

SONOMA COUNTY WASTE MANAGEMENT AGENCY

August 20, 2008

8:30 a.m.
Please note time change

City of Santa Rosa Utilities Department
Subregional Water Reclamation System Laguna Plant
4300 Llano Road, Santa Rosa, CA 95407
Estuary Meeting Room

Estimated Ending Time 12:00 p.m.

****UNANIMOUS VOTE ON ITEMS 9.1, 10.1****

AGENDA

- | <u>ITEM</u> | <u>ACTION</u> |
|-------------|--|
| 1. | Call to Order Special Meeting |
| 2. | Open Closed Session |
| | CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Potential initiation of litigation – one case Government Code Section 54956.9(C) |
| | 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 <u> X </u> |
| 3. | Adjourn Closed Session |
| 4. | Call to Order Regular Meeting/Introductions |
| 5. | <u>Attachments/Correspondence:</u>
Director's Agenda Notes |
| 6. | <u>On file w/Clerk: for copy call 565-3579</u>
Amended Minutes from May 21, 2008
Operation of HHW Programs Agreement |

Resolutions approved in May 2008

2008-022 Resolution Authorizing Purchase of Recycling Containers from Creative Pipe, Inc for use in the City of Petaluma

2008-023 Resolution Approving the Third Amendment with C² Alternative Services to Audit Oil Recycling Centers and Coordinate Oil Recycling Publicity and Programs

2008-024 Resolution Approving C² Alternative Services to Conduct Spanish Language Outreach Services.

7. Public Comments (items not on the agenda)

CONSENT (w/attachments)

Discussion/Action

8.1 Minutes of June 18, 2008

8.2 Amendment to ASL Agreement for Electronic Waste (E-waste) Collection Event Services

8.3 Fourth Quarter Financial Report

8.4 Historical Report of Used Oil Collected in Sonoma County

8.5 Plastic Bag Update

8.6 Biennial Review of Conflict of Interest Code

REGULAR CALENDAR

ADMINISTRATION

9.1 HHW Lease Agreement
[Klassen](Attachments)

UNANIMOUS VOTE

9.2 Program Fee Agreement
[Klassen](Attachment)

Discussion/Action

DIVERSION

10.1 Agreement for Beverage Container Collection Services
[Carter]

UNANIMOUS VOTE

COMPOSTING/WOOD WASTE

11.1 Compost Relocation Update
[Carter]

Discussion/Action

11.2 Organics Diversion Policy
[Carter]

Discussion/Action

HOUSEHOLD HAZARDOUS WASTE

12.1 First Amendment to ECS Contract
[Steinman](Attachment)

Discussion/Action

12.2 Authorize Bidding for HHW Roof Extension
[Steinman](Attachment)

Discussion/Action

12.3 HHW Grant/Feasibility Study
[Carter]

Discussion/Action

12.4 Authorize Distribution of HHW Operation
Request for Proposals
[Steinman](Attachment)

Discussion/Action

12.5 Authorize Award of Agreement for Petaluma
Used Oil Tank Cleanup and Replacement
[Steinman](Attachment)

Discussion/Action

13. Boardmember Comments

14. Staff Comments
15. Adjourn

CONSENT CALENDAR: These matters include routine financial and administrative actions and are usually approved by a single majority vote. Any Boardmember may remove an item from the consent calendar.

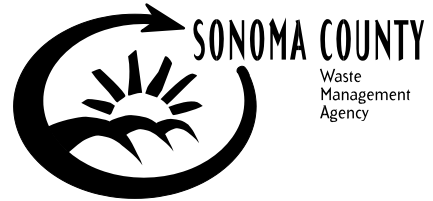
REGULAR CALENDAR: These items include significant and administrative actions of special interest and are classified by program area. The regular calendar also includes "Set Matters," which are noticed hearings, work sessions and public hearings.

PUBLIC COMMENTS: Pursuant to Rule 6, Rules of Governance of the Sonoma County Waste Management Agency, members of the public desiring to speak on items that are within the jurisdiction of the Agency shall have an opportunity at the beginning and during each regular meeting of the Agency. When recognized by the Chair, each person should give his/her name and address and limit comments to 3 minutes. Public comments will follow the staff report and subsequent Boardmember questions on that Agenda item and before Boardmembers propose a motion to vote on any item.

DISABLED ACCOMMODATION: If you have a disability that requires the agenda materials to be in an alternative format or requires an interpreter or other person to assist you while attending this meeting, please contact the Sonoma County Waste Management Agency Office at 2300 County Center Drive, Suite B100, Santa Rosa, (707) 565-3579, at least 72 hours prior to the meeting, to ensure arrangements for accommodation by the Agency.

NOTICING: This notice is posted at The Board of Supervisors, 575 Administration Drive, Santa Rosa, and at the meeting site, The City of Santa Rosa Utilities Department Subregional Water Reclamation System Laguna Plant, 4300 Llano Road, Santa Rosa, 72 hours prior to the meeting. It is also available online at www.recyclenow.org.

PUBLIC RIGHT OF ACCESS: Materials related to an item on this Agenda submitted to the Sonoma County Waste Management Agency after distribution of the agenda packet are available for public inspection in the Clerk's office at the Department of Transportation and Public Works, 2300 County Center Drive, Suite B100, Santa Rosa, CA 95403 during normal business hours.



TO: SCWMA Board Members

FROM: Susan Klassen, Interim Executive Director

SUBJECT: AUGUST 20, 2008 AGENDA NOTES

CONSENT CALENDAR

These items include routine financial and administrative items and **staff recommends that they be approved en masse by a single vote.** Any Board member may remove an item from the consent calendar for further discussion or a separate vote by bringing it to the attention of the Chair.

- 8.1) Minutes of June 18, 2008
- 8.2) Amendment to ASL Agreement for Electronic Waste (E-waste) Collection Event Services
At the May 21, 2008 Agency Board Meeting, the two year contract for E-waste Collection Event Services was awarded to ASL Recycling. Staff recommends approving the First Amendment to the ASL Agreement for Electronic Waste Management Services.
- 8.3) Fourth Quarter Financial Report The JPA agreement requires a financial report be presented to the Board of Directors every quarter for review and approval.
- 8.4) Historical Report of Used Oil Collected in Sonoma County As requested by the Board at the June Agency meeting, the Contractor, C² Alternative Services, will provide an historical report on the amount of used oil collected in Sonoma County.
- 8.5) Plastic Bag Update Staff will update Board members on the status of plastic bag ordinances and related recycling and reduction efforts.
- 8.6) Biennial Review of Conflict of Interest Code The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. The last review was September 20, 2006. Since then the Agency has modified the job description for the Director by removing the duties that were considered County duties and changing the title from "Director" to "Executive Director". These changes are considered non-substantive.

REGULAR CALENDAR

ADMINISTRATION

9.1) HHW Lease Agreement The Board will consider whether to enter into a ground lease with the County of Sonoma for the HHW Facility, which will be assigned to the new owner of the property in the event of a divestiture of the Central Landfill. **Recommended action:**

UNANIMOUS VOTE Staff recommends the approval of the HHW Lease.

9.2) Program Fee Agreement The Board will consider a draft agreement to preserve the Agency's ability to collect program fees on self-haul waste and wood and yard waste fees (for the remaining period of the Compost Program operational agreement) in the event that the Central Landfill and the Transfer Stations are divested and the County no longer is the owner.

Recommended action: Staff recommends the Board approve the content of the Program Fee Agreement. Should the divestiture be completed, the Board has a choice of authorizing award authority to the Executive Director or having the agreement brought back to the Board for approval and execution

DIVERSION

10.1) Agreement for Beverage Container Collection Services The Board will consider whether

to enter into an agreement with the Sonoma County Probation Department for beverage container collection services. **UNANIMOUS VOTE REQUIRED: Staff recommends adopting the resolution authorizing the Agency Executive Director to sign an Agreement with the Sonoma County Probation Department for 107 crew days of collection services in the amount of \$69,550.**

COMPOSTING/WOOD WASTE

11.1) Compost Relocation Staff requested property owners for access to their properties to conduct additional studies necessary for the compost relocation EIR. Staff will discuss the responses received. **Requested action: Staff requests Board direction with regard to the property owner responses**

11.2) Organics Diversion Policy Staff analyzed the proposal put forth by Cold Creek Compost to divert wood waste and yard debris from the Healdsburg Transfer Station to the Cold Creek Compost facility. Due largely to the increased hauling distance, acceptance of the proposal would cost the SCWMA an additional \$177,710.74 per year more than the existing agreement with the Sonoma Compost Company. **Recommended action: Staff recommends the Board decline the offer made by Cold Creek Compost. Declining the Cold Creek Compost offer will have no effect on the current system of compost collection, transportation, and processing of yard debris and wood waste materials.**

HHW

12.1) First Amendment to ECS Contract This agenda item seeks the Board's approval to extend the current Agreement with ECS Refining until May 31, 2010 with all the same terms and conditions. The Agency is pleased with the services provided by the Contractor and would like to retain their services. **Recommended action: Adopt Resolution to approve the First Amendment to the Agreement with ECS Refining to transport and recycle Sonoma County's electronic waste and to authorize the Chair to execute the First Amendment to the Agreement on behalf of the Agency.**

12.2) Authorize Bidding for HHW Roof Extension At the June 20, 2007 Agency Board meeting, the Board approved executing an Agreement with VBN Architects for services related to the HHW Building Enclosure Expansion Project. VBN's plans are currently awaiting approval from PRMD. Once the project receives approval from PRMD, staff recommends initiating the bidding process. **Recommended action: Staff requests approval from the Board to advertise and receive bids for the construction of the HHW Roof Extension Project and return to the Board with a selected Contractor.**

12.3) HHW Grant/Feasibility Study At the Board's direction, staff examined whether an expansion of staffing levels and days of operation and implementation of EPR measures could reduce or eliminate the need for additional permanent HHW facilities. Staff also examined how the eliminating the need for additional sites would impact the HD 16 F grant from the CIWMB.

Recommended action: Staff recommends:

- 1. Incorporating existing and expanded staffing levels into the RFP for the HHW Operations RFP (Item 12.4 of this Agenda).**
- 2. Exploring what additional resources would be necessary to realize additional participation in the CESQG program.**
- 3. Submitting a Cycle 17 HHW grant application to the CIWMB to implement EPR activities.**

12.4) Authorize Distribution of HHW Operation Request for Proposals Currently the Agency has a Contract with Clean Harbors Environmental (formerly MSE Environmental) for HHW Facility Operations. Staff was given direction at the August 15, 2007 Agency Board meeting to develop a RFP for a Contract to operate the Agency's Household Hazardous Waste program such that a new Agreement will be in place in January 2009. Services to be added or changed from the requirements of the current Agreement are included in this staff report.

Recommended action: Staff recommends that the Board authorize the distribution of the HHW Operation RFP and authorize staff to come back with a recommended Proposer.

12.5) Authorize Award of Agreements for Petaluma Used Oil Tank Cleanup and Replacement The City of Petaluma has an oil drop-off site located at the Corporation Yard at 840 Hopper

Street. The site was one of the earliest locations set up in Sonoma County through the Agency as an oil drop-off for those who change their own oil. In March of 2008, the Petaluma used oil tank was contaminated with a high level of PCBs. **Recommended action: Staff recommends authorizing the Executive Director to approve the purchase orders for the clean-up and replacement of the Petaluma used oil tank. In addition, staff seeks the Board's approval to purchase a receptacle for used oil filters to be located at the Petaluma site.**



Item #8.1

MINUTES OF JUNE 18, 2008

The Sonoma County Waste Management Agency met on June 18, 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	Damien O'Bid
City of Cloverdale	Carol Russell
City of Healdsburg	Mike Kirn
City of Petaluma	Vince Marengo
City of Santa Rosa	Dell Tredinnick
City of Sebastopol	Dave Brennan
City of Sonoma	Steve Barbose
Town of Windsor	Robin Goble
County of Sonoma	Tom O'Kane

STAFF PRESENT:

Interim Executive Director	Susan Klassen
Counsel	Janet Coleson
Staff	Patrick Carter
	Karina Chilcott
	Charlotte Fisher
	Lisa Steinman

Recorder	Elizabeth Koetke
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1 CALL TO ORDER

The regular meeting was called to order at 8:35 a.m. by Chairman Tim Smith; he commented that the unanimous vote item would be addressed earlier in the meeting when all Board members were present.

2. ATTACHMENTS/CORRESPONDENCE

Chairman Smith, called attention to the Director's Agenda Notes, and the Operation Documents from Cold Creek Compost.

3. ON FILE WITH CLERK

Chair Smith, noted the resolutions from the May 21, 2008 meeting on file with the clerk.

4. PUBLIC COMMENTS

There were no public comments.

CONSENT

- 5.1** Minutes of May 21, 2008
- 5.2** Beverage Container Purchase

Vince Marengo, Petaluma, asked for a correction to the minutes, item 5.1, section 10.2, then he moved to approve the consent calendar with the corrected minutes. Dave Brennan, Sebastopol, seconded. Cotati absent.

REGULAR CALENDAR

HOUSEHOLD HAZARDOUS WASTE

6.1 EPR PRESENTATION BY BILL WORRELL, SAN LUIS OBISPO

Bill Worrell shared information about the programs he's involved with in San Luis Obispo County.

Damien O'Bid arrived at the meeting at 8:40 a.m. (ek)

Chairman Smith directed the Board to agenda item #6.3.

6.3 THIRD AMENDMENT TO AGREEMENT WITH C² ALTERNATIVE SERVICES TO AUDIT OIL RECYCLING CENTERS AND COORDINATE OIL RECYCLING PUBLICITY PROGRAMS

Lisa Steinman delivered her staff report. She commented on how pleased Agency staff was with the quality of the contractor's work and recommended approving the third amendment to the agreement.

Dave Brennan, Sebastopol, asked about the site visits and the used oil collection numbers.

Connie Cloak, C² Alternative Services, said there are about 55 collection centers in the county, most of which are business centers and are visited twice a year. One visit is by an anonymous shopper, and the other is a more official visit with C² Alternative's staff going and collecting data.

Dell Tredinnick, Santa Rosa, asked how many gallons of used oil are collected a year.

Connie Cloak said it's about 100,000 gallons a year. She will have updated numbers in about two weeks and will provide them to the Board.

Dave Brennan, Sebastopol, asked for a report from C² Alternative Services that would provide an historical picture of how the collection of used oil has progressed.

Chairman Smith asked the contractor if the report would be available by the August meeting.

Connie Cloak confirmed that the report would be ready by the August meeting.

Dell Tredinnick, Santa Rosa, moved to approve the third amendment to the agreement. Stephen Barbose, Sonoma, seconded. Motion approved unanimously.

6.2 EPR IMPLEMENTATION PLAN (ORDINANCE)

Lisa Steinman summarized her staff report. After lengthy discussion, the direction to staff was to explore the voluntary take-back option using a consultant and to explore the mandatory ordinance with attention on the dynamics of the Agency using the ordinance process for the first time in its history.

Chairman Smith, Rohnert Park, made a motion to adopt the staff report with the particulars that staff will develop a voluntary program while working in parallel with a mandatory program that the Board would like to see in place by January 2010, if necessary.

Dave Brennan, Sebastopol, asked to include in the motion that staff evaluate the voluntary program on or before June 2009.

Stephen Barbose, Sonoma, seconded the motion with Dave Brennan's amendment. Motion approved.

Vince Marengo wanted to clarify that the direction to staff is to develop a mandatory program and bring it back to the Board for approval.

Chairman Smith confirmed that the mandatory program would be agendized for a meeting sometime before June 2009.

In summary, staff will be working from now until January 1, 2009 on a voluntary program in parallel working on the mandatory program between January 2009 and the end of 2009. The status of the voluntary program will be reported to the Board starting with a Scope of Work to be presented for approval at the September meeting.

At the same time staff will be working on the mandatory ordinance which is planned to be adopted for an effective date of January 2010. The first reading of the ordinance would be October 2009 and the second reading would be November 2009.

Damien O'Bid left the meeting at 9:40 a.m. (ek)

COMPOSTING/WOOD WASTE

7.1 COMPOST PROGRAM UPDATE

Susan Klassen said there was no report.

7.2 COMPOST RELOCATION UPDATE

Patrick Carter gave background information about the relocation process up to this point. He said #40 the top ranked site had been pulled from consideration after his staff report had been prepared. The top sites differ from the staff report.

Patrick introduced Tim Raibley, the subcontractor from HDR who gave a power point presentation outlining the top-ranked sites.

Tom O'Kane left the meeting at 9:50 a.m. (ek)

In response to the question of pulling site #40, Patrick Carter said it was a request by the Agricultural Preservation and Open Space District ("Open Space"). There is also the issue of timing with Open Space currently in negotiations to close a sale and the Agency just starting the environmental process, which will take at least a year to make an offer.

After a lengthy discussion concerning the potential flooding of the sites, Tom Raibley was asked about modeling for 50 years. Tim Raibley said it could be modeled on site but the issue is the Petaluma River is tidal so modeling how that river performs isn't something they could do themselves, which is why the 100 year model. Site #41 is at elevation 7.

Patrick Carter said with regard to choosing the sites; one site would be chosen as the preferred site and would be studied in the greatest detail in the EIR. Two alternative sites would be studied in lesser detail basically as back-up if the preferred site dropped out for some reason or if something was discovered during the EIR process. If the sites are looked at regardless of 'willing seller' or not the top sites would be #41, #38 and #5A. If the sites are looked at by staff's opinion of 'willing seller' the top sites would be #5A, #13 and #14. Any combination of sites can be selected for further study.

Once the sites are selected the consultants will start to develop the conceptual design and that will feed into the draft EIR and ESA will begin work on the draft EIR.

Agency Counsel asked if the cost of the increased analysis for the EIR is included in the agreement. Patrick Carter said he assumed if that were to happen, staff would come back to the Board for approval of any additional amounts for the consultants. There is a contingency amount of \$25,000 in the contract.

A discussion of the consideration of willing and unwilling sellers resulted in staff reiterating that no pretention of negotiation was ever given. Agency Counsel reminded the Board that they had stated early in the process that the preferred seller would be a willing one.

Agency Counsel questioned site #5A being in the Williamson Act. Staff confirmed that it was, and said with that site the property owner had sold a portion of the site to a neighbor whose property was not in the Williamson Act. There's a lot line adjustment and part of his willingness to sell is to try to get some help with the adjustment.

Chairman Smith made a motion to pursue sites #41, #5A and #13. Stephen Barbose, Sonoma, seconded. County of Sonoma, and Cotati absent.

ADMINISTRATION

8.1 FUTURE FUNDING DISCUSSION

Susan Klassen said during the fiscal year 06-07 budget preparation, discussion of the potential of using other funding sources other than the surcharge on the waste disposal tipping fee was initiated. In March of 2006 an ad-hoc committee was formed, after three committee meetings, several options were brought back to the Board. After much discussion during that period of time the Board decided to maintain the surcharge on waste disposal tipping fees as the funding method for the Agency.

The subject of funding methods was reintroduced at the May 2008 Agency meeting. At that time the Board requested that additional funding ideas be brought to the June 2008 Agency meeting. Staff proposes these possible funding methods for discussion: 1) Use the Petaluma surcharge model. 2) Parcel tax. 3) Agency AB 939 Program Fee. 4) Sustainable Funding.

Staff's view is that a change in the funding mechanism does not necessarily mean that a member's hauling agreement would have to be renegotiated. Agency Counsel's opinion is establishing a program fee through the Agency would require the noticing provisions of Proposition 218 to be implemented.

Previously when the ad-hoc committee made a recommendation to the Board, staff was directed to look at additional garbage generation rates for the various cities and then develop that as a percentage. For example; if Sebastopol is generating 5% of the waste stream, their percentage contribution of the Agency funding would be 5%. They could

work with their hauler to figure out how that translates to their bills separately. Another option would be the Agency could work as a body and determine something along the lines of the model that was discussed earlier where everyone has agreed to the same percentage on commercial bills and residential bills. The last time this was discussed, the Board came to the conclusion that an amendment to the JPA Agreement would be required.

In general, any funding mechanisms need to be tied to the waste generation rate in some manner.

Discussion included not using the parcel tax method, the challenge of not knowing where the waste originated, the effect the potential divestiture would have on collecting the surcharge revenues, and the sustainability of funding sources.

The County is pursuing through the divestiture agreement a mechanism to collect from the self-haul, and to allow the cities if they wish, to collect through the tipping fee with the new owner. The County is trying to provide for the existing situation so there's no harm in funding to the Agency in the interim. If a different mechanism is decided on, then the County would only collect on the self-haul.

Agency Counsel reminded Boardmembers the point of discussion at this time is a fee based on quantity of solid waste disposed, imposed on haulers by an ordinance of the Agency, or a fee based on quantity of solid waste disposed, imposed on garbage service customers by ordinance of the Agency. Neither of these ordinances by the Agency would require a JPA amendment.

Chairman Smith asked if staff could look into whether that fee can also overlay or create a formula that also takes into account population as well as tonnage.

Agency Counsel said yes, as long as it's tied in some way to quantity of solid waste disposed, which is a requirement of AB 939.

Vince Marengo, Petaluma, asked staff for the different calculations that were used in respect to the Petaluma services agreement. The first calculation used was the percentage of solid waste disposed by jurisdiction using tonnages from 2003. The second amendment of the agreement used a formula that took a population percentage from the California Department of Finance multiplied by percentage of garbage collected by the compactor revenues from vehicles in Sonoma County multiplied by the next fiscal year estimated revenue from the tipping fee surcharge. That math and formula is on the back page of the resolution from the 2nd amendment to the agreement.

Agency Counsel reminded the Boardmembers that Petaluma's agreement is a contractual arrangement which is something separate from an AB 939 program fee.

Chairman Smith said the action on this issue is to direct staff to come back to the Board with a formula.

