

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

Executive Director

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Member Agencies

City of Campbell
Town of Los Gatos
City of Monte Sereno
City of Saratoga

REGULAR MEETING AGENDA

February 4, 2016

Monte Sereno City Hall
18041 Saratoga-Los Gatos Road
Monte Sereno, CA 95030
5:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

ORAL COMMUNICATIONS FROM THE PUBLIC

WRITTEN COMMUNICATIONS

None

OLD BUSINESS

1. Receive a report on an update of WVC&R's operational improvement plan

NEW BUSINESS

2. Elect Chairperson and Vice Chairperson for 2016.
3. Receive and file a report summarizing the key points and dates from the collection agreement with West Valley Collection & Recycling (WVC&R).
4. Receive and file a report summarizing the key points and dates from the disposal agreement with Guadalupe Landfill.
5. Receive and file a report on recent regulatory changes and program updates.

PUBLIC HEARINGS

None

CONSENT CALENDAR

6. Approve minutes of November 5, 2015 Regular Board Meeting
7. YTD Financial Reports

EXECUTIVE DIRECTOR REPORT

FUTURE AGENDA ITEMS

BOARD MEMBER REPORTS

ADJOURNMENT

Next Regular Meeting: May 5, 2016, 5:00 p.m.

ADDRESSING THE BOARD

Any person shall have the right to address the Board during consideration of any item on the Board's agenda or during the time for oral communication if not on the agenda but pertaining to subject matter within the jurisdiction of the Board. Any person wishing to address the Board should stand or raise the hand and wait to be recognized by the Chairperson. Please stand at the podium, if able, state your name and address for the record, and proceed to address the Board. All remarks and questions should be addressed to the Board through the Chairperson and not to any member thereof or to the public. No question should be asked a Board member or a member of Authority staff without first obtaining permission of the Chairperson.

WEST VALLEY
SOLID WASTE MANAGEMENT
AUTHORITY

AGENDA REPORT

Date: February 4, 2016
To: West Valley Solid Waste Management Authority Board
From: Executive Director
Subject: **Update on WVC&R Operational Improvement Plan**

RECOMMENDED ACTION

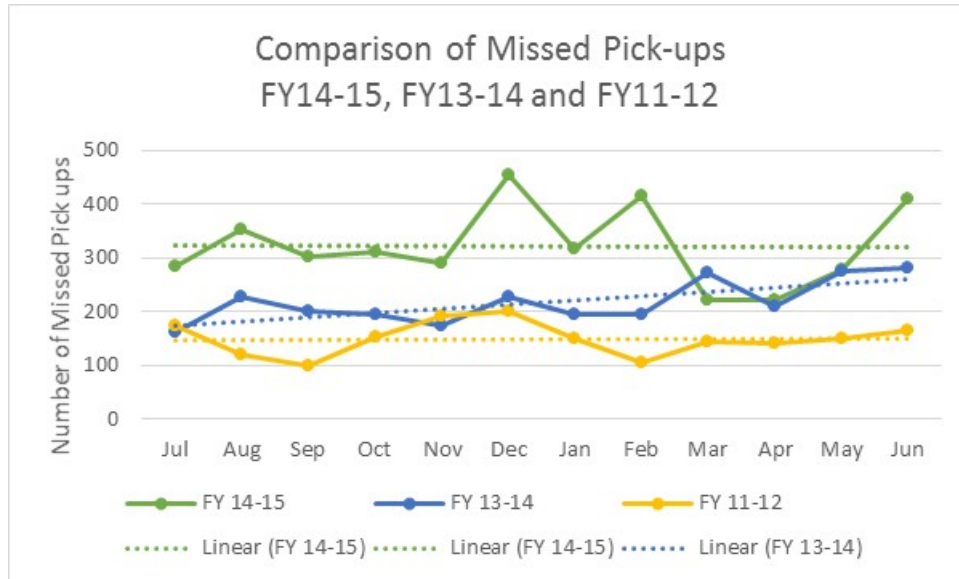
Receive a report on the update of West Valley Collection & Recycling's Operational Improvement Plan.

BACKGROUND

At the September 3, 2015 Board meeting, as part of the assessment of liquidated damages report, we noted there had been an increase in company-reported missed pick-ups over the last 18 months. The following narrative and chart were included in the report. We have updated the average misses per day to include November and December 2015 in the discussion section that follows.

