

Dianne Martinez, Vice Chair  
City of Emeryville

David Haubert, County of Alameda

Trish Herrera Spencer, City of Alameda

Preston Jordan, City of Albany

Susan Wengraf, City of Berkeley

Melissa Hernandez, City of Dublin

Jenny Kassan, City of Fremont

Mike Hannon, City of Newark

Shelia Young, Oro Loma Sanitary District

Jen Cavanaugh, City of Piedmont

Jack Balch, City of Pleasanton

Jaime Patiño, City of Union City

Wendy Sommer, Executive Director

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

**Thursday, March 11, 2021**

**9:00 A.M.**

**TELECONFERENCE MEETING**

Teleconference/Public Participation Information to Mitigate the Spread of COVID-19.

This meeting will be entirely by teleconference. All Board members, staff, and the public will only participate via the Zoom platform using the process described below. The meeting is being conducted in compliance with the Governor's Executive Order N-29-20 suspending certain teleconference rules required by the Ralph M. Brown Act. The purpose of this order is to provide the safest environment for the public, elected officials, and staff while allowing for continued operation of the government and public participation during the COVID-19 pandemic.

Members of the public and staff who are not presenting an item may attend and participate in the meeting by:

1. Calling US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 929 205 6099 or 1 301 715 8592 or +1 312 626 6799 and using the Webinar ID: 850 5549 5141
2. Using the [Zoom](#) website or App and entering meeting code 850 5549 5141

Board members and any other individuals scheduled to speak at the meeting will be sent a unique link via email to access the meeting as a panelist. All Board members MUST use their unique link to attend the meeting. During the meeting the chair will explain the process for members of the public to be recognized to offer public comment. The process will be described on the StopWaste website at <http://www.stopwaste.org/virtual-meetings> no later than 5:00 p.m., Wednesday, March 10, 2021. The public may also comment during the meeting by sending an e-mail to [publiccomment@stopwaste.org](mailto:publiccomment@stopwaste.org) prior to the close of public comment on the item being addressed. Each e-mail will be read into the record for up to three minutes.

In accordance with the Americans with Disabilities Act and the Governor's Executive Order, if you need assistance to participate in this meeting due to a disability, please contact the Clerk of the Board at (510) 891-6517. Notification 24 hours prior to the meeting will enable the agency to make reasonable arrangements to ensure accessibility to this meeting.

## AGENDA

### 1. Convene Meeting

### 2. Public Comments

Open public discussion from the floor 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 unless a shorter period of time is set by the Chair.

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### 1 3. Approval of the Draft Minutes of February 11, 2021 (Pat Cabrera)

### 5 4. Multi-Year Fiscal Forecast (Pat Cabrera)

This item is for information only, in preparation for the budget discussion in April.

### 5. Member Comments

### 6. Adjournment

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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.

**DRAFT**

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

**Thursday, February 11, 2021**

**9:00 A.M.**

**TELECONFERENCE MEETING**

**Members Present:**

County of Alameda

City of Alameda

City of Albany

City of Berkeley

City of Dublin

City of Emeryville

City of Fremont

City of Newark

Oro Loma Sanitary District

City of Piedmont

City of Pleasanton

City of Union City

David Haubert

Trish Herrera Spencer

Preston Jordan

Susan Wengraf

Melissa Hernandez

Dianne Martinez, Vice Chair

Jenny Kassan

Mike Hannon

Shelia Young

Jen Cavanaugh

Jack Balch

Jaime Patiño

**Staff Present:**

Wendy Sommer, Executive Director

Timothy Burroughs, Deputy Director

Pat Cabrera, Administrative Services Director

Jeff Becerra, Communications Manager

Justin Lehrer, Operations Manager

Alma Freeman, Program Manager

Michelle Fay, Program Manager

Arliss Dunn, Clerk of the Board

**1. Convene Meeting**

Vice Chair Dianne Martinez called the meeting to order at 9:03 a.m. Timothy Burroughs explained the process that would be utilized during the meeting. A link to the process is available here: [Virtual-Meetings-Instructions](#).

