

**\*\* Please Note the early start time \*\***

### **Teleconference/Public Participation Information**

This meeting will be held *exclusively* via teleconference participation of a quorum of Board members in locations not open to the public in compliance with the Governor's Executive Order N-25-20 (March 12, 2020) as superseded by Order N-29-20 (March 17, 2020), allowing for deviation of teleconference and physical location meeting rules otherwise required by the Ralph M. Brown Act. The purpose of the orders is to provide the safest environment for staff and the public consistent with Contra Costa County Health Services' current public health recommendations, while allowing the public to observe and address the Board.

For this meeting, there will be no physical location from which members of the public may observe the meeting. Instead:

- Members of the public are welcome to observe and address the Board telephonically, at the appropriate time for public comment during the meeting, following these instructions:

**Link to join Webinar: <https://us02web.zoom.us/j/83992565795>**

**Or phone: 1-669-900-6833 or 1-408-638-0968**

**Webinar ID: 839 9256 5795**

During the meeting, the Chair will call for public comment. To make a public comment on a desired item while participating in the webinar, click on the "Raise Your Hand" option within the online webinar tool, or if participating via phone - dial \*9.

Note: To improve everyone's opportunity to participate, please mute your microphone until you are called to speak.

- Members of the public are welcome to submit written comments via email to the Board Secretary at [ChristinaL@Recyclemore.com](mailto:ChristinaL@Recyclemore.com) prior or during the time for public comment at the meeting. The Board Secretary will share all comments with the Board at the meeting and make them part of the public record.

#### **Americans with Disabilities Act**

*In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in an Authority meeting, or you need a copy of the agenda, or the agenda packet in an alternative format, please contact the Authority's Manager of Administrative Services at (510) 609-1215 or by email at [ChristinaL@Recyclemore.com](mailto:ChristinaL@Recyclemore.com) with the following information: name, phone number, email, and type of assistance requested. Notification of at least 48 hours prior to the meeting or time when services are needed will assist Authority staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.*



### **Public Comment**

*Members of the public may address the Board of Directors on items that are within the jurisdiction of the Authority. Comments by the public pertaining to items listed in this Agenda should be made at the time the item is considered by the Board of Directors. Please note this Agenda contains an item for the Public to address the Board on non-agenda matters. Each speaker is limited to 3 minutes and may speak only once under each agenda item. The Board of Directors may waive these provisions. If you desire to address the Board, please submit your request on a Speaker's Card available from the Secretary.*

#### **1. CALL TO ORDER AND ROLL CALL**

The Chair will call the meeting to order and the Secretary will call the roll to establish the presence of a quorum.

#### **2. CLOSED SESSION –**

##### **1. Conference with labor negotiators**

Agency designated representatives: Peter Holtzclaw, Executive Director  
Unrepresented employee: Manager of Finance and Administrative Services

##### **2. Report Out of Closed Session:** Provide a report to the Public in open session of reportable action(s) taken by the Board during closed session.

#### **3. PLEDGE OF ALLEGIANCE**

The Chair or a Member of the Board will lead the Pledge of Allegiance.

#### **4. EX PARTE COMMUNICATIONS DISCLOSURES**

The Chair of the Board will ask if any Director has an ex parte disclosure, pursuant to the Authority's Ex Parte Communications Policy, on any agenda items.

#### **5. PUBLIC COMMENT**

Receipt of public comment on non-agenda matters.

#### **6. CONSENT CALENDAR**

All matters listed in the Consent Calendar will be enacted with one motion. There will be no separate discussion of the items listed. However, upon request by a member of the Board or the Public, items will be removed from the Consent Calendar and considered separately in the agenda order.

Consideration of a motion to approve the following actions:

##### **6.0 October 8, 2020 Authority Board Meeting Minutes**

*Note: To vote on the adoption of the minutes does not require a Director to have been present at the subject meeting.*

**6.1 Contract with Recyclist for Website Design and Management**

Authorize the Executive Director to enter into a three-year agreement with Recyclist for Website Design and Management in an amount not to exceed \$51,400.

**6.2 FY 2018-19 Financial Audit**

Receive and file report on the final Audited Financial Statements prepared for the Fiscal Year Ending June 30, 2019 prepared by Maze and Associates.

**6.3 Resolution of Appreciation**

Consideration of a motion to approve Resolutions 20-04, 20-05, 20-06 and 20-07 recognizing Directors Peter Murray, Greg Lyman, Jael Myrick and Ben Choi and expressing appreciation for their service to the Authority.

***END OF CONSENT CALENDAR***

**7. STAFF REPORT**

Staff will provide updates on recent and upcoming activities.

**Process for Addressing Agenda Items Before the Board of Directors**

- *Chair reads the agenda item*
- *Staff presents their report*
- *Board questions staff*
- *Public comments are heard*
- *Board discusses item*
- *A motion is made*
- *Final Board discussion*
- *Motion is restated and seconded for the record*
- *Board votes or provides direction to staff*

**8. REGULAR AGENDA**

**8.0 Public Hearing to Approve the Calendar Year 2021 Post-Collection Rates**

Choose between scenarios presented and adopt Resolution 20-08 to approve the resulting 2021 Post-Collection Rates for the Republic Services Collection Service Area and 2021 Blended Per Ton Rates as set forth in the Resolution.

***END OF REGULAR AGENDA***

**9. BOARD MEMBER AND STAFF ANNOUNCEMENTS**

INFORMATION ONLY. Announcement of matters of interest by Board Members, Alternate Board Members, Executive Director and General Counsel.

**10. ADJOURNMENT**

Consideration of a motion to adjourn. The next regular Board of Directors' Meeting is scheduled for January 14, 2021.



# Agenda Report

**Date:** November 12, 2020  
**To:** West Contra Costa Integrated Waste Management Authority Board  
**From:** Peter Holtzclaw, Executive Director  
**Subject:** October 8, 2020 Authority Board Meeting Minutes

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## **ACTION REQUESTED**

Consideration of ADOPTION OF A MOTION to approve the subject minutes.