Missed Pickups

A missed pickup is defined as the failure of WVC&R to collect material that has been properly set out for collection within 24 hours. The performance standard allows 20 such failures per quarter. We began observing a steady increase in missed pickups in 2014. The number increased to about 320 per month compared to about 150 per month in FY 11-12. We understand there are over 2 million opportunities for a missed pickup on an annual basis, so from a percentage of total misses for FY 14-15 it is only .02% "miss" rate. However, we are focusing more on the service standard established by WVC&R during the term of its past contract with the Authority. See the chart below:



At that time we requested WVC&R present an operational improvement plan to the Authority Executive Director and Agency staff prior to the next Board meeting.

DISCUSSION

WVC&R submitted the following plan:

Action items put into place:

1. Daily review of all misses by each route supervisor
2. Supervisor personally contacts the drivers to ensure recovery and not have a repeat
3. "Misses" are reviewed daily by the Operations Manager and District Manager for corrective action
4. Drivers have been instructed to report all customers with cans not out

WVC&R has reported the following results since implementing the plan:

- Average misses per day:
 - September 2015 13.86
 - October 2015 12.59
 - November 2015 18.33
 - December 2015 11.50

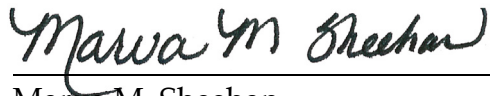
Agency staff and I will continue to monitor the situation with the goal of reverting back to the 2013 levels.

FISCAL IMPACT

None

DOCUMENTS ATTACHED

None



Marva M. Sheehan
Executive Director

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WEST VALLEY
SOLID WASTE MANAGEMENT
AUTHORITY

AGENDA REPORT

Date: February 4, 2016
To: West Valley Solid Waste Management Authority Board
From: Executive Director
Subject: **Key Points and Dates from WVC&R Agreement**

RECOMMENDED ACTION

Accept report on the key points and dates from the collection agreement with West Valley Collection & Recycling, LLC (WVC&R) that was effective March 1, 2014.

DISCUSSION

COLLECTION AGREEMENT, as of March 1, 2014

- Company
 - West Valley Collection & Recycling, LLC (a joint venture between GreenWaste Recovery, Inc. and Waste Connections of California, Inc.)
- Term
 - 10 years, expiring February 28, 2024
- Scope of Services
 - Collection of all separate solid waste, recyclable materials and green waste generated in the Authority and placed by the generator for collection.
 - Transporting collected materials to the designated disposal site, designated green waste processing site, designated construction and demolition debris processing site, and recyclable materials processing site.
 - Processing and marketing recyclable materials collected in the Authority by WVC&R
 - Special Services
 - Holiday tree collection
 - City-directed cleanups

- Annual cleanups
 - Public education, including a company website
- Customer Rates
 - Set by the company
 - Adjusted annually by change in CPI (except for rate year 16 where rates will be based on actual costs) effective July 1st of each year
 - Include Agency fees (vary by Agency)
 - Franchise fees
 - HHW collection fees
 - Street sweeping fees
 - Vehicle impact fees
 - JPA administrative fees
- Contract Terms
 - A ten year term ending February 28, 2024.
 - Expanded recyclable materials collected curbside (various metals, certain e-waste materials, fibers, plastic, and glass).
 - Added a second recycling coordinator for two years in order to increase outreach to schools and commercial customers.
 - Replaced existing collection vehicles with compressed natural gas vehicles in order to reduce greenhouse gas and particulate emissions.
 - Added specific provisions related to driver training and reporting of litter in order to comply with stormwater discharge permit (zero litter) requirements.
 - Added process to ensure WVC&R addresses chronic customer complaints in order to facilitate the resolution of such complaints.
 - Added a floor and cap to annual rate adjustments related to collection services (1.5% and 5% respectively) in order to provide rate stability.
 - Contractor pays Authority \$450,000 annually (\$4,500,000 over the term of the agreement) for uses such as but not limited to: 1) rate stabilization; 2) additional services desired by the Member agencies, their residents and businesses; and, 3) implementation of programs to comply with future regulatory changes.
- Contract Issues
 - Construction and Demolition Debris
 - Collection is part of WVC&R exclusive franchise agreement
 - Small, local haulers “poach” in the Authority area
 - Rates

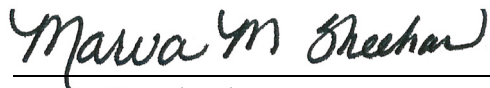
- Regulatory changes
 - AB 341 - Mandatory commercial recycling
 - AB 1826 - Commercial and Multifamily organics recycling
 - CalRecycle - 75% Diversion goals