**2. Public Comments**

There were no public comments on the remote call and no public comments were received via the public comments email address.

**3. Approval of the Draft Minutes of January 14, 2021 (Pat Cabrera)**

There were no public comments on this item. Board member Wengraf made the motion to approve the draft minutes of December 10, 2020. Board member Hernandez seconded and the motion carried 11-0-1. The Clerk called the roll:

(Ayes: Balch, Hannon, Haubert, Hernandez, Jordan, Kassan, Martinez, Patiño, Spencer, Wengraf, Young. Nays: None. Abstain: Cavanaugh. Absent: None).

**4. Statewide Recycling Commission Report Recommendations (Alma Freeman & Michelle Fay)**

This item is for information only.

Timothy Burroughs provided background on the Recycling Commission's work and introduced Alma Freeman and Michelle Fay, StopWaste Program Managers. Ms. Freeman and Ms. Fay presented an overview of the Recycling Commission's recommendations and outlined areas where StopWaste and local jurisdictions could have influence and opportunities for leadership. A link to the staff report and the presentation is available here: [Recycling-Commission-Presentation.pdf](#).

Board member Hannon stated that he is not a supporter of single stream recycling as it contributes to contamination and inquired if staff has gleaned any best practices on a global scale to ensure that items that are recyclable are not contaminating other materials. Mr. Burroughs stated that as we dive deeper into the work that we will be doing together we will certainly include exploring best practices from other nations. Board member Hannon stated that he would like to see manufacturers clearly indicate on packaging whether or not the packaging is recyclable so that consumers are not struggling to know if a product is recyclable or not. Board member Young commented that some jurisdictions will begin negotiating their hauler contract agreements and asked that staff clarify why it is important to ask the hauler where they are taking the materials. Ms. Fay replied that historically we have relied on the information provided by the waste hauler with the assumption that the materials accepted are being properly recycled. However, to increase transparency and to ensure that the materials are being properly recycled, recommendations from the Recycling Commission include asking the hauler where materials are sent after they are sorted and baled. Board member Young commented that if we limit the types of items that can be recycled, that would lead to an increase in materials landfilled and would not align with our message for landfill obsolescence. Ms. Fay replied that it is a tough conversation but we are learning that some of the materials that we are sending out of the country are being landfilled and not recycled, so it may be better to landfill the items here where we have better environmental control. Mr. Burroughs added the long term solution would be to shift how producers are manufacturing their materials and increase public education to inform their purchasing habits. Board member Young stated pizza boxes are currently accepted in the organics and inquired if going forward they will not be considered as a compostable item. Ms. Fay stated that the Recycling Commission is reviewing pizza boxes and will provide more direction in the July Report.

Board member Jordan inquired about chemical recycling and asked if the state can mandate that low grade plastics not be imported into the state. Ms. Fay stated that chemical recycling reduces a product to its original monomer form so that it can be used as a raw material for new plastic products. Ms. Fay added, rather than take the approach of a material ban, the Recycling Commission has recommended the chasing arrows symbol be allowed only when products meet certain recyclability standards as a way to incentivize producers to opt for recyclable options. Board member Spencer inquired about any efforts to address the lack of recycling centers. Ms. Sommer stated that there is a letter currently being circulated requesting that the state provide funding to jurisdictions to assist in funding recycling centers and we are planning on signing onto the letter. Board member Wengraf inquired if the Recycling Commission has a strategy for bringing forward legislation to prohibit plastic packaging in the state and if not, is that something that the agency can explore. Mr. Becerra stated that the commission is not seeking prohibition of plastic packaging but rather laws enacted that will ensure that the packaging is truly recyclable. Mr. Becerra added legislation such as SB 54 and AB 1080, and a voter initiative that should be on the next ballot, will be focused on that issue. Board member Wengraf inquired if there is a plan for the tons of materials that are currently sitting in centers that are unable to be shipped overseas and commented that there should be increased education and outreach to inform the public that some

## **DRAFT**

of these items are not being recycled. Mr. Becerra stated that the trend is to landfill the lower quality plastics. Board member Haubert stated his support for legislation that would prohibit non-recyclable plastics from entering the state and added that there should be an increase in the redemption value for recyclable materials.

