



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

Telephone: 925.906.1801 Fax: 925.906.1805  
Email: [authority@recyclesmart.org](mailto:authority@recyclesmart.org)  
Website: [www.recyclesmart.org](http://www.recyclesmart.org)  
Facebook: [www.facebook.com/CCCSWA](http://www.facebook.com/CCCSWA)

## **BOARD OF DIRECTORS REGULAR MEETING**

### **AGENDA**

**JUNE 25, 2026 - 3:00 P.M.**

Walnut Creek City Hall, 3<sup>rd</sup> 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**

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

3. **CONSENT ITEMS**

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

- a. Approve Minutes of the Regular Board Meeting on May 28, 2026\*
- b. Approve payment of \$1,339.34 to City of Lafayette for the items listed in Attachment A, in accordance with the Use of Authority Funds Allocated to Member Agencies Policy\*

4. **PRESENTATION ITEM**

- a. Recology Blossom Valley Organics Processing  
Scott Pardini, Vice President and Regional Manager  
Rocio Garcia, Assistant General Manager

**5. ACTION ITEM**

**a. Increase in Missed Pickups / Temporary Loss of Six Republic Drivers\***

Authorize the Executive Director to waive a one-time payment of \$112,553.42 from Republic for failure to meet the service quality metric during the four-week period beginning March 2, 2026, in consideration of circumstances which affected Republic's available workforce during that period.

**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.*

**ADDRESSING THE BOARD ON AN ITEM ON THE AGENDA**

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

**ADDRESSING THE BOARD ON AN ITEM NOT ON THE AGENDA**

In accordance with State law, the Board is prohibited from discussing items not calendared on the agenda. For that reason, members of the public wishing to discuss or present a matter to the Board other than a matter which is on the Agenda are requested to present the matter in writing to 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.

**AMERICANS WITH DISABILITIES ACT**

In accordance with the Americans With Disabilities Act and California Law, it is the policy of the Central Contra Costa Solid Waste Authority 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 MAY 28, 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, 3<sup>rd</sup> Floor Conference Room, 1666 North Main Street, City of Walnut Creek, Contra Costa County, State of California, on May 28, 2026. Chair Cindy Silva called the meeting to order at 3:05 P.M.

PRESENT: Board Members: Candace Andersen  
Newell Arnerich  
Ken Carlson  
Matt Francois\*  
Darlene Gee  
Lisa Maglio  
Renee Morgan, Vice Chair  
Cindy Silva, Chair  
Stella Wotherspoon  
\*Arrived after Roll Call

ABSENT: Board Members: John McCormick  
Janet Riley  
Steve Woehleke

**Staff members present:** David Krueger, Executive Director; Janna McKay, Program Manager/Board Secretary; 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**

Chair Silva pulled Consent Calendar Items b and c for questions.

- a. Approve Minutes of the Regular Board Meeting on April 23, 2026
- b. Approve Sole-Source Provider Services Agreement with Abbe & Associates for Schools Recycling Program **REMOVED FOR DISCUSSION**
- c. Approve Sole-Source Provider Services Agreement with MIG, Inc. for RecycleSmart Residential Newsletter **REMOVED FOR DISCUSSION**

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 Arnerich.

MOTION PASSED unanimously by a voice vote.

The following two items were removed from the Consent Calendar.

b. Approve Sole-Source Provider Services Agreement with Abbe & Associates for Schools Recycling Program

Chair Silva noted that the payment clause did not include the word “annual” in it. She requested that word be included somewhere in the first sentence of the payment clause to avoid confusion. She thanked Abbe & Associates for the work done for RecycleSmart.

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

MOTION by Chair Silva to approve Sole-Source Provider Services Agreement with Abbe & Associates for Schools Recycling Program, with an amendment to include the word “annual” somewhere in the first sentence of the payment clause to avoid confusion. SECOND by Board Member Maglio.

MOTION PASSED unanimously by a voice vote.

Chair Silva commented that the Board and the 66 schools served by Abbe & Associates really appreciated their work.

c. Approve Sole-Source Provider Services Agreement with MIG, Inc. for RecycleSmart Residential Newsletter

Chair Silva noted her understanding that the Agreement with MIG, Inc. covered not only the four single-family newsletters but the four multifamily newsletters as well, although the agreement only referenced the single-family newsletters.

Executive Director David Krueger stated that both the single-family and multi-family newsletters should be included in the agreement and that the not-to-exceed amount for the agreement provides sufficient funding for both. He explained that there were several references to the four single-family newsletters and one reference to the four multi-family newsletters in the agreement. He recommended that the four multifamily newsletters be added to the text of the agreement in both the recitals and in the scope of work for clarity.

