



SONOMA COUNTY WASTE MANAGEMENT AGENCY

Meeting of the Board of Directors

May 16, 2024

REGULAR MEETING

Regular Session begins at 9:00 a.m.

Estimated Ending Time 11:30 a.m.

City of Santa Rosa Council Chambers
100 Santa Rosa Avenue
Santa Rosa, CA

Meeting will also streamed via Zoom:

<https://sonomacounty.zoom.us/j/92248855470?pwd=OFFVNUIiWVh5Wk5SSzVyWWdWbndjdz09>

Webinar ID: 922 4885 5470

US: +1 669 444 9171

Passcode: 157476

Meeting Agenda and Documents

ZERO WASTE SONOMA

Meeting of the Board of Directors

May 16, 2024

REGULAR MEETING

Regular Session begins at 9:00 a.m.

Table of Contents

<u>Description</u>	<u>Page</u>
Agenda	1
Agenda Notes	4
Item 4.1: Minutes of the February 15, 2024 Regular Meeting	5
Item 4.2: February, March, April, May, June 2024 Outreach Calendar	10
Item 4.3: ZWS FY 2023/24 Second Quarter Financial Report	12
Item 4.4: Zero Waste Sonoma FY 2022-23 Audit of Financial Statements	21
Item 4.5: Approval of the Fifth Amendment to the Agreement for Household Hazardous Waste Operations with Clean Harbors	42
Item 4.6: Approval of the Fifth Amendment to Agreement with Soluna Outreach Solutions for Oil Payment Program	48
Item 5: Authorization to enter into an Agreement with Sonoma Public Infrastructure (a Department of the County of Sonoma) for Project Management Services for the HHW Facility located at 5871-5895 Pruitt Ave, Windsor, CA and Making a Budget Adjustment to Account for the Cost of the Agreement	59

Note: This packet is 67 pages total



Zero Waste Sonoma

Meeting of the Board of Directors

May 16, 2024

REGULAR MEETING

Regular Session begins at 9:00 a.m.

Estimated Ending Time 11:30 a.m.

City of Santa Rosa Council Chambers
100 Santa Rosa Avenue
Santa Rosa, CA

Meeting will also streamed via Zoom:

<https://sonomacounty.zoom.us/j/92248855470?pwd=OFFVNUliWVh5Wk5SSzVyWWdWbndjdz09>

Webinar ID: 922 4885 5470

US: +1 669 444 9171

Passcode: 157476

PUBLIC COMMENT:

Public Comment may be submitted via recorded voice message or email. Public comment may also be made by “raising your hand” using the Zoom platform.

Voice recorded public comment: To submit public comment via recorded message, please call 707-565-4432 by 5:00 pm Wednesday, May 15th. State your name and the item number(s) on which you wish to speak. The recordings will be limited to two minutes. These comments may be played or read at the appropriate time during the board meeting.

Email public comment: To submit an emailed public comment to the Board please email leslie.lukacs@sonoma-county.org and provide your name, the number(s) on which you wish to speak, and your comment. These comments will be emailed to all Board members and can be provided anytime leading up to and throughout the meeting.

COMMITMENT TO CIVILITY: The ZWS Board of Directors has a commitment to civility. To assure civility in its public meetings, the public is encouraged to engage in respectful dialog that supports freedom of speech and values diversity of opinion. Board Members, staff, and members of the public are expected to establish and maintain a cordial and respectful atmosphere during discussions; and foster meaningful dialogue free of personal attacks. Members of the public must also adhere to the speaking time limit. Any commenters in violation of civility standards will be disconnected.



Agenda

Item

1. Call to Order
2. Agenda Approval
3. Public Comments (items not on the agenda)

Consent (w/attachments)

- 4.1 Minutes of the February 15, 2024 Meeting
- 4.2 February, March, April, May, June 2024 Outreach Calendar
- 4.3 ZWS FY 2023/24 Second Quarter Financial Report
- 4.4 Zero Waste Sonoma FY 2022-23 Audit of Financial Statements
- 4.5 Approval of the Fifth Amendment to the Agreement for Household Hazardous Waste Operations with Clean Harbors
- 4.6 Approval of the Fifth Amendment to Agreement with Soluna Outreach Solutions for Oil Payment Program

Regular Calendar

5. Authorization to enter into an Agreement with Sonoma Public Infrastructure (a Department of the County of Sonoma) for Project Management Services for the HHW Facility located at 5871-5895 Pruitt Ave, Windsor, CA and Making a Budget Adjustment to Account for the Cost of the Agreement [Collard]
6. Boardmember Comments – NO ACTION
7. Executive Director Report – VERBAL REPORT
8. Staff Comments – NO ACTION
9. Next ZWS meeting: June 20, 2024
10. 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/Zero Waste Sonoma, 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

2300 County Center Drive, Suite B100 Santa Rosa, California 95403 Phone: 707/565-3579 www.zerowastesonoma.gov



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 Zero Waste Sonoma Office at 2300 County Center Drive, Suite B100, Santa Rosa, (707) 565-3788, at least 72 hours prior to the meeting, to ensure arrangements for accommodation by the Agency.

Noticing: This notice is posted 72 hours prior to the meeting on the internet at www.zerowastesonoma.gov



To: Zero Waste Sonoma Board Members
From: Leslie Lukacs, Executive Director
Subject: May 16, 2024 Board Meeting Agenda Notes

Consent Calendar

These items include routine financial, informational 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.

- 4.1 Minutes of the February 15, 2024 Meeting
- 4.2 February, March, April, May, and June 2024 Outreach Calendar
- 4.3 ZWS FY 2023/24 Second Quarter Financial Report
- 4.4 FY 2022-23 Audit of Financial Statements
- 4.5 Approval of the Fifth Amendment to the Agreement for Household Hazardous Waste Operations with Clean Harbors
- 4.6 Approval of the Fifth Amendment to Agreement with Soluna Outreach Solutions for Oil Payment Program

5. **Public Authorization to Enter into an Agreement with Sonoma Public Infrastructure (a Department of the County of Sonoma) for Project Management Services for the HHW Facility Located at 5871-5895 Pruitt Ave, Windsor, CA and Making a Budget Adjustment to Account for the Cost of the Agreement.**
On January 29, 2024 Zero Waste Sonoma purchased the property located at 5871-5895 Pruitt Ave, Windsor, CA with the intent to build an additional HHW facility in Sonoma County. The next step in the development process for the new facility is to hire a project management team to execute permitting and project design. Sonoma County's Sonoma Public Infrastructure (SPI) Department has extensive experience executing capital improvement projects through their Capital Improvements division. **Staff recommends the board approve the resolution authorizing the Executive Director to enter into an agreement with SPI for the project management of the new HHW Facility and approve the budget adjustment for the cost of the agreement. Staff will return to the board for financial approval and design discussion as the project progresses. This item requires a Supermajority vote.**



Minutes of the February 15, 2024 Meeting

Zero Waste Sonoma met on February 15, 2024, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Ave., Santa Rosa, California.

Board Members Present:

City of Cloverdale – David Kelley
City of Cotati – Susan Harvey
City of Healdsburg – Larry Zimmer
City of Petaluma – Patrick Carter
City of Rohnert Park – Emily Sanborn

City of Santa Rosa – Renae Gundy
City of Sebastopol – Sandra Maurer
City of Sonoma – Jack Ding
County of Sonoma – Trish Pisenti
Town of Windsor – Debora Fudge

Staff Present:

Executive Director: Leslie Lukacs
Counsel: Ethan Walsh
Staff: Thora Collard, Katherine Cushwa, Courtney Scott, Xinci Tan, Amber Johnson
Agency Clerk: Amber Johnson

1. Call to Order Regular Meeting

Regular session was called to order at 9:00 a.m.
Introductions

2. Agenda Approval

3. Public Comments (items not on the agenda)

4. Consent (w/attachments)

- 4.1 Minutes of the January 18, 2024 Meeting
- 4.2 January, February, and March 2024 Outreach Calendar

Board Comment:

None

Public Comments:

None

Motion: For approval of the consent calendar.

First: City of Cotati – Susan Harvey

Second: City of Cloverdale – David Kelley

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-
Motion passed.

Regular Calendar

5. Public Hearing for the Consideration of Organics Disposal Fee and Agency Surcharge Fee Increases [Collard]

Board Comments/Action Items:

- What is the current garbage gate rate fee at the County?
- Are these increases in line with the financial outlook while considering the HHW facility?

Public Comments:

None

Motion: To approve and adopt the increased organics disposal fee and Agency surcharge fee.

First: City of Cotati – Susan Harvey

Second: Town of Windsor – Debora Fudge

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-
Motion passed.

6. Approval of the Fiscal Year 2024-25 ZWS Final Budget [Collard]

Board Comments/Action Items:

- Do we need to change the unfunded liability reserve goal for the addition of an Admin Aide?

Public Comments:

None

Motion: For approval of the FY 24-25 Zero Waste Sonoma Final Budget.

First: City of Cotati – Susan Harvey

Second: City of Rohnert Park – Emily Sanborn

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

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

Motion passed.

7. Discussion and Possible Action for Sponsorship of Marine Flare Producer Responsibility Senate Bill [Scott]

Board Comments/Action Items:

- By ZWS Sonoma board being a cosponsor is there any litigation possibilities?
- Have the producers of the marine flares voiced their feelings on this bill?
- What is the predicted life span of the alternate marine flare and what is the recyclability?
- Are there any other waste agencies that you are seeking to cosponsor this legislation?
- Voiced support for the co-sponsorship of bill SB 1066 and recognized staff for their efforts.

Public Comments:

Bob Adams – Voiced support of this legislation and co-sponsorship. Pointed out that the electronic handheld flare will not replace the aerial flare which can be seen from the horizon.

Liz Bortolotto – Voiced strong support for co-sponsorship of this bill. Mentioned that the public in general does not understand that not all products that producers produce are taken back, which then leads to the cost being put upon the public. It is important to head towards producer responsibility on all products.

Mathew Slusser – A recreational boater in support of the co-sponsorship of bill SB 1066. Relayed emails sent to Supervisor Lynda Hopkins in 2022 with frustrations for the lack of disposal options for marine flares. When questioning fellow boaters on how they are disposing of marine flares, they were disturbed to learn that the majority are soaking them in water, dumping the water down the drain or in the soil, and discarding of the flares in the garbage.

Motion: To approve the sponsorship of SB 1066, Marine Flare Producer Responsibility Act.

First: Town of Windsor – Debora Fudge

Second: City of Sebastopol – Sandra Maurer

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

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

Motion passed.

8. Discussion and Possible Action for an HHW EPR Model Ordinance [Scott]

Board Comments/Action Items:

- Are other counties looking into introducing a HHW ordinance?
- Is there a disadvantage to waiting to see what happens with the HHW EPR State bill that was introduced?
- Why not include producer responsibility for e-waste?
- What do you see as an individual city's role in enforcement of an HHW EPR ordinance?
- What is the time frame for the ordinance?
- What was the outcome of Vermont's ordinance? Were there any concerns?
- Highlighted that the board needs to be extremely clear when adopting an ordinance.
- Noted the need to educate the cost to the public.
- Should the individual jurisdictions send a letter of support of the State bill that was introduced?
- Interested in seeing the feasibility study after a model ordinance is introduced.
- Do we have an estimate on staff costs, and was it included in the 24/25 final budget?
- Noted that the board is aware that a lot of HHW items are improperly disposed of in the landfill. Through an EPR model there would potentially be more convenient disposal options other than the HHW facility. This would reduce costs and make it more convenient for HHW to be handled appropriately.
- While an EPR program is a critical component of an overall solid waste program, the legal feasibility and the cost to the agency and County is concerning.
- It would be beneficial to hear the key financial, technical, and legal policy components that would comprise the ordinance.

Public Comments:

Liz Bortolotto – Offers strong support for pursuing the EPR ordinance. Wanted to highlight that with the State EPR for pharmaceuticals and sharps, so many jurisdictions were implementing the ordinances a little differently, which made it difficult for the bigger companies to change the EPR collection and regulations. It is important for the municipalities to show support and take on the model ordinance.

Marie Kneemeyer – Voiced support for ZWS staff to explore the HHW model ordinance. An EPR is strongly needed and it's a way to shift the responsibility to the producer of these materials. What is the timeline for the board to show support of this EPR model ordinance for the State bill?

Motion: To provide direction to staff to develop key financial, technical, and legal policy components for drafting an EPR model ordinance for additional review and consideration.

First: City of Cloverdale – David Kelley

Second: City of Sonoma – Jack Ding

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

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

Motion passed.

9. **Board Member Comments – NO ACTION**
10. **Executive Director Report – VERBAL REPORT**
11. **Staff Comments – NO ACTION**
Staff was asked to speak about the compost hubs.
12. **Next ZWS meeting:** March 21, 2024
13. **Adjourn:** 10:46 a.m.