Vice Chair Martinez commented on the importance of informing the public about the recyclability of materials so that they can make informed decisions when purchasing items. She added that she is disappointed that the commission did not address the issue of refillables as the impact of single-use disposables on the waste stream is significant. There were no public comments on this item. Vice Chair Martinez thanked staff for a very informative presentation.

### **5. Member Comments**

Ms. Sommer asked that the new board members remain on the call to participate in the agency orientation. Vice Chair Martinez informed the committee about a conference provided by UC Berkeley on the Circular Economy and inquired if the agency still offers an educational allowance for board members. Ms. Sommer stated yes.

### **6. Adjournment**

The meeting adjourned at 9:57 a.m.

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**DATE:** March 11, 2021

**TO:** Programs and Administration Committee  
Planning Committee/Recycling Board

**FROM:** Pat Cabrera, Administrative Services Director

**SUBJECT:** Multi-Year Fiscal Forecast

## SUMMARY

Starting in 2016, staff committed to presenting a revised multi-year fiscal forecast on an annual basis in preparation for budget development. At both the March 11, 2021 Programs and Administration Committee and the Planning Committee/Recycling Board meetings, staff will present a multi-year forecast based on updated core revenue estimates and a stable core expenditure plan.

## DISCUSSION

### Fiscal Year 2019-2020 Revenues and Expenditures

In FY 2019-20 (ending June 30, 2020), the Agency spent about 96% of core budgeted expenses, and collected 8.2% more revenue than projected at the beginning of the fiscal year. The surplus is due to several reasons: an increase in in-county tonnages (explained more below), better overall interest yields, a combination of salary and hard-cost savings, and continued reduction in end-of-year encumbrances as we move away from the “use it or lose it” mindset of past budget practices.

	FY 19-20 Actuals	FY 19-20 Budget <sup>1</sup>	Difference
Core expenditures	\$10,615,002	\$11,005,928	(\$390,926)
Core revenues			
Tonnage: facility fee	\$5,517,577	\$5,254,017	\$263,560
Tonnage: mitigation	\$444,211	\$557,199	(\$112,988)
Tonnage: Measure D	\$4,723,025	\$4,483,471	\$239,554
Tonnage: fee enforcement (out of county)	\$484,879	\$300,000	\$184,879
Property and interest	\$1,122,833	\$825,297	\$297,536
Miscellaneous and citations	\$143,988	\$75,000	\$68,988
<b>Total core revenues</b>	<b>\$12,436,513</b>	<b>\$11,494,984</b>	<b>\$941,529</b>

<sup>1</sup> Includes the board approved budget amendment for the single-use disposable foodware ordinance and EIR.

These surpluses increased the ending available core fund balance to \$18.8M in FY 19-20. The Agency maintains a healthy fund balance, along with reserves, to cover any unforeseeable budget gaps, and to make any pension related lump-sum payments in conjunction with our long-term expenditure plan. This approach ensures the ongoing operation of the Agency without the need to increase fees in the near future.

#### Revenue Projections Associated with Landfill Tonnage

Based on historic trends, the Agency has based its revenue forecasts on an annual tonnage decline averaging approximately 3%. In fact, as shown in Attachment B1, in-county tonnage disposed at the Altamont and Vasco landfills between FY 05-06 and FY 15-16 declined by an annualized average of 4.2%. However, beginning in FY 16-17 through FY 19-20, tonnages increased an annualized average of 6.1%. These increases can be attributed to a very robust economy, as well as large one-time disposal tonnages of special waste, such as the salt clean-up project. As shown in Attachment B2, tonnage has since leveled off once again during the pandemic, and consistent with information provided to the Committees in December, we are projecting a modest decline in tonnages overall this fiscal year. Contributing to the modest decline is a decrease in out-of-county tonnage (i.e., disposal generated out-of-county but disposed of in an Alameda County landfill).

