

APPROVED

**MINUTES OF THE REGULAR MEETING OF THE  
PLANNING & ORGANIZATION COMMITTEE  
AND  
ALAMEDA COUNTY RECYCLING BOARD**

**Thursday, November 13, 2014  
7:00 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 to 510-891-6500.

**I. CALL TO ORDER**

President, Anu Natarajan, called the meeting to order at 7:03 p.m.

**II. ROLL CALL**

Greg Jones  
Anu Natarajan  
Daniel O'Donnell  
Michael Peltz  
Jerry Pentin (arr. 7:08)  
Steve Sherman  
Minna Tao  
Gordon Wozniak

**Absent:**

Lorin Ellis  
Chris Kirschenheuter  
Toni Stein

**Staff Present:**

Gary Wolff, Executive Director  
Wendy Sommer, Deputy Executive Director  
Tom Padia, Recycling Director  
Meri Soll, Senior Program Manager  
Brian Washington, County Counsel  
Arliss Dunn, Clerk of the Board

**Others Participating:**

Judy Erlandson, City of Livermore  
Lisa Klein, Loved Twice  
Erik Nylund, Crowe Horwath

**III. ANNOUNCEMENTS BY THE PRESIDENT**

**IV. CONSENT CALENDAR**

- |   |                    |
|---|--------------------|
| <b>1. Approval of the Draft Minutes of October 9, 2014 (Wendy Sommer)</b> | <b>Action</b>      |
| <b>2. Board Attendance Record (Wendy Sommer)</b>                          | <b>Information</b> |

- |    |   |                    |
|----|---|--------------------|
| 3. | <b>Written Report of Ex Parte Communications (Wendy Sommer)</b> | <b>Information</b> |
| 4. | <b>Grants Under \$50,000 (Wendy Sommer)</b>                     | <b>Information</b> |

Board member Wozniak made the motion to approve the Consent Calendar. Board member Jones seconded and the motion carried 7-0 (Ellis, Kirschenheuter, Pentin, and Stein absent).

**V. OPEN PUBLIC DISCUSSION**

There was none.

**VI. REGULAR CALENDAR**

- |    |   |               |
|----|---|---------------|
| 1. | <b>5 Year Financial &amp; Compliance Audit-Award of Contract (RB only) (Wendy Sommer &amp; Tom Padia)</b> | <b>Action</b> |
|----|---|---------------|

Staff recommends that the Recycling Board approve the contract award and authorize execution of a funding agreement with Crowe Horwath LLP for the Financial and Compliance Five Year Audit, for a total not-to-exceed amount of \$179,800, per their proposal to the Board. \$97,090 will be awarded from the approved FY 14/15 budget for Phase I of the scope of work. Upon satisfactory completion of Phase I, the remaining \$82,710 will be allocated from the FY 15/16 budget (the work will commence after the end of FY 15/16) and will be included in the FY 15/16 budget resolution.

Mr. Padia provided an overview of the staff report. The report is available here: <http://www.stopwaste.org/sites/default/files/meeting/RB%20Contract%20Award%20Memo%2011-13-2014%20-%20WS%20edits.pdf>

Erik Nylund, Project Manager, Crowe Horwath, was present to answer any questions. Board member Sherman inquired if the programmatic audit was separate from the financial audit. Mr. Padia affirmed that the programmatic audit is a separate process which will include an RFP in a couple of years.

Board member Tao made the motion to approve the staff recommendation. Board member Wozniak seconded and the motion carried 8-0 (Ellis, Kirschenheuter, and Stein absent).

