

**REGULAR BOARD MEETING OF THE
CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY
HELD ON OCTOBER 26, 2023**

The Regular Board Meeting of the Central Contra Costa Solid Waste Authority's (CCCSWA's) Board of Directors convened at Walnut Creek City Hall, 3rd Floor Conference Room, 1666 North Main Street, Walnut Creek, Contra Costa County, State of California, on October 26, 2023. Vice Chair Teresa Gerringer called the meeting to order at 3:00 P.M.

PRESENT: Board Members: Candace Andersen
Newell Arnerich
Ken Carlson
Teresa Gerringer, Vice Chair
Kerry Hillis*
Renee Morgan
Janet Riley*
Cindy Silva
Renata Sos
*Arrived after Roll Call

ABSENT: Board Members: Gina Dawson
Matt Francois
Inga Miller, Chair

Staff members present: David Krueger, Executive Director; Janna McKay, Board Secretary; Grace Comas, Senior Accountant; Judith Silver, Senior Program Manager; Jennifer Faught, Contract Compliance Specialist; and Deborah L. Miller, CCCSWA Counsel.

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

Board Member Silva led the Pledge of Allegiance.

2. PUBLIC COMMENT ON ITEMS NOT ON THIS AGENDA

DAVID RODRIGUEZ, Business Representative for Teamsters Local 315, referred to comments he had made at the last RecycleSmart Board meeting and stated there was no intent to create dissent between Local 315 and Republic Services in that they were both trying to move forward and work together. He reported that the union had scheduled a meeting on November 11, 2023 at the Union Hall in Martinez to bring in the entire unit to talk about the drivers and he invited members of the RecycleSmart Board to join that meeting.

ALEX GALARDO stated he had worked in the RecycleSmart community for 37 years for a number of waste disposal companies, currently with Republic Services, which was attempting to address the reported concerns. He referred to the rerouting and rebalancing that had previously been employed to address such things as missed and late pickups and suggested those problems could be resolved with a rebalancing with Republic.

3. CONSENT ITEMS

- a. Approve Minutes of the CCCSWA Board Meeting on September 28, 2023
- b. Adopt Proclamation in Honor of Dr. Carol Weyland Conner, White Pony Express Founder
- c. Approve Agreement with Shute, Mihaly & Weinberger for Legal Counsel Services through December 31, 2028

No written comments were submitted, or oral comments made, by any member of the public.

MOTION by Board Member Andersen to approve Consent Items a, b and c, as submitted. SECOND by Board Member Arnerich.

MOTION PASSED unanimously by a voice vote.

4. BOARD MEMBERS AND RECYCLESMART STAFF COMMUNICATION WITH POTENTIAL PROPOSERS

Vice Chair Geringer reported that at a social gathering she had spoken to two staff members from Republic Services about missed routes and late pickups associated with the current contract.

Board Member Hillis reported that Republic had to be called because of missed yard waste pickup at his home this week.

5. PRESENTATIONS

- a. 2023 Final Legislation
Jen Faught, Contract Compliance Specialist, RecycleSmart

Contract Compliance Specialist Jen Faught presented the Legislative Wrap Up for 2023, and identified legislation that had been signed into law including SB 244, the Right to Repair Act requiring electronics and appliance managers to make parts, tools and instructions available to the public to repair their devices, which was ultimately expected to decrease the volume of electronic waste and keep some of the items useful and in operation longer. SB 353, an expansion of the Bottle Bill would include large juice containers and had been estimated to bring over 200 million more containers each year into the Bottle Bill. AB 592, the County pilot program, would change the Vehicle Code to allow Alameda, Contra Costa and Solano counties to create a permit program for non-franchise waste haulers, an attempt to address illegal dumping.

Other legislation that had passed included SB 568, an e-waste export regulation requiring certification that there was no in-state recycler that could handle that material; and AB 1526, changes to the Public Resources Code including clarifying changes to SB 54 (Plastic Pollution Prevention and Packaging Producer Responsibility Act) that would make it explicit that the producer responsibility organization's plan must include a mechanism and schedule for transferring funds to local jurisdictions, and add aerosol paint to the PaintCare Program.

Legislation that was dead or had been vetoed by the Governor included AB 1347, paper receipts upon request only; AB 1489, exempting compostable polymers from 25 percent source reduction

requirements of SB 54; SB 271, right to repair for powered wheelchairs; SB 303, small refinements to SB 54; and SB 665, a new plastic materials state agency working group. Veto messages were included as attachments to the staff report.

