

# 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 7, 2019**

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 and file a report summarizing liquidated damages allowed under the WVC&R Collections Agreement.

### **NEW BUSINESS**

2. Elect Chairperson and Vice Chairperson for 2019.
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. Create an Ad Hoc Committee of two members to assist in the development of a disposal procurement and/or negotiations process.

6. Receive and file a report on recent regulatory changes and program updates.

### **PUBLIC HEARINGS**

None

### **CONSENT CALENDAR**

7. Approve minutes of November 1, 2018 Regular Board Meeting
8. YTD Financial Reports

### **EXECUTIVE DIRECTOR REPORT**

### **FUTURE AGENDA ITEMS**

### **BOARD MEMBER REPORTS**

### **ADJOURNMENT**

Next Regular Meeting: May 2, 2019, 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

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## AGENDA REPORT

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **Receive a Report on Liquidated Damages Allowed Under the Collections Agreement**

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### RECOMMENDED ACTION

Receive and file a report on liquidated damages allowed under the collections agreement (Agreement) with West Valley Collection & Recycling (WVC&R).

### DISCUSSION

At the November 1, 2018 Board Meeting, Members considered a report on FY 2017-18 liquidated damages assessed to WVC&R. The Authority staff recommended liquidated damages to WVC&R for failing to meet performance metric relating to double missed pick-ups and new customer starts within seven days of requesting service.

In prior year assessments of liquidated damages, the Authority staff historically included metrics including missed pick-ups, double missed pick-ups, property damage and other complaints such as collection during off hours and public education compliance. For the FY 2017-18, assessment, the Authority staff also included a metric for new customer starts within seven days.

Including this metric for the FY 2017-18 assessment caused some confusion in regards to what is allowed under the Agreement as the basis to assess WVC&R liquidated damages. While the metric is allowed under the Agreement, WVC&R acknowledged that since the metric had not been tracked in the past by the Authority staff it was not internally tracking the metric.

WVC&R appealed to the Board and requested the assessment be waived while it implements procedures for future tracking of the metric. During the subsequent discussion, the Board requested a summary of all the metrics that are included in the Agreement to be presented at the February 7, 2019 Board Meeting.

Section 13.6.B of the Collection Agreement with WVC&R outlines the service performance metrics and liquidated damages associated with failing to meet those standards. According to the Agreement, there are 29 specific metrics that WVC&R is responsible for performing on an annual basis. The metrics include specific requirements for WVC&R to meet in regards to collection reliability, collection quality, customer responsiveness, public education, and timeliness of reporting to the Authority. Tables 1 through 5 below summarize the key points for each and the FY 2017-18 liquidated damage per metric.

Authority and Member Agency staff may not have staffing resources to track each metric on annual basis, however, WVC&R is responsible to ensure its compliance with each metric per the Agreement. Failure to do so can expose WVC&R to potential assessment of liquidated damages for each metric whether or not it had been reported in the past.

**Table 1: Collection Reliability**

| Performance Metric   | Section Reference   | Specific Requirements   | Current Liquidated Damage Amount |                                   |
|--|---|---|----------------------------------|-----------------------------------|
| a) For each failure to commence service to a new Customer account within seven (7) days after order, which exceed twenty-four (24) such failures annually:   | No Section Reference  |   | \$ 163.81                        | Per Account after 24              |
| b) For each failure to Collect Solid Waste, Recyclable Materials, Green Waste, Food Scraps, or Construction and Demolition Debris, which has been properly set out for Collection, from an established Customer account on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds twenty (20) such failures quarterly: | 6.1.2 Residential Solid Waste - Single-Family Dwelling Unit<br>6.2.2 Recyclable Materials Collection - Single-Family Premises<br>6.2.2 Organic Materials Collection - Single-Family Premises<br>6.8.1 Schedules | When informed by the customer of a missed pick-up, WVC&R has one business day to return and service the customer that was missed. The performance standard allows 20 such failures per quarter. A business day is Monday through Friday excluding non-worked holidays.  | \$ 163.81                        | Per Account after 20 in a Quarter |
| c) For each failure to Collect Solid Waste, Recyclable Materials, Green Waste, Food Scraps, or Construction and Demolition Debris, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days:  | 6.1.2 Residential Solid Waste - Single-Family Dwelling Unit<br>6.2.2 Recyclable Materials Collection - Single-Family Premises<br>6.2.2 Organic Materials Collection - Single-Family Premises<br>6.8.1 Schedules | Company shall conduct collection between 6:00 AM and 6:00 PM not less than once per week.   | \$ 163.81                        | Per Account                       |
| d) For each failure to prepare for or properly conduct Annual Cleanups including advertising and press releases:   | 6.5.2 Annual Cleanups   | Company to provide each Single Family Cart Collection Customer one (two for Los Gatos) pre-scheduled Solid Waste clean-up at no additional cost. Company shall record the kinds and weights of Solid Waste Diverted from the landfill during cleanups.  | \$ 273.01                        |                                   |
| e) For each failure to perform and submit billing reviews:   | 7.2.2 Billing<br>7.2.3 Review of Billings   | Billing of Persons receiving Collection, Disposal, and Processing services at Rates fixed by the Authority. Residential accounts are billed quarterly and Commercial accounts are billed monthly. Persons to be billed the second month of the billing period. Company may terminate service to accounts more than 60 days past due following a 30 day written notice. Company shall maintain copies of Billing and receipts in chronological order for 5 years. Company shall provide documentation of billing review to Authority on an annual basis. | \$ 273.01                        |                                   |