8.2 DIVESTITURE AGREEMENTS

Susan Klassen said the ad hoc committee has met once but they are not prepared to address the Board about the HHW Lease Agreements at this time.

Lorie Norton, Deputy County Administrator, County of Sonoma, requested that the Board consider holding a July meeting to address this issue. The Board of Supervisors feels it's important to the County and to all the cities. With the divestiture there are a number of agreements that need to be finalized or amended. They would like to get those

agreements finalized by August 6th. The RFP and Draft Purchase and Sale Agreement were issued by the Board last week. The deadline for proposals is the end of August, the County Administrator's Office would like to be able to provide proposers with the Agency Agreements.

After discussion, it was decided that the ad hoc committee would meet again within 30 days. When the agreements have been revised to the ad hoc committee's satisfaction, they will be forwarded to the Boardmembers for review. Agency Counsel stated the agreements could be made available to the proposers as "draft" agreements. The Board decided to not meet in July. They also requested that the agreements be made available to them ahead of the regular agenda packet for ease of review.

8.3 UPDATE ON EXECUTIVE DIRECTOR POSITION

Susan Klassen said at the last Agency meeting there were three top candidates; they were going through reference and background checks, that process has been completed and a tentative offer has been made and accepted.

DIVERSION

9.1 ZERO WASTE PRESENTATION

Portia Sinnott, Vice-Chair, AB 939 Local Task Force, Linda Christopher, Mike Anderson and Will Bakx gave a presentation about the work they have been doing for the last four years on zero waste.

Vince Marengo left the meeting at 11:10 a.m. (ek)

The LTF proposes some next steps; integrating zero waste into the new recycling manager's job description, a zero waste plan integrated into the budget process, it must save money and energy, behavioral incentives, greenhouse gas implications of recycling and solid waste, implications of the landfill closing and the divestiture. The LTF would like to meet with the Agency in the next few months and they have speakers available to come and speak.

Agency Counsel said there are certain exceptions for attendance but not participation. If the LTF and Agency want to have a joint meeting, it would need to be noticed and open to the public. There are many ways the two groups can meet together. There can be a standing committee and other options can be explored, it can be agendaized for the August or September Agency meeting.

Carol Russell left the meeting at 11:30 a.m. (ek)

EDUCATION

10.1 BACK-TO-SCHOOL RECYCLING PROGRAM

At the March Board meeting, staff was directed to use \$9,700 in contingency reserve funds from the Education Cost Center on a Board-directed schools program in Fiscal Year 2008/09.

In order to find the best use for this money, staff sought to determine how decisions get made in the schools, how information is disseminated in the schools and what solid waste/recycling activities are already taking place. Staff requested that an RFP for a schools' grant program be issued to begin the process of awarding funds to deserving 5th or 6th grade classroom personnel.

At this time, staff would like to request direction from the Board to issue an RFP for a Schools Grant Program for 5th and 6th graders.

Stephen Barbose, Sonoma, made a motion to approve issuing an RFP, Dell Tredinnick, Santa Rosa, seconded. Cotati, County of Sonoma, Petaluma, Cloverdale absent. Motion approved.

Chairman Smith made a recommendation to honor Fred Hall with a resolution.

10.2 SPANISH LANGUAGE OUTREACH AGREEMENT

Providing Spanish language outreach is part of the implementation of the Countywide Integrated Waste Management Plan. In addition, the Agency's Work Plan for 2008/09 includes \$24,000 for Spanish Language Outreach Services. The current contract with C² Alternative Services to conduct a Spanish Language Eco-Desk Pilot project expires on June 30.

In April, staff issued a competitive Request for Qualifications for Spanish Language Outreach Services. On May 5, two proposals were received from California Human Development and the current contractor C² Alternative Services. Proposals were evaluated independently by two Agency staff members based on the evaluation scoring criteria in the RFQ.

Staff recommends awarding the agreement to C² Alternative Services. The budget in the new contract reflects lessons learned from conducting the Eco-Desk pilot project; more of the budget is allocated to media and community based social marketing activities, more to translation services for Agency publications and less budget is allocated to answering Eco-Desk calls.

Dell Tredinnick, Santa Rosa, made a motion to award the two-year contract for Spanish Language Outreach Services to C² Alternative Services, Stephen Barbose, seconded. Cotati, County of Sonoma, Petaluma, Cloverdale absent. Motion approved.

11. BOARDMEMBER COMMENTS

Robin Goble, Town of Windsor, thanked Karina and her staff of interns for participating in the farmer's markets and selling the veggie pails at The Windsor Town Green.

Stephen Barbose brought his laptop to the meeting and had his first paperless meeting; he said he highly suggests it.

12. STAFF COMMENTS

Agency Counsel said staff will be bringing a reimbursement policy to the next meeting for Board members to be reimbursed for their expenses.

Also, in response to the question asked by the Board regarding Cold Creek Composts offer of a trial run, that answer will be sent out to Board members via email this afternoon. And it will be agendaized for the August meeting.

Patrick Carter said in regards to plastic bags, AB 2058 passed the assembly on the floor and it's in the Senate Environmental Quality committee and will be heard by that committee on June 23rd.

Karina Chilcott invited the members of LTF to participate in the outreach of Sonomax.

The Agency received money from the CIWMB with a reuse assistance grant and that includes doing presentations that target builder's events, reuse guides, utility bill inserts. Any LTF members that are interested in doing some of the presentations are welcome to.

Pam Davis, Redwood Empire Disposal, said if Karina made a utility bill insert about Sonomax she will include it in their billing.

13. ADJOURNMENT

Meeting adjourned at 11:40 a.m.

Respectfully submitted,
Elizabeth Koetke

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

Compost Facility Siting Study for Sonoma County, HDR Engineering
Senate Environmental Quality Committee, AB 2347 Testimony of Tim Smith
Organics Diversion: A Major Step towards Zero Waste from AB939 Local Task Force
Cold Creek Compost, Inc. Operational Documents



Agenda Item #: 8.2
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: Amendment to ASL Agreement for Electronic Waste (E-waste) Collection Event Services

I. BACKGROUND

At the May 21, 2008 Agency Board Meeting, the two year contract for E-waste Collection Event Services was awarded to ASL Recycling.

With the passage of Senate Bills 20 and 50, a redemption program was created for the collection and proper disposal of visual display materials, also known as covered electronic wastes or CEWs. The CEW recovery and recycling payment system has been operating under the same recovery and recycling payment rates paid to approved recyclers and collectors since the program began. Staff reported to the Board in May that the California Integrated Waste Management Board (CIWMB) had indicated that the recycling payment rates paid to approved recyclers and collectors will be reduced by September 2008. At the time ASL was awarded the contract, the State was still in the process of approving the revised payment rates. According to the Agreement, ASL will pay the Agency \$0.25 per pound for Cathode Ray Tubes (CRTs) collected. The Agreement states "Should the State change the January 1, 2005 reimbursement rate for SB20 qualified material, the payment to the Agency for CRTs shall be renegotiated between the Agency and the Contractor."

II. DISCUSSION

On June 23, 2008, the Office of Administrative Law (OAL) approved revised regulations governing the covered electronic waste recovery and recycling payment rates that were adopted by the California Integrated Waste Management Board (CIWMB) in May 2008. Beginning September 16, 2008 the standard Statewide Combined Recovery and Recycling Payment Rate paid to the Recyclers and Collectors, will be decreased by \$0.09, from \$0.48 to \$0.39 per pound.

Due to the State's decrease in payment for SB20 qualified material, ASL and the Agency have renegotiated a payment to the Agency of \$0.20 per pound for CRTs collected. ASL has proposed to pay the Agency \$ 0.16 per pound for Liquid Display Crystal and Flat Panel Displays (LDC/FPDs) which are newer display technologies competing with CRTs. There is no payment to the Agency in the original Agreement for LDC/FPDs. Payments to the Agency for all other materials collected will not be affected.

III. FUNDING IMPACT

It was known going into this Agreement with ASL that the payment for CRTs would need to be decreased. Staff is satisfied with the negotiation to decrease payment by \$0.05 to \$0.20 per pound for CRTs. Even with the decrease, staff anticipates generating enough revenue to fund the program. Additional revenue will be generated from the \$ 0.16 per pound for LDC/FPDs collected.



IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the First Amendment to the ASL Agreement for Electronic Waste Management Services.

V. ATTACHMENTS

First Amendment to Agreement
Resolution

Approved by:

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

FIRST AMENDMENT TO
AGREEMENT BETWEEN SONOMA COUNTY WASTE MANAGEMENT AGENCY
AND ASL RECYCLING
FOR ELECTRONIC WASTE MANAGEMENT SERVICES

This First Amendment ("Amendment") to the Agreement for Electronic Waste Management Services ("Agreement"), dated as of _____, 2008, is by and between the Sonoma County Waste Management Agency ("Agency"), a joint powers agency and ASL Recycling ("Contractor"). All capitalized terms used herein shall, unless otherwise defined, have the meaning ascribed to those terms in the existing Agreement.

RECITALS

WHEREAS, the parties desire to amend the Agreement to reflect the items collected set forth in Section 1.1.3; and,

WHEREAS, the parties desire to amend the Agreement to reflect the payment changes set forth in Section 1.1.4; and,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Section 1.1.3 Items to be Collected is hereby deleted and replaced in its entirety to read as follows:

1.1.3 Items to be Collected

Computer Monitors	Gaming Devices/Consoles
Keyboards	Cell Phones
Computers	Printers
Computer Mice	Radios
Tape Drives	Hard Drives
Laptops	Printers
Cables/Cords	Power Supplies
Zip Drives	DVD Players
Televisions	VCR Players
Fax Machines	Stereo Components

Telephones
Lab Equipment
LDC/FPDs

PC Boards
Microwave Ovens

Contractor shall collect, handle, and dispose of unsolicited and/or abandoned material responsibly.

2. Section 1.1.4 Payment/Charge to the Agency is hereby deleted and replaced in its entirety to read as follows:

1.1.4 Payment/Charge to the Agency

Contractor shall not charge Agency for recycling, labor, equipment, or transportation.

Contractor shall pay Agency the below listed price per pound for material collected at events:

Contractor Pays Agency

CRTs: \$ 0 .20 per pound
CPUs: \$ 0 .13 per pound
**Breakage: \$ 0 .01 per pound
Cell Phones: \$ 1 .00 per pound
LDC/FPDs \$ 0 .16 per pound
(Liquid Display Crystal and Flat Panel Displays)

Contractor Charges Agency

Unless Agency notifies Contractor seven (7) weeks prior to event, Contractor shall collect the following items and shall charge Agency the following price per pound:

Batteries-all types \$ 0 .60 per pound
(Excluding Auto Batteries)
Florescent Tubes \$ 0 .13 per foot
Compact Florescent \$ 0 .37 1/2 per bulb
Light bulbs

** Breakage refers to all items listed above not including CRTs, CPUs, LCD/FPDs and cell phones

3. Other than as stated above, the Agreement shall remain in full force and effect.

AGENCY AND CONTRACTOR HAVE CAREFULLY READ AND REVIEWED

THIS AMENDMENT AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS AMENDMENT, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE MANAGEMENT AGENCY

By:

Tim Smith, Chair

CONTRACTOR: ASL RECYCLING

By:

Title:

APPROVED AS TO FORM FOR AGENCY:

Janet Coleson, Agency Counsel

APPROVED AS TO SUBSTANCE FOR AGENCY:

Susan Klassen, Interim Executive Director

August 20, 2008

First Amendment

RESOLUTION NO.: 2008-

DATED: August 20, 2008

RESOLUTION OF THE
SONOMA COUNTY WASTE MANAGEMENT AGENCY ("AGENCY") APPROVING THE FIRST
AMENDMENT WITH ASL RECYCLING ("CONTRACTOR") FOR ELECTRONIC WASTE
MANAGEMENT SERVICES

WHEREAS, the parties desire to amend the Agreement to reflect the items collected set forth in Section 1.1.3; and,

WHEREAS, the parties desire to amend the Agreement to reflect the payment changes set forth in Section 1.1.4; and,

NOW, THEREFORE, BE IT RESOLVED that the Agency hereby approves the terms of the First Amendment to the Agreement ("Agreement") and authorizes the Chairperson to execute the First Amendment on behalf of the Agency.

MEMBERS:

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

AYES -- NOES -- ABSENT -- ABSTAIN --

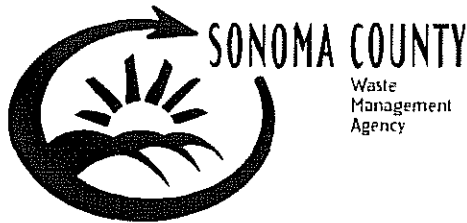
SO ORDERED.

The within instrument is a correct copy
of the original on file with this office.

ATTEST:

DATE:

Elizabeth Koetke
Clerk of the Sonoma County Waste Management
Agency of the State of California in and for the
County of Sonoma



Agenda Item #: 8.3
Cost Center: All
Staff Contact: Klassen/Fisher
Meeting Date: 8/20/2008

ITEM: FY 07-08 Fourth Quarter Financial Report

I. BACKGROUND

In accordance with the JPA requirement that the Agency make quarterly reports of Agency operations and of all receipts to and disbursements from the Agency, this staff report covers the Fourth Quarter Report for FY 07-08.

II. FUNDING IMPACT

This Fourth Quarter Report uses information from the county accounting system (FAMIS) for expenses. Revenues, Interest on Pooled Cash, and Administration Costs were posted through the end of the fiscal year. The Fourth Quarter Report also contains the actual amounts spent or received to the end of the fiscal year, the approved budget and the difference between the approved budget and the actual revenues and expenses.

Major Financial Impacts

There were four expense categories and three revenue categories of major financial impact for FY 07-08. A major impact would one that is \$100,000 or more.

Revenues, excluding undesignated funds, were under budget \$100,048. Expenses, excluding undesignated funds, were \$1,104,572 under budget.

The expense categories are:

Professional Services

Professional Services, which is budgeted grant expenses, are \$106,321 under budget because the HHW Used Oil Block 13th Cycle grant, which cycles for three years, was not completely used this fiscal year. Notification has been received that the Used Oil Block 14th Cycle has been awarded to the Agency in the amount of \$137,403, so the program will continue as usual.

Contract Services

This subobject is \$863,897 under budget for FY 07-08. HHW contract expenses are \$701,243 under budget because the disposal costs were less than anticipated, \$1,035,621 versus \$1,265,000 budgeted for FY 07-08.

Engineering Services are \$137,796 under budget because no environmental services were required for the composting operation and the site selection process for a new composting site did not proceed to the point of requiring environmental review.

OT-Within Enterprise is \$3,102,448 under budget because the undesignated funds from the cost centers were not transferred to the appropriate reserves. The transfers will be made with technical adjustments to the FY 08-09 Budget. When the reserve policy was established, it was stated that all undesignated funds from the six cost centers (Wood Waste, Yard Debris, HHW, Education, Diversion and Planning) be transferred to the appropriate reserves. If this were done, it could create a cash flow problem; therefore a portion of the undesignated funds will remain in the cost centers.

The revenue categories are:

State-Other is \$121,275 under budget due to the grant work not being done within this fiscal year.

Tipping Revenue

The tipping revenue for the surcharge cost centers is \$253,685 under budget. This is due to the decrease in solid waste coming through the county system. The FY 08-09 Budget is based on 335,000 tons of solid waste being available for the surcharge tipping fee resulting in \$1,809,000. The most recent estimate from the County is 310,000 tons of waste being available. The reduction in tonnage translates into \$1,674,000 in surcharge tipping fees, a reduction of \$135,000. There will be a technical adjustment to the FY 08-09 Budget to reflect this reduction.

OT-Within Enterprise

The undesignated funds have not been transferred into the reserves. This accounts for the \$3,078,839 under budget. The transfers, excluding 10% of the proposed operation expenditures for cash flow, will be made with technical adjustments to the FY 08-09 Budget, which will be presented to the Agency Board at the September meeting.

Details of the minor financial impacts are contained in the Fourth Quarter Revenue and Expenditure Summary, which is an attachment. While the amount of revenues under budget was substantial, the amount of expenses under budget was even greater. This places the Agency in the position to increase the reserves accordingly.

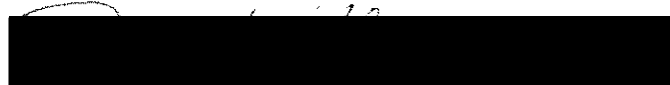
III. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the Third Quarter Financial Report on the Consent Calendar.

IV. ATTACHMENTS

Fourth Quarter 07-08 Revenue and Expenditure Summary

Approved by:



Susan Klassen/Interim Executive Director
Sonoma County Waste Management Agency

**FOURTH QUARTER 07-08 REVENUE AND EXPENDITURE SUMMARY
SONOMA COUNTY WASTE MANAGEMENT AGENCY**

INDICES 799114, 799213, 799312, 799411, 799510
799619, 799221, 799320, 799338, 799718

A. SUMMARY

	FY 07-08 Adopted Budget	FY 07-08 Actuals	Over/(Under) Budget
TOTAL EXPENDITURES	10,443,018	5,289,260	(5,153,758)
TOTAL REVENUES	9,735,218	6,312,122	(3,423,096)
NET COST	707,800	(1,022,862)	(1,730,662)

B. SUMMARY OF EXPENDITURES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
SERVICES & SUPPLIES	5,289,260	7,340,570	(2,051,310)
OTHER CHARGES	0	3,102,448	(3,102,448)
TOTAL EXPENDITURES	5,289,260	10,443,018	(5,153,758)

C. SUMMARY OF REVENUES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
INTEREST ON POOLED CASH	279,472	283,187	(3,715)
TIPPING FEE REVENUE	5,113,384	5,084,904	28,480
SALE OF MATERIAL	177,713	103,600	74,113
REVENUE APPLIED TO PY	(377)	0	(377)
STATE-OTHER	279,805	624,680	(344,875)
OT-WITHIN ENTERPRISE	0	3,099,448	(3,099,448)
DONATIONS/REIMBURSEMENTS	462,125	539,399	(77,274)
TOTAL REVENUES	6,312,122	9,735,218	(3,423,096)

G. SUMMARY OF NET COSTS

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
NET COST	(1,022,862)	707,800	(1,730,662)

**FOURTH QUARTER 07-08 REVENUE AND EXPENDITURE SUMMARY
SONOMA COUNTY WASTE MANAGEMENT AGENCY**

INDEX 799114 WOOD WASTE

A. SUMMARY

	FY 07-08 Adopted Budget	FY 07-08 Actuals	Over/(Under) Budget
TOTAL EXPENDITURES	515,438	252,887	(262,551)
TOTAL REVENUES	353,504	334,235	(19,269)
NET COST	161,934	(81,348)	(243,282)

B. SUMMARY OF EXPENDITURES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
SERVICES & SUPPLIES	252,887	327,172	(74,285)
OT WITHIN ENTERPRISE	0	188,266	(188,266)
TOTAL EXPENDITURES	252,887	515,438	(262,551)

Services and Supplies is projected to be \$74,285 under budget primarily as a result of:

Contract Services is anticipated to be under budget by \$80,230. Tonnage of wood waste processed by this program has not met the budget estimate of 30 tons/day. For the period July 1, 2007 to January 28, 2008, wood waste processed averaged 22.56 tons/day. The non-fuel wood waste processing is billed at \$23.18 and the fuel wood waste is billed at \$21.36.

Administration Costs are over budget by \$8,566 due to more staff required answering requests for information.

Legal Services are under budget (\$1,922) due to less activity than anticipated.

C. SUMMARY OF REVENUES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
INTEREST ON POOLED CASH	7,187	0	7,187
TIPPING FEE REVENUE	251,190	329,904	(78,714)
SALE OF MATERIALS	70,858	18,600	52,258
DONATIONS/REIMBURSEMENTS	5,000	5,000	0
TOTAL REVENUES	334,235	353,504	(19,269)

Interest on Pooled Cash is anticipated to be \$7,187 over budget due to a greater cash balance being held by the County Treasurer calculated at 5% interest.

Revenue from the previous year sales of wood waste products is included in this year's total. Historically, there has not been revenue from sales of wood products budgeted into the Wood Waste Cost Center.

Tipping Fee Revenue is under budget (\$78,714) due to lower anticipated wood waste tonnage processed.

D. SUMMARY OF NET COST

Overall, the Wood Waste Cost Center is anticipated to be \$243,282 under budget, mainly due to the OT-Within Enterprise funds not being transferred. This transaction will be done with a technical adjustment FY 08-09.

**FOURTH QUARTER 07-08 REVENUE AND EXPENDITURE SUMMARY
SONOMA COUNTY WASTE MANAGEMENT AGENCY**

INDEX 799213 YARD DEBRIS

A. SUMMARY

	FY 07-08 Adopted Budget	FY 07-08 Actuals	Over/(Under) Budget
TOTAL EXPENDITURES	3,826,335	2,719,112	(1,107,223)
TOTAL REVENUES	2,955,000	3,386,048	431,048
NET COST	871,335	(666,936)	(1,538,271)

B. SUMMARY OF EXPENDITURES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
SERVICES & SUPPLIES	2,719,112	2,600,160	118,952
OTHER CHARGES	0	1,226,175	(1,226,175)
TOTAL EXPENDITURES	2,719,112	3,826,335	(1,107,223)

Services and supplies is \$118,952 over budget primarily as a result of the following:

Office Expense is \$26,081 over budget due to the "Compost Your Veggies" program that exceeded all expectations for success. The purchase of "veggie" pails and promotions were covered with these funds.

Professional Services were \$1,900 over budget due to entry fees for events that will focus on the "veggie" composting program. These fees are reimbursable by the beverage container grant.

Contract Services is \$117,670 over budget due to excess material being brought to the compost facility for processing. Tonnage of green waste to be processed by this program was projected to be 80,000 tons or 222 tons/day. The actual tons processed during FY 07-08 was 87,450 tons or 243 tons/day.