In FY 19-20, tonnage-based fees (including fee enforcement efforts) comprised almost 90% of the Agency's core revenues. The remaining 10% of core revenue came from property-related revenues, interest, and mandatory recycling enforcement activities. For the current fiscal year (FY 20-21), we are estimating that actual tonnage revenues will total \$10.2M, which represents a decrease of approximately \$200,000 (2%) compared to the budgeted amount. Property and enforcement related fees are projected to match budgeted figures, whereas interest revenue is projected to come in slightly lower than budget. As such, core revenues in FY 20-21 are estimated to total approximately \$11.0M. This revised projection is still higher than the Agency's core budget for FY 20-21 set at \$10.9M. In addition, we are anticipating a significant surplus this year of at least \$300,000 resulting from staff vacancies and hard cost savings.

The new budgeted core revenue for FY 21-22 is reset at approximately \$10.8M. This decrease reflects both estimated reduced tonnages resulting from the Organics Materials Compost Facility (OMCF) at Davis Street in San Leandro, our ongoing programmatic efforts, and our intention to budget conservatively due to the uncertainty associated with the pandemic. Unlike previous forecasts, we have not made any revenue changes beyond next fiscal year as there is too much uncertainty with respect to the pandemic, specifically regarding economic recovery and its impact on disposal trends. As always, we will continue to monitor these trends carefully and apprise the boards as needed.

#### Core Expenditures

Staff is in the process of developing the FY 21-22 budget in alignment with the Board-approved guiding principles and our commitment to support member agencies' compliance with SB 1383. The Agency is fully committed to matching ongoing expenditures with ongoing revenues, and has done so since FY 16-17. We estimate that annual core budgets will total approximately \$10.8M in FY 21-22 through FY 24-25, realizing that these projections will be updated as we get more revenue information. Given that we have accumulated both significant fund balances and reserves that can be used for one-time expenditures or to prudently fill in any budgetary gaps, we are confident in our ability to address any financial contingency and to continue to submit



balanced budgets.

At the end of FY 20-21, we project combined available core fund balances and reserves to total over \$28M, which is over 2.5 times our average core budget.

#### Multi-Year Fiscal Forecast

Attachment A1 (Prior Year Multi-Year Forecast) shows core revenue exceeding expenditures by approximately \$1.7M in FY 19-20 (actuals totaled \$1.8M) with expenditures matching revenues through FY 23-24. This was based on core expenditures fluctuating between \$11.0M and \$10.7M per year.

Attachment A2 (Revised Multi-Year Forecast) shows revenue exceeding expenditures by approximately \$400,000 in FY 20-21 and matching expenditures from FY 21-22 through the end of FY 24-25. This projection is based on annual core expenditures of \$10.8M beginning in FY 21-22.

#### **RECOMMENDATION**

This item is for information only, in preparation for the budget discussion in April.