Submitted by: Amber Johnson



Agenda Item #: 4.2
 Agenda Date: 5/16/2024

ITEM: March, April, May, June 2024 Outreach Calendar

March 2024 OUTREACH

Start date	End date	Start time	End time	Event
3/5/24	3/5/24	4:00 PM	8:00 PM	HHW Collection Event (Guerneville)
3/7/24	3/7/24	1:00 PM	2:00 PM	Plastics: Reduce, Reuse, Recycle and Research (SSU Webinar)
3/8/24	3/10/24	9:00 AM	5:00 PM	E-Waste Recycling Event (Graton)
3/9/24	3/9/24	10:00 AM	4:00 PM	North Bay Science Discovery Day (Santa Rosa)
3/9/24	3/9/24	9:00 AM	5:00 PM	Mattress Collection Event (Graton)
3/12/24	3/12/24	4:00 PM	8:00 PM	HHW Collection Event (Sonoma)
3/19/24	3/19/24	3:00 PM	8:00 PM	HHW Collection Event (Windsor)
3/26/24	3/26/24	2:00 PM	7:00 PM	HHW Collection Event (Oakmont)

April 2024 OUTREACH

Start date	End date	Start time	End time	Event
4/2/24	4/2/24	4:00 PM	8:00 PM	HHW Collection Event (Petaluma)
4/5/24	4/7/24	9:00 AM	5:00 PM	E-Waste Recycling Event (Sonoma)
4/5/24	4/5/24	9:00 AM	5:00 PM	Solar Panel Collection Event (Sonoma)
4/6/24	4/6/24	9:00 AM	5:00 PM	Mattress Collection Event (Sonoma)
4/9/24	4/9/24	4:00 PM	8:00 PM	HHW Collection Event (Santa Rosa, E)
4/9/24	4/9/24	4:00 PM	6:00 PM	104.9 FM Nor Cal Public Media Radio
4/13/24	4/14/24	9:00 AM	5:00 PM	E-Waste Recycling Event (Monte Rio)
4/13/24	4/13/24	9:00 AM	5:00 PM	Mattress Collection Event (Monte Rio)
4/13/24	4/13/24	10:00 AM	3:00 PM	Forestville Repair Fair (Forestville) - RA / Rotary
4/16/24	4/16/24	4:00 PM	8:00 PM	HHW Collection Event (Forestville)
4/20/24	4/20/24	12:00 PM	4:00 PM	Santa Rosa Earth Day
4/21/24	4/21/24	12:00 PM	4:00 PM	Healdsburg Climate Fest
4/23/24	4/23/24	11:00 AM	1:00 PM	SSU Earth Day
4/23/24	4/23/24	4:00 PM	8:00 PM	HHW Collection Event (Healdsburg)
4/27/24	4/27/24	10:00 AM	2:00 PM	DEA Drug Take Back Day
4/30/24	4/30/24	4:00 PM	8:00 PM	HHW Collection Event (Larkfield)

May 2024 OUTREACH

Start date	End date	Start time	End time	Event
5/4/24	5/4/24	10:00 AM	1:00 PM	Windsor Repair Fair (Windsor) - RA / WeAct
5/7/24	5/7/24	4:00 PM	8:00 PM	HHW Collection Event (Sebastopol)
5/10/24	5/12/24	9:00 AM	5:00 PM	E-Waste Recycling Event (Healdsburg)
5/10/24	5/10/24	9:00 AM	5:00 PM	Solar Panel Collection Event (Healdsburg)
5/11/24	5/11/24	9:00 AM	5:00 PM	Mattress Collection Event (Healdsburg)
5/14/24	5/14/24	4:00 PM	8:00 PM	HHW Collection Event (Santa Rosa, W)
5/18/24	5/18/24	10:00 AM	4:00 PM	American Graffiti Car Show
5/21/24	5/21/24	3:00 PM	8:00 PM	HHW Collection Event (Cloverdale)
5/28/24	5/28/24	4:00 PM	8:00 PM	HHW Collection Event (Sonoma)

June 2024 OUTREACH

Start date	End date	Start time	End time	Event
6/4/24	6/4/24	4:00 PM	8:00 PM	HHW Collection Event (Rohnert Park)
6/11/24	6/11/24	4:00 PM	8:00 PM	HHW Collection Event (Oakmont)
6/14/24	6/16/24	9:00 AM	5:00 PM	E-Waste Recycling Event (Luther Burbank Center)
6/15/24	6/15/24	9:00 AM	5:00 PM	Mattress Collection Event (Luther Burbank Center)
6/18/24	6/18/24	3:00 PM	8:00 PM	HHW Collection Event (Windsor)
6/25/24	6/25/24	4:00 PM	8:00 PM	HHW Collection Event (Bodega Bay)



Agenda Item #: **4.3**
Cost Center: **All**
Staff Contact: **Collard**
Agenda Date: **5/16/2024**
Approved By: **LL**

ITEM: **ZWS FY 2023/24 Second Quarter Financial Report**

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the FY 2023/24 Second Quarter Financial Report on the Consent Calendar.

II. BACKGROUND

This report covers the second quarter of FY 23-24 (October 1, 2023 - December 31, 2023) in accordance with the requirement in the joint powers agreement the Sonoma County Waste Management Agency/Zero Waste Sonoma staff make quarterly reports to the Board of Directors of Agency operations and of all receipts to and disbursements from the ZWS.

III. DISCUSSION

The Second Quarter Financial Report uses information from the County accounting system, Enterprise Financial System (EFS), for expenditures and revenues. The FY 2023-24 Second Quarter Financial Report contains the actual amounts spent or received to date at the end of the quarter, the projected revenues and expenses, the adjusted budget, and the difference between the budget and the projections.

Actual revenues are lower than budget predictions in the report as the revenue from the County of Sonoma (tipping fees and ZWS surcharge) were three months behind.

Interdepartmental transfers of shared administrative and overhead expenditures (county car, copier and storage rental, website expenditures, etc.) have not been processed yet, so some expenditures in the Education Fund are higher than normal.

IV. ATTACHMENTS

Second Quarter Financial Report FY 2023-24 Revenue and Expenditure Summary

66110300 Zero Waste - Organics Reserve

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	29,289.00	29,289.00	26,067.03	3,221.97	11.00%
47101	Transfers In - within a Fund	0.00	455,756.00	0.00	455,756.00	100.00%
All Revenues		29,289.00	485,045.00	26,067.03	458,977.97	94.63%

All Expense/Expenditure Accts

51201	Administration Services	29,289.00	29,289.00	0.00	29,289.00	100.00%
51206	Accounting/Auditing Services	1,000.00	1,000.00	1,000.00	0.00	0.00%
51212	Outside Counsel - Legal Advice	10,000.00	10,000.00	0.00	10,000.00	100.00%
51916	County Services Chgs	379.00	379.00	0.00	379.00	100.00%
52111	Office Supplies	1,000.00	1,000.00	0.00	1,000.00	100.00%
57011	Transfers Out - within a Fund	540,700.00	540,700.00	0.00	540,700.00	100.00%
All Expense/Expenditure Accts		582,368.00	582,368.00	1,000.00	581,368.00	99.83%

All Expense/Expenditure Accts		582,368.00	582,368.00	1,000.00	581,368.00	
All Revenues		29,289.00	485,045.00	26,067.03	458,977.97	
Net Cost		553,079.00	97,323.00	(25,067.03)	122,390.03	

66110900 ZW - Contingency Fund

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	41,565.00	41,565.00	20,491.29	21,073.71	50.70%
47101	Transfers In - within a Fund	0.00	591,201.00	0.00	591,201.00	100.00%
All Revenues		41,565.00	632,766.00	20,491.29	612,274.71	96.76%

All Expense/Expenditure Accts

51201	Administration Services	106,051.00	106,051.00	15,417.42	90,633.58	85.46%
51206	Accounting/Auditing Services	1,000.00	1,000.00	1,000.00	0.00	0.00%
51212	Outside Counsel - Legal Advice	20,000.00	20,000.00	30,543.31	(10,543.31)	-52.72%
51803	Other Contract Services	125,000.00	125,000.00	62,142.25	62,857.75	50.29%
51916	County Services Chgs	217.00	217.00	0.00	217.00	100.00%
52111	Office Supplies	1,000.00	1,000.00	199.00	801.00	80.10%
52162	Special Department Expense	40,000.00	40,000.00	2,104.74	37,895.26	94.74%
All Expense/Expenditure Accts		293,268.00	293,268.00	111,406.72	181,861.28	62.01%

All Asset Accounts

19810	Acq-Land	0.00	2,000,000.00	45,000.00	1,955,000.00	97.75%
All Asset Accounts		0.00	2,000,000.00	45,000.00	1,955,000.00	97.75%

All Expense/Expenditure Accts		293,268.00	293,268.00	111,406.72	181,861.28	
All Assets Accounts		0.00	2,000,000.00	45,000.00	1,955,000.00	
All Revenues		41,565.00	632,766.00	20,491.29	612,274.71	
Net Cost		251,703.00	1,660,502.00	135,915.43	1,524,586.57	

66110400 ZW - Household Waste

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	186,560.00	186,560.00	233,064.12	(46,504.12)	-24.93%
42601	County of Sonoma	2,644,747.00	2,644,747.00	677,110.30	1,967,636.70	74.40%
44002	Interest on Pooled Cash	9,414.00	9,414.00	5,780.45	3,633.55	38.60%
46029	Donations/Contributions	221,980.00	221,980.00	19,857.86	202,122.14	91.05%
All Revenues		3,062,701.00	3,062,701.00	935,812.73	2,126,888.27	69.44%

All Expense/Expenditure Accts

51041	Insurance - Liability	2,025.00	2,025.00	2,211.29	(186.29)	-9.20%
51071	Maintenance - Bldg & Improve	15,000.00	15,000.00	0.00	15,000.00	100.00%
51201	Administration Services	280,866.00	280,866.00	0.00	280,866.00	100.00%
51205	Advertising/Marketing Svc	17,000.00	17,000.00	3,260.64	13,739.36	80.82%
51206	Accounting/Auditing Services	2,250.00	2,250.00	2,718.00	(468.00)	-20.80%
51207	Client Accounting Services	4,500.00	4,500.00	0.00	4,500.00	100.00%
51212	Outside Counsel - Legal Advice	4,000.00	4,000.00	0.00	4,000.00	100.00%
51225	Training Services	1,600.00	1,600.00	0.00	1,600.00	100.00%
51229	Hazardous Waste Disposal Svc	30,000.00	30,000.00	14,549.04	15,450.96	51.50%
51249	Other Professional Services	176,548.00	176,548.00	64,921.79	111,626.21	63.23%
51401	Rents and Leases - Equipment	450.00	450.00	0.00	450.00	100.00%
51421	Rents and Leases - Bldg/Land	14,613.00	14,613.00	3,669.00	10,944.00	74.89%
51507	Special Departmental Expense	174,300.00	174,300.00	38,159.66	136,140.34	78.11%
51801	Other Services	0.00	0.00	7,134.76	(7,134.76)	0.00%
51803	Other Contract Services	1,535,940.00	1,535,940.00	415,717.49	1,120,222.51	72.93%
51901	Telecommunication Data Lines	3,150.00	3,150.00	427.80	2,722.20	86.42%
51902	Telecommunication Usage	156.00	156.00	3.27	152.73	97.90%
51904	ISD - Baseline Services	8,640.00	8,640.00	2,265.70	6,374.30	73.78%
51909	Telecommunication Wireless Svc	2,040.00	2,040.00	803.35	1,236.65	60.62%
51911	Mail Services	100.00	100.00	9.48	90.52	90.52%
51916	County Services Chgs	11,187.00	11,187.00	0.00	11,187.00	100.00%
51922	County Car Expense	225.00	225.00	0.00	225.00	100.00%
52091	Memberships/Certifications	6,333.00	6,333.00	7,125.00	(792.00)	-12.51%
52111	Office Supplies	2,500.00	2,500.00	1,116.07	1,383.93	55.36%
52115	Books/Media/Subscriptions	139.00	139.00	0.00	139.00	100.00%
52162	Special Department Expense	216.00	216.00	0.00	216.00	100.00%
52163	Professional Development	10,900.00	10,900.00	3,429.87	7,470.13	68.53%
52191	Utilities Expense	6,132.00	6,132.00	1,104.58	5,027.42	81.99%
57011	Transfers Out - within a Fund	745,000.00	1,198,296.00	0.00	1,198,296.00	100.00%
All Expense/Expenditure Accts		3,055,810.00	3,509,106.00	568,626.79	2,940,479.21	83.80%

All Expense/Expenditure Accts		3,055,810.00	3,509,106.00	568,626.79	2,940,479.21	
All Revenues		3,062,701.00	3,062,701.00	935,812.73	2,126,888.27	
Net Cost		(6,891.00)	446,405.00	(367,185.94)	813,590.94	

66111000 Education & Outreach

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	1,347,000.00	1,347,000.00	0.00	1,347,000.00	100.00%
42601	County of Sonoma	869,867.00	869,867.00	222,704.05	647,162.95	74.40%
46029	Donations/Contributions	71,694.00	71,694.00	5,371.67	66,322.33	92.51%
All Revenues		2,288,561.00	2,288,561.00	228,075.72	2,060,485.28	90.03%

