

Committee Members

Dave Sadoff, **Chairperson**
Castro Valley Sanitary District
Shelia Young, **Vice Chairperson**
Oro Loma Sanitary District
Keith Carson, County of Alameda
Jesse Arreguin, City of Berkeley
Don Biddle, City of Dublin
Vinnie Bacon, City of Fremont
Sara Lamnin, City of Hayward
Bob Carling, City of Livermore
Mike Hannon, City of Newark
Dan Kalb, City of Oakland
Deborah Cox, City of San Leandro
Lorrin Ellis, City of Union City
Wendy Sommer, Executive Director

AGENDA
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

1. Convene Meeting

2. Public Comments

An opportunity is provided for any member of the public wishing to speak on any matter within the jurisdiction of the Programs & Administration Committee, but not listed on the agenda. Each speaker is limited to three minutes.

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

5 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.

7 5. Reusable Bag Ordinance Update (Meri Soll) Information
This item is for information only.

9 6. Castro Valley Sanitary District Less-Than-Weekly Garbage Collection Pilot – Transmittal of Final Report (Tom Padia) Information
This item is for information only.

7. Member Comments Information

8. Adjournment

The Programs & Administration Committee is a Committee that contains more than a quorum of the Board. However, all items considered by the Committee requiring approval of the Board will be forwarded to the Board for consideration at a regularly noticed board meeting.

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

Thursday, April 13, 2017

9:00 A.M.

**StopWaste Offices
1537 Webster Street
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**Teleconference:
Lorrin Ellis
1260 Pacific St.
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Members Present:

County of Alameda	Keith Carson
City of Dublin	Don Biddle
City of Fremont	Vinnie Bacon
City of Hayward	Sara Lamnin
City of Newark	Mike Hannon
City of Oakland	Dan Kalb
Oro Loma Sanitary District	Shelia Young

Absent:

City of Berkeley	Jesse Arreguin
Castro Valley Sanitary District	Dave Sadoff
City of Livermore	Bob Carling
City of San Leandro	Deborah Cox
City of Union City	Lorrin Ellis

Staff Present:

Pat Cabrera, Administrative Services Director
Wendy Sommer, Executive Director
Tom Padia, Deputy Executive Director
Arliss Dunn, Clerk of the Board

1. Convene Meeting

Vice Chair Shelia Young 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 February 9, 2017 and March 9, 2017 (Pat Cabrera) Action

Board member Biddle made the motion to approve the draft minutes of February 9, 2017 and March 9, 2017. Board member Hannon seconded and the motion carried 6-0 (Ayes: Bacon, Biddle, Carson, Hannon, Lamnin, Young. Nays: None. Abstain: None. Absent: Arreguin, Carling, Cox, Ellis, Kalb, Sadoff).

4. Workforce Strategy: Changes in Job Description/Work Status (Pat Cabrera) Action

Staff recommends that the P&A Committee recommend that the Waste Management Authority Board approve the job descriptions for the Legislative and Regulatory Affairs Manager and Information Systems Manager and the corresponding reclassifications and salary ranges will be incorporated into the FY 17/18 budget.

Pat Cabrera provided an overview of the staff report. A link to the report is available here:

[Workforce-Strategy-memo-04-13-07.pdf](#)

Board member Young inquired as to why most positions are classified as manager and stated that it appears to increase the salary ranges. Ms. Cabrera stated that during the classification study the consultants do not solely look at job titles, they also look at specific job duties. Ms. Cabrera added we will be looking at the program manager series when we conduct the compensation study. However, the Legislative & Regulatory Affairs Manager and the Information Systems (IS) Manager positions are appropriately classified as the IS Manager will manage consultants and the Agency's IS system and the Legislative & Regulatory Affairs Manager will have job duties that are at a higher level. Board member Carson inquired about issues of compaction. Ms. Cabrera stated that during the compensation study we will be looking at compaction issues particularly among the program manager series, as the top salary range of a Program Manager II is in the mid-range of a Senior Manager and it may require a complete overhaul of the program manager series.