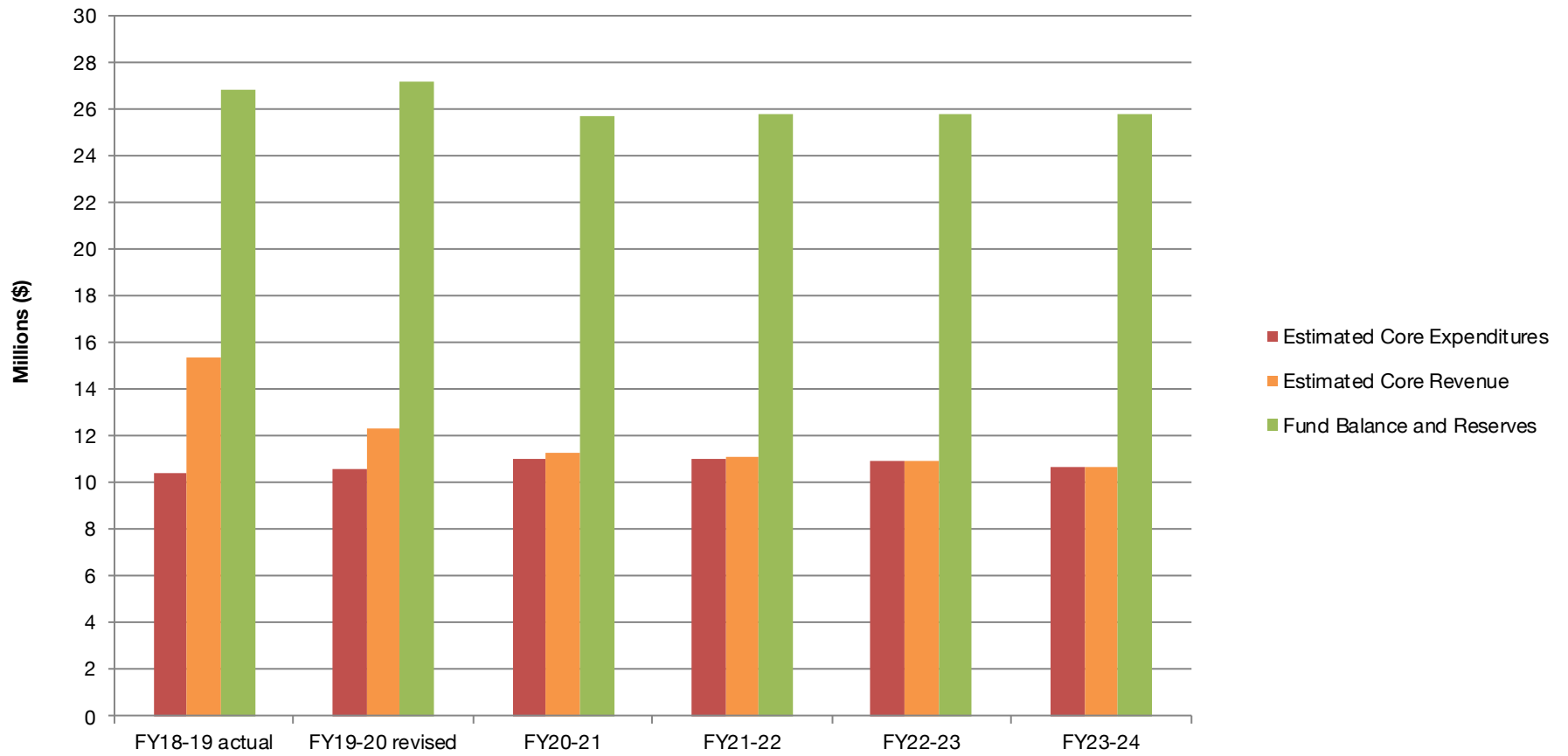
Attachment A1: Prior Year Multi-Year Forecast Through FY 23-24