*Note: To vote on the adoption of the minutes does not require a Director to have been present at the subject meeting.*

## **BACKGROUND**

The minutes of the October 8, 2020 Board meeting are attached.

## **FISCAL IMPACT**

None.

Respectfully Submitted,

*Peter Holtzclaw*

Peter Holtzclaw  
Executive Director

**Attachment 1:** October 8, 2020 Board Meeting Minutes

## WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS MEETING MINUTES – OCTOBER 8, 2020

**Meeting Date | Time 10/8/2020 6:15 PM | Meeting Location** The meeting was held exclusively via teleconference participation of a quorum of Board members in locations not open to the public in compliance with the Governor's Executive Order N-25-20 (March 12, 2020) as superseded by Order N-29-20 (March 17, 2020), allowing for deviation of teleconference and physical location meeting rules otherwise required by the Ralph M. Brown Act. The purpose of the orders is to provide the safest environment for staff and the public consistent with Contra Costa County Health Services' current public health recommendations, while allowing the public to observe and address the Board. All votes of the Board to be Roll Call votes.

Meeting called by Board of Directors  
Type of meeting Regular  
Authority Staff Present Peter Holtzclaw, Christina Leard, Andy Schneider  
Legal Counsel John Bakker

**Board Members Present:**  
Directors: A. Pineda (Chair) San Pablo; G. Lyman (Alternate), El Cerrito; P. Murray, Pinole; D. Romero, Hercules; B. Choi, N. Bates (Vice Chair), and J. Myrick, Richmond  
Absent: F. Glover (Ex-Officio) Contra Costa County

### CALL TO ORDER/ROLL CALL

Chair Pineda called the meeting to order at 6:21 P.M. The Roll Call established the existence of a quorum (Bates, Choi, Murray, Myrick, Pineda, and Romero). Director Lyman arrived at 6:54 P.M.

### CLOSED SESSION

There was no closed session.

### PLEDGE OF ALLEGIANCE

Chair Pineda led the Pledge of Allegiance.

### EX-PARTE COMMUNICATIONS & DISCLOSURE

There were no ex-parte communications or disclosures.

### PUBLIC COMMENT

There were no comments from the public.

### CONSENT CALENDAR

**MOTION** by Director Romero to approve the Consent Calendar consisting of Items 6.0, 6.1, 6.2 and 6.3. **SECOND** by Director Myrick.

**MOTION PASSED** unanimously by a Roll Call vote.

**STAFF REPORT****Staff Report Item 7 | Presenters | RecycleMore Staff**

Executive Director Peter Holtzclaw reported that final interviews had been conducted for the Manager of Finance and Administrative Services position and a conditional offer was expected to be offered to the candidate; the Request for Proposal (RFP) for the website had been finished and four companies had responded with a contract to be returned to the Board in November for approval; and the Electronic Annual Report (EAR) would soon be submitted to CalRecycle. He stated that diversion rates and solid waste generation looked good and more would be submitted in November. CalRecycle had been pleased with the RecycleMore program so far and because of the current contract with R3 Consulting for SB 1383 planning, RecycleMore would be kept off the Compliance Monitoring Review List. He added that SB 1383 updates would be provided to the Board in 2021 when the law was to become official.

Recycling and Solid Waste Program Manager Christina Leard:

- 1) Summarized 2020's Household Hazardous Waste (HHW) events and provided the statistics related to participants, mattress pickup, pounds of HHW and e-waste collected, with paint identified separately, compared to 2019 with a breakdown of participation by jurisdiction for the Hercules HHW one-day event on June 27; the El Sobrante event on August 29, and the Richmond event on September 19. She identified a significant increase from last year in waste and mattresses collected, primarily due to COVID-19.

Ms. Leard responded to questions and clarified that the Mattress Recycling Council collected the mattresses and provided the trailers and labor at the one-day events without cost to the West Contra Costa Integrated Waste Management Authority (WCCIWMA). The Council recycled the mattresses and there was no revenue generated to RecycleMore. The disposal of the hazardous waste collection from the one-day events was shipped to one vendor; paint recycled through Paint Care; electronics shipped to a different vendor; and other materials were handled by Stericycle, a subcontractor also known as Clean Earth.

The Board discussed the mattress fee collected at the time of purchase for disposal purposes and how that did not relate to the mattress collection at the one-day events. More discussion on that issue was recommended.

Director Romero requested consideration of an ordinance to force big box retailers that sold paint to collect unused paint for recycling.

PETER NUTI, Republic Services, identified how the paint was handled and noted that some paint was able to be recycled while others were not, although the point was to recycle as much as possible.

Director Myrick complimented staff on the successful events that collected materials that might otherwise have been dumped.

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**Agenda Item 8.0 – Agreement with Recyclist Program Tracker Software | Presenter Peter Holtzclaw – Executive Director**

Mr. Holtzclaw removed the item from the agenda in that it was not ready to consider at this time.

**Agenda Item 8.1 – Workshop: Calendar Year 2021 Household Hazardous Waste Budget | Presenter Peter Holtzclaw – Executive Director**

Mr. Holtzclaw presented the proposed Household Hazardous Waste Budget for 2021 as part of the Post-Collection Agreement (PCA) and the Side Agreement. Mr. Holtzclaw identified the expenses and programs, the one-day a week satellite facility in El Cerrito, the door-to-door medical sharps and pharmaceuticals service for senior residents and those with disabilities, and the three one-day collection events. He reported that HHW expenses were rising by about \$24,000 a year, the biggest increase with the one-day events, and the budget had been increased by almost 10 percent for next year. The balancing account as part of the Side Agreement was negligible, and the 15 percent profit margin to Republic Services had been added in, as had the \$65,000 credit as part of the Side Agreement. The budget was increasing from \$1.178 million to almost \$1.2 million. The reason for the budget was to identify the rate per ton (\$6.86), which would be blended with the blended rate of \$110, about 5 percent of the total rate structure. He stated the one-day events as well as the Richmond facility were very strong programs with little impact on the rate structure overall. He clarified that the line item for El Cerrito had been kept the same because El Cerrito had been closed for four months because of the pandemic and some expenses had been saved as a result.

