

SONOMA COUNTY WASTE MANAGEMENT AGENCY

September 19, 2012
9:00 a.m.

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

Estimated Ending Time 11:30 a.m.

AGENDA

- | <u>Item</u> | <u>Action</u> |
|---|---|
| 1. Call to Order Regular Meeting | |
| 2. Agenda Approval | |
| 3. Public Comments (items not on the agenda) | |
| <u>Consent</u> (w/attachments) | Discussion/Action |
| 4.1 Minutes of July 18, 2012 (pg. 3) | |
| 4.2 Minutes of Special Meeting August 23, 2012 (pg. 7) | |
| 4.3 Budget Adjustments for FY 12-13 (pg. 11) | |
| 4.4 FY 11-12 Year-End Financial Report (pg. 31) | |
| 4.5 2012 Biennial Review of Conflict of Interest (pg. 52) | |
| 4.6 Facilitator Services: Evaluations of Agency Counsel & Executive Director (pg. 57) | |
|
<u>Regular Calendar</u> | |
| 5. Compost Relocation Update
[Carter] (pg. 75) | Discussion
Organics |
| 6. Multi-Family Recycling Education Project Grant Cycle 2
[Mikus, Carter] (pg. 76) | Discussion/Action
Education |
| 7. Carryout Bags Ordinance Report
[Carter](Attachments) (pg. 78) | Discussion/Action
Contingency Reserve |
| 8. Carryout Bags RFP for EIR Consultant
[Carter](Attachments) (pg. 81) | Discussion/Action
Contingency Reserve |
| 9. Spud Point Oil Collection Project
[Steinman](Attachments) (pg. 103) | Discussion/Action
HHW |

- | | | |
|-----|--|--------------------------------------|
| 10. | Sonoma County/City Solid Waste Advisory (SWAG)
[Barbose] | Discussion/Action
Planning |
| 11. | Climate Protection Campaign's Sebastopol Project
Report by Ken Wells (pg. 111) | Discussion
Education |
| 12. | <u>Attachments/Correspondence:</u>
12.1 Director's Agenda Notes (pg. 122)
12.2 Reports by Staff and Others:
12.2.a September and October 2012 Outreach Events (pg. 125)
12.2.b EPR Update (pg. 127)
12.2.c Letters of Support (pg. 130) | |
| 13. | <u>On file w/Clerk: for copy call 565-3579</u>
Resolutions approved in July and August 2012 | |
| 14. | Boardmember Comments | |
| 15. | Staff Comments | |
| 16. | Next SCWMA meeting: October 17, 2012 | |
| 17. | Adjourn | |

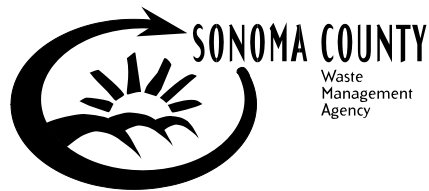
Consent Calendar: These matters include routine financial and administrative actions and are usually approved by a single majority vote. Any Boardmember may remove an item from the consent calendar.

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 Council Chambers, 100 Santa Rosa Avenue, Santa Rosa. It is also available on the internet at www.recyclenow.org



Agenda Item # 4.1

Minutes of July 18, 2012

The Sonoma County Waste Management Agency (SCWMA) met on July 18, 2012, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa, California

Present:

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

Nina Regor, Chair
Susan Harvey
Dan St. John
John McArthur
Jennifer Phillips
Sue Kelly
Steve Barbose
Susan Klassen
Matt Mullan

Absent:

City of Healdsburg

Mike Kirn

Staff Present:

Counsel
Staff

Janet Coleson
Patrick Carter
Karina Chilcott
Henry Mikus
Lisa Steinman
Debra Dowdell

Clerk

1. Call to Order Special Meeting

The meeting was called to order at 9:04 a.m.

2. Agenda Approval

Chair Regor requested Item, 4.2 Spud Point Oil Collection be pulled from the agenda. Susan Harvey, City of Cotati, moved to approve the amended agenda. Susan Klassen, County of Sonoma, seconded. Agenda approved.

3. Public Comments (items not on the agenda)

None.

Consent (w/attachments)

- 4.1 Minutes of June 20, 2012
- 4.2 Spud Point Oil Collection Project
- 4.3 Amendment to ESA Agreement

Susan Harvey, City of Sonoma, moved to approve the consent calendar excluding Item 4.2. Steve Barbose, City of Sonoma, seconded. City of Healdsburg, City of Petaluma and City of Sebastopol absent. Consent calendar approved.

Lisa Steinman gave a brief overview on the Spud Point Oil Collection Project. SCWMA proposed using oil grant funds to purchase an oil holding tank to help develop a public drop off site for used oil and filter collection at Spud Point.

Chair Regor said she pulled the item because she had questions and concerns about liability. Ms. Steinman will do some research to address the liability concerns, make necessary changes to the anticipated project contract and bring the item back to the board.

Sue Kelly, City of Sebastopol arrived at 9:10 a.m.

Dan St. John, City of Petaluma arrived at 9:13 a.m.

Regular Calendar

4. Final Report on Mandatory Commercial Recycling Project

Patrick Carter reported that the SCWMA hired four temporary staff through Manpower to educate the commercial sector on the new Mandatory Commercial Recycling (MCR) requirements. They created a comprehensive database of businesses throughout Sonoma County then mailed postcards to them. A 17% response rate was received. The project was bigger than anticipated but still came in slightly under budget.

Board Discussion

Susan Klassen, County of Sonoma, congratulated the SCWMA on the success of the project and asked if there would be any follow up with the businesses that hadn't been recycling. Mr. Carter responded that six of the businesses that didn't have a recycling program were revisited and hopes to do more follow-up under the MCR 2 project.

Matt Mullan, Town of Windsor, said that outreach to schools is a tremendous opportunity to help reach diversion goals and asked what practices were found at the schools. Mr. Carter replied that many schools did not respond but some requested resources such as recycling posters and bins. Mr. Mullan wanted to know how the Windsor Schools were doing with recycling and if the franchise haulers were doing a good job of educating. Mr. Carter advised he would need to get back to Mr. Mullan on the Windsor Schools and that it was difficult to determine if businesses received their education through North Bay (the franchise hauler) or the SCWMA. Mr. Mullan urged each jurisdiction to evaluate the delivery of the recycling education required of the franchise hauler.

Henry Mikus, Executive Director, added that he had met with the Superintendent of the Sonoma County Office of Education. SCWMA staff is hoping to speak at an upcoming meeting. In the beginning of this project there was some issue with businesses adding green waste or recycling services to their existing garbage services. It appeared the businesses were not receiving proper service information. Through discussions with North Bay, staff was able to determine the source of the misinformation and the issues were resolved. The SCWMA staff was also given better contact information.

Jennifer Phillips, City of Santa Rosa, asked about enforcement behind the new recycling law. Mr. Carter advised the state is responsible for enforcement.

Susan Harvey, City of Cotati, feels there is a need to connect with the 80% that did not respond to the MCR postcards and suggested the SCWMA go to each school board with a presentation.

Public Comment

None.

Board Comments

Chair Regor thanked staff for their work.

6. Multi-Family Recycling Education Project Grant Cycle 2

Henry Mikus, Executive Director, explained that through the original MCR project it was determined that additional outreach is needed for multi-family complex residents, hotels and schools. Grant funds are available for the new fiscal year which would allow for additional outreach to these groups. The Board was presented with a basic plan and budget for a second MCR project. Mr. Mikus asked to revise the contract labor from \$56,160 to \$49,900.

Board Discussion

Matt Mullan, Town of Windsor, asked how SCWMA staff is coordinating this program with the local franchises. Mr. Mikus said the haulers would be contacted so they could give their input just as they did on the previous project. Mr. Mullan said he believes they have a greater obligation as part of their contract to do education and outreach to all customers.

Susan Klassen, County of Sonoma, commented that there is an anticipation of grant funds but wanted to know when they would actually be received and also if it was in the budget as an expenditure. Mr. Carter answered that it is in the budget and that some cities had already paid. Ms. Klassen commented that she would like to see some type of follow up and measurement of impact on this education project.

Susan Harvey, City of Cotati, stated she wants to see the haulers step up to the plate. It's their responsibility to do education.

Public Comment

None.

Board Comment

Chair Regor remarked that the SCWMA is here today to get Board direction to proceed with the grant. The Board still had outstanding questions about the scope of services and Mr. Mikus replied he would come back with more information in September after meeting with the franchise haulers.

Steve Barbose, City of Sonoma, moved to authorize staff to invoice the cities and proceed with the grant project. Susan Harvey, City of Cotati, seconded. Motion carried.

7. Styrofoam Recycling Opportunity

Karina Chilcott gave a brief report on the opportunity to contract with Dart Container Corporation (Dart) for collection of polystyrene foam (PS) also known as styrofoam at E-waste events as a pilot project. Dart would contribute \$250 per event to advertising and supply the bags to collect the PS at no cost. Goodwill Industries of the Redwood Empire would transport the bagged PS back to its facility and Dart would arrange to pick it up. SCWMA staff recommended awarding a two-year agreement with Dart for collection of PS and authorizing SCWMA's Executive Director to sign the agreement.

Board Discussion

Steve Barbose, City of Sonoma, asked if that included the PS packing that comes with televisions and computers. Ms. Chilcott replied yes.

Public Comment

Leslye Choate, Sonoma County LEA, asked if the PS would be source-separated. Ms. Chilcott advised that Dart has experience with these collections and people tend to bring the PS in clean and therefore feel there would be no issue with comingling the PS.

Board Comment

Matt Mullan, Town of Windsor, asked if the program comes in as a pilot would there be an opportunity to work with the hauler and individual homeowners to put it in the blue bins. Ms. Chilcott replied Dart has been pursuing the haulers on that very concept.

Matt Mullan, Town of Windsor moved to approve the item. Sue Kelly, City of Sebastopol, seconded. Healdsburg absent. Motion carried.

8. Attachments/Correspondence

Chair Regor called attention to the Director's Agenda Notes, Reports by Staff and Others; July, August and September 2012 Outreach Events, Final Report on Extra Oil Grant Expenditures and the 2012 Local Agency Biennial Notice.

9. On File with Clerk

Chair Regor noted resolutions approved in June 2012, on file with the Clerk.

10. Boardmember Comments

None.

11. Staff Comments

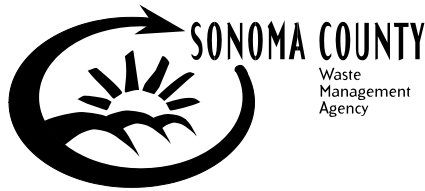
Henry Mikus, Executive Director, gave a special "thank you" to SCWMA Staff for their work on the MCR project. It was their idea and they made it come to fruition. He announced that recently CalRecycle held up the SCWMA several times as an example of how to do this which is a positive reflection of our staff. An update was given on which cities have had the bag ban presentation so far.

Lisa Steinman thanked the Boardmembers who had sent in the letters of authorization for the Oil Payment Program and said she would be sending out reminder emails to those who hadn't sent their letters.

12. Next SCWMA Meeting – September 19, 2012**13. Adjournment**

Meeting adjourned at 9:47a.m.

Respectfully submitted,
Debra Dowdell



Agenda Item # 4.2

Minutes of August 23, 2012 Special Meeting

The Sonoma County Waste Management Agency (SCWMA) met on August 23, 2012, at the City of Santa Rosa Utilities Field Office, 35 Stony Point Road, Santa Rosa, California

Present:

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

Nina Regor, Chair
Susan Harvey
Mike Kim
Dan St. John
John McArthur
Jennifer Phillips
Sue Kelly
Steve Barbose
Phil Demery
Debora Fudge

Staff Present:

Counsel
Staff

Clerk

Janet Coleson
Patrick Carter
Henry Mikus
Debra Dowdell

1. Call to Order Special Meeting

The meeting was called to order at 10:34 a.m.

Chair Regor requested that Public Comments be added to the Agenda.

Public Comments

None.

2. Ninth Amendment to Compost Operations Agreement

Patrick Carter gave a brief recap of the previous eight amendments to the Compost Operations Agreement and the failed unanimous vote approval of the Ninth Amendment at the July 18, 2012 Board meeting.

On July 30, 2012 the Board of Supervisors (BOS) authorized the Chair to sign the Ninth Amendment. The BOS asked how the Sonoma County Waste Management Agency (SCWMA) would use the savings from the contract. At that meeting, County staff suggested the savings would be used to fund education programs. SCWMA noted at this meeting that the Joint Powers Agreement (JPA) governing the SCWMA prohibits the funds from the composting operation being used for any SCWMA program other than composting.

The pricing in the Ninth Amendment has been changed from the original pricing discussed at the June 18, 2012 SCWMA meeting. This is not a new revenue source, but a cost savings to the SCWMA. Currently the SCWMA pays Sonoma Compost Company (SCC) for each ton of material received. SCC processes the material, sells the finished product, and then shares its revenue with the SCWMA on a quarterly basis. The reduced expenditures is about \$137,498 and there is a decrease in revenue sharing of about \$33,000. The net savings would be

approximately \$104,000. The savings will be transferred to the Organics Reserve account per SCWMA reserve policy.

The Organics Reserve was proposed in FY 2001-2002 as a way to set aside money for replacement of the existing compost facility, which has always been considered temporary. Given that there's still a considerable amount of uncertainty about the future of this SCWMA program beyond the four month term of the agreement, there is no recommendation for lowering the wood waste or yard waste tipping fee. There have been no increases in tipping fees over the last six years. Staff recommended approving the Ninth Amendment to the agreement between the County of Sonoma, the SCWMA and SCC for organic material processing, composting and marketing services.

Henry Mikus, Executive Director, added that there has been some conversation about how this money could affect or benefit rate payers. When there has been surplus or extra it has always gone into the Organics Reserve, which is the reason for the robust fund balance. During the negotiating process with Recology and SCC one of the questions asked involved the effect on the consumer rates should there be a contribution toward buying the property or building the facility. Their numbers weren't identical, but the difference between doing it all on their own and doing it with SCWMA reserve fund assistance was pretty consistent at about five dollars a ton. Even though this does not appear now as a savings to the rate payers, it will in the future after a new site is built.

Board Discussion

Susan Harvey, City of Cotati, asked if the authority that's been provided by the BOS would be revoked if the reserve money cannot be used for education. Mr. Carter responded that it was his belief that the approval of the Ninth Amendment was not contingent on the reserve being allocated to education. Phil Demery, County of Sonoma, added that Mr. Carter was correct, the approval was not based on the reserve having to fund education.

Dan St. John, City of Petaluma, asked for clarification on how the current revenue sharing is calculated. Mr. Carter replied that any revenue above the guaranteed revenue is shared 50/50 between SCC and the Agency. It's a difficult process and has been simplified in the Request for Proposals (RFQ), which uses the calculation as a net cost per ton. Mr. St. John then asked what happens in four months when the contract extension expires. Mr. Mikus answered the extension was intended to be a stop gap measure to give the County time to look over the lease and settle their concerns about the term of the agreement, then come back in October or November and adopt the contract.

Debora Fudge, Town of Windsor, asked if it was possible to put the reserve funds into an account for the research and development of a countywide food composting program. Janet Coleson, Agency Counsel, replied Section 13 of the JPA talks about financing for the yard and wood waste. The yard and wood waste is defined as the Treatment System. It says the SCWMA shall receive all revenues accruing in connection with the Treatment System and use them to defray operation and maintenance expense of the wood and yard waste Treatment System. It has to be kept separate unless there were an amendment to the JPA agreement.

Chair Regor asked Mr. Carter to go over the language changes that were made since the June Board meeting. Mr. Carter explained that it's not so much language but how it's presented in the item. What the SCWMA had in the RFQ was basically net cost and this agreement talks about guaranteed revenue. These are not the exact same terms included in June, which is the reason for this Special Meeting. The June agreement focused on the net cost. This is more of a formatting difference than a numbers difference.

Steve Barbose, City of Sonoma, stated he understood the difference in how this was set up in terms of the net cost savings, but thought when the SCWMA last met and approved the previous amendment as a stop gap that the pricing was the same as it's always been. He understood the reduced cost that had been offered by SCC as part of the contract through 2017 was not available on the short term basis because they had amortized long term costs over the price and that's what the reduced pricing reflected. Mr. Mikus said Mr. Barbose was correct in his recollection. SCC is now offering a discounted price.

Public Comments

None.

Board Comments

Phil Demery, County of Sonoma, apologized on behalf of the County for any impact the delay on the contract has had and acknowledged its appreciation of SCWMA staff for bringing this issue back to the Board so quickly. He thanked SCC for coming to the table and honoring the contract. The County and the Agency will be working to improve their communication. Mr. Demery feels there should be a discussion on how the contract savings translates to the rate payer. There needs to be a consistent message from each jurisdiction.

Debora Fudge, Town of Windsor, agreed that a consistent message is something that needs to be worked on.

Susan Harvey, City of Cotati, agreed that communication needs to be worked on and voiced her concern that the Agency was not included in the discussion that was opened up with SCC and the County. It's her hope that in the future if there is anything related to the Agency and its contracts they will be brought to the table.

Dan St. John, City of Petaluma, thanked Phil Demery and the BOS for moving this along.

Steve Barbose, City of Sonoma, said he was prepared to vote for this item but wanted each jurisdiction to be aware of the direction that SWAG and the BOS is going on this. It's a unified master agreement with Republic for everything, including compost. This is an interim agreement but SWAG is looking at some major issues that would affect the future of the Agency and the County and how it handles waste management. For this to go the way of the BOS's would require a unanimous vote from this Board.

Chair Regor, commented that there are significant implications to assets owned by the JPA and that those assets are being used in negotiations by a single jurisdiction related to landfill operations.

Janet Coleson, Agency Counsel, added that she had a conversation with County Counsel and the lease agreement that was scheduled to go to the BOS on Tuesday didn't make it into their closed session. It was rescheduled for September 11, 2012.

Mr. Demery added that's their next available Board hearing. That's a problem they have jurisdictionally when issues like a lease that have to go to the BOS Board. It takes two weeks to get to the Board and then it can get kicked off the agenda. Mr. Mikus added that if it's deliberated by the BOS on September 11, 2012 then it probably won't be available for our agenda discussion in September.

Henry Mikus, Executive Director, said he appreciated the comments from Mr. Demery. The County has concerns about the term of the new agreement and it's something that hasn't been resolved. If there isn't some resolution on that soon we'll be where we were in June with some wanting a four plus year term and some not. That still needs to be resolved.

Steve Barbose, City of Sonoma, moved to approve the ninth amendment to the compost operations agreement. Susan Harvey, City of Cotati seconded. There were no opposing votes. The motion carried unanimously.

Phil Demery, County of Sonoma, said in light of the problems associated with this compost agreement there needs to be more dialogue on what is going to be done with these savings and there should be an advance calendar on some decision making. The calendar should include things like when the plastic bag ban is expected to come to the BOS for a decision, when the options for extending the JPA are going to be looked at and what those options are and the CEQA certification and site selection for the compost facility. Board members need to have an idea of how these things fit together and the timing so we're not surprised. There also needs to be a discussion on where the future compost site is going to be and how reserve funding would be used. One of the sites being considered and he thinks will rank pretty well is the site that's being provided by the County at Central. That property does not have a cost associated with it. What will our intention be for the use of that reserve? Is that to buy down the development cost, return back to rate payers, or returned back to the cities and county? This conversation needs to be sooner than later.

Chair Regor agreed that we need to keep an eye on the timeline. Looking at each of the major projects that Mr. Demery mentioned we have had a discussion at the Board level on what are the timelines we're looking at for the EIR, for the bag ban, etc. Those have been consciously thought through by the Agency periodically and her recollection is that this Agency has looked periodically at the timelines of how these things fit together. The Executive Committee can take a look at the calendar and talk about the scheduling of the items.

Steve Barbose, City of Sonoma, stated at the next regular Board meeting he will be reporting on the activities at SWAG and the rather far reaching implications of what is being discussed there. Mr. Barbose said movement is in place to have this unified waste system. He thinks we need to agendize that in a bigger way than simply having him give a report on what SWAG is doing. There ought to be a more complete presentation of that and maybe Phil could kind of lay that out for the Board. Mr. Demery replied he'd be happy to have that discussion whenever the Board is ready.

Chair Regor announced that this year the City of Cloverdale is the program arranger for the Sonoma County Mayor and Councilmember's Association meeting and last night at their Council meeting they talked about the October Association meeting and selected but have not confirmed yet Tim James a representative from the Grocer's Association to come and talk about the Grocers perspective on the single use bag ban. Since that is a topic that directly affects the JPA she wanted to mention that.

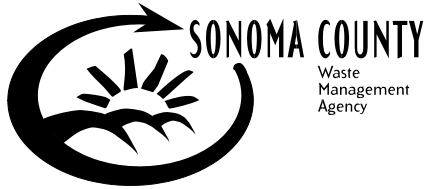
Deborah Fudge, Town of Windsor, added that it's October 11, 2012 in Windsor at Charlie's if anyone wants to attend.

3. Next SCWMA Meeting – September 19, 2012

4. Adjournment

Meeting adjourned at 11:13 a.m.

Respectfully submitted,
Debra Dowdell



Agenda Item #: 4.3
Cost Center: All
Staff Contact: Carter
Agenda Date: 9/19/2012

ITEM: Budget Adjustments for FY 12-13

I. BACKGROUND

At the April 18, 2012 SCWMA meeting, the budget for FY 12-13 was unanimously approved by the SCWMA Board. The budgeting process followed by the SCWMA includes an opportunity to make changes (Budget Adjustments) to the budget after the fiscal year-end to reflect information more current than was available at the time of budget approval in April.

There are thirty-two proposed Budget Adjustments for the SCWMA's FY 12-13 Budget. While this seems like an extraordinary number, there are three categories (subobjects) that involve almost every cost center. A listing of the budget adjustments is attached as well as a FY 12-13 Budget Summary with the adjustments highlighted.

II. DISCUSSION

Staff examined the SCWMA Reserve Policy (amended August 17, 2011) in advance of this budgetary adjustment and have a number of recommendations related to Reserves and Operating Cost Center fund balances related to the reserve policy in addition to a few routine budgetary adjustments.

The three subobjects of the majority of the budget adjustments are County Services, OT-Within Enterprise (Expenditures), and OT-Within Enterprise (Revenue). OT means Operating Transfer; these are transfers between operating and reserve accounts.

County Services (subobject 6521)

This subobject covers County charges related to accounting transactions and claims processed through the County's accounting system. The amount the County charged the SCWMA just prior to the closing of the books in July 2012 is significantly higher than was charged in previous years, approximately \$10,000 over what staff had budgeted for this service. Staff is discussing the previous year's charges and seeking an explanation for the difference, but for planning purposes, staff recommends increasing the amounts to conservatively estimate the SCWMA's expenditures.

OT-Within Enterprise (Expenditures, subobject 8624)

Staff is proposing a number of changes to the budget regarding transfers to and from operating cost centers and reserves to maintain proper fund balances and meet reserve goals. The SCWMA Reserve Policy states that fund balances greater than 15% of annual expenditures from the wood waste and yard debris cost centers should be transferred to the Organics Reserve; there is no reserve goal of the Organics Reserve. Fund balances beyond 15% of annual expenditures for HHW are to be transferred to the HHW Facility Reserve, which has a goal of the greater of 33% of annual expenditures in the cost center or \$600,000 (33% would be approximately \$550,000, so \$600,000 is the current goal). The HHW Closure Reserve has a goal of \$68,000. The Contingency Reserve receives fund balances in excess of 15% of annual expenditures for the Education, Diversion (phased out), and Planning Cost Centers with a goal of 25% of annual expenditures of those cost centers.

An examination of the fund balances suggests a number of changes are in order. Staff proposes the following changes to the OT-Within Enterprise (8624) subobject:

- Increase the transfers from the wood waste and yard debris cost centers to the Organics Reserve to \$200,000 and \$425,000, respectively. This would be an increase of \$387,367. This transfer leaves approximately 25% of annual expenditures in the operating cost centers,

which is above the stated goal. However, there were several times in the previous fiscal year when tipping fees from collected material were three months overdue, so staff is recommending a fund balance of 25% of annual expenditures until staff is confident revenues will be received such that the SCWMA is not in a negative fund balance situation.

- Decrease the transfer from the HHW operating cost center to the HHW Facility Reserve to \$0. The HHW operating cost center entered FY 2012/13 with a \$51,439 deficit. That deficit means the cost center is well below the reserve policy goal of maintaining a fund balance of 15% of operating expenses, which would be approximately \$250,000.
- Decrease the transfer of \$7,004 to the Contingency reserve from the Education cost center to \$0 due to an insufficient fund balance, per the Reserve Policy.
- Transfer the remaining funding from the Diversion cost center to the Contingency Reserve. The current fund balance is \$728.
- Increase the transfer from the Planning cost center to \$25,691 to reduce the fund balance of the Planning cost center down to 15% of annual expenditures.
- Increase the transfer of reserves from the HHW Facility Reserve to \$598,029. The FY 2012/13 Budget included a transfer of \$275,000 from the HHW Facility Reserve to the Contingency Reserve for the carryout bag project. Staff recommends the increase to accomplish two tasks:
 - Transfer \$7,273 to the HHW Closure Reserve to bring that cost center to its \$68,000 Reserve Goal
 - Transfer \$315,756 to the HHW operational cost center. This transfer would bring the HHW cost center to the fund balance goal.
- Increase the transfer from the Contingency Reserve to \$45,841 to the Education cost center to meet fund balance goals.

OT-Within Enterprise (Revenues, subobject 4624)

Related to the expenditures from subobject 8624 above, staff recommends the following changes to revenues related to reserves and operating cost centers:

- Increase revenue to the HHW operating cost center from HHW Facility Reserve to \$315,756. Staff projects this transfer would allow a projected fund balance of \$250,220, or 15% of annual expenditures of \$1,668,136 for FY 2012/13.
- Increase revenue to the Education cost center from the Contingency Reserve to \$45,841. This would provide a projected fund balance of \$80,888 at the end of the fiscal year, or 15% of annual expenditures of 539,703 for FY 2012/13.
- Increase revenue to the Organics Reserve to \$625,000. Increased transfers from the wood waste and yard debris cost centers make this feasible.
- Increase revenue to the HHW Closure Reserve to \$7,273 from the HHW Facility Reserve. This transfer will bring the HHW Closure Reserve to the \$68,000 goal.
- Increase transfers to the Contingency Reserve to \$301,419. \$275,000 was previously budgeted to be transferred from the HHW Facility Reserve. The additional \$16,670 increase is the result of increased transfers from the Planning (\$22,950) and Diversion (\$728) cost centers and decrease transfers from the Education cost center (-\$7,004).

There are several other miscellaneous budgetary adjustments recommended by staff, including the following:

- State-Other/Professional Services (subobjects 2500 and 6500). The amounts for the HHW and Education cost centers were adjusted on both the revenue and expenditure amounts to reflect the amounts carried over from the previous fiscal year and the actual current amounts. HHW (Oil Payment Program, OPP2) decreased to \$154,350 and Education (City County Payment Program, Beverage Containers) increased to \$177,906.
- Office Expense, 6400, increased in Education to \$15,000 to capture two unusual expenditures, a revision to an interactive, touch-screen display of garbage, composting, and HHW in Sonoma County, which was displayed at the Sonoma County Fair, and the purchase of new toner cartridges for the SCWMA's color laser printer.

