



1850 Mt. Diablo Blvd., Ste. 320
Walnut Creek, CA 94596

Telephone: 925.906.1801
Email: authority@recyclesmart.org
Website: www.recyclesmart.org
Facebook: www.facebook.com/CCCSWA

BOARD OF DIRECTORS REGULAR MEETING

REVISED AGENDA

APRIL 23, 2026 - 3:00 P.M.

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

1. **CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE**
2. **PUBLIC COMMENT ON ITEMS NOT ON THIS AGENDA**

If you would like to address the Board, please complete a speaker's card and submit it to Janna McKay, Secretary of the Board. When addressing the Board, please state your name and 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. **CLOSED SESSION**

- a. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957(b)
Title: Executive Director
- b. Conference with Labor Negotiators
Pursuant to Government Code 54957.6
Agency's designated representative: Matt Francois
Unrepresented employees: Executive Director, Senior Accountant, Waste Prevention and Recycling Manager I, Waste Prevention and Recycling Manager II, Waste Prevention and Recycling Manager III

4. **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 March 26, 2026*

- b. Authorize positions on 2026 bills as recommended by the Legislative Committee and Authorize the Executive Director to send letters as appropriate*

5. ACTION ITEMS

- a. Annual Review of Salary Schedule*
Approve a 4.5% increase in the salary schedule for all positions to be included in the FY 2026-27 proposed budget, and adopt the revised salary schedule as set forth in Attachment A.
- b. Allocation of Revenues and Expenses to the Member Agencies*
Approve Resolution No. 2026-03 (Attachment A), adopting a policy on Allocation of Revenues and Expenses to the Member Agencies and Amending the General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of Reserve Policy.
- c. Proposed FY 2026-27 Diversion and Compliance Programs Budget*
Approve the Diversion and Compliance Programs budget provided as Attachment A, to be included in the proposed FY 2026-27 Budget.

6. INFORMATION ITEMS

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

- a. Executive Director’s Monthly Report*
- b. Future Agenda Items*

7. BOARD COMMUNICATIONS AND ANNOUNCEMENTS

8. ADJOURNMENT

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

| |
|---|
| <u>ADDRESSING THE BOARD ON AN ITEM ON THE AGENDA</u> |
| 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. |
| <u>ADDRESSING THE BOARD ON AN ITEM NOT ON THE AGENDA</u> |
| 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 RecycleSmart Board Secretary 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. |
| <u>AMERICANS WITH DISABILITIES ACT</u> |
| In accordance with the Americans With Disabilities Act and California Law, it is the policy of the Central Contra Costa Solid Waste Authority dba RecycleSmart 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 RecycleSmart Board Secretary at least 48 hours in advance of the meeting at (925) 906-1801. |

**REGULAR BOARD MEETING OF THE
CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY
HELD ON MARCH 26, 2026**

The regular Board Meeting of the Central Contra Costa Solid Waste Authority's (CCCSWA's), aka RecycleSmart, Board of Directors convened at Walnut Creek City Hall, 3rd Floor Conference Room, 1666 North Main Street, City of Walnut Creek, Contra Costa County, State of California, on March 26, 2026. Chair Candace Andersen called the meeting to order at 3:07 P.M.

PRESENT: Board Members: Candace Andersen, Chair
Ken Carlson
Matt Francois
Lisa Maglio
John McCormick
Renee Morgan, Vice Chair
Janet Riley
Steve Woehleke
Stella Wotherspoon

ABSENT: Board Members: Newell Arnerich
Darlene Gee
Cindy Silva

Staff members present: David Krueger, Executive Director; Grace Comas, Senior Accountant; Judith Silver, Senior Program Manager; Ashley Louisiana, Program Manager; Jennifer Faught, 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

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

3. CONSENT ITEMS

a. Approve Minutes of the Regular Board Meeting on February 26, 2026

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

MOTION by Board Member Morgan to approve Consent Item a, as submitted. SECOND by Board Member McCormick.

MOTION PASSED unanimously by a voice vote.

4. **ACTION ITEMS**

a. Chair and Vice Chair Appointments

Elect CCCSWA Board Chair and Vice Chair for 2026-2027.

Chair Andersen turned the discussion over to Vice Chair Morgan and noted that she and Board Member Silva had discussed the possibility of doing something different in this year's election of Chair and Vice Chair given that Board Members Francois and Silva had chosen not to seek reelection to the Walnut Creek City Council.

Vice Chair Morgan explained that since two of the members of the Board, the incumbents from the City of Walnut Creek had chosen not to run for reelection, and given the learning curve in order to keep the continuity and understanding of how the Board of Directors worked, she and Board Member Silva proposed, at the Board's discretion, to flip the position of Chair from Danville to Walnut Creek this year so that when Walnut Creek filled the new positions after this year's election, those filling the new positions would have time for that learning curve to learn how the Board functioned and give them a chance to serve as Chair after they had been on the Board for a period of time. If that was acceptable to the Board, Board Member Silva's term as Chair would run to November 2026, and Vice Chair Morgan from Danville would be in line to be Chair starting in December 2026. She noted that it would run Danville's term as Chair from December 2026 until March 2028.

Vice Chair Morgan made a motion to that effect to give Walnut Creek the opportunity to serve as Chair of the Board of Directors at this time.

Chair Andersen noted that proposal would not affect anyone's terms in that the next in line would start in March 2028, and allow the City of Walnut Creek representatives to go to the end of the line and have a few years to get up to speed on the issues.

Board Member Francois seconded the motion and concurred since Board Member Silva was in line to serve as Chair after Vice Chair Morgan, and without that switch a brand-new member from Walnut Creek would be in line to serve as the Chair of the CCCSWA.

The Members of the Board agreed that the proposal made a lot of sense.

Chair Andersen stated that she would continue to serve as Chair throughout this meeting because Board Member Silva was traveling and was unable to attend this meeting.

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

MOTION by Vice Chair Morgan to elect Board Member **Cindy Silva** (Walnut Creek) to serve as Chair of the Central Contra Costa Solid Waste Authority (CCCSWA) until November 2026, after which **Renee Morgan** (Danville) would serve as Chair of the CCCSWA from December 2026 to March 2028. SECOND by Board Member Francois.

MOTION PASSED unanimously by a voice vote.

- b. Resolution Recognizing Candace Andersen as Chair of the CCCSWA Board of Directors
Adopt Resolution No. 2026-02, Recognizing Candace Andersen for her leadership during her term as Chair of the CCCSWA Board of Directors.

Executive Director David Krueger presented the Resolution to thank and honor Chair Andersen for her service to the CCCSWA as Chair from March 27, 2025 to March 26, 2026, and her proactive leadership during the eleventh year of the Republic Services Franchise Agreement and all that involved. He read the resolution into the record and commended and thanked Chair Andersen for her leadership, service and accomplishments during her term as Chair of the CCCSWA Board of Directors and for a job exceedingly well done.

A group photo was taken at this time.

Both RecycleSmart Board Members and staff expressed best wishes and appreciation for a job well done by Chair Andersen.

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

MOTION by Board Member Woehleke to adopt Resolution No. 2026-02, Recognizing Candace Andersen for her leadership during her term as Chair of the CCCSWA Board of Directors. SECOND by Board Member Carlson.

MOTION PASSED unanimously by a voice vote.

5. PRESENTATION ITEMS

- a. Fiscal Year 2025-2026 Mid-Year Budget Report
David Krueger, RecycleSmart

Executive Director Krueger reported that the mid-year was over in December 2025, and all numbers presented were through December for the CCCSWA's two funds; the General Fund / Operations Fund and the Reuse Fund. He reported that the fund balance in the General Fund had been estimated at \$3.8 million, although last year's budget had actually ended with \$4.9 million. He identified the revenues that had been named for the programs that they would fund but stated that he would be recommending to the Finance Committee that the names of the revenues be changed to identify where they were coming from, and he recommended they be called rate revenues starting in FY 2026-27. He identified all the revenue sources and responded to questions, noting that the grant revenue at 40 percent mid-year was not a concern and commented that all of the grant revenue would all be intentionally spent. He referred to the expenses and also noted that while some were low, they would all be spent by the end of the year. He stated that no expense categories are projected to go over budget by the end of the year.

b. RecycleSmart Trivia Game – Round Two
Janna McKay, RecycleSmart

Program Managers Jen Faught and Ashley Louisiana presented the Trivia Game, Round Two that had been continued from the Board Retreat in January 2026, since there had been insufficient time at the Retreat to finish the game. They provided the 17-question Trivia Game and allowed about five minutes for the Board to answer the questions. Prizes were awarded to those with the most correct answers.

6. INFORMATION ITEMS

Reports provided for information only. No Board action required

a. Executive Director’s Monthly Report

Executive Director Krueger highlighted his Monthly Director’s Report and referred specifically to the forms attached to his monthly report that had been developed by staff with input from Republic’s Sustainability Advisors. The Sustainability Advisors will use these forms when going out to multifamily complexes and businesses to help them comply with SB 1383. The forms include a letter authorizing the Sustainability Advisors to perform this work on behalf of the Authority and its Member Agencies. The authorization letter includes the logos of all of the Member Agencies. The other form is a compliance checklist. Republic’s role is outreach and education, and any enforcement required would be handled by RecycleSmart.

Mr. Krueger also reported that RecycleSmart had received another grant, the HD45-26 HHW \$100,000 Grant to conduct a one-day household hazardous waste drop-off event in the service area. The grant funds must be spent by February 28, 2029, and RecycleSmart plans to conduct the event in 2027. Staff will work with the Board to find a suitable site to hold the event.

Referring to the Halo Glass Recycling Facility in Modesto that staff had toured on March 4, 2026, Mr. Krueger explained that when recyclable glass leaves Mt. Diablo Resource Recovery’s (MDRR’s) Material Recovery Facility (MRF), the it is broken into very small pieces and is highly contaminated with small pieces of other materials (plastic, metal, paper) that pass through the screens at the MRF. The glass is transported from MDRR’s MRF to Halo Glass where new technology removes all contaminants and sorts the glass pieces by color to be made into wine bottles. Halo glass is owned by the Gallo wine company. He recommended the tour.

Mr. Krueger identified the upcoming annual Compost Giveaway events in partnership with Republic Services scheduled for April 25, 2026 in Lafayette, and May 2, 2026 in Danville. Signups were required.

b. Future Agenda Items

Mr. Krueger noted upcoming committee meetings with both the Finance Committee and the Legislative Committee next week. A Legislative staff report will be provided on consent at the next Board meeting on April 23, 2026 to identify recommended positions to take on current bills in the State Legislature. At the May meeting, the budget would be approved based on the work of the Finance Committee in between.

The Board requested that the legislative information to be submitted to the Board also be submitted to the legislative staff and city/town manager of each member agency.

- c. RecycleSmart Camps Statewide Award Through the California Parks and Recreation Association in the Category of Innovation Award of Excellence (Ashley Louisiana)

Program Manager Ashley Louisiana reported that RecycleSmart had received the 2025 Innovation Award of Excellence from the California Parks & Recreation Professionals Society for Camp Orinda Sustainability Week, which had been held in partnership with the City of Orinda for the last three years. Ms. Louisiana thanked all those involved in Camp Sustainability for all their help. She also noted that each camp was very different and the program expanded every year to be able to reach all member agencies.

7. BOARD COMMUNICATIONS AND ANNOUNCEMENTS

There were no Board communications or announcements.

8. ADJOURNMENT

The Board adjourned at approximately 3:40 P.M. to the regular meeting scheduled for Thursday, April 23, 2026 at 3:00 P.M. in the Walnut Creek Offices at Walnut Creek City Hall.

Respectfully submitted by:

Janna McKay, Board Secretary
Central Contra Costa Solid Waste Authority,
County of Contra Costa, State of California



Agenda Report

TO: CCCSWA BOARD OF DIRECTORS
FROM: LEGISLATIVE COMMITTEE AND RECYCLESMAST STAFF
DATE: APRIL 23, 2026
SUBJECT: 2026 LEGISLATION RECOMMENDATIONS

SUMMARY

The Legislative Committee met on March 31 to discuss bills related to waste reduction and recycling. After discussion, the Committee decided which bills to support, oppose, or watch and directed Staff to bring these positions to the Board for approval.

