

SONOMA COUNTY WASTE MANAGEMENT AGENCY

February 16, 2011

9:00 a.m.

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

Please note change in meeting location

Estimated Ending Time 11:30 a.m.

AGENDA

<u>ITEM</u>	<u>ACTION</u>
1. Call to Order/Introductions	
2. Agenda Approval	
3. <u>Attachments/Correspondence:</u> Director's Agenda Notes	
4. <u>On file w/Clerk: for copy call 565-3579</u> Resolutions approved in January 2011 2011-001 Resolution of the SCWMA electing a Chair, Vice-Chair and Chair Pro Tempore for 2011 2011-002 Resolution of the SCWMA Approving the Purchase Order with Graphic Enterprises, Inc. for Printing and Packaging of the Sonoma County Recycling Guide 2011 (English & Spanish) Versions	
5. Public Comments (items not on the agenda)	
<u>CONSENT</u> (w/attachments)	Discussion/Action
6.1 Minutes of January 19, 2011	
6.2 FY 10-11 2 nd Quarter Report	
<u>REGULAR CALENDAR</u>	
7. Sonoma County/City Solid Waste Advisory [Barbose]	Discussion/Action Planning
8. Discussion of SCWMA Board Priorities and Goals and Direction to Staff [Mikus]	Discussion/Action All

- | | | |
|-----|---|--|
| 9. | Draft Work Plan for FY 11-12
[Fisher](Attachment) | Discussion/Action
All |
| 10. | Compost Agreement Discussion
[Carter] | Discussion/Action
Organics |
| 11. | City of Sonoma Outhaul Discussion
[Fisher](Attachment) | Discussion/Action
Administration |
| 12. | Boardmember Comments | |
| 13. | Staff Comments | |
| 14. | Next SCWMA Meeting - March 16, 2011 | |
| 15. | Adjourn | |

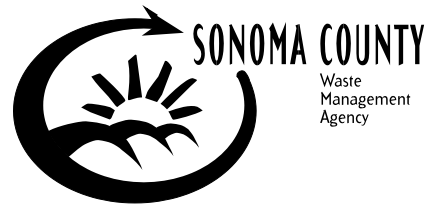
CONSENT CALENDAR: These matters include routine financial and administrative actions and are usually approved by a single majority vote. Any Boardmember may remove an item from the consent calendar.

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

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

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

NOTICING: This notice is posted 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 Utilities Department Subregional Water Reclamation System Laguna Plant, 4300 Llano Road, Santa Rosa. It is also available on the internet at www.recyclenow.org



TO: Sonoma County Waste Management Agency Board Members
FROM: Henry Mikus, Executive Director
SUBJECT: February 16, 2011 Agenda Notes

Consent Calendar

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

6.1 Minutes of January 19, 2011

6.2 FY 10-11 2nd Quarter Report In accordance with the JPA requirement that the Agency make quarterly financial reports of Agency operations, this report covers the second quarter of FY 10-11. This report uses information from the County accounting system (FAMIS) for expenses. The FY 10-11 2nd Quarter Report also contains the actual amounts spent or received to date, the projected revenues and expenses compared to the approved budget and the difference between the approved budget and the projections.

Regular Calendar

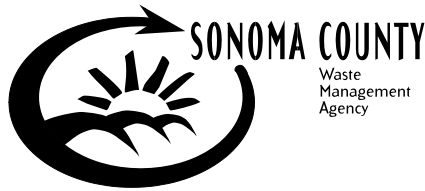
7. Sonoma County/City Solid Waste Advisory Verbal report from Steve Barbose, City of Sonoma, serving as SCWMA liaison to the recently convened advisory group. **No action required.**

8. Discussion of SCWMA Board Priorities and Goals and Direction to Staff Over recent months Board members have stated the goals or actions they felt most important. Topics of immediacy or interest will be discussed. **Recommended action: Adopt a plan of goals and activities that integrates with the annual Work Plan and Agency Budget for FY 11-12.**

9. Draft Work Plan for FY 11-12 Staff has prepared the FY 11-12 Work Plan for Board review. The FY 11-12 Work Plan contains a program description, contractor cost, staff cost, justification and schedule for each Agency program or project, both ongoing and proposed. **Recommended Action: Staff recommends adoption of the FY 11-12 Work Plan as a planning guide for the FY 11-12 Budget.**

10. Compost Agreement Discussion The three party agreement between the Agency, County of Sonoma, and Sonoma Compost Company will expire November 15, 2011, with material acceptance ending July 18, 2011. Staff is requesting direction on how to proceed. **Requested Action: Staff is requesting Board direction regarding whether to issue an RFP or amend the three party agreement for composting services.**

11. City of Sonoma Outhaul Discussion At the December 1, 2010 City of Sonoma Council meeting voted to allow the hauler to haul approximately half of their solid waste to another county for a cost reduction and to allow SCWMA to continue collection of the surcharge. Staff was given direction to prepare an agreement between SCWMA and the City of Sonoma and to return to the Board for approval. **Recommended Action: Approve the draft agreement as presented.**



Minutes of January 19, 2011

The Sonoma County Waste Management Agency (SCWMA) met on January 19, 2011, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue., Santa Rosa, California

Present:

Town of Windsor	Christa Johnson, Chair (2010)
City of Cloverdale	Nina Regor
City of Cotati	Marsha Sue Lustig
City of Healdsburg	Mike Kirn, Chair (2011)
City of Rohnert Park	Linda Babonis
City of Santa Rosa	Dell Tredinnick
City of Sebastopol	Jack Griffin
City of Sonoma	Steve Barbose
County of Sonoma	Susan Klassen

Absent:

City of Petaluma

Staff Present:

Counsel	Janet Coleson
Staff	Patrick Carter
	Karina Chilcott
	Charlotte Fisher
	Henry Mikus
	Lisa Steinman
Recorder	Elizabeth Koetke

1. Call to Order/Introductions

The meeting was called to order at 9:00 a.m.

2. Agenda Approval

Mike Kirn, Healdsburg, moved to approve the agenda. Steve Barbose, City of Sonoma, seconded. Agenda approved.

3. Attachments / Correspondence

Chair Christa Johnson, called attention to the Director's Agenda Notes and welcomed new Executive Director Henry Mikus.

4. On File with Clerk

Chair Johnson noted the resolution approved in November 2010, on file with the Clerk.

5. Public Comments (items not on the agenda)

Martin Millick, Cold Creek Compost, commented that Cold Creek Compost needs more green waste in order to compost chickens and chicken manure and currently green waste from Sonoma County is being trucked right past his facility.

6. Election of 2011 Officers

Marsha Sue Lustig, Cotati, nominated Nina Regor, Cloverdale, as Chair. Mike Kirn, Healdsburg, seconded.

Nina Regor, Cloverdale, nominated Mike Kirn as Chair, Steve Barbose, Sonoma, seconded. Petaluma absent. Motion carried unanimously.

Marsha Sue Lustig withdrew her nomination.

Gavel was passed to 2011 Chair, Mike Kirn, to lead the meeting.

Mike Kirn presented Christa Johnson with a certificate of appreciation and thanked her for her services as 2010 Chair.

Christa Johnson, Windsor, nominated Nina Regor, Cloverdale, as Vice-Chair, Marsha Sue Lustig, Cotati, seconded. Petaluma absent. Motion carried unanimously.

Susan Klassen, County, nominated Marsha Sue Lustig, Cotati, as Chair Pro Tempore, Dell Tredinnick, Santa Rosa, seconded. Petaluma absent. Motion carried unanimously.

The new officers for 2011 are; Mike Kirn, Healdsburg, Chair; Nina Regor, Cloverdale, Vice-Chair; and Marsha Sue Lustig, Cotati, Chair Pro Tempore.

Consent

- 7.1 Minutes of November 17, 2010
- 7.2 Recycling Guide 2011 Printing Contract with Graphic Enterprises, Inc.
- 7.3 Education Outreach Summary 2010
- 7.4 Eco-Desk (English and Spanish) Annual Reports 2010
- 7.5 Mandatory Commercial Recycling Measure Update from ILG webinar "Creating Enforcement and Compliance Elements for Commercial Recycling"
- 7.6 UCCE Home Compost Education and Pesticide Use Reduction Education
- 7.7 SCC Monthly Reports (August, September, October, November 2010)
- 7.8 Annual Web site Report 2010
- 7.9 Expanded Organics Outreach

Chair Mike Kirn requested that items 7.6 and 7.9 be pulled for discussion.

Nina Regor, Cloverdale, pulled the minutes, item 7.1 for a correction.

Christa Johnson, Windsor, pulled items 7.3, 7.5 and 7.8 for comments.

Marsha Sue Lustig, Cotati, moved to approve items 7.2, 7.4 and 7.7, Dell Tredinnick, Santa Rosa, seconded. Motion carried. Petaluma absent.

Item 7.1 Minutes of November 17, 2010 Nina Regor made a correction to the second page of the minutes, Item #10 the last line 'SCWMA Executive Director, Henry Mikus will serve on the SWAG representing the SCWMA.' The correction is 'SCWMA Executive Director, Henry Mikus, will serve on the SWAG Research Committee not on the full SWAG. Correction will be made.

Nina Regor, Cloverdale, moved to approve item 7.1., Marsha Sue Lustig, Cotati, seconded. County of Sonoma abstained. Petaluma absent.

Item 7.3 Education Outreach Summary 2010 Christa Johnson, commented that she appreciates all the hard work Karina Chilcott has done for outreach and education.

Christa Johnson, Town of Windsor, moved to approve this item, Linda Babonis, Rohnert Park, seconded. Motion approved. Petaluma absent.

7.5 Mandatory Commercial Recycling Measure Ms. Johnson pulled this item to discuss the implementation date at the local level.

Staff was given direction to bring this item back to a future meeting to discuss whether the SCWMA Board would want to consider a county-wide ordinance or individual ordinances for each jurisdiction. If the Board decided to go with individual ordinances at the jurisdiction level, similar language would be used.

Public Comment

Ken Wells, Guiding Sustainability/Sierra Club Representative on the AB 939 Local Task Force (LTF), said some parameters had been assigned to the AB 939 Local Task Force regarding apartments and enforcement, the LTF intends to come back to the SCWMA with the information from that assignment.

Christa Johnson, Windsor, moved to approve this item. Steve Barbose, Sonoma, seconded. Motion carried. Petaluma absent.

7.6 University of California Cooperative Extension (UCCE) Home Compost Education and Pesticide Use Reduction Education Program Report 2009-2010 Mike Kirn expressed appreciation for the work UCCE does. Paul Vossen, UCCE, gave a brief presentation.

Marsha Sue Lustig, Cotati, moved to approve this item. Linda Babonis, Rohnert Park, seconded. Motion carried. Petaluma absent.

7.8 Annual Web site Report 2010 Christa Johnson, Windsor, acknowledged staff's good work on this project.

Public Comment

Connie Cloak, C2 Alternative Services, commented when she's out in the community she hears wonderful things about the website.

Christa Johnson, Windsor, moved to approve. Susan Klassen, County, seconded. Motion carried. Petaluma absent.

7.9 Expanded Organics Outreach Ms. Lustig requested this item be pulled and asked Patrick Carter to give a short presentation.

Patrick Carter reported in the 2007 Waste Characterization Study it was concluded 36% of the material sent to landfills was compostable. A recent analysis by the AB 939 LTF Organics Subcommittee concluded that over 25,000 tons of compostable food and yard debris currently being sent for disposal could be processed at existing diversion facilities.

Sonoma Compost Company contacted staff with a proposal to increase diversion with the assistance of SCWMA and the county's two garbage haulers.

Staff is pursuing a revision of the compost site's permit which currently allows 12,000 tons per day of food material at the site. Revising the permit to allow acceptance of up to 10% of the incoming yard material would raise the limit to approximately 30 tons per day or 10,000 tons of additional diversion a year.

