

APPROVED

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

Wednesday, February 17, 2016

3:00 P.M.

**StopWaste Offices
1537 Webster Street 23211
510-891-6500**

I. CALL TO ORDER

First Vice President Kalb, WMA, called the meeting to order at 3:00 p.m.

II. ROLL CALL

WMA & EC

County of Alameda	Keith Carson, WMA, EC
City of Alameda	Jim Oddie, WMA, EC
City of Albany	Peter Maass, WMA, EC
City of Berkeley	Susan Wengraf, WMA, EC
Castro Valley Sanitary District	Dave Sadoff, WMA
City of Dublin	Don Biddle, WMA, EC
City of Emeryville	Dianne Martinez, WMA, EC
City of Fremont	Suzanne Lee Chan, WMA, EC
City of Hayward	Greg Jones, WMA, EC
City of Newark	Mike Hannon, WMA, EC
City of Oakland	Dan Kalb, WMA, EC
Oro Loma Sanitary District	Shelia Young, WMA
City of Piedmont	Tim Rood, WMA, EC
City of San Leandro	Deborah Cox, WMA, EC
City of Union City	Lorrin Ellis, WMA, EC

Absent:

City of Livermore	Laureen Turner, WMA
City of Pleasanton	Jerry Pentin, WMA

Staff Participating:

Wendy Sommer, Executive Director
Tom Padia, Deputy Executive Director
Patricia Cabrera, Administrative Services Director
Gina Peters, Chief Financial Officer
Justin Lehrer, Senior Program Manager
Debra Kaufman, Senior Program Manger
Karen Kho, Senior Program Manager
Brian Mathews, Senior Manager
Richard Taylor, Legal Counsel, Authority Board
Arless Dunn, Clerk of the Board

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III. ANNOUNCEMENTS BY THE PRESIDENTS

There were none.

IV. CONSENT CALENDAR

1. **Approval of the Draft Minutes of January 27, 2016** **Action**
2. **Annual Audit for Fiscal Year 2014/15 (Pat Cabrera & Gina Peters)** **Action**
Staff recommends that the WMA Board and the Energy Council review, accept and file the FY 2014/15 audit report.
3. **Assessment Criteria for Product Decisions Activities (Justin Lehrer)** **Action**
Staff recommends that the WMA Board review and approve the proposed criteria for evaluating targets and programs and direct staff to use the adopted criteria to inform adjustments to the Product Decision Targets, propose organics projects, and develop future programs.
4. **Organics Processing Development Reserve Usage & Criteria (Debra Kaufman)** **Action**
The P&A Committee by a vote of 10-0 (Carson and Turner absent) recommended that the WMA Board affirm that the \$1 million EBMUD reserve is no longer reserved for EBMUD, and direct staff to budget some part of those funds for organics diversion projects that go beyond in-county processing capacity, using the proposed product decisions criteria.
5. **Grants Under \$50,000 (Wendy Sommer)** **Information**
6. **Minutes of the January 19, 2016 Technical Advisory Group (Karen Kho)** **Information**

Board member Young made the motion to approve the Consent Calendar for the WMA Board. Board member Ellis seconded and the motion carried 18-0 (Pentin and Turner absent).

Board member Ellis made the motion to approve the Consent Calendar for the Energy Council. Board member Rood seconded and the motion carried 20-0.

V. OPEN PUBLIC DISCUSSION

Ken Bukowski announced that Assemblymember Tony Thurmond was holding a hearing on Feb. 19 to discuss Bay Area Regional Planning.

VI. CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Gov't Code 54956.9(d)(1))

Name of case: Waste Connections Inc. v. Alameda County Waste Management Authority, Kings County Superior Court Case No. 16-C0022

Authority Counsel Richard Taylor reported in open session that the members present voted unanimously to authorize legal counsel to defend the suit filed by Waste Connections Inc.

