



Meeting of the Board of Directors

September 19, 2018

REGULAR MEETING

CLOSED SESSION BEGINS AT 10:00 AM OR IMMEDIATELY AFTER
REGULAR SESSION

Regular Session begins at 8:30 a.m.

Estimated Ending Time 12:00 a.m.

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

Meeting Agenda and Documents

SONOMA COUNTY WASTE MANAGEMENT AGENCY

Meeting of the Board of Directors

September 19, 2018

REGULAR MEETING

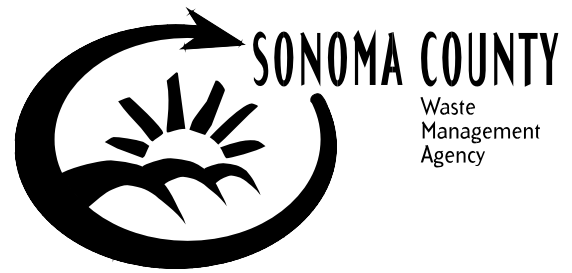
CLOSED SESSION BEGINS AT 10:00 AM OR IMMEDIATELY AFTER REGULAR SESSION

Regular Session at 8:30 a.m.

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Note: This packet is 81 pages total



SONOMA COUNTY WASTE MANAGEMENT AGENCY

Meeting of the Board of Directors

**September 19, 2018
REGULAR MEETING**

**Regular Session begins at 8:30 a.m.
Closed Session begins at 10:00 a.m. or immediately after
Regular Session
Estimated Ending Time 12:00 p.m.**

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

Agenda

Item

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

Consent (w/attachments)

- 4.1 Minutes of the August 15, 2018 Special Meeting
- 4.2 September and October 2018 Outreach Calendar
- 4.3 Approval of MOU for C&D Facility Certification Testing Services
- 4.4 FY 2017/18 SCWMA 4th Quarter Financial Report
- 4.5 FY 2016/17 SCWMA Financial Audit

Regular Calendar

5. Discussion and Possible Action on a Model Ordinance to Prohibit Use and Sale of Disposable Food Service Ware and Other Products Containing Polystyrene Foam [Carter]

Recommended Action: Direct staff to develop a model staff report and circulate the model polystyrene waste reduction ordinance for consideration of adoption by SCWMA member agencies. If requested, SCWMA staff will assist in the presentation of the ordinance to member agency Councils and Board.

6. Discussion and Possible Action on a Zero Waste Resolution

Recommended Action: Approve a Zero Waste Resolution and direct staff to present the Resolution at member agency Councils and Board for their consideration.

7. **Closed Session:**

PUBLIC EMPLOYMENT

- Title: Interim Executive Director
- Title: Executive Director

8. Adjourn Closed Session/Report of Action from Closed Session

9. Boardmember Comments

10. Staff Comments

11. Next SCWMA meeting: To be determined

12. Adjourn

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

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

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

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

Noticing: This notice is posted 72 hours prior to the meeting at The Board of Supervisors, 575 Administration Drive, Santa Rosa, and at the meeting site the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa. It is also available on the internet at www.recyclenow.org



To: Sonoma County Waste Management Agency Board Members
From: Patrick Carter, Executive Director
Subject: September 19, 2018 Board Meeting Agenda Notes

Please note there will be Closed Session discussion beginning at 10:00 a.m.

Consent Calendar

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

4.1 **Minutes of the August 15, 2018 Special Meeting:** regular acceptance.

4.2 **September and October 2018 Outreach Calendar:** This item provides an update on outreach events since the last meeting and upcoming outreach events. No action is required.

4.3 **Approval of MOU for C&D Facility Certification Testing Services:** Approval of this MOU would continue the SCWMA's involvement in a regional effort to test the recently completed Construction and Demolition facility certification protocol. **Staff recommends the Board approve the attached Memorandum of Understanding with the Central Contra Costa Solid Waste Authority and the County of Solano ("partners") regarding construction and demolition debris certification testing services.**

4.4 **FY 2017/18 SCWMA 4th Quarter Financial Report:** Quarterly reports are required by the SCWMA's Joint Exercise of Powers agreement. This report covers the entire FY 2017/18. The net result was a surplus of \$29,042 for the fiscal year. **Staff recommends approving the FY 2017/18 Year-End Financial Report on the Consent Calendar.**

4.5 **FY 2016/17 SCWMA Financial Audit:** This item includes the FY 2016/17 Audit of Financial Statements performed by Maher Accountancy. The only finding of significance was an error in the accounting process where the SCWMA was not fully reimbursing the County for staff costs. The issue was resolved in FY 2017/18, and SCWMA will continue to monitor the issue to ensure it does not occur in the future. **Staff recommends the Board accept the FY 2016/17 Financial Statements and Auditors' Report.**

Regular Calendar

5. **Discussion and Possible Action on a Model Ordinance to Prohibit Use and Sale of Disposable Food Service Ware and Other Products Containing Polystyrene Foam:** As directed by the Board at the January 2018 SCWMA meeting, staff has reached out to Sonoma County residents, businesses, and business trade organizations to gauge the reception of a model ordinance to reduce polystyrene and to-go food ware wastes. The response to the survey was overwhelmingly in favor of the proposed model ordinance. The business-specific feedback was minimal, but staff notes that ordinances on polystyrene and to-go waste are in effect in approximately 100 jurisdictions throughout California, so is possible that businesses recognize that these types of ordinances did not have significant negative effects in other jurisdictions, and did not register their opinions here. **Staff recommends the Board direct staff to develop a model staff report and circulate the model polystyrene waste reduction ordinance for consideration of adoption by SCWMA member agencies. If requested, SCWMA staff will assist in the presentation of the ordinance to member agency Councils and Board.**

6. **Discussion and Possible Action on a Zero Waste Resolution:** Recognizing the limited nature of the Central Landfill, and significant investment in time and money required to develop additional local landfill capacity, the AB 939 Local Task Force has created a model Zero Waste resolution which it is requesting the SCWMA adopt and take the lead on presenting to member agencies for their consideration. The model ordinance and accompanying documents contain a number of actions that could be taken in Sonoma County to extend the life of the County's single active landfill. **Staff recommends the Board approve a Zero Waste Resolution and direct staff to present the Resolution at member agency Councils and Board for their consideration.**



Minutes of the August 15, 2018 Meeting

The Sonoma County Waste Management Agency met on August 15, 2018, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa, California.

Board Members Present:

City of Cloverdale	Melanie Bagby	City of Santa Rosa	John Sawyer
City of Cotati	Susan Harvey	City of Sebastopol	Henry Mikus
City of Healdsburg	Larry Zimmer	City of Sonoma	Madolyn Agrimonti
City of Petaluma	Dan St. John	County of Sonoma	Susan Gorin
City of Rohnert Park	Pam Stafford	Town of Windsor	Deb Fudge

Staff Present:

Executive Director/ Acting Clerk: Patrick Carter
Counsel: Ethan Walsh
Staff: Thora Collard, Courtney Scott, Kristin Thigpen

1. **Call to Order Regular Meeting**
Closed session was called to order at 8:00 a.m.
2. **Closed Session: CONFERENCE WITH LEGAL COUNSEL**
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Executive Director
3. **Adjourn Closed Session at 8:40 a.m.**

Call to Order Regular Meeting

Regular meeting was called to order at 8:45 a.m.

4. **Agenda Approval**
5. **Public Comments (items not on the agenda)**

None

6. **Consent (w/attachments)**
 - 6.1 Minutes of the June 20, 2018 Regular Meeting
 - 6.2 July, August, and September 2018 Outreach Calendar
 - 6.3 Approval of the Scope of Work for the Organic Material Transport Services Request for Proposals

Mr. St. John commented on, item 6.3, that he was happy the cost factor has a higher weight. He said it was important to not limit experience to Bay Area only. Also, he would

like to have included with proposals the name of the team’s manager and list of qualifications.

Public Comments:

None.

The motion for approval of items on consent calendar was made by Madolyn Agrimonti, City of Sonoma, and seconded by Susan Harvey, City of Cotati.

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

7. Republic Annual Presentation to SCWMA Board of Directors

Pete Pouwles, Republic Manager, presented to the Board the Republic Annual Presentation.

Reporting dates changed from Calendar to MOA term dates. One and a half years of airspace used for fire debris.

Recommended Action: Receive presentation

Board Discussion

John Sawyer complimented Mr. Pouwles on the quality of the report.

Deb Fudge commented that she was impressed with the management of the landfill by Republic.

Susan Harvey commented that the ratepayers appreciate the “out of the box” thinking regarding the increased capacity of the landfill.

Public Comments

Roger Morrison commented that Republic has been cooperative since taking over management of the landfill. He has concerns that the landfill’s capacity keeps increasing.

Board Discussion

None

8. Public Hearing and Possible Action on SCWMA Organics Processing Services RFP

Staff recommends the Board 1) open the Public Hearing to receive feedback on the staff recommendation, 2) close the Public Hearing when public comment is complete. Staff's recommendation on Board action is to direct staff 1) to enter into exclusive negotiations with Renewable Sonoma to negotiate an agreement to develop a new organics processing facility in Sonoma County, 2) to develop a waste delivery agreement for SCWMA members to commit their flow of organic materials to the SCWMA for a term of 20 years from the effective date, and 3) develop a model staff report to assist SCWMA member agencies in the consideration of a waste delivery agreement to the SCWMA for the appropriate organic materials.

Patrick Carter presented to the Board.

Frank Escobar, owner of the Stage Gulch Organics site, believes that his property is an ideal location for composting operations. Factors to support this are access to state highways, on-site water, non-visible location behind hill, no known environmental problems and no known endangered species. He believes operation can start faster than other proposers since they are deep in the permitting process. Cold Creek Compost has a record of success, and offers the lowest price. They take pride in their product. He encourages the Board to take their time in making a decision.

Tom Gratz, Sales Manager Hitachi-Zosen Inova, commented they are a long-term solution. They have built eighty facilities worldwide in a variety of sizes. They are currently working on a similar facility in San Louis Obispo. They offer zero greenhouse gas emissions by creating a fully enclosed system which results in a negative carbon footprint. The gas produced will be used at the Wastewater Treatment Plant. Their process creates compost, soil amendments and renewable energy. The facility can be expanded if extra capacity is needed. Hitachi-Zosen Inova has a stable portfolio and experience. They are partnering with local companies that can market and manage the compost materials into the agriculture industry.

Napa Recycling, Tim Dewey-Mattia, commented that they have twenty years of experience composting. They currently work with City of Napa and currently accept material from other counties. Their facility is fully operational, permitted and in the process of expanding with new state of art technology. They offer flexibility. Napa Recycling currently sells their materials to companies in Sonoma County. Napa Recycling can offer capacity and a reduced short term price.

Renewable Sonoma, Leslie Lukacs commented on their team members and their role. They meet all objectives using state of art technologies. Renewable Sonoma is a zero waste and carbon negative facility, which can offer high quality compost. SUEZ, a one hundred and fifty year old company, is offering Renewable Sonoma a performance bond for the project. Renewable Sonoma will bring community engagement and education to minimized contaminations in the material. Their cost to each household would be less than ten dollars per year. They have potential replace the need to hire an additional SCWMA outreach staff person. They have the availability to take bio solid generated by County.

No representatives from Waste Management.

Board Discussion

None.

9:45 Ten minute break.

9:55 Resume.

Boardmembers who met with proposers:

Susan Gorin - Renewable Sonoma and Stage Gulch Organics

Deb Fudge - Renewable Sonoma and Stage Gulch Organics

Susan Harvey - Renewable Sonoma, Stage Gulch Organics and Hitachi-Zosen Inova

Pam Stafford - Renewable Sonoma, Stage Gulch Organics and Hitachi-Zosen Inova

Madolyn Agrimonti - Renewable Sonoma and Stage Gulch Organics

Melanie Bagby - Renewable Sonoma

Larry Zimmer - Renewable Sonoma and Hitachi-Zosen Inova

Public Comments

Christine Hoex representing the action group 350 - Renewable Sonoma is the best equipped proposer. They have the most knowledge in the need for education and a personal commitment to the County. She was impressed with Will Bakx speech about toxins, runoffs, soil, microorganisms, etc. after the fires.

Paul Schiefer representing Amy's Drive Through - Amy's moved to a one hundred percent compostable packaging strategy, and wants the service provider to accept compostable packaging.

Hilary Graves representing Pacific Organics - They partner with Hitachi-Zosen Inova-Pacific Organics. Pacific Organics markets and sells the compost in San Luis Obispo and have over twenty five years of experience. They have been successful in creating a public interest in compost. San Luis Obispo and Sonoma County are similar in terms of cultivated acreage and dollar amount. They focus on reducing carbon. Pacific Organics has the knowledge to sell the product.

Ernest Altenreuther resident on Stage Gulch Road and owns Ernie's Tin Bar - Against putting site on Stage Gulch Road because of safety. Adding more trucks on the nearby roads will create more dangerous situations.

Sabrina Hellman resident on Old Adobe Road - Concerned with deaths and injuries on the nearby roads. Typical 4:00 P.M. day, the roads are full of heavy traffic. Articles were passed out regarding traffic. She has concerns about pollutants and Ellis Creek issues.

Robert Kourlk composting book writer - Supports Renewable Sonoma.

Jens Kullberg Vineyard Owner on Stage Gulch Road - Insects are a constant battle in producing quality grapes. Roads are already in need of repair; heavy trucks will increase damage to the roads. A better location is a site close to those who will be using the compost, like Renewable Sonoma's site.

Renand des Rosiers representing Amy's Kitchen - Has no preference to where the site is located. He feels it is crucial for the proposer to collect compostable packaging materials. These materials are

not able to be recycled. We must use forward thinking towards a system that will meet the needs of the generators.

Margaret Kullberg resident on Stage Gulch Road - She is concerned with traffic, safety and vectors. She commented that five acres will not be enough room for all the compost on Stage Gulch. Recommends Renewable Sonoma.

Connie Kullberg resident on Stage Gulch Road - Concerned about increased traffic and the proximity of Stage Gulch causing wasted fossil fuels. Supports Renewable Sonoma.

Mr. Mikus questioned if two people can speak together during public comment.

Ethan Walsh affirmed.

Jim and Lucy Mendoza (deferred to Lucy) residents adjacent to Stage Gulch site - Concerned with major traffic, insect, well and water issues. A spill or leakage from runoff will contaminate their property and creeks.

Herb Roche resident on Lakeville Highway - Egress and exit from his property makes him a prisoner of his own driveway. Echoes traffic concerns. Suggests looking on the West side of Petaluma. Concerned with vermin issues.

Celeste Sequeira resident on Old Adobe Road - Explosion of traffic is unbelievable. New vectors will make it hard to support the beef activity they have. Recommends site be somewhere else.

Roger Larsen resident at Happy Acres - concerns with using the same people who ran the compost facility prior who caused extreme water pollution. He commented that a site next to a Wastewater Treatment Plant would be very problematic with runoff. The environmental impact report said Stage Gulch would be the best location.

Allen Tose Cold Creek Compost – Commented the financial analysis are different from June package to August package. Operating hours would require the site to close by 3:00 P.M. to mitigate traffic. Handed out financial statements for CCC.

Bob Bogel resident on Stage Gulch Road - opposed to locating site on Stage Gulch. Concerned with insects, diseases and traffic.