Nina Regor, Cloverdale, commented that any additional costs or costs for advertising should be paid by the contractor, not SCWMA or individual jurisdictions.

Public Comments

Robert Hillman, Re-energy, said their company can process materials with anaerobic digestion and also create green energy. He expressed an interest in meeting with local stakeholders.

Nina Regor, Cloverdale, moved to approve the item with the amendment that Sonoma Compost Company pay for any incremental costs associated with the outreach. Christa Johnson, Windsor, seconded. Motion carried unanimously. Petaluma absent.

Regular Calendar

8. Presentation by Goodwill

Charlie Stamps, Goodwill Industries of the Redwood Empire (GIRE) gave a presentation about the work that GIRE does and the partnership with SCWMA for e-waste collection events.

9. City of Sonoma Outhaul Discussion

In December 2010, the City of Sonoma's franchised garbage hauler, Sonoma Garbage Collectors (SGC) was dealing with some financial issues. At the December 1, 2010 meeting, City of Sonoma Council voted to allow the hauler to haul approximately half of their solid waste to another county for a cost reduction. At the same time the vote included language allowing SCWMA to continue collection of the surcharge. Staff was requested to draft an agreement. Since there was not a precedent set for this type of agreement, staff contacted the City of Sonoma and requested a letter explaining the situation.

Susan Klassen, County of Sonoma, said the original issue was the City of Sonoma asked the SCWMA to enter into an agreement with the garbage hauler, instead of an agreement similar to the City of Petaluma where the City collects the surcharge from SGC then pays SCWMA.

Carol Giovanatto, Assistant City Manager for City of Sonoma, said there was an initial misunderstanding, but the City of Sonoma is willing to enter into an agreement where the garbage hauler pays the City of Sonoma the SCWMA surcharge, which the City will pass on to SCWMA. It is proposed the agreement would have a two year term.

Steve Barbose, Sonoma, described the long-term relationship the City of Sonoma has with SGC. Since SGC would like to purchase a replacement truck and lack the funds, they proposed to divert 50% of their solid waste for a limited time to Napa County. During the two-year agreement, SGC should be able to save the funds to purchase a new truck.

Christa Johnson, Windsor, suggested the City of Sonoma pay SCWMA legal fees to draft this agreement.

Chair Mike Kirn gave direction to staff to prepare an agreement between SCWMA and the City of Sonoma that captures the SCWMA surcharge for the material diverted out of county, including provisions for cost recovery for staff time associated with the preparation of the agreement and provisions within the agreement for any increases in the surcharge or modifications thereto as SCWMA contemplates a different methodology to capture administrative costs going forward.

Janet Coleson, Agency Counsel, questioned whether counsel should draft the agreement or if the City of Sonoma should draft the agreement.

Nina Regor, Cloverdale, recommended that Agency Counsel draft the agreement so it would be consistent with the City of Petaluma's agreement.

Janet Coleson asked for clarification as to whether to include staff time in the cost of the entire endeavor or whether legal time should be separated from staff time.

Christa Johnson, Windsor, was in favor of full cost recovery.

Chair Kirn concurred with full cost recovery.

Susan Klassen, County, asserted that this portion of the outhaul began December 1, 2010, she requested the effective date on the Agreement be retroactive to December 1, 2010 for a seamless transition.

10. Carryout Bags

Patrick Carter gave his monthly legislative update regarding single-use bags.

At the November SCWMA meeting, staff was given direction to return to the January 2011 meeting with a draft letter to send to local businesses in an effort to discourage single bag use. Staff received several letters from the public supporting this action.

Public Comment

Connie Cloak, C2 Alternative Services, offered translation services to translate the letter into Spanish.

Tim Smith, resident and former chair of the SCWMA, commented that according to the California Product Stewardship Council (CPSC) Sonoma County is well-regarded as a leader in the State of California and this would be another opportunity to lead.

Ken Wells, Guiding Sustainability, suggested that staff be directed to draft a countywide ordinance.

Mary Munat, Green Mary, presented information about a public forum on single-use bags which is scheduled for February 2, 2011 at the City of Santa Rosa Council Chambers from 8:45 to 11:00 a.m. Redwood Empire Disposal and Sonoma Compost Company are two of the sponsors. Supervisor Mike McGuire will moderate the forum.

Boardmember Comments

Nina Regor, Cloverdale, requested that an estimate of staff time required to draft an ordinance be included with this item when it comes back to the Board.

Marsha Sue Lustig, Cotati, requested that an additional fact sheet be included with the letter.

Susan Klassen, County, supports sending the letter and anticipates the responses from businesses. She commented that this project is not in the current Work Plan or budget so gathering as much information as possible about staff costs associated with drafting an ordinance and any costs associated with the environmental process is important.

11. Construction & Demolition (C&D) Pilot Project

Charlotte Fisher explained at the November SCWMA meeting that a letter from the County of Sonoma was presented to the Board regarding an Amended and Restated Agreement between the County and Redwood Empire Disposal. One component of that Agreement is a pilot project involving construction and demolition (C&D) debris boxes. The debris boxes would be taken to the Sonoma and Healdsburg transfer stations for sorting. The assumption is that 25% of the debris in the C&D boxes is wood waste. These debris boxes are currently taken out of county for processing. The pilot project will examine the feasibility of sorting and processing by having Redwood Empire Disposal sort materials and bring them to the County system. The first Amendment to this Agreement has a two-year term with 2 scheduled increases.

Public Comment

Tim Smith, on behalf of Industrial Carting and Global Materials Recovery Services, presented a letter to the Board which suggested this item go out for Request For Proposal and requested this item be

postponed.

Lisa Hardin, Industrial Carting and Global Materials Recovery Services, explained they are one of two fully permitted C&D recycling facilities. They would like the opportunity to bid on this item and welcomed visitors to their sites.

Boardmember Discussion

Nina Regor, Cloverdale, asked Agency Counsel about SCWMA's specific role and responsibility as it relates to the County's franchise.

Janet Coleson, Agency Counsel, explained this is a pilot project being done by the County of Sonoma and this Amendment to the Agreement covers any cost shortfalls to the SCWMA. This pilot is being run by the County and the Amendment has not been approved by the County Supervisors yet.

Susan Klassen, County, explained the pilot project was an aspect of negotiation with the Redwood Empire Disposal franchise agreement. That franchise agreement is already in place and the pilot program is part of that. Any questions about going to bid or providing C & D diversion at the transfer stations should be directed to the Board of Supervisors. The Agreement was conceived to insure the SCWMA gets the benefit of the surcharge and doesn't incur any additional costs.

Jack Griffin, Sebastopol, moved to approve this item. Dell Tredinnick, Santa Rosa, seconded. Petaluma absent. Motion carried.

12. Boardmember Comments

Jack Griffin, Sebastopol, congratulated Mike Kirn on his role as 2011 Chair.

Dell Tredinnick, Santa Rosa, thanked Christa Johnson, Windsor, for serving as Chair in 2010 and mentioned Earth Day, April 22, 2011.

Linda Babonis, Rohnert Park, thanked Christa Johnson for serving as Chair for 2011.

Mike Kirn, Healdsburg, reported he'd met with Ken Wells and Will Bakx about a future project they are contemplating with respect to co-generation and thanked Christa Johnson again for serving as 2010 Chair.

13. Staff Comments

Lisa Steinman said Russian River Watershed Association Landscape Friendly Guidelines were provided to each of the Boardmembers.

Henry Mikus thanked the SCWMA Board for giving him the opportunity to serve the SCWMA and mentioned he is making appointments to meet with every Boardmember individually. He also attended his first meeting of the SWAG Research subcommittee.

14. Next SCWMA Meeting – February 16, 2011

15. Adjournment

Meeting adjourned at 11:07 a.m.

Respectfully submitted,
Elizabeth Koetke

**Copies of the following were distributed and/or submitted at this meeting:
Letter from Industrial Carting to SCWMA Board re: C & D Pilot Program**



Agenda Item #: 6.2
Cost Center: All
Staff Contact: Mikus/Fisher
Meeting Date: 2/16/2011

ITEM: FY 10-11 Second Quarter Financial Report

I. BACKGROUND

In accordance with the JPA requirement that the Agency make quarterly reports of Agency operations and of all receipts to and disbursements from the Agency, this report covers the second quarter (June through December 2010) for FY 10-11.

II. FUNDING IMPACT

This FY 10-11 Second Quarter Financial Report uses information from the county accounting system (FAMIS) for expenses. Revenues include tipping fees through November 2010. The Second Quarter Financial Report also contains the actual amounts spent or received to date, the projected revenues and expenses, the approved budget and the difference between the approved budget and the projections.

Revenues

Organics revenue is anticipated to be slightly under budget due to less yard debris material coming into the system to be processed. Since this material is dependent on seasonal conditions, this estimate could change with different future conditions.

The surcharge tipping fee revenues are slightly over budget at this point in the fiscal year. During budget development, it was estimated the surcharge would be based on 240,000 tons of solid waste disposed annually or 20,000 tons monthly for the fiscal year. The actual tonnages through November are averaging a minor increase. Should this trend continue for the remainder of the fiscal year, the increase will be approximately 3,080 tons by year end resulting in the calculation of the surcharge being based on 243,080 tons.

Interest on Pooled Cash is anticipated to be over budget due to an increase in the interest rate from the budgeted rate. The rate budgeted was 0.75%, and the actual being used to calculate interest as of September 2010 is 0.809%

Expenses

There are salary savings due to a vacancy in the Executive Director's position for the first half of this fiscal year. The savings for this position are approximately \$83,000. Of that amount, approximately \$20,000 was used to reimburse the County for the Interim Executive Director's time. This results in a net savings of \$65,000. The process of interviewing and relocating the Executive Director is \$18,494 and is reported in Miscellaneous Expense for FY 10-11. With the salary savings, the approved budget will not need to be adjusted for these expenses.

One expenditure that affects several cost centers is the planned replacement of SCWMA computers. The Information Systems Department, the technical service provider, has created a funding mechanism for replacing computers on a regular three year schedule. The new expenditure is listed as 8640 OT-Between Enterprises. This expenditure will become a line item in future budgets and reports.

Reimbursements, Subobject 8700, are administration funds transferred from the County to pay for SCWMA staff's time working on projects for the County. This item will be \$26,788 over budget because the reimbursements are being posted into the Administration Costs subobject. When

staff works on County projects, they declare their time to a County account on their timesheets and they are paid accordingly. This efficiency was unavailable at the time of budget development.

Wood Waste Cost Center

Total Revenues are \$73,176 over budget. Tipping Fee is \$27,150 over budget due to more wood waste being delivered to the composting site for processing. Other Sales of Materials is anticipated to be \$46,026 over budget because shared revenues from FY 09-10 were deposited this fiscal year. The supply of wood waste material to be processed at the composting facility is dependent on the private sector. If private sector processors are not accepting material, then the levels of wood waste at the composting facility are greater than anticipated.

Expenditures (Services and Supplies and OT-Within Enterprise) are expected to meet budget.

Yard Debris Cost Center

Revenues are \$87,093 under budget. Interest on Pooled Cash, \$3,599, is under budget because more undesignated funds were transferred to the Organics Reserve than was stated in the budget. This inflated transfer of undesignated funds was made in anticipation of either the purchase or the lease for property to be used for the new composting site. Tipping Fee Revenue is under budget by \$96,608 because there is less material coming to the composting facility. This estimate is based on the actual revenue posted to this point in this fiscal year. Sale of Materials is anticipated to be \$13,114 over budget because shared revenues from FY 09-10 were deposited this fiscal year. The revenue sharing is based on sales of finished material and the calculation tends to lag a quarter behind.

Expenditures (Services and Supplies) are anticipated to be \$123,549 under budget as follows: Contract Services, \$115,812, Legal Services, \$1,000, Rents/Leases Equipment, \$3,416, and Enforcement Agency Fees, \$2,000, because of less material requiring processing, staff vacancy for half of the fiscal year and less than anticipated legal and inspection expenses based on actual expenditures for the first six months of this fiscal year or the previous fiscal year.