FISCAL IMPACT

\$450,000 annual payment to the Authority

DOCUMENTS ATTACHED

None



Marva M. Sheehan
Executive Director

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WEST VALLEY
SOLID WASTE MANAGEMENT
AUTHORITY

AGENDA REPORT

Date: February 4, 2016
To: West Valley Solid Waste Management Authority Board
From: Executive Director
Subject: **Key Points and Dates from Guadalupe Landfill Agreement**

RECOMMENDED ACTION

Accept report on the key points and dates from the disposal agreement with Guadalupe Landfill.

DISCUSSION

DISPOSAL AGREEMENT

- Company
 - Guadalupe Rubbish Disposal Company, Inc. (a wholly owned subsidiary of Waste Management, Inc.)
- Term
 - Effective date, January 1, 2006
 - 15 years, expiring December 31, 2021
 - Option to extend by mutual agreement between the Authority and the company
- Materials Disposed/Processed (Required to be delivered to Guadalupe)
 - Solid Waste
 - Yard Waste
 - Construction and Demolition Debris
- Rates
 - Initially set as part of the contract negotiations
 - Adjusted annually by the change in CPI and any change to State and local fees


- Contract Issues/Concerns
 - Processing of Yard Waste
 - Beneficial Use -
 - Definition - the processing of Yard Waste for top dressing, weed suppression, irrigation and erosion control, soil amendment, mulch, fuel, etc. (in a manner that is not classified as Disposal by CalRecyclebut does not include composting or landfill disposal.
 - Potential of CalRecycle to disallow materials used for alternative daily cover at landfill to count as a "diverted material".

FISCAL IMPACT

None

DOCUMENTS ATTACHED

None



Marva M. Sheehan
Executive Director

WEST VALLEY
SOLID WASTE MANAGEMENT
AUTHORITY

AGENDA REPORT

Date: February 4, 2016
To: West Valley Solid Waste Management Authority Board
From: Executive Director
Subject: **Recent Regulatory Changes and Program Updates**

RECOMMENDED ACTION

Receive a report on the recent regulatory changes and program updates.

DISCUSSION

While no new legislation affecting the Authority has been implemented, there are some updates to AB 1826 that the Authority should be aware of.

Additionally, other Bay Area cities are implementing programs that the Authority may be interested in.

AB 1826

AB 1826 was signed by Governor Brown on September 28, 2014. It places requirements on businesses, multi-family premises, and jurisdictions to divert organic waste from landfills. The focus of AB 1826 is keeping food waste, green waste, and non-hazardous wood waste out of our landfills.

Obligations for organics recycling began in 2016 and will ramp up over the next 4 years as summarized in the table below:

Deadline	Requirements for Businesses and Multi-Family Premises	Requirements for Jurisdictions	Authority in Compliance?
January 1, 2016		Implement organics recycling program for businesses and multi-family premises	Yes
April 1, 2016	Businesses with 8 CY / week or more of organic material must arrange recycling services for organics*		In Progress (see description below under "Authority Impact")
January 1, 2017	Businesses with 4 CY / week or more of organic material must arrange recycling services for organics*		
August 1, 2017		Report progress to CalRecycle	
January 1, 2019	Businesses with 4 CY / week or more of solid waste must arrange recycling services for organics*		
January 1, 2020	Businesses with 2 CY / week or more of solid waste** must arrange recycling services for organics*		

*Business includes multi-family premises with 5 or more units; however, multi-family premises are not required to recycle food waste.

** Applicable only if CalRecycle determines by January 1, 2020 that the statewide disposal of organics has not been reduced to 50% of the 2014 disposal level.

Effective January 1, 2016, jurisdictions were required to perform ongoing activities including: education and outreach, compliance monitoring, and notification to non-compliant businesses. Annual reporting back to CalRecycle will commence August 1, 2017.

Authority Impact

The Member Agencies are currently in compliance with AB 1826. We initiated a commercial organics program several years ago and WVC&R is continuing to reach out to the commercial customer base. There will need to be additional focus in the multi-family sector. For example, the organic materials are normally collected by the landscapers at multi-family complexes and the solid waste collection services are provided by WVC&R. Current recordkeeping does not connect these two services. WVC&R will be working with the multi-family sector with recycling programs and will be able to gain data on the collection and processing of organic materials.