- |    |  |               |
|----|--|---------------|
| 2. | <b>Accumulated Measure D Fund Balances Exceeding Policy Threshold- Revision of Policy Adopted in 2006 (RB only) (Wendy Sommer &amp; Tom Padia)</b> | <b>Action</b> |
|----|--|---------------|

It is recommended that the Recycling Board:  
 Adopt by the attached resolution a revision to "Rule 2" in Resolution #2006-12, changing the threshold of member agency unspent Recycling Fund monies that triggers ineligibility for further allocations absent an approved Expenditure Plan from the sum of the last eight quarterly per capita allocations to one of the options listed in the staff report. If an option includes an adjustment for population, the population figures used in the first quarterly disbursement of each fiscal year shall be applied each fiscal year to calculate the threshold. It is recommended that this revised threshold apply to the fund balances reported at the end of FY 13/14 and each year forward.

Mr. Padia provided an overview of the staff report. The report is available here: <http://www.stopwaste.org/sites/default/files/Revisions%20to%20RB%20Fund%20Balance%20Threshold-%20RB%2011-2014%20-%20WS.pdf>

Mr. Padia notified the Board of a missing page in the staff report. The missing page included the staff recommendation. However, the recommendation was printed verbatim on the publicly noticed agenda.

Board member Wozniak inquired as to the reasons for accumulated balances. Mr. Padia stated the purpose of the policy is to determine the reason why member agencies accumulate large balances, and what they plan to do with those funds.. Mr. Padia provided an example that the City of Livermore was

utilizing the funds to pay for a staff position. The position became vacant and a prolonged process for filling it caused their balance to exceed the threshold. Another example might include making large capital purchases. The City of Hayward submitted and the Board approved an expenditure plan to utilize consultants to do physical observations of all of the commercial accounts to see who had what percentage of recyclables and enlist them for the city program and to also identify accounts that they want to route for MRFing through Davis Street Transfer Station. The cost was approximately \$800,000 over a two-year period. Mr. Padia added the County Charter mandates that the money is raised based upon tons landfilled but disbursed per capita and this cannot be changed. Board member Wozniak stated the intent is to allow flexibility but not reserve it indefinitely. Board member Tao inquired if the money decreases as tonnages decreases, and if so, the allocations will continue to decrease. Mr. Padia stated that decreasing allocations are primarily due to landfill tonnage decreases. Board member Natarajan pointed out that in the last few years only two cities requested expenditure plans. Mr. Padia stated yes, however if the policy is left unchanged the City of Newark will need to submit a plan as they were slightly over the threshold, and several others were very close. Board member Natarajan inquired about the level of difficulty of in putting together a plan. Judy Erlandson, City of Livermore, stated it is not an inordinate amount of work but there is uncertainty with respect to the amount of the disbursement and fear of bumping up against the threshold.

Board member Wozniak stated that he supports the per capita option but is not certain with respect to how large it should be. Board member Jones stated he initially thought that since we've only had two cities that requested the expenditure plan to not change the policy, he supports the \$8 per capita option, but is concerned about needing to adjust it annually if we choose the CPI option. He inquired if staff perceives this as a problem. Mr. Padia stated that it is not a burden for agency staff but member agency staffs indicate that as the funding declines it has become a concern that they would be approaching the threshold and any added work with fewer staff that isn't absolutely necessary might be viewed as unproductive. Board member Sherman asked which of the options presented was more closely aligned with funding allocations during peak years. Mr. Padia stated that the \$9.28 per capita option is equivalent to the initial funding during peak years, prior to the decline in tons landfilled.

Board member Wozniak made the motion to approve the \$8 per capita option. Board member Sherman seconded. The motion carried 8-0 (Ellis, Kirschenheuter, and Stein absent).

**3. Definition of "Adequate Commercial Recycling" for Purpose of Determining Municipal Eligibility to Receive Measure D Per Capita Allocations (RB only) (Wendy Sommer & Tom Padia) Information**

Accept this report and re-affirm the definition of adequate commercial recycling. (Note that the policy allows the Board to consider not withholding Measure D funds if a member agency fails to satisfy the policy and can persuade the Board it should not withhold Measure D funds).

