



Date: February 19, 2015
To: SCWMA Board Members
From: Henry J. Mikus, SCWMA Executive Director

Executive Summary Report for the SCWMA Board Meeting of February 18, 2015

Item 3: The Board met in Closed Session to discuss Litigation and employee performance (Agency Counsel and Executive Director). The Board reported from Closed Session that direction and authority had been given to the Executive Director to negotiate and finalize an Indemnification and Joint Defense Agreement with the County of Sonoma regarding compost operations.

Item 6: Consent Items Approved: Items 6.1 January 16, 2014 Special Meeting Minutes, 6.2 January 21, 2014 Special Meeting Minutes, 6.3 Recycle Guide Printing contract, 6.4 FY 14-15 2nd Quarter financial Report, 6.5 City/County Payment Program authorization, and 6.6 Household Hazardous Waste Information Exchanges were approved by the Board.

Item 6: Consent Items Pulled for Discussion: Items 6.7 Compost Zero Discharge Plan Update Report, 6.8 Compost Pond engineering Design, and 6.9 Compost Pond Construction Budget were pulled from "Consent" for discussion at the request of Supervisor Zane. After brief discussion on the items as a group with focus on the cumulative effect these expenditures would have on the Organics Reserve, the items were approved. Items 6.8 and 6.9 received the required "Unanimous Vote".

Item 7: Indemnity Escrow Account: Contingent on the final approval of the Indemnification and Joint Defense Agreement with the County of Sonoma, the Board, by "Unanimous Vote" approved establishing an escrow account with an initial deposit of \$750,000 from the Organics Reserve.

Item 8: Wood Waste and Yard Debris Tipping Fee Adjustment: The escrow account discussed in previous Agenda Item 7 is required to reach a total funding contribution of \$5 Million by February 2017. The Board had an initial discussion regarding how to build this escrow balance. The likely method to fund the escrow account was proposed to be via tip fee increases for inbound materials for composting. Debate occurred regarding the effect on the amount of self-haul materials collected by any proposed price increase. Staff was directed to perform all necessary noticing for approval of rate increases at the March 18, 2015 meeting. Staff was also asked to provide more analysis for the Board's consideration, including assessing what rates might be for limiting the increase to self-haul to 25% or 50% rather than a complete across the board increase, and to more accurately project what the full increase would be on the per-can rates from curbside collection.

Item 9: Draft 3rd Amendment of the JPA Agreement: The redone draft 3rd Amendment was presented for discussion. In part because of some flexibility to the April target for amendment approval as shown in the Zero Discharge Plan for compost, the Board provided further direction to staff for information to be presented at the March meeting:

- Continue working with the County to determine the cost for using the proposed new compost site at the Central landfill

- Ascertain with the County whether use of the HHW facility site would continue to be free or would have a use cost after February 2017
- Collect and summarize the waste diversion and other goals established by the Solid Waste Advisory Group (SWAG), including the report prepared by HDR
- Provide a more complete, in-depth summary of the Board's June 2014 Strategic Planning Work Session, which had as its main focus the Agency term extension and agreement revisions
- Provide the May 2014 R3 report on Agency service delivery, including a summary
- Analyze what group might be suited to consider policy issues on Agency matters if the Agency was not extended past 2017
- Develop the following three scenarios for providing the Agency services beyond 2017:
 - County of Sonoma to provide the services
 - The Agency to continue providing services
 - A blend of County and Agency providing services

The Board also asked that the draft "White Paper" that has been developed on Agency information, Agency term extension, and compost program plans be completed and sent to Agency Board members and alternates, City Managers, and City Attorneys as soon as possible.

Item 10: FY 15-16 Draft Work Plan: The FY 15-16 draft work Plan was presented and discussed. The Board asked that information regarding use of Organics Reserve funds and C&D diversion would be included in the Final Work Plan and the draft Budget.

Item 11: Potential EPR Diversion Programs: Staff presented a list of potential waste diversion programs with summaries as a beginning point for planning. The Board expressed interest in developing additional information and starting planning for three programs: a polystyrene ban, a pharmaceuticals ordinance, and establishment of a satellite HHW facility for the northern section of the County.

Item 12: Appointment of Interim Agency Counsel: The Board appointed Ethan J. Walsh of Best, Best, and Krieger LLP, Attorneys at Law, as Agency Counsel to succeed Janet Coleson, RWG Law, who has resigned. The Board decided to make the appointment permanent rather than interim given the full process that was followed to select Mr. Walsh.

Item 13: Attachments/Correspondence: The sole attachment was February & March 2015 Outreach Calendar.