



Five Year Financial & Compliance Audit

Fiscal Years 2011/12 – 2015/16



September 5, 2017

Submitted to:

Alameda County Waste Management Authority
Alameda County Source Reduction and Recycling Board
1537 Webster Street
Oakland, CA 94612

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Executive Summary



Executive Summary

Crowe Horwath LLP (Crowe) conducted this Five Year Financial and Compliance Audit of funds raised through the Alameda County Waste Reduction and Recycling Initiative Charter Amendment (“Measure D”). This Five Year Audit was conducted in two (2) phases. The Phase I audit covered the three (3) fiscal years of 2011/12, 2012/13, 2013/14. The Phase II audit covered the two (2) fiscal years of 2014/15 and 2015/16.

For Phases I and II, we found no significant Measure D compliance issues after examining the finances of the Recycling Board, member agencies, and grant recipients. Our work included on-site reviews of the Recycling Board, each of the sixteen (16) member agencies, and a total of twenty-seven (27) grant recipients. We conducted our Phase I field work between November, 2014, and May, 2015; and the Phase II field work between January, 2017, and June, 2017.

In Section 1 of this report, we provide an introduction and background of the audit. In Section 2 of this report, we identify the flow of Measure D monies, from collection by the Recycling Board from landfill operators, to distribution of Measure D monies for programs managed by the Recycling Board, and to the member agencies.

In Section 3 of this report, we provide our financial and compliance assessment results. For each financial and compliance provision of Measure D, we identify whether the applicable entity met the requirement and, if so, how the entity met the requirement (in Exhibit 3-1 and 3-2). We found Alameda County and the Recycling Board in compliance with nine (9) Measure D compliance areas.

We found the member agencies in compliance with seven (7) Measure D compliance areas, with some minor exceptions. We found some minor variations between expenditure amounts reported by member agencies on their Annual Measure D Programs report and expenditure amounts we identified through our audit. These differences were not considered material. **Exhibit ES-1** summarizes our financial and compliance findings. We provided some recommendations for the Recycling Board to consider regarding member agency guidance and reporting tools related to expense reporting.

In Section 4 of this report, we provide our review of Recycling Board waste diversion results for the audit period. We observed that the Recycling Board is using a range of methods to track changes in waste diversion levels, and the Recycling Board’s use of the percentage of divertable materials within the refuse container continues to represent a progressive and focused approach for measuring and targeting reductions in curbside disposal volumes.

We found that during the Phase I period it was likely that reductions in per capita disposal rates were related to economic factors (not program enhancements or increasing curbside recycling or organics participation levels). In Phase II, we found that Measure D per capital disposal rates leveled. We found the Recycling Board in compliance with AB 939 goals, and at 73 percent diversion Countywide in 2015 (on a weighted average basis across the sixteen member agencies), about two (2) percent short of the aggressive 75 percent diversion goal set for 2010. We provided some recommendations for the Recycling Board to consider with disposal and diversion related reporting to member agencies.

In Section 5 of this report, we provide our recommendations from the audit. **Exhibit ES-2** provides a summary of our recommendations. We provide these recommendations in the spirit of simplifying the Measure D reporting and auditing process and clarifying Measure D expense applicability. To note, the Board implemented, or is in the process of implementing, a number of these recommendations, originally provided in 2015 Phase I results.

There are seven (7) appendices to this report. These appendices provide such information as the Measure D text; related Recycling Board resolutions and memoranda; member agency background; supporting details for our compliance testing; and a summary of grant recipients reviewed.

**Exhibit ES-1
Five Year Financial and Compliance Audit
Summary of Findings**

Entity	Findings
Recycling Board	<ul style="list-style-type: none"> • RB-1 – Alameda County and the Recycling Board Met Measure D Compliance Requirements • RB-2 – The Recycling Board Collected Measure D Monies From Landfill Operators in Accordance with Measure D Requirements, and Could Add Benefit from Three Additional Internal Control Procedures • RB-3 – The Recycling Board Allocated Measure D Monies to Member Agencies, and Required Programs, Consistent with Measure D Requirements • RB 4 – The Recycling Board Does Not Have Written Guidance on Measure D Applicability • RB 5 – Annual Measure D Programs Reporting and Associated Five-Year Audit Processes Should Be Streamlined
Member Agencies	<ul style="list-style-type: none"> • MA-1 – Member Agencies Met the Compliance Requirements of Measure D • MA-2 – Member Agencies Spent Measure D Funds on Legitimate Measure D Expenses • MA-3 – Member Agencies Correctly Reported Interest on Measure D Fund Balances
Grant Recipients	<ul style="list-style-type: none"> • G-1 – Grant Recipients Complied with Terms and Conditions of the Grants and With Measure D Requirements

Exhibit ES-2
Five Year Financial and Compliance Audit
Summary of Recommendations

Page 1 of 2

Entity	Recommendation	Summary of Recommendation
Recycling Board	<ul style="list-style-type: none"> Recommendation RB-2a – Require Consistent Sign Offs Verifying Quality Control Checks of Measure D Tonnage Reports Submitted by Landfill Companies 	<ul style="list-style-type: none"> Develop a separate sign off page on each Measure D tonnage report to allow Board staff to sign off once tonnage data is entered into the Disposal Reporting System. At least one staff member that performs the quality control review of data entered into the Disposal Reporting System should sign and date the sign off page to confirm this quality assurance/quality control (QA/QC) function.
	<ul style="list-style-type: none"> Recommendation RB-2b – Tie Measure D Tonnage Captured in Disposal Reporting System to Measure D Revenues in MUNIS System 	<ul style="list-style-type: none"> Add the capability within the Disposal Reporting System (potentially as a separate module) to tie Measure D tonnage data from the Disposal Reporting System to the revenues that the Board receives from landfill companies. Provide the Board with a link from the Measure D landfill tonnage identified in the Disposal Reporting System to the Measure D revenues received by the Board and reported in MUNIS.
	<ul style="list-style-type: none"> Recommendation RB-2c – Audit Measure D Tonnage Reports and Test Validity of Transactions to Company Weight Tickets 	<ul style="list-style-type: none"> Select a sample of tonnage data provided in the Measure D monthly reports and request landfill operators to furnish weight tickets in support of the tonnage data. Weight tickets would provide the Recycling Board real-time confirmation that landfill operators are capturing and reporting correct Measure D tonnage data.
	<ul style="list-style-type: none"> Recommendation RB-4 – Develop List of Allowable Measure D Categories and Expenses that Provides Interpretations of Measure D Expense Applicability 	<ul style="list-style-type: none"> With the wide variety of potential Measure D related expenses, and the constantly evolving nature of recycling programs and other related conservation programs (e.g., water recycling and management), the Board should develop and maintain a detailed list of “allowable” expenses for reference. Identify those expenses that are considered “not allowable.” Augment this list as new expenditures are evaluated. The Board staff can evaluate each new expense on a case by case basis, prior to updating the list.
	<ul style="list-style-type: none"> Recommendation RB-5a – Develop Method for Member Agencies to Electronically Submit Measure D Expense Reports Online 	<ul style="list-style-type: none"> Develop a method for member agencies to submit Measure D reports electronically to StopWaste through a web-based interface. Enhance the ability for StopWaste to perform expenditure and balance checks and for auditors to audit member agency Measure D reporting. Provide easy checks for mathematical accuracy, and error checks, built into the Measure D online reporting form.
	<ul style="list-style-type: none"> Recommendation RB-5b – Provide Supporting Documentation for Measure D Expenditures upon Submission of Measure D Reports using Electronic Reporting 	<ul style="list-style-type: none"> Require member agencies to furnish supporting documentation for expenditures in excess of a certain threshold (e.g., \$1,000) at the time the member agency submits its Measure D report.¹ Assist Board staff and auditors’ in reviewing Measure D reports, assessing transaction applicability, and prioritizing transactions as part of Five-Year audit planning. Perform Five-Year audit work more efficiently in the future. Minimize member agencies having to locate several year-old documentation as part of the Five-Year audit process.

¹ With the exception of support for labor costs.

Exhibit ES-2
Five Year Financial and Compliance Audit
Summary of Recommendations *(continued)*

Entity	Recommendation	Summary of Recommendation
Recycling Board <i>(continued)</i>	<ul style="list-style-type: none"> Recommendation RB-5c – Reduce Field Visits of Member Agencies During the Five-Year Audit 	<ul style="list-style-type: none"> Allow some mixture of “desk audits” (conducted from the auditor’s offices) and “field audits” (conducted at the member agencies location). For example, the Board might scope the audit to include desk audits for half (8) of the member agencies during each phase, reducing the number of onsite visits in half from the current protocol and reducing overall audit costs. Use field visits for just the riskiest or largest member agencies. Recognize the majority of review activities can be performed offsite (through desk audit).
Member Agencies	<ul style="list-style-type: none"> MA-1 – Track Labor Costs Based on Actual Time Reporting Where Possible, or Provide Current Data Supporting Labor Allocations to Measure D Activities 	<ul style="list-style-type: none"> Request that where possible, for Measure D labor costs, member agencies capture the actual time that employees spend on Measure D related activities in time reporting systems. Discourage member agencies from budgeting a percentage of each staff member’s time and then “plugging” that budgeted percentage amount into the staff member’s timesheet. If a member agency does not have the capability to record employee time by project/task, that member agency should provide evidence supporting current Measure D labor costs and/or cost allocations. Types of documentation supporting labor allocations could include: <ol style="list-style-type: none"> formal agency-wide cost allocation studies, supporting documentation for cost allocation methods used to allocate shared labor costs to the Measure D program for a recent representative period, records of time worked on Measure D activities captured by employees, outside of time reporting systems, for a recent representative period. Require cost allocation methods to be reviewed and verified by the member agency, at a minimum, on an annual basis.
Grant Recipients	<ul style="list-style-type: none"> Recommendation GR-1 – Develop Capability to Electronically Prompt Grant Managers when Contracts are Nearing End Dates 	<ul style="list-style-type: none"> Set up a “tickler” system to remind staff in advance of contract end dates. Set up system within the MUNIS system at the point the contract is signed, with targeted reminders at pre-set points in time (3 months, 1 month remaining).

Section 1
**Introduction and Background
for Measure D Financial
and Compliance Audit**



1. Introduction and Background for Measure D Financial and Compliance Audit

In this introductory section, we provide an overview of the Alameda County Waste Reduction and Recycling Initiative Charter Amendment (“Measure D”) and background on this Five (5) Year Financial and Compliance Audit (Five Year Audit) conducted for the Alameda County Source Reduction and Recycling Board (Recycling Board). This section presents background on Measure D, the Recycling Board, and member agencies receiving Measure D funds. This section also provides the project scope and approach.

This final report includes Phase I audit results covering the three (3) fiscal years of 2011/12, 2012/13, and 2013/14; and Phase II audit results covering the two (2) fiscal years of 2014/15 and 2015/16. This section is organized as follows:

- A. *Overview of Measure D*
- B. *Organization of Recycling Board, Waste Management Authority, Energy Council, and StopWaste*
- C. *Description of Member Agencies*
- D. *Scope and Limitations of Financial and Compliance Audit.*

A. Overview of Measure D

The Alameda County Waste Reduction and Recycling Initiative Charter Amendment (“Measure D”), passed by Alameda County (County) voters in 1990, placed the County at the forefront of source reduction and recycling in California, and the nation. Measure D was intended to ensure that the County meet, and exceed, the State of California’s Assembly Bill 939 (AB 939), 25 percent (by 1995) and 50 percent (by 2000), waste diversion mandates.

Measure D established the Alameda County Source Reduction and Recycling Board (Recycling Board) to create a framework for comprehensive source reduction and recycling programs. Measure D established a per ton landfill tipping fee surcharge to support source reduction and recycling in the County. The Measure D landfill tipping fee surcharge provides the County with revenue to fund proactive source reduction and recycling-related policies and programs.

In part through implementation of Measure D, the County has exceeded the State’s AB 939 mandates. In 1995, Alameda County had a 37 percent diversion rate, well above the 25 percent AB 939 mandate; and in 2000, Alameda County had a 54 percent diversion rate, above the 50 percent AB 939 mandate. In 2008, the County’s diversion rate was 67 percent. The County established a challenging target of 75 percent diversion by 2010, well beyond the current 50 percent AB 939 goal. In 2010, the County’s diversion rate was 70 percent (on a weighted average basis). In 2011 and 2012, the County’s diversion rate increased to 71 percent. In 2015, the County’s diversion rate was 73 percent.

The Measure D tipping fee surcharge initially was \$6.00 per ton in 1990, and remained \$6.00 per ton through 2000. Between 2000 and 2011, the Recycling Board sought, and the Board of Supervisors approved, annual increases in the Measure D tipping fee surcharge equal to the change in the Consumer Price Index (CPI). Beginning January 1, 2010, the Recycling Board set the Measure D tipping fee surcharge at \$8.17 per ton. Beginning January 1, 2011, the Recycling Board set the Measure D tipping fee surcharge at \$8.23 per ton. The Measure D surcharge has remained unchanged at \$8.23 per ton since January 1, 2011.

Measure D requires that unincorporated County landfill operators collect the Measure D tipping fee surcharge on all refuse they receive for disposal (both in-County and out-of-County refuse). Unincorporated County landfill operators, in turn, pay these Measure D monies to the Recycling Board. The Recycling Board deposits Measure D monies received into the Measure D Recycling Fund.

The Measure D tipping fee surcharge applies to unincorporated County landfills only. The Measure D fee does not apply to County landfills located within city limits. Before fiscal year 2010/11, the “Tri-Cities,” consisting of the Cities of Fremont, Newark, and Union City, sent their refuse to the Tri-Cities Recycling and Disposal Facility (TCRDF), located in the City of Fremont. The TCRDF was the only open landfill

located within an Alameda County city limit. The Tri-Cities became eligible to receive Measure D funding beginning in the first quarter of fiscal year 2010/11, when the Tri-Cities jurisdictions began to close the TCRDF, and the Tri-Cities redirected the majority of their refuse to the Altamont Pass Landfill located in unincorporated County.¹ Beginning in August 1, 2012, all Tri-Cities municipal solid waste was directed to the Altamont Landfill, and since that time the Tri-Cities has been eligible for Measure D funding for all of its municipal solid waste disposal tonnage.

In accordance with Measure D, the Recycling Board is required to distribute fifty (50) percent of Measure D monies it collects to the fourteen cities and two sanitary districts. Five percent is earmarked for Alameda County's Recycled Product Purchase Preference Program. The Recycling Board retains the other forty-five (45) percent for Measure D programs managed by StopWaste. In **Appendix A**, we provide a complete copy of the text of Measure D (Exhibit A-1). We summarize Measure D compliance requirements, in Exhibit A-2 in Appendix A, for each of the following:

- Alameda County
- Recycling Board
- Member agencies
- General compliance (for all entities receiving Measure D monies).

Over time, the Recycling Board has adopted multiple resolutions, and a memorandum, clarifying aspects of Measure D. These clarifying rules relate to payment distribution methods, fund balance limitations, recipient eligibility, reporting requirements, and accounting practices. The approved resolutions and memoranda are presented in **Appendix B**.

B. Organization of Recycling Board, Waste Management Authority, Energy Council, and StopWaste

1. Alameda County Source Reduction and Recycling Board

An eleven (11) member Alameda County Source Reduction and Recycling Board oversees Measure D activities. The Recycling Board is comprised of six (6) citizen experts appointed by the Alameda County Board of Supervisors, and five (5) elected officials from the Alameda County Waste Management Authority. **Exhibit 1-1** identifies Recycling Board members, as of June 2017.

The Recycling Board is charged with helping Alameda County achieve its 75 percent and beyond diversion rate by 2010. The Recycling Board is responsible for programs promoting residential and commercial recycling, source reduction, and recycled product market development and procurement.

2. Alameda County Waste Management Authority

In 1976, Alameda County's Joint Exercise of Powers Agreement formed the Alameda County Waste Management Authority (Authority). The Authority is a seventeen (17) member board composed of elected officials appointed by each of the fourteen (14) cities, the County, and two (2) sanitary districts in the County. The Authority is responsible for programs related to solid waste facilities development, source reduction and recycling market development, technical assistance, and public education, in addition to the County's Integrated Waste Management Plan and Hazardous Waste Management Plan.

¹ Between this time and the date that the TCRDF ceased to receive additional municipal solid waste (August 1, 2012), the Tri-Cities delivered 25 percent of its waste flow to the TCRDF, with the remaining 75 percent going to the Altamont Landfill.

Exhibit 1-1
Alameda County Source Reduction and Recycling Board Members
(At End of Phase II, June 2017)

Board Member	Position or Specialty	Jurisdiction, if Applicable
1. Dianne Martinez	President	City of Emeryville
2. Steve Sherman	1 st Vice President, Source Reduction Specialist	
3. Jerry Pentin	2 nd Vice President	City of Pleasanton
4. Adan Alonzo	Recycling Programs	
5. Bernie Camara	Recycling Materials Processing Industry	
6. Peter Maass		City of Albany
7. John Moore	Environmental Organization	
8. Jim Oddie		City of Alameda
9. Michael Peltz	Solid Waste Industry Representative	
10. Tim Rood		City of Piedmont
11. Toni Stein	Environmental Educator	

The Authority currently receives funding from several sources including:

- 1) Assembly Bill 939 “facility fees” levied on (a) all wastes landfilled in the County, (b) wastes transferred through a County solid waste facility for out-of-County disposal, and (c) waste direct-hauled out-of-County and landfilled elsewhere in California (\$4.34 per ton, effective January 1, 2012)
- 2) Assembly Bill 939 household hazardous waste fees levied on (a) all wastes landfilled in the County, (b) wastes transferred through a County solid waste facility for out-of-County disposal, and (c) franchise waste direct-hauled out-of-County (\$2.15 per ton, in 2012). Additionally, the Authority Board adopted a separate HHW annual fee (\$8.60 per residential property unit through FY 16/17, \$8.46 in FY 17/18) paid via property taxes
- 3) Waste import mitigation fees charged on City and County of San Francisco contractual waste disposed of in the County (\$6.00 per ton, effective October 1, 2012)². This import mitigation fee ended in January 2016.
- 4) Import mitigation fees collected on wastes landfilled in the County originating out-of-County, other than for City and County of San Francisco contractual waste (\$4.53 per ton)
- 5) Benchmark (Service) fee to provide information services (collecting and reporting data) that allow disposed waste service account holders to better understand and take advantage of waste reduction opportunities (\$1.78 to \$21.19 per year, depending on account size, effective July 1, 2013).³

None of these Authority-related fees are within the scope of this audit.

² The fee is subject to annual adjustments, per the contract, and is applied up to 15 million tons disposed of at Altamont Landfill (the total amount of Altamont Landfill capacity reserved by the City and County of San Francisco).

³ The Authority elected to eliminate this fee-for-service that focused on data collection and reporting as of June 30, 2017. Elements of the data collection are being proposed to continue, but funded from core revenue, rather than the Benchmark Service fee.

3. Energy Council

The Energy Council was formed in Spring 2013 as a Joint Powers Agency to seek funding on behalf of its member agencies to develop and implement programs and policies that reduce energy demand, increase energy efficiency, advance the use of clean, efficient, and renewable resources, and help create climate resilient communities. The Energy Council assists its members in strengthening staff capacity, providing technical expertise, and securing funds to implement local sustainable energy strategies.

All fifteen jurisdictions in Alameda County serve on the Board of the Energy Council including the County of Alameda, and the fourteen cities. Cities and counties outside of Alameda County are also eligible to join if approved by the Council's Board. A Technical Advisory Group made up of staff from participating agencies helps with project coordination and implementation.

4. StopWaste

The Recycling Board, the Authority, and the Energy Council, together, comprise a single public agency, StopWaste. StopWaste has historically developed and implemented a wide range of projects including: (1) grants to non-profit organizations, (2) home composting, (3) recycled product procurement, (4) low interest loans, (5) public education, (6) technical assistance, and (7) waste prevention. StopWaste manages projects such as, but not limited to:

- Bay-friendly landscaping
- Benchmark reporting and data analysis
- Business waste reduction assistance
- Buy recycled
- Contract management
- Countywide Integrated Waste Management Plan (CoIWMP)
- Disposal reporting
- Grants and loans
- Green building guidelines
- Green building projects
- iRecycle@School education center
- Multifamily GreenPoint guidelines and rating system
- Ordinances (e.g., reusable bags, mandatory recycling)
- School curricula.

StopWaste currently has 49.5 full time equivalent (FTE) staff budgeted. Of this total 41.0 FTEs are regular (permanent) staff, 3.5 FTEs are limited term (1 position through FY18/19, 2.5 thru FY 19/20), and 5 FTEs are intermittent (up to 1,000 hours per year for each person). StopWaste manages its work in six areas: Packaging, Organics, Built Environment, Communications, Administration, and Planning.

C. Description of Member Agencies

The Authority is comprised of seventeen (17) member agencies, including Alameda County, fourteen (14) cities, and two (2) sanitary districts. A total of sixteen (16) member agencies met the requirements to receive Measure D per capita funds during Phase I and II of this Five-Year Audit. The seventeenth member agency, the County of Alameda, does not meet the definition of “municipality” in the County Charter (cities and sanitary districts), and therefore is not eligible to receive per capita funds.⁴ These sixteen (16) currently eligible member agencies include the following:

- | | |
|-----------------------|-------------------------------------|
| 1. City of Alameda | 9. City of Newark |
| 2. City of Albany | 10. City of Oakland |
| 3. City of Berkeley | 11. City of Piedmont |
| 4. City of Dublin | 12. City of Pleasanton |
| 5. City of Emeryville | 13. City of San Leandro |
| 6. City of Fremont | 14. City of Union City |
| 7. City of Hayward | 15. Castro Valley Sanitary District |
| 8. City of Livermore | 16. Oro Loma Sanitary District. |

In **Appendix C** we provide an overview of member agency populations, recycling programs, Measure D reporting requirements, and Measure D accounting methods.

D. Scope and Limitations of Financial and Compliance Audit

Measure D requires fiscal responsibility and accountability. This Five Year Audit is mandated under Subsection 64.040(C) of Measure D, to ensure that the Recycling Board, County-wide recycling programs, and member agencies are spending Measure D funds appropriately, and complying with Measure D requirements. These requirements include specific funding allocations, accounting methods, reporting requirements, and programmatic elements.

Originally, the Five Year Audit was performed at the end of each five year audit period. In 2003, the Recycling Board passed Resolution Number RB 2003-11, dividing the Five Year Audit into two phases. This is the third Five Year Audit performed in two (2) phases. The two (2) phases are:

- *Phase I* – the three (3) fiscal years of 2011/12, 2012/13, and 2013/14
- *Phase II* – the two (2) fiscal years of 2014/15 and 2015/16.

Crowe performed our Phase I audit field work between December, 2014 and May, 2015; and performed our Phase II audit field work between January, 2017 and June, 2017. For both phases, we conducted on-site meetings with Recycling Board management and staff, member agencies, and selected grant recipients during the approximately six-month audit period.

We used a methodical approach to review financial and compliance requirements related to Measure D funds. The audit was divided into tasks. Each task had multiple subtasks, including scheduling and attending meetings, obtaining and reviewing financial statements and other appropriate supporting documentation, and evaluating compliance with various Measure D requirements. In addition to reviewing the appropriateness of the financial tracking and fund activities, Crowe evaluated current Measure D processes and procedures, and identified opportunities for improvement. Finally, we also reviewed and evaluated the Recycling Board’s achievement of performance metrics, and made recommendations related to advancing diversion planning.

⁴ Though ineligible to receive per capita funds, the County of Alameda has priority access to five (5) percent of Recycling Fund revenues to implement a Recycled Product Purchase Preference Program.

The Recycling Board previously engaged consultants to conduct Five Year Audits in 1996, 2001, 2004, and 2010 so this represents the fifth Measure D financial and compliance audit. These four (4) prior audits verified the appropriateness of Measure D funds, and provided recommendations that the Recycling Board has implemented at the Recycling Board, and member agency, levels. Prior audit recommendations targeted the following improvement areas:

- Accounting method requirements
- Fund balance limits
- Indirect cost allocation support
- Information system linkages between Measure D tons and revenues
- Posting agency fund disbursements to website
- Revised reporting forms.

The Recycling Board, member agencies, and Alameda County receive and manage solid waste and recycling funds that are not derived from the Measure D per ton fee. These funds include Import Mitigation fees, CalRecycle payments, used oil grants, and various other grants. The Five Year Audit does not cover monies, or activities, related to these non-Measure D funding sources.

For the fiscal year of 2011/12, the Authority and Recycling Board was audited by the firm of Mann, Urrutia, Nelson CPAs and Associates, LLP. For each of the two fiscal years of 2012/13 and 2013/14, the Authority and Recycling Board was audited by the firm of Maze and Associates. In each year, the financial audit was unqualified. For both fiscal years 2014/15 and 2015/16 the Authority and Recycling Board was audited by Maze and Associates, who issued an unmodified opinion in each year.

Section 2
**Measure D Monies
Received and Expended**



2. Measure D Monies Received and Expended

In this section, we quantify Measure D revenues received and expended by the Recycling Board for the five fiscal years from 2011/12 to 2015/16. We quantify Measure D revenues, received by the Recycling Board, from facility operators. We quantify the distribution of Measure D revenues, received by the Recycling Board, to the member agencies and to the various programs supported by the Recycling Board. Finally, we show the types of expenditures incurred by member agencies using Measure D monies. This section is organized as follows:

- A. *Measure D Monies Received by the Recycling Board*
- B. *Allocation of Measure D Monies Received by the Recycling Board*
- C. *Member Agency Expenditures of Measure D Funds.*

A. Measure D Monies Received by the Recycling Board

The Recycling Board received three (3) types of Measure D revenues. These three revenue types included (1) Measure D tipping fee surcharges remitted by facility operators, (2) interest earned on Measure D funds, and (3) Measure D Revolving Loan Fund (RLF) payments made on outstanding RLF loans (including interest, loan origination fees, and principal payments). We describe each of these three (3) revenue sources below.

1. Measure D Tipping Fee Surcharge

Subsection 64.050(A-C) of Measure D requires that landfill or incinerator operators in unincorporated Alameda County collect a surcharge on refuse accepted for landfilling or incineration. Facility operators must, in turn, pay this entire surcharge to the Recycling Board.

In 1990, the Act specified that the Measure D tipping fee surcharge initially be set at \$6.00 per ton. From 1990 to 1999 the Measure D tipping fee surcharge remained at \$6.00 per ton. Starting in 2000, the Alameda County Board of Supervisors approved annual increases in the Measure D tipping fee surcharge. **Exhibit 2-1** presents historical Measure D tipping fee surcharges, highlighting the applicable surcharges for Phase I and II.

Exhibit 2-2 shows that for Phases I and II, facility operators at three (3) in-County, and one (1) out-of-County facilities, paid Measure D monies to the Recycling Board. The in-County facilities paid virtually all, or 99 percent, of Measure D monies received by the Recycling Board in Phases I and II. The other out-of-County facility paid the remaining one (1) percent of Measure D monies to the Recycling Board because they received a small amount of franchised waste from either the City of Berkeley or City of Piedmont that was originally intended for Vasco Road Landfill, but instead was shipped out-of-County. Per RB Resolution 2003-10, at times when member agency-controlled wastes were delivered to an out-of-county landfill, the member agency has required either the hauler or the receiving landfill to pay the Measure D-equivalent fee to the Recycling Board in order to maintain full eligibility for per-capita disbursements.

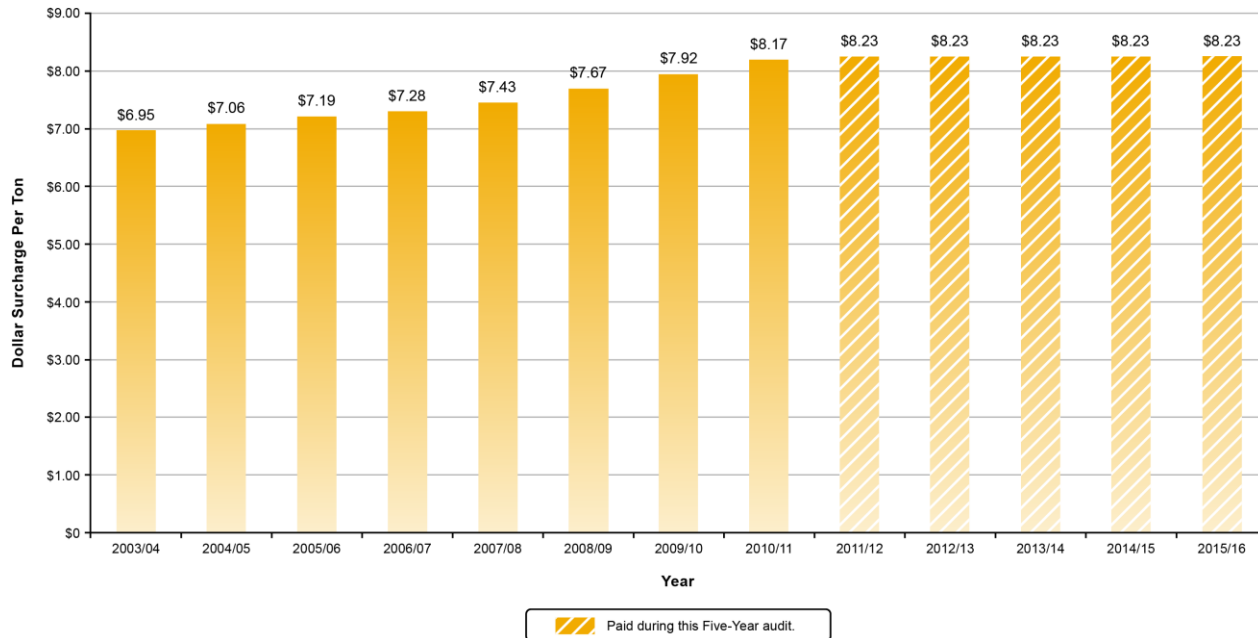
Facility operators paid Measure D monies to the Recycling Board for in-County, and out-of-County, refuse accepted for disposal. Facility operators paid Measure D monies on franchised refuse, and self-haul refuse, received at their facilities. Facility operators paid Measure D monies on the following three (3) refuse types accepted for disposal:²

- Construction and demolition waste
- Municipal solid waste
- Special waste.

¹ A Superior Court Ruling in 1991, invalidating Measure D, created a two (2) year hiatus in the implementation of Measure D. The Superior Court ruling was reversed by the Court of Appeal in 1993, and Measure D was reinstated, including the mandated \$6 per ton surcharge.

² This delineation is for Board tracking and monitoring purposes. State regulations only require that landfills detail the material type of waste when it is used as alternative daily cover (ADC), alternative intermediate cover (AIC), or beneficial reuse.

**Exhibit 2-1
Measure D Tipping Fee Surcharge¹
Per Ton of Refuse Accepted for Disposal
(2004 to 2016)**



**Exhibit 2-2
Facility Operators Paying Measure D Monies to the Recycling Board
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16)**

Facility	Operator/Owner	Location	Percent of Phase I Monies Paid to Recycling Board	Percent of Phase II Monies Paid to Recycling Board
In-County				
1. Altamont Landfill	Waste Management, Inc.	Unincorporated County (near Livermore, California)	71%	70%
2. Vasco Road Landfill	Republic Services, Inc.	Unincorporated County (near Livermore, California)	27%	30%
3. Tri-Cities Recycling & Disposal Facility	Waste Management, Inc.	City of Fremont	2%	0% ³
Out-of-County				
4. Keller Canyon Landfill ⁴	Republic Services, Inc.	Unincorporated Contra Costa County (near Pittsburg, California)	<1%	<1%

³ The TCRDF facility discontinued paying Measure D monies in July 2012. Subsequent to this time, refuse from Tri-Cities flowed through the BLT Transfer Station with ultimate disposition at Altamont Landfill.

⁴ An out-of-County facility. Includes a small amount of refuse collected from the City of Berkeley and City of Piedmont.

Exhibit 2-3⁵**Measure D Monies Paid by Facility Operators to Recycling Board
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/2015 and 2015/2016)**

Fiscal Year	Estimated Measure D Refuse Tonnage	Measure D Tipping Fee Surcharge (per Ton)	Total Measure D Monies Paid to Recycling Board
2011/12	1,000,823	\$8.23	\$8,198,186
2012/13	1,057,728	\$8.23	8,703,678
2013/14	1,026,376	\$8.23	8,452,422
Phase I Total	3,084,927	Three-Year Average = \$8.23	\$25,354,286
2014/2015	1,039,697	\$8.23	\$8,562,791
2015/2016	1,006,627	\$8.23	8,295,142
Phase II Total	2,046,324	Two-Year Average = \$8.23	\$16,857,933
Five Year Total	5,131,251 ⁶	Five-Year Average = \$8.23	\$42,212,219

Facility operators did not pay Measure D monies on materials recycled, or used for alternative daily cover (ADC), or used for other beneficial reuse. In-County facility operators paid Measure D monies on all out-of-County refuse accepted for disposal.⁷ Based on terms of a separate disposal agreement in place prior to the 1990 passage of Measure D, the facility operator of the Altamont Pass Landfill, Waste Management Inc., did not pay Measure D fees to the Recycling Board on City and County of San Francisco refuse received for disposal, which was transferred from the San Francisco Tunnel Road transfer station (owned and operated by Recology).⁸

Facility operators submitted monthly remittance reports to the Recycling Board, identifying refuse tons collected and Measure D monies paid. Over the three Phase I fiscal years, the Recycling Board received \$25,388,948 in Measure D payments, as shown in **Exhibit 2-3**. Over the two Phase II fiscal years, the Recycling Board received \$16,841,257 in Measure D payments, also shown in Exhibit 2-3. Facility operators generally paid Measure D monies to the Recycling Board on a monthly basis.

Exhibit 2-3 indicates that estimated Measure D refuse tonnage equaled approximately 5.1 million tons for the five years of Phases I and II. The Measure D rate paid during the five-year period was held at a constant rate of \$8.23 per ton. Annual Measure D tonnage remained relatively flat between fiscal years 2011/12 and 2015/16. Annual Measure D tipping fee surcharge revenues, varied between \$8.2 and \$8.7 million over the five years.

In **Exhibit 2-4**, we show the relationship of Measure D revenues to Measure D tonnages, and the Measure D surcharge, for the thirteen (13) fiscal years from 2003/04 to 2015/16. This graphic reveals that, prior to fiscal year 2011/12, the Measure D surcharge steadily increased while disposal tonnage declined, resulting in an overall reduction in Measure D revenues. Since fiscal year 2011/12, the Measure D surcharge remained stable at \$8.23 per ton, while Measure D tonnages remained flat, and Measure D revenues stabilized.

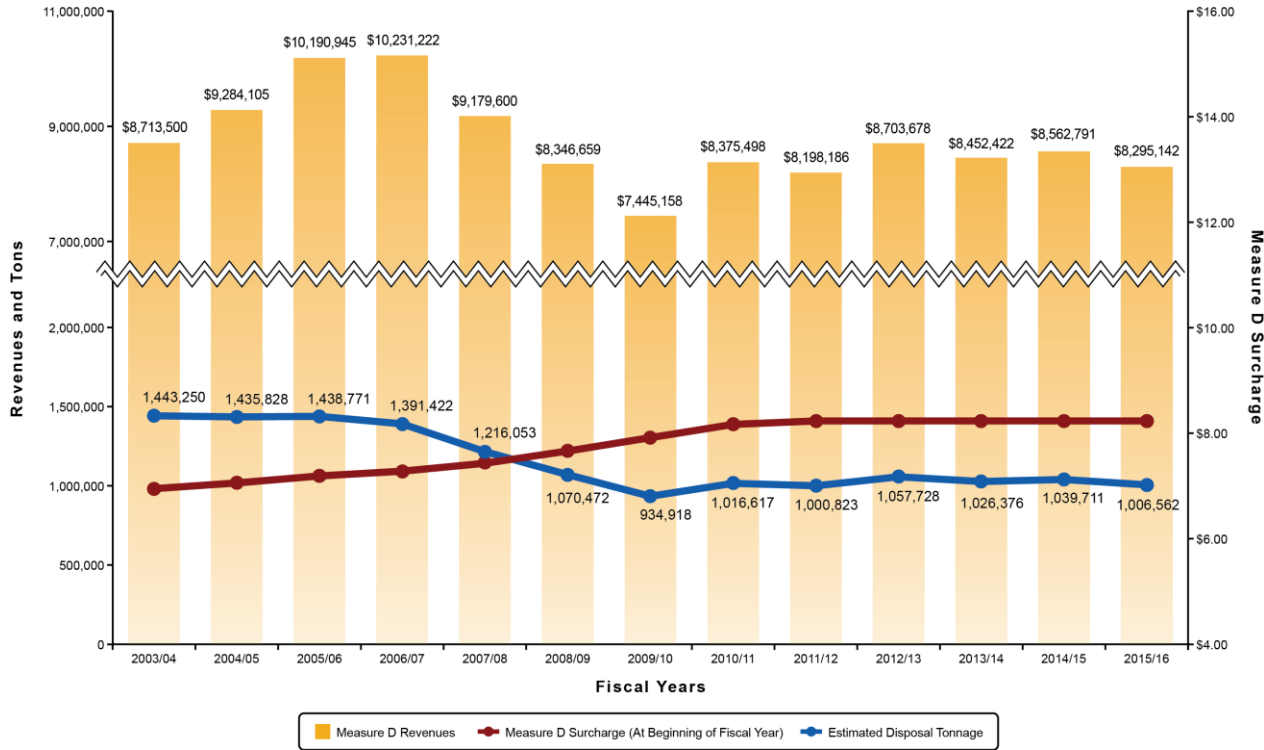
⁵ Measure D refuse tonnage multiplied by Measure D tipping fee may not reconcile to Measure D monies paid to the Recycling Board due to the timing of reporting of total tonnage and total Measure D monies paid to Recycling Board.

⁶ Some minor differences in calculated quantities are due to rounding.

⁷ Other than for the contractual City and County of San Francisco agreement.

⁸ Recology San Francisco (f/k/a Sanitary Fill Company) did however pay County mitigation fees on this City of San Francisco tonnage. This separate disposal agreement terminated in January, 2016 when the contractual limitation of 15,000,000 tons was reached.

Exhibit 2-4
Alameda County Source Reduction and Recycling Board
Measure D Revenues, Disposal Tonnages, and Measure D Surcharges
(Fiscal Years 2003/04 to 2015/16)



2. Measure D Interest Earned

In addition to the revenues generated through the Measure D tipping fee surcharge, the Recycling Board earned interest on Measure D fund balances, as shown in **Exhibit 2-5**. The County Treasurer paid the Recycling Board interest on Measure D funds, on a quarterly basis.

The County Treasurer pooled all County investments (including Measure D funds) into a Treasurer investment portfolio. The County allocated income from its pooled investments to individual County funds, at the end of each quarter, based on the fund’s average daily cash balance during the quarter, in relation to the average daily balance of the County’s total pooled cash. The County Treasurer invested in various instruments, including the State of California Local Agency Investment Fund (LAIF), collateralized time deposits, money market funds, bonds, and treasuries.

The County Treasurer performed the interest income calculation for all County funds. The Recycling Board had no involvement in this interest calculation. Approximate earned yields on all funds, received by the County, for the five fiscal years were as follows:

- FY 2011/12 – 0.48 percent
- FY 2012/13 – 0.31 percent
- FY 2013/14 – 0.31 percent
- FY 2014/15 – 0.40 percent
- FY 2015/16 – 0.54 percent.

Recycling Board interest earned on Measure D funds for Phase I totaled \$82,844, and for Phase II totaled \$82,993.

Exhibit 2-5
Alameda County Source Reduction and Recycling Board
Interest Earned on Measure D Funds
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16)

Fiscal Year	Member Agency Account	Other Accounts	Revolving Loan Fund	Total
2011/12	\$3,029	\$24,134	\$6,895	\$34,058
2012/13	1,853	16,628	5,571	24,052
2013/14	1,774	18,400	4,560	24,734
Phase I Total	\$6,656	\$59,162	\$17,026	\$82,844
2014/15	\$2,916	\$23,774	\$6,056	\$32,746
2015/16	3,691	38,907	7,649	50,247
Phase II Total	\$6,607	\$62,681	\$13,705	\$82,993
Five Year Total	\$13,263	\$121,843	\$30,731	\$165,837

3. Measure D Revolving Loan Fund

Leftover Measure D funds collected prior to the 1991 Superior Court ruling (temporarily invalidating Measure D) were placed into a holding account. Once the ruling was overturned in 1993, the Recycling Board created the Revolving Loan Fund (RLF) to support local small and medium sized businesses engaged in source reduction and recycling activities. The Recycling Board uses the Revolving Loan Fund to provide financing to fill gaps in business funding. This self-sustaining fund relies on revenue generated from fund balance interest and repayment of loans.

The Revolving Loan Fund generated additional revenues totaling \$106,554, during the three Phase I fiscal years and \$28,319 during the two Phase II fiscal years.⁹ These revenues resulted from payments for loan services provided through the Revolving Loan Fund. These revenues received are reflected in the Revolving Loan Fund balance. The RLF was discontinued at the end of FY 16/17, other than servicing the one outstanding loan.

B. Allocation of Measure D Monies Received by the Recycling Board

Section 64.060(B) of Measure D requires the Recycling Board to allocate Measure D tipping fee surcharge revenues in accordance with the allocation percentages shown in **Exhibit 2-8** on the next page. The Recycling Board allocated monies consistent with requirements of Measure D. **Exhibits 2-6** and **2-7**, below, present Recycling Board distributions to each program. Each program is described below.

⁹ Difference between the total revolving loan amounts described in the text, and amounts shown for revolving fund interest in Exhibit 2-5, are associated with loan origination fees and principal repayments.

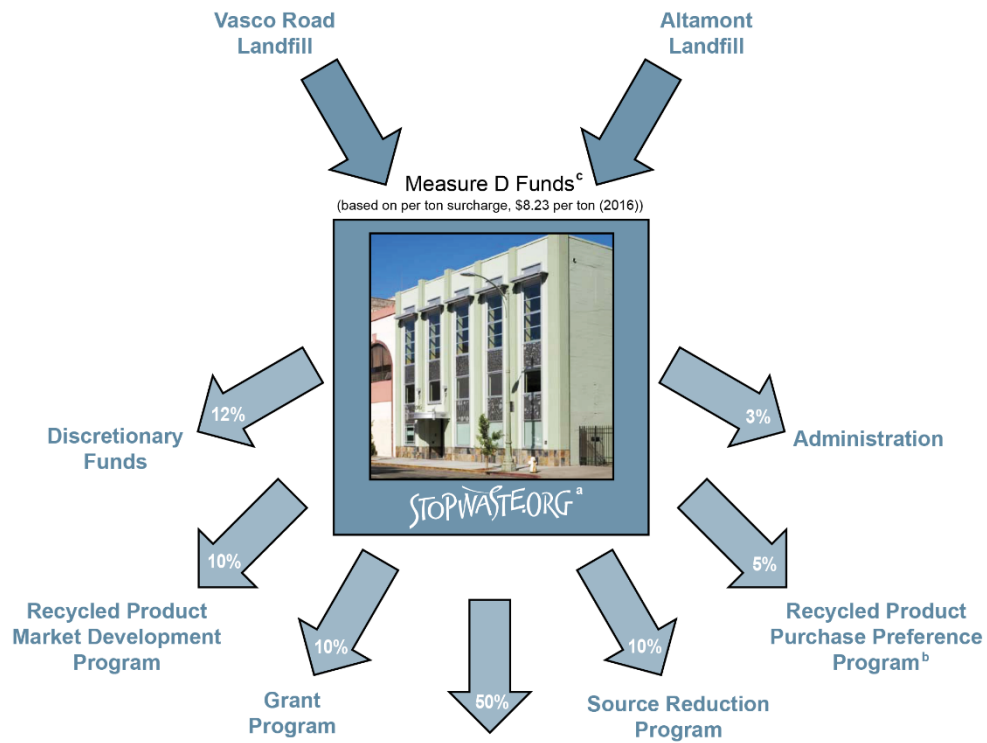
Exhibit 2-6
Alameda County Source Reduction and Recycling Board
Measure D Program Allocations
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Program	Measure D Allocation	FY 2011/12	FY 2012/13	FY 2013/14	Total
1. Member Agencies	50%	\$4,098,581	\$4,353,196	\$4,228,882	\$12,680,659
2. Non-Profit Grant Program	10%	819,921	870,095	844,708	2,534,724
3. Source Reduction Program	10%	819,921	870,096	844,708	2,534,725
4. Recycled Product Market Development Program	10%	819,921	870,096	844,708	2,534,725
5. Recycled Product Purchase Preference (RPPP) Program	5%	409,961	435,047	422,356	1,267,364
6. Discretionary	12%	983,905	1,044,116	1,013,648	3,041,669
7. Administration	3%	245,976	261,032	253,412	760,420
Total	100%	\$8,198,186	\$8,703,678	\$8,452,422	\$25,354,286

Exhibit 2-7
Alameda County Source Reduction and Recycling Board
Measure D Program Allocations
(Phase II: Fiscal Years 2014/15 and 2015/16)

Program	Measure D Allocation	FY 2014/15	FY 2015/16	Total
1. Member Agencies	50%	\$4,284,435	\$4,152,864	\$8,437,299
2. Non-Profit Grant Program	10%	855,671	828,456	1,684,127
3. Source Reduction Program	10%	855,671	828,456	1,684,127
4. Recycled Product Market Development Program	10%	855,671	828,456	1,684,124
5. Recycled Product Purchase Preference (RPPP) Program	5%	427,836	414,230	842,066
6. Discretionary	12%	1,026,806	994,145	2,020,951
7. Administration	3%	256,701	248,535	505,236
Total	100%	\$8,562,791	\$8,295,142	\$16,857,930

**Exhibit 2-8
Schematic of Measure D Funds Raised and Spent**



Municipalities

1. Alameda
2. Albany
3. Berkeley
4. Dublin
5. Emeryville
6. Fremont
7. Hayward
8. Livermore
9. Newark
10. Oakland
11. Piedmont
12. Pleasanton
13. San Leandro
14. Union City
15. Castro Valley Sanitary District
16. Oro Loma Sanitary District

^a Operated as one integrated organization, including the Alameda County Source Reduction and Recycling Board and Alameda County Waste Management Authority (a joint powers authority). This authority is comprised of seventeen (17) jurisdictions (fourteen cities, two sanitary districts, and the County). The Recycling Board was created by Measure D to support programs to achieve 75 percent diversion and beyond. The Board manages this audit. The Authority maintains the accounting records.

^b These Recycled Product Purchase Preference Program funds are first available to the County of Alameda GSA.

^c The primary in-County landfills are presented in schematic. In addition, Tri-Cities Recycling and Disposal Facility (in-County) and Keller Canyon Landfill (out-of-County) pay Measure D monies to the Recycling Board.

1. Member Agencies (50 percent of Measure D programs allocation)

The Recycling Board distributed the required fifty (50) percent Measure D “per capita” allocation to member agencies (Measure D, Subsection 64.040(B)). Measure D “per capita” distributions as reported by the Recycling Board to member agencies, totaled \$12,680,659 in Phase I as shown in **Exhibits 2-9** and **2-10**.

The Recycling Board earns interest on Measure D monies received prior to distributing “per capita” funds to member agencies. Interest earned on Measure D monies remains in the Measure D fund. As part of Measure D “per capita” payments to member agencies, the Recycling Board pays member agencies their share of interest earned on Measure D funds.

The basis for the member agency population based “per capita” allocations is shown in **Table C-1**, in Appendix C. The Recycling Board distributed per capita funds to member agencies quarterly.

As shown in Table C-1, the City of Emeryville, the least populated member agency during Phase I, received approximately one (1) percent of the Measure D per capita funds. During Phase II, the City of Piedmont, the least populated member agency received approximately one (1) percent of the Measure D per capita funds. The City of Oakland, the most populated member agency, received approximately twenty-six (26) percent during Phase I and II.

2. Non-Profit Grant Program (10 percent of Measure D programs allocation)

The Recycling Board awarded grants to non-profit organizations for innovative projects, increasing individual and community involvement in recycling and source reduction efforts. For Phase I, the Recycling Board awarded sixty-three (63) grants through open procurement cycles, and fourteen (14) grants through contracts for needed StopWaste.Org program services.¹⁰ These seventy-seven (77) grants totaled \$1.38 million during Phase I. Appendix F provides a description of the subset of these grants that we reviewed for this audit.

For Phase II, the Recycling Board awarded twenty-seven (27) grants through open procurement cycles, and ten (10) grants through contracts for needed StopWaste.Org program services. These thirty-seven (37) grants totaled \$846 thousand during Phase II. Appendix F provides a description of the subset of these grants that we reviewed for this audit.

3. Source Reduction Program (10 percent of Measure D allocation)

The Recycling Board disbursed ten (10) percent of Measure D funds towards development of the Alameda County-wide Source Reduction Program. Subsection 64.080 of Measure D requires five (5) components of the source reduction program, including:

- *County waste minimization program* – to reduce the weight of County purchases
- *Annual award program* – to provide non-monetary awards to businesses demonstrating a significant reduction in material usage or through product recyclability
- *Industry or university program* – to fund research and develop source reduction opportunities or incentives
- *Public education campaign* – to promote alternative individual consumer habits and in-house source reduction programs for businesses and institutions
- *Disposal cost reduction studies and waste audit services* – to demonstrate to businesses and institutions the value of recycling programs.

¹⁰ The totals reflect those grants awarded and executed. The totals do not reflect grants awarded and later disencumbered.

Exhibit 2-9
Alameda County Source Reduction and Recycling Board
Measure D “Per Capita” Payments to Member Agencies
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)¹¹

Program	FY 2011/12	FY 2012/13	FY 2013/14	Phase I Total
1. City of Alameda	\$210,698	\$214,134	\$206,375	\$631,207
2. City of Albany	48,774	53,039	50,877	152,690
3. City of Berkeley	307,877	329,407	317,801	955,085
4. City of Dublin	135,268	134,220	133,383	402,871
5. City of Emeryville	28,632	29,262	28,275	86,169
6. City of Fremont	441,397	608,112	603,542	1,653,051
7. City of Hayward	424,498	422,048	407,632	1,254,178
8. City of Livermore	236,853	236,395	228,495	701,743
9. City of Newark	89,119	120,229	119,033	328,381
10. City of Oakland	1,180,374	1,134,183	1,094,384	3,408,941
11. City of Piedmont	31,215	31,004	29,896	92,115
12. City of Pleasanton	198,519	204,462	197,407	600,388
13. City of San Leandro	141,106	148,125	142,794	432,025
14. City of Union City	149,539	197,338	195,492	542,369
15. Castro Valley Sanitary District	147,924	152,527	147,013	447,464
16. Oro Loma Sanitary District	326,788	338,711	326,483	991,982
Total	\$4,098,581	\$4,353,196	\$4,228,882	\$12,680,659

¹¹ Totals represent distributions starting with the fiscal year 2011/12 first quarter payment, distributed to member agencies on November 15, 2011. Fiscal year 2011/12 and first quarter of 2012/13 funds for the tri-cities of Fremont, Newark, and Union City were pro-rated to reflect the percent of their wastes on which the Measure D fee was collected.

Exhibit 2-10
Alameda County Source Reduction and Recycling Board
Measure D “Per Capita” Payments to Member Agencies
Phase II: Fiscal Years 2014/15 and 2015/16)

Program	FY 2014/15	FY 2015/16	Phase II Total	Phase I & II Total
1. City of Alameda	\$207,577	\$201,460	\$409,037	\$1,040,244
2. City of Albany	50,627	48,728	99,355	252,045
3. City of Berkeley	320,627	312,047	632,674	1,587,759
4. City of Dublin	146,042	142,755	288,797	691,668
5. City of Emeryville	29,073	28,314	57,387	143,556
6. City of Fremont	611,827	590,989	1,202,816	2,855,867
7. City of Hayward	413,957	401,550	815,507	2,069,685
8. City of Livermore	231,791	224,710	456,501	1,158,244
9. City of Newark	119,802	115,611	235,413	563,794
10. City of Oakland	1,104,582	1,072,671	2,177,253	5,586,194
11. City of Piedmont	30,111	29,044	59,155	151,270
12. City of Pleasanton	199,598	192,909	392,507	992,895
13. City of San Leandro	144,205	139,883	284,088	716,113
14. City of Union City	197,106	189,795	386,901	929,270
15. Castro Valley Sanitary District	147,904	142,679	290,583	738,047
16. Oro Loma Sanitary District	329,606	319,719	649,325	1,641,307
Total	\$4,284,435	\$4,152,864	\$8,437,299	\$21,117,958

4. Recycled Product Market Development Program (10 percent of Measure D programs allocation)

The Recycled Product Market Development program received ten (10) percent of Measure D funds. The program's purpose is to develop and expand recycled product markets (as detailed in Measure D, Subsection 64.110). This promotion of recycled materials includes the following components:

- A regional cooperative marketing strategy
- A County-wide information exchange, targeting potential users and sources of recycled products
- Grants for demonstration projects targeting new uses of recycled materials, and new techniques for recycling materials
- Municipal programs to administer permit assistance to recycling industries.

5. Recycled Product Purchase Preference (RPPP) Program (5 percent of Measure D programs allocation)

The Recycling Board allocated Recycled Product Purchase Preference (RPPP) program monies to the County for purchases of recycled products. RPPP monies were used to support the County's price preference program for purchase of recycled products (which may be more expensive than use of virgin materials).

The Recycling Board was required to distribute "leftover" RPPP monies (i.e., RPPP monies the County did not spend in a given fiscal year) to member agencies for the purposes of recycled product promotion and purchases. The Recycling Board was required to distribute "leftover" RPPP funds to each member agency in a single annual payment, that occurring on, or after, the first quarterly Measure D "per capita" disbursement made at the end of August (Resolution Number RB 96-04). In practice, during Phase I and II, the Recycling Board did not have leftover funds to distribute to member agencies. **Exhibit 2-11** shows that the Recycling Board made a total of \$0 in RPPP payments to member agencies for Phases I and II.

6. and 7. Discretionary and Administration (15 percent of Measure D programs allocation)

Discretionary funds, including administration costs, account for 15 percent of the Measure D allocation. The Recycling Board used up to three (3) percent of its total funds (i.e., up to 20 percent of discretionary funds) to cover expenses necessary to administer the recycling fund. The Recycling Board used these Measure D monies to further support recycling programs and diversion efforts.

