

WMA Board and Energy Council (EC) Members

Don Biddle, **WMA President**

Dublin, WMA

Jennifer West, **WMA 1st Vice President**

Emeryville, WMA, EC

Pauline Cutter, **WMA & EC 2nd Vice President**

San Leandro, WMA, EC

Lena Tam, **EC President**

Alameda, WMA, EC

Barbara Halliday, **EC 1st Vice President**

Hayward, WMA, EC

Keith Carson, Alameda County, WMA, EC

Gordon Wozniak, Berkeley, WMA, EC

Peter Maass, Albany, WMA, EC

Dave Sadoff, Castro Valley Sanitary District, WMA

Anu Natarajan, Fremont, WMA, EC

Laureen Turner, Livermore, WMA

Luis Freitas, Newark, WMA, EC

Dan Kalb, Oakland, WMA, EC

Laython Landis, Oro Loma Sanitary District, WMA

Garrett Keating, Piedmont, WMA, EC

Jerry Pentin, Pleasanton, WMA

Lorin Ellis, Union City, WMA, EC

AGENDA

MEETING OF THE ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY (WMA) BOARD AND THE ENERGY COUNCIL (EC)

**Wednesday, January 22, 2014
3:00 P.M.**

**StopWaste Offices
1537 Webster Street
Oakland, CA 94612
510-891-6500**

Meeting is wheelchair accessible. Sign language interpreter may be available upon five (5) days notice by calling 510-891-6500. Members of the public wanting to add an item to a future agenda may contact 510-891-6500.

I. CALL TO ORDER (WMA & EC)

II. ROLL CALL (WMA & EC)

III. ANNOUNCEMENTS BY THE PRESIDENTS *(Members are asked to please advise the board or the council if you might need to leave before action items are completed)*

Page **IV. CONSENT CALENDAR (WMA & EC)**

- | | | |
|---|---|--------------------|
| 1 | 1. Approval of the Draft Minutes of December 18, 2013 (WMA & EC-Separate Votes) (Gary Wolff) | Action |
| 5 | 2. Castro Valley Sanitary District's (CVSan's) 75th Anniversary
Adopt the Resolution attached. And celebrate all our member agency's successes. | Action |
| 7 | 3. Grants Under \$50,000 (WMA only) | Information |

V. OPEN PUBLIC DISCUSSION (WMA & EC)

An opportunity is provided for any member of the public wishing to speak on any matter within the jurisdiction of the board or council, but not listed on the agenda. Total time limit of 30 minutes with each speaker limited to three minutes.

CLOSED SESSION (WMA only):

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(Government Code Section 54957) – Title: Authority Counsel

CLOSED SESSION (WMA only):

CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE
TO LITIGATION Significant Exposure to Litigation Pursuant to Subdivision (b) of
Government Code Section 54956.9

VI. REGULAR CALENDAR (WMA only)

- | | | |
|---|---|--------------------|
| 9 | 1. Possible Changes to the HHW Funding Decision Process (Gary Wolff)
Provide direction to staff, if any. | Action |
| 11 | 2. Extension of the Operating Period in a Diversion Agreement
Authorize the Executive Director to extend the operating period in the Agreement (Attachment A) for two years, subject to approval as to form by Authority General Counsel. | Action |
| 33 | 3. WMA Vacancy on the Recycling Board
Fill the vacancy on the Recycling Board. | Action |
| | 4. Interim appointment(s) to the Recycling Board for WMA appointee unable to attend future Board Meeting(s) (WMA only)
(P&O and Recycling Board meeting- February 13, 2014 at 7:00 p.m. - San Leandro Library, 300 Estudillo Avenue, San Leandro, CA 94577) | Action |
| VII. COMMUNICATIONS/MEMBER COMMENTS (WMA & EC) | | Information |
| VIII. ADJOURNMENT (WMA & EC) | | |

DRAFT

**MINUTES OF THE REGULAR MEETING OF THE
ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY (WMA) BOARD
AND
THE ENERGY COUNCIL (EC)**

Wednesday, December 18, 2013

3:00 p.m.

**StopWaste Offices
1537 Webster Street
Oakland, CA 94612
510-891-6500**

(The Boards will vote separately on the portion of the minutes that are relevant to each Board)

I. CALL TO ORDER

President Biddle called to meeting to order at 3:04 p.m.

II. ROLL CALL

WMA & EC

County of Alameda	Keith Carson (left 3:50 pm)
City of Alameda	Lena Tam
City of Albany	Peter Maass
City of Berkeley	Gordon Wozniak
Castro Valley Sanitary District	Danny Akagi
City of Dublin	Don Biddle
City of Emeryville	Jennifer West
City of Hayward	Barbara Halliday
City of Fremont	Anu Natarajan
City of Livermore	Laureen Turner
City of Newark	Luis Freitas (left 4:20 pm)
City of Oakland	Dan Kalb
City of Piedmont	Garrett Keating
Oro Loma Sanitary District	Laython Landis (left 4:15 pm)
City of Pleasanton	Cheryl Cook-Kallio
City of San Leandro	Pauline Cutter
City of Union City	Lorin Ellis

Staff Participating:

Gary Wolff, Executive Director
Richard Taylor, Counsel, Authority Board
Arliss Dunn, Clerk of the Board

III. ANNOUNCEMENTS BY THE PRESIDENTS

There were none.

IV. CONSENT CALENDAR

- | | |
|--|--------------------|
| 1. Approval of the Draft Joint Minutes of October 23, 2013 (WMA & EC-Separate Votes) (Gary Wolff) | Action |
| 2. Minutes of the October 27 & November 22, 2013 Technical Advisory Group (TAG) (EC only) | Information |
| 3. Grants Under \$50,000 (Gary Wolff) | Information |
| 4. Mid-Year Budget Adjustments (WMA only) (Gary Wolff, Pat Cabrera & Gina Peters) | Action |

DRAFT

Adopt the FY 2013-2014 mid-year budget adjustments per the attached resolution.
Attachment: WMA Resolution

- 5. Mid-Year Budget Adjustments (EC only) (Gary Wolff) Action**
Adopt the FY 2013-2014 mid-year budget adjustments per the attached resolution.
Attachment: EC Resolution

Ms. Turner made the motion to approve the Consent Calendar for the WMA Board. Mr. Sadoff seconded and the motion carried 20-0.

Ms. Cutter made the motion to approve the Consent Calendar for the Energy Council. Mr. Kalb seconded and the motion carried 18-0.

V. OPEN PUBLIC DISCUSSION (WMA & EC) There was none.

ADJOURNED TO CLOSED SESSION AT 3:10 PM

CLOSED SESSION (WMA only):

CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(pursuant to Government Code Section 54956.8)
Property:

APN #: 99A-1780-1-4 & 99A-1790-3, 99A-1770-2-2, 99A-1770-2-1, 99A-1770-4, 99A-1810-1 & 99A-1770-2-3, 99A-1820-2.

Agency Negotiator: Gary Wolff, Agency Staff, Richard Taylor, Authority Counsel
Negotiating Parties: NEXtera Energy Resources
Under Negotiation: Price and terms of payment

CLOSED SESSION (WMA only):

CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE
TO LITIGATION Significant Exposure to Litigation Pursuant to Subdivision (b) of Government Code
Section 54956.9

There was nothing to report from the closed session.

VI. REGULAR CALENDAR (WMA only)

- 1. HHW Service and Funding (Gary Wolff) Action**
We recommend that the WMA Board hold a public hearing, waive reading of the entire ordinance (Attachment A) and read it by title only, and schedule the ordinance for consideration of adoption on February 26, 2013, unless comments at the public hearing justify delaying the date for consideration of adoption. We also recommend that the Board adopt the fee procedures resolution, so that the procedure for the protest process is formal and transparent. Pursuant to the Health and Safety Code provisions applicable to the ordinance a 2/3 majority vote of the Board membership (i.e., 12 of the 17 members) is required to adopt the ordinance. Action is not required at this time on the Draft Fee Collection Report Resolution or Draft Property Owner Notification Letter.