Guido Murnic resident on Stage Gulch Road - concerned with traffic and agricultural impacts. Two of his family members have been killed on these roads. He has witnessed many accidents.

Tom Del Conte with Vision Recycling - encourages Board to commit fifty percent of materials to one company and have the other fifty percent in an open market. He wants to leave competition in place.

Janae Lloyd with World Centric - wants to advocate that the selected facility accept compostable packaging and compostable plastics. Wants to reduce landfilled materials.

Nea Bradford - believes we should have de-centralized composting locations. She expressed that Renewable Sonoma is being operated by the same people who ran Sonoma Compost.

Dan Noble Chair of the Compost Coalition of Sonoma County, Executive Director of Compost Producers, private practice owner - commented it is an ongoing process to get to a zero waste economy.

Matt Wynkoop with World Centric - encourages continued negotiations to find a solution to compost plant based certified containers. More and more people don't want to eat food off of petroleum based products.

Olga Kachook with World Centric - Encourages Board to ensure compostable food service ware is accepted and processed by chosen facility.

Peggy Rubens Cline Cellars near Stage Gulch - opposes location on Stage gulch. Traffic reports are too old; the current traffic is a disaster. No projects should be approved until traffic issues are resolved. Organic matter has an odor and prefers other proposer's ideas better.

Steven Anderson a Sonoma County landscaper - comments Will Bakx compost is superior. He supports Renewable Sonoma.

Gretchen Reed Rescape California - supports Renewable Sonoma. Will Bakx has shifted the energy in their classes through his presentations and education efforts.

Paul Kaiser owner of Singing Frogs Farm - supports Renewable Sonoma and likes their education and community involvement. Current compost in the area is mediocre. He comments that he is really excited good quality compost may come back to the area.

Evan Wiig with The Farmer's Guild - appreciates excitement around compost. Looks forward to the return of local composting. Farmers hope the chosen proposer will seek farmer's input on their specific needs. Believes all companies are worth pursuing. Renewable Sonoma has a proven track record.

Sunny Galbraith with 350, Local Task Force, Zero Waste Task Force and a public school teacher - The educational outreach from Will Bakx is invaluable. As a resident she is happy to pay fee increase.

Ron Bartholomew - impressed by Renewable Sonoma's six compost stations and education at the fair. Renewable Sonoma has a commitment to educating the public. He highly supports Renewable Sonoma.

Michael Murphy Founder of Sonoma County Horse Council - comments that we need a composting facility that will accept equine manure. Supports Renewable Sonoma.

Kerry Fugett with Daily Acts Organization - has strong support for Renewable Sonoma. They previously worked with Sonoma Compost which provided compost for organizations in Sonoma County. She is concerned with deaths and accidents on Lakeville Highway.

Ed Weber horse owner in Cotati - was severely damaged when the Sonoma compost site was shut down. We need a place that will take horse manure. Will Bakx is doing a perfect job and he will do a perfect job again.

Carmen Snyder Executive Director of Sonoma County Farm Trails - Farmers need high quality organic compost, and were distressed when we lost our local facility. Both small farmers and large ranches use compost. Renewable Sonoma is community generous. Will Bakx did a great demo on how to do backyard composting.

Mimi Enright Sonoma County Food Recovery Coalition - Asks for consideration for community education.

Board Comments

Mr. Zimmer asked to hear staff comments on compostable food packaging and utensils.

Mr. Carter commented he believes we can discuss it with proposers during negotiations. Fiber based materials appear to be easy to fit into the compost stream.

Mr. Mikus commented that in the past we have said we do not want compostable plastics. If we want to get to zero waste we need to find a way to deal with it through the contractor we choose, even if it means having a separate compost stream for plastics.

Ms. Gorin commented there has been a lot of discussion about choosing an appropriate location, asked about how far into permitting process the locations are, as well as, what is the possibility of endangered species presenting problems. Did these factor into the analysis?

Mr. Carter replied that we have no expectations regarding the progress of entitlements and permits. We asked for a timeline of when those would be accomplished. Any progress towards the goal was done at the proposer's financial risk.

Ms. Gorin asked if an early start date was part of the discussion.

Mr. Carter responded that overall site feasibility was considered.

Ms. Gorin questioned if the Williams Act for Stage Gulch Organics was beyond the purview of this process.

Mr. Carter commented that would be part of the entitlement process.

Ms. Gorin stated she has sympathy about the traffic and safety of the Stage Gulch Road area. She believes a traffic analysis done on Llano Road may present new challenges or similar challenges.

Mr. Carter commented that the action requested is for the Board to allow staff to enter into a negotiation with a proposer. We do not expect all permitting and environment criteria to be met at this time.

Ms. Gorin has concerns with Renewable Sonoma's costs.

Mr. Carter commented that the greater the tonnage committed to a site the better the price. If more materials are brought in to be processed by Renewable Sonoma the price will be lowered by

about forty cents per ratepayer per month. By using multiple partners for education we can encourage more diversion of compostable material, resulting in a decreased price.

Ms. Agrimonti appreciated all the public input. The City of Sonoma is committed to the issue of the food packaging for their public events. She agreed that traffic on Stage Gulch is dangerous. She questioned if the SCWMA is responsible for education?

Mr. Carter responded that the new Organics Waste Management Specialist being hired by the SCWMA will have a long list of duties. Additional educational outreach from various community teams is ideal and will may eliminate the burden of SWCMA to hire additional staff.

Ms. Agrimonti asked what the difference between Renewable Sonoma and Sonoma Compost is.

Mr. Carter commented that SES engineers (a partner with Renewable Sonoma) will be involved for permitting and educational services. SES has a good reputation working with us and neighboring counties. Suez (another partner) has a lot of experience with specific types of composting. It's our understanding they will have a large presence in moving the project forward with their corporate guarantee and by providing the performance bond.

Ms. Harvey agreed that we need to incorporate packaging in the compost stream. She wanted to clarify and confirm that the old traffic studies and Environmental Impact Report are not applicable and would need to be redone and certified.

Mr. Carter affirmed that there are no traffic studies or Environmental Impact Reports that are current.

Mr. Walsh affirmed that new analyses would need to be redone.

Ms. Harvey commented that for a state of the art facility and up-to-date technologies, an investment will have to be made. Whoever is chosen will need to make sure they can recoup from the costs. She appreciates the outreach and education currently happening from different organizations. She is concerned with the management structure. She feels we need to be clear that Renewable Sonoma is a solely owned company that is sub-contracting with experts, not a true partnership.

Mr. St. John agreed that allowing more than one processor to take the waste would be ideal, but the economies of scale play a crucial role in rates and products. He asked if we will have milestones and hard and fast deadlines. Mr. St. John asked how we are going to manage a "snag". He commented that the term of the contract may be too short. Compostable service ware needs to be addressed, as well as bio solids that won't be able to be used as Alternative Daily Cover in seven years. With Renewable Sonoma being able to take some bio solid material would be a big service improvement.

Ms. Bagby thanked Word Centric and Amy's for their input. She asked for confirmation that the most cost effective choice is devoting all material to one processor.

Mr. Carter advised splitting locations would make the cost increase.

Mr. Sawyer commented that there is confusion about what is and what is not recyclable. This is a good opportunity to teach the community. What is the process now?

Mr. Carter commented that the cities already have a flow commitment. The JPA states that cities can choose to opt out and are not forced into using the processor we choose. We ask the cities if they would commit their green waste to make the option viable. If they opt out we would need to evaluate if the minimum material provided would be enough to proceed.

Ms. Fudge commented that she spent a considerable amount of time with the proposers, Mr. Carter and reviewing the material. Renewable Sonoma meets the goals of this project and looks at the long term view. Both greenhouse gas reduction and increased energy are very important. Compostable materials need to be included in negotiations.

Mr. Mikus asked what the benefits of anaerobic digestion are. He also asked about the permitting process; one site is the Williamson Act, one is an existing site with similar zoning, etc. What is the permitting timeline, process and risks? We need more information about the Llano Road traffic impacts and neighboring roads. Compostable products are a must for the compostable waste stream. A site's bio solid capacity would be needed. Having meetings with cities constituents first before picking a proposer to contract with makes the most sense.

Mr. Sawyer asked why we are moving forward with a company that has "blemishes" in their history.

Ms. Gorin commented that all of the questions brought up already need to be addressed before they can be presented to the elected offices.

Ms. Agrimonti echoed the concern about the partners and sub-contractor relation.

Pam Stafford, City of Rohnert Park, motioned to approve entering into negotiations with Renewable Sonoma and addressing all issues brought forth. Deb Fudge, Town of Windsor, seconded the motion.

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	No
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 -9- NOES -1- ABSENT -0- ABSTAIN -0-

Motion passed.

9. Boardmember Comments

Mr. Mikus reported out on the closed session. Mr. Carter submitted his notice of resignation and it was accepted. Ms. Bagby and Ms. Gorin will chair a committee to find an interim. They agreed to a possible final date of September 24th.

10. Staff Comments

Safe Meds ordinance will be brought to the Board of Supervisors on Sept 11.

11. Next SCWMA meeting: September 19, 2018.

12. Adjournment:

The meeting adjourned at 12:08 p.m.

Submitted by: Janel Perry

DRAFT



Agenda Item #: **4.2**
Agenda Date: **9/19/2018**

ITEM: September and October 2018 Outreach Calendar

September 2018 Outreach Events

September 4	4 PM – 8 PM	Community Toxic Collection – Santa Rosa, West
September 7	11 AM – 7 PM	E-Waste Event – Rohnert Park
September 8	10 AM – 3 PM	24th Annual Cloverdale Car and Motorcycle Show – Cloverdale
September 8-9	9 AM – 5 PM	E-Waste Event – Rohnert Park
September 9	9:30 AM – 2 PM	West End Farmers Market – Santa Rosa
September 11	4 PM – 8 PM	Community Toxic Collection – Healdsburg
September 13	9:10 AM – 10:15 AM	Healdsburg Labor Center presentation – Healdsburg
September 13	9:10 AM – 10:15 AM	Fulton Labor Center presentation – Fulton
September 16	9:10 AM – 10:15 AM	Fiesta de Independencia (Luther Burbank Center) – Santa Rosa
September 18	4 PM – 8 PM	Community Toxic Collection – Kenwood
September 19	9:10 AM – 10:15 AM	Graton Labor Center presentation – Graton
September 22	9 AM – 5 PM	Healdsburg Kiwanis Club Family Safety Fair – Healdsburg
September 25	4 PM – 8 PM	Community Toxic Collection – Santa Rosa, Rincon Valley
September 29	10 AM – 3 PM	Roseland 5K Unity Run & Harvest Festival – Santa Rosa

October 2018 Outreach Events

October 2	4 PM – 8 PM	Community Toxic Collection – Forestville
October 5	11 AM – 7 PM	E-Waste Event – Windsor
October 6	8:30 AM – 5 PM	Rohnert Park Founder's Day Celebration – Rohnert Park
October 7	1 PM – 4 PM	Health & Wellness Fair – Santa Rosa
October 7	1 PM – 4 PM	Dia de los Muertos Petaluma and Binational Health Week – Petaluma
October 6-7	9 AM – 5 PM	E-Waste Event – Windsor
October 9	4 PM – 8 PM	Community Toxic Collection – Cloverdale
October 10	4 PM – 7 PM	Healdsburg Chamber of Commerce Business Showcase – Healdsburg
October 16	4 PM – 8 PM	Community Toxic Collection – Santa Rosa, East
October 18	9:10 AM – 10:15 AM	Healdsburg Labor Center presentation – Healdsburg
October 18	9:10 AM – 10:15 AM	Fulton Labor Center presentation – Fulton
October 23	4 PM – 8 PM	Community Toxic Collection – Cotati
October 27	10 AM – 2 PM	DEA Take Back Event – Police Stations TBA
October 30	4 PM – 8 PM	Community Toxic Collection – Sonoma



Agenda Item #: **4.3**
Cost Center: **Education/Outreach**
Staff Contact: **Thigpen**
Agenda Date: **9/19/18**
Approved by

ITEM: Approval of MOU for C&D Facility Certification Testing Services

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve the attached Memorandum of Understanding with the Central Contra Costa Solid Waste Authority and the County of Solano ("partners") regarding construction and demolition debris certification testing services.

II. BACKGROUND

The SCWMA periodically performs waste characterization studies to determine the composition of Sonoma County waste, evaluate existing programs, and develop future programs to reduce waste. Construction and Demolition (C&D) wastes consistently make up a significant portion of landfilled wastes, and are largely recyclable. Aside from statewide requirements for diverting C&D wastes through the CalGreen building codes, there are no uniform C&D diversion programs in Sonoma County. SCWMA staff believes a prudent first step in reducing C&D waste would be to establish a consistent protocol for evaluating C&D diversion facilities.

The SCWMA entered into a separate MOU with RecycleSmart (a Contra Costa County JPA) and the County of Solano to develop and issue an RFP and evaluate proposals received to develop a protocol. The RFP was issued on July 8, 2016. Two proposals were received and evaluated, resulting in the choice of Tseng and Associates ("consultant") to perform the protocol development work.

The SCWMA and partner agencies have worked with the consultant over the past year developing a certificate protocol, convening two regional stakeholder meetings and refining the process using stakeholder input. The resulting facility certification protocol has been named the Municipal Recovery Certification¹ and its purpose will be to evaluate C&D recovery operations and facility diversion data for certification reporting to CalRecycle.

III. DISCUSSION

The proposed MOU describes the SCWMA's involvement in the regional effort to certify facilities accepting construction and demolition debris materials. The MOU covers the relationship of the partner agencies, cost sharing should any arise, termination, indemnity, among other standard agreement provisions. Per the MOU, the partners will enter individually into contracts with the consultant as needed to test the certification and consultant will act as the primary evaluator during the one-year test period. The term of the MOU is from October 1, 2018 through December 31, 2019.

IV. FUNDING IMPACT

To date, costs to the SCWMA have been staff time to work with the regional partners, and the contracted \$10,150 for the consultant. There is no cost associated with this MOU, unless further services are mutually agreed upon by partners.

V. ATTACHMENTS

Regional C&D Certification Testing MOU

¹<http://www.recyclenow.org/agency/reports.asp>

**MEMORANDUM OF UNDERSTANDING AMONG THE CENTRAL CONTRA COSTA SOLID
WASTE AUTHORITY (RECYCLESMA^{RT}), THE SONOMA COUNTY WASTE
MANAGEMENT AGENCY, AND SOLANO COUNTY REGARDING CONSTRUCTION AND
DEMOLITION DEBRIS FACILITY CERTIFICATION –
PROCEDURE TESTING AND DEVELOPMENT**

This Memorandum of Understanding among the Central Contra Costa Solid Waste Authority (“RecycleSmart”), the Sonoma County Waste Management Agency, and Solano County (singularly “Participant” and collectively “Participants”) regarding Construction and Demolition Debris Facility Certification Service procedure testing and development (“MOU” or “Agreement”) is effective as of October 1, 2018.