**Table 2: Collection Quality**

| Performance Metric   | Section Reference                         | Specific Requirements  | Current Liquidated Damage Amount |                               |
|--|---|--|----------------------------------|-------------------------------|
| a) For each occurrence of damage to private property which exceeds 36 such occurrences annually:   | 6.1.1 Solid Waste Collection              | Company shall ensure that its employees close all gates opened in making Collections, unless otherwise directed by the Generator do not cross landscaped areas, and do not climb or jump over hedges and fences.   | \$ 273.01                        |                               |
| b) For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place cans upright with lids secured which exceeds twenty (20) such occurrences annually:   | No Section Reference                      |  | \$ 163.81                        | Per Account after 20.         |
| c) For each occurrence of excessive noise or discourteous behavior:  | 6.8.1 Schedules<br>6.8.2E Vehicles        | All vehicles shall have bodies designated to prevent leakage, spillage or overflow. Company shall clean up all litter in immediate vicinity unless the litter is pre-existing. Company shall properly cover all debris boxes.  | \$ 273.01                        |                               |
| d) For each failure to clean up Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Construction and Demolition Debris spilled from Containers which exceeds twenty (20) such failures annually:  | 6.8.2E Vehicles<br>6.8.5 Litter Abatement | All vehicles shall have bodies designated to prevent leakage, spillage or overflow. Company shall clean up all litter in immediate vicinity unless the litter is pre-existing. Company shall properly cover all debris boxes.  | \$ 163.81                        |                               |
| e) For each day one or more routes Company Collects Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Construction and Demolition Debris during unauthorized hours (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total):  | 6.8.1 Schedules                           | No collection can occur between 6:00 PM and 6:00 AM on any day.  | \$ 163.81                        | No longer relevant, see below |
| f) For each day one or more routes Company Collects Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Construction and Demolition Debris during unauthorized hours which exceeds twenty (20) such occurrences quarterly (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total): | 6.8.1 Schedules                           | No collection can occur between 6:00 PM and 6:00 AM on any day.  | \$ 546.03                        | Per Route                     |
| g) In the event twenty (20) days of Collecting Solid Waste, Recyclable Materials, Food Scraps, and Green Waste during unauthorized hours occurs in two consecutive quarters then the Company will add one route (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total).                        | No Section Reference                      |  |                                  |                               |
| h) For each overweight vehicle citation (occurring on or after July 1, 2017):  | 6.8.2D Vehicles                           | Company shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by state or local weight restrictions on vehicles. Company shall balance each load on a route, among routes, maximize Recycling of materials to avoid overweight refuse loads, and acquire trucks with wheel bases and tare weights to maximize payloads to avoid overloading trucks. | \$ 737.14                        | Per Incident                  |