Board member Carson stated that historically it has been difficult developing the agency salary ranges and inquired about how staff selects comparator agencies. Ms. Cabrera stated in developing the IS Manager salary we looked across all member agencies and settled on the average salary, with the understanding that we would be conducting the compensation study and would make any necessary adjustments at that time. Ms. Cabrera added that this position is closely aligned in scope of work and salary with the IS Manager for the City of Dublin. Board member Lamnin stated that given the importance of information technology she would like to see the issues of cyber security and resiliency included in the IS Manager's job description. Ms. Cabrera thanked Board member Lamnin for her feedback and additional support from the Hayward IS Director for reviewing the job description and providing recommendations to include cyber security and resiliency. These recommendations will be incorporated into the job description and we will correct a typo that should state "back-up support." Ms. Sommer stated that the current contractor has experience managing IS security compliance measures in order to comply with the rigorous grant requirements imposed by PG&E. Board member Bacon stated that he was surprised that the job requires only three years of experience at the salary level being offered. Ms. Cabrera stated that this is consistent with the average among the industry as well as among the comparator agencies that we looked at. The incumbent has significantly more experience as well as a Masters Degree. Board member Biddle stated that not only with PG&E but with the increase in security needs, this position will continue to evolve and requires permanent staffing.

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Board member Bacon made the motion to approve the staff recommendation. Board member Biddle seconded and the motion carried 6-0 (Ayes: Bacon, Biddle, Carson, Hannon, Lamnin, Young. Nays: None. Abstain: None. Absent: Arreguin, Carling, Cox, Ellis, Kalb, Sadoff).

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| 5. Classification Review and Compensation Study (Pat Cabrera) | Action |
| Staff recommends that the P&A Committee approve release of the attached RFP and direct staff and the selected consultant to meet with the P&A Committee to discuss the recommended comparator agencies and positions prior to beginning the salary survey portion of the study. | |

Pat Cabrera provided an overview of the staff report. A link to the report is available here:

[Classification-Review-Comp-Study-memo.04-13-07.pdf](#)

Board member Carson inquired about the comparator agencies for the 2013 salary survey. Ms. Cabrera stated that some agencies included the San Francisco Department of the Environment, the Water District and seven to eight other similar agencies. Ms. Cabrera added that our positions never reach the 95th percentile. This information is used as a tool for reference. Board member Biddle stated that he appreciated the agenda item presented as it is important to not operate as status quo but to continue to look at staffing and compensation. Board member Lamnin stated that it is helpful to include total compensation in the scope of work as well as interviewing incumbents currently in the comparator positions. Ms. Cabrera stated that the scope of work does include total compensation, i.e. salary plus benefits, etc. Board member Lamnin added that she has concerns regarding compaction and appreciates staff looking at classifications. Board member Bacon inquired about the other comparator agencies. Ms. Cabrera stated that in prior studies we looked at larger member agencies with recycling departments for the program manager series, as well as similar agencies such as San Francisco Department of the Environment. Ms. Cabrera stated there is added difficulty in comparing administrative positions because as a smaller agency administrative staff is required to perform a variety of duties. Board member Bacon stated it is appropriate to look at governmental agencies as well as other similar agencies. Ms. Sommer added our agency is not structured as other agencies with respect to supervising employee. We have a team oriented structure. Ms. Cabrera added that staff may supervise contractors.

Board member Hannon inquired about the financial or budgetary impact of the prior compensation study. Ms. Cabrera stated that she does not have the information available but she believes that the financial impact from the prior compensation study was approximately \$200,000. Ms. Cabrera added she will provide this information to the Board. Ms. Cabrera also added if the Board adopts the study it does not trigger automatic raises for staff. It will increase the salary ranges and will provide opportunity for step increases at a later time. Board member Hannon inquired about the driver or reason behind the proposed study. Ms. Cabrera stated that we want to look at classifications especially in the program manager series because the organization is changing and becoming more diversified. Board member Hannon stated that when doing the study we should look at positions at other agencies that are managing people as well as managing contracts in order to compare apples to apples.

Vice Chair Young stated that it is difficult to find comparator agencies as there is no equal to StopWaste. She reiterated her comments regarding the large percentage of Program Managers and looks forward to seeing the outcome of the study. Vice Chair Young inquired about the performance evaluation process and schedule. Ms. Cabrera stated that employee reviews occur in September per attachment A of the human

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resources manual. The current system is a complicated pay for performance system and staff will bring forward in June or July a discussion regarding an overhaul of the current evaluation system. Vice Chair Young stated that she is very proud of the job that Ms. Sommer has done as Executive Director especially in her efforts to regroup and downsize the agency. Vice Chair Young inquired if the Committee can know the final bidders prior to selection of the consultant. Ms. Sommer stated she included Attachment B which highlight a partial RFP mailing list and requested that the Committee forward other consultants that they would recommend.