- Contract services, 6540, increased for the Organics Reserve to accommodate work still needed to be done for the compost relocation project. This is a carryover of the amount remaining from the SCWMA's agreement with ESA.
- Contract services, 6540, decreased for the Contingency Reserve to \$138,000. This amount reflects the highest cost proposal received by staff during the recent RFP for a consultant to produce CEQA documentation for the carryout bag project.
- Rental building/Improvement, 6840, was increased to \$5,400 to reflect the cost of our storage rental and booths for the Sonoma County, Cloverdale Citrus, and Sonoma-Marin Fairs.

III. FUNDING IMPACT

A Summary Budget, with Budget Adjustments highlighted is attached. The proposed changes increase revenues by \$694,493 and expenditures by \$716,698, resulting in an increased net cost of \$22,475. It is important to understand that though both revenue and expenditures amounts increase, this is mainly due to transfers to and from reserves. The vast majority of funds transferred will remain within the SCWMA to maintain fund balances per the SCWMA Reserve Policy.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the Budget Adjustments to the FY 12-13 Budget with a unanimous vote, which is required by the Joint Powers Agreement, and to authorize the Executive Director to sign the ten individual Requests for Budget Adjustments as required by the Auditor-Controller's Office.

V. ATTACHMENTS

Budget Adjustments Summary
 Revised FY 12-13 Budget Detail and Fund Balances
 Reserve Policy (amended August 17, 2011)
 Resolution
 Requests for Budget Adjustments

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

Budget Adjustments Summary

Indices

Revenues

Sub-object	Sub-Object Title
2500	State-Other
4624	OT-Within Enterprise
Total Revenues	

Expenditures

Sub-object	Sub-Object Title
6400	Office Expense
6500	Professional Services
6521	County Services
6540	Contract Services
6840	Rental Bldg/Improve
8624	OT-Within Enterprise
Total Expenditures	

Total Net Cost

799114		799213		799312		799411		799510		799619	
Wood Waste		Yard Debris		HHW		Education		Diversion		Planning	
New Amount	Change	New Amount	Change	New Amount	Change	New Amount	Change	New Amount	Change	New Amount	Change
				154,350	(113,835)	177,906	42,024				
				315,756	315,756	45,841	45,841				
				470,106	201,921	223,747	87,865				
				154,350	(113,835)	15,000	4,000				
1,700	1,175	3,300	2,300	5,000	2,700	177,906	42,024			1,500	700
						5,000	2,700				
						5,400	2,900				
200,000	167,685	425,000	219,682	0	(6,603)	0	(7,004)	728	728	25,691	22,950
201,700	168,860	428,300	221,982	159,350	(117,738)	203,306	44,620	728	728	27,191	23,650
201,700	168,860	428,300	221,982	(310,756)	(319,659)	(20,441)	(43,245)	728	728	27,191	23,650

Indices

Revenues

Sub-object	Sub-Object Title
2500	State-Other
4624	OT-Within Enterprise
Total Revenues	

Expenditures

Sub-object	Sub-Object Title
6400	Office Expense
6500	Professional Services
6521	County Services
6540	Contract Services
6840	Rental Bldg/Improve
8624	OT-Within Enterprise
Total Expenditures	

Total Net Cost

799221		799320		799338		799718		All Adjusted	
Organics Reserve		Facility Closure		Facility Reserve		Contingency Reserve		Total	
New Amount	Change	New Amount	Change	New Amount	Change	New Amount	Change	New Amount	Change
								332,256	(71,811)
625,000	387,367	7,273	670			301,419	16,674	1,295,289	766,308
625,000	387,367	7,273	670			301,419	16,674	1,627,545	694,497
								15,000	4,000
								332,256	(71,811)
						1,000	1,000	17,500	10,575
17,000	17,000					138,000	(12,000)	155,000	5,000
								5,400	2,900
				598,029	323,029	45,841	45,841	1,295,289	766,308
17,000	17,000	0	0	598,029	323,029	184,841	34,841	1,820,445	716,972
(608,000)	(370,367)	(7,273)	(670)	598,029	323,029	(116,578)	18,167	192,900	22,475

FY 12-13 SONOMA COUNTY WASTE MANAGEMENT AGENCY

SUMMARY

	Wood Waste 799114	Yard Debris 799213	H H W 799312	Education 799411	Diversion 799510	Planning 799619	Organics Reserve 799221	Facility Closure 799320	Facility Reserve 799338	Contin. 799718	Total All Divisions	FY 11-12 Budget	% Diff.
SERVICES AND SUPPLIES													
6103 Liability Insurance	840	2,145	3,914	1,260	0	840	0	0	0	0	8,999	9,500	-5%
6280 Memberships	0	0	4,000	0	0	0	0	0	0	0	4,000	4,000	0%
6300 Miscellaneous Expense	0	0	0	27,000	0	0	0	0	0	0	27,000	80,000	-66%
6400 Office Expense	0	0	1,000	15,000	0	0	5,000	0	0	2,000	23,000	19,719	17%
6500 Professional Services	0	0	154,350	177,906	0	0	0	0	0	0	332,256	404,067	-18%
6521 County Services	1,700	3,300	5,000	5,000	0	1,500	0	0	0	1,000	17,500	6,925	153%
6540 Contract Services	195,364	3,026,546	1,240,800	32,114	0	0	17,000	0	0	138,000	4,649,824	4,294,882	8%
6573 Administration Costs	4,611	111,853	210,352	248,185	0	16,609	119,242	0	0	142,224	853,076	732,980	16%
6590 Engineering Services	0	0	0	0	0	0	26,000	0	0	0	26,000	26,000	0%
6610 Legal Services	0	1,000	2,000	20,000	0	0	10,000	0	0	40,000	73,000	72,000	1%
6629 Accounting Services	839	4,031	1,934	1,598	0	336	0	0	0	0	8,738	8,788	-1%
6630 Audit Services	500	5,000	7,500	3,000	0	1,000	2,500	0	0	1,500	21,000	20,000	5%
6785 Advertising	0	0	12,000	0	0	0	0	0	0	0	12,000	12,000	0%
6820 Rents/Leases - Equip	0	2,340	0	0	0	0	0	0	0	0	2,340	2,500	-6%
6840 Rental Bldg/Improve	0	0	23,000	5,400	0	0	0	0	0	0	28,400	25,500	11%
7062 Enforce Agency Fees	0	35,000	0	0	0	0	15,000	0	0	0	50,000	35,000	43%
7110 Professional Development	0	1,450	0	0	0	0	0	0	0	0	1,450	2,450	-41%
7130 Textbook/Tuition	0	0	600	1,100	0	600	0	0	0	0	2,300	2,534	-9%
7301 County Car Expense	0	3,000	0	0	0	0	0	0	0	0	3,000	1,500	100%
7302 Travel Expense	0	0	0	0	0	0	2,000	0	0	0	2,000	0	0%
7400 Data Processing	1,686	3,372	1,686	1,686	0	1,686	0	0	0	0	10,116	10,116	0%
SUBTOTAL	205,540	3,199,037	1,668,136	539,249	0	22,571	196,742	0	0	324,724	6,155,999	5,770,461	7%
OTHER CHARGES													
8624 OT-Within Enterprise(budget)	200,000	425,000	0	0	728	25,691	0	0	598,029	45,841	1,295,289	1,052,233	23%
8648 OT-Between Enterprise	454	908	454	454	0	454	0	0	0	0	2,724	2,724	0%
SUBTOTAL	200,454	425,908	454	454	728	26,145	0	0	598,029	45,841	1,298,013	1,054,957	23%
TOTAL EXPENDITURES	405,994	3,624,945	1,668,590	539,703	728	48,716	196,742	0	598,029	370,565	7,454,012	6,825,418	9%
REVENUES													
1700 Interest/Pooled Cash	179	2,653	65	83	0	157	28,595	361	9,695	1,118	42,907	39,999	7%
2500 State-Other	0	0	154,350	177,906	0	0	0	0	0	0	332,256	404,067	-18%
2901 Tipping Fee Revenue	191,955	3,315,310	1,144,334	291,550	0	21,866	0	0	0	0	4,965,015	4,795,050	4%
4020 Sale of Material	40,000	80,000	0	0	0	0	0	0	0	0	120,000	130,000	-8%
4040 Miscellaneous Revenue	0	0	0	27,000	0	0	0	0	0	0	27,000	80,000	-66%
4102 Donations/Reimburse	5,000	5,000	355,744	40,567	0	3,043	0	0	0	0	409,354	445,610	-8%
4624 OT-Within Enterprise	0	0	315,756	45,841	0	0	625,000	7,273	0	301,419	1,295,289	1,052,233	23%
TOTAL REVENUES	237,134	3,402,963	1,970,249	582,948	0	25,066	653,595	7,634	9,695	302,537	7,191,821	6,946,959	4%
NET COST	168,860	221,982	(301,659)	(43,245)	728	23,650	(456,853)	(7,634)	588,334	68,028	262,191	(121,541)	

Cost
Center

15%

WW	30,831
YD	479,856
HHW	250,220
EDU	80,887
DIV	-
PLAN	3,386
ORG	-
CLOS	68,000
FAC	600,000
CON	147,105

Cost Center	FY 11/12 Year End Fund Balance	FY 12/13 Net Cost	FY 12/13 Year End Est. Fund Balance	Amount Over Reserve Policy
WW	218,952	168,860	50,092	19,261
YD	978,086	221,982	756,104	276,249
HHW	-51,439	(301,659)	250,220	-
EDU	37,643	(43,245)	80,888	-
DIV	728	728	0	-
PLAN	27,035	23,650	3,385	-
ORG	4,971,493	(456,853)	5,428,346	5,428,346
CLOS	60,366	(7,634)	68,000	-
FAC	1,611,812	588,334	1,023,478	423,478
CON	207,290	68,028	139,262	(7,843)

Revised 9/5/2012

SONOMA COUNTY WASTE MANAGEMENT AGENCY 2011 REVISED RESERVE POLICY

I. Purpose

To define parameters for the collection, treatment and distribution of reserve funds resulting from the operations of the Sonoma County Waste Management Agency (SCWMA).

II. Policy

Organics Reserve

Collection

As stated in Section 11 of the "Agreement Between The Cities Of Sonoma County And Sonoma County For A Joint Powers Agency To Deal With Waste Management Issues" (JPA Agreement)

"Agency shall separately account for all costs of handling and disposing yard waste and wood waste so that the costs of each are known."

Treatment

There is no stated fund goal for this reserve due to the parameter contained in the JPA agreement. Any funds remaining in the Wood Waste and Yard Waste cost centers at the close of the fiscal year are to be transferred to the Organics Reserve excluding a small (15% or less) percentage of operational expenses (insurance liability, office expense, County services, contract services, administration costs, accounting services, audit services, legal services, rent for spaces and events, computer system services and travel) to remain in the cost center for cash flow purposes for the succeeding fiscal year.

Any interest earned on the funds contained in the Organics Reserve shall remain within the reserve.

Distribution

The language in the JPA Agreement restricts the funds accumulated in the Organics Reserve for use only in conjunction with the organics program, which includes Board approved projects in the Wood Waste, Yard Waste cost centers as well as the Organics Reserve.

Household Hazardous Waste (HHW) Closure Reserve

Collection

This reserve is mandated by the permit-by-rule for treatment of hazardous waste collected at the HHW facility, which is owned by the County of Sonoma and occupied and operated by the SCWMA. The SCWMA is the permit holder of Permit No: 00-7161 issued by the Certified Unified Program Agency (Sonoma County Department of Emergency Services) and is responsible for establishing and maintaining a closure fund. The permit-by-rule states that "holder may establish the amount contained in the closure fund".

Since these reserves are mandated by permit, collection and transfer of these funds will take precedence over any contributions to the HHW Facility Reserve.

Treatment

The fund goal shall be reviewed every five years with a comparison of similar facilities located in California and adjusted accordingly. Should regulatory or legislative changes occur between review periods, the fund goal should be adjusted at the next appropriate budget development and approval process.

The HHW Closure Reserve does not include deconstruction of the building. These estimated costs were not included as part of the HHW Closure Fund because the building could potentially have other beneficial uses for the County or any other owner of the property. However, it is recognized the HHW Facility Reserve Funds would be adequate for deconstruction if required

Once the fund goal is achieved, there will be no further transfers from the HHW cost center into the reserve. The interest earned on the reserve funds will remain with the reserve.

Distribution

The only distribution will be when the facility is vacated by the SCWMA at which time SCWMA will relinquish the permit for HHW operations at this site.

HHW Facility Reserve

Collection

Any funds remaining in the HHW cost center at the close of the fiscal year are to be transferred to the HHW Facility Reserve excluding a small (15% or less) percentage of operational expenses (insurance liability, office expense, County services, contract services, administration costs, accounting services, audit services, legal services, rent for spaces and events, computer system services and travel) to remain in the cost center for cash flow purposes for the succeeding fiscal year.

Treatment

The reserve fund goal is either 33% of the budgeted annual HHW program operational expenses (insurance liability, office expense, County services, contract services, administration costs, accounting services, audit services, legal services, rent for spaces and events, computer system services and travel) or \$600,000, whichever is greater. The interest earned on the reserve funds will remain with the reserve.

Distribution

Distribution from this reserve will happen whenever the disposal costs exceed the budgeted appropriation, such as an emergency requiring additional disposal of toxics. The vehicle for distribution will be Board approval through an appropriation transfer resolution, which will then be forwarded to the Sonoma County Auditor/Controller's Office for processing.

In the event, there are funds collected greater than the stated fund goal, a transfer to the Contingency Reserve can be made with the same Board approved appropriation transfer process. This type of transfer would allow the excess reserve funds to be used for specific projects other than the operation of the HHW facility.

Contingency Reserve

Collection

Any funds remaining in the Education and Planning cost centers at the close of the fiscal year can be transferred to the Contingency Reserve excluding a small (10% or less) percentage of operational expenses (insurance liability, office expense, County services, contract services, administration costs, accounting services, audit services, legal services, rent for spaces and events, computer system services and travel) to remain in the cost centers for cash flow purposes for the succeeding fiscal year.

The funds collected and/or transferred into the Contingency Reserve are to be used for support of the Education and Planning cost centers in the event that projects beyond those approved in the Work Plan are necessary for the diversionary efforts of SCWMA.

Treatment

The fund goal is 25% of the operational expenses (insurance liability, office expense, County services, contract services, administration costs, accounting services, audit services, legal services, rent for spaces and events, computer system services and travel) of the two cost centers.

The interest earned on the reserve funds will remain with the reserve.

Distribution

Distribution of funds from the Contingency Reserve is at the discretion of the Board of Directors. Specific projects/expenditures are to be considered by the Board for potential funding from the reserve. Precedence of projects will be given to any that stem from regulations or legislation.

The Executive Director has spending authority, provided by the Purchasing Policy adopted by the Board of Directors in 1995, not to exceed \$5,000. This purchasing authority shall apply to the reserve funds.

The JPA Agreement sets the approval parameter for a unanimous vote to be \$50,000 or a major program change. These parameters are in effect for the reserve fund usage. For larger and more complex projects, staff will present details concerning the project, along with a project specific budget, which will include the impact on the remaining reserve, for Board review.

The vehicle for distribution will be Board approval through an appropriation transfer resolution, which will then be forwarded to the Sonoma County Auditor/Controller's Office for processing. The appropriation transfer is to be accompanied by a project budget that will include the appropriate subobjects for efficient processing, payment and auditing.

RESOLUTION NO.: 2012-

DATED: September 19, 2012

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY ("SCWMA")
ADOPTING BUDGETARY ADJUSTMENTS TO THE ANNUAL BUDGET
FOR FISCAL YEAR 2012-13.

WHEREAS, SCWMA Board of Directors gave direction to the SCWMA Executive Director to prepare and present an annual budget; and

WHEREAS, an annual budget has been prepared and presented to SCWMA Board of Directors and unanimously adopted by the SCWMA Boardmembers on April 18, 2012; and

WHEREAS, additional expenditures, in the amount of \$694,493 and additional revenues, in the amount of \$716,698 have been identified for Fiscal Year 2012-13 since the adoption of the annual budget.

NOW, THEREFORE, BE IT RESOLVED that the budgetary adjustments to SCWMA's Annual Budget for the period July 1, 2012 to June 30, 2013, attached hereto as Exhibit A is hereby adopted.

BE IT FURTHER RESOLVED that the SCWMA Clerk shall deliver a certified copy of this resolution and its supporting documentation to the Sonoma County Auditor-Controller for processing.

MEMBERS:

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

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

SO ORDERED.

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

ATTEST:

DATE:

Debra Dowdell
Clerk of the Sonoma County Waste Management
Agency of the State of California in and for the
County of Sonoma

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Wood Waste</u>
Fund Number:	<u>85-500-110</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799114</u>

Executive Director Approval: _____

Index Expenditure Adjustment			
No. -	Sub-Object No.	Account Title/Explanation	Amount

6521		<u>County Services</u>	\$1,700
		Reimbursement for services provided through the County's accounting system	

8624		<u>OT-Within Enterprise</u>	\$200,000
		Transfer funds to Organics reserve	

NET COST	
Amount of Increase or (decrease)	<u>\$168,860</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Yard Debris</u>
Fund Number:	<u>85-500-210</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799213</u>

Executive Director Approval: _____

Index Expenditure Adjustment

No. -	Sub-Object No.	Account Title/Explanation	Amount
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6521		<u>County Services</u>	\$3,300
		Reimbursement for services provided through the County's accounting system	

8624		<u>OT-Within Enterprise</u>	\$425,000
		Transfer funds to Organics reserve	

NET COST		
Amount of Increase or (decrease)		<u>\$221,982</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Organics Reserve</u>
Fund Number:	<u>85-500-220</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799221</u>

Executive Director Approval: _____

Index Expenditure Adjustment

No. -	Sub-Object No.	Account Title/Explanation	Amount
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6540		<u>Contract Services</u>	\$17,000
		Carryover of previously budgeted fund for compost relocation project	

Index Revenue Adjustment

No.	Sub-Object No.	Account Title/Explanation	Amount
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4624		<u>OT-Within Enterprise</u>	\$625,000
		Transfers from wood waste and yard debris operating cost centers	

NET COST

Amount of Increase or (decrease)	<u>(\$370,367)</u>
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REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>HHW</u>
Fund Number:	<u>85-500-310</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799312</u>

Executive Director Approval: _____

Index	Expenditure Adjustment		
No. -	Sub-Object No.	Account Title/Explanation	Amount

6500		<u>Professional Services</u>	\$154,350
		Expenditures from CalRecycle Oil Payment Program grant	
6521		<u>County Services</u>	\$5,000
		Reimbursement for services provided through the County's accounting system	
8624		<u>OT-Within Enterprise</u>	\$0
		Transfers to HHW Operating Reserve	

Index	Revenue Adjustment		
No.	Sub-Object No.	Account Title/Explanation	Amount

2500		<u>State-Other</u>	\$154,350
		Revenue from CalRecycle Oil Payment Program grant	
4624		<u>OT-Within Enterprise</u>	\$315,756
		Transfers from HHW Operating Reserve to maintain fund balance	

NET COST	
Amount of Increase or (decrease)	<u>(\$319,756)</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>HHW Facility Closure</u>
Fund Number:	<u>85-500-320</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799320</u>

Executive Director Approval: _____

Index Revenue Adjustment	
No.	Sub-Object No.
Account Title/Explanation	
Amount	
	4624
	OT-Within Enterprise
	Revenue transferred from other reserve account.
	\$7,273

NET COST	
Amount of Increase or (decrease)	<u>(\$670)</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>HHW Operating Reserve</u>
Fund Number:	<u>85-500-330</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799338</u>

Executive Director Approval: _____

Index Expenditure Adjustment			
No. -	Sub-Object No.	Account Title/Explanation	Amount

8624		<u>OT-Within Enterprise</u>	\$598,029
		Transfer of reserve funds to other accounts	

NET COST	
Amount of Increase or (decrease)	<u>\$323,029</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Education</u>
Fund Number:	<u>85-500-410</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799411</u>

Executive Director Approval: _____

Index	Expenditure Adjustment		
No. -	Sub-Object No.	Account Title/Explanation	Amount

6400		<u>Office Expense</u> Purchases of supplies and materials for office use	\$15,000
6500		<u>Professional Services</u> FY 11/12 California Dept. of Resources Recycling and Recovery grant award for City/County Payment Program and FY 10/11 carryover	\$177,906
6521		<u>County Services</u> Reimbursement for services provided through the County's accounting system	\$5,000
6840		<u>Rental Bldg/Improve</u> Funding for storage locker and booths at fairs	\$5,400
8624		<u>OT-Within Enterprise</u> Reduction of contributions to Contingency Reserve to maintain fund balance	\$0

Index	Revenue Adjustment		
No.	Sub-Object No.	Account Title/Explanation	Amount

2500		<u>State-Other</u> Include carryover from FY 2010/11 City/County Payment Program funding	\$177,906
4624		<u>OT-Within Enterprise</u> Transfers from Contingency Reserve to maintain fund balance	\$45,841

NET COST		
Amount of Increase or (decrease)		<u>(\$43,245)</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Diversion</u>
Fund Number:	<u>85-500-510</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799510</u>

Executive Director Approval: _____

Index Expenditure Adjustment			
No. -	Sub-Object No.	Account Title/Explanation	Amount

8624		<u>OT-Within Enterprise</u>	\$728
		Transfer to Contingency Reserve	

NET COST	
Amount of Increase or (decrease)	<u>\$728</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Planning</u>
Fund Number:	<u>85-500-610</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799619</u>

Executive Director Approval: _____

Index Expenditure Adjustment			
No. -	Sub-Object No.	Account Title/Explanation	Amount

6521		<u>County Services</u>	\$1,500
		Reimbursement for services provided through the County's accounting system	

8624		<u>OT-Within Enterprise</u>	\$25,691
		Transfer funds to Contingency reserve	

NET COST	
Amount of Increase or (decrease)	<u>\$23,650</u>

REQUEST FOR BUDGET ADJUSTMENT TO 2012-13 APPROVED BUDGET

Prepared By:	<u>Patrick Carter</u>	Division:	<u>Integrated Waste</u>
Fund Name:	<u>Special District</u>	Section:	<u>Contingency Fund</u>
Fund Number:	<u>85-500-710</u>		
Phone:	<u>565-3687</u>	Index No.	<u>799718</u>

Executive Director Approval: _____

Index	Expenditure Adjustment		
No. -	Sub-Object No.	Account Title/Explanation	Amount

6521		<u>County Services</u>	\$1,000
		Reimbursement for services provided through the County's accounting system	
6540		<u>Contract Services</u>	\$138,000
		Consultant to provide CEQA documentation for proposed carryout bag ordinance	
8624		<u>Operating Transfer-Within Enterprise</u>	\$45,841
		Transfer to Education (799411) cost center	

Index	Revenue Adjustment		
No.	Sub-Object No.	Account Title/Explanation	Amount

4624		<u>Operating Transfer-Within Enterprise</u>	\$301,419
		Maintain fund balances per SCWMA Reserve policy	

NET COST			
Amount of Increase or (decrease)			<u>\$18,167</u>



Agenda Item #: 4.4
Cost Center: All
Staff Contact: Carter

Meeting Date: 9/19/2012

ITEM: FY 11-12 Year-End Financial Report

I. BACKGROUND

In accordance with the requirement contained in the Joint Powers Agreement that the Agency Board of Directors receive quarterly financial reports, this report contains information about Agency operations, all receipts to, and disbursements from, the Agency.

II. DISCUSSION

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

Included in this financial report are accounts payable and accounts receivable. Accounts payable are invoices that are expected to be paid after the close of the fiscal year for services received prior to June 30, 2012, the end of the fiscal year. Accounts receivable are revenues anticipated for work and/or services performed by the Agency prior to the end of the fiscal year. By including the accounts payable and receivable as well as the reserve balances, this report serves as a year-end financial statement.

Expenditures

The report begins with a summary of all the subobjects (line items) for the entire SCWMA. The expenditures have one subobject that is significantly over budget.

One expenditure subobject over budget is Office Expense. The budget was \$19,719 and the final actual expenditure was \$73,503. The line item is \$53,784 over budget. This was caused by some of the expenditures having been improperly categorized. Many of these expenses should have been entered as grant expenses under the "Professional Services" subobject, which was \$94,309 under budget. SCWMA and auditor staff will ensure these expenditures will be properly coded in the future.

The other expenditure that appears over budget is Contract Services. The budget included \$4,294,882 and the actual expenditure was \$4,375,327, resulting in the subobject being \$80,445 over budget. The main cause for this overage is the development of an EIR for the compost relocation project. However, the Board made two appropriation transfers during the course of the fiscal year to provide additional funding for this project for a total amount of \$79,000 (October 19, 2011 and March 21, 2012). Taking these appropriation transfers into account this subobject is only \$1,445 over budget.

A number of expenditure subobjects are significantly under budget. They are:

1. Miscellaneous Expense, a reimbursement grant from PG&E which continues into the FY 12-13 Fiscal Year. This item is under budget because all grant funds were not expended in FY 11-12.
2. Professional Services consists of two sets of grants, the Oil Payment Program and the City/County Payment Program. Funds for these grants are held in advance and are not realized as revenue until the SCWMA posts expenditures against those revenues. These unused funds will be included in budgetary adjustments at the September 2012 SCWMA meeting. This subobject is also under budget due to misallocation of expenses as described above.
3. Administration Costs consist of reimbursements to the County for staffing services. The Department Analyst position was vacant for a majority of the 4th Quarter of FY 11-12, which resulted in reduced administration costs.
4. Engineering Services were anticipated in the FY 11-12 Budget for permitting of a new composting facility. The project is not to the permitting stage, so the permitting costs were not realized.
5. OT-Within Enterprise are transfers from operating accounts to reserve accounts. These transfers are typically done just prior to the closing of the books for the fiscal year. Due to uncertainty regarding cash flows and the status of the composting operation agreement, staff elected to transfer a lesser amount into the Organics Reserve.

Revenues

There are three revenue subobjects significantly under budget. They are:

1. State-Other is grant funding that has not been released from the holding account in the county system. All of the SCWMA grant awards go into a holding account with the Fiscal Division, a division of the Auditor's/Controller's. When the planned and approved work has been completed, a release request is sent to the Fiscal Division for processing. Until the processing is complete, the State-Other subobject for that particular grant work is considered unfunded. The grant funds in the holding account appear as liabilities in the general ledger until they are spent.
2. Miscellaneous Revenue consists of reimbursement from PG&E for the fluorescent lamp take-back grant. The grant spans is set to expire December 2012, so unreimbursed funds will continue to be collected for work done in FY 12-13.
3. Donations/Reimbursements are \$31,812 under budget. This is a result of Goodwill/ECS receiving less e-waste through our sponsored e-waste collection events.

Four revenue subobjects were significantly over budget. These are:

1. Interest on Pooled Cash due to an unanticipated increase in the interest rate paid.
2. Tipping Fee Revenue due to a greater amount of yard debris and wood waste received through our composting system than anticipated in our budget. The surcharge (garbage) amount was very slightly lower than anticipated.
3. Sale of Material is the revenue sharing from the Agreement with Sonoma Compost Company. The volume of sales was greater than staff's estimate, resulting in unanticipated revenues.
4. OT-Within Enterprise are transfers from operating cost centers to reserves. The Organics Reserve received a greater contribution due to greater tipping fee revenue and revenue from the sale of material.