**Table 3: Customer Responsiveness**

| Performance Metric  | Section Reference                                | Specific Requirements   | Current Liquidated Damage Amount |  |
|---|--|---|----------------------------------|--|
| a) For each failure to initially respond to a Customer complaint within one (1) business day: | 6.8.1 Schedules<br>7.3.4 Complaint Documentation | For residential service, a business day shall mean Monday through Friday, excluding Christmas and New Year's Day. | \$ 109.21                        |  |
| b) For each failure to process Customer complaints to Authority as required by Article 7:     | 7.3.4 Complaint Documentation                    |   | \$ 546.03                        |  |
| c) For each failure to carry out responsibilities for establishing service:                   |  |   | \$ 546.03                        |  |

**Table 4: Public Education**

| Performance Metric   | Section Reference  | Specific Requirements   | Current Liquidated Damage Amount |   |
|--|--|---|----------------------------------|---|
| a) For each failure to prepare and distribute door hanger, flyer or mailer to Customers regarding specific Collection day, holiday, holiday tree, and clean-up events. | 7.1 Public Education<br>Exhibit 5 Public Outreach and Community Outreach Programs          | All public education material are to be approved by the Authority. Specifically designed public education materials and programs to reach Multi-Family residents shall be prepared. Materials shall be printed on paper containing the highest levels of Recycled content material. Single-family clean-up event mailers are to be mailed out to each resident one month prior to their scheduled clean-up. The mailer will include the clean-up date, accepted and non-accepted items, WVCR contact info, and the option for a \$20 special cleanup. | \$ 163.81                        | per day for each day until mailer is sent |
| b) For each failure to conduct community presentations targeted at residents   | Exhibit 5 Public Outreach and Community Outreach Programs                                  | A second full time outreach coordinator will be hired for years eight and nine of the contract.   | \$ 163.81                        | per event                                 |
| c) For each failure to prepare and mail quarterly newsletter to all residents by the end of each quarter   | Exhibit 5 Public Outreach and Community Outreach Programs                                  | Quarterly newsletters are to be approved by the Authority and delivered with the quarterly invoice via mail or email.   | \$ 163.81                        | per day for each day until mailer is sent |
| d) For each failure to prepare and distribute "how-to" brochures for each of the four (4) business types   | Exhibit 5 Public Outreach and Community Outreach Programs                                  | Brochures will be made of durable, glossy paper and explain the specific list of Recyclable, Green Waste, and Solid Waste Materials to be collected. Multi-Family brochures will provide AB341 information.   | \$ 163.81                        | per day                                   |
| e) For each failure to meet with business associations   | Exhibit 5 Public Outreach and Community Outreach Programs                                  | A WVC&R outreach coordinator shall visit homeowner associations and/or other groups to promote and explain the program throughout the term of the Agreement, as requested by the associations or scheduled by the Authority.  | \$ 163.81                        | per day                                   |
| f) For each failure to conduct waste audits and submit audit reports   | No Section Reference   |   | \$ 163.81                        | per audit                                 |
| g) For each failure to provide comprehensive report of findings and suggestions to each company for which an audit was performed                                       | No Section Reference   |   | \$ 163.81                        | per day                                   |
| h) For each failure to distribute period update for Holiday tree Recycling on or before December 25 of each year   | 6.3.4 Holiday Tree Collection<br>Exhibit 5 Public Outreach and Community Outreach Programs |   | \$ 163.81                        | per day                                   |
| i) For each failure to develop outreach program for individual Commercial sectors  | Exhibit 5 Public Outreach and Community Outreach Programs                                  | The "How-to" brochure will be in poster form and will be laminated, to post in outdoor enclosures and interior areas. There will be three versions of the How-to poster, 1. Commercial without compost service, 2. Commercial with compost service and 3. Multi-Family.   | \$ 163.81                        | per day                                   |
| j) For each failure to prepare and during the Rate Year update to Recycling resource guide   | Exhibit 5 Public Outreach and Community Outreach Programs                                  | Prepare and distribute a Recyclable Materials resource guide to provide vendors' names, numbers and contacts for purchasing recycled products, re-use donation locations, and other recyclable materials companies, to be updated annually.   | \$ 163.81                        | per day                                   |
| k) For each failure to participate in Special Events listed in this Agreement  | 1.93 Special Event   | Special Event means a large event as defined in AB2176 (Montanez, Chapter 879, Statutes of 2004) which includes all events that charge admission or are operated by a local agency and serve an average of at least 2,000 attendees and workers per day of the event.   | \$ 327.62                        | per event-day                             |