RECITALS

- A. The Participants recognize the need to verify and evaluate diversion quantities claimed by facilities accepting Construction and Demolition (“C&D”) wastes to comply with the CalGreen statewide building codes and local legislation; and
- B. The Participants desired to establish a uniform C&D certification protocol that can be used within the participant’s jurisdictional areas and throughout the San Francisco Bay Area region; and
- C. The Participants entered into a Memorandum of Understanding (MOU) for issuance of an RFP for Construction and Demolition Debris Facility Certification Development Services on June 28, 2016; and
- D. The Participants entered into a Memorandum of Understanding (MOU) for Construction and Demolition Debris Facility Certification Development Services on January 30, 2017; and
- E. The Participants entered into an Extension of Memorandum of Understanding (MOU) for Construction and Demolition Debris Facility Certification Development Services on January 25, 2018; and
- F. C&D Debris Facility Certification methodology (“Municipal Recovery Certification”) development was completed in June 2018; and
- G. The Participants wish to enter into a new Memorandum of Understanding (MOU) for testing and further development of the C&D facility certification protocol with the selected contractor (Tseng and Associates).

NOW THEREFORE, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Participants agree as follows:

1. **Term of Agreement.**

The term of this Agreement is from October 1, 2018, through and including December 31, 2019.

2. **Activity.**

- A. The purpose of this MOU is to allow the participants to test the new C&D facility certification protocol (known as “Municipal Recovery Certification” or “MRC”) for its ability to evaluate C&D recovery operations and facility diversion data. Certification development consultant Tseng & Associates (Tseng) will contract individually with each participant to test the certification procedures and act as the primary evaluator during the one-year test period. In this role, the Participants acknowledge that Tseng will secure sub-contract evaluators to perform facility assessments using the new C&D facility certification protocol. Tseng will be responsible for coordination of assessments, data collection, and analysis. Based on the facility assessment and data analysis, Tseng will issue a final facility certification (with facility diversion rate) completing the process. Tseng will be responsible for facility certification data storage and security.
- B. The Participants agree to contract individually with Tseng to conduct facility assessments using the C&D facility certification. Participants will jointly develop a “model” agreement that will be used by each to contract with Tseng.

3. **Cost.**

- A. There is no cost to each Participant for facility evaluation performed under this MOU. Any and all costs for Tseng & Associates performance will be paid by the evaluated facilities using a fee schedule adopted as part of certification development. This includes both Tseng cost and/or cost for subcontractors working for Tseng.
- B. Aside from Tseng cost to perform which will be paid individually by each evaluated facility, there may be other unidentified costs such as outreach or marketing that will either be shared among participants or paid independently by each participant. In the case of shared costs, participants will agree in writing to final cost(s) and participate in cost-sharing.

4. **Participant’s Responsibilities.**

- A. Each Participant will enter into an individual contract with Tseng using a jointly developed “model” agreement for standardized contracting with Tseng.
- B. Participants will form a Management Committee that will oversee performance of evaluations performed by Tseng and subcontractors. The management committee will

meet quarterly or “as needed” to review performance of the certification program and contractor(s), coordinate and manage outreach and marketing activities to support the certification program, and review the most current list of certified facilities.

- C. One Participant member of the Management Committee will be designated as committee “Lead” and act as primary interface with Tseng to oversee and manage certification and evaluation performance per requirements of Participant contracts. The Lead participant will also be responsible for scheduling and coordinating the quarterly and “as needed” meetings. The committee Lead will be responsible for working with Tseng to establish and maintain a web presence for the certification program and obtaining/distributing current lists of certified facilities.

5. **Termination.**

- A. Any Participant may terminate its participation in this MOU without cause by giving the other Participants written notice thirty (30) days in advance of the date that Participant intends to withdraw from the MOU. Any Participant that withdraws from the MOU will be obligated to pay its prorated share of any mutually agreed, additional costs up through the date of termination.
- B. Any Participant may terminate its participation in the MOU with cause immediately upon giving written notice to the other Participants. The withdrawing Participant will be obligated to pay its prorated share of mutually agreed, additional costs up through the date of termination.

6. **Indemnity.**

Each Participant agrees to indemnify, defend, protect and hold harmless each of the other Participants, both individually and collectively, from and against any claims, actions, penalties, fines or expenses, resulting in whole or in part from that Participant's actions or inactions with respect to its obligations under this MOU; provided, however, Participant will not be liable to any other Participant for any incidental, indirect, special or consequential damages of any kind arising out of this MOU. The provisions of this section will survive the expiration or earlier termination of this MOU.

7. **Modifications or Amendments to MOU.**

Neither this MOU, nor any rights or obligations hereunder, may be assigned, delegated, transferred or sublicensed by any Participant, by operation of law or otherwise, without the express prior written approval of the other Participants. This MOU cannot be modified orally. With the exception of a change of contact information in section 11, which can be made simply by notifying the other Participants in writing, this MOU may be modified only by a written amendment executed by all Participants. Additional entities may be added to this MOU by such amendment. No additional entities may be added unless they agree to the terms and conditions of this MOU.

8. **Confidentiality of Information.**

Each Participant recognizes that it may have access to information of a proprietary, private or confidential nature owned by another Participant (a "Disclosing Participant."). Each Participant acknowledges that any proprietary, private and confidential information it shares with any other Participant under this MOU must be identified as such at the time of communication. As such, to the greatest extent allowed by law, each Participant that receives or has access to information that has been so identified (a "Receiving Participant") agrees to keep such information in strictest confidence and protect it from disclosure; provided that the parties may disclose such information as required by law. These confidentiality requirements will not apply to (a) information that is publicly known or publicly available, other than as a result of breach of this section 8, (b) information obtained by a Receiving Participant from a source other than a Disclosing Participant, which the Receiving Participant knows is not under an obligation of confidentiality to the Disclosing Participant, (c) information that is independently developed by a Receiving Participant without access to a Disclosing Participant's confidential information, and (d) information already in the possession of Receiving Participant, provided that such information is not known by Receiving Participant to be subject to any legal or contractual obligation of confidentiality owed to Disclosing Participant.

9. **Intellectual Property Rights.**

All rights and intellectual property rights (including copyrights), in any work, including, without limitation, all plans, research results, publications, developments, reports, processes, programs, analyses, website content, and other materials created or developed by or on behalf of the Participants will be licensed to all Participants on a royalty-free basis. In the event that a Participant withdraws from this MOU prior to the completion of the contract with Consultant, the withdrawing Participant shall be entitled to request and receive copies of all materials as described above that are prepared by Consultant in connection with the Contract, prior to the date of such withdrawal. The withdrawing Participant shall have no rights to such materials prepared after the date of Participant's withdrawal.

10. **Compliance with Laws.**

Each Participant agrees to comply with all federal, state and local laws and regulations in performance of their obligations under this MOU.

11. **Notices.**

Any notice or invoice required to be given to the Participants under this MOU must be given in writing and can be transmitted via U.S. Mail, electronic mail, personal delivery, or facsimile. If given via U.S. Mail, notice will be deemed to be given three days after deposit in the U.S. Mail with first class postage affixed. If notice is given via electronic mail or facsimile, it will be deemed to be given upon receipt of notice of successful

transmission. If notice is given via personal delivery, it will be deemed given at the time the notice arrives at the Participant's place of business. Notices must be sent to the following addresses:

Central Contra Costa Solid Waste Authority

Attn: Bart Carr
1850 Mt. Diablo Blvd., Suite 320
Walnut Creek, CA 94596
925-906-1801 ext. 104
bart@recyclesmart.org

County of Solano

Attn: Narcissa Untal
675 Texas Street, Suite 5500
Fairfield, CA 94533
707-784-3172
NUntal@solanocounty.com

Sonoma County Waste Management Agency

Attn: Kristin Thigpen
2300 County Center, Ste. B 100
Santa Rosa, CA 94503
707-565-3668
Kristin.Thigpen@sonoma-county.org

12. **Non-Discrimination.**

With respect to any action taken by any Participant under this MOU, no Participant will discriminate against or grant preferential treatment to any person or firm on the basis of race, sex, color, age, marital status, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, or national origin.

13. **Integrated Agreement.**

This MOU represents the entire understanding of the Participants with respect to the matters contained in this MOU. No prior oral or written understanding will be of any force or effect with respect to the matters in this Agreement.

14. **Severability.**

If any provision in this MOU is found by a court of law to be illegal or unenforceable, the MOU will remain in full force and effect as if that provision, section or paragraph were not written into this MOU, unless the omitted language is integral to the Participants' intention and purpose of entering into this Agreement.

15. **Recitals.**

The Participants agree that the Recitals are an accurate basis upon which this MOU is made and as such the Participants intend that the Recitals are part of the MOU.

16. **No Legal Relationship.**

By entering into this MOU, the Participants are not forming, nor do they intend to form a partnership, joint powers agreement or agency, or any other legal entity relationship. Other than the express authorizations and obligations in Section 4, above, no Participant is authorized to bind or to act as the agent or legal representative of any other Participant for any purpose, and no Participant is granted any express or implied right or authority to assume or create any obligation or responsibility on behalf of or in the name of any other Participant(s).

IN WITNESS WHEREOF, the Participants hereto have caused this MOU to be executed in duplicate by officials who the respective Participants covenant have full authority to execute this MOU.

Signatures appear below.

**CENTRAL CONTRA COSTA SOLID WASTE
AUTHORITY**

By: _____

Title: _____

Date: _____

Approval as to Form:

SOLANO COUNTY

By: _____

Title: _____

Date: _____

SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____

Title: _____

Date: _____



Agenda Item #: **4.4**
Cost Center: **All**
Staff Contact: **Collard**
Agenda Date: **9/19/2018**
Approved by:

ITEM: Fiscal Year 2017-18 Year End Financial Report

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the FY 2017-18 Year-End Financial Report on the Consent Calendar.

II. BACKGROUND

The Joint Powers Authority agreement requires that the SCWMA Board of Directors receive quarterly financial reports. This report contains information about SCWMA operations, all receipts to, and disbursements from, the SCWMA for Fiscal Year 2017-18.

III. DISCUSSION

This report, using information from the County accounting system (EFS) for revenues and expenditures, contains the actual amounts spent or received to date, accounts payable and receivable, the approved budget and the difference between the approved budget and the actual revenues/expenditures.

Included in this financial report are accounts payable and accounts receivable. Accounts payable are invoices that are expected to be paid after the close of the fiscal year for services received prior to June 30, 2018, the end of the fiscal year. Accounts receivable are revenues anticipated for work and/or services performed by the SCWMA prior to the end of the fiscal year. By including the accounts payable and receivable as well as the reserve balances, this report serves as a year-end financial statement.

Revenues

1. The State Other Funding account consists of grant funding once it has been released from a subsidiary account in EFS. All of the SCWMA grant awards are first placed into subsidiary accounts. When the planned and approved work has been completed, a release request is sent to the Auditor/Controller office for processing. Until the processing is complete, the State Other Funding account for those grant activities is considered unearned revenue. The remaining balance of \$74,694 is offset by unused expenditures in Other Professional Services.
2. County of Sonoma tipping fee revenues were \$77,377 more than budgeted this year due to increased tonnage.
3. Unrealized Gains and Losses related to adjustments made by the Treasury (\$15,156), which maintains the SCWMA's funds. Accounting practices under which the County and SCWMA function (GASB 31) require the Sonoma County Treasury to adjust the fund balances on an annual basis depending on the market value of each fund, as calculated by the Treasury. Historically, the adjustments were listed in the notes of the financial statements of the Treasury, but were also listed as findings in their annual audits. The decision was made by the

Treasury to include the adjustments through normal operations instead of as notes in the financial statements.

4. Donations/Contributions was \$65,120 greater than budget estimates due to reimbursements in the HHW, Education, and Planning funds being higher than expected. The City of Petaluma produced more waste than estimated, resulting in payments \$27,000 greater than expected. Also HD29, the refillable propane tank grant, was approved mid-year and this revenue was not accounted for in the original budget.

Expenditures

1. Administration Services is the cost of SCWMA staff. During the FY 16/17 audit, it was determined that the County was not charging all applicable payroll costs to SCWMA. The reimbursement for the FY 16/17 shortage caused the account to be over budget by \$13,223. New procedures have been implemented to prevent this problem from reoccurring.
2. Outside Counsel – Legal Advice is under budget by \$42,845, as the level of effort required from SCWMA Counsel was less than anticipated. The new fiscal year budget has been reduced.
3. Other Professional Services refers to grant-funded projects. This is the offsetting expenditure account for State Other Funding.
4. Other Services is used to capture prior year expenses. The largest of these payments was for \$9,000 to the County Parks Department for Oil Grant related out reached performed in the prior fiscal year.
5. Other Contract Services was under budget overall, but over budget in Planning (\$7,650) for C&D contract fees and HHW (\$19,063) due to the unbudgeted HD29 Propane grant and increased disposal costs for special waste events. Education was under budget (\$8,033) due to a combination of more favorable pricing on printing of the Recycle Guide, reduced temporary help costs, and unused budget for professional assistance/coaching. Yard Waste (\$50,723) is due to less than anticipated material received, mostly likely due to reduced self-haul. Wood (\$37,583) is accepted co-mingled with yard debris at some facilities which results in wood cost showing up in the yard fund. The Contingency Fund is under budget \$86,217 due to the rebranding project implementation starting later than projected.
6. County Service Charges was under budget \$79,961. The original budget contained a duplicate charge and staff worked with TPW to itemize and reduce the charges being billed to SCWMA.
7. Professional Development account was under budget \$26,455 due to the SCWMA not pursuing educational opportunities. Staff has been directed to research more opportunities in the new fiscal year.

