, stated that in summer of 2014 when Staff found that Site 40 was the preferred site, he became aware of a \$15 per ton convenience fee charged by the County at Central. Mr. Larsen asked if the \$1.50 per ton will be on top of that.

Mr. Larsen stated that in summer of 2014, the Board was provided a chart that stated there's a convenience fee per ton charged by the County. Mr. Larsen suggested that amounts to rent. Mr. Larsen added that he also provided that in the last financial information he provided the Board, and asked if the additional \$1.50 per ton would be added on to the \$15 per ton convenience fee or if the County will be taking the \$1.50 per ton from that amount.

Chair St. John stated that he has the same question about the business plan and was told that a more detailed presentation on the business plan will be provided next month, to include the answer to Mr. Larsen's question.

Mr. Larsen asked if salamander is being taken into consideration in the pond planning.

Margaret Kullberg, Stage Gulch Road, stated there have been many costly studies since 2006 and she has read most of them. Ms. Kullberg complimented the CH2M Hill report and the Agency White Paper, and added that she wanted to emphasize some points.

Chair St. John suggested that Ms. Kullberg's comments are more applicable to Item 8, to be discussed shortly.

8. New Compost Site EIR Review Report

Mr. Mikus introduced Andrea Gardner, CH2M Hill, as the lead with the firm doing EIR Review. Mr. Mikus stated that in October 2014, Tetra Tech provided the initial design on the Central Site, with some of the changes being contemplated, in particular roofing the site to eliminate storm contact water and deal with the zero discharge requirement, and enclosing the processing buildings to better deal with odors. Mr. Mikus added that lowering the deck level of the site and some added excavation was also included.

Mr. Mikus shared that Agency Counsel suggested the Agency needed to insure the EIR certification process is done correctly, to the proper level of detail, and be certain that the EIR did not need to be changed in some way or recirculated due to the new data.

Mr. Mikus stated that CH2M Hill was hired through the procurement process to review the final EIR and look at two possible options. Mr. Mikus explained that one option, depending on the review of the EIR process and the new data, is to amend or revise the final EIR, but if the changes were of sufficient impact, the EIR would need to be recirculated. Mr. Mikus stated that the review has been completed, and he has asked Ms. Gardner to speak regarding their process and answer any questions.

Ms. Gardner stated that it appears that recirculation is not required, and added that a lot of review was done originally on three alternatives; Site 40, Site 5A, and the Central Site. Ms. Gardner added that there was also the recirculated Draft EIR that looked at a different composting technology at the Central Site that would meet the objective for the annual volume, and the Final EIR that responded to comments on the Draft EIR and the Recirculated Draft EIR. Ms. Gardner stated that all that documentation was reviewed, they completed a reconnaissance site visit, and reviewed some of the Tetra Tech and other engineering data that's coming out.

Ms. Gardner stated that there were primarily three changes that were going to be made; the change in the base elevation and an increase in the amount of excavation, the roofing of the compost piles, and enclosure of the pre-processing facilities. Ms. Gardner explained that CH2M Hill reviewed all the material impact by impact to see if the changes would require recirculation per CEQA. Ms. Gardner added that they found that there were no changes in the footprint itself, the location or operations, therefore there are no changing impacts for biology, cultural, land use, traffic or public services, as described in the Recirculated Draft EIR. Ms. Gardner stated that for several impacts, generally there was an improvement due to the nature of the changes. Ms. Gardner added that air quality would generally improve, compared to the Recirculated Draft EIR, primarily due to the enclosure of the pre-processing facilities, which is a major odor emission source.

Ms. Gardner stated that hydrology and water quality would improve significantly through the elimination of the contact water, and added that enclosing the buildings would also reduce noise generated from the grinders. Ms. Gardner added there would be a very minor increase of electricity use for the air handling systems to the pre-processing buildings. Ms. Gardner stated that the evaluation in the Recirculated Draft EIR could use more documentation regarding aesthetics. Ms. Gardner added that due to the change in the elevation and roofing, CH2M Hill decided to completely redo the visual analysis. Ms. Gardner stated that a topographical analysis was conducted, and added that the figures are in the report, showing that the site will not be visible from the public roadways and surrounding areas.

Ms. Gardner stated that based on CEQA Guidelines, recirculation is required only to identify significant new information, which includes a new significant impact, an increase in the severity of an impact or new mitigation measures. Ms. Gardner stated that none of those conditions were met, so it appears that recirculation is not required.

Susan Klassen, County of Sonoma, stated that there is a Draft Final EIR that does not include these pieces of the project description now being considered. Ms. Klassen added that she understands there are no new impacts and that recirculation is not necessary, and asked how the revised project aspects can be incorporated into the description of the project to get to the end; to certify the EIR.

Ms. Gardner replied that in this case, you take the existing final EIR, update the introduction, which describes the entire review process and states what the environmentally preferred alternative is. Ms. Gardner stated that CH2M Hill wrote the report so it can be added as an attachment, and state the analysis was done and recirculation is not required as described in the report. Ms. Gardner added that there are no requirements, from what she can see, to change any text in any of the past documents. Ms. Gardner stated that CEQA only requires that important changes to a document be noted, and this can be done either through red line, or margin notes. Ms. Gardner stated that while she performed the review, she did not see anything that would require red line. Ms. Gardner added that the report would need to be available to the public at least ten days prior to the hearing. Ms. Gardner stated that at that point, the report could be certified or not certified.