III. FUNDING IMPACT

In summary, the expenditures for the entire SCWMA budget are expected to be \$438,707 under budget and the revenues are anticipated to be \$168,445 under budget. This situation results in a projected annual net gain of \$391,803, which translates to an increase in funding available for use in the future.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the FY 11-12 Year-End Financial Report on the Consent Calendar.

IV. ATTACHMENT

FY 11-12 Year End Financial Report

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

**FY 11-12 Year End Financial Report
Sonoma County Waste Management Agency**

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

A. Summary

	FY 11-12 Adopted Budget	FY 11-12 Actual	Over/(Under) Budget
Total Expenditures	6,839,032	6,400,325	(438,707)
Total Revenues	6,960,573	6,792,128	(168,445)
Net Cost	(121,541)	(391,803)	(270,262)

B. Summary of Expenditures

	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Liability Insurance	9,500	8,915	(585)
Memberships	4,000	4,000	0
Miscellaneous Expenses	80,000	53,900	(26,100)
Office Expense	19,719	73,503	53,784
Professional Services	404,067	309,758	(94,309)
County Services	6,925	16,748	9,823
Contract Services	4,294,882	4,375,327	80,445
Administration Costs	732,980	678,475	(54,505)
Engineering Services	26,000	2,032	(23,968)
Legal Services	72,000	71,186	(814)
Accounting Services	8,788	8,333	(455)
Audit Services	20,000	20,000	0
Advertising	12,000	19,484	7,484
Equipment Rental	2,500	2,419	(81)
Rents/Leases	25,500	26,550	1,050
Enforcement Agency	35,000	30,861	(4,139)
Professional Development	2,450	0	(2,450)
Tuition/Textbook	2,534	0	(2,534)

B. Summary of Expenditures (con't)	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
County Car Expense	1,500	1,119	(381)
Unclaimable County	0	22	22
Data Processing	10,116	10,116	0
ISD Desktop Moderization	13,614	11,807	(1,807)
OT-Within Enterprise	1,052,233	673,046	(379,187)
OT-Between Enterprise	2,724	2,724	0
Total Expenditures	6,839,032	6,400,325	(438,707)

C. Summary of Revenues	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Interest on Pooled Cash	39,999	69,474	29,475
State-Other	404,067	354,594	(49,473)
Tipping Fee Revenue	4,795,050	4,873,336	78,286
Sale of Material	130,000	346,453	216,453
Miscellaneous Revenue	80,000	49,620	(30,380)
Donations/Reimbursement	445,610	413,798	(31,812)
OT-Within Enterprise	1,052,233	673,046	(379,187)
ISD Replacement	13,614	11,807	(1,807)
Total Revenues	6,960,573	6,792,128	(168,445)

C. Summary of Net Costs	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Net Cost	(121,541)	(391,803)	(270,262)

**FY 11-12 Year End Financial Report
Sonoma County Waste Management Agency**

Index
799114 Wood Waste

A. Summary	FY 11-12 Adopted Budget	FY 11-12 Actual	Over/(Under) Budget
Total Expenditures	408,044	329,992	(78,052)
Total Revenues	234,595	349,633	115,038
Net Cost	173,449	(19,641)	(193,090)

B. Summary of Expenditures	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Services and Supplies	198,600	191,538	(7,062)
Other Charges	209,444	138,454	(70,990)
Total Expenditures	408,044	329,992	(78,052)

Other Charges are \$70,990 under budget because the transfer to reserves was less than anticipated.

C. Summary of Revenues	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Interest on Pooled Cash	576	2,184	1,608
Tipping Fee Revenue	186,750	242,900	56,150
Sale of Materials	40,000	97,333	57,333
Donations/Reimbursement	5,000	5,000	0
ISD Replacement	2,269	2,216	(53)
Total Revenues	234,595	349,633	115,038

Tipping Fee Revenue is over budget \$56,150 due to more wood waste tonnage being processed than was anticipated when the FY 11-12 Budget was prepared.

Sale of Materials is \$57,333 over budget due to increased sales due to additional material received and sold.

D. Summary of Net Cost

Overall, the Wood Waste Cost Center net cost was \$193,090 less than was budgeted.

**FY 11-12 Year End Financial Report
Sonoma County Waste Management Agency**

Index
799213 Yard Debris

A. Summary	FY 11-12 Adopted Budget	FY 11-12 Actual	Over/(Under) Budget
Total Expenditures	3,716,675	3,419,689	(296,986)
Total Revenues	3,248,474	3,489,528	241,054
Net Cost	468,201	(69,839)	(538,040)

B. Summary of Expenditures	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Services and Supplies	2,986,696	2,992,781	6,085
Other Charges	729,979	426,908	(303,071)
Total Expenditures	3,716,675	3,419,689	(296,986)

Expenditures are \$296,986 under budget mainly because transfers to the reserves were less than anticipated.

C. Summary of Revenues	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Interest on Pooled Cash	4,336	6,875	2,539
Tipping Fee Revenue	3,144,600	3,225,469	80,869
Sale of Material	90,000	249,120	159,120
Donations/Reimbursement	5,000	5,000	0
ISD Replacement	4,538	3,064	(1,474)
Total Revenues	3,248,474	3,489,528	241,054

Tipping Fee Revenue is \$80,869 over budget due to more material delivered to the composting site for processing.

Sale of Material is \$159,120 over budget due to increased sales of additional materials.

D. Summary of Net Cost

Overall, the Yard Debris Cost Center net cost is \$538,040 under budget due primarily to increased receipt of materials and decreased transfer of material to reserves.

**FY 11-12 Year End Financial Report
Sonoma County Waste Management Agency**

Indices
799312 Household Hazardous Waste
799411 Education
799510 Diversion
799619 Planning

A. Summary	FY 11-12 Adopted Budget	FY 11-12 Actual	Over/(Under) Budget
Total Expenditures	2,503,831	2,378,186	(125,645)
Total Revenues	2,391,002	2,222,872	(168,130)
Net Cost	112,829	155,314	42,485

B. Summary of Expenditures	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Services and Supplies	2,388,297	2,267,778	(120,519)
Other Charges	115,534	110,408	(5,126)
Total Expenditures	2,503,831	2,378,186	(125,645)

Services and Supplies are \$120,519 under budget as a result of:

Household Hazardous Waste Cost Center

Professional Services is \$69,429 under budget due to an over-estimation of grant funding available and due to miscoding of several invoices into the Office Expense subobject.

Contract Services are \$12,619 under budget due to lower payment amounts than estimated at budget preparation. It should be noted that \$12,619 is approximately 1% of the budgeted amount.

Education Cost Center

Miscellaneous Expense is \$26,100 under budget because this reimbursement grant (PG&E) spans the Fiscal Year. Not all funds were spent in FY 11/12.

Office Expense is \$12,550 over budget largely because the use of the County's mailroom automatically is attributed to the Office Expense subobject. The grant-funded mandatory commercial recycling project involved a significant amount of outgoing mail. In reality, grant funds covered the mailing expense.

Professional Services is \$24,880 under budget due to the misallocation of mailing expenses described above and because not all grant funds were expended this Fiscal Year. The remainder will be carried over into FY 12/13.

Administration Costs are \$29,652 under budget due in part to a staff vacancy.

C. Summary of Revenues

	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Interest on Pooled Cash	818	3,950	3,132
State-Other	404,067	354,594	(49,473)
Tipping Fee Revenue	1,463,700	1,404,967	(58,733)
Donations/Reimbursement	435,610	403,798	(31,812)
ISD Replacement	6,807	7,254	447
Total Revenues	2,391,002	2,222,872	(168,130)

State-Other is \$49,473 under budget because the Used Oil and Beverage Container grants were not completely used this fiscal year. Unused funds will be carried over into the subsequent fiscal year.

Tipping Fee Revenue is \$58,733 under budget due to less waste tonnage received at the County transfer stations.

Donations/Reimbursements are \$31,812 under budget as a result of receiving less revenue from the e-waste collection events as was anticipated during budget preparation.

D. Summary of Net Cost

The net cost for cost centers receiving revenue from the \$5.95/ton surcharge is \$42,485 over budget as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Index 799312 - HHW	1,999	69,330	67,331
Index 799411 - Education	1,034	(22,319)	(23,353)
Index 799510 - Diversion	109,046	108,319	(727)
Index 799619 - Planning	750	(16)	(766)
Overall Net Cost	112,829	155,314	42,485

**FY 11-12 Year End Financial Report
Sonoma County Waste Management Agency**

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

A. Summary	FY 11-12 Adopted Budget	FY 11-12 Actual	Over/(Under) Budget
Total Expenditures	301,481	272,458	(29,023)
Total Revenues	446,052	730,095	284,043
	(144,571)	(457,637)	(313,066)

B. Summary of Expenditures	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Services and Supplies	301,481	272,458	(29,023)
Other Charges	0	0	0
Total Expenditures	301,481	272,458	(29,023)

Organics Reserve

Contract Services is \$21,392 under budget because funds from the previous Fiscal Year were not carried over, even though the agreement with ESA was still in effect.

Engineering Services was \$24,603 under budget because permitting work that was expected to occur for a new compost site did not happen in this fiscal year.

Contingency Reserve

Administration Services is \$40,940 under budget because staff billed a majority of their time related to carryout bags to the planning cost center instead of contingency.

Legal Services is \$13,582 over budget due to the necessity for additional legal opinions made regarding carryout bags.

C. Summary of Revenues	Budget FY 11-12	Actual July 11-June 12	Over/(Under) Budget
Interest on Pooled Cash	34,269	56,465	22,196
Miscellaneous Revenue	0	584	584
OT-Within Enterprise	411,783	673,046	261,263
Total Revenues	446,052	730,095	284,043

OT-Within Enterprise for all of the reserve funds is \$283,459 over budget because of larger than anticipated transfers to the Organics Reserve.

D. Summary of Net Cost

The net cost for cost centers receiving contributions from the appropriate cost centers was 313,066 under budget as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Index 799221 - Organics Reserve	(111,852)	(396,518)	(284,666)
Index 799320 - HHW Closure	(333)	(534)	(201)
Index 799338 - HHW Facility	3,915	(4,045)	(7,960)
Index 799718 - Contingency	(36,301)	(56,540)	(20,239)
Overall Net Cost	(144,571)	(457,637)	(313,066)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Wood Waste Detail**

799114

Expenditures

Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
6103	Liability Insurance	887	832	(55)
6400	Office Expense	0	4	4
6521	County Services	525	1,627	1,102
6540	Contract Services	186,845	178,270	(8,575)
6573	Administration Costs	4,044	4,603	559
6629	Accounting Services	844	800	(44)
6630	Audit Services	1,500	1,500	0
7400	Data Processing	1,686	1,686	0
7425	Desktop Modernization	2,269	2,216	(53)
Total Services and Supplies		198,600	191,538	(7,062)
8624	OT-Within Enterprise	208,990	138,000	(70,990)
8648	ISD Replacement	454	454	0
Total Other Charges		209,444	138,454	(70,990)
Total Expenditures		408,044	329,992	(78,052)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Wood Waste Detail**

Revenues

Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
1700	Interest on Pooled Cash	576	2,184	1,608
2901	Tipping Fee Revenue	186,750	242,900	56,150
4020	Sale of Material	40,000	97,333	57,333
4102	Donations/Reimbursement	5,000	5,000	0
4648	ISD Replacement	2,269	2,216	(53)
Total Revenues		234,595	349,633	115,038
Net Cost		173,449	(19,641)	(193,090)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Yard Debris Detail**

799213

Expenditures				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
6104	Liability Insurance	2,264	2,125	(139)
6400	Office Expense	2,000	2,315	315
6521	County Services	1,000	3,294	2,294
6540	Contract Services	2,840,237	2,845,644	5,407
6573	Administration Costs	83,029	85,346	2,317
6590	Engineering Services	0	635	635
6610	Legal Services	2,000	5,009	3,009
6629	Accounting Services	4,056	3,844	(212)
6630	Audit Services	4,000	4,000	0
6820	Rents/Lease - Equipment	2,500	2,419	(81)
7062	Enforcement Agency Fee	35,000	30,573	(4,427)
7110	Professional Development	1,200	0	(1,200)
7301	County Car	1,500	1,119	(381)
7309	Unclaimable County	0	22	22
7400	Data Processing	3,372	3,372	0
7425	Desktop Modernization	4,538	3,064	(1,474)
Total Services and Supplies		2,986,696	2,992,781	6,085
8624	OT-Within Enterprise	729,071	426,000	(303,071)
8648	ISD Replacement	908	908	0
Total Other Charges		729,979	426,908	(303,071)
Total Expenditures		3,716,675	3,419,689	(296,986)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Yard Debris Detail**

Revenues				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
1700	Interest on Pooled Cash	4,336	6,875	2,539
2901	Tipping Fee Revenue	3,144,600	3,225,469	80,869
4030	Sale of Material	90,000	249,120	159,120
4102	Donations/Reimbursement	5,000	5,000	0
4648	ISD Replacement	4,538	3,064	(1,474)
Total Revenues		3,248,474	3,489,528	241,054
Net Cost		468,201	(69,839)	(538,040)

Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Household Hazardous Waste Detail

799312

Expenditures				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
6104	Liability Insurance	4,131	3,877	(254)
6280	Memberships	4,000	4,000	0
6400	Office Expense	4,719	32,645	27,926
6500	Professional Services	268,185	198,756	(69,429)
6521	County Services	2,300	4,743	2,443
6540	Contract Services	1,240,800	1,228,181	(12,619)
6573	Administration Costs	201,037	210,397	9,360
6610	Legal Services	8,000	1,190	(6,810)
6629	Accounting Services	1,944	1,844	(100)
6630	Audit Services	8,500	8,500	0
6785	Advertising	12,000	19,484	7,484
6840	Rents/Leases-Building	23,000	23,000	0
7062	Enforcement Agency	0	288	288
7110	Professional Development	1,250	0	(1,250)
7130	Textbook/Tuition	750	0	(750)
7400	Data Processing	1,686	1,686	0
7425	Desktop Moderization	2,269	1,988	(281)
Total Services and Supplies		1,784,571	1,740,579	(43,992)
8624	OT-Within Enterprise	0	0	0
	HHW Closure	0	0	0
8648	ISD Replacement	454	454	0
Total Other Charges		454	454	0
Total Expenditures		1,785,025	1,741,033	(43,992)

Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Household Hazardous Waste Detail

Revenues				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
1700	Interest on Pooled Cash	732	2,168	1,436
2500	State-Other	268,185	232,686	(35,499)
2901	Tipping Fee Revenue	1,123,390	1,078,312	(45,078)
4102	Donations/Reimbursement	388,450	356,549	(31,901)
4648	ISD Replacement	2,269	1,988	(281)
Total Revenues		1,783,026	1,671,703	(111,323)
Net Cost		1,999	69,330	67,331

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Education Detail**

799411

Expenditures

Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
6104	Liability Insurance	1,330	1,249	(81)
6300	Miscellaneous Expense	80,000	53,900	(26,100)
6400	Office Expense	11,000	23,550	12,550
6500	Professional Services	135,882	111,002	(24,880)
6521	County Services	2,300	4,941	2,641
6540	Contract Services	27,000	22,840	(4,160)
6573	Administration Costs	237,278	207,626	(29,652)
6610	Legal Services	25,000	19,249	(5,751)
6630	Accounting Services	1,607	1,524	(83)
6642	Audit Services	3,000	3,000	0
6840	Rents/Leases-Equipment	2,500	3,550	1,050
7130	Textbook/Tuition	1,034	0	(1,034)
7400	Data Processing	1,686	1,686	0
7425	Desktop Moderization	2,269	1,881	(388)
Total Services and Supplies		531,886	455,998	(75,888)
8624	OT-Within Enterprise	3,550	0	(3,550)
8648	ISD Replacement	454	454	0
Total Other Charges		4,004	454	(3,550)
Total Expenditures		535,890	456,452	(79,438)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Education Detail**

Revenues

Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
1700	Interest on Pooled Cash	63	900	837
2500	State-Other	135,882	121,908	(13,974)
2901	Tipping Fee Revenue	278,103	266,944	(11,159)
4040	Miscellaneous Revenue	80,000	49,036	(30,964)
4103	Donations/Reimbursement	38,539	38,102	(437)
4648	ISD Replacement	2,269	1,881	(388)
Total Revenues		534,856	478,771	(56,085)
Net Cost		1,034	(22,319)	(23,353)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Diversion Detail**

799510

Expenditures		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
Total Services and Supplies		0	0	0
8624	OT-Within Enterprise	109,046	109,046	0
Total Other Charges		109,046	109,046	0
Total Expenditures		109,046	109,046	0

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Diversion Detail**

Revenues		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
1700	Interest on Pooled Cash	0	727	727
2500	State-Other	0	0	0
2901	Tipping Fee Revenue	0	0	0
4102	Donations/Reimbursement	0	0	0
Total Revenues		0	727	727
Net Cost		109,046	108,319	(727)

FOURTH QUARTER 11-12 REVENUE AND EXPENDITURE SUMMARY AND PROJECTION
Planning Detail

799619

Expenditures		Adopted	Actual	Over/
Sub-Object	Description	Budget	July 11-June 12	(Under)
		FY 11-12		Budget
6103	Liability Insurance	887	832	(55)
6400	Office Expense	0	700	700
6521	County Services	800	1,151	351
6573	Administration Costs	60,111	62,853	2,742
6610	Legal Services	4,000	0	(4,000)
6629	Accounting Services	337	321	(16)
6630	Audit Services	1,000	1,000	0
7130	Textbook/Tuition	750	0	(750)
7400	Data Processing	1,686	1,686	0
7425	Desktop Moderization	2,269	2,658	389
Total Services and Supplies		71,840	71,201	(639)
8624	OT-Within Enterprise	1,576	0	(1,576)
8640	OT-Between Enterprise	454	454	0
Total Other Charges		2,030	454	(1,576)
Total Expenditures		73,870	71,655	(2,215)

Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Planning Detail

Revenues		Adopted	Actual	Over/
Sub-Object	Description	Budget	July 11-June 12	(Under)
		FY 11-12		Budget
1700	Interest on Pooled Cash	23	155	132
2901	Tipping Fee Revenue	62,207	59,711	(2,496)
4102	Donations/Reimbursement	8,621	9,147	526
4648	ISD Replacement	2,269	2,658	389
Total Revenues		73,120	71,671	(1,449)
Net Cost		750	(16)	(766)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Organics Reserve Detail**

799221

Expenditures				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
6400	Office Expense	0	562	562
6540	Contract Services	79,000	100,392	21,392
6573	Administration Costs	80,134	81,243	1,109
6590	Engineering Services	26,000	1,397	(24,603)
6610	Legal Services	24,000	23,156	(844)
6630	Audit Services	1,500	1,500	0
Total Services and Supplies		210,634	208,250	(2,384)

Total Expenditures	210,634	208,250	(2,384)
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**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Organic Reserve Detail**

Revenues				
Sub-Object	Description	Adopted Budget FY 11-12	Actual July 11-June 12	Over/ (Under) Budget
1700	Interest on Pooled Cash	24,875	40,184	15,309
4040	Miscellaneous Revenues	0	584	584
4624	OT-Within Enterprise	297,611	564,000	266,389
Total Revenues		322,486	604,768	282,282

Net Cost	(111,852)	(396,518)	(284,666)
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**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
HHW Closure Reserve Detail**

799320

Expenditures		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
Total Services and Supplies		0	0	0
8624	OT-Within Enterprise	0	0	0
Total Other Charges		0	0	0
Total Expenditures		0	0	0

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
HHW Closure Reserve Detail**

Revenues		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
1700	Interest on Pooled Cash	333	534	201
4624	OT-Within Enterprise	0	0	0
Total Revenues		333	534	201

Net Cost		(333)	(534)	(201)
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**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
HHW Facility Reserve Detail**

799338

Expenditures		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
6400	Office Expense	12,000	10,281	(1,719)
TOTAL SERVICES & SUPPLIES		12,000	10,281	(1,719)
8624	OT-WITHIN ENTERPRISE	0	0	0
TOTAL OTHER CHARGES		0	0	0
TOTAL EXPENDITURES		12,000	10,281	(1,719)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
HHW Facility Reserve Detail**

Revenues		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
1700	Interest on Pooled Cash	8,085	14,326	6,241
4624	OT-Within Enterprise	0	0	0
Total Revenues		8,085	14,326	6,241
Net Cost		3,915	(4,045)	(7,960)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Contingency Reserve Detail**

799718

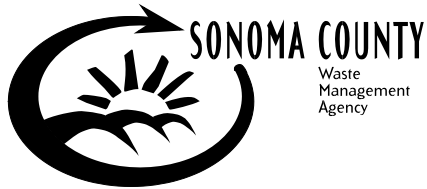
Expenditures		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
6400	Office Expense	2,000	3,446	1,446
6521	County Services	0	992	992
6573	Administration Costs	67,347	26,407	(40,940)
6610	Legal Services	9,000	22,582	13,582
6630	Audit Services	500	500	0
Total Services and Supplies		78,847	53,927	(24,920)
8624	OT-Within Enterprise	0	0	0
	OT-Within Enterprise-Prior Year	0	0	0
Total Other Charges		0	0	0
Total Expenditures		78,847	53,927	(24,920)

**Fourth Quarter 11-12 Revenue and Expenditure Summary and Projection
Contingency Reserve Detail**

Revenues		Adopted	Actual	Over/
Sub-Object	Description	Budget FY 11-12	July 11-June 12	(Under) Budget
1700	Interest on Pooled Cash	976	1,421	445
4624	OT-Within Enterprise	114,172	109,046	(5,126)
Total Revenues		115,148	110,467	(4,681)
Net Cost		(36,301)	(56,540)	(20,239)

SCWMA Fund Balance Comparison of FY 11-12 at Year End to Approved FY 12-13 Budget

		Actual FY 10-11	Budgeted FY 11-12	Actual FY 11-12	Proposed FY 12-13
Wood Waste					
	Beginning Fund Balance	85,242	203,239	199,312	218,952
	Revenues	281,307	234,595	349,633	237,134
	Expenditures	(163,310)	(408,044)	(329,993)	(237,134)
	Ending Fund Balance	203,239	29,790	218,952	218,952
Yard Debris					
	Beginning Fund Balance	506,885	914,895	908,245	978,086
	Revenues	3,258,921	3,144,600	3,489,529	3,402,963
	Expenditures	(2,850,911)	(3,716,675)	(3,419,688)	(3,402,963)
	Ending Fund Balance	914,895	342,820	978,086	978,086
Household Hazardous Waste					
	Beginning Fund Balance	22,176	12,894	17,892	(51,439)
	Revenues	1,591,805	1,783,026	1,671,702	1,786,328
	Expenditures	(1,601,087)	(1,785,025)	(1,741,033)	(1,779,725)
	Ending Fund Balance	12,894	10,895	(51,439)	(44,836)
Education					
	Beginning Fund Balance	50,924	14,905	15,323	37,643
	Revenues	319,263	534,856	478,771	495,083
	Expenditures	(355,282)	(535,890)	(456,451)	(495,083)
	Ending Fund Balance	14,905	13,871	37,643	37,643
Diversion					
	Beginning Fund Balance	56,623	109,045	109,043	724
	Revenues	52,422	0	727	0
	Expenditures	0	(109,046)	(109,046)	0
	Ending Fund Balance	109,045	(1)	724	724
Planning					
	Beginning Fund Balance	19,247	26,985	27,019	27,035
	Revenues	64,662	73,120	71,671	25,066
	Expenditures	(56,924)	(73,870)	(71,655)	(26,066)
	Ending Fund Balance	26,985	26,235	27,035	26,035
Organics					
	Beginning Fund Balance	4,769,927	4,574,975	4,574,975	4,971,493
	Contributions	29,948	322,486	604,768	266,228
	Uses	(224,900)	(210,634)	(208,250)	(179,742)
	Ending Fund Balance	4,574,975	4,686,827	4,971,493	5,057,979
HHW Closure					
	Beginning Fund Balance	59,451	59,831	59,832	60,366
	Contributions	380	333	534	6,964
	Uses	0	0	0	0
	Ending Fund Balance	59,831	60,164	60,366	67,330
HHW Facility					
	Beginning Fund Balance	1,634,784	1,607,766	1,607,767	1,611,812
	Contributions	10,336	8,085	14,326	9,695
	Uses	(37,354)	(12,000)	(10,281)	(275,000)
	Ending Fund Balance	1,607,766	1,603,851	1,611,812	1,346,507
Contingency					
	Beginning Fund Balance	181,430	149,992	150,749	207,290
	Contributions	1,101	115,148	110,467	285,863
	Uses	(32,539)	(78,847)	(53,926)	(49,861)
	Ending Fund Balance	149,992	186,293	207,290	443,292



Agenda Item #: 4.5
Cost Center: All
Staff Contact: Dowdell
Agenda Date: 9/19/2012

ITEM: 2012 Biennial Review of Conflict of Interest Code

I. BACKGROUND

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

The last review was August 18, 2010 and there have been no modifications since.

II. DISCUSSION

There have been no changes to the number or type of positions and the designations have remained the same. No positions have been deleted and no titles have been changed.

The deadline for completing the biennial review and submitting it to the County Clerk is October 1, 2012.

This Biennial Review was originally presented to the Board at the July 2012 Board meeting as an informational item. However, Agency Counsel has advised us that the Review requires formal Board approval.

III. FUNDING IMPACT

There is no direct funding impact to the Agency.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the review process and authorizing the Executive Director's signature on the notice stating there is no amendment required.

V. ATTACHMENTS

Copy of the Amended Conflict-of-Interest Code
Copy of the 2012 Local Agency Biennial Notice

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

RESOLUTION NO. 92-007

Dated: June 17, 1992

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

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

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

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

MEMBERS:

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

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

SO ORDERED.

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

By: 
Clerk

APPENDIX A

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

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

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

APPENDIX B

Disclosure Categories

Disclosure

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

2012 Local Agency Biennial Notice

Name of Agency: Sonoma County Waste Management Agency
Mailing Address: 2300 County Center Dr., Rm. 100B, Santa Rosa, CA 95403
Contact Person: Debra Dowdell Office Phone No: (707) 565-3579
E-mail: Debra.Dowdell@sonoma-county.org Fax No: (707) 565-3701

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code requires disclosure by agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict-of-interest code and has determined that *(Check one box)*:

- ☐ **An amendment is required. The following amendments are necessary:**
(Mark all that apply.)
- ☐ Include new positions.
 - ☐ Revise disclosure categories.
 - ☐ Revise the titles of existing positions.
 - ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions.
 - ☐ Other *(describe)* _____
- ☒ **No amendment is required.**
- ☐ **The code is currently under review by the code reviewing body.**

Verification

The agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.

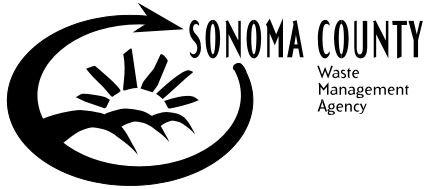
Signature of Chief Executive Officer

Date

Complete this notice regardless of how recently your code was approved or amended.
Please return this notice no later than **October 1, 2012**, or the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.



Agenda Item #: 4.6
Cost Center: All
Staff Contact: Mikus
Agenda Date: 9/19/2012

ITEM: Facilitator Services: Evaluations of Agency Counsel & Executive Director

I. BACKGROUND

From the SCWMA's beginning in 1992, until 2009, the SCWMA's Executive Director (ED) reported through, and was directly supervised by, the County of Sonoma's Department of Transportation and Public Works (DTPW). Preparatory to the selection of a new ED during 2010 this structure was altered so that the ED would report directly to the SCWMA Board rather than DTPW. As a result the SCWMA Board became responsible for evaluating the performance of the ED.