There was no member of the public who wished to speak to the item.

GARTH SCHULTZ, R3 Consulting Group, Inc., responded to questions related to the 15 percent operator profit margin to Republic Services.

PETER NUTI, Republic Services, responded to the question of the credit offset to the 2021 budget and clarified that the HHW revenues credited were estimated by what had come in from the small businesses that traditionally had been small quantity generators, and what Republic did for HHW services for areas outside West County, so the revenues had been estimated and credited to expenses.

Director Romero asked about the medical sharps program and whether more sharps or pharmaceutical containers were needed in other areas, to which Ms. Leard explained that RecycleMore had been unable to find a location in the City of San Pablo, and discussions would have to occur with Larry Sweetser of Sweetser & Associates, and Mr. Nuti as to the regulations where those containers could legally be located.

Director Romero requested a report in early 2021 to advise the Board whether additional locations for sharps and pharmaceuticals had been identified. He suggested that the new San Pablo City Hall and West County Health facility at the same location might be appropriate areas to consider.

Mr. Holtzclaw advised that the door-to-door medical sharps and pharmaceuticals program had been suspended for a few months and continued to be suspended.

Director Romero referred to the same budget for the El Cerrito satellite facility as last year and asked how that would work with the balancing account given that those budgeted funds had not been spent. He also asked if there had been any overspending compared to last year.

Mr. Holtzclaw noted that Republic would provide the annual statement at the end of April when the expenses related to the budget would be identified, which would flow into the balancing account for next year's budget.

Ms. Leard reported that due to the volume, the budget had been overspent this year on the one-day events and there would be an overage for 2020.

Director Lyman, the alternate for Director Quinto, joined the meeting at this time.

**MOTION** by Director Murray to consider approval of the 2021 HHW Budget at the November 2020 Board meeting, with a notation to staff to provide a report in early 2021 to advise of potential locations for the medical sharps and pharmaceuticals program. **SECOND** by Director Romero.

**MOTION PASSED** unanimously by a Roll Call vote.

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**Agenda Item 8.2 – Workshop: Calendar Year 2021 Post-Collection Rates | Presenter Garth Schultz – R3 Consulting Group, Inc.**

GARTH SCHULTZ, R3 Consulting Group, Inc., presented the review of Republic's proposed blended per ton rate for 2021 and what that looked like for the proposed 2021 Post-Collection Rates that would be set by the Authority and collected by Richmond Sanitary Service in 2021 after the rate hearing in 2021.

Mr. Schultz stated that two elements fed into the annual rate setting process; the calculation of the blended per ton rate prescribed in the Post-Collection Agreement (PCA) with Republic Services, and translating the revenue requirement from those blended per ton rates into Post-Collection Rates (PCR) that could be set by the Authority and collected along with the collection rates by Richmond Sanitary Service. He clarified that El Cerrito had a separate PCA but set and charged PCR to cover its portion of the Authority budget as well as the HHW budget under a separate process.

Mr. Schultz explained that Republic's initial 2021 blended per ton rates were compensation to Republic for services provided under the PCA and were not tied to the actual costs of operation. He identified the five elements of annual adjustments pursuant to the PCA that were: Material specific, the majority of the overall blended per ton rate which represented the majority of the contract escalating pursuant to the contract at 85 percent of CPI per year; the HHW component based on the Board approved HHW budget; the Authority component based on the calendar year 2021 revenue projection; the recycling rebate component which was a credit back to the blended per ton rate and which changed with market conditions; and the government fees component which changed in accordance with the tonnage and adjusted fees for host facilities which were set pursuant to formulas in the PCA.

Mr. Schultz identified the current 2020 per ton rate at \$106.26. The calculated 2021 per ton rate was \$110.14, an increase of 3.65 percent per ton. He added that tonnages had increased 3.7 percent from 156,334 in 2020 to 162,164 in 2021. For this year, the \$110.14 per ton times the projected tons (162,164) would yield a \$17,860,580 revenue requirement to Republic to compensate them for the five elements. He stated a methodology had been employed for the last five years which allocated the requirement to the residential, commercial and industrial sectors based on container size, number of cubic yards for commercial, and tons per industrial customers as in prior years. Based on the proposed blended per ton rates and all the required fees, he identified the expected increase that would be included in the monthly bills for residential customers and explained that did not include all the increase the customer might see in that the rate set by the individual Member Agencies and Richmond Sanitary Service would have to be included. He identified the expected increase for commercial and industrial customers as well.

Mr. Schultz explained that the final PCR would be brought back to the Board at its November meeting for a rate hearing and adoption so that they could be included in the Richmond Sanitary Service rates to be set on January 1, 2021.

There was no member of the public to speak to the item.

## Agenda Item No. 6.0 – Attachment 1

In response to Director Bates as to the continuing effect of the China sanctions, Mr. Holtzclaw explained that while some material still got into China, more was going to Indonesia, Vietnam and Mexico, the major paper markets, while glass, aluminum and metals generally remained in the United States as did plastic, which was also exported. Mr. Nuti clarified that China was not buying anything right now as far as raw materials to be recycled were concerned and the materials were being shipped to Indonesia and Southeast Asia, which was accepting paper. He added there would be a brand new paper mill in Taiwan in the near future.

Director Lyman referred to the 16 percent increase on residential, a 3 percent reduction in industrial, and a 4 percent increase in tonnage year over year, and asked what sector had the largest tonnage increase, reported by Mr. Nuti to be the residential sector given that more folks were home because of the pandemic.