Chair St. John stated that the public could comment regarding the proposed changes in the EIR.

Ms. Gardner replied that the public would comment on whether they agree with the analysis provided in the report and the public could provide their opinions on recirculation/non-recirculation.

Chair St. John asked for clarification that next month's open public hearing will be for anything in the EIR. Ms. Gardner replied affirmatively.

Public Comment

Allan Tose, Site 40, stated that since the original EIR was done, there has been major drought and hydrology legislation, including Senate Bill 1168 which addresses sustainable groundwater management. Mr. Toss shared that there was a presentation at the last Water Board meeting, regarding run off being a resource that needs to be managed. Mr. Toss added that in the case of this new facility, water is going to be taken off the roof, and in the meantime the water is going to be pumped and trucked away. Mr. Toss stated that this violates all the new water laws, is completely ignored by the new report, and is a significant change since the EIR was drafted.

Nea Bradford, Petaluma Resident, stated that the original EIR mentioned various toxic materials, but she doesn't recall it included anything about organic particulate matter or wild aerosols. Ms. Bradford added that both are important components when doing composting operations and should be included in the new EIR. Ms. Bradford stated she believes only heavy metals and diesel fuels were addressed in the original EIR.

Margaret Kullberg, Stage Gulch Road, stated that the CH2M Hill report states that no new significant impacts and no new litigation measures would result from the revisions of the Central Site alternative, therefore, the Central Site alternative continued to be the environmentally preferred alternative in the EIR. Ms. Kullberg mentioned that traffic issues were not addressed in the report much, and asked that pages 54 and 56 of the report be read carefully. She also pointed out that page 62 states there is no conflict with the general plan on the Central Site. Ms. Kullberg added that Site 40 is prime farmland, which would require changes in the general plan. Ms. Kullberg stated that the Board of supervisors has stated they are supportive of the Central Site property, and added that the Central Site alternative is the superior alternative for the new compost facility and it does not cost 6.4 million to purchase, as the county already owns the property.

Mr. Larsen asked when the public can ask questions about the CH2M Hill report, as he sees problems with the report. Mr. Larsen referenced the aesthetics photos in the report and stated that while the pictures look great, he could actually see the trucks watering on certain days from his subdivision. Mr. Larsen added that when it is decided to pull down the hill, he will be able to see the entire area, and that is not included in the report.

Mr. Larsen stated there is an issue with the report regarding the cost and distance, and added that the material would be taken to where it made the most economic sense and not to the farthest place possible as the report suggests. Mr. Larsen stated that the report supports the Board's view that the location has to be the Central Site and will say what needs to be said. Mr. Larsen added that Staff has told the Board in the past that Central is not the best place. Mr. Larsen suggested that new Boardmembers look at the EIR to see the reasons for choosing Central Landfill instead of Site 40. Mr. Larsen stated that the EIR was presented to the Board in April, and the zero discharge order in March. Mr. Larsen stated that Site 40 has been ignored for two years along with everything he has brought before the Board. Mr. Larsen said that it's ridiculous to spend millions

of dollars on ponds that are not needed or will be used in the future, and asked the Board to be efficient.

Board Discussion (continued)

Chair St. John asked Staff to clarify what determines the six viewpoint locations for the purpose of doing CEQA.

Ms. Gardner replied that they wanted to repeat at least the six viewpoints that were included in the Recirculated Draft EIR. Ms. Gardner added that they select those public and residential locations from which the site appeared to be most visible.

Ms. Kullberg stated that Site 40 has a main thoroughfare to Napa along Adobe Road and Lakeville, and if the site were there, it would be much more visible than if it were at the Central Site. Ms. Kullberg added that Adobe Road is full of potholes and the volume of trucks would be too much.

Chair St. John stated that the Board has been asked to accept the CH2 Hill report.

Mr. Schwartz asked that Staff respond to the first two comments regarding the water and air quality issues.

Mr. Mikus addressed the statement made that building the new site at Central would still require pumping and hauling the water, and added that putting the roof on would make the water stormwater and it would be discharged to the system and available to the downstream farms and pastures.

Ms. Gardner explained that in doing environmental review under CEQA, baseline conditions are established at the time the environmental review is established, maintaining the same baseline condition as you look at what changes and impacts would occur. Ms. Gardner added that there is no requirement to continuously update the baseline as things change.

Chair St. John asked if the baseline assumed discharge of stormwater.

Ms. Gardner affirmed, and added that SB 1168, regarding groundwater management, has no requirement to update everything, since they are still in the middle of the CEQA approving process.

Ms. Gardner addressed the question regarding toxic materials and aerosols, and the reference to the original EIR. Ms. Gardner stated that CH2M Hill did not revisit the analysis for the other sites and did not look at any emissions or anything that might occur with the original other two alternatives in the Draft EIR. Ms. Gardner stated that in this case, enclosing the pre-processing facilities will reduce particular matter and other emissions from some of the processes, and added that it's an improvement compared to the Recirculated Draft EIR.

Mr. Schwartz motioned to move staff recommendation and Ms. Deb Fudge, Town of Windsor, 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. Wood Waste and Yard Debris Tipping Fee Adjustment

Patrick Carter, Agency Staff, stated this is an item to discuss wood waste and yard debris disposal fee increases, and added that there would be a public hearing if the increases are to go into effect. Mr. Carter stated the Agency is responsible for this program, commonly referred to as the composting program, but actually consisting of two programs; wood waste and yard debris disposal.