Board member Lamnin made the motion to approve the staff recommendation with an amendment from Board Member Hannon for staff to bring back the financial impact to the agency from the prior compensation study. Board member Bacon seconded and the motion carried 7-0 (Ayes: Bacon, Biddle, Carson, Hannon, Kalb, Lamnin, Young. Nays: None. Abstain: None. Absent: Arreguin, Carling, Cox, Ellis, Sadoff).

6. Member Comments

There were none.

7. Adjournment

The meeting adjourned at 9:37 a.m.



DATE: June 8, 2017

TO: Programs and Administration Committee

FROM: Pat Cabrera, Administrative Services Director

BY: Todd High, Financial Services Manager

SUBJECT: Fiscal Year 2016-17 Funding Approval for Retiree Medical Benefits

SUMMARY

At the June 8, 2017 Programs and Administration (P&A) Committee meeting, staff will recommend that the Committee makes a recommendation to the Authority Board to authorize the Executive Director to contribute an additional \$250,000 to the Agency’s California Employers’ Retiree Benefit Trust Fund (CERBT) for Other Post-Employment Benefits (OPEB) liabilities.

DISCUSSION

Since 2008, the Agency has been a participant in CalPERS CERBT. This prefunding trust fund exists to cover employee OPEB liabilities which in the Agency’s case pertains to medical benefits. A change in Governmental Accounting Standards Board (GASB) standards as discussed below is expected to result in a small net liability for the OPEB recorded on the Agency’s balance sheet. Like the pension fund, the CERBT manages both the assets and liabilities of the fund to determine (through actuarial analyses) how solvent the trust is in order to meet the needs of the organization. However, in terms of differences, the pension fund is managed by CalPERS which sets mandatory employer rates (under a 30 year amortization period) to ensure adequate funding to support retirement payments. The CERBT, which is also managed by CalPERS, is a voluntary program, i.e., the Agency is not required to establish a trust fund; however, with this new GASB rule it must report its long term liability. The Agency has taken prior steps to fully fund the OPEB, and while it is still significantly funded, changes in actuarial assumptions have shown it slip slightly below 100%.

Governmental Accounting Standards Board (GASB) Statement 75 will be effective for the Agency’s fiscal year beginning July 1, 2017. GASB 75 essentially makes the accounting for OPEB liabilities consistent with that of GASB 68 for Pension Plans. The impact of this new pronouncement is expected to result in a net liability for the OPEB recorded on the Agency’s balance sheet. The annual expenses will be based on changes in the net liability each year and may be more varied from year to year due to shorter amortization periods. It is expected that for many municipalities the impact

of the OPEB liability will be substantial but since we made a significant payment to the trust in 2012, the impact on us is much smaller.

As of April 30, 2017, the market value of the Agency's assets in the CERBT was \$4,243,760. The cumulative contributions from the Agency were \$3,853,036, investment earnings have been \$1,440,007 and the disbursements for retiree premiums and administrative expenses have been - \$1,049,283. The average annualized internal rate of return through February 28, 2017 was 7.27%

As of the May 2016 actuarial report for the Agency's OPEB, the funding status was 94.6%. This reflects very well on the Agency compared to the average 28.1% funded status of California City & County CERBT participants based on CalPERS data. The benefits of a well-funded OPEB are expected to provide more stable financial outcomes (i.e. less variability of annual expenses or significant unfavorable changes in financial position.)

The Agency has already contributed the annual actuarial calculated funding for FY 2016-17 of \$142,105 and is requesting the approval to contribute an additional \$250,000 to fund the CERBT. As the Agency's workforce ages and becomes eligible to receive medical benefits in retirement, the OPEB distributions will increase. For the twelve months ended June 30, 2016, the retiree premiums were \$130,383; these premiums are projected to increase to approximately \$204,500 in 2020 and \$308,000 in 2025.

By contributing in advance of these expected distributions, the Agency will likely benefit from higher investment earnings to mitigate the future costs. Furthermore, based on current labor cost projections, the Agency is projecting to have labor cost savings from vacancy savings and labor rate differentials which are more than adequate to offset the increased OPEB contribution this fiscal year. Therefore, there is no increase in the FY 2016-17 overall budget or need to draw down on the Agency's fund balance to make this additional payment.