Mr. Wolff provided an overview of the staff report and presented a powerpoint presentation that was presented to the Alameda and San Leandro City Councils. The staff report and presentation is available here:
http://www.stopwaste.org/docs/hhw_combined_report_dec13.pdf

Ms. Cutter thanked Mr. Wolff for providing the presentation to the San Leandro City Council as it provided clarity on a number of issues. Ms. Cutter recommending removing the sentence stating "the fee will not increase due to inflation" and state "the fee will not increase," and to include the agency phone number. Mr. Biddle inquired about the timeline for mailing the letter. Mr. Wolff stated the letter will be mailed to 388,000 property owners named on the parcel on January 10th which is within 45 days of the second reading of the ordinance on February 26th. Mr. Keating suggested adding information regarding the expanded drop-off services.

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Mr. Biddle opened the public hearing. There were no speakers from the public. The public hearing was closed.

Ms. West asked if the program information is currently available on the website. Mr. Wolff affirmed and added the links currently in the letter will be condensed to a single link that will link to the webpage. Ms. Halliday inquired about the budget for the large mailing. Mr. Wolff stated the cost will be covered through the County Trust Fund and the agency did a budget amendment allowing us to accept the funds. The cost for the mailing is around \$70,000 which is a low mailing rate due to the bulk mailing method. Ms. Tam thanked Mr. Wolff for his presentation at the Alameda City Council meeting and stated that the attendees were very supportive of the ordinance.

Ms. Tam made the motion to accept the staff recommendation. Ms. Natarajan seconded and the motion carried 18-0 (Carson absent).

2. 2014 Proposed Calendar of Meetings (Gary Wolff) Action Adopt the meeting schedule for 2014.

Mr. Wolff recommended the September 24th joint meeting with the Recycling Board be moved up one week to the 17th to avoid conflict with Rosh Hashanah. The Recycling Board members approved the revision at their meeting.

Ms. Turner made the motion to approve the revised meeting schedule for 2014. Mr. Ellis seconded and the motion carried 18-0 (Carson absent).

3. Interim appointment(s) to the Recycling Board for WMA appointee Action **unable to attend future Board Meeting(s)** (P&O and Recycling Board meeting- January 9 at 3:00 p.m. Tour of Davis Street Transfer Station, 2615 Davis Street, San Leandro) and (February 13 at 7:00 p.m. - San Leandro Library, 300 Estudillo Ave., San Leandro)

Ms. Turner requested an interim appointment for the January 9 meeting. Ms. Cutter volunteered to attend as the interim appointment. Mr. Freitas made the motion to approve the interim appointment. Ms. West seconded and the motion carried 18-0 (Carson absent).

4. Agenda Planning Request (Gary Wolff) (WMA only) Action Mr. Wolff provided an overview of the staff report. The report is available here: <http://www.stopwaste.org/docs/12-18-13-agendaplanning.pdf>

Ms. Turner outlined the difficulties for the City of Livermore and its residents with respect to the timeline for opting out of the report and the solid waste billing cycle. Ms. Turner stated if the reports are mailed in July and the opt-out period begins in March, Livermore residents will not receive an itemized fee for this service on their solid waste bills until July which will be long past the time allowed for opting out. Ms. Turner suggested either delaying the countywide mailing or conducting a special mailing to Livermore residents that will coincide with Livermore residents billing cycle and will enable them if they so choose, to opt-out at that time. Ms. Turner restated her request to place the item on the January 2014 agenda for further discussion.

Mr. Biddle asked if modifying the opt-out provision would require noticing as a fee action. Mr. Taylor stated we will need to do a resolution modifying the opt-out provision, but will not need to notice it as a fee action. Mr. Wolff stated that we should notify everyone that commented during the adoption process, and possibly during the strategic planning process because the opt-out is relevant to the decision during strategic planning to pursue more stable sources of funding in the future than per ton landfill fees. Ms. Cutter stated her support for agendaizing the discussion of notification of the opt-out and made a subsequent motion. Ms. Halliday seconded the motion.

Ms. Natarajan stated that her preference is to have Livermore and agency staff work out the issues and not bring it before the board. However, if after discussing the issue there is no resolution she would then consider bringing the item before the full board for discussion. Ms. Natarajan asked about the timeline for discovering the billing issue. Ms. Turner stated staff just learned of the billing problems last month which is why at the October meeting she made the request to have the issue agendaized for discussion. Ms. Halliday stated her support for agendaizing the discussion.

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Ms. Cook-Kallio suggested an additional option would be that the City of Livermore provides additional notification through public notices and to provide a link to the StopWaste website to allow residents to opt-out.

Mr. Wolff stated that implementing a rolling opt-out would not only pose complex strategic programmatic and long-term financial planning issues for the agency but will affect how information is provided to haulers for the billing systems. He also pointed out that we will have no information about public response to the first benchmark service report until April at the earliest. Mr. Keating asked if the Board can agendize a discussion that would allow StopWaste to process late opt-outs from Livermore only. Mr. Wolff stated that our enforcement procedures allow the Executive Director discretion with respect to enforcement (e.g., late opt-outs), however from a legal perspective there must be uniformity across persons and jurisdictions. Ms. Cutter stated that our intent is to not pose a hardship on any jurisdiction and supports extending the opt-out period.

Ms. West suggested a friendly amendment to the motion: agendize the item in May, which precedes the time that Livermore residents will receive their bills, and after the March 31st opt-out deadline. This will allow time to assess the public reaction to the report and the Board can then decide whether to change the opt-out provision of the authorizing resolution. Ms. Turner said she could not attend the May WMA meeting but could attend the June WMA meeting by teleconference. Ms. Cook-Kallio suggested that increased notification to Livermore residents could take place without any delay in mailing the report.

Ms. Cutter amended her motion to agendize either in May or June (at the Executive Director's discretion) a discussion of considering adjustments to the opt-out period. Ms. Halliday accepted the friendly amendments to the motion, and it carried 16-0 (Carson, Freitas, and Landis absent).

Mr. Wolff thanked the Board for consensus on a productive way forward.

VII. COMMUNICATIONS/MEMBER COMMENTS (WMA, P&O/RB & EC) Information

Mr. Wolff announced that due to scheduling conflicts, Mr. Biddle missed two consecutive Recycling Board meetings and is therefore no longer a member of the Recycling Board. Mr. Biddle graciously offered to serve as an interim as often as needed. There is a vacancy for a WMA member to serve on the Recycling Board and the action will be agendized on the January agenda. Ms. Cutter suggested reaching out to Mr. Landis to serve. Mr. Wolff stated that Mr. Landis has previously served on the RB and is therefore unable to serve again.

Mr. Wolff announced the Day of the Dead exhibit in the lobby. The exhibit was created by elementary students and the primary materials used were milk cartons and pizza boxes.

Mr. Wolff announced the US Composting Council conference at the Oakland Convention Center on January 26-29, 2014. Please let us know if you are interested in attending. The conference will feature the leading composters in the country.

The Board extended Happy Birthday wishes to board member Sadoff.

Ms. West announced that the Alameda County Mayor's conference enjoyed their tour of Zero Net Energy facility in San Leandro and suggested the Energy Council members visit the facility as well. Mr. Wolff announced that the Business Awards event will be held at the Zero Net Energy Center as a combined meeting of the RB/P&O and P&A Committee. The event will be held on Thursday, March 13, 2014 from 8:00-10:00 a.m.

Ms. Natarajan announced that she led a trade delegation to India. A primary component of the trip was signing an MOU with the City of Jaipur on Sustainable Cities partnership through the Lawrence Berkeley Laboratory. Ms. Natarajan stated there is a large role for StopWaste and she will provide information regarding the trip. She stated that she was pleased and surprised to see the progress India has made in areas where we continue to struggle.

Mr. Biddle announced that the city of Dublin in collaboration with Chevron Energy, solarized city facilities including the fire stations, civic center, libraries, and senior centers; all are now equipped with solar panels which should save the city over \$14 million over the years. Please contact staff at the city if interested.