Mr. Carter explained that the rates are currently listed on the table on page 79 of the March Agenda packet, and pointed out that the wood rate at the Central Disposal Site is \$27.60 per ton, and the Yard Debris Fee is \$34.10 per ton. Mr. Carter stated that the fee is slightly higher at the transfer stations, being \$29.70 per ton for wood waste, and \$36.20 per ton for yard debris. Mr. Carter explained that these rates have been in effect for nearly nine years, and added that they have currently been able to fund the Agency’s programs related to the wood waste and yard debris composting program. Mr. Carter stated that there have been recent events such as the escrow account that needs to be funded for the amount of \$5 million dollars by February 2017. Mr. Carter stated that the existing tipping fees is insufficient revenue to fund that and the work needed to be done to improve water quality at the site, including the pumping and hauling of water.

Mr. Carter stated that Staff was tasked with looking at scenarios of what rates the Agency would need to increase to in order to cover the Agency programs, and added that at the last Board meeting, there was discussion regarding the impact on self-haul. Mr. Carter explained that Staff recognized that self-haulers may have other lower cost options if the fee increase were to take place, and added that Staff is looking at determining if a lesser increase to self-haul customers may keep some of those materials in the system. Mr. Carter added that Staff took a look at four scenarios.

Mr. Carter explained that currently there’s approximately 5,000 tons of wood waste delivered to the system, and approximately 90,000 tons as of the last fiscal year of yard debris through a combination of self-haul and franchised hauler materials. Mr. Carter stated that approximately 7,000 of those tons are self-hauled directly to the Central Compost Site, and added that the remainder 83,000 is delivered by franchised haulers. Mr. Carter stated that over the past year, the City of Petaluma has redirected its green waste to the Redwood Landfill, which is approximately 10,000 tons per year. Mr. Carter added that was taken into consideration in the fee analysis provided.

Mr. Carter stated that customers have other choices, with some facilities being nearby, as well as some facilities further away, but with lower fees. Mr. Carter referenced the table provided with the advertised gate rates for other neighboring compost facilities, and added that the actual fee paid by the franchised haulers and the Agency is lower than the advertised rate. Mr. Carter added that one would assume that the self-haul customers would pay \$33 per cubic yard rate at the

Redwood Landfill, but it's possible they may negotiate with Redwood Landfill. Mr. Carter pointed out that Staff has listed the rate the Agency has negotiated with Redwood Landfill.

Mr. Carter stated that the Master Operating Agreement (MOA), which affects Agency rates, will go into effect on April 1, 2015. Mr. Carter added that there's \$3.00 of government fees that are not applicable to the green waste. Mr. Carter referenced the second paragraph on page 81 and stated that an additional \$18.10 to \$22.10 per ton should actually be \$15.10 and \$19.10.

Mr. Carter went over the rate increase scenarios and stated that the first scenario is a across the board increase of fees. Mr. Carter added that Staff looked at the revenue needed to cover the Agency's cost and determined it was not necessary to increase the wood waste fees to the same level as the yard waste fees, because expenses related to wood waste are lower. Mr. Carter explained that wood waste involves the cost of chipping and grinding and does not involve the composting process. Mr. Carter pointed out that the Agency's yard debris fees are broken down into three categories to recognize self-haul. Mr. Carter highlighted that the difference between the self-haul amounts is the main difference between the scenarios.

Mr. Carter then went over the four scenarios presented in the table on page 81. Mr. Carter clarified that the reason for the franchised yard debris fee in scenario 1 being \$68 per ton and \$67 per ton in scenario 2 is due to the assumption that in scenario 1, customers could be lost due to the rate, and in scenario 2, some self-haul customers could remain. Mr. Carter referenced the first table on page 82.

Mr. Carter pointed out the second table on page 82 looks at scenarios of total revenue. Mr. Carter stated that when the MOA agreement goes into effect, the Agency will receive a tipping fee surcharge on the green materials as well, and that is included in the table.

Board Discussion

Jon Sawyer, City of Santa Rosa, stated he is concerned about the nature of the recommendation, and asked if there is any concern regarding the fee increase funding the escrow account.

Ethan Walsh, Agency Counsel, replied that fees can be charged for the cost of continuing to provide service, and a function of service being provided over time is cost associated with litigation in order to continue to provide a service.

Mr. Sawyer stated that he found the tables and narrative confusing, and would have difficulty explaining the rate increase request to his council and members of the public.

Mr. Sawyer motioned to continue this to get clarification. Mr. Schwartz seconded the motion for discussion and to obtain counsel's take on timing consequences and option.

Mr. Walsh stated the link between the service provided and the fee collected does not have to be as directly related, but it's a reasonable relation. Mr. Walsh stated that the Agency has entered an Indemnity Agreement with the County to fund an escrow account. Mr. Walsh added that his understanding is that the Agency has the funds available to begin obligations, but the issue has to be addressed or there is some risk of depleting the reserves and not being able to continue to comply with the agreement.

Chair St. John stated that it sounds like a month delay will be okay.

Mr. Mikus replied that there is a timeline between when a fee increase takes effect and when the money shows up. Mr. Mikus added that it has been known the reserves need to be used to bridge that, and added that the agreement is to begin funding the account in April. Mr. Mikus stated that there will not be any income in April, and added that a month delay means having to use approximately three month of reserves, making it a \$600,000 issue instead of a \$200,000 issue.