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

MOTION by Board Member Arnerich to approve Sole-Source Provider Services Agreement with MIG, Inc. for RecycleSmart Residential Newsletter, with an amendment to include both the four single-family

newsletters and the four multifamily newsletters both in the recitals and in the scope of work. SECOND by Board Member Wotherspoon.  
MOTION PASSED unanimously by a voice vote.

**4. ACTION ITEM**

Chair Silva clarified that the salary changes recommended by the Personnel Committee had been approved at the last meeting, and the changes to the Diversion and Compliance Fund and to the revenue allocation had also been approved at the last meeting.

a. General Fund, Post-Collection and Reuse Fund, and Grant Fund Budgets for Fiscal Year 2026-2027

Adopt the General Fund, Post-Collection and Reuse Fund, and Grant Fund Budgets for Fiscal Year 2026-27, as Set Forth in Attachments A, B and C to the Staff Report Dated May 28, 2026.

Executive Director David Krueger stated this agenda item was the last step in the budget process. He explained that the Finance Committee had met twice to discuss the FY 2026-27 budget, attesting to the complexity of the budget that would take effect on July 1, 2026. He noted that this was an unusual year for the budget primarily because of the new contracts that will start on March 1, 2027. The budget year and the contract year are not yet aligned so the proposed budget would have eight months under the old contracts and four months under the new contracts.

Mr. Krueger described the changes in the money flow that caused some of the changes in the budget. He noted that while currently the revenue to fund most post collection services (like transfer, disposal, composting, and commercial food scraps processing) is collected and retained by Republic, starting in March 2027 Republic would remit a portion of the customer rate revenue to RecycleSmart and then RecycleSmart would pay the post-collection contractors for their services. He said that the recyclables revenue share would also go directly from MDRR to the member agencies starting in March, 2027.

Mr. Krueger explained that the next budget would be bigger because there would be more funds flowing through RecycleSmart. He described the desire to make changes to some of the funds and the categories. The budget is currently comprised of two funds; the General Fund and Reuse Fund. The Reuse Fund is only used to pay MDRR for the Reuse Program. All other expenses occur in the General Fund. He stated that starting in FY 2026-27 all post-collection processing, composting, and disposal expenses and revenues would be shifted to the Reuse Fund, and the fund would be renamed the Post-Collection and Reuse fund. Traditionally, grant projects have also been shown in the General Fund, but now the grant revenues will be received in a new Grant Fund, and funds would be transferred from the Grant Fund to the General Fund to offset grant-eligible expenses.

Mr. Krueger presented that In FY 2025-26 there were roughly \$6 million in General Fund expenses and \$1 million in Reuse Fund expenses for a total of \$7 million. For FY 2026-27 he proposed \$4 million in General Fund expenses and \$12 million in Post Collection and Reuse Fund expenses for a total of \$16 million. He stated that the majority of the increase was the payments for the new post-collection contracts flowing through the Authority, whereas now most of those expenses are internal to Republic. Mr. Krueger reminded the Board that there will be another significant increase

in total expenses in FY 2027-28, because the FY 2026-27 budget contains only four months of post-collection payments while the FY 2027-28 budget will contain twelve months of post-collection payments.

Mr. Krueger proposed to rename the different types of revenues to base on where the money would be coming from such as rate revenue, interest revenue and other revenue. All of the new post-collection expenses would be in the Post-Collection and Reuse Fund while the general expenses, personnel and all the diversion and compliance programs would be in the General Fund. He noted that what distinguished Post-Collection and Reuse expenses from General Fund expenses was that they were all non-discretionary, pass-through costs to pay contractors for core services.

Mr. Krueger explained that as a result of the proposed changes, the General Fund budget expenses for the next year would be \$4 million and the Post-Collection and Reuse Fund expenses would be \$12 million, for total expenses of \$16 million. Those totals would change again next year with a full 12-month budget when the total expenses would be approximately \$30 million. He also explained there would now be a separate Grant Fund comprised of the last CalRecycle funds from the SB 1383 grant and the new Household Hazardous Waste (HHW) grant, which would be transferred to the Grant Fund, and then be transferred and expended out of the General Fund.

Board Member Arnerich commented that while it looked like the budget had increased, it had not, it was just a way to be more transparent as to how to do the accounting and track and allocate, and then there would be a full-time budget that would coincide with the member agency budgets.

