

APPROVED

**MINUTES OF THE ALAMEDA COUNTY WASTE
MANAGEMENT AUTHORITY MEETING
OF THE
PROGRAMS AND ADMINISTRATION COMMITTEE**

Thursday, June 8, 2017

9:00 A.M.

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

**Teleconference:
Lorrin Ellis
1260 Pacific St.
Union City, CA 94587
510-675-5621**

Members Present:

Castro Valley Sanitary District	Dave Sadoff
City of Dublin	Don Biddle
City of Fremont	Vinnie Bacon
City of Hayward	Sara Lamnin
City of Newark	Mike Hannon
Oro Loma Sanitary District	Shelia Young
City of San Leandro	Deborah Cox
City of Union City	Lorrin Ellis (teleconference)

Absent:

County of Alameda	Keith Carson
City of Berkeley	Jesse Arreguin
City of Livermore	Bob Carling
City of Oakland	Dan Kalb

Staff Present:

Pat Cabrera, Administrative Services Director
Wendy Sommer, Executive Director
Tom Padia, Deputy Executive Director
Todd High, Financial Services Manager
Meri Soll, Senior Program Manager
Arliss Dunn, Clerk of the Board

1. Convene Meeting

Chair Dave Sadoff called the meeting to order at 9:02 a.m.

2. Public Comments

There were none.

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3. Approval of the Draft Minutes of April 13, 2017 (Pat Cabrera)

Action

Board member Cox made the motion to approve the draft minutes of April 13, 2017. Board member Biddle seconded and the motion carried 8-0 (Ayes: Bacon, Biddle, Cox, Ellis, Hannon, Lamnin, Sadoff, Young. Nays: None. Abstain: None. Absent: Arreguin, Carling, Carson, Kalb).

4. Fiscal Year 2016-17 Funding Approval for Retiree Medical Benefits (Pat Cabrera & Todd High)

Action

Staff recommends that the P&A Committee recommend that the Authority Board authorize the Executive Director to contribute an additional \$250,000 to the Agency's California Employers' Retiree Benefit Trust Fund (CERBT) account to fund the Other Post-Employment Benefits (OPEB) liabilities.

Todd High provided an overview of the staff report. A link to the report is available here:

[Funding-Retiree-Benefits-06-08-17.pdf](#)

Board member Lamnin requested an overview of the Board policy of being 100% funded. Mr. High stated with respect to post retirement benefits it's beneficial to be more funded as future costs continue to escalate. Board member Lamnin inquired if there is a need to be 100% funded versus 80-90% funded. Ms. Cabrera stated that the Board adopted a goal of being 90% funded for retirement benefits but we are not nearly there although we are working towards that goal. Ms. Cabrera added the agency established an OPEB trust in 2007 with the idea of being close to 100% funded. In 2012 the agency made a payment to the trust which put us over 100% but we are now slightly under 100% due to changes in actuarial assumptions. The current trust is performing much better than the CalPERS fund so staff considered it a better return than to leave it in Local Agency Investment Fund (LAIF). The percentage of funding will continue to fluctuate due to actuarial assumptions. Board member Lamnin inquired as to why we are not considering funding the other (retirement) unfunded liability. Ms. Cabrera stated that we have a plan for paying on the retirement liability and it depends on when we receive the conservation easement payment from NextEra. The retirement liability is more complicated as CalPERS is constantly adjusting the rates and we are currently at approximately a 78% funded status. Mr. High stated the accounting treatment for OPEB will change going into the next fiscal year as it will be treated similar to the pension liability and to the extent that we could be under funded it will result in a liability going on the agency books which will then be amortized into the future. Mr. High stated that this is an opportunity to be ahead of the next accounting change for post-retirement benefits.

Board member Hannon stated that he appreciated that the agency made a payment last year of \$600,000 towards the unfunded liability as it positions the agency to address unfunded liability in the future. Board member Hannon asked for clarification on the average annualized rate of return and why the 7-7.2% rate of return is a good rate. Mr. High stated that the agency is in the highest performing fund and maybe we should look at a less risky and less volatile fund although with less rate of return.

Board member Hannon made the motion to approve the staff recommendation. Board member Biddle seconded and the motion carried 7-1:

(Ayes: Bacon, Biddle, Cox, Ellis, Hannon, Sadoff, Young. Nays: Lamnin. Abstain: None. Absent: Arreguin, Carling, Carson, Kalb).

5. Reusable Bag Ordinance Update (Meri Soll)

Information

This item is for information only.

Meri Soll provided an overview of the staff report. A link to the report is available here:

[Reusable-Bag-Update-06-08-17.pdf](#)

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Board member Lamnin suggested that staff send the postings to Board members so that they may include them on their social media sites as well. Chair Sadoff stated that CVSan members receive various monthly news clips and postings and asked that staff send the posting to them as well. Ms. Soll stated that she would send the posting to all Board members and TAC. Board member Biddle stated that the May 1st transition appeared to go well with no complaints or concerns. Ms. Soll confirmed that the transition went well. Ms. Soll stated that in her experiences at retailers the process did not appear arduous but more of a natural extension of the first ban. Board member Young stated that she was unsure that she needed to bring a bag but the clerk at Macy's asked if she required a bag. Board member Young suggested that staff send the social media links to Board members so that they can post them on their individual social media pages. Board member Cox suggested that staff reach out to local and state elected officials in Alameda County to post on their websites and social media pages as well. Board member Hannon stated that he is concerned about the information being available in multiple languages and suggested that staff include on the postcards and fliers that the information is available in multiple languages on the website. Ms. Soll stated that she is planning to send a flier to eating establishments and will make sure that the information regarding multiple languages is available on the flier. Board member Hannon stated that he appreciates that enforcement will be complaint based and inquired if staff is still considering conducting random inspections to ensure compliance. Ms. Soll stated that the Board decided to do a year of implementation for both retail and restaurants to analyze any issues and then come back to the board to discuss random inspections.

