



Central Contra Costa Solid Waste Authority

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BOARD OF DIRECTORS MEETING

AGENDA

SEPTEMBER 24, 2020 – 3:00 P.M.

Walnut Creek City Hall, 3rd Floor Conference Room
(Use elevator by City Council Chambers.)
1666 North Main Street, Walnut Creek

Teleconference/Public Participation Information

This meeting will be held *exclusively* via teleconference participation of a quorum of Board members in locations not open to the public in compliance with the Governor's Executive Order N-25-20 (March 12, 2020) as superseded by Order N-29-20 (March 17, 2020), allowing for deviation of teleconference and physical location meeting rules otherwise required by the Ralph M. Brown Act. The purpose of the orders is to provide the safest environment for staff and the public consistent with Contra Costa County Health Services' current public health recommendations, while allowing the public to observe and address the Board.

For this meeting, there will be no physical location from which members of the public may observe the meeting. Instead:

- Members of the public are welcome to submit written comments via email to the Board Secretary at Authority@RecycleSmart.org prior or during the time for public comment at the meeting. The Board Secretary will share all comments with the Board at the meeting and make them part of the public record.
- Members of the public are also welcome to observe and address the Board telephonically, at the appropriate time for public comment during the meeting, following these instructions:

Link to join Webinar: **<https://zoom.us/j/95333689333>**

Or iPhone one-tap: **1-669-900-6833 or 1-408-638-0968**

Webinar ID: **953-3368-9333**

During the meeting, the Chair will call for public comment. If you wish to address the Board, please so indicate at that time and the Chair will add you to the speaker list and call your name when it is your turn.

Note: To improve everyone's opportunity to participate, please mute your phone until you are called to speak.

In accordance with the Americans with Disabilities Act, California Law, and the Governor's Executive Orders, it is the policy of the Central Contra Costa Solid Waste Authority to offer its public meetings in a manner that is readily accessible to everyone, including those with disabilities. Any individual with a disability may request reasonable modifications or accommodations so that they may observe and address the Board at this teleconference meeting. If you are disabled and require special accommodations to participate, please contact the Board Secretary at least 48 hours in advance of the meeting at Authority@RecycleSmart.org with the following information: name, phone number, email, and type of assistance requested.

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT ON ITEMS NOT ON THIS AGENDA

When addressing the Board, please state your name, company and/or address for the record. There is a three-minute limit to present your information. (The Board Chair may direct questions to any member of the audience as appropriate at any time during the meeting.)

3. CONSENT ITEMS

All items listed in the Consent Calendar may be acted upon in one motion. However, any item may be removed from the Consent Calendar by request by a member of the Board, public, or staff, and considered separately.

- a. Approve Minutes of the Regular Board Meeting on July 23, 2020*

4. PRESENTATIONS

- a. 2019-20 Schools Program
Ruth Abbe, Schools Coordinator
- b. Solid Waste Collection Rates for Rate Year 7*
Marva Sheehan, HF&H Consultants

5. INFORMATION ITEMS

These reports are provided for information only. No Board action is required.

- a. Future Agenda Items*

6. **BOARD COMMUNICATIONS AND ANNOUNCEMENTS**

7. **ADJOURNMENT**

**Corresponding Agenda Report or Attachment is included in this Board packet.*

ADDRESSING THE BOARD ON AN ITEM ON THE AGENDA

Persons wishing to speak on PUBLIC HEARINGS and OTHER MATTERS listed on the agenda will be heard when the Chair calls for comments from the audience, except on public hearing items previously heard and closed to public comment. The Chair may specify the number of minutes each person will be permitted to speak based on the number of persons wishing to speak and the time available. After the public has commented, the item is closed to further public comment and brought to the Board for discussion and action. There is no further comment permitted from the audience unless invited by the Board.

ADDRESSING THE BOARD ON AN ITEM NOT ON THE AGENDA

In accordance with State law, the Board is prohibited from discussing items not calendared on the agenda. For that reason, members of the public wishing to discuss or present a matter to the Board other than a matter which is on the Agenda are requested to present the matter in writing to the Secretary to the Authority at least one week prior to a regularly scheduled Board meeting date. If you are unable to do this, you may make an announcement to the Board of your concern under PUBLIC COMMENTS. Matters brought up which are not on the agenda may be referred to staff for action or calendared on a future agenda.