RECOMMENDED ACTION

1. Authorize positions on 2026 bills as recommended by the Legislative Committee and Authorize the Executive Director to send letters as appropriate.

DISCUSSION

On March 31, the Legislative Committee met to discuss several waste and recycling-related bills currently before the Legislature. The Committee recommends that the Board support six bills, watch four bills, and support in concept one bill. Material changes to this list of bills may warrant another meeting of the Committee during this Legislative season, depending on the changes and current position of RecycleSmart.

| | |
|-----------|--|
| 1. | <p>AB 80 (Aguiar-Curry) – Carpet recycling: product stewardship for carpet: fines – <i>Watch</i></p> <p>The act includes a product stewardship program for carpet and a successor carpet producer responsibility program and requires the product stewardship for carpet program to become inoperative upon the completion of certain conditions related to the implementation of the successor carpet producer responsibility program. The product stewardship for carpet program requires a manufacturer of carpets sold in this state, individually or through a carpet stewardship organization, to submit a carpet stewardship plan to the department, which is required to include specified elements, including achieving specified carpet recycling rates and a funding mechanism</p> |
|-----------|--|

| | |
|-----------|---|
| | <p>that provides sufficient funding to carry out the plan. The program authorizes the department to administratively impose a civil penalty of \$25,000 per day on any person in violation of the program if the violation is intentional, knowing, or negligent. This bill would instead authorize a civil penalty of \$25,000 per day if the violation is intentional or knowing.</p> <p>Policy Platform: Extended Producer Responsibility</p> <ul style="list-style-type: none"> - California Product Stewardship Council (CPSC) position: Sponsor - Cal Cities position: Track |
| 2. | <p>AB 762 (Irwin and Wilson) – Single-Use Vaping Devices Sales Ban - <i>Support</i></p> <p>This bill would prohibit, beginning January 1, 2027, a person from importing or manufacturing for sale in this state a new or refurbished disposable, battery-embedded vapor inhalation device, and, beginning January 1, 2028, a person from selling, distributing, or offering for sale a new or refurbished disposable, battery-embedded vapor inhalation device in this state. The bill would define a “disposable, battery-embedded vapor inhalation device” to mean a vaporization device that contains nicotine but not cannabis or a cannabis product, as defined, and that is not designed or intended to be reused, as specified.</p> <p>Policy Platform: Toxics Reduction/Household Hazardous Waste</p> <p>CPSC/RethinkWaste/CAW/PIRG SPONSORED</p> <ul style="list-style-type: none"> - Cal Cities position: Support - CPSC position: Sponsor - Californians Against Waste (CAW) position: Sponsor |
| 3. | <p>AB 864 (Ward) – Hazardous waste: solar photovoltaic modules - <i>Watch</i></p> <p>This bill would make the universal waste designation applicable to a solar photovoltaic module that is intended for recycling and cannot otherwise be resold, reused, or refurbished only until the department adopts regulations implementing alternative management standards for solar photovoltaic modules. The bill would require the department to institute a rulemaking to develop alternative management standards for solar photovoltaic modules that facilitate greater material recovery. The bill would require the department to adopt the above-referenced federal transfer-based exclusion regulation for solar photovoltaic modules.</p> <p>Policy Platform: Waste Diversion; Toxics Reduction/Household Hazardous Waste</p> <ul style="list-style-type: none"> - Cal Cities position: Track - CPSC position: Prior Sponsor, now Support |
| 4. | <p>AB 1812 (Aguiar-Curry) – Solid Waste: compostable products – <i>Support in Concept</i></p> <p>Existing law prohibits a person from selling or offering for sale a product, as defined, that is labeled with the term “compostable” or “home compostable” unless, among others, the product meets a specified ASTM standard specification, has OK compost HOME certification, and meets a standard adopted by the Department of Resources Recycling and Recovery. Existing law</p> |

| | |
|-----------|--|
| | <p>requires the department to review revisions to the ASTM standard specification, as provided. Existing law authorizes the department to adopt a standard different from an ASTM standard if adopted or developed by a standard-setting organization recognized by the department, the standard adds qualifications to an ASTM standard specification, and the standard is more stringent than an ASTM standard specification, as provided. Existing law exempts a fiber product that is demonstrated to not incorporate any plastics or polymers from complying with any of these ASTM standards.</p> <p>This bill would instead prohibit a person from selling or offering for sale a product that is labeled with the term “compostable” or “home compostable” unless the product has OK compost HOME certification or meets a standard adopted by the department. The bill would repeal the requirement for the department to review revisions to the ASTM standard specification. The bill would instead authorize the department to adopt an existing standard different from an ASTM standard specification if the standard is adopted or developed by a standard-setting organization recognized by the department. This bill would exempt a fiber product that is demonstrated to not incorporate any plastics or polymers from requirements for labeling compostable products, as specified, unless the department adopts a standard for compostable fiber products.</p> <p>This bill, on and after January 1, 2027, would prohibit a person from selling or offering for sale a product in this state that is labeled with the term “compostable” or “home compostable” that is made wholly or partially of plastic, as defined.</p> <p>Policy Platform: Packaging Reduction/Plastic Pollution; Healthy Soils</p> <ul style="list-style-type: none"> – Cal Cities position: Support – CAW position: Oppose unless amended |
| <p>5.</p> | <p>AB 2226 (B. Rubio) – Reusable grocery bags – <i>Watch</i></p> <p>Existing law prohibits a store, as defined, from providing a precheckout bag (e.g. a produce bag), as defined, to a customer unless the precheckout bag is a compostable bag that meets certain criteria or a recycled paper bag. Existing law defines a “precheckout bag” for this purpose to mean a bag provided to a customer before the customer reaches the point of sale, that is designed to protect a purchased item from damaging or contaminating other purchased items in a checkout bag, or to contain an unwrapped food item. This bill would repeal those provisions.</p> <ul style="list-style-type: none"> – Policy Platform: Packaging Reduction/Plastic Pollution – Cal Cities position: Track – CPSC position: Oppose – CAW position: Oppose |
| <p>6.</p> | <p>AB 2253 (Boerner) – Solid waste: products: environmental marketing claims – <i>Support</i></p> <p>Existing law requires a manufacturer or supplier making an environmental marketing claim relating to the recycled content of a plastic food container product to maintain specified information and documentation in written form in its records in support of that claim. Existing</p> |

| | |
|----|--|
| | <p>law requires the maintained information to include that the recycled content for materials has been diverted from the solid waste stream either during the manufacturing process (preconsumer) or after consumer use (postconsumer) and that the recycled content claim conforms to the uniform standards for recycled content contained in the Federal Trade Commission Guides for the Use of Environmental Marketing Claims. Existing law provides for the imposition of a civil penalty by a city, county, or the state for a violation of these provisions.</p> <p>This bill would expand those provisions from plastic food container products to all products. The bill would revise the reference to the Federal Trade Commission Guides for the Use of Environmental Marketing Claims to specifically refer to those guides as they read on January 1, 2026. The bill would additionally require the recycled content claim to be based on the actual physical recycled content in the product without the use of certain types of accounting. The bill would define “postconsumer” for purposes of these provisions.</p> <p>Policy Platform: Waste Diversion</p> <ul style="list-style-type: none"> - Cal Cities position: Support - CPSC position: Support in concept - CAW position: Sponsor |
| 7. | <p>AB 2462 (Pellerin) – Unsafe products: disposal: penalties – Support</p> <p>This bill would require the safe return or appropriate disposal of the unsafe product to be at no cost to the end consumer, a recycling center, a municipal facility that accepts the product for recycling or disposal, a retailer that sells the product, a permitted solid waste facility, a household hazardous waste collection facility, and a thrift retail store. Existing law provides that any violation of the act is subject to a civil penalty of up to \$1,000 per occurrence, up to a maximum of \$20,000. This bill would instead authorize the Department of Resources Recycling and Recovery to administratively impose an administrative penalty on a person in violation of the act of \$2,500 per day or \$5,000 per day if the violation is intentional or knowing, as specified. The bill would authorize the department to refer enforcement to the Department of Toxic Substances Control for unsafe products identified as hazardous waste, and would create the Hazardous Product Recall Penalty Account in the State Treasury.</p> <p>Policy Platform: Toxics Reduction/Household Hazardous Waste; Extended Producer Responsibility</p> <ul style="list-style-type: none"> - CPSC and California State Association of Counties (CSAC): Sponsor - Cal Cities position: Support - CAW position: Support |
| 8. | <p>AB 2667 (Hadwick and Alanis) – Vape products: household hazardous waste: advertising – Support</p> <p>This bill would require, until January 1, 2030, the department to evaluate opportunities to increase safety and convenience related to the management and disposal of vape pens confiscated from students by a school, as provided, and identify any recommendations that require future</p> |

| | |
|------------|--|
| | <p>legislative action. The bill would authorize a permanent household hazardous waste collection facility to mechanically disassemble vape pens and devices in a manner that does not result in the unauthorized release of hazardous materials, as specified.</p> <ul style="list-style-type: none"> – Policy Platform: Toxics Reduction/Household Hazardous Waste – Cal Cities position: Support – CPSC position: Support – CAW position: Support – Republic Services: Support – Resource Recovery Coalition of California (MDRR is a member): Support |
| <p>9.</p> | <p>SB 501 (Allen) – Responsible Battery Recycling Act of 2022: covered batteries - <i>Support</i></p> <p>Last year, SB 501 was intended to be a producer responsibility law for household hazardous waste. This year it has been dramatically scaled back to pertain only to medium-format batteries. It expands the responsible battery recycling act (for loose batteries) to such batteries. It also clarifies that a locking device for customers does not prevent a battery from being considered easily removable.</p> <p>Policy Platform: Extended Producer Responsibility, Toxics Reduction/Household Hazardous Waste</p> <ul style="list-style-type: none"> – Cal Cities position: Support – CPSC position: Support – CAW position: Support |
| <p>10.</p> | <p>SB 922 (Laird) – Vehicles: local agency charges: use of streets or highways - <i>Support</i></p> <p>Existing law prohibits a local agency from imposing a tax, permit fee, or other charge for the privilege of using its streets or highways, other than a permit fee for an extralegal load unless the local agency had imposed the fee prior to June 1, 1989.</p> <p>This bill would expressly limit this prohibition to charges based on weight. The bill would also explicitly state that a fee, charge, or surcharge imposed by or for a local agency to recover the cost of street maintenance and repair and other costs associated with the use of its streets, roads, or highways to provide public services or public works is not a tax, permit fee, or other charge that is prohibited by the provision above. The bill would provide that nothing in the Vehicle Code prohibits a local agency from imposing or collecting this fee, charge, or surcharge. The bill would delete obsolete references and make other technical changes.</p> <p>Policy Platform: Governance and Accountability</p> <ul style="list-style-type: none"> – Cal Cities position: Support |

| | |
|------------|---|
| 11. | <p>SB 1010 (Ashby) – Solid waste: Refrigerant Stewardship and Recovery Act – <i>Watch</i></p> <p>This bill would enact a stewardship program known as the Refrigerant Stewardship and Recovery Act, which would require a producer of certain household appliances containing refrigerants, known as “covered products,” to form and join a producer responsibility organization, or PRO. The bill would require the PRO to be approved by the department pursuant to the requirements of the bill, as provided. The bill would require the department to adopt regulations to implement the program no later than January 1, 2029. The bill would require the PRO to submit to the department, for approval or disapproval, a complete plan for the collection, transportation, consolidation, dismantling, refrigerant recovery, recycling, reclamation, destruction, and the safe and proper management of covered products in the state.</p> <p>Policy Platform: Extended Producer Responsibility</p> <ul style="list-style-type: none"> – Cal Cities position: Track – CPSC position: Sponsor – CAW position: Support |
|------------|---|

Advanced Clean Fleets Regulations

Staff was recently notified that the California Air Resources Board (CARB) is considering proposed amendments to the Advanced Clean Fleets (ACF) and Low Carbon Fuel Standard regulations. The amendments would add a definition of “waste fleet” that encompasses fleets owned by private companies if those companies are “contracted with a municipality via a franchise agreement or long-term contract, with either a minimum length of ten years or more, or with a minimum length of three years but includes a renewal provision when satisfying the contract terms.” This would apparently require contracted “waste fleets” such as ours to transition to 100% Zero Emissions Vehicles (ZEV’s) such as battery EV’s or hydrogen fuel cell vehicles over the next 10 – 12 years. When we started our RFP process for collection services, these regulations were applicable and we planned for them. During our process the regulations changed and we were no longer required to transition to ZEV’s. At that time the Board directed staff not to specify ZEV’s in our RFP and agreements unless required to do so. Our current agreements allow vehicles powered by CNG, diesel, and renewable diesel, and the costs and approved rates reflect those vehicles and fuels. If the ACF regulations once again apply to our contractor’s fleets, it will increase costs for our ratepayers. The ZEV’s current cost twice as much as CNG vehicles and can serve fewer homes per day. Based on past Board direction, and without conceding that the regulations would apply to the Authority’s franchisee, staff provided comments to CARB objecting to these amendments that would mandate the use of ZEV’s. Comments on the proposed amendments to the regulations were due on April 17, and staff did not receive notification until April 15 so there was not adequate time to convene the Legislative Committee on this matter. Our comments are provided as Attachment A.