Chair Sadoff inquired if there have been any complaints from store owners. Ms. Soll stated that there have been very few complaints in comparison to the first roll-out and of the complaints received none were serious or egregious. Chair Sadoff inquired about number of complaint notifications received. Ms. Soll stated we have received 2 complaint notifications. Chair Sadoff inquired about the cost for outreach for both retail and eating establishments. Ms. Soll stated that most of the outreach cost was attributed to printing and mailing. Ms. Soll stated that she would provide a break-down of cost for both retail and establishments and will include this information in the minutes. The information is included below:

We have spent close to \$25,000 to date for printing, postage, and translation of outreach materials for both retail stores (two mailings to 9,000 affected stores) and eating establishments (one mailing to 5,000 affected establishments). We have one more large mailing planned for September to eating establishments and anticipate those costs to be an additional \$6,000.

Chair Sadoff thanked Ms. Soll for her report.

6. Castro Valley Sanitary District Less-Than-Weekly Garbage Collection Pilot – Information Transmittal of Final Report (Tom Padia)

This item is for information only.

Tom Padia provided an overview of the staff report. The report is available here:

[CVSAN-Pilot-Report-06-08-17.pdf](#)

Board member Biddle inquired if the report determined any significant cost savings or rate reductions. Mr. Padia stated that the voluntary pilot did not identify any cost savings for CVSan, and that in other jurisdictions that have implemented true Every Other Week service at the start of a new agreement, variations in other services and other external variables have affected the ultimate rate requirements. Locally, a number of jurisdictions have experienced overall rate increases of 20-50% at the start of new contracts. Board member Cox inquired if there has been pushback for loss of jobs for truck drivers due to the decrease in truck traffic. Mr. Padia stated during the pilot there was no reduction in truck traffic as the trucks maintained weekly collection services. Chair Sadoff stated that at the end of the pilot staff reported that 10% of residents continued to put out their bins every other week. Mr. Padia attributed some success

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to CVSan messaging “If you don’t fill it up, don’t put it out” and considers it a useful message for all three carts, garbage, recycling, and organics, and can also lead to cost savings if the driver does not have to tip the partially full cart. Board member Bacon stated that messaging is vital to a very diverse population such as Fremont, with a lack of English language skills. Board member Bacon stated that he can typically set out his garbage can every other week but if there was rate increase he would set it out weekly. Mr. Padia stated that there is rethinking across jurisdictions about loading all costs for all three bins into the garbage cart and lowering the rate for smaller cans because this creates a financial bind as collection costs remain essentially the same. Some jurisdictions are looking at a core fee with volume-based rates for each of the three carts as a way to relieve some of the financial bind and reflect more of a cost for service. Board member Hannon commented that rates will change behavior and suggested recycling service every week. Board member Hannon inquired if there is any information on the rate structure in Portland. Mr. Padia stated that the city of Portland a few years ago implemented city-wide mandatory every other week garbage collection for single-family homes which resulted in a large drop in weight for garbage and an increase in the amount of organics collected. Mr. Padia added he has not done a financial analysis of their rate structure. Board member Hannon requested that staff provide an informational memo to the Board regarding the city of Portland rate structure prior to implementing every other week services as it could help inform jurisdictions when evaluating rate structures. Mr. Padia stated that he would do so. However, there are many variables that will affect rates. Board member Hannon inquired if all jurisdictions provide pails for food scrap collection. Mr. Padia stated that at the inception of food scraps collection nearly all jurisdictions provided pails. There is no standard for providing pails as some jurisdictions are currently providing them upon request and some are providing them to multi-family residents as well.

Board member Lamnin inquired if the better performing jurisdictions are finding more contamination in the green waste stream. Mr. Padia stated no there has been no documented increase in contamination of residential organics. Chair Sadoff thanked the Authority Board for approving the funding for the pilot and stated although we didn’t get all of the results that we were looking for we received very useful data and the fact that we have 10% residual behavior change is encouraging going forward.

Chair Sadoff thanked Mr. Padia for his report.

7. Member Comments

Board member Lamnin requested that staff consider including future agenda topics such as a presentation on the food waste program, freezer packs, unfunded liability, etc. in the agenda packet. Ms. Sommer stated certainly and that agenda planning is usually done through the WMA Board calendaring process.

Chair Sadoff announced that the Oro Loma Sanitary District and Castro Valley Sanitary District were joint recipients of a 2017 Bay Hero Award. The Bay Hero Award was presented to the sanitary districts’ boards by the San Francisco Bay Institute in recognition of the Horizontal Levee project. The horizontal levee demonstration is a full-scale pilot of a sea level rise response using native plants. Board member Young stated that they were honored to receive the award and added the demonstration site is at the Oro Loma Sanitary District property. Ms. Sommer stated that it would be a good idea for the Board to tour the project over the summer. Board member Young stated staff can contact General Manager Jason Warner or Board member Young.

8. Adjournment

The meeting adjourned at 10:02 a.m.