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

<http://www.stopwaste.org/sites/default/files/meeting/Adequate%20Commercial%20Recycling%20Memo-%20RB%2011-2014.pdf>

Board member Pentin indicated that the City of Pleasanton is negotiating an amendment to its franchise agreement with their hauler (Pleasanton Garbage Service) and as part of the negotiations the hauler submitted the cost for participation in the organics program, which would be an across the board 3.3% increase for organics, on top of the 3.2% garbage rate increase. The city would incur an additional \$800,000 annual cost, and they are within six months of a decision. Board member Pentin added the City Manager should have submitted this information to agency staff. Mr. Wolff stated staff had not yet received the information. Board member Pentin stated that he would follow-up with the City Manager.

Board member Sherman inquired as why this issue is before the Board. Mr. Padia stated that staff is honoring the direction of the Board to bring the issue back to the Board in two years in November 2014. Staff recommendation is to reaffirm the definition to see how it plays out after the end of the current fiscal year. With the possible exception of Pleasanton, it is our understanding that all member agencies are on track to comply with the policy. Board member O'Donnell inquired if there are studies or numbers available that can balance out the non-financial benefits and impacts associated with implementing the commercial organics program versus not implementing the program, of financial studies such as avoided landfill costs. Mr. Padia stated it is difficult on where to put boundaries in such studies as there are a variety of environmental costs such as methane production from landfills, etc. Mr. Padia stated with respect to operational costs, during the EIR process, HF&H Consultants conducted a high level financial study countywide of compliance with the mandatory recycling programs of both recyclables and organics. The study concluded that system wide there may be a 2-3% reduction in overall system costs. However, if all or most rate revenues are levied on garbage service and not on recycling or organics collections, then significant garbage rate increases may be required (without increasing overall bills) in order to maintain a constant level of revenues as more and more materials are shifted from the garbage bin to the recycling and organics containers.

Board member Sherman made the motion to approve the staff recommendation. Board member Wozniak seconded. Board member Jones made a friendly motion to amend the recommendation with direction to staff to bring the issue back in one year. The amended motion carried 8-0 (Ellis, Kirschenheuter, and Stein absent).

**4. Loved Twice – Non Profit Update  
( Wendy Sommer & Meri Soll)**

**Information**

This item is for information only.

Ms. Soll provided an overview of the staff report. The report is available here:

<http://www.stopwaste.org/sites/default/files/meeting/Loved%20Twice%20Board%20Memo%2011.14.pdf>.

Lisa Klein, Executive Director, Loved Twice, presented a short video of the Loved Twice program and an overview of program activities. A link to the video is available here:

<https://www.youtube.com/watch?v=0HrPwV3m67c>

Board member Jones inquired about the support provided by StopWaste. Ms. Klein stated that StopWaste has funded the program since 2010. Ms. Soll added Loved Twice is eligible to receive up to \$15,000 annually in funding under the reuse grant program. Board member Natarajan inquired about the overall budget. Ms. Klein stated the overall annual budget is \$150,000 which is primarily spent on outreach. Board member Wozniak inquired about expanding nationally. Ms. Klein stated that she prefers to stay local but there are chapters in other states that are primarily individuals collecting and distributing on their own. President Natarajan thanked Ms. Klein for her presentation.

**VII. OTHER PUBLIC INPUT**

There was none.

**VIII. COMMUNICATIONS/MEMBER COMMENTS**

**Acknowledgements of Service (Gary Wolff)**

(Anu Natarajan, Gordon Wozniak, and Chris Kirschenheuter)

Mr. Wolff presented Board members Wozniak and Natarajan with recycled glass content gifts and a certificate of recognition for their service. Board member Wozniak commended Mr. Wolff on a great job over the last 5 years and expressed his appreciation for being a part of a regional effort. Board member Natarajan concurred with Board member Wozniak in his comments.

APPROVED

Mr. Wolff invited Board members to view the Litterati exhibit in the conference room foyer. The exhibit is a digital Landfill photo gallery showcasing the different pieces of litter being picked up, and the overall impact of the movement.

**IX. ADJOURNMENT**

The meeting adjourned at 8:15 p.m.