RECOMMENDATION

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 CERBT account to cover OPEB liabilities.



DATE: June 8, 2017
TO: Planning & Administration Committee
FROM: Pat Cabrera, Administrative Services Director
BY: Meri Soll, Senior Program Manager
SUBJECT: Reusable Bag Ordinance Update

SUMMARY

On October 25, 2016 the Waste Management Authority (WMA) expanded the Reusable Bag Ordinance (2016-2) to include all retail stores and eating establishments in Alameda County. The ordinance promotes reusable bags to reduce waste and litter from single-use bags, and keep plastic bags out of local waterways. The original ordinance has covered approximately 1,200 grocery, drug and liquor stores since 2013, and significantly reduced the number of single-use plastic and paper bags distributed at checkout. To build upon this success, the WMA expanded the ordinance to all retail stores effective May 1, 2017 and eating establishments effective November 1, 2017.

DISCUSSION

Staff will provide an update to the committee on outreach and implementation activities relating to the expansion of the ordinance to an additional 13,000 stores and eating establishments. Outreach materials developed for both retail stores and eating establishments will be distributed at the meeting as well as a synopsis of technical assistance visits to newly affected stores.

RECOMMENDATION

This item is for information only.

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DATE: June 8, 2017

TO: Programs & Administration Committee

FROM: Pat Cabrera, Administrative Services Director

BY: Tom Padia, Deputy Director

SUBJECT: Castro Valley Sanitary District Less-Than-Weekly Garbage Collection Pilot –
Transmittal of Final Report

SUMMARY

With funding and support from StopWaste, the Castro Valley Sanitary District (CVSan) recently concluded a test of “Less Than Weekly” garbage collection. At the June 8 Programs & Administration Committee meeting, staff will share results and lessons learned from the pilot project.

DISCUSSION

Given successful trials in Portland and other jurisdictions, and the potential to both drive up participation in organics diversion programs and significantly reduce or control future costs, the Authority budgeted funding in FY 14/15 and 15/16 to support one or more member agencies with piloting every other week residential garbage collection. CVSan was the only jurisdiction to step forward with a proposal to pilot test such a program, and in October 2015 the Authority approved funding to them for this purpose.

CVSan’s current franchise agreement with Waste Management of Alameda County (WMAC) expires in mid-2019. CVSan was interested in gaining knowledge and experience through a pilot to inform their process of structuring collection and outreach programs under a new agreement. As a result of preliminary discussions with WMAC, along with certain Prop. 218 legal concerns, the pilot was structured as a “Less Than Weekly” (LTW) pilot where residents on selected routes were strongly and repeatedly encouraged to set out garbage only every other week or less often as needed, but the truck did drive the route each week and collected all carts set out.

Residents were given kitchen food scrap pails and liners, tags for extra garbage set-outs, and repeated messaging of “If you don’t fill it up, don’t roll it out.” It is expected that a new contract that goes through a Prop. 218 process from the beginning would be able to incorporate true “Every Other Week” collection if that is the direction CVSan chooses to go.

Results

The CVSan pilot ran from June through December 2016 and included 825 single-family households on portions of two collection routes and a third collection route serving as a control. StopWaste coordinated Benchmark sampling on pilot and non-pilot routes prior to the pilot and twice during the pilot. While CVSan gained much experience and knowledge during their intensive outreach efforts, the sampling did not detect any material impact on diversion of organics out of the garbage carts on the pilot routes as compared to the control. WMAC records of route times and truck weights similarly did not reveal any material diversion impact nor cost savings from the voluntary pilot.

CVSan prides itself on its intensive waste reduction outreach and thorough communications through multiple media with their account holders. The results of the pilot may indicate that CVSan has come close to the maximum effectiveness that voluntary measures can have in promoting food scrap recycling (i.e. moving food scraps from the garbage cart to the organics cart), and that structural and/or mandatory measures may be needed to “move the needle” going forward. CVSan does already fully participate in the Mandatory Recycling Ordinance for commercial and multi-family accounts.

RECOMMENDATION

This item is for information only

Links: [CVSan Less Than Weekly Pilot Final Report – HF&H Consultants](#)
[Less Than Weekly Communications Report – Underground](#)