Director Lyman commented that this was the largest increase in rates he could recall and he questioned why of the overall increase the Authority was almost 40 percent of it, to which Mr. Holtzclaw noted the amount used for compliance (\$250,000) translated to \$.16 per month per can. He had brought that issue to the Board in the rates because he was using last year as precedence. He explained that the Board had agreed to increase rates with respect to \$300,000 for compliance fees last year; \$75,000 for staff and \$225,000 for compliance related duties. He had come back to the Board in June with a budget to codify the \$225,000, and noted that a good portion of that amount had been used on R-3 Consulting's SB 1383 planning. He suggested that amount could be codified in a budget and used for next year's rates.

Chair Pineda asked how much of the \$300,000 had been spent given his concern that this was not the right time to increase rates given the impacts of COVID-19 on the San Pablo community.

Mr. Holtzclaw reported that the \$75,000 for a staff person would be brought on by January 2021 and the other portions of the \$225,000 that had been spent were \$65,000 for R3 Consulting for SB 1383 planning, the majority of which had already been spent, and the \$60,000 allocation for the website renovation, with web oriented training where commercial customers could visit RecycleMore electronically instead of requiring staff field visits. The initial \$225,000 approved in the budget in June and \$250,000 had been proposed in the rates. He clarified that the workshop would determine whether the Board wanted to do that now or wait until next summer to propose a budget and put programs together to back that number up. The \$250,000 represented the attempt to stay ahead of the SB 1383 requirements mandated by law when the law became effective next year.

Chair Pineda suggested waiting. With respect to government fees, he asked if the fees were the same or whether they had been increased, to which Mr. Schultz verified that government fees were increasing, and in accordance with the PCA fee calculation there would be increased compensation to Republic to pay for those fees. He also clarified that there was a myriad of different fees, which were handled in different ways and details could be provided.

Director Romero verified with staff that the funds dedicated for SB 1383 compliance represented a one-time expenditure given that it was related to planning, although some funds would likely need to be set aside for ongoing expenses related to staff or resources with respect to SB 1383. With the \$300,000 in the current budget, he suggested that if staffing and everything else stayed the same \$225,000 would be available every year in the budget. As a result, he suggested there was \$475,000 extra in the budget for SB 1383 compliance given that the funding had been included in the rates and it would be important to identify whether the funds were one-time or ongoing funding give that it had been included in the rates. He emphasized the need to consider what had been included in the PCA as well as in the rates. With respect to the rate increases, he asked how the reduction in dry waste because of COVID-19 would affect the rate structure. He also noted as new programs came on money had been set aside for future recycling programs and this might be one of those years where the Board needed to consider the use of some of the reserves to be able to supplement the programs for SB 1383.

Mr. Schultz explained that he would get further information and return with specific information on the dry waste.

Mr. Holtzclaw clarified what had occurred with Richmond Sanitary Service and the reduction in the dry waste program as a result of the China sanctions.

#### PUBLIC COMMENT

Mr. Nuti commented that the \$225,000 from this budget year and the \$250,000 for the next year were not one-time expenses and would be ongoing expenses that would fall in different areas when moving through the final compliance process for AB 1826, as well as the beginning steps towards implementing SB 1383, which was the commitment that he and Mr. Holtzclaw had made to CalRecycle which kept RecycleMore out of an informal or formal compliance situation with the state with implementation of some of the mandated SB 1383 components. He clarified that some of the expenses were one-time expenses but the overall commitment towards SB 1383 compliance would be ongoing.

JUSTIN SULLIVAN, Contra Costa County staff, stated with respect to the government fee portion of the rate that there were various fees that made up one of the components of the blended per ton rate and he referred specifically to the County Landfill Surcharge for the Keller Canyon Landfill. He noted a past practice had used a fee that had been built into the PCA that would be taken off the projected annual fee amount for the government fee portion of that rate. He stated the County set rates for the Keller Canyon Landfill Surcharge and provided Republic that rate to be used for the next year moving forward. The County suggested it was more appropriate to use the actual fee that would be used in the future rather than a projection of a fee when the County had determined the fee. The rate currently in the PCA was higher than the actual fee to be paid as the Landfill Surcharge for 2021, and the actual number to be used for 2021's government fee would drop by 14 cents rather than increasing by 10 cents. He stated that R3 Consulting had looked at the County's methodology last year and had determined it was a matter of contract language interpretation and it would be up to the Board to have its legal counsel investigate the matter. As such, he stated the County would be happy to meet with legal staff and RecycleMore staff to present its methodology and have legal counsel provide a final opinion on the matter.

#### PUBLIC COMMENTES CLOSED

Director Lyman verified that the additional increase this year for compliance was not overlapping and was needed to complement the increases made a year ago. He preferred to wait to increase the portion that could possibly involve a 10 or 11 percent increase on residential carts and not increase the Authority's portion by \$1.50.

Director Romero explained that the state was mandating the compliance and if not allowing the \$.16 increase RecycleMore could fall behind and SB 1383 would only become a growing mandate. He wanted to stay ahead of the curve and stated the R3 Consulting contract would help the Authority better understand what was going on. He did not see how \$.04 cents/week would affect anyone right now.

Mr. Holtzclaw stated he would come back in November to show what it would look like if using the reserve fund to keep that increase from impacting residents this year, admittedly a tough year, and still get the resources needed to show CalRecycle they were staying in front of the curve.

Director Bates asked about the staff increase, reported by Mr. Holtzclaw to be a minimal increase of \$75,000 for an entry level Recycling Coordinator. Going forward a Waste Prevention Specialist position had been unfilled for a few

years and that position should be filled at \$75,000 for SB 1383 compliance. Currently, Republic had two Recycling Coordinators and through the PCA a third Recycling Coordinator would likely be added.

Director Bates stated that as a result of COVID-19, most cities were not increasing salaries or staff and he could not support hiring additional staff at this time.