**Table 5: Timeliness of Submission to Authority**


| Performance Metric    | Section                            | Specific Requirements   | Current Liquidated Damage Amount |         |
|-----------------------|------------------------------------|---|----------------------------------|---------|
| a) Quarterly Reports: | 10.3.1 Report Formats and Schedule | Quarterly reports shall be submitted within thirty (30) calendar days after the end of the report month. Quarter's end on September 30, December 31, March 31, and June 30. | \$ 109.21                        | per day |
| b) Annual Reports:    | 10.3.1 Report Formats and Schedule | Annual reports shall be submitted before September 30th following the reporting Rate Year.  | \$ 382.22                        | per day |

**FISCAL IMPACT**

None

**DOCUMENTS ATTACHED**

None

  
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Marva M. Sheehan  
Executive Director

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## AGENDA REPORT

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **Key Points and Dates from WVC&R Agreement**

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### 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 1<sup>st</sup> 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
  - SB 1383 - State Board required to adopt regulations to reduce organics disposal 50% by 2020 and 75% by 2025

**FISCAL IMPACT**

\$450,000 annual payment to the Authority

**DOCUMENTS ATTACHED**

None



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Marva M. Sheehan  
Executive Director

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## AGENDA REPORT

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **Key Points and Dates from Guadalupe Landfill Agreement**

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### 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

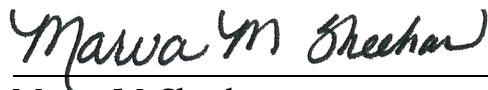
- Contract Amendment -
  - February 2, 2017
    - Processing of Yard Waste -
      - The Board approved an Amendment that allows Waste Management to compost greenwaste material. The Amendment was effective July 1, 2017.

**FISCAL IMPACT**

None

**DOCUMENTS ATTACHED**

None



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Marva M. Sheehan  
Executive Director

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**AGENDA REPORT**

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **Procurement Ad Hoc Committee**

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**RECOMMENDED ACTION**

Create an Ad Hoc Committee of two members to assist in the: development of a new disposal agreement; request for proposal; and/or, negotiations process.

**DISCUSSION**

The initial term of the Waste Disposal, Yard Waste and Construction and Demolition Debris Processing Agreement with Waste Management will expire on December 31, 2021. The Board must decide whether to issue a request for proposals (RFP); extend the existing agreement; or, negotiate a new contract.

The Ad Hoc committee can serve as an advisory board to the staff (between Board meetings) and Board with the following duties:

- Act as a “sounding board’ to hear staff reports and presentations in advance of them being made to the full Board and provide guidance on how best to frame the issues and present the information to the Board;
- Provide guidance to staff during negotiations; and,
- Provide recommendations to the Board on key policy issues.

Because the Board does not meet monthly, the Ad Hoc committee can provide guidance between Board meetings, allowing for the timely resolution of issues. For this purpose, the Ad Hoc committee may meet once or twice prior to finalizing the draft agreement

and RFP, prior to the selection of a contractor, and prior to presentation of a final agreement for approval by the Board.

### ALTERNATIVES

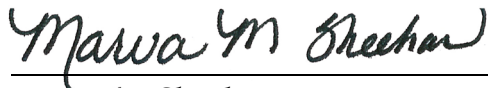
Do not appoint an Ad Hoc committee. This may result in the need for additional special meetings of the Board and would not allow for confidential direction from the Board regarding contract negotiations.

### FISCAL IMPACT

None

### DOCUMENTS ATTACHED

None



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Marva M. Sheehan  
Executive Director



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## AGENDA REPORT

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **Recent Regulatory Changes and Program Updates**

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### RECOMMENDED ACTION

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

### DISCUSSION

#### Legislation

No new laws were adopted by the State of California or Federal Government related to recycling, composting and waste reduction since our last meeting.

#### Ongoing

##### AB 1826

AB 1826 continues to be phased in, with generators of solid waste materials (4 cubic yards or greater of weekly volumes) required to subscribe to organic material collection effective January 1, 2019.

Future Milestones for AB 1826 include:

- January 1, 2020 - Businesses with 2 cubic yards or more of weekly solid waste are required to participate in organics collection services if CalRecycle determines on that date that organics waste has not been reduced by 50% of 2014 levels.