Ms. Fudge stated that she also had confusion with the report, and added that she found it confusing to read through all the scenarios and justification. Ms. Fudge stated that she does understand the justification for having to raise rates to come up with the indemnity \$5 million dollars. Ms. Fudge stated she understands that money has to be placed in the escrow account and raise rates to do that, or raise rates to outhaul for two years without having compost provided locally. Ms. Fudge pointed out that it happens to be the same dollar amount. Ms. Fudge added that she is okay with explaining to the public that \$5 million needed to be raised one way or another. Ms. Fudge shared that she is hopeful that most of the \$5 million would used to build a new compost site. Ms. Fudge stated that what she is confused about and can't explain, is the Staff recommendation of scenario 2 vs. scenario 3.

Susan Harvey, City of Cotati, stated that she was also a little confused and struggled with the self-haul information. Ms. Harvey stated that she partially understands what is being said, but would like to see what the rate payer impact is after all the fees are added up. Ms. Harvey added that while she understands the self-haul impact, she is interested in knowing what the cumulative impacts are, so that they can be explained to the rate payer.

Mr. Mikus replied that the Agency needs a rate of approximately sixty something dollars per ton to be able to satisfy the \$5 million dollars; whether it be to fund outhaul for two years or planning the escrow account. Mr. Mikus added that he is aware that there will be approximately a little under \$15.00 per ton add on that will occur when the MOA goes into effect. Mr. Mikus shared that he is aware that The Ratto Group has asked some cities for some rate adjustments due to recycling issues with the port strike, but he is not aware what those numbers are. Mr. Mikus added that come July there will be an annual increase in the rates across the board, but he's not aware what that might be. Mr. Mikus added that long term, the April Tetra Tech report may provide some indication regarding impacts there may be with the cost of the new site. Mr. Mikus clarified that there won't really be any certainty until procurement for building is reached, and added that Staff estimates it's going to be approximately \$25 per ton, but that could change significantly.

Ms. Harvey stated that is a fair assumption and added that assumptions should be known. Ms. Harvey stated that she is concerned as to what the rate will add up to with all the different increases, and added that she would like to understand the driving reasons and be able to justify why it still makes sense or not.

Mr. Mikus stated that whether it be the money for outhaul or for the escrow account, they both have about a two year limit. Mr. Mikus explained that outhaul only has to occur until there is a new site, and added that the escrow account has a fixed term that has to be funded by February 2017. Mr. Mikus stated that the expenses for building a new site, with \$1.50 per ton rent, will take effect after. Mr. Mikus pointed out that the construction and rent expenses are not cumulative with this rate change. Mr. Mikus added that it's possible that the rate changes that

are made now will be near adequate so that any additional changes would not be that significant in early 2017.

Ms. Harvey replied that's a fair assumption and added it's an assumption that needs to be included so the Board can see the big picture.

Mr. Mikus stated that matches the numbers the Agency has had so far.

Chair St. John suggested that what is provided could be viewed as an attachment and asked that Staff provide a bottom line summary as to what it is that's being recommended. Chair St. John stated that the Board needs to see more of the big picture regarding short and long term and perhaps speculation regarding the timing of that. Chair St. John asked for clarification regarding the \$15.10 to \$19.10 rate and voting.

Mr. Mikus replied that will be part of what's charged at the gate, but it's not something the Board votes on.

Chair St. John stated it would still be good to know what the impact on customers will be, and added that a reasonable estimate of what the rate impacts are on the new site is something the consultant should be working on. Mr. St. John added that it's not something they need to wait on until proposals from design build operators.

Chair St. John pointed out the question asked by the public regarding the \$1.50 and where that fits in the rates. Chair St. John recommended outlining the increases and adding them up. Chair St. John stated that people may look at that and recommend that outhaul be an option.

Chair St. John inquired regarding the fiscal objective and asked what additional net income is attempted to be generated by this rates. Chair St. John stated that according to the report, \$193,000 per month needs to be transferred.

Mr. Carter replied that funding impacts are significant and that failing to increase tip fees above current levels could result in a deficit of approximately \$2.95 million in the wood waste and yard debris funds.

Chair St. John asked if the additional net income generated from the proposed rate increase will be \$2.95 million between now and February 2017.

Mr. Carter replied that is only for fiscal year 15/16.

Chair St. John asked if the Agency is trying to generate \$2.95 million per year.

Mr. Carter replied that's what the deficit would be if rates were kept at the current level, and explained that it's approximately \$2.4 million dollars for the escrow account. Mr. Carter added there is also the additional cost of outhaul, for which current rates are insufficient to cover the out hauls of approximately \$55 to \$59 per ton. Mr. Carter added that it's estimated that approximately 10,000 tons a year need to be out hauled which are significant costs the Agency is trying to cover with this.

Chair St. John asked if the Agency has done a fund projection and if the Agency has more fiscal information.

Mr. Carter replied that he has done a fund projection, and added that it's included in the budget in later items. Mr. Carter added that he has also examined the cost of outhaul vs. keeping everything, and stated that's partially included in the report today as well.

Chair St. John asked for more clarity next month regarding what the fund balance target is in the compost fund vs. the escrow fund, and for more visibility regarding what the Agency is trying to generate. Chair St. John pointed out that this is not just about building up the escrow account, but also to account for other expenses that are bringing the Agency's reserves down. Chair St. John asked what the reserve goal is and how it all fits together.