Similarly, the Agency Counsel (AC) serves the SCWMA at the pleasure of the Board.

There has been no process in place for evaluating the performances of either the Executive Director or the Agency Counsel by the Board on an annual basis.

At the April 2012 Board meeting a discussion was held to look at draft evaluation forms and determine a process. Board consensus was to investigate using a professional facilitator to develop and manage the process. Staff was asked to develop the contacts and solicit proposals, and the Board's Executive Committee was tasked with doing the evaluating.

II. DISCUSSION

Two firms with extensive experience working with executive level performance evaluations by governing boards or councils were interviewed and asked to provide proposals. The Executive Committee evaluated the proposals, provided input regarding any alternatives or choices presented in the proposals, and selected one firm for cost negotiations. The two firms were "The Personnel Perspective" and "Sherry L. Lund Associates". Lund Associates was recommended by the Executive Committee to provide the facilitator services.

In summary, Lund Associates proposes to utilize a three-phase approach. First would be "Preparation for the Review Session" which would include development of the process to be followed, determining evaluation criteria, and soliciting feedback from board members. Second would be to conduct "Performance Review Sessions" with the Board, and the ED and AC as two separate sessions. Finally, there would be "Post-Session Wrap-Ups" with the ED and AC, to do de-briefings, plus preparation of the requisite documentation. An option to include staff feedback is also included as the Board desires.

The decision to do either two sessions in one day (one each for the ED and AC), or separate days for single sessions, would have to depend on timing and availability of Board members when actual schedules are proposed.

Cost range as a total for both the ED and AC would be between \$13,925 and \$17,425 dependent on including the staff feedback option, and whether both ED and AC evaluation sessions would occur on the same day or on separate days.

III. FUNDING IMPACT

As this is not a line item provided for in the Agency FY 12-13 approved budget, funds would need to be allocated from the Contingency Reserve.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Approve Sherry L. Lund Associates to provide facilitator services, including using the “staff option” for evaluating the Executive Director and Agency Counsel, with a maximum amount of \$17,425 to be funded from the Contingency Reserve.

V. ATTACHMENTS

Sherry L. Lund Associates Proposal
Sherry L. Lund Associates Introduction

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



247 La Cuesta Drive
Portola Valley, CA 94028
(650) 619-5500 fax (650) 561-8414
sherrylund@aol.com

July 6, 2012

Mr. Henry Mikus
Executive Director
Sonoma County Waste Management Agency
2300 County Center Drive, Suite B-100
Santa Rosa, CA 95403

Dear Mr. Mikus:

Thank you for working with your Board to clarify the choice points we discussed in how I would approach the performance appraisal process for you and your agency attorney. With that information, I can now provide a more specific proposal with a cost quotation.

As the two senior executives, you and the external attorney control the major financial and human resources in executing the Board's vision and priorities. Performance evaluation is an important opportunity to get feedback on the past year. More importantly, it is an opportunity to get fully aligned with the Board about expectations of performance going forward.

Benefits

The primary benefits I bring to the process are as follows:

1. **Solid methodology** and providing **technical expertise** in executive evaluation.
2. Efficiency in **helping the Board deliver a quality process and outcome that result in Board/Executive alignment and clear, actionable feedback and goals.**
3. Expert, third-party facilitation among the ten Board members and with each executive to meet your mutual needs. Assurance of a **safe, professional, and mutually respectful** environment for review discussions/ feedback. I serve as **an advocate for all points of view** being heard within a professional and respectful environment.

Project Phases

I propose three phases, detail as follows:

Sherry L. Lund Associates, Portola Valley, CA (650) 619-5500

Phase I - Preparation for Review Session:

In preparation for the review session, I do the following steps:

- **Work with you or your designee as internal liaison to schedule project meetings and develop a project schedule and milestones.**
- **Work with you and the Attorney to develop/refine evaluation criteria.** I emphasize the value of comments (not only ratings) to provide useful and actionable information to you.
- **Solicit your and the Attorney's self-evaluations,** and provide feedback on those documents, as you request.
- **Meet with the Board to describe how the process will work, agree on a timetable, and sort out who would be the right person** (current member, former member, alternate member) **to provide the review feedback,** given their tenure.
- **Staff Feedback Option:** Meet individually and in person with your direct reports to gather feedback on your staff leadership skills. I prepare a 2-3 page summary of findings, including representative anonymous quotations. These meetings are best done in person, as gathering this information requires creating good rapport to elicit useful and reliable results.
- **Send a review packet to the Board electronically** to prepare them for their phone calls with me. This packet typically includes the following for each of the two reviews: The blank review criteria; the self-evaluations; a copy of each employment contract; and, if elected, the summary from the *Staff Feedback Option* (the latter applies to you only and not to the Attorney).
- **Collect Board feedback.** I meet individually with Board members by telephone to gather feedback. I interview them using the evaluation criteria, capture their feedback and examples, and answer their questions. I anticipate phone meetings to gather input for two employees would take 90 minutes per Board member.
- **Compile Board feedback anonymously,** and send it to the Board for pre-discussion reading. I also send this summary to you a couple of days in advance of the closed session. Even though this document doesn't represent the final agreed-upon review of the entire Board, reading the individual comments will prepare you for the types of questions or discussion that may arise in the review session itself. It may also trigger you to ask some questions of your own.

Phase II - Performance Review Session(s)

- **Meet with the Board members in closed session** where I provide facilitation and technical assistance as needed to help them arrive at an agreed-upon review and goals for the following year.
- The process that I find works best is as follows:
 - I bring a series of draft theme statements that I feel reflects the Board's collective feedback, and that serves as a beginning point for our discussion.
 - I project this on a screen/wall while I facilitate, so that I can make changes in real time and develop a refined document as the Board discussion ensues.
 - When the Board reaches agreement on the review and goals, I am able to format the document in 1-2 minutes, and print it on my portable printer.

- We invite you into the session where the review is delivered and discussion ensues. This is an opportunity for you and the Board to ask questions of each other and get aligned going forward.
- **I recommend allowing 2 hours for each review** (1.00-1.25 hrs. for the Board to agree on review language and 0.75–1.00 hrs. to present the review and follow with questions and discussion). It's possible that the Attorney review may not take quite as long, but since there are ten Board members, and I haven't worked with you before, I would suggest allowing this amount of time. When I complete the Board interviews, I would have a better idea about whether this time could be shortened without compromising the quality of the process.

Phase III - Post-Session Wrap-Up

Following the review session, I do the following:

- **Meet with you and the Attorney separately by phone to debrief** the evaluation meeting.
- **Prepare final evaluation file copies and obtain necessary signatures.** I provide the file copy to whoever is charged with keeping the official confidential record.
- **Solicit feedback from you and from the Board on any process improvements** that you'd suggest for the future.

Consultant Qualifications

Due to the highly confidential nature of this assignment, I will personally perform all work on this contract. I believe my skills and experience are a good match for this work, as I offer:

- Deep and broad experience in ***performance management (including executive evaluation), interpersonal communication, executive coaching, negotiation, rewards and recognition, and career development*** – all important components of this project.
- Thirty-seven years experience in organizational consulting with twenty-five years consulting experience in my own firm—for a **broad variety of organizations in the public and private sector:**
 - ***Public sector experience examples include:*** Cities of Palo Alto, Dublin, Fremont, Novato, Santa Rosa, Fairfield, Mission Viejo, Tracy, Union City, and Vacaville CA; TV-30 (a jointly managed entity of Dublin, Pleasanton, and Livermore); the City of Tualatin, OR; Counties of Santa Clara, San Mateo, Alameda and Riverside, CA, Santa Clara Valley Water District, the Dr. Susan Love Research Foundation, S. H. Cowell Foundation, the Carnegie Mellon University (Provost), and the University of California.
 - ***Global private sector examples include:*** Intel, HP, Acco Brands, Seagate, The Gap, Levi Strauss, Driscoll's, Xoma, Genelabs), and many others; working for them in the U.S., Europe, Asia, and the Middle East.
- **The ability to be fully objective about the process and relationships** as a third

party expert.

This broad experience allows me to collect best practices from many sources and to avoid getting locked into the paradigms and traditions of a single type of organization. It also allows me to understand the point of view of all stakeholders – employees, Board members, and citizens.

Cost and Terms

Consulting fees are based on the following discounted rate structure for public sector projects: Consulting, \$250/hr. (regular private sector rate = \$375/hr.). Facilitation and/or on-site work: \$2,000/full day and \$1500/half day with 1/2 day minimum. Expenses are additional. Pricing assumes local Santa Rosa meeting site. If client changes project scope, cost will be re-forecast, and approval will be sought prior to additional work being performed.

This project can be completed for a project fee as shown below.

Option 1: Both reviews can be accomplished in a single 4-hour closed session --
Project fee is \$ 13,925.00

Option 2: Each of the two reviews requires a 2-hour closed session on separate and non-consecutive days -- Project fee is \$14,925.00

Option 3: *Staff feedback option* (assumes meeting with each of the direct reports sequentially in a single day onsite) -- Add \$2,500.00 to each project fee above.

Terms: Net:30

Sonoma County WMA (Client) Responsibilities

In order to support the success of the project, Client agrees to:

- Assure involved parties are available for one-on-one and group meetings and complete evaluation interviews in order to meet project milestones.
- Identify an internal liaison that can schedule appointments and provide support in getting evaluation items on Board agendas.
- Provide meeting space and A-V equipment required.
- Commit to a professional and respectful process.

Cancellation/Rescheduling Policy

There is no charge made if process can be mutually rescheduled by Client and Consultant within 3 weeks of the original date; if the process cannot be rescheduled during this time frame, the cancellation schedule applies. Fees for cancellation (or rescheduling as previously described) for any reason are applied on the following schedule, *which reflects both advance preparation and exclusive holding of consulting time for a client:* 6 weeks in advance - 25% fee; 5 weeks in advance - 50% fee; 4 weeks in advance - 100% fee. A 100% cancellation charge will apply to individual meetings that are not cancelled with 24 hours prior notice. Materials will be charged

according to their cost accrued at time of cancellation; there will be no charge for materials that can be re-used if process is rescheduled.

Next Steps

The next steps are to:

1. Execute a contract or purchase order, as your agency requires;
2. Schedule phone meetings with you and with the agency Attorney to get started on review criteria and self-evaluations; and
3. Agree on a project schedule; then schedule my attendance of a Board meeting in order to introduce myself and provide an overview of the process.

Please let me know if I can provide any additional information. I would enjoy the opportunity to work with you and with your Board.

Best regards,

Sherry Lund
Principal



247 La Cuesta Drive
Portola Valley, CA 94028
(650) 619-5500 fax (650) 561-8414
sherrylund@aol.com

An Introduction to Sherry L. Lund Associates ORGANIZATIONAL DEVELOPMENT CONSULTING SERVICES

Sherry L. Lund Associates provides **highly leveraged, innovative, and results-oriented solutions that are customized to your unique needs.** We are committed to **client-centered customer service** and developing enjoyable and long-term working relationships with our clients.

- We are **systems consultants.**
- We **customize solutions** to your unique needs.
- We are committed to the **highest ethical standards.**
- We have a **pragmatic and realistic approach** to workplace issues.

We:

- *Help organizations* to become **nimble, streamlined, and responsive.**
- *Help intact, cross-functional, global, and newly merged teams* to speed up the process of **working together effectively and achieving their objectives.**
- *Help managers and individuals* to make their **highest level contribution.**

On the following pages, you will find more detailed descriptions of how we can help you and your organization in each of these areas:

- **Strategic Planning**
- **Organizational Transition and Change**
- **Executive Performance Evaluation and Executive Coaching**
- **Assessment**
- **Reengineering/Work Redesign/Organizational Design**
- **The Myers-Briggs Type Indicator (MBTI)**
- **Joint Development/Mergers/Acquisitions**
- **Team Development**
- **Customer/Client Satisfaction Strategy**

For the best leverage of your time and dollars and the greatest impact on results, we **link and integrate our work with the functional tools and systems you have in place now.**

ORGANIZATIONAL DEVELOPMENT CONSULTING

Strategic Planning, Facilitation, Meeting and Retreat Planning

A quality strategic plan is more than long-range visioning and forecasting. It goes beyond merely predicting the future--it enables us to actually influence our future. We provide consulting on strategic plan development through all phases: assessment and design, process facilitation, and integration of the plan into goal-setting and budgeting.

Our process:

- **Saves time and money.** A quality plan assures that limited human and financial resources are targeted in those areas which have the greatest impact on our future.
- **Provides focus, clarity and alignment.** Managers, Councils/Boards, and employees work together more effectively and efficiently because they are moving in the same direction.
- **Is crisp, actionable and realistic.** Generating too much volume leads to inaction.

We work with clients by:

- Providing **consulting through the entire planning process** – assessment, design and facilitation of all meetings, process integration, and tracking results.
- **Designing a process that optimizes results within the client's culture, time and cost constraints and expectations.**
- **Integrating the plan** with organizational goal-setting and budgeting cycles.
- **Making the process enjoyable** along the way.

Organizational Transition and Change

Organizations are increasingly confronted with how to bring about **major change with the least disruption** to productivity and morale. We support organizations dealing with the following challenges: **mergers; acquisitions; joint development initiatives; rapid growth; downsizing; reorganizing; work redesign; introduction of new technology; or changing your corporate culture.** We can provide you with any or all of the following types of support:

- Assessing **culture fit** issues
- **Retaining employees** during mergers, acquisitions, and management changes
- Formulating an effective **change and transition management plan**
- Overcoming resistance to change
- Developing a plan for **communicating change** to employees and customers—content, timing, and specific audiences
- Coaching managers, transition team members, and HR staff
- Facilitating small- and large-group sessions to **renew energy and commitment** and **refocus work objectives**; and,

Designed change can help keep organizations change-ready, retain intellectual capital, cut down on productivity loss, and minimize the costs of making major changes.

Executive Performance Evaluation and Executive Coaching

We work with Boards and City Councils to **design and facilitate executive assessment**. Processes frequently include **collecting and collating data, facilitating performance discussions and presentation of reviews**. We have often also designed going-forward processes that are **prospective, simple tools that provide quality measurements, and systems for tracking performance** and providing feedback throughout the year.

We also frequently coach executives and managers individually. Clients typically come to us as a result of one of the following situations:

- A high performing executive/manager wants to **increase effectiveness, strengthen skills, and/or fast track preparation for running an organization**;
- An executive or manager with a **strong technical background** wants individual coaching **to fill in gaps of knowledge in management**, organizational structure, change management, communications, etc.
- An executive or manager is **stalled in his/her career** and wants to overcome the barriers to career advancement;
- An individual wants to **reassess his/her career path** and consider other options;
- An individual is **on a performance plan** and needs individual support to succeed in his/her current position.

A **customized plan, goals, and success factors** are developed to match the unique needs of each client. We use a variety of **assessment tools** as part of the process. **Active coaching and progress reviews are done in person and by telephone, typically over a period of 3-6 months**. Clients have specific assignments to complete between coaching sessions. Ask us for a package and quote tailored for your specific needs.

Assessment

A lot of time, energy, and resources can be misspent on addressing symptomatic issues. Our assessment expertise allows us to **identify underlying problems and their causes and to throw light on the subtle factors at work in a situation**. We add value to the diagnostic process by:

- Drawing people out in a private setting, helping them to open up, and allowing them to fully articulate their concerns and relevant information;
- **Separating major issues from lesser issues and system noise**;
- Focusing on what's working (**build on strengths**) as well as improvements;
- Providing a **skilled, professional, "outside" view** of the situation.
- Evaluating the **consequences of action alternatives** on the total system in order to achieve more impactful and lasting results in your organization.

We report group themes, maintaining the anonymity of individual feedback. We also make recommendations, and help you formulate action plans and communication plans.

Reengineering/Work Redesign/Reorganization

Changes in customers, technology, competition, and the external environment all may call for a new paradigm for doing business. Organizations often reach a point where evolution and fine-tuning no longer meet the challenges of today and tomorrow.

We are experts in reengineering, work redesign, and reorganizations. Many consulting firms do an excellent job on the intellectual design process; but they often leave the work force in ashes. The resulting chaos and uncertainty affects all, causes top performers to leave, and leaves others disoriented and unmotivated.

Our strength in reengineering, work redesign, and reorganization is the result of our expertise in change and transition management and our ability to integrate human factors into work and structural design. Areas often overlooked that we excel in include:

- Treating employees with respect during the change process
- Maintaining a positive work environment
- Communicating ethically and often through a clear plan
- Maintaining positive customer relationships
- Helping employees deal constructively with the difficult changes that are necessary for staying competitive and producing results

Joint Development Initiatives, Mergers & Acquisitions

We help JD and M&A teams get off to a fast, positive start. You've already identified the value drivers in the JD deal. Our "Doing What Matters" process makes sure that the *organizational elements and processes* are lined up for success from the beginning. Once these initiatives are well underway, the sheer volume of demands on everyone's time makes it harder and harder to figure out what to do and to get the right processes and tools in place. We provide assessment, a fast launch process to help you focus on "Doing What Matters," change and transition management, and meeting design/facilitation services to help you be successful.

The Myers-Briggs Type Indicator

We are experts in the use of the Myers-Briggs Type Indicator (MBTI). The MBTI is the most widely-used instrument for executive and management development. It is invaluable for helping managers and team members understand their own interaction and decision-making styles, understand others' different styles, and **appreciate the value of the differences**. This tool has been **used successfully in multicultural and multinational settings**. With 70 years of research behind it, the MBTI is a powerful and enjoyable mechanism for building effective work relationships in intact or cross-functional teams or with customers. Our publisher is Consulting Psychologists Press, publisher of the MBTI.

Team Development

We provide team development for **intact work groups, cross-functional teams, executive teams, and business process re-engineering initiatives**. We have **particular expertise** in working with **multi-national teams, and teams operating across multiple sites and broad geographies** (both functional and cross-functional).

Our overall approach to team development is focused on addressing business issues, creating commitment, and improving interpersonal relationships.

- **Business solutions.** Teams improve their ability to work collaboratively while they address business issues.
- **Commitment.** We use a carefully structured process that helps teams identify their blocks to productivity and create solutions to which they're committed.
- **Improved relationships.** We recognize that business demands and pace create ripe environments for conflict. Our approach helps team members work through the inevitable conflicts in a constructive manner. We help surface issues in an open and supportive atmosphere, focus on the critical work elements, and help negotiate differences for lasting improved relationships.

We are known for our expertise in using the **Myers-Briggs Type Indicator (MBTI)**. The MBTI is used widely in business to help team members both more fully appreciate each other's unique strengths and capitalize on individual differences (rather than let these become obstacles).

Customer/Client Satisfaction

We work with you to develop a unified **system-wide strategy** to make you an industry leader in both **Web-based or traditional commerce**. We help you to:

- 1) **Assess customer satisfaction** through customized
 - Individual **interviews**;
 - **Focus groups**;
 - **Design of survey instruments**; and
 - **Product or service sampling**.
- 2) **Develop clear action plans** based on customer feedback.
- 3) **Implement action plans** in your organization; e.g.,
 - Redesign **weak service links**;
 - **Building on the elements that are working well**;
 - **Streamline** customer processes;
 - **Resolve blocks in the supply chain or in cross-functional interfaces** that may be hindering customer satisfaction.

Depending on your need, consulting services can take the form of **a single simple intervention or a major multi-year process**.

SHERRY L. LUND

Sherry L. Lund is a management consultant, author, and speaker whose clients are located throughout the U.S., Canada, Europe, the Middle East, and Asia. Sherry L. Lund Associates, based in Portola Valley, California, provides management consulting services in the areas of multinational and domestic team development, strategic planning and alignment, change and transition management, executive performance and coaching and process re-engineering.

Sherry brings to her work a broad background in the public and private sector, working with high technology, health care, biotechnology, financial services as well as Cities, Counties, major universities, and foundations. She is a superior executive coach and facilitator of organizational change who is known for her business acumen, her clear thinking, her good humor, and her ability to balance strategy and vision with practical realities. Her clients rely on her knowledge of and sensitivity to people of diverse styles and cultures. She is an expert in the use of the Myers-Briggs Type Indicator.

Sherry has previously served as an Advisory Board member for Santa Clara County's Organizational and Staff Development Department. She has also been an Advisor to Santa Clara University's Executive Development Center of the Leavey School of Business.

Sherry holds a B.A. in Communication and Theatre Education from the University of Colorado, Boulder and an M.A. in Communication (organizational, interpersonal emphasis) from the University of Colorado, Denver. Her master's thesis research focused on interpersonal behavior of physicians. She is a national and local member of the Organizational Development Network, and the Association for Psychological Type, a former Board member of the Bay Area Association for Psychological Type, and has been featured on *Oprah* about the MBTI. She is the co-author of Making It In Today's Organizations: Career Enrichment, Career Advancement and Career Transition, published in 2000 by Consulting Psychologists Press.

REPRESENTATIVE CLIENT LIST

Acco Brands	Alameda Co. Emergency Medical Systems
Alameda Co. Public Health Department	American Electronics Association
Apple Computer	Carnegie Mellon University - Provost
Charles Schwab Corporation	Cisco Systems
City of Chula Vista	City of Dublin
City of Fairfield	City of Fremont
City of Mission Viejo	City of Palo Alto
City of Santa Rosa	County of Santa Clara
County of Riverside	City of Tracy
Dazel Corporation	Driscoll's
Fox & Carskadon	The Gap, Inc.
Genelabs, Inc.	Hewlett-Packard Company
Hospice of Bend-LaPine	Icarian
Intel Corporation	Jurika-Voyles, Inc.
Levi Strauss & Co.	Lluminari (Nancy Snyderman, Susan Love, M.D.'s)
Nellcor, Inc.	Northern Telecom
Pro-Duct (Susan Love, M.D.)	Quantum
San Joaquin County Medical Center	S. H. Cowell Foundation Board
Santa Clara Valley Water District	Seagate
Sony Computer Entertainment	Summit Medical Center
Sun Microsystems	Trimble Navigation, Inc.
University of California	Viacom

Some Examples of Client Engagements and Results . . .

- **Developing strategic and operational plans that provide clarity and focus.**
- **Redesigning work, organizations, and systems to provide better service, to streamline and integrate processes, and to reduce costs.**
- **Coaching executives for improved performance and professional development/advancement.**
- **Supporting joint development initiatives, mergers, acquisitions, and divestitures.**
- **Designing and facilitating an international conference.**
- **Speeding up and improving teamwork; helping teams embrace changes in management and/or membership while increasing productivity.**
- **Helping sales teams achieve a competitive edge through improved account relationships and intra-team collaboration.**
- **Using customer and employee feedback to achieve measurable service increases.**

We provide a broad range of organizational consulting services: work and business process redesign, assessment, mergers and acquisitions, change and transition management, facilitation, customer satisfaction strategy, and strategic and project planning--all in a systems consulting framework. **We help our clients achieve a competitive advantage by developing practical customized solutions to business problems. We are systems consultants who focus on long-term solutions that are highly tailored to your needs.** If we can support you and your goals, please let us know. We'd be happy to meet with you and talk in more detail about your objectives.

Following are a few examples of ways in which we've served our clients:

Developing strategic and operational plans that provide clarity and focus.

- **Strategic Planning consulting** for several California cities.. Consulted on plan and process design, facilitation of major meetings, served as consultant to City Manager and Strategic Task Force, made City Council presentation/facilitation resulting in a 15-year strategic plans that had stakeholder buy-in and was well-integrated into the goal-setting and budgeting planning processes.
- **Strategic Planning consulting** for a financial services organization. Designed a tailored planning process, facilitated key meetings of staff and Board of Directors resulting in a plan that staff could be excited about and implement, and a Board that applauded the plan's integration into business systems and employee objectives.
- **Strategic Plan development** for a major multi-site medical center that gained the alignment and support of the Board of Trustees, staff, physicians, and labor.

- **Strategic and product plan development for a high tech R&D team.** Conducted an assessment of past processes and usable tools, debrief recommendations, designed and facilitated meetings that resulted in exceeding client expectations for the plan results and process.

- **Strategic planning process for a legal litigation firm.** Conducted an assessment, debriefed recommendations, designed and facilitated meetings with partners. Resulted in a well-integrated plan, a new business model, and improved marketing approach, and more clearly defined decision-making.

- **Strategic Plan, organizational design, and plan implementation consulting** to a public health care agency undergoing major culture and service shifts. As a result, the agency moved from providing population-based services to community-based services, initiating public/private partnerships, changing the funding base, and redesigning the organization. Plan development, facilitation of strategic and operational meetings, and ongoing consulting.

Redesigning work, organizations, and systems to provide better service, to streamline and integrate processes, and to reduce costs.

- **Design and facilitation of a financial work redesign process** for a Fortune 500 corporation. Designed a process and facilitated thirty participants from Europe, South America, Asia, and the U.S. in simplifying and integrating strategic planning, budgeting, capital expenditures, and systems requirements, streamlining paperwork and saving thousands of hours of time for over 2,000 managers worldwide.

- **Design and facilitation of a project post-mortem process** for a software development corporation, that resulted in faster TT\$ for future releases and an increased continuous learning environment.

- **Design and facilitation of a reinvention strategy and launch process** for a global services team of a major corporation. Met quarterly with top 20 global managers to define business opportunities, economic buyer/billing model, vision of people, processes, and services, operation principles, priorities, owners, action plan and communication plan. The result was cost savings to the corporation and alignment down and across the team of 5,000 employees worldwide in this group.

- **Design and facilitation of a comprehensive redesign of a county emergency medical system,** that was the result of the collaboration of disparate groups – city managers, EMT's, ambulance service companies, fire captains, unions, physicians, third party payors, and county EMT administrators. This work gained nationwide attention and an article co-authored with the client was featured in the "Futures" section of the 40th anniversary issue of the *Journal of Emergency Medical Services*.

- **Design and facilitation of a comprehensive capacity assessment process** for a County public health department that provided the foundation for integration of 11 clinical and policy departments and improved service to clients and the community.

- **Design and facilitation of a streamlined planning and budget proposal process** for the channel marketing organization of a Fortune 500 corporation resulting in time and cost savings for 30 managers, and improved working relationships with other department partners.

Coaching executives for improved performance and professional development + Facilitating executive performance evaluation

- **Coaching executive teams, individually and as a whole** to work more effectively as a leadership team and increase enterprise-wide effectiveness.
- **Coaching senior executives in the public and private sectors** who want to increase their effectiveness and engage in tailored professional development. We will describe these engagements in clusters in order to preserve the anonymity of individual clients:
 - ***A variety of executives in the private and public sectors who were stalled in their careers*** due to interpersonal difficulties, difficulty creating a vision and strategy, difficulty executing to the strategy, etc.
 - ***A variety of executives who were identified as high performers with high leadership potential*** by their organizations who needed fast, personalized development in order to prepare for a promotion.
 - ***CEO/Entrepreneurs of start-up companies*** who needed support on working with his/her staff and getting results in a small, fast-moving development environment.

In each of these situations, we developed an action plan with the client, and provided tailored, focused coaching to help those clients achieve their goals. We have worked with many clients in a variety of industries and organizations: high tech, health care, government, financial services, entertainment, fashion, and education, among others.

- **Facilitation of performance evaluations with City Managers, City Execs, Boards, and CEO's.** Collected and collated feedback comments and data, facilitate performance discussions and presentation of feedback. Assisted in setting performance objectives and developing simple and clear measurement tools and processes. Resulted in fair, professional performance assessment, clear agreements and goal-setting for the future, and enhanced ability to influence future performance.