Engineering Services are \$20,000 under budget. There were no changes to the site or violations that required engineering.

Legal Services are \$2,970 under budget due to less than anticipated required legal services.

Small Tools is \$1,334 under budget. New computers were purchased for the entire Agency staff and this allowed for a discount on the cost for each computer.

Enforcement Agency Fee is \$6,458 under budget due to less demand for environmental services.

Other Charges is \$1,226, 175 under budget because the OT-WITHIN ENTERPRISE funds were not transferred prior to the end of the fiscal year. This will be corrected with a technical adjustment made to the FY 08-09 budget.

C. SUMMARY OF REVENUES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
INTEREST ON POOLED CASH	43,150	0	43,150
TIPPING FEE REVENUE	3,225,879	2,865,000	360,879
SALE OF MATERIALS	106,855	85,000	21,855
DONATIONS/REIMBURSEMENTS	10,164	5,000	5,164
TOTAL REVENUES	3,386,048	2,955,000	431,048

Interest on Pooled Cash is \$43,150 over budget due to larger amount of pooled cash.

Tipping Fee Revenue exceeds budget by \$360,879 based on increased tonnage projections.

Sale of Materials is over budget \$21,855 due to funds from the previous fiscal year being deposited in this fiscal year.

Donations/Reimbursement is \$5,164 over budget due to "veggie" pail commitment donations (\$2 per pail).

D. SUMMARY OF NET COST

Overall, the Yard Debris Cost Center net cost is \$1,538,271 under budget.

**FOURTH QUARTER 07-08 REVENUE AND EXPENDITURE SUMMARY
SONOMA COUNTY WASTE MANAGEMENT AGENCY**

INDICES 799312 HOUSEHOLD HAZARDOUS WASTE
799411 EDUCATION
799510 DIVERSION
799619 PLANNING

A. SUMMARY

	FY 07-08 Adopted Budget	FY 07-08 Actuals	Over/(Under) Budget
TOTAL EXPENDITURES	4,759,636	2,134,990	(2,624,646)
TOTAL REVENUES	2,892,938	2,456,133	(436,805)
NET COST	1,866,698	(321,143)	(2,187,841)

B. SUMMARY OF EXPENDITURES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
SERVICES & SUPPLIES	2,134,990	3,092,238	(957,248)
OTHER CHARGES	0	1,667,398	(1,667,398)
TOTAL EXPENDITURES	2,134,990	4,759,636	(2,624,646)

Services and supplies is \$957,248 under budget primarily as a result of the following:

Household Hazardous Waste Cost Center

Office Expense is \$7,262 over budget due to advertising for the E-waste events contract, which was not included in the budget.
Professional Services is under budget by \$116,736 due to the timing of the planned grant work, some of which will be done next fiscal year.
Contract Services is under budget by \$701,243 because disposal and E-waste expenses were less than anticipated.
Administration Costs are \$12,594 over budget due to increased staff time necessary for the planned canopy extension on the HHW facility.
Small Tools is \$1,334 less than budgeted because of a group discount on the computer purchase costs.
Travel is \$2,017 over budget due to the Executive Director and the Integrated Waste Specialist going to a household hazardous waste conference in preparation for the Request for Proposal for the HHW operations contract.
OT-WITHIN ENTERPRISE is \$1,226,175 under budget due to the funds not being transferred to the appropriate reserves. The transfer will be made with a technical adjustment FY 08-09.

Education Cost Center

Office Expense is \$10,208 under budget due to less printing, both with the Guide and the interoffice materials.
Professional Services is \$15,110 under budget due to grant work not completed FY 07-08, but will be completed FY 08-09.
Contract Services is \$68,082 under budget due to less expense of the Guide and delayed development of the website.
Administration Costs is \$38,429 under budget because staff time was shifted to other cost centers per the assigned workload.
Legal Services are \$9,227 over budget due to greater requirement of legal services for activities, such as conflict of interest, legislative issues, contract preparation and more complicated agenda packets.
Small Tools is \$1,077 under budget due to a group discount on the computer purchases for the Agency.
OT-WITHIN ENTERPRISE is \$172,681 under budget due to the funds not being transferred to the appropriate reserve. The transfer will be made with a technical adjustment FY 08-09.

Diversion

Office Expense is \$2,522 over budget due to greater than anticipated expenses associated with the Agency Diversion programs.
Professional Services is \$45,575 under budget because one of the agreements for the beverage container program will be carried over until FY 08-09.
Administration Costs is \$3,944 over budget due to more staff time required for the activities of the Diversion programs.
Legal Services is \$6,469 over budget because of legal assistance required for activities, primarily the plastic bag ban.

Planning

Contract Services is \$1,005 over budget due to an approved increase in work performed by a consultant.
Administration Costs is \$1,938 under budget because less staff time was required than anticipated.
Legal Services is \$2,000 under budget because there were no legal services required in the Planning Cost Center FY 07-08.

C. SUMMARY OF REVENUES

	Actual July 07-June 08	Adopted Budget FY 07-08	Over/(Under) Budget
INTEREST ON POOLED CASH	93,429	28,250	65,179
STATE - OTHER	279,805	424,680	(144,875)
TIPPING FEE REVENUE	1,636,315	1,890,000	(253,685)
DONATIONS/REIMBURSEMENTS	446,961	529,399	(82,438)
PRIOR YEAR	(377)	0	(377)
<u>CONTRIBUTION FROM RESERVE</u>	<u>0</u>	<u>20,609</u>	<u>(20,609)</u>
TOTAL REVENUES	2,456,133	2,892,938	(436,805)

Interest on Pooled Cash is projected to be \$60,732 over budget due to funds not being transferred to the appropriate reserves.
 Currently State-Other Revenue is anticipated to be \$151,903 under budget due to the timing of grant work.
 Tipping Fee revenues is projected to be \$253,685 under budget due to decreased tonnage of solid waste coming through the system.
 Donations/Reimbursement is \$8,770 over budget because of Guide tab reimbursements from the haulers.

D. SUMMARY OF NET COST

The net cost for cost centers receiving revenue from the \$5.40/ton surcharge is \$321,143 under budget as follows:

Index 799312	HHW	(367,231)
Index 799411	Education	(35,959)
Index 799510	Diversion	27,587
Index 799619	Planning	<u>54,460</u>
	Overall Net Cost	(321,143)

**FOURTH QUARTER 07-08 REVENUE AND EXPENDITURE SUMMARY
SONOMA COUNTY WASTE MANAGEMENT AGENCY**

INDICES 799221 ORGANICS RESERVE
799320 HHW CLOSURE RESERVE
799338 HHW FACILITY RESERVE
799718 CONTINGENCY RESERVE

A. SUMMARY	FY 07-08 Adopted Budget	FY 07-08 Actuals	Over/(Under) Budget
TOTAL EXPENDITURES	1,341,609	182,268	(1,159,341)
TOTAL REVENUES	3,533,776	135,706	(3,398,070)
NET COST	(2,192,167)	46,562	2,238,729

B. SUMMARY OF EXPENDITURES	Actual July 07-June 08	Budget FY 07-08	Over/(Under) Budget
SERVICES & SUPPLIES	182,268	1,321,000	(1,138,752)
OTHER CHARGES	0	20,609	(20,609)
TOTAL EXPENDITURES	182,268	1,341,609	(1,159,341)

Services and supplies is \$1,138,752 under budget primarily as a result of the following:

Organics Reserve

Contract Services are \$418,710 under budget because the site selection process is moving along slower than anticipated.
Engineering Services are \$19,768 under budget because the site selection and environmental review anticipated to be completed this fiscal year are expected to be completed FY 08-09.
Legal Services are \$20,689 under budget because there has been no litigation to date with the site selection and purchase process.

HHW Closure Reserve

There are no service and supply expense FY 07-08.

HHW Facility

Professional Services are \$200,000 under budget because the grant that was awarded to the Agency has not been used to this point. The grant is for the development of satellite HHW facilities and the Board is pursuing an extended producer responsibility approach instead of more facilities to deal with the challenge of removing and disposing toxic waste.
Contract Services are \$266,782 under budget for the same reason as above.
Administration Costs are \$9,974 over budget due to staff time necessary for researching the extended producer responsibility approach as directed by the Board.
Engineering Services are \$50,000 under budget for the same reason as above.

Contingency Reserve

Contract Services is \$125,066 under budget due to contract not yet finished with the update of the Countywide Integrated Waste Management Plan (ColWMP).
Engineering Services are \$48,028 under budget because the environmental work associated with the ColWMP has not yet been done. It is anticipated that this work will be completed in FY 08-09.

C. SUMMARY OF REVENUES	Actual July 07-June 08	Budget FY 07-08	Over/(Under) Budget
INTEREST ON POOLED CASH	135,706	254,937	(119,231)
STATE-OTHER	0	200,000	(200,000)
OT-WITHIN ENTERPRISE	0	3,078,839	(3,078,839)
TOTAL REVENUES	135,706	3,533,776	(3,398,070)

Interest on Pooled Cash is \$119,231 under budget due to less than anticipated cash in the reserves. Transfers were not made from the appropriate cost centers prior to year end. The transfers will be accomplished with technical adjustments for FY 08-90.
State-Other is \$200,000 under budget because the grant for the satellite HHW facilities has not been used yet.
OT-Within Enterprise is \$3,078,839 under budget due to transfers of funds not being made prior to year end. Technical adjustments will be used as a part of the FY 08-09 budget.

D. SUMMARY OF NET COST

The net cost for the reserve cost centers is \$2,619,133 over budget as follows:

Index 799221	Organics Reserve	1,002,370
Index 799320	HHW Closure Reserve	4,531
Index 799338	HHW Facility Reserve	1,158,624
Index 799718	Contingency Reserve	73,204
	Overall Net Cost	2,238,729



Agenda Item #: 8.4
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: Historical Report of Used Oil Collected in Sonoma County

I. BACKGROUND

The Agency has a contract with C² Alternative Services to Audit Oil Recycling Centers and Coordinate Oil Recycling Publicity and Programs. At the June 18, 2008 Agency Board meeting, the Board approved a one (1) year extension to the contract, until June 30, 2009.

During the meeting, the Board requested that C² Alternative services provide a report with a historical picture of how the collection of used oil has progressed in Sonoma County. The Contractor confirmed that the report would be available for the August meeting.

II. DISCUSSION

The attached report addresses the Board's request.

III. FUNDING IMPACT

There is no funding impact.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

There is no recommended action.

V. ATTACHMENTS

Used Oil Recycling: Numbers and Trends Report

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



Used Oil Recycling: Numbers and Trends

Report to the Sonoma County Waste Management Agency Board

August 2008

At the June meeting of the SCWMA, the Board requested a report that would provide an historical picture of how the collection of used oil has progressed.

Oil Collection Infrastructure

Sonoma County currently has 54 advertised locations where do-it-yourselfers ("DIYers") may drop off used motor oil for free. 46 of these locations also accept filters. In addition to the advertised sites, there is a tank available to boaters at the Lake Sonoma Marina, and for small airplane owners at the Petaluma Airport, and a modified curbside collection program on the Stewarts Point Rancheria for the Kashia Band of Pomo Indians. In addition to these, oil and filters are collected at the HHW permanent facility, at the community collection events, and by the Toxic Rover program.

The Used Oil Recycling Program, funded by CIWMB block grants, pays for collection at the Central Disposal site and 4 other transfer stations, for collection sites located at the City of Petaluma and Town of Windsor Corporation Yards, and for the unadvertised sites and HHW programs mentioned above. The program also pays for filter collection at these locations and at certain other locations. The remaining 47 drop-off sites are businesses that have agreed to accept oil from the public. Most of these are "state-certified" which means that they can claim a small rebate on their oil hauling costs from the CIWMB, but for most this payment offsets only part of their actual costs and many don't bother with the paperwork.

In the early years of the program (late 1990s) a primary program goal was recruiting collection center businesses, and most of the current businesses have been in the program for several years. At one time we had as many as 78 collection centers, but as businesses have closed or dropped out of the program we have not worked as actively to recruit except in areas that are geographically under-served.

Curbside recycling of used oil and filters is also available to single-family residents with trash service everywhere in the County except the Town of Windsor.

By comparison, counties of similar size including Stanislaus, Solano, Santa Barbara, and Monterey all have fewer collection centers, and only Monterey County has county-wide curbside service.

Quantification of Oil and Filters: Methodology

We have collected data on used motor oil and filters since the mid-1990s. The CIWMB did not require quantitative reporting until recently, and has never specified methodology for collecting the data. Most of the CIWMB's data is based on oil reported in connection with applications for the haul rebate

mentioned above. Since certified collection centers are allowed to claim this rebate based on all the oil they have hauled and most include oil that is generated in the course of their own businesses, the amount that is actually collected from DIYers is a very rough estimate even for those businesses that bother to submit the claim.

In Sonoma County we visit each collection center business yearly. In addition to checking in with them on any problems or issues, we ask them for an estimate on the amount of oil that is brought to them by DIYers. We ask this in two ways, "how many DIYers bring oil here each week or month, and about how much does each bring," and "how much total oil do you think you receive from DIYers each month?" For several years we tried to persuade the businesses to keep a log of DIYers but found that virtually none of them used it consistently, so this estimating technique seems to be our best method.

Fortunately a large percentage of oil is collected at locations where the oil can be measured a little more accurately. Kragen stores account for over 1/3 of the oil collected in Sonoma County. Since they do no automotive work and their tanks are dedicated only to DIYer oil, their state oil claims are much more accurate-with the caveat however that haul records are based on the volume reported by the driver collecting the oil. In most cases the driver simply writes down the size of the tank, so if the tank is not full at pick-up the amount is over-reported.

Similarly, the tanks at the transfer sites and corporation yards are dedicated to DIYer use only, and we have the haul records available for those, with the same caveat. These sites also represent about 1/3 of the total.

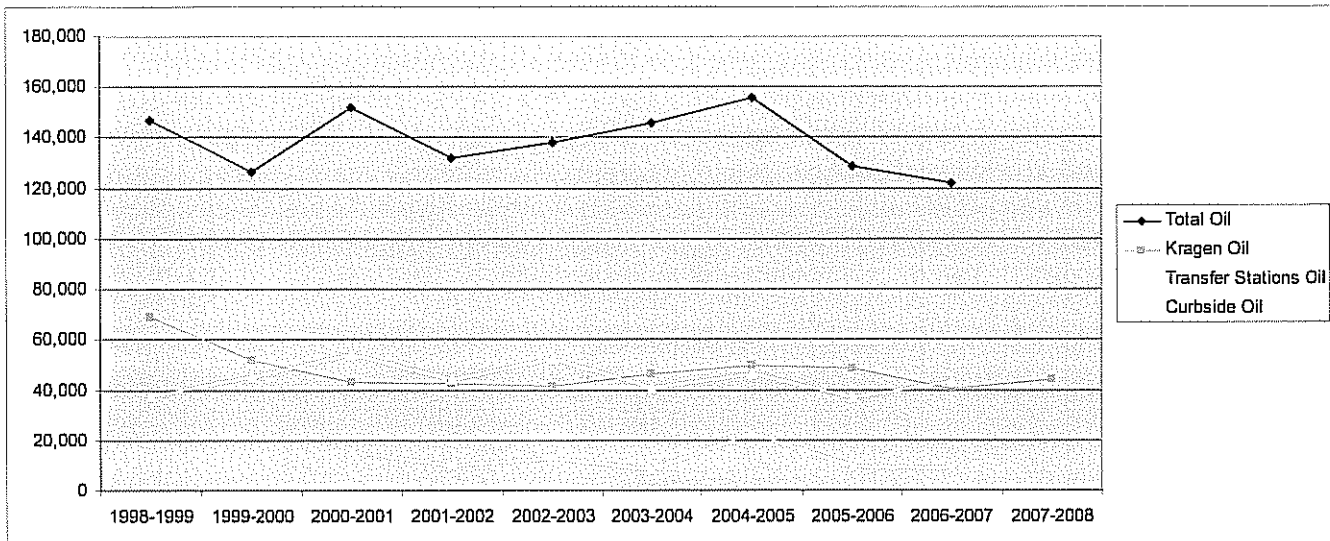
Used oil and filters collected at curbside are reported yearly by each of the residential franchise haulers. Each has slightly different ways of quantifying, based on the number of pickups, and the drivers' estimation of amounts in each pickup. We have no way of gauging the accuracy of these numbers. There have been some reports that seem very anomalous and are probably based on faulty estimates.

Filter collection quantities are similarly gathered, except that there is no incentive claim from the CIWMB so all the numbers are gathered locally. We ask for the information from the collection centers during our visits, and we have haul records from Kragens and the transfer stations. The hauls show number of drums collected, and the standard conversion is 250 filters per drum. We have to assume that the drums are full at collection.

Collection Trends Over Time

The chart below shows total oil collected, and the amounts collected from the Kragen stores, transfer stations (including Central Disposal site) and curbside reports, from 1998 to the present (we are still gathering some of the most recent data, but Kragen data is in and represented here). The total variation from highest to lowest quantity is less than 20%, probably within our margin of error

for data collection. In other words, our collection trend looks virtually flat for the entire history of the program.



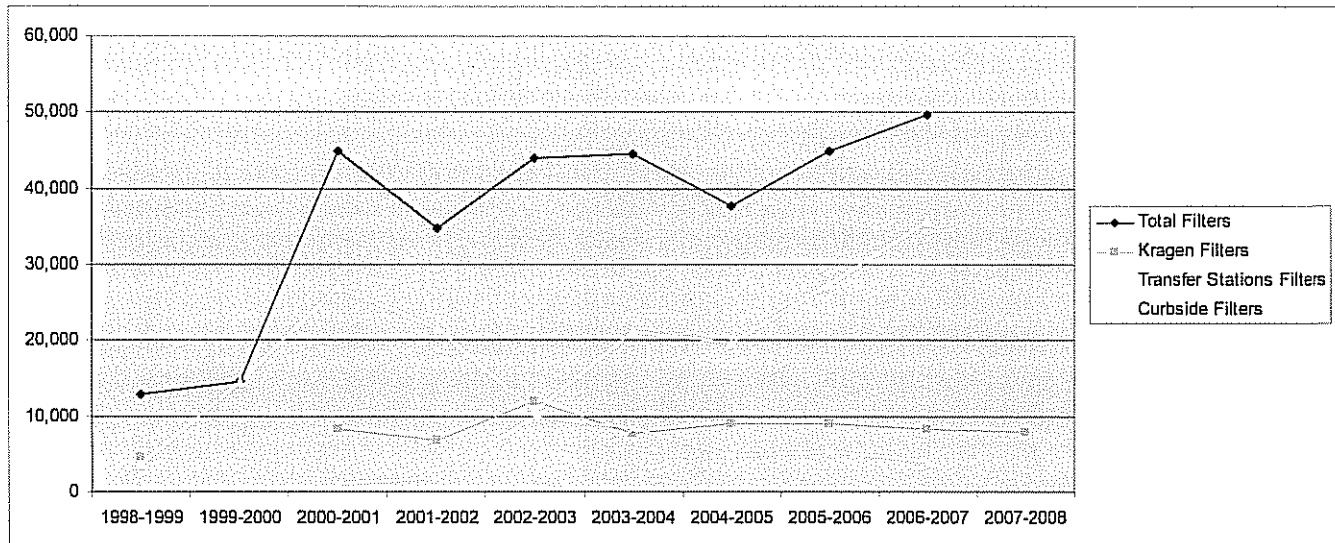
However, this actually represents a fairly significant increase in collection of the total available quantity of DIYer used oil. For a number of reasons, there is less oil out there to collect. The reasons for this actually mean good news:

- **Fewer people are changing their own oil.** In 1994, CIWMB research showed that about 23% of households state-wide changed their own oil. In 2006 the number was 17% and has probably fallen since then. A professional survey in Sonoma County in 1998 showed that 20% of households changed their own oil, which was probably very close to the state-wide average at that time.
- **Driving habits are changing.** This is a recently accelerating trend. We can hope to see the amount of oil dropping as people drive less, and this may already be a factor in the most recent figures.
- **Oil change intervals are increasing.** One of our current objectives is to inform DIYers about the "3000 mile myth." Manufacturer's recommendations for oil change intervals range as high as every 10,000 miles. (For more information see the website www.3000milemyth.org.)

As an indication of the drop in DIYer activity, there was a drop in oil collected by Kragen stores statewide of 7% between the first quarter of 2005 and the first quarter of 2007.

Filter collection numbers in Sonoma County are increasing, though not as fast as we would like. We have concentrated for some years now on persuading collection center businesses to accept filters, and most now do. Our current

"Hey, Where's Your Filter?" campaign and radio ads are designed to inform DIYers that filters as well as oil must be recycled.



Conclusion

There are no good numbers at the state or local level on how much oil is actually generated by DIYers. We undertook a project in 1999 to estimate the numbers in Sonoma County using several different methodologies, and found the percent variation among the different estimates to be so wide that we had very little confidence in any of them.

Lacking very reliable data on oil quantities, our efforts have been guided by what we do know with some confidence. Knowing that less than 1/5 of households change their own oil, we have concentrated our outreach activities with populations and venues where more DIYers may be found. Also, since research commissioned by the CIWMB several years ago indicated that new immigrants are much more likely than the general population to improperly dispose of used oil, we have conducted extensive outreach to newcomers. Since research indicates that convenience is a key factor in persuading DIYers to properly recycle, we have devoted a lot of resources to promoting the availability of curbside collection.

It would be nice to show you a graph with a sharp upward curve or at least a graph that matches the amount of oil collected to the amount of oil actually generated by DIYers. Failing that, we hope that our "flat line" may be seen as a degree of success!