Exhibit 2-11**Alameda County Source Reduction and Recycling Board****Excess Recycled Product Purchase Preference (RPPP) Program Payments to Member Agencies
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14; Phase II: Fiscal Years 2014/15 and 2015/16)**

Program	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	Total
1. City of Alameda	\$0	\$0	\$0	\$0	\$0	\$0
2. City of Albany	0	0	0	0	0	0
3. City of Berkeley	0	0	0	0	0	0
4. City of Dublin	0	0	0	0	0	0
5. City of Emeryville	0	0	0	0	0	0
6. City of Fremont	0	0	0	0	0	0
7. City of Hayward	0	0	0	0	0	0
8. City of Livermore	0	0	0	0	0	0
9. City of Newark	0	0	0	0	0	0
10. City of Oakland	0	0	0	0	0	0
11. City of Piedmont	0	0	0	0	0	0
12. City of Pleasanton	0	0	0	0	0	0
13. City of San Leandro	0	0	0	0	0	0
14. City of Union City	0	0	0	0	0	0
15. Castro Valley Sanitary District	0	0	0	0	0	0
16. Oro Loma Sanitary District	0	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0	\$0

C. Member Agency Expenditures of Measure D Funds

Subsection 64.060(B) of Measure D requires that the per capita funds be disbursed to member agencies for “continuation and expansion of municipal recycling programs.” **Exhibit 2-12** shows examples of member agency Measure D “per capita” expenses, organized into six (6) expense categories.

During Phase I, 13 out of 16, member agencies spent Measure D “per capita” monies on outreach and education. Among the six (6) member agencies that did not have outreach and education expenses, two (2) used funds solely to fund their franchised recycling programs; and one (1) used their funds for administration costs. A total of twelve (12) member agencies spent Measure D “per capita” funds on administration, and administration expenses represented 46 percent of total Phase I expenses. Of the 16 member agencies, six (6) used Measure D “per capita” funds for franchise recycling programs, and franchised recycling program expenses represented 40 percent of total Phase I expenses.

During Phase II, 12 out of 16, member agencies spent Measure D “per capita” monies on outreach and education. Among the four (4) member agencies that did not have outreach and education expenses, two (2) used funds solely to fund their franchised recycling programs; and one (1) used their funds for administration costs. A total of eleven (11) member agencies spent Measure D “per capita” funds on administration, and administration expenses represented 59.63 percent of total Phase II expenses. Of the 16 member agencies, three (3) used Measure D “per capita” funds for franchise recycling programs, and franchised recycling program expenses represented 17.72 percent of total Phase II expenses.

Exhibit 2-12
Member Agencies
Types of Measure D “Per Capita” Expenses
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16)

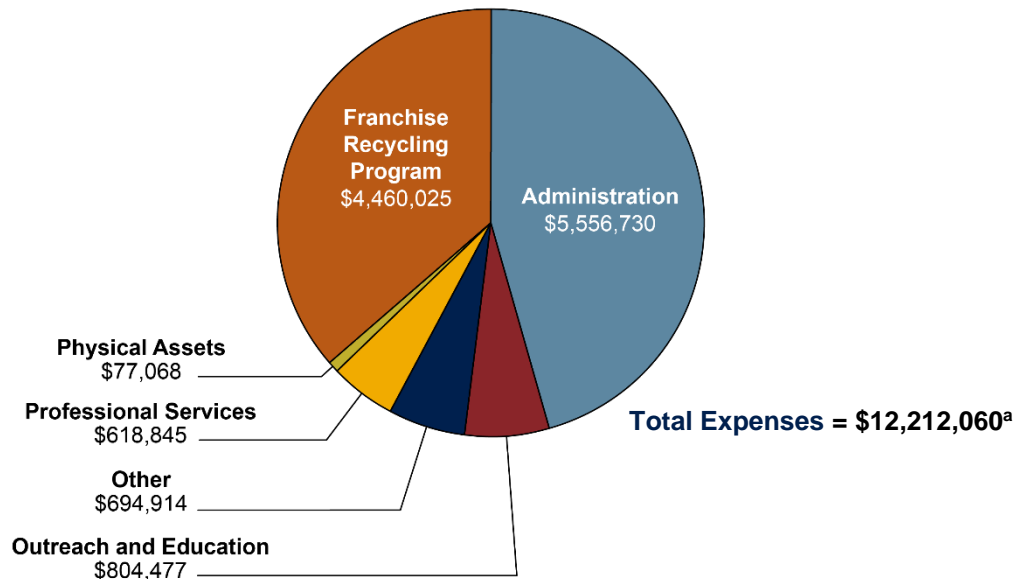
Expense Category	Expense Examples	Member Agencies Reporting Expenses in Phase I	Member Agencies Reporting Expenses in Phase II
1. Administration	<ul style="list-style-type: none"> • Employee salaries • Employee benefits • Liability insurance • Overhead expenses 	12	11
2. Franchised Recycling Program	<ul style="list-style-type: none"> • Commercial route curbside recycling collection • Christmas tree curbside collection • Residential household battery collection • Residential route curbside recycling collection • Food scrap and green waste collection 	6	3
3. Outreach and Education	<ul style="list-style-type: none"> • Promotional items • Earth Day events • Contests/achievement awards • Mandatory commercial recycling program • Green packages program contributions • Bay Area Recycling Outreach Coalition (BayROC) contributions • Recycling education • Recycling drives • Go Green Initiative outreach • Green business program contributions 	13	12
4. Physical Assets	<ul style="list-style-type: none"> • Outdoor storage containers • Artificial turf football fields • Curbside recycling carts • Recycled content playground structures • Recycled content furniture 	7	6
5. Professional Services	<ul style="list-style-type: none"> • Rate review services (related to recycling portion of rate) • Collection hauler contract services • Climate Action Plan • Commercial recycling technical assistance • Base year composition study • Zero Waste Implementation Plan • Recycling enclosure ordinance legal review • High Diversion Strategic Plan 	7	8
6. Other	<ul style="list-style-type: none"> • Paper supplies • Memberships • Conferences • Subscriptions • Postage • Training and education 	12	8

Exhibit 2-13 presents categorized expenses related to Measure D “per capita” funds in Phase I, for each of the member agencies. Member agency “per capita” expenditures are further detailed in Table G-2, in **Appendix G**. In Phase I, administration ranked as the largest Measure D expenditure category, and franchised recycling program ranked as the second largest.

Exhibit 2-14 presents categorized expenses related to Measure D “per capita” funds in Phase II, for each of the member agencies. Member agency “per capita” expenditures are further detailed in Table G-2. In Phase II, administration ranked as the largest Measure D expenditure category, and franchised recycling programs ranked as the second largest.

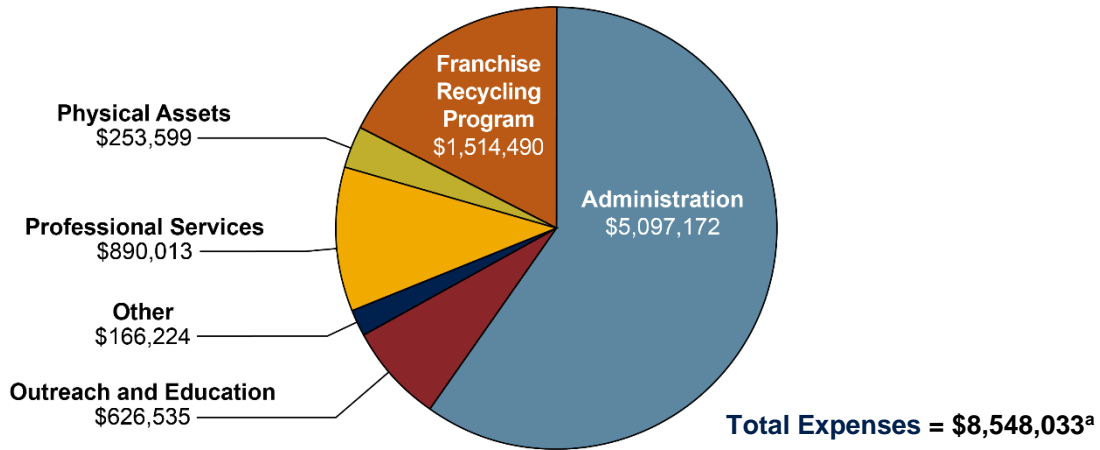
Exhibit 2-15 shows expenses, by category, for the RPPP program. Member agencies primarily used Measure D RPPP fund balances carried into Phase I for recycled material purchases. Physical asset expenditures represented approximately 95 percent of total RPPP expenses for Phase I. There were no member agencies with RPPP funded expenses in Phase II. These expenses included office furniture, carpeting, playground equipment, benches, planters, recycling bins/receptacles, and flooring. The remaining expenses included administrative, programmatic, and other costs for promoting recycled content purchases and recycled content office supplies. Member agency RPPP expenditures are further detailed in **Table G-3** and **G-4** in Appendix G.

Exhibit 2-13
Member Agencies
Measure D “Per Capita” Expenses, by Category
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)



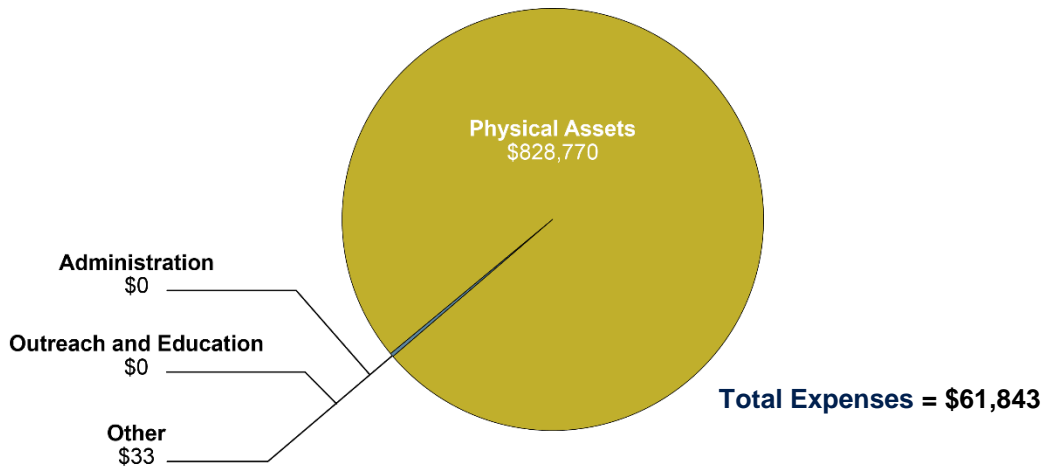
^a These total expenses of \$12,212,060 are less than Board distributions for the same period because of spend levels, existing member agency fund balances, and interest earnings.

Exhibit 2-14
Member Agencies
Measure D “Per Capita” Expenses, by Category
(Phase II: Fiscal Years 2014/15 and 2015/16)



^aThese total expenses of \$8,548,033 are more than Board distributions for the same period because of spend levels, existing member agency fund balances, and interest earnings.

Exhibit 2-15
Member Agencies
Recycled Product Purchase Preference (RPPP) Program Expenses, by Category
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)



Section 3
**Measure D Financial and
Compliance Assessment**



3. Measure D Financial and Compliance Assessment

In this section, we provide our findings from Phase I and II of this Measure D financial and compliance audit. This section is organized into findings related to Alameda County and the Recycling Board, member agencies, and grant recipients. Findings are numbered in each section (e.g., MA-1 indicates finding number 1 related to member agencies). The remainder of this section is organized into three subsections:

- A. *Alameda County and Recycling Board*
- B. *Member Agencies*
- C. *Grant Recipients.*

A. Alameda County and Recycling Board

This subsection provides five (5) findings related to our review of Alameda County and the Recycling Board's compliance with Measure D.

Finding RB-1: Alameda County and the Recycling Board Met Measure D Compliance Requirements

In **Exhibit 3-1**, we identify nine (9) Alameda County and Recycling Board compliance requirements specified in Measure D. We provide descriptions of these nine Alameda County and Recycling Board compliance requirements in Appendix A (Exhibit A-2). For Phases I and II, we found that Alameda County and the Recycling Board met each of these nine Measure D compliance requirements. In Exhibit 3-1, we describe Alameda County and Recycling Board efforts to meet these Measure D compliance requirements.

Finding RB-2: The Recycling Board Collected Measure D Monies from Landfill Operators in Accordance with Measure D Requirements, and Could Benefit from Three Additional Procedures

We obtained and reviewed monthly Measure D tonnage remittance reports submitted by landfill operators to the Recycling Board for each month of the five (5) fiscal years of Phases I and II. We totaled payments made by landfill operators for the five (5) fiscal years. In each year, we found minor differences between total revenues as reported in monthly tonnage reports, and revenues reported on the Recycling Board's audited financial statements. These minor revenue differences resulted from differences between the timing of actual landfill operator payments, and the timing of the Recycling Board's recognition of revenues on its audited financial statements.

We tested whether landfill operators used the correct Measure D surcharge amounts for the five (5) fiscal years. For each year, we found that landfill operators remitted monies to the Recycling Board based on the correct \$8.23 per ton Measure D tipping fee surcharge.

There are three procedures that the Board could incorporate into its processes going forward. These include ensuring that at least two signatures are consistently provided on disposal invoices from landfill operators to verify quality assurance/quality control efforts always occur related to data entry into the Disposal Report System, linking Disposal Report System tonnage to Measure D revenues reported in MUNIS (via a separate module within the Disposal Reporting System), and testing of landfill operator invoices to the weight ticket level.

**Exhibit 3-1
Alameda County Source Reduction and Recycling Board
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16)**

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
Alameda County			
1. Collection of Measure D Surcharge [Subsection 64.050 (A-C)]	Landfill (or incinerator) operators shall collect the Measure D tipping fee surcharge and pay this surcharge into the County's Recycling Fund.	Yes	The County collected the appropriate Measure D tipping fee surcharge from landfill operators. ¹
2. Recycled Product Purchase Preference (RPPP) Program [Subsection 64.120]	The County shall use a ten (10) percent price preference for County purchases of recycled products.	Yes	<ul style="list-style-type: none"> The County used a ten (10) percent price preference for purchases of recycled products (as specified in the Alameda County General Services, Purchasing Department, Vendor Guide). The County also has an Environmental Preferable Purchasing Model Policy (updated December 12, 2009) As a condition of receiving leftover RPPP funds, each of the member agencies has adopted similar recycled product purchase preference programs.
Recycling Board			
1. Recycling Plan [Subsection 64.040(B)]	The Recycling Board shall develop a plan to establish recycling programs, and amend the plan as necessary.	Yes	In 2006, the Recycling Board prepared the most recent update to its recycling plan titled Vision 2010: 75% and Beyond. In 2010, the Recycling Board released its Strategic Workplan 2020, identifying the nature, and timing, of activities designed to achieve the 75% and Beyond goal. The current goal is for less than 10% of material in County Landfills will be readily recyclable or compostable.
2. Fund Allocations [Subsection 64.060(B)]	The Recycling Board shall disperse monies in accordance with the funding allocation specified in Table 2-4 (second column).	Yes	The Recycling Board applied the appropriate disbursement allocations for each of the five (5) fiscal years.
	No more than three (3) percent of funds paid into the Recycling Fund per year can be used to administer the Recycling Fund.	Yes	Administrative costs, as a percent of Measure D monies received by the Recycling Board, were as follows: <ul style="list-style-type: none"> FY 2011/12 – 3.0 percent FY 2012/13 – 3.0 percent FY 2013/14 – 3.0 percent FY 2014/15 – 3.0 percent FY 2015/16 – 3.0 percent.
3. Analysis and Review of Waste Characterization Studies [Subsection 64.060(C)]	The Recycling Board shall maintain accurate, and up-to-date, estimates of refuse and recycling generation, by member agency.	Yes	In 2008, the Recycling Board completed a comprehensive Countywide waste characterization study (prepared by RW Beck). ²

¹ There were no applicable incinerator operators in the County.

² At the time of this writing the County is in the process of engaging a contractor to conduct a 2017 waste characterization study, however this fell outside the scope of the five-year Phase I and II period.

**Exhibit 3-1
Alameda County Source Reduction and Recycling Board
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16) (continued)**

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
4. Source Reduction Program Requirements [Subsection 64.080]	The Recycling Board shall provide a County waste minimization program with a goal of reducing the weight of County paper purchases.	Yes	<ul style="list-style-type: none"> • To assist County employees, the Recycling Board developed a fact sheet titled Environmentally Preferable Paper Office Products in Alameda County which emphasizes reductions in paper weight (updated September 2011) • To assist County employees, the Recycling Board also developed a fact sheet titled Environmentally Preferable Janitorial Paper Supplies in Alameda County which emphasizes reductions in paper weight through optimal paper dispensing system designs.
	The Recycling Board shall provide an annual non-monetary award program for business demonstrating significant waste reductions.	Yes	The Recycling Board funded the following award program: Annual <i>StopWaste</i> Business Partnership efficiency awards (8 awards in 2016, 12 awards in 2014, 12 awards in 2013, 8 awards in 2011, 8 awards in 2010, 12 awards in 2009).
	The Recycling Board shall fund an industry and/or university research program.	Yes	The Recycling Board provided business waste prevention funds to businesses for waste prevention projects. Recycling Board staff participated on the Sustainable Packaging Coalition's development of a credible design tool for sustainable packaging (called COMPASS).
	The Recycling Board shall fund an intensive public education campaign.	Yes	The Recycling Board funded the following programs: <ul style="list-style-type: none"> • Bay friendly landscaping for professionals program (training program in classroom setting) • Bay friendly landscape member agency workshop • Lose your lawn talks • Sustainable gardening talks • Lawn to garden parties. The Board also funded the following educational efforts and programs: <ul style="list-style-type: none"> • Bay Friendly Landscaping Guidelines (2010 edition) • BayROC Bring Your Own Bag campaign • BayROC Online Stop Junk Mail Media campaign • BayROC Stop Junk Mail campaign • Environmental educator training • Green Building Guidelines • Paper use reduction guide/best practices • StopWaste.org website (extensive information) • Sustainable packaging business survey • Essentials of sustainable packaging training • Reusable transport packaging campaign (advertising, workshops, website) • Sheet mulch action project in schools • Reusable bag student action projects • Food waste prevention outreach and food waste tracking technical assistance • ReThink Disposables business and school outreach, technical assistance and case studies

**Exhibit 3-1
Alameda County Source Reduction and Recycling Board
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16) (continued)**

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
4. Source Reduction Program Requirements [Subsection 64.080]	The Recycling Board shall fund disposal cost reduction studies and waste audit services that demonstrate recycling program efficacy to business and institutions.	Yes	<ul style="list-style-type: none"> The Recycling Board, through the StopWaste Partnership, provided several waste audits (e.g., Bayer HealthCare, Oakland Coliseum, Pleasanton Corporate Commons) The Recycling Board has a best practices database, identifying innovative waste reduction practices for business and public agencies The Recycling Board funded development of a schools initiative to increase schools diversion to the 50 percent level The Recycling Board has engaged a firm to conduct comprehensive residential and commercial bin audits as part of its benchmarking data program within the County.
5. Recycled Product Market Development Program [Subsection 64.110]	The Recycling Board shall fund a regional cooperative marketing strategy.	Yes	<p>This requirement was originally intended as a strategy for marketing recycled materials (e.g., newsprint, glass, and aluminum cans). Because member agencies use franchised haulers that have ready access to markets for these materials, this requirement is not applicable for the Recycling Board.</p> <p>The Recycling Board does fund the following regional media campaigns:</p> <ul style="list-style-type: none"> Bay Friendly Landscaping and Bay Friendly Gardening promoting recycled content mulch and compost Comprehensive multi-media campaign Food scraps recycling campaign, including reducing wasted food at home Regional used oil recycling campaign Ready Set Recycle campaign
	The Recycling Board shall fund grants for demonstration projects targeted at new uses and new recycling techniques.	Yes	The Recycling Board funded mini-grants to start waste reduction projects (grants of up to \$5,000).
	The Recycling Board shall fund a County-wide information exchange targeting uses and source of recycling products.	Yes	<p>The Recycling Board provided the following County-wide information and services:</p> <ul style="list-style-type: none"> A consumer attitude survey regarding curbside and food scrap recycling A "Materials Database," a searchable online database of green building products, local vendors, and service providers (a collaboration with Bay Area Build It Green) A recycling wizard, showing information on where to recycle different materials, and where to buy recycled/green products (now integrated on a multi-jurisdiction level) A StopWaste Partnership, an effort to partner with local business to reduce waste Extensive free resources on the StopWaste.Org website (written guides, case studies) Quantity Quotes website, allowing recycled content purchases among other green/resource efficient products.

Exhibit 3-1

**Alameda County Source Reduction and Recycling Board
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16) (continued)**

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Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
5. Recycled Product Market Development Program [Subsection 64.110]	The Recycling Board shall fund municipal programs to administer permit assistance to recycling industries.	N/A	The Recycling Board has no land use authority to use for permit assistance programs targeted at recycling industries. Land use powers reside with each jurisdiction. Consequently, this requirement has limited applicability for the Recycling Board. The Recycling Board does provide model construction and demolition (C&D) ordinance language which requires generator compliance as a condition of a jurisdiction approving the generator's building permit. The Recycling Board has facilitated member agency use of the web-based Green Halo compliance tracking program used to analyze and report on C&D activities and enforce C&D ordinances and State building code.
6. Recycling Board Member Payments [Subsection 64.130(M)]	Recycling Board members shall receive payments equal to \$100 per meeting. Annual Recycling Board member compensation cannot exceed \$3,000 per calendar year.	Yes	Recycling Board member compensation did not exceed \$100 per meeting. Annual Recycling Board member compensation ranged as follows, per calendar year (depending on the Recycling Board member): <ul style="list-style-type: none"> • Calendar year 2011 – \$100 to \$1,200 • Calendar year 2012 – \$100 to \$1,200 • Calendar year 2013 – \$100 to \$1,300 • Calendar year 2014 – \$100 to \$1,200 • Calendar year 2015 – \$100 to \$1,200

General Compliance (All Entities)

1. Compliance with Restriction Against Use of Fund Monies for Contracts Longer than Five Years [Subsection 64.060(D)]	Contracts cannot exceed five (5) years without Recycling Board approval.	Yes	The Recycling Board issued contracts of less than five (5) years during Phases I and II.
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Finding RB-3: The Recycling Board Allocated Measure D Monies to Member Agencies, and Required Programs, Consistent with Measure D Requirements

We tested whether the Recycling Board used the correct methods for allocating Recycling Fund monies to member agencies, and to the programs the Recycling Board supports. We found the Recycling Board used the following required allocation percentages for each of the five fiscal years:

- Member Agencies = 50 percent
- Non-Profit Grant Program = 10 percent
- Source Reduction Program = 10 percent
- Recycled Product Market Development Program = 10 percent
- Recycled Product Purchase Preference Program = 5 percent
- Discretionary uses = 12 percent
- Administrative uses = 3 percent.

We tested whether the Recycling Board used the correct population data (shown in Table C-10) to allocate Measure D “per capita” amounts to each member agency for each of the five (5) fiscal years. Consistent with Recycling Board Resolution RB 94-27 (see Exhibit B-1), we found that the Recycling Board correctly used year 2010 population data for Measure D “per capita” allocation purposes for quarters one, two, and three of fiscal year 2010/11. The Recycling Board correctly used year 2012 population data for quarter four of fiscal year 2011/12, fiscal year 2012/13, and quarters one through three of fiscal year 2013/14 Measure D “per capita” allocations. The Recycling Board correctly used year 2014 population data for quarter four of fiscal year 2013/14, fiscal year 2014/15, and quarters one through three of fiscal year 2015/16 Measure D “per capita” allocations. The Recycling Board correctly used year 2016 population data for quarter four of fiscal year 2015/16.

We checked whether the Recycling Board allocated accumulated interest on Measure D monies to member agencies. The Recycling Board accumulated interest in the “member agency account” as shown in Table 2-3 (see Section 2.A.2 of this report for a description of interest earned). For each fiscal year, the Recycling Board added this additional accumulated interest to the 50 percent allocation of Measure D monies, and then allocated the total to the member agencies on a per capita basis.

We tested whether the Recycling Board disbursed leftover Recycled Product Purchase Preference (RPPP) Program monies to member agencies consistent with the allocation method specified in Resolution RB 96-04 (\$5,000 to each member agency, plus the remaining amounts allocated using the Measure D population distribution methodology). For five Phase I and II fiscal years, the Recycling Board did not have leftover funds to allocate to member agencies consistent with Resolution RB 96-04, so this requirement was not applicable.

Finding RB-4: The Recycling Board Does Not Have Written Guidance on Measure D Expense Applicability

As we conducted the Phase 1 portion of the project, we observed that several member agencies had questions regarding whether individual expenses were allowable and consistent with the intent of Measure D. The Board’s staff has done a good job, since the inception of the Measure D program, of offering guidance as to whether an individual expense is allowable. This guidance is generally provided through telephone and/or email correspondence. However, there is not a source document that member agencies can use as guidance in advance of planning their measure D expenditures or considering an expenditure for reimbursement. Also staff at member agencies change and similar questions regarding Measure D expense applicability arise. This also can create situations where a member agency includes an expense for reimbursement not knowing whether that expense is allowable.

Finding RB-5: Annual Measure D Programs Reporting and Associated Measure D Audit Processes Could be Streamlined and Enhanced

Currently the member agencies email a PDF copy of the annual Measure D programs report to the Board. This emailed copy then is circulated to Five Year auditors and ultimately the data from these reports is entered into a Microsoft Excel workbook for purposes of further analyses and developing audit adjustments and workpapers. This process creates some inefficiencies in the audit process. The Board could conduct its own analyses of annual Measure D programs reporting more efficiently and most importantly streamline the Five Year audit process (e.g., sampling effort) with annual Measure D programs report data submitted electronically by the member agency to the Board.

B. Member Agencies

This subsection provides three (3) findings related to our review of member agencies compliance with Measure D.

Finding MA-1: Member Agencies Met the Compliance Requirements of Measure D

In **Exhibit 3-2**, we identify seven (7) member agency compliance requirements which are specified in Measure D. We provide descriptions of these seven (7) compliance requirements in Appendix A (Exhibit A-2). For Phases I and II, we found that member agencies met each of these Measure D compliance requirements. In Exhibit 3-2, we provide member agency efforts to meet these Measure D compliance requirements.

Exhibit 3-2
Member Agencies
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16)

Page 1 of 3

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
1. Requirement for Local Refuse Hauler Surcharge [Subsection 64.070(A)]	Member agencies shall provide full reimbursement to its local refuse hauler for full reimbursement of Measure D surcharge.	Yes	All member agencies provided for this full Measure D surcharge reimbursement.
2. Residential Recycling Program [Subsection 64.090]	Member agencies shall provide a residential recycling program to residents.	Yes	All member agencies provided a residential recycling program.
3. Commercial Recycling Program [Subsection 64.100]	Member agencies shall provide a commercial recycling program to businesses, government, and public entities.	Yes (see Exhibit D-2 for data used for testing)	<p>All member agencies were in compliance with the original commercial recycling program minimum requirements as stated in the Recycling Board's February 3, 1994 policy (Recycling Board minutes, February 10, 1994). This minimum policy specifically required member agencies to develop a commercial/industrial outreach program (involving annual contact with customers), and make available educational and informational materials. The Recycling Board required member agencies to comply with these minimum requirements prior to December 4, 1994.</p> <p>The Recycling Board subsequently updated its definition of an adequate commercial recycling program (see November 8, 2012 motion in Exhibit B-1 starting on page B-18). This motion specified that for purposes of receiving Measure D money, member agencies had to meet criteria for commercial recyclables and commercial organics. Member agencies had to meet one of three commercial recyclables criteria as of July 1, 2013: (1) participate in the ACWMA mandatory recycling ordinance; (2) provide at least one hour per year of technical assistance work time and make source separated recycling services available at open market rates or adopt a rate schedule under which prices per volume and frequency of source separated service are no higher than that for refuse/garbage services of the same volume and frequency; or (3) achieve a 50 percent participation rate in its commercial recycling program.</p> <p>Similarly, member agencies had to meet one or more of three commercial organics criteria as of July 1, 2014: (1) participate in ACWMA mandatory recycling ordinance; (2) provide at least three hours per year of technical assistance work time to organics generating businesses and make source separated organics recycling services available at open market rates or adopt a rate schedule under which prices per volume and frequency of source separated services are no higher than that for refuse/garbage services of the same volume and frequency; and/or (3) achieve a 50 percent participation rate in its commercial organics program.</p>

**Exhibit 3-2
Member Agencies
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16) (continued)**

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
4. Recycling Fund Expenditures, Monitoring, and Reporting	Member agencies shall use Measure D annual reports. [Resolution RB 2003-11]	Yes	All member agencies submitted required Annual Measure D Programs Reports.
	Member agencies must report interest earned in a separate Measure D account (when the Measure D fund balance is greater than \$300,000 or the disbursement is made in the prior fiscal year). [Resolution RB 2003-11]	Yes (see Exhibit D-1 for data used in testing)	<ul style="list-style-type: none"> In fiscal year 2011/12, two (2) member agencies met this requirement and both included interest in Measure D fund balances (Cities of Hayward, and Pleasanton) In fiscal year 2012/13, two (2) member agencies met this requirement and each of the two (2) included interest in Measure D fund balances (Cities of Hayward and Livermore) In fiscal year 2013/14, four (4) member agencies met this requirement and all four (4) included interest in Measure D fund balances (Cities of Hayward, Livermore, Pleasanton, and Union City) In fiscal year 2014/15, four (4) member agencies met this requirement and all four (4) included interest in Measure D fund balances (Cities of Hayward, Livermore, Pleasanton, and Union City) In fiscal year 2015/16, five (5) member agencies met this requirement and all five (5) included interest in Measure D fund balances (Cities of Hayward, Livermore, Newark, Pleasanton, and Union City)
	<p>Beginning on July 1, 2007, member agencies shall present a written expenditure plan to the Board if its unspent fund balance exceeds the sum of the last eight (8) per capita disbursements. [Resolution RB 2006-12]</p> <p>Beginning at the end of FY 13/14, covering the ending fund balances of FY 2013/14 forward, member agencies shall present a written expenditure plan to the Board if its unspent fund balance exceeds \$8.00 multiplied by the population basis used for the first quarterly disbursement of that fiscal year. [Resolution RB 2014-2]</p>	Yes, (see Exhibit D-2 for data used in testing)	<ul style="list-style-type: none"> In Phase I, one (1) member agency met this expenditure plan requirement (the City of Livermore in fiscal year 2012/13). The City of Livermore submitted a written expenditure plan which was approved by the Board in 2014. In Phase II, no member agency met this expenditure plan requirement. To note, the City of Newark met the Expenditure Plan requirement based upon their ending fund balance in FY 2015/16. Compliance determination for this requirement will occur during the subsequent Measure D financial and compliance assessment.

Exhibit 3-2
Member Agencies
Efforts to Meet Measure D Compliance Requirements
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14;
Phase II: Fiscal Years 2014/15 and 2015/16) (continued)

Page 3 of 3

Compliance Area	Summary of Requirement	Compliance (Yes/No)	Compliance Finding(s)
5. Recycling Fund Accounting [RB 2006-12]	Member agencies shall account for recycling funds either through a separate account or a pooled account with a separate and distinct account code.	Yes	Member agencies used the accounting methods for tracking Measure D funds shown in Table C-4 in Appendix C.
6. Recycled Product Purchase Preference (RPPP) Program [Subsection 64.120] [December 2004 Memorandum]	Member agencies must obtain approval from the Authority for use of RPPP funds, when more than two (2) years of RPPP funds have been accumulated. Note: As part of the RPPP funding process, the Recycling Board requires that member agencies submit an Application & Reporting Form for the RPPP funds. In cases where "banked funds" exceed the last two (2) years of RPPP disbursements, member agencies must have plans to spend all of the banked funds plus the planned disbursement for that fiscal year.	Yes (see Exhibit D-4 for data used in testing)	<ul style="list-style-type: none"> In fiscal year 2012/13, six (6) member agencies met this requirement (Cities of Berkeley, Hayward, Oakland, Pleasanton, Castro Valley Sanitary District, and Oro Loma Sanitary District). In fiscal year 2013/14, five (5) member agencies met this requirement (Cities of Berkeley, Hayward, Oakland, Pleasanton, and Castro Valley Sanitary District). However, this requirement was essentially not applicable as the Board stopped distribution of RPPP funding to member agencies during this Phase I and II period.

General Compliance (All Entities)

1. Compliance with Restriction Against Use of Fund Monies for Contracts Longer than Five Years [Subsection 64.060(D)]	Contracts cannot exceed five (5) years without Recycling Board approval.	Yes	Nothing came to our attention to suggest member agencies are not complying with this provision.
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Finding MA-2: Member Agencies Spent Measure D Funds on Legitimate Measure D Expenses

There is relatively broad applicability for uses of Measure D funds by member agencies. The intent of Measure D is for member agencies to use funds for "continuation and expansion of municipal recycling programs." Over time, this definition has evolved to include a variety of different recycling-related expenditures. We describe the types of Measure D expenses reported by member agencies in **Appendix G**.

We tested a sample of Measure D expenses at each of the sixteen (16) member agencies for Phase I. We obtained supporting documentation for these expenses, including invoices and check stubs. Our sampling included hundreds of transactions.

From our testing, nothing came to our attention that indicated that a member agency spent Measure D funds on non-Measure D related expenses. We found some minor errors between amounts reported on Annual Measure D Reports, and amounts actually paid by member agencies, however we found that these differences were immaterial. Our adjustments for these minor expense differences are reflected in member agency fund balances as of June 30, 2014, identified in Exhibit E-3.

Finding MA-3: Member Agencies Correctly Reported Interest on Measure D Fund Balances

For the three (3) year Phase I audit period, a total of ten (10) of the sixteen (16) member agencies reported some interest on Measure D fund balances (see Exhibit E-3). For the two (2) year Phase II audit period, a total of seven (7) of the sixteen (16) member agencies reported some interest on Measure D fund balances (see Exhibit E-3).

Measure D specifies that member agencies report interest, and leave this interest in their Measure D accounts, in cases where the beginning of year Measure D fund balance is greater than \$300,000, or the Measure D fund distribution in the prior year (whichever is greater, see Resolution RB 2003-11). During Phase I, a total of four (4) member agencies (of the ten (10) reporting interest) exceeded this interest reporting threshold, and all four (4) of these member agencies tracked interest, and included this interest amount in their Measure D fund balances. During Phase II, a total of five (5) member agencies (of the seven (7) reporting interest) exceeded this interest reporting threshold, and all five (5) of these member agencies tracked interest, and included this interest amount in their Measure D fund balances.

Measure D is silent on the treatment of interest when member agency fund balances do not meet the above interest reporting threshold. We found that six (6) member agencies (of the ten (10) reporting interest) fell below the interest reporting threshold (specified in Resolution RB 2003-11), but did include Measure D related interest in their Measure D fund balances during Phase I. We found that two (2) member agencies (of the seven (7) reporting interest) fell below the interest reporting threshold (specified in Resolution RB 2003-11), but did include Measure D related interest in their Measure D fund balances during Phase II. We found this treatment of interest by these member agencies acceptable even though they did not meet the interest reporting threshold.

C. Grant Recipients

Finding G-1: Grant Recipients Complied with the Terms and Conditions of Grants and with Measure D Requirements

As described in Appendix F, we reviewed a total of fifteen (15) non-profit funding recipients (12 grants, 3 service contracts) in Phase I to determine compliance with Measure D requirements. Similarly, during Phase II, we reviewed a total of twelve (12) non-profit funding recipients (9 grants, 3 service contracts). We obtained and reviewed contract files from the Recycling Board. We found that Recycling Board staff performed a thorough analysis of grant applications prior to awarding grants and also closely monitored progress toward completion of the grant.

We contacted grant recipients and project managers and arranged in-person and/or telephone interviews with selected grant recipients. Nothing came to our attention in our review of these twenty-seven (27) funding recipients that indicated that they were not complying with terms and conditions of the agreement, or with Measure D requirements. Grant recipients had adequate accounting capabilities to capture the necessary financial and other reporting information for the grants. Also, none of the grant terms were for longer than five (5) years (compliance with Subsection 64.060(D)).

Section 4
Waste Diversion
Measurement Assessment



4. Waste Diversion Measurement Assessment

As part of this Measure D financial and compliance audit, we reviewed and evaluated the County's progress toward meeting diversion mandates required by the California Department of Resources Recycling and Recovery (CalRecycle). We also examined the County's progress in meeting its own, more stringent, diversion targets, including "good stuff in the garbage", comparisons between neighboring counties, the County's Recycling and Sustainability Index, and time series metrics for each County jurisdiction. In this section, we provide the Recycling Board with additional performance metrics and approaches that may help the County to monitor future diversion progress. This section is organized as follows:

- A. *Alameda County 75 Percent Diversion Goal and "Good Stuff in the Garbage"*
- B. *Alameda County Jurisdictional Waste Diversion Results Relative to Assembly Bill 939 Goals*
- C. *Alameda County Source Reduction and Recycling Board Measurement Methods*
- D. *Comparison of Alameda County Diversion with Other Neighboring Jurisdictions*
- E. *Time Series Performance Metrics for Alameda County Jurisdictions.*

A. Alameda County 75 Percent Diversion Goal and "Good Stuff in the Garbage"

Measure D set a target date of January 1, 1999, for the Board to set a diversion goal of 75 percent. In June, 1998, the Recycling Board first adopted the 75 percent diversion goal by 2010 as part of its interim Source Reduction and Recycling Plan. The Recycling Board subsequently adopted its final Source Reduction and Recycling Plan in 2000, reflecting this 75 percent diversion goal by 2010. The Recycling Board has affirmed this diversion goal in each subsequently adopted Source Reduction and Recycling Plan (most recently included, by reference, in the March 2015, *Alameda County Integrated Waste Management Plan, Countywide Planning Element*). Each member agency also has formally adopted this 75 percent diversion goal.

The Alameda County Source Reduction and Recycling Plan, *Vision 2010: 75% and Beyond* (Recycling Plan), sets goals for the County's recycling, source reduction, composting, and diversion. The Recycling Plan lays out specific targets and strategies to reach 75 percent diversion and builds the groundwork for a recycling rate greater than 75 percent. Sustainability practices needed to reach 75 percent become even more important to reaching diversion rates beyond 75 percent (i.e., zero waste).

In its *Strategic Workplan 2020* (dated July 2010), the Recycling Board identified a vision for the definition "75% and beyond." In this workplan, the Recycling Board established a new diversion milestone targeting reductions in the percent of discarded materials (called Discard Objectives) as follow:

- By July 2013 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, from 60 percent to 45 percent¹
- By July 2014 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 40 percent
- By July 2015 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 35 percent
- By July 2016 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 30 percent
- By July 2017 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 25 percent
- By July 2018 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 20 percent
- By July 2019 – Reducing the percentage of materials managed as garbage, that are recyclable or compostable, to 15 percent

¹ The 2008 Waste Characterization study showed that 60 percent of materials managed as garbage were readily recyclable or compostable.

- By July 2020 – Reducing the percentage of materials deposited into landfills that are recyclable or compostable to less than 10 percent; and achieving a goal that less than 10 percent of materials placed in the recycling or composting containers is garbage.

For the 2020 Discard Objectives, the Recycling Board envisions that in situations where a source-separated collection system is used, less than 10 percent of materials placed in a garbage container should be readily recyclable or compostable. Additionally, for mixed waste processing facilities, residuals from the processing system should contain less than 10 percent readily recyclable or compostable material.

The Recycling Board implemented a Benchmark Service, in which StopWaste conducts random, anonymous measurements of what is in residential and commercial garbage containers in the County.² The Benchmark Service was paid for through an annual fee charged to all garbage accounts. StopWaste prepares an annual report on good stuff in the garbage progress. StopWaste's good stuff in the garbage surveys are comprehensive and statistically significant. Countywide, the survey includes over 2,000 households, providing a 95 percent confidence interval. Jurisdiction data are based on 55 to 225 households.

Exhibit 4-1 through **Exhibit 4-4** provide the results of the residential benchmark surveys, by jurisdiction, for 2013 through 2016. The top portion of each column indicates the percentage of garbage – this portion should ideally be increasing over time. The middle portion of each column represents compostable material in garbage – this should ideally be decreasing over time.

The percentage of compostable material in residential trash increased significantly in almost all jurisdictions between 2013 and 2014. StopWaste has analyzed the data to identify reasons for the increase in organics in the disposal stream. The increase in organics does not appear to be due to differences in survey protocol, sampling, or survey management. StopWaste's analyses shows a split between households; those that remove almost all organic material, and those do not remove organic material. The analyses show that between 2013 and 2014, a greater number of households did not separate organics material. StopWaste will be conducting a telephone survey in 2015 to identify why (and which) households are not using the compost bin for organic materials.

In Exhibit 4-1, the lowest portion of each column represents recyclable material in garbage – this should ideally be decreasing over time. Most jurisdictions reduced the amount of recyclables in their garbage, according to the benchmark surveys, between 2013 and 2014. All jurisdictions must reduce the amount of “good stuff”, primarily compostables, in the garbage in order to meet the County's discard objectives. The most noticeable trend in comparing 2013 composition to that of 2016 composition was an increase in organics and decrease in garbage.

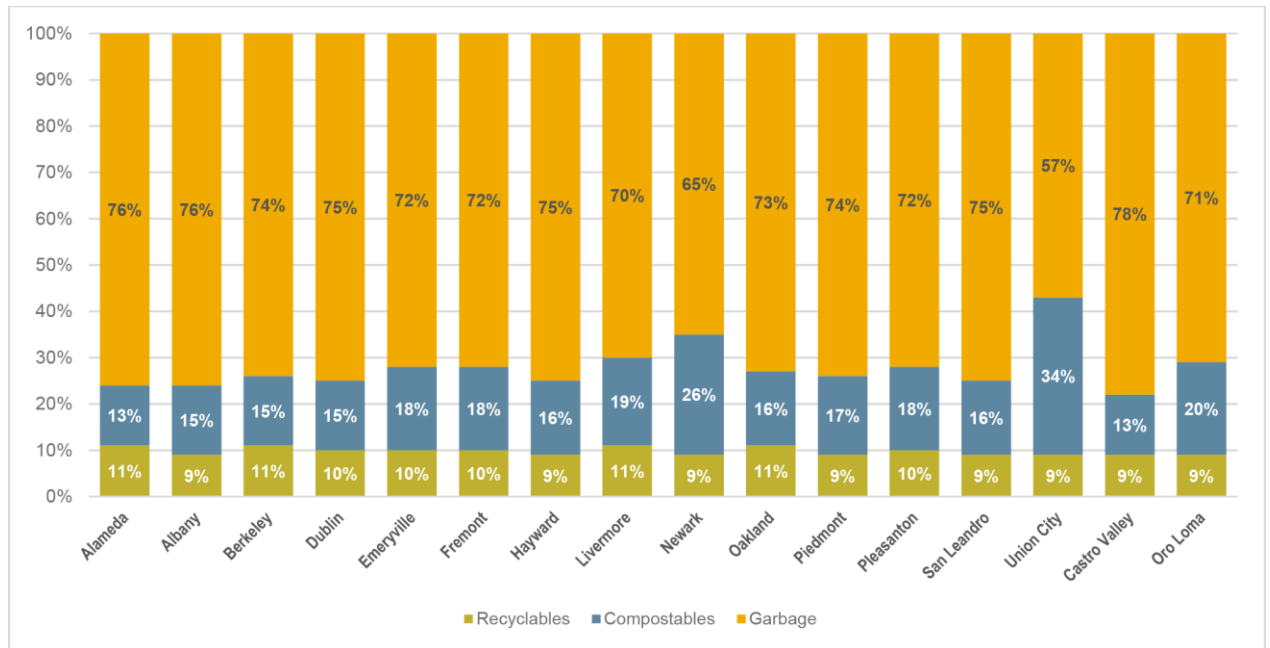
Exhibit 4-5 and **Exhibit 4-6** provide the results of the commercial benchmarking surveys of good stuff in the garbage. The business categories surveyed between the two years varied slightly, with strip malls surveyed in 2013, but not 2014, and multi-family buildings surveyed in 2014, but not 2013. Similar to Exhibits 4-1 and 4-2, the top portion of each column is garbage, the middle portion is compostables, and the bottom portion is recyclables. The survey results between the two years show inconsistent increases and/or decreases in composting and recyclables in each business category. Similar to the residential waste stream, the commercial waste stream is currently well above the good stuff in the garbage discard objectives.

As 2015 marked the midway point of the Strategic Workplan 2020, StopWaste staff performed an assessment of progress towards the workplan goals and strategies in achieving the goals. Noted highlights include an estimated 1,050,000 Alameda County landfilled tons in 2015, as compared to 1,331,000 tons in 2008. This is an approximate 300,000 tons decrease, or 21 percent, without taking population growth into account. Per the assessment, percentages have fluctuated in the single-family residential sector over the last three years; with steadier performance in measured business categories:

- Single family residential: 35% “good stuff” in the garbage
- General retail, light manufacturing/industrial, and office professional: 18-20%
- Restaurants 50%
- Multifamily 45% (based on seven jurisdictions)

² The Benchmark Service and fee sunset on June 30, 2017.

**Exhibit 4-1
Good Stuff in the Residential Garbage – Alameda County Jurisdictions (2013)**



**Exhibit 4-2
Good Stuff in the Residential Garbage – Alameda County Jurisdictions (2014)**

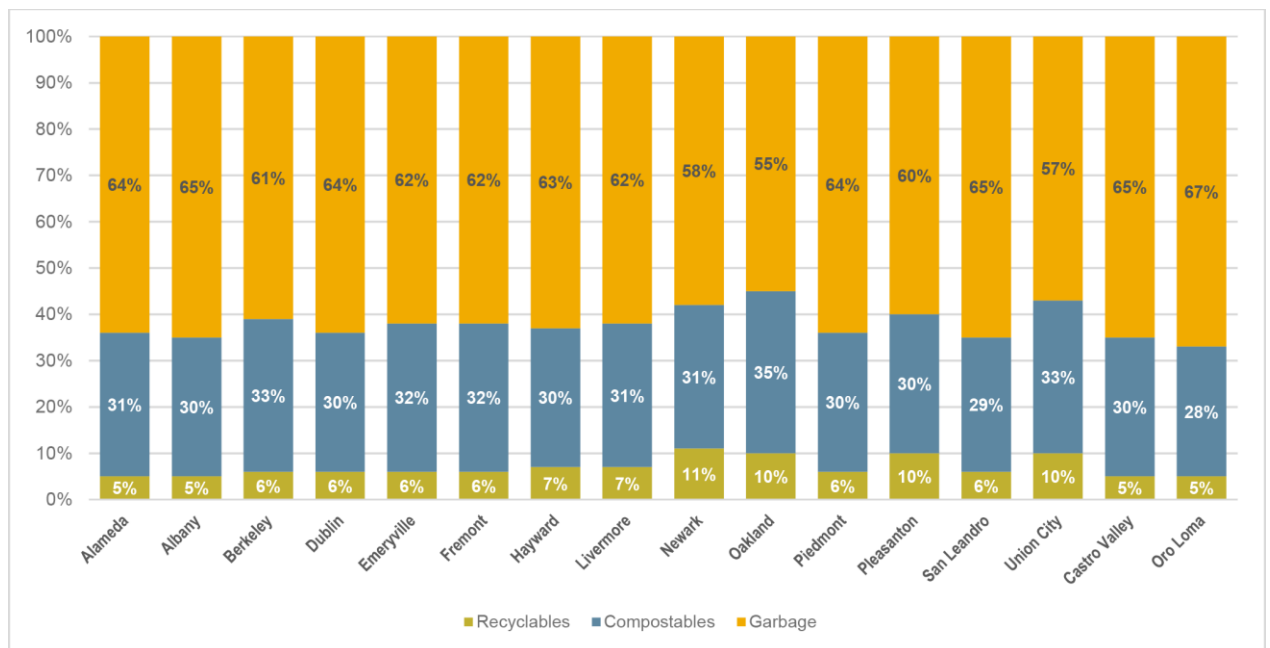


Exhibit 4-3
Good Stuff in the Residential Garbage – Alameda County Jurisdictions (2015)

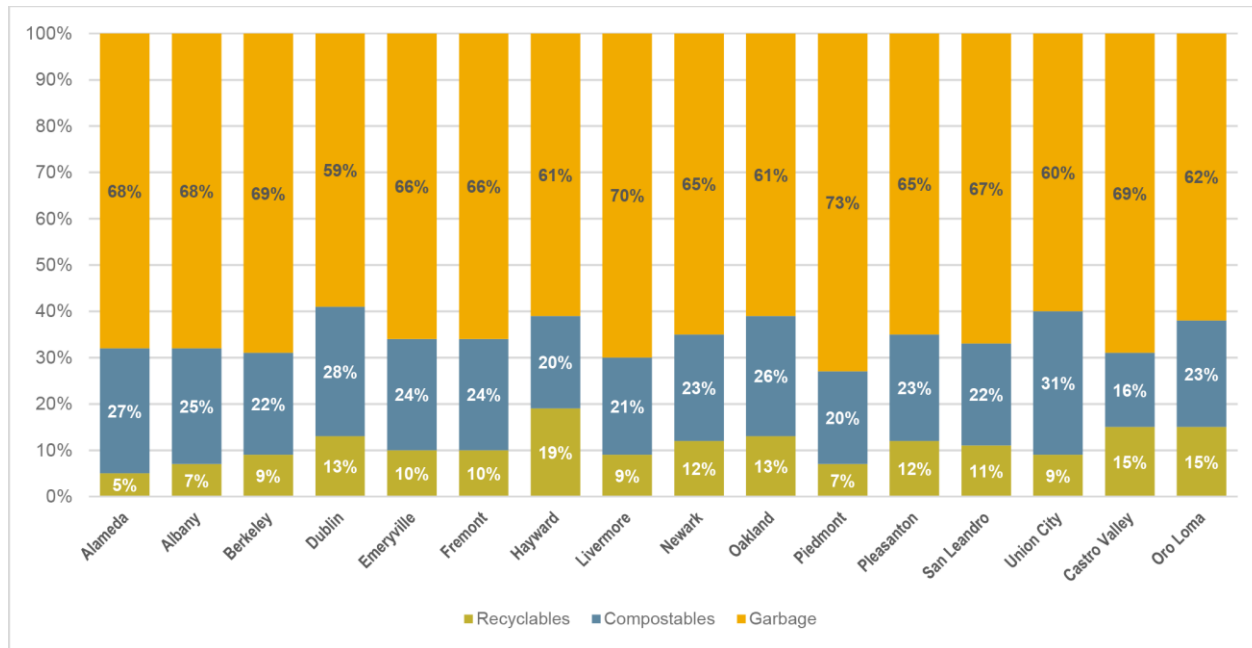
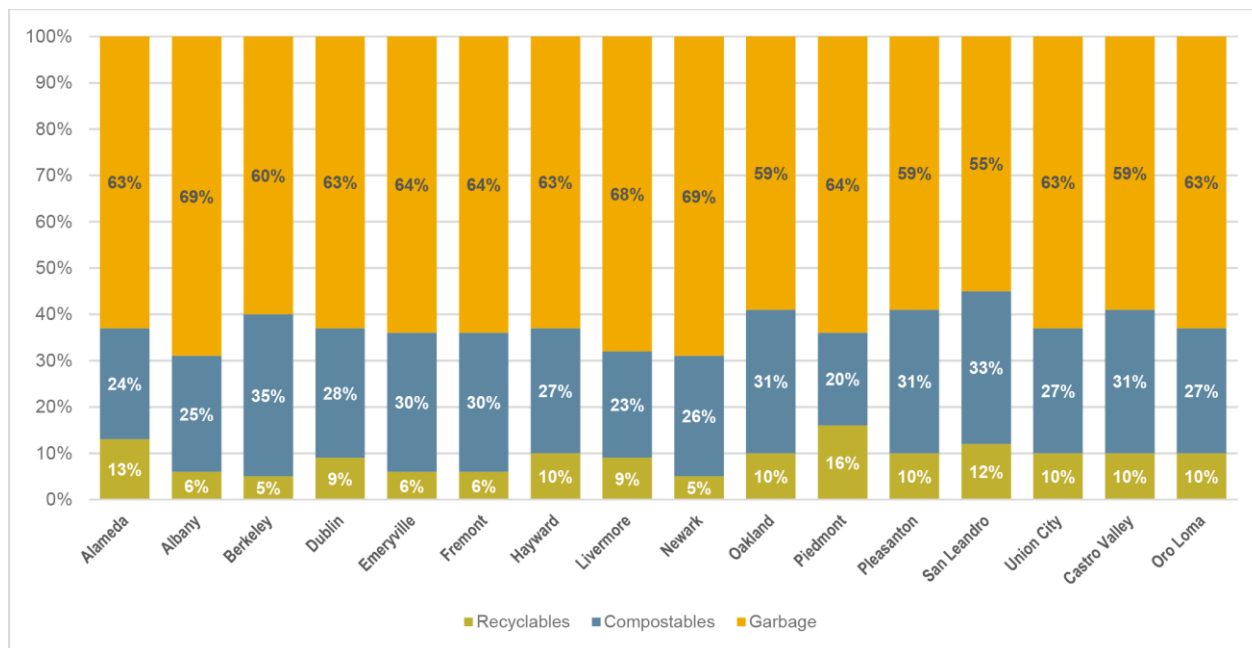
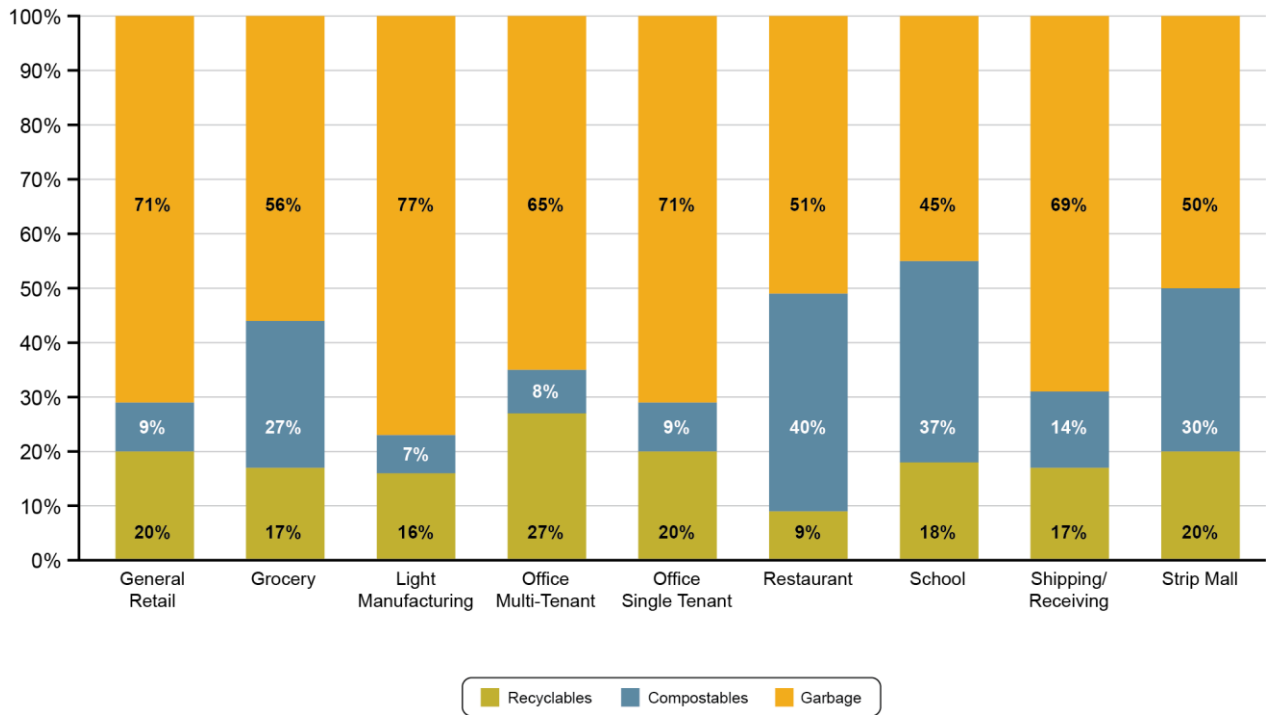


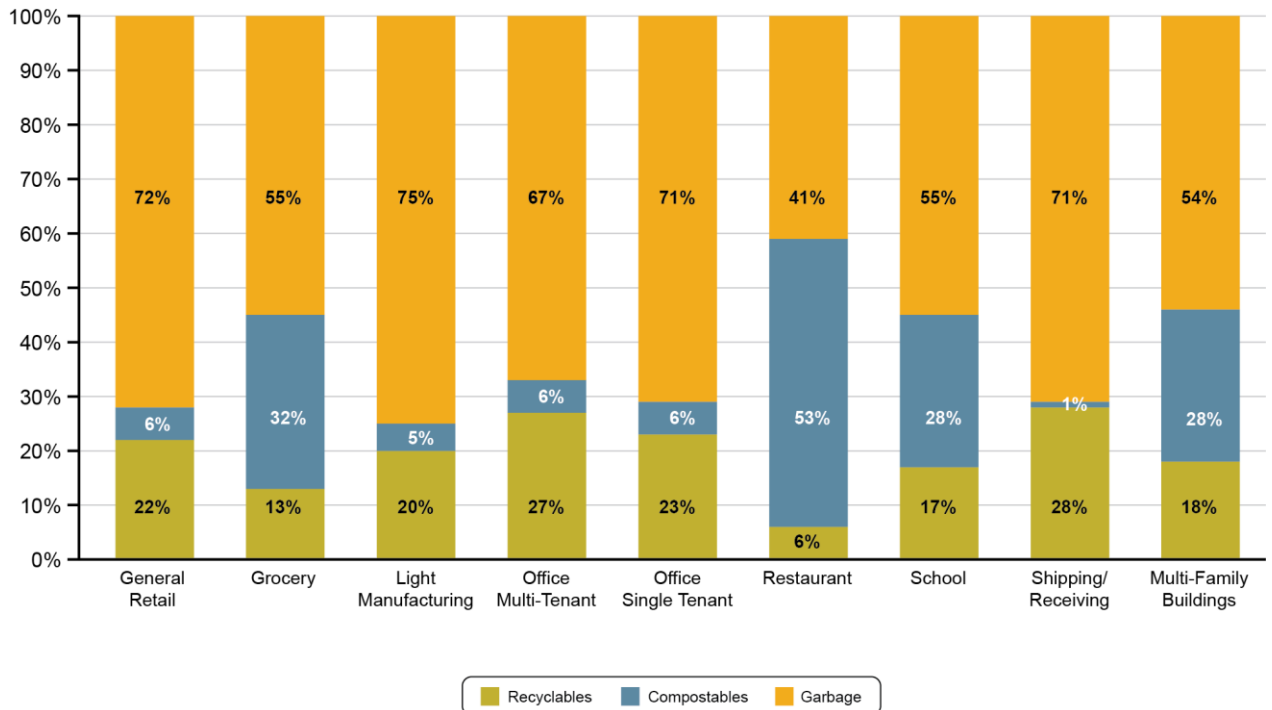
Exhibit 4-4
Good Stuff in the Residential Garbage – Alameda County Jurisdictions (2016)



**Exhibit 4-5
Good Stuff in the Commercial Garbage (2013)**



**Exhibit 4-6
Good Stuff in the Commercial Garbage (2014)**



B. Alameda County Jurisdictional Waste Diversion Results Relative to Assembly Bill 939 Goals

Below, we describe how Alameda County met State of California Assembly Bill 939 diversion goals for the first three years of the year audit period (2011 to 2013). Since 2008, jurisdictions utilize disposal-based indicators: the per capita, and per employee, disposal rates (measured in pounds per day disposed). The former 50 percent diversion rate was replaced by 50 percent equivalent per capita, and per employee³, disposal targets. This shift, implemented through Senate Bill 1016 (SB 1016, Wiggins, Statutes of 2008) revised the State of California's method for reporting jurisdictional diversion from a generation-based methodology to a disposal-based methodology.