Mr. Holtzclaw noted that the proposed staff would supplement existing staff, and in response to Director Murray clarified that filling the positions at this time would reduce reliance on consultants, which would reduce consulting costs. The SB 1383 planning being done by R3 Consulting included model ordinances and the Authority might need some consulting help to draft those ordinances and interact with city managers, city attorneys and city councils to make sure those ordinances would work with the Member Agencies, and the same thing with respect to enforcement.

Director Murray asked staff to return in November with a blended scenario and with the potential to use reserve funds.

Director Lyman made a motion to direct the Executive Director to come back at the November meeting with at least two alternatives, with and without the blended rate increase of \$1.50 for the SB 1383 compliance, and also identify the status of the reserve funds for the Retirement Fund (\$350,000), the Operating Fund (\$727,000), and the Reserve Fund (\$1.8 million), and to identify the status of the funds with respect to their targets. Director Bates seconded the motion.

Director Romero stated that with a \$1.8 million reserve there would be more than enough money to pay for some of the programs. He suggested right now to decide to take \$250,000 to pay for that future increase and consider using it for the budget afterward since that was what the money had been assigned to do and would defray the costs of SB 1383. He offered a friendly amendment to the motion to allocate \$250,000 of recycling reserves into the budget to defray the costs.

Director Bates withdrew his second to the motion because he wanted to see a clear analysis of the recommendation for the upcoming budget and for the Board to collectively make a decision on the percentage of the budget to be in reserve. He preferred to wait for that report to verify the available funds.

Chair Pineda seconded the original motion made by Director Lyman.

Mr. Holtzclaw stated that in November he would return with an analysis of where the reserves were in relation to policy, and if dipping into the reserves for the \$250,000 what the result would be on reserves versus policy and the result on the residential can rate.

**MOTION** by Director Lyman to direct the Executive Director to come back at the November meeting with at least two alternatives, with and without the blended rate increase of \$1.50 for the SB 1383 compliance, and also identify the status of the reserve funds for the Retirement Fund (\$350,000), the Operating Fund (\$727,000), and the Reserve Fund (\$1.8 million), to identify the status of the funds with respect to their targets, and to identify the results with respect to the residential can rate. **SECOND** by Director Pineda.

**MOTION PASSED** unanimously by a Roll Call vote.

## BOARD MEMBER AND STAFF ANNOUNCEMENTS

Director Romero reiterated his request for a discussion to give direction to staff and legal counsel for a countywide ordinance similar to the San Luis Obispo County ordinance to mandate big boxes like Home Depot and Lowe’s to collect paint cans given the massive amount of paint coming in through the one-day HHW events.

Director Romero also noted that with an increase in home construction, particularly during the pandemic, large debris boxes were being used instead of Republic’s service cans and the Member Agencies were not getting credit for the diversion.

Director Bates suggested that Ace Hardware and WalMart be included in a paint recycling program. He also asked about mandatory garbage pickup and requested that the item be placed on a future agenda for clarification and discussion.

Mr. Nuti described the Mandatory Service Ordinance.

Director Murray introduced Vincent Salimi who would be the new representative from Pinole on the Board.

## ADJOURNMENT

With consensus of the Board, Chair Pineda adjourned the meeting at 8:12 P.M. until the regular Board meeting scheduled for November 12, 2020 at 6:15 P.M.

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I hereby certify the foregoing to be a true and correct statement of the Official Minutes of the West Contra Costa Integrated Waste Management Authority Board meeting held October 8, 2020.

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Board Secretary

Date



# Agenda Report

**Date:** November 12, 2020  
**To:** West Contra Costa Integrated Waste Management Authority Board  
**From:** Peter Holtzclaw, Executive Director  
**Subject:** Contract with Recyclist for Website Design and Management

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## RECOMMENDED ACTIONS

Authorize the Executive Director to enter into a three-year agreement with Recyclist for Website Design and Management in an amount not to exceed \$51,400.

## BACKGROUND

An essential tool for RecycleMore to perform its compliance and education duties is its website. The website has been underutilized as a resource, and it is in serious need of updating and management. Staff presented its current budget to the Board in June 2020, and identified a website design and management project with estimated costs of \$60,000. That budget, and the website project, was passed unanimously by the Board.

After receiving this direction from the Board, RecycleMore staff issued a Request For Proposals (RFP) for Website Design and Management in August. Five companies submitted proposals, with Recyclist being the least expensive as well as the best presentation of recycling-oriented designs.

## FISCAL IMPACT

The cost of the contract is \$51,400. In the operating budget proposed in June 2020, a project for Website Design and Management with an estimated cost of \$60,000 was agreed to and adopted by the Board.

## DISCUSSION

Recyclist has designed and manages numerous municipal and agency websites solely focused on waste diversion and recycling. They are the only firm that dedicates two full-time staff members to providing new content for the site that can be tailored and uploaded to individual pages on a set timetable. Staff is excited to bring Recyclist onboard to start this important project.

**CONCLUSION**

Staff has carefully considered proposals from five companies to perform website design and management services, and based on Recyclist's expertise, experience, and cost, staff has determined they are the best able to complete this project.

Respectfully Submitted,

*Peter Holtzclaw*

Peter Holtzclaw  
Executive Director

**Attachment 1:** Recyclist Website Proposal

RecycleMore, Attention: Peter Holtzclaw  
3220 Blume Drive, Ste 198  
Richmond, CA 94806  
[Peterh@recyclemore.com](mailto:Peterh@recyclemore.com)

Dear Mr. Holtzclaw:

Thank you for the opportunity to respond to the RecycleMore Website Design and Management Request for Proposals. I am a firm believer and proponent of the idea that the waste industry is rife with opportunity to improve outcomes through better online communication, so it is inspiring to see this commitment from an agency that touches the lives of such a large and diverse population.