There may need to be municipal code revisions or resolutions by the Member Agencies.

The following activities have recently been performed by WVC&R:

- Since Spring of 2015 all (4 total) WVC&R commercial/MFD newsletters have included articles on AB 1826
- Information on AB 1826 is on the WVC&R website
- During summer 2015 WVC&R visited and provided outreach to all MFD complexes. During the visits, we provided management with a letter that included information on AB 1826
- Currently there are approximately 70 commercial customers participating in the commercial compost program
- Before the end of February, WVC&R will be mailing a notification letter/assessment form to all commercial and MFD customers (approximately 300) who possibly fall into the parameters of the April 2016 AB 1826 requirement
- We have identified approximately 110 customers that are likely to be affected by the April 2016 parameters. WVC&R will be contacting these customers via site visits through March 2016 in order to assess and, where applicable, implement their compost service

OTHER BAY AREA PROGRAMS

There are several new programs being implemented in the Bay Area.

- The City of Sunnyvale completed a residential food scraps collection pilot program in December 2015. The Pilot, a split cart food scraps and garbage collection, lasted 9 months and included approximately 500 homes in 5 different neighborhoods. City Staff is currently evaluating the results of the pilot for presentation to the City Council in 2016.

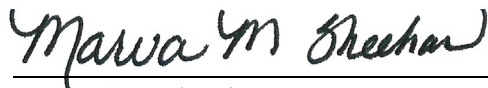
- The Castro Valley Sanitary District in Alameda County is moving forward with a pilot program in the Castro Valley Sanitary District service area for less than weekly garbage collection. The pilot will consist of 400 participants on each of two designated collection routes and it will take place over 7 months from June - December 2016. StopWaste.org (Alameda County) is funding most of the cost of the pilot with the goal of having results that are transferrable to other interested jurisdictions in the County.
- Zero Waste Energy Development Company (ZWED) commenced phase II of the anaerobic digester that is expected to double organic material processing capacity from 90,000 to 180,000 tons per year.

FISCAL IMPACT

Minimal immediate fiscal impact

DOCUMENTS ATTACHED

None



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Executive Director

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Executive Director

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Member Agencies

City of Campbell
Town of Los Gatos
City of Monte Sereno
City of Saratoga

MEETING MINUTES

November 5, 2015

Monte Sereno City Hall
18041 Saratoga-Los Gatos Road
Monte Sereno, CA 95030

CALL TO ORDER

At 5:01 pm Chair Steve Leonardis called the meeting to order.

PLEDGE OF ALLEGIANCE

ROLL CALL

Chair Steve Leonardis, representing Los Gatos, Vice Chair Howard Miller, representing Saratoga, Member Lionel Allan, representing Monte Sereno, and Member Paul Resnikoff, representing Campbell, were present. Also present were Executive Director Marva Sheehan and Authority Counsel Kirsten Powell.

ORAL COMMUNICATIONS FROM THE PUBLIC

None

WRITTEN COMMUNICATIONS

None

OLD BUSINESS

1. The Board received a report on an update of WVC&R's operational improvement plan. No action was taken.

NEW BUSINESS

2. The Board received a report on recent regulatory changes and program updates. No action was taken.

PUBLIC HEARINGS

None

CONSENT CALENDAR

3. Upon a motion by Chair Steve Leonardis and a second by Vice Chair Howard Miller, the Board voted 4-0 to approve the minutes of the September 3, 2015 Regular Board Meeting and the Executive Director financial report for the three months ended September 30, 2015.

EXECUTIVE DIRECTOR REPORT

Executive Director Sheehan updated the Board that a solution has been found related to seven homes in the County that will be moved to collection by WVC&R and customers will have 30 days to decide if they want to accept the service. Executive Director Sheehan informed the Board that the Authority's website now has the ability for residents to send comments to the Authority.

FUTURE AGENDA ITEMS

BOARD MEMBER REPORTS

CONVENE TO CLOSED SESSION

The Board convened to closed session for the purpose of evaluation of the Executive Director and Authority Counsel.

ADDRESSING THE BOARD

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RECONVENE TO OPEN SESSION

REPORT ON ACTION TAKEN DURING CLOSED SESSION

There were no reportable actions from the closed session.

ADJOURNMENT

Chair Leonardis adjourned the meeting of the Board at 6:30 pm until the next regular meeting to be held February 4, 2016.