OT-Within Enterprise is projected to be \$307,318 under budget due to less contribution to the Organics Reserve.

Household Hazardous Waste Cost Center

Revenues are expected to be \$14,251 over budget based on actual revenues posted through November 2010.

Expenditures (Administration Costs) are \$34,105 under budget due to a staff vacancy for half of the fiscal year.

OT-Within Enterprise is projected to meet budget.

Education Cost Center

Revenues are expected to be \$2,959 over budget, mainly due to a small increase in solid waste tonnage being processed through the County system.

Expenses (Service and Supplies) are projected to be \$23,641 under budget. The additional expense in Miscellaneous Expense is offset by the savings in Administration Costs. Staff anticipates working with the Information Systems Department to reduce the outstanding expense associated with the website development carried over from last fiscal year.

Diversion Cost Center

Revenues are expected to be \$52,730 over budget. The \$51,730 posted in Staff-Other is a FY 07-08 grant from the Department of Conservation (DOC) for the beverage container recycling program. This is an auditor's adjusted release from a subsidiary account and is an internal

adjustment. The funds have been spent and the required report filed with the DOC in a timely manner.

There are no expenses for Supplies and Services and the OT-Within Enterprise is expected to meet budget.

Planning Cost Center

Revenues are anticipated to meet budget.

Expenses and OT-Within Enterprise are anticipated to meet budget.

Organics Reserve

At the Second Quarter, the Organics Reserve is projected to have more interest earned because there are more contributions for FY 09-10 than was originally budgeted. There is no stated reserve goal for the Organics Reserve.

Expenses and OT-Within Enterprise are anticipated to meet budget.

HHW Facility Closure Reserve

The reserve fund for the closure of the HHW facility is projected to meet budget. The reserve goal is to collect \$62,000 by 2017. The goal will be exceeded by the end of FY 10-11 with a projected fund balance of \$66,586.52.

HHW Facility Reserve

Revenues are anticipated to meet budget.

Administration Costs are \$3,147 over budget because there were no funds budgeted. It was anticipated that the facility expansion would be completed in FY 09-10, but there was additional staff time required this fiscal year. The project is now complete and there should be no further staff time needed. HHW reserve policy is 50% of operational expenses or \$810,240 for FY 10-11.

Contingency Reserve

Revenues are anticipated to be \$83,343 under budget because there is no contribution planned to be transfer from the Education cost center. Contingency reserve policy is 25% of operation expenses of the Education and Planning cost centers, which is \$109,578 for FY 10-11.

Supplies and Services and OT-Within Enterprise are expected to meet budget.

Overall Assessment

While the net cost for the entire agency is \$132,989 under budget, with an approved FY 10-11 Budget of approximately \$6,000,000, the revised net cost of \$299,971 leaves a very small margin for any unanticipated events and/or expenditures, particularly in the cost centers relying on surcharge tipping fee revenues. There does exist the possibility that reserves could become needed in order to close the fiscal year in a balanced financial situation.

III. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the FY 10-11 Second Quarter Financial Report (Consent Calendar).

IV. ATTACHMENTS

FY 10-11 Second Quarter Revenue and Expenditure Comparison Summary and Projection

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

**Second Quarter 10-11 Revenue and Expenditure Summary and Projection
Sonoma County Waste Management Agency**

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

Prepared by: Charlotte Fisher

E. D.: _____
Henry J. Mikus

A. Summary of Projections

	FY 10-11 Adopted Budget	Adjustment	FY 10-11 Adjusted Budget	FY 10-11 Projection	Over/(Under) Budget
Total Expenditures	6,405,236	0	6,405,236	5,947,615	(457,621)
Total Revenues	6,572,216	0	6,572,216	6,247,586	(324,630)
Net Cost	(166,980)	0	(166,980)	(299,971)	(132,991)

B. Summary of Expenditures

	Actual July-Dec 10	Expense Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Liability Insurance	8,942	0	8,942	10,175	(1,233)
Miscellaneous Expenses	894	17,600	18,494	0	18,494
Office Expense	16,048	(618)	15,430	15,000	430
County Services	0	6,925	6,925	6,925	0
Professional Services	44,866	174,508	219,374	219,374	0
Contract Services	1,385,139	2,866,841	4,251,980	4,367,683	(115,703)
Consultant Services	63	0	63	0	63
Administration Costs	173,688	455,335	629,023	694,022	(64,999)
Legal Services	37,206	33,794	71,000	72,000	(1,000)
Engineering Services	1,922	24,078	26,000	26,000	0
Accounting Services	4,113	6,130	10,243	10,243	0
Audit Services	0	20,000	20,000	20,000	0
Advertising	1,108	10,892	12,000	12,000	0
Equipment Rental	1,167	1,500	2,667	5,500	(2,833)
Rents/Leases - Buildings	2,400	23,500	25,900	25,500	400
Enforcement Agency	0	18,000	18,000	20,000	(2,000)
County Car Expense	0	1,500	1,500	3,000	(1,500)
Travel Expense	589	500	1,089	500	589
Data Processing	4,908	6,871	11,779	11,779	0
DP - New Projects	0	15,000	15,000	24,556	(9,556)
Total Supplies and Services	1,683,053	3,682,356	5,365,409	5,544,257	(178,848)

	Actual July-Dec 10	Estimated Jan-June 11	Estimated FY 10-11	Budget FY 10-11	Over/(Under) Budget
B. Summary of Expenditures (con't)					
Other Charges	0	578,842	578,842	887,068	(308,226)
ISD Replacement Charges	2,724	0	2,724	0	2,724
Reimbursements	0	0	0	(26,788)	26,788
Prior Year Encumbrances	640	0	640	699	(59)
Total Expenditures	1,686,417	4,261,198	5,947,615	6,405,236	(457,621)

C. Summary of Revenues

	Actual July-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Interest on Pooled Cash	14,998	45,125	60,123	51,902	8,221
Tipping Fee Revenue	1,933,705	2,749,851	4,683,556	4,734,708	(51,152)
Sale of Material	31,026	128,114	159,140	100,000	59,140
State-Other	147,068	217,912	364,980	313,250	51,730
Miscellaneous Revenue	105,614	(98,114)	7,500	7,500	0
OT-Within Enterprise	0	578,842	578,842	971,411	(392,569)
Donations/Reimbursement	148,925	244,520	393,445	393,445	0
Total Revenues	2,381,336	3,866,250	6,247,586	6,572,216	(324,630)

C. Summary of Net Costs

	Actual July-Dec 10	Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Net Cost	(694,919)	394,948	(299,971)	(166,980)	(132,991)

**Second Quarter 10-11 Revenue and Expenditure Summary and Projection
Sonoma County Waste Management Agency**

799114 Wood Waste

Prepared by: Charlotte Fisher

E. D.: _____
Henry Mikus

A. Summary of Projections

	FY 10-11 Adopted Budget	Adjustment	FY 10-11 Adjusted Budget	FY 10-11 Projection	Over/(Under) Budget
Total Expenditures	212,578	0	212,578	213,031	453
Total Revenues	182,578	0	182,578	255,754	73,176
Net Cost	30,000	0	30,000	(42,723)	(72,723)

B. Summary of Expenditures

	Actual July-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Services and Supplies	66,263	93,864	160,127	160,128	(1)
OT-Between Enterprise	454	52,450	52,904	52,450	454
Total Expenditures	66,717	146,314	213,031	212,578	453

Services and Supplies are projected to meet budget.

OT-Within Enterprise is over budget \$454 due to replacement of staff computers.

C. Summary of Revenues

	Actual July-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Interest on Pooled Cash	124	346	470	470	0
Tipping Fee Revenue	63,086	126,172	189,258	162,108	27,150
Other Sales	31,026	30,000	61,026	15,000	46,026
Donations/Reimbursement	0	5,000	5,000	5,000	0
Total Revenues	94,236	161,518	255,754	182,578	73,176

Revenues are projected to be \$73,176 over budget due to:

Tipping Fee being \$27,150 over budget because more material is coming to the facility than was anticipated.

Other Sales is \$46,026 over budget due to FY 09-10 revenue sharing being deposited in FY 10-11.

D. Summary of Net Cost

The net cost for Wood Waste is anticipated to be \$72,723 under budget because of more material being available for processing and the availability of undesignated funds from prior years.

**Second Quarter 10-11 Revenue and Expenditure Summary and Projection
Sonoma County Waste Management Agency**

799213 Yard Debris

Prepared by: Charlotte Fisher

E. D.: _____
Henry Mikus

A. Summary of Projections

	FY 10-11 Adopted Budget	Adjustment	FY 10-11 Adjusted Budget	FY 10-11 Projection	Over/(Under) Budget
Total Expenditures	3,658,510	0	3,658,510	3,227,641	(430,869)
Total Revenues	3,241,850	0	3,241,850	3,154,756	(87,094)
Net Cost	416,660	0	416,660	72,885	(343,775)

B. Summary of Expenditures

	Actual July-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Services and Supplies	1,109,341	1,667,392	2,776,733	2,900,284	(123,551)
Other Charges	908	450,000	450,908	758,226	(307,318)
Total Expenditures	1,110,249	2,117,392	3,227,641	3,658,510	(430,869)

Services and Supplies is projected to be \$123,551 under budget:
 Contract Services is anticipated to be \$115,812 under budget due to less material coming to the facility for processing.
 Legal Services are projected to be \$1,000 under budget based on anticipated legal counsel required.
 Rents/Leases Equipment are projected to be \$ 3,416 under budget based on a new lease for the copier.
 Enforcement Agency Fees are projected to be \$2,000 under budget based on last fiscal year's actual expenses.
 County Car is projected to be \$1,500 under budget based on actual usage.

OT Within Enterprise is expected to be \$308,318 under budget because if the budgeted funds were to be transferred to the Organics Reserve the Yard Debris fund balance would fall to a negative balance.

C. Summary of Revenues

	Actual July-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Interest on Pooled Cash	911	2,740	3,651	7,250	(3,599)
Tipping Fee Revenue	1,267,991	1,780,000	3,047,991	3,144,600	(96,609)
Sale of Materials	0	98,114	98,114	85,000	13,114
Donations/Reimbursement	0	5,000	5,000	5,000	0
TOTAL REVENUES	1,367,016	1,787,740	3,154,756	3,241,850	(87,094)

Interest Earned on Pooled Cash is anticipated to be \$3,599 under budget due to less undesignated funds remaining in the cost center.
 Tipping Fee Revenue is projected to be \$96,609 under budget due to less material coming to the composting facility for processing.
 Sale of Materials is projected to be \$13,114 over budget because FY 09-10 revenue sharing was deposited in FY 10-11.

D. Summary of Net Cost

The Net Cost for the Yard Debris Cost Center is anticipated to be \$343,775 under budget due to less funds available for transfer to the Organics Reserve.

**Second Quarter 10-11 Revenue and Expenditure Summary and Projection
Sonoma County Waste Management Agency**

799312 Household Hazardous Waste
799411 Education
799510 Diversion
799619 Planning

Prepared by: Charlotte Fisher

E. D.: _____
Henry Mikus

A. Summary of Projections

	FY 10-11 Adopted Budget	Adjustment	FY 10-11 Adjusted Budget	FY 10-11 Projection	Over/(Under) Budget
Total Expenditures	2,112,717	0	2,112,717	2,082,365	(30,352)
Total Revenues	2,134,067	0	2,134,067	2,204,216	70,149
Net Cost	(21,350)	0	(21,350)	(121,851)	(100,501)

B. Summary of Expenditures

	Actual July-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Services and Supplies	370,383	1,633,588	2,003,971	2,062,414	(58,443)
Other Charges	2,002	76,392	78,394	50,303	28,091
Total Expenditures	372,385	1,709,980	2,082,365	2,112,717	(30,352)

Services and Supplies are projected to be \$58,443 under budget primarily as a result of the following:

Household Hazardous Waste Cost Center

Administration Costs is projected to be \$ 34,105 under budget due to a staff vacancy for the first half of the fiscal year.