In the current methodology, the State essentially froze in time each jurisdiction's waste generation assumptions, which had formerly been adjusted annually. For example, for the per capita comparison, the baseline per capita disposal rate is equal to the jurisdiction's average per capita generation rate from 2003 through 2006, divided by two (2), equivalent to a 50 percent equivalent per capita disposal target. Jurisdictions compare their actual per capita, and per employee, disposal rates against baseline disposal rates.

The per capita, and per employee, disposal rate approach does not determine a jurisdiction's AB 939 compliance. CalRecycle uses per capita, and per employee, disposal data as an indicator in evaluating how well a jurisdiction's programs are performing. CalRecycle's evaluation of compliance is primarily focused on how jurisdictions are implementing their programs.

Exhibit 4-7 provides per capita disposal rates relative to each Alameda County jurisdiction's per capita disposal target for 2007 through 2015. In all cases, for each of the nine years since this metric was implemented, the Alameda County jurisdictions met the per capita disposal target set by CalRecycle.

Exhibit 4-8 provides per employee disposal rates relative to each jurisdiction's per employee disposal target for 2007 through 2015. In all cases, for each of the nine years since this metric was implemented, the Alameda County jurisdictions met the per employee disposal target set by CalRecycle.

Alameda County has continued to determine diversion rates each calendar year. Since 2007, the County has calculated equivalent diversion rates, based on per capita disposal rates. **Exhibit 4-9** provides Alameda County jurisdiction diversion rates between 1995 and 2015. In 2015, seven jurisdictions met or exceeded the 75 percent County goal and another five jurisdictions were above 70 percent diversion.

³ The per employee calculation is based on the number of employees within a jurisdiction's boundaries, not the number of jurisdiction residents working.

Exhibit 4-7
Pounds per Day Disposed per Person (by County Jurisdiction)
(2007 through 2015)

Jurisdiction	Disposal Target (50 Percent of Baseline Disposal from 2003 to 2006)	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. City of Alameda	5.5	3.8	3.6	3.2	2.8	3.0	2.7	2.6	2.6	2.3
2. City of Albany	5.0	2.9	2.3	2.2	1.7	2.1	1.6	1.9	1.8	1.8
3. City of Berkeley	6.5	5.1	4.5	3.7	3.2	3.3	3.5	2.9	3.2	3.1
4. City of Dublin	5.9	4.6	4.0	3.2	3.0	3.2	2.9	3.1	3.6	3.4
5. City of Emeryville	16.2	12.1	8.5	9.8	7.4	11.3	9.7	9.6	5.6	4.4
6. City of Fremont	6.6	4.8	4.2	3.8	3.1	3.6	3.6	3.6	3.9	4.2
7. City of Hayward	7.0	6.4	5.2	4.5	4.6	4.1	4.0	3.8	3.7	3.9
8. City of Livermore	8.3	6.7	6.0	4.8	4.4	4.3	3.8	3.8	3.9	4.1
9. City of Newark	7.3	4.7	4.1	3.7	4.5	4.0	4.0	4.5	4.1	4.5
10. City of Oakland	5.8	5.0	4.0	3.8	4.0	4.1	3.9	3.9	3.7	3.4
11. City of Piedmont	4.1	2.6	2.3	1.5	2.1	2.6	2.4	1.7	1.5	1.7
12. City of Pleasanton	10.0	9.1	7.7	5.9	5.8	5.4	5.9	6.2	5.6	6.7
13. City of San Leandro	8.7	6.2	4.9	6.8	5.4	4.0	6.6	7.3	4.6	5.1
14. City of Union City	6.3	3.6	3.1	3.0	2.9	3.1	2.9	3.0	3.0	2.9
Unincorporated County (includes Oro Loma Sanitary District and Castro Valley Sanitary District)	4.9	3.9	3.6	4.0	3.2	2.3	2.7	2.7	2.9	2.7
County overall	NA	5.6	4.8	4.4	4.2	3.9	4.1	4.0	3.6	3.6

Exhibit 4-8
Pounds per Day Disposed per Employee (by County Jurisdiction)
(2007 through 2015)

Jurisdiction	Disposal Target (50 Percent of Baseline Disposal from 2003 to 2006)	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. City of Alameda	21.4	13.8	12.4	11.6	10.2	10.1	8.9	8.2	8.0	7.1
2. City of Albany	19.3	11.0	8.2	8.7	7.8	9.7	6.9	8.4	7.4	8.3
3. City of Berkeley	11.2	8.4	7.5	6.2	6.9	6.2	6.6	5.2	5.7	6.1
4. City of Dublin	14.7	11.6	10.8	9.4	8.9	9.0	7.4	8.3	9.1	8.8
5. City of Emeryville	6.7	5.2	3.9	4.6	3.8	6.0	4.9	4.7	2.8	2.2
6. City of Fremont	16.1	10.9	9.7	9.5	8.3	9.5	9.2	8.9	9.2	9.3
7. City of Hayward	14.7	12.8	10.5	9.8	10.9	9.5	9.2	8.6	8.2	8.6
8. City of Livermore	18.1	14.4	13.2	11.6	12.0	11.1	9.7	9.2	7.6	7.7
9. City of Newark	16.0	11.2	10.0	10.0	13.1	10.8	10.6	11.6	10.8	11.4
10. City of Oakland	15.3	12.4	10.0	9.9	10.8	10.0	9.6	9.2	8.3	7.4
11. City of Piedmont	36.6	20.7	17.4	12.1	19.7	21.2	19.5	11.6	10.8	12.2
12. City of Pleasanton	11.6	10.0	8.7	7.5	8.1	7.2	7.7	7.7	6.7	8.2
13. City of San Leandro	18.2	12.5	10.0	14.6	13.0	9.1	14.9	15.2	9.2	10.3
14. City of Union City	22.6	12.2	10.5	10.6	10.4	10.8	10.3	10.5	9.9	8.4
Unincorporated County (includes Oro Loma Sanitary District and Castro Valley Sanitary District)	19.8	16.0	14.9	16.9	18.2	9.9	11.5	13.5	16.6	14.2
County overall	NA	12.0	10.6	10.6	9.9	9.4	9.4	9.0	8.7	8.7

Exhibit 4-9 Alameda County Jurisdiction Diversion Rates (2005 to 2015)

Jurisdiction	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Alameda	68%	66%	66%	67%	71%	75%	72%	76%	77%	76%	79%
2. Albany	70%	70%	71%	77%	78%	83%	79%	84%	81%	82%	82%
3. Berkeley	59%	57%	62%	66%	72%	76%	74%	73%	78%	75%	76%
4. Dublin	55%	56%	61%	66%	73%	75%	73%	76%	74%	70%	71%
5. Emeryville	64%	75%	63%	74%	70%	77%	65%	70%	70%	83%	87%
6. Fremont	63%	64%	64%	68%	71%	74%	73%	72%	74%	71%	71%
7. Hayward	62%	65%	56%	68%	68%	67%	71%	72%	74%	76%	73%
8. Livermore	63%	63%	60%	64%	71%	73%	74%	77%	77%	76%	75%
9. Newark	62%	66%	67%	72%	75%	69%	72%	73%	69%	72%	69%
10. Oakland	58%	59%	57%	66%	67%	65%	65%	66%	67%	68%	71%
11. Piedmont	64%	66%	68%	72%	84%	75%	69%	71%	80%	82%	81%
12. Pleasanton	53%	53%	55%	61%	71%	71%	73%	70%	69%	72%	67%
13. San Leandro	59%	65%	64%	73%	61%	69%	77%	62%	58%	74%	73%
14. Union City	62%	64%	71%	76%	77%	77%	75%	77%	77%	78%	78%
15. Unincorporated	60%	69%	60%	63%	59%	67%	76%	72%	72%	71%	73%
Average	61%	64%	63%	69%	71%	72%	72%	71%	73%	75%	75%
County-Wide (weighted)	59%	61%	61%	67%	69%	70%	71%	71%	72%	72%	73%

C. Alameda County Source Reduction and Recycling Board Measurement Methods

The Board has implemented a multi-dimensional Recycling and Sustainability Index, composed of seventeen performance metrics. The Recycling and Sustainability Index far exceeds the breadth of the current per capita diversion measurement system used by CalRecycle. These seventeen metrics, for a six-year period, from 2008 through 2013, are shown in **Exhibit 4-10**.

Using these indices, the County showed consistent overall progress in advancing its diversion objectives, with the per capita waste disposal indices experiencing a decline of 14 percent between 2008 and 2013. Thus, even though the County population remained relatively flat during the 2008 to 2013 period, annual waste tonnage disposed declined by 17 percent. The per capita and overall waste tonnage increased slightly between 2011 and 2012, likely due to the improved economy. Similarly, the declines between 2008 and 2011 may have been related to economic factors, as evidenced by the fact that taxable sales dropped between 2008 and 2009, and then began to increase only gradually in 2010.

Between 2008 and 2013, each of the seventeen sustainability metrics trended in the desired direction. For example, disposal metrics, electricity use, natural gas use, and water use all decreased. The diversion rate, organics capture rate, and taxable sales all increased. The recyclables capture rate decreased slightly in 2013 from the general increasing trend between 2008 and 2012. This could be, at least in part, due to the phenomenon referred to as the “evolving ton”, referring to changing market dynamics away from newspaper and glass and resulting increases in plastics and corrugated in the residential single stream. The end result is an overall “lightweighting” of residential recycling.

Exhibit 4-10
Selected Alameda County Recycling and Sustainability Indices
(2008 to 2013)

Index	2008	2009	2010	2011	2012	2013	Percent Change (2008-2013)
1. Annual tons disposed (adjusted)	1,239,721	1,165,813	1,072,404	1,040,810	1,076,625	1,069,782	-14%
2. Population	1,535,002	1,556,567	1,509,240	1,517,756	1,586,392	1,603,501	4%
3. Annual waste disposed per capita (adjusted)	0.81	0.75	0.71	0.69	0.68	0.67	-17%
4. Annual waste disposed per occupied household (adjusted)	2.24	2.10	1.92	1.91	1.97	1.95	-13%
5. Annual waste disposed per business (adjusted)	22.9	22.1	19.6	18.7	20.2	19.3	-16%
6. Annual waste disposed per employee (adjusted)	1.74	1.72	1.60	1.50	1.53	1.48	-15%
7. Taxable sales (thousand \$)	23,862,957	20,430,195	21,541,741	23,430,798	24,852,155	26,105,040	9%
8. Annual waste disposed per \$1,000 in unallocated taxable sales (adjusted)	0.44	0.51	0.41	0.36	0.34	0.30	-32%
9. County-wide diversion rate (weighted)	67%	69%	70%	71%	71%	72%	7%
10. Average recyclables capture rate (pounds per person per day)	0.494	0.443	0.497	0.490	0.507	0.481	-3%
11. Average organics capture rate (pounds per person per day)	0.585	0.596	0.694	0.647	0.634	0.650	11%
12. Annual electricity usage (million kWh)	11,682	11,250	10,878	10,815	10,108	10,599	-9%
13. Annual electricity use per capita (kWh)	7,610	7,227	7,208	7,126	6,372	6,610	-13%
14. Annual natural gas usage (therms)	436,000,000	421,000,000	419,000,000	423,000,000	411,000,000	423,000,000	-3%
15. Annual natural gas use per capita (therms)	284	270	278	279	259	264	-7%
16. Annual water usage (hundred cubic feet)	87,900,000	82,100,000	77,900,000	77,300,000	80,700,000	83,000,000	-6%
17. Annual water use per capita (hundred cubic feet)	57.3	52.7	51.6	50.9	50.9	51.8	-10%

Exhibit 4-11
Alameda County Disposal Tonnages by Jurisdiction (in tons)
(2009 to 2015)

City	2009	2010	2011	2012	2013	2014	2015	Percent Change (2009 to 2015)
Alameda	44,193	37,710	40,967	36,625	35,121	35,880	32,036	-28%
Albany	6,862	5,655	7,202	5,428	6,427	5,989	6,096	-11%
Berkeley	71,968	63,127	69,145	73,917	60,659	68,874	67,246	-7%
Dublin	27,559	24,860	27,383	24,478	27,919	34,787	34,731	26%
Emeryville	18,113	13,341	20,855	18,052	17,973	10,811	8,419	-54%
Fremont	149,765	135,606	142,836	144,771	138,179	158,694	160,861	7%
Hayward	123,864	119,483	108,371	106,953	101,757	93,153	106,975	-14%
Livermore	73,486	65,600	64,031	57,720	57,317	60,456	64,811	-12%
Newark	29,709	35,241	31,429	31,370	35,891	33,081	36,190	22%
Oakland	296,847	287,823	292,298	284,151	281,139	269,850	254,262	-14%
Piedmont	2,682	3,994	4,999	4,731	3,304	3,026	3,156	18%
Pleasanton	75,365	73,852	70,102	77,170	80,682	74,666	91,292	21%
San Leandro	101,728	83,714	61,727	103,238	115,220	73,145	76,743	-25%
Union City	39,862	36,854	39,653	36,778	36,959	37,208	36,223	-9%
Unincorporated	103,810	83,036	59,812	71,243	71,235	76,340	70,996	-32%
County Total	1,165,813	1,069,896	1,040,810	1,076,625	1,069,782	1,037,974	1,052,052	-10%

Jurisdiction Disposal Tonnages

Exhibit 4-11 provides total disposal tonnages, by individual jurisdiction, for the time period 2009 to 2015. Exhibit 4-11 does not take changes in population or economic activity into account. County-wide, disposal tonnage decreased by 10 percent over the seven-year time period.

Residential Recyclables Collection and Capture Rates

Exhibit 4-12 provides residential curbside disposal tonnages, by jurisdiction, for the time period 2007 to 2013. Ideally, the tonnage of recyclables collected should be increasing over time. Between 2007 and 2013, Alameda County experienced a slight decline in recyclables collected, from 144,201 tons to 138,479 tons, a four percent decline. Within jurisdictions, residential curbside collection showed mixed results. Five jurisdictions had increased total tons of residential recycling, with the greatest increase by Pleasanton, at 38 percent. The remaining ten jurisdictions had reduced recycling tonnages. As shown in Exhibit 4-6, the county wide recyclables capture rate (the number of pounds collected per person per day) increased three percent, from 0.494 to 0.507. National trends show residential curbside recycling containing less newspaper and mixed paper and more plastic, resulting in greater volumes but reduced weight.

Residential Organics Collection Levels and Capture Rates

Between 2007 and 2013, Alameda County experienced a 19 percent increase in organics collected, from 160,294 tons to 190,019 tons. **Exhibit 4-13** provides residential organics collection by jurisdiction, and overall. All fifteen jurisdictions showed increases in organics collection. As shown in Exhibit 4-6, between 2008 and 2012, the county wide organics capture rate (the number of pounds collected per person per day) increased eight percent, from 0.585 to 0.634.

Exhibit 4-12
Alameda County Residential Recyclables Collection by Jurisdiction (in tons)
(2007 to 2013)

City	2007	2008	2009	2010	2011	2012	2013	Percent Change (2007 to 2013)
Alameda	10,883	9,396	8,437	9,584	9,908	9,380	10,596	-3%
Albany	3,106	2,458	2,580	2,408	2,807	2,088	1,968	-37%
Berkeley	8,356	7,864	6,944	7,000	8,730	7,994	7,934	-5%
Dublin	3,979	4,513	3,777	4,268	4,636	4,535	3,553	-11%
Emeryville	826	105	968	1,200	1,218	1,335	733	-11%
Fremont	20,221	19,729	16,234	16,497	18,591	19,258	18,304	-9%
Hayward	9,608	9,672	8,605	9,748	10,664	11,023	11,572	20%
Livermore	10,585	8,796	7,498	10,854	12,212	12,597	12,385	17%
Newark	4,990	3,715	4,278	4,097	4,036	3,410	5,053	1%
Oakland	36,821	38,435	36,743	36,220	35,676	37,666	33,800	-8%
Piedmont	2,601	2,162	2,153	2,433	2,370	2,268	2,220	-15%
Pleasanton	5,573	5,272	5,478	6,003	6,171	7,758	7,712	38%
San Leandro	5,172	5,300	6,013	7,021	5,616	5,591	5,661	9%
Union City	6,660	6,506	5,820	5,982	5,962	5,567	5,874	-12%
Unincorporated	14,820	14,535	13,677	13,530	11,532	16,177	11,114	-25%
County Total	144,201	138,458	129,205	136,845	140,129	146,647	138,479	-4%

Exhibit 4-13
Alameda County Residential Organics Collection by Jurisdiction (in tons)
(2007 to 2013)

City	2007	2008	2009	2010	2011	2012	2013	Percent Change (2007 to 2013)
Alameda	7,824	8,301	8,438	8,946	8,676	8,762	9,703	24%
Albany	1,765	1,881	1,854	2,038	2,038	1,976	2,202	25%
Berkeley	9,446	11,852	12,353	13,642	12,000	14,744	12,809	36%
Dublin	4,111	4,286	4,469	4,900	4,871	5,004	5,099	24%
Emeryville	159	135	166	211	425	234	401	152%
Fremont	25,723	26,434	26,903	28,638	27,800	26,837	26,948	5%
Hayward	11,426	11,552	12,776	13,985	14,409	13,454	16,468	44%
Livermore	15,712	15,833	16,953	17,875	17,268	17,484	17,948	14%
Newark	4,227	5,372	5,271	5,941	4,936	4,603	5,276	25%
Oakland	33,666	31,166	33,300	37,063	35,824	36,195	37,700	12%
Piedmont	1,293	1,889	2,607	2,703	2,763	2,874	2,779	115%
Pleasanton	11,680	11,482	12,107	13,590	12,915	13,425	13,021	11%
San Leandro	7,281	7,409	8,174	8,875	8,860	8,235	7,810	7%
Union City	7,354	7,123	7,441	8,489	8,033	8,077	8,013	9%
Unincorporated	18,627	19,241	21,102	24,256	24,368	21,524	23,842	28%
County Total	160,294	163,956	173,914	191,152	185,186	183,428	190,019	19%

D. Comparison of Alameda County Diversion with Other Neighboring Jurisdictions

In comparison to three (3) other similar Northern California counties (Contra Costa County, San Francisco County, and Santa Clara County), Alameda County compares well with respect to 2011 through 2013 diversion efforts. Between 2011 and 2013, all jurisdictions in all four counties met the per capita and per employee disposal targets:

- **Alameda County** – 15 of 15 jurisdictions below per capita disposal targets.
- **Contra Costa County** – 12 of 12 jurisdictions below per capita disposal targets.
- **San Francisco County** – one jurisdiction (of one) below per capita disposal targets.
- **Santa Clara County** – 16 of 16 jurisdictions below per capita disposal targets.

Exhibit 4-14 provide visual comparisons of each county's per person disposal results from 2007 to 2013. Exhibit 4-12 compares pounds per person per day, with the darkest blue representing the highest disposal rates, and the lighter blue representing lower disposal rates. Alameda County is on the higher end of the range of per capita disposal rates in comparison to these three (3) jurisdictions. Since *StopWaste* began examining these jurisdictional comparisons some time ago, Alameda County has always had higher per capita disposal rates, though the exact causes for these jurisdictional differences are unknown.

Exhibit 4-15 provides a similar comparison for each county's per employee disposal results from 2007 to 2013. Exhibit 4-13 compares pounds per employee per day, with the darkest green representing the highest disposal rates, and the lighter green representing lower disposal rates. For the employee metric, Contra Costa County has higher disposal rates than the other three jurisdictions, followed by Alameda County.

Exhibit 4-16 provides comparisons between the four counties on a series of four population-related metrics over the 2007 to 2013 time period. Each county is represented by a different colored ring (Alameda is blue, Contra Costs is orange, San Francisco is green, and Santa Clara is red). The actual metric for each county is at the center of the circle; however, the general placement of the circle provides a visual comparison between counties, and over time. The five metrics, from top to bottom, are as follows:

- Disposal per capita – total tons disposed divided by population. Alameda County is higher than the other three counties, similar to the CalRecycle pounds per person per day metric. All four counties show a similar trend of declining disposal per capita from 2007 to 2011, with an increase as the economy improved in 2012 and 2013.
- Disposal per occupied household – total tons disposed (including alternative daily cover), divided by the number of occupied housing units. This metric follows a similar trend as disposal per capita, with Alameda County the highest.
- Pounds per person per day – this is the CalRecycle per capita metric illustrated in Exhibit 4-12.
- Residential per capita – tons of residential waste disposal divided by total population. San Francisco County and Alameda County track very closely for this metric, while Contra Costa County is significantly lower than the other three counties.

Exhibit 4-14
Comparison of Pounds per Person per Day Disposal Rates for Selected Counties (2007 to 2013)

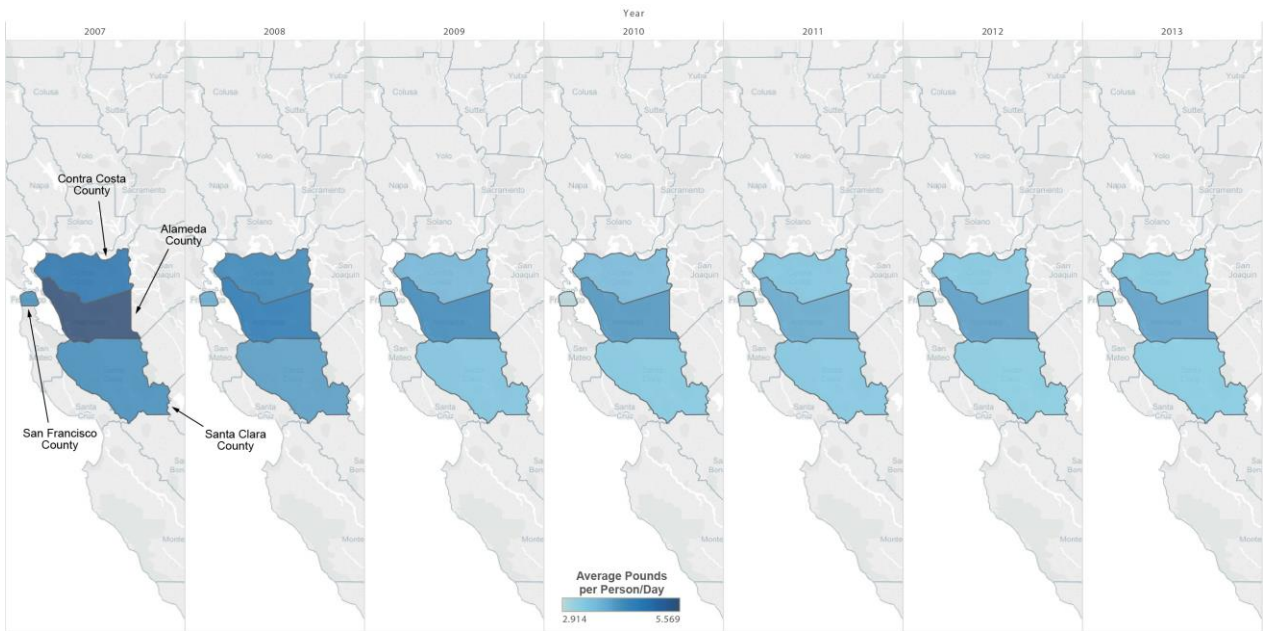


Exhibit 4-15
Comparison of Pounds per Employee per Day Disposal Rates for Selected Counties (2007 to 2013)

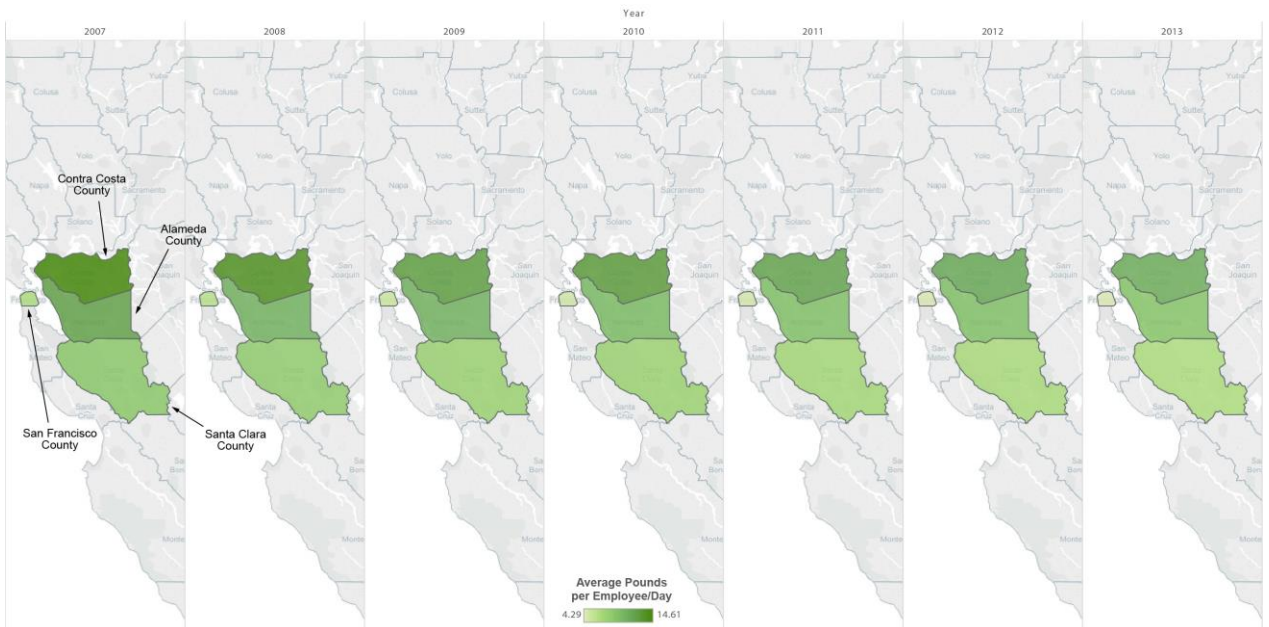


Exhibit 4-16
Comparison of Population-Based Disposal Metrics for Four Counties (2007 to 2013)

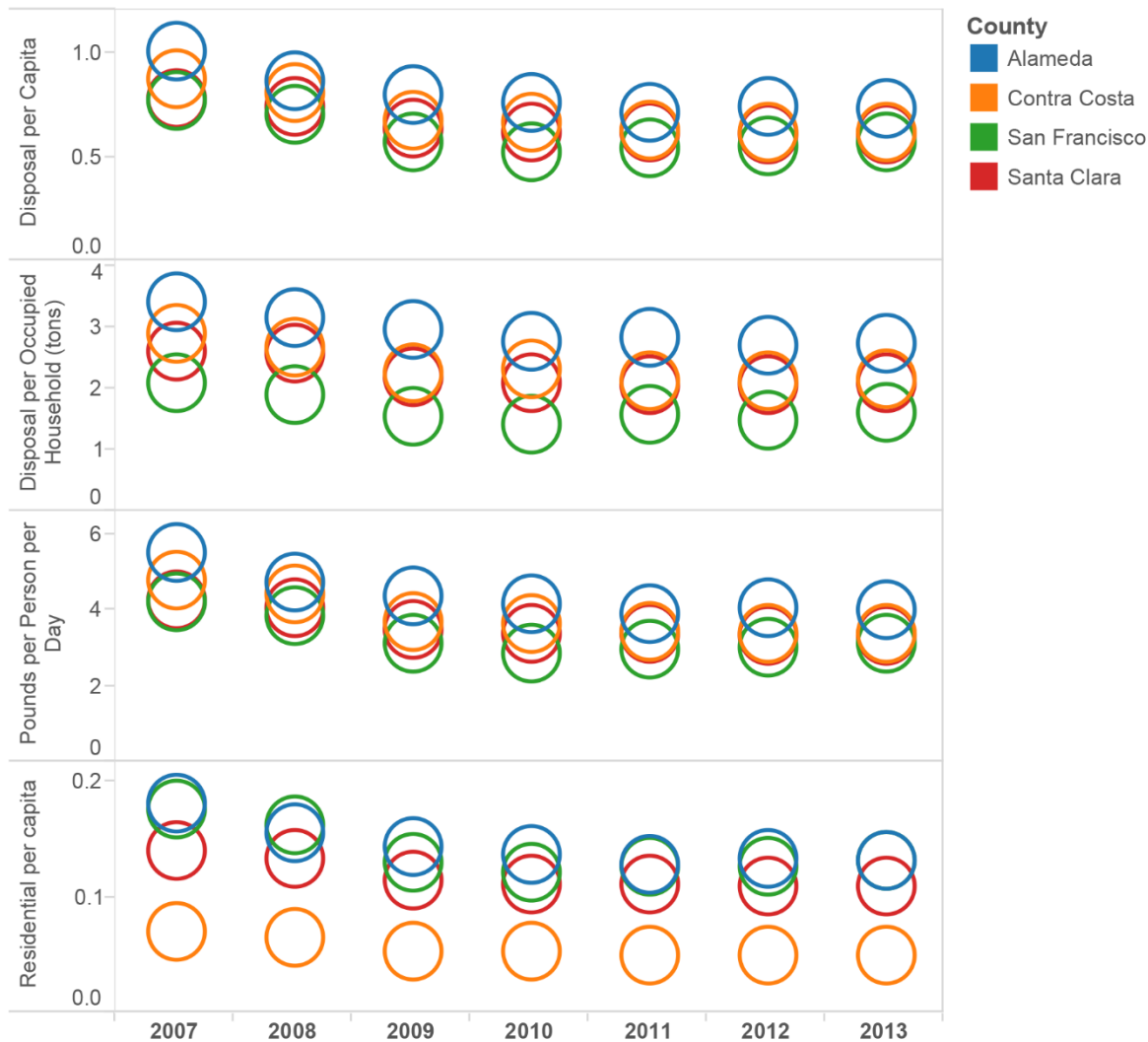
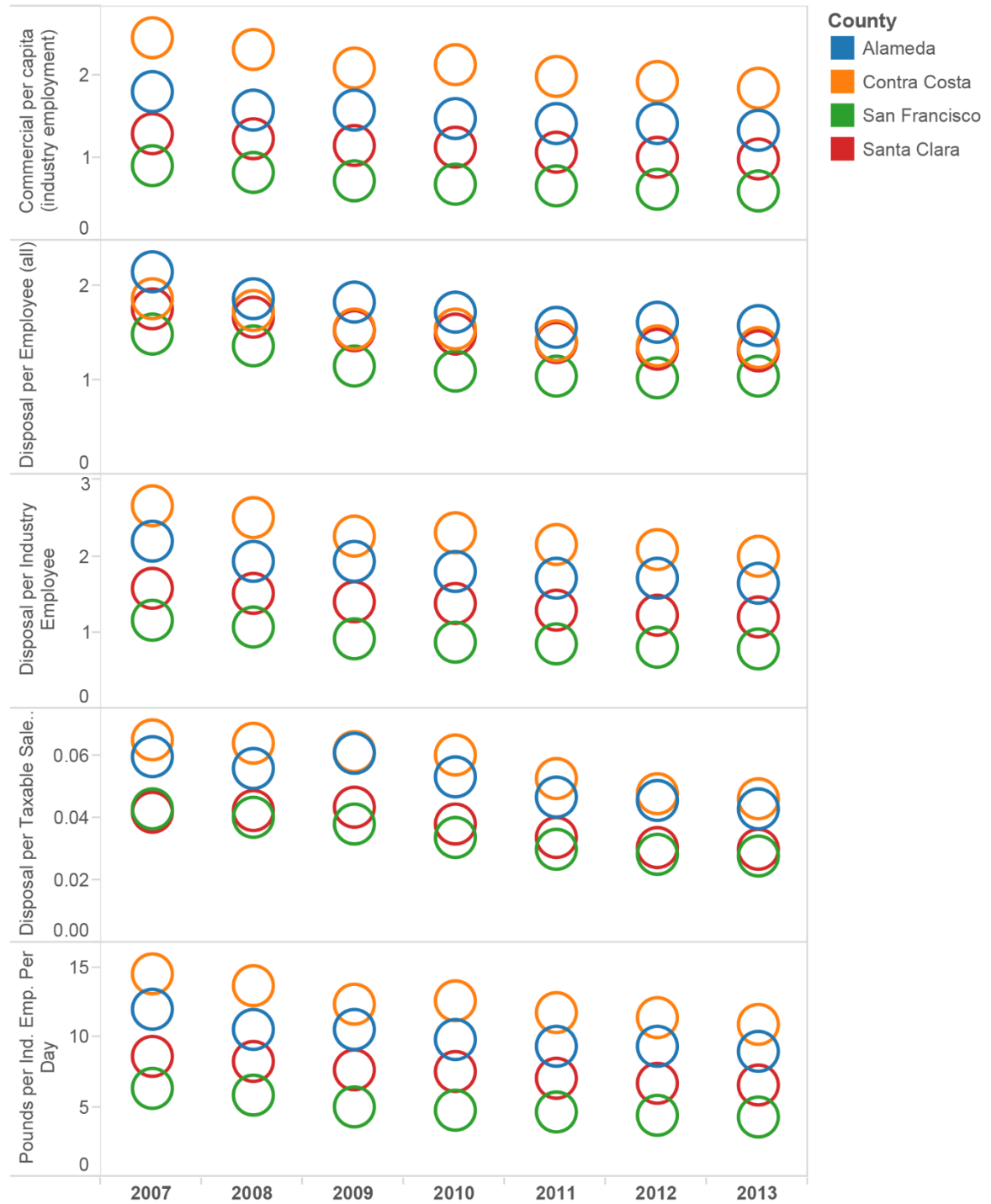


Exhibit 4-17 provides comparisons between the four counties on a series of five employment-related metrics over the 2007 to 2013 time period. Similar to Exhibit 4-16, each county is represented by a different color ring. The five metrics, from top to bottom, are as follows:

- Commercial per capita – tons of commercial waste divided by industry employment. For this metric, Alameda County is below Contra Costa County. All four counties show a slight decrease over time.
- Disposal per employee – total tons of waste disposed divided by total employment. This metric shows Alameda County slightly higher than the neighboring counties, with all counties declining slightly over time.
- Disposal per industry employee – total tons of waste disposed divided by industry employment. There is a wider spread between the four counties for this metric, likely indicating different industrial make up, more than disposal patterns. All four counties trended down over time.
- Disposal per taxable sales – tons of waste disposed divided by dollars in taxable sales, in thousands. For this metric, Alameda County is below Contra Costa County, but higher than San Francisco and Santa Clara counties.
- Pounds per employee per day – this is the CalRecycle per capita metric illustrated in Exhibit 4-15.

Exhibit 4-17
Comparison of Employment-Based Disposal Metrics for Four Counties (2007 to 2013)



The comparisons between counties for the metrics illustrated in Exhibits 4-15 and 4-16 depend, in large part, on the differences in population, industrial, and commercial characteristics of the counties. For example, Contra Costa County is consistently higher on the employee-based metrics, while Alameda County is consistently higher on the population-based metrics. Contra Costa County has relatively fewer employees, as compared to population, while Alameda County has relatively more employees, but still less than San Francisco and Santa Clara Counties. San Francisco County has a higher proportion of industry employment than the other three counties.

E. Time Series Performance Metrics for Alameda County Jurisdictions

This section provides a series of disposal and diversion metrics of for Alameda County jurisdictions and the unincorporated areas. These figures use the same bubble-format as the county comparisons described above. The first two figures provide a visual of the wide distribution of per capita disposal rates between the fifteen county jurisdictions, as well as over time. Each jurisdiction is represented by a different color. **Exhibit 4-18** provides CalRecycle's pounds per person per day disposal metric for each jurisdiction between 2007 and 2013. **Exhibit 4-19** provides CalRecycle's pounds per employee per day disposal metric for each jurisdiction between 2007 and 2013. Note that while the measures in each jurisdiction are distributed over a wide range, every jurisdiction met their disposal targets in each year.

Exhibit 4-18
Pounds per Day Disposed per Person (by County Jurisdiction)
(2007 through 2013)

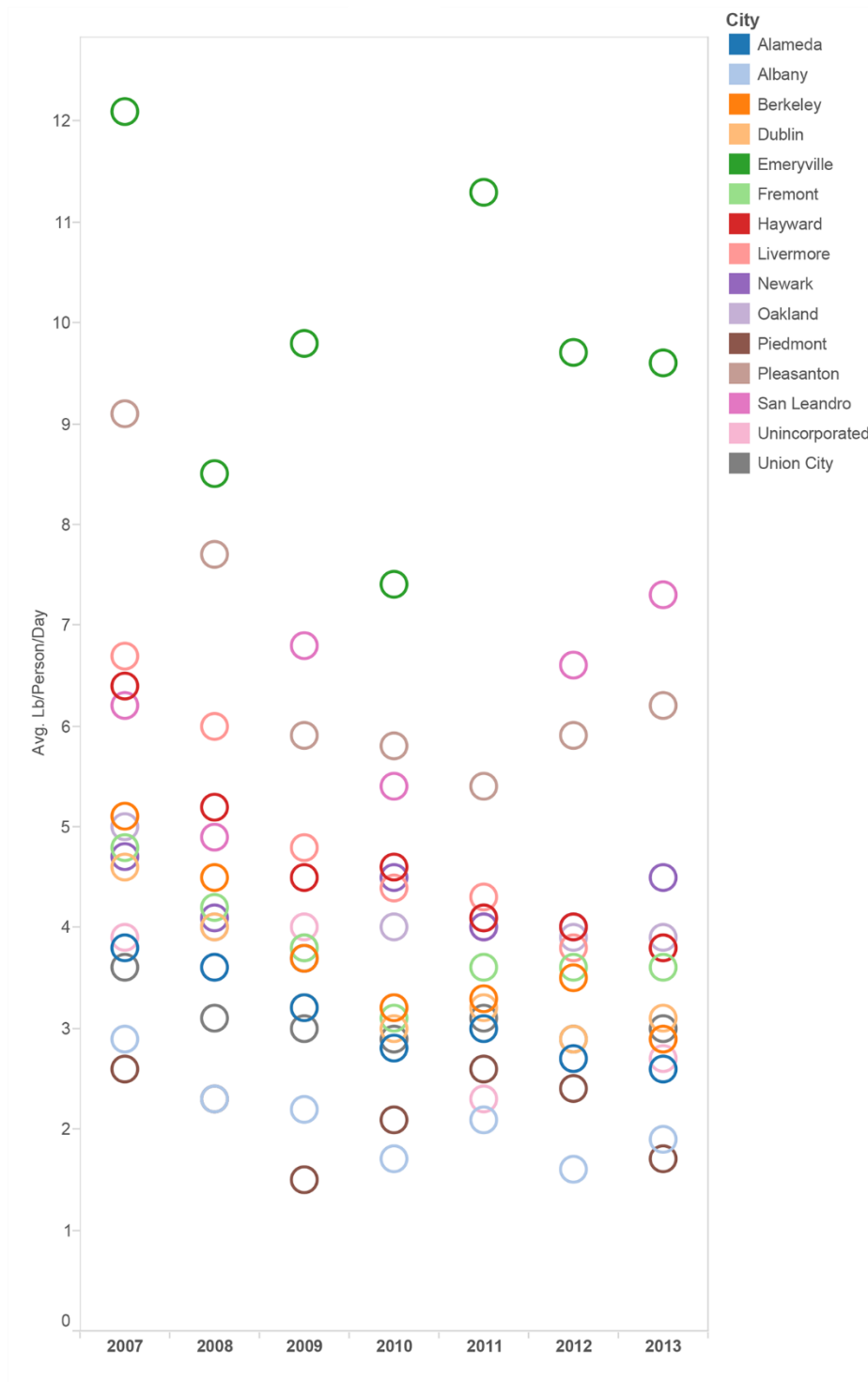


Exhibit 4-19
Pounds per Day Disposed per Employee (by County Jurisdiction)
(2007 through 2013)



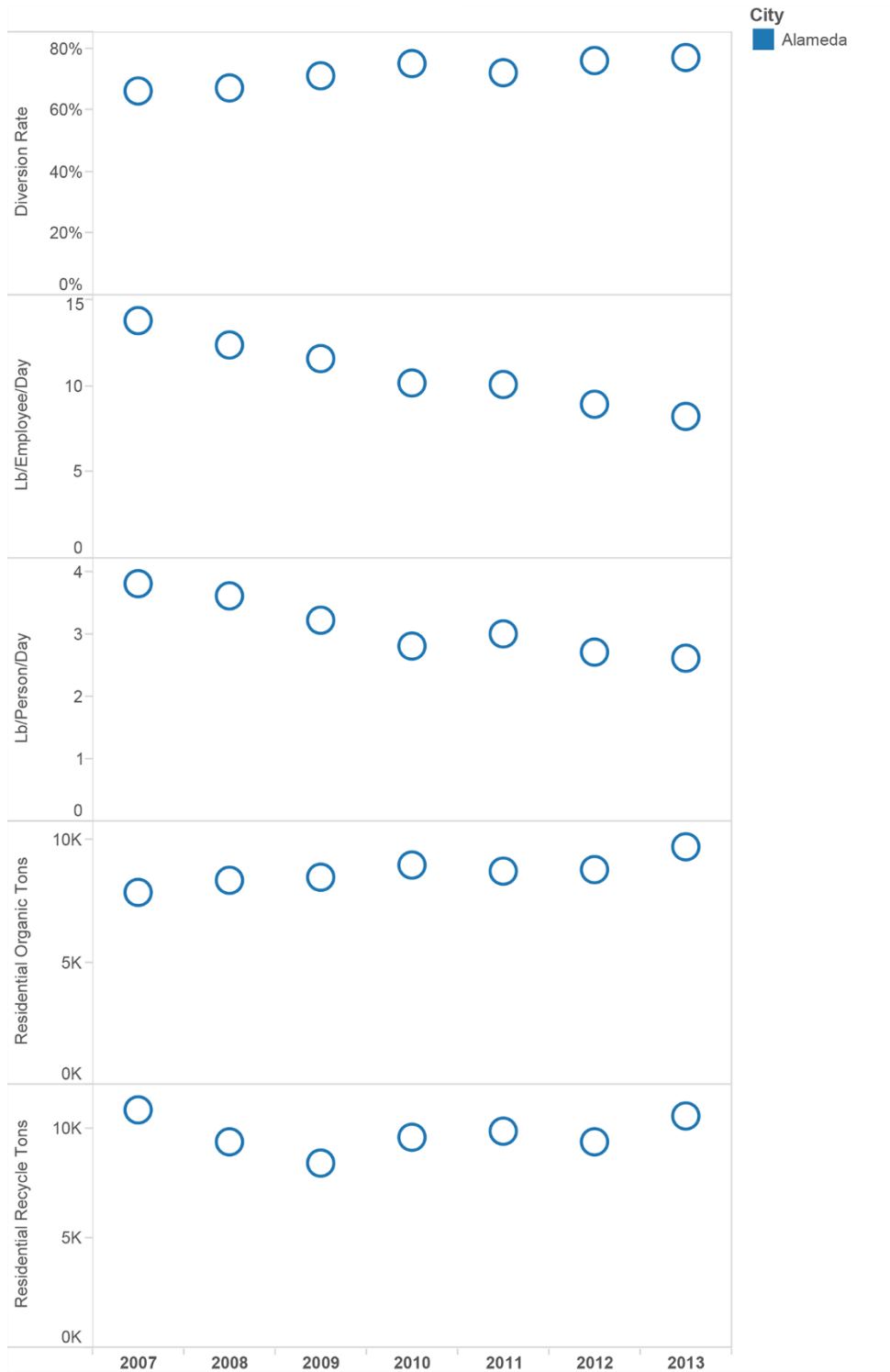
Starting on the next page, we provide one figure for each of the County's fifteen jurisdictions to illustrate disposal and diversion metrics over time (2007 to 2013). These figures illustrate performance and trends over time for five key metrics. The five metrics illustrated in **Exhibits 4-20 through 4-34** are as follows:

- Diversion rate – the percent of waste diverted, calculated from CalRecycle's disposal metrics.
- Pounds per employee per day – this is the CalRecycle per capita metric for each jurisdiction.
- Pounds per person per day – this is the CalRecycle per capita metric for each jurisdiction.
- Residential organic tons – total tons of residential organic material collected, by jurisdiction.
- Residential recycle tons – total tons of residential recyclable material collected, by jurisdiction.

The fifteen figures are as follows:

- **Exhibit 4-20** – Alameda (city), page 4-20
- **Exhibit 4-21** – Albany, page 4-21
- **Exhibit 4-22** – Berkeley, page 4-22
- **Exhibit 4-23** – Dublin, page 4-23
- **Exhibit 4-24** – Emeryville, page 4-24
- **Exhibit 4-25** – Fremont, page 4-25
- **Exhibit 4-26** – Hayward, page 4-26
- **Exhibit 4-27** – Livermore, page 4-27
- **Exhibit 4-28** – Newark, page 4-28
- **Exhibit 4-29** – Oakland, page 4-29
- **Exhibit 4-30** – Piedmont, page 4-30
- **Exhibit 4-31** – Pleasanton, page 4-31
- **Exhibit 4-32** – San Leandro, page 4-32
- **Exhibit 4-33** – Unincorporated County, page 4-33
- **Exhibit 4-34** – Union City, page 4-34.