ADDRESSING THE BOARD

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WEST VALLEY
SOLID WASTE MANAGEMENT
AUTHORITY

AGENDA REPORT

Date: February 4, 2016
To: West Valley Solid Waste Management Authority Board
From: Executive Director
Subject: **YTD Financial Report**

RECOMMENDED ACTION

Accept report on the Authority's FY 2015-16 financial status.

DISCUSSION

The report titled "Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual" shows the approved budget, the year to date actual amounts, and the preliminary fund balance through December for FY 2015-16. With 50% of the fiscal year passed, the report shows that the Authority expended \$226,566 or 40% of the approved FY 2015-16 budget. Five of the monthly payments for the Annual Fee from WVC&R have been distributed as of December 31. It is anticipated the remainder of the payments will be distributed during the remaining two fiscal quarters.

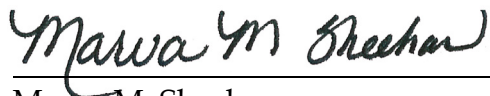
The preliminary fund balance (\$168,770) is less than the \$200,000 designated by Board Policy. This is primarily due to not having received the revenue fund payments from the member agencies. It has been the Board's policy, adopted February 2011, of maintaining an operating reserve of \$100,000 and a rate stabilization reserve of \$100,000.

FISCAL IMPACT

None

DOCUMENTS ATTACHED

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual December 31, 2015.



Marva M. Sheehan
Executive Director

West Valley Solid Waste Management Authority
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
December 31, 2015

Acct #	Description	JPA Budget FY 2015-16	Year to Date Actual	Balance	YTD %
<u>Revenues</u>					
4410	Interest	\$ -	\$ -	\$ -	N/A
4970	City of Campbell	45,119	-	45,119	0%
4970	Town of Los Gatos	33,777	-	33,777	0%
4970	City of Monte Sereno	3,819	-	3,819	0%
4970	City of Saratoga	34,289	-	34,289	0%
4975	Franchise Agreement WVC&R	450,000	187,500	262,500	42%
4965	Other	-	7,200	(7,200)	N/A
	Total Revenues	<u>\$ 567,004</u>	<u>\$ 194,700</u>	<u>\$ 372,304</u>	34%
<u>Expenditures:</u>					
Services and Supplies:					
7424	Office Expense	\$ 500	\$ -	\$ 500	0%
7427	Special Departmental Exp. (Legal Services)	8,691	1,140	7,551	13%
7430	Prof. & Special Services (Executive Director)	81,395	35,770	45,625	44%
7430	Prof. & Special Services (Other)	5,000	-	5,000	0%
7432	Other Contractual Services (Countywide Support)	1,000	1,000	-	100%
7432	Other Contractual Services (Website Administration)	1,000	-	1,000	0%
7432	Other Contractual Services (Audit Svcs.)	5,216	-	5,216	0%
7433	Insurance (Liability)	2,311	1,156	1,155	50%
7435	Travel/Conf. & Meetings	4,000	-	4,000	0%
7438	Other Charges (Accounting & Bookkeeping)	7,891	-	7,891	0%
7675	JPA Solid Waste Distribution	450,000	187,500	262,500	42%
	Total Expenditures	<u>\$ 567,004</u>	<u>\$ 226,566</u>	<u>\$ 340,438</u>	40%
	Excess (deficiency) of revenues over (under) expenditures	-	(31,866)	(31,866)	
	Beginning Fund Balance 7/1/2015	\$ 200,000	\$ 200,636		
	Ending Fund Balance	<u>\$ 200,000</u>	<u>\$ 168,770</u>		

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WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

Calendar of Future Agenda Items

May 5, 2016 Meeting

- Board meeting schedule
- Ratify Guadalupe Landfill disposal contractual rate adjustment
- Ratify WVC&R contractual collection rate adjustment
- Review Executive Director and Authority Counsel contracts
- Approve Authority budget

September 1, 2016 Meeting

- Receive and file annual CalRecycle Annual Reports
- Schedule annual Authority Attorney and Executive Director performance review
- Consider a report on WVC&R's prior Fiscal Year Complaints/Liquidated Damages

November 3, 2016 Meeting

- Closed Session – annual evaluations of Authority Attorney and Executive Director

February 2, 2017 Meeting

- Elect new officers
- Review of Collection and Disposal contracts

Recurring Meeting Agenda Items

- Approval of prior meeting minutes
- Receive and file the Executive Director financial report
- Regulatory and program updates