ATTACHMENT

A. Written Comments to CARB



April 16, 2026
Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

To: Chair Lauren Sanchez and the Members of the California Air Resources Board:

RE: Advanced Clean Fleets Regulation 15-Day Amendment Comments

The Central Contra Costa Solid Waste Authority (RecycleSmart) appreciates the opportunity to provide comments on the proposed amendments to the Advanced Clean Fleets (ACF) and Low Carbon Fuel Standard regulations. RecycleSmart is a joint powers authority that manages the solid waste, recycling, and organics programs for the cities and towns of Danville, Lafayette, Moraga, Orinda, Walnut Creek, and surrounding portions of unincorporated Contra Costa County.

The expanded definition of “waste fleet” in the proposed regulations would impose substantial and immediate cost burdens on ratepayers without a corresponding and achievable path to compliance. There are significant cost burdens for ratepayers due to the higher cost of zero-emission trash collection trucks – approximately *twice* that of internal combustion vehicles – and the need for *additional vehicles in many environments to perform the same amount of work* due to performance limitations from increased weight during the duty cycle. More critically, the solid waste industry continues to face serious practical barriers to compliance, including limited vehicle availability, long lead times, and the absence of commercially available zero emission trucks for several mission critical applications.

For these reasons, we respectfully request that the Board reject the newly proposed amendments that burden cities, at least until vehicle availability, reliability, and supporting infrastructure are demonstrably sufficient to support statewide implementation.

Sincerely,

David Krueger
Executive Director



Agenda Report

TO: CCCSWA BOARD OF DIRECTORS

FROM: CCCSWA PERSONNEL COMMITTEE, AND FINANCE AND ADMINISTRATION COMMITTEE
DAVID KRUEGER, EXECUTIVE DIRECTOR

DATE: APRIL 23, 2026

SUBJECT: ANNUAL REVIEW OF SALARY SCHEDULE

SUMMARY

On January 27, 2022, the Board adopted a new Employee Compensation Policy (Policy). According to the Policy, the Executive Director is to review the Central Contra Costa Solid Waste Authority (Authority) salary schedule with the Personnel Committee annually and recommend any schedule changes. The Policy states that recommendations for changes will be based on factors such as changes in the cost of living, adjustments to salary rates being made by member agencies, and the Authority's financial condition and policies. At its March 11, 2026 meeting, the Personnel Committee reviewed information provided by staff and recommended that the Finance and Administration Committee approve a 4.5% increase to the salary schedule for all positions to be included in the fiscal year 2026-27 (FY 2026-27) proposed budget. At its April 1, 2026 meeting, the Finance Committee concurred with the Personnel Committee recommendation.

RECOMMENDED ACTION

1. Approve a 4.5% increase in the salary schedule for all positions to be included in the FY 2026-27 proposed budget, and adopt the revised salary schedule as set forth in Attachment A.

DISCUSSION

Changes in the Consumer Price Index

According to the U.S. Bureau of Labor Statistics, the December 2025 12-month percent change in the San Francisco-Oakland-Hayward, all urban consumer, CPI-U is **2.2%**.

| 2025 San Francisco-Oakland-Hayward CPI-U (12 month % change) | | |
|---|-----------------------|------------------------|
| Month | 2-Month Change | 12-Month Change |
| February | 1.8% | 2.7% |
| April | 0.4% | 1.3% |
| June | 0.2% | 1.5% |
| August | 0.4% | 2.5% |
| October | - | - |
| December | - | 3.0% |
| Average | 0.4% | 2.2% |

Adjustments to Salary Rates Being Made by the Member Agencies

As part of the annual review of the Authority salary schedule, changes in the cost of living may be considered. The staff has compiled the following Member Agency salary range adjustments for fiscal year 2025-26:

| Average of Member Agency Salary Increases – FY 2025-26 | |
|---|--------------|
| County | 5.0% |
| Lafayette | 4.4% |
| Moraga | 4.2% |
| Orinda | 5.0% |
| Walnut Creek | 4.0% |
| Average | 4.52% |

The Town of Danville’s 2025-26 salary adjustments ranged from 3% to 5%.

CCCSWA’s Financial Conditions and Policies

Per our FY 2024-25 audited financial statements, the Authority has an ending fund balance of \$4,993,778. Of that amount, \$1,206,555 has been set aside as General Fund Reserve (20% of total budgeted expenditures).

The Employee Compensation Policy is provided as Attachment A.

CCCSWA Salary History

| History of CCCSWA Salary Increases for the past 5 years | |
|--|--------------------------|
| Fiscal Year | Approved Increase |
| FY 2021-22 | 0.0% |
| FY 2022-23 | 3.0% |
| FY 2023-24 | 4.0% |
| FY 2024-25 | 3.5% |
| FY 2025-26 | 4.0% |

| CCCSWA Year to Year Changes in Salary Expense | | | | | |
|---|------------------|---|--------------------------------|---------------------------------|----------------------|
| Fiscal Year | Salaries Expense | Percent of General Fund Actual Expenses | Percent Change from Prior Year | Salary Schedule Increase Impact | Other Impacts |
| 2019-20 | \$845,717 | 35% | 5.43% | 3.50% | 1.93% |
| 2020-21 | \$890,276 | 27% | 5.27% | 3.20% | 2.07% |
| 2021-22 | \$889,887 | 18% | -0.04% | 0.00% | -0.04% ¹ |
| 2022-23 | \$746,785 | 15% | -16.08% | 3.00% | -19.08% ² |
| 2023-24 | \$913,914 | 17% | 22.28% | 4.00% | 18.28% ³ |
| 2024-25 | \$951,896 | 16% | 4.24% | 3.5% | 0.74% ⁴ |
| 2025-26 | \$1,014,567 | 17% * | 6.58% | 4.0% | 2.58% ⁵ |

1. The Finance Manager position was vacant from April 2022 to November 2023.
2. Senior Accountant and Executive Director positions were vacant for 5 months.
3. Fully staffed in 2023-24.
4. The Senior Accountant received a step increase in FY 2024-25
5. In FY 2025-26, the Board Secretary position was reclassified to a Waste Prevention and Recycling Manager II position, increasing compensation for that position, and the Senior Accountant received a step increase.

* Because total actual expenses for FY 2025-26 cannot be known at this time, the percentage of the General Fund budget is shown for this year instead of the percentage of actual expenses.

CCCSWA Salary Schedule

The recommended CCCSWA Salary Schedule is provided as Attachment B. Each position is assigned a salary range divided into steps. Each year an employee may receive an increase in salary through: a) a step increase until the employee reaches the top step (Step E); and/or b) an increase in the overall salary schedule. All current employees are at the top step (Step E). Therefore, no current employees will be eligible for a step increase in FY 2026-27 and the recommended 4.5% increase in salary schedule would be the total salary increase for each employee.

The current staff of six includes an Executive Director, a Senior Accountant, three Waste Prevention and Recycling Managers II, and one Waste Prevention and Recycling Manager III. All approved positions are currently filled. The salary schedule includes a Waste Prevention and Recycling Manager I position, but that position is not approved and is not expected to be filled in FY 2026-27.

The CCCSWA Salary Schedule must include the Executive Director. But the Executive Director’s salary is determined separately from other positions based on his employment agreement and as a part of his performance review. The employment agreement contemplates that the Executive Director will make his request for a salary adjustment to the Personnel Committee in Winter or Spring each year; the Personnel Committee will make a recommendation to the Finance Committee; and the Finance Committee will make a recommendation to the full Board. Consistent with the process contemplated in the employment agreement, (a) the Personnel Committee is expected to provide the Executive Director’s performance evaluation to the Board at the April Board meeting, and (b) the Executive Director requested to the Personnel Committee that he be given the same percentage salary increase provided to the Authority’s other employees. As described above, the Personnel Committee and the Finance and Administration Committee recommend a 4.5% salary increase for all positions, including the Executive Director. The Executive Director is not requesting any salary increase beyond the 4.5%.

The table below shows the total annual expense of a 4.5% salary increase, assuming that all positions, including the Executive Director, receive the same 4.5% increase.

| Impact of Proposed 4.5% Increase on Total Annual Salary Expense | | | |
|--|--------------------|--------------------|-------------------|
| Employee Classification | FY 2025-26 | FY 2026-27 | Difference |
| Senior Accountant | \$151,898 | \$158,733 | \$6,835 |
| Program Manager, II | \$155,126 | \$162,107 | \$6,981 |
| Program Manager, II | \$155,126 | \$162,107 | \$6,981 |
| Program Manager, II | \$155,126 | \$162,107 | \$6,981 |
| Program Manager, III | \$163,551 | \$170,911 | \$7,360 |
| Executive Director | \$236,808 | \$247,464 | \$10,656 |
| Total | \$1,017,636 | \$1,063,429 | \$45,794 |

There are currently no staffing vacancies, and there are no necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.

ATTACHMENTS

- A. Employee Compensation Policy
- B. Recommended CCCSWA Salary Schedule – Effective 07/01/2026

CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY

POLICY TITLE: Employee Compensation Policy

A. Purpose

The policy addresses compensation for the employees of the Central Contra Costa Solid Waste Authority ("CCCSWA"). The policy goals include: ensuring the agency attracts and retains highly qualified and skilled employees; providing an equitable and transparent compensation system for agency employees; and ensuring fiscal responsibility of the agency and appropriate oversight by the Board of Directors ("Board"). This policy does not create any contract of employment, express or implied, or any rights in the nature of a contract.

B. Policy

1. Compensation Based on Salary Schedule

The Board adopts a salary schedule for the agency. The salary schedule describes the range of salary rates based on a five-step system (Step A through E) for each employment classification/title/position within the agency. The Board may periodically update the salary schedule; all changes to the salary schedule must be approved by the Board. The salary schedule will be posted on the agency's website.

Each employee is appointed to an employment classification/title/position, as well as a step within the salary range for that classification. Employees are compensated based on their employment classification and step within the salary range for that classification, in conformance with the Board-approved salary schedule.

2. Annual Review of Salary Schedule

The Executive Director will annually review the salary schedule with the Personnel Committee and make recommendations for any changes. Annual changes are not automatic. Recommendations for changes will be based on factors such as:

- Changes in costs of living;
- Adjustments to salary rates being made by the member agencies; and
- CCCSWA's financial conditions and policies.

The Personnel Committee will consider and make recommendations to the Finance Committee regarding any changes to the salary schedule. The Finance Committee will consider the recommendations in the context of the agency's overall budget and make recommendations to the Board regarding any changes to the salary schedule. The Board will consider and may approve any changes to the salary schedule in its discretion. Any

Board-approved changes to the salary schedule shall occur in advance of (or concurrent with) the Agency's budget setting process for the following fiscal year, and are expected to be effective July 1 (the start of the fiscal year).