Agenda Item #: 8.5
Cost Center: Diversion
Staff Contact: Carter
Agenda Date: 8/20/2008

ITEM: Plastic Bag Update

I. BACKGROUND

At the November 2007 SCWMA Agency meeting, the Board members requested that staff prepare a report about the plastic bag At-Store Recycling Program (AB 2449). In response the Board's request, the issue was discussed at the January 2008 SCWMA Board meeting.

At the March 2008 SCWMA meeting, staff presented a detailed summary of public agency and private organization actions taken to reduce single use plastic grocery bags. Staff was directed by the Board to present an update about new developments regarding plastic bags at each subsequent SCWMA meeting.

II. DISCUSSION

The City of Oakland lost a challenge at the Alameda Superior Court to their ordinance banning plastic bags, and the City has decided not to appeal this decision. Staff is unaware of any pending City action on this subject.

AB 2058 is still under consideration in the California State Senate. Since the June 18, 2008 staff report on this bill, AB 2058 has been amended to remove the fee on paper carryout bags. The diversion requirements and fees associated with not meeting those requirements remain 70% by July 1, 2011 and a minimum of \$0.25 per plastic carryout bag, respectively. The bill was scheduled to be considered by the Senate Appropriations Committee on August 4, 2008, but was placed in the suspense file until at least August 7, 2008.

The Los Angeles City Council voted on July 22, 2008 to ban plastic carryout bags on July 1, 2010, unless the State of California has imposed a fee of at least \$0.25 per bag¹. Paper and compostable/biodegradable plastic bags would be subject to a \$0.25 per bag fee beginning July 1, 2010.

On July 24, 2008, the California Ocean Protection Council released the draft "Implementation Strategy for the California Ocean Protection Council Resolution to Reduce and Prevent Ocean Litter²" in which, among other recommendations, they propose extended producer responsibility and prohibitions of problem materials. Plastic bag prohibitions are listed as a priority solution in the draft report.

On July 28, 2008, the City of Seattle approved legislation to enact a \$0.20 fee on all paper and plastic carryout bags provided at convenience, drug, and grocery stores³. The legislation includes provisions to aid seniors and low income citizens by distributing reusable bags to those groups. Businesses grossing less than \$1 million annual will be allowed to keep the entire fee, while fees collected by other businesses will be used to offset garbage rate increases and fund Seattle Public Utilities waste prevention and recycling programs. The fees will go into effect January 1, 2009.

¹ http://www.lacity.org/council/cd1/cd1press/cd1cd1press11454718_07252008.pdf - "Reyes Sacks Plastic Bags in L.A." retrieved 7/30/2008

² http://resources.ca.gov/copc/docs/FINAL_DRAFT_IMPLEMENTATION_STRATEGY_compressed.pdf - retrieved 7/30/2008

³ <http://www.seattle.gov/news/detail.asp?ID=8694&Dept=28> - "Seattle Passes Landmark Measure to Eliminate Waste" retrieved 7/29/2008

III. FUNDING IMPACT

There are no funding impacts resulting from this transmittal.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

This transmittal is for informational purposes only. There is no requested action.

Approved by:

A black rectangular redaction box covering a handwritten signature.

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



Agenda Item #: 8.6
Cost Center: All
Staff Contact: Klassen
Agenda Date: 8/20/2008

ITEM: 2008 Biennial Review of Conflict of Interest Code

I. BACKGROUND

The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. The Agency adopted a conflict-of-interest code June 17, 1992 using Resolution No. 92-007. The code has been reviewed every two years since that time.

II. DISCUSSION

The last review was September 20, 2006. Since then the Agency has modified the job description for the Director by removing the duties that were considered County duties. The current description contains the Agency duties that have been in place since the creation of the position. The title of the Director has been changed from "Director" to "Executive Director". Using guidelines from the Fair Political Practices Commission, these changes are considered non-substantive amendments. The process for making non-substantive amendments is as follows:

1. Provide a letter or memorandum describing the positions that have been deleted or renamed.
2. Include a copy of the entire code showing the changes in strikeout/underscore format.
3. Include a declaration by the chief executive officer.

The deadline for completing the biennial review and submitting it to the County Clerk is October 1, 2008.

III. FUNDING IMPACT

There is no direct funding impact to the Agency.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the review process and authorizing the Executive Director's signature on the declaration.

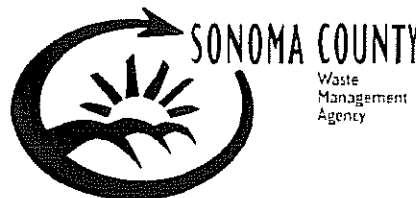
V. ATTACHMENTS

Letter describing the renamed position
Copy of the Conflict-of-Interest Code
Copy of the declaration

Approved by:

A black rectangular redaction box covers the signature of Susan Klassen.

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



August 20, 2008

Sonoma County Board of Supervisors
575 Administration Dr.
Santa Rosa, CA 95403

Dear Chair Valerie Brown:

The Sonoma County Waste Management Agency (Agency) is submitting its biennial review of its Conflict-of-Interest Code. There is one non-substantive amendment to the code, which was adopted on June 17, 1992.

The title of the designated employee should be renamed from "Director" to "Executive Director". The disclosure categories remain the same:

- Disclosure Category 1: Investments and business positions in business entities and source of income, which provide services, supplies, materials, machinery or equipment of the type utilized by the Agency.
- Disclosure Category 2: All investments and business positions in business entities and sources of income, which are subject to the regulatory authority of the Agency.
- Disclosure Category 3: All interests in real property located within the jurisdiction that is or may be used as a disposal site, transfer station or resource recovery facility in which the designated employee provides planning or technical assistance or has enforcement branch responsibility.

The amended Conflict-of-Interest Code is enclosed.

Sincerely,

Mollie Mangerich
Executive Director
Sonoma County Waste Management Agency

RESOLUTION NO. 92-007

Dated: June 17, 1992

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY
("AGENCY") AMENDING RESOLUTION NO. 92-003 CONCERNING THE
ADOPTION OF A CONFLICT OF INTEREST CODE

WHEREAS, the Agency adopted a conflict of interest code
pursuant to Resolution No. 92-003 dated April 15, 1992; and

WHEREAS, Appendix A listing the designated employees
needs to be revised to reflect that public officials specified
in Government Code section 87200 are required to file
statements of economic interest;

NOW, THEREFORE, BE IT RESOLVED THAT the Appendix A
currently attached to Resolution No. 92-003 shall be replaced
with the Appendix A attached hereto.

MEMBERS:

<u>Aye</u>	<u>Aye</u>	<u>Aye</u>	<u>Aye</u>	
Sonoma	County	Cloverdale	Cotati	
<u>Absent</u>	<u>Absent</u>	<u>Absent</u>	<u>Aye</u>	<u>Aye</u>
Santa Rosa	Sebastopol	Petaluma	Healdsburg	Rohnert Park

AYES 6 NOES -0- ABSTAIN -0- ABSENT 3

SO ORDERED.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted
at a regular meeting of the Agency held on the 17th day of
June, 1992, of which meeting all Members were duly notified,
and at which meeting a quorum was present at all times and
acting.

By: 
Clerk

APPENDIX A

<u>Designated Employees</u>	<u>Disclosure Categories</u>
Members (including alternates)	1, 2 and 3
<u>Executive Director</u>	1, 2 and 3
Agency Counsel	1, 2 and 3
Consultants*	1, 2 and 3

*Consultants shall be included in the list of designated employee and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Director’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

APPENDIX B

Disclosure Categories

Disclosure

- Category 1: Investments and business positions in business entities and sources of income, which provide services, supplies, materials, machinery or equipment of the type utilized by the Agency.
- Category 2: All investments and business positions in business entities and sources of income, which are subject to the regulatory authority of the Agency.
- Category 3: All interests in real property located within the jurisdiction that is or may be used as a disposal site, transfer station or resource recovery facility in which the designated employee provides planning or technical assistance or has enforcement branch responsibility.

(Regulation of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations)

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are

incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) Section 3. Disclosure Categories.

This Ccode does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.¹ Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories

¹ Designated employees who are required to file statements of economic interests under any other agency's Cconflict of Iinterest Ccode, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests:
Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests:
Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing

² See Government Code Section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign
30 Days After Appointment.

Persons who resign within 30 days of initial appointment are not deemed to have assumed office or left office provided they did not make or participate in the making of, or use their position to influence any decision and did not receive or become entitled to receive any form of payment as a result of their

appointment. Such persons shall not file either an assuming or leaving office statement.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the

period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure.

When an investment or an interest in real property³ is required to be reported,⁴ the statement shall contain the following:

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$1,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

3. The address or other precise location of the real property;

4. A statement whether the fair market value of the investment or interest in real property exceeds one thousand dollars (\$1,000), exceeds ten thousand dollars (\$10,000), or exceeds one hundred thousand dollars (\$100,000).

(B) Personal Income Disclosure. When personal income is required to be reported,⁵ the statement shall contain:

1. The name and address of each source of income aggregating two hundred fifty dollars (\$250) or more in value or fifty dollars (\$50) or more in value if the income

⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

was a gift, and a general description of the business activity, if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), or greater than ten thousand dollars (\$10,000);

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁶ the statement shall contain:

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth one thousand dollars (\$1,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth one thousand dollars (\$1,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$250 or more in value provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(8.3) Section 8.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(8.5) Section 8.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of Section 8, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the

state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(9) Section 9. Manner of Disqualification.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest. In the case of a voting body, this determination and disclosure shall be made part of the agency's official record; in the case of a designated employee who is the head of an agency, this determination and disclosure shall be made in writing to his or her appointing authority; and in

the case of other designated employees, this determination and disclosure shall be made in writing to the designated employee's supervisor.

(10) Section 10. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(11) Section 11. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 - 91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

Note: Authority cited: Section 83112, Government Code.
Reference: Sections 87300-87302, Government Code.

History:

- (1) New Section filed 4/2/80 as an emergency; effective upon filing.
- (2) Editorial correction

- (3) Amendment of subsection (b) filed 1/9/81; effective thirtieth day thereafter
- (4) Amendment of subsection (b)(7)(B)1. filed 1/26/83; effective thirtieth day thereafter
- (5) Amendment of subsection (b)(7)(A) filed 11/10/83; effective thirtieth day thereafter
- (6) Amendment filed 4/13/87; operative 5/13/87
- (7) Amendment of subsection (b) filed 10/21/88; operative 11/10/88
- (8) Amendment filed 8/28/90; operative 9/27/90.

DECLARATION OF CHIEF EXECUTIVE OFFICER

The proposed conflict-of-interest code specifically enumerates each of the positions within the agency that involve the making or participation in the making of decisions that may foreseeably have a material financial effect on any financial interest. The agency has satisfied all of the requirements of Title 2, Division 6 of the California Code of Regulations Section 18750.1(c) preliminary to approval of the proposed code.

Date

Signature of Chief Executive Officer



Agenda Item #: 9.1
Cost Center: HHW
Staff Contact: Klassen
Agenda Date: 8/20/2008

ITEM: Draft HHW Lease Agreement for County Divestiture Project

I. BACKGROUND

As part of the collection of information for the divestiture process, the County has identified two agreements that are needed to facilitate the potential divestiture project. They are:

- Agreement between [New Landfill Owner] and the Sonoma County Waste Management Agency for Agency Fees and Programs
- Lease between the County of Sonoma and the Sonoma County Waste Management Agency for the Household Hazardous Waste Operations Facility

At the April 2008 Board of Directors' meeting, the Board formed an Agency ad hoc committee to review, discuss and negotiate the proposed terms of this agreement. The Board members serving on the committee are Dave Brennan, City of Sebastopol, and Vince Marengo, City of Petaluma. Agency staff participants are Susan Klassen, Interim Executive Director, and Charlotte Fisher.

The Agency ad hoc committee met with County representatives on May 6, 2008. Attending the meeting were Boardmembers Dave Brennan and Vince Marengo, Janet Coleson (Agency Counsel), Sheryl Bratton (County Counsel), Lori Norton (County Administrator's Office), Susan Klassen and Charlotte Fisher. County Counsel had prepared draft agreements for fees and programs between the potential new owner and the SCWMA and a lease between the County and SCWMA for the household hazardous waste facility. Both agreements were reviewed, discussed and changes to the agreements were suggested. The County Counsel's office agreed to revise the draft agreements with the suggested changes so they may be presented to the Agency Board for approval and execution.

At the June 18, 2008 Agency Board meeting, Lori Norton, County Administrator's Office, reported that the divestiture agreements need to be completed in draft form by August 6, 2008. Vince Marengo and Dave Brennan, ad hoc committee members, suggested another ad hoc committee meeting to review and modify the draft agreements that would then be presented to the Board at large. The ad hoc committee met via conference call on June 24 and July 3, 2008. The draft agreements were then forwarded to County Counsel for review.

On July 22, 2008, both of the draft agreements were forwarded to the ad hoc committee and Agency Counsel for review and/or revisions. The agreements and suggested modifications were negotiated until August 6, 2008.

II. DISCUSSION

The Lease between the County of Sonoma and the Sonoma County Waste Management Agency for the Household Hazardous Waste Operations Facility is a ground lease, which the County will assign as a part of the divestiture process if and when it takes place. The tentative agreement on the terms is summarized as follows:

Type of Lease: The County is proposing to lease the ground under the HHW Facility to the

Agency, along with sufficient space for ingress and egress to the facility.

Consideration:	The Agency is required to pay \$23,000 annually to the landfill owner, currently the County. In addition, the Agency is required to pay the landfill owner \$150 per month (to be increased by 3% per year) for the estimated utilities provided by the landfill owner (electricity and water).
Initial Term:	Initial Term of the ground lease expires February 10, 2017 (when the existing joint powers agreement that created the Agency expires). During the Initial Term, Agency can terminate the lease at anytime by providing 60 days notice.
Options to Extend Term:	The Agency has two 5-year options to extend the lease term provided the Agency has amended its joint powers agreement and extended the life of the Agency to at least February 10, 2027. The rent for the extended term will be based on the fair market value of the leased premises. Fair market value of the leased premises shall be established by considering the highest and best use of the premises as landfill disposal capacity.
Ownership of HHW Facility:	The agreement transfers ownership of the building to the Agency and provides that the Agency owns the existing HHW Facility and any future improvements it constructs on the premises during the term of the ground lease. Upon termination or expiration of the ground lease, all fixed improvements on the premises including the existing building and any additions to it would revert to the owner of the landfill.
Owner's Right to Relocate Premises:	The landfill owner shall have the right to relocate the premises with prior written notice to Agency. Owner shall be responsible for the relocation costs.
Maintenance; Repair and Replacement:	During the term of the lease, Agency shall be responsible for all maintenance, repair and replacement of any improvements on the premises. Landfill owner is responsible for keeping access roads in good working condition. The Agency, through the operating agreement, requires the operator of the facility to maintain the premises.

III. FUNDING IMPACT

Upon execution of the HHW lease, the expense to the Agency would be \$23,000 annually and \$150 a month for utilities. The utilities expense would be inflated at 3% per year. The lease payment as well as the utilities charges will be approved each year as a part of the budget approval process.

The original cost of the facility was \$850,000 and the Agency contributed \$310,796 towards the design and construction and \$73,552 total in annual payments since 04/05 for total payments to the County to date of \$384,348. This agreement formalizes the arrangement that has been in effect since the beginning of operations at the HHW facility with the exception of the transfer of ownership of the existing building from the County to the Agency.

As the Agency will be officially the owner of the HHW Building, it will no longer be covered by the County fire insurance policy. Staff recommends that the Agency purchase Fire Insurance Coverage

for the building, and has been quoted an annual premium of less than \$2,000.00/year. It is not recommended that earthquake coverage be purchased. It is estimated that this coverage would double the cost of the premium and the deductible is \$100,000. This building is an entirely steel frame structure therefore; staff believes that it is not at high risk of a catastrophic failure in the event of an earthquake.



IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the approval of the HHW Lease. This agreement is assignable, so that during the divestiture process, the County will benefit by having a lease agreement in place and should the County sell the landfill the Agency will benefit by being assured of continued operations at the HHW facility.

V. ATTACHMENTS

Lease Agreement between the County of Sonoma and the Sonoma County Waste Management Agency for the Household Hazardous Waste Operations Facility

Approved by:

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

DRAFT

GROUND LEASE AGREEMENT BETWEEN THE COUNTY OF SONOMA AND THE SONOMA COUNTY WASTE MANAGEMENT AGENCY FOR THE HOUSEHOLD HAZARDOUS WASTE OPERATIONS FACILITY

This Lease is made as of _____, 2008 (the "Effective Date") by and between the County of Sonoma, a political subdivision of the State of California ("Owner"), and the Sonoma County Waste Management Agency, a joint powers agency ("Agency").

RECITALS

A. WHEREAS, Owner is the owner of the real property consisting of approximately three-hundred seventy two (372) acres located at the Sonoma County Central Landfill, 500 Mecham Road, Cotati, commonly known as the Sonoma County Central Landfill ("the Landfill").

B. WHEREAS, Agency is responsible for the administration of a household hazardous waste (HHW) program to serve the residents of Sonoma County which is currently located at the Landfill on approximately 1 acre, as more particularly depicted on Exhibit "A" which is attached hereto ("the Premises").

C. WHEREAS, on October 3, 2000, Owner contracted for the construction of a Household Hazardous Waste Facility ("HHW Facility") at the Landfill upon the Premises, which facility has been operated and administered by Agency to the present date.

D. WHEREAS, Owner and Agency are both parties to the Household Hazardous Waste Facility Operator Contract, dated June 11, 2002, and all amendments thereto ("Operator Contract"), which provides for the day-to-day operation of certain household hazardous waste ("HHW") recycling and waste management programs administered by Agency.

E. WHEREAS, Owner and Agency desire to enter into a lease agreement for the Premises so as to secure Agency's continued ability to provide HHW services for the residents of Sonoma County and to clarify that Agency shall own the HHW Facility throughout the term of this Lease.

F. NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. *Term.*

1.1 *Initial Term.* Owner hereby leases the Premises for the purposes set forth herein for a term ("the Initial Term") commencing on the Effective Date and ending on February 10, 2017.

1.2 *Option to Extend Term.* In the event Agency has amended its joint powers agreement and extended the life of the Agency to at least February 10, 2027, Agency shall have two (2) five-year extension options on the terms and conditions set forth in this Section 1.2. At least eighteen (18) months before the expiration of the Initial Term, or the first extended term (in the situation where the Agency has exercised its first extension option), Agency shall give Owner written notice of the Agency's desire to exercise its option in accordance with Section 1.2.1 below. If Agency is not interested in extending the term, this Lease shall terminate and Owner shall be free to use, or lease, the Premises in any manner so desired.

1.2.1 *Rent for Extended Term.* If Agency wishes to exercise its extension option with respect to an extended term, Agency shall deliver written notice to Owner no less than eighteen (18) months before the expiration of the Initial Term or the first extended term as applicable. The parties shall have thirty (30) days after Owner receives the option notice in which to agree on the rent for the extended term. If the parties agree on the rent for the extended term during that period, they shall promptly execute an amendment to this Lease acknowledging the rent for the extended term. If the parties are unable to agree on the rent within such 30-day period, then within ten (10) days after the expiration of that period each party, at its cost and by giving notice to the other party, shall appoint a certified real estate appraiser with at least five (5) years' full-time experience appraising solid waste facilities. If a party does not appoint an appraiser within ten (10) days after the other party has given notice of the name of its appraiser, the single appraiser appointed shall be the sole appraiser and shall set the rent for the extended term. If the two appraisers are appointed by the parties as stated in this Section, they shall meet promptly and attempt to set the rent. If they are unable to agree within thirty (30) days after the second appraiser has been appointed, they shall attempt to elect a third appraiser meeting the qualifications stated in this Section within ten (10) days after the last day the two appraisers are given to set the rent. If they are unable to agree on the third appraiser, either of the parties to this Lease by giving ten (10) days' notice to the other party can file a petition with the American Arbitration Association solely for the purpose of selecting a third appraiser who meets the qualifications stated in this Section. Each party shall bear half the cost of the American Arbitration Association appointing the third appraiser and of paying the third appraiser's fee. The third appraiser, however selected, shall be a person who has not previously acted in any capacity for either party. Within thirty (30) days after the selection of the third appraiser, a majority of the appraisers shall set the rent for the extended term. If a majority of the appraisers are unable to set the rent within the stipulated period of time, the three appraisals shall be added together and their total divided by three; the resulting quotient shall be the rent for the Premises during the extended term. In setting the minimum monthly rent for the extended term, the appraiser or appraisers shall consider the highest and best use for the Premises as is set forth in Section 1.2.2 below. After the rent for the extended term has been set, the appraisers

shall immediately notify the parties. If Agency objects to the rent that has been set, Agency shall have the right to have the Lease expire at the end of the then existing term. Agency's election to allow this Lease to expire at the end of the then existing term must be exercised within thirty (30) days after receipt of notice from the appraisers of the rent. If Owner objects to the rent that has been set, Owner shall have the option to exercise its rights under Section 6 below.

1.2.2 *Highest and Best Use.* In establishing the market rent for the extended term(s), the appraisers shall take into consideration the highest and best use of the Premises which shall be landfill capacity (i.e., waste disposal space) and the attendant lost opportunity costs, operational impacts and profits of not being able to use the Premises for waste disposal for the extended term(s).

1.3 *Early Termination During Initial Term.* Agency shall have the right to terminate the Lease at any time during the Initial Term by providing Owner with at least sixty (60) days written notice.

2. *Consideration.* Agency shall pay to Owner annual consideration in the amount of Twenty-Three Thousand dollars (\$23,000). Such consideration shall be paid quarterly in advance commencing on July 1, 2008 and of each year. Consideration for any extended term shall be based on the rent agreed to by the parties pursuant to Section 1.2 above.