All Expense/Expenditure Accts

51041	Insurance - Liability	2,295.00	2,295.00	2,506.13	(211.13)	-9.20%
51201	Administration Services	560,538.00	560,538.00	0.00	560,538.00	100.00%
51205	Advertising/Marketing Svc	2,500.00	2,500.00	0.00	2,500.00	100.00%
51206	Accounting/Auditing Services	2,550.00	2,550.00	3,080.00	(530.00)	-20.78%
51207	Client Accounting Services	5,100.00	5,100.00	0.00	5,100.00	100.00%
51212	Outside Counsel - Legal Advice	15,000.00	15,000.00	7,662.93	7,337.07	48.91%
51241	Outside Printing and Binding	3,500.00	3,500.00	295.41	3,204.59	91.56%
51249	Other Professional Services	1,325,427.00	1,325,427.00	508,421.11	817,005.89	61.64%
51401	Rents and Leases - Equipment	510.00	510.00	1,447.04	(937.04)	-183.73%
51421	Rents and Leases - Bldg/Land	4,446.00	4,446.00	1,264.00	3,182.00	71.57%
51801	Other Services	0.00	0.00	1,065.00	(1,065.00)	0.00%
51803	Other Contract Services	40,000.00	40,000.00	26,333.06	13,666.94	34.17%
51805	Cnty Spor'shp of events/orgs	5,000.00	5,000.00	5,700.00	(700.00)	-14.00%
51901	Telecommunication Data Lines	11,550.00	11,550.00	2,352.90	9,197.10	79.63%
51902	Telecommunication Usage	1,185.00	1,185.00	537.15	647.85	54.67%
51904	ISD - Baseline Services	11,772.00	11,772.00	7,519.00	4,253.00	36.13%
51909	Telecommunication Wireless Svc	5,700.00	5,700.00	2,548.40	3,151.60	55.29%
51911	Mail Services	500.00	500.00	132.03	367.97	73.59%
51916	County Services Chgs	11,695.00	11,695.00	0.00	11,695.00	100.00%
51922	County Car Expense	255.00	255.00	2,392.78	(2,137.78)	-838.35%
51923	Unclaimable county car exp	50.00	50.00	12.22	37.78	75.56%
52091	Memberships/Certifications	33,516.00	33,516.00	17,005.00	16,511.00	49.26%
52109	IRR-Other Supplies	0.00	0.00	131.25	(131.25)	0.00%
52111	Office Supplies	15,220.00	15,220.00	4,357.35	10,862.65	71.37%
52114	Freight/Postage	15,000.00	15,000.00	0.00	15,000.00	100.00%
52115	Books/Media/Subscriptions	157.00	157.00	1,818.00	(1,661.00)	-1057.96%
52118	Printing and Binding Supplies	6,400.00	6,400.00	0.00	6,400.00	100.00%
52162	Special Department Expense	168,245.00	168,245.00	13,918.88	154,326.12	91.73%
52163	Professional Development	27,620.00	27,620.00	9,274.44	18,345.56	66.42%
57011	Transfers Out - within a Fund	0.00	137,905.00	0.00	137,905.00	100.00%
All Expense/Expenditure Accts		2,275,731.00	2,413,636.00	619,774.08	1,793,861.92	74.32%

All Expense/Expenditure Accts		2,275,731.00	2,413,636.00	619,774.08	1,793,861.92	
All Revenues		2,288,561.00	2,288,561.00	228,075.72	2,060,485.28	
Net Cost		(12,830.00)	125,075.00	391,698.36	(266,623.36)	

66111100 Organics

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	818,500.00	818,500.00	0.00	818,500.00	100.00%
42601	County of Sonoma	7,396,236.00	7,396,236.00	1,889,303.54	5,506,932.46	74.46%
47101	Transfers In - within a Fund	540,700.00	540,700.00	0.00	540,700.00	100.00%
All Revenues		8,755,436.00	8,755,436.00	1,889,303.54	6,866,132.46	78.42%

All Expense/Expenditure Accts

51041	Insurance - Liability	9,180.00	9,180.00	10,024.53	(844.53)	-9.20%
51201	Administration Services	401,704.00	401,704.00	0.00	401,704.00	100.00%
51206	Accounting/Auditing Services	10,200.00	10,200.00	12,322.00	(2,122.00)	-20.80%
51207	Client Accounting Services	20,400.00	20,400.00	0.00	20,400.00	100.00%
51212	Outside Counsel - Legal Advice	5,000.00	5,000.00	4,173.90	826.10	16.52%
51249	Other Professional Services	798,500.00	798,500.00	0.00	798,500.00	100.00%
51401	Rents and Leases - Equipment	2,040.00	2,040.00	0.00	2,040.00	100.00%
51421	Rents and Leases - Bldg/Land	2,783.00	2,783.00	0.00	2,783.00	100.00%
51801	Other Services	0.00	0.00	4.00	(4.00)	0.00%
51803	Other Contract Services	7,432,095.00	7,432,095.00	2,201,111.66	5,230,983.34	70.38%
51901	Telecommunication Data Lines	2,100.00	2,100.00	427.80	1,672.20	79.63%
51902	Telecommunication Usage	26.00	26.00	6.48	19.52	75.08%
51904	ISD - Baseline Services	20,088.00	20,088.00	4,788.40	15,299.60	76.16%
51909	Telecommunication Wireless Svc	0.00	0.00	292.31	(292.31)	0.00%
51911	Mail Services	250.00	250.00	0.00	250.00	100.00%
51916	County Services Chgs	31,433.00	31,433.00	0.00	31,433.00	100.00%
51922	County Car Expense	1,020.00	1,020.00	0.00	1,020.00	100.00%
52091	Memberships/Certifications	12,510.00	12,510.00	13,005.21	(495.21)	-3.96%
52111	Office Supplies	2,000.00	2,000.00	0.00	2,000.00	100.00%
52115	Books/Media/Subscriptions	629.00	629.00	0.00	629.00	100.00%
52162	Special Department Expense	979.00	979.00	0.00	979.00	100.00%
52163	Professional Development	2,500.00	2,500.00	34.00	2,466.00	98.64%
57011	Transfers Out - within a Fund	0.00	455,756.00	0.00	455,756.00	100.00%
All Expense/Expenditure Accts		8,755,437.00	9,211,193.00	2,246,190.29	6,965,002.71	75.61%

All Expense/Expenditure Accts		8,755,437.00	9,211,193.00	2,246,190.29	6,965,002.71	
All Revenues		8,755,436.00	8,755,436.00	1,889,303.54	6,866,132.46	
Net Cost		1.00	455,757.00	356,886.75	98,870.25	

66111200 Unfunded Pension Liability Rsv

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	9,838.00	9,838.00	4,614.84	5,223.16	53.09%
All Revenues		9,838.00	9,838.00	4,614.84	5,223.16	53.09%

All Expense/Expenditure Accts

51206	Accounting/Auditing Services	1,000.00	1,000.00	1,000.00	0.00	0.00%
All Expense/Expenditure Accts		1,000.00	1,000.00	1,000.00	0.00	0.00%

All Expense/Expenditure Accts		1,000.00	1,000.00	1,000.00	0.00	
All Revenues		9,838.00	9,838.00	4,614.84	5,223.16	
Net Cost		(8,838.00)	(8,838.00)	(3,614.84)	(5,223.16)	

66111300 Debt Servicing Reserve

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	0.00	0.00	10,129.86	(10,129.86)	0.00%
47101	Transfers In - within a Fund	745,000.00	745,000.00	0.00	745,000.00	100.00%
All Revenues		745,000.00	745,000.00	10,129.86	734,870.14	98.64%

All Expense/Expenditure Accts

51206	Accounting/Auditing Services	1,000.00	1,000.00	1,000.00	0.00	0.00%
All Expense/Expenditure Accts		1,000.00	1,000.00	1,000.00	0.00	0.00%

All Asset Accounts

19810	Acq-Land	0.00	1,000,000.00	45,000.00	955,000.00	95.50%
All Asset Accounts		0.00	1,000,000.00	45,000.00	955,000.00	95.50%

All Expense/Expenditure Accts		1,000.00	1,000.00	1,000.00	0.00	
All Assets Accounts		0.00	1,000,000.00	45,000.00	955,000.00	
All Revenues		745,000.00	745,000.00	10,129.86	734,870.14	
Net Cost		(744,000.00)	256,000.00	35,870.14	220,129.86	

66110000 Zero Waste - All Departments

Department/A ccount	Description	Budget Original	Budget Final	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	2,352,060.00	2,352,060.00	233,064.12	2,118,995.88	90.09%
42601	County of Sonoma	10,910,850.00	10,910,850.00	2,789,117.89	8,121,732.11	74.44%
44002	Interest on Pooled Cash	90,106.00	90,106.00	67,083.47	23,022.53	25.55%
46029	Donations/Contributions	293,674.00	293,674.00	25,229.53	268,444.47	91.41%
47101	Transfers In - within a Fund	1,285,700.00	2,332,657.00	0.00	2,332,657.00	100.00%
All Revenues		14,932,390.00	15,979,347.00	3,114,495.01	12,864,851.99	80.51%

All Expense/Expenditure Accts

51041	Insurance - Liability	13,500.00	13,500.00	14,741.95	(1,241.95)	-9.20%
51071	Maintenance - Bldg & Improve	15,000.00	15,000.00	0.00	15,000.00	100.00%
51201	Administration Services	1,378,448.00	1,378,448.00	15,417.42	1,363,030.58	98.88%
51205	Advertising/Marketing Svc	19,500.00	19,500.00	3,260.64	16,239.36	83.28%
51206	Accounting/Auditing Services	19,000.00	19,000.00	22,120.00	(3,120.00)	-16.42%
51207	Client Accounting Services	30,000.00	30,000.00	0.00	30,000.00	100.00%
51212	Outside Counsel - Legal Advice	54,000.00	54,000.00	42,380.14	11,619.86	21.52%
51225	Training Services	1,600.00	1,600.00	0.00	1,600.00	100.00%
51229	Hazardous Waste Disposal Svc	30,000.00	30,000.00	14,549.04	15,450.96	51.50%
51241	Outside Printing and Binding	3,500.00	3,500.00	295.41	3,204.59	91.56%
51249	Other Professional Services	2,300,475.00	2,300,475.00	573,342.90	1,727,132.10	75.08%
51401	Rents and Leases - Equipment	3,000.00	3,000.00	1,447.04	1,552.96	51.77%
51421	Rents and Leases - Bldg/Land	21,842.00	21,842.00	4,933.00	16,909.00	77.42%
51507	Special Departmental Expense	174,300.00	174,300.00	38,159.66	136,140.34	78.11%
51801	Other Services	0.00	0.00	8,203.76	(8,203.76)	0.00%
51803	Other Contract Services	9,133,035.00	9,133,035.00	2,705,304.46	6,427,730.54	70.38%
51805	Cnty Spor'shp of events/orgs	5,000.00	5,000.00	5,700.00	(700.00)	-14.00%
51901	Telecommunication Data Lines	16,800.00	16,800.00	3,208.50	13,591.50	80.90%
51902	Telecommunication Usage	1,367.00	1,367.00	546.90	820.10	59.99%
51904	ISD - Baseline Services	40,500.00	40,500.00	14,573.10	25,926.90	64.02%
51909	Telecommunication Wireless Svc	7,740.00	7,740.00	3,644.06	4,095.94	52.92%
51911	Mail Services	850.00	850.00	141.51	708.49	83.35%
51916	County Services Chgs	54,911.00	54,911.00	0.00	54,911.00	100.00%
51922	County Car Expense	1,500.00	1,500.00	2,392.78	(892.78)	-59.52%
51923	Unclaimable county car exp	50.00	50.00	12.22	37.78	75.56%
52091	Memberships/Certifications	52,359.00	52,359.00	37,135.21	15,223.79	29.08%
52109	IRR-Other Supplies	0.00	0.00	131.25	(131.25)	0.00%
52111	Office Supplies	21,720.00	21,720.00	5,672.42	16,047.58	73.88%
52114	Freight/Postage	15,000.00	15,000.00	0.00	15,000.00	100.00%
52115	Books/Media/Subscriptions	925.00	925.00	1,818.00	(893.00)	-96.54%
52118	Printing and Binding Supplies	6,400.00	6,400.00	0.00	6,400.00	100.00%
52162	Special Department Expense	209,440.00	209,440.00	16,023.62	193,416.38	92.35%
52163	Professional Development	41,020.00	41,020.00	12,738.31	28,281.69	68.95%

52191	Utilities Expense	6,132.00	6,132.00	1,104.58	5,027.42	81.99%
57011	Transfers Out - within a Fund	1,285,700.00	2,332,657.00	0.00	2,332,657.00	100.00%
All Expense/Expenditure Accts		14,964,614.00	16,011,571.00	3,548,997.88	12,462,573.12	77.83%

All Asset Accounts

19810	Acq-Land	0.00	3,000,000.00	90,000.00	2,910,000.00	97.00%
All Asset Accounts		0.00	3,000,000.00	90,000.00	2,910,000.00	97.00%

All Expense/Expenditure Accts		14,964,614.00	16,011,571.00	3,548,997.88	12,462,573.12	
All Asset Accts		0.00	3,000,000.00	90,000.00	2,910,000.00	
All Revenues		14,932,390.00	15,979,347.00	3,114,495.01	12,864,851.99	
Net Cost		32,224.00	3,032,224.00	524,502.87	2,507,721.13	

2nd Quarter Fund Balances FY 23/24

Fund		Beginning Balance	12/31/2023	Projected Fund Balance	Fund Balance Goal
Organics Reserve	78103	2,241,189	2,266,256	1,904,814	2,188,859
HHW	78104	979,283	1,346,699	634,462	577,703
Contingency Reserve	78109	2,946,771	2,855,855	2,519,398	1,269,724
Education & Outreach	78110	244,761	108,415	254,865	227,573
Organics	78111	2,333,558	1,992,122	1,316,717	2,188,859
Unfunded Pension Liability Rsv	78112	661,679	665,294	664,697	650,000
Debt Servicing Reserve	78113	1,477,643	1,486,773	2,219,959	
Total			10,721,414	9,514,912	



Agenda Item #: 4.4
Cost Center: All
Staff Contact: Collard
Agenda Date: 5/16/2024
Approved by: LL

ITEM: Zero Waste Sonoma FY 2022-23 Audit of Financial Statements

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board accept the FY 2022-23 Financial Statements and Auditors' Report.