3. Advancement Within a Salary Range

At the time of hiring, employees are appointed by the Executive Director to a step within the salary range for the employment classification. Initial employment will normally be at the first step in the salary range for the position. Initial employment may be at a higher step in the salary range when necessary to recruit a qualified applicant or based on superior qualifications, experience, and education, at the discretion of the Executive Director.

Over time, employees are eligible for advancement within a salary range at the discretion of the Executive Director (e.g., moving from Step B to C) until they reach the highest salary rate within the range (Step E), at which time the employee is no longer eligible for step advancements within the classification. Advancements are not automatic.

Employees are expected to be reviewed by the Executive Director for potential advancement within the salary range every 12 months until they reach the highest salary rate within the range (Step E) for their classification.

4. Appointment to a Different Employment Classification

Employees may be eligible for appointment to a different employment classification/title/position within the agency at the discretion of the Executive Director (e.g., promotion from Waste Prevention & Recycling Manager II to III). The Executive Director's determination shall be based on factors such as:

- Significant changes in the scope of duties, functions, and responsibilities;
- Significant changes in the complexity of duties, functions, and responsibilities;
- Increased supervisory responsibilities; and
- The needs of the agency.

Promotions will normally be at the lowest step in the salary range for the new classification that provides an increase over the salary rate received by the employee immediately prior to promotion.

5. Salary Survey

Periodically, the Executive Director may prepare a salary survey. The purpose of the survey is to provide information about how the agency's salary schedule compares to the comparable market for public agencies of similar size and scale, and to the member agencies. The salary survey shall be based on comparable positions (which may or may not have the same job title). Comparability shall be based on factors such as:

- Typical or required education, training, and qualifications for the position;
- Scope and complexity of duties, functions, and responsibilities; and
- Supervisory responsibilities (e.g., number of direct reports).

The Executive Director will review the salary survey with the Personnel Committee and recommend any changes to the salary schedule. Changes to the salary schedule based on the results of a salary survey are not automatic. Recommendations for change will be based on factors such as:

- Material deviation in the Agency's salary rates and total compensation compared to comparable market;
- Challenges attracting and retaining employees as a result of a materially below-market salary schedule and total compensation; and
- CCCSWA's financial conditions and policies.

The Personnel Committee will consider and make recommendations to the Finance and Administrative Committee regarding any changes to the salary schedule. The Finance and Administrative Committee will consider the recommendations in the context of the Agency's overall budget and make recommendations to the Board regarding any changes to the salary schedule. The Board will consider and may approve any changes to the salary schedule in its discretion.

6. Periodic Organizational Review

At the time a staff vacancy occurs, and more frequently as deemed appropriate, the Executive Director will review the agency's organizational structure and staffing plan with the Personnel Committee.

7. Other

- A. Any changes to the salary schedule based on annual review or as a result of a salary survey, and any advancement within a classification or appointment to a new classification, must be consistent with the Board-approved budget.
- B. The Executive Director's compensation is at the discretion of the Board, subject to the terms of the negotiated employment contract and state law. The Executive Director's compensation will be included on the Agency's salary schedule.
- C. This policy supersedes and replaces the Annual COLA and Salary Step Increase Policy (adopted September 22, 2016).

Central Contra Costa Solid Waste Authority
July 1, 2026 Salary Schedule

| Class Title | Class Code | Salary Rate | Step A | Step B | Step C | Step D | Step E |
|--|------------|-------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Executive Director | E205 | Monthly | | | | | \$20,622.03 |
| | | Bi-Weekly | | | | | \$9,517.86 |
| | | Hourly | | | | | \$118.97 |
| | | Annually | | | | | \$247,464.36 |
| Senior Accountant | G108 | Monthly | \$10,886.56 | \$11,472.77 | \$12,058.78 | \$12,644.79 | \$13,227.75 |
| | | Bi-Weekly | \$5,024.57 | \$5,295.13 | \$5,565.59 | \$5,836.06 | \$6,105.12 |
| | | Hourly | \$62.81 | \$66.19 | \$69.57 | \$72.95 | \$76.31 |
| | | Annually | \$130,638.74 | \$137,673.26 | \$144,705.35 | \$151,737.44 | \$158,733.04 |
| Waste Prevention & Recycling Manager I, Associate | G160 | Monthly | \$7,394.85 | \$7,851.92 | \$8,308.98 | \$8,771.46 | \$9,233.95 |
| | | Bi-Weekly | \$3,413.01 | \$3,623.96 | \$3,834.91 | \$4,048.37 | \$4,261.82 |
| | | Hourly | \$42.66 | \$45.30 | \$47.94 | \$50.60 | \$53.27 |
| | | Annually | \$88,738.26 | \$94,223.00 | \$99,707.73 | \$105,257.55 | \$110,807.36 |
| Waste Prevention & Recycling Manager II, Journey | G180 | Monthly | \$8,654.66 | \$9,783.26 | \$10,911.86 | \$12,210.39 | \$13,508.91 |
| | | Bi-Weekly | \$3,994.46 | \$4,515.35 | \$5,036.24 | \$5,635.56 | \$6,234.88 |
| | | Hourly | \$49.93 | \$56.44 | \$62.95 | \$70.44 | \$77.94 |
| | | Annually | \$103,855.92 | \$117,399.12 | \$130,942.32 | \$146,524.63 | \$162,106.94 |
| Waste Prevention & Recycling Manager III, Senior | G185 | Monthly | \$11,494.53 | \$11,802.95 | \$12,111.37 | \$13,176.99 | \$14,242.61 |
| | | Bi-Weekly | \$5,305.17 | \$5,447.52 | \$5,589.86 | \$6,081.69 | \$6,573.51 |
| | | Hourly | \$66.31 | \$68.09 | \$69.87 | \$76.02 | \$82.17 |
| | | Annually | \$137,934.35 | \$141,635.39 | \$145,336.44 | \$158,123.89 | \$170,911.35 |

Note: Schedule includes 4.5% COLA increase effective 7/1/26.



Agenda Report

TO: CCCSWA BOARD OF DIRECTORS

FROM: CCCSWA MEMBER AGENCY COST AND REVENUE ALLOCATION
AD HOC COMMITTEE
DAVID KRUEGER, EXECUTIVE DIRECTOR

DATE: APRIL 23, 2026

SUBJECT: ALLOCATION OF REVENUES AND EXPENSES TO THE MEMBER AGENCIES

SUMMARY

On March 11, the Member Agency Cost and Revenue Allocation Ad Hoc Committee (Ad Hoc Committee) met to discuss methods for allocating costs and revenues by member agency for purposes of rate setting during the term of the new franchise agreements. On April 1, the Finance and Administration Committee reviewed and concurred with the Ad Hoc Committee’s recommendations. This report contains the Ad Hoc Committee’s recommendations.

RECOMMENDED ACTION

1. Approve Resolution No. 2026-03 (Attachment A), adopting a policy on Allocation of Revenues and Expenses to the Member Agencies and Amending the General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of Reserve Policy.

BACKGROUND

Under the current franchise agreement with Republic Services (Republic) a cost allocation study is performed during every cost-based rate year to allocate Republic’s costs proportionally to each of the Member Agencies for purposes of annual rate-setting. The resulting allocation percentages are used until the next cost-based rate year. The last time an allocation study was performed was in 2022. However, the results of the 2022 study were atypical and yielded allocation percentages that were very different from the results of the previous study in 2019. Therefore, in 2022 the Board decided to continue to use the results of the 2019 study through the end of the current franchise agreement in February 2027. The new collection agreement begins March 2027.

On March 11, 2026 the Member Agency Cost and Revenue Allocation Ad Hoc Committee met to discuss methods for allocating costs and revenues by member agency for purposes of rate setting during the term of the new collection and post-collection agreements. The new agreement with

Republic only includes collection, so additional allocation methods are needed for post-collection and reuse services costs. On April 1, 2026 the Finance and Administration Committee concurred with the Ad Hoc Committee’s recommendations. This report contains the Ad Hoc Committee’s recommendations.

DISCUSSION

Collection Costs

Collection costs are roughly 70% of total costs. The Ad Hoc Committee recommends continuing to use the cost allocation study performed in 2019 to allocate collection costs between the Member Agencies. This study utilized route hours to allocate Republic’s direct collection costs, and the number of accounts in each Member Agency to allocate Republic’s overhead costs. Route hours are the hours drivers spend collecting in each Member Agency. The route hours and number of accounts under the new collection agreement are not expected to be materially different from the 2019 study. Thus, the Ad Hoc Committee determined the 2019 study remains a rational basis for allocating collections costs in the first few years of the new agreement. Per the new collection agreement, Republic will perform another route hour study in 2030 for the first cost-based rate adjustment. The Ad Hoc Committee recommends using the 2019 allocation for collection costs until 2030, and reassessing the allocation of collection costs after receiving the 2030 study.

The 2019 allocation of collection costs is as follows:

| Member Agency | Allocation |
|----------------------|-------------------|
| County | 19.27% |
| Danville | 18.58% |
| Lafayette | 13.67% |
| Moraga | 6.87% |
| Orinda | 10.03% |
| Walnut Creek | 31.57% |

Recyclables Revenue

Under the current recyclables processing agreement with Mt. Diablo Resource Recovery (MDRR), as amended in 2019, RecycleSmart and MDRR share revenues from the sale of recyclables above a certain threshold. Under the Board’s General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of the Reserve Policy, adopted in 2021 (Exhibit B of Attachment A), revenue from all sources (excluding grants) received by RecycleSmart, including revenues from the sale of recyclables, are aggregated and accrue to the General Fund. To the extent RecycleSmart holds Funds in Excess of General Fund Reserve at the conclusion of a fiscal year, the Board decides whether to distribute such Excess Funds to the individual Member Agencies reserves. Under the Policy, to the extent the Board elects to distribute all (or a portion) of the Excess Funds to the Member Agencies reserves, the funds are allocated based on the proportion of the Member Agency’s tonnage of all collected materials (garbage, recycling, and organics) compared to the total combined tonnage of collected materials in RecycleSmart’s jurisdiction in the immediately preceding fiscal year (regardless of when the funds were received).

Per the new recyclables processing agreement with Mt. Diablo Resource Recovery (MDRR) which will take effect on March 1, 2027, the Authority will receive 75% of the revenue from the sale of our recyclables. If current markets remain steady until the start of the new recyclables processing agreement in March 2027, this would result in an estimated \$2.9 million dollars per year of recyclables revenue. The Ad Hoc Committee recommends that this revenue be allocated to each Member Agency each year based upon the tons of recyclables collected from each Member Agency during the most recent twelve-month period. The revenues would accrue directly to each Member Agency’s reserve fund and would not accrue to the General Fund. Member Agencies could utilize their individual reserve funds to offset customer rate increases, or for any other uses consistent with RecycleSmart’s mission as described in the Use of Authority Funds Allocated to Member Agencies Policy, as amended in 2021 (Attachment B).

Based on the most recent twelve-months of available tonnage data for recyclables, the allocation of recyclables revenue would be:

| Member Agency | Allocation |
|----------------------|-------------------|
| County | 20.02% |
| Danville | 19.47% |
| Lafayette | 11.36% |
| Moraga | 6.94% |
| Orinda | 8.2% |
| Walnut Creek | 34.02% |

While recyclables revenue would be allocated consistent with this new policy, all other revenue sources that contribute to excess General Fund revenues (if any) would continue to be allocated under the existing Board Policy described in Exhibit B of Attachment A.

The Ad Hoc Committee recommends amending the General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of the Reserve Policy (Exhibit B of Attachment A) in order to implement the recommended changes in allocation of recyclables revenues. Exhibit B of Attachment A shows the recommended amendments in underline and strikeout format.

The current Use of Authority Funds Allocated to Member Agencies Policy is provided as Attachment B for information only. The Ad Hoc Committee discussed this policy at its March 11, 2026 meeting, but is not recommending any amendments at this time.

Recyclable Materials Processing Cost

Per the new recyclable materials processing agreement, MDRR will be compensated on a per ton basis for processing recyclables. The Ad Hoc Committee recommends that the recyclable materials processing cost be allocated by Member Agency based upon the annual tons of recyclables collected from each Member Agency. The most recent percentages are the same as provided in the table above for recyclables revenue.