Supporting joint development initiatives, mergers, acquisitions, and divestitures.

- **System-wide effectiveness audit of a joint development initiative** between a major high tech corporation and a smaller partner. Presented findings and recommendations to management, and facilitated course correction plan, resulting in faster TT\$, fewer surprises with negative impact, and improved communication between the partners.
- **Representative/consultant for VP of HR on acquisition team** in a major financial services organization. Provided consulting to acquisition team on change and culture issues. Kept VP of HR apprised on strategic and operational issues; made recommendations on change and employee integration process, resources, and priorities. Resulted in proper resourcing and project management for acquisition process, proactive avoidance of problems, employee retention, and a smoother transition for both organizations and their employees.
- **Consultation to General Manager and staff on a divestiture.** Provided expertise on change management and employee retention. Coached GM, management/ supervisory team, and individuals throughout divestiture and subsequent acquisition with another major organization. Resulted in reduced liability for the company, continued engagement of employees throughout the process, and successful outplacement of the entire workforce.

Speeding up and improving teamwork; helping teams embrace changes in management and/or membership while increasing productivity.

- **New Manager/New Team Fast Start** consulting for a Vice President of a global high-tech firm who manages a 15,000 person, \$4 billion segment of the organization. Design and facilitation of a similar process to speed up onboarding and teamwork for:
 - City Councils, City Managers, other CAO's and City department heads.
 - the VP of a large high-tech human resources group, which supports some 39,000 employees.
 - the CEO of a medical center with 2,000 employees.
 - the CEO of a high-tech start-up organization.
 - and numerous other CEOs and their executive teams and department managers and their staffs.
- **Board development** for a large, private foundation's Directors, resulting in a Board succession plan, plus a more effective and efficient meeting process.
- **Team development consulting** with a variety of intact and cross-functional teams in a broad spectrum of industries. We specialize in addressing the unique challenges of groups who are split across domestic and international geographies or internal groups working cross-functionally. Some examples of team we have worked with include:
 - Teams that had conflicts due to personality issues and cultural issues, resulting in better use of time and greater job satisfaction;
 - Teams that functioned quite well, but wanted to maximize their performance, resulting in accelerated learning and performance;
 - Teams that had historically operated as silos, who needed to function as an integrated team, resulting in greater collaboration on integrated business goals and customer service.
 - Teams that were not achieving their results and wanted to ID the problems and course-correct, that resulted in action plans that produced results.
- **Consulting on a multidisciplinary City research and development initiative**, combining Community Development, Redevelopment, and Housing. Results included leveraged impact of the three groups, streamlined processes, strengthened interfaces, and increased results for the community.
- **Facilitation of project team leaders on a capital fund drive** in quarterly meeting reviews over a one-year period that resulted in increased individual and team accountability and financial results.

Designing and facilitating an international conference.

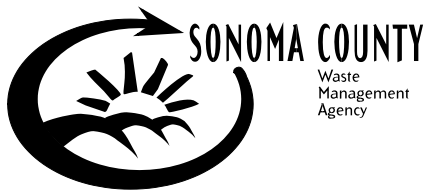
- **Design and consulting for an international conference in Hong Kong** attended by U.S. Fortune 500 corporations (1/3 of attendees), and major Asian corporations located in 12 Asian countries (2/3 of attendees). Provided consultation on intercultural issues with our associates from Hong Kong, Laos, and China. Also facilitated plenary sessions. Results were a high level of engagement and participation among attendees from diverse cultures with many languages, culturally-appropriate session design and facilitation, and very high evaluations from attendees.

Helping sales teams achieve a competitive edge through improved account relationships and intra-team collaboration.

- **Consulting on customer effectiveness with a high-tech marketing team.** We helped them to understand their customer's profiles and showed them how to be more competitive.
- **Consulting on internal sales teamwork** with sales regions of another high-tech organization that resulted in an increase in teamwork effectiveness and their strengthened ability to serve the needs of diverse accounts.

Using customer and employee feedback to achieve measurable service increases.

- **Design and implementation of a customer satisfaction survey** for a Fortune 500 global high tech group over a 5-year period. This process was transferred to the client organization over a four-year period. Results included large improvements in all thirteen metrics, reduced risk in meeting product release targets, and significantly reduced TT\$ for the organization.
- **Design and implementation of an employee satisfaction survey** over a period of 3 years for a Fortune 500 global high tech organization, resulting in significant increases in employee retention, career development, and job satisfaction.
- **Culture and employee satisfaction assessment interviews** of all employees of a rapidly growing financial services company. Provided results and recommendations to the CEO and senior management team, and facilitated an action plan that resulted in the implementation of that plan, including related communications to employees.



Agenda Item #: 5
Cost Center: Organics
Staff Contact: Carter
Agenda Date: 9/19/2012

ITEM: Compost Relocation Update

I. BACKGROUND

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

Project Milestones:

June 18, 2008 – the SCWMA Board selected one preferred site (Site 5a) and two alternative sites (Sites 13 and 14) to be studied further in an Environmental Impact Report (EIR).

March 18, 2009 – First Amendment, the term of the agreement with ESA was extended to December 31, 2009 and an alternative composting technology, aerated static pile, was added to the EIR.

May 20, 2009 – Second Amendment, Site 40 was added to the EIR to be studied at an equal level of detail as Site 5a.

December 2, 2009 – Third Amendment, the term of the agreement was extended to June 30, 2010.

February 17, 2010 – Fourth Amendment, Central Disposal Site was added to the EIR to be studied at an equal level as Sites 5a and 40. The term of the agreement was extended to October 31, 2010.

August 18, 2010 – Fifth Amendment, additional funds were appropriated to complete a Water Supply Assessment for Site 40. The term of the agreement was extended to March 16, 2011.

March 16, 2011 – Sixth Amendment, the term of the agreement was extended to November 16, 2011.

October 19, 2011 – Seventh Amendment, the term of the agreement was extended to August 31, 2012 and additional funds were added to complete the Draft EIR.

January 18, 2012 – the SCWMA held a public hearing to receive comments on the Draft EIR.

March 21, 2012 – Eighth Amendment, additional funds added to recirculate the Draft EIR portions related to the Central Disposal Site.

II. DISCUSSION

ESA delivered the Administrative Draft EIR to staff on August 23, 2012. This draft is for staff's review and correction prior to public release. As the main topic of this new draft is the Central Disposal Site, Agency staff distributed the files to both the County's Permit and Resource Management Department and Central Disposal Site staff for review and comment. Agency staff has received feedback from those parties, aggregated the comments, and has submitted those ESA for correction.

As such, the recirculated Draft EIR was not ready for a public hearing at this meeting. Agency staff is preparing for the Draft EIR to be presented at the October 17, 2012 SCWMA meeting. The comment period on the recirculated EIR would like end in late October or early November. Staff would expect the comments to be addressed in the Final EIR in time for a January 2013 public hearing for the Final EIR. Staff expects to need to check in with all Agency member Councils and Board of Supervisors before site selection, so it may be several months after the certification of the Final EIR before a site is selected and permit work begins.

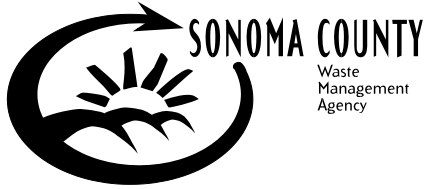
III. FUNDING IMPACT

No additional funds are requested.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

This item is informational. No action is requested.

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



Agenda Item #: 6
Cost Center: Education
Staff Contact: Mikus/Carter
Agenda Date: 9/19/2012

Item: Multi-Family Recycling Education Project Grant Cycle 2

I. BACKGROUND

Utilizing City/County Payment Program beverage container grant funding, during FY 11-12 the Agency conducted a Mandatory Commercial Recycling (MCR) education outreach program to commercial businesses and multifamily residences. This program was prompted by what were then California's upcoming mandatory commercial recycling regulation requirements. Promulgated via AB 341 in October 2011, MCR was made obligatory effective July 1, 2012.

The Agency disseminated information about MCR and the relevant recycling programs extant within our region via a combination of distributing written information and visiting organizations covered under the MCR regulations. Agency staff provided oversight and support, with temporary contract personnel utilized for the actual contacts and other daily activities. This methodology proved very effective as the program was accomplished within the projected budget, with the number of visits exceeding our target. As part of the project, a fairly comprehensive database listing the firms, organizations, groups, or entities subject to the MCR regulations was developed.

The initial program budget was to use \$100,000 of the \$135,882 grant funds available. It was anticipated similar grant funds of approximately \$137,000 will be available for FY12-13.

During the initial MCR program, several sectors of the MCR target community were identified as worthy of further outreach educational work. For example, during the initial MCR program contacts, only property owners and managers of multi-family residential complexes were contacted. However, it became clear the real opportunity to effect positive change would be through direct contact with residents. Opportunities for expanded outreach work also include affordable accommodations establishments and our school population.

Staff developed a plan for utilizing FY 12-13 grant funds to support a second MCR education outreach program based on the successful model utilized in our initial MCR program, which was presented to the Board for approval at the July 2012 Board meeting. Staff would provide oversight and support for two temporary contract employees, who would have as their main focus sessions directly with multi-family residential complex residents. Additional efforts would also be made to meet with the sub-group of affordable hotels/motels, and with schools. It was anticipated one of the two contract employees would be bilingual in Spanish.

After discussion, the Board directed staff to invoice the cities for the city/county payment program grant amounts, approve the project, and directed staff to proceed with the project. The initial project cost was presented as \$81,476. However, the Board also requested staff enter into discussions with the franchised contract trash haulers to enlist their aid for the project. The contract haulers have outreach responsibilities as part of their franchise agreements with the cities and the county, and it was felt the haulers' participation in our MCR program would thus be quite appropriate.

II. DISCUSSION

Sonoma Garbage Company is the franchise hauler for the City of Sonoma, while North Bay Corp./Redwood Empire Disposal and other members of the Ratto Group Family of Companies service the other eight cities and the unincorporated part of Sonoma County. Per the Board's request both firms were contacted regarding participation in our MCR program. Given that the majority of the project budget was for labor coupled with our need for Spanish language capability, our suggestion was for the firms make Spanish speaking help available for our outreach events.

The Ratto Group has agreed to provide Spanish speaking employees to work alongside us at our outreach events within their service areas. However, Sonoma Garbage Collectors has no such individuals on staff, since they are a small family-run and staffed firm. This should not be a problem as the number of multi-family complexes within their service area where Spanish language help would be of aid is small.

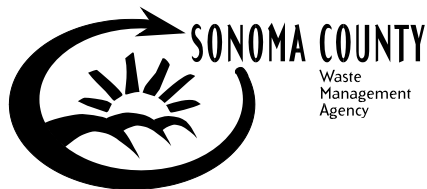
III. FUNDING IMPACT

As a result of our receiving Spanish language help for the MCR program, the original \$81,476 estimated project cost would be reduced to approximately \$72,300.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Approve the reduced project budget which recognizes participation by franchise haulers.

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



Agenda Item #: 7
Cost Center: Contingency
Staff Contact: Mikus/Carter
Agenda Date: 9/19/2012

ITEM: Carryout Bags Ordinance Report

I. BACKGROUND

The SCWMA Board of Directors requested staff to provide carryout bag legislation updates at each SCWMA meeting subsequent to the March 2008 meeting. Since that meeting staff has researched developments within California and out-of-state legislation regarding paper and plastic carryout bags.

At the May 18, 2011 SCWMA meeting, the Board directed staff to present the three options for addressing carryout bags developed by staff to the Board of Supervisors and nine councils so those decision-making bodies could give direction to their respective SCWMA representative regarding action on one of those options.

Jurisdiction	Date
Cotati City Council	7/13/2011
Rohnert Park Subcommittee	7/14/2011
Sebastopol City Council	7/19/2011
Petaluma City Council	8/1/2011
Windsor Town Council	8/3/2011
Cloverdale City Council	8/10/2011
Healdsburg City Council	8/15/2011
Sonoma City Council	8/15/2011
County Board of Supervisors	8/16/2011
Rohnert Park Subcommittee	9/30/2011
Santa Rosa City Council Study Session	11/1/2011
Santa Rosa City Council	5/15/2012

At the February 18, 2012 SCWMA meeting, the Board directed staff to begin outreach meetings throughout the county to receive feedback on the carryout bag waste reduction effort and using the San Jose carryout bag ordinance parameters as the starting point for the discussion.

Jurisdiction	Date	Location
Petaluma	3/12/2012	Petaluma Veteran's Memorial
Santa Rosa	3/13/2012	Santa Rosa Veteran's Memorial
Sonoma	3/14/2012	Sonoma Veteran's Memorial
Cotati	3/19/2012	Cotati Veteran's Memorial
Cloverdale	3/20/2012	Cloverdale Veteran's Memorial
Windsor	3/22/2012	Windsor Community Center
Rohnert Park	3/23/2012	Rohnert Park Community Center
Healdsburg	3/26/2012	Villa Chanticleer Annex
Sebastopol	3/27/2012	Sebastopol Masonic Center

By the May 2012 SCWMA meeting, all member jurisdictions had indicated their support for this project to move forward. When Agency staff visited member jurisdictions' governing bodies during 2011, one of the assurances provided was that if all members did agree to continue working to developing a single-use carryout bag ordinance, Agency staff would return to present the draft ordinance and seek

members' input. At the May meeting, staff was directed to prepare a "White Paper" on the draft ordinance and to release an RFP to hire a consultant to complete the necessary CEQA documentation should the Board decide to pursue adoption of the ordinance.

At the June 20, 2012 SCWMA meeting, staff presented the "White Paper" developed for the draft ordinance to the Board.

The RFP was released on July 24, 2012 and proposals were due August 20, 2012.

II. DISCUSSION

Staff held a series of nine public outreach/stakeholder meetings in March 2012 to get feedback on whether there was support for a carryout bag waste reduction ordinance and, if so, what the parameters should be.

The input from those meetings, phone calls, and emails was overwhelmingly in support of a countywide carryout bag waste reduction ordinance, so staff was directed by the SCWMA Board to return to the Councils and Board to receive additional feedback and gauge the interest in the Countywide vs. Model ordinance approach. The Countywide ordinance would be one ordinance adopted by the Agency, effective throughout the entirety of Sonoma County; the Model ordinance would be adopted by each of Sonoma County's jurisdictions with some in-kind assistance from the Agency.

Jurisdiction	Date
Town of Windsor	6/6/2012
City of Petaluma	7/2/2012
City of Sonoma	7/16/2012
City of Santa Rosa	7/17/2012
City of Cotati	7/25/2012
City of Healdsburg	8/20/2012
County of Sonoma	8/21/2012
City of Sebastopol	8/21/2012
City of Cloverdale	8/22/2012
City of Rohnert Park	9/11/2012

All ten Agency member jurisdictions indicated an interest in pursuing a countywide Agency carryout bag waste reduction ordinance. It needs to be made clear that the interest to proceed does not indicate the jurisdiction's final approval of the project, and that staff is expected to return after the completion of the Environmental Impact Report (EIR) process to report the findings of the EIR and seek final approval in advance of a unanimous vote item on the subject at a future SCWMA meeting.

At the Council/Board meetings a number of comments were raised on the proposed ordinance and method for implementation. These include:

- The city is only interested in a Countywide Agency ordinance
- The fee for paper bags should be set at \$0.10 and should not increase
- The ordinance should include a written warning before administrative fines are imposed
- Elimination or reduction of record reporting requirements
- Ensure education and outreach is done for the retailers and consumers before implementation
- Requesting additional clarification on the Agency's ability to adopt ordinances
- Requesting clarification on a city's ability to adopt the Agency's ordinance should the Agency no longer exist

- Concern about not all cities readopting an ordinance if the Agency should no longer exist, resulting in a patchwork of ordinances
- Allowing the Agency to delegate enforcement to the member jurisdictions
- Removing business exemptions (restaurants and non-profit charitable reusers) from the ordinance
- Requesting that enforcement responsibility be with the Agency Board, not the Agency Executive Director

The comment of only wishing to participate in a countywide, Agency ordinance was made by several cities, which effectively excludes the possibility of a model ordinance implementation method since there is a unanimous vote requirement for adopting the ordinance. The issues of the fee amount, warnings before enforcement, reporting requirements, business exemptions, and enforcement are all discretionary decisions to be made by the Board, and staff does not believe they will materially affect a potential environmental impact report (which will be discussed in detail in this meeting's Agenda Item 8).

Under the schedule offered by Rincon Consultants, the public hearing on Draft EIR would be expected in January 2013 and the public hearing Final EIR would be expected in March 2013. Adoption of the ordinance could occur after the certification of the Final EIR.

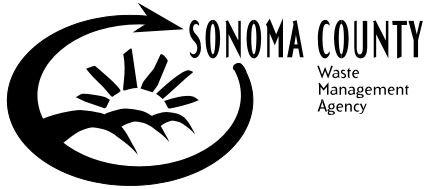
III. FUNDING IMPACT

The approved FY 2012/13 SCWMA Budget included \$150,000 for a consultant to prepare a CEQA document, \$142,224 for staff time, and \$40,000 for legal services on the issue of carryout bag waste reduction efforts. At the time of transmittal preparation, the only expenditure was \$3,324 for staff time. All expenditures are within budgeted amounts.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends directing staff to proceed with the carryout bag waste reduction ordinance under the countywide Agency implementation method.

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



Agenda Item #: 8
Cost Center: Contingency
Staff Contact: Mikus/Carter
Agenda Date: 9/19/2012

ITEM: Carryout Bags RFP for EIR Consultant

I. BACKGROUND

The SCWMA Board of Directors requested staff to provide carryout bag legislation updates at each SCWMA meeting subsequent to the March 2008 meeting. Since that meeting staff has researched developments within California and out-of-state legislation regarding paper and plastic carryout bags.

At the May 18, 2011 SCWMA meeting, the Board directed staff to present the three options for addressing carryout bags developed by staff to the Board of Supervisors and nine councils so those decision-making bodies could give direction to their respective SCWMA representative regarding action on one of those options.

At the February 18, 2012 SCWMA meeting, the Board directed staff to begin outreach meetings throughout the county to receive feedback on the carryout bag waste reduction effort and using the San Jose carryout bag ordinance parameters as the starting point for the discussion.

At the April 18, 2012 SCWMA meeting, the Board directed staff to return at the May 2012 SCWMA meeting with a draft ordinance noting where the ordinance would be different as a countywide or model ordinance.

By the May 2012 SCWMA meeting, all member jurisdictions had indicated their support for this project to move forward. When Agency staff visited member jurisdictions' governing bodies during 2011, one of the assurances provided was that if all members did agree to continue working to developing a single-use carryout bag ordinance, Agency staff would return to present the draft ordinance and seek members' input. At the May meeting, staff was directed to prepare a "White Paper" on the draft ordinance and to release an RFP to hire a consultant to complete the necessary CEQA documentation should the Board decide to pursue adoption of the ordinance.

At the June 20, 2012 SCWMA meeting, staff presented the "White Paper" developed for the draft ordinance to the Board.

The RFP was released on July 24, 2012 and proposals were due August 20, 2012.

II. DISCUSSION

Staff received four proposals from consultants interested in completing the CEQA documentation for a carryout bag ordinance. These firms include David J. Powers & Associates, GHD, R3 Consulting Group, and Rincon Consultants. All four proposals were evaluated in accordance with the evaluation protocol included in the RFP, specifically comparing the level of CEQA analysis recommended, experience with CEQA projects related to ordinances, assistance required of Agency staff, and the feasibility of the scope of work and budget.

Firm	Average Score
Rincon Consultants	78
David J. Powers & Associates	68
GHD	55
R3 Consulting Group	48

Contingent upon the Board's unanimous consent from the Agenda item, staff recommends entering into an agreement with Rincon Consultants to perform the necessary CEQA documentation prior to adoption of a carryout bag waste reduction ordinance. Rincon Consultants is performing a nearly identical project for the County of San Mateo (which would include 24 cities in San Mateo and Santa Clara counties) and the City of Palo Alto, and has assisted the cities of Sunnyvale, Santa Monica, Huntington Beach, and Long Beach with their CEQA documentation for carryout bag ordinances. The Rincon proposal recommended an EIR, which staff agrees is the most defensible approach, required relatively little additional preparatory effort by Agency staff, and included a reasonable scope of work (given their past experience with these projects) at the least cost for an EIR among the proposals received.

Firm	Project Cost (EIR)
Rincon Consultants	\$41,740
David J. Powers & Associates	\$48,980
GHD	\$119,920
R3 Consulting Group	\$137,335

Staff believes the dramatically lower costs from Rincon Consultants and David J. Powers & Associates is directly related to their experience preparing these EIRs for carryout bag ordinances. Both firms have significant experience with these specific EIRs (Rincon's is described above and David J. Powers performed the EIRs for San Jose and Alameda County), which staff believes has allowed them to reduce their costs significantly.

Agency staff interviewed and was impressed by both Rincon Consultants and David J. Powers staff, but believes Rincon Consultants provided the superior proposal.

III. FUNDING IMPACT

\$150,000 was included in the original FY 12/13 SCWMA Budget for consultant services for this project. The staff recommended proposal includes a cost of \$41,170, which is significantly less than the budgeted amount. Unspent funds would remain in the Contingency Reserve.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends entering into an Agreement for Consulting Services with Rincon Consultants to prepare CEQA documentation with regard to the carryout bag waste reduction ordinance.

V. ATTACHMENTS

Agreement with Rincon Consultants for Consulting Services
Exhibit A
Sample Evaluation Form

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

AGREEMENT FOR CONSULTING SERVICES REGARDING CARRYOUT BAG WASTE REDUCTION

This agreement ("Agreement"), dated as of September 19, 2012 ("Effective Date") is by and between the Sonoma County Waste Management Agency, (hereinafter "Agency"), and Rincon Consultants, Inc., a California Corporation (hereinafter "Contractor").

RECITALS

WHEREAS, Contractor represents that it is duly qualified and experienced in Consulting Services related to the California Environmental Quality Act; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is necessary and desirable to employ the services of Contractor to perform necessary preparation of CEQA documents to examine environmental issues related to carryout bag waste; and,

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

1. Scope of Services.

1.1 Contractor's Specified Services. This Agreement is entered into for the purpose performing consulting services related to the California Environmental Quality Act regarding carryout bag waste. Contractor shall perform services as defined in Exhibit A, Scope of Services.

1.2 Cooperation with Agency. Contractor shall cooperate with Agency and Agency staff in the performance of all work hereunder.

1.3 Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If Agency determines that any of Contractor's work is not in accordance with such level of competency and standard of care, Agency, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Agency to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.4 Assigned Personnel.

a. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time Agency, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Agency.

b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Agency to be key personnel whose services are a material inducement to Agency to enter into this Agreement, and without whose services Agency would not have entered into this Agreement. Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Agency.

c. In the event that any of Contractor's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Contractor's control, Contractor shall be responsible for timely provision of adequately qualified replacements.

2. Payment.

2.1 Contractor shall be paid \$41,740 (forty-one thousand, seven hundred forty dollars) for services rendered in accordance with tasks detailed in Section 1.1 above and in Exhibit A, upon monthly submission of progress reports, verified claims and invoices, in the amount of ninety percent (90%) of the work billed and approved. Payments shall be made in the proportion of work completed based upon progress reports to total services to be performed. Payment for satisfactory performance includes, without limitation, salary, fringe benefits, overhead, and profit.

2.2 Monthly progress reports shall be submitted by Contractor and shall identify the basis for determination of the percentage of completion, the number of hours for the month, by job classification, spent on work completed, the percent of work completed during the month, and total percent of work completed.

2.3 Final payment of the ten percent (10%) retention corresponding to specific tasks may be paid at the discretion of Agency within thirty-five (35) days after completion of all work for that specific task, and submission of a verified claim and invoice.

3. Term of Agreement. The term of this Agreement shall be from September 19, 2012 to March 20, 2013, unless terminated earlier in accordance with the provisions of Article 4 below.

3.1 The Agency Board of Directors authorizes the Executive Director the ability to extend the term of the agreement by up to six (6) months provided that the payment amount, as defined in Section 2, is unchanged.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Agency shall have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days written notice to Contractor.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Agency may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination.

4.3 Delivery of Work Product and Final Payment Upon Termination. In the event of termination, Contractor, within 14 days following the date of termination, shall deliver to Agency all materials and work product subject to Section 9.9 and shall submit to Agency payment up to the date of termination.

5. Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to Agency, and to defend, indemnify, hold harmless, reimburse and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense including, but not limited to, attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Agency to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity arising out of or in connection with the performance of Contractor hereunder, but, to the extent required by law, excluding liability due to the sole negligence or willful misconduct of Agency. If there is a possible obligation to indemnify, Contractor's duty to defend with legal counsel acceptable to Agency, exists regardless of whether it is ultimately determined that

there is not a duty to indemnify. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents.

6. Insurance. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described below:

6.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days' prior written notice to the Agency.

6.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

- a. The Agency, its Board of Directors and staff, is named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
- b. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.
- c. The insurance provided herein is primary coverage to the Agency with respect to any insurance or self-insurance programs maintained by the Agency.
- d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language:

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

6.4 Professional Liability Insurance. Professional liability insurance for all activities of Contractor arising out of or in connection with this Agreement in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said policy shall be endorsed with the following specific language:

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

6.5 Documentation. The following documentation shall be submitted to the Agency:

- a. Properly executed Certificates of Insurance clearly evidencing all coverages, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution

of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-required coverages, limits, and endorsements on file with the Agency for the duration of this Agreement.

b. Signed copies of the specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

c. Upon Agency's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of Agency's request.

6.6 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

6.7 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. Agency, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, Agency may purchase such required insurance coverage, and without further notice to Contractor, Agency may deduct from sums due to Contractor any premium costs advanced by Agency for such insurance. These remedies shall be in addition to any other remedies available to Agency.

7. Prosecution of Work. The funding source for this project is the City/County Payment Program administered by CalRecycle; AGENCY reserves the right to withhold the Notice to Proceed until sufficient funding is received from CalRecycle. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes which do not increase or decrease the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Agency's Executive Director in a form approved by Agency Counsel. All other extra or changed work must be authorized in writing by the Agency Board of Directors.

9. Representations of Contractor.

9.1 Standard of Care. Agency has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by Agency shall not operate as a waiver or release.

9.1.1 Change in Information. Contractor shall notify Agency thirty (30) days prior to any change to the information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, that is initiated by Contractor, or within seven (7) days of Contractor becoming aware of a change to the information provided pursuant to Section 10 of Exhibit A that was not initiated by Contractor.

9.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of Agency and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits provided to Agency staff. In the event Agency exercises its right to terminate this Agreement pursuant to Article 4,

above, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Agency harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Agency is audited for compliance regarding any withholding or other applicable taxes. Contractor agrees to furnish Agency with proof of payment of taxes on these earnings.

9.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement, as well as information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, and shall make such documents and records available to Agency for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

9.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed by Contractor. In addition, if requested to do so by Agency, Contractor shall complete and file and shall require any other person doing work under Contractor and this Agreement to complete and file a "Statement of Economic Interest" with Agency disclosing Contractor's or such other person's financial interests.

9.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.8 Assignment Of Rights. Contractor assigns to Agency all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to Agency in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Agency may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of Agency. Contractor shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Agency.