Exhibit 4-20
Alameda Disposal and Diversion Metrics (2007 to 2013)



**Exhibit 4-21
Albany Disposal and Diversion Metrics (2007 to 2013)**

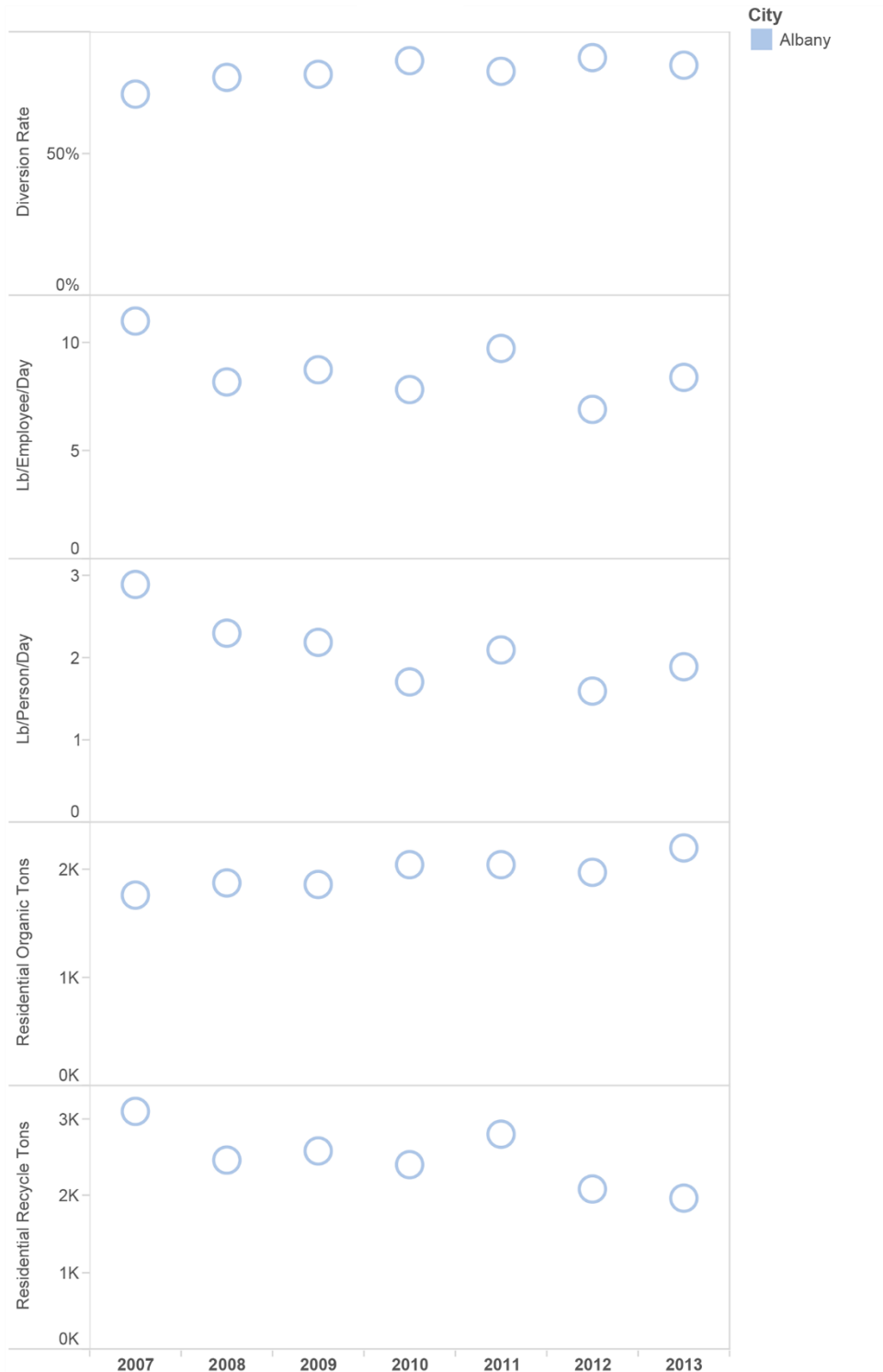


Exhibit 4-22
Berkeley Disposal and Diversion Metrics (2007 to 2013)

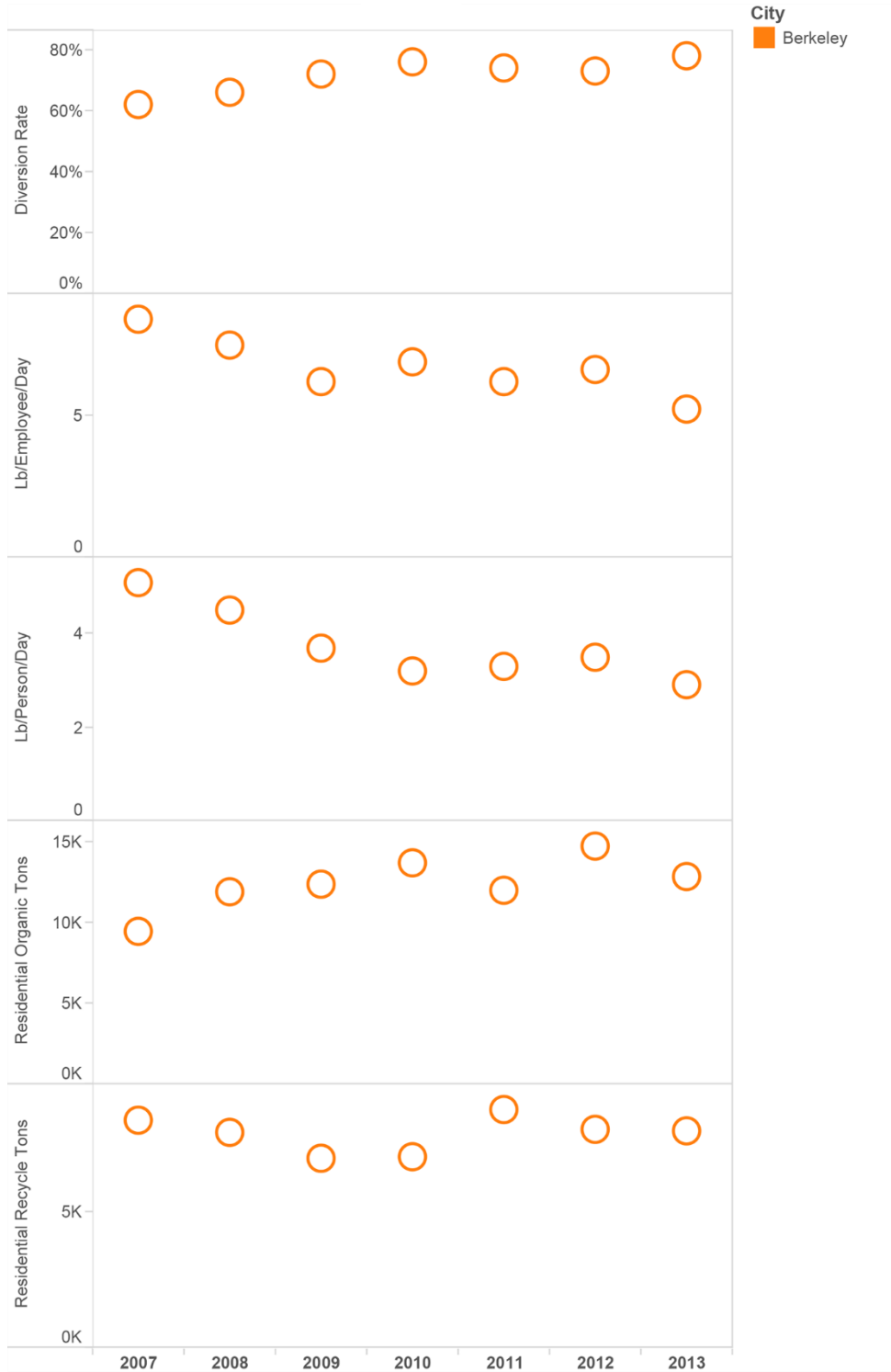


Exhibit 4-23
Dublin Disposal and Diversion Metrics (2007 to 2013)

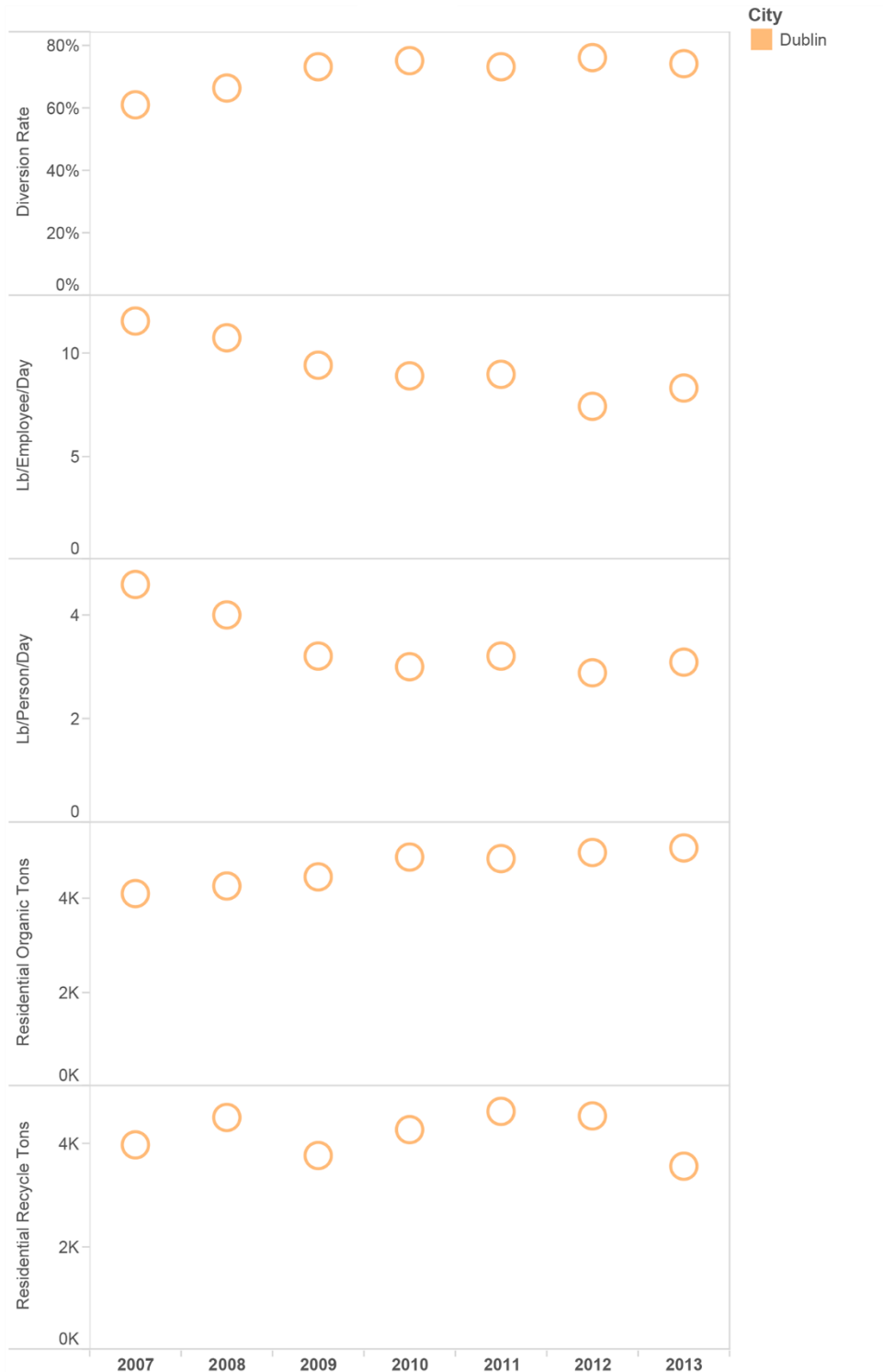


Exhibit 4-24
Emeryville Disposal and Diversion Metrics (2007 to 2013)

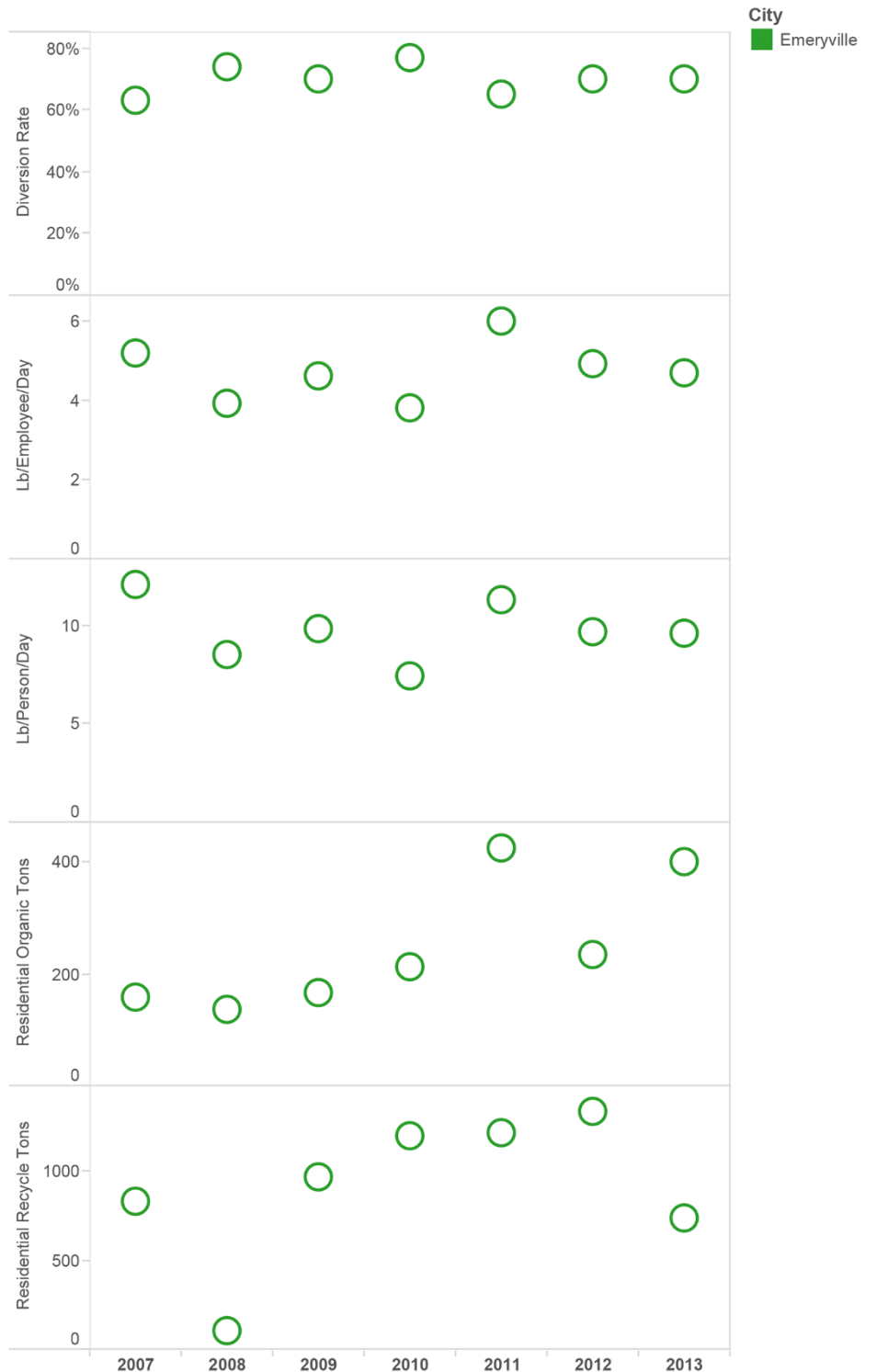
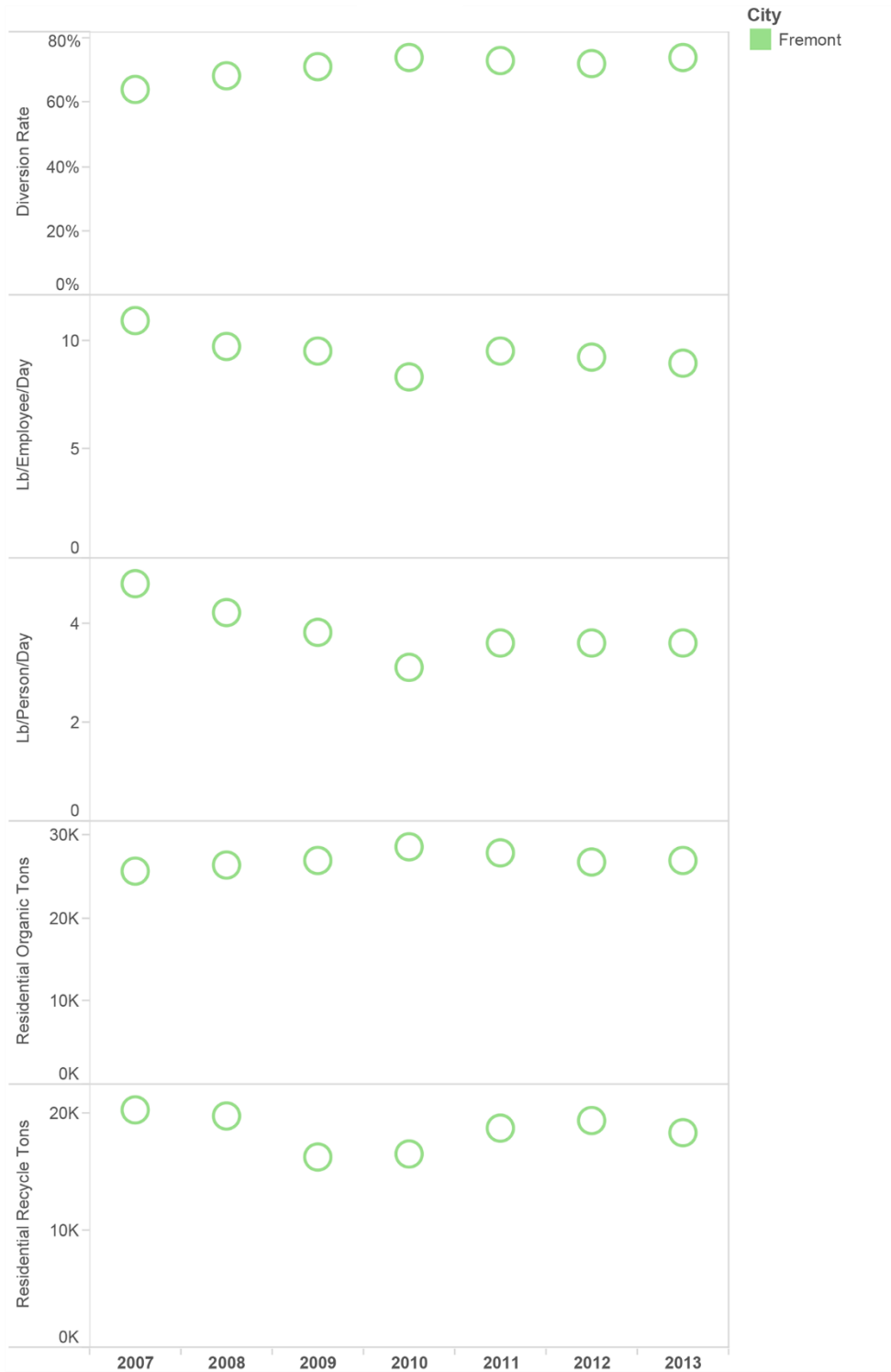


Exhibit 4-25
Fremont Disposal and Diversion Metrics (2007 to 2013)



**Exhibit 4-26
Hayward Disposal and Diversion Metrics (2007 to 2013)**

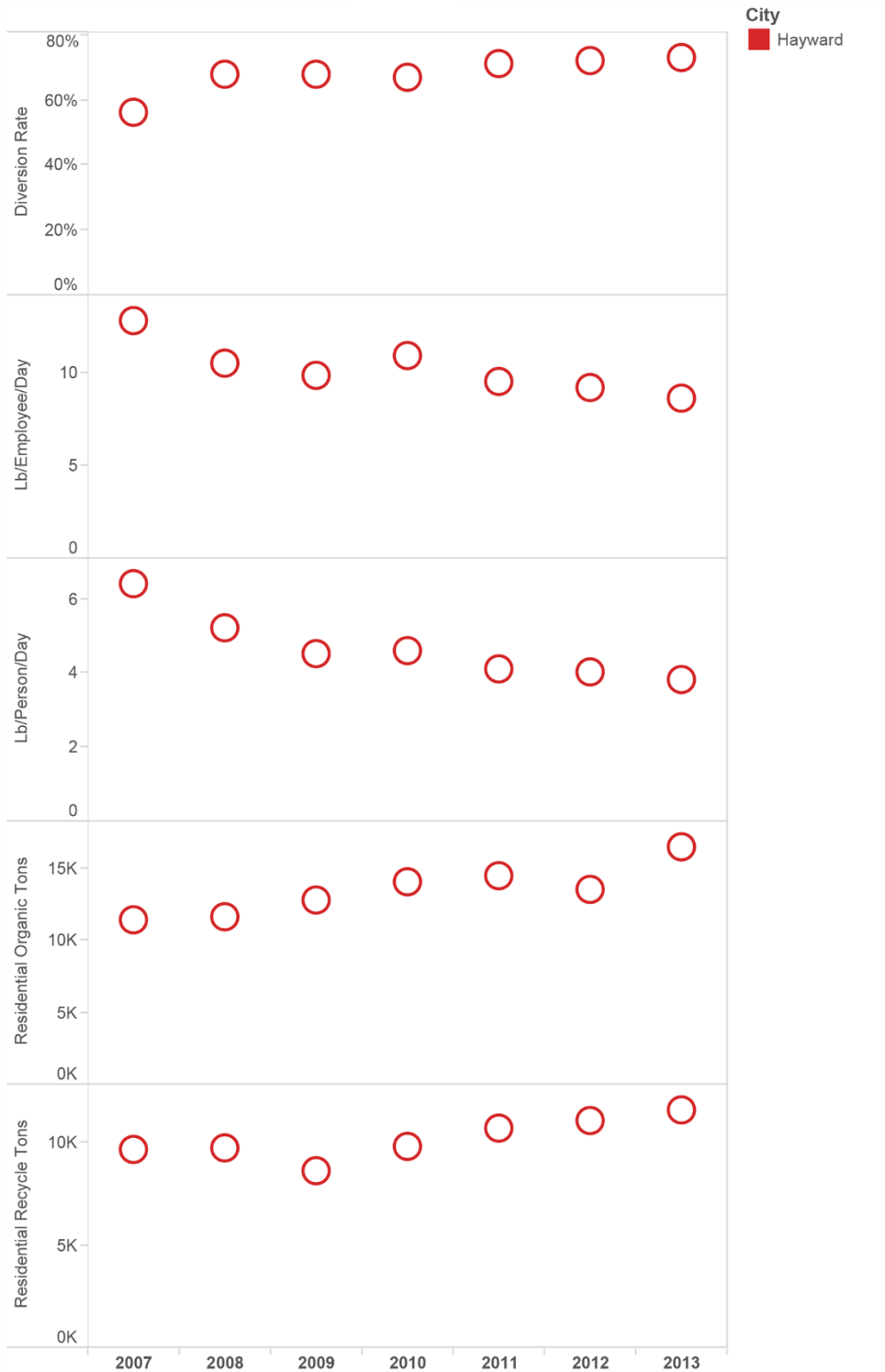
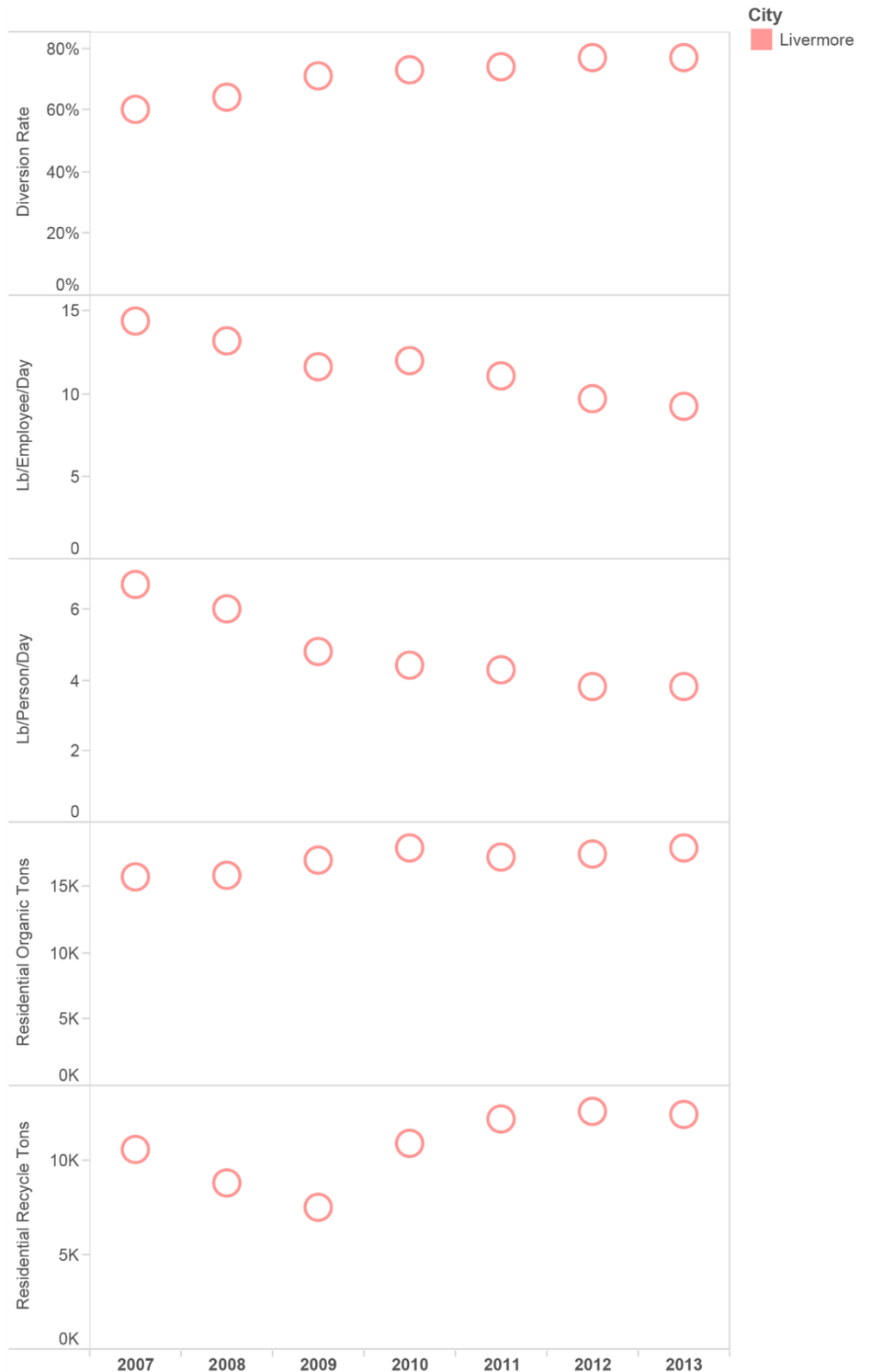


Exhibit 4-27
Livermore Disposal and Diversion Metrics (2007 to 2013)



**Exhibit 4-28
Newark Disposal and Diversion Metrics (2007 to 2013)**

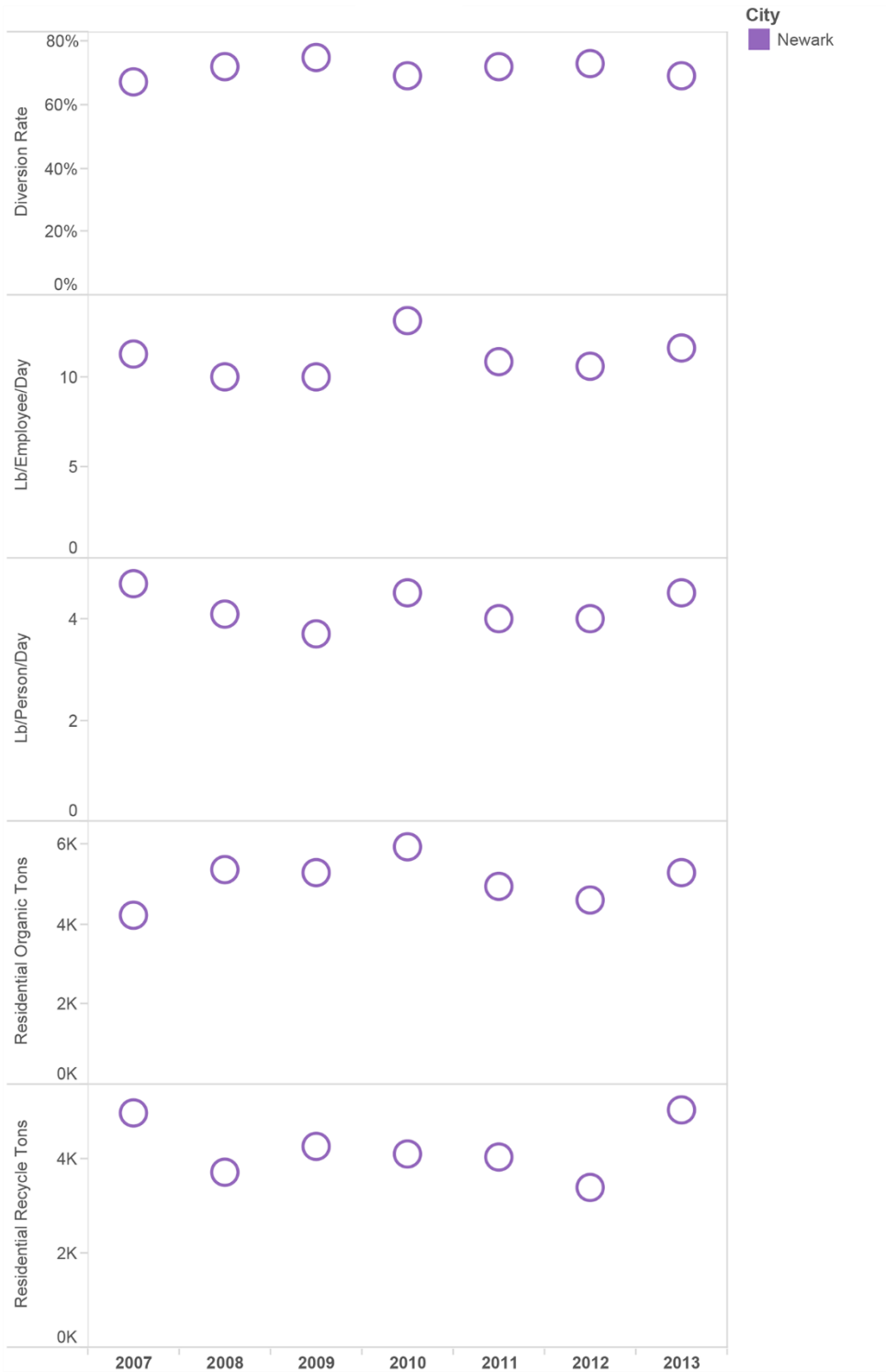
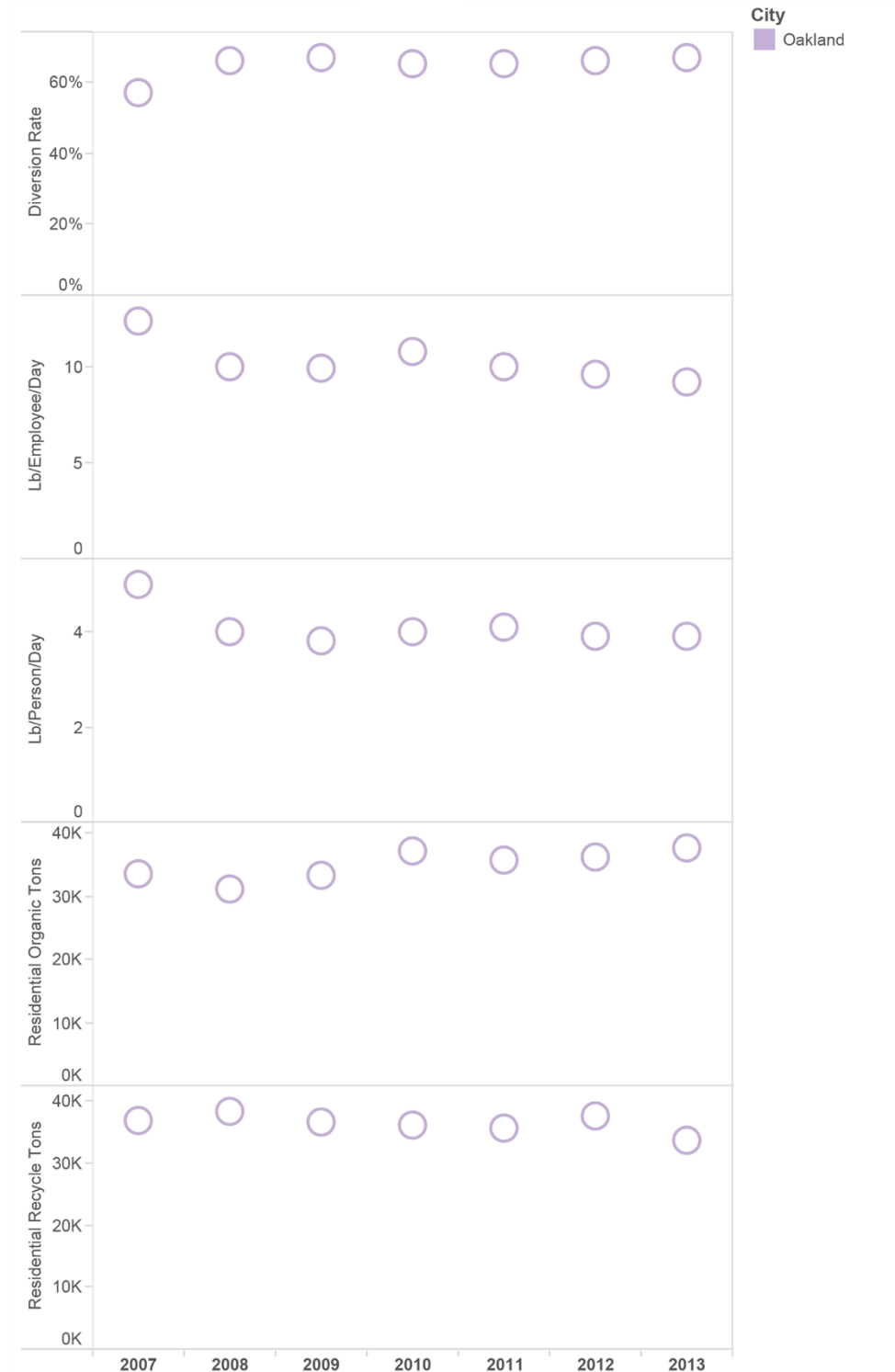


Exhibit 4-29
Oakland Disposal and Diversion Metrics (2007 to 2013)



**Exhibit 4-30
Piedmont Disposal and Diversion Metrics (2007 to 2013)**

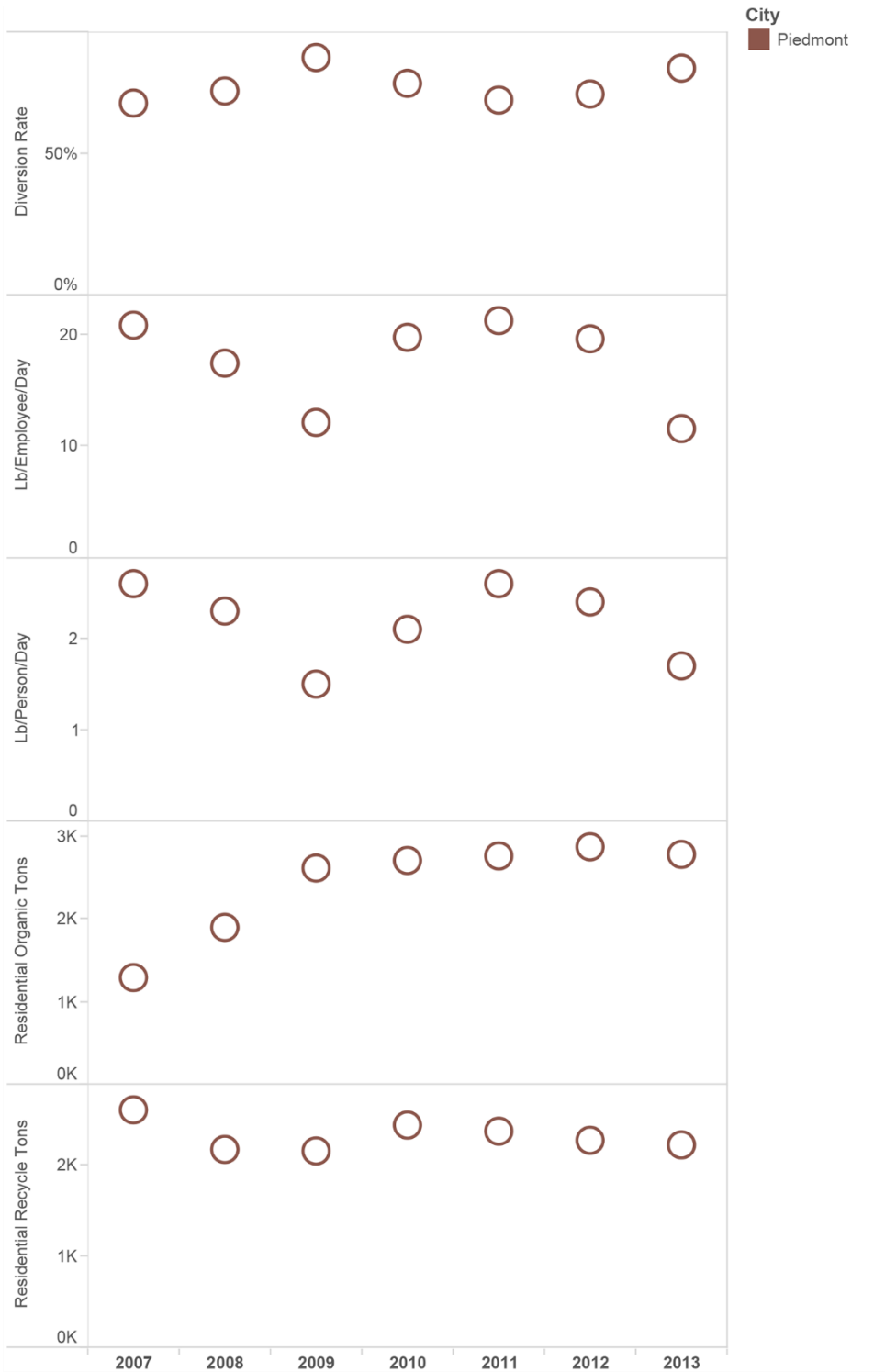


Exhibit 4-31
Pleasanton Disposal and Diversion Metrics (2007 to 2013)

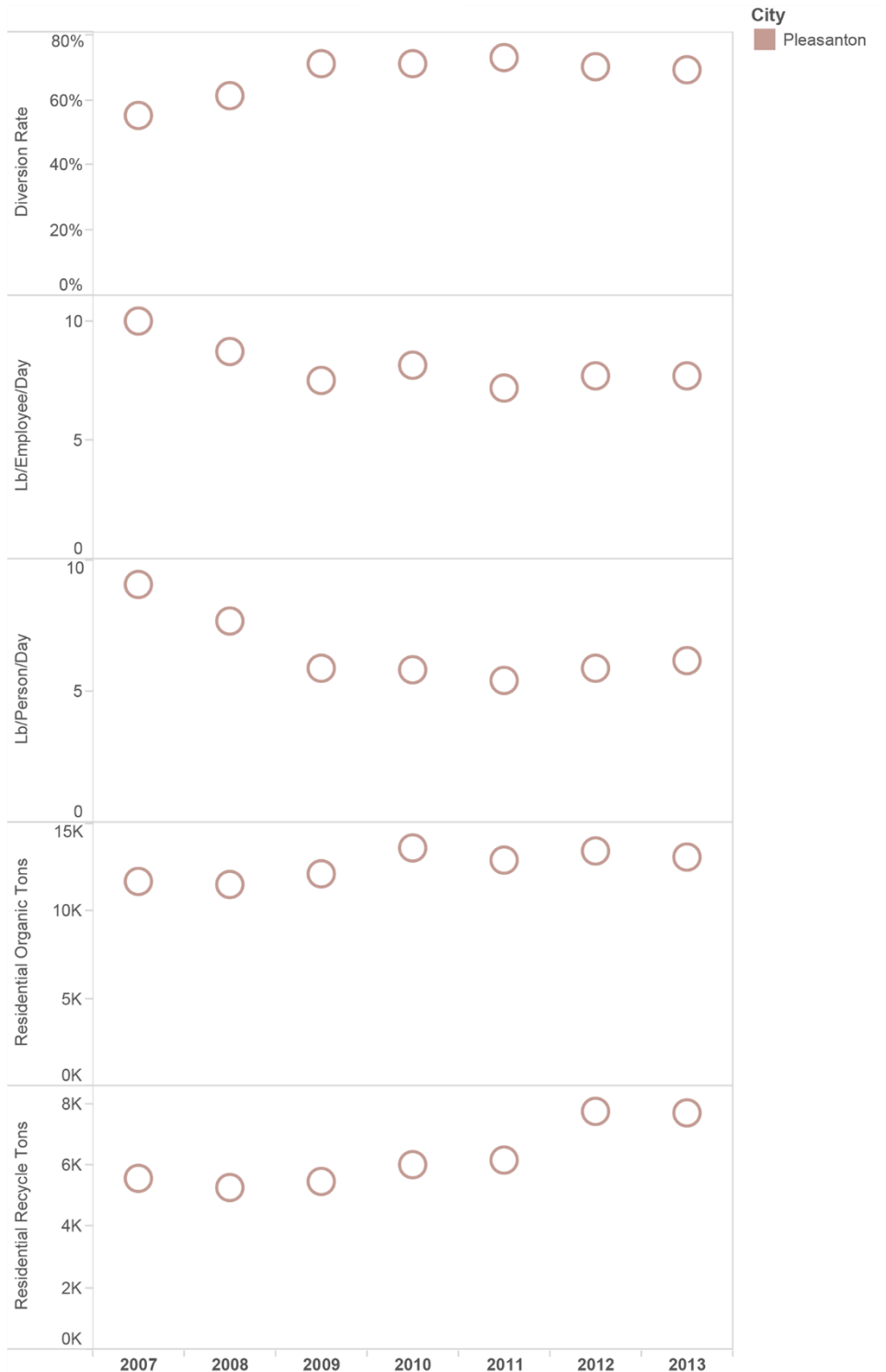


Exhibit 4-32
San Leandro Disposal and Diversion Metrics (2007 to 2013)

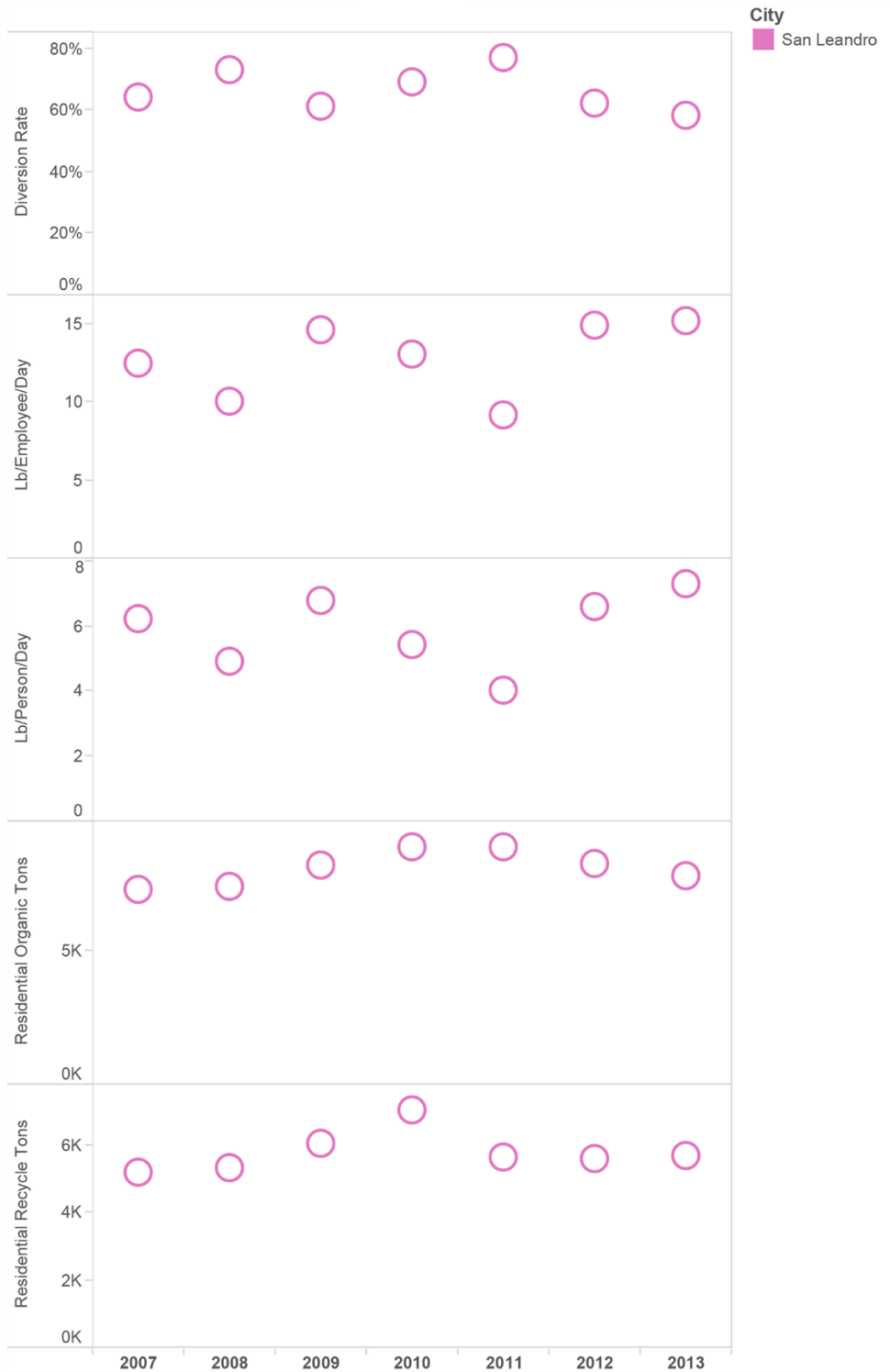


Exhibit 4-33
Unincorporated County Disposal and Diversion Metrics (2007 to 2013)

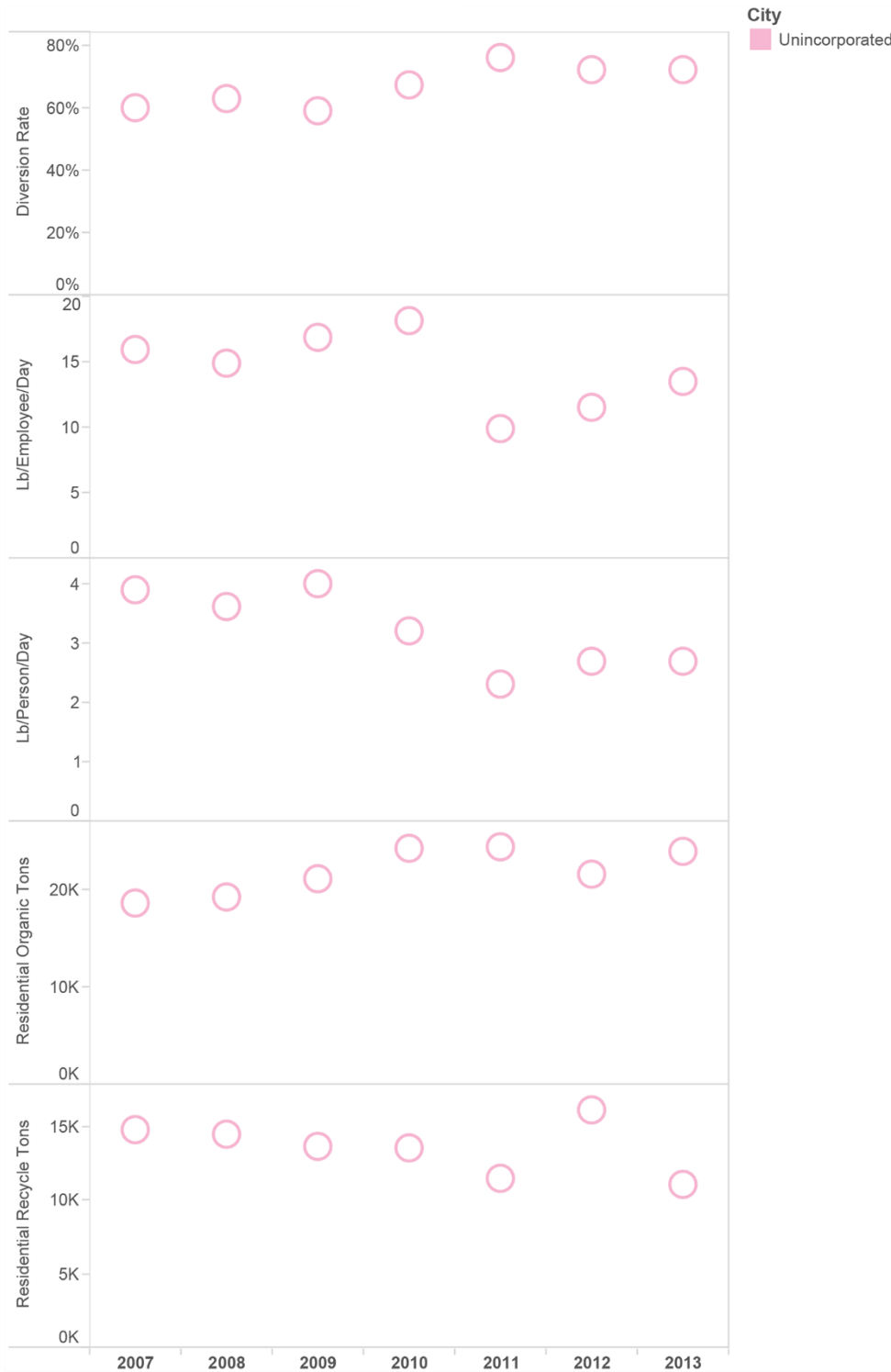
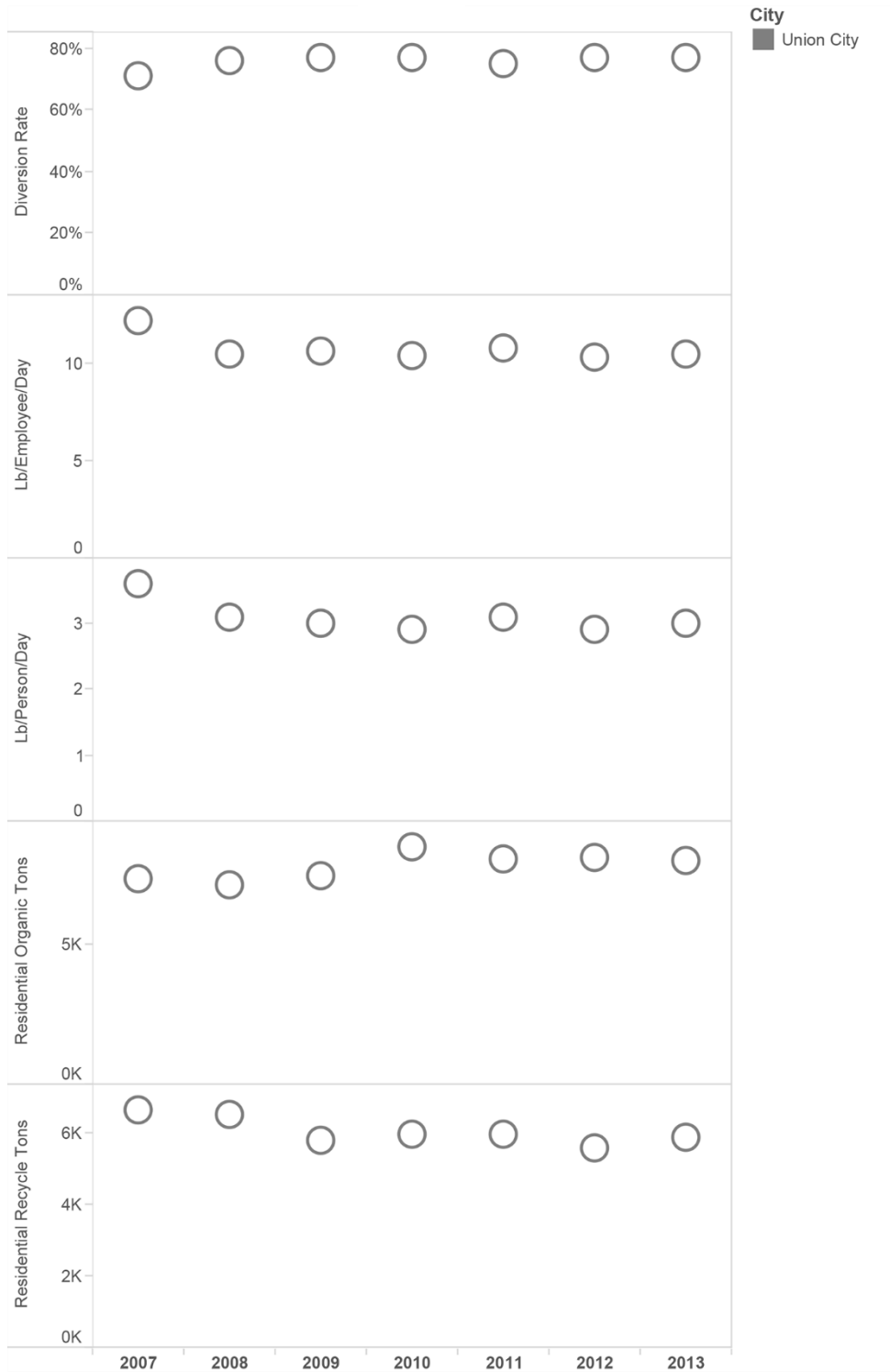


Exhibit 4-34
Union City Disposal and Diversion Metrics (2007 to 2013)





Section 5
**Measure D Financial
and Compliance Audit
Recommendations**

5. Measure D Financial and Compliance Audit Recommendations

This section presents recommendations from this Measure D financial and compliance audit. Recommendations are numbered in each section (e.g., RB-1 indicates recommendation related to the Recycling Board). Subsection 64.040 (C) of Measure D requires the Five Year Audit report to include “recommendations to the Recycling Board, Board of Supervisors, the Authority, and municipal governing bodies for the maintenance and expansion of recycling programs and any necessary resulting amendments to the Recycling Plan.” This section is organized into three (3) subsections as follows:

- A. *Alameda County and Recycling Board*
- B. *Member Agencies*
- C. *Grant Recipients.*

A. Alameda County and Recycling Board

This subsection provides six (6) recommendations related to our review of Alameda County and Recycling Board’s compliance with Measure D:

Recommendation RB-2a – Require Consistent Sign Offs Verifying Quality Control Checks of Measure D Tonnage Reports Submitted by Landfill Companies

We validated that the Board has a quality control process for disposal tonnage data entry into the Disposal Reporting System. This process involves data entry by one staff member and review by another staff member(s). From our testing and discussions with Board staff we recognize that the Board performs quality control reviews of this data, however from the documentation we obtained and tested, we did not always find a review sign off on the physical remittance. We recommend that the Board consistently provide review signatures on the physical hard copies of the landfill disposal company remittances to verify the tonnage data has been entered into the Board’s Disposal Reporting System by one party and separately reviewed by another. Consistently providing this second level verification signature is merited to validate the Board always followed this quality control step.

Recommendation RB-2b – Tie Measure D Tonnage Captured in Disposal Reporting System to Measure D Revenues in MUNIS System

We recommend that the Board consider adding the capability within its Disposal Reporting System (potential as a separate modules) to tie Measure D tonnage data from the Disposal Reporting System to the tonnage landfill companies pay Measure D surcharges on. This would provide the Board with a good check and balance from the landfill tonnage identified in the Disposal Reporting System to the tonnage that the landfill companies pay the Measure D surcharges on.

Recommendation RB-2c – Audit Measure D Tonnage Reports and Test Validity of Transactions to Company Weight Tickets

We recommend on an ongoing basis, the Recycling Board select a sample of tonnage data provided in the Measure D monthly reports and request landfill operators to furnish weight tickets in support of the tonnage data. For example, for each monthly report received, the Recycling Board could request scalehouse weight tickets from landfill operators that support materials received for a specific day, or dates, of the month. Weight tickets would provide the Recycling Board with real-time confirmation that landfill operators are capturing and reporting correct Measure D tonnage data.

Recommendation RB-4 – Develop List of Allowable Measure D Categories and Expenses that Provides Interpretations of Measure D Expense Applicability

Measure D has relatively broad applicability in terms of the types of expenses for which member agencies can expend Measure D funds. Board staff has done a good job since program inception of providing assistance and guidance to member agencies regarding whether specific expenses are consistent with the intent of Measure D. The types of expenses include those identified in the general categories shown in Appendix G, Exhibit G-1. With the wide variety of potential Measure D related expenses, and the constantly evolving nature of recycling programs and other related conservation programs (e.g., water recycling and management), we recommend that the Board develop and maintain a more detailed list of “allowable” expenses that the Board and member agencies can reference. We also recommend that the Board identify those expenses that are considered “not allowable.”

In our review, a small number of member agencies furnished expenses, and descriptions for these expenses, that were not clearly a Measure D expense. These expenses lent themselves to Board staff interpretation. Such a more detailed list of Measure D expenses may allow member agencies to know in advance of an expenditure whether that expenditure qualifies for Measure D funding. Also the list would help Board staff maintain a consistent interpretation of Measure D applicability over time. The list could be augmented as new expenditures are evaluated. The Board staff can evaluate each new expense on a case by case basis, prior to list update.