3. *Use.* Agency shall limit its use of the Premises to the continued operation of the HHW Facility located therein. Agency shall have use and access to the Premises at all times provided, however, that public access to the Premises shall be limited to the regular days and hours that the Landfill is open to the public. To that end the parties agree:

- A. Agency shall not deny access to the Premises to any Owner personnel or vehicles during regular business hours. Owner shall not deny access to the Premises to any Agency personnel or any person acting on behalf of or as authorized by Agency during regular business hours and shall respect and maintain Agency's right of entry to the Premises by keeping access roads in "good" working condition as defined by Metropolitan Transportation Commission pavement Condition index system.
- B. Agency shall cooperate with Owner to host site inspections when requested and shall grant access to Premises to California State officials when requested for any purpose, including site inspections to be conducted pursuant to the Household Hazardous Waste Grant.

4. *Utilities.* Owner shall provide water for emergency systems, sanitation requirements, and electricity to the HHW Facility. Agency agrees to pay Owner \$150 per month for the estimated utility uses for the HHW Facility. Commencing July 1, 2009, the monthly utility charge shall be increased by three percent (3%) per year.

5. *Fixed Improvements.*

5.1 *Construction of Fixed Improvements.* Throughout the term, Agency may install or replace fixed improvements within the boundaries of the Premises. Costs for such fixed improvements shall be the sole responsibility of Agency, or its sublessor(s), and all construction shall be performed in a workmanlike manner in compliance with all applicable laws, ordinances and regulations. Owner will not reimburse Agency, or its sublessor(s), for any fixed improvements made to the Premises.

5.2 *Maintenance and Repair.* Throughout the Term, Agency shall cause its operator to maintain and repair the HHW Facility. Owner shall have no responsibility for maintaining, repairing or replacing the HHW Facility.

5.3 *Treatment of Fixed Improvements at End of Lease.* Any and all fixed improvements, alterations or additions to the Premises or HHW Facility, regardless of when they were installed, shall become Owner's property free and clear of all claims upon the expiration or earlier termination of this Lease. All such fixed improvements shall be surrendered to Owner in good condition upon expiration of the term or termination of this Lease without compensation to Agency and without further instrument of transfer; provided, however, that Owner, by notice to Agency (in the manner provided herein), may specify all or any of the fixed improvements to be removed and Agency shall, at Agency's sole expense remove from the Premises such fixed improvements (or that portion of the fixed improvements required by Owner to be removed by Agency) and repair all damage to the Premises caused by such removal. Owner shall provide Agency with two-hundred forty (240) days' written notice of any fixed improvements requiring removal. Agency shall comply with the notice before the expiration date for normal termination, provided Owner provided such notice at least two-hundred forty (240) days prior to the normal termination, and within two-hundred forty (240) days after receiving the notice in all other circumstances.

6. *Right to Relocate the Premises.* Owner reserves the right to relocate the HHW Premises on the Landfill at its sole discretion. Should Owner exercise its right to relocate the Premises as provided herein, Owner shall provide Agency with sixty (60)-days advance notice of its intent to relocate the Premises. The new space shall be substantially comparable to the original Premises and all terms and provisions of this Lease shall apply to the new space with equal force and effect. Agency agrees to relocate to such new space within sixty (60) days following Agency's receipt of a certificate of occupancy for the relocated Premises. If Owner decides to relocate Premises, Owner shall:

- A. Give Agency prior written notice of such relocation;
- B. Relocate the existing improvements to the new Premises in a manner that makes the resulting improvements substantially equal in quality and function to the improvements on the original Premises;
- C. Reimburse Agency for the reasonable and actual out-of-pocket costs to move Agency's property and equipment to the new space.

7. *Indemnity; Exculpation*

7.1 *Indemnity.* Agency will indemnify, hold harmless and defend Owner, its agents and employees, from and against any and all actions, claims, damages, disabilities or expenses, including, without limitation, reasonable attorneys' fees, witness costs and court costs that may be asserted by any person or entity, including Agency, arising out of or in connection with any of the following circumstances:

A. *Use of Premises.* Use of the Premises by anyone authorized by Agency to be on the Premises, including any use of the Premises in manners not allowed under this Lease, but excluding liability due to the negligence or willful misconduct of Owner.

B. *Use of Central Landfill Outside Premises.* Use of the Landfill by Agency or any authorized employee, agent, contractor or representative, invitee, subtenant, licensee, patron or contractor, and the agent, employee, invitee, subtenant, licensee, patron or contractor of any subtenant, provided such party whose act or omission caused such action, claim, damage, disability or expense to arise was acting in the course of his/her duties or under the direct control of Agency (or subtenant, as the case may be), including any use of the Landfill in manners not allowed under this Lease, but excluding liability due to the negligence or willful misconduct of Owner.

C. *Breach by Tenant.* Any breach by Agency of the terms, covenants or conditions contained in this Lease.

D. *Other Activities.* Any other activities of Agency, its agents, employees and subtenants, but excluding liability due to the negligence or willful misconduct of Owner. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for Agency or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts.

7.2 *Exculpation of Owner.* Except as otherwise provided in the Lease, Owner, its officers, agents, and employees, shall not be liable to Agency for any loss or damage to Agency or Agency's property.. Agency expressly waives all claims against Owner, its officers, agents, and employees, for injury or damage to person or property arising for any reason, unless and only to the extent such injury or damage is caused by or due to the breach of the terms, covenants or conditions of this Lease or the negligence or willful misconduct of Owner, its authorized employees, agents, contractors or representatives.

8. *Insurance.*

8.1 *Workers' Compensation Insurance.* With respect to the possession and use of the Premises allowed by this Lease, Agency shall require all of its sublessors,

subcontractors, consultants, and other agents to maintain workers' compensation insurance with statutory limits as required by the Labor Code of the State of California.

8.2 *General Liability Insurance.* With respect to the possession and use of the Premises allowed by this Lease, Agency shall require all of its sublessors, subcontractors, consultants, and other agents to maintain commercial business liability insurance covering bodily injury and property damage using an occurrence policy form in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence. Said policy shall be endorsed with the following language:

“This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to Owner.”

8.3 *Automobile Insurance.* With respect to the possession and use of the Premises allowed by this Lease, Agency shall require all of its sublessors, subcontractors, consultants, and other agents to maintain Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. The automobile liability policy shall be endorsed to delete the pollution and/or the asbestos exclusion and add the motor carrier act endorsement (MCS-90), TL 1005, TL 1007 and any other endorsements that may be required by federal or state authorities. Said policy shall be endorsed with the following language:

“This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to Owner.”

8.4 *Pollution and/or Asbestos Pollution Liability.* With respect to the possession and use of the Premises allowed by this Lease, Agency shall require all of its sublessors, subcontractors, consultants, and other agents to maintain pollution and/or asbestos pollution liability insurance covering bodily injury and property damage in the amount of \$1,000,000 each occurrence/\$2,000,000 policy aggregate. Such insurance shall be maintained for a minimum of 5 years after the expiration or earlier termination of this Lease. Said policy shall be endorsed with the following language:

“This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to Owner.”

8.5 *Verification of Coverage.* Agency shall furnish Owner with endorsements effecting coverage required by this Section 8. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. The insurer may provide complete copies of all required insurance policies, including endorsements affecting the coverage required by this Section. Agency agrees to maintain current Certificates of Insurance evidencing the above-required coverages and limits on file with the Owner for the duration of this Lease. After this Lease has been signed, signed Certificates of Insurance shall be submitted for any renewal or replacement of a policy that already exists at least ten (10) days before expiration or other termination of the existing policy.

8.7 *Policy Obligations.* Agency's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

9. *Hazardous Waste Provisions*

9.1 *Compliance with Law.* Agency shall ensure full compliance with all laws, statutes, ordinances, rules, regulations, orders, requirements, and policies of any and all governmental agencies and authorities and any fire insurance underwriters applicable to any Hazardous Materials (as defined in Section 9.3) ("Hazardous Materials Laws") with respect to all activities conducted on the Premises or pursuant to this Lease.

9.2 *Indemnity.* If Agency breaches the obligations stated in this Section 9 or if Agency's Hazardous Materials on or about the Premises or Landfill results in contamination of the Premises or Landfill, then Agency shall indemnify, defend and hold Owner harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses which arise during or after the term of this Lease as a result of Hazardous Materials used or kept by Agency, or are present in or on the Premises or Landfill as a result of Agency's acts or omissions, and such have presented a breach or contamination. This indemnification of Owner by Agency include, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials in, on or under the Premises or Landfill as a result of Agency's actions. Without limiting the foregoing, if Agency makes a release or discharge of Hazardous Materials on or about the Premises or Facility after the commencement of this Lease, Agency shall promptly take all actions at its sole expense as are necessary to return the Premises or Landfill to the condition existing before such release or discharge of Hazardous Materials and Agency shall immediately notify Owner and coordinate with Owner regarding response activities. Upon termination of this Lease, Agency shall surrender the Premises to Owner free of any and all Hazardous Materials that may have resulted from Agency's use of the Premises. Agency and Owner, at Agency's expense, shall conduct a joint examination of Premises upon expiration or termination of this Lease to determine the condition of the Premises. This indemnification shall survive the termination or expiration of this Lease.

9.3 *Definition of "Hazardous Materials."* As used herein, the term "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C §9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §1801 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. §6901 et seq.), Section 25117 of the California Health and Safety Code, Section 25316 of the California Health and Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other federal, state, or local environmental laws, ordinances, rules, or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after this date.

10. *Assignment.*

10.1 *Assignment by Owner.* Should Owner sell the Landfill, this Lease shall automatically be deemed to be assigned to, and binding upon, the new owner of the Landfill upon the Owner's transfer of its right title and interest to the Landfill. Notwithstanding the foregoing assignment, Agency's indemnification obligations shall survive such assignment.

10.2 *Assignment by Agency.* Agency shall not assign any right or obligation arising under this Lease without the prior written consent of Owner.

11. *Defaults and Termination.*

11.1 *Events of Default.* The occurrence of any of the following shall constitute an event of Default by Agency under this Lease:

- A. Agency's failure to pay when due any consideration required to be paid under this Lease if the failure continues for thirty (30) days after receipt of written notice of the failure from Owner to Agency;
- B. Agency's failure to perform any other obligation under this Lease if, for thirty (30) days after receipt of written notice of the failure from Owner to Agency, Agency fails to commence in good faith to perform such obligation;
- C. Agency's abandonment of the HHW Facility, including Agency's absence from the same for thirty (30) consecutive days.

11.2 *Opportunity to Cure; Termination Notice; Surrender.* On the occurrence of Event of Default specified in-Section 11.1(A) of this Lease by Agency, Owner shall have the right to terminate the Lease. On the occurrence of an Event of Default specified in Section 11.1(B) or (C) of this Lease by Agency, Owner shall serve a notice of intent to terminate ("Termination Notice") on Agency. The Termination Notice must: (a) identify each of the provisions of this Lease the Agency has failed to perform; (b) identify, for each of the specified provisions that Owner claims Agency has failed to perform, the specific breach and expected cure; and (c) identify the termination date of the Lease which must be no less than sixty (60) days after Owner's service of the Termination Notice. Once Owner has terminated this Lease, Agency shall immediately surrender the Premises to Owner.

12. *Compliance with Laws.* Throughout the Term of this Lease, Agency, at Agency's sole expense, shall comply with all federal, state, county, city, or government agency laws, statutes, ordinances, standards, rules, requirements, or orders now in force or hereafter enacted, promulgated, or issued, including without limitation, all labor code requirements.

13. *Notices.* Any notice, tender or delivery to be given hereunder by either party to the other shall be in writing and shall be effected by personal delivery, by certified mail, postage prepaid, return receipt requested or by recognized overnight courier. Notices, tender or delivery

shall be delivered and/or addressed to the respective addresses of the parties set forth below, but each party may change its address by written notice in accordance with this Section:

Agency: Sonoma County Waste Management Agency
Attention: Agency Director
2300 County Center Dr., Suite B 100
Santa Rosa, CA 95403
(707) 565-3579
Fax: (707) 565-3701

Owner: Sonoma County Department of Transportation and Public
Works, Integrated Waste Division
Attention: Deputy Director
2300 County Center Dr., Suite B 100
Santa Rosa, CA 95403
(707) 565-3687
Fax: (707) 565-3701

14. *Miscellaneous.*

14.1 *No Waiver of Breach.* The waiver by either party of any breach of any term or promise contained in this Lease shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Lease.

14.2 *Construction.* To the fullest extent allowed by law, the provisions of this Lease shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Owner and Agency acknowledge that they have each contributed to the making of this Lease and that, in the event of a dispute over the interpretation of this Lease, the language of the Lease will not be construed against one party in favor of the other. Owner and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Lease.

14.3 *Consent.* Wherever in this Lease the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

14.4 *No Third Party Beneficiaries.* Nothing contained in this Lease shall be construed to create and the parties do not intend to create any rights in third parties.

14.5 *Applicable Law and Forum.* This Lease shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in

any jurisdiction. To the extent allowed by law, the parties agree that any action to enforce the terms of this Lease or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

14.6 *Captions.* The captions in this Lease are solely for convenience of reference. They are not a part of this Lease and shall have no effect on its construction or interpretation.

14.7 *Merger.* This writing is intended both as the final expression of the Lease between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Lease, pursuant to Code of Civil Procedure Section 1856. No modification of this Lease shall be effective unless and until such modification is evidenced by a writing signed by both parties.

14.8 *Time of Essence.* Time is specifically deemed to be of the essence of this Lease.

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

Agency: SONOMA COUNTY WASTE
MANAGEMENT AGENCY

By: _____
Chairperson, Sonoma County
Waste Management Agency

APPROVED AS TO FORM FOR AGENCY:

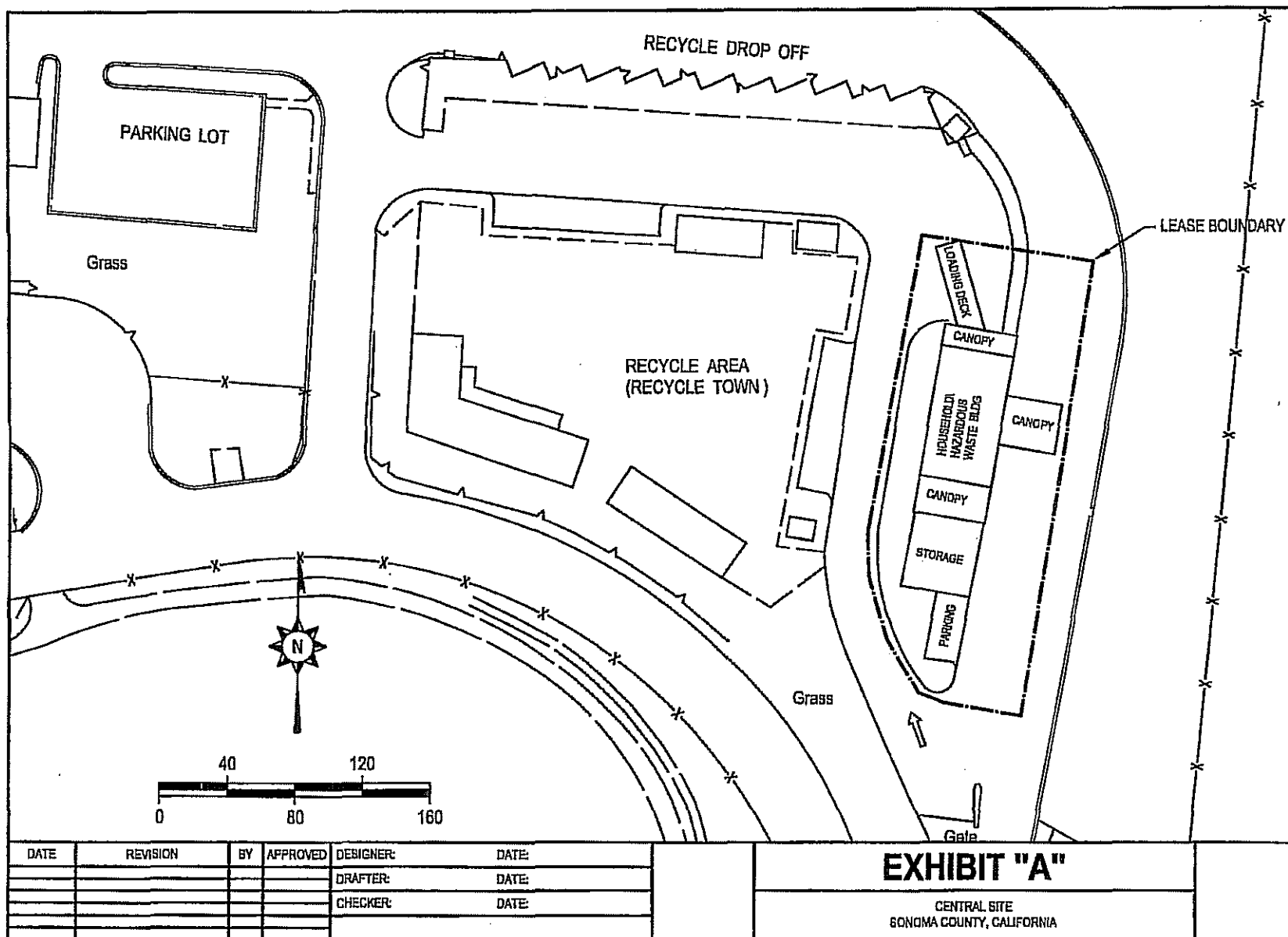
By: _____
Janet E. Coleson
Agency Counsel

Owner: COUNTY OF SONOMA

By: _____
Chairperson, Sonoma County
Board of Supervisors

APPROVED AS TO FORM FOR COUNTY:

Sheryl L. Bratton
Chief Deputy County Counsel





Agenda Item #: 9.2
Cost Center: ADMIN
Staff Contact: Klassen
Agenda Date: 8/20/2008

ITEM: Draft Fees and Programs Agreement for County Divestiture Project

I. BACKGROUND

As part of the collection of information for the divestiture process, the County has identified two agreements that are needed to facilitate the potential divestiture project. They are:

- Agreement between [New Landfill Owner] and the Sonoma County Waste Management Agency for Agency Fees and Programs
- Lease between the County of Sonoma and the Sonoma County Waste Management Agency for the Household Hazardous Waste Operations Facility

At the April 2008 Board of Directors' meeting, the Board formed an Agency ad hoc committee to review, discuss and negotiate the proposed terms of these Agreements. The Board members serving on the committee are Dave Brennan, City of Sebastopol, and Vince Marengo, City of Petaluma. Agency staff participants are Susan Klassen, Interim Executive Director, and Charlotte Fisher.

II. DISCUSSION

The Agency ad hoc committee met with County representatives on May 6, 2008. County Counsel had prepared draft agreements for fees and programs between the potential new owner and the SCWMA and a lease between the County and SCWMA for the household hazardous waste facility. Both agreements were reviewed, discussed and changes to the agreements were suggested.

At the June 18, 2008 Agency Board meeting, Lori Norton, County Administrator's Office, reported that the divestiture agreements need to be completed in draft form by August 6, 2008. Vince Marengo and Dave Brennan, ad hoc committee members, suggested another ad hoc committee meeting to review and modify the draft agreements that would then be presented to the Board at large. The ad hoc committee met via conference call on June 24 and July 3, 2008. The draft agreements were then forwarded to County Counsel for review.

On July 22, 2008, both of the draft agreements were forwarded to the ad hoc committee and Agency Counsel for review and/or revisions. The agreements and suggested modifications were negotiated until August 6, 2008.

The Agreement between [New Landfill Owner] and the Sonoma County Waste Management Agency is to be considered in concept and is presented in draft form. Upon completion of the divestiture process, the agreement would be brought back to the Board of Directors for approval or the Board could assign award authority to the Executive Director. The terms of the agreement are summarized as follows:

Purpose of Agreement:	The purpose of the Agency Fee Agreement is to preserve the Agency's ability, for the life of the Agency, to charge the Agency's program fees on all <u>self haul waste</u> delivered to the County solid waste system (Central Landfill and the Transfer Stations). The Agreement also defines the obligations of the new landfill owner with regard to continuing to collect fees for the Agency's wood and yard waste program while it is located at the Central Landfill.
Term of Agreement:	The Agreement only becomes effective if the County sells the Landfill and Transfer Stations to a new owner. The Agreement expires February 10, 2017 which coincides with the expiration of the joint powers agreement creating the Agency. There is no option to extend this Agreement.
Increases to Program Fees:	The Agency can increase or decrease the program fee charged on self haul waste. Under the terms of the Agency Fee Agreement, increases to the program fee charged at the landfill cannot exceed the increase in the Consumer Price Index for the San Francisco-Oakland-San Jose metropolitan areas.
Collection of Agency Program Fee on City And County Waste:	This Agreement does <u>not</u> require the new landfill owner to collect the Agency's program fee on any other waste (e.g., city and/or county franchised waste). However, the Landfill Purchase and Sale Agreement does require the new landfill owner to charge the Agency's program fee if any city, who has entered into a city disposal agreement with the new landfill owner, directs the landfill owner to collect the fee. For any city that does not enter into a city disposal agreement with the new landfill owner, those cities would need to make alternative payment arrangements with the Agency to pay its share of the Agency's program fees (e.g., similar to the arrangements the Agency has made with the City of Petaluma).
Reporting Requirements; Auditing:	The Agency Fee Agreement requires the new landfill owner to provide the Agency with appropriate transaction records (e.g., tons of waste broken down by the following manner: (1) self haul waste; (2) county franchised waste; and (3) waste delivered by each city. The Agency has the right to audit the books of the landfill owner.

III. FUNDING IMPACT

The funding impact for the Agency Fees and Programs Agreement would be a transfer of revenue (\$5.40/ton) collected by the new owner to the Agency. These revenues would be the surcharges collected for the HHW, Education, Diversion and Planning cost centers. The

surcharges budgeted for FY 08-09 are \$1,809,000., Self-haul represented approximately 43% of the revenue for fiscal year 07-08.