Education Cost Center

Miscellaneous Expense is projected to be \$18,494 over budget due to expense associated with interviewing and relocating the Executive Director.

Administration Costs are projected to be \$30,042 under budget due a staff vacancy for the first half of the fiscal year.

DP-New Projects are anticipated to be \$9,556 under budget if negotiations for a cost reduction with the Information Department (ISD) are successful. This expense was carried over from FY 09-10 as a result of the new website needing to be American Disabilities Act compliant, which was not included in the original quote from ISD.

Diversion

Expenses for the Diversion cost center are anticipated to meet budget.

Planning

Expenses for the Planning cost center are anticipated to meet budget.

Other Charges are expected to be \$28,091 over budget because:

Reimbursements from the County for work done on their behalf are no longer necessary. There is a new payroll system that allows any SCWMA staff declare their hours worked for the County in their regular timesheets and then are paid accordingly.

The OT-Between Enterprise is an annual expense from the Information Systems Department that is used for replacing SCWMA computers. The replacement schedule is for replacement every three years.

C. Summary of Revenues

	Actual July-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Interest on Pooled Cash	496	1,488	1,984	1,872	112
State-Other	147,068	217,912	364,980	313,250	51,730
Tipping Fee Revenues	602,628	843,679	1,446,307	1,428,000	18,307
Miscellaneous Revenues	7,500	0	7,500	7,500	0
Donations/Reimbursement	148,925	234,520	383,445	383,445	0
Total Revenues	906,617	1,297,599	2,204,216	2,134,067	70,149

State-Other is projected to be \$51,730 over budget due to FY 09-10 funds from advanced awards not being released in the correct fiscal year. This grant release is from the Department of Conservation's beverage container recycling program. All of these funds were spent in FY 09-10 and will not be shown in the current fiscal year's expenditures.

Tipping Fee Revenues for all the surcharge cost centers is anticipated to be \$18,307 over budget is based on the actual tipping fees through November 2010.

The breakdown by cost center is as follows:

	Estimated	Budget
Household Hazardous Waste	1,745,258	1,731,007
Education	341,599	338,640
Diversions	52,610	352
Planning	64,749	64,068
	<u>2,204,216</u>	<u>2,134,067</u>

D. Summary of Net Cost

The net cost for cost centers receiving revenue from the \$5.95/ton surcharge is anticipated to be as follows:

Index 799312	Household Hazardous Waste	(151,709)
Index 799411	Education	20,567
Index 799510	Diversions	(5,373)
Index 799619	Planning	<u>14,664</u>
	Overall Net Cost	(121,851)

**Second Quarter 10-11 Revenue and Expenditure Summary and Projection
Sonoma County Waste Management Agency**

799221 Organics Reserve
799320 HHW Closure Reserve
799338 HHW Facility Reserve
799718 Contingency

Prepared by: Charlotte Fisher

E. D.: _____
Henry Mikus

A. Summary of Projections

	FY 10-11 Adopted Budget	Adjustment	FY 10-11 Adjusted Budget	FY 10-11 Projection	Over/(Under) Budget
Total Expenditures	421,431	0	421,431	424,578	3,147
Total Revenues	1,013,721	0	1,013,721	632,860	(380,861)
Net Cost	(592,290)	0	(592,290)	(208,282)	384,008

B. Summary of Expenditures

	Actual July-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Services and Supplies	137,066	287,512	424,578	421,431	3,147
Other Charges	0	0	0	0	0
Total Expenditures	137,066	287,512	424,578	421,431	3,147

Services and Supplies are anticipated to meet budget.

C. Summary of Revenues

	Actual July-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adjusted Budget FY 10-11	Over/(Under) Budget
Interest on Pooled Cash	13,467	40,551	54,018	42,310	11,708
State-Other	0	0	0	0	0
OT-Within Enterprise	0	578,842	578,842	971,411	(392,569)
Total Revenues	13,467	619,393	632,860	1,013,721	(380,861)

Interest on Pooled Cash is anticipated to be \$11,708 over budget due to an increase in the interest rate from the budgeted rate. The rate budgeted was 0.75% and the actual being used to calculate interest as of September 2010 is 0.809%

OT-Within Enterprise is anticipated to be \$380,861 under budget because all of the contributions from the cost centers will not be made this fiscal year due to lack of available funds.

D. Summary of Net Cost

The projected net cost for the reserve cost centers is as follows:

Organics	(205,018)
HHW Closure	(7,151)
HHW Facility	17,718
Contingency	(13,831)
	<u>(208,282)</u>

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Wood Waste Detail**

799114

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6103	Liability Insurance	835	0	835	950	(115)
6400	Office Expense	4	0	4	0	4
6521	County Services	0	525	525	525	0
6540	Contract Services	62,843	88,721	151,564	151,454	110
6573	Administration Costs	1,368	1,384	2,752	2,752	0
6629	Accounting Services	395	589	984	984	0
6630	Audit Services	0	1,500	1,500	1,500	0
7302	Travel	0	0	0	0	0
7400	Data Processing	818	1,145	1,963	1,963	0
Total Services and Supplies		66,263	93,864	160,127	160,128	(1)
8624	OT-Within Enterprise	0	52,450	52,450	52,450	0
	OT-Within Enterprise - Prior Year	0	0	0	0	0
8640	OT-Between Enterprises	454	0	454	0	454
Total Other Charges		454	52,450	52,904	52,450	454
Total Expenditures		66,717	146,314	213,031	212,578	453

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Wood Waste Detail**

DETAIL

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	124	346	470	470	0
2901	Tipping Fee Revenues	63,086	126,172	189,258	162,108	27,150
4020	Other Sales	31,026	30,000	61,026	15,000	46,026
4102	Donations/Reimbursement	0	5,000	5,000	5,000	0
Total Revenues		94,236	161,518	255,754	182,578	73,176
Net Cost		(27,519)	(15,204)	(42,723)	30,000	(72,723)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Yard Debris Detail**

799213

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6104	Liability Insurance	2,131	0	2,131	2,425	(294)
6400	Office Expense	472	0	472	0	472
6521	County Services	0	1,000	1,000	1,000	0
6540	Contract Services	1,075,839	1,600,000	2,675,839	2,791,652	(115,813)
6573	Administration Costs	26,782	35,272	62,054	62,053	1
6610	Legal Services	0	1,000	1,000	2,000	(1,000)
6629	Accounting Services	1,898	2,829	4,727	4,727	0
6630	Audit Services	0	4,000	4,000	4,000	0
6820	Rents/Leases - Equipment	583	1,500	2,083	5,500	(3,417)
7062	Enforcement Agency Fee	0	18,000	18,000	20,000	(2,000)
7301	County Car	0	1,500	1,500	3,000	(1,500)
7302	Travel	0	0	0	0	0
7309	Unclaimable County	0	0	0	0	0
7400	Data Processing	1,636	2,291	3,927	3,927	0
Total Services and Supplies		1,109,341	1,667,392	2,776,733	2,900,284	(123,551)
8624	OT-Within Enterprise	0	450,000	450,000	758,226	(308,226)
	OT-Within Enterprise - Prior Year	0	0	0	0	0
8640	OT-Between Enterprises	908	0	908	0	908
8700	Reimbursement	0	0	0	0	0
Total Other Charges		908	450,000	450,908	758,226	(307,318)
Total Expenditures		1,110,249	2,117,392	3,227,641	3,658,510	(430,869)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Yard Debris Detail**

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	911	2,740	3,651	7,250	(3,599)
2901	Tipping Fee Revenue	1,267,991	1,780,000	3,047,991	3,144,600	(96,609)
4020	Other Sales	0	98,114	98,114	85,000	13,114
4040	Miscellaneous Revenue	98,114	(98,114)	0	0	0
4102	Donations/Reimbursement	0	5,000	5,000	5,000	0
Total Revenues		1,367,016	1,787,740	3,154,756	3,241,850	(87,094)
Net Cost		(256,767)	329,652	72,885	416,660	(343,775)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Household Hazardous Waste Detail**

799312

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6104	Liability Insurance	3,889	0	3,889	4,425	(536)
6400	Office Expense	8,048	(4,100)	3,948	4,000	(52)
6500	Professional Service	18,958	134,062	153,020	153,020	0
6521	County Services	0	2,300	2,300	2,300	0
6540	Contract Services	151,774	1,034,826	1,186,600	1,186,600	0
6573	Administration Costs	62,865	116,937	179,802	213,907	(34,105)
6610	Legal Services	2,418	5,582	8,000	8,000	0
6629	Accounting Services	910	1,356	2,266	2,266	0
6630	Audit Services	0	8,500	8,500	8,500	0
6785	Advertising	1,108	10,892	12,000	12,000	0
6840	Rents/Leases - Buldings	0	23,000	23,000	23,000	0
7303	Travel	0	500	500	500	0
7400	Data Processing	818	1,145	1,963	1,963	0
Total Services and Supplies		250,788	1,335,000	1,585,788	1,620,481	(34,693)
8624	OT-Within Enterprise	0	0	0	0	0
	OT-Within Enterprise-Prior Yea	0	0	0	0	0
	HHW Closure	0	6,667	6,667	6,667	0
8640	OT-Between Enterprises	454	0	454	0	454
8700	Reimbursement	0	0	0	(5,288)	5,288
Total Other Charges		454	6,667	7,121	1,379	5,742
9650	Prior Year Encumbrance	640	0	640	699	(59)
Total Expenditures		251,882	1,341,667	1,593,549	1,622,559	(29,010)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Household Hazardous Waste Detail**

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	52	156	208	420	(212)
2500	State-Other	95,338	159,058	254,396	254,396	0
2901	Tipping Fee Revenue	476,076	666,506	1,142,582	1,128,120	14,462
3980	Prior Year Revenue	1	0	1	0	1
4102	Donations/Reimbursment	132,380	215,691	348,071	348,071	0
Total Revenues		703,847	1,041,411	1,745,258	1,731,007	14,251
Net Cost		(451,965)	300,256	(151,709)	(108,448)	(43,261)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Education Detail**

799411

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6103	Liability Insurance	1,252	0	1,252	1,425	(173)
6300	Miscellaneous Expense	894	17,600	18,494	0	18,494
6400	Office Expense	7,518	3,482	11,000	11,000	0
6500	Professional Services	25,908	40,446	66,354	66,354	0
6521	County Services	0	2,300	2,300	2,300	0
6540	Contract Services	3,320	23,674	26,994	26,994	0
6570	Consultant Services	63	0	63	0	63
6573	Administration Costs	49,495	134,851	184,346	218,388	(34,042)
6610	Legal Services	12,655	12,345	25,000	25,000	0
6629	Accounting Services	752	1,121	1,873	1,873	0
6630	Audit Services	0	3,000	3,000	3,000	0
6820	Rents/Leases - Equipment	584	0	584	0	584
6840	Rents/Leases - Buildings	2,400	500	2,900	2,500	400
7302	Travel	589	0	589	0	589
7400	Data Processing	818	1,145	1,963	1,963	0
7402	DP-New Projects	0	15,000	15,000	24,556	(9,556)
Total Services and Supplies		106,248	255,464	361,712	385,353	(23,641)
8624	OT-Within Enterprise	0	0	0	0	0
	OT-Within Enterprise	0	0	0	0	0
8640	OT-Between Enterprises	454	0	454	0	454
8700	Reimbursements	0	0	0	(21,500)	21,500
Total Other Charges		454	0	454	(21,500)	21,954
Total Expenditures		106,702	255,464	362,166	363,853	(1,687)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Education Detail**