Chair Silva verified with respect to revenue flow that Mr. Krueger's comment that the recyclables would go directly from MDRR to the member agencies meant that it would be going into the member agency reserve funds, which are tracked separately from other Authority funds but are still kept in the Authority's bank account as opposed to the member agencies' bank accounts. It was also clarified in terms of a comment related to being duplicative that the reference was to show the current contract separate from the new contract even when they did the same thing.

Mr. Krueger highlighted the proposed funds and categories, the General Fund revenues, and the General Fund expenses. He pointed out that professional services included legal and consultant expenses and he noted that category was unusually high this year given some one-time studies and the start of the new contract where consultant help was needed. Next year's budget would show a smaller number for professional services. He reported that revenues this year would be slightly in excess of expenses.

Mr. Krueger reported that the beginning General Fund balance was \$2.6 million plus the net revenue in excess of expenses, and as soon as the audited financials were available from the last fiscal year, the excess revenue would be disbursed to the individual member agency reserve accounts, which would leave an ending fund balance of \$1.6 million. This assumes that the Board decides to distribute the General Fund balance (in excess of the 20% General Fund reserve) to the Member Agency reserve accounts, as it has in the past.

Mr. Krueger reported that the proposed FY 2026-27 Post-Collection and Reuse Fund revenues would total \$11.8 million, with expenses that were on different timelines given when they had been negotiated, with 12 months for the EBMUD contract and the remaining expenses as earlier reported for the eight-month timeline of the old contract and the four-month timeline for the new

contract with the new vendors. He explained that the next year would be a full 12-month accounting. He also pointed out that the account had a beginning fund balance of \$85,000, and it was unknown where those funds had come from but they preceded current staff's knowledge. He also clarified that the revenues and expenses would break even given that the funds were pass through funds and the \$85,000 would be kept in the Post-Collection and Reuse Fund as a reserve in case the estimates for the tonnage-based contracts were too low. If actual Post-Collection and Reuse Fund expenses for FY 2026-27 exceed revenues, Mr. Krueger recommended that the surplus be added to the Post-Collection and Reuse Fund reserve as a contingency in case expenses exceed revenues in future years.

When asked as to whether the \$85,000 beginning fund balance could be transferred to the member agency reserve funds, Mr. Krueger stated that this could be done but he recommended since those funds were always in the Reuse Fund that they remain in that fund and act as a cushion, if needed.

Mr. Krueger recommended the adoption of the General Fund, Post-Collection and Reuse Fund and Grant Fund Budgets for Fiscal Year 2026-27, as set forth in Attachments A, B and C in the staff report dated May 28, 2026.

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

MOTION by Board Member Arnerich to adopt the General Fund, Post-Collection and Reuse Fund and Grant Fund Budgets for Fiscal Year 2026-27, as set forth in Attachments A, B and C in the staff report dated May 28, 2026. SECOND by Board Member Morgan.

MOTION PASSED unanimously by a voice vote.

The Board thanked staff for all the work that had gone into the preparation of the new budget.

Mr. Krueger thanked the Finance Committee for all its work and thanked Senior Accountant Grace Comas for all her work.

**5. INFORMATION ITEMS**

Reports provided for information only. No Board action required

a. Executive Director's Monthly Report

Executive Director Krueger reported that a Board and staff tour had been scheduled for June 17, 2026 of the Recology Blossom Valley Organics North compost facility.

Board Member Arnerich, who had previously taken a tour of that facility, urged other members of the Board to take the tour given that it was well worth the effort.

Mr. Krueger explained that for those who could not make the tour, Recology would be making a presentation at the June Board meeting. He reported the Walnut Creek Art & Wine Festival would be held on June 6-7, 2026.

Program Manager Ashley Louisiana presented the 2025 Award of Excellence from the California Parks and Recreation Society that RecycleSmart and the City of Orinda had received for their Eco Hero Sustainability Camp partnership.

b. Update on SB 54

Program Manager Jennifer Faught presented a PowerPoint on the regional standardized acceptable item lists and potential request for SB 54 exemptions for certain materials. She reported that SB 54, the Plastic Pollution Prevention and Packaging Producer Responsibility Act required local jurisdictions to include in their collection and recycling programs all single-use packaging and plastic foodware materials deemed recyclable or compostable by CalRecycle. The legislation was passed in 2022, although the regulations were just finalized on May 1, 2026. Most of the obligations did not fall on local jurisdictions, it was mostly on producers, packaging producers and the producer responsibility organization. RecycleSmart's key obligation was to include all items CalRecycle deemed to be recyclable and compostable in RecycleSmart's programs by January 1, 2027.