9.9 Ownership And Disclosure Of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Agency. Agency shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Contractor shall promptly deliver to Agency all such documents which have not already been provided to Agency in such form or format as Agency deems appropriate. Such documents shall be and will remain the property of Agency without restriction or limitation. Contractor may retain copies of the above

described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Agency.

10. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article 10 limits Agency's right to terminate this Agreement pursuant to Article 4.

11. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

Agency: Sonoma County Waste Management Agency
Attention: Patrick Carter
2300 County Center Drive, Suite B 100
Santa Rosa, CA 95403
Phone: (707) 565-3687
FAX: (707) 565-3701

Contractor: Rincon Consultants, Inc.
Attention: Joe Power
Address: 180 North Ashwood Avenue
Ventura, CA 93003
Phone: (805) 644-4455
Fax: (805) 644-4240

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile, the notice bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail, (2) the sender has a written confirmation of the facsimile transmission, and (3) the facsimile is transmitted before 5 p.m. (recipient's time).

In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

13. Miscellaneous Provisions.

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

13.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is

held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

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

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

13.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

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

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

13.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

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

AGENCY: SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Chair

CONTRACTOR:

By: _____

Name: _____

Title: _____

APPROVED AS TO SUBSTANCE BY
AND CERTIFICATES OF INSURANCE
ON FILE WITH:

By: _____
Executive Director, SCWMA

APPROVED AS TO FORM FOR AGENCY:

By: _____
Agency Counsel

Revised Proposal to Provide Consulting Services Regarding the

Carryout Bag Waste Reduction Ordinance



Submitted to:

Sonoma County Waste Management Agency

Submitted by:

Rincon Consultants, Inc.

August 29, 2012

OVERVIEW OF THE PROPOSED PROJECT

The Sonoma County Waste Management Agency (Agency) is seeking proposals for the preparation of a California Environmental Quality Act (CEQA) document to address the impacts of an ordinance that regulates the use of paper and plastic single-use carryout bags. The ordinance would apply to the County of Sonoma and the nine incorporated jurisdictions within the County: Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, and Windsor. The carryout bag waste reduction ordinance would apply to all retail establishments in these jurisdictions, including those selling clothing, food, and personal items directly to the customer. It would not apply to restaurants. The ordinance would prohibit the free distribution of single-use carryout paper and plastic bags and require retail establishments to sell recycled paper bags and reusable bags to the customer at the point of sale.



Rincon is particularly well-suited to assist the Agency with this assignment because of our experience with similar projects, including preparation of EIRs on single-use bag reduction ordinances for the County of San Mateo (including the County of San Mateo and 24 cities in San Mateo and Santa Clara counties) and the cities of Palo Alto, Sunnyvale, Huntington Beach, Santa Monica and Long Beach. Rincon's Project Manager for this assignment, Matthew Maddox, is an expert in the field, having participated in several panel presentations on the topic for the American Planning Association (APA), Association of Environmental Professionals (AEP), and American Public Works Association (APWA). Our qualifications and applicable experience are described in greater detail in the following sections.

This proposal includes: (1) an implementation plan and budget (consistent with Exhibit A-2 of the RFP), including a discussion of the recommended level of CEQA analysis, ordinance-related CEQA experience, data requests, and a scope of work and budget; (2) qualifications and experience of the firm and staff assigned to this project; and (3) references from similar work. As requested in the RFP, a summary of Rincon's existing insurance policies are also provided.

1.0 EXHIBIT A-2: IMPLEMENTATION PLAN AND BUDGET

The following sections directly address the questions found on Exhibit A-2: Implementation Plan and Budget.

1.1 LEVEL OF CEQA ANALYSIS

Based on our previous experience with similar carryout bag waste reduction ordinances, we recommend preparing an Environmental Impact Report (EIR) for the proposed ordinance. Recent litigation indicates that an EIR may be the appropriate level of review for ordinances covering larger jurisdictions, as would be the case for the Agency's proposed Carryout Bag Waste Reduction Ordinance. In addition, compared to a lower level of CEQA review (such as a Negative Declaration or Mitigated Negative Declaration), an EIR better informs the stakeholders, decision makers, and the general public about the ordinance and its potential environmental impacts; improves public engagement by providing additional means for public

input; and demonstrates the Agency's due diligence with regard to consideration of potential impacts resulting from the proposed ordinance. Given our experience with other carryout bag EIRs, we are confident that an EIR process for this project can be expedient and cost effective as well.

The EIR for the proposed ordinance will be a "programmatic" study that will consider the overall effects of the proposed carryout bag waste reduction ordinance at a conceptual level. The EIR will be an atypical CEQA document insofar as the subject of the study will not have site-specific, or even local, impacts that can be readily ascertained. Rather, it is anticipated that any beneficial or adverse impacts associated with implementing the ordinance would fall into the realm of incremental contributions to regional, national, or even global changes. Consequently, the analysis will focus largely on the more "global" implications of mandated restrictions on carryout bags generally, with a secondary focus on the incremental contribution of the proposed ordinance to these larger effects. Specifically, the analysis will consider the life cycles of different types of bags and associated environmental effects.

We understand and have recently used the Master Environmental Assessment addressing the environmental impacts of various types of single-use and reusable bags (prepared by Green Cities California, March 2010). The EIR analysis will rely heavily on data from this background document as well as from locally adopted plans, policies and technical studies produced by other agencies that have considered similar ordinances, including but not limited to the cities of San Jose, Sunnyvale, San Francisco, Palo Alto, and Santa Monica, and the counties of San Mateo, Santa Clara, and Los Angeles.

We anticipate that a key element of the EIR will be to weigh the pros and cons of the proposed ordinance and the proposed restrictions on plastic and paper bags, covering points raised by stakeholder groups and weighing the evidence provided in support of their position against evidence in support of the proposed restrictions. In this way, the EIR will serve as a "clearinghouse" of information for the various points of view regarding this topic, thus affording decision makers and the public the opportunity to weigh the range of evidence and expert opinions regarding the merits of the proposed ordinance and restricting certain types of bags.

A complete EIR scope of work is presented in **Section 1.4.1, Scope of Work**.

1.2 EXPERIENCE WITH CEQA PROJECTS RELATED TO ORDINANCES

Rincon's principals and senior staff have considerable experience on a broad range of projects, including carryout bag waste reduction ordinances. Specifically, we have recent experience preparing CEQA environmental documents for similar ordinances in the counties of San Mateo and Santa Clara, as well as the cities of Palo Alto, Sunnyvale, Huntington Beach, Santa Monica and Long Beach (detailed project experience is found in **Section 2.3, Project Experience**). We also have extensive experience conducting public meetings with communities and responsible agencies/stakeholders, having recently prepared General Plan updates and associated EIRs in such municipalities as Calabasas, Ventura, and Avalon. Through this experience, we are familiar with the Agency's needs and expectations for impact assessment methodologies and thresholds, which will help ensure successful and efficient implementation of the CEQA process for this project.

1.3 ASSISTANCE EXPECTED OF AGENCY STAFF

As a result of our extensive experience preparing EIRs for similar ordinances across the state, we possess many of the technical studies and background information required for the analysis. This includes the *Master Environmental Assessment on Single use and Reusable Bags* prepared by Green Cities California, a *Life Cycle Assessment* of various types of grocery bags prepared by Boustead Consulting and Associates, and an *Environmental Impact Assessment* of carryout bags prepared by Ecobilan. We also have access to an extensive library of ordinances and EIRs prepared for other jurisdictions, including but not limited to the cities of San Jose, Sunnyvale, San Francisco, Palo Alto, and Santa Monica, and the counties of San Mateo, Santa Clara, and Los Angeles.

Data we would request from the Agency to complete the analysis would therefore be limited to the following:

- Draft Ordinance (if changed since RFP)
- Agency-preferred CEQA Checklist (if applicable)
- Mailing lists, including contact information for the County and Cities involved
- Previous staff reports and information related to prior public outreach

We assume that Agency staff will schedule the public scoping meetings and perform necessary noticing for these meetings, and also that Agency staff will review and provide feedback on key deliverables (as outlined in **Section 1.4.1, Scope of Work** below).

1.4 SCOPE OF WORK AND BUDGET

1.4.1 SCOPE OF WORK

The EIR will include the documentation components required by CEQA. These include: (1) Summary; (2) Project Description; (3) Environmental Setting; (4) Discussion of Environmental Impacts; (5) Discussion of Alternatives; (6) Discussion of Growth Inducing Impacts; and (7) Discussion of Significant Irreversible Environmental Changes.

The major tasks in the environmental review process are described below.

1. **Kickoff Meeting.** Rincon's Principal in Charge and/or Project Manager will attend a kickoff meeting for the project. This meeting will serve as a forum to review and confirm study objectives and establish an operational protocol. Working schedules will be finalized and details for scheduled tasks will be discussed. Rincon's project team will use this opportunity to collect any relevant studies and information not already transmitted (as described in **Section 1.3, Assistance Expected of Agency Staff**). The kickoff meeting will also allow Agency staff and the consultant team an opportunity to thoroughly discuss the approach to environmental evaluation and possible project alternatives. Following the meeting, Rincon will work with Agency staff, local businesses, and stakeholder groups in order to address the community concerns within the EIR analysis.
2. **Notice of Preparation (NOP).** Rincon will prepare an NOP that provides a brief project description and identifies potentially significant environmental issues (as indicated in **Section 1.4.2** below, it is

anticipated that up to five issues will require further study in an EIR). The NOP will be circulated for public review. Rincon will be responsible for coordination of all required noticing for the NOP.

3. **Public Scoping Meetings.** EIR scoping meetings are required for projects deemed to be of regional significance. Given the nature of the project and the geographical extent of the Ordinance, we proposed conducting four public scoping meetings with participating and responsible agencies, stakeholders, and community members. Rincon's public outreach coordinator Abe Leider will attend all four EIR scoping meetings during the 30-day NOP circulation period. The purpose of these meetings will be to introduce the community to the proposed project, provide an overview of the EIR process, and obtain input on the EIR scope of work. Rincon will prepare and make a brief PowerPoint presentation and provide all necessary handouts for the meeting (agendas, sign-in sheets, comment sheets, etc.). We assume that Agency staff will schedule the meetings and perform necessary noticing for these meetings.
4. **Administrative Draft EIR.** Rincon will prepare and submit five electronic (CD) versions of the Administrative Draft EIR, which will address the components/issues listed below, in accordance with CEQA requirements. As part of the technical analysis, Rincon will utilize existing studies/research, including other single-use bag ordinance EIRs available from the County of San Mateo (prepared by Rincon), the cities of San Jose, Sunnyvale (prepared by Rincon), Palo Alto (prepared by Rincon) Santa Monica (prepared by Rincon), and Huntington Beach (prepared by Rincon), the County of Los Angeles, the *Master Environmental Assessment on Single use and Reusable Bags* prepared by Green Cities California, and environmental documentation available from CalRecycle on Mandatory Recycling. The Administrative Draft EIR will include the following:
 - **EIR Summary.** This section will include a summary of the proposed ordinance and associated environmental consequences presented in tabular format to simplify review by decision-makers and the general public. The summary will also list project alternatives, discretionary actions that are required, and identify any known areas of public controversy.
 - **Project Description.** The project description will describe the proposed ordinance and implementation program. Appropriate graphics, including maps, tables, and charts, will be provided to illustrate the project as needed. This section will also list discretionary actions required and a statement of the project's objectives.
 - **Introduction and Environmental Setting.** Introductory sections, required by CEQA, lay the groundwork for and summarize the substantive analysis to follow. The introduction will describe the purpose and legal authority of the study, and provide a discussion of lead, responsible and trustee agencies; the environmental setting will provide a general description of the existing environmental conditions within the County and the region. This section will also describe methods commonly used in the County and area cities for bagging purchases at retail establishments, existing litter conditions and methods for controlling litter, and manufacturing and distributing methods for single-use carryout bags.
 - **Environmental Impact Analysis.** Analysis of impacts determined through the EIR scoping process to be potentially significant; this will include four main components:

- *Setting (description of current conditions with respect to the issue are in question, including the existing regulatory environment);*
- *Impact analysis (discussion of potentially significant effects of the proposed project; impacts are typically compared to established “thresholds of significance”);*
- *Mitigation measures (methods by which significant effects can be reduced or eliminated); and,*
- *Level of significance after mitigation (discussion of whether or not proposed mitigation measures reduce impacts to below the adopted significance threshold).*

For each environmental issue analysis section, the “Impacts” subsection will begin with a list of all issues contained in Appendix G of the CEQA Guidelines (or Agency-preferred checklist, as appropriate), following by a listing of the thresholds for significance to be used. The analysis will then proceed with the detailed analysis of each issue determined to be “Less Than Significant with Mitigation Incorporation” or “Potentially Significant Impact.” For each environmental issue requiring EIR analysis, the EIR will state the area of potential impact, followed by an analysis discussion that describes the method for determining significance (impact threshold) and a comparison of the project impacts to that threshold, mitigation measures specific to the environmental issue, and discussion of the level of significance after mitigation. The EIR will be focused on those resource areas on which the proposed single-use bag ordinance may have a potential impact. The NOP and any responses that are submitted will be incorporated as an appendix in the Draft EIR.

- **Cumulative Impacts.** The cumulative impacts analysis will address the potentially significant cumulative impacts of the proposed ordinance when considered with other past, present, and reasonably foreseeable future projects in the area. This analysis can be presented as a stand-alone section in the EIR, or it can be incorporated into each environmental impact analysis section. Cumulative impacts will be discussed qualitatively, unless specific quantitative information on other pending projects is available.
- **Other CEQA-Required Sections.** Discussions of other items required by the CEQA Guidelines will include an analysis of potential growth-inducing impacts, a listing of significant irreversible changes, report preparers, and references.
- **Alternatives.** Up to three alternatives to be identified during the course of the study in consultation with Agency staff. These will include the CEQA-required “No Project” alternative and two alternative approaches to achieving the Agency’s objectives, likely consisting of alternate versions of the proposed ordinance. The alternatives’ evaluation will provide decision-makers and the public information to understand the differences between the environmental effects of the alternatives; specifically, the analysis will identify whether the alternative’s impact would be less than or greater than that of the project, the magnitude of impact, and general mitigation requirements, if any.
- **Initial Study.** The Administrative Draft EIR will include an Initial Study in an appendix that includes a CEQA Checklist and brief analysis of the potential impacts for each Checklist issue area. The Initial Study will identify which issues do not require further study in the EIR and provide the rationale for such determinations. Where possible, impacts will be quantified. In all

cases, the Initial Study determinations will be supported by substantial evidence.

5. **Draft EIR.** The Draft EIR will incorporate all relevant Agency comments on the Administrative Draft EIR. Following receipt of all comments on the Administrative Draft EIR, Rincon will submit 20 hard copies and 10 copies on CD to the Agency for distribution to government agencies and interested members of the public. Rincon will also deliver a .PDF “reproducible master” version of the document to the Agency for its website posting. The Draft EIR document will be circulated for public comment for a period of 45 days, as required by CEQA. We assume that Rincon will circulate the document to the State Clearinghouse and responsible agencies and the County will be responsible for required newspaper and other noticing of the document’s availability.
6. **Final EIR.** The Final EIR will include all comment letters received during the public review period, responses to all comments received on the Draft EIR, a list of persons or agencies receiving the Draft EIR, and any necessary text changes, shown in track changes format. We anticipate the majority of comment letters received on the Draft EIR would be from supporters of the proposed ordinance. However, we also anticipate and would be prepared to address any comments from opponents of the ordinance including Save the Plastic Bag Coalition and the American Chemistry Council. Rincon has extensive experience providing written responses to letters from both of these organizations as part of the CEQA process for carryout bag ordinances for San Mateo County, Sunnyvale, Santa Monica and Long Beach. We are very familiar with the key issues raised and information sources used by these groups and will be able to utilize our previous experience to address any comments that the Agency may receive.

Rincon will provide three copies of an Administrative Final EIR to Agency staff for review and comment. Upon Agency approval, Rincon will provide 20 hard copies and 10 electronic (CD) copies of the Final EIR, along with a .PDF version of the document for website posting. Rincon will also mail the Final EIR to responsible and trustee agencies and interested public organizations following the requirements of CEQA.

7. **Mitigation Monitoring and Reporting Plan.** Concurrent with preparation of the Final EIR, Rincon will prepare a mitigation monitoring and reporting plan (MMRP) in accordance with CEQA Guidelines and Agency requirements. The MMRP will identify potentially significant adverse impacts, if any, as well as proposed mitigation, the person or agency responsible for overseeing the mitigation, timing, and methods for ensuring compliance, as appropriate. The MMRP will be attached to the Final EIR.
8. **Public Hearing and Findings of Fact.** Rincon’s Principal in Charge and/or Project Manager will attend one Agency Board meeting on the project, providing technical support to Agency staff. At the request of the Agency staff, Rincon will provide assistance to the Agency in connection with responses to any appeal of the EIR. Rincon will also prepare and submit Findings of Fact and, if applicable, Statement of Overriding Considerations to be included with the staff report. Following approval of the proposed ordinance, Rincon will prepare and submit a Notice of Determination to be filed with the Sonoma County Clerk’s office.



1.4.2 TECHNICAL APPROACH TO ENVIRONMENTAL ISSUES

Rincon's technical approach to issue areas is described below. These issue areas are based on our experience with other single-use bag ordinances and discussions with Agency staff. We anticipate that other issues identified in the RFP will be adequately addressed in the Initial Study.

- *Biological Resources*
- *Hydrology and Water Quality*
- *Utilities and Service Systems*
- *Air Quality*
- *Greenhouse Gas Emissions*

Biological Resources. Various studies have found that single-use bags may result in a significant impact upon biological resources primarily related to litter that enters aquatic and marine habitats. As described in these studies, litter that eventually enters coastal habitats can adversely affect sensitive species that inhabit coastal and marine environments, including sea turtles, seals, whales, otters, or bird species as a result of ingestion or entanglement. This section will analyze the proposed ordinance's impacts to biological resources, including both direct impacts associated with the proposed carryout bag waste reduction ordinance and indirect effects to off-site biological resources (including the Russian River and Pacific Ocean).

Hydrology and Water Quality. Although the proposed ordinance would not involve any physical development that would directly affect hydrology and water quality, this section will analyze impacts associated with impacts to surface water drainage and water quality issues as a result of the increased use of carryout bags. Drainage impacts will relate to carryout bag litter while the water quality impacts will relate to litter as well as manufacturing of carryout bags. The analysis will provide background of the effects of various types of carryout bags (plastic, paper and reusable) and determine drainage and water quality impacts related to the reduction in the use of single-use carryout bags that would likely result from the proposed ordinance.

Utilities and Service Systems. Impacts to utilities and service systems as a result of the proposed ordinance may include impacts related to wastewater generation, water supply, and solid waste disposal. The EIR analysis would determine how the proposed carryout bag waste reduction ordinance would alter water use, wastewater generation or solid waste disposal related to carryout bags in Sonoma County and the nine incorporated Cities. Specifically, the analysis will evaluate water use and wastewater generation associated with the manufacturing process of carryout bags, water use and wastewater as a result washing/sanitizing reusable bags, and the anticipated change in the amount of solid waste related to carryout bag use that would result from the proposed ordinance.

Air Quality. This section will analyze the proposed ordinance's long-term impacts to local and regional air quality. Since the proposed ordinance does not involve any physical development, it is anticipated that there would be no emissions related to construction. Therefore, the EIR analysis will focus on operational air quality impacts associated with carryout bag manufacturing facilities, the impacts associated with truck trips that deliver carryout bags in Sonoma County, and the disposal or degradation of carryout bags in a landfill.

Air pollutant emissions will be calculated using the CalEEMod air quality model and compared to Bay Area Air Quality Management District's (BAAQMD) significance thresholds.¹ If emissions are found to exceed BAAQMD thresholds, appropriate mitigation will be identified. In addition, in order to calculate emissions related to carryout bags, the analysis will utilize various studies that have estimated air emissions for different types of carryout bags (single use plastic, paper or reusable bags) to determine a per bag emissions rate. The EIR analysis will then determine existing emissions from existing carryout bag use in Sonoma County and quantify the emissions associated with altering the use as a result of the proposed ordinance. We will then determine whether the change in emissions as a result of the ordinance would result in any significant impacts in relation to the BAAQMD thresholds.

Greenhouse Gas Emissions. The issue of greenhouse gases (GHGs) and climate change has emerged as a critical topic under CEQA and recommended environmental checklist in the *CEQA Guidelines* has recently been updated to include this topic. The analysis of GHGs/climate change will discuss the general nature and sources of climate change, current efforts to regulate GHGs (including recent Office of Planning and Research publications and guidelines relating to how climate change should be addressed in CEQA documents), and the proposed ordinance's potential contribution to this cumulative issue. The project analysis will quantify emissions associated with manufacturing, transportation and disposal/degradation of carryout bags as these are the largest contributors to GHG emissions. The analysis will use the latest version of the CalEEMod air quality model and compare emissions to the statewide GHG inventory. Similar to the air quality analysis, the GHG analysis will utilize various studies to produce a per bag GHG emissions rate to compare existing conditions with proposed conditions under the ordinance. The discussion will also compare project emissions to suggested thresholds from the BAAQMD. If determined to be necessary, measures that would minimize the project's contribution to climate change to the maximum extent feasible will be recommended.

1.4.3 BUDGET

Rincon Consultants, Inc. will prepare the Carryout Bag Waste Reduction Ordinance EIR in accordance with the scope of work described herein for a fee of **\$41,740**. A detailed breakdown of costs by task is provided on the following page. Attendance at a project kickoff meeting, four public scoping meetings, meetings with Agency staff, and one Agency Board meeting is included in the budget.

The proposed scope of services and associated costs are fully negotiable to meet the needs of the Sonoma County Waste Management Agency. Additional work not included within our proposed work program will be completed only upon written authorization in accordance with our standard fee schedule. This offer for professional services will remain in effect for a period of 60 days from the date of this proposal. During this period, questions regarding our proposed scope of services may be directed to Matthew Maddox, MESM, Project Manager with Rincon Consultants.

¹ Two air pollution control districts have jurisdiction in Sonoma County, the Northern Sonoma County Air Pollution Control District (NSCAPCD) and the Bay Area Air Quality Management District (BAAQMD). The NSCAPCD focuses on stationary pollution sources. Therefore, the BAAQMD thresholds are more appropriate for the proposed project.



**Sonoma County Waste Management Agency
Carryout Bag Waste Reduction Ordinance EIR**

Cost Estimate

Revised 8/29/2012

Tasks	Cost	Hours	Rincon Consultants			
			Principal \$175/hour	Planner \$105/hour	Graphics \$75/hour	Clerical \$55/hour
1. Kickoff Meeting	\$1,120	8	4	4		
2. NOP	\$590	6	1	2	2	1
3. Public Scoping Meetings (4)	\$2,400	24		20	4	
4. Administrative Draft EIR						
4.1 Summary	\$770	6	2	4		
4.2 Introduction and Environmental Setting	\$840	8		8		
4.3 Project Description	\$2,230	22	2	14	4	2
4.4 Consistency with Plans and Policies	\$805	7	1	6		
4.5 Environmental Impact Analysis						
Biological Resources	\$2,005	19	1	16	2	
Hydrology and Water Quality	\$1,855	17	1	16		
Utilities and Service Systems	\$1,855	17	1	16		
Air Quality	\$1,855	17	1	16		
Greenhouse Gas Emissions	\$1,855	17	1	16		
4.6 Cumulative Impacts	\$1,225	11	1	10		
4.7 Other CEQA-Required Sections	\$805	7	1	6		
4.8 Alternatives (3)	\$2,275	21	1	20		
4.9 Initial Study	\$3,160	28	4	22	2	
5. Draft EIR	\$2,625	27	4	12	3	8
6. Final EIR						
6.1 Administrative Final EIR	\$3,830	34	6	24	2	2
6.2 Publication of Final EIR	\$405	7			1	6
6.3 Mitigation Monitoring and Reporting Plan	\$265	3		2		1
7. Public Hearing (1)	\$495	5		4	1	
7.1 Findings of Fact	\$805	7	1	6		
Project Management (including meetings with staff)	\$2,810	26	4	18		4
Subtotal Rincon Labor:	\$36,880	344	37	262	21	24
Additional Costs						
Printing:						
Administrative Draft (5 copies)	\$200					
Draft EIR (20 hard copies, 10 CDs)	\$950					
Administrative Final (3 copies)	\$120					
Final EIR (20 hard copies, 10 CDs)	\$1,350					
Supplies and Miscellaneous Expenses	\$1,606					
General and Administrative	\$634					
Subtotal Additional Costs:	\$4,860					
TOTAL: Labor + Additional Costs	\$41,740					



1.4.4 SCHEDULE

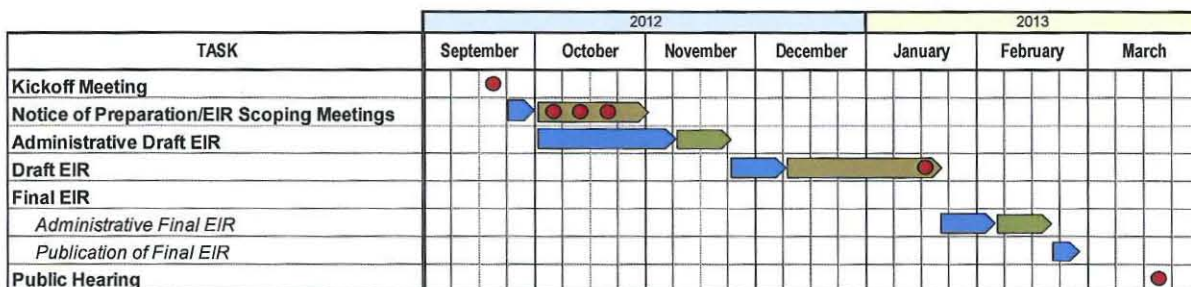
The following is a list of deliverable products to be provided along with the timeframes for completion of these products. Based on our experience with other single-use bag ordinance EIRs, we propose a timeline which meets the recommended schedule in the Agency's RFP. Based on the assumptions used herein, circulation of the Final EIR would conclude within approximately six months of project kickoff.

1. **Kickoff Meeting.** Rincon will arrange and manage a project kickoff meeting within one week of receipt of notice to proceed. The kickoff meeting is anticipated for September 24, 2012.
2. **Notice of Preparation (NOP).** The NOP will be circulated to the State Clearinghouse and responsible agencies within one week of the kickoff meeting.
3. **EIR Scoping Meetings.** Rincon, with County staff, will conduct four public scoping meetings within the 30-day NOP period.
4. **Administrative Draft EIR.** The Administrative Draft EIR will be delivered within five weeks of the release of the NOP (November 5, 2012). This schedule assumes that Agency review of the Administrative Draft EIR would take two weeks.
5. **Draft EIR.** The public review Draft EIR will be delivered within two weeks of receipt of Agency staff comments on the Administrative Draft EIR (December 3, 2012). Rincon will prepare and submit the Notice of Completion, Notice of Availability, and will mail the Draft EIR to responsible and trustee agencies and interested public organizations. The Draft EIR will be circulated for a period of 45 days.
6. **Final EIR.** Draft responses to comments on the Draft EIR and a draft MMRP will be provided for County staff review within two weeks of receipt of all comment letters (February 4, 2013). This schedule assumes that County review of this deliverable will take two weeks. The Final EIR will be submitted within one week of receipt of comments on the Administrative Final EIR (February 25, 2013) and will consist of the responses to comments, corrections to the Draft EIR, and the MMRP.
7. **Public Hearing.** Rincon's Principal in Charge and/or Project Manager will attend one public hearing on the project and will assist in presenting the conclusions of the Final EIR. It is assumed that the Agency Board meeting would occur on March 20, 2013.

