



MINUTES OF OCTOBER 15, 2008

The Sonoma County Waste Management Agency met on October 15, 2008, at the City of Santa Rosa Utilities Department's Subregional Water Reclamation System Laguna Plant, 4300 Llano Road, Santa Rosa, California.

PRESENT:

City of Rohnert Park	Tim Smith, Chair
City of Cotati	Marsha Sue Lustig
City of Cloverdale	Gus Wolter
City of Healdsburg	Marjie Pettus
City of Petaluma	Vince Marengo
City of Santa Rosa	Dell Tredinnick
City of Sebastopol	Dave Brennan
City of Sonoma	Milenka Bates
Town of Windsor	Christa Johnson
County of Sonoma	Phil Demery

STAFF PRESENT:

Executive Director	Mollie Mangerich
Counsel	Janet Coleson
Staff	Patrick Carter
	Karina Chilcott
	Charlotte Fisher
	Lisa Steinman
Recorder	Elizabeth Koetke

1. CALL TO ORDER SPECIAL MEETING

The special meeting was called to order at 8:35 a.m. by Chairman Tim Smith.

2. OPEN CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Property: 500 Mecham Road, Petaluma, California
Agency Negotiator: Executive Director
Negotiating Party: County of Sonoma
Under Negotiation: PRICE _____
TERMS _____
BOTH ____X____

3. ADJOURN CLOSED SESSION

No report.

4. CALL TO ORDER REGULAR MEETING/INTRODUCTIONS

The regular meeting was called to order at 8:47 a.m.

5. ATTACHMENTS/CORRESPONDENCE

Chairman Smith, called attention to the Director's Agenda Notes and Letters of Support.

6. ON FILE WITH CLERK

Chair Smith, noted the resolutions from the September 17, 2008 meeting on file with the clerk.

7. PUBLIC COMMENTS (items not on the agenda)

There were no public comments.

CONSENT

8.1 Minutes of September 17, 2008

8.2 Compost Relocation Update

8.3 Environmental Preferable Purchasing

8.4 First Amendment to the ESA ColWMP Agreement

8.5 HHW Roof Extension Update

Christa Johnson, Town of Windsor, requested that agenda item #8.3 be pulled from the consent calendar for further discussion.

Marjie Pettus, Healdsburg, moved to approve items 8.1, 8.2, 8.4 and 8.5. Vince Marengo, Petaluma seconded. Noted items approved.

8.3 ENVIRONMENTAL PREFERABLE PURCHASING

Patrick Carter explained that during the preparation of the FY 08-09 budget, one of the suggested projects was to standardize a green purchasing policy for all the jurisdictions. Originally, hiring a contractor was considered but staff feels they have enough internal resources to complete this work if that is the Board's direction.

Several of the cities are currently working on green purchasing policies. Christa Johnson, Town of Windsor, said their Council was introducing an ordinance to add environmental preferable purchasing requirements to their purchasing policies and procedures. That ordinance will be voted on at the next City Council meeting.

Christa Johnson, Town of Windsor, moved to approve item 8.3. Dell Tredinnick, Santa Rosa, seconded. Item 8.3 approved.

REGULAR CALENDAR

ADMINISTRATION

9.1 DISCUSSION OF FUNDING FEE ORDINANCE

Mollie Mangerich, Executive Director, summarized the work that has been done in the past few years regarding the analytics, meetings and subcommittees that have been held regarding alternate funding sources for the Agency. The surcharge tip fee, which is the principle funding source for the HHW, Education, Diversion and Planning cost centers, has been dramatically decreasing year after year. The tip fee is applied to solid waste coming to the County's facilities. The surcharge on the tip fee is not the sole source of funding for the Agency. The other source is the fees charged to yard debris and wood waste being disposed of within the county and the revenue from the finished compost. The organics fees are restricted by the JPA agreement.

Ms. Mangerich met with Susan Klassen, T&PW Deputy Director, and Janet Coleson, Agency Counsel, several times in an effort to ascertain the work that has been done and the direction the Board wishes staff to proceed on how to provide funding for the Agency in the future.

An analysis of four primary funding strategies was reviewed. Agency Counsel recommended a fee based on the quantity of solid waste, organics and recyclables generated within Sonoma County. The \$5.40/ton, the current tipping fee, would be moved. The proposed fee would be assessed as a cost per fee per container for curbside customers. Self haulers will still be charged the \$5.40/ton.

Staff recommends beginning an analysis of a fee structure on a volumetric basis within the County.