Recommendation RB-5a – Develop Method for Member Agencies to Electronically Submit Measure D Expense Reports Online

We recommend that the Board consider developing a method for member agencies to submit Measure D reports electronically to StopWaste through a web-based interface. In our review, some member agencies submitted Annual Reports that contained inconsistent ending prior year balance and following year beginning balances, mathematical errors in summing expenses, and mathematical errors in ending balance calculations. We believe this online reporting process would enhance the ability for StopWaste to perform expenditure and balance checks and for auditors to audit member agency Measure D reporting. We envision that each member agency could enter all of its Measure D report data into a form accessed from the StopWaste website. Data from this form would populate a database. This approach would ease both internal Board staff and Measure D auditors’ ability to evaluate and test Measure D transactions. There could be easy checks for mathematical accuracy, and error checks, built into the Measure D online reporting form. This would remediate the mathematical and inconsistency errors currently present in a handful of member agency reports, each year.

Recommendation RB-5b – Provide Supporting Documentation for Measure D Expenditures upon Submission of Measure D Reports using Electronic Reporting

We recommend the Board require member agencies to furnish supporting documentation for expenditures in excess of a certain threshold (e.g., \$1,000) at the time the member agency submits its Measure D report.¹ In our review, many member agencies furnished supporting documentation (e.g., invoices, proof of payment, and warrant for payment) as follow up to the site visit. A few of the member agencies needed to access supporting documentation from an offsite location (mezzanine/storage, separate office), which necessitated follow up activities.

¹ With the exception of support for labor costs.

This recommendation will assist Board staff and auditors' in reviewing Measure D reports, assessing transaction applicability, and prioritizing transactions as part of Five-Year audit planning. Additionally, this documentation will minimize member agencies having to locate several year old documentation as part of the Five-Year audit process. Furthermore, with validated support for expense transactions, Five-Year audit work may be performed more efficiently in the future and even via desk audits rather than on-site reviews. If the Board moves to electronic submission of Measure D forms, member agency invoices could be submitted in PDF form.

Recommendation RB-5c – Reduce Field Visits of Member Agencies During the Five-Year Audit

We recommend the Board consider allowing some mixture of “desk audits” (conducted from the auditor’s offices) and “field audits” (conducted at the member agencies location). For example, the Board might scope the audit to include desk audits for half (8) of the member agencies during each phase, reducing the number of onsite visits in half from the current protocol and reducing overall audit costs. The field visits might be used for just the riskiest or largest member agencies. We believe that the majority of review activities can be performed offsite (through desk audit). In addition, in some cases member agencies may or may not have supporting receipts, invoices, proof of payments, and other documentation accessible during onsite visits, necessitating electronic submission of supporting documentation after the visit anyway. As an alternative, the Board might consider staggering audits of member agencies during the five-year audit period. This alternative would narrow each member agency’s audit period to a select two or three-year period. If material differences are found during this two or three-year period, the remaining two or three years of five-year period would need to be reviewed.

B. Member Agencies

This subsection provides one (1) recommendation related to our review of member agency compliance with Measure D:

Recommendation MA-1 – Track Labor Costs Based on Actual Time Reporting Where Possible, or Provide Current Data Supporting Labor Allocations to Measure D Activities

We recommend that the Board request that where possible, for Measure D labor costs, member agencies capture the actual time that employees spend on Measure D related activities in time reporting systems. We recommend that the Board discourage member agencies from budgeting a percentage of each staff member’s time and then “plugging” that budgeted percentage amount into the staff member’s timesheet. Measure D funds should be used to reimburse member agencies for accurate, actual time reported by those employees working on Measure D activities.

If a member agency does not have the capability to record employee time by project/task, that member agency should provide evidence supporting current Measure D labor costs and/or cost allocations. Types of documentation supporting labor allocations could include: (1) formal agency-wide cost allocation studies, (2) supporting documentation for cost allocation methods used to allocate shared labor costs to the Measure D program for a recent representative period, (3) records of time worked on Measure D activities captured by employees, outside of time reporting systems, for a recent representative period. These methods should be reviewed and verified by the member agency, at a minimum, on an annual basis. In our review, some member agencies used a methodology for labor cost allocations based on somewhat dated labor cost allocation studies.

C. Grant Recipients

This subsection provides one (1) recommendation related to our review of grant recipient compliance with Measure D:

Recommendation GR-1 – Develop Capability to Electronically Prompt Grant Managers when Contracts are Nearing End Dates

When conducting our review of Board grant management, we noticed occasions where grants extended beyond their contract end dates. In our Phase I review, we identified an increase in grants from the prior period, which may have impacted grant manager's ability to ensure grantees were meeting key contract dates (including requesting intermediate and/or final payment for tasks already completed). The following is a list of the number of grants awarded (and executed) over the last eight years:

Prior three-year period:

- FY 2008/09 19 grants (5 – open procurement, 14 – program service)
- FY 2009/10 10 grants (9 – open procurement, 1 – program service)
- FY 2010/11 11 grants (5 – open procurement, 6 – program service)

Phase I:

- FY 2011/12 26 grants (17 – open procurement, 9 – program service)
- FY 2012/13 27 grants (25 – open procurement, 2 – program service)
- FY 2013/14 24 grants (21 – open procurement, 3 – program service)

Phase II:

- FY 2014/15 27 grants (18 – open procurement, 9 – program service)
- FY 2015/16 10 grants (9 – open procurement, 1 – program service)

Board grant workloads have approximately doubled in some years, reflecting a significant increase in small (micro) grants for amounts up to \$5,000. There also were a number of \$10,000 and \$15,000 grants awarded in fiscal year 2012/13. Internal Board information systems appear to create some challenges with monitoring and tracking grant expiration dates.

To ease the ability for Board staff to monitor contract end dates, we recommend the Board set up a "tickler" system to remind staff in advance of contract end dates. Such a system could be set up within the MUNIS system at the point the contract is signed with targeted reminders at pre-set points in time (3 months, 1 month remaining).

During Phase II of our review, we noticed a drop-off in grants in FY 2015/16, to levels observed in years prior to 2011/12. Though there was a steep decrease in grant management, project managers of these grants are still managing other StopWaste programs. We continue to recommend providing the added tools to staff.

Appendix A
Alameda County
Waste Reduction and
Recycling Initiative
(“Measure D”)



Appendix A

Alameda County Waste Reduction and Recycling Initiative (“Measure D”)

Alameda County voters passed the Alameda County Waste Reduction and Recycling Initiative Charter Amendment “Measure D” in 1990. Measure D established the Alameda County Source Reduction and Recycling Board (Recycling Board), a per ton landfill tipping fee surcharge, and the foundation for comprehensive source reduction and recycling programs.

The original Measure D text is presented in **Exhibit A-1**, starting on page A-2. This final text was developed on November 13, 1989. Since its passage, the Recycling Board has updated, and clarified, various aspects of Measure D in the resolutions, and a memorandum, provided in Appendix B.

Exhibit A-2, beginning on page A-25, summarizes key Measure D compliance requirements, and the applicable Measure D subsection or resolution/memorandum reference. Exhibit A-2 is organized as follows:

Entity	Compliance Area	Page
A. Alameda County	1. Collection of Measure D Tipping Fee	A-25
	2. Recycled Product Purchase Preference Program (RPPP)	A-25
B. Recycling Board	1. Development of a Recycling Plan	A-27
	2. Compliance with Fund Allocations	A-27
	3. Analysis and Review of Waste Characterization Studies	A-27
	4. Compliance with Source Reduction Program requirements	A-28
	5. Compliance with Recycled Product Market Development Program Requirements	A-28
	6. Compliance with Limits on Board Member Compensation	A-28
C. Member Agencies	1. Requirement for Local Refuse Hauler Surcharge Reimbursement	A-29
	2. Residential Recycling Program Requirements	A-29
	3. Commercial Recycling Program Requirements	A-29
	4. Recycling Fund Expenditures, Monitoring, and Reporting	A-29
	5. Recycling Fund Accounting	A-29
	6. Recycled Product Purchase Preference (RPPP) Program Requirements	A-29
D. General Compliance (All Entities Receiving Measure D Monies)	1. Compliance with restriction Against Use of Fund Monies for Contracts Longer than Five Years	A-29

Exhibit A-1
Text of Measure D

Page 1 of 23

THE ALAMEDA COUNTY WASTE REDUCTION AND RECYCLING
INITIATIVE CHARTER AMENDMENT:
(FINAL TEXT: NOVEMBER 13, 1989)

SECTION 64: WASTE REDUCTION AND RECYCLING

SUBSECTION 64.010: NAME

This Section of the Alameda County Charter shall be known and may be cited as the Alameda County Waste Reduction and Recycling Act of 1990 (hereinafter the "Act").

SUBSECTION 64.020: PURPOSE

The purpose of this Act is to:

- A. Provide for an Alameda County Source Reduction and Recycling Plan (hereinafter the "Recycling Plan") in conformance with new state law requiring all California cities and counties to plan, fund and implement a comprehensive source reduction and recycling program (Paragraph 64.040(B));
- B. Meet, by January 1, 1995, the state-mandated goal of reducing by at least twenty-five percent the refuse landfilled in Alameda County, then meet by January 1, 2000, the further state-mandated goal of fifty percent, and set longer-term goals starting at seventy-five percent (Paragraph 64.040(A));
- C. Ensure that the Recycling Plan provides for at least the following essential elements:
 - 1. An Alameda County-wide Source Reduction Program (Subsection 64.080) to minimize the generation of refuse;
 - 2. Residential Recycling Programs (Subsection 64.090) to provide each Alameda County residence with curbside pick-up of recyclable materials;
 - 3. Commercial Recycling Programs (Subsection 64.100) to reduce the refuse disposal costs of businesses and government agencies;
 - 4. An Alameda County-wide Recycled Product Market Development Program (Subsection 64.110) to create and strengthen stable markets for recycled materials;
and

1.

Exhibit A-1
Text of Measure D (continued)

Page 2 of 23

5. A Recycled Product Purchase Preference Program (Subsection 64.120) to further encourage recycled materials markets by maximizing the amount of recycled products purchased by County government agencies;
- D. Fund the Recycling Plan by instituting a six dollar per ton surcharge on materials disposed of in Alameda County landfills (Paragraph 64.050(A));
- E. Create an Alameda County Source Reduction and Recycling Board (hereinafter the "Recycling Board") to coordinate the Recycling Plan (Subsection 64.130);
- F. Prohibit the incineration of refuse within Alameda County (Subsection 64.140).

SUBSECTION 64.030: FINDINGS

The people of Alameda County find and declare that:

- A. The increasing consumption of single-use and environmentally harmful products depletes natural resources, produces huge quantities of refuse -- most of which is disposed of in ways that damage the environment -- and, ultimately, will injure future generations;
- B. The use of terms such as "garbage" and "solid waste" result from -- and serve to reinforce -- wasteful attitudes; the materials referred to by these terms retain their value as natural resources, and should instead be described and treated as "discarded materials" to be recycled rather than incinerated or landfilled;
- C. At least ninety percent of the discarded materials generated within Alameda County are landfilled as are vast quantities of discarded materials from neighboring counties; existing landfill capacity in the Bay Area will be exhausted in less than twenty-five years, while new landfills are increasingly difficult and expensive to site; landfill is neither a long-term, nor a sustainable, nor an environmentally safe option for disposal of discarded materials;
- D. Refuse incinerators are a poor alternative to source reduction and recycling: such incinerators damage the environment by wasting natural resources that could instead be recycled, by accelerating the release of greenhouse gasses -- which worsen global warming -- and by generating toxic substances;
- E. Each person discards materials and should therefore be involved in solving the problems caused by the disposal of such materials; this involvement must include changes in individual behavior resulting from each person's awareness of her or his role in creating or finding solutions to environmental problems; only through such changes can sustainable consumption and disposal patterns be established and the biosphere restored:

2.

Exhibit A-1
Text of Measure D (continued)

- F. The County government shares a responsibility with Alameda County cities and sanitary districts to provide a comprehensive source reduction and recycling program which will foster these necessary changes in individual behavior as well as ensure that the goals set by state law are met; and
- G. The best available method for funding the Recycling Plan is a surcharge on materials disposed of at landfills.

SUBSECTION 64.040: RECYCLING POLICY GOALS AND RECYCLING PLAN

A. Recycling Policy Goals:

1. Consistent with the California Integrated Waste Management Act of 1990 (hereinafter the "CIWMA"), it shall be County policy to reduce, recycle, and compost, by no later than January 1, 1995, at least twenty-five percent (25%), and by no later than January 1, 2000, at least fifty percent (50%), by weight, of all discarded materials generated within Alameda County.
2. The Recycling Board shall establish, not later than January 1, 1999, a date to reduce, recycle, and compost at least seventy-five percent (75%), by weight, of all discarded materials generated within Alameda County, and, as necessary to the establishment of sustainable discarded materials management practices, shall subsequently establish a date (or dates) to reduce, recycle and compost further quantities of discarded materials.

- B. The Recycling Board shall develop, within one (1) year of the effective date of this Act, a plan to establish the recycling programs necessary to meet the recycling policy goals set forth in Subparagraph 64.040(A)(1) (all citations contained in this Act are, unless otherwise noted, to this Act), said plan to be known as the Alameda County Source Reduction and Recycling Plan (Recycling Plan). The Recycling Board subsequently shall amend the Recycling Plan as necessary to meet said recycling policy goals, and as necessary to meet the further recycling policy goals established by the Recycling Board pursuant to Subparagraph 64.040(A)(2). The Recycling Plan shall incorporate all Alameda County recycling programs, whether funded by this Act or not. In developing and amending the Recycling Plan, the Recycling Board shall consult with the Alameda County Board of Supervisors (hereinafter the "Board of Supervisors"), the Alameda County Waste Management Authority (hereinafter the "Authority") and Alameda County municipal governing bodies, and furthermore shall seek to maximize public input as to the contents of the Recycling Plan by holding public hearings and establishing public advisory committees.

3.

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Text of Measure D (continued)

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- C. The Recycling Board shall contract, not more than four (4) years after the effective date of this Act, and then every five (5) years thereafter, for an audit to determine compliance with the Recycling Plan and the degree of progress toward the recycling policy goal then in effect. Said audits shall be conducted by an independent auditor (or auditors) with experience in source reduction and recycling. The reports of said audits shall be completed within one (1) year and issued to each municipality, the Board of Supervisors and the Authority. Said reports shall include at least the following:
1. A narrative and analytical evaluation of all recycling programs within Alameda County, whether funded through this Act or not, both Alameda County-wide and within each municipality;
 2. A statistical measure of the progress toward the recycling policy goal then in effect;
 3. An evaluation of the Recycling Board's activities, including, but not limited to, an accounting of the monies spent by the Recycling Board; and
 4. Recommendations to the Recycling Board, the Board of Supervisors, the Authority and the municipal governing bodies for the maintenance and expansion of recycling programs, and any necessary resulting amendments to the Recycling Plan.

SUBSECTION 64.050: RECYCLING FUND

- A. Commencing not later than three (3) months after the effective date of this Act, each landfill or incinerator in Alameda County shall collect a surcharge of six dollars (\$6.00) per ton on all refuse accepted for landfilling or incineration at said landfill or incinerator. All monies collected through said surcharge shall be paid by the operators of each landfill or incinerator into a fund, to be known as the Alameda County Recycling Fund (hereinafter the "Recycling Fund"), established for the purpose of receiving and disbursing monies pursuant to this Act. The Board of Supervisors shall ensure the collection of said surcharge, either by modifying the use permits of said landfills and incinerators or by any other necessary means.
- B. Should the collection of said surcharge be found to be in violation of an existing contract or agreement to import refuse generated outside of Alameda County for landfilling or incineration within Alameda County, the Board of Supervisors may vote to waive collection of said surcharge for the refuse described within said contract or agreement. However, any future contract or agreement for the importation of refuse for landfilling or incineration within Alameda County, executed or negotiated after the effective date of this Act, shall provide for the collection of said surcharge for the refuse described within said contract or agreement.

4.

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Text of Measure D (continued)

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- C. Any necessary costs of collection of said surcharge incurred by landfill or incinerator operators shall not be subtracted from said surcharge but, consistent with Subsection 64.070, shall be passed through to refuse generators by means of the refuse collection rates set by each municipality.
- D. Said surcharge may be adjusted only as follows:
 - 1. The Board of Supervisors may place a ballot measure on the Alameda County ballot for an alternative or additional funding mechanism for the Recycling Fund. Said funding mechanism may levy a surcharge or disposal fee on types of discarded materials. Said ballot measure may also include a provision to adjust said surcharge in direct correlation to the funding resultant from the proposed surcharge or disposal fee.
 - 2. The Authority may pay monies within its jurisdiction to the Recycling Fund with the intent of mitigating said surcharge. Should the Authority vote to do so, the Board of Supervisors shall adjust said surcharge accordingly, provided that no such adjustment shall result in a net loss to the total receipts to the Recycling Fund within a given year.
 - 3. The Board of Supervisors may vote at any time to adjust said surcharge in direct accordance with changes in the Consumer Price Index.
 - 4. Commencing January 1, 1995, and once every five years thereafter, the Board of Supervisors may vote, with the advice of the Authority and/or a double majority of the cities, to pass an ordinance adjusting said surcharge by up to twenty percent (20%). Said ordinance may take effect immediately, but shall be subject to approval or repeal by a vote of the people at the next regularly scheduled Alameda County election.
 - 5. The Board of Supervisors may vote, with the concurrence of a double majority of the cities, to adjust said surcharge, if either the federal government or the State of California institutes recycling programs that duplicate and fund the recycling programs established by this Act.
- E. The Recycling Board shall administer the Recycling Fund in accordance with the provisions of this Act. Recycling Fund monies that are not immediately expended may be temporarily invested, under the direction of the Recycling Board and in accordance with accepted principles of financial management, in financial instruments that encourage, to the extent possible, source reduction and recycling while discouraging non-sustainable uses of natural resources. Any interest or other income resulting from such investments shall accrue to the Recycling Fund.

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SUBSECTION 64.060: SUPPORT FOR RECYCLING PROGRAMS

- A. During the first twenty-seven (27) months after the effective date of this Act, the Recycling Board shall support recycling programs and otherwise fulfill the provisions of this Act by disbursing monies from the Recycling Fund as follows:
1. Eighty percent (80%) of the total shall be apportioned on a per capita basis to municipalities for the planning and implementation of Residential Recycling Programs and/or Commercial Recycling Programs, for new or expanded recycling programs, and for the preparation of the city source reduction and recycling elements, pursuant to the CIWMA. Funds so disbursed shall be used exclusively for supporting municipal recycling programs.
 2. Twenty percent (20%) of the total shall be applied to the following:
 - a. The development and implementation of the Source Reduction Program, the Recycled Product Market Development Program and the Recycled Product Purchase Preference Program;
 - b. The Recycling Board's expenses for the administration of this Act; and
 - c. The preparation of the Alameda County source reduction and recycling element, pursuant to the CIWMA.
- B. Commencing twenty-eight (28) months after the effective date of this Act, the Recycling Board shall support recycling programs and otherwise fulfill the provisions of this Act by disbursing monies from the Recycling Fund as follows:
1. Fifty percent (50%) shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs.
 2. Ten percent (10%) shall be applied to a grant program for nonprofit organizations engaged in maximizing recycling, composting, and reducing waste within Alameda County. The Recycling Board shall be an organization eligible to receive funds under this Subparagraph, for the purposes of conducting planning, research, and studies directed at furthering the purposes of this Act.
 3. Ten percent (10%) shall be applied to the Source Reduction Program.
 4. Ten percent (10%) shall be applied to the Recycled Product Market Development Program.

6.

Exhibit A-1
Text of Measure D (continued)

5. Five percent (5%) shall be applied to the Recycled Product Purchase Preference Program.
 6. Fifteen percent (15%) shall be disbursed on a discretionary basis by the Recycling Board to support any of the activities described within this Paragraph. A portion of said fifteen percent (15%) may be retained by the Recycling Board to cover the necessary costs of administering the Recycling Fund, provided, however, that said portion shall not exceed three percent (3%) of the total funds paid to the Recycling Fund in a given year.
- C. For the purpose of apportionment of funds under the provisions of this Subsection, and for the purpose of sound discarded materials management, the Recycling Board shall cause accurate, reliable, and up-to-date estimates to be maintained of the amounts and kinds of recycling and refuse generation occurring in each municipality. For the purpose of ensuring comparability of data, any composition study or waste characterization study performed with Recycling Fund monies shall comply with standards to be established by the Recycling Board. Said standards shall include, but shall not be limited to, both methodology and categories of discarded materials. In establishing said standards, the Recycling Board should utilize the categories for discarded materials outlined in Paragraph 64.150(0).
- D. Contracts using Recycling Fund monies shall be made for periods of not more than five (5) years, except that, upon a finding of the Recycling Board that a longer period is necessary in order to capitalize a specific project, the Recycling Board may vote to allow a particular contract to be made for a period of not more than ten (10) years. No contract using Recycling Fund monies shall provide for an option to renew or any similar provision that would result in the extension of a contract, on a less than fully competitive basis, for a cumulative period of more than five (5) years or, in the case of a contract which the Recycling Board has authorized to be made for a longer period for purposes of capitalization, more than ten (10) years.
- E. Nothing in this Act shall prevent any municipality, other jurisdiction, or other organization within Alameda County from raising or expending additional funds or taking other actions in support of recycling programs.
- F. Commencing January 1, 1995, the Recycling Board may vote, with the concurrence of the Board of Supervisors and a double majority of the cities, to adjust the distribution of funds under Paragraph 64.060(B) in order to further progress toward the recycling policy goal then in effect.

SUBSECTION 64.070: MUNICIPAL RATE STRUCTURES

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Text of Measure D (continued)

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- A. In order to be eligible to receive monies from the Recycling Fund, each municipality must, either by adjusting local refuse collection rates or by instituting a product disposal fee, provide for full reimbursement to its local refuse hauler(s) for the costs of the surcharge established by Paragraph 64.050(A).
- B. Upon request of a municipality, the Recycling Board shall cooperate with said municipality, the Alameda County Joint Refuse Rate Review Committee and the refuse hauler(s) serving said municipality to design an incremental refuse collection rate structure which will:
1. Fully reimburse said hauler(s) for the increased costs resulting from the surcharge established by Paragraph 64.050(A);
 2. Encourage source reduction and recycling among residents by charging successively higher amounts for each garbage can collected; and
 3. Provide residents with the option to use smaller garbage cans at a decreased rate in order to reward source reduction and recycling.
- C. Upon request of a municipality, the Recycling Board shall cooperate with said municipality, the Alameda County Joint Refuse Rate Review Committee, and the refuse hauler(s) serving said municipality to design a product disposal fee, to be levied on purchases of products, with emphasis on those products that either are non-recyclable or are environmentally harmful, which will:
1. Allow said municipality to fully reimburse, in lieu of or in addition to an increase in refuse collection rates, said hauler(s) for the increased costs resulting from the surcharge established by Paragraph 64.050(A);
 2. Encourage source reduction among residents; and
 3. Discourage the purchase of environmentally harmful products.

SUBSECTION 64.080: SOURCE REDUCTION PROGRAM

The Recycling Board shall disburse monies allocated in Subparagraphs 64.060(A)(2) and 64.060(B)(3), on a discretionary basis, for the development of an Alameda County-wide Source Reduction Program. Funded components of the Source Reduction Program shall include, but shall not be limited to, the following:

- A. A county waste minimization program with a goal of reducing the weight of County purchases, and with a specific goal of reducing the weight of County purchase of paper

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Text of Measure D *(continued)*

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products by ten percent (10%) by January 1, 1995, and by fifteen percent (15%) by January 1, 2000. Said program shall emphasize the conservation of paper products by means of a comprehensive employee education program. The Recycling Board may establish further goals for reduction in County purchases.

- B. An annual non-monetary award program for businesses which demonstrate a significant reduction in the use of packaging materials or the use of materials in manufacturing processes, or waste reduction through the durability and/or recyclability of their products.
- C. An industry and/or university program to research and develop source reduction opportunities and incentives.
- D. An intensive public education campaign to promote alternative individual consumer habits and in-house source reduction programs for businesses and institutions.
- E. Disposal cost reduction studies and waste audit services to demonstrate to businesses and institutions the efficacy of recycling programs.

Exhibit A-1
Text of Measure D (continued)

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SUBSECTION 64.090: RESIDENTIAL RECYCLING PROGRAMS

Within two (2) years of the initiation of the Recycling Fund, each municipality receiving monies from the Recycling Fund shall provide a Residential Recycling Program to every resident to whom refuse collection service is offered on a regular schedule which is as frequent as said refuse collection. However, it shall not be mandatory to provide said program to residents more than once a week.

SUBSECTION 64.100: COMMERCIAL RECYCLING PROGRAMS

Within two (2) years of the initiation of the Recycling Fund, each municipality receiving monies from the Recycling Fund shall make an adequate Commercial Recycling Program available to every business, government, and public or private institution to which refuse collection is offered, on a regular schedule. Municipalities may determine that a Recyclable Materials Recovery Program is an appropriate means of satisfying a part of this requirement.

SUBSECTION 64.110: RECYCLED PRODUCT MARKET DEVELOPMENT PROGRAM

The Recycling Board shall disburse monies allocated in Subparagraphs 64.060(A)(2) and 64.060(B)(4) of this Act, on a discretionary basis, for a program to develop and expand markets for recycled products. Funded components of the Recycled Product Market Development Program shall include, but shall not be limited to, the following:

- A. A regional cooperative marketing strategy;
- B. Grants for demonstration projects targeted at new uses of recycled materials and new techniques for recycling materials;
- C. An Alameda County-wide information exchange which targets potential users and sources of recycled products; and
- D. Municipal programs to administer permit assistance to recycling industries.

SUBSECTION 64.120: RECYCLED PRODUCT PURCHASE PREFERENCE PROGRAM

- A. The County shall purchase Recycled Products where they are comparable in function and equal in cost to products manufactured from virgin materials.

Exhibit A-1
Text of Measure D (continued)

- B. The County shall apply, to the extent made possible by the availability of monies under Subparagraphs 64.060(A)(2) and 64.060(B)(5), a price preference of ten percent (10%) to its purchases of Recycled Products where said Recycled Products are comparable in function to products manufactured from virgin materials.
1. Price preferences shall be applied to a full range of recycled product categories, including, but not limited to, recycled paper products, compost and co-compost products, recycled glass, recycled oil, and recycled solvents and paints.
 2. The Recycling Board may establish a price preference which is greater than ten percent (10%) for certain recycled product categories, if it is demonstrated that the manufacturing costs for said recycled product categories are higher than the manufacturing costs for similar products produced with virgin materials such that a ten percent (10%) preference is insufficient for said recycled products to be competitive.
 3. Commencing January 1, 1995, the Recycling Board may reduce the price preference for certain recycled product categories, if it is demonstrated that the manufacturing costs for said recycled product categories are competitive with the manufacturing costs for similar products produced with virgin materials, and that any such reduction will not result in a substantial decrease in the percentage of recycled products purchased in the category affected by the reduction.
 4. Any monies remaining after fulfilling the other requirements of this Paragraph in a given year shall be apportioned by the Recycling Board to municipalities which have established similar price preferences and recycled product specifications.
- C. Consistent with Paragraphs 64.120(A) and (B), the County shall modify its purchasing forms and procedures to ensure that, beginning no later than one (1) year after the effective date of this Act, information as to the recycled content, including both postconsumer discards and secondary discards, of all supplies and materials purchased by the County is available and taken into account during the purchasing process. Said information shall also be obtained for the supplies and materials portions of all public works contract bids that are received by the County.
- D. Any County agency which has responsibility for drafting or reviewing specifications for procurement items shall be required to revise said specifications, within one (1) year of the effective date of this Act, to eliminate exclusions of recovered materials and requirements that said items be manufactured from virgin materials.
- E. To the extent that the practice of accepting bids for multiple products inhibits the purchase of recycled products, the County shall accept bids for individual products and/or bids for fewer products.

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- F. The Recycling Board may establish standards for a recycled product category which exceed the levels of postconsumer and secondary discard content established by this Act, provided, however, that said standards will not result in a substantial decrease in the percentage of recycled products purchased in said category.
- G. Notwithstanding any other provision of this Charter, this Subsection shall apply to the supplies and materials portions of all public works contracts made by the County. The County may set minimum amounts of recycled products, both by quantity and by category, to be utilized in the execution of said contracts; and shall contract separately for the supplies and materials portions of said contracts where such separate contracting would result in more complete compliance with this Act while not significantly increasing the cost of a given contract, except as allowed by Paragraph 64.120(B).
- H. It shall be a County policy goal to purchase recycled paper products such that, by January 1, 1995, at least fifty percent (50%) of the total dollar amount of paper products purchased or procured by the County shall be purchased or procured as recycled paper products. Not later than January 1, 1999, the Recycling Board shall recommend to the Board of Supervisors further policy goals for County purchases of all types of recycled products.

SUBSECTION 64.130: RECYCLING BOARD

- A. The Board of Supervisors and the Authority shall appoint an eleven (11) member board, to be known as the Alameda County Source Reduction and Recycling Board (Recycling Board), to administer this Act as well as to carry out any other tasks consistent with the purposes of this Act that may subsequently be given to the Recycling Board by the voters or the Board of Supervisors.
- B. To avoid unnecessary administrative duplication, the Board of Supervisors shall seek the consent of a double majority of the cities for the Recycling Board to serve as the local task force mandated by California Public Resources Code Section 40950 (as enacted by the CIWMA). A failure to obtain such consent shall not be construed to inhibit the establishment of the Recycling Board. In the event that the Recycling Board is not named as said local task force, the Recycling Board shall review any recommendations of a local task force regarding source reduction and recycling.
- C. To further avoid unnecessary administrative duplication, the Authority may, within ninety (90) days of the effective date of this Act, accept the Recycling Board as a subsidiary body of the Authority. Should the Authority not so accept the Recycling Board, or if the Authority at any time ceases to exist, the Recycling Board shall be established as a separate entity within the structure of County government. However,

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notwithstanding an initial failure by the Authority to so accept the Recycling Board, the Board of Supervisors may at any time, upon request of the Authority, make the Recycling Board a subsidiary body of the Authority.

- D. Members of the Recycling Board shall be appointed in accordance with the following:
1. The Authority may appoint five (5) of its members to sit on the Recycling Board. Should any or all of said five (5) Recycling Board members not be appointed by the Authority within four (4) months of the effective date of this Act, the Board of Supervisors shall cooperate with a double majority of the cities to appoint said member or members, except that a member appointed under such circumstances need not be a member of the Authority, but must be a member of the governing body of a municipality.
 2. The Board of Supervisors shall appoint six (6) Alameda County residents to the Recycling Board as follows:
 - a. A representative of an organization engaged primarily in operating recycling programs within Alameda County;
 - b. A source reduction specialist with substantial experience as such;
 - c. A representative of the recyclable materials processing industry;
 - d. A representative of the solid waste industry;
 - e. A representative of an environmental organization with a significant membership active in recycling issues within Alameda County; and
 - f. An environmental educator employed as such on a full-time basis.
 3. The membership of the Recycling Board shall reflect expertise in the field of source reduction and recycling.
 4. No for-profit corporation, including its divisions, affiliates, parents and subsidiaries, wholly or partially owned, may have more than one (1) employee or representative on the Recycling Board at any one (1) time.
 5. All members of the Recycling Board shall be appointed within four (4) months of the effective date of this Act. Members of the Recycling Board shall serve a term of two (2) years, and may be reappointed for one (1) successive term, except that, for the purpose of ensuring continuity in the administration of this Act, the initial terms of two (2) of the members appointed by the Authority and three (3) of the members

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appointed by the Board of Supervisors shall be one (1) year. Should a Recycling Board member appointed by the Authority cease to be a member of the Authority, or if a Recycling Board member who is a member of the governing body of a municipality should cease to be a member of said governing body, or if a Recycling Board member ceases to be a resident of Alameda County, her or his seat on the Recycling Board shall be immediately deemed to be vacant.

6. Should a Recycling Board member for any reason vacate her or his seat, the governing body (or bodies) that appointed said member shall appoint a new member within two (2) months of the date the seat is vacated, except that if the appointing body is the Authority and the Authority has either ceased to exist or has failed to appoint a new member within said two (2) month period, the Board of Supervisors shall cooperate with a double majority of the cities to make the appointment. All such appointments to the Recycling Board shall otherwise be made in compliance with the requirements that applied to the original appointments.
 7. In the event of temporary incapacity or other inability to attend Recycling Board meetings, a Recycling Board member may request that the governing body (or bodies) that appointed said member appoint an interim Recycling Board member to serve, for a period of no more than three (3) months, in the place of said member.
- E. The Recycling Board shall schedule and conduct regular meetings at least once each calendar month, and shall schedule special meetings and committee meetings as necessary to the business of the Recycling Board. Regular meetings shall be scheduled with at least one (1) month advance notice to the public. Special meetings and committee meetings shall be scheduled with at least one (1) week advance notice to the public.
- F. Recycling Board members shall attend at least three fourths (3/4) of the regular meetings within a given calendar year. At such time as a member has been absent from more than one fourth (1/4) of the regular meetings in a calendar year, or from two (2) consecutive such meetings, her or his seat on the Recycling Board shall be considered vacant.
- G. Consistent with the principle of maximizing public participation in all Recycling Board activities, the Recycling Board may establish advisory committees and shall provide for full participation of the public in the functions of such bodies.
- H. The Recycling Board shall hold its meetings, hearings, public hearings, and other proceedings in such places and at such times as are likely to maximize access to said proceedings by as broad a range of Alameda County residents as is reasonably possible. To this end, the Recycling Board shall hold at least one (1) regularly scheduled evening meeting per year in each supervisorial district in a location accessible by public transit and shall ensure full access to all Recycling Board meetings by the physically disabled.

Exhibit A-1
Text of Measure D (continued)

- I. All hearing, meetings, proceedings or other discussions of the Recycling Board, or of any committee or other subsidiary body of the Recycling Board, shall be open to the public, as shall the minutes, records of proceedings or documents received or discussed by the Recycling Board or its subsidiary bodies. Access to meetings or documents of the Recycling Board may be restricted only in circumstances authorized by those provisions of the Ralph M. Brown Act (California Government Code Sections 54950 et seq.), or of the California Public Records Act (California Government Code Sections 6250 et seq.), or of any successor legislation to either said act, relating to actual or imminent litigation or to evaluation of an employee of the Recycling Board. No such restriction shall be lawful unless it is first justified in the relevant written notice of meeting by specific identification of the actual or anticipated litigant or by specific identification of the position of the Recycling Board employee to be evaluated. All Recycling Board documents shall be made available for copying by members of the public for the direct cost of the copies only, not to exceed a limit of ten (10) cents per page. Said limit may be adjusted by the Recycling Board in direct proportion to the Consumer Price Index.
- J. The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act.
- K. Each Recycling Board member shall have one (1) vote. A quorum for decisions of the Recycling Board shall be a majority of its members, except that a smaller number may vote to adjourn meetings.
- L. The members of the Recycling Board shall elect from their number a chair to be the presiding officer of said Recycling Board. The term of office of said chair shall be no more than one (1) year and shall expire at the end of the calendar year in which the chair sits.
- M. Each Recycling Board member shall receive compensation not to exceed three thousand dollars (\$3,000.00) for one (1) calendar year, not to exceed one hundred dollars (\$100.00) for each regular meeting of the full Recycling Board, or each special meeting or committee meeting of at least two (2) hours duration, which said member has attended.
- N. The Recycling Board shall hire such staff as are required to implement the provisions of this Act. Staff salaries and benefits shall be paid out of the monies allocated for the administration of this Act, pursuant to Subparagraphs 64.060(A)(2) and 64.060(B)(6).
- O. The Recycling Board may apply for, receive and expend supplementary funding grants from private and public sources.
- P. Conflicts of Interest:

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1. No Recycling Board member shall participate in any Recycling Board action or attempt to influence any decision or recommendation by any employee of or consultant to the Recycling Board which involves herself or himself, or which involves any entity with which the member is connected as a director, officer, elected official, consultant, or full-time or part-time employee, or in which the member has a direct personal financial interest within the meaning of California Government Code Section 87100, or any successor statute thereto.
2. No Recycling Board member shall participate in any proceeding before any agency of either the County or a municipality as a consultant or in any other capacity on behalf of any solid waste handler, recycling organization, or other person or organization which actively participates in matters before the Recycling Board. Nothing in this Subsection shall be construed to prohibit a representative from a municipality from fully participating in the deliberations of her or his own governing board.
3. For a period of one (1) year after leaving her or his seat on the Recycling Board, a former Recycling Board member shall not act as an agent or attorney for, or otherwise represent, any other person before the Recycling Board by making any formal or informal appearance or by making any oral or written communication to the Recycling Board.

Q. Ex Parte Communications:

1. No Recycling Board member, or person who serves as a consultant or in any other capacity on behalf of a solid waste handler, recycling organization, or other public or private entity which actively participates in matters before the Recycling Board, or other person who intends to influence the decision of a Recycling Board member on a matter before the Recycling Board, excepting a staff member of the Recycling Board acting in her or his official capacity, shall conduct an ex parte communication unless the following steps are taken:
 - a. The Recycling Board member shall notify the person who engaged in the ex parte communication that a full disclosure of said communication must be entered in the Recycling Board's record; and
 - b. Either the Recycling Board member or the person who engaged in said communication shall, prior to the next regularly scheduled meeting of the Recycling Board, submit a full written disclosure of said communication which shall be entered in the Recycling Board's official record.
2. For the purposes of this Paragraph, "ex parte communication" shall mean any oral or written communication concerning matters, other than purely procedural issues, under the jurisdiction of the Recycling Board which are subject to a vote of the Recycling

Exhibit A-1
Text of Measure D *(continued)*

Board, but shall not mean any such communication performed before the Recycling Board, or any subsidiary body thereto.

- R. Violations of Paragraphs 64.130(P) or (Q) shall be punishable as a misdemeanor.
- S. Upon request of any person or on her or his own initiative, the Alameda County District Attorney may file a complaint in Alameda County Superior Court alleging that a Recycling Board member has knowingly violated Paragraphs 64.130(P) or (Q), including the facts upon which said allegation is based, and asking that said Recycling Board member be removed from office. If, after trial, the court finds that the Recycling Board member has knowingly violated either of said Paragraphs, it shall enter a judgement removing said member from office.
- T. All documents issued by or in the name of the Recycling Board shall be printed double-sided on recycled paper with the highest postconsumer content available.

SUBSECTION 64.140: PROHIBITION OF INCINERATION

It shall be unlawful to operate any incinerator within Alameda County. Furthermore, it shall be unlawful to landfill within Alameda County the ash or residue from any incinerator, regardless of the location of said incinerator.

SUBSECTION 64.150: DEFINITIONS

The following words and phrases used in this Act shall have, for the purposes of interpreting and applying this Act, the following meanings:

- A. "Act" shall mean this Section, Section 64 of the Alameda County Charter as enacted by the Alameda County Waste Reduction and Recycling Act of 1990.
- B. "Alameda County" shall mean the geographic entity, including both the incorporated and unincorporated areas.
- C. "Authority" shall mean the Alameda County Waste Management Authority.
- D. "Board of Supervisors" shall mean the Alameda County Board of Supervisors.
- E. "Buy-Back Program" shall mean a program to purchase recyclable supplies, materials or goods from the public.
- F. "Charter" shall mean the Alameda County Charter as amended by this Act.

Exhibit A-1
Text of Measure D (continued)

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- G. "CIWMA" shall mean the California Integrated Waste Management Act of 1989, presently codified as California Public Resources Code Sections 40000 et seq.
- H. "Commercial Recycling Program" shall mean a program to collect, purchase, receive, process, and/or market discarded materials generated by businesses or institutions, public or private, for the purpose of recycling said discarded materials; and shall include a Recycling Education Program to encourage the participation of said businesses or institutions.
- I. "Compostable materials" shall mean nontoxic materials collected for composting, including, but not limited to, plant debris, putrescibles, wood and soils.
- J. "Composting" means the controlled biological decomposition of organic materials that are separated from the discarded materials stream.
- K. "Composting Program" shall mean a program to collect, purchase, receive, process, and/or market compostable materials, or co-compost said compostable materials with manures, dairy discards, or fish processing discards, with the aim of producing a nontoxic finished product usable as a compost, soil amendment, landfill cover, or potting soil.
- L. "Construction and Demolition Debris Recycling Program" shall mean a program to collect, purchase, receive, process, and/or market discarded materials generated in the construction and/or demolition of improvements to real property.
- M. "Consumer Price Index" shall mean the index for the San Francisco Bay Area issued by the United States Department of Labor.
- N. "County" shall mean the government of Alameda County, including any department, board, commission, agency or duly authorized official thereof.
- O. "Discarded materials," "discarded materials supply" and "discards" shall mean materials that a person, business, industry, or institution has delivered to a disposal facility, or has set in or next to a receptacle that is regularly emptied for disposal, or has abandoned in a public place, but shall not be construed to mean materials that must be handled as hazardous or infectious waste; and shall be composed of the following categories:
1. "Chemicals," including, but not limited to, recyclable and/or reusable solvents, paints, motor oil, and lubricants;
 2. "Crushables," including, but not limited to, rock, ceramics, concrete, and nonreusable brick;

Exhibit A-1
Text of Measure D (continued)

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3. "Glass," including, but not limited to, glass containers and window glass;
 4. "Manures," including, but not limited to, sewage sludge that has been dewatered, treated or chemically fixed, and livestock and horse manure;
 5. "Metals," both ferrous and nonferrous, including cans, parts from abandoned vehicles, plumbing, fences, metal doors and screens, and any other discarded metal objects;
 6. "Paper," including, but not limited to, newsprint, ledger paper, computer paper, corrugated cardboard and mixed paper;
 7. "Plant debris," including, but not limited to, leaves, cuttings, and trimmings from trees, shrubs and grass;
 8. "Plastics," including, but not limited to, beverage containers, plastic packaging, tires, and plastic cases of consumer goods such as telephones or electronic equipment;
 9. "Putrescibles," including, but not limited to, garbage, offal, and animal, fruit and vegetable debris;
 10. "Reusable goods," including intact or repairable home or industrial appliances, household goods, and clothing; intact materials in demolition debris, such as lumber or bricks; building materials such as doors, windows, cabinets, and sinks; business supplies and equipment; lighting fixtures; and any other item that can be repaired or used again as is;
 11. "Soils," including, but not limited to, excavation soils from barren or developed land, and excess soils from yards;
 12. "Textiles," including, but not limited to, nonreusable clothing, upholstery and pieces of fabric; and
 13. "Wood," including, but not limited to, nonreusable lumber and pallets.
- P. "Disposal facility" shall mean a facility to receive, purchase, process, incinerate and/or landfill discarded materials.
- Q. "Double majority of the cities" shall mean a majority of the cities representing a majority of the population in the incorporated areas of Alameda County.

Exhibit A-1
Text of Measure D (continued)

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- R. "Drop-Off Program" shall mean a program to accept the donation of recyclable materials at a fixed site for the purpose of recycling said materials.
- S. "Hazardous waste" shall mean any material defined as hazardous waste by California Health and Safety Code Section 25117, or by any successor statute thereto, but notwithstanding said section or successor statute shall include ash and/or residue from an incinerator.
- T. "Incinerator" shall mean a facility that burns, as a means of disposal and/or energy production, refuse, refuse-derived fuel, any material recovered from a mixed supply of discarded materials, any type of plastic, and/or any type of hazardous waste, but shall not mean a facility dedicated to burning infectious waste or potentially infectious waste.
- U. "Infectious waste" shall mean any material defined as infectious waste by California Health and Safety Code Section 25117.5, or by any successor statute thereto.
- V. "Landfill" shall mean a facility that buries discards as a means of disposal.
- W. "Municipal recycling programs" shall mean recycling programs within a municipality, or recycling programs administered as a joint effort between municipalities.
- X. "Municipality" shall mean a city or sanitary district located in Alameda County.
- Y. "Postconsumer discards" shall mean finished materials which would have been disposed of as discarded materials, having completed their life cycle as consumer items, and does not include manufacturing discards.
- Z. "Recyclable Material Recovery Program" shall mean a program to receive, separate, and process mixed discarded materials for the purpose of removing materials which will later be used in the fabrication or manufacture of recycled products.
- AA. "Recycle" or "recycling" shall mean a process by which any good, material, supply or other object, which otherwise would be wasted, is recycled, reused, salvaged, or otherwise retrieved, collected, processed and/or marketed for return to use by society, either in its original form or in a new form; but shall not mean, with the exception of compost used for landfill cover, a program for landfilling or incinerating.
- BB. "Recycled product" shall mean a product, good, material, or supply, no less than fifty percent (50%) of the total weight of which consists of secondary and postconsumer discards with not less than ten percent (10%) of its total weight consisting of postconsumer discards; or any product, good, material or supply which has been diverted from the supply of discarded materials by refurbishing and marketing said product, good, material or supply without substantial change to its original form.

Exhibit A-1
Text of Measure D (continued)

- CC. "Recycled Product Market Development Program" shall mean a program to create or improve markets for recycled products, including, but not limited to, one that facilitates the exchange of information between potential sources and users of recycled products; supports the development of techniques, systems, and practices of incorporating recycled materials into finished products; encourages enterprises that use recycled materials in place of non-recycled materials; and/or assists in the establishment of cooperative arrangements or organizations for marketing or purchasing recycled products.
- DD. "Recycling Board" shall mean the Alameda County Source Reduction and Recycling Board established pursuant to this Act.
- EE. "Recycling Education Program" shall mean a program to promote participation in recycling programs and/or disseminate information about the benefits of recycling; and encouraging sound consumption and disposal practices by using language and concepts consistent with achieving a sustainable environment.
- FF. "Recycling Fund" shall mean the Alameda County Recycling Fund established pursuant to this Act.
- GG. "Recycling Plan" shall mean the Alameda County Recycling Plan established pursuant to this Act.
- HH. "Recycling programs" shall mean Buy-Back Programs, Commercial Recycling Programs, Composting Programs, Construction and Demolition Debris Recycling Programs, Drop-Off Programs, Recyclable Material Recovery Programs, Recycled Product Market Development Programs, Recycled Product Purchase Preference Programs, Recycling Education Programs, Residential Recycling Programs, Salvage Programs, Source Reduction Programs, and/or research and planning to implement any of said programs.
- II. "Refuse" shall mean mixed discarded materials that are disposed of by landfilling or incineration, including, but not limited to, discarded materials that have been contaminated and thus rendered non-recyclable during the disposal process, either by being mixed during compaction or by any other process, and discarded products of a manufacturing process which combines natural resources in a manner which renders said resources unrecoverable.
- JJ. "Residential Recycling Program" shall mean a program to collect at least three (3) different kinds of materials, from at least two (2) different categories of discarded materials, by means of one (1) or more containers, separate from conventional garbage containers, where said recyclable materials are placed by residents at the curb or an equivalent location; and shall include a Recycling Education Program to encourage the participation of residents.

Exhibit A-1
Text of Measure D (continued)

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- KK. "Salvage Program" shall mean a program to collect, purchase, receive, process and/or market any fabricated good, material, and/or supply for reuse.
- LL. "Secondary discards" shall mean finished products, or fragments of finished products, of a manufacturing process which has converted a resource into a commodity of real economic value, and includes postconsumer discards; but shall not include excess virgin resources of said manufacturing process, such as fibrous wood discards generated during the manufacturing process, including fibers recovered from waste water, trimmings of paper machine rolls (mill broke), wood slabs, chips, sawdust, or other wood residue.
- MM. "Source Reduction Program" shall mean a program that results in a net reduction in the generation of discarded materials, including, but not limited to, a program to reduce the use of non-recyclable materials and hazardous waste; replace disposable materials and products with reusable materials and products; reduce packaging; reduce the amount of plant debris generated; reduce the amount of household hazardous waste generated; establish refuse collection rate structures with incentives to reduce the amount of refuse that generators produce; increase the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials in the manufacturing process; and/or maintain public education programs to accomplish any of these ends; but shall not be construed to include any steps taken after the material is discarded.
- NN. "Waste" shall mean discarded materials that have been rendered valueless by being incinerated, buried, contaminated, or otherwise destroyed; or the act of incinerating, burying, contaminating, or otherwise destroying the value of discarded materials.

SUBSECTION 64.160: EFFECTIVE DATE

Unless otherwise specified in this Act, the provisions of this Act shall take effect on the date it is accepted for filing by the California Secretary of State.

SUBSECTION 64.170: EFFECT ON OTHER COUNTY LAWS

No provision of this Act shall be construed to bar the enforcement of any existing County ordinances or regulations where the subject matter of said ordinances or regulations is wholly or partly the same as that of this Act, or to bar the enactment of any future such County ordinances and regulations. All County ordinances or regulations involving the subject matter of this Act shall be construed to further the purposes of this Act.

SUBSECTION 64.180: STATUS OF EXISTING CHARTER PROVISIONS

Exhibit A-1
Text of Measure D *(continued)*

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Any provision of the Alameda County Charter in effect prior to the effective date of this Act which conflicts in any way with any provision of this Act is hereby declared to be amended by implication. No such existing provision of said charter shall be construed to affect the application of any provision of this Act in a manner inconsistent with the purposes of this Act.

SUBSECTION 64.190: SEVERABILITY

If any subsection, paragraph, subparagraph, sentence, clause, or word of this Act is held unconstitutional or otherwise invalid, either on its face or as applied, the invalidity of said part or application thereof shall not affect the validity of the other parts of this Act, or the applications thereof; and to that end the parts and applications of this Act shall be deemed severable. It is hereby declared, notwithstanding any finding that a part or application of this Act is unconstitutional or otherwise invalid, that each of the parts of this Act would have been enacted separately.