Ms. West announced that she will not seek re-election to the Emeryville City Council next fall.

VIII. ADJOURNMENT (WMA, P&O/RB & EC)

The meeting adjourned at 4:55 p.m.



January 15, 2014

TO: Authority Board

FROM: Gary Wolff, Executive Director

SUBJECT: Castro Valley Sanitary District's (CVSan's) 75th Anniversary

BACKGROUND

CVSan has been in existence 75 years! That's a long time, and they've provided many valuable services to the Castro Valley community. Their staff asked if we would be willing to commemorate their anniversary in some formal way. I support adoption of a Resolution (attached) to that effect.

RECOMMENDATION

Adopt the Resolution attached. And celebrate all our member agency's successes.

Attachment: Resolution



Resolution

RESOLUTION #WMA 2014 -
MOVED:
SECONDED:

AT THE MEETING HELD JANUARY 22, 2014
CELEBRATING AND COMMENDING THE
75TH ANNIVERSARY OF THE
CASTRO VALLEY SANITARY DISTRICT

WHEREAS, the Castro Valley Sanitary District was established July 25, 1939 and is now celebrating its seventy-fifth year; and,

WHEREAS, over the past 75 years, the Castro Valley Sanitary District has provided its customers with excellent service, and has contributed to the health of its community through education that protects San Francisco Bay; and,

WHEREAS, the Castro Valley Sanitary District provides high quality wastewater collection at one of the lowest rates in Alameda County and well below the State average rate; and,

WHEREAS, in addition to wastewater, Castro Valley Sanitary District provides collection of recycling, organics and garbage and is a member of the Alameda County Waste Management Authority, a County-wide organization to divert materials from the landfill into reuse, recycle, compost and waste reduction programs; and,

WHEREAS, after the enactment of AB 939 mandating reduction of the amount of material sent to the Altamont Landfill, the Castro Valley Sanitary District implemented a residential curbside recycling program in April of 1991, a yard waste collection program in 1994 and organics collection program in 2002, all resulting in CVSan approaching its goal of 75% diversion; and,

WHEREAS, the Castro Valley Sanitary District is a leader in residential and commercial recycling and organics collection; and,

WHEREAS, in its 75 years of service, CVSan has changed as the community has changed from providing service to a primarily agrarian constituency to a sophisticated progressive environmentally concerned organization; and,

WHEREAS, over the course of its 75-year history, the Castro Valley Sanitary District has been the recipient of numerous wastewater and solid waste industry awards and is positioned to meet the needs of the community now and well into the future.

NOW, THEREFORE, BE IT PROCLAIMED, that the Castro Valley Sanitary District be congratulated and commended on the celebration of its seventy-fifth anniversary and on the vital role it has played in the community it serves.

PRESENTED, this 22nd day of January, A.D. 2014.



Gary Wolff, Executive Director



January 16, 2014

TO: Authority & Recycling Board

FROM: Gary Wolff, Executive Director

SUBJECT: Informational Report on Grants Issued Under ED Signature Authority

General Mini-grant and board agendas by giving the Executive Director authority to sign contracts and grant agreements less than \$50,000. A condition of the new grant policy is that staff inform Board members of the small grants issued at the next regularly scheduled Board meeting.

Grants – December 15, 2013 - January 15, 2014

Project Name	Grant Recipient	Project Type/Description	Location	Verification	Grant Amount	Board
Use Reusables*	Revive Brands	Reusable Crates for beverage distribution	Windsor (serves Alameda County)	Yes (UR Team)	\$24,000	WMA
Use Reusables*	Finelite, Inc.	Reusable racks for lighting components	Union City	Yes (UR Team)	\$15,000	WMA
Use Reusables*	Country Club Cleaners	Reusable Route Bags	Livermore	Yes (UR Team)	\$5625	WMA
Use Reusables*	MedShare	Reusable Pallets for Warehouse	San Leandro	Yes (UR Team)	\$5,000	WMA

*Use Reusables grants are funded externally by US EPA.

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January 16, 2014

TO: Authority Board

FROM: Gary Wolff, Executive Director

SUBJECT: Possible Changes to the HHW Funding Decision Process

BACKGROUND

Last month the Board approved a schedule, procedures, and draft ordinance for public consideration as part of a decision process about funding the countywide household hazardous waste (HHW) program (<http://www.stopwaste.org/docs/12-18-13-hhw.pdf>). A notification letter to all owners of residential units in Alameda County has been mailed. We've begun to receive questions about the fee and associated services, and are handling those by phone, email, or reference to the website listed in the notification letter (www.stopwaste.org/proposedhhwfee).

DISCUSSION

This item is an opportunity for Board members to share any questions with us that they have received, to discuss the process to date, and to provide any direction to staff about the decision process that the Board decides is appropriate.

RECOMMENDATION

Provide direction to staff, if any.

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January 15, 2014

TO: Authority Board

FROM: Gary Wolff, Executive Director

SUBJECT: Extension of the Operating Period in a Diversion Agreement

BACKGROUND

The Authority entered into an agreement with Waste Management of Alameda County (WMAC) on January 1, 2009 for the expansion of recovery of a specified list of eligible recyclable materials at the Davis Street Transfer Station (Attachment A; eligible materials are defined in Section 1.7). The initial operating period in the agreement ends on April 1, 2014. However, the agreement provides for up to two, two-year extensions with the Authority's consent.

Under the agreement, incentive payments of \$15 or \$20 per ton are paid for eligible diverted materials. The existence of the facility has ensured that there is at least one facility at which construction and demolition (C&D) diversion, as required by member agency ordinances and (now) the CalGreen Building Code, is available for mixed C&D wastes. The agreement limits total payments to \$2.5 million, and no more than \$500,000 in any 12 month period. Estimated total payments as of April 1, 2014 have been only \$1.3 million. The highest quarterly payment was about \$124,000 in quarter 3 of 2011, but quarterly payments have typically been much lower due to much lower availability of C&D mixed wastes than anticipated at the time of the agreement, a delay in startup by WMAC, and a recent decision by WMAC to invest \$10 million in upgrades to the specific sorting line this agreement supports.

DISCUSSION

The groundbreaking for the upgrades occurred on January 14th. The upgrades are anticipated to be complete no later than May 31, 2014, and performance testing is anticipated to be done no later than June 30, 2014. The upgrades will expand throughput capacity from 400 tons per day (tpd) to 800 tpd. Even more importantly from our perspective, WMAC anticipates that the facility will be able to meet the standard for a High Diversion Mixed Waste Processing Facility specified in our mandatory commercial recycling ordinance, for 'dry' mixed wastes. (The standard is that the residual sent to landfill after processing contains less than 10% covered

materials). This is an important milestone in the development of processing capacity in our County, and deserves our support for at least another two years. It means that member agencies or customers who choose to have 'dry recyclables' (not organics) recovered centrally rather than through source separation will have at least one facility available to do that. This project has been reserve funded, and the remaining balance in the reserve is more than adequate to support a two year extension. We can consider a second two year extension at a later time, if appropriate.

Some media coverage of the groundbreaking for this facility is available at:

Photos: Waste Management spends 10 million to expand their material recovery facility

San Jose Mercury News - 1/14/14

[View on Web](#)

Video: NBC Bay Area News at 6

KNTV: NBC Bay Area News at 6 - 1/15/14

[View on Web](#)

Video: KTVU-TV Fox News at 9 PM

KTVU - 1/14/14

[View on Web](#)

Radio: KGO News

KGO 810 AM - 1/14/14

[click link to listen to report. coverage begins at 8:39 mark]

http://vaca.bayradio.com/kgo_archives/21400.mp3

[View on Web](#)

Waste Management Breaks Ground on \$10 Million Recycling Facility Expansion

San Leandro Patch - 1/15/14

[View on Web](#)

RECOMMENDATION

Authorize the Executive Director to extend the operating period in the Agreement (Attachment A) for two years, subject to approval as to form by Authority General Counsel.