IV. FUNDING IMPACT

In summary, the SCWMA received \$7,503,073 in revenue (which was \$106,439 more than budgeted), and incurred \$7,474,031 of expenditures (which was \$343,666 under budget). The net surplus to the SCWMA for FY 2017-18 was \$29,042

V. ATTACHMENTS

FY 2017-18 Year End Financial Report

66110000 SCWMA - Summary

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42358	State Other Funding	292,000.00	217,306.40	74,693.60	25.58%
42601	County of Sonoma	6,753,300.00	6,830,676.77	(77,376.77)	-1.15%
44002	Interest on Pooled Cash	30,273.00	94,166.62	(63,893.62)	-211.06%
44050	Unrealized Gains and Losses	0.00	(15,155.63)	15,155.63	0.00%
46029	Donations/Contributions	264,500.00	329,620.39	(65,120.39)	-24.62%
46051	Returned Checks	0.00	(8,933.85)	8,933.85	0.00%
46200	PY Revenue - Miscellaneous	0.00	(535.41)	535.41	0.00%
47101	Transfers In - within a Fund	56,561.00	55,927.98	633.02	1.12%
All Revenues		7,396,634.00	7,503,073.27	(106,439.27)	-1%

All Expense/Expenditure Accts

51041	Insurance - Liability	12,000.00	10,152.06	1,847.94	15.40%
51201	Administration Services	887,384.00	900,607.39	(13,223.39)	-1.49%
51205	Advertising/Marketing Svc	12,000.00	11,261.60	738.40	6.15%
51206	Accounting/Auditing Services	22,000.00	16,500.00	5,500.00	25.00%
51207	Client Accounting Services	15,214.00	22,282.73	(7,068.73)	-46.46%
51212	Outside Counsel - Legal Advice	66,000.00	23,154.81	42,845.19	64.92%
51225	Training Services	3,000.00	1,408.99	1,591.01	53.03%
51249	Other Professional Services	194,937.00	133,036.58	61,900.42	31.75%
51401	Rents and Leases - Equipment	3,000.00	0.00	3,000.00	100.00%
51421	Rents and Leases - Bldg/Land	15,625.00	13,375.61	2,249.39	14.40%
51801	Other Services	0.00	14,629.52	(14,629.52)	0.00%
51803	Other Contract Services	6,336,575.00	6,181,008.09	155,566.91	2.46%
51901	Telecommunication Data Lines	5,837.00	3,912.96	1,924.04	32.96%
51902	Telecommunication Usage	1,100.00	1,065.48	34.52	3.14%
51903	Telecommunication Installation	0.00	525.69	(525.69)	0.00%
51904	ISD - Baseline Services	22,604.00	26,050.16	(3,446.16)	-15.25%
51905	ISD - Improvement Projects	0.00	2,840.59	(2,840.59)	0.00%
51906	ISD - Supplemental Projects	3,000.00	345.00	2,655.00	88.50%
51909	Telecommunication Wireless Svc	1,800.00	3,563.33	(1,763.33)	-97.96%
51911	Mail Services	500.00	777.97	(277.97)	-55.59%
51912	Records Services	0.00	26.40	(26.40)	0.00%
51916	County Services Chgs	90,180.00	10,219.00	79,961.00	88.67%
51922	County Car Expense	1,000.00	829.52	170.48	17.05%
51923	Unclaimable county car exp	0.00	26.86	(26.86)	0.00%
52091	Memberships/Certifications	10,600.00	13,450.00	(2,850.00)	-26.89%
52101	Other Supplies	1,000.00	0.00	1,000.00	100.00%
52111	Office Supplies	27,630.00	25,357.51	2,272.49	8.22%
52163	Professional Development	28,150.00	1,695.02	26,454.98	93.98%
57011	Transfers Out - within a Fund	56,561.00	55,927.98	633.02	1.12%
All Expense/Expenditure Accts		7,817,697.00	7,474,030.85	343,666.15	4.40%

All Expense/Expenditure Accts		7,817,697.00	7,474,030.85	343,666.15	
All Revenues		7,396,634.00	7,503,073.27	(106,439.27)	
Net Cost		421,063.00	(29,042.42)	450,105.42	

66110100 SCWMA - Wood Waste

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42601	County of Sonoma	240,000.00	345,531.94	(105,531.94)	-43.97%
44002	Interest on Pooled Cash	305.00	3,937.31	(3,632.31)	-1190.92%
44050	Unrealized Gains and Losses	0.00	(1,314.78)	1,314.78	0.00%
46200	PY Revenue - Miscellaneous	0.00	(380.02)	380.02	0.00%
All Revenues		240,305.00	347,774.45	(107,469.45)	-45%

All Expense/Expenditure Accts

51041	Insurance - Liability	600.00	507.60	92.40	15.40%
51201	Administration Services	12,481.00	30,094.90	(17,613.90)	-141.13%
51206	Accounting/Auditing Services	500.00	375.00	125.00	25.00%
51207	Client Accounting Services	761.00	2,005.41	(1,244.41)	-163.52%
51803	Other Contract Services	216,000.00	178,417.76	37,582.24	17.40%
51904	ISD - Baseline Services	3,989.00	4,125.48	(136.48)	-3.42%
51916	County Services Chgs	4,509.00	766.00	3,743.00	83.01%
57011	Transfers Out - within a Fund	1,466.00	1,466.00	0.00	0.00%
All Expense/Expenditure Accts		240,306.00	217,758.15	22,547.85	9%

All Expense/Expenditure Accts		240,306.00	217,758.15	22,547.85	
All Revenues		240,305.00	347,774.45	(107,469.45)	
Net Cost		1.00	(130,016.30)	130,017.30	

66110200 SCWMA - Yard Debris

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42601	County of Sonoma	4,680,000.00	4,590,638.36	89,361.64	1.91%
44002	Interest on Pooled Cash	3,655.00	(2,076.80)	5,731.80	156.82%
44050	Unrealized Gains and Losses	0.00	(2,663.30)	2,663.30	0.00%
46200	PY Revenue - Miscellaneous	0.00	812.52	(812.52)	0.00%
All Revenues		4,683,655.00	4,586,710.78	96,944.22	2%

All Expense/Expenditure Accts

51041	Insurance - Liability	960.00	812.16	147.84	15.40%
51201	Administration Services	126,730.00	125,535.28	1,194.72	0.94%
51206	Accounting/Auditing Services	6,000.00	4,500.00	1,500.00	25.00%
51207	Client Accounting Services	1,217.00	3,342.36	(2,125.36)	-174.64%
51212	Outside Counsel - Legal Advice	5,000.00	110.50	4,889.50	97.79%
51803	Other Contract Services	4,527,000.00	4,476,277.43	50,722.57	1.12%
51901	Telecommunication Data Lines	1,469.00	1,467.36	1.64	0.11%
51902	Telecommunication Usage	0.00	13.88	(13.88)	0.00%
51904	ISD - Baseline Services	6,648.00	6,828.84	(180.84)	-2.72%
51909	Telecommunication Wireless Svc	0.00	1,810.49	(1,810.49)	0.00%
51911	Mail Services	0.00	1.21	(1.21)	0.00%
51916	County Services Chgs	7,214.00	2,122.00	5,092.00	70.58%
52111	Office Supplies	1,000.00	0.00	1,000.00	100.00%
57011	Transfers Out - within a Fund	416.00	416.00	0.00	0.00%
All Expense/Expenditure Accts		4,683,654.00	4,623,237.51	60,416.49	1%

All Expense/Expenditure Accts		4,683,654.00	4,623,237.51	60,416.49	
All Revenues		4,683,655.00	4,586,710.78	96,944.22	
Net Cost		(1.00)	36,526.73	(36,527.73)	

66110300 SCWMA - Organics Reserve

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
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All Revenues

44002	Interest on Pooled Cash	11,051.00	41,373.99	(30,322.99)	-274.39%
44050	Unrealized Gains and Losses	0.00	(4,300.09)	4,300.09	0.00%
46200	PY Revenue - Miscellaneous	0.00	97.98	(97.98)	0.00%
47101	Transfers In - within a Fund	1,882.00	1,882.00	0.00	0.00%
All Revenues		12,933.00	39,053.88	(26,120.88)	-202%

All Expense/Expenditure Accts

51201	Administration Services	91,883.00	88,185.94	3,697.06	4.02%
51206	Accounting/Auditing Services	2,500.00	1,875.00	625.00	25.00%
51212	Outside Counsel - Legal Advice	10,000.00	950.30	9,049.70	90.50%
51803	Other Contract Services	104,975.00	105,079.17	(104.17)	-0.10%
51916	County Services Chgs	0.00	1,378.00	(1,378.00)	0.00%
52111	Office Supplies	1,000.00	9.70	990.30	99.03%
All Expense/Expenditure Accts		210,358.00	197,478.11	12,879.89	6%

All Expense/Expenditure Accts		210,358.00	197,478.11	12,879.89	
All Revenues		12,933.00	39,053.88	(26,120.88)	
Net Cost		197,425.00	158,424.23	39,000.77	

66110400 SCWMA - HHW

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42358	State Other Funding	150,000.00	137,088.64	12,911.36	8.61%
42601	County of Sonoma	1,356,642.00	1,401,934.77	(45,292.77)	-3.34%
44002	Interest on Pooled Cash	3,606.00	14,613.15	(11,007.15)	-305.25%
44050	Unrealized Gains and Losses	0.00	(2,057.04)	2,057.04	0.00%
46029	Donations/Contributions	226,670.00	284,064.86	(57,394.86)	-25.32%
46051	Returned Checks	0.00	(8,933.85)	8,933.85	0.00%
46200	PY Revenue - Miscellaneous	0.00	(412.68)	412.68	0.00%
All Revenues		1,736,918.00	1,826,297.85	(89,379.85)	-5%

All Expense/Expenditure Accts

51041	Insurance - Liability	7,440.00	6,294.28	1,145.72	15.40%
51201	Administration Services	278,217.00	324,412.94	(46,195.94)	-16.60%
51205	Advertising/Marketing Svc	12,000.00	10,629.60	1,370.40	11.42%
51206	Accounting/Auditing Services	7,500.00	5,625.00	1,875.00	25.00%
51207	Client Accounting Services	9,433.00	10,250.23	(817.23)	-8.66%
51212	Outside Counsel - Legal Advice	10,000.00	1,793.53	8,206.47	82.06%
51225	Training Services	750.00	325.00	425.00	56.67%
51249	Other Professional Services	132,843.00	118,506.27	14,336.73	10.79%
51421	Rents and Leases - Bldg/Land	7,000.00	6,660.00	340.00	4.86%
51801	Other Services	0.00	14,493.74	(14,493.74)	0.00%
51803	Other Contract Services	1,171,000.00	1,190,062.60	(19,062.60)	-1.63%
51901	Telecommunication Data Lines	1,920.00	0.00	1,920.00	100.00%
51902	Telecommunication Usage	200.00	74.22	125.78	62.89%
51904	ISD - Baseline Services	3,989.00	4,125.48	(136.48)	-3.42%
51911	Mail Services	0.00	38.04	(38.04)	0.00%
51916	County Services Chgs	55,912.00	2,736.00	53,176.00	95.11%
52091	Memberships/Certifications	10,450.00	10,200.00	250.00	2.39%
52111	Office Supplies	1,000.00	3,307.05	(2,307.05)	-230.71%
52163	Professional Development	0.00	120.02	(120.02)	0.00%
57011	Transfers Out - within a Fund	27,265.00	27,265.00	0.00	0.00%
All Expense/Expenditure Accts		1,736,919.00	1,736,919.00	0.00	0%

All Expense/Expenditure Accts	1,736,919.00	1,736,919.00	0.00	
All Revenues	1,736,918.00	1,826,297.85	(89,379.85)	
Net Cost	1.00	(89,378.85)	89,379.85	

66110500 SCWMA - HHW Facility Res.

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
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All Revenues

44002	Interest on Pooled Cash	349.00	973.15	(624.15)	-178.84%
44050	Unrealized Gains and Losses	0.00	(118.84)	118.84	0.00%
All Revenues		349.00	854.31	(505.31)	-145%

All Expense/Expenditure Accts					
All Revenues		349.00	854.31	(505.31)	
Net Cost		(349.00)	(854.31)	505.31	

66110600 SCWMA - HHW Operating Res.

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
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All Revenues

44002	Interest on Pooled Cash	8,728.00	24,334.91	(15,606.91)	-178.81%
44050	Unrealized Gains and Losses	0.00	(3,283.06)	3,283.06	0.00%
All Revenues		8,728.00	21,051.85	(12,323.85)	-141%

All Expense/Expenditure Accts

51201	Administration Services	10,950.00	0.00	10,950.00	100.00%
51803	Other Contract Services	25,000.00	25,170.68	(170.68)	-0.68%
All Expense/Expenditure Accts		35,950.00	25,170.68	10,779.32	29.98%

All Expense/Expenditure Accts		35,950.00	25,170.68	10,779.32	
All Revenues		8,728.00	21,051.85	(12,323.85)	
Net Cost		27,222.00	4,118.83	23,103.17	

66110700 SCWMA - Education

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42358	State Other Funding	142,000.00	80,217.76	61,782.24	43.51%
42601	County of Sonoma	421,659.00	435,736.50	(14,077.50)	-3.34%
44002	Interest on Pooled Cash	1,532.00	7,372.34	(5,840.34)	-381.22%
44050	Unrealized Gains and Losses	0.00	(1,395.08)	1,395.08	0.00%
46029	Donations/Contributions	33,465.00	40,359.72	(6,894.72)	-20.60%
46200	PY Revenue - Miscellaneous	0.00	122.48	(122.48)	0.00%
All Revenues		598,656.00	562,413.72	36,242.28	6%
All Expense/Expenditure Accts					
51041	Insurance - Liability	1,800.00	1,522.81	277.19	15.40%
51201	Administration Services	283,432.00	296,058.58	(12,626.58)	-4.45%
51205	Advertising/Marketing Svc	0.00	632.00	(632.00)	0.00%
51206	Accounting/Auditing Services	3,000.00	2,250.00	750.00	25.00%
51207	Client Accounting Services	2,282.00	4,456.15	(2,174.15)	-95.27%
51212	Outside Counsel - Legal Advice	30,000.00	20,300.48	9,699.52	32.33%
51225	Training Services	2,250.00	1,083.99	1,166.01	51.82%
51249	Other Professional Services	62,094.00	14,530.31	47,563.69	76.60%
51401	Rents and Leases - Equipment	3,000.00	0.00	3,000.00	100.00%
51421	Rents and Leases - Bldg/Land	8,625.00	6,715.61	1,909.39	22.14%
51801	Other Services	0.00	135.78	(135.78)	0.00%
51803	Other Contract Services	102,600.00	94,567.31	8,032.69	7.83%
51901	Telecommunication Data Lines	2,448.00	2,445.60	2.40	0.10%
51902	Telecommunication Usage	900.00	977.38	(77.38)	-8.60%
51903	Telecommunication Installation	0.00	525.69	(525.69)	0.00%
51904	ISD - Baseline Services	3,989.00	6,844.88	(2,855.88)	-71.59%
51905	ISD - Improvement Projects	0.00	2,840.59	(2,840.59)	0.00%
51906	ISD - Supplemental Projects	3,000.00	345.00	2,655.00	88.50%
51909	Telecommunication Wireless Svc	1,800.00	1,752.84	47.16	2.62%
51911	Mail Services	500.00	738.72	(238.72)	-47.74%
51912	Records Services	0.00	26.40	(26.40)	0.00%
51916	County Services Chgs	13,527.00	3,107.00	10,420.00	77.03%
51922	County Car Expense	1,000.00	829.52	170.48	17.05%
51923	Unclaimable county car exp	0.00	26.86	(26.86)	0.00%
52091	Memberships/Certifications	150.00	3,250.00	(3,100.00)	-2066.67%
52111	Office Supplies	24,630.00	22,040.76	2,589.24	10.51%
52163	Professional Development	28,150.00	1,575.00	26,575.00	94.40%
57011	Transfers Out - within a Fund	19,479.00	19,479.00	0.00	0.00%
All Expense/Expenditure Accts		598,656.00	509,058.26	89,597.74	14.97%
All Expense/Expenditure Accts		598,656.00	509,058.26	89,597.74	
All Revenues		598,656.00	562,413.72	36,242.28	
Net Cost		0.00	(53,355.46)	53,355.46	

66110800 SCWMA - Planning

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
42601	County of Sonoma	54,999.00	56,835.20	(1,836.20)	-3.34%
44002	Interest on Pooled Cash	102.00	639.95	(537.95)	-527.40%
44050	Unrealized Gains and Losses	0.00	(78.02)	78.02	0.00%
46029	Donations/Contributions	4,365.00	5,195.81	(830.81)	-19.03%
46200	PY Revenue - Miscellaneous	0.00	(824.67)	824.67	0.00%
All Revenues		59,466.00	61,768.27	(2,302.27)	-4%