**Exhibit A-2
Summary of Measure D Compliance Requirements**

	Requirement	Measure D Subsection
A. Alameda County		
<p>1. Collection of Measure D Tipping Fee Surcharge</p>	<p>A. Commencing not later than three (3) months after the effective date of this Act, each landfill or incinerator in Alameda County shall collect a surcharge of six dollars (\$6.00) per ton on all refuse accepted for landfilling or incineration at said landfill or incinerator. All monies collected through said surcharge shall be paid by the operators of each landfill or incinerator into a fund, to be known as the Alameda County Recycling Fund hereinafter the "Recycling Fund"), established for the purpose of receiving and disbursing monies pursuant to this Act. The Board of Supervisors shall ensure the collection of said surcharge, either by modifying the use permits of said landfills and incinerators or by any other necessary means.</p> <p>B. Should the collection of said surcharge be found to be in violation of an existing contract or agreement to import refuse generated outside of Alameda County for landfilling or incineration within Alameda County, the Board of Supervisors may vote to waive collection of said surcharge for the refuse described within said contract or agreement. However, any future contract or agreement for the importation of refuse for landfilling or incineration within Alameda County, executed or negotiated after the effective date of this Act, shall provide for the collection of said surcharge for the refuse described within said contract or agreement.</p> <p>C. Any necessary costs of collection of said surcharge incurred by landfill or incinerator operators shall not be subtracted from said surcharge but, consistent with Subsection 64.070, shall be passed through to refuse generators by means of the refuse collection rates set by each municipality.</p>	<p>Subsection 64.050(A-C)</p>
<p>2. Recycled Product Purchase Preference (RPPP) Program Requirements</p>	<p>A. The County shall purchase Recycled Products where they are comparable in function and equal in cost to products manufactured from virgin materials.</p> <p>B. The County shall apply, to the extent made possible by the availability of monies under Subparagraphs 64.060(A)(2) and 64.060(B)(5), a price preference of ten percent (10%) to its purchases of Recycled Products where said Recycled Products are comparable in function to products manufactured from virgin materials.</p> <ol style="list-style-type: none"> 1. Price preferences shall be applied to a full range of recycled product categories, including, but not limited to, recycled paper products, compost and co-compost products, recycled glass, recycled oil, and recycled solvents and paints. 2. The Recycling Board may establish a price preference which is greater than ten percent (10%) for certain recycled product categories, if it is demonstrated that the manufacturing costs for said recycled product categories are higher than the manufacturing costs for similar products produced with virgin materials such that a ten percent (10%) preference is insufficient for said recycled products to be competitive. 3. Commencing January 1, 1995, the Recycling Board may reduce the price preference for certain recycled product categories, if it is demonstrated that the manufacturing costs for said recycled product categories are competitive with the manufacturing costs for similar products produced with virgin materials, and that any such reduction will not result in a substantial decrease in the percentage of recycled products purchased in the category affected by the reduction. 4. Any monies remaining after fulfilling the other requirements of this Paragraph in a given year shall be apportioned by the Recycling Board to municipalities which have established similar price preferences and recycled product specifications. 	<p>Resolution RB 96-04</p>

Exhibit A-2
Summary of Measure D Compliance Requirements *(continued)*

	Requirement	Measure D Subsection
<p>2. Recycled Product Purchase Preference (RPPP) Program Requirements <i>(continued)</i></p>	<p>A. The Board shall review and approve the uses of funds for the implementation of “infrastructure” projects and services</p> <p>B. The Board disburses remaining funds after budgeting for “infrastructure” projects and services to member agencies receiving Measure D per capita monies, based on the following guidelines:</p> <ol style="list-style-type: none"> 1. Each member agency receives a base allocation of \$5,000 or the evenly distributed amount based on the number of member agencies, whichever is less; plus the remaining fund distribution based on population criteria used by the Measure D per capita (50%) disbursement. 2. Eligible member agencies complete and submit an application and reporting form specifying policies, practices, accomplishments, actual uses, and remaining funds. 3. Disbursement of remaining funds occurs at or after first quarterly Measure D per capita disbursement made at end of August. 	<p>Subsection 64.120</p>
	<p>C. Consistent with Paragraphs 64.120(A) and (B), the County shall modify its purchasing forms and procedures to ensure that, beginning no later than one (1) year after the effective date of this Act, information as to the recycled content, including both postconsumer discards and secondary discards, of all supplies and materials purchased by the County is available and taken into account during the purchasing process. Said information shall also be obtained for the supplies and materials portions of all public works contract bids that are received by the County.</p> <p>D. Any County agency which has responsibility for drafting or reviewing specifications for procurement items shall be required to revise said specifications, within one (1) year of the effective date of this Act, to eliminate exclusions of recovered materials and requirements that said items be manufactured from virgin materials.</p> <p>E. To the extent that the practice of accepting bids for multiple products inhibits the purchase of recycled products, the County shall accept bids for individual products and/or bids for fewer products.</p> <p>F. The Recycling Board may establish standards for a recycled product category which exceed the levels of postconsumer and secondary discard content established by this Act, provided, however, that said standards will not result in a substantial decrease in the percentage of recycled products purchased in said category.</p> <p>G. Notwithstanding any other provision of this Charter, this Subsection shall apply to the supplies and materials portions of all public works contracts made by the County. The County may set minimum amounts of recycled products, both by quantity and by category, to be utilized in the execution of said contracts; and shall contract separately for the supplies and materials portions of said contracts where such separate contracting would result in more complete compliance with this Act while not significantly increasing the cost of a given contract, except as allowed by Paragraph 64.120(B).</p> <p>H. It shall be a County policy goal to purchase recycled paper products such that, by January 1, 1995, at least fifty percent (50%) of the total dollar amount of paper products purchased or procured by the County shall be purchased or procured as recycled paper products.</p> <p>Not later than January 1, 1999, the Recycling Board shall recommend to the Board of Supervisors further policy goals for County purchases of all types of recycled products.</p>	<p>Subsection 64.120</p>

Exhibit A-2
Summary of Measure D Compliance Requirements *(continued)*

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	Requirement	Measure D Subsection
B. Recycling Board		
1. Development of a Recycling Plan	The Recycling Board shall develop, within one (1) year of the effective date of this Act, a plan to establish the recycling programs necessary to meet the recycling policy goals set forth in Subparagraph 64.040(A)(1) (all citations contained in this Act are, unless otherwise noted, to this Act), said plan to be known as the Alameda County Source Reduction and Recycling Plan (Recycling Plan). The Recycling Board subsequently shall amend the Recycling Plan as necessary to meet said recycling policy goals, and as necessary to meet the further recycling policy goals established by the Recycling Board pursuant to Subparagraph 64.040(A)(2). The Recycling Plan shall incorporate all Alameda County recycling programs, whether funded by this Act or not. In developing and amending the Recycling Plan, the Recycling Board shall consult with the Alameda County Board of Supervisors (hereinafter the "Board of Supervisors"), the Alameda County Waste Management Authority (hereinafter the "Authority") and Alameda County municipal governing bodies, and furthermore shall seek to maximize public input as to the contents of the Recycling Plan by holding public hearings and establishing public advisory committees.	Subsection 64.040(B)
2. Compliance with Fund Allocation	Commencing twenty-eight (28) months after the effective date of this Act, the Recycling Board shall support recycling programs and otherwise fulfill the provisions of this Act by disbursing monies from the Recycling Fund as follows: <ol style="list-style-type: none"> 1. Fifty percent (50%) shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs. 2. Ten percent (10%) shall be applied to a grant program for nonprofit organizations engaged in maximizing recycling, composting, and reducing waste within Alameda County. The Recycling Board shall be an organization eligible to receive funds under this Subparagraph, for the purposes of conducting planning, research, and studies directed at furthering the purposes of this Act. 3. Ten percent (10%) shall be applied to the Source Reduction Program. 4. Ten percent (10%) shall be applied to the Recycled Product Market Development Program. 5. Five percent (5%) shall be applied to the Recycled Product Purchase Preference Program. 6. Fifteen percent (15%) shall be disbursed on a discretionary basis by the Recycling Board to support any of the activities described within this Paragraph. A portion of said fifteen percent (15%) may be retained by the Recycling Board to cover the necessary costs of administering the Recycling Fund, provided, however, that said portion shall not exceed three percent (3%) of the total funds paid to the Recycling Fund in a given year. 	Subsection 64.060(B)
3. Analysis and Review of Waste Characterization Studies	For the purpose of apportionment of funds under the provisions of this Subsection, and for the purpose of sound discarded materials management, the Recycling Board shall cause accurate, reliable, and up-to-date estimates to be maintained of the amounts and kinds of recycling and refuse generation occurring in each municipality. For the purpose of ensuring comparability of data, any composition study or waste characterization study performed with Recycling Fund monies shall comply with standards to be established by the Recycling Board. Said standards shall include, but shall not be limited to, both methodology and categories of discarded materials. In establishing said standards, the Recycling Board should utilize the categories for discarded materials outlined in Paragraph 64.150(0).	Subsection 64.060(C)

Exhibit A-2
Summary of Measure D Compliance Requirements *(continued)*

	Requirement	Measure D Subsection
<p>4. Compliance with Source Reduction Program Requirements</p>	<p>The Recycling Board shall disburse monies allocated in Subparagraphs 64.060(A)(2) and 64.060(B)(3), on a discretionary basis, for the development of an Alameda County-wide Source Reduction Program.</p> <p>Funded components of the Source Reduction Program shall include, but shall not be limited to, the following:</p> <ul style="list-style-type: none"> A. A county waste minimization program with a goal of reducing the weight of County purchases, and with a specific goal of reducing the weight of County purchase of paper products by ten percent (10%) by January 1, 1995, and by fifteen percent (15%) by January 1, 2000. Said program shall emphasize the conservation of paper products by means of a comprehensive employee education program. The Recycling Board may establish further goals for reduction in County purchases. B. An annual non-monetary award program for businesses which demonstrate a significant reduction in the use of packaging materials or the use of materials in manufacturing processes, or waste reduction through the durability and/or recyclability of their products. C. An industry and/or university program to research and develop source reduction opportunities and incentives. D. An intensive public education campaign to promote alternative individual consumer habits and in-house source reduction programs for businesses and institutions. E. Disposal cost reduction studies and waste audit services to demonstrate to businesses and institutions the efficacy of recycling programs. 	<p>Subsection 64.080</p>
<p>5. Compliance with Recycled Product Market Development Program Requirements</p>	<p>The Recycling Board shall disburse monies allocated in Subparagraphs 64.060(A)(2) and 64.060(B)(4) of this Act, on a discretionary basis, for a program to develop and expand markets for recycled products. Funded components of the Recycled Product Market Development Program shall include, but shall not be limited to, the following:</p> <ul style="list-style-type: none"> A. A regional cooperative marketing strategy; B. Grants for demonstration projects targeted at new uses of recycled materials and new techniques for recycling materials; C. An Alameda County-wide information exchange which targets potential users and sources of recycled products; and D. Municipal programs to administer permit assistance to recycling industries. 	<p>Subsection 64.110</p>
<p>6. Compliance with Limits on Board Member Compensation</p>	<p>Each Recycling Board member shall receive compensation not to exceed three thousand dollars (\$3,000.00) for one (1) calendar year, not to exceed one hundred dollars (\$100.00) for each regular meeting of the full Recycling Board, or each special meeting or committee meeting of at least two (2) hours duration, which said member has attended.</p>	<p>Subsection 64.130(M)</p>

Exhibit A-2
Summary of Measure D Compliance Requirements (continued)

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	Requirement	Measure D Subsection
C. Member Agencies		
1. Compliance with Restriction Against Use of Fund Monies for Contracts Longer than Five Years	In order to be eligible to receive monies from the Recycling Fund, each municipality must, either by adjusting local refuse collection rates or by instituting a product disposal fee, provide for full reimbursement to its local refuse hauler(s) for the costs of the surcharge established by Paragraph 64.050(A).	Subsection 64.070(A)
2. Residential Recycling Program Requirements	Within two (2) years of the initiation of the Recycling Fund, each municipality receiving monies from the Recycling Fund shall provide a Residential Recycling Program to every resident to whom refuse collection service is offered on a regular schedule which is as frequent as said refuse collection. However, it shall not be mandatory to provide said program to residents more than once a week.	Subsection 64.090
3. Commercial Recycling Program Requirements	Within two (2) years of the initiation of the Recycling Fund, each municipality receiving monies from the Recycling Fund shall make an adequate Commercial Recycling Program available to every business, government, and public or private institution to which refuse collection is offered, on a regular schedule. Municipalities may determine that a Recyclable Materials Recovery Program is an appropriate means of satisfying a part of this requirement.	Subsection 64.100
4. Recycling Fund Expenditures, Monitoring, and Reporting	Using the updated "Measure D" Annual Report, member agencies shall report beginning fund balance, receipts, expenditures, and ending fund balance. Member agencies shall document the allocations and allocation methodology used for staff positions, equipment, supplies, services, or anything else funded with Recycling Fund monies. If the beginning Measure D fund balance is greater than \$300,000 or disbursements in the prior fiscal year, whichever is greater, the municipality must allocate and report on the interest earned on its Measure D funds in that year, leaving that interest in the Measure D account.	Resolution RB 2003-11
	A member agency shall present a written expenditure plan to the Recycling Board if the unspent balance exceeds the sum of the member agency's last eight (8) quarterly per Capita disbursements at the end of any fiscal year. If the member agency fails to provide the written plan or does not receive approval, the member agency is ineligible to receive further disbursements until the plan is approved by the Recycling Board. The forfeited monies shall be disbursed to the remaining eligible member agencies on a per capita basis.	Resolution RB 2006-12
5. Recycling Fund Accounting	Recycling fund disbursement may be accounted for through a separate account or a pooled account with a separate and distinct account code.	Resolution RB 2006-12
6. Recycled Product Purchase Preference (RPPP) Program Requirements	Member agencies accumulation more than their last two (2) years' worth of RPPP funds need to obtain approval from Authority staff for planned uses of funds prior to receiving additional disbursements. If the plan is not implemented by the date indicated, no further disbursements will be made until those funds are used.	Memorandum approved on December 9, 2004
D. General Compliance (All Entities Receiving Measure D Monies)		
1. Compliance with Restriction Against Use of Fund Monies for Contracts Longer than Five Years	Contracts using Recycling Fund monies shall be made for periods of not more than five (5) years, except that, upon a finding of the Recycling Board that a longer period is necessary in order to capitalize a specific project, the Recycling Board may vote to allow a particular contract to be made for a period of not more than ten (10) years. No contract using Recycling Fund monies shall provide for an option to renew or any similar provision that would result in the extension of a contract, on a less than fully competitive basis, for a cumulative period of more than five (5) years or, in the case of a contract which the Recycling Board has authorized to be made for a longer period for purposes of capitalization, more than ten (10) years.	Subsection 64.060(D)

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Appendix B
Measure D Recycling Board
Resolutions and Memoranda



Appendix B

Measure D Recycling Board Decisions and Memoranda

The Recycling Board passed six (6) resolutions, and one (1) memorandum, pertaining to the Measure D “per capita” and Recycled Product Purchase Preference (RPPP) programs. These resolutions and the memorandum, provide guidelines and policies related to the distribution, reporting, fund limits, and accounting of Measure D “per capita” and RPPP program funds. The following list summarizes these nine (9) policies, procedures, and rules:

- Resolution Number RB 94-27 – Adoption of policies for the population distribution of “per capita” funds using California Department of Finance census data, bi-annually
- Resolution Number RB 96-04 – Adoption of guidelines and policies for the distribution of “leftover” RPPP program funds
- Resolution Number RB 98-3 – Adoption of policies and procedures for implementation of subsection 64.060(D) of Measure D, relating to use of recycling fund monies for contracts longer than five years
- Resolution Number RB 2003-10 – Adoption of municipal eligibility to receive Recycling Fund per capita disbursements
- Resolution Number RB 2003-11 – Adoption of policies, rules, and procedures based on the Five Year Audit, relating to Recycling Fund “per capita” fund expenditures, monitoring, and reporting by member agencies
- Resolution Number RB 2006-12 – Adoption of rules regarding member agency accounting and fund balances of Recycling Fund “per capita” allocations
- Memorandum dated December 1, 2004 – Adoption of rules for RPPP fund balance limits and future distributions of RPPP funds to member agencies¹
- Motion dated November 8, 2012 – Adoption of policy regarding adequate commercial recycling program
- Resolution 2014-2 – Adoption of policy regarding fund balances of Recycling Fund per Capita Allocations.

We provide copies of each of these nine (9) documents in the remainder of this appendix.

¹ Approved by the Recycling Board at their December 9, 2004, Recycling Board meeting.

Exhibit B-1
Resolution Number RB 94-27

ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD

RESOLUTION #R94-27

MOVED: LANDIS
SECONDED: WIESKAMP

AT THE MEETING HELD AUGUST 11, 1994

POLICY FOR REVISION OF POPULATION BASED DISBURSEMENTS FROM THE RECYCLING FUND

WHEREAS, the Alameda County Waste Reduction and Recycling Initiative Charter Amendment requires the apportionment of funds to municipalities on a per capita basis for continuation and expansion of municipal recycling programs; and

WHEREAS, the Federal Census of Population is conducted only once every ten years by the U.S. Department of Commerce; and,

WHEREAS, interested parties in Alameda County have expressed concern that adjustments more frequent than once every ten years are necessary to reflect ongoing population changes among Alameda County municipalities; and,

WHEREAS, the State Department of Finance produces updated population estimates annually for cities and unincorporated county areas in California; and,

WHEREAS, it is necessary to adopt a policy regarding frequency, data source and methodology for updating the population formula for disbursement of funds to municipalities, and the Policy Committee unanimously made recommendations to the Board on these matters at their August 2, 1994 meeting;

NOW, THEREFORE, BE IT RESOLVED, that

1. The population distribution formula for municipal disbursements from the Recycling Fund be updated every other year in even numbered years, based upon updates from the State Department of Finance in between releases of final Federal Census data, effective with the disbursements made in August of each even numbered year.
2. State Department of Finance estimates for unincorporated population changes will be spread in a pro-rated manner over the Castro Valley Sanitary District, the unincorporated Oro Loma Sanitary District, and the remaining unincorporated County areas.
3. Final Federal Census block level data will be used to determine updated population counts for the Castro Valley and Oro Loma Sanitary Districts every ten years.

ADOPTED BY THE FOLLOWING VOTE:

AYES: ABBE, LANDIS, MACDONALD, MILEY, RUBIN, RYNEC,
SKINNER, VALLE, WIESKAMP
NOES: NONE
ABSENT: MARTIN, SHINOHARA
ABSTAINED: NONE


THOMAS M. MARTINSEN, EXECUTIVE DIRECTOR
ALAMEDA COUNTY RECYCLING BOARD

**Exhibit B-1
Resolution Number RB 96-04**

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ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD**RESOLUTION #96-04****MOVED: WIESKAMP
SECONDED: LANDIS****AT THE MEETING HELD MAY 9, 1996****RECYCLED PRODUCT PURCHASE PREFERENCE PROGRAM -
GUIDELINES AND POLICIES FOR DISTRIBUTION OF "LEFTOVER" FUNDS**

WHEREAS, the Alameda County Source Reduction and Recycling Board (Recycling Board) is responsible for implementation of the Alameda County Waste Reduction and Recycling Initiative Charter Amendment (Measure D); and,

WHEREAS, the Recycling Board is responsible for oversight of the Recycled Product Purchase Preference Program mandated in Measure D and implemented by the Alameda County General Services Agency (GSA); and,

WHEREAS, the Recycling Board has considered recommended policies that would guide the Board in implementing Subsection 64.120 (B)(4), relating to apportionment of Recycled Product Purchase Preference Program funds remaining at the end of each year;

NOW, THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board hereby:

1. Finds that "leftover" or "remaining" Recycled Product Purchase Preference Program funds shall be defined as Fund revenues for the months of July through June that are not disbursed to Alameda County for expenses invoiced for the same fiscal year for implementation of the Recycled Product Purchase Preference Program, nor expended by Recycling Board staff for management of said Program.
2. Approves the use of "remaining" Recycled Product Purchase Preference Program funds for both the "Infrastructure" and the "Entitlement" models described in the attached excerpt from a memo by Carla S. Lallatin and Nancy VandenBerg for Markets for Recycled Products, for the Recycling Board, and adopts the following policies and guidelines for the disbursement and use of said funds:
 - (A) Uses of funds for the implementation of "Infrastructure" projects and services shall be reviewed and approved by the Board as part of the budget development process for any given year.
 - (B) Funds remaining after budgeting for "Infrastructure" projects and services shall be disbursed to the same municipalities receiving disbursements of 50% of Recycling Fund revenues, according the following guidelines:

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Exhibit B-1
Resolution Number RB 96-04 (continued)

(1) Each eligible municipality shall receive a base allocation of \$5000, or the amount calculated by dividing the total funds available by the number of eligible jurisdictions, whichever is less; plus an apportionment of the remainder, if any, according to the same population criteria utilized in disbursement of the 50% of Fund revenues to municipalities.

(2) Eligible municipalities shall complete and submit an application describing current policies, practices and accomplishments in the "Buy Recycled" arena; proposed uses of the "remaining" fund allocation for "Buy Recycled" purposes; and actual use and results of the prior year "remaining" fund allocation, if any, in order to qualify for receipt of funds.

(3) Disbursement of "remaining" funds to municipalities will occur at or after the first quarterly disbursement to municipalities made at the end of August.

3. Authorizes the Executive Director to distribute funds remaining after the close of each Fiscal Year in accord with the above policies and guidelines, beginning with the funds remaining after the close of Fiscal Year 1995/96.

ADOPTED BY THE FOLLOWING VOTE:

**AYES: ABBE, BURRELL, DENNIS, GORDON, LANDIS, NORDMAN,
 RUBIN, VALLE, WIESKAMP, RYNIEN**
NOES: NONE
ABSENT: MILEY
ABSTAINED: NONE



Karen Smith
Executive Director

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**Exhibit B-1
Resolution Number RB 98-3**

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ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD**RESOLUTION #98 - 3****MOVED: HILSON
SECONDED: GORDON****AT THE MEETING HELD FEBRUARY 12, 1998****POLICIES AND PROCEDURES FOR IMPLEMENTATION OF SUBSECTION
64.060(D) OF MEASURE D, RELATING TO USE OF RECYCLING FUND
MONIES FOR CONTRACTS LONGER THAN FIVE YEARS**

WHEREAS, the Source Reduction and Recycling Board is responsible for implementation of the Alameda County Waste Reduction and Recycling Initiative which calls for waste reduction programs in Alameda County in the areas of Municipal Recycling Programs, Grants To Non Profit Organizations, Source Reduction, and Recycled Product Market Development; and,

WHEREAS, Subsection 64.060(D) of the Charter Initiative states:

Contracts using Recycling Fund monies shall be made for periods of not more than five (5) years, except that, upon a finding of the Recycling Board that a longer period is necessary in order to capitalize a specific project, the Recycling Board may vote to allow a particular contract to be made for a period of not more than ten (10) years. No contract using Recycling Fund monies shall provide for an option to renew or any similar provision that would result in the extension of a contract, on a less than fully competitive basis, for a cumulative period of more than five (5) years or, in the case of a contract which the Recycling Board has authorized to be made for a longer period for purposes of capitalization, more than ten (10) years; and,

WHEREAS, the Recycling Board has received two applications to date from municipalities requesting use of Measure D monies for contracts exceeding five years in length, and it is reasonable to expect that there will be more such applications in the future; and

WHEREAS, the Board has expressed a desire to develop standard policies and procedures for the receipt and evaluation of such applications; and

WHEREAS, the Recycling Board Policy Committee has considered and discussed relevant research, information and opinions relating to these issues and has made the following recommendations to the Board;

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Exhibit B-1
Resolution Number RB 98-3 (continued)

NOW, THEREFORE, BE IT RESOLVED, that the Source Reduction and Recycling Board hereby adopts the following findings and procedures regarding applications to the Board for use of Measure D monies for contracts exceeding five years in length:

- The Board reserves the right to say “no” to any applicant.
- Every municipal applicant should submit information and data regarding:
 1. Their other uses of Measure D funds in the previous and current fiscal years, and proposed for the upcoming year, if known, including the percentage of Measure D revenues used to reduce ratepayer rates for recycling collection services.
 2. The circumstances of award of the contract under consideration.
 3. The expected benefits or factors necessitating a contract term longer than five years.
- Applicants requesting use of Measure D funds for contracts over eight years in length (and less than ten) shall also describe their good faith efforts to procure innovative services, where practical.

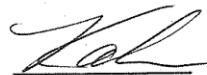
ADOPTED BY THE FOLLOWING VOTE:

AYES: DENNIS, BURRELL, GORDON, GROULX, HILSON,
NORDMAN, SPARKS, TAM, WHITE

NOES: NONE

ABSTAIN: NONE

ABSENT: SPRING, NADEL



Karen Smith
Executive Director

**Exhibit B-1
Resolution Number RB 2003-10**

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ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD**RESOLUTION #RB 2003-10****MOVED: Thomsen
SECONDED: Irizarry****AT THE MEETING HELD JULY 10, 2003****POLICY ADOPTION – MUNICIPAL ELIGIBILITY TO RECEIVE RECYCLING FUND
PER CAPITA DISBURSEMENTS**

WHEREAS, the Alameda County Charter Section 64 (the Alameda County Waste Reduction and Recycling Act of 1990, hereinafter the “Act”) establishes five requirements that municipalities must meet to qualify to receive a per capita share of the 50% of Recycling Fund revenues allocated to municipalities, but none of those requirements explicitly address the issue of whether or how much of the landfilled wastes under the control of a municipality are subject to the surcharge established by the Act; and

WHEREAS, the Act does establish a connection between municipal eligibility to receive monies from the Recycling Fund and municipal rate-setting powers for the collection of wastes under its control (Subsection 64.070 (A)); and

WHEREAS, the Act states that “The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act,” (Subsection 64.130(J)); and

WHEREAS, the Recycling Board has received a request from the City of Fremont to develop a “participation ratio” policy for municipal disbursements that would allow municipalities from which a portion of municipally-controlled wastes were subject to the surcharge, to receive a corresponding portion of their per capita share of Recycling Fund disbursements; and

WHEREAS, the Recycling Board Legal Counsel has issued an opinion stating that adoption of such a rule is within the discretion of the Recycling Board if the Board determines that a pro-rata participation rule would facilitate the implementation of the goals and policies of the Act; and

WHEREAS, the Recycling Board has consulted extensively with municipal staff throughout the County over the past year on this issue and has invited haulers, facility operators and other stakeholders to provide input, and no one has expressed any objections to the proposed rules; and

WHEREAS, the Recycling Board itself has discussed these issues over the course of the past year and a half at several Board and Committee meetings, and has conducted a public hearing on the proposed rules at the meeting held July 10, 2003; and

WHEREAS, the Recycling Board hereby finds that the adoption of a rule clearly delineating municipal eligibility to receive per capita disbursements from the Recycling Fund in instances where a municipal hauler delivers franchised wastes to an out-of-county landfill but reports and pays “in-lieu” fees to the Recycling Fund, in instances where none of a jurisdiction’s municipally-

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Exhibit B-1
Resolution Number RB 2003-10

controlled wastes are subject to the surcharge, and in instances where a municipality’s controlled wastes are split between facilities where a portion of the wastes are subject to the surcharge and a portion are not, among other instances, will facilitate implementation of the Act;

NOW, THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board approves and adopts the following policies, procedures and definitions:

- For those Alameda County municipalities whose participation in the Measure D system is 25% or greater, the percentage of their population used to calculate quarterly Measure D disbursements will be equal to their quarterly participation in the Measure D system. For those whose participation is 99% or greater, 100% of their population shall be used to calculate quarterly disbursements.
- Those municipalities whose participation is less than 25% will not be eligible for any per-capita Measure D municipal disbursements.

The policy includes the following definitions, clarifications and procedures:

- “Participation” refers to the percentage of municipally-controlled landfilled wastes upon which the Measure D surcharge or an equivalent amount is levied and paid into the Recycling Fund.
- “Municipally-controlled” landfilled wastes refers to the universe of landfilled wastes for which a municipality establishes rates for collection and/or disposal.
- Participation will be calculated per calendar quarter. Municipalities whose participation is less than 100% must submit (or require their contractors to submit) reports to the Recycling Board within 30 days of the end of each calendar quarter detailing the total quantities of municipally-controlled solid wastes landfilled during that quarter, broken down by disposal destination and by “paying Measure D fee” and “not paying Measure D fee.” Submitted municipal reports will be used for the purpose of the quarterly disbursements and later reconciled against state-mandated disposal reports subsequently received from solid waste facilities both in- and out-of-county. Any adjustments will be applied to the next disbursement. If Agency staff is unable to reconcile discrepancies in a timely manner, the data that results in the lower payment to the municipality will be used.
- If any fully participating municipality moves to a less than 100% participation level, before any pro-rated payments are released to that municipality, that municipality must demonstrate to the Recycling Board how they will continue to support the goals and objectives of the Charter, and how they expect to at least maintain their diversion level in the future.
- All other policies and rules regarding Measure D municipal disbursements remain in effect.
- After an appropriate period of time (e.g. one year) this system will be evaluated for efficiency and functionality and any appropriate changes may be proposed.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Irizarry, Lockhart, Ott, Pianin, Sly, Thomsen, Waespi, Wan, Wolff, Young

NOES: None

ABSENT: Bloom

ABSTAINED: None



Karen Smith, Executive Director

**Exhibit B-1
Resolution Number RB 2003-11**

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ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD**RESOLUTION #RB 2003-11****MOVED: PIANIN
SECONDED: OTT****AT THE MEETING HELD JULY 10, 2003****ADOPTION OF POLICIES, RULES AND PROCEDURES BASED ON THE "5 YEAR
AUDIT" RELATING TO RECYCLING FUND EXPENDITURES, MONITORING AND
REPORTING BY MUNICIPALITIES**

WHEREAS, the Alameda County Charter Section 64 (the Alameda County Waste Reduction and Recycling Act of 1990, hereinafter the "Act") states that "The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act," (Subsection 64.130(J)); and

WHEREAS, the Act states that fifty percent of the monies from the Recycling Fund shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs (Subsection 64.060 (B)(1)); and

WHEREAS, Subsection 64.040 (C) of the Act requires the Recycling Board to conduct an independent audit every five years of recycling programs within the County including, but not limited to, an accounting of the monies spent from the Recycling Fund, and to develop recommendations based on the audit findings; and

WHEREAS, the Recycling Board has concluded the 5 Year Audit for the period FY 1996/97 through FY 2000/01 and has considered and discussed the recommendations relating to the use, accounting and reporting of Recycling Fund monies by the municipalities; and

WHEREAS, the Recycling Board has distributed copies of the "5 Year Audit" Financial Review and Evaluation by Brown, Vence & Associates to both financial and recycling staff of the municipalities and has consulted extensively with municipal staff throughout the County over the past year on these issues and has invited stakeholders to provide input; and

WHEREAS, the Recycling Board itself has discussed these issues over the course of the past year at Board and Committee meetings, and has conducted a public hearing on the proposed rules at the meeting held July 10, 2003; and

WHEREAS, the Recycling Board hereby finds that the adoption of rules, policies and procedures clearly defining municipal responsibilities to handle, expend, monitor and report on Recycling Fund disbursements will facilitate implementation of the Act;

NOW, THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board approves and adopts the following policies, procedures and rules:

Exhibit B-1
Resolution Number RB 2003-11 (continued)

Page 9 of 22

- The member agency "Measure D" Annual Report shall be restructured to include beginning fund balance, receipts, expenditures and ending fund balance per the Audit recommendations. Municipal ability to comply with this reporting requirement shall be in place no later than July 1, 2004 for FY 2004/2005.
- Require documentation in the Annual Report of any allocation methodology used by a member agency for "Measure D" expenditures. Municipalities will be required to document prospectively the allocations and allocation methodology used for staff positions, equipment, supplies, services or anything else funded with Recycling Fund monies (i.e. when a percentage of a given expense is funded with Recycling Fund monies).
- If, at the start of any fiscal year, the beginning Measure D fund balance for any given municipality is greater than \$300,000 or that municipality's total population-based disbursements in the prior fiscal year, whichever is greater, then that municipality must, for that year, allocate and report on the interest earned on its Measure D funds in that year, and leave that interest in the Measure D account, subject to the same expenditure restrictions as the Measure D funds disbursed by the Recycling Board. This policy will take effect July 1, 2004 for FY 2004/2005.
- The Recycling Board will release a Request for Proposals (RFP) for services to conduct financial audits of the municipalities and the Recycling Board itself in stages of 3 yrs./2 yrs. + final report (as opposed to going back five years per audit). The audits will include some compliance verification as well, such as for the use of Recycling Funds for contracts longer than 5 years. The costs indicated in the RFP responses will then be compared to the costs of proposals received in the last Request for Proposals for the full 5 years all at once, and a decision made about how to proceed based on costs and other factors such as timeliness for the municipalities, likelihood of firm stability over a five year period, ability to detect problems earlier, etc.


ADOPTED BY THE FOLLOWING VOTE:

AYES: IRIZARRY, LOCKHART, OTT, PIANIN, SLY, THOMSEN, WAESPI, WAN, WOLFF, YOUNG

NOES: NONE

ABSENT: BLOOM

ABSTAINED: NONE


Karen Smith, Executive Director

**Exhibit B-1
Resolution Number RB 2006-12**

Page 10 of 22

ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD**RESOLUTION #RB 2006-12****MOVED: Quan
SECONDED: Jeffery****AT THE MEETING HELD NOVEMBER 9, 2006****ADOPTION OF RULES REGARDING MUNICIPAL ACCOUNTING AND FUND
BALANCES OF RECYCLING FUND PER CAPITA ALLOCATIONS**

WHEREAS, the Alameda County Charter Section 64 (the Alameda County Waste Reduction and Recycling Act of 1990, hereinafter the "Act") states that "The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act," (Subsection 64.130(J)); and

WHEREAS, the Act states that fifty percent of the monies from the Recycling Fund shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs (Subsection 64.060 (B)(1)); and

WHEREAS, Subsection 64.040 (C) of the Act requires the Recycling Board to conduct an independent audit every five years of recycling programs within the County including, but not limited to, an accounting of the monies spent from the Recycling Fund, and to develop recommendations based on the audit findings; and

WHEREAS, the Recycling Board has concluded "Phase One" of the current 5 Year Financial and Compliance Audit for the period FY 2001/02 through FY 2003/04 and has considered and discussed recommendations relating to the accounting and accumulation of Recycling Fund monies by the municipalities; and

WHEREAS, the Recycling Board has distributed copies of the "Phase One 5 Year Financial and Compliance Audit" by R3 Consulting Group, Inc. to staff of the municipalities and has solicited comments from municipal staff on the proposed rules; and

WHEREAS, the Recycling Board itself has discussed the proposed rules at the October 12, 2006 meeting and set the November 9, 2006 meeting for final consideration and adoption; and

WHEREAS, the Recycling Board hereby finds that the adoption of rules, policies and procedures clearly defining municipal responsibilities to monitor, track and report on Recycling Fund revenues, expenditures and fund balances will facilitate implementation of the Act; and

Exhibit B-1
Resolution Number RB 2006-12 (continued)

WHEREAS, the Recycling Board hereby finds that the adoption of rules, policies and procedures establishing guidelines regarding municipal use of Recycling Fund per capita disbursements, the accumulation of unspent fund balances, plans for the use of such accumulated funds, and eligibility to receive further per capita disbursements will facilitate implementation of the Act;

NOW, THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board approves and adopts the following rules:

Rule 1: Municipalities receiving per-capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060 shall account for those disbursements in a manner that provides the following information for each fiscal year:

- the balance of unexpended per capita disbursements at the beginning of each fiscal year;
- Recycling Fund per capita disbursements received during each fiscal year;
- Recycling Fund per capita monies expended during each fiscal year; and
- the ending balance of unspent Recycling Fund per capita disbursements on hand at the end of each fiscal year.

The disbursements may be accounted for through the use of a pooled or separate account. In the event the Recycling Fund per capita revenues and expenditures are pooled with other monies within the accounts of the municipality, the municipality shall utilize a separate and distinct account code, such as an account number, object code, sub-object code, etc., to segregate the Recycling Fund per capita monies for accounting purposes in a manner that provides the required information.

Rule 2: Any municipality receiving per capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060, shall present to the Board for its approval a written expenditure plan if, at the end of any fiscal year, that municipality has an unspent balance of such monies that exceeds the sum of the municipality's last eight quarterly Recycling Fund per capita disbursements.

If the municipality fails to provide that written plan or the Board does not approve that plan, the municipality shall be ineligible to receive further disbursements per Section 64.060. The municipality shall not be eligible for further disbursements until the required plan is submitted and approved by the Board and all such forfeited monies shall be disbursed to the remaining eligible municipalities on a per capita basis.

In evaluating a municipality's proposed expenditure plan, the Board shall consider the following:

- The proposed specific use(s) of the remaining balance and future disbursements.
- The proposed length of time, or schedule over which disbursed funds or fund balances would be used.
- The scope or amount of funds proposed to be expended over the term of the plan.
- The extent to which the plan is designed to meet or promote the provisions, goals or policies of the Act including but not limited to timely expenditure of the funds "for the continuation and expansion of municipal recycling programs."

Exhibit B-1
Resolution Number RB 2006-12 (continued)

- Any other objective and reasonable factors that may be presented by the municipality to support its contention that its proposed plan meets or promotes the provisions, goals or policies of the Act.

These proposed rules shall take effect July 1, 2007. Rule 2 will be applied to the Measure D Annual Reports submitted after the end of FY 07/08 and each year thereafter.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Boone, Bourque, Jeffery, Landis, Leider, McCormick, Quan, Spencer, Storti,
Wilson

NOES: None

ABSENT: Henson

ABSTAIN: None



Karen Smith, Executive Director

Exhibit B-1
Memorandum Dated December 1, 2004

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MEMO

December 1, 2004

TO: Recycling Board
FROM: Debra Kaufman, Senior Program Manager
SUBJECT: Distribution of Recycled Product Procurement Funds to Member Agencies

BACKGROUND

Measure D provides for a Recycled Product Purchase Preference Program to encourage recycled materials markets by maximizing the amount of recycled products purchased by County government agencies. To help achieve this goal, five percent of the funds collected under Measure D is available for this Program.

The priority use of this money is to provide reimbursement to the County for increased costs that they may incur due to the use of price preferences on recycled content products. In practice, the County has used very little of this money for price preferences since most recycled content products have become competitive with their virgin counterpart. The Recycling Board has also allowed this money to be used for County staffing to implement these goals.

DISCUSSION:

Any monies remaining after reimbursing County and Agency project costs, are distributed to the Measure D-participating municipalities for recycled product purchases and promotion. Annually, approximately \$200-\$250,000 has been distributed.

The Authority asks the member agencies for an annual report covering their use of the previous year funds, including an accounting of any accumulated, unspent funds remaining from any prior years' disbursements.

The member agencies have utilized this funding for a variety of uses, ranging from recycled content plastic benches to staff training on recycled products. Reported uses of these funds include the following recycled content products and services:

- Paper
- Carpet
- Rubber sidewalks
- Plastic picnic tables and benches
- Playground equipment
- Office furniture
- Re-refined motor oil

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Exhibit B-1**Memorandum Dated December 1, 2004** *(continued)*

Page 14 of 22

- Education to staff about recycled products or to attend the Recycled Products Trade Show
- Grants to schools for purchase of recycled content products

In the 2004 report on use of these funds, two jurisdictions reported accumulating more than two year's worth of RPP funds. To ensure that this money is put to the greatest use in the manner intended, staff recommends that the Recycling Board, as part of this year's recycled product procurement funds reimbursement cycle, change the requirement such that member agencies do not accumulate these funds for more than two years, unless they have a specific project that they intend to use the funds for. The money that would otherwise have been accumulated, would be distributed to the jurisdictions with eligible projects the following year.

RECOMMENDATION

Staff recommends that the Recycling Board, as part of this year's recycled product procurement funds reimbursement cycle, change the requirements as follows:

- Measure D participating municipalities accumulating more than their last two years' worth of recycled product procurement funds need to obtain approval from Authority staff for planned uses of funds prior to receiving additional disbursements. If the plan is not implemented by the date indicated by the jurisdiction, no further disbursements will be made until those funds are used.

Exhibit B-1
Motion dated November 8, 2012

Page 15 of 22



At the November 8, 2012 meeting the Alameda County Source Reduction and Recycling Board adopted the following (see attached memo):

Recommendation

Staff recommends that the Recycling Board adopt the following definition and process for assessing the existence of an "adequate commercial recycling program" for the purpose of determining municipal eligibility to receive per capita Recycling Fund monies, effective July 1, 2013 forward, and that the Recycling Board review the criteria in two years, in November 2014.

Moved: Nate Ivy
Second: Rebecca Kaplan
Ayes: Ivy, Kaplan, Mahou, Natarajan, O'Donnell, Reid, Turner, Wile, Wozniak
Nays: None
Absent: Krueger
Recused: Jowell

Attachment A: Definition and Process for Evaluation
Attachment B: Commercial Recycling Programs Summary Table

Exhibit B-1
Motion dated November 8, 2012 (continued)

Page 16 of 22



October 31, 2012

TO: Recycling Board
FROM: Gary Wolff, Executive Director
Tom Padia, Recycling Director
SUBJECT: Policy Regarding Commercial Recycling Program Minimum Requirements

Background

The Agency "Strategic Workplan 2020" adopted by both Boards in July 2010 proposes that the Recycling Board discuss and ultimately answer the question, "How should the 1994 standard for an „adequate commercial recycling program" under the County Charter be revised?" Per capita Measure D funding is provided to municipalities only if they meet certain requirements, one of which is the implementation of an "adequate" commercial recycling program. A "de minimus" interpretation of what constitutes an "adequate commercial recycling program" was adopted by the Recycling Board in 1994, with an explicit allowance for future revision. The history and context of this issue was presented as an information item to the Recycling Board at the April 14, 2011 meeting, along with current profiles of the broad range of regulatory structures and commercial recycling program offerings among the member agencies. That agenda item can be accessed at: <http://www.stopwaste.org/docs/04-10-11-commercial.pdf>. After discussion with member agency staff in June and July 2011, staff returned to the Recycling Board at the August 11, 2011 meeting with a menu of potential options and received direction to return to the Board in March or April 2012 with a draft definition (<http://www.stopwaste.org/docs/08-11-11-rpminimum.pdf>). In November 2011 the Board formally adopted a statement that participation in the countywide mandatory recycling ordinance would be sufficient (but not necessary) to ensure a member agency's commercial recycling program is "adequate" under the County Charter. The Board consideration of a proposed standard was delayed from April to July 2012 to allow for discussions with staff of the four jurisdictions that initially "opted-out" of the countywide ordinance. At the July 12, 2012 meeting <http://www.stopwaste.org/docs/07-12-12-minimumreqs.pdf> staff presented proposed minimum requirements and the Board generally endorsed the proposed requirements, requested that a review timeline be added to the policy, and asked that the item be brought back for final action at the November 8, 2012 meeting.

Recommendation

Staff recommends that the Recycling Board adopt the following definition and process for assessing the existence of an "adequate commercial recycling program" for the purpose of determining municipal eligibility to receive per capita Recycling Fund monies, effective July 1, 2013 forward, and that the Recycling Board review the criteria in two years, in November 2014.

Attachment A: Proposed Definition and Process for Evaluation
Attachment B: Commercial Recycling Programs Summary Table

Exhibit B-1
Motion dated November 8, 2012 (continued)

Attachment A
Proposed Definition of "Adequate Commercial Recycling"

A proposed updated definition of an adequate member agency commercial recycling program for the purpose of receiving Measure D money is stated below. It involves satisfying ONE (or more) of three criteria with respect to commercial recyclables and ONE (or more) of three 'parallel' criteria with respect to commercial organics. "Commercial recyclables" are defined as, at minimum, old corrugated cardboard (OCC), office paper, mixed paper, glass and metal food and beverage containers, and #1 and #2 plastic bottles; and "commercial organics" are defined as, at minimum, plant debris, food scraps, and compostable paper.

The three criteria applicable to commercial recyclables are listed below. An adequate commercial recycling program under the County Charter will satisfy ONE (or more) of these criteria on and after July 1, 2013 unless the Recycling Board adopts an alternative definition after that date.

1. The member agency participates in the ACWMA mandatory recycling ordinance, Phase 1. The Recycling Board has previously formally stated that participation in the ordinance is not necessary, but is more than adequate.

OR

2. The member agency ensures that at least one hour per year of technical assistance work time is actually provided to businesses to encourage and assist commercial accounts to recycle more. The minimum amount of time can be provided by member agency staff, franchised hauler staff, consultants to the member agency or franchised haulers, or any combination of these. The minimum time commitment will be proportional to the number of commercial accounts in the member agency. For example, one hour per account per year means a minimum work effort of 22 hours per year in Piedmont; a minimum work effort of 848 hours per year in Pleasanton, and so forth (see Attachment B for a current tally of the number of commercial accounts in each member agency).

In addition, a member agency would need to either make source separated recycling services available at open market rates or adopt a rate schedule under which the prices per volume and frequency of source separated services are no higher than that for refuse/garbage service of the same volume and frequency. This second part of criteria 2 is necessary because technical assistance and outreach cannot increase recycling participation if the service is not available at a competitive price.

OR

3. The member agency achieves a 50% participation rate in its commercial recycling program. Participation for recycling shall be calculated as a percentage of total commercial accounts. Participation through centralized processing will count so long as the centralized processing facility meets the less than 10% covered materials residual quality standard defined in the mandatory recycling ordinance.

The three criteria applicable to commercial organics are listed below. An adequate commercial recycling program under the County Charter will satisfy ONE (or more) of these criteria on and after July 1, 2014 unless the Recycling Board adopts an alternative definition after that date.

Exhibit B-1**Motion dated November 8, 2012** *(continued)*

Page 18 of 22

1. The member agency participates in the ACWMA mandatory recycling ordinance, Phase 2 (or a variation on Phase 2 approved administratively as provided for in the ordinance). The Recycling Board has previously formally stated that participation in the ordinance is not necessary, but is more than adequate.

OR

2. The member agency ensures that at least 3 hours per year of technical assistance work time is actually provided to organics generating businesses to encourage and assist commercial organics accounts to recycle more. The minimum amount of time can be provided by member agency staff, franchised hauler staff, consultants to the member agency or franchised haulers, or any combination of these. The minimum time commitment will be proportional to the number of commercial accounts in the member agency. For example, 3 hours per account means a minimum work effort of 48 hours per year in Piedmont; a minimum work effort of 1143 hours per year in Pleasanton, and so forth (see Attachment B for a current estimate of the number of commercial organics accounts in each member agency).

In addition, a member agency would need to either make source separated commercial organics services available at open market rates or adopt a rate schedule under which the prices per volume and frequency of source separated services are no higher than that for refuse/garbage service of the same volume and frequency. This second part of criteria 2 is necessary because technical assistance and outreach cannot increase recycling participation if the service is not available at a competitive price.

OR

3. The member agency achieves a 50% participation rate in its commercial organics program. Participation for commercial organics shall be calculated as a percentage of organics generating businesses based on SIC and/or NAICS codes. Participation through centralized processing will count so long as the centralized processing facility meets the less than 10% covered materials residual quality standard defined in the mandatory recycling ordinance.

Proposed Process for Determining Whether the Criteria Have Been Satisfied

If adopted, the commercial recycling criteria would apply on July 1, 2013 and the commercial organics criteria would apply on July 1, 2014. Each member agency receiving Measure D disbursements currently provides an annual report to the Recycling Board approximately each October which describes Measure D funds received and spent in the previous fiscal year. These annual reports can document compliance with minimal effort starting with the October 2013 report. The annual report shall document compliance with the criteria as of July 1st of that year. However, if the technical assistance criteria is used to comply, the member agency shall document the budget or contractual commitment to provide the required number of hours for the current (at the time of the report) fiscal year, and affirm that the minimum number of hours were provided in the prior fiscal year when applicable. Documentation of technical assistance hours provided shall be available upon request (e.g., during the five year financial and compliance audit required in the County Charter).

If Recycling Board staff believes a member agency is not in compliance, it will notify the member agency and refer the situation to the Recycling Board for a decision. If the Recycling Board decides the member agency has not complied with the minimum standard, it may withhold future Measure D payments.

Exhibit B-1
Motion dated November 8, 2012 (continued)

Commercial Summary by Jurisdiction													
Jurisdiction	Total # of Commercial Garbage Accts	Organics-generating Businesses (based on SIC) - D&B Hoovers	Organics Participating Businesses		% Part of Organics Generating Businesses	% Organics Part of all Garbage Accts	Commercial Organics Tons Diverted per year	Total Recycling Accounts	% Total Accounts Participating in Recycling	Commercial Recycling Tons Diverted per year	Discount Organics Rate (% Discount from MSW rates)	Discount Recycling Rate (% Discount from MSW rates)	Extra Generator Incentives
			Green Waste	Food scraps									
Alameda	778	308	???	218	71%	28%	1,308	469	60%	740	96 gal cart free; 20% discount for add'l service	20%	Free service of 1-96 gal recy. and 1-96 gal org. cart 1x/wk. # food scraps accts. is # carts delivered, not # in use.
Albany	298	98	2	42	43%	14%	547	241	81%	???	50%	100%	
Berkeley	2,242	707	???	241	34%	11%	5,636	1488	66%	2,943	20%	100%	
Dublin	628	177	3	104	59%	17%	1,575	486	77%	1,963	50%	100%	
Emeryville	354	153	15	???	???	???	835	223	63%	???	50%	50%	For garbage accts less than 2 cy/wk, up to two 65 gal of free recycling or organics.
Fremont	1,851	655	???	70	11%	4%	1,349	1059	57%	3,100	50%	Franchisee to offer minimum of 25% discount + some open market	Free service of one 96 gal recycling cart once every 2 weeks. Weekly recycling rates at 25% discount off MSW rate.
Hayward	2,569	725	15	94	13%	4%	331 tons source separated; 6567 add'l tons diverted from wet routes and roll-off	1,647	64%	4172 tons of source separated recycling; 16,678 tons recycled from sorting "dry" routes and roll-off accounts	50%	100%	City provides at no charge: technical assistance, indoor plastic containers, stickers for the containers, & posters.
Livermore	1,176	342	???	119	35%	10%	1,622	1,041	89%	2,954	50%	85%	One cart free recycling service per acct. One cart free organics service for restaurants.
Newark	528	233	???	4	2%	1%	???	143	27%	???	not offered	?	
Oakland	5,055	1,903	???	???	???	???	???	???	#VALUE!	???	open market	open market	Recycling discounts for small businesses. 730 small business recycling carts collected on residential routes.
Piedmont	22	16	14	14	88%	64%	???	18	82%	???	incl. in rate	incl. in rate	
Pleasanton	848	381	0	0	0%	0%	0	300	35%	???	not offered	96 gal cart free; more service same price as garbage	PGS has commercial "Paper Gobler" and OCC programs - both free. Voluntary single-stream recycling to start April 2011 (free 96 gal. cart, fees for larger containers) & voluntary comml. organics to start June 2013.

Last updated: 11/30/2012

Exhibit B-1
Motion dated November 8, 2012 (continued)

Commercial Summary by Jurisdiction													
Jurisdiction	Total # of Commercial Garbage Accts	Organics-generating Businesses (based on SIC) - D&B Hoovers	Organics Participating Businesses		% Part of Organics Generating Businesses	% Organics Part of all Garbage Accts	Commercial Organics Tons Diverted per year	Total Recycling Accounts	% Total Accounts Participating in Recycling	Commercial Recycling Tons Diverted per year	Discount Organics Rate (% Discount from MSW rates)	Discount Recycling Rate (% Discount from MSW rates)	Extra Generator Incentives
			Green Waste	Food scraps									
San Leandro	1,185	243	???	120	49%	10%	1,398	477	40%	449	96 gal cart free; 20% discount for add'l service	20% for commingled; 40% for source separated; one free 96 gal cart for recycling and one for organics 1x/week	# of organics businesses includes all with San Leandro 94577 zip codes. Organics accts are cart accts collected on res. routes; organics tons are from debris box accts.
Union City	831	239	???	45	19%	5%	726	168	20%	1,276	75%	75%	Limited internal bins available from the City.
Castro Valley Sanitary District	392	151	46	45	30%	11%	918	255	65%	1,234	25%	Bundled for accts with 3 cy/wk of garbage or less for same size recycling; small discount over 3 cy/wk accounts	Free site assessments and training; internal bins available from CV San; 2 collection events/yr., 4R business recognition program.
Oro Loma Sanitary District	1,161	277	59	9	3%	1%	???	363	31%	???	One 96 gal. cart at no additional charge	60%	Under new contract, WM is required to offer one 96 gal. organics cart at no addl. charge. # organics accts. includes San Leandro addresses not in zip 94577.
TOTALS	19,918	6,608	154	1,125	17%	6%	15,914	8,378	42%	14,659			

NOTES: Data for most member agencies compiled April 2011. Data for 4 "opt out" jurisdictions updated in April 2012; data for rest was circulated 6/25/12 for verification/updating. Organics-generating businesses numbers from Dun & Bradstreet employer database for specific SIC codes; queries from Hoovers ran 6/2012. If organics collection service is not broken down into separate categories for plant debris/green waste and food scraps, then account numbers are listed in food scraps. Table does not reflect participation in open market recycling (Berkeley, Fremont, Oakland and Oro Loma Sanitary District).

G:\DATA\Grants\Measure D 50%\FY 11-12 Msr D\Jurisdiction Commercial Summary 7-2-2012.xls

Exhibit B-1
Resolution Number RB 2014-02

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ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD

RESOLUTION #RB 2014-2

MOVED: Wozniak

SECONDED: Sherman

AT THE MEETING HELD NOVEMBER 13, 2014

REVISION OF RECYCLING BOARD RESOLUTION #RB 2006-12 REGARDING FUND BALANCES OF RECYCLING FUND PER CAPITA ALLOCATIONS

WHEREAS, the Alameda County Charter Section 64 (the Alameda County Waste Reduction and Recycling Act of 1990, hereinafter the "Act") states that "The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act," (Subsection 64.130(J)); and

WHEREAS, the Act states that fifty percent of the monies from the Recycling Fund shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs (Subsection 64.060 (B)(1)); and

WHEREAS, on November 9, 2006 the Recycling Board adopted Resolution #RB 2006-12, including the following:

Rule 2: Any municipality receiving per capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060, shall present to the Board for its approval a written expenditure plan if, at the end of any fiscal year, that municipality has an unspent balance of such monies that exceeds the sum of the municipality's last eight quarterly Recycling Fund per capita disbursements.

If the municipality fails to provide that written plan or the Board does not approve that plan, the municipality shall be ineligible to receive further disbursements per Section 64.060. The municipality shall not be eligible for further disbursements until the required plan is submitted and approved by the Board and all such forfeited monies shall be disbursed to the remaining eligible municipalities on a per capita basis.

In evaluating a municipality's proposed expenditure plan, the Board shall consider the following:

- The proposed specific use(s) of the remaining balance and future disbursements.
- The proposed length of time, or schedule over which disbursed funds or fund balances would be used.
- The scope or amount of funds proposed to be expended over the term of the plan.
- The extent to which the plan is designed to meet or promote the provisions, goals or policies of the Act including but not limited to timely expenditure of the funds "for the continuation and expansion of municipal recycling programs."
- Any other objective and reasonable factors that may be presented by the municipality to support its contention that its proposed plan meets or promotes the provisions, goals or policies of the Act.

These proposed rules shall take effect July 1, 2007. Rule 2 will be applied to the Measure D Annual Reports submitted after the end of FY 07/08 and each year thereafter.

Exhibit B-1
Resolution Number RB 2014-02 (continued)

Page 22 of 22

And **WHEREAS**, the absolute dollar amount and the per capita amount of Recycling Fund municipal allocations have declined significantly since 2006, resulting in a declining threshold represented by the sum of the last eight quarterly Recycling Fund per capita disbursements, and

WHEREAS, municipalities have requested that the Recycling Board revise the "Rule 2" policy to increase the threshold of unspent per capita allocations that triggers the requirement for an approved Expenditure Plan or ineligibility to receive further disbursements,

NOW THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board hereby revises and replaces "Rule 2" from Resolution #RB 2006-12 with the following:

Rule 2: Any municipality receiving per capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060, shall present to the Board for its approval a written expenditure plan if, at the end of any fiscal year, that municipality has an unspent balance of such monies that exceeds the amount of \$8.00 (eight dollars) multiplied by the population basis used for the first quarterly disbursement of that fiscal year.

If the municipality fails to provide that written plan or the Board does not approve that plan, the municipality shall be ineligible to receive further disbursements per Section 64.060. The municipality shall not be eligible for further disbursements until the required plan is submitted and approved by the Board and all such forfeited monies shall be disbursed to the remaining eligible municipalities on a per capita basis.

In evaluating a municipality's proposed expenditure plan, the Board shall consider the following:

- The proposed specific use(s) of the remaining balance and future disbursements.
- The proposed length of time, or schedule over which disbursed funds or fund balances would be used.
- The scope or amount of funds proposed to be expended over the term of the plan.
- The extent to which the plan is designed to meet or promote the provisions, goals or policies of the Act including but not limited to timely expenditure of the funds "for the continuation and expansion of municipal recycling programs."
- Any other objective and reasonable factors that may be presented by the municipality to support its contention that its proposed plan meets or promotes the provisions, goals or policies of the Act.

Rule 2 will be applied to the Measure D Annual Reports submitted after the end of FY 13/14 and each year thereafter.

Passed and adopted this 13th day of November, 2014 by the following vote:

AYES:	Jones, Natarajan, O'Donnell, Peltz, Pentin, Sherman, Tao, Wozniak
NOES:	None
ABSTAIN:	None
ABSENT:	Ellis, Kirschenheuter, Stein



Gary Wolff, Executive Director

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Appendix C
Overview of
Member Agencies



Appendix C

Overview of Member Agencies

In this appendix, we provide an overview of the sixteen (16) member agencies that received Measure D monies from the Recycling Board during the Five Year Financial and Compliance Audit. These sixteen (16) currently eligible member agencies included:

- | | |
|-----------------------|-------------------------------------|
| 1. City of Alameda | 9. City of Newark |
| 2. City of Albany | 10. City of Oakland |
| 3. City of Berkeley | 11. City of Piedmont |
| 4. City of Dublin | 12. City of Pleasanton |
| 5. City of Emeryville | 13. City of San Leandro |
| 6. City of Fremont | 14. City of Union City |
| 7. City of Hayward | 15. Castro Valley Sanitary District |
| 8. City of Livermore | 16. Oro Loma Sanitary District. |

We provide member agency data, including populations used for Measure D “per capita” distributions; franchised recycling haulers; programmatic efforts; reporting requirements; and an overview of accounting practices. This appendix is organized into the following four (4) subsections:

- A. *Member Agency Population Data*
- B. *Member Agency Recycling Program*
- C. *Member Agency Reporting Requirements*
- D. *Member Agency Measure D Accounting.*

A. Member Agency Population Data

Exhibit C-1 lists the 2010, 2012, and 2014 populations of the member agencies. In 2014, the largest member agency, the City of Oakland, had a 2014 population approximately 39 times larger than the smallest member agency, the City of Emeryville.