Attachment A: Agreement for Incentive Payments for Diversion From Landfill

**AGREEMENT FOR INCENTIVE PAYMENTS FOR DIVERSION FROM
LANDFILL**

THIS AGREEMENT is made and entered into this 1st day of January, 2009, by and between Waste Management of Alameda County, Inc. hereinafter referred to as "WMAC", and the Alameda County Waste Management Authority, hereinafter referred to as "Authority."

RECITALS

WHEREAS, the *Alameda County Source Reduction and Recycling Plan* identifies self haul, debris box, and construction and demolition debris loads of discards as high-priority targets for additional recovery and diversion from landfills; and

WHEREAS, expanded recovery of materials at existing solid waste facilities has been identified by the Authority as a high-priority opportunity capable of helping Alameda County make significant progress in reaching an overall 75% diversion rate; and

WHEREAS, in 1998 the Authority adopted funding guidelines and policies for the "*Materials Recovery Facility (MRF) Capacity Expansion*" project and now has a reserve fund designated for "*Material Recovery/C&D Diversion*" projects; and

Whereas, in October 2000 the Authority approved funding for WMAC to divert materials at the Davis Street Transfer Station and Materials Recovery Facility ("MRF"), and in 2001 entered into an agreement with WMAC entitled "Incentive Payments for Diversion from Landfill" ("Prior Agreement"); and

Whereas, WMAC has successfully operated the MRF for the 5-year term of the Prior Agreement; and

WHEREAS, WMAC has submitted a proposal to continue operation of the MRF that targets high-priority waste streams, and a funding request for the MRF that conforms to the adopted Authority policies and guidelines; and

WHEREAS, the Authority at its December 19, 2007 meeting approved funding for the WMAC proposal by Resolution #2007-15, attached hereto as Exhibit A and incorporated herein; and

WHEREAS, both the Authority and WMAC desire to enter into a new five-year funding agreement for incentive payments for diversion from the MRF

operations beginning April 1, 2009 ("Operating Date");

NOW, THEREFORE, the parties hereto agree as follows:

Article 1 Definitions

1.1 Agreement Manager See Article 7.1.

1.2 Alternative Daily Cover ("ADC") Any material processed and diverted at the MRF and used for daily cover at a landfill. Alternative Daily Cover does not include materials used for road building/grading, erosion control or other "beneficial reuse" as defined in 27 Cal. Code Regs. § 20686 or as the regulations may subsequently be amended or reorganized, other than Alternative Daily Cover at disposal sites.

1.3 Authority The Alameda County Waste Management Authority, a public entity formed in accordance with Government Code section 6500 *et seq.*

1.4 C & D Used or discarded materials removed from premises during construction, deconstruction or renovation of a structure resulting from construction, remodeling, repair, or demolition operations on any pavement, house, commercial building, or other structure.

1.5 Calendar Quarter Each three (3) month period for five (5) years after the Operating Date which period ends March 31, June 30, September 30 and December 31, including the first partial Calendar Quarter which is any period after the Operating Date and the first time any of the quarter endings listed herein occurs.

1.6 Davis Street Transfer Station The WMAC-owned facility in San Leandro, California, that receives solid waste for processing, recovery and transfer.

1.7 Eligible Diverted Materials Materials which are eligible to receive incentive payments from the Authority are: corrugated cardboard, mixed paper, ferrous and non-ferrous metals, wood, yard trimmings, mattresses, carpet and carpet pads, shrink wrap and other film plastics, rigid plastics, sheet rock, asphalt, ceramics, commingled food and beverage containers, tires, concrete, dirt (including yard waste fines), rock but not ADC, so long as these materials are received from sources within Alameda County, do not come from other operating centers at the Davis Street Transfer Station (except from the Davis Street Transfer Station's public disposal area) and are not sorted from loads of materials that WMAC is contractually obligated to sort for recycling under a contract with another party. A list of eligible materials is attached hereto as Exhibit B and may be updated as provided in Article 3.3 below. ADC is not an Eligible Diverted Material and is not eligible for incentive payments under this Agreement.

1.8 Force Majeure Any act of God, fire, flood, earthquake, act of war or act of terrorism or labor unrest which prevents either party from meeting its obligations under this Agreement.

1.9 MRF The material recovery facility described more particularly by WMAC in the attachment to Exhibit A of this Agreement.

1.10 MRF Operations Plan A plan that includes procedures for weighing and documenting all incoming loads and outgoing materials from the MRF, schematic drawings showing the movement of materials within the Davis Street Transfer Station after received at the MRF, and a mass balance of materials into and out of the MRF.

1.11 Operating Period The initial time period commencing on April 1, 2009 and ending five (5) years thereafter. Upon expiration of this initial operating period, this Agreement may be extended for up to two, two-year periods subject to the Authority's consent.

1.12 Roll Off Dry solid wastes delivered to the Davis Street Transfer Station by commercial sources, including franchised collectors, in roll-off containers and vehicles that contain a significant quantity of materials that can be processed for recovery of materials that would otherwise go to a landfill.

1.13 Self Haul Dry solid wastes delivered to the Davis Street Transfer Station by public sources in vehicles that contain a significant quantity of materials that can be processed for recovery of materials that would otherwise go to a landfill.

1.14 WMAC A California corporation which owns and operates the Davis Street Transfer Station.

Article 2 MRF Relationship to Other Davis Street Transfer Station Facilities

2.1 Design WMAC shall perform all engineering and construction cost estimates for the design and installation of the necessary equipment for the MRF. The design documents shall include these estimates as well as identification of the facilities and equipment of the MRF, showing it as a stand-alone processing center within WMAC's Davis Street Transfer Station complex. Prior to submittal of the first quarterly invoice per Article 4.5, WMAC shall provide to the Authority one copy of the design documents and the MRF Operations Plan.

2.2 Stand Alone The MRF is a stand-alone facility for which WMAC shall establish and maintain independent records of operating performance. Materials diverted at the MRF may be delivered to other operating centers at the Davis Street Transfer Station for additional handling, but materials from other operating centers shall not be delivered to the MRF for processing as diversion quantities subject to incentive payments under this Agreement. Recoverable loads of mixed dry waste delivered to Davis Street Transfer Station's public disposal area may be redirected to the MRF. Only Eligible Diverted Materials received and sorted for diversion at the MRF shall be eligible for the incentive payment.

Article 3 Material Diversion

3.1 Material types

WMAC is solely responsible for identifying and tracking by jurisdiction of origin the materials to be separated for diversion at the MRF. The types of materials to be separated for diversion during processing are listed in Exhibit B and must meet the definition of Eligible Diverted Materials in order to be eligible for incentive payments by the Authority as specified in this Agreement.

3.2 Materials quantities

WMAC has developed estimates of the quantity of materials to be diverted that are based on the operation of the MRF since 2002. Material quantities are eligible for incentive payments from the Authority so long as the Eligible Diverted Materials are in excess of 3,750 tons per calendar quarter. The Authority has no obligation to make incentive payments in excess of \$500,000 in any 12 month period and payments over the five year term of this Agreement may not exceed \$2,500,000.

3.3 New Materials Eligible for Incentive Payments

WMAC may propose other types of materials for diversion. However, any additional material types must result in new diversion that would otherwise be going to landfills, must come from sources within Alameda County, and may not come from other operating centers at the Davis Street Transfer Station (except from the Davis Street Transfer Station's public disposal area). The Authority Agreement Manager may approve, in writing, incentive payments for such additional materials subject to the other restrictions of this Agreement. Any additional materials approved by the Agreement Manager shall be added to Exhibit B.

Article 4 Operating Phase Obligations

4.1 WMAC Guarantee of Fixed Incentive Funding Amount

WMAC shall procure Roll Off and Self Haul and other “recyclables-rich” loads, maintain MRF equipment and facilities, and operate the MRF to divert Eligible Diverted Materials for a five (5) year period commencing with the Operating Date for a fixed incentive funding amount of \$15 (fifteen dollars) per ton of Eligible Diverted Materials for tons over 3,750 tons per calendar quarter up to 7,500 tons per calendar quarter, and for a fixed incentive funding amount of \$20 (twenty dollars) per ton of Eligible Diverted Materials for amounts over 7,500 tons per calendar quarter, up to a maximum payment of \$500,000 in any 12 month period (four consecutive calendar quarters).