Recyclist is the only company in the country exclusively focused on creating world-class web-based solutions for municipal solid waste and recycling programs. We have a strong passion for, and knowledge of, municipal recycling websites and we would approach this project with great enthusiasm, skill and experience. At Recyclist, we actively work every day with cities, counties, haulers and waste management authorities on their websites, so we bring to this project a uniquely informed perspective on what has proven successful, as well as what pitfalls to avoid.

Our team has extensive experience with the proposed project work. We have run countless successful education and outreach campaigns and produced dozens of acclaimed videos for top companies. Recyclist currently maintains websites or online recycling guides for cities, counties, haulers and waste management authorities across California and Nevada. We have editorial staff exclusively focused on writing content for municipal recycling websites, keeping our comprehensive online recycling guide up-to-date with new and compelling content.

Our unique knowledge of the California waste and recycling industry and regulations will prevent RecycleMore from reinventing the wheel for this project, and instead enable a smart, informed strategy designed to maximize participation and minimize organic waste heading to landfill.

We are deeply passionate about creating superlative online resources about solid waste and recycling because we truly believe that great change cannot happen without great communication. We would be thrilled to work with RecycleMore on furthering the agency's mission to reduce waste across its broad and diverse service area.

Sincerely,

Emily Coven  
Founder, Recyclist  
(530) 414-9901  
[emily@recyclist.co](mailto:emily@recyclist.co)

## Experience and Qualifications

Citizen Communications dba Recyclist  
12313 Soaring Way, Suite 1D  
Truckee, CA 96161  
(530) 414-8431  
<https://recyclist.co/>

Recyclist creates cloud-based solutions that make solid waste program management easy. The triple-bottom-line company designs software to empower citizens, government and business with the information they need to move our world toward a more sustainable future. The company is certified as both a SB (Small Business) and a DBE (Disadvantaged Business Enterprise).



### **Dan Alvey, *Content Manager***

Our editorial staff is led by Recyclist's Content Manager, Dan Alvey. He manages all of our Public Education customers and their recycling guides, constantly researching and improving them to benefit their local communities. Dan also manages a team of experienced freelance contributors that help develop specialized content for Recyclist.



### **Emily Coven, *Founder***

Emily Coven is a veteran digital communications innovator whose career highlights include creating PBS's first community outreach platform, executing strategic public education campaigns on local and national levels, and producing web and mobile apps for TV networks and others, including MTV, KQED, Current TV, UC Berkeley, and the author Michael Pollan. Emily ran her own successful digital agency, Flax Media, for ten years before founding Recyclist.

### **Susan Harris, *Fluent Studios***

Susan has been working in multimedia since 1995. She founded Fluent Studios, a design agency specializing in branding and animation. Her clients include Google, MTV, PBS, KQED, Current TV, 23andMe, BET, The Kaiser Family Foundation, and politician and climate activist Al Gore. Her work has been awarded some of the most prestigious medals in web design, graphic design, and online journalism.

### **Todd Sutton, *Waste Sleuth***

Todd Sutton has over 28 years of experience with environmental education, for both public and commercial audiences. Todd has expertise in marketing informational outreach campaigns and managing recycling information programs and services focused on waste prevention and reduction. He has worked with agencies such as the Discovery Channel, History Channel and has worked with government agencies to produce educational videos that are designed to be aired on local TV. In addition to videos, he also produces and conducts educational workshops.

**Samples of Work**

<p><b>Public Education Website+ customers:</b></p> <ul style="list-style-type: none"> <li>• San Luis Obispo County IWMA <a href="https://www.iwma.com/">https://www.iwma.com/</a></li> <li>• Lake County <a href="https://lakecountyrecycles.com/">https://lakecountyrecycles.com/</a></li> <li>• City of Lincoln <a href="https://www.recyclinginlincoln.com/">https://www.recyclinginlincoln.com/</a></li> <li>• City of Napa <a href="https://www.naparecycling.com/">https://www.naparecycling.com/</a></li> <li>• City of San Jose <a href="https://sanjoserecycles.org/">https://sanjoserecycles.org/</a></li> <li>• City of Stockton <a href="https://stocktonrecycles.com/">https://stocktonrecycles.com/</a></li> <li>• City of Ukiah <a href="https://ukiahrecycles.com/">https://ukiahrecycles.com/</a></li> </ul>	<p><b>Ultimate Recycling Guide Customers:</b></p> <p>Burbank: Where It Goes <a href="https://www.burbankca.gov/departments/public-works/recycle-center/where-it-goes-burbank-guide">https://www.burbankca.gov/departments/public-works/recycle-center/where-it-goes-burbank-guide</a></p> <p>Keep Truckee Meadows Beautiful <a href="https://www.ktmb.org/recycle">https://www.ktmb.org/recycle</a></p> <p>City of Santa Cruz <a href="https://www.cityofsantacruz.com/government/city-departments/public-works/resource-recovery-garbage-recycling-sweeping/recycling-and-waste-reduction">https://www.cityofsantacruz.com/government/city-departments/public-works/resource-recovery-garbage-recycling-sweeping/recycling-and-waste-reduction</a></p> <p>Lawrence Berkeley National Laboratory: Sustainable Berkeley Lab <a href="https://sbl.lbl.gov/wasteguide/">https://sbl.lbl.gov/wasteguide/</a></p>
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**Waste Sleuth work:**

<https://WasteSleuth.com/videos/> Has links to examples of the numerous videos produced for Discovery TV (Planet Green TV), the History Channel, and recycling trade organizations.

**Fluent Studios work:**

Fluent studios has been contracted to develop Recyclist’s own branding and logo, as well as design the general branding of Recyclist’s Public Education products.