II. BACKGROUND

Zero Waste Sonoma (also known as the Sonoma County Waste Management Agency) conducts an independent audit annually in accordance with the requirement contained in the Joint Powers Authority Agreement and compliance with Government Code section 6505. Zero Waste Sonoma entered into an agreement with Pisenti and Brinker to audit the Agency's FY 2022-23 Financial Statements. Previously, the County of Sonoma's Auditor Controller Treasurer Tax Collector (ACTTC) department had performed those services for the SCWMA, but the past few years, the ACTTC had not been able to express an opinion on the financial statements due to "independence impairments" as the ACTTC department performed both accounting and auditing functions for the Zero Waste Sonoma.

III. DISCUSSION

Pisenti and Brinker expressed an opinion that the Zero Waste Sonoma's financial statements present fairly, in all material respects, the respective financial position of the Agency as of June 30, 2023, and the respective changes in financial position for the year that ended in accordance with accounting principles generally accepted in the United States of America. Audit consists of three parts: 1) the Independent Auditors' General Communication to Board, 2) Financial Statements and Auditors' Report Year Ended June 30, 2023, and 3) Zero Waste Sonoma Management Representation. The first two attachments are informational and describe the extent of the audit and the financial statements of the Zero Waste Sonoma.

IV. FUNDING IMPACT

The cost of the audit was \$29,800.

V. ATTACHMENTS

Financial Statements and Auditors' Report Year Ended June 30, 2023

Sonoma County Waste Management Agency

**Independent Auditor’s Report, Management’s Discussion and Analysis,
and Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**



**Sonoma County Waste Management Agency
Fiscal Year Ended June 30, 2023**

Table of Contents

	Page
Independent Auditor’s Report	1-2
Management’s Discussion and Analysis (Required Supplementary Information)	3-5
Basic Financial Statements:	
Statement of Net Position.....	6
Statement of Revenues, Expenses, and Changes in Net Position.....	7
Statement of Cash Flows.....	8
Notes to the Basic Financial Statements	9-13



Independent Auditor's Report

To the Board of Directors
Sonoma County Waste Management Agency

Opinion

We have audited the financial statements of the Sonoma County Waste Management Agency (the "Agency"), as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying basic financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2023, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Santa Rosa, California
March 11, 2024

**Sonoma County Waste Management Agency
Management’s Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

The Management’s Discussion and Analysis provides an overview and analysis of the Sonoma County Waste Management Agency (Zero Waste) financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with Zero Waste’s financial statements and the accompanying notes.

Financial Highlights

Zero Waste’s net position, as of June 30, 2023, was \$10,939,087, an increase of \$1,278,382 in comparison with the prior year. Total revenues increased by \$1,889,806, and total operating expenses increased by \$1,183,045.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to Zero Waste’s basic financial statements. Zero Waste’s basic financial statements are comprised of two components: 1) basic financial statements and 2) notes to the basic financial statements.

Zero Waste accounts for its financial activity utilizing fund accounting, specifically enterprise fund accounting, to ensure and demonstrate compliance with finance-related legal requirements. An enterprise fund is a proprietary fund type used to report activities for which a fee is charged to external customers for goods or services provided. The focus of an enterprise fund is the determination of operating income, changes in net position (or cost recovery), and cash flows.

All activities are presented in the following three basic financial statements:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Sonoma County Waste Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

Financial Analysis

Net Position - Over time, changes in net position may indicate whether the financial position of Zero Waste is improving or deteriorating. Net position increased to \$10,939,087 during the fiscal year ended June 30, 2023, a change of \$1,278,382 from the fiscal year ended June 30, 2022. Current assets increased by \$1,345,043 compared to prior year due to additional cash and accounts receivable from additional state grants. The following table summarizes the statement of net position:

	June 30, 2023	June 30, 2022	Increase (Decrease)
Assets			
Current assets	\$ 12,711,467	\$ 11,366,424	\$ 1,345,043
Capital assets	-	5,167	(5,167)
Total assets	<u>12,711,467</u>	<u>11,371,591</u>	<u>1,339,876</u>
Liabilities			
Current liabilities	<u>1,772,380</u>	<u>1,710,886</u>	<u>61,494</u>
Total liabilities	<u>1,772,380</u>	<u>1,710,886</u>	<u>61,494</u>
Net position			
Net investment in capital assets	-	5,167	(5,167)
Unrestricted net position	<u>10,939,087</u>	<u>9,655,538</u>	<u>1,283,549</u>
Total net position	<u>\$ 10,939,087</u>	<u>\$ 9,660,705</u>	<u>\$ 1,278,382</u>

Change in Net Position - Total revenues for the fiscal year ended June 30, 2023 were \$12,058,564, an increase of \$1,889,806 compared to prior year. Operating revenues increased by \$635,693, primarily due to a rate increase for tipping fees and surcharges. Nonoperating revenues increased by \$1,254,113, due to additional state grant revenue received. Zero Waste also had investment income of \$128,179 in comparison with an investment loss of \$269,628 in the prior year. Zero Waste's operating expenses were \$10,780,182, an increase of \$1,183,045 compared to the prior year, primarily due to annual CPI increases of the Household Hazardous Waste facility and compost hauling and processing and grant expenditures for two new grants. Operating expenses were comprised of contract services, administration, and professional services. The following table summarizes the changes in net position for the current and prior fiscal year end:

	June 30, 2023	June 30, 2022	Increase (Decrease)
Revenues			
Operating revenues	\$ 10,574,272	\$ 9,938,579	\$ 635,693
Nonoperating revenues	<u>1,484,292</u>	<u>230,179</u>	<u>1,254,113</u>
Total revenues	<u>12,058,564</u>	<u>10,168,758</u>	<u>1,889,806</u>
Expenses			
Operating expenses	<u>10,780,182</u>	<u>9,597,137</u>	<u>1,183,045</u>
Increase in net position	1,278,382	571,621	706,761
Net position - beginning of the year	<u>9,660,705</u>	<u>9,089,084</u>	<u>571,621</u>
Net position - end of the year	<u>\$ 10,939,087</u>	<u>\$ 9,660,705</u>	<u>\$ 1,278,382</u>

**Sonoma County Waste Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

Economic Outlook

- Zero Waste's revenue is expected to cover expenditures for all planned future projects.

Request for Additional Information

This financial report is designed to provide our residents, taxpayers and creditors with a general overview of Zero Waste's finances and to demonstrate its accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to Sonoma County Waste Management Agency, 2300 County Center Drive Ste. B-100, Santa Rosa, CA 95403.

Respectfully submitted,

Leslie Lukacs

Executive Director

Sonoma County Waste Management Agency
Statement of Net Position
June 30, 2023

Assets

Current assets

Cash and investments	\$ 10,466,591
Prepaid expenses	11,878
Due from state	421,574
Due from other governments	1,811,424

Total assets 12,711,467

Liabilities

Current liabilities

Accounts payable	883,395
Unearned revenues	888,985

Total liabilities 1,772,380

Net position

Unrestricted	10,939,087
--------------	------------

Total net position \$ 10,939,087

The notes to the basic financial statements are an integral part of this statement.

**Sonoma County Waste Management Agency
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2023**

Operating revenues	
Tipping fees and surcharges	\$ 10,111,042
Service agreements	463,230
<hr/>	
Total operating revenues	10,574,272
<hr/>	
Operating expenses	
Contract services	7,800,805
Administration	1,625,024
Professional services	1,349,186
Depreciation	5,167
<hr/>	
Total operating expenses	10,780,182
<hr/>	
Operating loss	(205,910)
<hr/>	
Nonoperating revenues	
State grant revenue	1,356,113
Investment income	128,179
<hr/>	
Total nonoperating revenues	1,484,292
<hr/>	
Change in net position	1,278,382
Net position, beginning of year	9,660,705
<hr/>	
Net position, end of year	\$ 10,939,087
<hr/>	

The notes to the basic financial statements are an integral part of this statement.

**Sonoma County Waste Management Agency
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023**

Cash flows from operating activities	
Cash received from customers	\$ 10,220,821
Payments to suppliers	(9,407,252)
Payments for services provided by County of Sonoma	(1,282,776)
<hr/>	
Net cash used in operating activities	(469,207)
<hr/>	
Cash flows from noncapital financing activities	
Noncapital grants received - state	1,077,791
<hr/>	
Net cash provided by noncapital financing activities	1,077,791
<hr/>	
Cash flows from investing activities	
Investment income	128,179
<hr/>	
Net cash provided by investing activities	128,179
<hr/>	
Net increase in cash and investments	736,764
Cash and investments, beginning of year	9,729,827
<hr/>	
Cash and investments, end of year	\$ 10,466,591
<hr/>	
Reconciliation of operating loss to net cash used in operating activities	
Operating loss	\$ (205,910)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	5,167
Decrease in prepaid expense	548
Increase in accounts receivable	(359,166)
Increase in accounts payable and accrued liabilities	90,154
<hr/>	
Net cash used in operating activities	\$ (469,207)
<hr/>	

The notes to the basic financial statements are an integral part of this statement.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. Reporting Entity

The Sonoma County Waste Management Agency (Zero Waste) was formed in April 1992 by a joint exercise of powers agreement between the cities and towns of Sonoma County and the County of Sonoma (the County) to assist the cities and the County with the implementation of programs necessary to satisfy the requirements of the Assembly Bill (AB) 939, the Integrated Waste Management Act of 1989.

Zero Waste is governed by a ten-member board of directors, with one member from nine Sonoma County cities and towns and one from the County.

Zero Waste's education, diversion, and planning activities include a regional composting program, household hazardous waste collections, and countywide efforts towards waste reduction and recycling. Zero Waste's activities are funded through garbage disposal tonnage and surcharge fees, charges for services and grants. The County, through Zero Waste, tracks each load of yard and wood waste entering the county disposal system. A tonnage tipping fee is collected to pay for operating costs of the composting program. A surcharge on the solid waste tipping fee entering the county disposal system is used to fund the other activities, such as household hazardous waste, education, diversion, and planning.

2. Summary of Significant Accounting Policies

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting policies of Zero Waste conform to the accounting principles generally accepted in the United States of America as applicable to governmental units.

Zero Waste uses a proprietary (enterprise) fund to account for its activities. An enterprise fund may be used to report any activity for which a fee is charged to external users for goods or services. Enterprise funds are required for any activity whose principal external revenue sources meet any of the following criteria: (1) issued debt is backed solely by fees and charges, (2) the cost of providing services for any activity (including capital costs such as depreciation or debt service) must be legally recovered through fees or charges, or (3) if the government's policy is to establish activity fees or charges designed to recover the cost of providing services.

Zero Waste's financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. All assets and liabilities associated with the operation of Zero Waste are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Investments

Zero Waste's cash and investments are pooled with the Sonoma County Treasurer (the Treasurer). The Treasurer also acts as a disbursing agent for Zero Waste. The fair value of the investments in the pool is determined quarterly. Realized and unrealized gains or losses and interest earned on pooled investments are allocated quarterly to Zero Waste based on its respective average daily balance for that quarter in the Sonoma County Treasury Investment Pool (the Treasury Pool), an external investment pool.

In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and External Investment Pools*" and GASB Statement No. 72, "*Fair Value Measurement and Application*", investments are stated at fair value in the statement of net position and the corresponding changes in the fair value of investments are recognized in the year in which the change occurred. Zero Waste follows the practice of pooling cash and investments of all funds with the Treasurer. The fair value of investments is determined annually. Interest earned on pooled investments is allocated quarterly to the appropriate funds based on their respective average daily balance for that quarter.

For purposes of the statement of cash flows, Zero Waste considers all pooled cash and investments as cash and cash equivalents because the Treasury Pool is used as a demand deposit account.