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	184	552	736	890	(154)
2500	State-Other	0	58,854	58,854	58,854	0
2901	Tipping Fee Revenue	102,447	143,426	245,873	242,760	3,113
4040	Miscellaneous Revenue	7,500	0	7,500	7,500	0
4103	Donations/Reimbursements	14,018	14,618	28,636	28,636	0
Total Revenues		124,149	217,450	341,599	338,640	2,959
Net Cost		(17,447)	38,014	20,567	25,213	(4,646)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Diversion Detail**

799510

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6104	Liability Insurance	0	0	0	0	0
6400	Office Expense	0	0	0	0	0
6500	Professional Services	0	0	0	0	0
6521	County Services	0	0	0	0	0
6573	Administration Costs	0	0	0	0	0
6610	Legal Services	0	0	0	0	0
6629	Accounting Services	0	0	0	0	0
6630	Audit Services	0	0	0	0	0
7302	Travel	0	0	0	0	0
7400	Data Processing					
Total Services and Supplies		0	0	0	0	0
8624	OT-Within Enterprise	0	47,237	47,237	47,237	0
	OT-Within Enterprise-Prior Year	0	0	0	0	0
8700	Reimbursements	0	0	0	0	0
Total Other Charges		0	47,237	47,237	47,237	0
Total Expenditures		0	47,237	47,237	47,237	0

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Diversion Detail**

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	220	660	880	352	528
2500	State-Other	51,730	0	51,730	0	51,730
2901	Tipping Fee Revenue	0	0	0	0	0
4102	Donations/Reimbursements	0	0	0	0	0
Total Revenues		51,950	660	52,610	352	52,258
Net Cost		(51,950)	46,577	(5,373)	46,885	(52,258)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Planning Detail**

799619

Expenditures

Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6103	Liability Insurance	835	0	835	950	(115)
6400	Office Expense	6	0	6	0	6
6521	County Services	0	800	800	800	0
6540	Contract Servicees	0	0	0	0	0
6573	Administration Costs	9,911	37,563	47,474	47,474	0
6610	Legal Services	1,619	2,381	4,000	4,000	0
6629	Accounting Services	158	235	393	393	0
6630	Audit Servicees	0	1,000	1,000	1,000	0
7302	Travel	0	0	0	0	0
7400	Data Processing	818	1,145	1,963	1,963	0
Total Services and Supplies		13,347	43,124	56,471	56,580	(109)
8624	OT-Within Enterprise	0	22,488	22,488	22,488	0
	OT-Within Enterprise-Prior Year	0	0	0	0	0
8640	OT-Between Enterprises	454	0	454	0	454
Total Other Charges		454	22,488	22,942	22,488	454
Total Expenditures		13,801	65,612	79,413	79,068	345

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Planning Detail**

Revenues

Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	40	120	160	210	(50)
2901	Tipping Fee Revenue	24,105	33,747	57,852	57,120	732
3980	Prior Year Revenue	(1)	0	(1)	0	(1)
4102	Donations/Reimbursements	2,527	4,211	6,738	6,738	0
Total Revenues		26,671	38,078	64,749	64,068	681
Net Cost		(12,870)	27,534	14,664	15,000	(336)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Organics Reserve Detail**

799221

Expenditures

Sub- object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6540	Contract Services	67,268	115,662	182,930	182,930	0
6573	Administration Costs	14,953	86,625	101,578	101,578	0
6590	Engineering Services	1,922	24,078	26,000	26,000	0
6610	Legal Services	15,366	8,634	24,000	24,000	0
6630	Audit Services	0	1,500	1,500	1,500	0
7302	Travel	0	0	0	0	0
Total Services and Supplies		99,509	236,499	336,008	336,008	0

Total Expenditures	99,509	236,499	336,008	336,008	0
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**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Organics Reserve Detail**

Revenues

Sub- object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	9,644	28,932	38,576	28,780	9,796
4624	OT-Within Enterprise	0	502,450	502,450	810,676	(308,226)
Total Revenues		9,644	531,382	541,026	839,456	(298,430)

Net Cost	89,865	(294,883)	(205,018)	(503,448)	298,430
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**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
HHW Closure Reserve Detail**

799320

Expenditures						
Sub- object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
8624	OT-Within Enterprise	0	0	0	0	0
Total Services and Supplies		0	0	0	0	0
<hr/>						
Total Expenditures		0	0	0	0	0

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
HHW Closure Reserve Detail**

Revenues						
Sub- object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	121	363	484	450	34
4624	OT-Within Enterprise	0	6,667	6,667	6,667	0
Total Revenues		121	7,030	7,151	7,117	34
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Net Cost		(121)	(7,030)	(7,151)	(7,117)	(34)

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
HHW Facility Reserve Detail**

799718

Expenditures						
Sub- object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6540	Contract Services	24,095	3,958	28,053	28,053	0
6573	Administration Costs	3,147	0	3,147	0	3,147
6590	Engineering Services	0	0	0	0	0
6610	Legal Services	0	0	0	0	0
Total Services and Supplies		27,242	3,958	31,200	28,053	3,147
Total Expenditures		27,242	3,958	31,200	28,053	3,147

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
HHW Facility Reserve Detail**

Revenues						
Sub- object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	3,333	10,149	13,482	12,520	962
2500	State-Other	0	0	0	0	0
4624	OT-Within Enterprise	0	0	0	0	0
Total Revenues		3,333	10,149	13,482	12,520	962
Net Cost		23,909	(6,191)	17,718	15,533	2,185

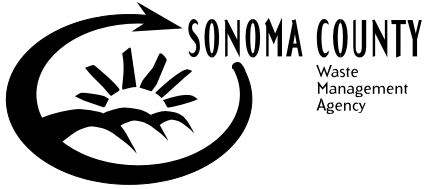
**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Contingency Reserve Detail**

799718

Expenditures						
Sub-object	Description	Actual Jul-Dec 10	Expenditure Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
6573	Administration Costs	5,167	42,703	47,870	47,870	0
6610	Legal Services	5,148	3,852	9,000	9,000	0
6630	Audit Services	0	500	500	500	0
Total Services and Supplies		10,315	47,055	57,370	57,370	0
8624	OT-Within Enterprise	0	0	0	0	0
	OT-Within Enterprise-Prior Year	0	0	0	0	0
Total Other Charges		0	0	0	0	0
Total Expenditures		10,315	47,055	57,370	57,370	0

**FY 10-11 Second Quarter Revenue and Expenditure Summary and Projection
Contingency Reserve Detail**

Revenues						
Sub-object	Description	Actual Jul-Dec 10	Revenue Estimated Jan-June 11	Total Estimated FY 10-11	Adopted Budget FY 10-11	Over/ (Under) Budget
1700	Interest on Pooled Cash	369	1,107	1,476	560	916
4624	OT-Within Enterprise	0	69,725	69,725	154,068	(84,343)
Total Revenues		369	70,832	71,201	154,628	(83,427)
NET COST		9,946	(23,777)	(13,831)	(97,258)	83,427



Agenda Item #: 8
Cost Center: All
Staff Contact: Mikus
Agenda Date: 02/16/2011

Item: Discussion of SCWMA Board Priorities and Goals and Direction to Staff

I. Background

In order to build a list of goals for projects and actions for future SCWMA activity, the Executive Committee has requested the Board to hold a general discussion on this subject.

II. Discussion

Over the recent months most Board members have stated the goals or actions they felt most important. Listed alphabetically below are the topics that were mentioned, plus some topics of immediacy or interest:

- A. Commercial recycling measure and program
- B. Compost facility: determine permanent site; if at a new location initiate development
- C. Education and outreach activity expansion
- D. Funding mechanism changes and consequences; Proposition 26 effects
- E. HHW program activity evolution
- F. JPA agreement renewal and extension
- G. New programs or functions, including those resulting from SWAG actions
- H. Organics program expansions
- I. Polystyrene ban
- J. Single-use bag ban
- K. Zero-waste goal, including actions suggested in the LTF document

III. Funding Impact

Variable, depending on the conclusions the Board reaches.

IV. Recommended Action / Alternatives to Recommendation

Adopt a plan of goals and activities that integrates with the annual Work Plan and Agency Budget.

V. Attachments

None

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA



Agenda Item #: 9
Cost Center: All
Staff Contact: Mikus
Meeting Date: 2/16/2011

ITEM: FY 11-12 Draft Work Plan

I. BACKGROUND

Beginning in FY 06-07, as a part of the budget process, a project list (Work Plan) is prepared for consideration and approval by the Board in order to have a detailed planning document containing a description of the Agency projects, contractor costs, staff costs. The Work Plan, once approved, is used as the guidance document for preparation of the Agency's annual draft budget.

The FY 11-12 Work Plan includes the Organics Program (composting operations, home composting education, Christmas tree recycling and site consideration), the Surcharge cost centers (HHW, Education, and Planning cost centers), and a section on General Administration. The headings for the Work Plan include contractor cost, staff cost, the goal or justification for the program/project, and a schedule for the program or project, as well as the routine work that is done on a regular basis.

The goal/justification heading identifies whether the program/project is "MANDATED", "CoIWMP" or "BOARD DIRECTED".

The documents that provide a "MANDATE" for SCWMA activities include:

- Statute – The most definitive document is the Assembly Bill 939 passed in 1989, which required each city and county to prepare solid waste management planning documents that demonstrate reduction of the amount of solid waste landfilled, long-term ability to ensure the implementation of countywide diversion programs, and provision of adequate disposal capacity for local jurisdictions through the siting of disposal and transformation facilities.
- Agreement – The JPA agreement, approved in 1992, contains the provisions which establish the core mission of the Agency which are to provide four regional programs (household hazardous waste, wood waste, yard waste and public education) and be the AB 939 Regional Planning Agency.

The document that provides "CoIWMP" Programs for SCWMA activities is the Countywide Integrated Waste Management Plan (CoIWMP), which includes the Source Reduction and Recycling Element (SRRE), Household Hazardous Waste Element (HHWE), Non-Disposal Facility Element (NDFE), and the Siting Element. This planning document identifies programs for implementation that address household hazardous waste, organic waste and public education. The plan is used as a guidance document for Agency programs.

There are some programs which are neither "MANDATED" or programmed in the "CoIWMP" which were started at Board direction, these are identified in the Work Plan as "BOARD DIRECTED"

II. DISCUSSION

The FY 11-12 Draft Work Plan is organized into restricted funds and the individual surcharge cost centers. Restricted Funds are: Wood Waste and Yard Debris, restricted by the JPA agreement, Section 13, and the Reserves (Organics, HHW Closure, HHW Facility and Contingency) from the

operation cost centers. Restrictions on the Reserves were established by Board policy in 2002 and revised in 2006. Board policy sets goals for the reserves, defines the appropriate use of funds, and states that these funds are to be used for one-time expenditures and not for on-going operational expenses.

Organics (Wood Waste and Yard Debris)

The organics programs are anticipated to include the composting of food waste, which will require permit changes and alterations to the site to accommodate the additional material.

There is proposed a pilot project for processing material from debris boxes coming from construction sites. This pilot is expected to be in effect for two years and at the end of that period either will be added to regular operations at the County's rural transfer stations or dropped from consideration. The purpose of the pilot is to divert materials that are currently going into the landfill.

Organics Reserve

The compost relocation process will continue through FY 11-12. The existing compost site at the Central Disposal Site has always been considered a temporary site and relocation of the composting operation is required. The environmental studies have progressed and the list of the prioritized sites made available. After a suitable site has been selected, either a lease or purchase agreement will be brought to the Board for consideration and approval.

The tentative plan is to have the contractor build and install site improvements in exchange for a long term operations contract. Since the JPA agreement is set to expire in 2017, an extension or a replacement of the agreement will be necessary in order to allow granting a long term contract for the composting operations.

Contingency Reserve

The sustainable funding project has been impacted by the passage of Proposition 26 during the last election. While the sustainable funding project is continuing, the planned implementation has been delayed. The anticipated expenses associated with this project are difficult to estimate at this point in time.