**References**

<p>Patti Toews Program Director <b>San Luis Obispo County</b> (805) 782-8530 <a href="mailto:ptoews@iwma.com">ptoews@iwma.com</a> <i>Work Performed: Design, development and website content migration for IWMA.com.</i></p>	<p>Grace Smith Project Manager <b>City of Stockton</b> (209) 937-7848 <a href="mailto:Grace.Smith@stocktonca.gov">Grace.Smith@stocktonca.gov</a> <i>Work Performed: Design, development and ongoing content development for StocktonRecycles.com.</i></p>	<p>Amy Hammes Recycling Specialist <b>City of Burbank</b> (818) 238-9800 x3903 <a href="mailto:ahammes@burbankca.gov">ahammes@burbankca.gov</a> <i>Work Performed: Design, development and recycling guide content migration for “Where it Goes: Burbank”.</i></p>
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**RATE SHEET**

**Total Estimated Cost:**

*Most cost efficient scenario including subcontractors*

- + Public Education Website+ on a 3-year contract, with multi-subscription discount
- + Fluent Studios logo rebranding services (~\$2,000)
- + Waste Sleuth single educational video production (~\$5,000)

**= \$24,200 first year, \$13,600 second & third year**

**= \$51,400 total for three years**

*Can be billed monthly if needed, but no additional monthly maintenance fees apply. All SEO, web analytics, content creation, support, and maintenance are included in the subscription.*

**COST BREAKDOWN & SCOPES**

**Public Education Website+ Rates:**

Website Redesign One-Time Set-Up Fee: **\$3,600**

+

	<i>1-year term</i>	<i>3-year term</i>
Purchased Alone	\$16,000/year	\$14,400/year
Purchased with Program Tracker <i>(pricing for Tracker not included in quote)</i>	<b>\$14,400/year</b>	<b>\$13,600/year</b>

**Fluent Studios Branding & Animated Explainer Video Rates (optional)**

- \$2,000 for logo redesign
- \$15,000 for one animated video including translations

**Waste Sleuth Live Video & Workshop Production Rates (optional)**

- \$500 - \$2,500 for full workshop presentation and development
- \$4,000-\$15,000 for video production (production costs vary depending on production methods and production crew staffing)

**Public Education Website+ Scope of Work:**

- **Local Recycling Website**
  - Hosted website offering comprehensive information about the local solid waste and recycling programs
  - Recycling Guide offering tips on reusing, reducing, and recycling over 300 items
  - Localized information about drop-off and collection programs
  - National information about drop-off and mail-in programs
  - Events Calendar with Recycling Guide integration
  - Developed following best practices for SEO (search engine optimization) to maximize site traffic and drive results
- **Collection Reminders**
  - Weekly email reminders sent to residents before collection day
  - Reminders are paired with tips & news, maximizing opportunity to provide education and outreach 52 times per year
  - Reminder copy is editable to account for holidays, extreme weather, and any other factors affecting collection schedule
- **Content: Newsletters and Social Media**
  - Monthly newsletters with blog post summaries, local news, and local events
  - Weekly blog posts offering tips for better recycling and general green living
  - Weekly blog posts and monthly newsletters translated to Spanish
  - Weekly content for Facebook, Twitter, and Instagram provided
  - Integrated social media (Facebook, Twitter, Instagram) posts on your site
- **User & Mobile Friendly**
  - Works seamlessly on a desktop, smartphone or tablet
  - Clean, modern, and easy to use interface
  - Short, bite sized content designed to capture the user's attention and relay the most important information quickly
- **Embedded Site & Recycling Guide**
  - Embeddable mini version of full site available for others (city, haulers, schools, libraries, conservation corps) to embed on their own websites. More details at [www.recyclist.co/embed](http://www.recyclist.co/embed)
  - Embeddable Ultimate Recycling Guide: a mini version of your recycling guide available for others (city, haulers, schools, libraries, conservation corps) to embed on their own websites. More details at [www.recyclist.co/guide](http://www.recyclist.co/guide)
  - Disclaimer: If embedding the Recycling Guide in local areas with different recycling instructions, item instructions do not change. Notes can be added however, on individual guide items to alert the public
- **Admin Dashboard**
  - Easy to use back-end system for quick edits
  - Quickly add or change local information
  - Add special events or internally created blog posts to your site

- **Sustainability Dashboard**
  - Coming Summer 2021
  - Keep your residents up to date on your general diversion, sustainability, and zero-waste goals with simple easy to understand data visualizations
  - Increase transparency and set a good example for your community
  - If you have a Program Tracker, ability to display your choice of Regulatory Compliance Reports publicly
  
- **Content Portal and Analytics**
  - Customer dashboard providing summary of upcoming content
  - Easy access and instructions to embed code
  - Quarterly analytics reports accessible in just a click
  - Analytics on website visits, most popular pages, most popular search terms, social media reach, email newsletter opens
  - Visibility into new guide items in production
  - Interface to submit requests for new guide items
  
- **Accessibility: ADA Friendly**
  - Fully accessible and designed to work across all desktop and handheld devices
  - Section 508 compliant of the U.S. Rehabilitation Act (29 U.S.C. § 794d)
  - WCAG 2.0 AA compliant
  - Supported in 15 languages via Google Translate, in addition to Spanish blog post and newsletter content
  
- **New Features, Customization & Development**
  - New features added to all customer websites as they are released
  - Custom branding, colors, and more
  - Migrate important content from your existing website
  - Have videos, links, or special content that you need on your site? Our team works with you to incorporate the most important information about your program
  
- **Security and Privacy**
  - Security updates within Wordpress, read their full policy here: <https://wordpress.org/about/security/>
  - With HTTPS, all the information moving from server to browser and back is encrypted, so opportunities for data to be corrupted or stolen are reduced
  - Secure enterprise level hosting via Pantheon, read their full policy here: <https://pantheon.io/security>
  - Automated site backups and site monitoring via Pantheon
  - Patches, updates, anti-malware, and network security via Pantheon
  - Access Recyclist's privacy policy for more information: <https://recyclist.co/privacy/>
  
- **Support**
  - Online knowledge base (user guide) to back end administrative tools
  - Regular maintenance of all content and guide items
  - Consistent broken link checks to make sure your site is up to date
  - Support via email and phone, Monday-Friday 9am-5pm PST



# Agenda Report

**Date:** November 12, 2020  
**To:** West Contra Costa Integrated Waste Management Authority Board  
**From:** Peter Holtzclaw, Executive Director  
**Subject:** FY 2018-19 Financial Audit

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## **ACTION REQUESTED**

Receive and file report on the final Audited Financial Statements prepared for the Fiscal Year Ending June 30, 2019 prepared by Maze and Associates.