The Recycling Board bases distribution of Measure D “per capita” funds, to member agencies, on census information. Population adjustments, used for the “per capita” distribution, occur every other year. The Recycling Board used year 2010 population data for Measure D “per capita” allocation purposes for quarters one, two, and three of fiscal year 2011/12. The Recycling Board used year 2012 population data for quarter four of fiscal year 2011/12, fiscal year 2012/13, and quarters one through three of fiscal year 2013/14 Measure D “per capita” allocations. The Board used 2014 population data for quarter four of fiscal year 2013/14, fiscal year 2014/15, and quarters one through three of fiscal year 2015/16. The Board used 2016 population data for quarter four of fiscal year 2015/16.

The Board adjusted the populations to reflect 40 percent of San Leandro’s population located within Oro Loma Sanitary District’s service area. The Board further adjusted three member agencies populations, the cities of Fremont, Newark, and Union City to reflect the calculated percent of municipally-controlled waste sent to Altamont Landfill and subject to the Measure D surcharge. Tri-Cities populations reflect the following percentage of the census population:

- Q 1, Q 2 FY 2011/12 71 percent
- Q 3 FY 2011/12 73 percent
- Q 4 FY 2011/12 74 percent
- Q 1 FY 2012/13 90 percent
- Q 2 FY 2012/13 – FY 2013/14 100 percent.

Exhibit C-1
Member Agencies
Population Data Used for “Per Capita” Allocations of Measure D Funds
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Member Agency	FY 2011/12		FY 2013/14		FY 2015/16	
	2012 Population ^a	Percent of Total Population	2014 Population ^a	Percent of Total Population	2016 Population ^a	Percent of Total Population
1. City of Alameda	74,640	5.18%	75,988	4.85%	79,277	4.89%
2. City of Albany	18,488	1.28%	18,472	1.18%	18,893	1.17%
3. City of Berkeley	114,821	7.97%	117,372	7.49%	119,915	7.40%
4. City of Dublin	46,785	3.25%	53,462	3.41%	57,349	3.54%
5. City of Emeryville	10,200	0.71%	10,491	0.68%	11,721	0.72%
6. City of Fremont ^b	161,098	11.19%	223,972	14.29%	229,324	14.15%
7. City of Hayward	147,113	10.22%	151,037	9.64%	158,985	9.81%
8. City of Livermore	82,400	5.72%	84,852	5.41%	88,138	5.44%
9. City of Newark ^b	31,850	2.21%	43,856	2.80%	44,733	2.76%
10. City of Oakland	395,341	27.46%	404,355	25.80%	422,856	26.09%
11. City of Piedmont	10,807	0.75%	11,023	0.70%	11,219	0.70%
12. City of Pleasanton	71,269	4.95%	73,067	4.66%	74,982	4.63%
13. City of San Leandro ^c	51,632	3.59%	52,615	3.36%	52,620	3.25%
14. City of Union City ^b	52,278	3.63%	72,155	4.60%	72,952	4.50%
15. Castro Valley Sanitary District	53,166	3.69%	54,144	3.46%	55,153	3.40%
16. Oro Loma Sanitary District ^c	118,064	8.20%	120,258	7.67%	122,354	7.55%
Total	1,439,952	100%	1,567,119	100%	1,620,471	100%

^a Estimated census population data is from the California Department of Finance (DOF). Population is adjusted to reflect updated population figures per DOF.

^b The cities of Fremont, Newark, and Union City populations were adjusted to reflect the calculated percent of municipally-controlled waste sent to Altamont Landfill and subject to the Measure D surcharge. Tri-Cities populations reflect 71 percent of the census population for the first and second quarters of FY 2011/12. Tri-Cities populations reflect 74 percent of the census population for the fourth quarter of FY 2011/12. Subsequent Tri-Cities populations reflect an increasing percent of the census population, as noted at the end of Section A of this Appendix.

^c Population reflects a transfer of 40 percent of the City of San Leandro's population to the Oro Loma Sanitary District.

Exhibit C-2
Member Agencies Franchised Recycling Haulers
(As of June 2017)

Member Agency	Recycling Hauler(s)	Franchise End Date
1. City of Alameda	Alameda County Industries	09/30/2022
2. City of Albany	Waste Management of Alameda County	10/31/2021
3. City of Berkeley	Ecology Center	06/30/2020
4. City of Dublin	Amador Valley Industries	06/30/2020
5. City of Emeryville	Waste Management of Alameda County	12/31/2020
6. City of Fremont	Republic Services	06/30/2018
7. City of Hayward	Tri-CED (subcontractor to Waste Management of Alameda County)	05/31/2015 (02/28/2022 – new contract)
8. City of Livermore	Livermore Sanitation Inc.	06/30/2020
9. City of Newark	Republic Services	05/31/2023
10. City of Oakland	Waste Management of Alameda County / California Waste Solutions	06/30/2025 / 6/30/2035
11. City of Piedmont	Richmond Sanitary	07/06/2018
12. City of Pleasanton	Pleasanton Garbage Service	07/30/2019
13. City of San Leandro	Alameda County Industries	01/31/2025
14. City of Union City	Tri-CED / Republic Services	05/31/2025 / 06/30/2025
15. Castro Valley Sanitary District	Waste Management of Alameda County	4/30/2019
16. Oro Loma Sanitary District	Waste Management of Alameda County	08/31/2024

B. Member Agency Recycling Program

Each member agency receiving Measure D monies must provide a residential recycling program (Measure D, Subsection 64.090) and make available an adequate commercial recycling program (Measure D, Subsection 64.100). Most member agencies utilize their recycling hauler for both residential and commercial recycling efforts. **Exhibit C-2** shows each member agency's recycling hauler(s) and franchise expiration date(s).

We show member agency diversion, and source reduction, programmatic efforts in **Exhibit C-3**. The Recycling Board strongly promotes these ordinances, policies, and programs. Member agencies have unanimously accepted the Civic Green Building and Residential and Commercial Food Waste Collection programs. The Recycling Board, and member agencies, all have adopted a 75 percent diversion policy (each member agency's City Council or Board formally adopted this diversion goal).¹

¹ The City of Newark's commercial food scraps collection program is still in development/negotiation but is expected to begin 1/1/2018.

Exhibit C-3
Member Agencies Programmatic Efforts
(As of June 2017)

Member Agency	Construct. and Demo (C&D) Ordinance	Civic Bay Friendly Landscaping	Civic Green Building	Enviro. Preferable Purchasing Policy	Resi. Food Waste Collection	Commer. Food Waste Collection	75% Diversion Policy
1. City of Alameda	Y	Y	Y	Y	Y	Y	Y
2. City of Albany	Y	Y	Y	Y	Y	Y	Y
3. City of Berkeley	Y	Y	Y	Y	Y	Y	Y
4. City of Dublin	Y	Y	Y	Y	Y	Y	Y
5. City of Emeryville	Y	Y	Y	N	Y	Y	Y
6. City of Fremont	Y	Y	Y	Y	Y	Y*	Y
7. City of Hayward	Y	Y	Y	Y	Y	Y	Y
8. City of Livermore	Y	Y	Y	Y	Y	Y	Y
9. City of Newark	Y	Y	Y	Y	Y	N	Y
10. City of Oakland	Y	Y	Y	Y	Y	Y	Y
11. City of Piedmont	Y	Y	Y	Y	Y	Y	Y
12. City of Pleasanton	Y	Y	Y	Y	Y	Y**	Y
13. City of San Leandro	Y	Y	Y	Y	Y	Y	Y
14. City of Union City	Y	Y	Y	Y	Y	Y*	Y
15. Castro Valley Sanitary District	Y	Y	Y	Y	Y	Y	Y
16. Oro Loma Sanitary District	Y	Y	Y	N	Y	Y	Y
Number of Member Agencies with Program	16	16	16	14	16	15	16

* The City of Fremont and City of Union City have a limited number of commercial organics accounts.

** The City of Pleasanton opted into Phase 2 of the MRO, effective 1/1/2017, including commercial organics services.

C. Member Agency Reporting Requirements

Member agencies must submit an Annual Measure D Programs Report, based on Resolution Number RB 2003-11, using a standard form adopted by the Recycling Board at the March 10, 2011 meeting² (see a copy of this resolution on page B-9). We provide a copy of the Annual Measure D Programs Report, used for Phase I and II, in **Exhibit C-5**, starting on page C-7. Member agencies must include their beginning Measure D fund balance, receipts, expenditures, ending Measure D fund balance, and supplemental documentation. Member agencies submit Measure D “per capita” reports in October, of each year.

Member agencies that receive Measure D “per capita” funds also are eligible to receive leftover Recycled Product Purchase Preference (RPPP) funds (Resolution Number RB 96-04, see a copy of this resolution on page B-3). Member agencies must submit to the Recycling Board a Reporting Form for the RPPP program if the member agency had a fund balance in the prior fiscal year and/or Application if leftover funds available for distribution in the preceding year. To qualify for RPPP funding, member agencies must describe current policies, practices, and accomplishments pertaining to purchasing recycled content materials. Member agencies submit RPPP reports to the Recycling Board in February or March, of each year as applicable. A sample RPPP application form is provided in **Exhibit C-6**, starting on page C-11.

D. Member Agency Measure D Accounting

Member agencies track their year-to-year Measure D fund balance using one of three methods: (1) an accounting system, (2) a spreadsheet; or (3) using their annual reports. **Exhibit C-4**, on the next page, presents the methods each member agency uses to account for Measure D “per capita” funds, and to track Measure D fund balances for reporting purposes.

² The prior Five Year Financial and Compliance Audit resulted in a recommendation for enhancements to the Annual Report and for required documentation for Indirect Administrative Cost Allocations and for Allocations of Personnel costs. These recommendations were adopted by the Recycling Board at the March 10, 2011 meeting. These recommendations became effective July 1, 2011 and were reflected in the Annual Report sent out in August, 2012 covering FY 2011/12.

Exhibit C-4
Member Agencies Accounting Practices
(Phase I and II: Fiscal Years 2011/12, 2012/13, 2013/14, 2014/15, and 2015/16)

Member Agency	Accounting Method for Measure D "Per Capita Funds"		Tracking Method for Measure D Fund Balances
	Revenues	Expenses	
1. City of Alameda	Pooled Fund, Separate Account Code	Pooled Fund, Separate Account Code	Accounting System
2. City of Albany	Pooled Fund, Separate Account Code	Pooled Fund, Separate Account Code	Spreadsheet / Prior Report
3. City of Berkeley	Pooled Fund, Separate Account Code	Pooled Fund, Separate Account Code	Spreadsheet
4. City of Dublin	Separate Fund (some pooling)	Separate Fund (some pooling)	Spreadsheet
5. City of Emeryville	Separate Fund, Account Code	Separate Fund	Accounting System
6. City of Fremont	Separate Fund, Account Code	Separate Fund	Accounting System
7. City of Hayward	Separate Fund, Account Code	Separate Fund	Spreadsheet
8. City of Livermore	Separate Fund, Account Code	Separate Fund	Accounting System
9. City of Newark	Separate Fund, Account Code	Separate Fund	Accounting System
10. City of Oakland	Separate Fund	Separate Fund	Accounting System
11. City of Piedmont	Separate Fund, Account Code	Separate Fund	Spreadsheet / Prior Report
12. City of Pleasanton	Separate Fund (some pooling)	Separate Fund	Accounting System
13. City of San Leandro	Separate Fund, Account Code	Separate Fund	Accounting System / Spreadsheet
14. City of Union City	Separate Fund, Account Code	Separate Fund	Accounting System / Prior Report
15. Castro Valley Sanitary District	Pooled Fund, Separate Account Code	Separate Fund, Account Code	Accounting System / Prior Report
16. Oro Loma Sanitary District	Separate Fund, Account Code	Separate Fund	Accounting System

**Exhibit C-5
Annual Measure D Program Report**



ANNUAL MEASURE D PROGRAMS REPORT

Reporting Fiscal Year: Fiscal Year 2013/2014

Submittal Deadline for this Report: October 17, 2014

1. Municipality Contact Information

Program Contact Information:

Municipality Name	
Contact Person	
Title	
Telephone Number ()	
Email address	

Municipality Payee Information:

Payee Name	
Department	
Street Address 1	
Street Address 2	
City	
Zip Code	

2. Measure D Payments Received for Fiscal Year 2013/2014

Choose One of the Following Methods for Reporting (Cash or Accrual Basis):

Cash Basis		
Quarter Ended	Date Received	Amount
June 30,		
September 30,		
December 31,		
March 31,		
June 30,	Next Period	

Accrual Basis		
Quarter Ended	Date Recorded	Amount
June 30,	Prior Period	
September 30,		
December 31,		
March 31,		
June 30,		

Total Measure D Funds Received: \$ _____ \$ _____

As the Chief Executive for _____, I hereby affirm that the revenues and expenditures described in this Annual Measure D Programs Report are true and correct.

City/Agency Manager

Date

Exhibit C-5
Annual Measure D Program Report *(continued)*



ANNUAL MEASURE D PROGRAMS REPORT *(continued)*

3. Measure D Fund Balance Information for Fiscal Year 2013/2014

Beginning Fund Balance:	\$ <input type="text"/>
Plus Adjustments to Beginning Fund Balance:	\$ <input type="text"/>
Equals Adjusted Beginning Fund Balance:	\$ <input type="text"/>
Plus Total Measure D Funds Received (From Page 1):	\$ <input type="text"/>
Plus Interest Earned on Measure D Fund Balance*:	\$ <input type="text"/>
*Required if fund balance exceeds \$300,000 or prior year's disbursements, whichever is greater	
Less Total Measure D Expenditures (From Pages 3 and 4):	\$ <input type="text"/>
Equals Ending Measure D Fund Balance:	\$ <input type="text"/>

Explanation for Adjustments to the Beginning Fund Balance:

4. Program Expenditures for Fiscal Year 2013/2014

On the following pages, provide a brief description of activities financed by your program's Measure D allotments and costs incurred during this reporting period. Identify the cost category most closely describing the type of cost incurred. The table below identifies examples of costs in each of six (6) cost categories.

Cost Category	Cost Examples
Administrative Costs	
1. Administrative	<ul style="list-style-type: none"> • Employee salaries • Employee benefits • Legal services • Insurances • Overhead expenses • Contract management
Direct Costs	
2. Franchised Recycling Program	<ul style="list-style-type: none"> • Commercial route curbside recycling collection • Residential route curbside recycling collection • Christmas tree curbside collection • Food scrap and green waste collection
3. Outreach and Education	<ul style="list-style-type: none"> • Promotional items • Earth Day events • Recycling education • Bay Area Recycling Outreach Coalition (BayROC) contributions • Contests/achievement awards • Green Schools outreach • Recycling drives
4. Physical Assets	<ul style="list-style-type: none"> • Outdoor storage containers • Artificial turf football fields • Curbside recycling carts • Recycled content playground structures • Recycled content furniture
5. Professional Services	<ul style="list-style-type: none"> • Rate review services • Collection hauler contract services • Base year composition study
6. Other Expenses	<ul style="list-style-type: none"> • Paper supplies • Memberships • Subscriptions • Postage

Notes:

Please provide supplemental documentation supporting the methodology used to allocate staff positions, equipment, supplies, services, or any other cost funded with Measure D monies (i.e., when a percentage of a cost is funded with Measure D monies).

For each employee that works on Measure D related activities, please provide the following supporting documentation for that employee:

- A complete description of the actual Measure D related activities that employee performed
- A description of the methodology used to allocate that employee's time to Measure D activities (when that employee spends time on other activities)
- Supporting documents that substantiate the allocation of an employee's time to Measure D activities (e.g., accounting system reports, summaries of employee timesheet records, or a current cost allocation plan that ties exact allocation percentages to those used in this Annual Report).

It is not sufficient to just estimate an employee's time spent on Measure D activities, without backup documentation.

Exhibit C-5
Annual Measure D Program Report *(continued)*

ANNUAL MEASURE D PROGRAMS REPORT *(continued)*

4. Program Expenditures for Fiscal Year 2013/2014 *(continued)*

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category:

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category:

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category:

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category:

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category:

Subtotal: \$ _____ -



Exhibit C-5
Annual Measure D Program Report *(continued)*

ANNUAL MEASURE D PROGRAMS REPORT *(continued)*

4. Program Expenditures for Fiscal Year _____ *(continued)*

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category: _____
[Empty box for description] [Empty box for category]

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category: _____
[Empty box for description] [Empty box for category]

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category: _____
[Empty box for description] [Empty box for category]

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category: _____
[Empty box for description] [Empty box for category]

Item/Service: _____ Cost: \$ _____

Description of Cost: _____ Cost Category: _____
[Empty box for description] [Empty box for category]

Subtotal: \$ _____ -

**Exhibit C-6
Annual Recycled Product Preference Program (RPPP)
Program Report**



**Report of Recycled Product Purchase Preference (RPPP) Funds
Disbursed in Previous Fiscal Years**

Please respond to the following:

- Briefly describe any new policies, practices or accomplishments in the "Buy Recycled" or Environmentally Preferable Purchasing arena since your application in the prior fiscal year: (Attach any reports or ordinances you have recently completed.)
- Please summarize actual expenditures of *previously banked funds* of Recycled Product Purchase Preference Program funds, as indicated in the following chart.

Purchase Date	Item/Service Purchased	Brand/Style	Vendor/Address/Phone	% Post-consumer content	\$ Amount	Were RPPP funds used for the full-cost of the item or differential? Was it a first-time purchase or subsequent?
				%	\$	
TOTAL AMOUNT OF EXPENDITURES SINCE LAST REPORT:					\$	

- Does your jurisdiction still have any banked RPPP funds received in previous years?
Yes ___ No ___
If so, what is your RPPP fund balance as of 6/30/YY? \$ _____
- Has any purchasing contract language been reviewed or modified to allow for post-consumer recycled content or environmentally preferable products? If yes, please specify the contract(s) and changes made.
- Please outline the intended uses of any previously banked funds not yet spent.

Exhibit C-6
Annual Recycled Product Preference Program (RPPP)
Program Report *(continued)*

Goods/Services to be Purchased	Indicate Timeline for Purchasing Item	Estimated Cost	Need Purchasing Assistance? (Y/N)	Staff Contact/Phone for this Purchase
Estimated Total Cost of Planned Expenditures:		\$		

6. Please indicate whether or not your jurisdiction is **currently** purchasing the listed products, has purchased since July 2010, or is requiring their use in service agreements. This list is derived from the State of California's Buy Recycled Program which requires state agencies to purchase recycled products.

	Yes	No
(a) Copy Paper (minimum 30% postconsumer)	___	___
(b) Paper Towels (minimum 40% postconsumer)	___	___
(c) Toilet Tissue (minimum 20% postconsumer)	___	___
(d) Other paper products (please generally specify)	___	___
_____	___	___
_____	___	___
(e) Lubricating Oils (70% re-refined base oil)	___	___
(f) Antifreeze (70% postconsumer)	___	___
(g) Compost, co-compost, or mulch (minimum 80% postconsumer)	___	___
(h) Paint (minimum 50% postconsumer)	___	___
(i) Tire-derived products (minimum 50% postconsumer)	___	___
Please specify tire-derived product _____	___	___
(j) Glass products (10% postconsumer)	___	___
Please specify glass product _____	___	___
(k) Plastic Products (30% postconsumer)	___	___
Please specify plastic product _____ Rollcarts _____	___	___
(l) Other: _____	___	___
_____	___	___

7. Please answer the following questions by checking the appropriate space.

Does your jurisdiction need assistance in:	Yes	No
(a) Developing an Environmentally Preferable Purchasing Policy in the coming year?	___	___
(b) Identifying environmentally preferable or recycled content products suitable for your jurisdiction?	___	___

Exhibit C-6
Annual Recycled Product Preference Program (RPPP)
Program Report *(continued)*

- (c) Developing or using specifications for recycled content products? ___ ___
- (d) Developing tracking programs to track recycled content purchases? ___ ___
- (e) Training staff on how to find or use recycled content products? ___ ___
- (f) Did your jurisdiction use the services of Karen Cook or Delyn Kies
this past year? ___ ___
- (g) Did you utilize any of the environmentally preferable
resources on ACSustain.org or StopWaste.Org? ___ ___
- (h) Did your jurisdiction piggyback on any Alameda County or other
environmentally preferable product contracts? ___ ___

9. The Green Purchasing Roundtable is a quarterly meeting for public agencies in Alameda County designed to support and promote sustainable purchasing efforts. What specific green purchasing topics would you like to see discussed at the Roundtable?

10. Any other comments?

As a Department Head or Chief Executive for Member Agency, I hereby affirm that the previously banked funds from StopWaste.Org were appropriately utilized to establish, continue, strengthen or expand the "Buy Recycled" policies or practices of our agency have been expended as described above. I understand that a report on the utilization of the funds and the results obtained from their expenditure are a prerequisite to receiving funding in future years.

Department Head or City/Agency Manager Signature

Date: _____

Title

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Appendix D
Selected Member Agency
Measure D Compliance Tests



Appendix D

Selected Member Agency Measure D Compliance Tests

In this appendix, we provide results of our tests of member agency compliance with the following four (4) Measure D compliance requirements:

1. Measure D Member Agency Interest Reporting Requirement (see **Exhibit D-1** and **Exhibit D-2**, starting on the next page)
2. Measure D Member Agency Expenditure Plan Requirement and Revision (see **Exhibit D-3** and **Exhibit D-4**, starting on page D-5)
3. Measure D Member Agency Adequate Commercial Recycling Program (see **Exhibit D-5** and Exhibit D-6, starting on page D-11)
4. Measure D Member Agency Recycled Product Purchase Preference (RPPP) Program Expenditure Approval Requirement (see **Exhibit D-6**, starting on page D-13).

As a note, the RPPP Expenditure Approval Requirement, as it currently stands, may not be applicable going forward. Member agencies did not receive RPPP funds during this five-year review, therefore the threshold calculation for any reporting would be anything above \$0.

Exhibit D-1
Member Agencies
Test for Interest Reporting Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Fiscal Year 2011/12

Member Agency	Total Est. Population Based Disbursement in FY 2010/11	Threshold for Reporting Interest	Beginning Fund Balance FY 2011/12	Must Report Interest	Did Report Interest
1. City of Alameda	\$210,698	\$300,000	\$0	No	No
2. City of Albany	48,774	300,000	12,428	No	Yes
3. City of Berkeley	307,877	307,877	15,143	No	No
4. City of Dublin	135,268	300,000	–	No	No
5. City of Emeryville	21,070	300,000	36,091	No	Yes
6. City of Fremont	441,397	441,397	179	No	No
7. City of Hayward	424,989	424,989	843,852	Yes	Yes
8. City of Livermore	236,853	300,000	444,185	Yes	Yes
9. City of Newark	89,119	300,000	156,883	No	Yes
10. City of Oakland	1,180,374	1,180,374	–	No	No
11. City of Piedmont	31,215	300,000	13,082	No	No
12. City of Pleasanton	198,519	300,000	259,129	No	Yes
13. City of San Leandro	138,542	300,000	86,277	No	Yes
14. City of Union City	149,539	300,000	295,003	No	No
15. Castro Valley Sanitary District	147,924	300,000	17,588	No	No
16. Oro Loma Sanitary District	322,360	322,360	22,070	No	No

Exhibit D-1
Member Agencies
Test for Interest Reporting Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) *(continued)*

Page 2 of 3

Fiscal Year 2012/13

Member Agency	Total Est. Population Based Disbursement in FY 2011/12	Threshold for Reporting Interest	Beginning Fund Balance FY 2012/13	Must Report Interest	Did Report Interest
1. City of Alameda	\$210,698	\$300,000	\$0	No	No
2. City of Albany	48,774	300,000	12,428	No	Yes
3. City of Berkeley	307,877	307,877	15,143	No	No
4. City of Dublin	135,268	300,000	–	No	No
5. City of Emeryville	21,070	300,000	36,091	No	Yes
6. City of Fremont	441,397	441,397	179	No	No
7. City of Hayward	424,989	424,989	843,852	Yes	Yes
8. City of Livermore	236,853	300,000	444,185	Yes	Yes
9. City of Newark	89,119	300,000	156,883	No	Yes
10. City of Oakland	1,180,374	1,180,374	–	No	No
11. City of Piedmont	31,215	300,000	13,082	No	No
12. City of Pleasanton	198,519	300,000	259,129	No	Yes
13. City of San Leandro	138,542	300,000	86,277	No	Yes
14. City of Union City	149,539	300,000	295,003	No	No
15. Castro Valley Sanitary District	147,924	300,000	17,588	No	No
16. Oro Loma Sanitary District	322,360	322,360	22,070	No	No

Exhibit D-1
Member Agencies
Test for Interest Reporting Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) *(continued)*

Fiscal Year 2013/14

Member Agency	Total Est. Population Based Disbursement in FY 2012/13	Threshold for Reporting Interest	Beginning Fund Balance FY 2013/14	Must Report Interest	Did Report Interest
1. City of Alameda	\$214,134	\$300,000	\$0	No	No
2. City of Albany	214,134	300,000	223,459	No	Yes
3. City of Berkeley	329,407	329,407	–	No	No
4. City of Dublin	134,220	300,000	–	No	No
5. City of Emeryville	29,262	300,000	42,071	No	No
6. City of Fremont	608,112	608,112	179	No	No
7. City of Hayward	426,314	426,314	795,555	Yes	Yes
8. City of Livermore	236,395	300,000	490,081	Yes	Yes
9. City of Newark	120,229	300,000	195,772	No	Yes
10. City of Oakland	1,134,183	1,134,183	–	No	No
11. City of Piedmont	31,004	300,000	29,426	No	No
12. City of Pleasanton	204,462	300,000	363,377	Yes	Yes
13. City of San Leandro	149,622	300,000	106,018	No	Yes
14. City of Union City	197,338	300,000	303,150	Yes	Yes
15. Castro Valley Sanitary District	152,527	300,000	50,404	No	No
16. Oro Loma Sanitary District	342,132	342,132	–	No	No

Exhibit D-2
Member Agencies
Test for Interest Reporting Requirement
(Phase II: Fiscal Years 2014/15 and 2015/16)

Page 1 of 2

Fiscal Year 2014/15

Member Agency	Total Est. Population Based Disbursement in FY 2014/15	Threshold for Reporting Interest	Beginning Fund Balance FY 2015/16	Must Report Interest	Did Report Interest
1. City of Alameda	\$207,577	\$300,000	-	No	No
2. City of Albany	50,627	300,000	113,878.90	No	No
3. City of Berkeley	320,627	300,000	130,309.63	No	No
4. City of Dublin	147,904	300,000	46,118.29	No	No
5. City of Emeryville	146,042	300,000	164,545.07	No	No
6. City of Fremont	29,073	300,000	57,279.89	No	Yes
7. City of Hayward	611,827	300,000	179.00	No	No
8. City of Livermore	413,957	300,000	610,064.61	Yes	Yes
9. City of Newark	231,791	300,000	542,343.43	Yes	Yes
10. City of Oakland	119,802	300,000	343,591.68	Yes	Yes
11. City of Piedmont	1,104,582	300,000	-	No	No
12. City of Pleasanton	329,606	300,000	-	No	No
13. City of San Leandro	30,111	300,000	31,746.63	No	No
14. City of Union City	199,598	300,000	376,978.69	Yes	Yes
15. Castro Valley Sanitary District	144,205	300,000	188,628.18	No	Yes
16. Oro Loma Sanitary District	197,106	300,000	334,999.85	Yes	Yes

Exhibit D-2
Member Agencies
Test for Interest Reporting Requirement
(Phase II: Fiscal Years 2014/15 and 2015/16) *(continued)*

Fiscal Year 2015/16

Member Agency	Total Est. Population Based Disbursement in FY 2015/16	Threshold for Reporting Interest	Beginning Fund Balance FY 2016/17	Must Report Interest	Did Report Interest
1. City of Alameda	\$201,460	\$300,000	\$0	No	No
2. City of Albany	48,728	300,000	134,426	No	No
3. City of Berkeley	312,047	300,000	338,560	Yes	No
4. City of Dublin	142,679	300,000	-	No	No
5. City of Emeryville	142,755	300,000	89,431	No	No
6. City of Fremont	28,314	300,000	55,959	No	Yes
7. City of Hayward	590,989	300,000	179	No	No
8. City of Livermore	401,550	300,000	562,761	Yes	Yes
9. City of Newark	224,710	300,000	479,245	Yes	Yes
10. City of Oakland	115,611	300,000	422,365	Yes	Yes
11. City of Piedmont	1,072,671	300,000	-	No	No
12. City of Pleasanton	319,719	300,000	-	No	No
13. City of San Leandro	29,044	300,000	6,058	No	No
14. City of Union City	192,909	300,000	380,287	Yes	Yes
15. Castro Valley Sanitary District	139,883	300,000	203,161	No	Yes
16. Oro Loma Sanitary District	189,795	300,000	308,364	Yes	Yes

Exhibit D-3
Member Agencies
Test for Expenditure Plan Requirement
(Phase I: Fiscal Years 2011/12, 2012/13 and 2013/14)

Page 1 of 2

Fiscal Year 2012/13

Member Agency	Prior 8 quarters of Disbursements (FY 2011/12, 2012/13)	Beginning Fund Balance FY 2013/14	Must Prepare Expenditure Plan	Expenditure Plan Prepared
1. City of Alameda	\$424,832	\$0	No	No
2. City of Albany	101,813	62,364	No	No
3. City of Berkeley	637,284	–	No	No
4. City of Dublin	269,488	–	No	No
5. City of Emeryville	50,332	42,071	No	No
6. City of Fremont	1,049,509	179	No	No
7. City of Hayward	851,303	795,555	No	No
8. City of Livermore	473,248	490,081	Yes	Yes
9. City of Newark	209,348	195,772	No	No
10. City of Oakland	2,314,557	–	No	No
11. City of Piedmont	62,219	29,426	No	No
12. City of Pleasanton	402,981	363,377	No	No
13. City of San Leandro	288,164	106,018	No	No
14. City of Union City	346,877	303,150	No	No
15. Castro Valley Sanitary District	300,451	50,404	No	No
16. Oro Loma Sanitary District	664,492	–	No	No

Exhibit D-3
Member Agencies
Test for Expenditure Plan Requirement *
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) *(continued)*

Page 2 of 2

Fiscal Year 2013/14

Member Agency	\$8 per Capita	Beginning Fund Balance FY 2014/15	Must Prepare Expenditure Plan	Expenditure Plan Prepared
1. City of Alameda	\$597,120	\$0	No	N/A
2. City of Albany	147,904	103,992	No	N/A
3. City of Berkeley	918,568	–	No	N/A
4. City of Dublin	374,280	72,597	No	N/A
5. City of Emeryville	81,600	52,693	No	N/A
6. City of Fremont	1,741,600	179	No	N/A
7. City of Hayward	1,176,904	739,198	No	N/A
8. City of Livermore	659,200	546,857	No	N/A
9. City of Newark	344,328	256,620	No	N/A
10. City of Oakland	3,162,728	–	No	N/A
11. City of Piedmont	86,456	28,553	No	N/A
12. City of Pleasanton	570,152	401,133	No	N/A
13. City of San Leandro	413,056	139,747	No	N/A
14. City of Union City	565,168	347,111	No	N/A
15. Castro Valley Sanitary District	425,328	126,077	No	N/A
16. Oro Loma Sanitary District	944,512	–	No	N/A

* The \$8 per capita calculation was based on September 2013 Measure D quarterly disbursement using 2012 census data. Alameda County Source Reduction and Recycling Board revised and replaced "Rule 2" from Resolution #RB 2006-12 with the following: Any municipality receiving per capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060, shall present to the Board for its approval a written expenditure plan if, at the end of any fiscal year, that municipality has an unspent balance of such monies that exceeds the amount of \$8.00 (eight dollars) multiplied by the population basis used for the first quarterly disbursement of that fiscal year. Rule 2 applies to the Measure D Annual Reports submitted after the end of FY 2013/14, and each year thereafter.

Exhibit D-4
Member Agencies
Test for Expenditure Plan Requirement
(Phase II: Fiscal Years 2014/15 and 2015/16)

Page 1 of 2

Fiscal Year 2014/15

Member Agency	\$8 per Capita	Beginning Fund Balance FY 2014/15	Must Prepare Expenditure Plan	Expenditure Plan Prepared
17. City of Alameda	\$607,904	\$0	No	N/A
18. City of Albany	147,776	94,721	No	N/A
19. City of Berkeley	938,976	93,801	No	N/A
20. City of Dublin	427,696	72,597	No	N/A
21. City of Emeryville	83,928	52,931	No	N/A
22. City of Fremont	1,791,776	179	No	N/A
23. City of Hayward	1,208,296	739,198	No	N/A
24. City of Livermore	678,816	546,857	No	N/A
25. City of Newark	350,848	256,620	No	N/A
26. City of Oakland	3,234,840	-	No	N/A
27. City of Piedmont	88,184	28,552	No	N/A
28. City of Pleasanton	584,536	401,133	No	N/A
29. City of San Leandro	420,920	139,747	No	N/A
30. City of Union City	577,240	347,111	No	N/A
31. Castro Valley Sanitary District	421,344	126,077	No	N/A
32. Oro Loma Sanitary District	929,056	-	No	N/A

Exhibit D-4
Member Agencies
Test for Expenditure Plan Requirement *
(Phase II: Fiscal Years 2014/15 and 2015/16) *(continued)*

Fiscal Year 2015/16

Member Agency	\$8 per Capita	Beginning Fund Balance FY 2015/16	Must Prepare Expenditure Plan	Expenditure Plan Prepared
17. City of Alameda	\$ 607,904	\$0	No	N/A
18. City of Albany	147,776	113,879	No	N/A
19. City of Berkeley	938,976	130,309	No	N/A
20. City of Dublin	427,696	164,545	No	N/A
21. City of Emeryville	83,928	57,279	No	N/A
22. City of Fremont	1,791,776	179	No	N/A
23. City of Hayward	1,208,296	610,064	No	N/A
24. City of Livermore	678,816	542,343	No	N/A
25. City of Newark	350,848	343,591	No	N/A
26. City of Oakland	3,234,840	-	No	N/A
27. City of Piedmont	88,184	31,746	No	N/A
28. City of Pleasanton	584,536	376,978	No	N/A
29. City of San Leandro	420,920	188,628	No	N/A
30. City of Union City	577,240	189,795	No	N/A
31. Castro Valley Sanitary District	421,344	46,118	No	N/A
32. Oro Loma Sanitary District	929,056	-	No	N/A

Exhibit D-5**Member Agencies****Test for Adequate Commercial Recycling Program Requirement – Phase 1¹
(Phase I Applicable Year: Fiscal Year 2013/14)**

Member Agency	1. Participation in ACWMA Mandatory Commercial Recycling Program	2. One Hour Technical Assistance Work Time, per Account	3. Achieve 50% Participation Rate in Commercial Recycling Program	If Unmet, Plans/Efforts to Meet Criteria
1. City of Alameda	Yes			N/A
2. City of Albany	Yes			N/A
3. City of Berkeley	Yes			N/A
4. City of Dublin			Yes	N/A
5. City of Emeryville	Yes			N/A
6. City of Fremont	Yes			N/A
7. City of Hayward	Yes			N/A
8. City of Livermore	Yes			N/A
9. City of Newark	Yes			N/A
10. City of Oakland	Yes			N/A
11. City of Piedmont	Yes			N/A
12. City of Pleasanton	Yes			N/A
13. City of San Leandro	Yes			N/A
14. City of Union City	Yes			N/A
15. Castro Valley Sanitary District	Yes			N/A
16. Oro Loma Sanitary District	Yes (L2, L3)	Yes (L1)		N/A

¹ The updated definition of "Adequate Commercial Recycling" identifies three criteria applicable to commercial recyclables, as categorized in this exhibit. Based on the motion dated November 8, 2012, an adequate commercial recycling program under the County Charter will satisfy one or more of the criteria on or after July 1, 2013 unless the Recycling Board adopts an alternative definition after that date.

Exhibit D-6**Member Agencies****Test for Adequate Commercial Recycling Program Requirement – Phase 2 (Organics)¹
(Phase II Applicable Years: Fiscal Year 2014/15, 15/16)**

Member Agency	1. Participation in ACWMA Mandatory Recycling Ordinance	2. Three Hour Technical Assistance Work Time, per Organics Generating Business	3. Achieve 50% Participation Rate in Commercial Organics Program	If Unmet, Plans/Efforts to Meet Criteria ²
17. City of Alameda	Yes			N/A
18. City of Albany	Yes			N/A
19. City of Berkeley	Yes			N/A
20. City of Dublin			Yes	N/A
21. City of Emeryville	Yes			N/A
22. City of Fremont	Yes			N/A
23. City of Hayward	Yes			N/A
24. City of Livermore	Yes			N/A
25. City of Newark	Yes			N/A
26. City of Oakland	Yes			N/A
27. City of Piedmont	Yes			N/A
28. City of Pleasanton	Yes			N/A
29. City of San Leandro	Yes			N/A
30. City of Union City	Yes	Yes		N/A
31. Castro Valley Sanitary District	Yes			N/A
32. Oro Loma Sanitary District	Yes (L2, L3)	Yes (L1)		N/A

¹ The updated definition of “Adequate Commercial Recycling” identifies three criteria applicable to commercial organics recycling, as categorized in this exhibit. Based on the motion dated November 8, 2012, an adequate commercial recycling program under the County Charter will satisfy one or more of the criteria on or after July 1, 2014 (implementation period through July 1, 2016) unless the Recycling Board adopts an alternative definition after that date. To note, the second phase is focused on commercial organics, for organics generating businesses.

² In November 2015, the Board placed quarterly Measure D payments in a holding account for one member agency, as the member agency had yet to satisfy the criteria for an adequate commercial organics recycling program. The member agency came into compliance with the adequate commercial organics recycling program and the Board released the funds in March 2016.

Exhibit D-7**Member Agencies****Recycled Product Purchase Preference (RPPP) Program – Test for Funding Approval Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)**

Page 1 of 3

Fiscal Year 2011/12

Member Agency	FY 2010/11 RPPP Funds	FY 2011/12 RPPP Funds	Total Prior Two (2) Years of RPPP Funds	Beginning Fund Balance FY 2012/13	Approval Required for Additional Funds
1. City of Alameda	\$0	\$0	\$0	\$0	N/A
2. City of Albany	–	–	–	–	N/A
3. City of Berkeley	–	–	–	47,440	Yes
4. City of Dublin	–	–	–	–	N/A
5. City of Emeryville	–	–	–	–	N/A
6. City of Fremont	–	–	–	–	N/A
7. City of Hayward	–	–	–	3,666	Yes
8. City of Livermore	–	–	–	–	N/A
9. City of Newark	–	–	–	–	N/A
10. City of Oakland	–	–	–	66,796	Yes
11. City of Piedmont	–	–	–	–	N/A
12. City of Pleasanton	–	–	–	62	Yes
13. City of San Leandro	–	–	–	–	N/A
14. City of Union City	–	–	–	–	N/A
15. Castro Valley Sanitary District	–	–	–	17,296	Yes
16. Oro Loma Sanitary District	–	–	–	10,023	Yes

¹ Member agencies last received annual RPPP distributions in FY 2009/10. Nine (9) of the thirteen (13) member agencies carried a beginning RPPP fund balance for 2011/12. Going forward member agencies may apply for a portion of the remaining RPPP funds unspent in the prior year, as is the case for FY 2014/15.

Exhibit D-7

Member Agencies

**Recycled Product Purchase Preference (RPPP) Program – Test for Funding Approval Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) (continued)**

Fiscal Year 2012/13

Member Agency	FY 2011/12 RPPP Funds	FY 2012/13 RPPP Funds	Total Prior Two (2) Years of RPPP Funds	Beginning Fund Balance FY 2013/14	Approval Required for Additional Funds
1. City of Alameda	\$0	\$0	\$0	\$0	N/A
2. City of Albany	–	–	–	–	N/A
3. City of Berkeley	–	–	–	47,440	Yes
4. City of Dublin	–	–	–	–	N/A
5. City of Emeryville	–	–	–	–	N/A
6. City of Fremont	–	–	–	–	N/A
7. City of Hayward	–	–	–	3,666	Yes
8. City of Livermore	–	–	–	–	N/A
9. City of Newark	–	–	–	–	N/A
10. City of Oakland	–	–	–	36,925	Yes
11. City of Piedmont	–	–	–	–	N/A
12. City of Pleasanton	–	–	–	62	Yes
13. City of San Leandro	–	–	–	–	N/A
14. City of Union City	–	–	–	–	N/A
15. Castro Valley Sanitary District	–	–	–	16,084	Yes
16. Oro Loma Sanitary District	–	–	–	10,023	Yes

Exhibit D-7**Member Agencies****Recycled Product Purchase Preference (RPPP) Program – Test for Funding Approval Requirement
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) (continued)**

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Fiscal Year 2013/14

Member Agency	FY 2012/13 RPPP Funds	FY 2013/14 RPPP Funds	Total Prior Two (2) Years of RPPP Funds	Beginning Fund Balance FY 2014/15	Approval Required for Additional Funds
1. City of Alameda	\$0	\$0	\$0	\$0	N/A
2. City of Albany	–	–	–	–	N/A
3. City of Berkeley	–	–	–	47,440	Yes
4. City of Dublin	–	–	–	–	N/A
5. City of Emeryville	–	–	–	–	N/A
6. City of Fremont	–	–	–	–	N/A
7. City of Hayward	–	–	–	3,666	Yes
8. City of Livermore	–	–	–	–	N/A
9. City of Newark	–	–	–	–	N/A
10. City of Oakland	–	–	–	36,925	Yes
11. City of Piedmont	–	–	–	–	N/A
12. City of Pleasanton	–	–	–	62	Yes
13. City of San Leandro	–	–	–	–	N/A
14. City of Union City	–	–	–	–	N/A
15. Castro Valley Sanitary District	–	–	–	15,216	Yes
16. Oro Loma Sanitary District	–	–	–	–	N/A

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Appendix E
Measure D Fund Balances



Appendix E

Measure D Fund Balances

This appendix provides a summary of Measure D fund balances for the Recycling Board and the member agencies. These fund balances result from our detailed review of the Recycling Board, and member agency, finances during the Five Year Audit. Subsection 64.040(C) of Measure D requires an accounting of monies spent by the Recycling Board as part of the Five Year Audit and results provided in this appendix fulfill this accounting requirement.

This appendix is organized as follows:

- A. Recycling Board Fund Balances*
- B. Member Agency Fund Balances.*

A. Recycling Board Fund Balances

The Recycling Board uses eight (8) Measure D program fund accounts. These eight (8) accounts include:

- Member Agencies
- Non-Profit Grant Program
- Source Reduction Program
- Recycled Product Market Development Program
- Recycled Product Purchase Preference (RPPP) Program
- Discretionary
- Administration
- Revolving Loan Fund.

Each of these accounts, excluding the revolving loan fund, received Measure D surcharge monies, based on the Measure D, Subsection 64.060(B) distribution requirements. Member agency (“per capita”), discretionary, and revolving loan funds generated additional revenues from interest allocations, based on daily fund balances. The revolving loan fund also generated revenues from loan repayments.

Each of the Recycling Board’s eight (8) funds had expenditures, and carried a balance during the five fiscal years. These Measure D fund balances are presented in **Exhibit E-1**.

Exhibit E-1
Alameda County Source Reduction and Recycling Board
Measure D Program Fund Balances
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Account Number	Program	Beginning Fund Balance			Ending Fund Balance
		FY 2011/12	FY 2012/13	FY 2013/14	FY 2013/14
RB 27	Member Agencies	\$1,070	\$5,016	\$4,159	\$587
RB 6C	Non-Profit Grant Program	1,048,003	1,382,694	1,684,505	1,849,857
RB 6D	Source Reduction Program	491,898	709,484	915,950	705,941
RB 6E	Recycled Product Market Development Program	850,697	1,002,254	859,206	741,333
RB 6F	Recycled Product Purchase Preference (RPPP) Program	61,869	130,142	208,442	223,076
RB 6B	Discretionary	935,035	537,204	1,227,921	1,441,829
RB 6A	Administration	680,897	762,295	343,416	-
RB 26	Revolving Loan Fund	2,213,782	2,226,162	2,199,581	2,107,720
	Pre-March 1995 Funds Collected	564,906	564,906	564,906	694,981
	Total	\$6,848,157	\$7,320,157	\$8,008,086	\$7,765,324

Exhibit E-1
Alameda County Source Reduction and Recycling Board
Measure D Program Fund Balances
(Phase II: Fiscal Years 2014/15 and 2015/16) (continued)

Account Number	Program	Beginning Fund Balance		Ending Fund Balance
		FY 2014/15	FY 2015/16	FY 2015/16
RB 27	Member Agencies	\$587	\$937	\$1,512
RB 6C	Non-Profit Grant Program	1,849,857	1,860,882	2,038,847
RB 6D	Source Reduction Program	705,941	881,614	1,066,442
RB 6E	Recycled Product Market Development Program	741,333	636,334	483,308
RB 6F	Recycled Product Purchase Preference (RPPP) Program	223,076	15,785	24,898
RB 6B	Discretionary	1,441,829	2,471,439	3,646,997
RB 6A	Administration	-	-	-
RB 26	Revolving Loan Fund	2,107,720	2,051,899	2,025,144
	Pre-March 1995 Funds Collected	694,981	694,981	694,981
	Total	\$7,765,324	\$8,613,871	\$9,982,129

Exhibit E-2 presents the Measure D surcharge revenues, interest allocations, program expenditures, and beginning and ending balances of Measure D program funds, for the five (5) fiscal years of 2011/12, 2012/13, 2013/14, 2014/15, and 2015/16.

The Recycling Board maintained overall fund balances of between \$6.85 million and \$9.98 million for the five fiscal years. The revolving loan fund carried a consistently high fund balance, approximately \$2.0 to \$2.2 million for each fiscal year. The revolving loan fund does not receive annual Measure D surcharge monies. The discretionary fund balance grew significantly from \$537,204 in 2012/13 to \$3,646,997 at the end of 2015/16. The ending Recycling Board fund balance for the five fiscal years was \$9,982,129.

Though the Administration fund balance was \$0 at the end of the five-year period, the member agency “per capita” fund maintained the smallest balance throughout this period. The year-ending member agency fund balance represents a very small portion of the total Measure D “per capita” funds distributed to member agencies, or less than one (1) percent.

Exhibit E-2
Alameda County Source Reduction and Recycling Board
Changes in Measure D Program Fund Balances
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

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Member Agency	Member Agencies	Non-Profit Grant Program	Source Reduction Program	Recycled Product Market Development Program	Recycled Product Purchase Preference (RPPP) Program	Discretionary	Administration	Revolving Loan Fund	Pre-March 1995	Total
FY 2011/12										
Beginning Fund Balance	\$1,016	\$1,048,003	\$491,898	\$850,697	\$61,669	\$935,035	\$680,897	\$2,213,782	\$564,906	\$6,848,157
Revenues										
Measure D Fees	4,099,605	819,921	819,921	819,921	409,961	245,976	245,976	–	–	8,230,672
<i>(Validated Percent Allocation)</i>	50%	10%	10%	10%	5%	12%	3%	0%	0%	100%
Interest	3,029	–	–	–	–	24,134	–	6,895	–	34,058
Other	–	–	–	–	–	–	–	31,462	–	31,462
Total Revenues	4,102,634	819,921	819,921	819,921	409,961		245,976	38,357		
Expenditures	4,098,688	485,230	602,335	668,364	341,688		164,578	25,977		
Ending Fund Balance	\$5,016	1,382,694	709,484	1,002,254	130,142	\$537,204	\$762,295	\$2,226,162	\$564,906	7,320,157
FY 2012/13										
Beginning Fund Balance	\$5,016	1,382,694	709,484	1,002,254	130,142	\$537,204	\$762,295	\$2,226,162	\$564,906	7,320,157
Revenues										
Measure D Fees	4,350,485	870,095	870,096	870,096	435,047	1,044,116	261,032	–	–	8,700,967
<i>(Validated Percent Allocation)</i>	50%	10%	10%	10%	5%	12%	3%	0%	0%	100%
Interest	1,853	–	–	–	–	16,628	–	5,571	–	24,052
Other	–	–	–	–	–	–	–	27,336	–	27,336
Total Revenues	4,352,338	870,095	870,096	870,096	435,047	1,060,744	261,032	32,907	–	8,752,355
Expenditures	4,353,195	568,284	663,630	1,013,144	356,747	943,944	105,994	59,488	–	8,064,426
Ending Fund Balance	\$4,159	\$1,684,505	\$915,950	\$859,206	\$208,442	\$1,227,921	\$343,416	\$2,199,581	\$564,906	\$8,008,086

Exhibit E-2
Alameda County Source Reduction and Recycling Board
Changes in Measure D Program Fund Balances
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) (continued)

Page 2 of 2

Member Agency	Member Agencies	Non-Profit Grant Program	Source Reduction Program	Recycled Product Market Development Program	Recycled Product Purchase Preference (RPPP) Program	Discretionary	Administration ¹	Revolving Loan Fund	Pre-March 1995	Total
FY 2013/14										
Beginning Fund Balance	\$4,159	\$1,684,505	\$915,950	\$859,206	\$208,442	\$1,227,921	\$343,416	\$2,199,581	\$564,906	\$8,008,086
Revenues										
Measure D Fees	4,223,536	844,708	844,708	844,708	422,356	1,267,061	–	–	–	8,447,077
(Validated Percent Allocation)	50%	10%	10%	10%	5%	15% (includes Admin)	0%	0%	0%	100%
Interest	1,774	–	–	–	–	18,400	–	4,560	–	20,174
Other	–	–	–	–	–	–	–	30,830	–	30,830
Total Revenues	4,225,310	844,708	844,708	844,708	422,356	1,285,461	–	35,390	–	8,502,641
Expenditures	4,228,882	587,236	909,037	802,221	390,922	979,689	–	110,451	–	8,008,438
Ending Fund Balance	\$587	\$1,849,857	\$705,941	\$741,333	\$233,076	\$1,441,829	\$–	\$2,107,720	\$694,981	\$7,765,324

¹ This administrative fund balance was transferred into the discretionary fund during FY 13/14.

Exhibit E-2
Alameda County Source Reduction and Recycling Board
Changes in Measure D Program Fund Balances
(Phase II: Fiscal Years 2014/15 and 2015/16)

Member Agency	Member Agencies	Non-Profit Grant Program	Source Reduction Program	Recycled Product Market Development Program	Recycled Product Purchase Preference (RPPP) Program	Discretionary	Administration	Revolving Loan Fund	Pre-March 1995	Total
FY 2014/15										
Beginning Fund Balance	\$587	\$1,849,857	\$705,941	\$741,333	\$223,076	\$1,441,829	\$-	\$2,107,720	\$694,981	\$7,765,324
Revenues										
Measure D Fees	4,278,354	855,671	855,671	855,671	427,836	1,283,507	-	11,883	-	8,568,593
<i>(Validated Percent Allocation)</i>	50%	10%	10%	10%	5%	15% (includes Admin)	0%	0%	0%	100%
Interest	2,916	-	-	-	-	23,774	-	6,056	-	32,746
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	4,281,270	855,671	855,671	855,671	427,836	1,307,281	-	17,939	-	8,601,339
Expenditures	4,280,920	844,646	679,998	960,670	635,127	277,671	-	73,760	-	7,752,792
Ending Fund Balance	\$937	\$1,860,882	\$881,614	\$636,334	\$15,785	\$2,471,439	\$-	\$2,051,899	\$694,981	\$8,623,871
FY 2015/16										
Beginning Fund Balance	\$937	\$1,860,882	\$881,614	\$636,334	\$15,785	\$2,471,439	\$-	\$2,051,899	\$694,981	\$8,623,871
Revenues										
Measure D Fees	4,142,272	828,456	828,456	828,453	414,230	1,242,680	-	16,436	-	8,300,983
<i>(Validated Percent Allocation)</i>	50%	10%	10%	10%	5%	15% (includes Admin)	0%	0%	0%	100%
Interest	3,691	-	-	-	-	38,907	-	7,649	-	50,247
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	4,146,418	828,456	828,456	828,456	414,230	1,281,587	-	24,085	-	8,351,688
Expenditures	4,145,388	650,491	643,628	981,479	405,117	106,029	-	50,840	-	6,982,972
Ending Fund Balance	\$1,512	\$2,038,847	\$1,066,442	\$483,308	\$24,898	\$3,646,997	-	\$2,025,144	\$694,981	\$9,992,129

B. Member Agency Fund Balances

Member agencies receive “per capita” funds on a quarterly basis, and may receive RPPP program funds on an annual basis, depending on fund availability. Member agencies tracked expenditures each year, accounting for the beginning fund balance, expenditures, and ending fund balance.¹ **Exhibit E-3** presents member agency “per capita” fund balances at the beginning and end of Phase I and Phase II.

Exhibit E-3 Member Agencies Measure D “Per Capita” Fund Balances (Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Member Agency	Fund Balance as of June 30, 2011	Plus Monies Received Over Three Phase I Fiscal Years ¹	Plus Interest Income Over Three Phase I Fiscal Years	Less Monies Expended Over Three Phase I Fiscal Years ⁴	Fund Balance as of June 30, 2014
1. City of Alameda	\$0	\$631,207	\$0	\$631,207	\$0
2. City of Albany	0	152,690	171	48,869	103,992
3. City of Berkeley	34,022	955,085	–	895,306	93,801
4. City of Dublin	177,346	402,871	873	508,493	72,597
5. City of Emeryville	45,720	78,607	613	72,247	52,693
6. City of Fremont	(37,063)	1,653,051	–	1,615,809	179
7. City of Hayward	885,237	1,259,467	8,893	1,414,399	739,198
8. City of Livermore	462,603	701,743	5,715	623,204	546,857
9. City of Newark	90,407	328,381	1,394	163,562	256,620
10. City of Oakland	–	3,408,941	–	3,408,941	–
11. City of Piedmont	40	92,115	–	63,602	28,553
12. City of Pleasanton	416,368	600,388	15,899	631,522	401,133
13. City of San Leandro ^{2,3}	72,981	431,417	10,427	375,078	139,747
14. City of Union City	152,891	542,369	3,791	351,940	347,111
15. Castro Valley Sanitary District	2,181	447,464	38	323,607	126,077
16. Oro Loma Sanitary District	92,212	992,062	–	1,084,274	–

¹ The amounts shown in this column do not match the amounts in Table 2-5 due to timing differences between amounts paid by the Recycling Board and amounts reported on member agency annual reports. In addition, the Board reissued the City of Emeryville a FY 2011/12 quarterly payment for \$7,562 in FY 2014/15.