Other Post-Collection Costs

The Ad Hoc Committee recommends allocating all other post-collection costs (landfill disposal, composting, etc.) based on the annual tons of each of the corresponding materials collected from each Member Agency. For example, landfill costs would be allocated based on the tons of solid waste collected from each Member Agency, composting costs would be allocated based on the tons of organics collected from each Member Agency, etc. The current percentages correspond roughly to those for recyclables above.

Reuse, Cleanup, and Bulky Item Program Costs

The Ad Hoc Committee recommends allocating these costs based on the annual tons of these materials collected through the Reuse, Cleanup, and Bulky Item Program from each Member Agency.

JPA Costs

JPA costs are the Authority's costs for administration, contract management, outreach, diversion programs, and regulatory compliance. These costs are budgeted in the Authority's General Fund. The Ad Hoc Committee recommends allocating JPA costs based on the number of accounts in each Member Agency as a share of the total accounts within RecycleSmart's jurisdiction.*

***Addendum**

At their respective March 11 and April 1 meetings, the Executive Director recommended to the Ad Hoc Committee and to the Finance and Administration Committee to utilize the number of accounts to allocate JPA Costs. This recommendation was made because the current and new collection franchise agreements utilize accounts to allocate Republic's overhead costs. However, upon further review and consideration, the Executive Director now recommends that JPA Costs be allocated to the Member Agencies based upon total tons of all materials collected. There is precedent for this in the Board-adopted General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of the Reserve Policy (Exhibit B of Attachment A) which allocates funds in excess of General Fund reserves to the Member Agencies based on the total tons of all materials collected. In the opinion of the Executive Director, the number of accounts does not accurately allocate the cost to provide service to multi-family and commercial accounts. As an example, the Rossmoor retirement community has a population of nearly 10,000 people but represents only 23 solid waste accounts. When compared to population and to the other factors recommended for allocations in this report, allocations based on accounts appear to be an outlier, as illustrated by the chart below:

| Examples of Different Allocation Methods | | | | | | | |
|---|----------|-----------|--------|--------|--------------|--------|-------|
| Method | Danville | Lafayette | Moraga | Orinda | Walnut Creek | County | Total |
| Allocation Methods for Overall Costs | | | | | | | |
| Population (CCCSWA service area only) | 19% | 11% | 7% | 8% | 31% | 24% | 100% |
| Total Tons Collected (all materials) | 20% | 11% | 6% | 8% | 34% | 21% | 100% |
| Accounts (SFD + MFD + Comm) - Current | 25% | 14% | 8% | 11% | 27% | 16% | 100% |
| Allocation Methods for Specific Costs | | | | | | | |
| Collection - 2019 study, route hours + accounts | 19% | 14% | 7% | 10% | 32% | 19% | 100% |
| Solid Waste Tons | 19% | 10% | 6% | 6% | 41% | 18% | 100% |
| Organics Tons | 22% | 13% | 7% | 10% | 23% | 25% | 100% |
| Commercial Food Scraps Tons | 16% | 12% | 5% | 5% | 49% | 12% | 100% |
| Recyclables Tons | 19% | 11% | 7% | 8% | 34% | 20% | 100% |

ATTACHMENTS

- A. Resolution No. 2026-03, Allocation of Revenues and Expenses to the Member Agencies, and Amending the General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of Reserve Policy
 - Exhibit A – Allocation of Revenues and Expenses to the Member Agencies
 - Exhibit B – General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of the Reserve

- B. Use of Authority Funds Allocated to Member Agencies Reserves Policy

RESOLUTION NO. 2026-03

**RESOLUTION OF THE
CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY
ADOPTING A POLICY ON ALLOCATION OF REVENUES AND EXPENSES TO THE
MEMBER AGENCIES, AND
AMENDING THE GENERAL FUND MINIMUM FUND BALANCE RESERVE AND
APPLICATION OF FUNDS IN EXCESS OF RESERVE POLICY**

WHEREAS, Central Contra Costa Solid Waste Authority (hereinafter “Authority”), is a joint powers authority (“JPA”) organized under the provisions of Government Code section 6500 *et seq.* (“Joint Exercise of Powers Act”); and

WHEREAS, the Cities of Lafayette, Orinda, and Walnut Creek, the Towns of Danville and Moraga, and unincorporated Contra Costa County (“Member Agencies”) are parties to the JPA agreement that created the Authority; and

WHEREAS, the Authority is authorized to enter contractual arrangements with service providers for franchised materials collection, transfer, transport, processing, diversion and disposal services, and the service providers are authorized to charge and collect rates from subscribers, consistent with the terms and conditions of the contractual agreements; and

WHEREAS, the Authority approves the maximum amount of the rates that the service providers may charge subscribers in a rate year; such maximum rates are based, in part, on an allocation of the service providers’ costs and operating assumptions among the Member Agencies; and

WHEREAS, the Authority is authorized by the Joint Exercise of Powers Act, Government Code section 6512.1, to distribute all, some, or none of its surplus revenue to its Member Agencies; and

WHEREAS, on December 9, 2021, the Authority Board of Directors adopted the General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of Reserve policy (“Reserve Policy”); and

WHEREAS, from time to time, the Authority may receive revenues generated by the Authority through contractual arrangements for the processing and sale of recyclable materials (“Recyclables Revenue”); and

WHEREAS, pursuant to Government Code section 6512.1, distribution of surplus funds must be made at the time and in the manner specified in the JPA agreement, or, in the absence of express provisions in the JPA agreement regarding distribution of such funds, the Authority’s Board of Directors may determine the manner of such distribution; and

WHEREAS, the Authority’s JPA agreement only contains express provisions regarding the distribution of revenue upon dissolution of the JPA, and therefore the Board of Directors has the authority and discretion to determine if, and in what manner, the surplus funds, including Recyclables Revenue, should be distributed; and

WHEREAS, the Board of Directors now desires to establish a new written policy for Allocation of Revenues and Expenses to the Member Agencies of Recyclables Revenue (“Allocation Policy”), and amend the existing Reserve Policy to conform with the Allocation Policy and make other changes.

NOW, THEREFORE, the Board of Directors of the Central Contra Costa Solid Waste Authority resolves as follows:

1. The Allocation Policy, attached as Exhibit A to this Resolution, is adopted.
2. The Reserve Policy, attached as Exhibit B to this Resolution, is amended.

PASSED AND ADOPTED by the Central Contra Costa Solid Waste Authority Board of Directors on this day, April 23, 2026, by the following vote:

| | | |
|---------|----------|-------|
| AYES: | Members: | _____ |
| NOES: | Members: | _____ |
| ABSENT: | Members: | _____ |

Cindy Silva, Chair
Central Contra Costa Solid Waste Authority,
County of Contra Costa, State of California

COUNTER-SIGNED:

APPROVED AS TO FORM:

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

Deborah Miller, Counsel
Central Contra Costa Solid Waste Authority,
County of Contra Costa, State of California

DRAFT

CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY

POLICY TITLE: Allocation of Revenues and Expenses to the Member Agencies

A. Purpose

The purpose of this policy is to set forth (1) how to allocate revenues received from the sale of recyclable materials to the Member Agencies, and (2) how to allocate expenses to the Member Agencies for purposes of rate-setting.

B. Background

The CCCSWA receives a share of the revenue that its recyclable materials processing contractor receives from selling recyclable materials that were collected from the CCCSWA's service area. This policy states how those revenues will be allocated between the CCCSWA's Member Agencies. The CCCSWA also allocates expenses between the Member Agencies for purposes of rate setting. This policy describes how different categories of expenses will be allocated.

C. Policy

1. Allocation of Revenue from the Sale of Recyclable Materials

Upon receipt, revenues received by the CCCSWA from the recyclables processing contractor as a result of the sale of recyclables shall be allocated to the individual Member Agency reserves. Revenues from the sale of recyclable materials shall be allocated based on the proportion that the total tonnage of recyclable materials collected within the jurisdiction of each Member Agency bears to the total tonnage of recyclable materials collected within the jurisdiction of all members of the Authority. This revenue allocation method shall become effective on March 1, 2027 when the new recyclable materials processing agreement takes effect, and shall be calculated based on the tons of recyclable materials collected in the most recent preceding twelve months for which the CCCSWA has information on the tons collected. Thereafter, the revenue allocation shall be re-calculated for each fiscal year (July 1), and shall be based on the tons of recyclable materials collected in the most recent preceding twelve months for which the CCCSWA has information on the tons collected.

2. Allocation of Expenses

Collection Expenses

At the time of adoption of this policy, collection expenses (excluding the Reuse, Cleanup, and Bulky Item Program) are allocated to the Member Agencies based on a study conducted in 2019. The allocation percentage from that study shall be utilized for purposes of rate setting until the next rate year for which the collection contractor's compensation is adjusted using a cost-based adjustment method, as specified in the current franchise agreement for collection services. The allocation of collection expenses shall be re-calculated for each subsequent rate year for which the collection contractor's compensation is adjusted using a cost-based adjustment method, using the methodology set forth in the current franchise agreement for collection services.

Other Expenses

Each rate year the following categories of expenses shall be allocated proportionally between the Member Agencies based on the metrics stated below:

| Expense | Basis for Percentage Allocation |
|---|--|
| Recyclable Materials Processing | Annual tons of recyclable materials collected from each Member Agency as share of total tons of recyclable materials collected |
| Organic Materials Transfer and Composting | Annual tons of organic materials collected from each Member Agency as share of total tons of organic materials collected |
| Solid Waste Landfill Transfer and Disposal | Annual tons of solid waste collected from each Member Agency as share of total tons of solid waste collected |
| Commercial Food Scraps Processing, Transfer, and Anerobic Digestion | Annual tons of commercial food scraps collected from each Member Agency as share of total tons of commercial food scraps collected |
| Reuse, Cleanup, and Bulky Item Program | Annual tons of materials collected by this program from each Member Agency as share of total tons of these materials collected |
| JPA Costs | Annual tons of all materials collected by all Authority programs from each Member Agency as a share of total tons of all materials collected |

For each upcoming rate year, the allocation shall be based on the tons of materials collected in the most recent preceding twelve months for which the CCCSWA has information on the tons collected.

CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY

POLICY TITLE: General Fund Minimum Fund Balance Reserve and Application of Funds in Excess of the Reserve

A. Purpose

The purpose of this Policy is to set forth (1) the appropriate level of unrestricted fund balance (“Reserve”) that the Authority plans to maintain in the General Fund (“General Fund”) to mitigate current and future financial risks, and the procedures by which Reserve funds may be used, and (2) the procedures the Authority will follow when considering how to apply any funds in excess of the Reserve.

B. Background

The General Fund provides the funds for the day-to-day operations of the Authority. The General Fund expenditures typically primarily include administration of the Authority; ~~processing recyclables generated within the jurisdiction;~~ and diversion, outreach, and compliance programs provided in the jurisdiction. The General Fund revenues are primarily derived from a portion of the solid waste rates, and also include ~~revenues from the sale of recyclables,~~ interest income, settlement proceeds, liquidated damages, and other miscellaneous sources. Occasionally there may be a one-time/nonrecurring or special revenue or expenditures item in the General Fund. Note that revenues received from the sale of recyclable materials are allocated directly to Member Agency Reserves pursuant to the Allocation of Revenues and Expenses to the Member Agencies Policy (April 2026) and are not General Fund revenues.

The Board of Directors annually adopts the General Fund budget for the ensuing fiscal year. Typically the Board Finance Committee reviews and recommends a draft budget in early April, and the full Board adopts the budget by Board Resolution in April or May (but no later than July 1).

Historically, the Authority’s revenues have been predictable and expenditures have been stable. Revenues and expenditures typically have been smooth over the course of a fiscal year. The Authority does not anticipate significant risk of exposure to significant one-time outlays because, among other things, it does not own any capital improvements. Likewise, the Authority does not perceive significant risk of dramatic reduction in revenue because, among other things, its franchise agreements put the burden of market fluctuations on the franchisee, the base of ratepayers is not highly concentrated, and the Authority does not rely on discretionary federal, state, or local grants as a significant revenue stream. It is possible, however, that revenues and expenditures could be subject to significant fluctuation as a result of other unanticipated events.