Capital Assets

Zero Waste's policy is to capitalize equipment valued over \$5,000 and furniture valued over \$25,000 that is expected to be in service for over one year. Depreciation is computed according to the straight-line method over estimated useful lives of five years.

Unearned Revenue

Unearned revenue represents amounts for which asset recognition criteria have been met but revenue recognition criteria have not been satisfied. Zero Waste has three advance grants from the state of California: Oil Payment program, Local Assistance program, and Beverage Container program. Zero Waste receives the money in advance before earning the grant revenue. The grant revenue is earned when activity is performed that meets the grant requirements.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

Net Position

Net position is presented in the following components:

- **Net Investment in capital assets** (if any) - This component of net position consists of capital assets, net of accumulated depreciation and reduced by outstanding borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** (if any) - This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of “investment in capital assets” or “restricted”.

When both restricted and unrestricted resources are available for use, it is Zero Waste’s policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. Cash and Investments

Zero Waste follows the County's practice of pooling cash and investments with the Treasurer. The Investment Oversight Committee has regulatory oversight for all monies deposited into the Treasury Pool. The fair value of Zero Waste’s investment in this pool is reported in the accompanying financial statements at amounts based upon Zero Waste’s pro- rata share of the fair value provided by the Treasury Pool for the entire Treasury Pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on accounting records maintained by the Treasury Pool, which are recorded on an amortized cost basis.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

3. Cash and Investments (continued)

Investment Guidelines

Zero Waste's pooled cash and investments are invested pursuant to investment policy guidelines established by the Treasurer and approved by the Board of Supervisors. The objectives of the policy are, in order of priority: safety of capital, liquidity and maximum rate of return. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code 53601, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity. A copy of the Sonoma County Investment Policy is available upon request from the Treasurer at 585 Fiscal Drive, Room 100, Santa Rosa, California 95403.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways that the Treasurer manages Zero Waste's exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Treasury Pool does not have a rating provided by a nationally recognized statistical rating organization. It is the County's policy to purchase investments meeting rating requirements established by the California Government Code. The credit ratings of investments held and other information regarding the Treasury Pool for the fiscal year ended June 30, 2023 are disclosed in the County's Annual Comprehensive Financial Report.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Treasury Pool).

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

3. Cash and Investments (continued)

Fair Value Measurements

Zero Waste categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Zero Waste has a recurring fair value measurement for its investment in the Treasury Pool of \$354,509 as of June 30, 2023, which is valued using significant other observable inputs (Level 2).

4. Risk Management

Zero Waste is exposed to various risks for which it carries insurance with coverage for bodily injury, property damage, personal injury, auto liability, and errors and omissions. Zero Waste is covered through Great American Insurance Group for \$5,000,000 per occurrence. Zero Waste is covered for \$2,000,000 per occurrence for employment practices liability with a deductible of \$10,000.

5. Related Party Transactions

Zero Waste's staffing, occupancy, and support services are provided by the County, a member of the Board of Directors. Zero Waste appoints an executive director who is employed through an at-will agreement with the County. Additional staffing is provided by the County through a contract with Zero Waste. During the year ended June 30, 2023, expenses for these services totaled \$1,282,776.

6. Future Pronouncements

The GASB has released the following standards which may be implemented in future financial statements:

GASB Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*

Effective fiscal year 2023-24, Statement No. 100's objective is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, relevant, consistent, and comparable information for making decisions or assessing accountability.



March 11, 2024

Pisenti & Brinker LLP
3562 Round Barn Circle, Suite 200
Santa Rosa, CA 95403

This representation letter is provided in connection with your audit of the *basic financial statements* of the Sonoma County Waste Management Agency (the “Agency”) as of June 30, 2023, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether these financial statements present fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 8, 2024:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 8, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations, if applicable.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented, if any.
- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our

knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

- Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as amended.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, that is not disclosed in the financial statements.
- We have no knowledge of any uncorrected misstatements in the financial statements.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- We have reviewed the GASB Statements effective for the fiscal year ending June 30, 2023 and concluded the implementation of the following Statements did not have a material impact on the basic financial statements:
 - GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
 - GASB Statement No. 96, Subscription-Based Information Technology Arrangements
 - GASB Statement No. 99, Omnibus 2022
- All required supplementary information is measured and presented within the prescribed guidelines.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.

- It is our responsibility to establish and maintain internal control over financial reporting. One of the components of internal control is risk assessment. We hereby represent that our risk assessment process includes identification and assessment of risks of material misstatement due to fraud. We have shared with you our fraud risk assessment, including a description of the risks, our assessment of the magnitude and likelihood of misstatements arising from those risks, and the controls that we have designed and implemented in response to those risks.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entities' financial statements communicated by employees, former employees, vendors, regulators, or others.
- We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entities' related parties and all the related party relationships and transactions of which we are aware.
- We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Agency's ability to record, process, summarize and report financial data.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Agency have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Agency are contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements:

- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- c. The methods of measurement or presentation have not changed from those used in the prior period.



Thora Collard, Administrative Manager



Jennifer Murray, Sonoma County ACTTC's Office







Management Representation Letter

Final Audit Report

2024-03-11

Created:	2024-03-11
By:	Thora Collard (Thora.Collard@sonoma-county.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAf06ISAPTASmX_jcsbnvKYi7xbBgeDN7

"Management Representation Letter" History

-  Document created by Thora Collard (Thora.Collard@sonoma-county.org)
2024-03-11 - 4:43:40 PM GMT- IP address: 209.77.204.154
-  Document e-signed by Thora Collard (Thora.Collard@sonoma-county.org)
Signature Date: 2024-03-11 - 4:44:18 PM GMT - Time Source: server- IP address: 209.77.204.154
-  Document emailed to Jennifer Murray (Jennifer.Murray2@sonoma-county.org) for signature
2024-03-11 - 4:44:19 PM GMT
-  Email viewed by Jennifer Murray (Jennifer.Murray2@sonoma-county.org)
2024-03-11 - 4:45:06 PM GMT- IP address: 104.47.65.254
-  Document e-signed by Jennifer Murray (Jennifer.Murray2@sonoma-county.org)
Signature Date: 2024-03-11 - 4:45:27 PM GMT - Time Source: server- IP address: 209.77.204.154
-  Agreement completed.
2024-03-11 - 4:45:27 PM GMT



Agenda Item #: 4.5
Staff Contact: Scott
Agenda Date: May 16, 2024
Approved By: LL

ITEM: Approval of the Fifth Amendment to the Agreement for Household Hazardous Waste Operations with Clean Harbors

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve the resolution authorizing the Zero Waste Sonoma (ZWS) Executive Director to execute the Fifth Amendment to the Agreement for Household Hazardous Waste (HHW) Operations (Agreement) with Clean Harbors Environmental Services (Clean Harbors).

II. BACKGROUND

The management of HHW generated in Sonoma County is a core function of ZWS. Current programs operated by Clean Harbors include the permanent HHW Facility for residents and Very Small Quantity Generating (VSQGs) businesses, weekly temporary HHW Collection Events, and the HHW Rover Service.

In March of 2014, the SCWMA released a request for proposals for Operations of Household Hazardous Waste Programs and entered into an agreement with Clean Harbors Environmental Services (Clean Harbors) on May 21, 2014. The First Amendment to the Agreement was approved on November 16, 2016 to include a Consumer Price Index (CPI) increase in personnel costs up to 3% annually and a termination date of June 30, 2019.

In April 2019, the Board approved a Second Amendment to the Agreement that included an updated pricing structure with an estimated increase of \$102,118 over a three-year period and a new expiration date of June 30, 2022.

In April 2022, the Board approved the Third Amendment to the Agreement that included an 8% increase equating to roughly \$124,000, an extension of one year, and liquidated damages for the following categories: reporting, manifesting, battery sorting, collection events, safety, regulatory, paint service, and other. This extension expired on June 30, 2023.

In May 2023, the Board approved the Fourth Amendment to the Agreement that included a 4.9% increase on all contract costs plus and a monthly increase of \$2,292 for supplies and equipment. The cost associated with the Fourth Amendment equates to roughly \$92,267 and this one-year extension expires on June 30, 2024.

III. DISCUSSION

Staff and Clean Harbors would like to extend the term of the agreement by one year to expire on June 30, 2025. Clean Harbors has also asked for a 2.6% increase in accordance with the December Bay Area CPI-U on all contract items and an additional \$27 manifest fee per manifest. Manifests are hazardous waste shipping documents required by federal regulation and the HHW program uses five to ten manifests per month on average.

Due to market fluctuations, Clean Harbors has requested one-year extensions for the foreseeable future. Zero Waste Sonoma plans to release a request for proposals for HHW operations in a few years as the opening of the new HHW facility in Windsor approaches.

IV. FUNDING IMPACT

Staff has estimated that the cost associated with the Fifth Amendment is approximately \$34,500. Using the disposal data from the first six months of FY 23-24, disposal costs are estimated to increase by \$15,750 while the price of labor, supplies, equipment, and bonds will increase by \$17,750. Manifest fees are estimated to increase by \$1,000 per year. The proposed increases are already reflected in the FY 24-25 approved budget.

V. ATTACHMENTS

1. Fifth Amendment to the Agreement with Clean Harbors Environmental Services for HHW Operations
2. Resolution

FIFTH AMENDMENT TO AGREEMENT FOR HOUSEHOLD HAZARDOUS WASTE OPERATIONS

This Fifth Amendment to Agreement for Household Hazardous Waste Operations ("Fifth Amendment") is made as of the 16th day of May, 2024, by the Sonoma County Waste Management Agency ("Agency") and Clean Harbors Environmental Services, Inc. ("Contractor"). Agency and Contractor are sometimes collectively referred to as the "parties" and singularly, as "party".

RECITALS

- A. Agency and Contractor entered into an Agreement for Household Hazardous Waste Operations (the "Agreement") dated July 1, 2014, a First Amendment to Agreement dated November 16, 2016, a Second Amendment to Agreement dated April 17, 2019, a Third Amendment to Agreement dated April 21, 2022, and a Fourth Amendment to Agreement dated May 18, 2023; and
- B. The Fourth Amendment term expires on June 30, 2024; and
- C. The Agency and Contractor desire to update the payment terms and extend the term of the Agreement to expire on June 30, 2025.

AMENDMENT

1. Amendment to Section 3. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

"3. Term of Agreement. The term of this Agreement shall commence on the Effective Date and terminate on June 30, 2025. Notwithstanding the foregoing, this Agreement may be terminated earlier in accordance with the provisions of Article 13 below."

2. Amendment to Section 4.6. Section 4.6 of the Agreement is hereby amended and shall read as follows:

"4.6 Adjustment to Payment in 2024-25. All contract rates listed in Exhibit A-1, Exhibit A-2, and Exhibit H-1, as previously modified by the First, Second, Third, and Fourth Amendments to the Agreement, shall be adjusted for the fiscal year from July 1, 2024 to June 30, 2025, by two and six-tenths percent (2.6%) for that twelve-month period. Agency shall additionally pay to Contractor a manifest fee of twenty-seven dollars (\$27.00) per manifest. All increases shall be adjusted on the Adjustment Date."

3. No Other Changes. Except as amended by this Fifth Amendment, all other terms and conditions in the Agreement and Amendments shall remain unchanged and shall continue on in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment to Agreement for Household Hazardous Waste Operations on the day and year first above written.

AGENCY:

SONOMA COUNTY WASTE MANAGEMENT
AGENCY

By: _____
Leslie Lukacs, Executive Director

Date: _____

CONTRACTOR:

Clean Harbors Environmental Services, Inc.

By: _____
Signature

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Ethan Walsh, Agency Counsel

RESOLUTION NO.: 2024-07

DATED: MAY 16, 2024

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY, ALSO KNOWN AS ZERO WASTE SONOMA, (“AGENCY”) AUTHORIZING A FIFTH AMENDMENT TO THE AGREEMENT WITH CLEAN HARBORS ENVIRONMENTAL SERVICES (“CHES”) FOR HOUSEHOLD HAZARDOUS WASTE OPERATIONS

WHEREAS, the Agency and CHES entered into a certain Agreement on July 1, 2014 for CHES to perform household hazardous waste operations on behalf of the Agency with an expiration date of February 11, 2017; and

WHEREAS, the Agency and CHES entered into a First Amendment to the agreement on November 16, 2016 to extend the term until June 30, 2019 and adjust the pricing structure; and

WHEREAS, the Agency and CHES entered into a Second Amendment to the agreement on April 17, 2019 to extend the term until June 30, 2022 and adjust the pricing structure; and

WHEREAS, the Agency and CHES entered into a Third Amendment to the agreement on April 21, 2022 to extend the term until June 30, 2023, update performance standards, and adjust the pricing structure; and

WHEREAS, the Agency and CHES entered into a Fourth Amendment to the agreement on May 18, 2023 to extend the term until June 30, 2024 and adjust the pricing structure; and

WHEREAS, the term of the aforementioned amendment will expire unless amended by the Agency.