AMERICANS WITH DISABILITIES ACT

In accordance with the Americans With Disabilities Act and California Law, it is the policy of the Central Contra Costa Solid Waste Authority to offer its public meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require special accommodations to participate, please contact the Board Secretary of the Authority at least 48 hours in advance of the meeting at (925) 906-1801.

**DRAFT REGULAR BOARD MEETING OF THE
CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY
HELD ON JULY 23, 2020**

The Regular Board Meeting of the Central Contra Costa Solid Waste Authority's (CCCSWA's) Board of Directors convened exclusively via teleconference in locations not open to the public in compliance with the Governor's Executive Order N-25-20 (March 12, 2020) as superseded by Order N-29-20 (March 17, 2020), allowing for deviation of teleconference and physical location meeting rules otherwise required by the Ralph M. Brown Act. The purpose of the orders was to provide the safest environment for staff and the public consistent with Contra Costa County Health Services' current public health recommendations, while allowing the public to observe and address the Board after submitting written comments via email to the Board Secretary at Authority@RecycleSmart.org prior to or during the time for public comment at the meeting. Chair Newell Arnerich called the meeting to order at 3:01 P.M. on July 23, 2020.

PRESENT: Board Members: Candace Andersen
Michael Anderson
Newell Arnerich, Chair
Matt Francois, Vice Chair
Teresa Gerringer
Inga Miller
Karen Mitchoff
Cindy Silva
Renata Sos
Amy Worth

ABSENT: Board Members: Karen Stepper
Roger Wykle

Staff members present via teleconference: Ken Etherington, Executive Director; Janna McKay, Executive Assistant/Secretary to the Board; Wendy Nelson, Finance Manager/Controller; Judith Silver, Senior Program Manager; Jennifer Faught, Contract Compliance Specialist; Ashley Louisiana, Program Manager; and Deborah L. Miller, CCCSWA Counsel.

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT ON ITEMS NOT ON THIS AGENDA

There was no request from the public for comment.

3. CONSENT ITEMS

a. Approve Minutes of the Regular Board Meeting on May 28, 2020

MOTION by Board Member Silva to approve Consent Item a, as submitted.
SECOND by Board Member Worth.

MOTION PASSED unanimously by a Roll Call vote.

4. **PRESENTATION**

- a. Republic Services Miscellaneous Maximum Rate Request
Ken Etherington, Executive Director, RecycleSmart

Executive Director Ken Etherington presented the request from Republic Services for miscellaneous maximum rate charges, as allowed by the contract, which included new rates. While the initial rate request had included a push/pull rate to address the additional cost to Republic to go onto a property and pull the container out, that rate had been removed given the challenges currently facing companies and the desire not to add to those challenges. E-waste collection of \$50 had been added to the miscellaneous rates and staff had audited the proposed numbers by reviewing eight different municipal agencies costs. All the rates, including the e-waste rate had been determined to be reasonable. Customers who did not want to pay the Republic rate, had the ability to drop e-waste off in Pacheco (Rapid Recycle) for free. If the e-waste was a television that worked, customers could put a television out twice a year as a reuse pickup. He stated there had been 1,100 customers using e-waste in the last 12 months, or 1.6 percent of the residential customer base. Republic's miscellaneous maximum rate request would be returned to the Board for a vote in January 2021.

Board Member Miller suggested that the \$50 rate for e-waste pickup appeared to be high and questioned that rate, to which Mr. Etherington noted that the rate was below those charged by other operators, and in staff's review of other agencies it was a reasonable rate and there did not appear to be an attempt to make up a cost for something that had previously been provided for free. He said that comparative rates had been evaluated based on eight municipal agencies which included the City of San Ramon, which had built e-waste pickup into it rates. He agreed to provide the details of the comparative rates of the operators referenced to the Board.

Board Member Mitchoff noted that the Pacheco location was currently charging a nominal fee for some e-waste, although there was not a charge for all e-waste.

Board Member Silva commented that what was involved was not only pickup and collection but the \$50 had to cover the cost of disposal. She added that non-profits pursued e-waste collections for fundraising and those non-profits charged a similar fee.