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The vote was 18-0: **Ayes:** Biddle, Carson, Chan, Cox, Ellis, Hannon, Jones, Kalb, Maass, Martinez, Oddie, Rood, Sadoff, Wengraf, Young. **Nays:** None. **Absent:** Pentin, Turner. **Abstain:** None.

VII. REGULAR CALENDAR

1. Updated Multi Year Fiscal Forecasts (Pat Cabrera & Mark Spencer) Information

This item is for information only.

Pat Cabrera and Mark Spencer provided an overview of the staff report and presented a PowerPoint presentation. The combined report and presentation is available here: [Fiscal Forecasts-02-17-16](#)

Board member Carson inquired if staff was aware of other data sets such as the ones developed by the East Bay Economic Development Alliance (EDA) and why we didn't use those data in our model. Mr. Spencer replied that in fact EDA had shared a great deal of data with us when we were first building the model (housing starts, housing permits, commercial and industrial permits, local unemployment, tax revenues etc.) We used both a backwards and forwards approach to model building. With the backwards approach we used all possible variables and then pulled one variable out at a time looking at the partial-F (measure of significance for an individual variable in a model) and pulling the non-significant variables. With the forwards approach we built the model by adding significant variables one variable at a time. In the end we found that a simple model using either national and state unemployment levels and a seasonal variable provided the best understanding of tonnages. We then used the UCLA Anderson School unemployment projections to project tonnages for the coming year. Ms. Cabrera stated that since it's no longer working, staff recommend that the agency discontinue use of the current statistical model and for the coming 2016-2017 fiscal year base future projections on the long-term 3% decline in tonnages that can be seen when one examines tonnages going back to 1999. The forecasts would be updated and presented to the Board at least annually.

Board member Chan inquired that assuming the economy remained the same, would staff propose a flat or declining budget. Ms. Cabrera stated that the staff's ultimate objective was to align ongoing expenditures with ongoing revenues, but we will have to carefully use fund balances which we have purposefully accumulated through the years as well as reserves when appropriate as we work towards our overall programmatic and financial mission.

2. Unfunded Liability (Pat Cabrera) Action

Staff recommends that the WMA Board adopt a pension funded status goal of 90% which is estimated to cost approximately \$1.6M. Assuming the agreement with NextEra for the conservation easement is finalized, staff recommends that the WMA approve using those proceeds to make a lump sum payment to CalPERS to pay the unfunded liability (UL) sufficient to achieve the 90% funded status level.

Pat Cabrera provided an overview of the staff report. The report is available here: [Unfunded Liability-02-17-16](#)

Board member Hannon suggested that staff put together a table each year perhaps as part of the budget that shows the projected annual unfunded liability. Ms. Cabrera stated that she would do so and also stated that those figures are projections and will change each year.

Board member Jones made the motion to adopt a pension funded status goal of 90%. Board member Ellis seconded and the motion carried 18-0 (Pentin and Turner absent).

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3. External Funding Priorities (Karen Kho)

Information

This item is for information only.

Ms. Kho provided an overview of the staff report. The report is available here: [External Funding-02-17-16](#)

Board member Biddle commented on the difficulty in projecting available grant funding. Ms. Kho stated that future funding is difficult to predict, however, we are running programs that have multi-year commitments and we will work with the Energy Council Technical Advisory Group (TAG) to prioritize opportunities for new programs.

4. Interim appointment(s) to the Recycling Board for WMA appointee unable to attend future Board Meeting(s) (Wendy Sommer) **Action**

(P&O/RB meeting, March 10th at 4:00 pm – StopWaste Offices, 1537 Webster Street, Oakland, CA)

Board member Pentin required an interim appointment. Board member Sadoff volunteered to attend as the interim appointment. Board member Oddie made the motion to approve the interim appointment. Board member Rood seconded and the motion carried 18-0 (Pentin and Turner absent).

VIII. COMMUNICATION/MEMBER COMMENTS (WMA & EC)

Information

There were none.

IX. ADJOURNMENT (WMA & EC)

The meeting adjourned at 4:20 p.m.