Ms. Faught stated that not only did RecycleSmart have to collect that material but it was supposed to actually be ultimately recycled or composted, although she did not know how RecycleSmart would have to prove how those items made it to the responsible end market. She explained there were two ways local jurisdictions could comply; Collect and recycle/compost of the required materials or apply for an exemption from CalRecycle for materials they could not recycle/compost. She noted that service providers such as MDRR, Republic Services and Recology could also apply for exemptions. If RecycleSmart did apply for an exemption it would be on behalf of all the member agencies. The exemption requests had to describe the specific local conditions that made it impractical to include those items in RecycleSmart's programs.

Ms. Faught reported that at a recent meeting of California solid waste Joint Powers Authority (JPA) executive directors, Stop Waste had shared their vision for a Bay Area wide consistent list of acceptable items, and suggested that SB 54 would offer an opportunity to help create one consistent list across cities, counties, and even the state, which would require coordination on items to accept and items to exclude and request exemptions for. She referred to a covered materials category list that CalRecycle published and stated if CalRecycle deemed those materials to be recyclable or compostable, they would have to be accepted by RecycleSmart or be exempted.

Ms. Faught explained that a couple of items of issue on the most recent list were #5 plastic and Thermoforms (clam shells, or any rigid plastic items # 1, #2, or #5 that were not bottle, jugs, or tubs), which were already being accepted but were not being recycled in current markets. In addition, for the first time, CalRecycle's January 1, 2026 list of compostables included compostable plastics and paper products lined with compostable plastics. She stated that currently the only compostable plastics that RecycleSmart accepts in its program are BPI certified compostable plastic bags (bio-bags). only accepted the bio-bags. There was talk about seeking an exemption from the obligation to collect the other compostable plastic items, and paper products coated with compostable plastics. She stated that it was difficult for the Authority's compost facility to actually compost these items. She also said that it was difficult for the facility to compost bio-bags as well, but that bio-bags make it more convenient for customers to divert their food scraps.

On the question of how long it took for the green compostable bags that were now in the grocery stores to break down, and from the audience, there was a comment from an MDRR employee that the typical composting process for organics takes 45–60 days, but that compostable plastics take much longer to actually break down and compost. Those bags had to be pulled from the compost stream because they fouled the process.

Board Member Arnerich stated it was unethical to identify those bags as compostable and it was costing more to try to get those bags out of the waste stream, which offered no improvement in terms of recyclability.

Ms. Faught stated it was a complicated topic and there was legislation about compostable plastics that could impact RecycleSmart again, but compost facilities could not take those bags because it took too long to compost and those facilities could not keep that material for long and there was concern about differentiating from compostable plastics and other types of plastics.

Ms. Faught reported under the current franchise agreements, RecycleSmart had been taking all plastic containers #1-#7 and plastic bags. Starting with the new franchise agreements in 2027, RecycleSmart would only take plastics it knew to be recyclable, such as plastics #1, #2 and #5, and would no longer take plastic bags. For the recyclables issue, there needed to be assurance that there were responsible end markets for #5 plastics and Thermoforms. On the compost side, RecycleSmart currently did not allow any compostable plastics except for those plastic bags and that strategy would not be changed in 2027. In order to comply with SB 54, an exemption may need to be sought for the compostable plastic-coated paper and the compostable rigid plastics because they were currently on the list, although the list was updated every year and this would not be the last time this issue was discussed.

Ms. Faught stated hopefully by 2032 when SB 54 will require all packaging materials to be either recyclable or compostable, it might be easier because there would be fewer difficult materials on the market. She stated that SB 54 and similar laws were being challenged in court and that there was a chance they would not be enforced or would be delayed. The plastics industry is challenging SB 54 for being too strict and environmental groups are challenging it for being too lenient. There is a challenge the constitutionality of SB 343, which was the law that SB 54 relied to determine what was recyclable or not. She stated that CalRecycle's list of what is compostable and recyclable changes every year. Ms. Faught said that staff would continue to monitor SB 54 implementation and would return to the Board with recommendations if the Authority needed to apply for exemptions or take other formal actions.

c. Future Agenda Items

Mr. Krueger stated that Recology would give a presentation on its composting at the June Board meeting. In August, he expected the Reuse Agreement to be finalized. The Implementation Plan for the new contracts would also be discussed in August. By September, it will be time to talk about rates for the new contract to take effect on March 1, 2027.

**6. BOARD COMMUNICATIONS AND ANNOUNCEMENTS**

There were no Board communications or announcements.

**7. ADJOURNMENT**

The Board adjourned at approximately 3:50 P.M. to the regular meeting scheduled for Thursday, June 25, 2026 at 3:00 P.M. in the Walnut Creek Offices at Walnut Creek City Hall.