Surcharge Tipping Fee Cost Centers

The revenues for the cost centers funded by the surcharge on the tipping fee are estimated to be approximately the same as FY 10-11. The estimated solid waste tonnages have stabilized and, barring any unforeseen external forces, are anticipated to remain at this level.

Household Hazardous Waste

There will be additional funds available from State grants. The Used Oil Block grants have been replaced with the Oil Payment Program. Since this transition is happening in FY 11-12, there will be funding from both awards, which will need to be used for the described programs before June 20, 2012. While the majority of the funds will be expended in FY 11-12, any other awards and expenditures will be presented to the Board as appropriation transfers.

Education

There are three education programs which have either been dropped or moved. The Green Purchasing program is now included in the Extended Producer Responsibility (EPR) efforts. The Green Business program is being done by the Business Environmental Alliance (BEA) and SCWMA is continuing financial support as a part of the Outreach Partnerships. BEA is acting as the Zone

Administrator for the Recycling Marketing Development Zone (RMDZ) and SCWMA is no longer directly involved, but is continuing support on request.

There are three new projects in the Education cost center. Jurisdictional public education was requested by a Boardmember as a method for inclusive communication and cooperative educational efforts. Mandatory commercial recycling will be a legal requirement in the spring of 2012. The PG&E grant is the second grant from this company and SCWMA will be coordinating with Upper Valley Waste Management Agency in Napa County.

Planning

Changes to the Planning Cost Center's programs include consolidation of Large Venue and Event Recycling into the AB 939 Reporting, removal of Environmental Document Comments due to the infrequency of documents received, removal of Revise Countywide Integrated Waste Management Plan due to the project's completion, and addition of Research Legislation and Develop Ordinances due to anticipated projects involving carryout bags, mandatory recycling, and changing the Agency Fee structure.

General Administration

The activities in General Administration remain the same as last year.

County Projects

There are two fewer County Projects, the Keep Sonoma Green Program development has been completed and the Treated Wood Waste Collection has been implemented by County staff. The remaining programs are the support of the AB 939 Local Task Force and support for County staff at the disposal sites.

III. FUNDING IMPACT

There is no direct funding impact of the FY 11-12 Work Plan. This document is informational and used for planning purposes and to complement the proposed FY 11-12 Draft Budget.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends adoption of the FY 11-12 Work Plan as a planning guide for the FY 11-12 Budget.

V. ATTACHMENTS

FY 11-12 Draft Work Plan

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

FY 11-12 DRAFT SCWMA Work Plan

Organics (Wood Waste and Yard Debris)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
1.1	Composting Program	Manages contract for composting operation, reconcile and process monthly invoices for payment. Processes revenue sharing and product allocations.	\$2,567,799 (FY 10-11 \$2,565,525)	\$28,295	MANDATED Major diversion program in the Joint Powers Agreement and Section 4.5.2 of the CoIWMP.	Monthly
1.2	Organics Hauling	Agreement with County to reimburse for the transportation of yard debris and wood waste from the transfer stations to the composting facility	\$355,300 (FY 10-11 \$375,918)	\$2,920	BOARD DIRECTION Agency assumed the responsibility for organic hauling in 2005.	Monthly
1.3	Debris Box Pilot Project	Explore the opportunity for increased diversion in conjunction with construction and demolition debris boxes delivered to the Sonoma and Healdsburg transfer stations. Agency would be responsible for organics processing of recovered materials.	\$9,350 (est.)	\$2,920	BOARD DIRECTION Agency is exploring the increased diversion resulting from participating in the proposed pilot project.	Monthly (two year project)
1.4	Food Waste Education	Supports residential and commercial pilot food waste collection programs as needed. <ul style="list-style-type: none"> • Develops messages, performs graphic design and incorporates information into Agency promotional materials (e.g., Recycling Guide, utility bill inserts, posters, stickers, online, etc.) • Coordinates with stakeholders (e.g., Sonoma Compost Company, garbage companies, etc.) 	\$0 (FY 10-11 \$0)	\$12,064	CoIWMP/Section 4.3.1.2 Provide recycling information to all County residents and businesses	Ongoing

FY 11-12 DRAFT SCWMA Work Plan

	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
1.5	Christmas Tree Recycling	Provides education to the public about Christmas tree recycling options. <ul style="list-style-type: none"> Coordinates with local non-profit organizations to provide convenient Christmas tree composting Coordinates drop-off sites with haulers Updates information on Agency's web site and establish/record seasonal voice message system 	\$0	\$4,438	CoIWMP/Section 4.7.2.10 Diversion program that adds organic feedstock	November, December, and January, Annually
1.6	Home composting education (UCCE)	In order to reduce the Agency's compost program costs, the Agency has supported an educational program teaching home composting through the Master Gardeners.	\$16,660	\$6,233	CoIWMP/Section 4.3.1.2 Reduce organics being landfilled and compost program costs	Ongoing
	Total		\$3,361,310	\$56,870		
	Prior Year	FY 10-11	\$2,940,103	\$45,761		
Reserves (Restricted by Board Policy)						
Organics Reserve Fund						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
2.1	Compost Site Relocation Project	Environmental document completed using existing FY 07-08 funds. Requested amounts will allow staff to issue an RFP for permitting site design, and site operator. Site purchase/lease expected to occur in FY 11-12, though the amount is too speculative to include in this plan and will be appropriated separately.	\$24,000 Legal (FY 10-11 \$24,000 budgeted)	\$62,070 (FY 10-11 \$79,000 budgeted)	CoIWMP/Section 4.5.3	One Time Use
Contingency Reserve Fund						
2.2	Sustainable Funding	<ul style="list-style-type: none"> Begin implementation of establishing an alternative method of funding for SCWMA, - based on results of FY-08-09 RFP Begin 218 Notification and adoption of Ordinance 	\$9,000 Legal (FY 10-11 \$9,000 budgeted)	\$49,580 (FY 10-11 \$36,580 budgeted)	BOARD DIRECTED Development of sustainable funding mechanism to address funding issues.	One Time Use

FY 11-12 DRAFT SCWMA Work Plan

Surcharge Cost Centers						
Household Hazardous Waste						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
3.1	HHW Collection Program	Manages contract for collection of hazardous waste from residents and CESQG (businesses) at the Household Toxics Facility (HTF), Community Toxics Collections (CTC), and Toxics Rover. Provides education resources for the program as needed.	\$1,157,000 (FY 10-11 \$1,100,600)	\$69,167	MANDATED - JPA Comply with regulations, contract administration/oversight (Section 5.3 of the CoIWMP)	Ongoing
3.2	E-waste Collection at Disposal Sites– (Subsidized by State)	Covered Electronic Wastes (CEW and UWED's) are accepted at all of the County disposal sites for recycling. This program is subsidized by the State through the Electronics Recycling Act of 2003. State subsidy is based on pounds received for recycling.	\$0	\$17,676	MANDATED - JPA Required by regulation, contract administration/oversight (Section 5.4.1.8 of the CoIWMP).	Ongoing
3.3	E-waste Transport	Covered Electronic Wastes (CEW and UWED's) are accepted at all of the County disposal sites for recycling. Covered Electronic Wastes are transported by a Licensed Hauler from the County Transfer Stations to the Central Disposal Site. The Agency funds the e-waste transportation operations.	\$70,000 (FY 10-11 \$75,000)	\$2,892	MANDATED - JPA Required by regulation, contract administration/oversight (Section 5.4.1.8 of the CoIWMP).	Ongoing
3.4	Oil & Filter Recycling (State funded)	This program includes a wide variety of efforts from reporting and auditing to collection and education. Funding is provided through two State programs: Used Oil Block Grants (UBG) and the Oil Payment Program (OPP). The OPP is a new funding source for the Agency, and will increase funds available for this program in FY 11/12. Actual projects vary year to year depending on State funding levels.	\$102,825 (State Funded- \$48,252 for FY 10-11)	\$9,800	BOARD DIRECTED	(Consultant contract expires June 30, 2012) The program is ongoing.

FY 11-12 DRAFT SCWMA Work Plan

Household Hazardous Waste (con't)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
3.5	Spanish Language Outreach (79% funded from the State's UBG and OPP)	Outreaches to Spanish speaking residents about used motor oil and disposal of hazardous waste community based social marketing strategies including call-in radio, Eco-Desk telephone, events, labor center talks, etc.	\$18,886 (Grant Funded- FY 10-11 \$18,886)	\$3,016	BOARD DIRECTED	(Consultant contract expires June 30, 2012)
3.6	303 Reporting	The State requires reporting and quantification of HHW collection efforts annually.	\$0	\$5,520	MANDATED Required by regulation.	November 2012
3.7	California Product Stewardship Council (CPSC)/Product Stewardship Institute (PSI)	Participates in statewide and national Extended Producer Responsibility efforts.	\$0 (FY 10-11 \$0)	\$14,132	BOARD DIRECTED EPR Implementation Plan (CoIWMP/Section 4.3.3.3)	Ongoing
3.8	Product Stewardship (Extended Producer Responsibility) Education and Outreach	The education theme for 2010 will be Product Stewardship (Extended Producer Responsibility). <ul style="list-style-type: none"> • Develops and incorporates information for local take-back opportunities into Agency promotional materials (e.g., Recycling Guide, fliers and online) • Outreaches to the community at events. 	\$0 (FY 10-11 \$0)	\$20,858	CoIWMP/Section 4.3.3.3 Provide recycling information to all County residents	Ongoing

FY 11-12 DRAFT SCWMA Work Plan

Household Hazardous Waste (con't)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
3.9	E-waste Recycling Events	<p>This program accepts electronics that are defined as hazardous waste. This program is subsidized by the State through the Electronics Recycling Act of 2003. State subsidy is based on pounds received for recycling. A contractor conducts electronic recycling events under contract with the Agency.</p> <ul style="list-style-type: none"> • Provides supports for coordination of e-waste event. • Performs graphic design and placement of advertising (e.g., utility bill inserts, fliers, radio, newspaper ads, on-line, etc.) • Administers the contract. 	<p style="text-align: center;">\$0 (FY 10-11 \$0)</p>	\$14,564	<p>CoIWMP/Section 5.4.1.8 Provide recycling information to all County residents</p>	<p>Consultant contract expires June 16, 2012.</p>
3.10	Out-of-County Hazardous Waste (Mendocino County)	<p>Sonoma County residents living in the north/west part of the County can dispose of hazardous waste close to their homes. Agency staff produces educational materials to help publicize disposal opportunities. Agency reimburses Mendocino County for disposal.</p>	<p style="text-align: center;">\$13,800 (FY 10-11 \$11,000)</p>	\$1,424	<p>MANDATED - JPA</p>	<p style="text-align: center;">Spring, Summer, and Fall</p>
	Total		\$1,362,511	\$159,049		
	Prior Year	FY 10-11	\$1,253,738	\$174,154		

FY 11-12 DRAFT SCWMA Work Plan

Education						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
4.1	Recycling Guide English version	<p>The annual 32-page Recycling Guide is a comprehensive resource for recycling, reuse and hazardous waste disposal options in Sonoma County. In 2011, a Spanish version was added.</p> <ul style="list-style-type: none"> • Researches and designs all pages. • Coordinates consultants as needed for illustrations and cover artwork. • Coordinates review of publication among stakeholders (e.g., garbage companies, CalRecycle staff, listers, etc.). • Prepares publication for on-line viewing. • Arranges graphics and printing for 20,000 English copies and 5,000 Spanish copies. 	<p>\$13,000 (FY 10-11 \$11,000)</p>	\$35,412	<p>MANDATED -JPA Provide recycling information to all County residents and businesses (Section 4.7.2.1 of the CoIWMP)</p> <p>BOARD DIRECTED (Spanish Guide)</p>	December 2011 to April 2012
4.2	Eco-Desk phone number 565-3375 (English and Spanish)	<p>Telephone and email response to questions from the public on recycling, disposal and hazardous waste.</p> <ul style="list-style-type: none"> • Listens to messages daily, logs call into the Access database and returns phone calls/emails within one business day. • Manages the voice tree system. • Researches topics to help foster more opportunities (e.g., carpet, formed Styrofoam, plastic bags, etc.) as needed. Information gets recorded in the Access Eco-Desk database. • Prepares annual reports summarizing activity on the English and Spanish Eco-Desk. • Coordinates with Spanish language contractor as needed. 	\$0	\$22,500	<p>MANDATED - JPA Provide recycling information by phone to all County residents and businesses (Section 4.7.2.2 of the CoIWMP)</p>	Daily