All Expense/Expenditure Accts

51041	Insurance - Liability	1,200.00	1,015.21	184.79	15.40%
51201	Administration Services	33,803.00	36,319.75	(2,516.75)	-7.45%
51206	Accounting/Auditing Services	1,000.00	750.00	250.00	25.00%
51207	Client Accounting Services	1,521.00	2,228.58	(707.58)	-46.52%
51212	Outside Counsel - Legal Advice	1,000.00	0.00	1,000.00	100.00%
51803	Other Contract Services	0.00	7,650.00	(7,650.00)	0.00%
51904	ISD - Baseline Services	3,989.00	4,125.48	(136.48)	-3.42%
51916	County Services Chgs	9,018.00	22.00	8,996.00	99.76%
57011	Transfers Out - within a Fund	7,935.00	7,301.98	633.02	7.98%
All Expense/Expenditure Accts		59,466.00	59,413.00	53.00	0.09%

All Expense/Expenditure Accts		59,466.00	59,413.00	53.00	
All Revenues		59,466.00	61,768.27	(2,302.27)	
Net Cost		0.00	(2,355.27)	2,355.27	

66110900 SCWMA - Contingency Fund

Department / Account	Description	Revised Budget	Actual Year to Date	Remaining Balance	% Remaining
All Revenues					
44002	Interest on Pooled Cash	945.00	2,998.62	(2,053.62)	-217.31%
44050	Unrealized Gains and Losses	0.00	54.58	(54.58)	0.00%
46200	PY Revenue - Miscellaneous	0.00	48.98	(48.98)	0.00%
47101	Transfers In - within a Fund	54,679.00	54,045.98	633.02	1.16%
All Revenues		55,624.00	57,148.16	(1,524.16)	-3%

All Expense/Expenditure Accts

51201	Administration Services	49,888.00	0.00	49,888.00	100.00%
51206	Accounting/Auditing Services	1,500.00	1,125.00	375.00	25.00%
51212	Outside Counsel - Legal Advice	10,000.00	0.00	10,000.00	100.00%
51803	Other Contract Services	190,000.00	103,783.14	86,216.86	45.38%
51916	County Services Chgs	0.00	88.00	(88.00)	0.00%
52101	Other Supplies	1,000.00	0.00	1,000.00	100.00%
All Expense/Expenditure Accts		252,388.00	104,996.14	147,391.86	58.40%

All Expense/Expenditure Accts		252,388.00	104,996.14	147,391.86	
All Revenues		55,624.00	57,148.16	(1,524.16)	
Net Cost		196,764.00	47,847.98	148,916.02	

Fund Balances FY 17/18

Fund	Beginning Balance	Ending Balance	Fund Balance Goal
Wood Waste	\$ 312,856	\$ 442,872	\$ 36,046
Yard Debris	\$ 966,918	\$ 930,391	\$ 702,548
Organics Reserve	\$ 3,025,177	\$ 2,866,753	\$ -
HHW	\$ 944,489	\$ 1,033,868	\$ 260,538
HHW Facility Reserve	\$ 69,918	\$ 70,772	\$ 68,000
HHW Operating Reserve	\$ 1,748,700	\$ 1,744,581	\$ 600,000
Education	\$ 348,278	\$ 401,634	\$ 59,866
Planning	\$ 43,695	\$ 46,050	\$ 5,947
Contingency Reserve	\$ 243,520	\$ 195,672	\$ 164,530



Agenda Item #: **4.5**
Cost Center: **All**
Staff Contact: **Collard**
Agenda Date: **9/19/2018**
Approved by:

ITEM: SCWMA FY 2016-17 Audit of Financial Statements

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board accept the FY 2016-17 Financial Statements and Auditors' Report.

II. BACKGROUND

In accordance with the requirement contained in the Joint Powers Authority Agreement that the SCWMA Board of Directors cause an independent audit to be in compliance with Government Code section 6505, SCWMA staff entered into an agreement with Maher Accountancy to audit the SCWMA's FY 2016-17 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 SCWMA.

III. DISCUSSION

Maher Accountancy expressed an opinion that the SCWMA's financial statements present fairly, in all material respects, the respective financial position of the Agency as of June 30, 2017, 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, 2017, and 3) Auditor Communication Regarding Internal Controls. The first two attachments are informational and describe the extent of the audit and the financial statements of the SCWMA.

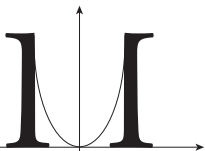
During the audit process it was discovered that the Agency was not charged approximately \$113,000 by the County of Sonoma for staff services provided during fiscal year 2016-17 and an adjustment to record the expense and the related liability was recorded and included in the audited financial statements. SCWMA staff has initiated the process to make payment to the County.

IV. FUNDING IMPACT

The cost of the audit was \$16,500, which was the amount allocated in the budget for this purpose.

V. ATTACHMENTS

Independent Auditors' General Communication to Board
Financial Statements and Auditors' Report Year Ended June 30, 2017
Auditor Communication Regarding Internal Controls



Independent Auditors' General Communication to Board

June 25, 2018

To the Board of Directors
Sonoma County Waste Management Agency

We have audited the financial statements of the Sonoma County Waste Management Agency for the year ended June 30, 2017, and have issued our report thereon June 25, 2018. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated August 22, 2017, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Sonoma County Waste Management Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no significant estimates used in preparing the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit except that requested documentation was not available during the fall when audit procedures were planned.



Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. During the audit process it was discovered that the Agency was not charged approximately \$113,000 by the County of Sonoma for staff services provided during fiscal year 2016-17 and an adjustment to record the expense and the related liability was recorded and included in the audited financial statements. The Agency has initiated the process to make payment to the County.

Any other misstatements detected as a result of audit procedures and corrected by management were immaterial, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of Sonoma County Waste Management Agency and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

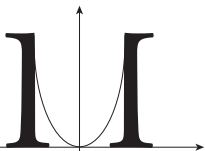
Maher Accountancy



**FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED JUNE 30, 2017**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Sonoma County Waste Management Agency

We have audited the accompanying financial statements of Sonoma County Waste Management Agency (Agency) as of and for the year ended June 30, 2017, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Agency as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 auditing standards generally accepted in the United States of America, 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.

Maher Accountancy

June 25, 2018

SONOMA COUNTY WASTE MANAGEMENT AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis provides an overview of the Sonoma County Waste Management Agency (SCWMA) financial activities for the fiscal year ended June 30, 2017. Please read it along with SCWMA's financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

The Agency's net position as of June 30, 2017 was \$7,623,252, an increase of \$669,595 over the prior year. Total revenues increased by \$63,705 and total operating expenses decreased by \$509,530.

USING THIS ANNUAL REPORT

This annual report consists of financial statements for Sonoma County Waste Management Agency as a whole. The statement of net position and the statement of revenues, expenses and changes in net position provide information about the activities of the Agency as a whole and present a long-term view of its finances.

THE AGENCY AS A WHOLE

One important question asked about the Agency's finances is, "SCWMA better or worse off as a result of the year's activities?" The information in the basic financial statements helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the basis of accounting used by most private-sector companies.

The change in *net position* (the difference between total assets and total liabilities) over time is one indicator of whether SCWMA's financial health is improving or deteriorating. However, one must consider other nonfinancial factors in making an assessment of the Agency's health, such as changes in the economy and changes in its jurisdiction, etc.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)**

Changes in the Agency's assets and liabilities were as follows:

	<u>2017</u>	<u>2016</u>	<u>Increase (decrease)</u>
Current assets	\$ 8,573,234	\$ 8,108,426	\$ 464,808
Current liabilities	<u>949,982</u>	<u>1,154,769</u>	<u>(204,787)</u>
Net position:			
Unrestricted	<u>7,623,252</u>	<u>6,953,657</u>	<u>669,595</u>
Total net position	<u><u>\$ 7,623,252</u></u>	<u><u>\$ 6,953,657</u></u>	<u><u>\$ 669,595</u></u>

The Agency experienced an increase in current assets and a decrease in current liabilities during the year ended June 30, 2017, as a result of normal operating activity.

Changes in SCWMA's revenue, expenses and net position were as follows:

	<u>2017</u>	<u>2016</u>	<u>Increase (decrease)</u>
Revenues:			
Operating revenues			
Municipal waste management	\$ 7,269,373	\$ 7,205,547	\$ 63,826
Nonoperating revenues			
Investment income (loss)	<u>31,062</u>	<u>31,183</u>	<u>(121)</u>
Total revenues	<u>7,300,435</u>	<u>7,236,730</u>	<u>63,705</u>
Expenses:			
Operating expenses	<u>6,630,840</u>	<u>7,140,370</u>	<u>(509,530)</u>
Change in net position	<u><u>\$ 669,595</u></u>	<u><u>\$ 96,360</u></u>	<u><u>\$ 573,235</u></u>

The increase in operating revenue was the result of increased tipping fees adopted by the SCWMA Board and effective in October 2015 and in place for the full year plus modestly higher tonnage. The reported increase in 2016-17 was off-set by the absence of the \$300,000 legal settlement received during 2015-16. The decrease in operating expenses from the prior year included a reduction of \$208,000 in legal costs related to the 2015-16 legal settlement along with lower waste disposal and professional service expenses.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)**

CAPITAL ASSETS

The Agency has no investment in capital assets, as of June 30, 2017.

ECONOMIC OUTLOOK

- The Agency will continue to set aside reserve funds as part of its long-term financial planning.
- The Agency's revenue is expected to cover expenditures for all planned future projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residents, taxpayers and creditors with a general overview of the Agency'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,

Patrick Carter

Executive Director

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2017**

ASSETS

Current assets:	
Investment in Sonoma County Pooled Investment Fund	\$ 7,012,694
Receivables:	
Tipping and administration fees receivable	1,524,522
Other	31,162
Prepaid expenses	<u>4,856</u>
Total current assets	<u>8,573,234</u>
Total assets	<u><u>8,573,234</u></u>

LIABILITIES

Current liabilities:	
Accounts payable and accrued expenses	758,547
Unearned grant advances	<u>191,435</u>
Total current liabilities	<u><u>949,982</u></u>

NET POSITION

Unrestricted	<u>7,623,252</u>
Total net position	<u><u>\$ 7,623,252</u></u>

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2017**

OPERATING REVENUES:

Tipping and administration fees	\$ 6,801,648
Grants from State of California	309,300
Miscellaneous fees and other revenue	<u>158,425</u>
Total operating revenues	7,269,373

OPERATING EXPENSES:

Adminstration	616,204
Program services and supplies	5,819,983
Other services and supplies	<u>194,653</u>
Total operating expenses	<u>6,630,840</u>
Operating income (loss)	<u>638,533</u>

NONOPERATING REVENUES (EXPENSES):

Investment income (loss)	<u>31,062</u>
Total nonoperating revenues (expenses)	<u>31,062</u>

CHANGE IN NET POSITION

	669,595
Net position at beginning of the year	<u>6,953,657</u>
Net position at end of the year	<u><u>\$ 7,623,252</u></u>

SONOMA COUNTY WASTE MANAGEMENT AGENCY
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:

Tipping and administration fees	\$ 6,814,311
Grants from State of California	290,231
Miscellaneous fees and other revenue	171,405
Administration expenses	(598,854)
Program services and supplies	(6,022,465)
Other services and supplies	(194,653)
	<hr/>
Net cash provided by (used for) operating activities	459,975
	<hr/>

CASH FLOWS FROM INVESTING ACTIVITIES:

Investment income	31,062
	<hr/>
Net cash provided (used) by investing activities	31,062
	<hr/>

Net increase (decrease) in cash equivalents	491,037
Cash equivalents (Sonoma County pooled investment fund) at beginning of year	6,521,657
	<hr/>
Cash equivalents (Sonoma County pooled investment fund) at end of year	\$ 7,012,694
	<hr/>

**RECONCILIATION OF OPERATING INCOME TO
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ 638,533
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
(Increase) decrease in receivables	25,643
(Increase) decrease in prepaid expenses	586
Increase (decrease) in accounts payable other liabilities	(185,718)
Increase (decrease) in unearned grant advances	(19,069)
	<hr/>
Net cash provided by (used for) operating activities	\$ 459,975
	<hr/>

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

1. DESCRIPTION OF THE ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Sonoma County Waste Management Agency (Agency) was formed in April 1992 to assist the cities and County with the implementation of programs necessary to satisfy the requirements of the Assembly Bill (AB) 939, the Integrated Waste Management Act of 1989. This Act requires that every jurisdiction in California plan for and implement programs that reduce the amount of waste disposed in landfills by 25% by the year 1995 and 50% by 2000. The Agency was granted a three-year extension to 2003 by the State. The State has determined that the Agency has met its 2003 goal. The Agency is continuing its efforts to reduce the amount of waste disposed in landfills, beyond the current 50% required by AB939. As of the date of this report, no new laws requiring waste reduction beyond 50% have been enacted. In 2006, the California Integrated Waste Management Board changed the calculation to pounds per person per day rate to determine compliance without changing the percentage reduction, with a rate goal of 7.1. In 2016 Sonoma County's rate was 4.6.

The Agency's activities include a regional composting program, household hazardous waste collections, and countywide efforts towards waste reduction and recycling.

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

The Agency's programs are funded through garbage disposal fee surcharges, charges for services and grants. Each program of the Agency is accounted for with a separate cost center. The composting program is entirely funded by charges for delivery of material to its program. The household hazardous waste, education and waste diversion efforts are funded through a surcharge on garbage brought to County disposal sites along with support from State Grants.

Since its creation in April of 1992, the Agency has added two new components to its scope of work: the Planning and Diversion Programs. Planning efforts currently include preparation of Annual Reports submitted to the California Integrated Waste Management Board and is funded through the disposal fee surcharge. The Diversion Program cost center was established to track expenditures that have direct measurable diversion. However, since 2010, all diversion activities are currently operating under the Education cost center.

The County of Sonoma, through the Integrated Waste Management Division of the Department of Transportation and Public Works, tracks each load of yard and wood waste entering the county disposal system. A tonnage tipping fee is collected to pay for operating

SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

1. DESCRIPTION OF THE ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

costs of the organic program. A surcharge on the solid waste tipping fee entering the county disposal system is used to fund the other programs, such as household hazardous waste, education, diversion and planning. The Agency reimburses the County for services provided by the County as outlined in a Memorandum of Understanding between the County and the Agency dated September 18, 2007. Staff services include Agency Director, professional staff, secretarial and as requested by the Agency, reasonable and necessary services from other County departments.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements are reported using economic resources measurement focus and the accrual basis of accounting. This means that all assets and all liabilities (whether current or noncurrent) associated with this activity are included on the statement of net position. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied.

The Agency's Enterprise Fund financial statements report business-type activities financed in whole or in part by fees charged to external parties for goods or services. Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

The accrual basis of accounting is used by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Operating revenues and expenses are distinguished from non-operating items in the statement of revenues, expenses and changes in net position. Operating revenues, such as tipping fees and sales of recycled products result from exchange transactions associated with the principal activity of the funds. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for enterprise funds include services and supplies. All expenses not falling within these categories are reported as non-operating expenses.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

1. DESCRIPTION OF THE ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INVESTMENT IN SONOMA COUNTY POOLED INVESTMENT FUND:

For purpose of the statement of cash flows, the Agency has defined cash equivalents to include investments within the Sonoma County Pooled Investment Fund that are not restricted as to use.

The Agency applies the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, which require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the Agency has stated certain investments at fair value.