Ms. Mangerich also recommended that an RFP be developed for the analysis. There are analysts who specialize in this sort of work and could provide some type of model the Agency can use over time.

Phil Demery, County of Sonoma, confirmed that the concept is to determine what is an appropriate fee and an appropriate fee structure, and then the cities and County could essentially just cut a check.

Ms. Mangerich said the proposed fee collection could be a part of the agreements with the haulers.

Phil Demery said the Agency needs a financial structure, something sustainable, by putting it on collections, the cost will be indexed with time such that it's on total collection of waste and recyclables. The cost needs to be recognized and it needs to be restructured to be taken off disposal fees.

Vince Marengo, Petaluma, said that in regards to collection of the fees he felt it is best left to the haulers.

Agency Counsel said using the direct authority of the Public Resources Code, the charge, by definition, needs to be based on the amount of solid waste disposed as well as organics and recyclables. The determination needs to be made as to who's creating the waste, and who's getting rid of the waste. In an ordinance the obligation can be placed on the person generating the waste and the person getting rid of the waste. The obligation to pay is placed on the customer. The collector of that fee is the hauler, so an obligation to pay can also be placed on the hauler to collect that money for the cities and remit it to the cities. It would look like the hauler is paying the Agency, but the hauler is collecting the fee from the customer.

If the Agency decides to charge the hauler based upon whatever is collected, there's an argument that they're not actually creating it or disposing of it, they're simply collecting it and so this situation would not be as definitive. This fee would not be something that the hauler is actually going to pay. It's going to be a pass-through from the customer. Placing collection responsibility on the hauler instead of the customer does not avoid any Proposition 218 noticing requirements. It's not clear if it's legally required right now, but the courts could require noticing in the future. Agency Counsel strongly urges the Agency provide that extra measure of insurance and do the noticing. The cost of the noticing can be recouped using the fee structure.

Vince Marengo, said he could understand erring on the side of caution. He suggests that a maximum rate be set in order to provide a little flexibility.

Agency Counsel said the concept is to take the \$5.40/ton and figure out what the equivalent per can charge would be; balancing the two sides of the equation so there is no net increase to the \$5.40/ton that is being collected now.

Phil Demery, County of Sonoma, asked if that computation would be expressed as a percentage of the collection bill like a program fee, which would provide indexing. If all the Agency does is add a surcharge on the can that's collected, then the Agency will always need to be making modifications to that charge. If a number can be established as a percentage of collection, then the indexing is there. He stated there

are jurisdictions all over the state that have program fees established after Proposition 218 expressed as a percentage of collection.

Agency Counsel suggested using a consultant to help the Agency determine the fees. Her main concern was to be able to verify it would be equivalent to the \$5.40/ton, so that there's no increase.

Ms. Mangerich said she agreed that serious consideration should be given to the opportunity for the Board's consideration to agree to CPI adjustments so that staff can budget for programs year after year.

Phil Demery said the Agency wouldn't need to make any CPI adjustments, because the agreements have CPI adjustments. It would only have to be expressed as a percent and then it naturally indexes with the CPI adjustments on all of the franchise hauling agreements and license agreements.

Agency Counsel said it would be good to discuss these things with the expert who will provide a model. In the past, preliminary numbers were calculated to be a few cents a can, but those rough calculations only included solid waste disposed of, not the entire waste stream. This calculation is going to be much more complicated, especially where percentages are used.

Agency Counsel proposes to bring an ordinance back to the Board so they could see the structure of it. She expressed concern about imposing the obligation to pay directly on the hauler, leaving the customer out of the equation because the customer is the one who is creating the waste. The models that exist for implementing such a fee acknowledge the original obligation is on the person creating the waste. The haulers are only collecting it as middle men, but they can have an obligation to collect the fee and remit it to the Agency.

Christa Johnson, Town of Windsor, said the town is supportive of the Agency's efforts. The Town just started a new collection services agreement that will last just under 10 years. They've attempted to keep their rates low for their customers and to provide fair compensation for the hauler. Since this a big change from the previous agreement, the Town Council wanted to provide incentives to the customers and to the hauler to divert as much organics and recyclables as possible. The rate adjustment calculation is very complex and will be used for the first time in June 2009. The Town is not interested in the option where the Town is cutting a check. Proposition 218 is a big concern to Windsor. Their legal counsel went to great lengths to make sure the Town is protected. The Town Council sets maximum rates and they do not have mandatory subscription. Another concern is legal costs that might be incurred going through an ordinance process. In figuring out what this would mean to their annual rate increase formula, the administrative cost becomes a big concern. The Town supports going forward, but the Town also would like the consultant to look into the individual franchise agreements. The Town would expect the Agency to cover any legal costs associated with changing the collection services agreement, as well as possible changes to their municipal code.