NOW, THEREFORE, BE IT RESOLVED that the Zero Waste Sonoma Board hereby authorizes the Agency’s Executive Director to execute the Fifth Amendment to the Agreement with CHES for Household Hazardous Waste Operations.

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: May 16, 2024

Clerk of Zero Waste Sonoma of the State of California
in and for the County of Sonoma



Agenda Item #: 4.6
Staff Contact: Sales
Agenda Date: 5/16/24
Approved By: LL

ITEM: Approval of Fifth Amendment to Agreement with Soluna Outreach Solutions for Oil Payment Program

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends that the Board authorize the Zero Waste Sonoma (ZWS) Executive Director to execute a Fifth Amendment to Agreement for Oil Program Management with Soluna Outreach Solutions.

II. BACKGROUND

In 2017, ZWS released an RFP for Oil Payment Program (OPP) management. Soluna Outreach Solutions was the only contractor to submit and RFP response. The Board approved a three-year agreement allowing for an additional two annual extensions and allows the ZWS Executive Director to authorize the extension. In June 2020, ZWS utilized the first annual extension permitted by the agreement. Board of Directors has approved subsequent one-year extensions in 2021, 2022, 2023, and a Fourth Amendment to extend the term to end June 30, 2024. This Fifth Amendment would extend the term another year, ending June 30, 2025.

III. DISCUSSION

The proposed changes in the Fifth Amendment to the Oil Program Management Agreement include updated term of the agreement to expire on June 30, 2025.

The funding amount of \$45,000 and Scope of Services remains the same as outlined in the Fourth Amendment. The Fifth Amendment only extends the term of the agreement until June 30, 2025.

IV. FUNDING IMPACT

The Oil Program Management Agreement is funded through the OPP by CalRecycle. Historically, CalRecycle's statewide budget for OPP is around \$11M and ZWS receives between \$145,000-\$150,000 per year. Soluna Outreach Solutions received \$70,000-\$75,000 per year between FY 17-18 to FY 20-21.

During the FY 21-22, CalRecycle's statewide budget for OPP11 was cut by approximately 60% and ZWS received \$78,349. As a consequence, the Second Amendment of the Oil Payment Management Agreement with Soluna Outreach Solutions was reduced to \$40,000. The remaining OPP11 grant funds were used for other oil-related projects and staff time.

The OPP12 CalRecycle check received by ZWS for FY 2022-2023 totals \$86,560, an increase of \$8,211 over the previous grant Cycle.

The Third Amendment to the Oil Program Management Agreement with Soluna Outreach Solutions authorized a budget of \$45,000, an increase of \$5,000 from FY 21-22. The remaining \$26,560 was used by ZWS for other oil-related projects and staff time.

The Fourth Amendment to the Oil Program Management Agreement maintained the budget of \$45,000 for Soluna Outreach Solutions. ZWS received \$93,590 in funding for the FY 23-24 Grant Cycle (OPP13), an increase of \$7,030 over the OPP12 funding amount. The remaining \$48,590 was used by ZWS for other oil-related projects and staff time.

This Fifth Amendment to the Oil Program Management Agreement will maintain the budget of \$45,000 for Soluna Outreach Solutions. ZWS received \$87,472 in funding for the FY 24-25 Grant Cycle (OPP14), a decrease from the previous cycle of about \$6,000.

The contract value was already taken into consideration and approved for the FY 23-24 ZWS Budget.

V. ATTACHMENTS

1. Fifth Amendment to Oil Program Management Agreement
2. Resolution No.: 2024-09
3. Soluna FY 24-25 Budget & Scope of Work

FIFTH AMENDMENT TO AGREEMENT WITH SOLUNA OUTREACH SOLUTIONS FOR OIL PROGRAM MANAGEMENT

This Fifth Amendment to Agreement for Oil Program Management (“Fourth Amendment”) is made as of the 16th day of May, 2024, by the Sonoma County Waste Management Agency (“SCWMA”) and Soluna Outreach Solutions (“Contractor”).

RECITALS

A. SCWMA and Contractor entered into that certain Agreement for Oil Program Management (the “Agreement”), dated June 21, 2017, pursuant to which Contractor agreed to the management, outreach, and education of the Used Motor Oil and Filter Program; and

B. SCWMA and Contractor entered into a First Amendment to Agreement on June 1, 2020 that extended the term of the Agreement to June 30, 2021; and

C. SCWMA and Contractor entered into a Second Amendment to Agreement on June 1, 2021 that extended the term of the Agreement to June 30, 2022; and

D. SCWMA and Contractor entered into a Third Amendment to Agreement on July 21, 2022 that extended the term of the Agreement to June 30, 2023; and

E. SCWMA and Contractor entered into a Fourth Amendment to Agreement on on July 1, 2023 that extended the term of the Agreement to June 30, 2024; and

F. SCWMA and Contractor desire to enter into a Fifth Amendment to Agreement that will extend the term of the Agreement to June 30, 2024.

AMENDMENT

1. Amendment to Section 3. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

“3. Term of Agreement. The term of this Agreement shall be from July 1, 2017 to June 30, 2024, with no annual extensions remaining, unless terminated earlier in accordance with the provisions of Article 4 below.”

4. No Other Changes. Except as amended by this Fifth Amendment, all other terms and conditions in the Agreement shall remain unchanged and shall continue on in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to Agreement for Oil Program Management on the day and year first above written.

AGENCY:
SONOMA COUNTY WASTE
MANAGEMENT AGENCY

CONTRACTOR:
SOLUNA OUTREACH SOLUTIONS

By: _____
Leslie Lukacs, Executive Director
Date:

By: _____
Its:
Date:

APPROVED AS TO FORM:

By: _____
Ethan Walsh, Agency Counsel

RESOLUTION NO.: 2024-09

DATED: May 16, 2024

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY, ALSO KNOWN AS ZERO WASTE SONOMA, ("AGENCY") AUTHORIZING A FIFTH AMENDMENT TO AGREEMENT WITH SOLUNA OUTREACH SOLUTIONS ("CONTRACTOR") FOR PROFESSIONAL SERVICES FOR OIL PROGRAM MANAGEMENT

WHEREAS, Contractor represents to Agency that it is a duly qualified firm experienced in public education and used oil related services; and

WHEREAS, in the judgment of the Board of Directors of the Agency, it is necessary and desirable to employ the services of Contractor to assist in the management of its oil recycling program.

NOW, THEREFORE, BE IT RESOLVED that the Zero Waste Sonoma Board hereby authorizes the Agency's Executive Director to execute the Fifth Amendment to Agreement with Soluna Outreach Solutions for Oil Program Management through June 30, 2025.

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: May 16, 2024

Clerk of Zero Waste Sonoma of the State of California
in and for the County of Sonoma
County of Sonoma

**OIL PROGRAM MANAGEMENT
PROPOSED ANNUAL BUDGET FY 24-25**

TASKS	Units	Unit Price	Unit price extension	Soluna Hrs @ \$120	C2 Hrs @ \$120	Soluna Hrs @ \$70	Time Hrs Total	Time \$ Total	Pass-through Costs	Expenses	Total Cost
I. Used Oil Collection Center Visits and Assistance											
A. DIYer Perspective: visits to all collection centers including the ABOPS, by DIYers recruited as "secret shoppers".	1	\$3,500.00	\$3,500.00				0	\$0.00			\$3,500.00
B. Collection Center Site Visits: visits to all certified and non certified collection centers (not including ABOPS) to complete CalRecycle requirements, offer assistance, and obtain quantity data	1	\$6,500.00	\$6,500.00				0	\$0.00			\$6,500.00
C. Assist collection center businesses. May include working with SCWMA staff to provide equipment; help with illegal dumping and other issues; assistance with CalRecycle issues such as signage, certification, filing incentive claims etc.			\$0.00		15		15	\$1,800.00		\$200.00	\$2,000.00
task total				0	15	0	15	\$1,800.00	\$0.00	\$200.00	\$12,000.00
II. Publicity and Education											
A. Media: assist staff with media buys in English and Spanish media; media placement including arranging interviews and seeking print articles. Time includes drafting scripts and obtaining CalRecycle approval.			\$0.00	8			8	\$960.00	\$1,000.00		\$1,960.00
B. Outreach events: Pass-through expenses include registration fees, display materials, storage for materials, and giveaways.			\$0.00	2		91	93	\$6,610.00	\$2,000.00	\$600.00	\$9,210.00
C. Nuestra Tierra weekly radio show- prorated portions of up to 30 shows, unit price is 1/4 of one-hour show. Includes all broadcast expenses, prep and scheduling, and reporting.	25	\$125.00	\$3,125.00				0	\$0.00			\$3,125.00
D. DMV Outreach			\$0.00	3		55	100	\$4,210.00		\$575.00	\$4,785.00
E. Community Presentations including Labor Centers, Parents groups (Pasitos, CAP, Headstart etc)			\$0.00	3		45	48	\$3,510.00			\$3,510.00
F. Development of web and Social media outreach. Pass-through expenses include In-Store Radio and Digital Signage at local stores			\$0.00	5			5	\$600.00	\$1,000.00		\$1,600.00
G. Filter Drainer Kit Home Delivery.			\$0.00	5		22	35	\$2,140.00		\$500.00	\$2,640.00
H. ESL lesson "The Family Car"	3	\$350.00	\$1,050.00				0	\$0.00			\$1,050.00
task total				26	0	213	289	\$18,030.00	\$4,000.00	\$1,675.00	\$27,880.00
III. Administration and Meetings											
A. Workshops and meetings including attendance/ presentations at SCWMA meetings as desired; Household Hazardous Waste Information Exchanges, Used Oil/HHW Conferences, and other related workshops/ meetings. Time and expenses to be prorated with other clients where possible.			\$0.00	20			20	\$2,400.00		\$520.00	\$2,920.00
B. Assist SCWMA staff as needed with CalRecycle requirements, reporting etc.			\$0.00		4		4	\$400.00			\$400.00
C. Record keeping, reports and invoicing.			\$0.00	12		12	24	\$1,800.00			\$1,800.00
task total				32	4	12	48	\$4,600.00	\$0.00	\$520.00	\$5,120.00
TOTAL ALL TASKS:				58	19	225	352	\$24,430.00	\$4,000.00	\$2,395.00	\$45,000.00

Scope of Work
Used Motor Oil and Filter Recycling (Community Outreach)
Zero Waste Sonoma
July 1, 24 – June 30, 25

Soluna Outreach Solutions has the advantage of more than twenty years of experience performing the tasks in the Request for Proposal. In preparing this Scope of Work, we have carefully analyzed the records of past years to ensure that our proposal continues and builds upon the services that the Zero Waste Sonoma (formerly known as Sonoma County Waste Management Agency) has depended upon to date.

Our plan is organized into three sections which correspond with the reporting categories in the annual CalRecycle OPP report. By tracking our time and expenses and invoicing to these categories, reporting will be simplified, and program goals will also be easier to track.

The narrative below corresponds to the items in the attached budget spreadsheet.

I. Used Oil Collection Center Visits and Assistance

This section includes two yearly tasks which are billed as lump-sum increments, plus professional time to assist collections centers.

A. DIYer Perspective: visits to Collection Centers by ‘secret shoppers.’

We will recruit and train volunteers from the Redwood Empire Classic Chevy Club (or similar organization if necessary) to visit all of the sites listed in the Recycling Guide including certified and non-certified businesses and the government-operated sites (Central Landfill/HHW facility, transfer stations, and city facilities). We will pay the Club a stipend for each location.

We will provide written instructions to the Club members and individual data forms preprinted with the location names, addresses, phone numbers and operating hours. Data requested on the forms will include visibility of signs, acceptance of used oil and filters, and evaluation on a scale of 1-5 on whether the collection center staff were knowledgeable about the program, friendly and prompt. There is also room for comments and observations by the volunteers. Other questions may be included to address priority issues in any given year. Data from the completed forms will be entered into a spreadsheet and a summary report prepared.

B. Collection Center Site Visits

We will visit each of the businesses participating in the program, including those certified by CalRecycle and uncertified. We will update (with approval from Agency staff) and provide the “Collection Center Basics” flier to each location, as well as Recycling Guides and other Agency materials as desired, and other CalRecycle materials from the CCC Operators Guide as needed.

For each location, we will complete the CalRecycle site visit form. We will also provide on-the-spot assistance as needed including providing signage (CalRecycle oil and filter recycling signs, no

dumping signs, and tank labels instructing staff to avoid accepting contaminated oil.) When necessary to address immediate issues or to obtain data not available from store staff present during the visit, we will follow up with phone calls to managers, including corporate offices as needed.

We will also obtain quantity data on used oil and filters accepted for recycling, using a combination of manager estimates, reported number of hauls of filter drums, and logs where available, to augment the CalRecycle claims data. The claims data is most useful for the auto parts chains AutoZone and O'Reilly which receive only DIYer oil and report routinely each quarter. For oil at other locations and for all filter data, the other methods are needed.

All of the data will be entered into spreadsheets and a summary report prepared. The quantity data will be totaled for certified and non-certified collection centers as these categories are needed for the annual CalRecycle report.