### SB 1383

SB 1383 was signed by Governor Brown on September 19, 2016. It places requirements on the State Air Resources Board (ARB) to approve and begin implementing, no later than January 1, 2018, a comprehensive strategy to reduce emissions on short-lived climate pollutants, including methane.

The primary concern for the Board are requirements in SB 1383 to reduce organic waste disposed in landfills 50% by 2020 and 75% by 2025 (2014 baseline). Additional requirements include a 2025 target of recovering 20% of edible food that would otherwise be disposed in landfills.

The definition of organics includes both residential and commercial material, solid wastes containing material originating from living organisms, and their metabolic waste products, food waste, green waste, landscape and pruning waste, applicable textiles and carpets, wood, lumber, fiber, manure, biosolids, digestate, and sludges.

On July 24, 2018, a presentation on SB 1383 was given to Member Agency Staff. The Board also received a presentation during the November 1, 2018 Board Meeting. The presentations highlighted the additional requirements that will be placed on the Member Agencies if the draft regulations are adopted. Examples include:

- Reporting & Record keeping
  - Initial compliance report
  - Annual reporting
  - Implementation Record
- Education & outreach
- Edible food recovery
- Organic waste recycling and edible food recovery capacity planning
  - Note, counties to spearhead capacity planning efforts; cities are required to assist counties
- Issuing and monitoring of waivers
- Contamination monitoring and enforcement
- Hauler oversight

Notice of the proposed regulations to implement the department's responsibilities established by SB 1383 (Lara, Chapter 395, Statutes of 2016) was published in the California Regulatory Notice Register by the Office of Administrative Law (OAL) on January 18, 2019. This notice begins the formal 45-day public comment period of the

rulemaking process. Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulation to the department. The written comment period for this rulemaking closes at 5 p.m. on March 4, 2019.

### **Other Bay Area Programs**

#### **Disposable-Free Dining**

The city of Berkeley passed an Ordinance known as the Disposable-Free Dining at its January 20, 2019 City Council Meeting. The ordinance implements a \$0.25 fee for all single-use cups effective January 2020. The ordinance also requires that restaurants provide only compostable containers for takeout food and reusable containers for dine-in food by the middle of 2020. Additionally, other disposable items such as lid and stirrers may only be offered by request.

### **Proposed Programs**

#### **AB 161**

California legislation introduced in January of 2019 would take effect on January 1, 2022 would require electronic receipts unless paper is requested by the customer. The bill would specify that 3<sup>rd</sup> and subsequent violations would be an infraction punishable by a fine of \$25 for each day the business is in violation, but not to exceed an annual total of \$300 and by enforced by the same officers authorized to enforce the California Retail Food Code.

### **FISCAL IMPACT**

None

### **DOCUMENTS ATTACHED**



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# 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

## **MEETING MINUTES**

**November 1, 2018**

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

### **CALL TO ORDER**

At 5:01 pm, Chair Bernald called the meeting to order.

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

Chair Mary-Lynne Bernald, representing Saratoga, Vice Chair Curtis Rogers, representing Monte Sereno, Member Steve Leonardis, representing Los Gatos, and Member 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

### **SPECIAL PRESENTATIONS**

None

### **OLD BUSINESS**

None

**NEW BUSINESS**

1. The Board considered a report on WVC&R's prior fiscal year complaints and liquidated damages:
  - a. Chair Bernald introduced a motion to waive FY16-17 liquidated damages of \$22,480.02; assess FY17-18 liquidated damages of \$10,975.18 for the Board to use for future educational outreach; and return \$6,338.34 to WVC&R to use for operational improvements. The motion did not receive a second; motion failed.
  - b. Upon a motion by Member Resnikoff, and a second by Member Leonardis, the Board unanimously approved to waive FY 16-17 liquidated damages of \$22,480.02.
  - c. Upon a motion by Member Resnikoff, and a second by Member Leonardis, the Board approved by a 3 to 1 vote to place double missed pick-up liquidated damages of \$10,975.18 for FY17-18 in abeyance to be reviewed at the November 2019 Board Meeting. The liquidated damages will be waived if double missed pick-ups are reduced from the 67 in FY17-18 to 34 occurrences or less in FY18-19. If the FY18-19 double missed pick-ups are more than 34, liquidated damages for FY17-18 of \$10,975.18 and liquidated damages for FY18-19 will be assessed.