4.2 Guarantee of Incentive Funding Amount to be All Inclusive

The incentive funding amount of \$15 (fifteen) per ton of Eligible Diverted Materials for tons over 3,750 tons per calendar quarter up to 7,500 tons per calendar quarter, and \$20 (twenty) per ton of Eligible Diverted Materials for tons over 7,500 per calendar quarter, is the maximum amount the Authority is obligated to pay to WMAC per ton during the term of this Agreement. WMAC shall not be entitled to, and the Authority shall not be required to provide, any increase in the incentive funding amount above the maximum \$500,000 payment in any 12 month period.

4.3 Maximum Materials Diversion Quantities

The Authority’s maximum obligation to make incentive payments in any 12 month period is \$500,000. As an incentive to increase the quantity of diverted materials, the Authority would review and consider for approval any such request from WMAC for funding above the 12-month maximum in accordance with Article 12.11.

4.4 Incentive Payment Obligation of Authority

The Authority shall make incentive payments based on the number of tons of Eligible Diverted Materials actually diverted at the MRF commencing on the Operating Date. Such payments shall be made in accordance with the provisions of this Agreement and WMAC invoices as submitted in compliance with Article 4.5.

4.5 WMAC Invoice Procedures and Contents

WMAC shall prepare an invoice each Calendar Quarter by the 15th of the month following the end of the quarter which specifies the quantity of materials received and the quantity of Eligible Diverted Materials by jurisdiction of origin and in total. Invoices shall be certified as accurate by the WMAC Agreement Manager. The

information in each invoice shall include at least the following information specific to the MRF:

- Number of tons of materials received and processed in the MRF from Roll Off sources, by jurisdiction of origin
- Number of tons of materials received and processed in the MRF from Self Haul sources, by jurisdiction of origin
- Number of tons of materials received and processed in the MRF from other sources, by jurisdiction of origin
- Number of tons of Eligible Diverted Materials by material type and total tons
- Number of tons of ADC
- Number of tons received from outside of Alameda County
- Number of Alameda County tons received under each separate contract with WMAC that requires materials to be sorted at the MRF
- Number of tons deposited in landfill
- Reconciliation of tons received from all sources including Eligible Diverted Materials, other material diverted, material received from outside of Alameda County, contractually obligated material and material land filled.
- Total payment request for Eligible Diverted Materials diverted during the preceding Calendar Quarter
- Tons of Eligible Diverted Materials in storage and awaiting movement to market
- Tons of Eligible Diverted Materials delivered to markets
- Tons of Eligible Diverted Materials delivered to other operations at Davis Street Transfer Station (e.g. wood processing line, residential recycling processing line)
- Description of end-uses or markets for each type of Eligible Diverted Materials (e.g. domestic or foreign paper mills, domestic or foreign steel mills, local aggregate suppliers/quarries, clean fill for construction/grading, fuel, mulch and compost) including records of all Eligible Diverted Materials transferred for use by WMAC or any company related to WMAC (e.g. road building/grading at disposal sites)

The Authority shall make payment within thirty (30) days following receipt of each invoice. No payments shall be made until WMAC has submitted the documents required pursuant to Article 2.1 above.

4.6 WMAC Records and Authority Right to Audit

WMAC shall, for five (5) years following the Operating Date, and for four (4) years thereafter, establish and maintain the records listed below which shall be in a form acceptable to the Authority. The Authority shall have the right at its sole cost to audit these records, which shall include at least the following:

- Commencing on the Operating Date, maintain separate records, of the weight of all materials received by jurisdiction of origin by Calendar Quarter. The records shall be based on weights from scales operated and maintained in compliance with all regulatory requirements.
- Commencing on the Operating Date, maintain records of the weight of Eligible Diverted Materials recovered at the MRF by jurisdiction and in total by Calendar Quarter. For purposes of these records, Eligible Diverted Materials shall be assumed to be in the same proportion as the proportion of incoming materials from each Alameda County jurisdiction of origin (For example, if 15% of all materials received are from X jurisdiction, it shall be assumed that 15% of Eligible Diverted Materials came from X jurisdiction). The records shall be based on weights from scales operated and maintained in compliance with all regulatory requirements.
- Commencing on the Operating Date, maintain records by Calendar Quarter of all ADC materials recovered at the MRF. The records shall be based on weights from scales operated and maintained in compliance with all regulatory requirements.
- Commencing on the Operating Date, maintain records by Calendar Quarter of all materials from the MRF that were disposed of in landfills. The records shall be based on weights from scales operated and maintained in compliance with all regulatory requirements.
- Commencing on the Operating Date, maintain records of the sales and transfer of all Eligible Diverted Materials by Calendar Quarter, including the identity of the entity purchasing or accepting these materials and the intended use of these materials. In the event that Eligible Diverted Materials from the MRF are transported to another operation at Davis Street Transfer Station for further processing (e.g. wood processing line), the record of sales may be the aggregate of all materials from that operation.
- The details of implementation of the requirements of this Article 4.6, including the form and process for the Authority's review of the records, shall be developed by mutual agreement of the Agreement Managers.

Article 5 Representation and Warranties

5.1 Representations and Warranties of WMAC to Authority

WMAC is a corporation in good standing; duly organized and validly existing under the laws of California and is duly authorized to do business in the State of California. WMAC has full power and authority to execute this Agreement and the other agreements and instruments to be executed by WMAC under this Agreement and to consummate the transactions contemplated by this Agreement. All corporate acts and other proceedings required to be taken by or on the part of

WMAC to execute and carry out this Agreement have been duly and properly taken. WMAC further represents and warrants to the Authority that it has the necessary licenses, permits, and professional expertise to perform its obligations under this Agreement in full accord with all legal requirements.

5.2 Representation and Warranties of the Authority

The Authority is a joint powers agency created under the authority of California law and has all required power, authority, and capacity to execute and perform the transactions contemplated in this Agreement. The power to enter into this Agreement and perform the obligations required by this Agreement are reflected in Exhibit A (Resolution 2007-15) adopted by the Authority Board on December 19, 2007.

Article 6 Disputes and Remedies

6.1 Dispute Resolution

The parties shall make a good faith effort to settle any dispute or claim arising under this Agreement. If the parties fail to resolve such disputes or claims, they shall submit them to non-binding mediation by a neutral third party in California, during which time, and until completion of the mediation, any requirement under the claims procedures in Cal. Government Code section 905 et seq., shall be tolled. If mediation does not arrive at a satisfactory result, arbitration (if agreed to by all parties) or litigation may be pursued. In the event any of these dispute resolution processes are invoked, each party shall bear its own costs and attorneys fees. This Agreement shall be governed by the obligation of good faith dealings between the parties.

Article 7 Authority and WMAC Agreement Managers

7.1 Appointment

The Authority and WMAC shall each appoint an Agreement Manager who will represent their respective principals with respect to all matters pertaining to the administration and implementation of this Agreement. The Agreement Managers shall be authorized to act on behalf of their respective principals, and the parties shall comply with the agreements reached by the Agreement Managers.

7.2 Authority Notice of WMAC Violations

If the Authority determines that WMAC is in violation of the terms of this Agreement in any respect, WMAC shall be notified in writing of such violation. Efforts by WMAC to correct any such violation must be initiated by WMAC within five (5) days of receiving written notice. Failure to correct such violation within thirty (30) days shall be the basis for terminating the Agreement as specified in Article 11. Notwithstanding the foregoing, where WMAC demonstrates to the

reasonable satisfaction of the Authority that such violation can not be corrected within a thirty (30) day period, Authority may not terminate this Agreement if WMAC has commenced action required to correct the violation within five (5) days of receiving notice of such violation and continues corrective action diligently until the violation is remedied.