Board Member Worth referred to a situation in Orinda where a resident had been charged a fee unknowingly. If considering an extra rate, she recommended that the website identify an alternative where those materials could be taken to avoid the pickup fee.

Board Member Francois asked about the contamination fee, and Mr. Etherington stated it could be any of the cans, although that fee primarily related to recycling, and while a zero fee had been proposed in that case, state law would eventually require a fee. As to remedies, he stated there could be a notice on the can that there would be extra charges for extra pickups. As currently set up, Republic would go back on its own to make that collection.

There were no comments from the public.

5. **INFORMATION ITEMS**

Reports were provided for information only and no Board action was required.

- a. Future Agenda Items
- b. Support Letter for AB 2959

6. **BOARD COMMUNICATIONS AND ANNOUNCEMENTS**

Board Member Anderson commented that the last mailer, which he was advised had been edited by Janna McKay, had been very well done.

7. **ADJOURNMENT**

The Board adjourned at 3:24 P.M. to the meeting scheduled for September 24, 2020 at 3:00 P.M.

Respectfully submitted by:

Janna McKay, Executive Assistant/
Secretary to the Board of the
Central Contra Costa Solid Waste Authority,
County of Contra Costa, State of California



Central Contra Costa Solid Waste Authority

Agenda Report

TO: CCCSWA BOARD OF DIRECTORS
FROM: KEN ETHERINGTON, EXECUTIVE DIRECTOR
 MARVA SHEEHAN, HF&H CONSULTANTS
DATE: SEPTEMBER 24, 2020

SUBJECT: BASE RATE APPLICATION FOR RATE YEAR 7

SUMMARY

On July 31, 2020, Republic Services submitted its base rate application for Rate Year 7 (RY7), March 2021 through February 2022, to CCCSWA. Staff has audited this rate application and will begin meeting with the individual member agencies in October to develop their rate adjustment strategies. Member agencies will have the opportunity to revise their rate strategies before the rates are adopted in January 2021.

As part of the RY7 Index Year application, Republic Services included additional cost information to accommodate SB1383 mandatory organics collection for all townhouse subscribers in the service area beginning January 2022. Currently, organics service for townhouse subscribers in the CCCSWA service area is optional. Townhouse subscribers who currently receive organics service pay the same rate as single family subscribers. Townhouse subscribers who currently choose not to receive organics service pay a reduced townhouse rate.

Republic Services' compensation request will include all townhouse customers to receive organics service to be in compliance with SB1383 starting January 2022, which is in RY7. These rates will be considered by the Board when setting maximum solid waste rates for CCCSWA customers.

At the July 23, 2020 Board meeting, proposed miscellaneous rates by Republic for RY7 were presented by staff. Additional information on miscellaneous rates was requested by the Board as to what other local jurisdictions were charging for on-call electronic waste (E-waste) pick up service. This staff report summarizes the results of that survey.

RECOMMENDED ACTION

1. This report is provided for information only. No Board action is required.

DISCUSSION

Townhouse Organics Service Cost Request

As part of its RY7 Index Year application, Republic Services included additional cost information to accommodate mandatory organics service for all townhouse subscribers beginning January 2022. During an index year, as in RY7, costs attributable to changes in law may be included with the application. Republic Services is citing SB 1383 mandatory organics collection as a “change in law.” Table 1 shows the total number of townhouses and the number that are currently receiving organics collection services with 100% participation projected in 2022.

Table 1 – Townhouse Organics Collection Participation

Service	2016	2019	2020	2021/22
MSW	2,754	3,214	3,111	3,111
Organics	1,001	1,090	1,100	3,111
Participation %	36.3%	33.9%	35.4%	100.0%

Republic Services original cost proposal from the RFP and current franchise agreement, assumed only a small proportion of the townhouse subscribers would participate (1,001 subscribers), since there was not a requirement for townhomes to have organic services. To accommodate the increase of the January 2022 level of subscribers, Republic Services provided a breakout of additional route labor, vehicle costs, and additional organics container needs to be included in the rate setting process. Staff reviewed and audited the annual costs with adjustments to the depreciation assumptions made on both the collection vehicles and containers. Additionally, the annual costs were adjusted to reflect only those collection costs and one-time container delivery costs to be incurred from January through February 2022 when the participation requirement of SB1383 will be in effect.