Consistent with recommendation from the Government Finance Officers Association (GFOA) and best practices of local public agencies, direction was given by the Board to establish this minimum fund balance reserve policy. The primary objective is to ensure that should any unanticipated event occur, the Authority would have sufficient resources to continue operations for a period time of time subsequent to the event. The GFOA has identified this as a best practice for maintaining financial stewardship over governmental resources and promoting long-term financial stability by establishing clear and consistent reserve guidelines.

Additionally, after the close of each fiscal year, the Authority is audited by an independent auditor. The auditor typically completes the audited financial statements in January and presents the statements to the Board in February. Based on the historic predictability and stability of the Authority's revenues and expenditures, the Authority does not expect that actual fiscal year operating revenues will regularly be materially greater than actual fiscal year operating expenditures. Occasionally, however, the Authority may experience revenues in excess of budgeted expenditures as a result of, among other things, cost-savings opportunities realized throughout the fiscal year or unanticipated sources or amounts of revenue. This could potentially create a residual fund balance that is in excess of the Reserve. The Board has determined that it is prudent to establish this Policy regarding application of such funds in excess of the Reserve.

Upon adoption of this Policy, the Board's Recycling Revenue Financial Policy (adopted January 2016) shall be rescinded.

C. Policy

1. General Fund Minimum Fund Balance Reserve

- **Establishment:** The Authority will establish a Reserve in the General Fund.
- **Purpose:** The purpose of the Reserve is to ensure that sufficient operating funds are available in the event of an unanticipated circumstance (e.g., natural disasters; unforeseen liabilities caused by federal, state, or local legislative action; unanticipated revenue shortfalls; unanticipated and unavoidable expenditure needs). The Board, however, may elect to use the funds in the Reserve for other purposes in its discretion.
- **Target Level:** It is the goal of the Authority to maintain a balance in the Reserve that is equal to twenty percent (20%) of the Authority's annual General Fund budgeted expenditures, excluding any one-time/nonrecurring or special budgeted expenditures. This amount will approximate 2-1/2 months of working capital.
- **Source of Funds:** The Reserve may be funded from any revenue sources, including, but not limited to, solid waste rates, revenues from the sale of recyclables, interest and investment earnings, settlement proceeds, liquidated damages, and other miscellaneous eligible funds.

- **Draws:** Any draw on Reserve funds that would reduce the balance in the Reserve below the target established by this Policy (and/or any adoption of an annual General Fund budget that would set a target balance for the Reserve at less than the target established by this Policy) must be approved by a Board Resolution.
- **Replenishment:** In the event the Board approves a draw on Reserve funds that would reduce the amount of Reserve funds below the target established by this Policy (and/or adopts an annual General Fund budget that sets a target balance for the Reserve at less than the target established by this Policy), the Board intends to seek to replenish the Reserve fund balance in no more than three (3) years after such event.
- **Reporting:** The financial records of the Authority will segregate the Reserve by recording activity in a separate account within the General Fund. The Authority shall incorporate the budgeted and actual Reserve amounts into the financial reports submitted to the Board.

2. Application of Funds in Excess of the Reserve

- **Definition:** For purposes of this Policy, “Funds in Excess of the Reserve” or “Excess Funds” is any excess fund balance held by the Authority at the conclusion of a fiscal year after accounting for the Authority’s debts and liabilities and assuming full funding of the General Fund Reserve at the target level established by this Policy (or otherwise approved by the Board).
- **Report:** The Authority will determine whether it has retained Excess Funds based on the audited financial statements for the prior fiscal year. At the Board meeting where the auditor presents the audited financial statements, the auditor shall report to the Board whether the audited financial statements indicate the Authority has retained Excess Funds.
- **Application:** The Board retains discretion regarding the application of any Excess Funds. Among other things, the Board may (a) distribute all (or a portion) of these funds to the Member Agencies reserves for uses consistent with law and Board Policy, or (b) apply all (or a portion) of these funds to one-time/nonrecurring or special expenditures or capital projects. Any decision to apply these funds must be approved by a Board action. In absence of Board direction, the Authority will maintain the Excess Funds in unassigned fund balance to be utilized for future expenditures as the Authority deems necessary.
- **Allocation to Member Agencies Reserves** To the extent the Board elects to distribute all (or a portion) of the Excess Funds to the Member Agencies reserves, it shall be allocated based on the proportion that the total tonnage of solid waste (garbage, recycling, and organics) collected within the jurisdiction of each Member Agency bears to the total tonnage of solid waste collected within the jurisdiction of all members of the Authority for the fiscal year immediately preceding the date of

the Board decision to allocate such funds. Solid waste collected from areas of a Member Agency located outside of the jurisdictional boundaries of the Authority are not included in these calculations. The allocation shall be based on the solid waste tonnages for the fiscal year immediately preceding the distribution, regardless of whether the Excess Funds were received over a period in excess of one (1) fiscal year. Table 1 below provides an example of how these funds will be split based on the tonnage allocations.

Table 1 – Funds in Excess of the Reserve Allocation Example

- Funds in Excess of the Reserve based on audited financial statements = \$200,000
- Board action approving allocation of \$170,000 to Member Agencies reserves and allocation of \$30,000 to a special non-recurring expense.

| Member Agency | % Allocation of Solid Waste Tons in prior FY * | Distribution to Member Agencies Reserves |
|----------------------|---|---|
| County | 21% | \$35,700 |
| Danville | 20% | \$34,000 |
| Lafayette | 12% | \$20,400 |
| Moraga | 6% | \$10,200 |
| Orinda | 8% | \$13,600 |
| Walnut Creek | 33% | \$56,100 |
| Total | 100% | \$170,000 |

* The example % allocations noted in Table 1 are based on actual solid waste (garbage, recycling, and organics) tonnages in FY20-21.

D. Policy Adoption and Amendment

This Policy must be adopted by Board Resolution. Any modifications to this Policy must be approved by Board Resolution.

CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY

POLICY TITLE: Use of Authority Funds Allocated to Member Agencies Reserves

A. Purpose

To establish a policy governing the use of Authority funds that are allocated to individual Member Agencies Reserves.

B. Background

Joint powers agencies (“JPAs”) are statutorily authorized to allocate funds to their Member Agencies, either upon dissolution of the JPA or at the time and in the manner they deem appropriate, subject to the limitations set forth below. The Authority Board may choose to allocate all, some, or none of its funds to its Member Agencies. This authority to allocate funds to its Member Agencies is limited by the California Constitution’s prohibition on gifts of public funds. Public agencies are prohibited from making “any gift or authoriz[ing] the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever.” (Cal. Const. art. XVI, § 6.) California courts have found that a transfer of funds between two public agencies may be treated as a gift of public funds if the transfer does not “serve the public purpose of the donor agency.”

Authority is a limited purpose agency, unlike its individual Member Agencies. Whereas the Member Agencies have extremely broad purposes to further the general welfare of their citizens, Authority’s purpose is narrow. Article 1, Section B of the Authority Joint Exercise of Powers Agreement (“JPA Agreement”) provides as follows:

The purpose of the Authority shall be to exercise certain powers set forth below, in a manner which will (1) assure the citizens of the Member Agencies that certain solid waste transfer station(s), regional resource recovery facility(ies), recycling facility(ies), household hazardous waste facility(ies), and/or landfill(s) and related programs will be operated in the most cost effective manner possible consistent with the proper concern for the environment; and (2) allow for the public ownership and/or management of said facilities; and (3) allow for certain or all of the Member Agencies to participate in individual or joint efforts concerning issuing Requests for Proposals and entering into contracts for franchising of solid waste collection, handling and disposal, including green waste and recyclables; and (4) allow for such other joint efforts concerning the handling and disposal of the solid waste stream as may be beneficial to constituents of the Member Agencies.

From time to time, the Authority Board may approve allocation of certain Authority funds to Member Agencies Reserves. If a Member Agency were to use any allocated funds in its Member Agency Reserve for programs or initiatives unrelated to Authority’s purpose, then such use would be unconstitutional and could result in the necessity for the member to return the allocated funds or subject Authority to other legal liability.

C. Policy

In order for Authority to properly allocate funds to individual Member Agencies Reserves, the following Policy shall apply:

1. All funds allocated by Authority Board of Directors from Authority funds to a Member Agency Reserve shall be used by the Member Agency in a manner consistent with Authority's purpose as set forth in Article 1, Section B of the JPA Agreement, more specifically for "efforts concerning the handling and disposal of the solid waste stream as may be beneficial to constituents of the Member Agencies". For purposes of this policy, the "solid waste stream" includes all rubbish or garbage, reusables, recyclables and organics. Examples of programs and initiatives that are consistent with Authority's purpose include, but are not limited to, the following:
 - a. Offsetting future rate increases or otherwise subsidizing the rates that Authority's franchised collection contractor charges to subscribers within Member Agency's jurisdiction for services provided pursuant to the then applicable Authority franchise agreement.
 - b. Implementing or subsidizing new or existing programs or initiatives, which are intended to divert solid waste from landfill disposal or foster reduction, reuse or recycling.
 - c. Implementing or subsidizing new or existing programs or initiatives that promote, encourage and/or increase composting or the beneficial reuse of all forms of solid waste, including organic materials.
 - d. Implementing or subsidizing new or existing programs or initiatives that promote the proper collection, handling or cleanup of solid waste including proper disposal of commodities that should not be landfilled such as batteries, mercury products, pharmaceuticals, sharps, universal wastes and household hazardous wastes.
 - e. Implementing or subsidizing new or existing programs or initiatives that promote use of recycled products thereby reducing landfill disposal, such as purchasing capital items that have a recycled content range of 70 percent to 75 percent post-consumer content or purchasing recovered organic waste products.
 - f. Implementing the requirements of state law related to handling and disposal of solid waste, recycling, and organics, such as Assembly Bill 939 of 1989, Assembly Bill 341 of 2011, Assembly Bill 1826 of 2014, and Senate Bill 1383 of 2016.
2. A donee Member Agency shall take steps to ensure that it uses Authority funds allocated to a Member Agency Reserve in accordance with Paragraph 1. Allocated funds should be earmarked or designated for qualifying uses and typically not deposited in a Member Agency's general fund without a form of dedication or clear allocation for uses consistent with Paragraph 1.

3. A Member Agency may use its discretion in determining appropriate qualifying uses, and shall not be required to seek Authority approval for specific uses, of Authority funds allocated to a Member Agency Reserve.
4. All allocations by Authority to Member Agencies Reserves shall be at the discretion of and approved by the Authority Board, either through the annual budgeting and rate setting process, or at any meeting by separate approval of the Board.
5. Authority shall not assume any liability for a Member Agency's decisions on uses of Authority funds allocated to a Member Agency Reserve; rather, a donee Member Agency shall assume all liability for proper use of any funds allocated to its Member Agency Reserve. A Member Agency receiving Authority funds through the Member Agency Reserve shall sign an agreement with Authority to use those funds only for purposes consistent with those of the Authority, and to indemnify and defend Authority from any third party claims arising out of or related to that Member Agency's use of such funds.
6. This policy shall control the use of any Authority funds allocated to a Member Agency Reserve, including Authority funds previously allocated and currently held in a Member Agency Reserve.



Central Contra Costa Solid Waste Authority

Agenda Report

TO: CCCSWA BOARD OF DIRECTORS

FROM: FINANCE AND ADMINISTRATION COMMITTEE
DAVID KRUEGER, EXECUTIVE DIRECTOR

DATE: APRIL 23, 2026

SUBJECT: PROPOSED FY 2026-27 DIVERSION AND COMPLIANCE PROGRAMS BUDGET

SUMMARY

Diversion and Compliance Programs are a subset of the Authority's overall budget. On April 1, 2026 the Finance and Administration Committee (Committee) reviewed the proposed FY 2026-27 budget and directed staff to bring the recommended budget for just the Diversion and Compliance Programs to the April 23, 2026 Board Meeting for approval. Significant changes to the Diversion and Compliance Programs budget in FY 2026-27 include increasing funding for Education & Outreach when the new franchise agreements go into effect on March 1, 2027, and beginning to fund SB 1383 compliance activities out of the general fund when related grant funding is completely expended on November 1, 2026. The Committee will meet again on May 1, 2026 to consider the remainder of the FY 2026-27 budget and will bring recommendations to the May 28 Board Meeting.