Net Position Components

Net position components are classified into three components – net investment in capital asset, restricted and unrestricted. These classifications are defined as follow:

- **Net investment in capital assets** (if any) - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other 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 net position with limits on their use that are imposed by outside parties.
- **Unrestricted net position** - This component of net position consists of net position that is not restricted for any project or other purpose.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

1. DESCRIPTION OF THE ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. INVESTMENT IN SONOMA COUNTY POOLED INVESTMENT FUND

The Agency follows the County's practice of pooling cash and investments with the County Treasurer, except for a petty cash fund. Cash is pooled with the Sonoma County Treasurer, who acts as a disbursing agent for the Agency. Interest earned on investments pooled with the County is allocated quarterly to the appropriate fund based on its respective average daily balance for that quarter. The Investment Oversight Committee has regulatory oversight for all monies deposited into the Treasury Pool. The fair value of the Agency's investment in this pool is reported in the accompanying financial statements at amounts based upon the Agency'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 FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

2. INVESTMENT IN SONOMA COUNTY POOLED INVESTMENT FUND (continued)

The amount invested in the Sonoma County Pooled Investment Fund at June 30, 2017 is as follows:

Amortized cost:	\$7,041,443
Fair value:	\$7,012,694

The Agency's fair value of the cash investment with the Treasurer is \$28,749 less than the amortized cost of those investments.

Investment Guidelines

The Agency'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 Treasury Pool investment policy is available upon request from the Sonoma County Treasurer at 585 Fiscal Drive, Suite 100, Santa Rosa, California, 95403-2871.

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 Treasury

Pool manages its 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.

As of June 30, 2017, approximately 37 percent of the securities in the Treasury pool had maturities of one year or less. Of the remainder, only 1 percent had a maturity of more than five years.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

2. INVESTMENT IN SONOMA COUNTY POOLED INVESTMENT FUND (continued)

Disclosures Relating to 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.

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. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Treasury Pool's Investment Policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions:

- The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.
- The California Government Code limits the total of all securities lending transactions to 20% of the fair value of the investment portfolio.

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).

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. For a listing of investments in any one issuer (other than U.S. Treasury securities, mutual funds, or external investment pools) that represent 5% or more of total County investments, refer to the 2016-2017 Sonoma County Comprehensive Annual Financial Report.

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

2. INVESTMENT IN SONOMA COUNTY POOLED INVESTMENT FUND (continued)

FAIR VALUE MEASUREMENT

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Agency's only investment is in the Sonoma County Pooled Investment Fund, which is classified as *Level 1* of the fair value hierarchy and is valued at \$1 per investment unit as it, and all other participants in the pool, are able to spend or withdraw investments at that value without restriction. The principal (and only) market is comprised of the Pool and its participants.

3. RISK MANAGEMENT

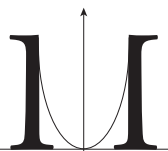
The Agency is exposed to various risks for which the Agency carries insurance with coverage for bodily injury, property damage, personal injury, auto liability, and errors and omissions and cyber security. The Agency is covered through Alliant Insurance Services, Inc. for \$5,000,000 per occurrence.

4. COMMITMENTS

The Agency is obligated under several service agreements that extend beyond the fiscal year ended June 30, 2017, many of which ensure pricing per ton transported or processed.

5. RELATED PARTY TRANSACTIONS

Agency staffing, occupancy and support services are provided by the County of Sonoma, an Agency member. During fiscal year ended June 30, 2017, expenses for these services totaled approximately \$689,000.



AUDITOR COMMUNICATION REGARDING INTERNAL CONTROLS

To the Board of Directors and Management
Sonoma County Waste Management Agency

In planning and performing our audit of the financial statements of the Sonoma County Waste Management Agency (SCWMA) as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered SCWMA's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SCWMA's internal control. Accordingly, we do not express an opinion on the effectiveness of SCWMA's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we have identified certain *deficiencies in internal control* that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the following deficiency in SCWMA's internal control to be significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

- 1. Condition:** County of Sonoma is responsible for entering journal entries to record the cost of staff provided to SCWMA. The County failed to post expenses of approximately \$113,000 and management did not have an effective internal control in place to timely prevent or detect the omission.

Effect: Expenses were understated and the balance of net assets (equity) was overstated



by approximately \$113,000.

Recommendations: (a) SCWMA should communicate with County staff to ensure that effective control procedures are operating to ensure that appropriate charges are timely posted. (b) SCWMA management should review its general ledger monthly to ensure that all staff charges are timely recorded.

Management Response: Management agrees to implement the recommended procedures.

This communication is intended solely for the information and use of the board of directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Maher Accountancy

June 25, 2018



Agenda Item #: 5
Cost Center: Education/Outreach
Staff Contact: Carter
Agenda Date: 9/15/2018
Approved By:

ITEM: Discussion and Possible Action on a Model Ordinance to Prohibit Use and Sale of Disposable Food Service Ware and Other Products Containing Polystyrene Foam

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Direct staff to develop a model staff report and circulate the model polystyrene waste reduction ordinance for consideration of adoption by SCWMA member agencies. If requested, SCWMA staff will assist in the presentation of the ordinance to member agency Councils and Board.

II. BACKGROUND

On Aug 18th 2017, Sonoma County Waste Management Agency staff presented research on the environmental impacts of polystyrene foam waste as justification for action on this issue. Polystyrene foam food service ware may only comprise a small fraction of the waste stream and litter composition, but the long term impacts are pervasive and perpetual. As a result, more than one hundred and ten California jurisdictions have ordinances in place to reduce polystyrene foam waste.

The Board directed staff to provide recommendations for regulating and prohibiting polystyrene foam products. In addition, the Board requested staff to expand the scope of the ordinance to incorporate plastic straws and plastic single use utensils, if feasible.

On January 17, 2018, the Board directed staff to develop a model ordinance to reduce disposable service ware and other polystyrene foam product waste.

III. DISCUSSION

The intent of this model ordinance is to significantly reduce polystyrene foam from being sold or distributed in Sonoma County and therefore reducing its prevalence in the waste stream and as litter.

The model ordinance envisioned by SCWMA staff will define the prohibition on the distribution and sale of specific polystyrene foam products, outline requirements for reducing disposable food service ware, and define exemptions, enforcement and violations.

The main components of this ordinance include:

1. Prohibition of polystyrene foam food service ware distributed by food establishments and food providers
2. Prohibition of polystyrene foam products sold by retail vendors
3. Requirement for food establishments and food providers to provide single use straws and utensils upon request only.
4. Voluntary “take-out” fees for disposable service ware and credits for reusable items.
5. Contract and lease language for vendors and contractors doing business with the jurisdiction.

Outreach and Education

When the Board directed staff to explore the model ordinance further in January 2018, staff was directed to perform a robust outreach effort to determine the community’s interest in the program, as well as the impact to businesses affected by actions proposed in the ordinance. Staff created and publicized a poll for this, contacted Chambers of Commerce, trade organizations, and local businesses. Approximately 3,000 responses were received with regard to the poll. Respondents overwhelmingly supported the model ordinance. Below are highlights from that poll:

- 91% supported a ban on polystyrene food containers at food establishments
- 89% supported a ban on polystyrene foam products at retail stores
- 87% supported straws being provided upon request, rather than automatically
- 69% supported food establishments charging a fee for compliant food containers

Very little feedback was received from business interests, with the most notable response being from California Restaurant Association, which noted that similar ordinances had been passed in many other jurisdictions, but opposed the idea of encouraging customers bringing reusable containers out of concern that unclean containers could cause contamination issues.

IV. FUNDING IMPACT

The only funding impact to date has been staff and Counsel time to research and develop options for a model ordinance. Staff time required to develop and present at member agency Council and Board meetings is significant for an approximate three month period which, in staff’s experience, is required to get an item before all Sonoma County governing bodies.

V. ATTACHMENTS

Model Ordinance to Prohibit Use and Sale of Disposable Food Service Ware and Other Products Containing Polystyrene Foam

MODEL ORDINANCE

**An Ordinance to Prohibit Use and Sale of Disposable Food Service Ware and Other Products
Containing Polystyrene Foam**

WHEREAS, public agencies have a duty to protect the natural environment, the economy, and the health and safety of residents; and

WHEREAS, products made from expanded polystyrene foam are not biodegradable, returnable or recyclable; and

WHEREAS, there is a prevalence of polystyrene foam debris littering parks and public places, streets and roads, waterways, storm drains and beaches, which results in a high financial and environmental cost to residents, wildlife and natural resources; and

WHEREAS, eliminating the use of polystyrene foam and other non-compostable and non-recyclable items will maximize the operating life of landfills, lessen the economic and environmental costs of waste management for businesses and residents of Sonoma County, and further protect the public health and safety of residents, the natural environment, waterways and wildlife.

NOW, THEREFORE, the City Council of the City of [JURISDICTION] does hereby ordain as follows:

Section 1. Recitals. The above recitals are hereby found to be true and correct and are incorporated herein by this reference.

Section 2. Amendment. Article XX is hereby added to the [JURISDICTION] Municipal Code to read in full as set forth in Exhibit “A”, attached hereto and incorporated herein by this reference.

Section 3. CEQA. This ordinance is exempt from environmental review under the California Environmental Quality Act pursuant to Section 15061(b)(3) of Title 14 of the California Environmental Code of Regulations because it can be seen with certainty that there is no possibility that this ordinance will have a significant negative effect on the environment. Further, the proposed Ordinance is exempt from CEQA on the separate and independent ground that it is an action of a regulatory agency (the City) for the protection of the environment because it will strengthen the City’s regulations regarding the distribution and sale of polystyrene products. Thus, this Ordinance is categorically exempt from the

requirements of CEQA under Section 15308 of Title 14 of the California Code of Regulations as an action by a regulatory agency for the protection of the environment.

Section 4. Severability. If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5. Effective Date. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same or a summary thereof to be published as required by law. This Ordinance shall take effect thirty (30) days after its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of [JURISDICTION], California, at a regular meeting of the City Council held on the ____ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

[NAME], Mayor

ATTEST:

[NAME], City Clerk

EXHIBIT “A”

Section 01. Findings and intent.

Section 02. Definitions.

Section 03. Prohibited food service ware and products.

Section 04. Prohibited retail sales.

Section 05. Nonfood packaging material.

Section 06. Required biodegradable/ compostable or recyclable disposable food service ware.

Section 07. Implementation—contracts and leases.

Section 08. Exemptions.

Section 09. Enforcement.

Section 10. Violations.

Section 11. Severability.

Section 12. No conflict with Federal or State law.

Section 13. Preemption.

Section 14. Effective Date.

01. Findings and intent.

The City finds and declares:

- (A) The City has a duty to protect the natural environment, our economy, and the health of its citizens.
- (B) Products made from expanded polystyrene foam are not biodegradable, returnable or recyclable. Polystyrene foam easily breaks up into smaller pieces and, because it is lightweight, is carried by the wind even when it has been disposed of properly.
- (C) There is a prevalence of polystyrene foam debris littering our parks and public places, streets and roads, waterways, storm drains and beaches. This litter exists at a financial cost to residents and an environmental cost to our natural resources.
- (D) The City is situated near the Sonoma Coast and near waterways which drain to the marine environment. Marine animals and birds often confuse polystyrene foam pieces as a food source, which, when ingested, can impact the digestive track which often leads to death.

(E) Discarded polystyrene constitutes a portion of the City’s waste stream. Laws, policies and regulations pertaining to this material, which is difficult to recycle, have become a vital component in the efforts to reduce the amount of disposed waste.

(F) It is not economically feasible to recycle most polystyrene in the City. Eliminating the use of polystyrene foam and other noncompostable and nonrecyclable items will maximize the operating life of our landfills and will lessen the economic and environmental costs of waste management for businesses and citizens of Sonoma County.

(G) According to the California Department of Resources Recycling and Recovery (CalRecycle), polystyrene’s overall environmental impacts were the second highest of any product, behind only aluminum.

(H) Alternative products exist for almost all uses of polystyrene foam.

(I) Restricting the use of polystyrene foam products will further protect the public health and safety of the City’s residents, the natural environment, waterways, and wildlife.

02. Definitions.

Unless otherwise expressly stated, whenever used in this chapter the following terms shall have the meanings set forth below:

“ASTM standard” means meeting the standards of the American Society for Testing and Materials (ASTM) International standards D6400 or D6868 for biodegradable and compostable plastics, as may be amended.

“Biodegradable” means all materials in the entire product or package will completely break down and return to nature, i.e., become part of usable compost and/or decompose into elements found in nature within a reasonably short period of time after customary disposal. “Biodegradable,” as used herein, shall include but is not limited to, products that meet the then-applicable ASTM standards for compostability.

“City” means all the territory within the [Jurisdiction], State of California.

“City contractors and lessees” means any person or entity that has a contract with the City for works or improvements to be performed, for a franchise, concession or lease of property, for grant monies or goods and services or supplies to be purchased at the expense of the City.

“City facilities” means any park, building, structure or vehicles owned or operated by the City, its agent, agencies, departments and franchisees.

“Disposable food service ware” includes all containers, bowls, plates, trays, cartons, cups, lids, straws, stirrers, forks, spoons, knives, napkins and other food ware items designed for one-time use for prepared foods, including without limitation service ware for take-out foods and/or leftovers from partially consumed meals prepared by food providers. The term “disposable food service ware” does not include items composed entirely of aluminum or polystyrene foam coolers and ice chests that are intended to be reusable.

“Food provider” means any vendor, business, organization, entity, group or individual, and including retail food establishments, located or providing food within the City that offers food or beverage to the public.

“Person” means an individual, trust, firm, joint stock company, corporation including a government corporation, partnership, or association.

“Polystyrene foam” means blown polystyrene and expanded and extruded foams (sometimes called Styrofoam™) which are thermoplastic, petrochemical materials utilizing a styrene monomer and processed by any number of techniques including, but not limited to, fusion of polymer spheres (expandable bead polystyrene), injection molding, foam molding, and extrusion-blown molding (extruded foam polystyrene). Polystyrene foam is generally used to make cups, bowls, plates, trays, clamshell containers, meat trays and egg cartons.

“Prepared food” means food or beverages prepared for consumption on the food provider’s premises or within the City, using any cooking or food preparation technique. Prepared food includes food prepared for consumption off the food provider’s premises, also known as “take-out food.”

“Recyclable” means material that can be sorted, cleansed, and reconstituted using recycling collection programs available in Sonoma County for the purpose of using the altered form in the manufacture of a new product. Recycling does not include burning, incinerating, converting, or otherwise thermally destroying solid waste.

“Retail vendor” means any store or other business that sells goods or merchandise located or operating within the City.

“Reusable” means materials that will be used more than once in its same form by the customer, retail vendor or other reuse program. Reusable food service ware includes: food and beverage containers,

packages and trays, such as, but not limited to, soft drink bottles and milk containers that are designed to be returned to the distributor or reused by the customer and that are provided as take-out containers. Reusable also includes durable containers, packages or trays used on-premises, returnable containers brought back to the food vendor and those intended to be taken home by the consumer for reuse, including all containers, bowls, plates, trays, cartons, cups, and other items that are designed for prolonged use, including, but not limited to, durable plastic, ceramic, glass, porcelain, and metal food service ware.

“Special event promoter” means an applicant for any special event permit issued by the City, or any City employee(s) responsible for any organized special event in the City.