Ms. Faught identified other bills that did not pass this year but could be revived in January 2024, which included AB 660, standardized date labeling for food packaging; AB2, solar panel extended producer responsibility (EPR); SB 560, gas cylinder EPR; SB 615, electric vehicle battery EPR; and SB 707, textile EPR. She noted that many of those bills had shown some momentum and might be approved in the future.

Ms. Faught responded to questions and clarified with respect to the EPR bills that details were being worked out this year and she would report back to the Board and Legislative Committee when additional information was available.

No written comments were submitted, or oral comments made, by any member of the public.

b. Republic's Collection Service Quality Metrics
David Krueger, Executive Director, RecycleSmart

Executive Director Krueger stated the agreement had been amended with Republic Services last year with the intent to provide Republic resources and financial incentives to solve some of the chronic service problems, and each month the metrics had been reported to the RecycleSmart Board. The metrics were no more than 1,750 calls per month on average to Republic about missed pickups from January 1 through July 31, 2023, and no more than 1,500 calls per month on average to Republic for missed pickups from January 1 through December 31, 2023. If Republic accomplished those metrics there would be a special rate adjustment of \$1,915,511.

Mr. Krueger explained that the metrics had been developed to be fair, and the goal of 1,500 calls was looking back at 2018 and 2019 when we thought service was relatively good. However, staff's experience from talking to customers, and data from Republic on open and incomplete routes did not match the phone tallies. Because of that, Republic had offered to forgo the special rate adjustment for Rate Year 10, and RecycleSmart had accepted that offer, and so the \$1.9 million would not be going into the rates in March. He noted the average calls from January to September were 1,554 at this time, slightly above the 1,500 average allowed for the entire year. He provided statistics on the missed pickups by route and commodity to better identify the scale of the problem by a method other than through phone calls, and identified the missed pickup percentages by member agency. He reported that Lafayette and Moraga had a larger percentage of containers being missed. He also discussed standards for missed pickups; every city has a slightly different standard, and nationwide the Republic Services standard is no more than seven missed pickup calls per 10,000 service opportunities, and the Waste Management, Inc. standard is one missed pickup call per 1,000 service opportunities. In looking at the available data, service here would be exceeding those standards.

With respect to next steps, Mr. Krueger reiterated there would be no special rate adjustment for Rate Year 10. He identified future special rate adjustments for Rate Years 11 and 12 if the service quality metrics had been met, and explained that he, as the Executive Director, had the authority to set new service quality metrics if the current metrics were not working. He had been working with Republic to come up with a new metric that was fair and reasonable and reflects what going

on in our communities, and would also audit the phone call records to get more information about the usefulness of that metric. Republic was currently developing a Service Improvement Plan that would ultimately be submitted to the Board for its information.

Board Member Arnerich suggested the service calls were useless and the metric was not appropriate in that the goal was not to manage the number of people who called in but to not miss pickups. He suggested the report showed that the situation was a lot worse than they thought given the sheer number of misses involved. He wanted to create a way to get the appropriate data to identify the misses, which he suggested was the most appropriate metric. He recommended the use of RFID [radio-frequency identification] tags to secure the appropriate data.

Mr. Krueger commented that people were now using cameras and GPS [global positioning system] to verify pickups.

Board Member Hillis noted he had made a comment at a previous meeting that the calls were not all that effective and he suggested it might be a question of a correlation on both sets of data to get an accurate understanding of the situation.

Board Member Sos commented that the data for mixed pickups in Lafayette and Moraga was stunning, particularly on the eve of rate setting and rate increases and when it came to an improvement plan, she suggested there needed to be some granularity since there seemed to be some chronic problem routes. She suggested it would be helpful for all the member agencies to clearly understand how the improvement plan correlated to the issues, specifically by route.

Board Member Silva verified with Mr. Krueger how the tables that had been presented in the report worked, clarified that each route related to one container, and only residential had been shown in the report. She also verified that when the data on each of the three carts had been included the data was consistent and fairly accurate.

Board Member Morgan expressed a preference to focus on the cameras and GPS as opposed to monitoring and auditing phone calls for accuracy so that the member agencies knew what was going on, particularly given the new contract negotiations. She wanted Republic to know that not only RecycleSmart but the city/town councils of the member agencies and the County Board of Supervisors would be evaluating Republic's improvement plan.