RECOMMENDED ACTION

1. Approve the Diversion and Compliance Programs budget provided as Attachment A, to be included in the proposed FY 2026-27 Budget.

DISCUSSION

On April 1, 2026 the Finance and Administration Committee (Committee) met to consider staff recommendations regarding the proposed FY 2026-27 budget. The Committee directed staff to bring the recommended FY 2026-27 budget for just the Diversion and Compliance Programs to the April 23, 2026 Board Meeting for approval. Diversion and Compliance Programs are a subset of the total budget. The Committee will meet again on May 1, 2026 to consider the remainder of the FY 2026-27 budget, and will bring recommendations to the May 28 Board Meeting.

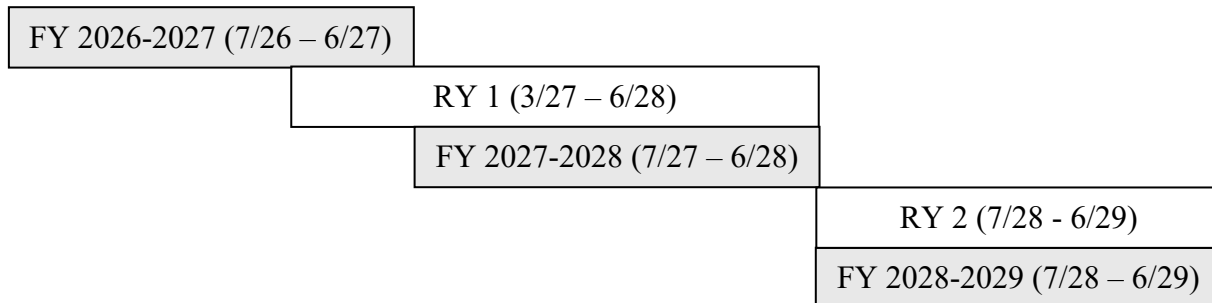
Diversion and Compliance Programs are a category of expenses in the Authority's General Fund budget. These expenses are used to provide diversion (waste reduction, recycling, composting) programs that are not provided through the Authority's franchise agreements, and to further Authority and Member Agency compliance with State solid waste and recycling statutes and regulations.

This fiscal year (FY 2025-26) the approved budgeted expenses for Diversion and Compliance Programs total \$1,151,123. The proposed Diversion and Compliance Programs expenses for next fiscal year (FY 2026-27) total \$1,562,728. A detailed description of each program, including accomplishments, goals, and proposed program budget, is provided in Attachment A.

Significant Changes in FY 2026-27

Alignment of the Fiscal Year and the Rate Year: The Authority’s fiscal year (budget year) is always 12 months long, July 1 through June 30. A “rate year” means the twelve months for which customer rates are set. Rates are adjusted at the beginning of each rate year and do not change until next rate year. Historically, the Authority’s franchise agreements have always started on March 1, therefore the Authority’s rate years have always been March 1 through February 28. To simplify budgeting, the Authority decided to align the fiscal and rate years by changing the rate year to a July – June schedule in the new franchise agreements. In order to make this transition, the Authority opted to have the first rate year of the new franchise agreements be longer than 12 months.

Rate Year One (RY 1) of the new agreements will be 16 months long (March 2027 – June 2028) in order to align the fiscal years with the rate years. RY2 will be 12 months and will align with FY 2028-29. The rate years and fiscal years will be aligned thereafter. Fiscal years are always 12 months long. Except for RY 1 of the new agreements, rate years will be 12 months long. The graphic below illustrates the relationship of the rate years and fiscal years over the next three fiscal years.



Outreach & Education Budget: When the new agreements with Republic and MDRR take effect on March 1, 2027, the Authority will take on many outreach activities that were previously performed by those contractors. Examples include the printing and mailing of the Reuse and Cleanup Day “save the date” post cards to all single-family homes twice per year and the design and printing of posters, stickers, and signs for multi-family and commercial customers. The cost of these outreach activities has always been included in customer rates but will be moved to the Authority’s budget from Republic and MDRR’s internal budgets. This will increase the amount of the Authority’s Outreach & Education budget beginning March 1, 2027.

Because the Authority’s fiscal year does not yet align with the rate year, the FY 2026-27 budget will include eight months (July – February) under the current agreements with Republic and MDRR, and four months (March – June) under the new agreements. Therefore, the increase in the Outreach & Education Budget as a result of the new agreements will only affect four months of FY 2026-27. In FY 2027-28, there will be an additional increase in the Outreach and Education budget as the impact of the new agreements will be for the entire twelve months.

The proposed FY 2026-2027 Outreach and Education Budget of \$830,000 includes \$643,000 for activities that have traditionally been provided by the Authority, plus \$187,000 for activities related to the new franchise agreements. This \$187,000 represents four months of activities that previously were provided by Republic and MDRR plus some one-time expenditures related to educating the public about new programs that will be provided through the new franchise agreements. Staff estimates that the total Outreach and Education budget for FY 2027-28 will be approximately \$1.3 million, including both activities traditionally provided by the Authority plus twelve months of activities that were previously provided by Republic and MDRR.

SB 1383 Organics Compliance: Since FY 2023-24, the Authority's SB 1383 Compliance activities have been funded by grants from CalRecycle. The final grant period ends on November 1, 2026, and the Authority will have expended all grant funds. There are currently no new grant funds available for this purpose. In FY 2026-27, SB 1383 Compliance activities will be partially grant-funded and partially funded through the General Fund. In future years SB 1383 Compliance activities will be funded entirely out of the Authority's General Fund. Staff estimates that on-going SB 1383 Compliance expenditures in FY 2027-28 to be approximately \$190,000.

ATTACHMENT

- A. Proposed FY 2026-27 Diversion and Compliance Programs Budget



Diversion and Recycling Programs Budget

| Program | Description | Accomplishments/Goals |
|--|---|---|
| <p>Construction and Demolition Program</p> <p>FY 2027 Budget: \$32,340</p> <p>Regulatory Requirement: Yes, CalGreen & SB 1383</p> | <p>Continue to improve RecycleSmart’s ability to track C&D diversion. The cost covers Member Agency use of the Green Halo “City Tracker” system. This is fundamental to monitor compliance with the Authority’s C&D Ordinance, CalGreen diversion requirements, and annual SB 1383 reporting to CalRecycle.</p> | <p>FY 2025-26 Accomplishments:</p> <ul style="list-style-type: none"> ▪ Using Green Halo software, tracked the diversion of 38,116 tons of C&D (reused and recycled) debris generated by 2,074 projects ▪ Held annual meeting with member agency planning staff to provide updates and address questions related to Green Halo and CalGreen ▪ Initiated new electronic Registered C&D Transporter permit application / renewal process on Green Halo ▪ Began funding the County’s use of Green Halo in the Authority’s unincorporated areas <p>FY 2026-27 Goals:</p> <ul style="list-style-type: none"> ▪ Implement Republic Services’ Martinez Transfer Station electronic scale ticket integration with Green Halo |
| <p>Home Composting for Busy People Program</p> <p>FY 2027 Budget: \$37,000</p> <p>Regulatory Requirement: Supports SB 1383</p> | <p>US Composting Council award-winning program supports SB 1383 organic waste reduction and outreach requirements.</p> | <p>FY 2025-26 Accomplishments:</p> <ul style="list-style-type: none"> ▪ Expanded Compost in the Classroom Program with the Gardens at Heather Farm education program from 50 to 77 in-person workshops for K-12 students ▪ Provided 2 annual compost giveaway events (compost counts toward SB 1383 procurement requirement) |

| Program | Description | Accomplishments/Goals |
|--|--|---|
| | | <ul style="list-style-type: none"> ▪ Increased deliveries of compost to twice monthly at the free compost hub in Walnut Creek (compost counts toward SB 1383 procurement requirement) ▪ Expanded youth “Eco Hero” sustainability summer camp to include Orinda and Danville with an emphasis on home composting, vermicomposting, food scraps, and healthy soils <p>FY 2026-27 Goals:</p> <ul style="list-style-type: none"> ▪ Expand youth “Eco Hero” sustainability summer camp to additional member jurisdictions (Orinda, Danville, Walnut Creek, Moraga) (Note: in FY 2026-27 the expanded “Eco Hero” summer camp program will be moved from the Home Composting budget to the Outreach & Education budget.) ▪ Increase awareness and use of free compost hub ▪ Revamp community composting workshops and/or CompostSMART advanced training program expanding education to include waste prevention and recycling best practices |
| <p>Outreach & Education</p> <p>FY 2027 Budget: \$830,000</p> <p>Regulatory Requirement: Yes, supports all laws and requirements</p> | <p>Supports waste reduction mandates, programs, and services for our communities by developing, designing, and implementing outreach and special projects.</p> | <p>FY 2025-26 Accomplishments:</p> <ul style="list-style-type: none"> ▪ Quarterly direct-mail newsletter to single-family homes and multifamily tenants ▪ Hello Recycling Bin texting outreach tool to provide on-demand sorting information ▪ Partnered with the City of Walnut Creek to install new downtown three stream organics, recycling, and landfill Big Belly waste stations wrapped with Hello Recycling Bin artwork and QR codes ▪ Community funding to Sustainable Contra Costa and Lafayette Earth Day ▪ Expanded ReThink Disposable technical assistance from 11 to 18 food establishments to reduce single-use throw away food packaging and transition to reusable foodware for dine-in ▪ Second annual student truck sign art contest |

| Program | Description | Accomplishments/Goals |
|---|--|---|
| | | <ul style="list-style-type: none"> ▪ Increased followers and engagement on social media ▪ Using Waste Characterization Study results to improve outreach content and create new media to target specific materials ▪ Partnered with the City of Lafayette to initiate pilot outreach project to improve residential use of the green organics cart (food scraps) including survey, lid flips, targeted outreach, and repeat lid flips to understand potential behavior change ▪ Participated in and supported three Repair Café events, in Walnut Creek, Rossmoor, and Lafayette ▪ Partnered with the “Taste of Lafayette” Chamber event to provide reusable sporks and coordinate with participating businesses to improve foodware provided at the event (compostable/recyclable) and provide information on waste reduction and sorting ▪ Partnered with the East Bay Womens Conference, a Walnut Creek Chamber event, to improve waste reduction and sorting <p>FY 2026-27 Goals:</p> <ul style="list-style-type: none"> ▪ NEW Franchise Outreach: <ul style="list-style-type: none"> ○ New services for all sectors, route changes, and inclusion of Canyon into the service area ○ New multifamily Reuse & Cleanup services ○ Manage distribution of residential Reuse & Cleanup Days brochure ○ Design and printing of multi-family / commercial posters, stickers, and signs. ○ Administer contract with sharps (needles) collection vendor ○ Distribute outreach for annual Ascot/Moraga and Saint Mary’s College Reuse & Cleanup |
| <p>SB 1383 Organics Compliance</p> <p>FY 2027 Budget: \$343,488</p> | <p>Continue programs in support of organics disposal reduction requirements as</p> | <p>FY 2025-26 Accomplishments:</p> <ul style="list-style-type: none"> ▪ Conducted required contamination review of all 71 routes ▪ Provided required outreach and education to all generators |