Respectfully submitted by:

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



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# Agenda Report

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**TO:** CCCSWA BOARD OF DIRECTORS  
**FROM:** DAVID KRUEGER, EXECUTIVE DIRECTOR  
**DATE:** JUNE 25, 2026

**SUBJECT:** CITY OF LAFAYETTE REQUEST FOR AUTHORITY FUNDS  
ALLOCATED TO MEMBER AGENCIES

## SUMMARY

In accordance with the Use of Authority Funds Allocated to Member Agencies Policy, Staff is presenting City of Lafayette's request for funds from their Reserve Fund in order to pay for Big Belly Public Area Waste Containers, as described in Attachment A. The items in Attachment A meet and comply with the Policy for use of Reserve Funds. With Board approval of the request, Staff will make a payment to City of Lafayette in the amount of \$1,339.34.

## RECOMMENDED ACTION

1. Approve payment of \$1,339.34 to City of Lafayette for the items listed in Attachment A, in accordance with the Use of Authority Funds Allocated to Member Agencies Policy.

## DISCUSSION

The Use of Authority Funds Allocated to Member Agencies Policy, approved by the Board in March 2016, states that to ensure compliance with California Constitutional requirements, Diversion Incentive Fund (DIF) funds distributed to member agencies are to be used in a manner consistent with the purpose or the mission of RecycleSmart. Although member agencies are not required to seek Authority approval for specific uses of distributed Authority funds, in an effort to control the consistency of expenses to RecycleSmart's mission, each member agency seeking funds must present a formal request to the Board of Directors. Attachment A is City of Lafayette's formal request for a distribution of funds, listing the planned uses of the funds, for Board approval. An indemnification Agreement has been signed between the Authority and City of Lafayette.

## ATTACHMENT

- A. City of Lafayette's Withdrawal Request



## REQUEST FOR WITHDRAWAL OF MEMBER AGENCY RESERVE FUNDS

Date of Request: June 12, 2026

Member Agency: City of Lafayette

### List Item Description and Amount

Item #	Item Description	Amount
1	Bigbelly Repair/Replacement Lock	584.35
2	Bigbelly Repair/Replacement Lock	754.99
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
<b>Total Withdrawal Amount</b>		<b>\$ 1,339.34</b>

Board Approval Date: \_\_\_\_\_

Executive Director \_\_\_\_\_

Signature: \_\_\_\_\_



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# Agenda Report

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**TO:** CCCSWA BOARD OF DIRECTORS  
**FROM:** DAVID KRUEGER, EXECUTIVE DIRECTOR  
**DATE:** JUNE 25, 2026  
**SUBJECT:** INCREASE IN MISSED PICKUPS / TEMPORARY LOSS OF SIX  
REPUBLIC DRIVERS

## RECOMMENDED ACTION

1. Authorize the Executive Director to waive a one-time payment of \$112,553.42 from Republic for failure to meet the service quality metric during the four-week period beginning March 2, 2026, in consideration of circumstances which affected Republic's available workforce during that period.

## DISCUSSION

### Potential Partial "Clawback" of Republic's Special Rate Increase for Good Service Quality

Per 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 was entitled to a special rate increase in RY 12 (March 2026 through February 2027) that was 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 for 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. Below are the results to date since September 15, 2025:

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
8	March 30, 2026	1568	Yes
9	April 27, 2026	1952	Yes

Because Republic did not meet the service quality metric for the four-week period beginning March 2, 2026, they are required to remit \$112,553.42.

Temporary Loss of Six Republic Drivers due to Commercial Driver’s License Issue

On March 12, 2026 Vic Cabrera, General Manager, Republic Services, informed the Authority that Republic Services was 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 6, 2026, only people in “lawful immigration status” are eligible for those licenses. Six of Republic’s drivers at the Pacheco truck yard (which serves our area) have recently had their commercial licenses canceled and could not continue to drive for Republic. While these six drivers are legally authorized to work in the U.S., the terms (years) of their commercial licenses exceeded the terms of their work authorizations, and the California Department of Motor Vehicles (DMV) was required by the FMCSA to cancel their licenses. A March 6, 2026 press release from the DMV on the issue is included as Attachment A.

Note that prior to the loss of the six drivers there were 202 total drivers working out of the Pacheco truck yard serving both the Authority’s service area and other local jurisdictions. Four of the drivers who lost their licenses were regularly assigned to routes in the Authority’s service area. The other two were relief (“pool”) drivers who cover for absences. On March 23, 2026, Republic brought in two “SOS Drivers” from outside of the area to partially cover for the six local drivers who were no longer available. Republic was able to hire new drivers to replace all of the six drivers and train their replacements by June 1, 2026.