7.3 WMAC Notice of Authority Violations

If WMAC determines that the Authority is in violation of this Agreement in any respect, including failure to make incentive payments, the Authority shall be notified in writing of such violation. Efforts by the Authority to correct such violations must be initiated by the Authority within five (5) days of receiving written notice. Such initiation may include investigation into the reason for any failure to make incentive payments. Failure to correct such violation within thirty (30) days shall be the basis for terminating the Agreement as specified in Article 11.

Article 8 Environmental Representation and Warranties

WMAC hereby expressly and specifically represents and warrants to the Authority that the site does not have any known pre-existing environmental conditions that would adversely impact the operations of the MRF or that violate any local, regional, state or federal law, regulation or permit requirement. WMAC warrants that it will construct and operate the facilities required by this Agreement in such a manner as to be in compliance with all requirements of local, regional, state and federal laws, regulations and permits.

Article 9 Indemnity

9.1 Authority Concern

The Authority is providing incentive payments through this Agreement to further the public good by reducing the amount of solid waste that is deposited in landfills. This effort will aid the Authority's member agencies in achieving and maintaining 50-percent landfill diversion rates as well as moving towards the Measure D goal of 75-percent landfill diversion. In so doing, Authority wishes to avoid any liability that could accrue as a result of providing funds to WMAC or as a result of WMAC's operation of the MRF. Therefore, the parties intend that the indemnity provision below be construed liberally in favor of the Authority to provide a broad indemnity to the Authority with respect to WMAC's performance of this Agreement.

9.2 WMAC Indemnity

WMAC shall indemnify and hold harmless the Authority, its officers, employees, and agents from and against any and all loss, liability, expense, claim costs (including costs of defense), fines, penalties, consequences, and suits and damages of every kind, nature and description relating to any act or omission to act by WMAC in the performance of this Agreement or WMAC's operation of the

MRF, and WMAC shall pay all claims, damages, judgments, legal costs, adjustors' fees and attorneys' fees related thereto.

Article 10 Insurance

10.1 During the life of this Agreement and for four (4) years following expiration of this Agreement, WMAC shall maintain the following minimum insurance:

- Comprehensive general liability insurance, including personal liability, blanket contractual liability, and broad-form property damage liability coverage. The combined single limit for bodily injury and property damage shall be not less than \$5,000,000.
- Automobile bodily injury and property damage liability insurance covering owned, non-owned, rented, and hired cars. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
- Statutory workers' compensation and employer's liability insurance as required by state law. Neither WMAC nor its carrier shall be entitled to recover any costs, settlements, or expenses of workers' compensation claims arising out of this Agreement.

Upon request, WMAC shall submit to Authority copies of certificates of insurance for the policies listed above. The certificates shall provide that the insurers give written notice to Authority at least ten (10) days prior to cancellation of or any material changes in the policies.

10.2 If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, WMAC shall immediately notify Authority Agreement Manager by telephone. WMAC shall promptly submit to the Authority Agreement Manager a written report, in such form as may be required by the Authority, of all accidents which occur in connection with this Agreement. This report must include at least the following information: (1) name and address of the injured or deceased person(s); (2) name and address of WMAC's subcontractor, if any; (3) name and address of WMAC's liability insurance carrier; and (4) a detailed description of the accident.

Article 11 Default and Termination

11.1 WMAC Default

The occurrence of any of the following events, unless attributable to Force Majeure, shall constitute a material default by WMAC which would entitle the Authority to terminate the Agreement:

- Assignment of any of the duties of WMAC under this Agreement to a third party without the written consent of the Authority.

- Any form of Bankruptcy.
- Failure to retain records as required by this Agreement.
- Failure to maintain insurance as required by this Agreement or comply with Article 10.
- Failure to comply with the indemnity provisions of this Agreement as set forth in Article 9.
- Violation of any of the representations and warranties required by this Agreement.
- Failure to comply with Invoice Procedures and Contents as set forth in Article 4.5
- Failure to allow access to site

11.2 Authority Default

A failure of the Authority, absent Force Majeure, to make the incentive payments required by this Agreement within ninety (90) days of receipt of an invoice from WMAC shall constitute a material default which would entitle WMAC to terminate this Agreement.

11.3 Termination

Either party may terminate this Agreement only in the event of a material breach by the other party. Termination shall be effective thirty (30) days after written notice is given in writing by the terminating party. Upon termination, this Agreement shall be of no further force or effect and each of the parties shall be relieved and discharged from the obligations of this Agreement except as follows:

- The provisions of Articles 4.6, 6.1, 9, 10, and 12.1, shall survive termination.
- Notwithstanding the right to terminate for material breach provided by this Article, the parties shall meet and confer in good faith during the termination notice period with a view to curing the material breach and withdrawing the notice of termination.
- The Authority shall be obligated to make incentive payments for Eligible Diverted Materials up to the effective date of termination.

Article 12 Miscellaneous Provisions

12.1 Accessibility

WMAC shall allow the Authority Agreement Manager and such other persons as may be selected by the Authority Agreement Manager to visit, observe, monitor and inspect operations and those records at the Davis Street Transfer Station necessary to verify compliance with the terms of this Agreement. WMAC shall allow access to the Davis Street Transfer Station upon twenty-four hour's prior notice by telephone during any period the MRF is in operation. If records are kept at a location other than the Davis Street Transfer Station, then WMAC shall allow

the Authority access to such location with the same notice required for access to the Davis Street Transfer Station.

12.2 Notices

All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been delivered on the third day following mailing.

If to the Authority:

Tom Padia, Agreement Manager
Alameda County Waste Management Authority
1537 Webster Street
Oakland, CA 94612

A copy shall also be provided to the Executive Director of the Authority at the same address as above.

If to WMAC:

Jack Isola, District Manager
Davis Street Station for Material Recycling & Transfer
2615 Davis Street
San Leandro, CA 94577

A copy shall also be provided to:

Rob Longo, Area General Counsel
7025 N. Scottsdale Road, Suite 200
Scottsdale, AZ 85253

12.3 Independent Contractor

No relationship of employer and employee is created by this Agreement, it being understood that WMAC shall act hereunder as an independent contractor in performing the obligations under this Agreement. Likewise, no relationship of employer and employee is created by this Agreement between the Authority and any subcontractor or employee of WMAC.

12.4 Benefits and Taxes

WMAC shall not have any claim under this Agreement or otherwise against Authority for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance, medical care, hospital care, insurance benefits, social security, disability, unemployment, workers compensation or employee benefits of any kind. WMAC shall be solely liable for and obligated to pay directly all applicable taxes, including, but not limited to, federal and state income taxes, and

in connection therewith WMAC shall indemnify and hold Authority harmless from any and all liability that Authority may incur because of WMAC's failure to pay such taxes.

12.5 Jurisdiction and Severability

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null and void insofar as it conflicts with said laws, but the remainder of this Agreement shall be in full force and effect.

12.6 No Right of Renewal

WMAC waives all rights or claims to notice or hearing respecting any failure by Authority to continue or extend this Agreement.

12.7 Litigation

If any litigation is commenced between parties to this Agreement concerning any provision hereof or the rights and duties of any person in relation thereto, each party shall bear its own attorneys' fees and costs.

12.8 Parties in Interest

This Agreement is entered into only for the benefit of the parties executing this Agreement and not for the benefit of any other individual, entity or person. WMAC may not assign any of its obligations under this agreement without the written consent of the Authority.

12.9 Amendments Not Valid Without Additional Written Agreement

No alteration or variation in the terms of this Agreement shall be valid unless made in writing and signed by the parties.