This Agreement would not require the new landfill owner to collect the Agency's program fee on any other waste. If jurisdictions chose to not enter into disposal agreements with the new landfill owner, then the jurisdiction would be responsible for payment of Agency surcharge fees.

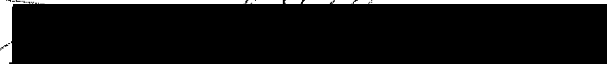
IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve the concept of the Agency Fees and Programs Agreement. Should the divestiture be completed, the Board has a choice of authorizing award authority to the Executive Director or having the agreement brought back to the Board for approval and execution.

V. ATTACHMENTS

Draft Agreement between [NEW LANDFILL OWNER] and the Sonoma County Waste Management Agency for Agency Fees and Programs

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

DRAFT

AGREEMENT BETWEEN [NEW LANDFILL OWNER] AND THE SONOMA COUNTY WASTE MANAGEMENT AGENCY FOR AGENCY FEES AND PROGRAMS

This Agreement is made as of _____, 2008 (the "Effective Date") by and between [New Landfill Owner] ("Owner"), and the Sonoma County Waste Management Agency, a joint powers agency ("Agency").

RECITALS

A. WHEREAS, Owner is the owner of the real property consisting of approximately {372} acres located at 500 Meham Road, Cotati and commonly known as the Sonoma County Central Landfill ("the Landfill").

B. WHEREAS, Agency is responsible for the administration of solid waste diversion programs, including without limitation, the wood and yard waste programs (the "Wood and Yard Waste Programs") which serve the residents of Sonoma County.

C. WHEREAS, the Wood and Yard Waste Programs are currently being conducted at the Landfill pursuant to that certain three party agreement among the County of Sonoma ("County"), Agency and Sonoma Compost Company, as amended, dated as of September 28, 1999 ("the Compost Agreement").

D. WHEREAS, in connection with the sale by the County of the Landfill to Owner, the County assigned its rights and obligations under the Compost Agreement to Owner and Owner has assumed the same.

E. WHEREAS, the Compost Agreement expires on November 25, 2010 at which time the Wood and Yard Waste Programs will be relocated by Agency to site off of the Landfill.

F. WHEREAS, Agency currently sets a fee which is charged on a per ton basis and applied to the tons of waste that are deposited at the Central Landfill and the following four transfer stations: Sonoma, Healdsburg, Guerneville and Annapolis (collectively, "Transfer Stations").

G. WHEREAS, the fee ("the Agency Fee"), which is currently set at \$5.40 per ton of waste, is used to support the following Agency-programs: (i) the household hazardous waste

program; (ii) the education program; and (iii) planning. The Agency Fee does not apply to cover the Wood and Yard Waste Programs.

H. WHEREAS, Owner and Agency desire to enter into an agreement to set forth the parties respective rights and obligations with regard to the Agency Fee and the Wood and Yard Waste Programs.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. *Definitions.* The following terms when used in this Agreement with initial letters capitalized shall have the meanings set forth below:

Adjustment Date. “Adjustment Date” means each anniversary of the Agency’s fiscal year (i.e., July 1).

Affiliate. “Affiliate” of Owner means any other entity that (a) directly or indirectly controls Owner; (b) is controlled by or is under direct or indirect common control with Owner; (c) is an officer, director, employee, representative or agent or subsidiary of Owner; or (d) acquires all or substantially all of the assets of Owner. For the purposes of this definition, “control”, when used with respect to Owner, means the power to direct the management or policies of Owner, directly or indirectly, whether through the ownership of voting securities, partnership or limited liability company interests, by contract or otherwise.

City. “City” means one or more of the following cities: Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma and the Town of Windsor.

Construction and Demolition Wastes. “Construction and Demolition Wastes” means wood, wallboard, ferrous and non-ferrous metals, glass, any fibrous material (including paper, cardboard, newspaper), plastic, concrete and other Recyclable and non-Recyclable Materials generated by residential, commercial and industrial demolition, remodeling and construction activities.

County-Controlled Waste. “County-Controlled Waste” means Waste (which includes Construction and Demolition Wastes) from the unincorporated portions of the County of Sonoma that is collected and hauled by haulers franchised or licensed by the County, as such franchises or licenses may be amended by the County from time to time. County-Controlled Waste excludes: (i) Source Separated Recyclable Materials; (ii) Self-Haul Waste; and (iii) Waste collected, hauled, delivered or disposed of by or on behalf of the Cities. By way of example and not of limitation, the amount of County-Controlled Waste was approximately 71,637 Tons during calendar year 2007.

CPI. “CPI” means the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics, “All Items” for All Urban Consumers in the San Francisco-Oakland-San Jose metropolitan area (1982-1984=100). If the CPI index is no longer in effect, the successor index that replaces the CPI index will be utilized for purposes of this Agreement.

CPI Factor. “CPI Factor” means the increase, if any in the CPI during the preceding year. The CPI factor shall be determined pursuant to a ratio, the denominator of which is the CPI

for the last calendar month immediately preceding the prior Adjustment Date and the numerator of which is the CPI for the calendar month immediately preceding the then current Adjustment Date, except that for purposes of the first Adjustment Date, the denominator shall be the CPI for the last calendar month immediately preceding the Closing Date and the numerator of which is the CPI for the calendar month immediately preceding the first Adjustment Date.

Facility. “Facility” means one of the Landfill or Transfer Stations. “Facilities” means the Landfill and Transfer Stations.

Landfill Purchase Agreement. “Landfill Purchase Agreement” means that certain Purchase and Sale Agreement dated as of _____, 2008, by and between the County and Owner.

LIBOR. “LIBOR” means the offered rate per annum (rounded up to the next highest one one-thousandth of one percent (0.001%)) for deposits in U.S. dollars for a one-month period which appears on the Reuters Screen LIBOR01 Page at approximately 11:00 A.M., London time, on the date of determination, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market. All interest based on LIBOR shall be calculated on the basis of a 360-day year for the actual days elapsed.

Mixed Waste. “Mixed Waste” means Waste that includes both Recyclable and non-Recyclable Materials in varying proportions.

Recyclable Materials. “Recyclable Materials” means glass, fibrous material (including paper, cardboard, newspaper), wood, green waste and organic material, food waste, concrete, plastic, ferrous and non-ferrous metal, aluminum and any other materials that are capable of being Recycled. “Recycle”, “Recycled” and “Recycling” each mean and refer to the process of collecting, sorting, cleansing, treating, and/or reconstituting Recyclable Materials and Mixed Wastes and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the marketplace.

Self-Haul Waste. “Self-Haul Waste” means all Waste, Construction and Demolition Wastes and residuals from any recycling processing that are delivered to the Facilities other than County-Controlled Waste and Waste from the Cities delivered by haulers licensed or franchised by such Cities.

Source Separated. “Source Separated” means materials separated from the owner’s mixed solid waste at the owner’s premises with the intention of diversion for a beneficial use. Such materials include wood, green waste, metal, glass, plastic, cardboard, office paper and yard debris. For purposes of this definition, “owner” means the individual resident or commercial business generating the materials.

Ton and Tonnage. “Ton” and “Tonnage” means a “short ton” of 2,000 pounds.

Waste. “Waste” means any and all putrescible and nonputrescible solid and semi-solid materials including garbage, trash, refuse, paper, rubbish, wood waste, green waste and organic material, ashes, commercial and industrial wastes, special wastes, Construction and Demolition Wastes (except as noted below), food wastes, and all other discarded solid and semi-solid wastes collected from residential, commercial, industrial or any other premises. Waste includes all Recyclable Materials and Mixed Waste, in each case, that are discarded by the generators of such

materials. Waste excludes any of the following types of wastes: (1) hazardous waste, as defined in Public Resources Code section 40141; (2) radioactive waste; (3) medical waste regulated pursuant to the Medical Waste Management Act; and (4) Construction and Demolition Wastes separately licensed or franchised (e.g., a debris box franchise). Further, Recyclable Materials collected within designated recyclable containers of any nature from residential or commercial customers as part of a license or franchise agreement with a public entity, including a city, county or public utilities district, shall be excluded from the definition of Waste; provided, however, that this exemption applies only to materials generated by residential and commercial customers and only to domestically generated Source Separated Recyclable Materials stored, collected or placed in designated recyclable containers of any nature for collection by the designated licensee or franchisee.

2. *Term.* The term of this Agreement shall commence on the date Owner acquires title to the Landfill and Transfer Stations pursuant to the Landfill Purchase Agreement and shall terminate on February 10, 2017 ("Expiration Date"). Agency shall have the right to terminate this Agreement prior to the Expiration Date by providing Owner with at least sixty (60) days advance written notice.

3. *Wood and Yard Waste Programs.* The fee schedule for all Source Separated wood waste and yard waste delivered to the Landfill is attached hereto as Exhibit A ("Wood/Yard Waste Programs Fees"). Owner agrees to separately charge, collect, and account for, all Wood/Yard Waste Programs Fees collected at the Landfill during the period that the Wood and Yard Waste Programs are conducted at the Landfill pursuant to the Compost Agreement. The Wood/Yard Waste Programs Fees shall be transmitted to the Agency in accordance with Section 5 below. Agency reserves the right to adjust such fees for the Wood and Yard Waste Programs, provided Agency gives Owner at least sixty (60) days prior written notice of any such adjustment. The parties acknowledge that any Source Separated wood waste or yard waste delivered to the Transfer Stations shall not be subject to this Agreement and Owner shall not be responsible for charging or collecting the Wood/Yard Waste Programs Fees thereon. From and after the relocation of the compost facility from the Landfill and the cessation of Wood and Yard Waste Programs conducted at the Landfill, Owner shall have no further responsibility or liability with respect to the charging, collection or remittance of Wood/Yard Waste Programs Fees.

4. *Agency Fee.*

4.1 *Collection of Agency Fee.* Owner agrees to separately charge, collect, and account for, the Agency Fee on all Self Haul Waste that is: (a) delivered to or enters into any Facility; and (b) delivered to or enters into any other facility located within the County of Sonoma that is owned or operated by Owner or any Affiliate. Agency Fees shall be transmitted by Owner to Agency in accordance with Section 5 below.

4.2 *Changes to Agency Fee.* Agency may increase or decrease the Agency Fee applied to the Self Haul Waste in the manner described below.

4.2.1 *Increases to Agency Fee based on CPI Adjustments.* Commencing on July 1, 2009 and annually on each Adjustment Date thereafter, the Agency Fee for the Self Haul Waste may be adjusted based on the CPI Factor. Should Agency desire to increase the Agency Fee based on the CPI Factor, Agency shall notify Owner in writing no later than June 10th of any adjustment to the Agency Fee to take effect as of the Adjustment Date. Such adjustments may be made on a cumulative basis. For example, should Agency not adjust the Agency Fee in a particular year by the full amount of the CPI Factor for that year, Agency may rollover the portion of the CPI Factor not used for adjustments of the Agency Fee in future years.

4.2.2 *Decreases to Agency Fee.* Agency may decrease or eliminate the Agency Fee at anytime provided Agency gives Owner at least sixty (60) days prior written notice of the change.

4.3 *Agency Indemnity.* To the extent permitted by applicable law, Agency shall indemnify, defend and hold Owner harmless from and against all damages, demands, claims, losses, and liabilities, which directly arise out of a third party suit, claim or action that challenges the validity of the Agency Fee.

5. *Remittance of Fees.* The Agency Fees and the Wood/Yard Waste Programs Fees shall be collected by Owner on behalf of and as the agent of the Agency. Owner shall have no rights, ownership, interest, title or other possessory right with respect to the Agency Fees or the Wood/Yard Waste Programs Fees. The Agency Fees and the Wood/Yard Waste Programs Fees shall be paid monthly to Agency on or before the 10th day of each month for the immediately preceding month. In addition to Agency's other rights and remedies in the event of a failure of the Owner to pay the fees required hereunder, outstanding amounts of such fees not paid when due shall bear interest at a floating rate equal to the LIBOR in effect from time to time plus 200 basis points until paid from the date due until fully paid, which interest shall accrue on the outstanding balance of such fees on a monthly basis. The Agency Fees and the Wood/Yard Waste Programs Fees shall accrue and be payable based upon the delivery of Self Haul Waste or other named materials, not on receipt or collection of such fees or charges from any hauler, customer or any third party.

6. *Reporting and Audit Rights*

6.1 *Transaction Records.* Owner shall keep accurate and detailed books of account and records in accordance with generally acceptable accounting principles consistently applied (the "Transaction Records") regarding any and all transactions conducted involving all Waste, broken out in the following manner: (i) Self Haul Waste, (ii) County-Controlled Waste; and (iii) Waste delivered by each City. In addition, Transaction Records shall be kept for any and all transactions conducted involving Wood/Yard Waste Programs Fees at the Landfill. The Transaction Records shall include all records, receipts, journals, ledgers and documents reasonably necessary to enable Agency or its auditors or accountants to perform a complete and accurate audit of all fees due under this Agreement. Owner shall retain the Transaction Records for a period of five (5) years after the end of the calendar year covering such Transaction Records. Copies of all Transaction Records shall be kept at the Landfill or such other location as is approved by Agency in its reasonable discretion. Agency shall be entitled at all times during regular business hours to access, review and copy the Transaction Records.

6.2 *Reporting Requirements.* Concurrently with the monthly payment of the fees required hereunder, Owner shall deliver to Agency a report setting forth:

- (1) Each Agency Fees separately and Owner's calculation thereof;
- (2) Each Wood/Yard Waste Programs Fees and Owner's calculation thereof;
- (3) Tons of Waste (broken down by the categories of Waste described under Section 6.1 above) delivered to the Landfill for disposal during the preceding calendar month, which must be accompanied by the weight records and disposal tickets for such month as well as any voided disposal tickets during such month;
- (4) Tons of Waste (broken down by the categories of Waste described under Section 6.1 above) delivered to each of the Transfer Stations during the preceding calendar month, the customer, the Ton of Self Haul Waste delivered by such customer, and the rates paid by such customer on a per ton basis for delivering such Waste.

6.3 *Audits.* Agency, upon not less than five (5) business days' prior notice to Owner, may cause an audit to be made of the Agency Fees and/or the Wood/Yard Waste Programs Fees and all of the Transaction Records necessary (in Agency's sole judgment) to audit such fees. Owner will make all such books and records available to Agency and its consultants for such audit at the office located at the Landfill or such other location as is approved by Agency in its reasonable discretion. Owner shall cooperate with Agency in connection with such audit and shall make available to Agency and its consultants performing the audit personnel who are knowledgeable about the operations at the Landfill and Transfer Stations and the Transaction Records. If the audit discloses an underpayment of the Agency Fees or the Wood/Yard Waste Programs Fees, Owner shall immediately pay to Agency the amount of the underpayment, with interest on the underpaid amount at a floating rate equal to the LIBOR in effect from time to time plus 200 basis points from the date such underpayment was originally due until such amount is fully paid, which interest shall accrue on the outstanding balance of the Agency Fees and the Wood/Yard Waste Programs Fees, as applicable, on a monthly basis. If the audit discloses an underreporting of the Agency Fees or the Wood/Yard Waste Programs Fees in excess of 2% over the time period covering such audit, then Owner shall also immediately pay to Agency all costs and expenses associated with the audit (including Agency's estimated costs of staff time and all consultant fees and expenses) and with collecting the underpayment, including auditing costs and attorneys' fees and costs. If the audit discloses an overpayment of Agency Fees or Wood/Yard Waste Programs Fees, Owner shall be entitled to a credit against the next payment of Agency Fees or Wood/Yard Waste Programs Fees, as applicable, due to Agency, as applicable.

6.4 *Timing of Audits.* Audits may be conducted once each calendar year, in the sole discretion of Agency, or at such other time as Agency, acting reasonably, believes that there has been an underpayment of Agency Fees or Wood/Yard Waste Programs Fees.

7. *Defaults and Remedies.*

7.1 *Event of Default.* The occurrence of any of the following shall constitute an Event of Default under this Agreement:

7.1.1 *Failure to Make Payments.* Owner's failure to pay when due any fees required to be paid under this Agreement if the failure continues for thirty (30) days after written notice of the failure from Agency to Owner; or

7.1.2 *Failure to Perform Non-Monetary Obligations.* Owner's failure to perform any other obligation under this Agreement if, for thirty (30) days after written notice of the failure from Agency to Owner, Owner fails to commence to perform such obligation and such default continues for thirty (30) days after such written notice unless within that time period Owner has promptly commenced and continues diligent efforts to remedy the default, in which event Owner shall have such additional time as is necessary, but not more than sixty (60) days after Agency gives Owner notice of the default.

Notwithstanding the foregoing, if Owner fails to cure the default because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes, except financial, beyond the reasonable control of Owner (hereinafter referred to as "Force Majeure Events"), then Owner's requirement to cure such default shall be delayed for the period that the Force Majeure Events prevented Owner from complying with the terms of this Agreement. A Force Majeure Event shall not excuse any failure to make any payment required under this Agreement.

7.2 *Remedies.*

7.2.1 *Specific Performance.* Owner agrees that its breach of this Agreement with regard to the Wood and Yard Waste Program will cause irreparable harm to Agency and in the that event, in addition to other remedies provided by applicable law, Agency will be entitled to immediate issuance of a temporary restraining order or preliminary injunction enforcing this Agreement.

7.2.2 *Cumulative Rights and Remedies.* No right or remedy set forth in this Agreement is intended by the parties to be exclusive; each shall be cumulative and in addition to any other remedy provided in this Agreement or otherwise available at law or in equity.

8. *Notices.* Any notice, tender or delivery to be given hereunder by either party to the other shall be in writing and shall be effected by personal delivery, by certified mail, postage prepaid, return receipt requested or by recognized overnight courier. Notices, tender or delivery shall be delivered and/or addressed to the respective addresses of the parties set forth below, but each party may change its address by written notice in accordance with this Section:

AGENCY: Sonoma County Waste Management Agency
Attention: Agency Executive Director
2300 County Center Dr., Suite B 100
Santa Rosa, CA 95403
(707) 565-3579
Fax: (707) 565-3701

OWNER: _____

9. *Miscellaneous.*

9.1 *No Waiver of Breach.* The waiver by either party of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

9.2 *Construction.* To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

9.3 *Consent.* Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

9.4 *No Third Party Beneficiaries.* Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

9.5 *Applicable Law and Forum.* This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. To the extent allowed by law, the parties agree that any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

9.6 *Captions.* The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

9.7 *Merger.* This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

9.8 *Time of Essence.* Time is specifically deemed to be of the essence of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE
MANAGEMENT AGENCY

By: _____
Chair

APPROVED AS TO FORM
FOR AGENCY:

Janet E. Coleson
Agency Counsel

OWNER: _____

By: _____
Name: _____
Title: _____

EXHIBIT A

[2008 SCHEDULE OF WOOD/ YARD WASTE PROGRAMS FEES
FOR THE CENTRAL LANDFILL]

Wood Waste (including Dimensional Lumber)	\$27.60/Ton or \$5.35/CY
Yard Waste	\$34.10/Ton or \$5.50/CY
Pickups with yard waste only, no refuse	\$14.50/Each



Agenda Item #: 10.1
Cost Center: Diversion
Staff Contact: Carter
Agenda Date: 8/20/2008

ITEM: Beverage Container Collection Contract with Probation Department

I. BACKGROUND

In January 2000, the state Department of Conservation (DOC) appropriated \$10.5 million annually to be paid to cities and counties to support the recycling of cans and bottles.

In March 2000, the Agency agreed to accept responsibility for the management of this DOC grant money for all Sonoma County jurisdictions.

Each year, from 2000 to 2004, the Agency adopted resolutions to allow the Agency to submit the "funding request forms" for the cities and the County of Sonoma, to the DOC, and, funded by the pooled grant money, to implement a regional beverage container recycling program for Sonoma County. In 2005, the DOC eliminated the option of submitting a regional program funding request form. Since 2005, Agency staff has prepared the individual funding request forms for each jurisdiction, and the DOC sent warrants directly to each city and the county. Subsequent SCWMA Board actions have reaffirmed support for the program and directed the jurisdictions to forward the DOC grant funds to the Agency.

The SCWMA's beverage container recycling program began by placing collection containers in all County parks in order to provide recycling services throughout the County. Recycling containers have since been placed in city parks and streets, as requested by Agency members. Since 2000, the SCWMA has contracted with the Sonoma County Probation Department to service many of these recycling containers.

Previous funding received from the DOC was \$134,027 for FY 2006/07 and \$133,108 for FY 2007/08.

II. DISCUSSION

The Sonoma County Probation Department is willing to enter into another agreement to provide 107 collection days in this grant cycle to service recycling containers in parks and ballparks throughout the county. At least one crew will be assigned to collection service which includes collecting the beverage containers from all of the recycling bins in County parks and designated city parks. The crew is comprised of one staff member, at least two adult offenders, a vehicle, trailer, and all necessary tools and equipment. The cost has increased from \$600 per day to \$650 per day, for a total of \$69,550 for FY 2008/09. The Probation representative cited rising fuel costs as justification for the daily rate increase.

III. FUNDING IMPACT

If approved, funding in the amount of \$69,550 for 107 crew days for collection services would be encumbered from the Department of Conservation (DOC) City/County Payment Program. If invoices are received from all cities, staff expects to collect a total of \$132,132. The remaining \$62,582 would be available for other activities allowed by the DOC.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends adopting the attached resolution authorizing the Agency Executive Director to sign an Agreement with the Sonoma County Probation Department for 107 crew days of collection services in the amount of \$69,550. As this expenditure exceeds \$50,000, approval of this item requires a unanimous vote.