Attachment A2: Revised Multi-Year Forecast Through FY 24-25

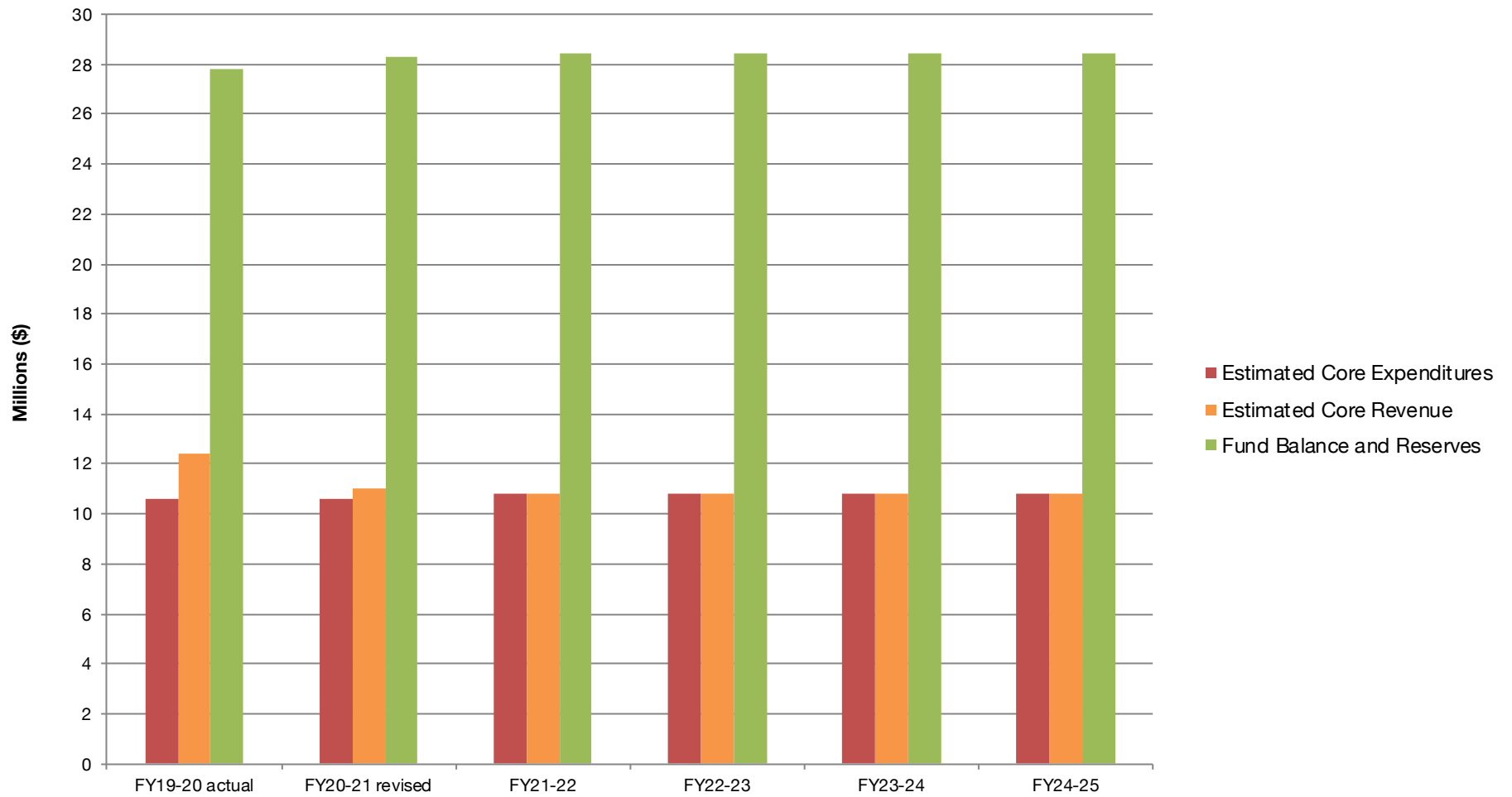
Attachment B1: Historical Disposal Trends in Alameda County (2006-2020)

Attachment B2: Current 2 Year Disposal Trend in Alameda County (2020-2022)