Mr. Mikus replied that the \$5 million escrow amount is needed by February 2017, which is 22 payments, beginning in April. Mr. Mikus added that \$4.25 million dollars is the escrow amount that needs to be contributed, because $\frac{3}{4}$ of a million is being put into the escrow account out of the reserves.

Mr. Cox left at 11:00 a.m.

Chair St. John asked if part of the equation is to have the reserve at zero by then or what it is that's expected in the compost reserve. Chair St. John suggested that account could be drained to fund half the escrow account.

Ms. Klassen inquired as to what the pros and cons of having the material on site are, since the Agency has been struggling with too much material the past two years. Ms. Klassen stated she understands they want to keep the facility going, and that it affects numbers going forward. Ms. Klassen recommended looking at the big picture as to how it affects all the other costs of the operation. Ms. Klassen suggested that outhaul would not be needed if there was less material, and added that it may be a factor to consider in the decision making. Ms. Klassen then inquired if there is revenue sharing with Sonoma Compost.

Mr. Carter replied that there is revenue sharing with Sonoma Compost.

Ms. Klassen pointed out that it would affect revenue sharing, and added that the amount of incoming material affects the budget in many ways. Ms. Klassen suggested this be considered when deciding between one of the scenarios that might result in how much material comes in.

Mr. Carter replied that the Agency struggled with the report, as it's a complex scenario with a lot happening at once. Mr. Carter stated that these things were taken into account, and referenced the bottom of page 82 of the Board Packet, regarding 100% Outhaul Alternative. Mr. Carter stated that the total cost per ton for everything the Agency is doing at that compost site was looked at and it came down to \$52.75 per ton. Mr. Carter added that was looked at assuming the 80,250 tons.

Mr. Carter stated that the cost of outhaul was also looked at, and added that that the least cost would be to take it to Recology Hay Road at \$55.37 per ton. Mr. Carter added that it's more efficient to keep that material inside our system than to outhaul it, and highlighted that there is a slight difference in those two prices. Mr. Carter stated that Recology Hay Road has a limit on the

amount of material they'll take from the Agency, and estimated they will only take 10,000 tons a year.

Mr. Carter acknowledged that while this is not the easiest way to assimilate all the information, the Agency attempted to present all the information possible, so the Board didn't feel ambushed by hidden costs or due to lack of analysis. Mr. Carter added that the Agency took into account the MOA, because it affects the Agency. Mr. Carter referenced the Ratepayer Impact Analysis on page 82, and added that the cost of the can is discussed just from the tipping fee increase the Agency is proposing. Mr. Carter stated that the numbers are also provided if you took that into accumulative effect with the Master Operating Agreement.

Mr. Carter stated that Staff tried to present a lot of information, but it appears that Staff failed to present it clearly. Mr. Carter added that Staff will return to the next meeting with a better attempt.

Mr. Schwartz asked for confirmation that part of the reason for this rate increase goes beyond the \$5 million dollars for the escrow account.

Mr. Carter replied affirmatively.

Mr. Schwartz replied that he feels ambushed by Staff and added that he does not recall that being part of a discussion publicly, in closed sessions, or individually with Staff. Mr. Schwartz stated that this was to deal with the \$5 million dollar escrow, and added that he find it difficult to explain.

Mr. Carter replied that the Agency is responsible for presenting the budget to the Board, and therefore this had to be looked at as a whole when dealing with a structural deficit. Mr. Carter added that Staff looked at what was needed to keep the program running correctly. Mr. Carter stated that the tipping fee increase is the escrow account, but Staff is also looking at what changes would be needed to cover the whole system.

Mr. Schwartz stated he agrees that Staff needs to do what needs to be done to operate the Agency properly. Mr. Schwartz stated that he does not recall seeing a staff report reference to other purposes or prior discussions regarding other financial issues that required rate increases besides the escrow account. Mr. Schwartz added that he finds that problematic.

Chair St. John asked if Staff has sufficient direction regarding what needs to be clarified or simplified. Chair St. John stated that he understands what the Agency wants to do to stabilize the decrease in the compost fund, as it is being drawn down right now due to outhaul. Chair St. John stated that decision was made that it was going to be drawn down due to the outhaul, and it now seems that the corrections are being made at the same time. Mr. St. John stated he's not sure there's agreement the Board wants to stop the decrease in the fund balance due to outhaul.

Mr. Schwartz stated that the Board provided direction to Staff about the amount that needed to be deposited for outhaul when the particular rate increases, and added that was going to be sufficient reserves and the amount was adequate and was justified just for the escrow account.

Mr. Carter replied that coincidentally this is done at the same time as the budget. Mr. Carter stated that it would make less sense to do two separate rate increases, one for just this item, and then

one when the budget is passed, to deal with the other items. Mr. Carter stated that the organics reserve is drawn down quite a bit, and while it's not down to zero, it's pretty close.

Chair St. John asked if it would make sense, since it's already been done this way, to also look at it as Staff was directed last month. Mr. St. John recommended obtaining clarity from the Board regarding scenarios, 2, 3, 4, in an effort to simplify the discussion next month. Mr. St. John asked if the Board is prepared to provide some opinion as to a 25%, 50% or same increase as everyone for self-haul, as it would be helpful to Staff not to have to deal with so many different scenarios.