Request by Republic for Temporary Relief from the Service Quality Metric

On March 12, 2026, Vic Cabrera, Republic’s General Manager requested “a temporary hold on carryover metrics” as a result of loss of the six drivers. His request is provided as Attachment B. The Authority’s Executive Director asked Republic to wait until the drivers had been replaced, and the total impact of the issue known, before making a determination as to whether Republic would have to remit to the Authority any “clawback” payments for the periods in which they did not meet the metric. Mr. Cabrera and the Director agreed that the only period affected by the commercial non-domiciled driver’s license issue was the four-week period beginning March 2, 2026. It appears that

Republic will not meet the service quality metric for another four-week period this summer, but the Authority believes that was primarily a result of factors other than the commercial licensing issue.

### Contractual Obligations

Republic Services cited the “change in law” provision of the current franchise agreement as the basis for their request not to refund the Authority the \$112,553.42 for failure to meet the service quality metric. The current (2014) Franchise Agreement defines “Change in Law” as “the enactment, adoption, promulgation, issuance, modification, elimination or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date ...” The agreement defines “Applicable Law” as “federal, State, and local laws, regulations, rules, orders, judgments, permits, approvals, or other requirements of any governmental body having jurisdiction over the Collection, Transfer, Transport, Processing, Diversion, and Disposal of Franchised Materials ...” (emphasis added). RecycleSmart interprets the scope of this clause to only apply to changes in law that are specific to the collection, transfer, transport, processing, diversion, and disposal of franchised materials (i.e., the solid waste industry). The FMCSA applies across industry types; it is not specific to solid waste and, therefore, the Authority concludes it is not a basis to make a Change in Law claim.

However, under the unique circumstances here, the Executive Director recommends the Board exercise its discretion to authorize the Executive Director to waive a one-time payment of \$112,553.42 for failure meeting the quality service metric during the four-week period beginning March 2, 2026, in consideration of the commercial non-domiciled driver’s license issue which directly affected Republic’s available workforce during that period. The Executive Director does not recommend waiving any future payments for failure to meet the service quality metric, as the affected drivers have been replaced. This recommendation is unique to its facts and based on the Board’s discretion to act, rather than a change in the Authority’s interpretation of the provisions of the franchise agreement.

### ATTACHMENTS

- A. Press Release: Federal Government Requires California DMV to Cancel Certain Non-Domiciled Driver’s Licenses
- B. Email from Vic Cabrera, General Manager, Republic Services to David Krueger, Executive Director regarding Non-Domiciled Drivers, 6/12/2026



## ***Press Release***

Federal Government Requires California DMV to Cancel Certain Non-Domiciled Driver's Licenses

Contact: Office of Public Affairs  
2415 First Avenue  
Sacramento, CA 95818  
(916) 657-6437 | [dmvpublicaffairs@dmv.ca.gov](mailto:dmvpublicaffairs@dmv.ca.gov)

### **FOR IMMEDIATE RELEASE**

**March 6, 2026**

**Sacramento** — Effective Friday, March 6, 2026, the federal government is requiring the California Department of Motor Vehicles (DMV) to cancel approximately 13,000 non-domiciled commercial driver's licenses (CDL). Not all non-domiciled CDL holders are affected by this action and all those affected had already received notice from DMV that their licenses are subject to cancellation.

Non-domiciled individuals are those who do not have citizenship or lawful permanent resident status, and includes holders of various visas, refugees, and asylees. Federal law permits these individuals to obtain a CDL. Contrary to misleading statements by the Trump Administration, all the individuals issued non-domiciled CDLs by the DMV had been granted work authorization by the federal government and were legally present in the United States at the time their license was issued.

While a recent court ruling now allows affected individuals to submit a new CDL application, the federal government is barring the DMV from processing these applications currently. Given that the DMV is compliant with state and federal law, it is incumbent upon the federal government to allow the DMV to process those applications and issue licenses to eligible drivers.

In order to continue driving passenger vehicles or light duty trucks, affected drivers must obtain a new [Class C California driver's license](#).

“This federal administration is using their war on immigration to remove qualified, hardworking commercial drivers from our workforce who meet language and safety rules,” said DMV Director Steve Gordon. “There are no guarantees that additional solutions will become available to help these drivers and their employers but, in the meantime, there are immediate actions they must take to get a Class C license to be able to drive regular cars.”