FY 11-12 DRAFT SCWMA Work Plan

Education (con't)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
4.3	Spanish Language Outreach (21% funded from Education)	<p>A contractor provides outreach to Spanish speaking residents about recycling issues employing community based social marketing strategies including call-in radio, Eco-Desk telephone, events, labor center talks, etc.</p> <ul style="list-style-type: none"> • Manages the contract for services • Provides support for educational materials as needed (e.g., graphic design for fliers, fair displays, etc.) 	<p>\$5,114 (FY 10-11 \$5,114)</p>	\$9,420	<p>MANDATED - JPA Provide recycling information in Spanish (Section 4.7.3.4 of the CoIWMP).</p>	Consultant contract expires June 30, 2012
4.4	Grants	<p>Grants are an excellent opportunity to expand the Agency's programs and to encourage local nonprofits to develop programs that meet the goals of the Agency.</p>	\$0	\$14,341	<p>MANDATED - JPA Leverage limited Agency resources with grants and local partnerships (Section 4.9.3.2 of the CoIWMP)</p>	As available
4.5	SonoMax MiniMax Partnership with CalMAX	<p>The SonoMax MiniMax partnership with CalMAX replaces the SonoMax.org (Sonoma County Materials Exchange) program. Hosted by CalRecycle, the program still provides an online forum for exchange/advertisement of business discards.</p> <ul style="list-style-type: none"> • Coordinates with CalMAX staff as needed. • Maintains the SonMax.org URL users are redirected to the new CalRecycle MiniMax web page. 	\$20 (Annual registration fee for web site URL)	\$2,460	<p>MANDATED - JPA Reduce business waste through reuse and recycling (Section 4.3.3.1 of the CoIWMP)</p>	Ongoing

FY 11-12 DRAFT SCWMA Work Plan

Education (con't)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
4.6	Web site www.recycle now.org	<p>www.recyclenow.org is a comprehensive web site including topics for toxics, recycling, business, multifamily, schools, disposal, compost, resources, newsroom and agency. The web site is ADA section 508 compliant and accomodates multiple user types (e.g., mobile device users).</p> <ul style="list-style-type: none"> • Updates the content for the pages as needed with County ISD staff. • Posts .pdfs, articles, news, etc. to the web site and create new pages as needed. • Converts all web posted documents to ADA compliancy. • Updates the Eco-Desk Access database to the web site. • Manages contract for Guide on-line booklet. • Manages administering the domain name registration. • Updates resources/links on related web sites such as www.KeepSonomaClean.org, www.Earth911.org, etc. • Prepares annual reports on web site activity. 	<p>Service Provided by County Information Systems Department</p> <p>(FY 10-11 \$960 Annual Registration)</p>	\$6,940	<p>MANDATED - JPA Communicate recycling information using the web (Section 4.7.2.3 of the CoIWMP)</p>	Ongoing
4.7	Green Building	Staff maintains the Agency's Green Building Products Showcase and participates as needed on the Build It Green Public Agency Council and other similar efforts.	\$0	\$3,460	<p>MANDATED - JPA Reduce waste and increase recycled product purchasing (Section 4.7.3.5 of the CoIWMP)</p>	Ongoing

FY 11-12 DRAFT SCWMA Work Plan

Education (con't)						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
4.8	Outreach Partnerships BEA	The Agency provides funding and some staff support to the Business Environmental Alliance (BEA). The contribution to the BEA helps support the February BEA Business Awards breakfast.	EDB - \$3,000 (FY 10-11 \$3,000)	\$4,210	BOARD DIRECTED Expand Agency outreach to businesses (BEA), as well as the general public	Ongoing
4.9	Fairs	Each year the Agency picks a new outreach theme that responds to current topics. The outreach theme for 2011 is medication disposal opportunities, in addition to promoting the new www.recyclenow.org web site. <ul style="list-style-type: none"> • Coordinates vendor registration and makes up calendar. • Graphic design and production for table-top and 10'x10' displays and any auxiliary displays (e.g., backdrop, floor, information panels, brochure holders, etc.) • Coordinates staffing for events • Coordinates fair set up and tear down. • Orders supplies • Refurbishes display materials • Designs and procures giveaway promotional items (e.g., magnets, pencils, etc.) 	\$4,000 (FY 10-11 \$4,000)	\$22,080	MANDATED - JPA (Section 4.7.2.9 of the ColWMP)	Summer and Fall
4.10	Social Community Based On-line Marketing Outreach	Online marketing and access to information is an important tool in the Agency's education program. <ul style="list-style-type: none"> • Manages on-line marketing options for Agency topic using services such as Twitter, Facebook, YouTube, Blogs, Banner ads, Search Engine Advertising, Email listserves, local on-line newspapers, etc. 	\$0	\$14,000	BOARD DIRECTED	Ongoing

FY 11-12 DRAFT SCWMA Work Plan

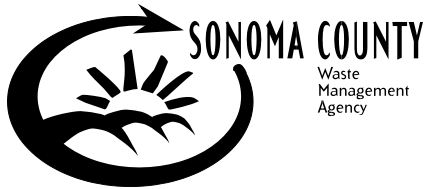
Education (con't)						
Program		Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
4.11	Beverage Container Recycling (Grant funded)	Grant money from the California Department of Resources Recycling and Recovery to increase beverage container recycling is expected, though the amount is unknown.	\$0 (FY 10-11 \$0)	\$11,940	BOARD DIRECTED Make recycling bins convenient for public consuming containerized beverages at events and outdoors	Ongoing
4.12	Landfill Tours	Provides tours for the public at the Central Disposal Site. This includes an overview of HHW collection, recycling wall, reuse area, garbage tipping floor, active landfill, power plant, and composting area.	\$0	\$2,360	CoIWMP/Section 4.7.2.7 DTPW staff provide tours of the Central Disposal Site	Ongoing
4.13	Jurisdictional public education	Assist member jurisdictions with public education by encouraging/supporting haulers.	\$0	\$2,000	BOARD DIRECTED	Ongoing
4.14	Mandatory Commercial Recycling Measure	Provide support for implementing CalRecycle's Mandatory Commercial Recycling program which will focus on education, monitoring and reporting. Potential activities could include convening stakeholder workshops, educational videos, coordinating with garbage company staff, outreach to businesses, development of resources, etc.	\$0	\$21,500	PROPOSED	Ongoing
4.15	PG&E grant Napa/Sonoma coordination grant for fluorescent lamps (Grant funded)	Coordinate with PG&E and Napa County on expanding the locations for public drop-off of fluorescent lamps engaging in publicity for the campaign.	\$0	\$12,440	PROPOSED	This one-year grant project concludes in Dec. 2011
Total			\$25,134	\$183,063		
Prior Year		FY 10-11	\$26,994	\$176,163		

FY 11-12 DRAFT SCWMA Work Plan

Planning						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
5.1	AB 939 Reporting Requirements	Annual Report writing consists of: <ul style="list-style-type: none"> ▪ Collect and enter data from: the haulers, transfer stations, Central Landfill, out-of-county landfills, biomass facilities, large venues/events, HHW program ▪ Update text description of programs. ▪ Submit report to California Department of Resources Recycling and Recovery (CalRecycle) 	\$0	\$13,715	MANDATED – AB 939 Compliance with State regulations (Section 4.7.2.12 of the CoIWMP)	2010 Annual Report due August 2011
5.2	Legislative Research & Ordinance Development	Staff researches information relevant products and policies of Board interest. Topics under consideration for FY 11-12 include carryout bags, mandatory recycling, and the new Agency Fee implementation.	\$0	\$32,142	BOARD DIRECTED	Ongoing
	Total		\$0	\$45,857		
	Prior Year	FY 10-11	\$0	\$38,685		

FY 11-12 DRAFT SCWMA Work Plan

General Administration						
	Program	Program Description	Contractor Cost	Staff	Goal/Justification	Schedule
6.1	Agency Meetings	<ul style="list-style-type: none"> Prepares agendas/packets Attends meetings Research and document development Prepares and files minutes, resolutions, agreements 	\$0	\$83,300	MANDATED-JPA	Ongoing
6.2	SCWMA Financial Management	<ul style="list-style-type: none"> Approves invoices/journal vouchers Prepares financial statements to Board Prepares budget and facilitate approvals Responds to audits (internal and external) 	\$0	\$51,594	MANDATED-JPA	Ongoing
6.3	Monitoring legislation	Examines recent and pending legislation relevant to current and projected Agency projects	\$0	7,000\$	BOARD DIRECTED	Ongoing
	Total		\$0	\$141,894		
	Prior Year	FY 10-11	\$0	\$111,528		
County Projects						
A	Disposal Site support	Assists as needed with education efforts including signage, fliers, fee schedules, information requests, etc.	\$0	\$4,080	Requests by County staff	
B	AB 939 Local Task Force (LTF)	Provides staff support and administrative functions, as needed, to the AB 939 Local Task Force.	\$0	\$18,900	Agency staff has historically provided this service.	Ongoing
	Total		\$0	\$22,980		
	Prior Year		\$0	\$26,288		
	Grand Total		\$4,748,955	\$721,363		
	Prior Year	FY 10-11	\$4,253,835	\$688,159		



Agenda Item #:10
Cost Center: Wood/Yard
Staff Contact: Carter
Agenda Date: 2/16/2011

ITEM: Compost Agreement Discussion

I. BACKGROUND

Joint Powers Agency Agreement

One of the Sonoma County Waste Management Agency's primary responsibilities is to ensure the proper treatment of wood and yard wastes in Sonoma County. The Joint Powers Agency Agreement contains a number of provisions regarding the Agency's role in dealing with wood and yard wastes including the following:

"Section 11. Role of Participants in Collection of Wood, and Yard Waste

Each Participant shall cause wood waste and yard waste generated within its jurisdiction (that could not be diverted otherwise) to go to the Central Landfill to be delivered to the Treatment System and shall take such actions as are appropriate and necessary to accomplish that result. The Joint Powers Agency shall establish standards for the quality of yard and wood waste acceptable for delivery to the Treatment System and may also approve diversions of wood waste and yard waste to alternative treatment systems."

"Section 17. Agency to Accept and Participants to Deliver Yard and Wood Waste

Agency agrees that during the term of this Agreement it will receive wood and yard waste from each of the Participants. Participants agree that during the term of this Agreement each Participant will deliver the Exhibit A wood and yard waste tonnage as a minimum. The Exhibit A tonnage is 25% of the wood and yard waste from each participant as identified in the 1991 Waste Characterization Study. If a participant is unable to deliver the established minimum tonnage they may deliver whatever amount they so choose but they will not have a vote in the operation of that particular item (either yard waste or wood waste). The Participants will cooperate with each other to maximize use of the System and to promote its use."