C. Assist Collection Center Businesses

We have budgeted for 20 hours of time per year on an as-needed basis. This reflects the approximate level of staffing devoted to this task in recent years. Examples may include responding to requests for assistance with applying for the incentive claim, recertifying or other CalRecycle compliance or with issues such as illegal dumping; working with Zero Waste Sonoma staff on special projects such as arranging for equipment or signage at transfer stations, marinas or other collection locations; recruiting new collection centers as needed to fill gaps or as desired by staff; researching and responding to emerging issues such as the filter cartridge and DTSC filter rules currently impacting programs; liaising with the North Bay Conservation Corp when needed and appropriate to assist collection centers.

II. Publicity and Education

This section comprises the lion's share of the budget. Each of the tasks are budgeted at levels reflecting those of recent years. Time and expenses may vary from year to year among these tasks as activities, opportunities and priorities change.

NOTE: In the event that person-to-person outreach is eliminated due to cancelled community events caused by any public health crisis, Soluna Outreach Solutions is prepared to create other community outreach alternatives. These will involve a larger expense in media and other channels, that will help in engaging the community to properly recycle used motor oil and filters.

These channels are highlighted with a highlighted **NOTE** in each of the following proposed tasks and may be expanded upon or changed in agreement with Zero Waste Sonoma staff.

A. Media

Hugo Mata will assist staff with media buys in English and Spanish media; media placement including arranging interviews and seeking print articles. Media buys and other expenses such as art costs are to be paid by Zero Waste Sonoma.

NOTE: The current amount allocated in the budget for media buys will have to be increased if community events are cancelled for FY24-25. Soluna Outreach Solutions will negotiate the best deal packages including free spots and reduced rates for print ads.

B. Outreach Events

Time is budgeted for researching, planning and scheduling events throughout the year and in all parts of Sonoma County; setting up, conducting outreach, and taking down displays; and monthly reports detailing each event. Staff are bilingual and conversant in all Agency programs as well as the used oil recycling program. Expenses include travel to events, parking and incidentals. Pass-through costs include event registrations, display equipment and materials, storage for materials, and some giveaways. Additional giveaways, particularly oil and filter recycling containers, may be requested of staff as needed. Some event outreach expenses may be pro-rated from time to time with other clients, allowing the budget to go farther.

NOTE:, If some events are cancelled due to any public health crisis, the budgeted time and expenses allocated for this task will be shifted to Task: IIF Development of Web and Social Media Outreach; which is explained in detail below.

C. Nuestra Tierra Weekly Radio Show (NOTE: this item is included in the budget for FY22-23 and provides a good opportunity to outreach the community, anytime of the year)

Hugo Mata is producer and host of the weekly show “Nuestra Tierra” (“Our Earth”) on KBBF Radio. This program began in 2014 through a unique partnership between the Sonoma County Waste Management Agency’s used oil recycling program and the Bilingual Broadcasting Foundation’s community broadcast training program.

The show features in-depth information on a wide range of environmental topics, including interviews with representatives of various agencies and programs, and call-ins from listeners. Individual programs may feature multiple topics or in some cases be almost entirely devoted to specific issues, so the cost is divided into increments of one quarter of each show. Also, because the programming is heard throughout the region, we are able to focus some shows on specific topics for the full hour with information particular to up to four jurisdictions, and divide the cost accordingly. (Thus, for example a July program on curbside pick-up of used motor oil and filters might include details for curbside pick-up in multiple counties.) We have budgeted for 25 segments during the year to promote used motor oil and filter recycling programs, which will be aired on up to 30 of the weekly shows. This format allows a great deal of flexibility for Agency priorities as campaigns on specific topics can be given very in-depth coverage on some shows while ongoing programs can receive frequent reinforcement and repetition.

D. DMV Outreach

Bilingual staff sets up a small display outside the Santa Rosa or Petaluma offices of the Department of Motor Vehicles to engage patrons and answer questions as they are waiting in line to do business. Shifts are generally 3-4 hours on weekday mornings.

NOTE: If community outreach at DMV buildings in Sonoma County is not allowed due to public health crisis, the allocated budget will also be shifted to other tasks (possibly Task IIA and Task IIG)

E. Community Presentations

These are opportunities to engage groups of people in more in-depth discussions about proper recycling of used motor oil and related issues. Conducted by bilingual staff, these include both English language and Spanish language groups. Examples may include Labor Centers, Rotary Clubs and various programs for parents of school children, and auto shop classes.

F. Development of Web and Social Media Outreach.

NOTE: The new normal to engage the community of Sonoma County during and after a public health crisis must consider an ongoing bilingual informational platform that includes Social Media, Web presence, In-Store radio, and digital signage at different local markets and restaurants.

During fiscal year 2020-2021, Soluna worked with NEXO Media on behalf of Zero Waste Sonoma to develop this bilingual platform that will engage the community through audio and vibrant visuals emphasizing the proper recycling of used motor oil and filters in Sonoma County. If need be, we are proposing to continue the use of this platform in the fiscal year 2024-2025. This platform includes:

Radio Production

Fully produced audio spots for Radio, In-Store Radio and Social Media.

Video Shoot and Video Production/Content

Video spots will be created, edited and produced to enhance visual effects and showcase the different resources to properly recycle used motor oil and filters (i.e. curbside pick-up, CCC's and HHW Facility). They will also highlight the different resources for Do-It-Yourself oil changers to recycle the oil and filters properly. Other messages might include the importance of used motor oil and filter recycling to avoid polluting our water and keeping our environment safe and healthy.

In Store Radio

Many local stores, restaurants and supermarkets are part of a network of stores airing produced radio spots highlighting local services, programs etc. Through this platform, the used motor oil and filter recycling message will be repeated several times a day. While in the store, customers will be exposed to this audio message.

Digital Signage

Nexo Media has a good number of panels (TV screens) located in high foot traffic Latino retail businesses including Lola's Markets, Rancho Mendoza and popular restaurants like Molcajetes. The video will run every 10 minutes or so during the site's business hours.

G. Filter Drainer Kit Home Delivery

NOTE: If many community events are cancelled due to public health crisis during FY 2024-25, Soluna will continue to work with Agency staff to provide home delivery of filter drainer kits (i.e. filter drainer and oil rag) to Do-It-Yourself oil changer that requested them.

Soluna will continue to offer home delivery of this “Filter Drainer Kits” to those residents that request them. We will keep a detailed spreadsheet with names and other information necessary to deliver those kits and will be provided to Agency staff as requested.

H. English as Second Language Lesson “the Family Car”

This program targets adult English learners through local ESL teachers, primarily through the Santa Rosa Junior College non-credit ESL program. Each year we will update the student lesson, incorporating the current used oil pages from the Recycling Guide. We will also keep the teacher packet updated with any changes. We will provide all the materials to the teachers including copies of the student book, ‘realia’ (a box of items including drain pan, filter, oil container, plastic jug, etc.) power point and overhead transparencies, and bingo game. We will pay the teachers a stipend for completing the class record form documenting the lesson, and invoice based on these completed forms. All costs, including a summary report at the end of each fiscal year are included in the unit price.

NOTE: Soluna proposes two classes to be taught during FY24-25.

III. Administration and Meetings

This section includes costs categorized as Administration in the OPP annual report to CalRecycle.

A. Workshops and Meetings

Attendance at Household Hazardous Waste Information Exchanges, Used Oil/HHW Conferences, and other related CalRecycle workshops and meetings is an allowable expense under the OPP, and Hugo Mata will attend as desired by staff and within the allocated budget. Such attendance will generally be pro-rated with other clients. In the event that Agency staff decide to host the HHWIE we would be available to assist. Time is also budgeted for attendance and presentations to the SCWMA Board if desired.

B. Assist SCWMA Staff as Needed with CalRecycle Reporting

Soluna will assist staff with preparation for the CalRecycle OPP annual report and any other related tasks as needed.

C. Record keeping, Reports and Invoicing

All time logs, invoices, CalRecycle approvals, and other materials will be kept on file and available to SCWMA staff or state auditors upon request. Each invoice will be organized by the three sections corresponding to CalRecycle reporting categories, with a brief description of the work performed.

Budget

The budget page includes time and expenses to accomplish the tasks described on a yearly basis. Professional time is billed at \$120 per hour, outreach and clerical time at \$70 per hour. Mileage is billed at the State of California approved rate, currently \$0.67/ mile. Copies are billed at \$0.20 for black and white, \$0.60 for color. Pass-through costs are passed through without markup except for a \$5 administrative fee for each payment.



Agenda Item #: 5
Staff Contact: Lukacs
Agenda Date: May 16, 2024
Approved By: LL

ITEM: Authorization to Enter into an Agreement with Sonoma Public Infrastructure (a Department of the County of Sonoma) for Project Management Services for the HHW Facility Located at 5871-5895 Pruitt Ave, Windsor, CA and Making a Budget Adjustment to Account for the Cost of the Agreement

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Authorize the Executive Director to enter into an agreement with Sonoma Public Infrastructure (SPI), a Department of the County of Sonoma, to provide project management services through Sonoma Public Infrastructure (a department of the County) (“SPI”) for the proposed HHW Facility, and approve a budget adjustment increasing the Fiscal Year 2023/24 Debt Servicing Reserve Fund Budget for 19831 – CIP in the amount of \$112,170 for the project management of the new HHW facility.

II. BACKGROUND

Over the last several years, Zero Waste Sonoma (ZWS) staff and the Board have expressed concern that the northern portion of Sonoma County has less access to household hazardous waste (HHW) programs. Similarly, the existing Permanent HHW Facility at the Central Landfill is operating at full capacity with no room to expand or collect e-waste. In an effort to address these concerns, ZWS entered into an agreement with Sweetser & Associates, Inc. on August 18, 2017 to perform an expansion analysis of the HHW program. The expansion analysis was provided to the Board on June 20, 2018 and confirmed that the northern part of the county is underserved by current HHW programs; specifically, the Santa Rosa, Windsor, Healdsburg, Geyserville, and Cloverdale areas. Sweetser & Associates, Inc. recommended establishing a new, primary Household Hazardous Waste (HHW) facility in the county. This facility would be designed to handle a wider range of items than the current one, including e-waste, and could potentially accept other recyclables like carpet, mattresses, solar panels, and CRV, ultimately complementing the existing facility. Resource intensive HHW Collection Events (which cost roughly \$18,000 per stand-alone event) could also be reduced in frequency, allowing residents along the Highway 101 corridor to utilize a new permanent facility and offset some of the costs of the new facility. To that end, ZWS has been looking for potential property to acquire in the northern portion of the County that could be used in the future to provide a permanent HHW facility, as well as for other potential uses. While ZWS does not have firm plans for a facility at this time, ZWS was presented with the opportunity to acquire the Property in the Northern part of the County that could be suitable for ZWS’s future needs.

III. DISCUSSION

On January 29, 2024 Zero Waste Sonoma purchased the property located at 5871-5895 Pruitt Ave, Windsor, CA with the intent to build an additional HHW facility in Sonoma County. The next step in the development process for the new facility is to secure a project management team.

ZWS staff met with SPI to discuss strategies for moving forward with the development of this project. SPI has decades of experience working to build capital projects and has the infrastructure in place to manage a project of this scale. ZWS has an existing working relationship with SPI, a shared goal in building sustainable programs that benefit ratepayers, and built-in efficiencies working within the County's infrastructure. With this strong relationship and existing experience available to the Agency, staff requests the board's approval to enter into an agreement that would allow SPI's Capital Projects team to lead the project management of the HHW facility.

Staff met with the capital projects and integrated waste teams of SPI to discuss the agency's goals for the facility and the desire to create a model facility that is built in the most sustainable method allowed, as well as to be an example of environmental stewardship. In alignment with our shared objectives for sustainable waste management, the integrated waste portion of Sonoma Public Infrastructure (SPI) will, unless otherwise agreed upon, not charge for staff time to assist in facilitating the project. This collaboration underlines the collective commitment to not just meet, but exceed environmental standards, ensuring the project's success through shared expertise and resources.

The Funding Request form outlines the cost estimate to prepare a bid package ready for a Request for Bids from contractors. Consulting and Permitting costs breakdown the elements that the Project Management team will guide the agency through. SPI is projecting a project management fee of \$112,170, which is roughly 5% of the total project cost. Considering the industry standard for project management fees typically averages 10% of the total project cost, staff concludes that SPI's capital projects team proposed fee of approximately 5% represents not just a fair valuation, but also a substantial cost savings for ratepayers, highlighting our efficient use of resources and commitment to fiscal responsibility. Staff agrees that fee being proposed is fair and even offers a built-in savings to rate payers due to the built-in efficiencies working with in the County's infrastructure.

Further, ZWS's JPA Agreement specifically provides in Section 9.E that any member of the Agency may provide additional services and resources necessary or desirable for the administration of the Agency, and the member agency providing such services shall be compensated as set forth in and agreement between the member and the Agency. The proposed approach of having SPI provide these services is specifically contemplated and allowed by the JPA Agreement.