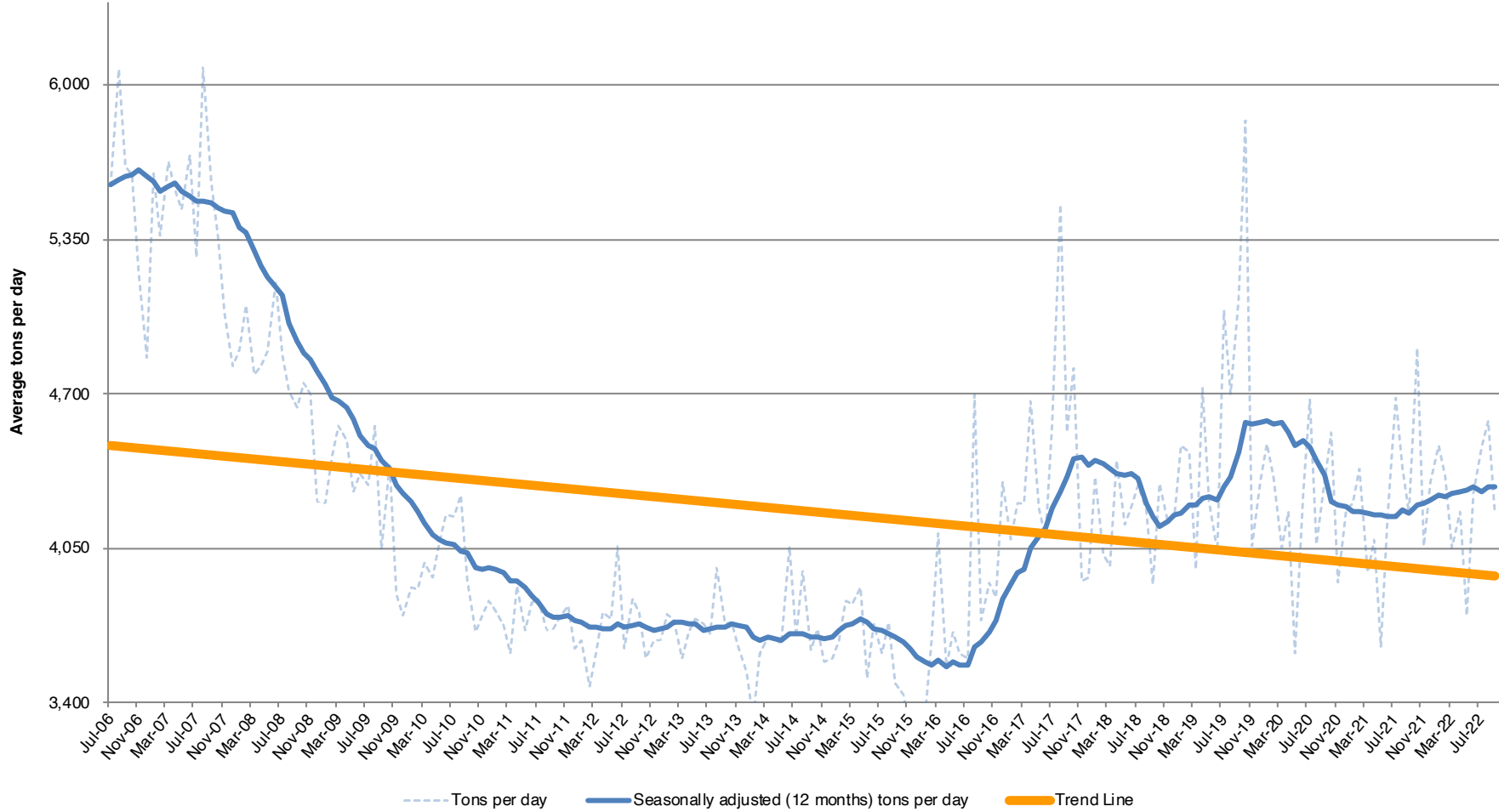
## Attachment A1: Prior Year Multi-Year Forecast Through FY 23-24



## Attachment A2: Revised Multi-Year Forecast Through FY 24-25



Attachment B1: Historical Disposal Trends in Alameda County (2006 - 2022)



Attachment B2: Current 2 Year Disposal Trends In Alameda County (2020 - 2022)