V. ATTACHMENTS

Resolution

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

RESOLUTION NO.:

DATED: August 20, 2008

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY AUTHORIZING AN
AGREEMENT WITH THE SONOMA COUNTY PROBATION DEPARTMENT FOR BEVERAGE
CONTAINER RECYCLING COLLECTION SERVICES.

WHEREAS, the California State beverage container recycling legislation was amended by Senate Bill 332 to increase the number and types of containers with California Redemption Value and appropriated funds for distribution to jurisdictions for the express purpose of increasing the diversion of California Redemption Value containers; and

WHEREAS, the Cities of Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, and Sonoma, the Town of Windsor, and the County of Sonoma hereby authorize the California State Department of Conservation 2008/09 grant funds to be dispersed to the Sonoma County Waste Management Agency, once funds are received by their fiscal agents, for the purpose of continuing the implementation of the beverage container recycling program throughout the jurisdictions of Sonoma County; and

WHEREAS, the Sonoma County Probation Department has the capability of providing recycling collection service of the recycling containers placed in parks and other public locations; and

WHEREAS, diverting recyclables, including beverage containers, from the County disposal sites is one of the goals towards maintaining the California Integrated Waste Management Act of 1989 (AB 939) diversion requirement of 50 percent by 2000; and

WHEREAS, each of the jurisdictions in the county has a mutual goal of serving the residents of Sonoma County.

NOW THEREFORE, BE IT RESOLVED that the Sonoma County Waste Management Agency authorizes the Agency Executive Director to sign an Agreement with the Sonoma County Probation Department for an additional 107 crew days of collection services in the amount of \$69,550.

MEMBERS:

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

AYES -- NOES -- ABSENT -- ABSTAIN --

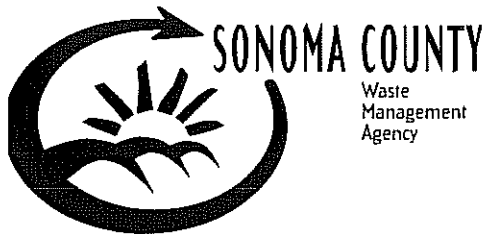
SO ORDERED.

The within instrument is a correct copy
of the original on file with this office.

ATTEST:

DATE:

Elizabeth Koetke
Clerk of the Sonoma County Waste Management
Agency of the State of California in and for the County of Sonoma



Agenda Item #: 11.1
Cost Center: Organics
Staff Contact: Carter
Agenda Date: 8/20/2008

ITEM: Compost Relocation Project

I. BACKGROUND

At the August 15, 2007 SCWMA Board meeting, the Board entered into an agreement with a team of consultants led by Environmental Science Associates (ESA) to assist the SCWMA in the selection, conceptual design, and preparation of CEQA documents for a new compost site in Sonoma County. Staff and the contractor have provided project updates at each subsequent Board meeting.

At the June 18, 2008, the SCWMA Board selected one preferred site and two alternative sites to be studied further in an Environmental Impact Report. Staff has informed all property owners involved in the siting effort as to whether their property was selected for further study.

II. DISCUSSION

Staff mailed the owners of sites 41, 5a, and 13 a request to enter their properties to perform studies necessary for the Environmental Impact Report. Staff will report the property owner responses at the August 20, 2008 SCWMA Board meeting.

III. FUNDING IMPACT

There are no funding impacts resulting from this transmittal.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff requests Board direction with regard to the property owner responses.

V. ATTACHMENTS

Authorization for Entry to Private Property

Approved by:

A black rectangular redaction box covers the signature of Susan Klassen.

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

AUTHORIZATION FOR ENTRY TO PRIVATE PROPERTY

APN _____

Address _____

I hereby authorize the Sonoma County Waste Management Agency (SCWMA), or its agents, to enter my property for the purpose of:

- ☐ Land Survey
- ☒ Preliminary Environmental Studies
- ☐ Preliminary Geological Studies
- ☐ Staking for Right of Way Purposes
- ☐ Other: _____

pertaining to the compost relocation project. Authorization is granted

between the dates of July 21, 2008 through October 20, 2008.

By granting this permission to enter my property for the survey and/or studies, I understand the SCWMA agrees return the property to the original condition, with the exception of disturbed earth, to indemnify me, hold me harmless, and repair any damages proximately caused by the activities of the SCWMA or its agents.

- ☐ Please check this box if animals need to be chained or penned prior to entering your property.

Name and telephone number of contact person:

Name _____

Telephone number _____

Property Owner (Please Print)

Signature

Date _____.

Originated by:
Patrick Carter



Agenda Item #: 11.2
Cost Center: Organics
Staff Contact: Carter
Agenda Date: 8/20/2008

ITEM: Organics Diversion Policy

I. BACKGROUND

Staff received a letter from Cold Creek Compost, Inc. dated May 5, 2008 indicating their interest in entering into an agreement in which the SCWMA would deliver the green waste materials from the Healdsburg Transfer Station to the Cold Creek Compost facility near Ukiah, CA. Staff included this letter in the May 21, 2008 SCWMA agenda packet, and a representative from Cold Creek Compost spoke at that SCWMA meeting. The SCWMA Board of Directors asked staff to report back as to whether the SCWMA had contractual ability to divert a portion of the yard debris and wood waste to a facility other than the Sonoma Compost facility at the Central Disposal Site.

II. DISCUSSION

Staff received a second letter from Cold Creek Compost, dated July 3, 2008, offering a reduced tip fee of \$26/ton if the SCWMA diverted green waste collected at the Healdsburg Transfer Station to the Cold Creek Compost facility. After consulting with Agency Counsel and understanding that such a diversion is permissible, staff endeavored to determine whether the tip fee proposed by Cold Creek Compost was economically advisable when compared to the contract with Sonoma Compost Company.

For comparison purposes, staff examined the County's agreement with West Sonoma County Disposal to determine the existing hauling fee from the Healdsburg Transfer Station to the Central Disposal Site and extrapolate what the associated fee would be to haul material instead to the Cold Creek Compost facility. Section 4.01.3.3 – Yard Debris and Wood Waste of County agreement for overhaul states that the "Contractor shall receive, accept, and safely and lawfully transport all Yard Debris and Wood Waste delivered to Contractor at County Transfer Stations to the Central Disposal Site."¹ The current revision of the hauling fee schedule went into effect March 1, 2008, and specifies a cost of \$10.63 per ton to haul material from the Healdsburg Transfer Station to the Central Disposal Site.

A route that takes the hauling truck from the Healdsburg Transfer Station down Highway 101, exiting at Highway 116, and following Stony Point Road to Mecham Road is approximately 31 miles². Dividing the \$10.63/ton haul cost by the 31 miles results in a hauling rate of \$0.34/ton/mile. The distance from the Healdsburg Transfer Station to the Cold Creek Compost facility is approximately 54 miles³. Through applying the \$0.34 hauling rate per mile to the 54 miles to the Cold Creek Compost facility, staff calculated a cost of \$18.36/ton.

Staff calculated the tonnage of yard debris and wood waste delivered to the Healdsburg Transfer Station in 2007 to be 18,181 tons⁴, of which 15,521 tons is yard debris and 2,660 tons is wood waste. While the Cold Creek Compost offer does not differentiate between yard debris and wood waste in terms of the tipping fee, the agreement with Sonoma Compost Company specifies different tipping fees and guaranteed revenue for the SCWMA based on material type. Staff attached a worksheet detailing the calculations.

¹ Agreement between the County of Sonoma and West Sonoma County Disposal for Transport and Disposal of Solid Waste, approved August 16, 2005

² Source: www.mapquest.com

³ Source: www.mapquest.com

⁴ Source: County of Sonoma Source Tonnage Reports, January – December 2007, Yard Debris and Wood Waste for Healdsburg Transfer Station

The Sonoma Compost Company Agreement⁵ includes a revenue sharing arrangement between the SCWMA and Sonoma Compost Company. The Healdsburg Transfer Station supplies approximately 18.6% of the overall SCWMA composting system tonnage. Assuming that an 18.6% reduction of yard debris and wood waste supplied to Sonoma Compost Company would cause a corresponding 18.6% reduction in sales of finished products (\$227,608.58 for 2007), staff calculates a decrease of \$42,335.20 in shared revenue.

There is another provision the Agreement⁶ in which SCWMA member jurisdictions receive allocations of finished products based upon the amount of yard debris and wood waste each jurisdiction contributes. Though the reduction in most jurisdictions allocations would be minimal, the allocations to the cities of Cloverdale, Healdsburg, and Windsor would be reduced to a negligible amount. The unincorporated County would see a reduction in its allocation of approximately 22%⁷.

Staff concludes that diverting the yard debris and wood waste material from the Healdsburg Transfer Station to Cold Creek Compost would cost the SCWMA \$177,710.74 per year more than directing the material to Sonoma Compost Company.

III. FUNDING IMPACT

Entering into an agreement with Cold Creek Compost, under the assumptions described above and in the attached worksheet, would result in an additional cost to the SCWMA of \$177,710.74 per year.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board decline the offer made by Cold Creek Compost. Declining the Cold Creek Compost offer will have no effect on the current system of compost collection, transportation, and processing of yard debris and wood waste materials. The material would continue to be processed by the Sonoma Compost Company.

V. ATTACHMENTS

Letter from Cold Creek Compost, dated July 3, 2008
Worksheet

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

⁵ Organic Material Processing, Composting And Marketing Services Agreement By And Between The Sonoma County Waste Management Agency, The County Of Sonoma, And Sonoma Compost Company, as amended March 19, 2008

⁶ Ibid

⁷ Source: County of Sonoma Source Tonnage Reports, January – December 2007



July 3, 2008

By E-Mail and U.S. Mail

Patrick Carter
Waste Management Specialist
Sonoma County Waste Management Agency
2300 County Center Dr. Ste. B 100
Santa Rosa, CA 95403

Re: Cold Creek Compost, Inc.

Dear Mr. Carter,

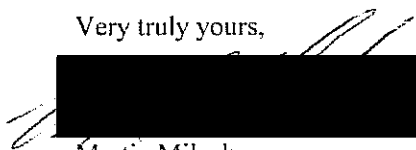

Thank you for the information that you recently provided concerning the compost facility green waste issues in Sonoma County. Cold Creek Compost remains interested in making a competitive bid for the green waste materials currently hauled from Healdsburg and Cloverdale.

In reviewing all of the compost related costs that Sonoma County currently has to absorb – over and above the tip fee, I am certain that Cold Creek Compost can offer a more economical model. First, we do not pass along any of our overhead expenses, such as pad construction, road maintenance, or equipment repairs. As a private facility, these costs are part of our overhead. We obviously have to factor those in when setting tip fees and pricing our compost and other products. But, once we set the tip fee for green waste; that is the only invoice Sonoma will see from us. Second, we are a fully permitted permanently sited facility, with the capacity to expand – both as to the types of feedstocks we take and in the size of the facility. At present, we are completing plans to build a 900,000 gallon leachate pond, which will allow us to increase our intake of liquid feedstocks generated by, for example, wineries, farms, and breweries. In the near future, we will commence taking residential and restaurant food waste, and as also discussed in our initial EIR, our long term plan is to compost biosolids.

With these comments, Cold Creek Compost is prepared to offer a tip fee for this green waste material of \$26 per ton. This is well below market but we believe that the anticipated volume and the assurance of a contract for continued supply of green waste from these locations makes this a workable price for us. Please let me know what the next steps might be in this discussion. My thought is that we should present a proposed contract or letter of intent to the JPA, but I defer to you and the members of the JPA on how Sonoma County prefers to handle these matters.

I look forward to hearing from you soon.

Very truly yours,



Martin Mileck,
President

"Fertilizer and Soil Amendments for Sustainable Agriculture"
6000 Potter Valley Road • Ukiah, CA 95482 • P.O. Box 818 • Redwood Valley, CA 95470
(707) 485-5966 • Fax (707) 485-7048

Scenario 1 - All Yard Debris and Wood Waste Delivered to Sonoma Compost Company (status quo)

Month	All County Transfer Stations				Sonoma Compost Net Cost to Agency (all TS) ¹				
	Wood Waste (fuel), tons ³	Wood Waste (non-fuel), tons ³	Yard Debris, tons ⁴	Yard Debris (to Laguna), tons ⁴	Wood Waste (fuel) ³	Wood Waste (non-fuel) ³	Yard Debris ⁴	Yard Debris (to Laguna) ⁴	Total
Jan	548.33	209.22	6,384.88	436.10	\$20,293.86	\$6,868.81	\$209,622.28	\$14,316.72	\$251,101.68
Feb	441.27	168.37	4,659.83 ⁵	318.28	\$16,331.53	\$5,527.69	\$161,791.42	\$10,448.68	\$194,099.32
Mar	594.53	226.84	7,785.76	531.78	\$22,003.52	\$7,447.48	\$255,614.55	\$17,457.89	\$302,523.44
Apr	493.71	188.38	7,431.97	507.62	\$18,272.38	\$6,184.60	\$243,999.40	\$16,664.60	\$285,120.98
May	639.75	244.10	8,342.70	569.83	\$23,677.29	\$8,013.99	\$273,899.78	\$18,706.72	\$324,297.78
Jun	663.00	252.97	7,214.76	492.78	\$24,537.75	\$8,305.23	\$236,868.04	\$16,177.54	\$285,888.55
Jul	563.16	214.87	7,128.27	486.88	\$20,842.50	\$7,054.51	\$234,028.71	\$15,983.62	\$277,909.33
Aug	645.31	246.22	7,282.14	497.39	\$23,883.03	\$8,083.63	\$239,080.43	\$16,328.64	\$287,375.73
Sep	455.19	173.68	6,327.01	432.15	\$16,846.68	\$5,702.05	\$207,722.43	\$14,186.96	\$244,458.13
Oct	454.11	173.27	7,311.61	499.40	\$16,806.76	\$5,688.54	\$240,047.88	\$16,394.72	\$278,937.90
Nov	369.58	141.01	7,643.50	522.07	\$13,678.10	\$4,629.59	\$250,944.21	\$17,138.91	\$286,390.81
Dec	281.13	107.27	5,812.33	396.99	\$10,404.77	\$3,521.68	\$190,824.76	\$13,032.89	\$217,784.10
									\$3,235,887.74

¹ The Net Cost is a combination of the tip fees detailed in Exhibit C-2 of the Organic Material Processing, Composting and Marketing Services Agreement By and Between the Sonoma County Waste Management Agency, the County of Sonoma, and Sonoma Compost Company, and the transportation fees detailed in Exhibit E-1 of the Agreement between the County of Sonoma and West Sonoma County Disposal for Transport and Disposal of Solid Waste

² \$26/ton tip fee + \$18.36/ton transportation fee = \$44.36/ton

³ Staff calculated the percentage of wood waste used as fuel and non fuel purposes to be 72.38% and 27.62%, respectively. Source: Invoices from Sonoma Compost Company Jan-Dec. 2007

⁴ Staff calculated the percentage of yard debris processed at Sonoma Compost Company and the material sent to the Laguna Treatment plant to be 93.61% and 6.39%, respectively. Source: Invoices from Sonoma Compost Company Jan-Dec. 2007

⁵ The average daily tons per day for this month is less than 176 tons per day.

Scenario 2 - All Yard Debris and Wood Waste from Healdsburg TS delivered to Cold Creek Compost

Month	All County Transfer Stations		All County Transfer Stations except Healdsburg				Sonoma Compost Net Cost to Agency (does not include Healdsburg TS) ¹				
	Wood Waste, tons	Yard Debris, tons	Wood Waste (fuel), tons ³	Wood Waste (non-fuel), tons ³	Yard Debris, tons ⁴	Yard Debris (to Laguna), tons ⁴	Wood Waste (fuel) ³	Wood Waste (non-fuel) ³	Yard Debris ⁴	Yard Debris (to Laguna) ⁴	Total
Jan	757.55	6,820.98	314.20	119.89	5,302.88 ⁵	362.20	\$11,126.07	\$3,744.15	\$170,397.38	\$11,311.11	\$196,578.72
Feb	609.64	4,978.11 ⁵	234.66	89.53	3,782.47 ⁵	258.35	\$8,309.25	\$2,796.23	\$153,907.31	\$8,068.05	\$173,080.84
Mar	821.37	8,317.54	357.19	136.29	6,480.14	442.61	\$12,648.28	\$4,256.41	\$202,382.56	\$13,822.22	\$233,109.47
Apr	682.09	7,939.59	400.47	152.80	6,197.72	423.32	\$14,180.75	\$4,772.12	\$193,562.24	\$13,219.81	\$225,734.92
May	883.85	8,912.53	465.36	177.56	6,964.32	475.68	\$16,478.55	\$5,545.38	\$217,504.06	\$14,854.98	\$254,382.96
Jun	915.97	7,707.54	461.80	176.20	5,969.17	407.71	\$16,352.45	\$5,502.94	\$186,424.37	\$12,732.31	\$221,012.07
Jul	778.03	7,615.15	385.91	147.24	5,846.20	399.31	\$13,665.06	\$4,598.58	\$182,583.84	\$12,470.01	\$213,317.49
Aug	891.53	7,779.53	461.92	176.25	6,024.52	411.49	\$16,356.80	\$5,504.41	\$188,153.00	\$12,850.37	\$222,864.58
Sep	628.87	6,759.16	299.56	114.30	5,207.03 ⁵	355.65	\$10,607.56	\$3,569.67	\$170,397.38	\$11,106.65	\$195,681.26
Oct	627.38	7,811.01	339.31	129.46	5,991.78	409.25	\$12,014.95	\$4,043.28	\$187,130.38	\$12,780.53	\$215,969.14
Nov	510.59	8,165.57	290.28	110.76	6,253.37	427.12	\$10,278.97	\$3,459.09	\$195,300.23	\$13,338.51	\$222,376.80
Dec	388.40	6,209.32	213.22	81.36	4,776.93 ⁵	326.28	\$7,550.32	\$2,540.84	\$170,397.38	\$10,189.26	\$190,677.80
											\$2,564,786.06

Month	Healdsburg Transfer Station		Cold Creek Compost Net Cost ²	Total Cost
	Wood Waste, tons	Yard Debris, tons	All Materials from Healdsburg TS	Combined Sonoma Compost/Cold Creek Compost Program
Jan	323.46	1,155.90	\$65,624.41	\$262,203.12
Feb	285.45	937.29	\$54,240.75	\$227,321.59
Mar	327.89	1,394.79	\$76,418.08	\$309,527.56
Apr	128.82	1,318.55	\$64,205.33	\$289,940.26
May	240.93	1,472.53	\$76,009.09	\$330,392.05
Jun	277.97	1,330.66	\$71,358.83	\$292,370.89
Jul	244.88	1,369.64	\$71,620.11	\$284,937.60
Aug	253.36	1,343.52	\$70,837.60	\$293,702.18
Sep	215.01	1,196.48	\$62,613.70	\$258,294.96
Oct	158.61	1,409.98	\$69,582.65	\$285,551.79
Nov	109.55	1,485.08	\$70,737.79	\$293,114.59
Dec	93.82	1,106.11	\$53,228.89	\$243,906.69
			\$806,477.22	\$3,371,263.28

Difference from Scenario 1:
{ \$135,375.54 }

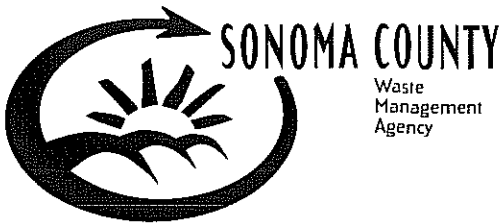
¹ The Net Cost is a combination of the tip fees detailed in Exhibit C-2 of the Organic Material Processing, Composting and Marketing Services Agreement By and Between the Sonoma County Waste Management Agency, the County of Sonoma, and Sonoma Compost Company, and the transportation fees detailed in Exhibit E-1 of the Agreement between the County of Sonoma and West Sonoma County Disposal for Transport and Disposal of Solid Waste

² \$26/ton tip fee + \$18.36/ton transportation fee = \$44.36/ton

³ Staff calculated the percentage of wood waste used as fuel and non fuel purposes to be 72.38% and 27.62%, respectively. Source: Invoices from Sonoma Compost Company Jan-Dec. 2007

⁴ Staff calculated the percentage of yard debris processed at Sonoma Compost Company and the material sent to the Laguna Treatment plant to be 93.61% and 6.39%, respectively. Source: Invoices from Sonoma Compost Company Jan-Dec. 2007

⁵ The average daily tons per day for this month is less than 176 tons per day.



Agenda Item #: 12.1
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: First Amendment to ECS Contract

I. BACKGROUND

At the November 15, 2006 Agency Board meeting, the Board approved executing a two year Agreement with ECS Refining to provide electronic waste transportation and recycling for the Sonoma County Waste Management Agency.

II. DISCUSSION

This agenda item seeks the Board's approval to extend the current Agreement with ECS Refining until May 31, 2010. In a letter dated August 1, 2008, ECS indicated their willingness to extend the term of the contract with the same terms and conditions.

On June 23, 2008, the Office of Administrative Law (OAL) approved revised regulations governing the covered electronic waste recovery and recycling payment rates that were adopted by the California Integrated Waste Management Board (CIWMB) in May 2008. Beginning September 16, 2008 the standard Statewide Combined Recovery and Recycling Payment Rate paid to the Recyclers and Collectors, will be decreased by \$0.09, from \$0.48 to \$0.39 per pound. As a result of this decrease, any future proposals for E-Waste Contracts will most likely reflect a decrease in payment for CRTs collected from proposed payments the Agency has seen in the past.

ECS Refining is willing to extend the Agreement until May 31, 2010 without any decrease in payment to the Agency. The Agency is pleased with the service, reporting, and the operational practices of the Contractor and would like to retain their services. In May 2010, the CIWMB will review the Standard Statewide Recovery and Recycling Payment Rate again and establish new rates if necessary.