| Program | Description | Accomplishments/Goals |
|---|--|---|
| <p>Funding Sources: CalRecycle Grant = \$163,488 General Fund = \$180,000</p> <p>Regulatory Requirement: Yes, SB 1383</p> | <p>prescribed by SB 1383. Program elements include edible food recovery monitoring, compliance, and technical assistance to Tier One and Tier Two covered edible food generators, annual route reviews, annual reporting, and outreach and education.</p> <p>The grant ends November 1, 2026 and there are currently no further CalRecycle grants available for this purpose. On-going SB 1383 compliance activities are anticipated to be funded 100% out of the General Fund in FY 2027-28 and beyond.</p> | <ul style="list-style-type: none"> ▪ Contracted with Contra Costa Health Services for required Tier 1 and Tier 2 Commercial Edible Food Generator inspections ▪ Contracted with Food Shift to provide technical assistance to Commercial Edible Food Generators to improve and expand compliance with edible food recovery requirements ▪ Completed phase one of the waste characterization/capture study ▪ Contracted with Nothing Wasted Consulting to review the Authority’s Implementation Record, enforcement program, and self-haul program <p>FY 2026-27 Goals:</p> <ul style="list-style-type: none"> ▪ Complete phase two of the waste characterization/capture study and submit a recycled organic waste product procurement obligation reduction request to CalRecycle (one-time project) ▪ Contract with Nothing Wasted Consulting to support the initial implementation of the enforcement program (one-time project) ▪ Explore the concept of a countywide edible food recovery symposium and collaboration in partnership with Contra Costa County jurisdictions, food recovery organizations, and food generating establishments to understand cross-jurisdictional gaps, resource needs, and cohesive outreach to reduce food insecurity and food waste ▪ Contract with Contra Costa Health Services for required Tier 1 and Tier 2 Commercial Edible Food Generator inspections. (on-going, mandatory) ▪ Provide in-person technical assistance to Commercial Edible Food Generators to improve and expand compliance with edible food recovery requirements. (on-going) ▪ Conduct required annual contamination review of all 71 routes (on-going, mandatory) |

| Program | Description | Accomplishments/Goals |
|--|---|---|
| <p>School Recycling & Organics Program</p> <p>FY 2027 Budget: 189,900</p> <p>Regulatory Requirement: Supports SB 1383</p> | <p>RecycleSmart provides support through education and technical assistance to schools to increase awareness and diversion. Includes special activities, presentations, education of green teams, bins, outreach materials, trainings, consultations, and more.</p> <p>The program provides certifications to schools for their participation in recycling programs and provides cash scholarships for selected applicants and awards for schools that reach a 75% or better diversion rate, as well as schools making significant efforts to reach higher diversion.</p> | <p>Accomplishments (2024-25 school year):</p> <ul style="list-style-type: none"> ▪ 55 out of 66 schools at 50% or greater diversion ▪ 55 assemblies and classroom presentations completed ▪ 20 Wastebusters awards for schools reaching 75% diversion, and 2 Honorable Mention awards ▪ Continued supporting schools in the transition to reusables; amended budget to specifically provide for reusables support, including supplies and expert assistance ▪ Intern program continued, with 2 student scholarships awarded ▪ Provided specific food-recovery technical assistance to school districts with schools in our jurisdiction <p>Goals (2025-26 school year):</p> <ul style="list-style-type: none"> ▪ Support donation of edible food whenever possible, and perform desktop inspections for related SB 1383 compliance, including working with health departments and nutrition services departments ▪ Ensure all schools are utilizing food share tables ▪ Continue working to replace single-use items in schools with durable reusables ▪ Continue to support internship program ▪ Continue to increase diversion and help new schools reach 75% ▪ Continue awarding Wastebusters awards, including honorable mentions, and student scholarships |

| Program | Description | Accomplishments/Goals |
|--|--|--|
| <p>Household Hazardous Waste (HHW) Drop-Off Event</p> <p>FY 2027 Budget: \$130,000</p> <p>Funding Sources: CalRecycle Grant = \$100,000 General Fund = \$30,000</p> <p>Project Partner: CPSC www.calpsc.org</p> <p>Regulatory Requirement: Supports SB 1383 and AB 939 requirement to reduce contamination in all three streams and meet diversion requirement.</p> | <p>One-day HHW drop-off event held in the RecycleSmart service area. Only available to RecycleSmart residents.</p> | <p>FY 2025-26 Accomplishments:</p> <ul style="list-style-type: none"> ▪ Awarded \$100,000 CalRecycle “HD45 HHW” Grant <p>FY 2026-27 Goals:</p> <ul style="list-style-type: none"> ▪ Secure a location for the event ▪ Obtain necessary permits ▪ Contract for event staffing and online registration services ▪ Initiate education campaign and promote HHW drop-off event ▪ Provide one HHW drop-off event in 2027 in the RecycleSmart service area |



Agenda Report

TO: CCCSWA BOARD OF DIRECTORS
FROM: DAVID KRUEGER, EXECUTIVE DIRECTOR
DATE: APRIL 23, 2026
SUBJECT: EXECUTIVE DIRECTOR'S MONTHLY REPORT

SUMMARY

Central Contra Costa Solid Waste Authority (Authority) staff perform high-level programmatic and administrative tasks each month to provide outreach and education to residents, businesses, and schools to increase diversion and instill waste prevention practices. Staff manage the franchise agreements and customer service in addition to monitoring monthly reporting by our service providers. Staff also interact with Member Agency staff, community groups, and regional partners on a variety of topics including SB 1383, legislation, and industry best practices.

RECOMMENDED ACTION

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

DISCUSSION

Notable Events:

As described in the Third Amendment to the Republic franchise agreement, the service quality metric is 2,700 or fewer missed container pickups from residential subscribers on incomplete routes in a four-week period. Republic is entitled to a special rate increase in RY 12 that is based on the number of four-week periods in which they met the service quality metric. Because they met the service quality metric in 11 of the 12 four-week periods, they received a special rate increase of \$2,138,515.02 in RY 12 (March 2026 – February 2027). The Third Amendment also provides that \$112,553.42 of the RY12 special rate increase may be “clawed back” for each four-week period that Republic does not meet the metric between September 15, 2025, and February 26, 2027. Therefore, we are continuing to track performance through the end of the franchise.

| Period | Four-Week Period Beginning | Number of Missed Residential Collections | Metric Met (2,700 or fewer) |
|--------|----------------------------|--|-----------------------------|
| 1 | September 15, 2025 | 2268 | Yes |
| 2 | October 13, 2025 | 1372 | Yes |
| 3 | November 10, 2025 | 2112 | Yes |
| 4 | December 8, 2025 | 2588 | Yes |
| 5 | January 5, 2026 | 1695 | Yes |
| 6 | February 2, 2026 | 2677 | Yes |
| 7 | March 2, 2026 | 2929 | No |

Completed and Ongoing Activities:

- Due to a variety of scheduling conflicts, the April monthly Member Agency liaison meeting was cancelled.

| Member Agency Liaisons | | | |
|------------------------------------|------------------------|--|-------------------|
| Name & Member Agency | Title | Email | Phone (925) |
| Ellen Edgar, County | Planner | Ellen.edgar@dcd.cccounty.us | 655-2767 |
| Cat Bravo, Danville | Management Analyst | cbravo@danville.ca.gov | 314-3377 |
| Nichole Zittel, Lafayette | Associate Planner | nzittel@ci.lafayette.ca.us | 299-3211 |
| Estela Ramirez, Orinda | Management Analyst | eramirez@cityoforinda.org | 253 - 4252 |
| Cassius Carandang, Moraga | Assistant Planner | ccarandang@moraga.ca.us | 888-7042 |
| Candice Rankin Mumby, Walnut Creek | Sustainability Manager | rankinmumby@walnut-creek.org | 943-5899 x2304 |

Community Events

1. April 14 – Town of Danville Earth Day pop-up event; public outreach booth in partnership with Republic Services.
2. April 17 – Sustainable Walnut Creek Earth Day event; feature movie The Story of Plastic. Staff tabled and participated in a panel conversation.
3. April 17 – Rossmoor Earth Day Repair Café; RecycleSmart, Sustainable Rossmoor, and Republic Services hosted another successful Repair Café for Rossmoor residents. At least 23 repair coaches volunteered their time, and over 100 items were brought in for repair. Data on repairs will be available in May.
4. April 22– RecycleSmart and RecycleMore (West Contra Costa Integrated Waste Management Authority) will present to the county librarians at their annual all-day training at the Boundary Golf Club in Walnut Creek. The presentation will focus on partnership opportunities such as textile drives and repair cafés.
5. April 22 – American Legion Earth Day recognition lunch, Lafayette; staff will present on current programs, state laws, and what happens to our materials once they leave the curb.

6. April 26 – Lafayette Earth Day community event; public outreach booth in partnership with Republic Services.
 7. May 14 – Lafayette Community Garden members event; RecycleSmart and Republic Services will present on “what goes where” and the importance of putting food scraps in the green organics cart.
- The free **annual Compost Giveaway events** in partnership with Republic Services are scheduled for **April 25** in Lafayette (Lamorinda communities) and **May 2** in Danville (Danville/County/Walnut Creek communities). Residents can register online: www.RecycleSmart.org/FreeCompost.
 - On April 11- 17, **Moraga Library hosted its first Textile Drive** in partnership with Ekolinq (www.ekolinq.com) to collect usable and non-usable textiles, footwear, linens, and accessories. Proceeds from the sale of the textiles served as a fundraiser for the Friends of the Moraga Library.
 - RecycleSmart, Mt. Diablo Resource Recovery, and Republic Services are preparing for **Reuse and Cleanup Day services** during move-out, May 18-22, at **Saint Mary’s College** and on Ascot Drive (off-campus students) in Moraga.
 - RecycleSmart, Mt. Diablo Resource Recovery, and Republic Services are preparing for **Reuse and Cleanup Day services in Rossmoor in June** to pilot multifamily operations in advance of new 2027 services and to help reduce the amount of reusable and non-usable household goods in Rossmoor for a smoother transition in the coming year.
 - The second phase of the residential **Waste Characterization Study** will take place April 27-30 at the Martinez Transfer Station. If you wish to observe, please contact Judith Silver.
 - Vic Cabrera, General Manager, Republic Services, informed the Authority that Republic Services has been affected by the Federal Motor Carrier Safety Administration’s (FMCSA) February 13, 2026, final rule that significantly restricts eligibility for “non-domiciled” commercial driver’s licenses. Beginning March 16, only people in “lawful immigration status” are eligible for those licenses. Six of Republic’s drivers at the Pacheco yard (which serves our area) have recently had their commercial licenses canceled by the DMV and cannot continue to drive commercial vehicles until their licenses are reinstated. This may impact Republic’s ability to timely complete all routes. Here is additional information on the issue if you wish to learn more:

<https://www.fmcsa.dot.gov/regulations/non-domiciled-cdl-2026-final-rule-faqs>

[Federal Government Requires California DMV to Cancel Certain Non-Domiciled Driver’s Licenses - California DMV](#)

[https://www.hklaw.com/en/insights/publications/2026/02/roadblocks-ahead-final-rule-tightens-nondomiciled-cdl-criteria#:~:text=The%20Federal%20Motor%20Carrier%20Safety,commercial%20learner's%20permits%20\(CLPs\).](https://www.hklaw.com/en/insights/publications/2026/02/roadblocks-ahead-final-rule-tightens-nondomiciled-cdl-criteria#:~:text=The%20Federal%20Motor%20Carrier%20Safety,commercial%20learner's%20permits%20(CLPs).)

Staff participated in or attended the following meetings in April 2026

- California Organic Recycling Council Member Meeting, April 10
- BayROC (Bay Area Recycling Outreach Coalition) meeting, April 14
- Orinda Community Meeting, April 14
- Stopwaste's Recycling Markets Network quarterly meeting, April 16
- California Product Stewardship Council Associates' meeting, April 16
- Recycling Markets Network Quarterly meeting, April 16
- Moraga Community meeting, April 17



Future Agenda Items

| TYPE | BOARD MEETING: 05/28/2026 |
|-------------|---|
| C | Approve 04/23/2026 Minutes |
| A | Operations and Reuse Fund Budgets for Fiscal Year 2026-27 |
| I | Executive Director's Monthly Report |
| P | Waste Reduction Student Scholarships |

| TYPE | BOARD MEETING: 06/25/2026 |
|-------------|-------------------------------------|
| C | Approve 05/28/2026 Minutes |
| I | Executive Director's Monthly Report |

TYPE

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