² The City of San Leandro received three (3) pass-through Measure D payments from the Oro Loma Sanitary District as part of a separate agreement (\$35,460 in FY 2011/12, \$37,635 in FY 2012/13, and \$36,033 in FY 2013/14). The City of San Leandro's beginning Oro Loma fund balance was \$144,185 for FY 2011/12. The City of San Leandro expended \$168,468 of these separately accounted for pass-through Measure D monies between FY 2011/12 and FY 2013/14. The FY 2013/14 ending fund balance for these separate pass-through Measure D funds is \$84,845.

³ The City of San Leandro accounts for Measure D funds received on a cash basis, though the annual report denotes accrual accounting.

⁴ The amounts shown in this column reflect total expenses amounts covered by Measure D funds, though allowable expenses encumbered by the member agency may be larger.

¹ The fund balance is the amount of funds remaining after expenditures have been deducted from the beginning balance and revenues received (including interest), in the fiscal year.

Exhibit E-3
Member Agencies
Measure D “Per Capita” Fund Balances
(Phase II: Fiscal Years 2014/15 and 2015/16)

Member Agency	Fund Balance as of June 30, 2014	Plus Monies Received Over Two Phase II Fiscal Years	Plus Interest Income Over Two Phase II Fiscal Years	Less Monies Expended Over Two Phase II Fiscal Years ⁵	Fund Balance as of June 30, 2016
1. City of Alameda	\$0	\$409,037	\$0	\$409,037	\$0
2. City of Albany	103,992	99,355	-	59,650	143,697
3. City of Berkeley	93,801	632,674	-	387,915	338,560
4. City of Dublin	72,597	288,797	-	129,209	232,186
5. City of Emeryville	52,693	57,387	641	55,000	55,721
6. City of Fremont	179	1,202,816	-	1,202,816	179
7. City of Hayward	739,198	815,507	6,652	998,595	562,761
8. City of Livermore	546,857	456,501	9,171	533,284	479,245
9. City of Newark ⁶	256,620	235,413	914	70,582	422,365
10. City of Oakland	-	2,177,253	-	2,177,253	-
11. City of Piedmont	28,553	59,155	-	81,649	6,059
12. City of Pleasanton	401,133	392,507	12,333	425,687	380,287
13. City of San Leandro ^{7, 8}	139,747	284,088	1,927	222,601	203,161
14. City of Union City	347,111	386,901	4,685	430,333	308,364
15. Castro Valley Sanitary District	126,077	290,583	-	416,660	-
16. Oro Loma Sanitary District	-	649,325	-	649,325	-

⁵ The amounts shown in this column reflect total expenses amounts covered by Measure D funds, though allowable expenses encumbered by the member agency may be larger.

⁶ The City of Newark was required to submit an Expenditure Plan in FY 2016/17 for their fund balance at the end of FY 2015/16.

⁷ The City of San Leandro received two (2) pass-through Measure D payments from the Oro Loma Sanitary District as part of a separate agreement \$36,257 in FY 2014/15 and \$35,169 in FY 2015/16). The City of San Leandro expended \$136,614 of these separately accounted for pass-through Measure D monies between FY 2014/15 and FY 2015/16. The FY 2015/16 ending fund balance for these separate pass-through Measure D funds is \$19,657.

⁸ The City of San Leandro accounts for Measure D funds received on a cash basis, though the annual report denotes accrual accounting.

Exhibit E-4
Member Agencies
Recycled Product Purchase Program (RPPP) Fund Balances
(Phase I: Fiscal Years 2010/11, 2011/12, and 2012/13)

Member Agency	Fund Balance as of June 30, 2011	Plus Monies Received Over Three Phase I Fiscal Years ¹	Less Monies Expended Over Three Phase I Fiscal Years	Fund Balance as of June 30, 2014
1. City of Alameda	\$1,744	\$0	\$1,744	\$0
2. City of Albany	–	–	–	–
3. City of Berkeley	47,440	–	–	47,440
4. City of Dublin	–	–	–	–
5. City of Emeryville	–	–	–	–
6. City of Fremont	–	–	–	–
7. City of Hayward	3,666	–	–	3,666
8. City of Livermore	14,645	–	14,645	–
9. City of Newark	–	–	–	–
10. City of Oakland	66,796	–	29,871	36,925
11. City of Piedmont	1,879	–	1,879	–
12. City of Pleasanton	1,662	–	1,600	62
13. City of San Leandro	–	–	–	–
14. City of Union City	–	–	–	–
15. Castro Valley Sanitary District	17,296	–	2,080	15,216
16. Oro Loma Sanitary District	10,023	–	10,023	–

Few member agencies expended their entire Measure D “per capita” funds in any given year. At the end of Phase I, just three (3) member agencies had a zero fund balance and an additional member agency had less than \$180. Member agencies’ ending fund balances for Phase I ranged between \$0 and \$739,198. Member agencies carried an average fiscal year 2013/14 ending fund balance of approximately \$181,785.²

At the end of Phase II, five (5) member agencies had a zero, or close to zero, fund balance. Member agencies’ ending fund balances at the end of Phase II ranged between \$0 and \$562,761. Member agencies carried an average fiscal year 2015/16 ending fund balance of approximately \$195,222.

Exhibit E-4 presents member agency recycled product purchase program (RPPP) fund balances at the beginning and end of Phase I. Fund balances are adjusted to reflect actual RPPP expenditures. The City of Berkeley and City of Hayward were the only two member agencies that did not expend available fund balances.

At the end of Phase I, ending fiscal year 2013/14 RPPP fund balances ranged between \$0 and \$47,440. Only five member agencies had a RPPP fund balance at the end of Phase I. During Phase II, none of the remaining five member agencies spent RPPP funds.

² This ending balance reflects an adjusted \$0 balances for those member agencies reporting a negative balance at the end of the fiscal year. This reflects member agencies inability to carry over a negative balance into the following year.

Exhibit E-4
Member Agencies
Recycled Product Purchase Program (RPPP) Fund Balances
(Phase II: Fiscal Years 2014/15 and 2015/16)

Member Agency	Fund Balance as of June 30, 2014	Plus Monies Received Over Two Phase II Fiscal Years ¹	Less Monies Expended Over Two Phase II Fiscal Years	Fund Balance as of June 30, 2016
1. City of Alameda	\$-	\$-	\$-	\$-
2. City of Albany	-	-	-	-
3. City of Berkeley	47,440	-	-	47,440
4. City of Dublin	-	-	-	-
5. City of Emeryville	-	-	-	-
6. City of Fremont	-	-	-	-
7. City of Hayward	3,666	-	-	3,666
8. City of Livermore	-	-	-	-
9. City of Newark	-	-	-	-
10. City of Oakland	36,925	-	-	36,925
11. City of Piedmont	-	-	-	-
12. City of Pleasanton	62	-	-	62
13. City of San Leandro	-	-	-	-
14. City of Union City	-	-	-	-
15. Castro Valley Sanitary District	15,216	-	-	15,216
16. Oro Loma Sanitary District	-	-	-	-

Appendix F
Description of Grants Reviewed



Appendix F

Description of Grants Reviewed

The Recycling Board awarded grants to non-profits, providing funding for innovative projects intended to increase individual and community involvement in recycling and source reduction efforts. As specified in Subsection 64.060(B) of Measure D, the Recycling Board must allocate ten (10) percent of Measure D funds to a grant program for non-profit organizations engaged in maximizing recycling, composting, and waste reduction within the County. Measure D also allows use of these funds for "...planning, research and studies directed at furthering the purposes of this Act."

During Phase I of the Five Year Audit, the Recycling Board awarded 63 grants through open procurement cycles totaling \$800,326, and 14 grants awarded for StopWaste.Org program services totaling \$577,480. From these 63 open procurement grants, and 14 program services grants, we selected 12 open procurement and 3 program services grants for detailed review and compliance testing.

During Phase II of the Five Year Audit, the Recycling Board awarded 27 grants to non-profits through open procurement cycles totaling \$601,226, and 10 project contracts awarded for StopWaste.Org program services totaling \$245,246. From these 27 open procurement grants, and 10 program services grants, we selected 9 open procurement and 3 program services grants for detailed review and compliance testing. The Recycling Board also awarded 28 Community Outreach grants during Phase II. These \$5,000 mini grants, totaling \$140,000, were not included in the pool of Phase II contracts for selection and review.

Exhibit F-1 summarizes the number, and dollar amounts, of grants tested. The 12 open procurement grants represent 42 percent of the \$800,326 in awards for fiscal years 2011/12 through 2013/14. The 9 open procurement grants represent 50 percent of the \$601,226 in awards for fiscal years 2014/15 and 2015/16. Open procurement grants we selected for review ranged from \$5,000 to \$85,000 per award, totaling \$635,012 in awards.¹

The 3 program services grants we selected for review during Phase I accounted for \$275,000, or 48 percent, of total program services grants awarded. The 3 program services grants we selected for review during Phase II accounted for \$55,000, or 22 percent, of total program services grants awarded. Program services grants we selected ranged from \$20,000 to \$120,000 per award.

We conducted in-person and telephone interviews of grant recipients and project managers, during February and March 2015 for Phase I, and March to June 2017 for Phase II, in an effort to understand their operations and expenditures related to the grants. Selected grant recipients spent up to four (4) hours with us. Grant recipients and project managers provided the following types of data and information in support of Measure D grant funding received:

- Accounting summaries
- Activity dates and attendance lists
- Check stubs
- Diversion tracking reports
- Educational and promotional materials
- Expenditure summaries
- Intermediate, and final project reports
- Invoices
- Payroll summaries
- Physical inspections
- Project deliverables (e.g., final reports)
- Project narratives
- Promotional material samples
- Supplemental documentation.

¹ These Phase II amounts do not include the Community Outreach grants. These mini grants accounted for an additional \$140,000 in awards during Phase II. The 9 tested open procurement grants represent 40% of the \$741,226 in Phase II open procurement grants, including the Community Outreach grants.

Exhibit F-1**Summary of Grants Awarded and Tested****Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14****Phase II: Fiscal Years 2014/15 and 2015/16**

Fiscal Year	Grants Awarded		Grants Tested		Percent of Awarded Amount Tested
	Number	Amount	Number	Amount	
Phase I: Grants Awarded Through Open Procurement Cycles					
2011/12	17	\$276,000	4	\$160,400	58%
2012/13	25	369,051	5	108,966	30%
2013/14	21	155,275	3	65,646	42%
Subtotal	63	\$800,326	12	\$335,012	42%
Phase I: Grants Awarded As Contracts for Program Services Needed by StopWaste					
2011/12	9	\$223,200	1	\$85,000	38%
2012/13	2	115,000	1	70,000	61%
2013/14	3	239,280	1	120,000	50%
Subtotal	14	\$577,480	3	\$275,000	48%
Phase I Total	77	\$1,377,806	15	\$610,012	44%
Phase II: Grants Awarded Through Open Procurement Cycles					
2014/15	18	\$416,226	5	\$175,000	42%
2015/16	9	185,000	4	125,000	68%
Sample Subtotal	27	601,226	9	300,000	50%
Community Outreach ²	28	140,000	0	0	0%
Subtotal	55	\$741,226	9	\$300,000	40%
Phase II: Grants Awarded As Contracts for Program Services Needed by StopWaste					
2014/15	9	\$235,246	2	\$45,000	19% ³
2015/16	1	10,000	1	10,000	100%
Subtotal	10	\$245,246	3	\$55,000	22%
Phase II Total	65	\$986,472	12	\$355,000	36%
Total	142	\$2,364,278	27	\$965,012	41%

² These 28 Community Outreach grants awarded during Phase II were not considered for review due to the small fund amounts and generally prescriptive in nature.

³ The Board's contract with Crowe Horwath to perform these Five Year Financial and Compliance Audit services represented over 40 percent of the total program service monies awarded during 2014/15. As such, it was excluded from test selections. Of the remaining contract monies awarded, the two contracts tested represent 33 percent of the awarded contracts during 2014/15.

Exhibit F-2 provides a summary of the 15 grant recipients selected for our compliance review during Phase I. **Exhibit F-3** provides a summary of the 12 Phase II grant recipients selected for our compliance review during Phase II. In the remainder of this appendix, we provide an overview of each of the grants we reviewed, specific findings related to the grant, and our conclusions concerning whether the grant recipient met Measure D requirements. The remainder of this appendix is organized as follows:

- A. Recipients of Grants Awarded Through Open Procurement Cycles*
- B. Recipients of Grants Awarded for Needed StopWaste Program Services.*

Exhibit F-2
Non Profit Grant Recipient Summary
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

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Fiscal Year	Grant Recipient	Grant Purpose(s)	Validated Recycling Board Disbursements to Grant Recipient	Total Award Amount
Grants Awarded Through Open Procurement Cycles				
2011/12	1. Community Conservation Center Berkeley	Purchase equipment to expand their MRF to include a container system upgrade to include rigid plastics.	\$75,000 <u>10,000</u> 85,000	\$85,000
	2. Hope for the Heart Food Bank	Support development of recycling infrastructure to improve efficiency and effectiveness of food bank's recycling and reuse operations.	25,000	30,000
	3. Loved Twice	Fund executive director's salary to support ongoing efforts to promote reuse by making used baby clothing available to low income families in Alameda County.	15,000	15,000
	4. Society of St. Vincent De Paul of Alameda County	Purchase more reliable, efficient box truck that plays a vital role in reuse and recycling operations.	27,400 <u>3,000</u> 30,400	30,400
2012/13	5. Alameda County Food Bank	Support Grocery Rescue Program positions and purchase food protection equipment and scales.	10,000 8,000 <u>2,000</u> 20,000	20,000
	6. Bio Integral Resource Center (BIRC)	Conduct research on integrated pest management alternatives to pest applications in structural pest control, landscapes, and agriculture; and produce directory.	10,000 <u>5,000</u> 15,000	15,000
	7. Clean Water Fund San Francisco	Support promotion of reusables (servicewear), conducting business audits, and developing best management practices and case studies to reduce disposable serviceware.	15,000* *active during Phase I review, now complete	45,000
	8. Goodwill Charity Thrift	Support for proper disposal of illegally dumped materials.	13,966	13,966
	9. OTX-West (Oakland Technology Exchange West)	Support computer collection and refurbishment program staffing; collect and refurbish computers and computer peripherals provided to Oakland Middle and High School students free of charge; and provide a class and technical support.	5,000 <u>10,000*</u> 15,000 * final payment approved but not paid as of our Phase I review, now complete	15,000

Exhibit F-2
Non Profit Grant Recipient Summary
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14) *(continued)*

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Fiscal Year	Grant Recipient	Grant Purpose(s)	Validated Recycling Board Disbursements to Grant Recipient	Total Award Amount
Grants Awarded Through Open Procurement Cycles <i>(continued)</i>				
2013/14	10. City Slickers	Support promotion of food scrap recycling activities to underserved communities.	2,500* *Active during Phase I review, now complete	5,000
	11. Civicorps Schools	Purchase and install a cross belt magnet, increasing efficiency of recycling operations.	30,000 <u>10,000</u> 40,000	45,646
	12. Resource Area for Teachers (RAFT)	Support driver position and collection of surplus materials from Alameda County businesses, and offer workshops to Alameda County teachers.	10,000 <u>5,000</u> 15,000	15,000
Subtotal Grants Awarded Through Open Procurement Cycles				\$335,012
Grants Awarded for Needed StopWaste Program Services				
2011/12	1. YMCA of East Bay	Support Camp Arroyo's camperships, including pre-camp activities, campership attendance, and campership outcomes reporting.	10,000 10,000 55,000 5,000 <u>5,000</u> 85,000	\$85,000
2012/13	2. Build It Green	Redesign Green Product Directory (GPD) to enhance user interface, enable a save products function, enable easier submission and review of new green products, enhance reporting, and use Salesforce.com platform.	27,490 31,660 <u>10,850</u> 70,000	70,000
2013/14	3. Bay Friendly Coalition	Support operation and outreach for the Bay-Friendly Rated Landscape program	21,250 12,750 <u>18,250</u> 52,250	\$80,000 <u>40,000</u> \$120,000
Subtotal Grants Awarded for Needed StopWaste Program Services				\$275,000
Total				\$610,012

Exhibit F-3
Non Profit Grant Recipient Summary
(Phase II: Fiscal Years 2014/15 and 2015/16)

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Fiscal Year	Grant Recipient	Grant Purpose(s)	Validated Recycling Board Disbursements to Grant Recipient	Total Award Amount
Grants Awarded Through Open Procurement Cycles				
2014/15	1. Global Green USA	Deploy and assess enhanced food scrap reduction and recovery programs at multi-family buildings	20,000 <u>20,000</u> 40,000 (active)	50,000
	2. K to College	Green Access Pledge (GAP) Program incentivizes Alameda County employers to have their electronic waste collected for reuse program to provide refurbished computers to low income college students	9,000 <u>15,750</u> 24,750 (active)	50,000
	3. MedShare	Facility upgrade to increase medical supply throughput at facility, including funding for approximately seven types of equipment.	30,000 <u>10,000</u> 40,000	40,000
	4. Ruby's Place Inc.	Develop and implement formal recycling and food scrap collection program at their women's shelter, including outreach to low income community members on importance of food scrap recycling and lawn conversion	13,000 <u>7,000</u> 20,000	20,000
	5. Wardrobe for Opportunity	Collect donations of professional clothes and redistributes to low-income, job-seeking clients for Find a Job program	10,000 <u>5,000</u> 15,000	15,000
2015/16	6. Civicorps Schools	Purchase a rear-loader recycling truck to replace aging truck used in commercial recycling operation.	\$15,000 25,000 <u>5,000</u> 45,000	\$45,000
	7. Ecology Center	Fund Ecology's Zero Waste Apartment Project to reach multi-family residences by providing a strong replication model with technical assistance for multi-family waste diversion.	7,500 (active)	20,000
	8. MedShare	Funds to purchase a new truck to replace aging truck for the hospital waste diversion-reuse expansion program.	41,000 <u>4,000</u> 45,000	45,000
	9. Rising Sun	Provide waste diversion education and resources to 1,000 households served in Alameda County in addition to providing in-depth reduction and diversion education to the 36 Alameda County residents who will implement the program as CYES youth employees.	10,000 <u>5,000</u> 15,000	15,000
Subtotal Grants Awarded Through Open Procurement Cycles				\$300,000

Exhibit F-3
Non Profit Grant Recipient Summary
(Phase II: Fiscal Years 2014/15 and 2015/16) *(continued)*

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Fiscal Year	Grant Recipient	Grant Purpose(s)	Validated Recycling Board Disbursements to Grant Recipient	Total Award Amount
Grants Awarded for Needed <i>StopWaste</i> Program Services				
2014/15	1. FM3	Perform research to identify barriers and benefits of residential curbside food scrap/food soiled paper recycling	\$25,000 * \$34k total contract, \$25k funded through grant fund	\$25,000
	2. Healthy Building	Green building materials project includes identifying the most prevalent recycled feedstock used in Alameda County; mapping material flows; and providing resources to inform consumers of best purchasing decisions for recycled content building materials.	14,800 <u>5,200</u> 20,000 * \$40k total contract, \$20k funded through grant fund	20,000
2015/16	3. Clean Water Fund	Perform the ReThink Disposable video project, developing multiple ReThink Disposable participating business videos, spotlighting success stories.	10,000	10,000
Subtotal Grants Awarded for Needed <i>StopWaste</i> Program Services				\$55,000
Total				\$355,000

A. Recipient of Grants Awarded Through Open Procurement Cycles

Below, we describe our findings for the 12 open procurement grants we reviewed, organized by the fiscal year that the Recycling Board awarded the grant.

Phase I Review

Fiscal Year 2011/12

1. The Community Conservation Centers, Inc. (CCC) Berkeley is contracted by the City of Berkeley to operate the buyback/drop-off at Berkeley Recycling Center and Berkeley's material recovery facility (MRF). The Recycling Board awarded the CCC a grant of \$85,000 to pay half the cost of upgrading CCC's container line for mixed plastics recycling.

This project was designed to enable the efficient pulling of mixed plastics, #1 through #7, from the mixed container stream. We performed an onsite visit, confirming the equipment's installation. We received and reviewed the vendor quote and re-quote, architectural plans, FY 2009 and FY 2010 financial statements, and news articles and materials handling flyer. We also reviewed Board staff site visit and grantee communications documentation. The CCC also provided a final report and ten (10) months of tonnage reports for plastics collection, including mixed containers and rigid plastics received through the sort line or by donation. We determined that the Community Conservation Center complied with the terms and conditions of the grant, and complied with Measure D requirements.

2. Hope 4 the Heart, Inc. (Hope 4 the Heart) food bank distributes millions of pounds of high quality food a year to families in crisis. Hope 4 the Heart diverts unused products and their containers from landfills through their volunteer efforts. The Recycling Board awarded Hope or the Heart a grant of \$30,000 to develop a recycling enclosure to support Hope 4 the Heart's construction of a new warehouse and food storage and distribution facility. The Board amended the agreement in 2014 to extend the contract from the 9/25/2014 contract end date. As of our review, the agreement was still open and Hope 4 the Heart had yet to invoice for the final balance of \$5,000. The grant is now complete and closed.

We performed an onsite visit, confirming the infrastructure's installation and operations. We reviewed the grant application, liability insurance, invoice, cost summary, project cost tabulation, construction status communications, construction timeline, and other relevant documentation related to the agreed upon deliverables for the initial payment. The contract was not complete as of our review, as StopWaste was in the process of extending the contract through an amendment. We determined Hope 4 the Heart complied with the terms and conditions of the grant, and complied with Measure D requirements.

3. Loved Twice offers clothes to newborns in need, providing quality recycled baby clothing for the first year of life. Loved twice collects baby wear, sorts these garments into one-year wardrobes-in-a-box, and distributes them through licensed social workers in hospitals, shelters, and clinics in underserved neighborhoods. The Recycling Board awarded Hope for the Heart a grant of \$15,000 to partially fund the salary of the Executive Director, supporting on-going efforts to promote reuse and increase the amount of reused clothing made available to low income families in Alameda County.

We reviewed the application, project budget, general operating budget, proof of non-profit status, and invoice. We also reviewed articles, media clips, recipient thank you letters, donation recipient hospitals/facilities list, donation volumes, status updates, and the final report. We determined that Loved Twice complied with the terms and conditions of the grant, and complied with Measure D requirements.

4. The Society of St. Vincent De Paul of Alameda County (SVdP) provides emergency assistance services to people in need. SVdP's Social Enterprises Division operates three thrift stores (selling donated clothing, furniture, and household items), a gallery with art studios and retail space dedicated to "upcycled" art and goods, an auto donation program, an electronics recycling program, a wholesale thrift operation, and a recyclable materials program. The Recycling Board awarded SVdP a grant of \$30,400 (in matching funds) to purchase a more reliable, efficient box truck that plays a vital role in reuse and recycling operations.

We performed an onsite visit, confirming the box truck purchase and operation. We reviewed the project deliverables and timeline, project budget, proof of non-profit status, compilation report, proof of liability insurance, and contract. We also reviewed the approved invoices, truck log usage (6/1/12 to 2/28/13), picture of purchased vehicle, purchase agreement, and final report. We determined that the Society of St. Vincent De Paul complied with the terms and conditions of the grant, and complied with Measure D requirements.

Fiscal Year 2012/13

5. The Alameda County Food Bank's mission is to alleviate hunger by providing nutritious food and nutrition education to people in need, educating the public, and promoting public policies that address hunger and its root causes. The Recycling Board awarded the Alameda County Food Bank a grant of \$20,000 to expand the Food Bank's *Grocery Rescue Program: Recovering Food to Feed Hungry People in Alameda County* (GRP).

We reviewed the financial statements, food tracking strategy, and education and outreach materials. We also reviewed the invoices, food distribution/diversion tracking reports, retail donors lists, strategic plan, status report, and final report. We determined that the Alameda County Food Bank complied with the terms and conditions of the grant, and complied with Measure D requirements.

6. The Bio Integral Resource Center (BIRC) performs research on integrated pest management alternatives to pesticide applications in structural pest control, landscapes, and agriculture. The Recycling Board awarded BIRC a grant of \$15,000 to produce the Directory of Least-toxic Pest Control Products Directory, including updating databases, contacting manufacturers and distributors, and answering written and electronic correspondences.

We reviewed the project budget, financial statements, receipts and invoices for portion of operating/production costs, and project deliverables and timeline. We also reviewed the approved invoices, timesheets, final report, and 2013 Directory. We determined that BIRC complied with the terms and conditions of the grant, and complied with Measure D requirements.

7. The Clean Water Fund's mission is to develop strong grassroots environmental leadership and to bring together diverse constituencies to work cooperatively for changes that improve their lives, focused on health, consumer, environmental, and community problems. The Recycling Board awarded the Clean Water Fund a grant of \$45,000 to provide technical assistance and outreach to food related businesses to reduce the amount of take-out packaging and single use products consumed.

We reviewed the project deliverables timeline, project budget, contract and amendment, and proof of workers' compensation and liability insurance. We also reviewed the status report, presentation schedules, Food Serviceware Guide, mailer, first invoice, and work group update. The contract was amended to December 31, 2015 and tasks changed from the original agreement scope. As of our Phase I review, the grant was still active. We determined that the Clean Water Fund complied with the terms and conditions of the grant, and complied with Measure D requirements for the first payment. The grant is now complete and closed.

8. The Goodwill Industries of the Greater East Bay (Goodwill) works to enhance the dignity and quality of life of individuals and families by strengthening communities, eliminating barriers to opportunity, and helping people in need reach their full potential through learning and the power of work. The Recycling Board awarded Goodwill a grant of \$13,966 to assist with disposal costs associated with receiving donated and illegally dumped materials.

We reviewed the proof of non-profit status, invoice, diversion and disposal tonnage reports, Board staff site visit notes, Board communications, and approved requirements checklist. This grant provided reimbursement for Measure D tipping fee disposal costs, rather than the conventional grant application for funds to perform activities in a period. We determined that Goodwill complied with the terms and conditions of the grant, and complied with Measure D requirements.

9. The Marcus A, Foster Oakland Technology Exchange West (OTX-West) collects, refurbishes, and distributes computers to low income Oakland families, schools, and non-profits, adding years of life

to what would otherwise be considered e-waste. The Recycling Board awarded OTX a grant of \$15,000 to collect and refurbish computers and computer peripherals; and provide them to Oakland middle and high school students free of charge, along with a class and technical support. The requested funds were to be used towards computer collection and refurbishment program staffing.

We reviewed the contract, amendment, approved initial invoice, and final report. As of our review, OTX submitted the final invoice for approval and payment. As of our Phase I review, StopWaste approved the invoice and was in the process of issuing the payment. We determined that the OTX complied with the terms and conditions of the grant, and complied with Measure D requirements. The grant is now complete and closed.

Fiscal Year 2013/14

10. City Slicker Farms' mission is to empower community members to meet the basic need for fresh, healthy food by creating sustainable, high-yield urban farms and backyard gardens through three programs, 1) Backyard Garden Program, 2) Community Market Farms Program, and 3) Urban Farming Education Program. The Recycling Board awarded City Slickers a grant of \$5,000 to work with the StopWaste Community Outreach Associate to host a presentation, participate at a Board meeting, and provide literature and pledge materials to participants.

We reviewed the contract, proof of liability insurance, and approved initial invoice. As of our review, the contract was still open. We determined that to date the City Slickers complied with the terms and conditions of the grant, and complied with Measure D requirements.

11. Civicorps is the largest non-profit recycler in Oakland and operate a Recycling Internship Program which engages 25 East Bay at-risk young adults. Civicorps Schools provides transformative educational and employment opportunities for underserved East Bay youth and young adults. The Recycling Board awarded Civicorps Schools a grant of \$45,646 to purchase and install a cross belt magnet to increase the efficiency of Civicorps recycling operations.

We confirmed the equipment's installation and operations. We reviewed the project deliverables timeline, project budget, installation quote/re-quote and specifications, proof of non-profit status, financial statements, and proof of insurance. We also reviewed approved invoices, recycling data compilation, news article, vendor invoice, and proof of payment (to vendor). The final invoice was approved for payment on April 29, 2015. We determined that Civicorps Schools complied with the terms and conditions of the grant, and complied with Measure D requirements. As of this writing, the Civicorps had discontinued operation of its sort line due to decreased funding from CalRecycle and increased labor costs.

12. The Resource Area for Teachers (RAFT) collects surplus materials from manufacturers and businesses and makes these materials available to teachers and community educators. Classroom teachers and community educators use the material supplies to design hands-on activities for their students. The Recycling Board awarded RAFT a grant of \$15,000 to partially support a driver position, critical to collection of donated items in Alameda County.

We reviewed proof on non-profit status, proof of liability insurance, approved invoices, and final report. We determined that RAFT complied with the terms and conditions of the grant, and complied with Measure D requirements.

Phase II Review

Fiscal Year 2014/15

13. Global Green USA's mission is to foster a global value shift toward a sustainable and secure future. Global Green improve the lives of people by educating students and community members on climate change and resiliency, and assisting with the implementation of sustainable lifestyle practices. The Recycling Board awarded Global Green a grant of \$50,000 to deploy and assess enhanced food scrap reduction and recovery programs at multi-family buildings. This includes door-to-door outreach, tenant workshop/training, surveys, and baseline and post waste characterizations, and other analysis.

We reviewed the application and correspondence, contract and contract extension, sample compostable bags, multi-family data collections, sample sites, approved invoices, and report. The contract was active at time of grant review, with a final payment of \$10,000 remaining. We determined that Global Green complied with the terms and conditions of the grant, and complied with Measure D requirements.

14. The K to College Green Access Pledge (GAP) Program incentivizes Alameda County employers to have their electronic waste collected for a unique reuse program that subsequently provides refurbished computers to homeless, foster, and other low-income Alameda County children, youth and community college students. The Recycling Board awarded K to College a grant of \$45,000 for GAP program outreach and collections.

We reviewed the contract, contract, outreach materials, Memorandum of Understandings, approved invoices, payment detail, progress report, pledges, marketing materials, and approved invoices. As of our review, the contract was still open. We determined that K to College complied with the terms and conditions of the grant, and complied with Measure D requirements.

15. Medshare sources essential, surplus medical supplies and equipment from Alameda County hospitals, and delivers them directly to underserved populations worldwide while lessening the impact of medical waste. MedShare has numerous Alameda County hospitals and healthcare facilities as partners for diversion/collection. The Recycling Board awarded Medshare a grant of \$40,000 for a facility upgrade to increase throughput and efficiency within the MedShare facility.

We reviewed the quotes for various equipment/infrastructure, updated operational spaces, list of collection facilities and hospital locations, list of receiving health clinics, collection data, approved invoices, PM communications, and payment detail. We determined that Medshare complied with the terms and conditions of the grant, and complied with Measure D requirements.

16. Ruby's Place Inc. provides prevention and supportive services to the community and people impacted by domestic violence, human trafficking or homelessness. They offer a variety of services including an emergency shelter. The Recycling Board awarded Ruby's Place a grant of \$20,000 to implement a formal recycling and food waste program at the shelter, rebuild the facility's trash/recycling enclosure which will enable them to accommodate a larger recycling bin as well as composting bin. In addition, Ruby's place will convert a portion of the Ruby's place lawn to a sustainable garden using StopWaste's Lawn to Garden grant

We reviewed the contract and amendment, PM communications, noted StopWaste presentations, site photos, vendor contract for fencing, logged outreach, noted pledges, final report, and approved invoices. We determined that Ruby's Place complied with the terms and conditions of the grant, and complied with Measure D requirements.

17. Wardrobe for Opportunity (WFO) works in partnership with the community to assist low-income individuals in their efforts to find a job, keep a job, and build a career. WFO collects donations of professional clothes from Alameda County communities and distributes them to low-income, job-seeking clients. The Recycling Board awarded WFO a grant of \$15,000 to support their Find a Job Program, that provides the reuse of clothing to almost 2,000 unemployed and under-employed community members in addition to image and interview workshops that help individuals improve their presentation and confidence.

We reviewed the application and contract, PM communications, reuse data, infographics flyer, final report, payment detail, and approved invoices. We determined that Wardrobe for Opportunity complied with the terms and conditions of the grant, and complied with Measure D requirements.

Fiscal Year 2015/16

18. Civicorps is the largest non-profit recycler in Oakland and operate a Recycling Internship Program which engages 25 East Bay at-risk young adults. Civicorps Schools provides transformative educational and employment opportunities for underserved East Bay youth and young adults. The Recycling Board awarded Civicorps Schools a grant of \$45,000 to purchase a rear-loader truck for their Recycling Social Enterprise.

We confirmed the truck purchase. We reviewed the baseline collection data and post-operational collection data. We reviewed the project deliverables timeline, project budget, vendor invoice, proof of payment, and executed equipment lien. We also reviewed final report, Board approved invoices, Civicorps annual report with sponsor acknowledgement, images of vehicle in operations, and final report. We determined that Civicorps Schools complied with the terms and conditions of the grant, and complied with Measure D requirements.

19. Ecology Center is a nonprofit organization located in Berkeley, California that focuses on improving the health and the environmental impacts of urban residents. The Ecology Center's Zero Waste Apartment Project will work in partnership with the City of Berkeley and StopWaste to educate and support three primary audiences in reducing waste: 1) property owners/managers of 100+ unit multifamily residential buildings in Berkeley, 2) tenants of these buildings, and, 3) low-income youth ages 14-24. Particular emphasis will be placed on the importance of diverting waste comprised of mixed paper, co-mingled containers, and food scraps from our landfill. The Recycling Board awarded Ecology Center a grant of \$20,000 to recruit and train youth in waste reduction; perform outreach with multifamily dwellings; and measure diversion impact of outreach efforts.

We reviewed the contract and approved initial invoice. As of our review, the contract was still open. We determined that to date the Ecology Center complied with the terms and conditions of the grant, and complied with Measure D requirements.

20. MedShare sources essential, surplus medical supplies and equipment from Alameda County hospitals, and delivers them directly to underserved populations worldwide while lessening the impact of medical waste. MedShare has numerous Alameda County hospitals and healthcare facilities as partners for diversion/collection. The Recycling Board awarded MedShare a grant of \$45,000 to purchase a new truck for the hospital waste diversion-reuse expansion program.

We confirmed the vehicle's purchase and operations. We reviewed the contract, purchase quotes, lien, buyers order, approved invoices, recycling data compilation, final report, and vendor invoice. We determined that MedShare complied with the terms and conditions of the grant, and complied with Measure D requirements.

21. The Rising Sun is a nonprofit workforce development organization that targets services to underserved populations in order to address two challenges: unemployment and climate change. Through its California Youth Energy Services (CYES) program, Rising Sun trains and employs young people, putting them to work providing members of their communities with no-cost direct-install energy efficiency and water conservation services. The Recycling Board awarded Rising Sun a grant of \$15,000 to support in-depth education and diversion education to the 36 Alameda County residents, implementing the program as CYES youth employees and provide waste diversion education and resources to 1,000 households served in Alameda County.

We reviewed the executed contract, approved invoices, payment details, basic contract requirements (e.g., insurance), program evaluation, and final report. We determined that Rising Sun complied with the terms and conditions of the grant, and complied with Measure D requirements.

B. Recipient of Grants Awarded for *StopWaste* Program Services

Below, we describe our findings for the six program services grants we reviewed, organized by the fiscal year that the Recycling Board awarded the grant.

Phase I Review

Fiscal Year 2011/12

1. The YMCA of East Bay provides programs and services centered on child care, teen enrichment, health and wellness, and cultural harmony. The Recycling Board awarded the YMCA of East Bay a grant contract extension of \$85,000 to provide "Four Rs" education programs camperships to students throughout Alameda County. The three-day, two-night, campership program was a

residential outdoor environmental educational program at Camp Arroyo Outdoor School, located in Livermore, California. Camp Arroyo attendance totaled 404 students and 87 adults, during 2012.

We reviewed contract extension documents, financial statements, program reports, photographs, evaluations, lesson plans, invoices, and attendance lists. We determined that YMCA of East Bay complied with the terms and conditions of the grant, and complied with Measure D requirements.

Fiscal Year 2012/13

2. Build It Green promotes healthy, energy and resource-efficient homes in California through local government support, professional training, collaboration forums, consumer education, and green product marketing. The Recycling Board awarded Build It Green a grant of \$70,000 to redesign the Green Product Directory, with the objectives to: 1) enhance user interfaces and search processes, 2) enable a save products function, 3) add a supplier-friendly process for new product submission and review, 4) enhance reporting capabilities, and 5) use a Salesforce.com platform for reporting and approval processes.

We reviewed the approved invoices, deliverable and timeline, planning analysis findings report, final planning analysis and solutions report, wireframe platform and capabilities report, green product directory beta report, beta testing report, updated website, product list, and plans for future iterations. We determined that Build It Green complied with the terms and conditions of the grant, and complied with Measure D requirements.

Fiscal Year 2013/14

3. The Bay-Friendly Landscaping & Gardening Coalition works in partnership with public agencies, the landscape industry, and property owners to reduce waste and pollution, conserve natural resources, and create vibrant landscapes and gardens. The Recycling Board originally awarded the Bay Friendly Coalition a grant of \$80,000 to perform the following services: (1) develop modules-based curriculum and accompanying landscape professionals qualification; (2) streamline the rated landscapes process; (3) create a robust promotion plan; (4) conduct corporate outreach; (5) create website upgrade work plan; and (6) support development of organization that advances statewide standards for sustainable landscaping. The Board amended the agreement to \$120,000 (additional \$40,000) to include a new task, operations and outreach for the Bay-Friendly Rated Landscape program.

We reviewed the contract billing calculations, invoices, curriculum module, strategic plan, promotional plan, media clippings, scorecards, garden practices checklist, program highlights, and website upgrade work plan. As of our review, the contract is still open. We determined that the Bay-Friendly Coalition complied with the terms and conditions of the grant, and complied with Measure D requirements.

Phase II Review

Fiscal Year 2014/15

4. Fairbank, Maslin, Maullin, Metz & Associates (FM3), specializes in public policy-oriented opinion research. FM3 offers a wide range of opinion research, communications strategy and consulting services to assist government agencies. FM3 opinion research services include consumer market research, public-sector community relations and outreach program development and implementation and a number of other services. The Recycling Board awarded FM3 a service contract of \$34,000 (\$25,000 funded through grant monies) to conduct research to identify barriers and benefits of residential curbside food scrap/food soiled paper recycling.

We reviewed the contract, outreach statistics, analysis, final presentation, and payment records. We determined FM3 complied with the terms and conditions of the contract, and complied with Measure D requirements.

5. Healthy Building Network's (HBN's) Optimizing Recycling is a collaboration with StopWaste.org, with support from the San Francisco Department of the Environment, that examines the hazards, supply chains, and economic impacts of recycled feedstock streams in building products. Optimizing Recycling is designed to foster open, transparent, discussions between recycling authorities (from local to global), scrap processors, health and environmental researchers, recycling workers, fence-line communities, green chemists, product designers, process engineers, building owners, and building product manufacturers who share the goal of optimizing recycling's benefits. The Recycling Board awarded Healthy Building a service contract of \$40,000 (\$20,000 funded through the grants to nonprofits fund) to continue their examination of recycled materials with development and publication of five additional feedstock reports; and provide LEED and Green Codes recommendations.

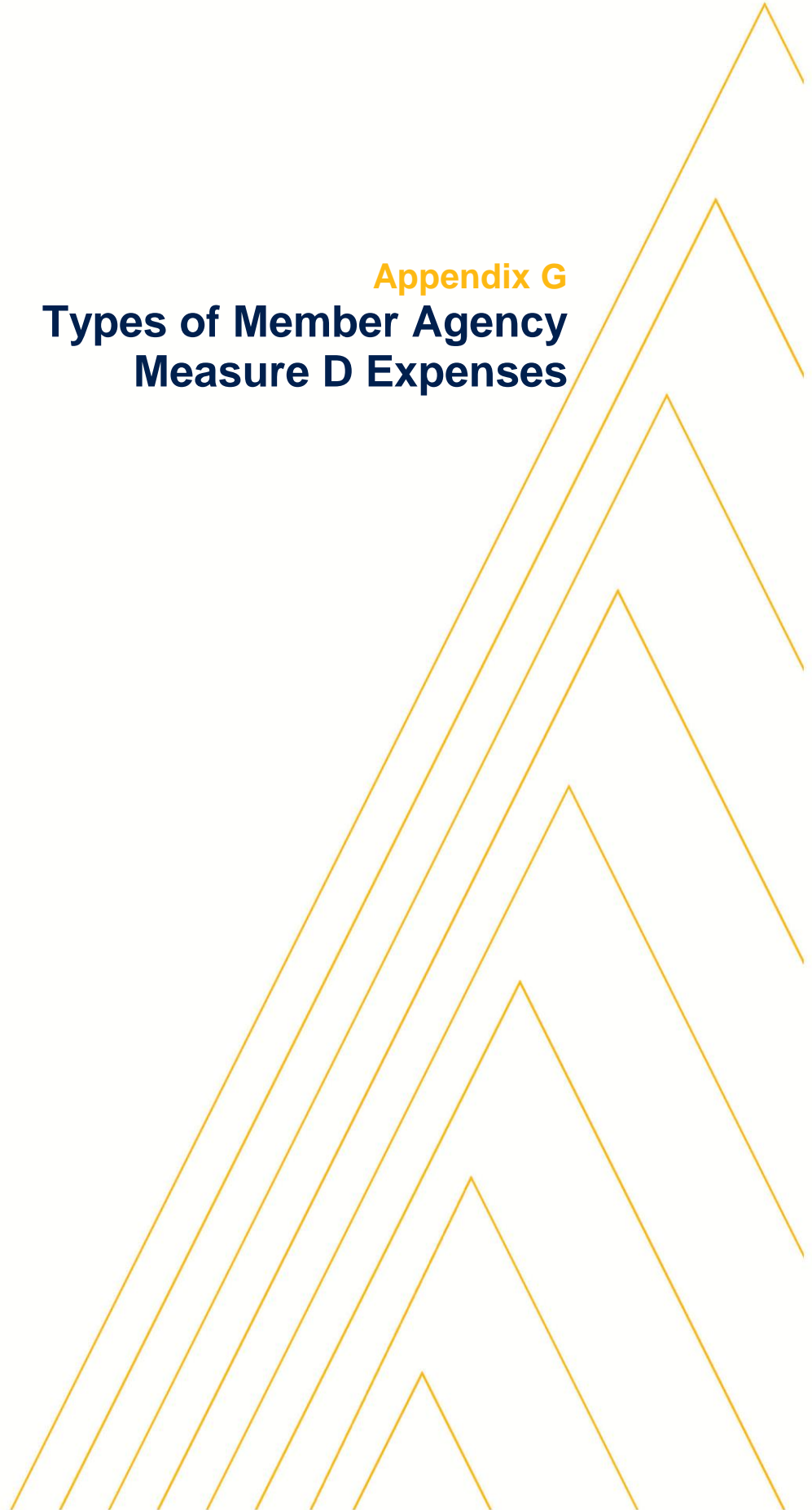
We reviewed the contract and amended contract, and published reports. We determined that HBN complied with the terms and conditions of the contract, and complied with Measure D requirements.

Fiscal Year 2015/16

6. Clean Water Fund has helped people campaign successfully for cleaner and safer water, cleaner air, and protection from toxic pollution in our homes, neighborhoods and workplaces. Part of Clean Water's focus is taking-on single use products. From shopping bags, to food and beverage packaging, to plastic water bottles, their goal is to minimize the use of single use products. The Recycling Board awarded Clean Water Fund a service contract of \$10,000 to develop multiple short professionally produced videos introducing the ReThink Disposable program and five champion businesses that have achieved significant measurable waste reductions, including: 1) Oakland-Bishop O'Dowd High School (Institutional Dining), 2) Oakland- Sacred Wheel (Fast Casual Café), 3) Alameda- Lola's Chicken Shack (mix of to-go and dine-in), 4) Alameda- Beanery (Coffee Shop/ Café), and 5) Berkeley- Carravagio (Gelato Shop).

We reviewed the contract, payment summary, video, final project summary, and website upgrade work plan. We determined that the Clean Water Fund complied with the terms and conditions of the grant, and complied with Measure D requirements.

Appendix G
Types of Member Agency
Measure D Expenses



Appendix G

Member Agency Expenditures

Member agencies received Measure D monies through (1) Measure D “per capita” allocation, and (2) “leftover” Recycled Product Purchase Preference (RPPP) program distributions. Resolution Number RB 2006-12 requires member agencies to account for these Measure D monies, including reporting expenditures during each fiscal year.

Subsection 64.060(B) of Measure D requires the 50 percent per capita distribution go to member agencies to continue and expand municipal recycling programs. This “municipal recycling programs” definition includes:

- Recycling
- Composting
- Source reduction
- Market development
- Recycled product procurement
- Public education.

Member agencies use Measure D funds for a range of expenses, including:

- Administrative overhead
- Capital assets
- Consultants and contractors
- Direct labor
- Events
- Promotional materials
- Supplies
- Other costs legitimately connected to waste reduction programs.

We reviewed member agency expenses for the Phase I fiscal years of 2011/12, 2012/13, and 2013/14; and Phase II fiscal years of 2014/15 and 2015/16. We organized expenses into six (6) categories. **Exhibit G-1**, on the following page, lists example expenses for each of these six (6) categories.

Measure D “per capita” expenses are presented in **Exhibit G-2**, on pages G-3 and G-4, for Phase I and Phase II. Individual expenses ranged from an under \$1.00 supply cost, to a \$1.18 million cost for a residential recycling program, during Phase I. Individual expenses ranged from an under \$1.00 supply cost, to a \$1.00 million cost for a residential recycling program, during Phase II.

RPPP expenses ranged from large infrastructure project assistance, to office product purchases. As member agencies did not receive any additional RPPP funds during Phase I and Phase II, overall purchases were based on member agency balances from prior years. **Exhibit G-3**, on page G-4, presents categorized expenses for the RPPP program, for Phase I and Phase II.

RPPP program expenditures totaled \$61,843 during Phase I, and \$0 during Phase II. Member agencies spend 99.95 percent of RPPP monies during Phase I on physical assets, including recycled products, furnishing, athletic court flooring, and equipment. Seven (7) of the sixteen (16) member agencies did not have any RPPP fund balances at the beginning of FY 2011/12, including the three newest member agencies (Fremont, Newark, and Union City) that did not receive any distributions during prior years. Other RPPP expenses accounted for less than one (1) percent of total RPPP expenditures during Phase I.

Exhibit G-1
Member Agencies
Measure D Expense Examples
(Fiscal Years 2010/11 through 2015/16)

Expense Category	Expense Examples	
1. Administration	<ul style="list-style-type: none"> • Employee salaries • Employee benefits 	<ul style="list-style-type: none"> • Liability insurance • Overhead expenses
2. Franchised Recycling Program	<ul style="list-style-type: none"> • Commercial route curbside recycling collection • School recycling and organics collection 	<ul style="list-style-type: none"> • Residential route curbside recycling collection • Food scrap and green waste collection
3. Outreach and Education	<ul style="list-style-type: none"> • Promotional items • America Recycles Day events • Earth Day events • Contests/achievement awards • Internal recycling programs • Food scrap campaigns • Mandatory commercial recycling program • Flyers, brochures, calendars, mailers, videos, etc. 	<ul style="list-style-type: none"> • Neighborhood cleanup program • Reusable bag campaigns (i.e., BYOB) • Recycling education • Recycling drives • Workshops • Go Green Initiative outreach • Green business program contributions
4. Physical Assets	<ul style="list-style-type: none"> • Curbside and indoor recycling carts • Hand dryers • Recycled content playground structures 	<ul style="list-style-type: none"> • Recycled content signage • Recycled outdoor park furniture • Reusable kitchenware • Recycled content golf course equipment
5. Professional Services	<ul style="list-style-type: none"> • Rate review services • Collection hauler contract services • Commercial recycling technical assistance 	<ul style="list-style-type: none"> • City Recycling Program Oversight (Measure D Funded Program Management) • High Diversion Strategic Plan
6. Other	<ul style="list-style-type: none"> • Conferences • Memberships • Postage 	<ul style="list-style-type: none"> • Subscriptions • Training and education • Travel expense

Exhibit G-2
Member Agencies
Measure D “Per Capita” Expenses, by Category
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)

Page 1 of 2

Member Agency	Administration	Franchised Recycling Program	Outreach and Education	Physical Assets	Professional Services	Other Expenses
1. City of Alameda	\$463,704	\$622	\$16,204	\$5,635	\$129,241	\$15,801
2. City of Albany	31,255	–	8,005	6,858	–	2,751
3. City of Berkeley	–	895,306	–	–	–	–
4. City of Dublin	289,002	77,332	39,237	10,713	62,903	29,305
5. City of Emeryville	72,247	–	–	–	–	–
6. City of Fremont	1,492,249	68,765	54,795	–	–	–
7. City of Hayward	1,293,027	–	59,064	–	–	62,308
8. City of Livermore	287,116	–	138,856	–	188,383	8,849
9. City of Newark	–	–	97,310	–	65,947	305
10. City of Oakland	–	3,408,941	–	–	–	–
11. City of Piedmont	40,508	–	19,312	3,456	–	327
12. City of Pleasanton	–	–	55,105	44,545	86,773	445,099
13. City of San Leandro	274,361	–	74,477	–	–	26,240
14. City of Union City	213,865	9,059	82,758	1,570	39,309	5,378
15. Castro Valley Sanitary District	273,394	–	45,189	4,291	–	732
16. Oro Loma Sanitary District	826,002	–	114,165	–	46,288	97,819
Total	\$5,556,730	\$4,460,025	\$804,477	\$77,068	\$618,845	\$694,914
Percentage	45.50%	36.52%	6.59%	0.63%	5.07%	5.69%

¹ Totals reflect expense amounts covered by Measure D monies, though member agencies may report additional expenses that could be covered by Measure D.

² As part of the agreement for *Refuse, Green Waste and Recycling Services in the L3 Area*, Oro Loma Sanitary District recorded payment to the City of San Leandro for a portion of the District’s “per capita” monies. Oro Loma Sanitary District reported payments of \$35,460 (fiscal year 2011/12), \$37,635 (fiscal year 2012/13), and \$36,033 (fiscal year 2013/14), totaling \$109,128, in Phase I. We categorized these expenses as “Other” expenses. As requested by the Recycling Board, the City of San Leandro maintains separate funds for the revenues and expenditures related to this agreement, excluding these revenues and expenditures from its Measure D “per capita” reports.

Exhibit G-2
Member Agencies
Measure D “Per Capita” Expenses, by Category
(Phase II: Fiscal Years 2014/15 and 2015/16) (continued)

Page 2 of 2

Member Agencies	Administration	Franchised Recycling Program	Outreach and Education	Physical Assets	Professional Services	Other Expenses
1. City of Alameda	\$351,619	–	–	\$64,485	\$163,848	\$7,490
2. City of Albany	–	–	15,382	37,457	4,260	2,551
3. City of Berkeley	–	387,915	–	–	–	–
4. City of Dublin	–	21,992	74,680	16,120	10,500	5,917
5. City of Emeryville	50,000	–	–	–	5,000	–
6. City of Fremont	939,357	–	8,918	–	254,541	–
7. City of Hayward	826,747	–	100,410	18,951	46,240	6,248
8. City of Livermore	319,347	–	72,251	–	140,482	1,204
9. Newark	32,009	–	21,248	17,325	–	–
10. City of Oakland	1,072,671	1,104,582	–	–	–	–
11. Union City	55,970	–	5,345	19,334	–	1,000
12. City of Piedmont	–	–	106,505	42,098	226,789	50,295
13. City of Pleasanton	167,835	–	43,397	–	–	11,370
14. City of San Leandro	380,465	–	9,129	29,799	2,909	8,030
15. Castro Valley Sanitary District	309,074	–	100,665	8,030	–	693
16. Oro Loma Sanitary District	592,079	–	68,605	–	35,445	71,426
Total	5,097,172	1,514,490	626,535	253,599	890,013	166,224
Percentages	59.63%	17.72%	7.33%	2.97%	10.41%	1.94%

Exhibit G-3**Member Agencies****Recycled Product Purchase Preference (RPPP) Program Expenses, by Category
(Phase I: Fiscal Years 2011/12, 2012/13, and 2013/14)**

Page 1 of 2

Member Agency	Outreach and Education	Physical Assets	Other (e.g., paper)	Total
1. City of Alameda	\$0	\$1,744	\$0	\$1,744
2. City of Albany				
3. City of Berkeley	–	–	–	–
4. City of Dublin				
5. City of Emeryville				
6. City of Fremont				
7. City of Hayward	–	–	–	–
8. City of Livermore	–	14,645	–	14,645
9. City of Newark				
10. City of Oakland	–	29,871	–	29,871
11. City of Piedmont	–	1,879	–	1,879
12. City of Pleasanton	–	1,600	–	1,600
13. City of San Leandro				
14. City of Union City				
15. Castro Valley Sanitary District	–	2,047	33	2,080
16. Oro Loma Sanitary District	–	10,023	–	10,023
Total	\$0	\$61,810	\$33	\$61,843
Percentage	0%	99.95%	0.05%	100.00%

* Diagonal lined cells indicate no RPPP funds available during Phase I

¹ Totals reflect expense amounts covered by RPPP monies, though member agencies may report additional expenses that could be covered by RPPP funds.

Exhibit G-3
Member Agencies
Recycled Product Purchase Preference (RPPP) Program Expenses, by Category
(Phase II: Fiscal Years 2014/15 and 2015/16) (continued)

Page 2 of 2

Member Agency	Outreach and Education	Physical Assets	Other (e.g., paper)	Total
17. City of Alameda	-	-	-	-
18. City of Albany				
19. City of Berkeley	-	-	-	-
20. City of Dublin				
21. City of Emeryville				
22. City of Fremont				
23. City of Hayward	-	-	-	-
24. City of Livermore	-	-	-	-
25. City of Newark				
26. City of Oakland	-	-	-	-
27. City of Piedmont	-	-	-	-
28. City of Pleasanton	-	-	-	-
29. City of San Leandro				
30. City of Union City				
31. Castro Valley Sanitary District	-	-	-	-
32. Oro Loma Sanitary District	-	-	-	-
Total	\$0	\$0	\$0	\$0