III. FUNDING IMPACT

There will be no change to the payments made to the Agency as a result of approval of the First Amendment. ECS pays the Agency \$0.26/pound for all Covered Electronic Devices.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Adopt Resolution to approve the First Amendment to the Agreement with ECS Refining to transport and recycle Sonoma County's electronic waste and to authorize the Chair to execute the First Amendment to the Agreement on behalf of the Agency.

V. ATTACHMENTS

First Amendment to Agreement
Letter from ECS
Resolution

Approved by:

A black rectangular redaction box covers the signature of Susan Klassen.

Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



August 1, 2008

Ms. Lisa Steinman
Sonoma County Waste Management Agency
2300 County Center Dr.
Ste. 100B
Santa Rosa, CA 95403

Dear Lisa:

Thank you very much for the opportunity to recycle Sonoma County's electronic waste. We value the relationship we have established and are anxious to continue to serve the County. As an SB20 Collector, you know that as of September 15, 2008, the CIWMB will make an adjustment down in its payment for SB20 material by a total of \$0.09/lb.

Our current contract with the SCWMA is set to expire December 1, 2008. We would like to request an extension to our current contract to May 31, 2010, with all the same terms and conditions. If the SCWMA is able to extend our contract until May 31, 2010, we can guarantee to hold our current rate of \$0.26/lb. for the SB20 material through the term of the contract.

Thank you very much for considering our request. It is a great pleasure working with you and Sonoma County Waste Management Agency.

Best regards,

A black rectangular redaction box covering the signature of James L. Taggart.

James L. Taggart
President

RESOLUTION NO.: 2008-

DATED: August 20, 2008

RESOLUTION OF THE
SONOMA COUNTY WASTE MANAGEMENT AGENCY ("AGENCY") APPROVING THE FIRST
AMENDMENT WITH ECS REFINING ("CONTRACTOR") FOR E-WASTE TRANSPORT AND
RECYCLING SERVICES

WHEREAS, Agency and Contractor entered into that certain Agreement to transport and recycle E-waste dated as of December 1, 2006 ("Agreement"); and

WHEREAS, Agency is satisfied with services provided by Contractor and would like to continue receiving said services from Contractor.

WHEREAS, the parties desire to amend the Agreement to extend the term of Agreement until May 31, 2010; and,

NOW, THEREFORE, BE IT RESOLVED that the Agency hereby approves the terms of the First Amendment to the Agreement ("Agreement") extending the Agreement to May 31, 2010 and authorizes the Chairperson to execute the First Amendment on behalf of the Agency.

MEMBERS:

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

AYES -- NOES -- ABSENT -- ABSTAIN --

SO ORDERED.

The within instrument is a correct copy
of the original on file with this office.

ATTEST:

DATE:

Elizabeth Koetke
Clerk of the Sonoma County Waste Management
Agency of the State of California in and for the
County of Sonoma

FIRST AMENDMENT TO
AGREEMENT BETWEEN SONOMA COUNTY WASTE MANAGEMENT AGENCY
AND ECS REFINING
FOR E-WASTE TRANSPORT AND RECYCLING SERVICES

This First Amendment ("Amendment") to the Agreement for E-Waste Transport and Recycling Services ("Agreement"), dated as of _____, 2008, is by and between the Sonoma County Waste Management Agency ("Agency"), a joint powers agency and ECS Refining, a Limited Liability Corporation, ("Contractor"). All capitalized terms used herein shall, unless otherwise defined, have the meaning ascribed to those terms in the existing Agreement.

RECITALS

WHEREAS, Agency and Contractor entered into that certain Agreement to transport and recycle E-waste dated as of December 1, 2006 ("Agreement"); and

WHEREAS, Agency is satisfied with services provided by Contractor and would like to continue receiving said services from Contractor; and

WHEREAS, the parties desire to amend the Agreement to extend the term of Agreement until May 31, 2010; and,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Section 3 Term of Agreement is hereby deleted and replaced in its entirety to read as follows:

3. Term of Agreement. The term of this Agreement shall be from December 1, 2006 to May 31, 2010, unless terminated earlier in accordance with the provisions of Article 4 below.

AGENCY AND CONTRACTOR HAVE CAREFULLY READ AND REVIEWED THIS AMENDMENT AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS AMENDMENT, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

August 20, 2008

First Amendment

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE MANAGEMENT
AGENCY
By:

Tim Smith, Chair

CONTRACTOR: ECS REFINING
By:

Title:

APPROVED AS TO FORM FOR AGENCY:

Janet Coleson, Agency Counsel

APPROVED AS TO SUBSTANCE FOR AGENCY:

Susan Klassen, Interim Executive Director



Agenda Item #: 12.2
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: Authorize Bidding for HHW Roof Extension

I. BACKGROUND

At the June 20, 2007 Agency Board meeting, the Board approved executing an Agreement with VBN Architects for the HHW Building Enclosure Expansion. This project involves extending the existing canopy over the entire concrete area on the south end of the building to provide additional storage and processing space for low toxicity waste, such as latex paint.

The first benefit of this project will be to increase the operational capacity of the existing facility. When the canopy is operational, the hazardous waste storage capacity will be increased by an estimated 40%. This is achieved by shifting the universal waste stream and latex paint storage to the new canopy area. This will open 2 bays that can then be used to store hazardous waste. It also opens up the current operational processing area that is constantly challenged for space.

The second benefit will be to have a secondary storage area for universal waste and latex that is not impinging into the hazardous waste operations area. This will allow for enhanced safety in the movement of waste throughout the facility. The new extension will also allow for more efficient storage of supplies such as drums, PPE, and safety equipment.

II. DISCUSSION

VBN is required to complete six (6) tasks in regards to the Contract. The following tasks have been completed: site visit, review existing drawings, and working drawings. At the time this staff report was written, the Permits and Resource Management Department (PRMD) was reviewing the final plans for the project. Once the plans are approved by PRMD, VBN will complete the following last three tasks: permit, bid, and construction services. All tasks must be completed by December 31, 2008, when the Contract terminates. Once the project receives approval from PRMD, staff recommends initiating the bidding process.

III. FUNDING IMPACT

It is estimated by the VBN Architects that the HHW Building Enclosure Expansion project will cost \$240,000. In FY 07-08 \$300,000 was budgeted in the HHW Facility Reserve for this project, but the contract was not awarded prior to June 30, 2008 and was not rebudgeted. A technical adjustment to the FY 08-09 Budget for \$300,000, will be prepared with the assumption the project will be approved.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff requests approval from the Board to advertise and receive bids for the construction of the HHW Roof Extension Project and return to the Board with a selected Contractor.

V. ATTACHMENTS

There are no attachments for this item.

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



Agenda Item #: 12.3
Cost Center: HHW
Staff Contact: Carter
Agenda Date: 8/20/2008

ITEM: HHW Grant/Feasibility

I. BACKGROUND

Due to concerns regarding the rapidly increasing cost of the HHW program, the Board gave staff direction in April 2006 to solicit consultant services to study HHW programs and facilities similar to the Agency's to compare and measure the efficiency and effectiveness of the Agency's program. At the June 21, 2006 Agency Board meeting a contract was awarded to the consultant team of Sweetser & Associates/Special Waste Associates to conduct the Sonoma County HHW Program Benchmarking and Program Evaluation (Sweetser Report).

On January 17, 2007, the results of the HHW program study were presented to the Board. The report covered a substantial amount of material and staff was directed to return to the Board with an implementation plan to organize and address the dozens of recommendations. One of the most significant recommendations from this report was to expand the collection infrastructure by adding up to five additional permanent facilities throughout the county.

At the November 28, 2007 SCWMA meeting, the Board entered into an agreement with R.W. Beck to study the feasibility, design, and permitting of additional HHW collection facilities. The consultant detailed the expected costs and efficiencies of additional facilities at the March 19, 2008 SCWMA meeting.

The issue of additional facilities was discussed by the Board at the April 16, 2008 SCWMA meeting. The R.W. Beck report indicated that additional facilities would lead to greater disposal costs, and that the operational efficiencies gained through the replacement of CTCs with permanent facilities would quickly be overrun by disposal costs from increased participation. The Board directed staff to examine whether the terms of the HD 16 F grant (design and permitting of additional HHW facilities) could be altered to fund EPR efforts, and whether there were measures that could be implemented at the existing HHW facility that would reduce the need for additional facilities.

Staff contacted the CIWMB to determine whether the scope of the HD 16 F grant could be altered to fund Extended Producer Responsibility (EPR) activities or the canopy expansion at the existing HHW facility, but were initially informed it could not.

II. DISCUSSION

Staff met with representatives from Clean Harbors and with Heidi Sanborn of the California Product Stewardship Council to discuss operational changes at the existing facility and EPR.

Existing Facility

Clean Harbors examined the effect of increasing staffing levels to increase throughput on existing days, increase the number of collection days per week, and additional publicity of the CESQG program, and provided estimates of the resulting cost and efficiency gains. Adding two staff members, one for waste receipt and one for processing, is estimated to increase staffing costs by approximately \$100,000/year while increasing the amount of HHW received and processed from 50% to 100%. Though the amount of material collected through increased

staff and collection days would continue to grow over time, Clean Harbors estimates a 50% increase in material collected would cause disposal costs to increase by approximately \$250,000. However, Clean Harbors noted that staffing costs are very likely to increase in a subsequent agreement. The current agreement with Clean Harbors expires January 6, 2009.

The canopy expansion at the existing site is expected to free two bays currently used for universal waste and latex paint bulking for additional HHW processing. This would increase the storage capacity of the building by 40%. This operational change is awaiting plan approval from PRMD, and construction is expected to begin this year.

Another suggestion made by Clean Harbors was to increase publicity for the CESQG program. This program charges businesses for HHW disposal costs. Clean Harbors estimates that existing staffing levels could accommodate a 100% increase, resulting in additional revenue to the SCWMA of approximately \$40,000/year. Though Clean Harbors did not provide any suggestions for realizing the increased CESQG participation, staff assumes that increased business outreach would be necessary, which would result in additional SCWMA staff time.

As the current agreement with Clean Harbors for operation of the HHW facility expires January 6, 2009, staff believes it would be prudent to receive new proposals before considering additional staff at the HHW facility.

Extended Producer Responsibility

Heidi Sanborn stressed her goal was to shift disposal costs from local government to the producers of hazardous waste. She offered the support of the California Product Stewardship Council for the SCWMA efforts on the EPR approach.

Subsequently, the California Integrated Waste Management Board released a Notice of Funds Availability for its 17th Cycle HHW grant. This cycle gives priority to programs which implement "retail take back and Extended Producer Responsibility (EPR) programs and initiatives." The maximum funding amount available for a single jurisdiction is \$250,000, roughly \$50,000 greater than the amount received by the SCWMA in the HD 16 F grant. Given the Board's commitment to EPR and the Executive Director's authority to submit grant applications to the CIWMB (Resolution 2008-011) until February 20, 2013, staff is preparing a grant application for HD 17 specific to EPR.

HD 16 F Grant from the CIWMB

Staff contacted the CIWMB HHW grant manager to better understand the intricacies of the HHW grants. CIWMB staff informed SCWMA staff that a cancellation of the HD 16 F grant would not put the SCWMA at a disadvantage for future grants. As no grant funds have been expended, there are no monetary issues related to cancellation of the HD 16 F grant, should that option be considered. The project described in the grant is about six months behind schedule, but staff still believes there is time to complete the project.

Despite having received negative responses from the HD 16 F grant manager regarding scope changes, staff was told by the grant manager on August 6, 2008 that a scope change may be possible. Staff is investigating this avenue and hopes to have an update at the August 20, 2008 SCWMA meeting.

III. FUNDING IMPACT

Increasing staffing levels at the existing facility by two FTE is estimated to increase SCWMA costs by at least \$350,000/year. Increasing CESQG participation by 100% is estimated to decrease SCWMA costs by approximately \$40,000/year, though additional staff time would be required.

If SCWMA staff is successful in the grant application, the SCWMA would receive a maximum of \$250,000 to implement EPR-related activities.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff offers the following recommendations:

1. Incorporate the expanded staffing levels described above into the RFP for the HHW Operations RFP (Item 12.4 of this Agenda).
2. Explore what additional resources would be necessary to realize additional participation in the CESQG program.
3. Submit a Cycle 17 HHW grant application to the CIWMB to implement EPR activities.

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency



Agenda Item #: 12.4
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: Authorize Distribution of HHW Operation Request for Proposals

I. BACKGROUND

The Agency awarded the HHW Facility Operations contract to MSE Environmental on February 20, 2002. The contract is a three party agreement between the Agency, County of Sonoma, and Clean Harbors Environmental (formerly MSE Environmental). At the June 20, 2007 Agency Board meeting, the Agency Board approved the Fifth Amendment to the HHW Agreement granting a one-year contract extension until January 2009. Staff was given direction at the August 15, 2007 Agency Board meeting to develop a RFP for a contract to operate the Agency's Household Hazardous Waste program such that a new Agreement will be in place by January 2009.

II. DISCUSSION

The services to be requested in the upcoming RFP will not differ significantly from the services requested in the original RFP distributed prior to the Agreement signed in 2002. Staff is recommending a three (3) year contract, with a selected Contractor, with a possible two (2) year extension. The current Agreement, with all five Amendments incorporated, is on file with the Clerk. The following services will be added or changed from the requirements of the current Agreement.

A. The Proposer will be required to submit a Proposal for four (4) scopes of work.

1. Scope A includes all the services outlined in the current HHW Agreement but will not include services relating to the Hazardous Waste Load Check Program.
2. Scope B includes only services related to the Load Check Program. In the current Agreement, any materials collected by the Hazardous Waste Load Check Program shall be handled by the Contractor at the HHW Facility, subject to exclusions set forth in section 2.2.2 of the Agreement. Currently, the Contractor receives Load Check Hazardous Waste from the following locations: Annapolis Transfer Station, Healdsburg Transfer Station, Guerneville Transfer Station, Sonoma Transfer Station, and the Central Disposal Site. As a result of the County of Sonoma's potential sale of the Landfill and County owned Transfer Stations, a separate Agreement for Load Check Hazardous Waste will be between the new owner and the Contractor. If the County does not divest the Landfill and Transfer Stations then the Load Check Agreement will be between the County and the Contractor.
3. Scope C includes services for additional staff in case the Agency decides to do one or more of the following: increases current staffing levels, increases the number of collection days per year requiring more staff, and adds additional HHW facilities or programs requiring additional staff.
4. Scope D includes services related to Emergency Response. Staff is requiring more comprehensive Emergency Response Services from the Contractor than what is outlined in the current Agreement. Section 19 of the current Agreement addresses field work in response to a natural disaster but is limited in the scope of services required. An outline of

Emergency Response Services and requirements to be provided by the Contractor is included with this staff report.

- B. The Contractor will be required to pay utility costs of \$150.00 per month to the Agency. Utilities are not included in the current Agreement.
- C. The hours of operation are to be changed to coincide with the landfill hours of operation. Currently the HHW Facility is open to the public from 7:30 a.m. to 3:30 p.m. on Thursday, Friday, and Saturday. The new proposed hours would be from 8:00 a.m. to 4:00 p.m. on the same days. The Facility is utilized by the public more frequently later in the day than in the morning hours. The Contractor will be able to accommodate more residents if this change to the hours of operation is made.

All Proposals will be evaluated by the Executive Director of the Agency and Agency staff. Selection of a Contractor will be made in accordance with the evaluation criteria set forth in the RFP.

III. FUNDING IMPACT

Currently the Contractor is paid approximately \$438,000 dollars a year as an operating fee and disposal fees are currently about \$600,000 annually. Staff anticipates that the costs to the Agency from future Proposals will be increased over what is currently paid by the Agency for HHW Services.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends that the Board authorize the distribution of the HHW Operation RFP and authorize staff to come back with a selected Proposer.

V. ATTACHMENTS

Outline of Emergency Response Services

Approved by:



Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency

DRAFT

SCOPE D EMERGENCY RESPONSE SERVICES

The Sonoma County Waste Management Agency (Agency) requires a separate Agreement to be executed between the Agency and the Contractor for Emergency Response Services to be provided by the Contractor.

The Emergency Response Agreement ("Agreement") establishes the terms and conditions under which the Contractor agrees to provide, and the Agency agrees to pay for, emergency response services, as defined herein ("Services").

Contractor shall provide documentation to Agency clearly describing the Contractor's experience and expertise in emergency response, including dates and time duration of all such experience.

The Emergency Response Services shall include, but not be limited to, the following:

- Identification, containment, recovery, repackaging and removal of waste or other materials;
- Site evaluation, decontamination and restoration;
- Transportation, storage, treatment or disposal of waste or other materials;
- Technical services, including sampling, laboratory analysis, and other related services;
- Standby of personnel and equipment in anticipation of imminent activation;
- Training and mock spill drill deployments.

Additionally, the following shall be provided by the Contractor:

- Contractor shall provide supervision, labor, materials, tools, equipment and subcontracted items for the performance of the Services;
- Contractor shall take necessary precautions for the safety of its employees, and shall comply with applicable provisions of the Occupational Safety and Health Act;
- Contractor represents that it holds the permits and licenses required for the performance of the Services.

The following personnel shall be provided by Contractor upon request by the Agency:

- Field Personnel
- Technical Personnel
- Administrative/Managerial Personnel
- Major Event "Strike Team"

Contractor shall provide the following documentation to Agency for all personnel, provided by Contractor, involved in emergency response actions:

- Proof of dates and time duration of each employee's experience and expertise in emergency response;
- Proof that all technical, operational/supervisory laborers, lead/forepersons, specialist, field chemists, and subcontracted personnel have at a minimum the following:
 1. 40 hour "Hazwoper" training as specified in 8 CCR Sect.5192 and 29 CFR1910.120;
 2. A continuous record of 8 hr "Hazwoper" refreshers annually within one year of initial 40 hr training;
 3. HM181/215 DOT "Hazmat Worker" training as specified in CCR,Title19, 2730 et.seq.and 49CFR172.704 on a triennial basis;
 4. Cal/OSHA compliant annual respiratory protection training, as specified in 8 CCR,Sect. 5144.;
 5. Be respirator fit tested annually according to Cal/OSHA standards using MSHA approved full face APR respirators.
- Personnel designated as supervisory must also provide proof that they have Cal/OSHA Hazardous waste Supervisors training in addition to the above mentioned training.

The following equipment shall be provided by Contractor upon request by the Agency:

- Earth Moving Equipment
- Electric Power Tools
- Field Analytical
- Gas powered Tools
- Heavy Duty Trucks
- Hoses/Pipes
- Light Duty Truck/Response Equipment
- Materials Processing Equipment
- Pneumatic Power Tools
- Pressure Washing Equipment
- Pumping Transferring Pumps
- Respiratory Protection
- Site Support Equipment
- Specialty Equipment



Agenda Item #: 12.5
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 8/20/2008

ITEM: Authorize Award of Agreements for Petaluma Used Oil Tank Cleanup and Replacement

I. BACKGROUND

The City of Petaluma has an oil drop-off site located at the Corporation Yard at 840 Hopper Street. The site was one of the earliest locations set up in Sonoma County through the Agency as an oil drop-off for those who change their own oil or do-it-yourselfers (DIYers). The Petaluma Corp Yard site has been operating as an oil collection drop off site for over ten years. The tank used for the oil collection was purchased at the time the site was started as a collection point. The Petaluma Corp Yard is getting roughly 2,500 gallons of oil dropped off a year and has had steady use since the start of this program. This site is an unattended collection site and is available to the public seven days a week. During business hours the site is monitored by the Petaluma Corp Yard staff. After work hours and on the weekends there is no attendant. Although Petaluma has a Kragen Auto Parts, that also accepts oil from the public, the Corp Yard site continues to be heavily used. There are regular DIYers who depend on the site for its convenience and especially since it's available outside of regular business hours.

The City of Petaluma has a contract with Evergreen Environmental to pick up the used oil from this site. The Agency reimburses the City of Petaluma on an annual basis for the Evergreen costs associated with this site. This cost is reimbursed back to the Agency through the State's Used Oil Block Grant Program.

II. DISCUSSION

In March of 2008, the Petaluma used oil tank was contaminated with a high level of PCBs. It is very rare for such a contamination to occur but it is possible since there are times when the site is unattended. The problem was discovered during routine testing of the oil from a tank sample once the truck returned to Evergreen. Evergreen is unable to accurately test for PCBs in route. Since the contaminated oil was already picked up by Evergreen and the Agency is ultimately responsible for the tank, the Agency paid Evergreen \$12,596.96 to dispose of the contaminated oil.

The existing contaminated tank was in need of replacement prior to the contamination. The majority of the used oil tanks purchased by the Agency at the same time the Petaluma tank was purchased have already been replaced. The Petaluma tank was close to the end of its useful life. In order to keep the oil drop off site operational, the tank will need to be removed and replaced with a new tank.

Additionally, staff would like to provide the Petaluma Corp Yard with a receptacle for used oil filters. Currently, there is no adequate method for used filter collection. In the past, trash cans have been placed next to the oil collection tank but trash and other illegal materials ended up mixed in with the filters.

III. FUNDING IMPACT

There are future costs associated with the removal of the tank and the purchase of a new replacement tank. It is estimated that the cost to the Agency for the removal, disposal, and replacement of the existing tank will be close to \$16,300. All costs associated with the removal and

disposal of the existing tank are not expected to exceed \$12,000. It is estimated that the replacement tank will cost approximately \$4,300. The receptacle for used oil filters is estimated to cost \$485.00.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends authorizing the Executive Director to approve the purchase orders for the clean-up and replacement of the Petaluma used oil tank. In addition, staff seeks the Board's approval to purchase a receptacle for used oil filters to be located at the Petaluma site.

V. ATTACHMENTS

There are no attachments for this item.

Approved by:




Susan Klassen, Interim Executive Director
Sonoma County Waste Management Agency