12.10 Entire Agreement

This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the scope of this Agreement and contains all of the covenants and agreements between the parties with respect to the scope of this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

12.11 Funding Limits

Notwithstanding the provisions of Article 4, if incentive funding payments reach the maximum of \$500,000 over four consecutive quarters for two consecutive quarterly payments, the Parties agree to meet in good faith for the purpose of recommending to the Authority an adjustment to the maximum incentive funding amount and the applicable tonnages.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

AUTHORITY:

By:  12/30/08
Karen Smith, Executive Director
Alameda County Waste Management Authority
Date

APPROVED AS TO FORM:

By:  12/23/08
Tamara S. Galanter
Authority Counsel
Date

WMAC:

By:  12/29/08
Dean M. Kattler, General Manager
California Bay Market Area
Date

EXHIBITS:

Exhibit A: Authority Resolution 2007-15, and WMAC Letter dated December 3, 2007

Exhibit B: Eligible Materials

ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY

RESOLUTION NO. 2007 - 15

MOVED: LANDIS
SECONDED: SANTOS

AT THE MEETING HELD DECEMBER 19, 2007

**MRF CAPACITY EXPANSION – DAVIS STREET MATERIALS RECOVERY
FACILITY FUNDING REQUEST**

WHEREAS, the Alameda County Source Reduction and Recycling Plan identifies self-haul, debris box, and construction and demolition debris loads of discards as high-priority targets for additional recovery and diversion from landfill; and

WHEREAS, expanded recovery of materials at existing solid waste facilities has been identified by the Agency as a high-priority diversion opportunity capable of helping Alameda County make significant progress to an overall 75% diversion rate in the near-term; and

WHEREAS, in 1998 the Authority adopted funding guidelines and policies for the “Materials Recovery Facility (MRF) Capacity Expansion” project and now has a reserve fund designated for the “Material Recovery/C&D Diversion” projects; and

WHEREAS, Waste Management of Alameda County (WMAC) has submitted a project proposal for an expanded MRF at the Davis Street Transfer Station that targets high-priority waste streams, and a funding request for the MRF that conforms to the adopted Authority policies and guidelines; and

WHEREAS, the Authority Programs Committee at its December 11, 2007 meeting unanimously recommended approval of the Davis Street MRF project;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby:

1. Approves the attached project proposal from Waste Management of Alameda County for the Davis Street MRF, per the terms and conditions set forth in the staff report and the proposal.
2. Maintains the contractually committed reserve fund “MRF Capacity Expansion – Davis Street” with any funds remaining in it from the prior five year funding commitment, and authorizes the return to that fund of any unexpended monies from the FY 06/07 “MRF Capacity Expansion” project (estimated to be \$281,575).
3. Transfers funds from the MRF/C&D Diversion reserve to the MRF Capacity Expansion – Davis Street reserve in an amount sufficient to build a total balance of \$2,500,000 (estimated to be a transfer of approximately \$2,050,000), and

appropriates \$250,000 from the Davis Street reserve for the "MRF Capacity Expansion" project in FY 2007/2008.

4. Authorizes the Executive Director to execute a funding agreement with Waste Management of Alameda County, setting forth the terms and conditions of the funding, subject to approval as to form by Legal Counsel.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Carson, Lieber, Spring, Waespi, Lockhart, Wasserman, Leider, Freitas, Landis, Keating, Sullivan, Santos, Green

NOES: None

ABSENT: Johnson, Bukowski, Henson, Quan

ABSTAIN: None

Karen Smith, Executive Director



DAVIS STREET TRANSFER STATION

2615 Davis Street
San Leandro, CA 94577
(510) 638-2303
(510) 563-4210 Fax

3 December 2007

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

Dear Mr. Padia:

Further to our recent meeting, Waste Management of Alameda County is energized by the challenge to divert additional recyclable materials using an improved infrastructure in conjunction with continued effective process management and technological innovation.

Our analysis of material streams indicate that there is potential for additional recovery in loads from a variety of sources. It has also become apparent that new capital may be necessary to assemble a facility capable of processing such widely varied feedstock. The reimbursement methodology we discussed would provide incentives for us to make operational and capital improvements that will represent a significant step towards achieving our collective goals of diverting 75% of material from the landfill.

With the recent downturn in the construction sector we anticipate a reduction in recycling-rich construction debris flowing into our facility. This downturn will make the new 15,000 ton baseline a significant challenge. However our tentative agreement reflects the willingness of the Authority to, in essence, underwrite the work of the facility when processing streams containing less recyclable material. Without the incentive, WMAC would not likely process streams of construction debris currently backhauled from Eastern Alameda county.

We discussed an annual subsidy cap of \$500,000 per year. Please consider that flexibility towards increasing this cap would provide an additional incentive for WMAC to continue to develop new ways to increase diversion. While this would not become an issue unless we divert more than 43,750 tons of material from landfilling in a calendar year, we would expect the opportunity to increase the cap, commensurate with our recovery efforts.

In summary, our tentative agreement is based on the following key items:

- First 3,750 tons diverted per quarter (15,000 tons per year) – no incentive payments
- From 3,750 to 7,500 tons diverted per quarter (15,000 - 30,000 tpy) - \$15 incentive payment/ton
- Over 7,500 tons per quarter - \$20 incentive payment/ton, up to annual maximum of \$500,000 (43,750 tons)
- Eligible materials remain the same as in the prior contract, except that all in county diverted materials are eligible (not just debris box and self-haul), excluding materials that WMAC is contractually obligated to run over the line (through a contract with an entity other than StopWaste.Org).
- Contract effective date of January 1, 2008 through December 31, 2012
- 5 year term, two 2-year options to extend by mutual agreement
- The parties may re-open the maximum incentive payment threshold if limit is approached or exceeded.

We believe that our partnership over the last 5 years has led to some true innovation and made a significant impact on diversion in the County. We look forward to working with you to make the next 5 years even better.

Please call me or let me know when you would like to meet to discuss this further.

Sincerely,



Jack Isola
District Manager
Davis Street Transfer Station

EXHIBIT B

ELIGIBLE DIVERTED MATERIALS

- corrugated cardboard (OCC)
- mixed paper
- ferrous and non-ferrous metals
- wood
- yard trimmings (plant debris)
- mattresses and box springs
- carpet
- carpet pads
- shrink wrap and other film plastics
- mixed or separated rigid plastics
- sheet rock/drywall
- asphalt concrete
- portland cement concrete
- ceramics
- commingled food and beverage containers
- tires
- dirt (including fines)
- rock



January 15, 2014

TO: Authority Board
FROM: Gary Wolff, Executive Director
SUBJECT: WMA Vacancy on the Recycling Board

BACKGROUND

As mentioned at the WMA Board meeting last month, Board Member Biddle missed two consecutive Recycling Board meetings due to circumstances beyond his control. Therefore, according to Measure D, there is now a vacancy on the Recycling Board that the WMA may fill. Any member of the Authority board that has not already served on the Recycling Board is eligible to serve.

RECOMMENDATION

Fill the vacancy on the Recycling Board.

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San Leandro Times

AN INDEPENDENT HOMETOWN NEWSPAPER SERVING SAN LEANDRO, ASHLAND, SAN LORENZO AND SHEFFIELD VILLAGE

VOL. 24 • NO. 3

THURSDAY, JANUARY 16, 2014

SAN LEANDRO • CALIFORNIA



PHOTO BY JIM KNOWLES

San Leandro City Manager Chris Zapata and Councilman Jim Prola join Davis Street Resource Recovery Complex Manager Jack Isola and StopWaste Executive Director Gary Wolf in a ground-breaking ceremony on Tuesday of a new facility where they will recycle construction demolition material.

New Recycling Facility Under Construction

By Jim Knowles
San Leandro Times

You can't recycle anything without a place to sort it out.

That's what they do down at the foot of Davis Street, the sprawling complex where bulldozers push mountains of discarded material around under the watchful eye of a flock of seagulls.

About 4,000 tons of stuff a day passes

through the Davis Street Resource Recovery Complex — cans, bottles, paper, plastic, plus lots of industrial material.

One building handles yard trimmings, food scraps, all the biodegradable stuff that's turned into compost. Another building houses a big concrete pit where garbage trucks dump their loads, which is packed down by bulldozers, loaded onto bigger trucks and hauled out to the Altamont Pass.