Table 2 shows Republic Service’s original compensation adjustment request and the “adjusted” compensation request. The 0.13% increase to townhomes is for the CCCSWA as a whole and the individual Member Agency rate impact will slightly vary based on allocation percentages.

Table 2 – Townhouse Organics Collection Cost Summary

	Original Annual	*Adjusted Jan-Feb 2022
<u>Cost of Operations:</u>		
Labor-related costs	\$ 152,597	\$ 43,041
Fuel costs	12,730	2,122
Direct Depreciation	107,708	10,301
Allocated Costs (Labor, Vehicle & Other Costs)	48,973	8,162
Total Annual Cost of Operations	\$ 322,008	\$ 63,626
Profit**	\$ 48,116	\$ 9,507
<u>Pass-Through Costs:</u>		
Interest expense	23,157	2,215
Total Pass-Through Costs	\$ 23,157	\$ 2,215
Revenue Requirement before City Fees	\$ 393,281	\$ 75,348
***Approximate Rate Impact before City Fees		0.13%

* Includes approximately \$25,000 of one-time container delivery expenses

** Operating Ratio of 87%

*** Rate impact percentage calculation is an average Authority wide

The following table shows the number of additional townhouse customers that will be impacted by the change in service due to the SB1383 mandatory organics collection requirement.

Danville	Lafayette	Moraga	Orinda	Walnut Creek	County	Total
984	38	222	20	729	117	2,110

Rate Year 7 Total Revenue Requirement

Total Revenue Requirement (including the adjusted costs in the Table 2) for RY7 is \$60,607,423. The Total Revenue Requirement includes \$44.65M for Republic’s Compensation, \$14.8M for total Member Agency/JPA Expenses, and \$1.1M for the Reuse & Clean-up Program.

Electronic Waste Collection

At the July 23, 2020 Board meeting, information was requested by the Board as to what other local jurisdictions were charging for on-call E-waste pick up service. Table 3 below outlines the results of the survey performed by staff.

Additionally, E-waste is allowed as part of the CCCSWA’s Reuse pick-up program performed by Mt Diablo Resource Recovery (2 per year) at no additional charge.

Table 3 - Summary of E-waste Survey*

City/Agency	E-waste Method of Collection	Additional Charge above Monthly Subscription Rate
Concord	On Call Program (3 per year)	No charge
Dublin	On Call Program (3 per year); Scheduled collection not available	<ul style="list-style-type: none"> • On Call – No charge • Scheduled – n/a
Livermore	On Call Program (3 per year); One E-waste item per set out; Scheduled collection available	<ul style="list-style-type: none"> • On Call – No charge • Scheduled – \$65.13
Napa	On Call collections (Unlimited); Multiple drop off sites	No charge
San Ramon	Clean-up Program	No charge
Sunnyvale	On Call Program (2 per year); Up to four E-waste items per set out; Scheduled collection available	<ul style="list-style-type: none"> • On Call – No charge • Scheduled – \$150
Union City	Bulky Program (2 per year); Drop-off Location for City	No charge
West Bay Sanitary District (Part of SBWMA)	On Call Program (2 per year); One E-waste item per set out; Scheduled collection available	<ul style="list-style-type: none"> • On Call – No charge • Scheduled – \$82-\$108

*Information obtained as of August 2020



Central Contra Costa Solid Waste Authority

Future Agenda Items

TYPE	BOARD MEETING: 10/22/2020
C	Approve 09/24/2020 Minutes
P	2020 Final Legislation Update
P	2019 Home Composting Report
I	Staff Participation with Member Agencies

TYPE	BOARD MEETING: 12/10/2020
C	Approve 10/22/2020 Minutes
C	2021 Board Meeting Dates
P	2019 AB939 Annual Report
P	Solid Waste Collection Rates (RY7)
I	Staff Participation with Member Agencies

TYPE	BOARD MEETING: 01/28/2021
C	Approve 12/10/2020 Minutes
A	Adoption of Solid Waste Collection Rates (RY7)
A	Legislative Ad Hoc Committee Appointments
I	Staff Participation with Member Agencies

TYPE

- C – Consent Item
- A – Action Item
- I – Information Item
- P – Presentation