Board Member Hillis suggested the problem was not just narrow and hilly streets, and he asked what it was about the Lamorinda area that made it difficult for the current contract to be met.

Mr. Krueger explained that some routes had to employ smaller trucks, which were difficult to acquire, and which could be part of the problem. He noted that the routes had not changed in those areas but the service had changed.

Vice Chair Gerringier appreciated the data, the RecycleSmart team, and the efforts to solve the problem.

The Board asked for the real numbers and raw data along with the information that had been presented.

No written comments were submitted, or oral comments made, by any member of the public.

- c. Rate Setting Process
David Krueger, Executive Director, RecycleSmart

Executive Director Krueger noted the request from the last meeting to discuss how the rate setting process worked. He highlighted the process, which started in July when special rate applications were due, and stated the standard rate application had been due in August. In September there had been a presentation of the initial rate application, and in October member agency rate meetings had been held. In December there would be a preliminary approval of maximum rates, and in January the final approval of the maximum rates, which would become effective in March.

Mr. Krueger identified Republic's operating costs plus profit and pass-through costs that would be used to figure out the member allocations, which would then be used to allocate other costs such as Mt. Diablo Resource and Recovery (MDRR) recycling processing costs, the MDRR Reuse Program costs, local fees, and CCCSWA fees, less the reserves applied to decrease the impact. He presented examples of Republic's operating costs, explained the profit calculation, identified the pass-through cost adjustments and described the allocation and impacts to each member agency along with other compensation mechanisms such as the cost-based rate adjustment and the special rate requests.

Board Member Arnerich suggested the problem was the labor ratio and the number of trucks correlated to the number of routes, and he asked how that compared to all the other contracts. Rather than dollars and cents, he suggested the number of customers on a residential basis served per similar-sized vehicle would identify an important statistic, a metric that going forward could be put into a contract. He also suggested it might identify the real problem.

Mr. Krueger noted that the routes varied and there had been a situation for years where Republic had come back for special rate requests to address the issue where Republic had been running more routes than they were compensated for because of the way it had been set up at cost-based where extra costs could not be recouped. He explained that one of the reasons for the Second Amendment was to attempt to compensate Republic for legitimate expenses that had not previously been compensated but not to do that until the service had been fixed. As a result, he commented that future bids should be evaluated on a number of issues and not just on cost.

Board Member Sos commented that last year the Board had crafted some talking points that had been posted on the website for the benefit of ratepayers and made available to the Board to identify the rationale for rate increases, and recommended that be done for this year's rate setting process.

No written comments were submitted, or oral comments made, by any member of the public.

6. INFORMATION ITEMS

These reports were provided for information only. No board action required.

- a. Executive Director's Monthly Report

Mr. Krueger reported that Senior Program Manager Judith Silver had spent time on CalRecycle

grant funding that would help pay for SB 1383 costs.

Mr. Krueger thanked staff for that work and explained that the grant would provide \$500,000 to be spent over the next two fiscal years on SB 1383 issues. As part of the budget setting process when meeting with the Finance Committee, ideas as to how to spend those funds would be discussed. He also took this opportunity to thank Jen Faught for the preparation of the data he had earlier presented.

Mr. Krueger reported that the next CCCSWA meeting would be on December 14, 2023, and would be a retreat to discuss diversion goals and how to measure the overall success of RecycleSmart programs along with planning for the next year. The retreat would be held at the Art and Garden Center in Orinda from 12:00 to 4:00 P.M.

Mr. Krueger also reported that starting November 10, a consultant firm would be doing the state required inspections (lid flipping) looking into containers and leaving tags to identify issues, if any. He stated there would be a letter to identify what was being done and the police and Sheriff representing the member agencies had been notified.

Board Member Sos complimented Mr. Krueger and RecycleSmart staff for appearing before the city/town councils and events of the member agencies and stated it really made a difference to constituents.

Mr. Krueger announced that staff would be at the Danville Farmer's Market on Saturday, October 28, 2023.

- b. Communications to the Authority
- c. Future Agenda Items

No written comments were submitted, or oral comments made, by any member of the public.

7. BOARD COMMUNICATIONS AND ANNOUNCEMENTS

There were no communications or announcements.

8. ADJOURNMENT

The Board adjourned at approximately 4:20 P.M. to the retreat scheduled for Thursday, December 14, 2023 at 12:00 P.M. at the Art and Garden Center in Orinda.

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