Agency Counsel said further discussion is needed to determine any concerns the jurisdictions would have. The way the model would be structured would not have a big impact on any of the members of the Agency, individually. There should not be any change to the customers' bills because presumably the \$5.40/ton tipping fee is factored into the rates that the hauler charges the customers now. By removing that and replacing it with a different way of calculating the same amount of money, there should not be any kind of net change. The goal is to structure this so there is not a

net change on bill, changes to the franchise agreements or the municipal codes. It is anticipated that an individual member would not need to change anything to facilitate the change in fee structure. There would have to be discussions, with not only the individual members, but also with the haulers to make certain there is a seamless approach and a seamless way of shifting the method and not the amount. Ms. Coleson offered to meet with individual cities and also their legal counsels.

Tim Smith, City of Rohnert Park, stated that Rohnert Park is the one city that sends out the bills for collection.

Steve McCaffrey, Redwood Empire Disposal / Northbay Corporation, commented that every community in California is suffering the same problem. It's a complicated formula. The proposed fee ordinance should become a standard mode of operation for the haulers. The tonnages are a finite number, easily tracked through certified weight certificates. Volumes are more difficult to track; they change month to month and even in the middle of the month. He cautioned against volume-based calculations because of the possible administrative costs involved. He encouraged staff to look at what other communities are doing that are facing the same problem.

Dave Brennan, Sebastopol, moved to approve this item. Vince Marengo, Petaluma, seconded. Motion approved.

DIVERSION

10.1 PRESENTATION BY REDWOOD EMPIRE DISPOSAL / NORTHBAY CORPORATION

Steve McCaffrey, North Bay Corporation / Redwood Empire Disposal gave a presentation about the 'North Bay Corporation Center for the Environment that they are interested in building. Their goal is to reach a 90% recycling rate.

Phil Demery, County of Sonoma, said Sonoma County is at a 64% recycling rate. By diving into the trash it's possible to attain another 10%. That's 74% maximum. The only way to get to 90% is through conversion technology. There's not a commercial facility sited in the United States that's obtained permits. He tried for years to get permits. Environmental groups are opposed to a number of the different technologies and the only one they embrace is anaerobic digestion which is costly. He feels we are years and years away from having conversion facility here in the State of California. He stated 90% is a pipe dream right now; but 75% is attainable, but it will cost the jurisdictions.

Steve McCaffrey said 90% is a zero waste goal, there's no doubt there would have to be a lot of advancement in technology.

Dell Tredinnick, Santa Rosa, said the Waste Characterization Report indicated that the 70% is attainable. 90% may be misleading to people and it's probably not possible. The goals are good. As a board member he is hesitant to endorse the 90% when this facility needs yet-to-be determined technology to make 90%.

Vince Marengo, Petaluma, asked about the use permit and asked that the application and program be sent to the Agency Board members.

Marjie Pettus left the meeting at 10:00 a.m. (ek)

HOUSEHOLD HAZARDOUS WASTE

11.1 HHW SCOPE OF WORK FOR VOLUNTARY TAKE-BACK PROGRAM, EPR

Karina Chilcott said in response to direction from Agency Board members at the August 20, 2008 Board meeting, staff prepared a grant application for a competitive Household Hazardous Waste Discretionary grant, HD 17, offered by the California

Integrated Waste Management Board. Two projects were written into the proposal: \$74,922 was requested for an Extended Producer Responsibility (EPR) Business and Education Outreach Program and \$29,810 was requested for the Agency to host a National Medical Sharps Dialog meeting.

Staff's proposal for an EPR Business and Education Outreach project supports a number of Board member directives 1) the proposal supports one of the recommendations of the Extended Producer Responsibility Implementation Plan which was adopted by the Board in Feb. 2007 which is to encourage EPR Policies at local businesses, especially for retailers of household batteries and mercury containing lamps; 2) the proposal supports direction from the Board to develop a voluntary EPR take-back program for local businesses; 3) the proposal also addresses the Board's desire for recognition of businesses that participate in EPR through press releases, fact sheets, recognition at public events, utility bill inserts, web site, newsletter articles and radio.

In comparison to other jurisdictions that have developed EPR programs where one-time grant funds pay for collection, the Agency's proposal is unique in that it gives businesses the tools they need to implement customer take-back programs they design, instigate and maintain themselves.