And another building handles everything that comes from construction sites, including valuable metal and other material that can be sold and put to use.

They just broke ground this week on a new Material Recovery Facility (MRF) to handle the construction demolition material. It will increase capacity from 400 tons a day to 800 tons a day.

see RECYCLING, page 18



PHOTO BY JIM KNOWLES

The pilings are ready for construction of the new recycling facility at the Davis Street Resource Recovery Complex.

Recycling: Money saved worth millions

continued from front page

The MRF is like a giant material-eating monster, fed by a conveyor belt. The new one will have twice the appetite. And that's money in the bank, recycling experts say.

County, city and recycling officials donned hardhats and grabbed shovels to commemorate the new facility on Tuesday morning.

"Progress usually doesn't happen by accident. It comes from forward thinking with an eye to the future," said Jack Isola, the senior district manager for Waste Management, which runs the material recovery complex. "

At one time, 60 percent of garbage that gets dumped was material that could be

recycled. Now, that's down to 30 percent, and Alameda County's goal is to get it down to 10 percent.

The savings generated will be worth millions, said Gary Wolf, executive director of StopWaste, the county's waste management authority.

"Getting material out of the waste stream is very important," Wolf said.

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November 29, 2013

Short on Space, Taiwan Embraces a Boom in Recycling

By CAIN NUNNS

TAIPEI, Taiwan — Twenty-five miles west of here on Taiwan's rugged northwest coast, a cavernous warehouse under construction represents the new priorities for an island where the streets were once littered with piles of discarded electronics and other refuse.

At the clean and tidy construction site, building materials are stacked neatly and even workers' cigarette butts are carefully collected. The surroundings are designed to evoke a Roman villa, with lagoon, garden and canopies. The energy-saving shade tiles are made out of old CDs, DVDs and computer motherboards.

It is the latest expansion effort in a vast industrial park that recycles electronics, glass, plastics, paper and just about anything that can be reused or mined for materials. When the warehouse project is complete, Super Dragon Technology, one of the island's biggest recyclers, will be able to securely store gold and other precious metals.

Trash is valuable here — the byproduct of a world now dependent on technology. Taiwan, which is home to a host of technology companies like Asus, Acer and HTC, produces more electronics per capita than any other country.

"Recycling became huge because of the electronics firms," said Chen Wei-Hsian, the secretary general of the Formosa Association of Resource Recycling, an industry organization. "That's why it's grown from about 100 recycling outfits to over 2,000."

In 2012, waste companies had revenue of 65.8 billion Taiwan dollars, or \$2.2 billion, according to the Industrial Development Bureau at the Ministry of Economic Affairs. That is up from 24.9 billion Taiwan dollars a decade earlier.

With gold accumulating in its vaults, Super Dragon is even considering a new venture, according to Ding Guo-tsuen, the company's chief technical officer.

"We are thinking about changing to a precious metals trading business, because we can make pure gold at about 99.99 percent," said Mr. Ding, adding that the company could apply

to the London Bullion Market Association, a trade organization focused on the gold and silver market. “We have some great inventory.”

The commercial efforts, along with a government fund and increased consumer awareness, have helped clean up the country.

The country has one of the highest household recycling rates in the world, roughly 42 percent, up from 5 percent in 1998, according to Taiwan’s Environmental Protection Administration. The development bureau estimates that the rate for industrial waste — the bulk of the country’s total — was about 80 percent last year, amounting to roughly 14 million tons.

The industry was born out of necessity.

In the boom days of the 1980s and 1990s, factories in Taiwan made products as varied as plastic umbrellas and high-tech electronics for the rest of the world. As production soared, the land-poor island of 23 million people began running out of places to dump its waste.

Mountains of fetid household waste rotted in the streets. Public and disused spaces became dumping grounds for some of the toxic waste from the industrial boom.

At the time, infrastructure to tackle the problem barely existed. Large-scale, commercial waste-processing facilities were scant. Few households recycled. And pulling valuable materials from scrapped technology was dangerous. Wu Yao-hsun, the chairman of Super Dragon Technology, says he believes he got cancer from the toxic processes used to extract gold, silver and other precious metals from the country’s discarded electronics.

“In the old days, nobody knew the dangers, they just knew there was money inside,” said Mr. Wu, who is now cancer-free. “The environmental problems were also huge. But the research and infrastructure were lacking. We had to modify our own machinery.”

With trash and toxic materials accumulating, public anger simmered over how local governments should deal with the problem. At the same time, a growing army of social activists, buoyed by the island’s first free presidential elections, demanded higher standards of living from a government that had focused on economic growth at any cost.

“There were mountains of trash on the streets,” said Yeh Chun-hsien, the president of the Chung Tai Resource Technology Corporation, a recycling company based in Taipei. “The government had to do something.”

In 1998, the government set up a fund to encourage recycling and reduce waste. Producers and importers now pay a fee based on the cost of collecting and recycling 33 types of goods, like glass, plastic, paper, aluminum containers, tires, batteries and electronics. With the money, Taiwan's environmental agency then issues rebates to recycling companies.

"We spend about 6 billion dollars each year on subsidies to the recycling companies, which pay collectors, who then pay the residents. But it's the incentives and the public educational programs that are key for our success," said Lee Shou-chien of the Environmental Protection Administration's Recycling Fund Management Board. He added that for many people, recycling had become "a daily habit they are accustomed to."

The government also started the Taoyuan Environmental Science and Technology Park, the industrial complex where Super Dragon is building its third warehouse. The park offers incentives for recyclers of glass, plastic and electronics that use advanced technologies and invest in research and development to increase the island's reuse rates.

"You are literally selling trash to people, so you have to think, who would do that without a clear efficiency benefit?" said Arthur Huang, founder of Miniwiz Sustainable Energy Development, which designed Super Dragon's facility. Miniwiz, based in Taipei, is an architecture and product design firm that turns trash, including electronic waste, into products like cellphone cases, wine bottle holders and fire-resistant construction materials.

Over the years, the industry, once largely made up of small and dangerous backyard operations, has developed its own high-tech expertise.

Chung Tai Resource Technology, which recycles glass and highly toxic chemicals like phosphorus and mercury, relied on European machinery when it opened in 2001. Mr. Yeh said the company had since refined the equipment to improve the process, developing a system to turn 95 percent of the mercury and other waste from lighting products into raw materials. Super Dragon has developed a processing technology that semiconductor makers use to spray superthin films onto their silicon wafers.

Manufacturers have also come to realize the value in their trash.

Companies like Chung Tai, one of the island's largest light manufacturers, uses its own industrial waste as raw materials for new products. Others are selling their valuable waste to recyclers.

"The electronics companies have a better idea about precious metals in their waste," Mr. Ding of Super Dragon said. "When the gold price jumped to \$1,800 to \$1,900 an ounce, they

got savvier about what they were throwing away. They used to pay us to pick up their refuse — now we pay them to collect it.”

The advances have spread beyond technology waste.

At the W hotel in the Xinyi District of Taipei, staff members wanted a solution for disposal of the 300,000 plastic water bottles the hospitality business churns through each year.

Working with a group of local designers who had been awarded grants from the Taipei city government, the hotel is having the bottles turned into coasters, games and key- and change-holders for use throughout the property.

“Sustainability in our business is somewhat of an oxymoron,” said Cary Gray, the general manager at the W Taipei. “But it makes perfect sense to use it as a way to engage our community. There’s a level of education, awareness and social responsibility in this city, and the government is highly supportive of creative industries. People have embraced this culture.”

February 2014
Meetings Schedule

Alameda County Waste Management Authority & Source Reduction and Recycling Board
(Meetings are held at StopWaste.Org unless otherwise noted)

SUN	MON	TUES	WED	THURS	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13 9:00 am Programs & Administration Committee <hr/> 7:00 pm Planning & Organization Committee /Recycling Board San Leandro Library	14	15
16	17 Agency Holiday	18	19	20	21	22
23	24	25	26 3:00 pm WMA Board; Key Item(s): HHW Ordinance 2nd Reading and adoption	27	28	