03. Prohibited food service ware and products.

On and after [INSERT EFFECTIVE DATE]:

- (A) Food providers shall not sell, hand out, give away, distribute or otherwise make available for public or customer use prepared food in disposable food service ware that contains polystyrene foam.
- (B) City facilities, and any person renting a city facility, shall not provide prepared food in disposable food service ware that contains polystyrene foam.
- (C) City departments may not purchase, acquire or use disposable food service ware that contains polystyrene foam.
- (D) City contractors and lessees may not use disposable food service ware that contains polystyrene foam.

04. Prohibited retail sales.

No retail vendor or special event promoter shall sell, rent or otherwise provide any disposable food service ware which is composed in whole or in part of polystyrene foam, except as exempted in Section 08. In addition, no retail vendor shall sell, rent or otherwise provide the following:

- (A) coolers, ice chests, or similar containers, unless they are wholly encapsulated or encased within a more durable material so as to be reusable;
- (B) pool or beach toys, not including personal floatation devices such as life jackets; and
- (C) packing peanuts or other packaging materials.

05. Nonfood packaging material.

It shall be a policy goal of the City to promote and encourage, on a voluntary basis, the elimination of all polystyrene foam packaging. Business establishments located outside the City are encouraged to eliminate use of any packaging that utilizes polystyrene foam, including both block polystyrene foam or packing peanuts; and to eliminate the purchase, use, distribution or sale, for home or personal use, any packaging which utilizes polystyrene foam.

06. Required biodegradable or recyclable disposable food service ware.

On and after [INSERT EFFECTIVE DATE]:

- (A) All food providers utilizing any disposable food service ware shall use a biodegradable or recyclable product.
- (B) All City facilities and departments using any disposable food service ware shall use biodegradable or recyclable disposable food service ware.
- (C) City contractors and lessees using any disposable food service ware shall use biodegradable or recyclable disposable food service ware in City facilities while performing under a City contract or lease.
- (D) All food providers shall only provide straws, lids, cutlery, and to-go condiment packages upon request of customers.
- (E) All food providers are encouraged to provide \$0.25 credit for customers bringing their own reusable containers for to-go items.
- (F) All food providers are encouraged to charge a 'take out fee' of \$0.25 for disposable cups, lids, straws, and/or utensils. This fee is intended to offset the potential cost difference of biodegradable or recyclable food service ware.

07. Implementation—City contracts and leases.

The City Manager or his or her designee is authorized to promulgate regulations, guidelines and forms and to take any and all other actions reasonable and necessary to enforce this chapter.

08. Exemptions.

- (A) The City Manager or his or her designee may exempt a food provider, retail vendor or special event promoter from the requirements of this chapter for a one-year period upon showing that this chapter would create an undue hardship or practical difficulty not generally applicable to other persons in similar circumstances. The City Manager or his or her designee shall put the decision to grant or deny a waiver in writing and it shall be final.

(B) A food provider, retail vendor or special event promoter granted an exemption must reapply prior to the end of the one-year exemption period and demonstrate continued undue hardship, if it wishes to have the exemption extended. Extensions may only be granted for intervals not to exceed one year.

(C) An exemption application shall include all information necessary for the City to make its decision, including but not limited to documentation showing the factual support for the claimed exemption. The City Manager or his or her designee may require the applicant to provide additional information to determine facts regarding the exemption application.

(D) The City Manager or his or her designee may approve the exemption application, in whole or in part, with or without conditions.

(E) Foods prepared or packaged outside the City and sold inside the City are exempt from the provisions of this chapter. This exemption shall not apply to food providers operating in City facilities, pursuant to City contracts, or as a special event promoter in the City. Purveyors of food prepared or packaged outside the City are encouraged to follow the provisions of this chapter.

(F) Notwithstanding the prohibition on retail sales of products containing polystyrene foam, products which pose a small risk of becoming litter or in which polystyrene foam is included for insulating or flotation purposes and is completely encased in more durable material are exempt from the provisions of this chapter. Examples include surfboards, boats, life preservers, construction materials, craft supplies and durable coolers not principally composed of polystyrene.

(G) Packaging for meat and fish is exempt from the provisions of this chapter.

09. Enforcement.

Enforcement of this chapter shall be as follows:

(A) The City Manager, or designee, shall have primary responsibility for enforcement of this chapter and shall have authority to issue citations for violation of this chapter. The City Manager, or designee, is authorized to establish regulations or administrative procedures to obtain compliance with this chapter, including, but not limited to, inspecting any vendor's premises to verify compliance in accordance with applicable law.

(B) Anyone violating or failing to comply with any of the requirements of this chapter or of any regulation or administrative procedure authorized by it shall be guilty of an infraction.

(C) The City Attorney may seek legal, injunctive, or any other relief to enforce this chapter and any regulation or administrative procedure authorized by it.

(D) The remedies and penalties provided in this chapter are cumulative and not exclusive of one another.

(E) The City may inspect any retail vendor's or special event's premises to verify compliance with this chapter.

10. Violations.

Violations of this chapter shall be enforced as follows:

(A) For the first violation, the City Manager , or designee, upon determination that a violation of this chapter has occurred, shall issue a written warning notice to the food provider, retail vendor or special event promoter specifying that a violation of this chapter has occurred, along with the appropriate penalties in the event of future violations. The vendor will have 30 days to comply.

(B) The following penalties shall apply for subsequent violations of this chapter:

- (1) A fine not exceeding \$100.00 for the first violation 30 days after the first warning.
- (2) A fine not exceeding \$200.00 for the second violation 60 days after the first warning.
- (3) A fine not exceeding \$500.00 for the third violation 90 days after the first warning, and for every 30 days not in compliance.

(C) Vendors or special event promoters who violate this chapter in connection with commercial or noncommercial special events shall be assessed fines as follows:

- (1) A fine not exceeding \$200.00 for an event of 100 to 200 persons.
- (2) A fine not exceeding \$400.00 for an event of 201 to 400 persons.
- (3) A fine not exceeding \$600.00 for an event of 401 to 600 persons.
- (4) A fine not exceeding \$1,000 for an event of 601 or more persons.
- (5) The special events permit listing the number of persons expected to attend the special event shall be the basis upon which fines are assessed pursuant to this section.

11. Severability.

The provisions of this chapter are declared to be severable and if any provision, sentence, clause, section or part of this chapter is held illegal, invalid, unconstitutional or inapplicable to any person or

circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this chapter or their application to persons and circumstances.

12. No conflict with Federal or State law.

Nothing in this chapter shall be interpreted or applied so as to create any requirement, power or duty in conflict with any Federal or State law.

13. Preemption.

The provisions of this chapter shall be null and void on the day that California Statewide legislation or Federal legislation goes into effect, incorporating either the same or substantially similar provisions as are contained in this chapter, or in the event that a pertinent California State or Federal administrative agency issues and promulgates regulations, preempting such action by the City. The City shall determine by ordinance whether or not identical or substantially similar statewide legislation has been enacted for the purposes of triggering the provisions of this section.



Agenda Item #: 6
Cost Center: Education/Outreach
Staff Contact: Thigpen
Agenda Date: 9/19/18
Approved By:

ITEM: Discussion and Possible Action on a Zero Waste Resolution

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve a Zero Waste Resolution and direct staff to present the Resolution at member agency Councils and Board for their consideration.

II. BACKGROUND

The Sonoma County Central Landfill has a remaining capacity of 29 years. As the capacity nears its end, Sonoma County decision makers will be faced with either figuring out ways to further expand the landfill, site a new landfill, or permanently haul solid waste to out-of-county landfills. According to a 2016 report by CalRecycle¹, the Bay Area only had 44 years of existing landfill capacity. This means that if the generation of landfill materials continued at the current pace, and no new landfill capacity was created, after the Central Landfill stopped accepting waste, only about 13 years of relatively nearby disposal would be available. As landfill capacity becomes more distant requiring trucks to drive further to dispose of materials, costs are expected to increase. Given the millions of dollars required to create new landfill capacity, a likely more cost-effective approach would be landfill avoidance through Zero Waste principles and policies.

III. DISCUSSION

The AB 939 Local Task Force (LTF), a County-created advisory group to the Board of Supervisors and the SCWMA, has created a model Zero Waste resolution which it recommends the SCWMA and its member agencies adopt to create a Zero Waste framework throughout Sonoma County. The resolution was created through input from stakeholders including the Sonoma County Waste Management Agency, 350 Sonoma, North Bay Jobs with Justice, Sierra Club Redwood Chapter, Compost Coalition of Sonoma County, Zero Waste Sonoma County, North Bay Labor Council, Sonoma County Regional Climate Protection Authority, Sonoma County Conservation Action, Recology Sonoma-Marin, Sonoma County Resource Recovery, and other local businesses and engaged citizens. The Zero Waste Resolution drew from examples of Zero Waste resolutions adopted by jurisdictions around the Bay Area, including Zero Waste Marin, Oakland, San Jose, Alameda, Palo Alto and San Francisco.

The LTF sought to build on previous collaborative policy efforts like the Solid Waste Advisory Group (SWAG), which adopted a policy of reaching 80% diversion by 2015 and 90% diversion by 2020. In support of this request, the LTF also provided sample resolutions, 33 initiative suggestions and numerous resources on the impact of wasting.

¹ <https://www2.calrecycle.ca.gov/Publications/Download/1203>

Increasing diversion rates is a mutually beneficial goal. The LTF's Zero Waste Task Force has developed several Zero Waste Initiative suggestions in the areas of Reduction, Recovery and Reuse, Education, Green Purchasing, Hauler Relations and Fiscal Sustainability to provide jurisdictions with guidance and assist with further implementation of Zero Waste principles.

The LTF requests the SCWMA Board of Directors adopt a Zero Waste resolution, and requests SCWMA staff take the lead on presenting the Zero Waste resolution to SCWMA member agencies for their consideration.

IV. FUNDING IMPACT

The only funding impact to date has been a minimal amount of staff time to attend Zero Waste Task Force meetings. If the Board passes the Zero Waste Resolution and gives direction to present the Zero Waste Resolution at member agency Councils and Board, the funding impacts are expected to be staff and SCWMA Counsel time, travel time and attendance at meetings outside regular office hours.

V. ATTACHMENTS

2018 Sonoma County Zero Waste Resolution Request

2018 Sonoma County Zero Waste Initiative Suggestions, Food Waste Impacts and References

Zero Waste Resolution

2018 Zero Waste Resolution Request

August, 2018

The Sonoma County Local Task Force on Integrated Waste Management (LTF) recommends that the Sonoma County Solid Waste Management Agency (Agency) adopt a Zero Waste Resolution with substantive goals and policies. In support of this recommendation, the LTF provides two companion documents, the “2018 Sonoma County Zero Waste Initiative Suggestions“, and a “Sample Zero Waste Resolution for Sonoma County Jurisdictions“. The LTF offers these suggested initiatives and the companion resolution as a guide and welcome the Agency and each jurisdiction to adjust the resolution to reflect individual community’s needs.

The LTF established a Zero Waste Ad Hoc Committee in 2017 to collaborate with stakeholders, including the Sonoma County Waste Management Agency, 350 Sonoma, North Bay Jobs with Justice, Sierra Club Redwood Chapter, Compost Coalition of Sonoma County, Zero Waste Sonoma County, North Bay Labor Council, Sonoma County Regional Climate Protection Authority, Sonoma County Conservation Action, Recology Sonoma-Marin, Sonoma County Resource Recovery, local businesses, and engaged citizens. The LTF seeks to build on previous collaborative policy efforts such as the good work of the Solid Waste Advisory Group (SWAG), which adopted a policy of reaching 80% diversion by 2015 and 90% diversion by 2020.

With Zero Waste as a mutual goal, Sonoma County jurisdictions can regain national and statewide leadership through development and implementation of innovative plans, policies, and programs that:

- Reduce waste generation and maximize diversion of resources from disposal
- Reduce greenhouse gas emissions by progressive reduction in the use of landfills
- Protect public and environmental health by preventing pollutants from entering our air, land, and water
- Create quality, equitable jobs and inspiring new enterprises, thus strengthening our local economy
- Protect and preserve our beautiful and thriving county for future generations

The LTF recommends that the Agency and all Sonoma County jurisdictions:

- SET a Zero Waste goal to divert 100% of waste from landfills by 2030 and commit to reducing the total pounds per person per day, currently 4.6, by at least 10% per year
- LEAD BY EXAMPLE by instituting and/or expanding high diversion and Zero Waste goals and programs for all government facilities, events, and projects
- EDUCATE the public by expanding the ongoing information on the environmental and community benefits of reducing wasteful consumption and increasing diversion through reuse, repair, composting, and recycling

- ENCOURAGE all residents, businesses, and agencies to participate in composting and recycling programs while also encouraging them to reduce and reuse
- UPDATE and EXPAND the Green Purchasing, Environmentally Preferable Procurement (EPP) and Extended Producer Responsibility (EPR) policies
- CREATE a countywide Construction and Demolition Reuse and Recycling Ordinance
- EMPOWER jurisdictions and consumers to use their buying power to demand less toxic, easily reused, fully compostable or recyclable products, utilizing recycled materials whenever possible
- ENCOURAGE manufacturers to produce and market less toxic and more durable, repairable, reusable, compostable and recyclable products and/or recycled products
- LOBBY regional, state, and federal legislators to implement laws, policies, and regulations that promote Zero Waste, Manufacturer Responsibility, and Environmentally Preferred Purchasing
- INSPIRE and INCENTIVIZE service providers to embrace and collaborate in these efforts
- SUPPORT equitable pay and safe working conditions for material management workers
- ENSURE fiscal sustainability by developing a sound financial model that can sustain high diversion and Zero Waste programs and enable long term delivery of quality services to the community

Adopted this 14th day of June 2018 by unanimous vote of members present

2018 Sonoma County Zero Waste Initiative Suggestions

AUGUST, 2018

In June 2018, The Sonoma County Local Task Force on Integrated Waste Management (LTF) recommended the Sonoma County Solid Waste Management Agency adopt a Zero Waste Resolution with substantive goals and policies. In support of this request, the LTF also provided two sample resolutions, 33 initiative suggestions and numerous resources on the impact of wasting.

These documents were prepared by an ad hoc committee the LTF initialized in 2017. Known as the Sonoma County Zero Waste Task Force (ZWTF), the group is a collaboration of stakeholders including representatives of including the Sonoma County Waste Management Agency, 350 Sonoma, North Bay Jobs with Justice, Sierra Club Redwood Chapter, Compost Coalition of Sonoma County, Zero Waste Sonoma County, North Bay Labor Council, Sonoma County Regional Climate Protection Authority, Sonoma County Conservation Action, Recology Sonoma-Marin, Sonoma County Resource Recovery, local businesses, and engaged citizens. The LTF seeks to build on previous collaborative policy efforts such as the good work of the Solid Waste Advisory Group (SWAG), which adopted a policy of reaching 80% diversion by 2015 and 90% diversion by 2020.

The LTF offers the following initiatives as a guide and invites each jurisdiction to consider suggestions that reflect their community's needs. They are organized in six sections: Reduce, Recover/Reuse, Education and Outreach, Green Purchasing, EPR and EPP, Service Providers and Workforce, and Fiscal Sustainability.