The strength of this grant proposal is that it engages stakeholders in completing many of the tasks in this project:

Heidi Sanborn, the author of the Agency's EPR Implementation Plan and Executive Director of the California Products Stewardship Council, agreed to help draft and review business EPR take-back fact sheets, to speak at the EPR kick-off meeting and to contact corporately-owned targeted businesses.

In addition, the garbage companies, North Bay, Green Waste and Sonoma Garbage Collector agreed to dedicate their staff to learn about EPR, to distribute Agency-provided fact sheets and to share this information with targeted business customers through on-site visits. C2 Alternative Services, working with Hugo Mata, agreed to complete the Spanish language component of EPR outreach.

Other organizations contacted that also have a role in implementing this project include the Sonoma Green Business Program, the Business Environmental Alliance, the Russian River Water Association and the Sonoma County Water Agency.

The Work Plan for FY 08-09 does not include provisions for a voluntary EPR take-back program, so securing grant funding becomes important in order to move this project forward in a timely manner. Staff anticipates that California Integrated Waste Management Board will make project funding recommendations in November or December. No action requested at this time.

Ms. Mangerich recognized staff for the positive relationships they already have with the business community which will help to meet the goals of this grant.

Gus Wolter left the meeting at 10:10 a.m. (ek)

11.2 AUTHORIZE EXECUTIVE DIRECTOR TO REPRESENT SCWMA AS BOARD MEMBER ON PRODUCT STEWARDSHIP INSTITUTE.

Ms. Mangerich said that in an effort to get better integrated with her colleagues and organizations in the state, she contacted the Product Stewardship Institute, who then offered her a seat on their Policy and Public Education Committee.

The time commitment would be a 2-year term, monthly teleconference calls and the opportunity to attend Product Stewardship Institute (PSI) Annual Conference. PSI is governed by an eleven member Board of Directors comprised of seven representatives from state environmental agencies, and four representatives from local environmental agencies. The role of the Board of Directors is to assist the Executive Director in making decisions for the Institute on strategic matters, such as product focus areas, budget, organizational policies, fundraising options, and strategic alliances.

Chairman Smith asked for a consensus from the Board, the Board gave their consensus. Cloverdale and Healdsburg absent.

EDUCATION

12.1 SCHOOL GRANT AWARD

Karina Chilcott explained at the June, 2008 Board meeting, staff was directed to issue an RFP for a one-time schools grant program targeting 5th and 6th graders.

On September 17th, six proposals were received in response to this RFP from Strawberry School Bennett Valley School District, the Compost Club; Cool the Earth, Inc., EarthCapades Environmental Vaudeville, Alexander Valley School District and the Santa Rosa Charter School for the Arts. Using scoring criteria issued with the RFP, three Agency staff evaluated the proposals.

When staff contacted the two top-ranking proposers in preparation for the Agency Board's consideration of the idea that the total \$9,701 award could be split between Strawberry School and the Compost Club, both groups responded positively by satisfactorily revising their budgets for a \$4,850 award amount.

Marsha Sue Lustig, Cotati, moved to approve the item. Dave Brennan, Sebastopol, seconded. Cloverdale and Healdsburg absent.

13. BOARDMEMBER COMMENTS

Christa Johnson, Town of Windsor, said their hauler provided stickers with information about veggie composting for all of their customers yard debris cans. Also, they are going to pick two or five customers and give them a free month of service if they have the sticker on their can. She wanted to commend Windsor Refuse and Recycling.

14. STAFF COMMENTS

Lisa Steinman gave an update about some of the assembly bills that the Governor has recently passed. AB 2347 the mercury thermostat bill was recently approved.

The State is working on a Green Chemistry Program and there are two assembly bills that were approved; AB 1879 and SB 509. AB 1860 regarding recalled products was approved.

One bill that didn't pass was AB 501 which is the pre-filled sharps bill. It only dealt with pre-filled injection sharps, one of the many different sharps. That bill was vetoed and amended and will probably go back out again and will include other types of sharps.

Ms. Mangerich asked the Board if they wished to meet in December. Chairman Smith asked staff to provide information as to whether there is pressing business and a December meeting is needed or not.

15. ADJOURNMENT

Meeting adjourned at 10:20 a.m.

Copies of the following were distributed and/or submitted at this meeting:

Tons of Municipal Solid Waste Disposed of by Outhauling.

Respectfully submitted,
Elizabeth Koetke