Ms. Fudge stated she would look at scenarios 2 or 3 and consider a 25% increase on the self-haul rate. Ms. Fudge stated she is in agreement with Ms. Klassen's statement that if there was less self-haul coming in, the extra compost would not need to be out hauled. Ms. Fudge pointed out that the Agency is trying to keep the footprint at 80%, which is what she doesn't understand.

Public Comment

Ms. Davis stated that self-haul is specific material valuable to Sonoma Compost and many of the self-haul customers are also their compost customers. Ms. Davis added that Industrial Carting wasn't listed as a drop-off location, and they accept those materials as well. Ms. Davis recommended that Staff include costs for that location, as it's in close proximity and there is a lot of material going there.

Mr. Mileck stated that he's not clear as to how the outhaul figure provided was reached. Mr. Mileck pointed out that the Agency's R3 Report stated that material could be sent to Cold Creek Compost at a savings. Mr. Mileck added that it's less than what the Agency is paying a contractor. Mr. Mileck stated he has given the Agency a written proposal at a lower price, and is not sure how that is represented in the scenarios. Mr. Mileck stated that if the material was to be sent to Cold Creek Compost, recycling could increase, because they are permitted to take food waste and the entire north county could be recycling food waste. Mr. Mileck stated this would be good for the Agency's compliance with 1826, requiring a plan in place by the 1st of 2016 to require recycling organic waste, including food waste, from large producers.

Ernie Carpenter, hauler, stated that Grab n' Grow and Davis may be at capacity, and added that Curtis has a very small lot and may be at capacity also. Mr. Carpenter stated that he would advocate for two budgets; one that completely covers the cost and the other one that covers all the contingencies. Mr. Carpenter added that discussions regarding if some material leaves or stays makes no sense. Mr. Carpenter recommends just getting those two budgets and adopting one.

Mr. Larsen stated that his understanding is that there has to be a fund for indemnifying the county and the public. Mr. Larsen suggested that the Agency will also need a fund for the Agency's own fees and fines that could come from a lawsuit, as he doesn't see that covered anywhere. Mr. Larsen suggested the Agency should consider settling the lawsuit and stated it could be a lot less than \$7-\$10 million dollars. Mr. Larsen stated this would require a rate increase for a long time and possibly be the end of compost in Sonoma County. Mr. Larsen added he is not against compost in Sonoma County, but thinks it's a bad idea to put it on the top of the hill and worry about where the water runs off, rather than into a valley where it's contained. Mr. Larsen stated that the Agency has other option, but continues to go down the same road.

Steve McCaffrey, The Ratto Group, stated that Ratto feels is a close Agency partner, and added that over the last year, Ratto had been the out hauler for the Agency. Mr. McCaffrey added that they were also the sub-contractor for the waste characterization study, and commented that it was excellent work produced by the Agency. Mr. McCaffrey stated that it's important to have excellent communication and added that Ratto supports the Agency and Sonoma Compost to get this mission done.

Mr. McCaffrey stated that they understand the issues and sense of urgency, and added that Ratto is concerned with the large gap between the point of decision making on the surcharge and when the money actually arrives. Mr. McCaffrey stated that Ratto cannot act as the bank during that gap, and added that Ratto will be paying the Agency when they start getting that money from the rate payers. Mr. McCaffrey added that the jurisdictions find this confusing, requiring a lot of work in explaining it and having the new rate calculated and brought to Ratto. Mr. McCaffrey added that Staff covered this very well. Mr. McCaffrey shared that the labor dispute at the West Coast ports could have a \$10 million dollar impact on Ratto's bottom line, and added that it will create a 9 to 12 month recycling back log.

Rick Downey, Republic Services, stated that when Republic Services was negotiating the MOA, they ran into a similar situation. Mr. Downey added that as the negotiations went on, and they saw that the rates were going to increase, they compares self-haul with franchise rates. Mr. Downey stated that the competition is in self-haul, as there are many options, compared to the franchise hauler being committed to the service they take on. Mr. Downey added that through negotiations, they determined that self-haul rates had to be within fifteen percent of the franchise rate. Mr. Downey explained that the reason for that was because it was not fair to the franchise cities to be paying the high rate, when self-haulers could be paying the lower rate. Mr. Downey added that as the rates go up for the franchise hauler, the rates will need to be passed on, therefore, customers have a decision to make if they want to become self-haul customers or not. Mr. Downey stated that his years in the business tell him that if rates go up, you lose people, especially if they have options.

Sonoma County Resident, self-hauler and franchise hauler subscriber, stated that she would like to know what the Alternative Site 40 would charge. She added that she would like the opportunity to compare the bigger picture.

Board Discussion (continued)

Mr. St. John stated that as the rates will not be raised at this time, there will not be a public hearing regarding that.

Mr. Schwartz asked Staff for confirmation that Staff has the financial resources to absorb the continuation of this item.

Mr. Mikus responded affirmatively.

Mr. St. John confirmed that there is a motion and that it was seconded to continue the item to next month.

Vote Count:

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

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

Board members called for a short recess at 11:25 a.m.

Meeting resumed at 11:34 a.m.

10. JPA Renewal Report

Mr. Mikus stated that at the last Board meeting, the Board asked Staff to return with a lot of information. Mr. Mikus added that it's contained in the body of the report. Mr. Mikus stated there have been a lot of starts and stops with Agency renewal discussions and added that at the last meeting, there was a Draft Third Amendment that was going to focus strictly on the Agency's extension. Mr. Mikus added that the Board decided that was not what they wanted to do.