Three Party Agreement for Composting Services

An Agreement between the County of Sonoma (County), the Sonoma County Waste Management Agency (SCWMA), and the Sonoma Compost Company (Contractor) for Organic Material Processing, Composting and Marketing Services (Agreement) was entered into on September 28, 1999. This Agreement fulfills part of the SCWMA's obligation to provide a regional composting program to convert yard debris and wood waste into organic marketable products at the composting facility currently located at the Central Disposal Site. Amendments to this Agreement have been approved as follows:

- July 11, 2000 – the First Amendment (A) modified a new work surface, included a termination provision and updated Exhibit B (List of Operating Equipment).
- February 20, 2002 – the First Amendment (B) identified new finished products ("Specialty Products") and set revenue allocation or sharing methods for these products.
- March 17, 2004 – the Second Amendment approved an increase to the payment for wood waste processing, from \$12 per ton of material delivered to the compost facility to \$20 per ton for fuel products and \$22 per ton for non-fuel wood chip products.
- April 21, 2004 – the Third Amendment allowed for an expansion and/or relocation of

the composting processing site, extended the term of the agreement to November 15, 2010, and created a new yard debris product designed for use by the City of Santa Rosa's Laguna Composting Facility.

- June 16, 2004 – the Fourth Amendment added new language to the Agreement regarding prevailing wages.
- July 12, 2005 – the Fifth Amendment added new definitions in order to add a Construction and Demolition Program (“C&D”) and establish partial reimbursement to the Agency for transportation costs associated with hauling green waste from the transfer stations to the Central Disposal Site.
- April 22, 2008 – the Sixth Amendment amended the definition of “Prepared Yard Debris” to a product that would be agreeable to City of Santa Rosa for use as a bulking agent in their biosolids composting program, changed the amount of process material delivered per week from 350 tons to 400 tons, and amended the compensation to Contractor for the prepared yard debris to include an inflation computation and a trigger for rate change like the other products produced by Contractor.
- January 20, 2010 – the Seventh amendment extended the termination date of the agreement to November 15, 2011, with acceptance of material ending July 18, 2011 and added a provision for the County to terminate the agreement with six months written notice if the County determined the area was needed for landfilling of refuse or to implement final closure on the composting area of the landfill.

II. DISCUSSION

Location of Operation Site

The Agency's contractor, Sonoma Compost Company, is currently conducting their composting operation at the Central Disposal Site. The composting operation site is on top of landfilled garbage, on intermediate cover. At some future date, the composting operation will interfere with the County's ability to utilize additional landfill airspace, or if additional landfilling does not occur there, that area will need to be capped and undergo closure. This situation is a major obstacle to indefinite composting at the current location.

The County resumed limited landfilling operations in September 2010 and is expected to continue for approximately 18 additional months using existing capacity. Concurrent with resumed landfill operations, the County is attempting to secure additional capacity. The additional landfill capacity the County is exploring is not within the existing compost footprint.

The SCWMA has been involved in an effort to relocate the compost site for the past four years. Preferred and alternative sites have been chosen for environmental studies, which are currently underway. The current schedule assumes the availability of the Draft EIR in April 2011 and the Final EIR in September 2011. As the existing agreement with Sonoma Compost expires November 2011, with acceptance of material ending July 2011, there will not be enough time under the existing agreement to prevent an interruption of composting service.

Two potential actions that could prevent the interruption of service are an extension of Sonoma Compost Company's agreement or releasing a Request for Proposals to receive competitive bids for this service.

Extension of Agreement

One approach would be to extend the composting agreement between Agency, the County of Sonoma, and Sonoma Compost Company for a mutually agreed upon

number of years. Advantages to this approach include a reduced risk of interruption of service, consistency of products provided to the program's customers, and remaining within a waste system that does not require additional CEQA analysis.

Request for Proposal

The standard procedure for this process is the circulation a Request for Proposal (RFP). One advantage to circulating a RFP is the competitive nature of the process insures fair rates indicative of the market value for the resulting agreement. Another aspect to the RFP process is the public confidence instilled by knowing that public funds are being conservatively and efficiently expended.

The last RFP issued for this service was in 1998.

Analysis

The length of time since this service was last subject to a competitive process has been an area of concern for some Board members when this subject was discussed in the past. However, the extraordinary circumstances surrounding events at the Central Disposal Site and the work toward relocation have caused the Board to select extension of the existing agreement over an RFP process.

The current circumstances are very similar to those when the Board considered this issue in January 2010. It is necessary to relocate the operation to a permanent composting location, study of which is still under way. An alternative, in-county solution will not be available before the existing agreement for composting services expires in November 2011.

III. FUNDING IMPACT

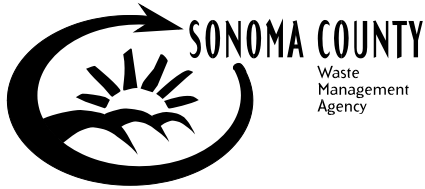
The funding impacts of the development and issuance of an RFP and acceptance of a proposal would not be known until all proposals were evaluated.

The funding impacts of an eighth amendment to the three party agreement with the Agency, County, and Sonoma Compost Company would depend on whether provisions other than the term were amended, but would be expected to be similar to the existing funding impacts.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff is requesting Board direction regarding whether to issue an RFP or amend the three party agreement for composting services.

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA



Agenda Item #: 11
Cost Center: Organics
Staff Contact: Mikus
Agenda Date: 2/16/2011

Item: City of Sonoma Outhaul Agreement

I. BACKGROUND

In December 2010, the City of Sonoma's franchised garbage hauler, Sonoma Garbage Collectors (SGC) was dealing with some financial issues. At the December 1, 2010 City of Sonoma City Council meeting voted to allow the hauler to haul approximately half of their solid waste to another county for a cost reduction. At the same time the vote included language allowing SCWMA to continue collection of the surcharge. Staff was requested to enter into an agreement with the garbage hauler, instead of an agreement similar to the City of Petaluma where the City collects the surcharge from the garbage hauler then pays SCWMA.

A letter from the City of Sonoma was presented for discussion and Carol Giovanatto, Assistant City Manager for City of Sonoma, reported the City of Sonoma is willing to enter into an agreement where the garbage hauler pays the City of Sonoma the SCWMA surcharge, which the City will pass on to SCWMA. It is proposed the agreement would have a two year term.

II. DISCUSSION

Staff was given direction to prepare an agreement between SCWMA and the City of Sonoma that captures the SCWMA surcharge for the material diverted out of county, including provisions for cost recovery for staff time associated with the preparation of the agreement and provisions within the agreement for any increases in the surcharge or modifications thereto as SCWMA contemplates a different methodology to capture administrative costs going forward.

Janet Coleson, Agency Counsel, will be drafting an agreement using the City of Petaluma agreement as a model. There is to be full cost recovery for implementing the agreement and the effective date will be December 1, 2010, which is the date the out hauling of solid waste began.

III. FUNDING IMPACT

The City of Sonoma's proposed agreement will alleviate any potential financial impacts to the SCWMA budget.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff requests approval of the draft agreement as presented.

V. ATTACHMENTS

Draft Agreement from the City of Sonoma

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

AGENCY SURCHARGE AGREEMENT

THIS AGENCY SURCHARGE AGREEMENT ("Agreement") is entered into and is effective as of December 1, 2010 ("Effective Date"), by and between the City of Sonoma, a municipal corporation ("City") and Sonoma County Waste Management Agency, a joint powers agency of the nine incorporated cities in Sonoma County and the County of Sonoma ("Agency"), (collectively, the "Parties").

WHEREAS, City pays its share of Agency's funding through a surcharge on the tip fee charged on the disposal of solid waste in Sonoma County; and

WHEREAS, City has arranged to permit fifty percent (50%) of the solid waste collected in City to be disposed of outside of Sonoma County for a period of two (2) years; and

WHEREAS, The Agency's surcharge will no longer be collected on this 50 % portion of the solid waste collected in City; and

WHEREAS, City desires to pay directly to Agency an amount equal to the amount of surcharge that would have been collected on this 50% portion of the solid waste collected in City.

THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

1. **Services.** Agency shall provide the same services to City as the other Agency members receive and as City normally receives.
2. **Compensation.** City shall compensate Agency as provided in this section. The monthly compensation for services shall be calculated by applying the Agency tipping fee surcharge rate on the actual tonnages of solid waste collected in City and disposed of by City's franchised waste hauler, Sonoma Garbage Company, outside of Sonoma County. The amount of solid waste disposed each month shall be reported to Agency for invoicing purposes by the 20th of the succeeding month. The Agency's current approved rate of \$5.95 per ton will be used for calculating invoices until such time as the rate is modified by Agency. Any tipping fee surcharge rate modification shall automatically be effective under the terms of this Agreement when such modification is effective in Sonoma County. Agency shall submit monthly invoices to City and City shall pay Agency the invoiced amount within ten (10) days of receipt of the invoice.

City agrees to reimburse Agency, upon presentation of invoice, for staff time and legal expenses incurred in the drafting and implementation of this Agreement.

3. **Term.** The term of this Agreement commences on the Effective Date, and terminates on November 30, 2012, unless sooner terminated in accordance with Section 4

4. **Termination.** City or Agency may terminate this Agreement without cause upon ninety (90) days' written notice to the non-terminating party. City or Agency may

immediately terminate or suspend this Agreement for cause. Cause for immediate termination or suspension shall include, but not be limited to, any breach of this Agreement by either Party or either Party's bankruptcy or insolvency. In the event of early termination of this Agreement by City, Agency shall be entitled to payment for all Services performed to the date of termination.

5. **Assignment/Transfer.** No assignment or transfer in whole or in part of this Agreement shall be made without the prior written consent of both Parties.

6. **Compliance With All Laws.** The Parties shall fully comply with all applicable local, state and federal rules, laws, regulations and ordinances pertaining to the performance of the Services required hereunder.

7. **Notice.** Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other Party in accordance with this Section. All such notices shall be sent by:

- (i) personal delivery, in which case notice is effective upon delivery;
- (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered upon receipt if delivery is confirmed by a return receipt;
- (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective upon delivery if delivery is confirmed by the delivery service; or
- (iv) facsimile or electronic transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile or electronic transmission shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a non-business day.

City: City of Sonoma, City Clerk
1 The Plaza
Sonoma, California 95476
Telephone: (707) 938-3681
Facsimile: (707) 938-8775
Email:Gjohann@sonomacity.org

Agency: Sonoma County Waste Management Agency
Executive Director
2300 County Center Drive, #B100
Santa Rosa, CA 95403
Telephone: 707-565-3788
Facsimile: 707-565-3701
Email: hmikus@sonoma-county.org

8. **Amendment.** This Agreement may be amended only by a written instrument executed by both Parties.
9. **Construction.** This Agreement is the product of negotiation and compromise on the part of both Parties and that the Parties agree that, notwithstanding Civil Code section 1654, any uncertainty in the Agreement shall not be construed against the drafter of the Agreement.
10. **Governing Law; Venue.** This Agreement shall be enforced and interpreted under the laws of the State of California. Any action arising from or brought in connection with this Agreement shall be verified in a court of competent jurisdiction in the County of Sonoma, State of California.
11. **Non-Waiver.** Either Party's failure to enforce any provision of this Agreement or the waiver thereof in a particular instance shall not be construed as a general waiver of any part of such provision. The provision shall remain in full force and effect.
12. **Severability.** If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
13. **No Third Party Beneficiaries.** The Parties do not intend to create, and nothing in this Agreement shall be construed to create any benefit or right in any third party.
14. **Mediation.** The Parties agree to make a good faith attempt to resolve any dispute arising out of this Agreement through mediation prior to commencing litigation. The Parties shall mutually agree upon the mediator and shall divide the costs of mediation equally.
15. **Headings.** The headings used in this Agreement are for convenience only and are not intended to affect the interpretation or construction of any provisions herein.
16. **Entire Agreement.** This Agreement, including the exhibits attached hereto and incorporated herein, constitutes the entire agreement between the Parties with respect to the Services, and supersedes all prior agreements or understandings, oral or written, between the Parties in this regard.

IN WITNESS WHEREOF, the parties hereto have executed this document the day, month and year first above written.

CITY OF SONOMA

SONOMA COUNTY WASTE
MANAGEMENT AGENCY

City Manager

Chair

ATTEST:

APPROVED AS TO FORM

City Clerk

Agency Counsel

APPROVED AS TO FORM

City Attorney

DRAFT