Sonoma County Waste Management Agency

Carryout Bag Waste Reduction Ordinance EIR

Proposed Schedule



- Work in Progress (Rincon)
- Agency Staff Review
- Public Review
- Public Hearing/Meeting



PROPOSAL EVALUATION FORM

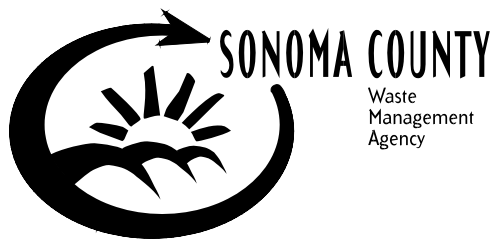
Proposer:

Evaluator Name:

	EVALUATION CRITERIA	MAXIMUM POINTS	POINTS AWARDED	COMMENTS
1	Level of CEQA Analysis	20		
2	Experience with CEQA Projects Related to Ordinances	30		
3	Assistance Expected of Agency Staff	20		
4	Scope of Work and Budget	30		
	TOTAL POINTS AWARDED	100		

	ADDITIONAL QUESTIONS	YES	NO	COMMENTS
5	EXCEPTIONS/CHANGES			

RFP REQUIREMENTS	YES	NO	COMMENTS
Did Proposer meet all the requirements in the RFP?			
References: History of providing similar services to comparable entities with a high level of customer service. (Quality of work)			



Agenda Item #:9
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 9/19/2012

ITEM: Spud Point Oil Collection Project

I. BACKGROUND

The Sonoma County Waste Management Agency (SCWMA) advertises used oil and filter recycling opportunities in Sonoma County and provides assistance and auditing for public used oil and filter collection centers. Currently there are fifty four (54) collection centers throughout Sonoma County. There are currently only three oil collection center locations in West Sonoma County.

The County of Sonoma Regional Parks Department (Regional Parks) manages the Spud Point Marina. As a public facility, Spud Point is a natural location for residents in the area to use for disposing of oil and filters. Spud Point offers a free waste pump out station for boaters but is not an advertised public oil and filter collection center.

Agency staff and the Agency's Oil Contractor, C² Alternative Services, have been in conversation with Spud Point Marina staff about making Spud Point Marina an advertised public used oil and filter collection center. The SCWMA would then be able to advertise the site to the public in the Sonoma County Recycling Guide and on the SCWMA's website at www.recyclenow.org.

For this to happen, improvements would need to be made at the Spud Point Marina site. The current oil tank is too small and does not have sufficient containment. It sits on a dock and is exposed to the elements, creating the potential for spills into the bay and poses a danger to water quality. A proper collection center would need to be in a covered or preferably in an enclosed area.

This item was originally presented to the SCWMA Board at the July 18, 2012 SCWMA Board meeting. The SCWMA Board pulled the item from the consent calendar because of questions and concerns about liability. Staff gave a brief staff report and was directed to do some research to address the liability concerns, make necessary changes to the anticipated project contract and bring the item back to the Board.

SCWMA staff presented the proposed cost estimate for this project (attached) to the SCWMA Board at the July meeting. The estimated cost for this project is \$12,675. This cost includes a shipping container to enclose the entire area, a proper used oil holding tank with containment, and all supplies and labor costs to create a working public oil and filter collection center.

II. DISCUSSION

SCWMA Staff has included a Draft Memorandum of Understanding (MOU) with this staff report. The MOU has been reviewed by Regional Parks' staff and Agency Counsel and includes liability language. If approved by the SCWMA Board, this item would go to the County Board of Supervisors for approval.

The MOU specifies what the responsibilities are of both parties, SCWMA and Regional Parks, in regard to this project. All onsite labor shall be completed by the County of Sonoma Regional Parks Department staff. This site shall service both boaters and any automotive or motorcycle do it yourself (DIYer) oil changers. Filters shall also be accepted from the public at this site.

The marina is open seven days a week from 6am to 8pm and the proposed oil collection center shall be available to the public during business hours. Since the area is to be enclosed and locked at all other hours, no waste can be left at the tank while unattended and the tank will be protected from contamination.

Since the oil collection site is used by both recreational and commercial boaters, the Agency would not be responsible for oil collection costs. These costs will continue to be paid for by the Sonoma County Regional Parks Department. Oil funds the SCWMA receives from the Department of Resources Recycling and Recovery (CalRecycle) cannot be used to reimburse costs associated with commercial businesses waste.

In short, a well-signed and maintained facility will provide service to an underserved part of the County, be a valuable amenity to boaters and residents in the area, and help to protect against hazards of illegal dumping.

III. FUNDING IMPACT

All expenses related to the development of Spud Point Marina, as a public used oil and filter collection center, would be funded with Oil Payment Program (OPP) funds from CalRecycle. The SCWMA was awarded \$154,350 through OPP2. All funds shall be available for expenditure until June 30, 2013. It is expected that the SCWMA will continue to receive OPP funds annually.

From these funds, \$65,000 is the annual contract amount paid to C² Alternative Services through their Contract to Audit Oil Recycling Centers and Coordinate Oil Recycling Publicity and Programs. An additional \$18,886 is paid to C² Alternative Services for outreach to Spanish speaking residents about used oil and filter disposal through the Spanish Language Outreach Contract. The total amount paid to C² Alternative Services annually through OPP funds is \$83,886.

The remaining funds are used for annual oil program expenses including education and outreach expenses and reimbursement for oil and filter pick-ups from non-commercial public drop-off sites.

The project to develop Spud Point Marina as a public oil and filter collection site falls under the guidelines of eligible expenses through the Oil Payment Program. This project has been pre-approved by the CalRecycle Oil Grant Manager.

The Agency has been awarded more than adequate funding to cover this expense. The estimated cost for this project is \$12,675. Since this is an estimate, staff is asking for a 20% contingency (\$2,535) to be added in case expenses exceed the estimate. The total amount, including contingency, is \$15,210. Signs will also be required to be purchased for this site by the SCWMA and will be covered under this MOU (estimated cost around \$620).

This project involves lots of component parts and vendors, all of which are under the Executive Director's signing authority limit. Since the aggregate amount is approximately \$12,675, SCWMA staff felt it best and safest to inform the SCWMA Board about this project.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

SCWMA staff recommends:

- 1) Approval of the Memorandum of Understanding with the County.
- 2) Delegating the signing authority to the SCWMA Executive Director for expenses related to development of Spud Point Marina as a public used oil and filter collection site, not to exceed \$15,210.

V. ATTACHMENTS

Memorandum of Understanding
Spud Point Marina Oil Collection Center Estimate

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

MEMORANDUM OF UNDERSTANDING
BETWEEN THE SONOMA COUNTY WASTE MANAGEMENT
AGENCY AND THE COUNTY OF SONOMA

This Memorandum of Understanding is made and entered into this ____ day of _____, _____, by and between the Sonoma County Waste Management Agency ("Agency"), a joint powers agency and the County of Sonoma ("County"). Agency and County are sometimes collectively referred to as the "parties" and singularly, as "party".

R E C I T A L S

WHEREAS, Agency receives annual Oil Payment Program (OPP) funds from the California Department of Resources Recycling and Recovery (CalRecycle); and

WHEREAS, Agency is to submit applications annually and manage OPP funds for implementation of a regional used oil collection program; and

WHEREAS, the Agency Board of Directors authorized the Agency in Resolution No. 2010-011 to submit applications and manage any OPP funds, unless otherwise noted in a jurisdiction's authorization letter, until rescinded; and

WHEREAS, eligible OPP expenditures include marina used oil collection projects to establish, maintain, or enhance used oil and used filter collection programs; and

WHEREAS, County's Regional Parks Department is seeking funds from the Agency to improve the existing public oil collection site located at Spud Point Marina; and

WHEREAS, the parties desire to enter into this memorandum of understanding (hereinafter referred to as the "MOU") to set forth the terms and conditions of the use by County's Regional Parks Department of the above-stated OPP funds for Spud Point Marina.

NOW THEREFORE, in consideration for the promises, covenants and agreements of both parties as set forth below, the parties agree as follows:

A G R E E M E N T

1. Purpose. County's Regional Parks Department ("Regional Parks") offers a free waste pump out station at Spud Point Marina for boaters but is not an advertised public oil and filter collection center. Regional Parks has offered to make Spud Point Marina an advertised public oil and filter collection center where the public may drop off used oil and filters. Improvements are required to make the site operational as a collection center including purchasing a new oil tank with containment and enclosing the site to prevent contamination to the marina and access to the site outside of business hours.

As an operational public oil and filter collection center, Regional Parks shall be

responsible for making sure the tank is cleaned out as needed and the waste is hauled away by a licensed oil disposal company.

Eligible OPP expenditures include marina used oil collection projects to establish, maintain, or enhance used oil and used filter collection programs. The CalRecycle Grant Manager has pre-approved the purchase of the materials and labor needed for a Spud Point Marina public oil and filter collection center as an allowable expense for reimbursement under the OPP.

The Agency shall purchase oil collection site materials and pay for the labor costs associated with upgrading the existing public oil collection site through OPP funds. Ownership of all materials shall remain with Regional Parks and any costs associated with disposal and the maintenance or replacement of equipment and supplies shall be the responsibility of Regional Parks and shall not be covered under this MOU. All labor shall be completed by Regional Parks staff and shall not be the responsibility of Agency.

The Agency shall be responsible for development and printing of bi-lingual signage to advertise the public used oil collection site and for the purpose of discouraging illegal dumping. Signage shall remain posted at the site at all times. The used oil collection site shall be established for the purpose of providing the public with a site to properly dispose of used oil and filters. No other hazardous materials shall be accepted at the used oil collection site.

The used oil and used filter collection site shall be available to the public during Spud Point Marina business hours, from 6am to 8pm daily except for County observed holidays. Filters shall also be accepted from the public at the collection site. The area shall remain locked during all other hours.

2. Payment Terms. Agency shall directly purchase materials and/or reimburse Regional Parks for the purchase price of materials and labor up to \$12,675, the estimated purchase price of materials and labor included as Exhibit A attached hereto and incorporated herein by this reference, and including a 20% contingency of \$2,535 with total costs not to exceed \$15,210 under this MOU.

3. Indemnification. The County shall indemnify, defend and hold harmless Agency, its officers, agents and employees from and against any and all loss, damage to property, damages for bodily and personal injury, including death, or liability arising out of the claims of County, or County's contractors, subcontractors, officers, agents, employees, or volunteers or third persons for acts or omissions of County, or its officers, agents, employees, or volunteers arising out of or in connection with the performance of obligations or provision of services under this Agreement.

5. Compliance with Law. Regional Parks hereby warrants to Agency that it shall comply with the requirements of applicable federal, state, and local laws, rules, and regulations in the performance of its duties hereunder.

6. Miscellaneous Provisions.

6.1 No Continuing Waiver. The waiver by either party of any breach of any of the provisions of this MOU shall not constitute a continuing waiver of any subsequent breach of the same, or of any other provision of this MOU.

6.2 Time of Essence. Time is and shall be of the essence in this MOU and of each and every provision contained in this MOU.

6.3 Incorporation of Prior Agreements; Amendments. This MOU contains all the agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This MOU may be modified in writing only, signed by the parties in interest at the time of the modification, and this sentence may not be modified or waived by any oral agreement.

6.4 Construction of MOU. To the extent allowed by law, the provisions in this MOU shall be construed and given effect in a manner that avoids any violation of statute, regulation or law. Regional Parks and Agency agree that in the event any provision in this MOU is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision in this MOU.

6.5 Captions. The captions in this MOU are for convenience only and are not a part of this MOU. The captions do not in any way limit or amplify the provisions hereof and shall have no effect upon the construction or interpretation of any party hereof.

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

COUNTY: SONOMA COUNTY REGIONAL
PARKS DEPARTMENT

By: _____

Name: _____

Title: _____

COUNTY: COUNTY OF SONOMA

By: _____
Board of Supervisors

ATTEST:

By: _____
Clerk of the Board

APPROVED AS TO FORM FOR COUNTY:

By: _____
County Counsel

Date: _____

CERTIFICATES OF INSURANCE ON FILE
WITH AND APPROVED AS TO
SUBSTANCE FOR COUNTY:

By: _____
Department Head

AGENCY: SONOMA COUNTY WASTE
MANAGEMENT AGENCY

By: _____
Nina Regor, Agency Chair

APPROVED AS TO SUBSTANCE FOR
AGENCY:

By: _____
Henry J. Mikus, Agency Executive
Director

APPROVED AS TO FORM FOR AGENCY:

By: _____
Janet Coleson, Agency Counsel

Exhibit A

Spud Point Marina

Proposed Oil Collection Site Materials and Labor Needs

Used 20' Shipping Container+ tax and delivery: \$2,686.00 actual cost

8-drum poly deck for oil filters and bilge absorbent drums: \$ 539 actual cost

Used oil holding tank with secondary containment: \$3350 actual cost

Marine environment paint for the inside and outside of the shipping container: \$500 actual cost

Signs for the site: \$500 estimated

New windows and a door to be installed in the shipping container: \$800 estimated

Roof Vent and/or wall vents: \$150 estimated

Loading ramp for wheeling heavy drums in and out of the shipping container: \$600 estimated

Lighting for the shipping container: \$400 estimated

Locks for the doors of the shipping container: \$50 estimated

Electrical Supplies for the shipping container (wiring, light switches, plugs, etc): \$600 estimated

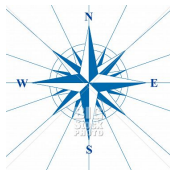
Labor for converting sea container to workable space, painting, electrical wiring and fixture installation: \$2,500 estimated

Total: \$12,675

Residential Organics Diversion Study

Final Report

Prepared by:



Ken Wells
Guiding Sustainability

September 2012

Acknowledgements

This study was supported by funds from the California Supplemental Environmental Program administered by the California Air Resources Board.

The project would not have been possible without the generous and essential support from many staff at Redwood Empire Disposal, including Steve McCaffrey, Casey Williams and Hillary Shephard.

A special thanks to Karina Chilcott and Henry Micus of the Sonoma County Waste Management Agency for their assistance in preparation of the educational materials and donation of the 2012 Recycling Guides.

It was a pleasure to collaborate with the Conservation Corps North Bay and provide an opportunity for local young adults to learn and practice the many work skills associated with planning and implementing a door-to-door education and survey project, skillfully directed by Gary Miltimore.

Pam Davis at Sonoma Compost Company was an excellent partner, providing critical technical assistance and food scrap kitchen pails for Sebastopol residents.

Another thanks is due to Denise Kelly for her field survey analysis and editing.

And with great appreciation for the confidence and resources provided by Ann Hancock, Stacey Meinzen and Alex Dolginow of the Climate Protection Campaign to enable the study to be performed.

Executive Summary

The study project examined the efficiency and effectiveness of two educational approaches to increasing diversion of food scraps from the residential waste stream. The first educational approach used trained educators going door-to-door providing personal contact and educational materials explaining the food scrap composting program. The second approach sent the educational materials by direct mail. These two approaches were compared to a control group that did not receive either outreach effort.

The study area included all single-family households in the City of Sebastopol. The residences were divided into three groups. One group of about 500 homes with Thursday garbage, recycling and yard debris collection service (Route 1) was contacted directly by the education team. Another group of about 500 homes with Monday collection service (Route 2) was given similar organics diversion information through direct mail delivery. The remaining 1,300 homes were used as the control for the study.

Following distribution of the organics diversion information, researchers tracked waste collection for four months. Data for this period showed no discernable increase in organics diversion in the two test groups, when compared with the control group.

Introduction

Sonoma County residents have been well served by curbside recycling and composting programs for many years. The current Sonoma County diversion rate is 66 percent, meaning that of all waste generated, two-thirds is recycled or composted.

Even at this relatively high rate, it is important to continue to reduce materials going to landfill for environmental and economic reasons. The 2007 Sonoma County Integrated Waste Management Plan has a recycling goal of 70 percent by 2015. More recently, the Strategic Goals and Objectives of the Sonoma County/City County Solid Waste Advisory Group (SWAG) set a Waste Diversion Objective of 80 percent diversion by 2015, noting that this goal could be accomplished by removing organics from the waste stream as well as through increased education programs.

According to the 2007 Sonoma County Waste Management Agency Waste Characterization Study¹, 36 percent of the waste disposed by residents in Sonoma County is food waste, the largest remaining individual constituent of the materials going to landfill. Food waste is especially problematic because as it decomposes in the landfill, it generates methane, a potent greenhouse gas (GHG).

In 2011 the Climate Protection Campaign was awarded a Supplemental Environmental Project grant administered by the California Air Resources Board that included a goal to reduce emissions from solid waste. A portion of that grant was used to fund this study to identify the most efficient and effective methods to increase and sustain diversion of residential food scraps from landfill to productive uses.

The approach for this study was prompted in part by the Skumatz Economic Research Associates, Inc. (SERA) Broadlands Project, which used scientific experimental procedures (control and test groups) to measure the changes in recycling and trash disposal in the Broadlands neighborhood of Broomfield, CO.^{2 3} The Broadlands Project tested two outreach treatments; one included informational materials delivered by mail, phone calls and cart hangers. Another used the same outreach activities with the addition of door-to-door, personalized visits, including a verbal request to make a written (and public) commitment. Outreach to the two test groups was preceded by container set-out surveys, web surveys, focus groups, and analysis of disposal and recycling tonnage reports.

The project design allowed SERA to track the exact costs of various outreach methods and tools, and determined that the use of the door-to-door outreach, while expensive, had a more lasting impact on behaviors, resulting in a lower overall net cost for the quantity of diversion added to the program.

The goal of the Sebastopol Residential Organics Diversion Study was to quantify the efficiency and cost effectiveness of two alternative outreach and education approaches to encourage residents to add food scraps to the existing yard debris collection system, compared to a control neighborhood.

¹ http://www.recyclenow.org/agency/waste_stream_profiles.asp

² http://www.socialmarketinghowto.com/SERA_SocialMarketingToolkit_CDPHE_ATG_v9.pdf

³ <http://www.thebroadlandsproject.org/Recycling.html>

The first outreach and education approach to be tested was door-to-door visits by a trained education team, with information provided both verbally and in written materials on the opportunities to discard food scraps into the yard debris bin (green can).

The second education approach tested was to mail the same written materials to households in a similar neighborhood.

Both of these educational methods were compared against a control area that continued with their regular education program of bi-annual newsletters mailed to them by their waste collection company.

After reviewing the goals of the project with Redwood Empire Disposal, the waste collection company that serves much of Sonoma County, the City of Sebastopol was selected as the test area. A single vehicle provides residential waste pick-ups in Sebastopol, over five collection days. The split body collection truck does one route (20 percent of the City's residents) each day, collecting garbage and yard debris on one pass, delivering those materials to the landfill and composting facility, respectively. The second pass on the same route collects the recyclables from the homes and delivers those discards to Redwood Empire Disposal's material recovery facility (MRF). This allowed the study to select one route (about 500 homes) for the door-to-door contact, representing all residential waste collected on that day in Sebastopol. A second route could then be used for the direct mail educational approach (another 500 homes). The remaining three days/routes, representing 60 percent of the City's homes (about 1,300 households), was used as the control group. This arrangement simplified outreach and data collection.

Sebastopol has had curbside recycling and yard debris collection services for decades, with an established education program primarily consisting of bi-annual newsletters sent by Redwood Empire Disposal to all customers. Another advantage of using this Sonoma County community for the study was the existing permitted ability to include all food scraps, including meat and dairy, with the other green waste in their existing yard debris bins. This eliminated the extra effort needed to explain what food waste was allowed and what was restricted. The message to be conveyed to the residents was simple; **all** food scraps can be placed in the yard debris bin.

The increased diversion of organics, initially and sustained over time, from the various approaches was planned to be quantified with metrics including increased tons of diversion, dollars per ton for the additional diversion, dollars per ton of GHG emission reductions, and the sustainability of the behavior changes.

Project Methodology

The project was broken into two phases, with the second phase divided into five primary tasks.

Phase 1

The first phase was to meet with representatives of Redwood Empire Disposal (RED) to determine the availability of data from their residential waste collection program that would provide the opportunity to study at least three waste collection routes of similar residential demographic characteristics that would provide the opportunity to collect data that could quantify the efficiency and cost effectiveness of alternative organics diversion education approaches.

The City of Sebastopol was identified as a suitable waste collection area. A single split-body truck collects all residential recycling, yard debris and garbage in Sebastopol during five collection days, making tracking of any changes in waste disposal behaviors easily measurable. After identifying and confirming that the waste collection system in the City of Sebastopol would provide that data, additional meetings were then conducted with Sonoma Compost Company (SCC), the Climate Protection Campaign (CPC) and Sonoma County Waste Management Agency (SCWMA) staff to develop and confirm study details and logistics.

Phase 2

The second phase was broken into five tasks:

Task 1: Monitor Collection Data. This task included creating a database for disposal parameters and arranging for an on-going system for data collection and distribution. Collected data was organized by route with monthly reports and graphs monitoring results of the program.

Task 2: Train Education Team. An Advisory Panel with SCWMA, CPC, SCC and RED staff was established to review and develop the educational materials that would be distributed to Sebastopol residents. This was followed by development of a script for the in-person contacts by the Education Team⁴. Conservation Corps North Bay (CCNB) was the source for the Education Team, which provided an additional, concurrent benefit of the project, training in solid waste issues and public outreach techniques and skills for local at-risk young adults. During the execution of this task, it was decided to add a few survey questions to the Education Team script, to take advantage of the opportunity to contact a significant number of households. These questions related to the residents' existing knowledge of composting opportunities and their use of those services.

Task 3: Education Team Effort. Packets of printed hand-out materials were produced for the door-to-door contacts (Route 1) and mailed packets (Route 2). The educational material packets contained the following⁵:

⁴ T script Append II

⁵ The educatio packe content ar in Appendi III

1. Cover letter from the Climate Protection Campaign explaining the benefits of composting food scraps
2. *WHAT'S COMPOSTABLE* and *CYCLE OF FOOD SCRAP RECYCLING* bilingual, illustrated flyer created by the Sonoma County Waste Management Agency
3. Spring 2012 Sebastopol Recycling News produced by Redwood Empire Disposal (also mailed to all Sebastopol residents in the same timeframe as the project)
4. 2012 Recycling Guide produced by the Sonoma County Waste Management Agency
5. Coupon for a Sonoma Compost Company kitchen scrap pail a sink-side compost container

The Conservation Corps North Bay Education Team then visited each of the Route 1 homes over a period of three days in April 2012.

Task 4: Mail Contact Effort. Packets of informational material were directly mailed to each of the households in the Route 2 area, matching the delivery date to the door-to-door contacts in Route 1.

Task 5: Meetings and Reports. The final task included all the meetings and reports necessary to perform and record the results of the study, providing regular project status updates and meetings with key project partners. The task included preparation of this Final Report on the study results.

Study Team

Guiding Sustainability (Ken Wells), former Executive Director of the Sonoma County Waste Management Agency, directed the study, monitored data and prepared reports during the process and on the outcome.

Climate Protection Campaign (Stacey Meinzen) was the primary liaison with elected leaders and media, provided report review and editing, assisted with web elements, and fiscal oversight.

Redwood Empire Disposal (Steve McCaffrey, Hillary Shephard, Casey Williams) provided study area waste discard data, education team training support, educational materials, and assisted in the direct mail contacts.

Conservation Corps North Bay (Gary Miltimore) coordinated the training and field efforts of the CCNB Education Team for the door-to-door contact study area.

Sonoma Compost Company (Pam Davis) assisted in training the CCNB education team and coordinated provision of sink-side organics containers as another tool to remove barriers to the desired behavior.

Sonoma County Waste Management Agency (Karina Chilcott, Henry Mikus) provided copies of their *2012 Recycling Guide* (included in the door-to-door and direct mail educational packets). Karina Chilcott also created the *What's Compostable* and *CYCLE OF FOOD SCRAP RECYCLING* flyer. SCWMA staff assisted in training the CCNB Education Team, and responded to questions that came in on the Eco-Desk phone and Recyclenow website from the Sebastopol study participants.

Timeline

Baseline recycling and waste disposal data for the three residential groups covers 2011 and January through April 2012. The educational outreach effort was conducted during the week of April 16 to 21, 2012. Garbage, organics and recycling discard data were then monitored from that time through August 2012, to document whether there were any changes in disposal behaviors and if they were sustained over that time frame.

Results

Organics and Waste Disposal Changes

The data collected after the delivery of the organics diversion information (illustrated in Figures 1, 2, & 3) indicates that there was no discernable increase in organics diversion in the two study areas when compared to the control area.⁶

Historical data tracking the quantity of organics, garbage and recyclables collected also has substantial variability or "noise", creating difficulty in identifying statistically significant waste reduction impacts due to behavior changes after the outreach effort.

In an effort to reduce the impact of this variability and identify changes over a longer timeframe, and to avoid weather and seasonality impacts, the ratio of weekly yard debris data between the study areas and the control group can be compared. When the ratios of comparable periods for the three study areas are compared (May to August 2011 vs. May to August 2012) and the ratios of Route 1 and Route 2 to the Control Route are calculated, the quantity of organics diverted in Routes 1 and 2 is the same or less in the four-month period after the outreach compared to the Control Route when compared to the same time frame in 2011.

Based on the 2007 SCWMA Waste Characterization Study, 36 percent of residential garbage is food waste, indicating that nearly 2 tons per week reduction in total disposed garbage from each of the study areas is possible if the educational outreach had an impact on waste disposal behavior.

Route 1 Door-to-Door Contacts

Another significant finding of the study was the difficulty in making personal contact during the door-to-door visits. Of the approximately 500 homes in the study area covered by the CCNB Education Team, only 65 percent (326) of the homes received an education packet. The Education Team was only able to make personal contact with about 50 percent of the homes visited. Survey results indicate that about 25 percent of the study area residents were aware of the composting opportunity and were using it. About 18 percent of the residents in the study area indicated they would not use the food scrap composting service.

Route 2 Direct Mail Contact

Just as in Route 1 with door-to-door contacts, there was no discernable increase in organics diversion or reduction in garbage quantities for the direct mail study area (Route 2), compared to the control group.

Costs

The lack of a measurable increase in organics diversion prevents meaningful calculation of dollars per ton for the non-existent additional diversion and GHG emission reductions.