Mr. Mikus stated that Mr. Schwartz shared his experience as one of the point people on the library JPA extension, and put together a basic proposed approach outline on how to work ahead given there are some difficult time constrains. Mr. Mikus added that Mr. Schwartz ran it by the executive committee and they concurred with the plan.

Mr. Mikus stated that the Agency renewal past February 2017 has to be addressed. Mr. Mikus explained that it ties into the Zero Discharge Plan, on commitments to the Water Board and into the ability to finance new site construction. Mr. Mikus stated that a decision has to be made by September or October 2015, and added that it's problematic if it's not taken care of by then. Mr. Mikus stated that some of the work that has been done in the past in trying to do a measured back approach with the member jurisdiction could take too long.

Mr. Mikus added that the proposed approach in Mr. Schwartz' document is to have Staff prepare a matrix that outlines all the issues of concern regarding the JPA renewal. Mr. Mikus added that a draft version is included in the Agenda packet on pages 121-124. Mr. Mikus stated that Staff tried to include key questions, some of them coming from the discussion at the June 2014 strategy session and some questions which have come up since. Mr. Mikus went over the questions and added that it's important to have input on the questions. Mr. Mikus stated that these are the questions that need to be taken to member jurisdictions for input in order to start solving some of the differences of opinion.

Mr. Mikus recommended that meetings be held with jurisdiction leadership groups as quickly as possible and hopefully by the end of April. Mr. Mikus added that it would be up to each member jurisdiction as to how they chose to do that. Mr. Mikus added that the assistance of the Board is needed to drive the process to get the conversation going at the right levels as quickly as possible. Mr. Mikus added that as a result of the conversations, a document would be put together with the assistance from Agency Counsel, which would be a revision of the JPA agreement as an amendment or however suitable for discussion at the May meeting.

Mr. Mikus added that would allow time to get a formal document which has had their input to all the member jurisdiction in order to make a decision by fall 2015. Mr. Mikus went over the list of questions on the matrix and asked for suggestions on additions or deletions to the list. Mr. Mikus also asked for a discussion regarding Mr. Schwartz' plan.

Mr. Schwartz stated he would prefer to have this go to the full governing body sometime in April if possible. Mr. Schwartz added that's really the only group that has the opportunity to comment.

Mr. Schwartz asked that Staff reframe items 4, 5, and 6 on the matrix so each item is identified separately, so that input can be recorded on each item. Mr. Schwartz added that while it may be the intent, the format does not lend its self to that. Mr. Schwartz suggested that someone may want a yes vote requirement on one or two items, but not all three, so it does need to be independently tracked.

Mr. Schwartz stated that item #10 confuses two issues. He added that he would like to see that broken out. Mr. Schwartz suggested that there could be a tiered approach with a policy making board that includes staff and elected officials, and a technical advisory committee of staff members only. Mr. Schwartz stated that his jurisdiction feels very strongly that no jurisdiction has the right to tell another who represents them. Mr. Schwartz stated that a two tier structure, one tier structure is not captured.

Mr. Schwartz suggested deleting item 12 regarding preference for the management structure of the composting program. Mr. Schwartz added that he believes that's already addressed by item #2. Mr. Schwartz added that compost should be considered one of the functions. Mr. Schwartz added that item 1 and 2 should be written in a way to capture if people feel differently about each.

Mr. Schwartz added that this is for recording purposes and a way of capturing not just the preference, but the degree of interest. To determine if it's a showstopper, strong preference, slight preference, or something else. Mr. Schwartz pointed out that there is no time to go through multiple durations and bring this back to them again, so it needs to be known how strong each Board position feels about each particular point.

Mr. Schwartz stated that he has asked Staff to develop a brief one or two page staff report, using the white paper for detail, for Board members and their staff to bring to their councils. Mr. Schwartz added that his expectation would be that the Board members should feel free to ask Agency Staff to attend the council meetings if that would be helpful.

Mr. Schwartz stated that if there isn't anything scheduled yet, he would ask that Agency Staff send a letter or email to all the City Attorneys requesting an opportunity to meet.

Mr. Sawyer stated he agrees with Mr. Schwartz' recommendation, and added that it includes some of his concerns.

Ms. Fudge stated she agrees that this needs to be moved forward quickly, and added that she thinks the matrix approach works and she likes the concept of obtaining what people's preference is. Ms. Fudge added that this would allow issues to be known, so that they could be resolved immediately.

Ms. Fudge stated that she agrees with everything else and noted that everyone needs to have the matrix go to their councils before the end of April, in order to be ready for the May report.

Ms. Agrimonti shared that she was part of a transportation committee in San Mateo County, similar to SCTA, and has a tech advisory committee. Ms. Agrimonti stated she thought it was really valuable, because they didn't have to go back and forth to find out some of the answers to some of the technical questions. Ms. Agrimonti added that they were only advisory and didn't have a voting part.

Chair St. John stated he is hearing general agreement with the matrix approach, and asked for ideas regarding accomplishing discussions with councils.

Mr. Schwartz suggested that Staff prepare and send a report approved by the executive committee as a working draft to all the councils. Mr. Schwartz asked that the report be provided to the executive staff within a week, and recommended the executive committee respond back by the end of the following week. Mr. Schwartz stated that it's then incumbent on each Board member to work with their staff.