For: Vice Chair Roger, Member Resnikoff, and Member Leonardis

Against: Chair Bernald
  - d. Vice Chair Rogers introduced a motion to place the liquidated damages of \$6,388.34 for new customer starts into an interest bearing fund until proper use is determined for public education and outreach. The motion was seconded by Chair Bernald. Vote was 2-2; motion failed.

For: Chair Bernald and Vice Chair Rogers

Against: Member Resnikoff and Member Leonardis
  - e. Member Leonardis introduced motion to place new customer starts liquidated damages of \$6,388.34 for FY17-18 in abeyance to be reviewed at the November 2019 Board Meeting. The liquidated damages will be waived if the new customer starts performance standards are reduced to 44

**ADDRESSING THE BOARD**

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occurrences or less in FY18-19, otherwise liquidated damages for FY17-18 and FY18-19 will be assessed. The motion was seconded by Member Resnikoff. Vote was 2-2; motion failed.

For: Member Resnikoff and Member Leonardis

Against: Chair Bernald and Vice Chair Rogers

- f. Chair Bernald tabled further discussion regarding liquidated damages of \$6,338.34 for the new customer performance standard.
2. The Board received a report on recent regulatory changes and program updates.  
After receiving the report, Chair Bernald, reopened discussion of liquidated damages \$6,338.34 for the new customer performance standard.
    - a. Upon a motion by Member Resnikoff, and a second by Vice Chair Rogers, the Board unanimously approved accepting WVC&R's offer to pay the Authority \$5,000 for public education and community outreach in lieu of \$6,338.34 with tracking metrics for measurement of the new customer starts performance standard going forward.
  3. The Board considered an update to the Conflict of Interest Code for the Authority.  
Upon a motion by Vice Chair Rogers, and a second by Member Resnikoff, the Board unanimously approved the update to the Conflict of Interest Code for the Authority.
  4. Upon a motion by Chair Bernald, and a second by Member Leonardis, the Board unanimously approved moving Agenda Item 4; the creation of an Ad Hoc Committee of two members to assist in the development of a disposal procurement and/ or negotiations process, to the February 7, 2019 Board Meeting.

## PUBLIC HEARINGS

None

## CONSENT CALENDAR

5. Upon a motion by Vice Chair Rogers and a second by Member Leonardis, the Board voted 4-0 to approve the minutes of the September 6, 2018 Regular Board Meeting

## ADDRESSING THE BOARD

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and the Executive Director financial report for the 12 months ended September 30, 2018.

**FUTURE AGENDA ITEMS**

The Board requested a report be presented at the February 7, 2019 Board Meeting on allowable Liquidated Damages in the Collections Agreement with West Valley Collection and Recycling.

**BOARD MEMBER REPORTS**

None

**CONVENE TO CLOSED SESSION**

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

**RECONVENE TO OPEN SESSION**

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

There were no reportable actions from the closed session.

**ADJOURNMENT**

Chair Bernald adjourned the meeting of the Board at 6:57 pm until the next regular meeting, which will be held February 7, 2019.

**ADDRESSING THE BOARD**

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AGENDA ITEM NO. 8  
MEETING DATE: FEBRUARY 7, 2019

WEST VALLEY  
SOLID WASTE MANAGEMENT  
AUTHORITY

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**AGENDA REPORT**

Date: February 7, 2019  
To: West Valley Solid Waste Management Authority Board  
From: Executive Director  
Subject: **YTD Financial Report**

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**RECOMMENDED ACTION**

Accept report on the Authority's FY 2018-19 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 2017-18. With 50% of the fiscal year passed, the report shows that the Authority expended \$274,950 or 44% of the approved FY 2017-18 budget.

The preliminary fund balance of \$423,425 is an increase of \$126,294 from the FY 2017-18 preliminary fund balance of \$260,949. The increase is primarily due receiving 100% of revenues (\$176,244) from the Member Agencies for the fiscal year while expenditures are made throughout the year.

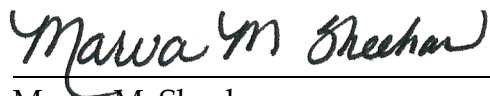
It has been the Board's policy, adopted February 2011, to maintain a fund reserve of \$200,000 with \$100,000 designated as an operating reserve and \$100,000 designated as a rate stabilization reserve.