A. REDUCE

- Support programs and incentives to reduce the manufacture and use of materials that are non-recyclable or hazardous.
- Incentivize use of locally extracted, manufactured or recycled and reused materials including construction materials, compost and mulches.
- Advocate for products designed for on-going use that are 100% recyclable and incorporate the highest post-consumer recycled content possible.
- Foster the development and commercialization of technologies that support Zero Waste including the collection, sorting, and processing of segregated discards.
- Require and incentivize restaurants, caterers, grocery stores, and other venues and businesses to donate excess edible food to food distribution programs consistent with state laws.
- Expand and develop ordinances to reduce distribution of single-use goods (such as single-use plastic bags not covered by current policy, take-out food packaging, straws, etc.). Expand support of "Sip it Sonoma" campaign where restaurants provide straws only upon request.
- Adopt and implement voluntary then mandatory sales and disposal bans for toxic, non-recyclable or non-compostable materials as well as single-use, disposable and problematic products.
- Provide grants and loans for not-for-profit organizations that remove debris from our watersheds and beaches, rescue surplus food, repair durables, and collect and redistribute reuseable goods.
- Create a county-wide Construction and Demolition Reuse and Recycling Ordinance.

B. RECOVER/REUSE

- Adopt land use policy to facilitate the siting and permitting of processing and end market infrastructure that will be needed to manage the volume of material from higher levels of diversion
- Develop incentive programs for the establishment and expansion of local businesses that recycle and reuse materials as feedstocks such as paper, compost and building materials.
- Provide economic incentives to encourage manufacturers to use locally recycled and reusable materials.
- Promote the development of reuse infrastructure such as take-back programs for refillable glass containers, bulk beverage containers (growlers and kegs) and propane tanks.
- Incentivize establishment and expansion of bulk sections in grocery and hardware stores and farm stands.
- Enhance the promotion of re-use networks such as Free-Cycle and events such as Repair Fairs, Clothing Swaps and Tool Exchanges
- Provide grants and loans for tool lending libraries, equipment rental and repair businesses and creative reuse depots for teachers, students and artists.

C. EDUCATION AND OUTREACH

- Expand programs to educate residents and businesses on the environmental and community benefits of reducing wasteful consumption and increasing diversion, as well as the processing and marketing of compostables and recyclables.
- Partner with local school districts and private schools to expand waste reduction and recycling programs including the Zero Waste Lunch and Green Schools programs.
- Expand multi-family outreach programs for owners, property managers and residents.
- Ensure recycle bins with clear and consistent signage are accessible in public places and businesses.

D. GREEN PURCHASING, ENVIRONMENTALLY PREFERABLE PROCUREMENT POLICIES (EPP) AND EXTENDED PRODUCER RESPONSIBILITY (EPR)

- Incorporate EPP and EPR principles and practices into all government operations and events.
- Update and expand the Sonoma County Green Purchasing Policy as well as all relevant regulations, specifications and solicitation language.
- Support and adopt EPR policies which require producers, rather than the general public or ratepayers, to cover the costs of recycling and disposal of products, especially hard-to-manage items like pharmaceuticals, carpets, mattresses, etc.
- Encourage local businesses to adopt EPP and EPR principles and practices, and recognize businesses that showcase exemplary green purchasing practices.

E. SERVICE PROVIDERS AND WORKFORCE

- Establish Zero Waste as a goal within franchise hauling agreements, with phased diversion milestones, reasonable rates and financial incentives, transparent reporting and rigorous annual compliance reviews to ensure services are of the highest caliber and all materials are put to the highest and best use.
- To insure the development of good green local jobs, give preferential hiring to locals and develop training partnerships with community colleges, workforce agencies and apprenticeship programs.
- To support just and fair jobs, bar long-term use of temporary workers and require part-time employees be offered additional hours before new employees are hired and support whistleblower protections for those who point out violations of labor or health and safety laws, noncompliance with a union contract provisions, or inefficiencies and lack of quality control.

F. FISCAL SUSTAINABILITY

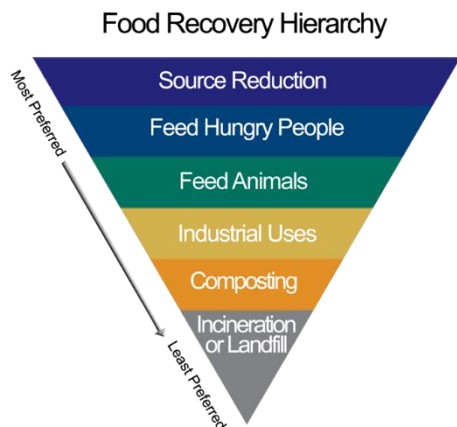
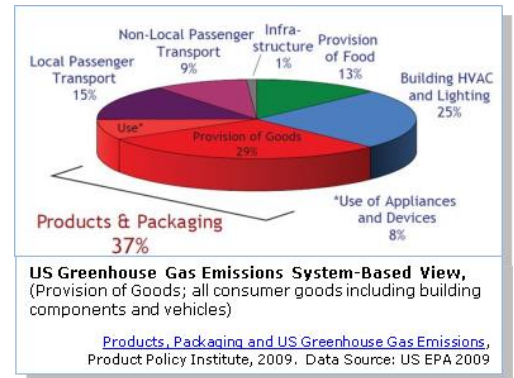
- Develop and maintain a sound financial model that can sustain high diversion and Zero Waste programs and enable long-term delivery of quality services.
- Explore opportunities and methods to harvest buried resources from existing landfills.
- Consider environmental and social costs in all decision-making and budget decisions.
- Increase recycling market development programs utilizing funding at the state level.
- Develop long-term fee-based options to address the impact of waste diversion activities on the General Fund, Integrated Waste Management Fund and other relevant funds.
- Continue to support the statewide landfill surcharge to fund local programs and facilities, including an exemption for locally enacted landfill fees or other statewide solutions to address low-cost regional landfill issues.

The Impacts of Wasting, 2018

In-Depth Resources for the Sonoma County Zero Waste Initiative Suggestions

GLOBAL WARMING

The EPA chart illustrates the provision, transportation and disposal of products and packaging (37%) and provision of food (13%) are responsible for 50% of all US greenhouse gas emissions. [The Center for Climate Protection](#) reports that in 2016, Sonoma County residents and businesses sent 420,865 tons to the landfill, generating approximately 103,000 tons of carbon dioxide equivalent from decomposing organic matter. The [California Global Warming Solutions Act of 2016 – SB 32](#), requires that there be a reduction in GHG emissions to 40% below the 1990 levels by 2030. Zero Waste planning supports Sonoma County's 2020 Climate Action Plan.



EDIBLE FOOD DISCARDS

The 2017 Sonoma County Hunger Index reports that 32% of Sonoma County households were food insecure at some time during the year. It has been well documented that Americans throw out an average of 400 pounds of food per person per year representing up to \$218 billion dollars (1.3% of our GDP). By committing to the [EPA Food Waste Hierarchy](#) to feed people, feed animals, and feed the soil, we can reduce hunger in our community while mitigating the environmental impacts of food discards. Recent California legislation to reduce the landfilling of organics includes: [Mandatory Commercial Organics Recycling of 2014 - AB 1826](#), (requiring businesses that generate organic wastes to arrange for organic waste recycling services), and [Short Lived Climate Pollutants Reduction Act of 2016 - SB 1383](#) - (requiring a 20% reduction of edible food waste by 2025 and a 40% reduction in methane levels by 2030).

GREEN PURCHASING AND GREEN BUILDING

Sonoma County was an early leader in Environmentally Preferable Procurement, Green Purchasing and Construction and Demolition Reuse and Recycling. The existing ordinances, policies and programs would greatly benefit from being brought up to date and standardized while still balancing environmental considerations with performance, availability and financial costs.

EQUITABLE JOBS

Drivers and other waste and recycling workers are the 'first responders' for the refuse industry. Creating good jobs ensures low turnover, increased productivity and high quality services. Good jobs include a living wage, full-time work, predictable schedules, comprehensive benefits, ongoing training and the highest health and safety standards.

For more information, contact Leslie Lukacs, llukacs@scsengineers, (707) 484-0441 or Portia Sinnott, PortiaSinnott@zerowasteusa.org, (707) 824-9931.

Additional References, 2018

GLOBAL WARMING

- Sonoma County Regional Climate Protection Agency, Climate Action 2020 and Beyond, <http://rcpa.ca.gov/projects/climate-action-2020/>
- Sonoma County Regional Climate Protection Agency, 2015 Greenhouse Gas Inventory Update, Authority, <http://rcpa.ca.gov/data-and-reports/sonoma-county-greenhouse-gas-inventory/>
- USEPA, West Coast Climate and Materials Management Forum, <https://westcoastclimateforum.com/>
- California Department of Food and Agriculture, California's Healthy Soils Initiative, <https://www.cdfa.ca.gov/healthysouls/>

EDIBLE FOOD DISCARDS

- Sonoma County Food Recovery Coalition, Making Connections for Donating and Receiving Food, <http://ucanr.edu/sites/SCRFC/>
- Natural Resources Defense Council, Wasted: How America Is Losing Up to 40 Percent of Its Food from Farm to Fork to Landfill, 2017, <https://www.nrdc.org/resources/wasted-how-america-losing-40-percent-its-food-farm-fork-landfill>
- USEPA, Food: Too Good To Waste Implementation Guide and Toolkit, 2016, www.epa.gov/sustainable-management-food/food-too-good-waste-implementation-guide-and-toolkit

GREEN PURCHASING AND GREEN BUILDING

- Alameda County Waste Management Authority, Environmentally Preferable Purchasing Model Policy, 2014, www.stopwaste.org/resource/policies/environmentally-preferable-purchasing-model-policy
- San Francisco Department of Environment, SF Approved, www.sfapproved.org
- CALGreen, Construction Waste Management Requirements, 2014 www.calrecycle.ca.gov/LGCentral/Library/CandDModel/Instruction/CALGreenTbl.pdf
- CalRecycle, Construction and Demolition Diversion Informational Guide, 2014
- www.calrecycle.ca.gov/LGCentral/Library/CandDModel/

EQUITABLE JOBS

- US Department of Labor, Bureau of Labor Statistics, Census of Fatal Occupational Injuries Summary, 2016, <https://www.bls.gov/news.release/cfoi.nro.htm>
- Los Angeles Network for a New Economy, Cleaning Up Waste and Recycling Management and Securing the Benefits: A Blueprint for Cities, 2015, <http://laane.org/research/?type=waste-recycling>
- GAIA, Safe & Sustainable Recycling: Protecting Workers who Protect the Planet, 2015, <http://www.no-burn.org/safe-sustainable-recycling-protecting-workers-who-protect-the-planet-2/>
- GAIA, Recycling Jobs: Unlocking the Potential for Green Employment Growth, <http://www.no-burn.org/recycling-jobs-unlocking-the-potential-for-green-employment-growth/>

###

RESOLUTION NO.:

DATED: September 19, 2018

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY ("SCWMA")
ADOPTING A GOAL OF ZERO WASTE BY 2030

WHEREAS, the AB939 Sonoma County Local Task Force on Integrated Waste Management recommends that the Board of Directors adopt a resolution establishing a goal of Zero Waste by 2030; and

WHEREAS, this recommendation builds on all previous efforts including but not limited to the County Integrated Waste Management Plan (CIWMP) and the Solid Waste Advisory Group (SWAG) as well as state initiatives and requirements; and

WHEREAS, the Sonoma County Waste Management Agency has met and exceeded the 50% diversion goal set by the California Integrated Waste Management Act of 1989 (AB 939) by substantially reducing, reusing, recycling, and composting before landfilling, and is now working toward the statewide 75% recycling, composting, or source reduction of solid waste by 2020; and

WHEREAS, the US EPA has estimated 50% of all GHG emissions are caused by the extraction, production, transportation, and use of goods, including food, products and packaging, and that Zero Waste minimizes GHG production and therefore supports Sonoma County's Climate Initiative; and

WHEREAS, in 2016, Sonoma County residents and businesses sent 420,865 tons to the landfill, generating approximately 103,000 tons of carbon dioxide equivalent (Center for Climate Protection Greenhouse Gas Report for 2016) from decomposing organic matter; and

WHEREAS, the Short Lived Climate Pollutants Reduction Act of 2016 (SB 1383) requires a 20% reduction of edible food waste by 2025 and a 40% reduction in methane levels by 2030; and

WHEREAS, the substantial recycling progress to date has been slower than expected and, since 2012, waste disposal per person per day has increased by 35%; and

WHEREAS, the Sonoma County Central Landfill, a very valuable resource worth preserving, has a remaining capacity of 29 years; and

WHEREAS, Zero Waste principles, in accordance with CalRecycle's (California Department of Resources, Recycling, and Recovery) Zero Waste Hierarchy, promote the highest and best use of materials, emphasize a closed loop system of production and consumption, and move in logical increments toward the goal of reducing waste generation and landfill disposal by more than 90% through:

- Improving "downstream" reuse and recycling of end-of-life products and materials to ensure their highest and best use

- Pursuing “upstream” re-design strategies to reduce the volume and toxicity of discarded products and materials and promote less wasteful lifestyles
- Fostering and supporting the use of discarded products and materials to stimulate and drive local economic workforce development
- Preserving land for sustainable development and green industry infrastructure; and

WHEREAS, a resource recovery based economy will create and sustain more productive and meaningful jobs than a disposal based economy; and

WHEREAS, the Sonoma County Waste Management Agency will assume a leadership role setting Zero Waste as a goal;

NOW, THEREFORE BE IT RESOLVED, the Sonoma County Waste Management Agency hereby encourages the pursuit of Zero Waste as a long term goal in order to eliminate waste and pollution in the manufacture, use, storage, and recycling of materials. This goal can be achieved through action plans and measures that significantly reduce waste and pollution. These measures will include encouragement of residents, businesses, and agencies to judiciously use, reuse, and recycle materials, and motivation of businesses to manufacture and market less toxic and more durable, repairable, reusable, recycled, and recyclable products; and

BE IT FURTHER RESOLVED, the Sonoma County Waste Management Agency hereby adopts the concept of Zero Waste as defined by Zero Waste International Alliance as a guiding principle for all municipal operations, outreach, and programs and actions within the community; and

BE IT FURTHER RESOLVED, the Sonoma County Waste Management Agency sets the goal of Zero Waste by 2030 and commits to:

- Reducing the total pounds per person per day, currently 4.6, by at least 10% each year;
- Institute and/or expand high diversion and Zero Waste goals and programs for all government facilities, events, and projects;
- Educate the public regarding the environmental and community benefits of reducing wasteful consumption and increasing diversion through reuse, repair, composting, and recycling;
- Strongly encourage all residents, businesses, and agencies to participate in composting and recycling programs while also encouraging them to reduce and reuse;
- Update the Green Purchasing, Environmentally Preferable Procurement (EPP), and Extended Producer Responsibility (EPR) policies;
- Support adoption and implementation of the countywide Construction and Demolition Reuse and Recycling Ordinance;
- Adopt land use policy to facilitate the siting and permitting of processing and end market infrastructure that will be needed to manage the volume of material from higher levels of diversion;

- Support equitable pay and safe working conditions for material management workers;
- Develop a sound financial model that can sustain high diversion and Zero Waste programs and enable long term delivery of quality services to the community.

BE IT FURTHER RESOLVED, the Sonoma County Waste Management Agency hereby authorizes the SCWMA Chairman of the Board to adopt a goal of Zero Waste by 2030.

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:

Janel Perry
Clerk of the Sonoma County Waste Management Agency
Agency of the State of California in and for the
County of Sonoma