Mr. Sawyer asked Mr. Schwartz to reiterate his comment about the showstoppers.

Mr. Schwartz replied that he believes his council feels very strongly about the option for Staff to sit on the Board. Mr. Schwartz added that it's a current situation with the library. Mr. Schwartz added that if that's not an option, he doesn't know what will happen. Mr. Schwartz explained that in that sense, a showstopper is if you don't get your way, would you not be part of this organization. Mr. Schwartz added that the idea is to flush those issues out.

Ms. Fudge stated that she would hope that if a city just had a strong feeling, without it really being a showstopper, that they wouldn't make it a showstopper, keeping in mind that all ten jurisdictions are trying to come up with some kind of agreement together.

Ms. Agrimonti stated that her experience on the transportation and airport committee was that when people were not happy with the issue, they just voted no, they didn't have to say this is a dead deal.

Chair St. John replied that would end the deal in our case, as it requires unanimous vote. Chair St. John stated that the matrix seems to infer that there is an option of requesting another agency to perform some or all of the functions and inquired what the Board's vision of making that happen is. Chair St. John asked if that has been floated to the County and if there has been a request made if the County would consider being the Agency that performs the functions, should that be the direction of the Board.

Mr. Mikus replied that conversation has occurred with some of the County leaders regarding floating the idea, and the reply was that it's a policy decision for the Board of Supervisors that they have not debated. Mr. Mikus added that they would be willing to consider it if it was a consensus of the membership that it's the way they wanted to go.

Ms. Klassen stated that the County would have additional questions to add to the matrix due to the County's involvement in providing a site and Staff. Ms. Klassen added that she believes the

County Board will have discussions as to what the County specific issues might be when they get the matrix.

Chair St. John asks if there are things the Board should be asking now that might help facilitate that discussion in the future.

Ms. Klassen replied that other than the issue of whether the County is willing to take on some of this programs if asked by the rest of the jurisdictions to do so, that's the main addition to the matrix that would be specific to the County. Ms. Klassen added that the County has given the Board feedback on HHW, what they would charge, their willingness to have compost, and what they would charge if it's at Central. Ms. Klassen added that in her view, those two are resolved.

Ms. Klassen pointed out that there is the other issue of how the County supports the Agency in terms of where they are and the fact that the Agency Staff are County employees and other things that also need to be considered. Mr. Klassen stated that she doesn't see anything that needs to be asked of the County Board at this time.

Chair St. John stated that Board confirmation is needed that this is the direction the Board wants to take in order to create a strategic plan to resolve this and looking for approval of the matrix and the process. Chair St. John stated that at this point he's not hearing any additional comments from the Board to add or remove from the matrix. Chair St. John stated he is hearing concurrence with the modifications.

Public Comment

Mr. Larsen stated that if this were to done using the two tiers technical and policy staff, would there be two meetings? Mr. Larsen stated he would like to know where he would go to have an input as a member of the public.

Chair St. John stated that from his experience with the water agency, they have two sets of meeting and two sets of comments. Chair St. John added that things would be determined as things develop in the Agency's case.

Board Discussion (continued)

Mr. Schwartz motioned to move the Staff recommendation with the amendment to the process and the matrix as previously described as well as publicly thank Ms. Klassen and the County Staff for getting the clarifications needed on the Household Hazardous Waste and the compost site availability and costs. Ms. Madolyn Agrimonti, City of Sonoma, seconded the motion.

Vote Count:

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

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

Ms. Harvey and Mr. Sawyer left at 11:59 a.m.

11. FY 15-16 Final Work Plan

Chair St. John suggested that they continue the Final Work Plan, unless there are a few points the Board would like to make. Chair St. John added that the Draft budget will have the continuation on the rate issue and the potential to relook at the rate based on the specific direction given last month. Chair St. John stated that it would seem premature to address the budget at this time, and added that would be brought back in a month. Chair St. John asked if anything needs to be said about the Final Work Plan.

Mr. Carter suggested that action could happen pretty quickly, unless the Board has question on it. Mr. Carter stated that Staff took the direction from last month and just summarized it on the discussion with two bullets and recommend approving it.

Chair St. John recommended the Final Work Plan be coupled with the budget so that it gives Board members an opportunity to look at it and ask any questions.

Mr. Schwartz stated that Rohnert Park prefers not to have any work done on potential new programs until there's an opportunity to take it before their council and get policy direction. Mr. Schwartz added that Rohnert Park is consistent with Santa Rosa's general desire to get the full council involved in policy decisions before it gets too far down the road.

Public Comment

None.

Mr. Schwartz motioned to continue Final Work Plan and Ms. Agrimonti seconded the motion.

Vote Count:

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

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

12. FY 15-16 Draft Budget

Mr. Schwartz motioned to continue Draft Budget and Ms. Agrimonti seconded the motion.

Vote Count:

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

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

13. Attachments/Correspondence:

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- 13.1 Reports by Staff and Others:
- 13.1.a March and April 2015 Outreach Events

14. Boardmember Comments

Ms. Fudge thanked Karina for the white paper, and added that although it was longer than expected, she really liked the summary and highlights in the columns.

15. Staff Comments

16. Next SCWMA meeting: April 15, 2015

17. Adjourn

The meeting was adjourned at 12:03 p.m.

Submitted by
Sally Evans