## **Federal Court Rejects California DMV Request for Emergency Stay**

The DMV previously sought to issue corrected CDLs to affected drivers, consistent with California and federal law, but was blocked from doing so by the Federal Motor Carrier Safety Administration (FMCSA). Earlier this week, the U.S. Court of Appeals for the D.C. Circuit denied an emergency stay requested by the DMV that would have allowed DMV to reissue corrected non-domiciled CDLs to eligible individuals without the risk of retaliatory action by FMCSA.

The licenses of non-domiciled CDL holders not affected will remain valid until their current expiration date. However, these CDL holders will not be able to renew, get a replacement, or make any changes to their driver's license.

Doe.vj.Department.of.Motor.Vehicles

In a separate decision also issued on March 2, 2026, the Alameda County Superior Court issued a ruling in Doe.vj.Department.of.Motor.Vehicles; The decision requires DMV to allow those non-domiciled CDL holders who received a cancellation letter to reapply for a CDL following cancellation of their license. Although the court ruling means the DMV must accept non-domiciled CDL **applications**, the department is **prevented from issuing non-domiciled CDLs until FMCSA lifts its mandated "pause."** All applications **will remain pending for a maximum of one year** until the DMV determines it can act on them.

Impacted individuals who wish to apply for a CDL will be required to pay a non-refundable application fee. Those who choose to submit a CDL application will be issued a temporary non-commercial, Class C driver's license.

## **Impacted CDL Holders Must Apply for a New California Driver's License to Keep Driving their Regular Cars**

Impacted CDL holders who choose not to apply for a new CDL must apply for a regular, Class C driver's license to continue driving their regular cars. They should start their driver's license application [online](#) and schedule their in-office appointment.

The DMV will offer priority appointments to impacted drivers by calling (916) 306-5153. They will need to pay the nonrefundable application fee, pass the vision test and have a new photo taken at their appointment. Customers who want to apply for a driver's license should check the [DMV website for a list of required documents](#).

## **Before Going to a DMV Office — Try Online First**

Most DMV tasks do not require an office visit. The DMV encourages customers to use its [online services](#) and other service channels to complete transactions, such as eligible

driver's license and vehicle registration renewals. Customers can also use the [Service Advisor](#) on the DMV website to learn about options to complete DMV tasks.

Go Paperless — To sign up for paperless vehicle registration and driver's license renewal notices, sign in or create a secure online account at [dmv.ca.gov](http://dmv.ca.gov) to opt in.



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**From:** Cabrera, Victor <[VCabrera2@republicservices.com](mailto:VCabrera2@republicservices.com)>  
**Sent:** Thursday, 12 March 2026 09:08:32  
**To:** David Krueger <[david@recyclesmart.org](mailto:david@recyclesmart.org)>  
**Cc:** Lam, Kimberly <[KLam2@republicservices.com](mailto:KLam2@republicservices.com)>; Patereau, James <[JPatereau@republicservices.com](mailto:JPatereau@republicservices.com)>; Don, Juliet <[JDON@republicservices.com](mailto:JDON@republicservices.com)>  
**Subject:** Non Domiciled Drivers

Good Morning David,

I wanted to bring to your attention a recent issue we are facing related to actions taken by the California DMV by way of FMCSA, that have resulted in the downgrading of several drivers' licenses. Specifically, six of our drivers have had their CDLs downgraded to Class C (non-commercial) licenses, creating a significant driver shortage and impacting our operational capacity. My area staff and I are actively coordinating with SOS drivers to provide temporary support during this period. However, even with these efforts, we anticipate some ongoing challenges in maintaining full route coverage.

To help mitigate the effects on our performance metrics, I am requesting a temporary hold on carryover metrics for a period to be determined. We remain fully committed to covering all routes to the best of our ability and have already initiated the hiring process for replacements. In fact, we began recruitment a couple of weeks ago in anticipation of potential impacts, though the exact number of affected drivers was uncertain at the time.

Please let me know if you need any additional details. We appreciate your understanding and support during this challenging time.

Thank you.



**Victor Cabrera**  
General Manager Hauling MC  
**e** [VCabrera2@republicservices.com](mailto:VCabrera2@republicservices.com)  
**c** 925.374.2724  
**w** [RepublicServices.com](http://RepublicServices.com)  
441 N Buchanan Cir  
Pacheco, CA 94553





# Agenda Report

**TO:** CCCSWA BOARD OF DIRECTORS  
**FROM:** DAVID KRUEGER, EXECUTIVE DIRECTOR  
**DATE:** JUNE 25, 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 RY 12 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
8	March 30, 2026	1568	Yes
9	April 27, 2026	1952	Yes

**Completed and Ongoing Activities:**

- The monthly Member Agency liaison meeting took place on June 11. We discussed the recycled content paper procurement reporting, upcoming Repair Cafes, municipal rentals of event space and how to make sure events are SB 1383 compliant and upcoming tours and conferences. We welcomed Arly Cassidy from the City of Lafayette, who is the new Lafayette liaison to the Authority. Nichole Zittel took a position with the Town of Moraga.