As outlined below, a budget adjustment is required to increase the Debt Servicing Reserve Fund Budget for 19831 – CIP in the amount of \$112,170 in order to fund the cost of project management of the new HHW facility. That adjustment is part of the recommended action, and requires a 2/3 vote of the board.

Staff recommends the board approve the resolution authorizing the Executive Director to enter into an agreement with SPI in a form as approved by Agency Counsel for the project management of the new HHW Facility and approve the budget adjustment resolution. Staff will return to the board for financial approval and design discussion as the project progresses.

IV. FUNDING IMPACT

The project management will be funded through the use of the Debt Servicing Reserve Fund in the amount of \$112,170.

V. ATTACHMENTS

1. Funding Request Form
2. Project Timeline
3. MOA
4. Budget Resolution



COUNTY OF SONOMA
DEPARTMENT OF PUBLIC INFRASTRUCTURE
FACILITIES DEVELOPMENT & MANAGEMENT
FUNDING REQUEST FORM

Ver 240119

Request Received:	2/27/2024
Project Request No:	
FDM Project Number	
CIP ADA Project FY:	N/A

Project Info		Requestor Contact	
Project Name:	ZWS HHW Facility	Requestor Name / Contact:	Leslie Lukacs
Project Address:	5885 Pruitt Ave, Windsor, CA 95492	Requestor Department:	Zero Waste Sonoma
Project Location Code:	N/A	SPI Project Liason Contact:	Soojin Park

Project Description	
Existing Condition:	Attachment (Y/N): no
<p>Zero Waste Sonoma (ZWS) currently extends HHW disposal services through a facility based in Petaluma. However, for the residents of Cloverdale, this location proves to be highly inconvenient due to the significant distance involved. This situation not only deters proper HHW disposal among the population in northern Sonoma County but also elevates the risk of improper disposal techniques, which could detrimentally affect the environment and public health. Zero Waste Sonoma (ZWS) purchased a property in Windsor to construct a new hazardous household waste (HHW) facility and office building on. There are three existing structures and a creek on the parcel. The proposed HHW facility in Windsor aims to mitigate these concerns by enhancing accessibility to disposal services. Additionally, the inclusion of office and meeting spaces within the new facility is planned to facilitate administrative functions and support services, further promoting environmentally responsible waste management practices and improving the overall efficacy of hazardous waste collection in the region.</p>	
Scope of Work:	Attachment (Y/N): No

The project involves salvaging materials from an existing cross-shaped building, demolishing three existing structures, and then constructing a new office building alongside a Household Hazardous Waste (HHW) facility. This initiative emphasizes environmental sustainability by reusing valuable materials and providing essential infrastructure for both administrative needs and safe HHW disposal.

Phase 1: Utilize formal design/bid/build process by issuing a RFP for an A/E consultant for design and preparation of bid package of new HHW facility and office building.

Project Cost Estimate		
	Disciplines/Trades	Cost
Consultant & Permitting Cost	Onsite A/E Design (Schematic Design, Design Development, Construction Documents) for preparation of bid package.	\$ 1,395,930
	Onsite Permitting (Town Building Impact Fees - Traffic, Water, Sewer & Town Planning Environmental Review)	\$ 493,864
	Offsite A/E Design (Schematic Design, Design Development, Construction Documents) for preparation of bid package.	\$ 44,742
	Offsite Permitting (Town Public Works 9% Plan check & Inspection)	\$ 44,294
Project Contingencies	10% for Design Phase	\$ 197,883
FDM Staff Cost	Project Mgmt. (Preparation of RFP's, transmitting files, coordinating meetings)	\$ 112,170
Total:		\$ 2,288,883

Project Milestone					
Milestones	Scoping & Design				Total
ETA of Completion	9/21/2026				
Design Cost (\$)	\$1,440,672			\$	1,978,830
FDM Staff Cost (\$)	\$112,170			\$	112,170
Project Contingencies	\$197,883			\$	197,883
				\$	2,288,883

Funding Source				
<i>To be obtained from the Project Requestor's Analyst</i>				
	Source 1	Source 2	Source 3	Total
Funding Amount				
Department ID				
Fund ID				
Account				
TCA/User Code				
Program Code				
Misc				

ZWS to provide

Approval			
Step 1:	Step 2:	Step 3:	Step 4:
Project Scoping	Funding Confirmation	Project Confirmation	For Project above \$25k

SPI Project Manager Finance Dept of Proj. Requestor SPI Sr. Capital Project Manager CAO Analyst - Requesting Department



COUNTY OF SONOMA
DEPARTMENT OF PUBLIC INFRASTRUCTURE
 FACILITIES DEVELOPMENT & MANAGEMENT
 COST ESTIMATE

Request Received: 2/27/2024
 Project Request No:
 FDM Project Number

EXAMPLE

STAFF TIME

	Capital Project Manager		Project Specialist		
Hourly Rate	\$201		\$181		
Phase 1 - Design	Hrs	\$	Hrs	\$	Subtotal
Site visit	10	\$ 2,010	10	\$ 1,810	
Create Estimate & Schedule	80	\$ 16,080	20	\$ 3,620	
RFP Package	80	\$ 16,080	20	\$ 3,620	
Design Review	40	\$ 8,040		\$ -	
Email Correspondence	100	\$ 20,100	20	\$ 3,620	
Meeting	100	\$ 20,100	20	\$ 3,620	
Report & Notes	20	\$ 4,020	20	\$ 3,620	
Telephone calls	20	\$ 4,020	10	\$ 1,810	
Subtotal		\$ 90,450		\$ 21,720	

TOTAL Project Management Fee \$ 112,170

ONSITE DESIGN ESTIMATE

Design of HHW & Offices	\$ 1,395,930	
Permitting Fees	\$ 493,864	
Contingency - 10%	\$ 188,979	
Subtotal		\$ 2,078,774

OFFSITE DESIGN ESTIMATE

Design of Frontage Improvements	\$ 44,742	
Permitting Fees	\$ 44,294	
Contingency - 10%	\$ 8,904	
Subtotal		\$ 97,940

Total Cost of Design

\$2,288,883

Description	Unit	Estimated QTY	Unit Price	Subtotal	
Design of HHW Facility as % of Demo/Salvaging & Construction Cost					
Professional Services	LS	1	15%	\$ 1,132,930.49	<i>*15% of Construction + Premium for Specialty Consultant</i>
Design of Offices as % of Construction Cost					
Professional Services	LS	1	10%	\$ 263,000.00	<i>Assuming 6,940 SF offices, board room, and large bays</i>
Design of Frontage Improvements as % of Construction Cost					
Professional Services	LS	1	10%	\$ 44,741.77	<i>*Assuming minimal changes to existing frontage needed</i>
Permitting					
Town of Windsor Planning Environmental Review Fees	LS	1	\$ 50,000.00	\$ 55,000.00	<i>*Highly variable</i>
Town of Windsor Building Impact Fees	LS	1	\$ 398,967.00	\$ 438,863.70	<i>*Per Development Impact Fee Spreadsheet. Included 5% Inflation for 2 years in 2027 when fees need to be paid</i>
Town of Windsor Plan Check & Inspection Fees	LS	9%	\$ 492,159.50	\$ 44,294.36	<i>Included 5% Inflation for 2 years in 2027 when fees need to be paid</i>
Total:				\$ 1,923,830.32	

HHW Facility	
Demo & Deconstruction Estimate per Purchasing Study	\$ 2,058,594.75
Construction Estimate per SCS Estimate	\$ 5,494,275.17
	\$ 7,552,869.92

ZWS Offices + HHW Additional Scope	
Construction Estimate	\$ 2,630,000.00

Frontage Improvements	
LF Estimate of Frontage	\$ 447,417.73

COMPARISON: Design of HHW Facility by 2029 from SCS Estimate					
Professional Services	LS	1	\$ 399,752.00	\$ 399,752.00	
				\$ 399,752.00	
Total w/ Inflation & Location Adjustments					
			Sacramento to Santa Rosa Adj.	1.059	\$ 423,337.37
			2011 to 2029 Inflation		\$ 912,532.66

**Values from 5/31/2023 SCS Estimate - did not include Demo/Salvaging, ZWS Offices, or HHW Additional Scope*

COMPARISON: Design Portion of HHW Facility by 2029 from 11/06/23 Feasibility Study					
Design of HHW	LS	1	\$ 505,000.00	\$ 505,000.00	
Permitting Fees	LS	1	\$ 61,000.00	\$ 61,000.00	
				\$ 566,000.00	
Total w/ Inflation & Location Adjustments					
			Sacramento to Santa Rosa Adj.	1.059	\$ 599,394.00
			2023 to 2029 Inflation		\$ 803,245.29

**Values from 11/06/23 Feasibility Study - did not include Demo/Salvaging, ZWS Offices, or HHW Additional Scope*

MEMORANDUM OF UNDERSTANDING AGREEMENT FOR SERVICES

Sonoma County Waste Management Agency (SCWMA) - Zero Waste Sonoma Household Hazardous Waste (HHW) Facility & Offices Project Phase 1

**Project Name HHW Facility & Offices
Project # TBD
MOA # TBD**

This Memorandum of Understanding Agreement (MOA) is entered into between Sonoma Public Infrastructure (SPI) and Zero Waste Sonoma. SPI agrees to provide assistance with the project management, procurement of consultants for the design of the Household Hazardous Waste (HHW) facility and offices.

This work is being performed on behalf of the Zero Waste Sonoma HHW and Offices Project. This MOA is scoping for work to be performed on the parcel with Assessor’s Parcel Number 059-271-082. Below is a brief description of the tasks required from SPI staff. See attached Phase 1 Funding Request Form and Project Schedule for more information.

- Phase 1 schedule, mutually planned by, SPI and the SCWMA:

Start **2/28/2024** Complete **9/21/2026**

- Cost estimate as provided by Sonoma Public Infrastructure:

DESIGN	\$ 1,440,672
PERMITTING	\$ 538,158
MANAGEMENT	\$ 112,170
CONTINGENCY	\$ 197,883

TOTAL \$ 2,288,883

Change Orders

If the originally intended work changes from that defined in the scope documents, either by Zero Waste Sonoma request and SPI approval, or SPI request, a change order shall be executed which defines the change in scope, cost and schedule of the work. The project manager will provide a copy of the change order to Accounting and the budget for the project will be changed accordingly. The change order must have prior approval of the SPI project manager before the work is done, unless an emergency exists in which case a change order is approved as soon as possible or as a last resort, a Work Directive Change is executed.

Approved:

Project Manager

Date: _____

Date: _____

Date: _____

Dated: May 16, 2024

RESOLUTION OF ZERO WASTE SONOMA (ZWS)
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH SONOMA PUBLIC
INFRASTRUCTURE (SPI), A DEPARTMENT OF THE COUNTY OF SONOMA, TO PROVIDE PROJECT
MANAGEMENT SERVICES THROUGH SONOMA PUBLIC INFRASTRUCTURE (A DEPARTMENT OF THE
COUNTY) ("SPI") FOR THE PROPOSED HHW FACILITY AND ADOPTING ADJUSTMENTS TO THE FY
2023/24 ANNUAL BUDGET FOR DEBT SERVICING RESERVE FUND

WHEREAS, Over the last several years, Zero Waste Sonoma (ZWS) staff and the Board have expressed concern that the northern portion of Sonoma County has less access to household hazardous waste (HHW) programs; and

WHEREAS, ZWS recently acquired property located at 5871-5895 Pruitt Ave, Windsor, CA with the intent to build an additional HHW facility in Sonoma County; and

WHEREAS, ZWS requires certain expertise to assist in project management for the development of an additional HHW facility; and

WHEREAS, ZWS received a proposal from Sonoma Public Infrastructure, a Department of the County of Sonoma ("SPI"), to provide project management services to ZWS for the development of the HHW facility, which proposal estimates costs that are lower than the industry standard for project management services, and ZWS therefore desires to enter into an agreement with SPI ; and

WHEREAS, ZWS's JPA Agreement specifically provides in Section 9.E that any member of the Agency may provide additional services and resources necessary or desirable for the administration of the Agency, and the member agency providing such services shall be compensated as set forth in and agreement between the member and Agency; and

WHEREAS, ZWS approved Zero Waste Sonoma Fiscal Year 2023/24 Budget by supermajority vote on March 16, 2023; and

WHEREAS, staff recommends increasing the Fiscal Year 2023/24 Debt Servicing Reserve Fund Budget for 19831 – CIP in the amount of \$112,170 for the project management of the new HHW facility, which budget adjustment must also be approved by a supermajority vote of the Board;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zero Waste Sonoma does hereby approve the adjustment to the Fiscal Year 2023-24 Budget in accordance with the recommendation of staff.

BE IT FURTHER RESOLVED that the Board of Directors hereby authorizes the Agency to enter into an agreement with SPI for project management services for development of the proposed HHW facility on the terms as proposed by SPI. The form of the agreement shall be approved by Agency Counsel and Executive Director, and the Executive Director is hereby authorized to execute the agreement and such additional documentation as required to implement this direction.

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: May 16, 2024

Clerk of Zero Waste Sonoma
Agency of the State of California in and for the
County of Sonoma