⁶ Numerical data are provided in Appendix I

Results

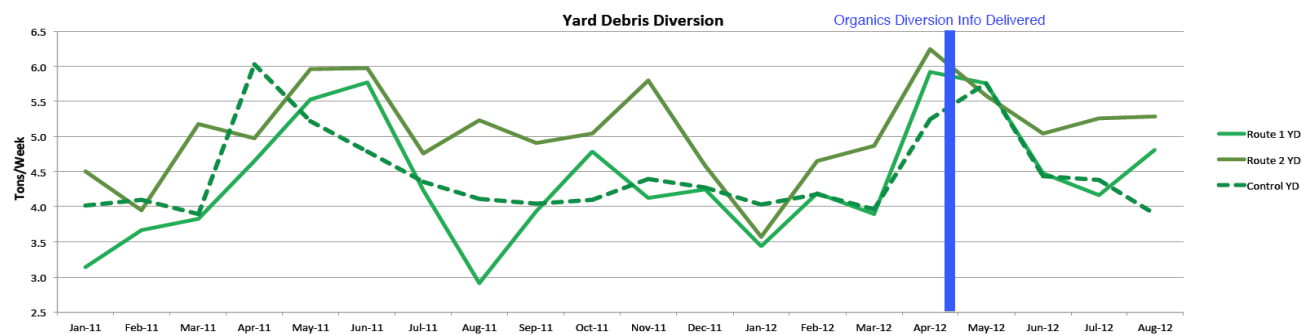


Figure 1 - Yard Debris

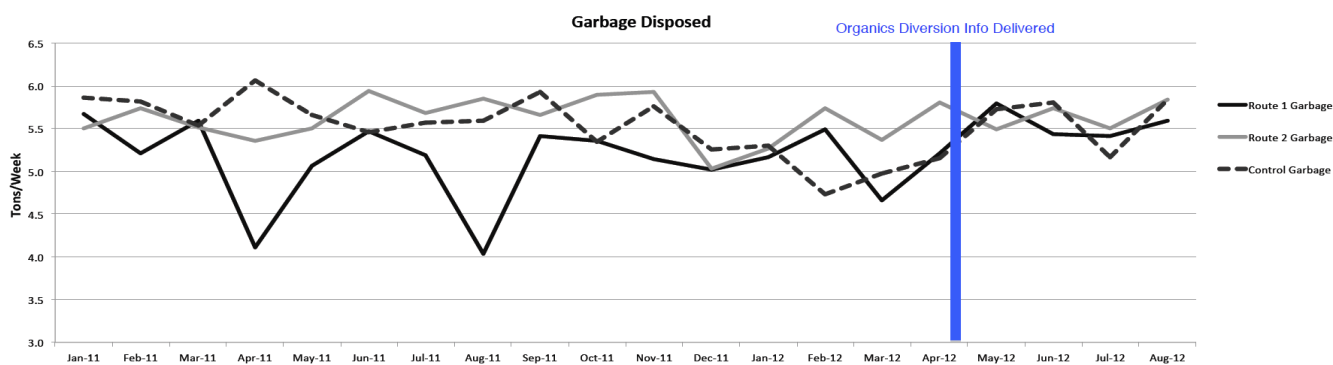


Figure 2 - Garbage

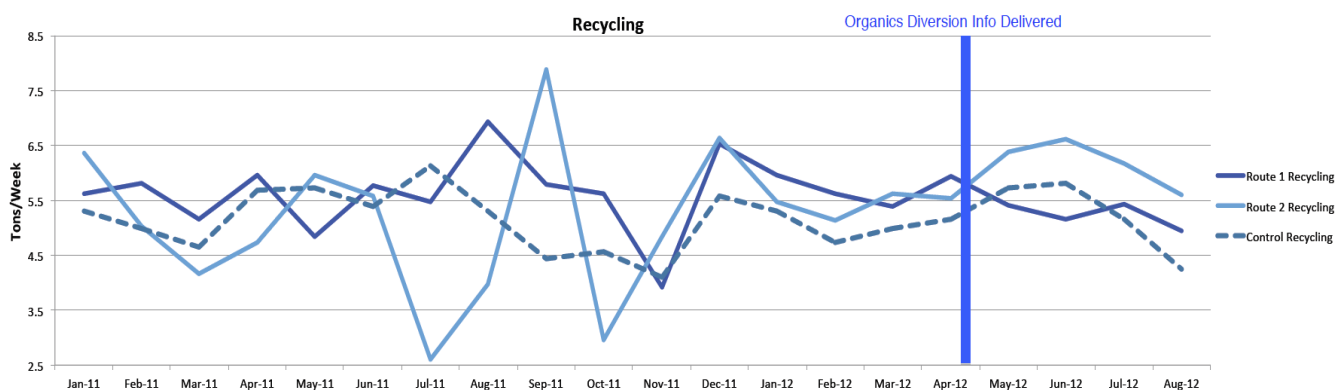


Figure 3 - Recycling

Data represents the average weight in tons of each material collected each week in the three study areas.⁷ Route 1 consists of single-family homes with Thursday collection service. Route 2 was homes with Monday collection service. The Control was the rest of the homes in the City, with Tuesday, Wednesday and Friday collection service.

⁷ Numerical data are provided in Appendix I

Discussion and Conclusions

Based on the results of the study, it appears that additional educational efforts to encourage residents to place food scraps into the yard debris bin will not be effective in increasing diversion.

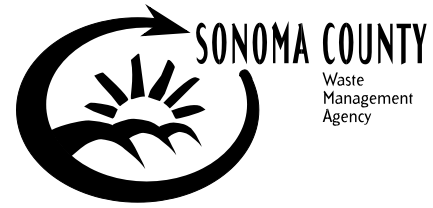
This may be because the recycling and composting education effort in Sebastopol/Sonoma County is mature (20+ years) and the long-term recycling education has reached its maximum level, i.e., people who are willing are doing it; others are not going to do more diversion without a more significant incentive, either financial or regulatory.

Significant differences between the Colorado Broadlands Project and the Sebastopol Residential Organics Diversion Study are the types of materials targeted (traditional recyclables vs. food scraps) and the age of the recycling program. The Colorado Broadlands Project focused on increasing diversion of dry recyclables; paper, bottles, cans, etc. They were able to increase their recycling rate by a significant 35 percent using door-to-door contacts and social marketing tools. However, their recycling program had been in place for only a few years, and the increased recycling lifted the Broadlands neighborhood from 23 percent to a 30 percent recycling rate⁸, still less than half of the current 66 percent Sebastopol recycling rate. The Sebastopol Residential Organics Diversion Study demonstrated that there appears to be insignificant additional organic waste diversion available from residential education and social marketing programs.

Food scraps are inherently the most difficult waste component to deal with because they smell and are messy to handle. This study suggests that despite increased education, residents are unwilling to increase the amount of food scraps they separate from the solid waste going to the landfill. In social marketing terminology, the barriers to the desired behaviors are significant and not easily overcome.

This finding further suggests that 'end-of-the-pipe' approaches, such as sorting and diverting materials at a facility before landfilling them, will be necessary to reduce the amount of food waste being disposed in landfills.

⁸ <http://www.thebroadlandsproject.org/Recycling.html>



To: Sonoma County Waste Management Agency Board Members

From: Henry Mikus, Executive Director

Subject: September 19, 2012 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.

- 4.1 Minutes of the June 20, 2012 Board meeting: regular approval.
- 4.2 Minutes of Special Meeting August 23, 2012: regular approval.
- 4.3 Budget Adjustments for FY 12-13: Because of the time-lines with year end fund balances, actual grant award amounts, and a large number of accounting transactions that appear at the end of the fiscal year, we typically have to do budget adjustments to incorporate information made available to us after the budget approval process is complete AND after the start of the new fiscal year. This year's list is long, in large part because a number of affected transactions cover subobjects that occur in multiple cost centers. As explanation of some terms that may be unfamiliar to some of our newer Board members, "subobjects" are our system's term for line items within cost centers, and "OT" means Operating Transfers which are fund transfers between reserve and operating accounts.
- 4.4 FY 11-12 Year-End Financial Report: This is the annual year-end report on Agency finances summarizing all four quarters of Fiscal Year 11-12. The net result is we experienced a good year financially. The original FY 11-12 adjusted budget projected a net surplus of \$121,541. We were able to finish with \$438,707 less in expenses. However, revenue was \$168,445 lower than budgeted. Still, the result was a net surplus of \$391,803 resulting in a gain above the adjusted budget projection of \$270,262.
- 4.5 2012 Biennial Review of Conflict of Interest: The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. The last review was August 18, 2010, there have been no modifications since, and the report is due this year.

The Agency adopted a conflict-of-interest code June 17, 1992 using Resolution No. 92-007. The code has been reviewed every two years since that time. The report was presented for informational purposes, but we have since been advised by Counsel formal approval by the Board is required so the item is here again under "consent".

- 4.6 Facilitator Services: Evaluations of Agency Counsel & Executive Director: Earlier in the year the Board asked staff and the Board's Executive Committee to evaluate and recommend a Facilitator to manage the performance evaluation process for the Agency's Executive director and Agency counsel. The recommended firm is Sherry L. Lund Associates for a combined fee for both evaluations not to exceed \$17,425.

Regular Calendar

5. Compost Relocation Update: Originally we planned to hold the public hearing for the recirculated draft EIR for the new compost site at this meeting. However, due to some late complications, in consultation with our Executive Committee we have elected to hold the hearing at our October meeting. Although it may have been possible to issue the draft EIR in time for a hearing now, the consensus was that the most open and accessible process, with ample time for all concerned to study the draft EIR and offer comment, would occur by waiting until October.
6. Multi-Family Recycling Education Grant Cycle 2: The original MCR project identified areas where additional outreach work would likely be very effective, chiefly multi-family complex residents, but also affordable hotels, and schools. Grant funds are available for FY 12-13 to allow us to do additional work to target these groups and their specific needs, by building on the success of the initial MCR project. At the July Board meeting approval was given for a basic plan, goals for visits, and a budget that were presented. The Board expressed a desire that the franchise trash hauling be asked to participate in some tangible way in this second MCR project. The firms were contacted, and through the resulting discussions the Ratto Group of firms agreed to provide Spanish language assistance at our planned outreach sessions. This participation and help reduced our project cost estimate from around \$81,000 to approximately \$72,000.
7. Carryout Bags Ordinance Report: We have been able to achieve the Board's goal of meeting with all our member jurisdictions' governing bodies by the September Board meeting, to both present the draft carryout bag ordinance for review and comment, and to solicit preferences on the preferred ordinance method. All ten member jurisdictions have indicated their preference for a regional approach via an Agency ordinance. We also have received many pertinent and helpful comments on the draft ordinance which will enable us to make modifications so the final version is workable and reflects our community's desires.
8. Carryout Bags RFP for EIR Consultant: Concurrent with meeting with our member jurisdictions for feedback on the carryout bag project, we were tasked to conduct an RFP process to select a consulting firm to do the CEQA work for a carryout bag ordinance via preparation of an EIR. This process is complete, and we are recommending Rincon Consultants, at a price of \$41,740, to work on the project. This amount is quite below our estimate of two years ago, and is reflective of the firm's experience and previous work,

and the changes in the bagreduction landscape in the recent year.

9. Spud Point Oil Collection Project: Utilizing oil grant funds we would like to redo the oil collection infrastructure at Spud Point Marina. This project was presented to the Board at the July meeting, and staff was asked to address liability and indemnification issues in the agreement with the Parks & Recreation Dept. The item is returned for discussion and approval with those questions addressed.
11. CPC Sebastopol Outreach Project: Utilizing private grant funds, the Climate Protection Campaign did an education and outreach pilot project in the City of Sebastopol to examine outreach methods used to enhance diversion of organic materials. A report on the project is presented by Mr. Ken Wells, who managed the project as a consultant for the Climate Protection Campaign. Our Agency provided some support to the project via educational materials.
12. Attachments/Correspondence: There are three items this month presented under "Reports by Staff and Others"
 - 12.2.a Outreach Events Calendar: This is our regular, updated listing of Outreach Events listing events planned for September and October 2012.
 - 12.2.b EPR Update: This is our annual update report on Extended Producer Responsibility activities of the past year. Most notable is that the long-awaited paint take-back program is nearing fruition.
 - 12.2.c Letters of Support: Various letters of support for legislation and other activities within the Agency's interest are presented for your information.

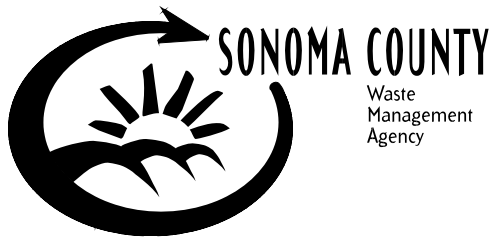
September 2012 Outreach Events

<u>Day</u>	<u>Time</u>	<u>Event</u>
4	4 - 8 PM	Community Toxics Collection, Healdsburg
8	2pm-8pm	19th Annual Cloverdale Car and Motorcycle Show, Cloverdale
11	4 - 8 PM	Community Toxics Collection, Santa Rosa NW
11		Compost Tour, "Tomorrow's Leaders Today"
11-13	All day	Compost Booth, Heirloom Festival, Santa Rosa
15	1pm-6pm	Mexican Independence Celebration, Wells Fargo Center, Santa Rosa
15	6 – 8 PM	Elsie Allen High School Lobo Unity Picnic and a Movie, Santa Rosa
15, 16	8 AM – 4 PM	Electronics Waste Collection Event, Cotati Park & Ride, now includes Styrofoam
16	11 AM – 5 PM	Mexican Independence Celebration, City of Sonoma Downtown, Sonoma
17	10 AM – 2 PM	Safe Medicine Round-Up: Guerneville Veterans Building
18	10 AM – 2 PM	Safe Medicine Round-Up: Alliance Medical Center Windsor
18	1:30 – 3:00 PM	Tour of Central Disposal Site, Cub Scout Pack 1 - Rohnert Park
18	4 - 8 PM	Community Toxics Collection, Sonoma
19	10 AM – 2 PM	Safe Medicine Round-Up: Vintage House 264 1 st Street East Sonoma
20	10 AM – 2 PM	Safe Medicine Round-Up: Rohnert Park Senior Center
21	10 AM – 2 PM	Safe Medicine Round-Up: Elias Creek Water Recycling Center Petaluma
22	10 AM – 2 PM	Safe Medicine Round-Up: Alliance Medical Center Healdsburg
24		Compost Tour, Petaluma Grange
25	4 - 8 PM	Community Toxics Collection, Santa Rosa SE
27	1 – 3 PM	Tour of Central Disposal Site, SRJC
28		Booth and presentation by Sonoma compost, Petaluma Ag Day
29	10 AM – 2 PM	Petaluma Community Center Medication Disposal Collection Event

October 2012 Outreach Events

<u>Day</u>	<u>Time</u>	<u>Event</u>
2	4 - 8 PM	Community Toxics Collection, Cloverdale
7	11 AM – 3 PM	Binational Health Week Celebration, CHDC Celebration at Windsor Catholic Church Grounds, Windsor
9	4 - 8 PM	Community Toxics Collection, Oakmont
13	12 – 3 PM	Binational Health week Celebration, Clinica Alianza, Healdsburg
16	4 - 8 PM	Community Toxics Collection, Petaluma

20	8 AM – 3 PM	Fluorescent Lamp Collection Event. Locations to be decided. Potentials include Healdsburg Lumber Company (Healdsburg), True Value Hardware (Larkfield) and Friedman's Home Improvement (Santa Rosa).
20, 21	8 AM – 4 PM	Electronics Waste Collection Event, Windsor Wal-Mart, now includes Styrofoam
23	4 - 8 PM	Community Toxics Collection, Glen Ellen
28	12 – 3 PM	Binational Health Week Celebration, Dia de Muertos Celebration, Petaluma
30	4 - 8 PM	Community Toxics Collection, Kenwood



Agenda Item #: 12.2.b
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 9/19/2012

ITEM: EPR Update

I. BACKGROUND

The Sonoma County Waste Management Agency (SCWMA) recognizes that Extended Producer Responsibility (EPR) is a waste management approach that will assist and enhance efforts to manage waste products by shifting responsibility for collection, transportation and management for discarded products away from local governments to the manufacturers. To formalize this support, the SCWMA passed and circulated a resolution (Resolution 2001-021) to elected officials at the state and national level.

The SCWMA has maintained an active interest in EPR with actions such as being a founding member of the California Product Stewardship Council (CPSC) and hiring a consultant (R3 Consulting Group, Inc.) to write an Extended Producer Responsibility Implementation Plan, which the SCWMA Board of Directors approved at their February 21, 2007 meeting.

Since the plan was approved, SCWMA staff has stayed current on EPR legislation and continues to send letters of support to legislators when appropriate. All letters of support are included as part of the SCWMA Board agendas. The SCWMA staff actively participates with CPSC and Product Stewardship Institute (PSI) to develop coordinated efforts with other California local governments to promote EPR legislation for batteries, lamps, and other wastes of concern.

II. DISCUSSION

The purpose of this staff report is to update the SCWMA Board on current EPR legislation and actions.

2010 Legislation

Governor Schwarzenegger signed three producer responsibility bills into law during the 2010 session: AB 1343, paint recycling, by Assembly member Jared Huffman; AB 2398, carpet recycling, by Assembly Speaker John Perez; and SB 346, reducing copper in brake pads, by Senator Christine Kehoe.

All three bills were the culmination of years of negotiations between industry groups and state and local governments, waste haulers, recyclers, water associations, and solid waste professionals working towards fully funded and cost-effective solutions to these problem products.

California is the first state to pass producer responsibility legislation for carpet.

California is the second state in the U.S. to pass producer responsibility legislation for paint. Oregon legislation (HB 3037) signed into law on July 23, 2009 requires manufacturers of architectural paint sold in Oregon to establish an industry managed and funded leftover paint stewardship program.

Of the three EPR bills passed in 2010, paint recycling AB 1343 will have the most direct impact on the SCWMA's programs. AB 1343 requires paint manufacturers to develop and implement a program to collect, transport, and process postconsumer paint to reduce the costs and environmental impacts of the disposal of postconsumer paint in California. California's program will be modeled after the Oregon paint program.

SCWMA staff has been participating in the Department of Resources Recycling and Recovery (CalRecycle) webinars and conference calls to discuss how the new paint recycling law will be rolled out in California. California's paint stewardship law will be implemented by PaintCare, a nonprofit stewardship organization working on behalf of the paint producers.

On September 9, 2011, SCWMA staff met with representatives from PaintCare at the Household Toxics Facility to discuss how paint is managed at the facility. SCWMA staff submitted a Letter of Intent, signed by the SCWMA Executive Director, expressing interest in participating in this program. SCWMA staff continues to have conversations with PaintCare on coordination between the new paint program and the SCWMA's existing HHW collection program.

In July, a 50 page draft contract was sent to local government Household Hazardous Waste Programs Managers to review. SCWMA Staff participated in "local government only" conference calls to discuss the contract. Since many local governments had similar concerns about the draft contract, a small group of California County, Agency, and District Counsels worked together on reviewing the draft contract to come up with language more likely to be acceptable to public agencies. This group's Revised Draft Paintcare Contract, now 29 pages, was sent to SCWMA staff at the beginning of September. SCWMA staff is having this draft reviewed by SCWMA Counsel. It is expected that additional revisions and changes will need to be made to the draft, particularly related to indemnification, insurance and general SCWMA specific terms.

PaintCare's California Program is set to begin on October 19, 2012. Retail take-back programs will be the first to be rolled out with household hazardous waste programs to follow. PaintCare is currently developing a statewide network of paint drop-off locations. It is too soon to know how much cost savings the new program will have for the SCWMA or when exactly the program will be implemented in Sonoma County. SCWMA staff is expecting to present a more detailed report to the Board and a Draft Contract for discussion within the next several months.

Alameda Pharmaceutical Take-Back Ordinance

On July 24, 2012, Alameda's producer responsibility ordinance was adopted by unanimous vote of the Alameda County Board of Supervisors. This is the first ordinance in the country to require producers of pharmaceuticals to share in the responsibility for the end of life costs of unused medications.

Current Legislative and EPR Action

Included in this Agenda packet is a letter of support for SB 1118 (Hancock)-Used Mattress recycling and Recovery. SB 1118 would help reduce illegal mattress dumping by requiring manufacturers to take back used mattresses at the end of life at no cost to the consumers. SB 1118 recently passed in the Assembly with a 48-31 passing vote.

Staff will continue to update the Board on the effects of these new laws, current legislative action, and on new EPR related items as they arise.

III. FUNDING IMPACT

This agenda item is for informational purposes only. There is no funding impact resulting from this transmittal.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

There is no recommended action resulting from this agenda item.

V. ATTACHMENTS

None

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

August 13, 2012

The Honorable Julia Brownley
State Capitol, Room 2163
Sacramento, CA 95814

RE: SUPPORT AB 298 (Brownley): Single-Use Carryout Bags

Dear Assemblymember Brownley:

On behalf of the Sonoma County Waste Management Agency (SCWMA), I write to express our support of Assembly Bill 298. AB 298 would ban plastic single-use carryout bags and require recycled paper carryout bags be sold at supermarkets, retail pharmacies, and convenience stores throughout the state.

The SCWMA has been examining the issue of carryout bag waste reduction for over four years, first waiting for statewide legislation, and now pursuing local legislation. We have held public stakeholder meetings and spoken before the City Councils and Board of Supervisors, and the consensus in Sonoma County is that something should be done to reduce the amount of carryout bag waste. The SCWMA has drafted an ordinance and has released a Request for Proposals for a consulting company to assist us with the CEQA analysis needed before the adoption of an ordinance.

We are poised to act on the issue of carryout bag waste if the State does not, and we are not alone. Over 50 local ordinances on the subject of carryout bags are in effect or will be in 2013.

Rather than taking a piecemeal city-by-city approach, AB 298 will create a uniform policy-creating regulatory certainty for businesses and consumers that comprehensively addresses single-use bags and encourages consumers to use reusable bags, the most sustainable alternative. The feedback we received from grocers in Sonoma County is that a consistent countywide policy would be more desirable than a city-by-city approach; the consistency would be all the greater if adopted statewide.

Comments received at the public outreach meetings included a desire for the carryout bag waste reduction efforts to include all retailers, not just grocery stores, retailers with pharmacies, and foodmarts as defined in AB 298. The SCWMA encourages you to consider amending AB 298 to include all retailers in the final draft of the bill.

AB 298 is a positive step in the direction of reducing packaging waste, which has a relatively poor recycling record despite the statewide efforts of the past six years. The SCWMA strongly urges the passage of AB 298.



Henry Mikus, Executive Director
Sonoma County Waste Management Agency

August 30, 2012

The Honorable Alan Lowenthal
California State Capitol
State Capitol, Room 2032
Sacramento, CA 95814
Via fax (916) 327-9113 or email (joshua.tooker@sen.ca.gov)



Re: SB 568, Polystyrene Take-Out Container Phase-out --- Support

Dear Senator Lowenthal:

The Sonoma County Waste Management Agency (SCWMA), formed in April 1992, is the joint powers authority of the nine incorporated cities and the County of Sonoma. The mission of the Agency is waste diversion required by State law AB939. The Agency's programs include household hazardous waste, composting, wood waste recycling, parks recycling, planning and education.

SCWMA supports SB 568 (Lowenthal) as a way to reduce litter caused by expanded polystyrene foam take-out food containers (EPS, also known as Styrofoam™) in our streets and waterways. While these containers are designed for single use by consumers, their impacts on the environment are long term, harmful and expensive.

This type of litter breaks apart into small pieces that are easily transported by wind or water, making them difficult to clean up. They migrate easily to waterways and ultimately to the ocean where small pieces persist in the environment. Marine life from the bottom to the top of the food chain mistake foam pieces for food, negatively impacting fisheries and the ecosystems upon which they rely.

In Sonoma County, there is no curbside recycling option for used EPS food containers. EPS food containers are collected with the municipal trash and are buried in the landfill. According to Sonoma County's 2007 Waste Characterization Study, 1,296.8 tons of mixed plastics, including polystyrene, were landfilled per year.

Recycling of used EPS food containers is not a viable option due to a host of barriers, including but not limited to contamination with food, incompatibility with the mixed collection recycling systems that are common throughout California, high processing costs, and low market value.

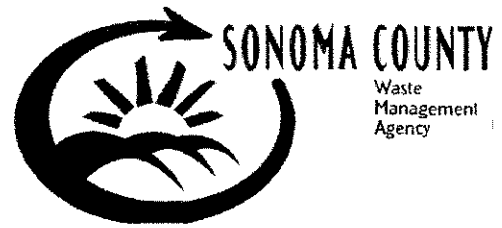
In order to prevent litter and protect human health and the health of the environment, the County of Sonoma adopted a Government facility expanded polystyrene ban (Title 19, Section 19.6-1 of Municipal Code) in June 1989 which prohibits the sale, possession, or distribution of polystyrene food packaging at all County-owned facilities.

The SCWMA strongly urges your support of SB 568 to help California reduce the use of this badly designed product which ends up polluting the environment and taking up landfill space.

[Redacted Signature]

Henry J. Mikus, Executive Director
Sonoma County Waste Management Agency

Cc: SCWMA Board Members



August 30, 2012

The Honorable Loni Hancock
Room 2082, State Capitol
Sacramento, CA 95814

Subject: SB 1118 (Hancock) – Used Mattress Recovery and Recycling Act - SUPPORT

Dear Senator Hancock:

The Sonoma County Waste Management Agency (SCWMA), formed in April 1992, is the joint powers authority of the nine incorporated cities and the County of Sonoma. The mission of the Agency is waste diversion required by State law AB939. The Agency's programs include household hazardous waste, composting, wood waste recycling, parks recycling, planning and education.

In June 2001, the SCWMA, recognizing that Extended Producer Responsibility (EPR) is a waste management approach that significantly improves our ability to manage discarded hazardous products, approved a resolution supporting EPR policies and efforts by governmental and non-governmental organizations to develop such policies.

The SCWMA supports Extended Producer Responsibility (EPR) policies that shift California's product waste management system from one focused on local government funded and ratepayer financed to one that relies on producer responsibility in order to reduce public costs and drive improvements in product design that promote environmental sustainability.

The SCWMA is pleased to support the final version of SB 1118 (Hancock) Used Mattress Recovery and Recycling Act dated August 22, 2012 at 5:43pm. We believe strongly that manufacturers who design and profit from these products should share in the responsibility to properly manage them at end of life and not externalize these costs onto local taxpayers and garbage ratepayers. The August 22, 2012 version of the bill incorporates the most important amendments that we can support. This version will ensure the waste hierarchy of source reduction is followed and protects small California mattress refurbishers from excessive reporting requirements.

Mattresses are bulky items that take up a lot of space in landfills because they do not compact well, and springs from mattresses can easily catch in equipment used in landfill operations. In Fiscal Year 11/12 (July 1, 2011 through June 30, 2012) 341.89 tons of mattresses were brought to Sonoma County Transfer Stations and the Central Disposal Site where the materials were ultimately landfilled. Often times, consumers do not want to pay landfills a disposal fee and end up illegally dumping them on city or county properties.

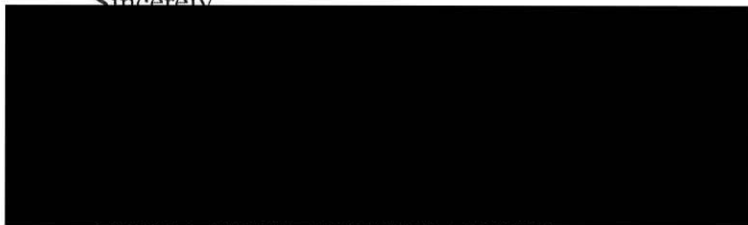
SB 1118 would require manufacturers to pick up mattresses at the end-of-life, at no cost to the consumer and the public agencies. SB 1118 will reduce the financial burden on local governments and

protect the environment by requiring manufacturers to take responsibility for establishing and implementing a collection and recycling program for used mattresses.

Our organization is a strong supporter of the California Product Stewardship Council (CPSC) and we encourage your office to work closely with CPSC on all producer responsibility legislation as they are the subject policy experts in California.

Thank you again for carrying this important piece of legislation.

Sincerely,



Henry J. Mikus, Executive Director
Sonoma County Waste Management Agency

Cc: SCWMA Board Members