Member Agency Liaisons			
Name & Member Agency	Title	Email	Phone (925)
Ellen Edgar, County	Planner	<a href="mailto:Ellen.edgar@dcd.cccounty.us">Ellen.edgar@dcd.cccounty.us</a>	655-2767
Cat Bravo, Danville	Management Analyst	<a href="mailto:cbravo@danville.ca.gov">cbravo@danville.ca.gov</a>	314-3377
Arly Cassidy Lafayette	Senior Planner	<a href="mailto:acassidy@ci.lafayette.ca.us">acassidy@ci.lafayette.ca.us</a>	299-3242
Estela Ramirez, Orinda	Management Analyst	<a href="mailto:eramirez@cityoforinda.org">eramirez@cityoforinda.org</a>	253 - 4252
Cassius Carandang, Moraga	Assistant Planner	<a href="mailto:ccarandang@moraga.ca.us">ccarandang@moraga.ca.us</a>	888-7042
Candice Rankin Mumby, Walnut Creek	Sustainability Manager	<a href="mailto:rankinmumby@walnut-creek.org">rankinmumby@walnut-creek.org</a>	943-5899 x2304

- Tour of the Recology Blossom Valley Organics North compost facility: On Wednesday, June 17, Board Member Silva, Kim Lam from Republic Services, and Authority staff visited the Recology Blossom Valley Organics North compost facility. We met with key staff and learned about how the material is checked for contamination, processed, composted and marketed.



- The Authority entered into a consulting and grant management contract with the California Product Stewardship Council (CPSC) beginning May 15, 2026, for a not-to-exceed of \$30,180 to help plan a Household Hazardous Waste (HHW) one-day collection event in the Authority service area. Up to \$100,000 in costs for this event and public education will be funded by the CalRecycle HD 45 HHW grant the Authority received earlier this year. The Board also approved \$30,000 in FY 2026-27 to cover additional costs that may exceed the grant for a total project budget of \$130,000. The Authority and CPSC had a project kickoff meeting on June 10<sup>th</sup> to start planning for a spring 2027 event and public education campaign. Additional details will be provided to the Board and member jurisdictions as planning continues. Key considerations include event location, season, types of materials collected and securing an HHW collection vendor, required permitting, registration, and collaborative partners. Staff plans to visit several HHW collection events scheduled throughout the Bay Area in 2026 to observe.

Community Events

- Repair Cafes are scheduled for June 28 in Danville, August 1 in Walnut Creek, and September 26 in Lafayette.
- The Authority and Republic Services will have a shared education booth at Orinda 4<sup>th</sup> of July and Orinda Opera in the Park on July 23 and will provide waste management services.

**Staff participated in or attended the following meetings in June 2026**

- HFH/MIG webinar “From Awareness to Action” extolling the virtues of Community Based Social Marketing strategies to spur behavior change, June 2
- California Product Stewardship Council meeting re beauty and personal care reuse, June 4
- BayROC (Bay Area Recycling Outreach Coalition) meeting, June 9
- Orinda Community Meeting, June 9
- California Product Stewardship Council Associates’ meeting,
- CalRecycle SB 1383 & SB 54 webinar, June 17
- Zero Waste Now meeting (local agency waste management lobbying group), June 22
- California Organic Recycling Council Member Meeting, June 23
- CalRecycle Electronic Annual Report webinar, June 24
- SB 54 Advisory Board Meeting, June 26



Central Contra Costa Solid Waste Authority

## Future Agenda Items

TYPE	BOARD MEETING: 08/27/2026
C	Approve 06/25/2026 Minutes
A	Approval of Agreement with Mt. Diablo Resource Recovery for Reuse, Cleanup, and Bulky Item Services
I	Extra Garbage Charges for Cart Overages
I	Implementation Plan for New Agreements
I	Executive Director's Monthly Report
P	Annual Schools Program Report

TYPE	BOARD MEETING: 09/24/2026
C	Approve 08/27/2026 Minutes
I	Executive Director's Monthly Report
P	Base Rate Application for Rate Year 1 of the New Franchise
P	CalRecycle Annual Report & SB 1383 Compliance

**TYPE**

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