**FISCAL IMPACT**

None

**DOCUMENTS ATTACHED**

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual December 31, 2018.



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Marva M. Sheehan  
Executive Director

| <b>West Valley Solid Waste Management Authority<br/>                     Statement of Revenues, Expenditures, and<br/>                     Changes in Fund Balance - Budget and Actual<br/>                     December 31, 2018</b> |  |                          |                           |                  |            |
|---|--|--------------------------|---------------------------|------------------|------------|
| Acct #  | Description  | JPA Budget<br>FY 2018-19 | Year to<br>Date<br>Actual | Balance          | YTD %      |
| <b><u>Revenues</u></b>  |  |                          |                           |                  |            |
| 4410  | Interest   | \$ -                     | \$ -                      | \$ -             | N/A        |
| 4970  | City of Campbell   | 69,653                   | 69,653                    | -                | 100%       |
| 4970  | Town of Los Gatos  | 51,049                   | 51,049                    | -                | 100%       |
| 4970  | City of Monte Sereno   | 5,707                    | 5,707                     | -                | 100%       |
| 4970  | City of Saratoga   | 49,835                   | 49,835                    | -                | 100%       |
| 4975  | Franchise Agreement WVC&R                                    | 450,000                  | 225,000                   | 225,000          | 50%        |
| 4965  | Other  | 1                        | -                         | 1                | N/A        |
|   | <b>Total Revenues</b>  | <u>\$ 626,245</u>        | <u>\$401,244</u>          | <u>\$225,001</u> | <u>64%</u> |
| <b><u>Expenditures:</u></b>   |  |                          |                           |                  |            |
| <b>Services and Supplies:</b>   |  |                          |                           |                  |            |
| 7424  | Office Expense   | \$ 500                   | \$ -                      | \$ 500           | 0%         |
| 7427  | Special Departmental Exp. (Legal Services)                   | 16,597                   | 3,360                     | 13,237           | 20%        |
| 7430  | Prof. & Special Services (Executive Director)                | 130,985                  | 45,213                    | 85,772           | 35%        |
| 7430  | Prof. & Special Services (Other)                             | 5,000                    | -                         | 5,000            | 0%         |
| 7432  | Other Contractual Services (Countywide Support)              | 1,000                    | -                         | 1,000            | 0%         |
| 7432  | Other Contractual Services (Website Administration)          | 1,100                    | -                         | 1,100            | 0%         |
| 7432  | Other Contractual Services (Audit Svcs.)                     | 5,760                    | -                         | 5,760            | 0%         |
| 7433  | Insurance (Liability)  | 2,552                    | 1,377                     | 1,175            | 54%        |
| 7435  | Travel/Conf. & Meetings                                      | 4,000                    | -                         | 4,000            | 0%         |
| 7438  | Other Charges (Accounting & Bookkeeping)                     | 8,751                    | -                         | 8,751            | 0%         |
| 7675  | JPA Solid Waste Distribution                                 | 450,000                  | 225,000                   | 225,000          | 50%        |
|   | <b>Total Expenditures</b>                                    | <u>\$ 626,245</u>        | <u>\$274,950</u>          | <u>\$351,295</u> | <u>44%</u> |
|   | Excess (deficiency) of revenues<br>over (under) expenditures | -                        | 126,294                   | 126,294          |            |
|   | Beginning Fund Balance 7/1/18 (Preliminary)                  | \$ 200,000               | \$297,131                 |                  |            |
|   | Ending Fund Balance  | <u>\$ 200,000</u>        | <u>\$423,425</u>          |                  |            |

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# **WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY**

## **Calendar of Future Agenda Items**

### May 2, 2019 Meeting

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

### September 5, 2019 Meeting

- Receive and file annual CalRecycle Annual Reports

### November 7, 2019 Meeting

- Closed Session – annual evaluations of Authority Attorney and Executive Director
- Consider a report on WVC&R's prior Fiscal Year Complaints/Liquidated Damages

### February 6, 2020 Meeting

- Elect new officers
- Review of Collection and Disposal contracts
- Accept Audited Financial Statements

### Recurring Meeting Agenda Items

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