## **BACKGROUND**

During FY 2018-19, the City of San Pablo provided financial services for the West Contra Costa Integrated Waste Management Authority (WCCIWMA). The City of San Pablo hired Maze and Associates to perform their annual financial audit. As such, WCCIWMA also has decided to hire Maze and Associates to complete the WCCIWMA FY 2018-19 annual financial audit.

The WCCIWMA FY 2018-19 Financial Audit is presented to the Board for your information (Attachment 1). Total FY 2018-19 expenditures in the Operating Fund (General Fund and HHW Fund) combined were \$1,296,722.00. General revenue was \$1,109,000.00. Overall, General Fund expenditures exceeded revenue by \$695,226.00. The FY 2018-19 Budget was adopted with expenses anticipated at \$1,199,499.00 more than revenue, with the budget being balanced by using (\$695,226) from Operating Reserve. Actual revenue exceeded the budgeted revenue by \$89,048 due to an increase of charges for services and revenue from intergovernmental activities. Also, overall expenditures are over the budget by \$179,299.00.

The Auditor (Maze and Associates) had no major findings.

In the auditor's opinion, the audited financial statements present fairly, in all material respects, the financial position of the government activities, each major fund, and the fiduciary funds of the Authority as of June 30, 2019, and the respective changes in financial position for the fiscal year then ended, in conformity with generally accepted accounting principles. The Auditor had no major findings.

## **FISCAL IMPACT**

There is no fiscal impact associated with receiving and filing this report.

Respectfully Submitted,

*Peter Holtzclaw*

Peter Holtzclaw  
Executive Director

**Attachment 1:** Audited Financial Statements prepared for the Fiscal Year Ending June 30, 2019 prepared by Maze and Associates, including Maze and Associates Letter to Board of Directors

**WEST CONTRA COSTA INTEGRATED  
WASTE MANAGEMENT AUTHORITY**

**BASIC FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2019**

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**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
West Contra Costa Integrated Waste Management Authority  
San Pablo, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the West Contra Costa Integrated Waste Management Authority, California (Authority), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents. The prior basic financial statements for fiscal year ended June 30, 2018 were audited by other auditors, whose opinion dated December 11, 2019, was qualified for governmental activities related to Other Post-Employment Benefits (OPEB) liabilities, and unmodified for each major fund.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of a Matter***

Management adopted the provisions of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which became effective during the year ended June 30, 2018. However, it was not implemented by the Authority until fiscal year ended June 30, 2019, which required the restatement of beginning net position as discussed in Note 6G.

The emphasis of this matter does not constitute a change in our opinions.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the other Required Supplementary Information listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Maze & Associates*

Pleasant Hill, California  
October 16, 2020

**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

Management's Discussion and Analysis  
June 30, 2019

As management of the West Contra Costa Integrated Waste Management Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2019. This document has been prepared as required by the Statement No. 34 of Governmental Accounting Standards Board (GASB No. 34). We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes to those financial statements.

**I. Financial Highlights**

**Government-Wide Financial Analysis**

The Authority's net position are largely in cash and investments and the largest revenue stream comes from rate-payer surcharges. The Authority entered into a Post-Collection Recycling and Disposal Services agreement effective January 1, 2014 between the Authority and the operating subsidiaries of Republic Services, Inc. (RSI) Under the new agreement, RSI continues to collect from the ratepayers, as part of the revenue requirement, a surcharge to cover the cost of the Authority's operating budget and the cost to operate the Household Hazardous Waste Facility. RSI wire transfers monthly to the Authority the surcharge collected for the Authority's operating expenses.

The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year leaving a net position of \$2,220,764.

The net position of the Authority decreased by \$1,430,014 over the prior year as a result of the following:

- The distribution of excess reserves to member Cities and payment to Contra Costa Treasury and others.

During fiscal year ended June 30, 2019, the Authority implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, which required a restatement of beginning net position, resulting of an overall decrease of \$143,374.

**Financial Analysis of the Authority's Governmental Funds**

The Authority's governmental funds' combined ending fund balance of \$2,929,360, was a decrease of \$1,336,332 from the prior year ending fund balance of \$4,265.692.

**II. Overview of the Basic Financial Statements**

The Basic Financial Statements comprise the Government-Wide Financial Statements and the Fund Financial Statements: these two sets of financial statements provide two different views of the Authority's financial activities and financial position.

**Government-Wide Financial Statements**

The Government-Wide Financial Statements provide a longer-term view of the Authority's activities as a whole, and comprise The *Statement of Net Position* and the *Statement of Activities and Changes in Net Position*.

**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

Management's Discussion and Analysis  
June 30, 2019

The *Statement of Net Position* provides information about the financial position of the Authority as a whole, including all capital assets and liabilities on the full accrual basis. Over time, increases or decreases in the Authority's net position may serve as one useful indicator of the Authority's overall financial position. In the case of the Authority, total assets and deferred outflows exceeded liabilities and deferred inflows by \$2,220,764 as of the close of the fiscal year. This amount is the total net position as of June 30, 2019.

**Authority's Net Position**

	<b>2019</b>	<b>2018</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Assets</b>				
Current assets	\$3,127,449	\$4,275,786	\$ (1,148,337)	-27%
Non-current assets	28,634	33,710	(5,076)	-15%
Total assets	<u>3,156,083</u>	<u>4,309,496</u>	<u>(1,153,413)</u>	-27%
<b>Deferred outflows of resources</b>				
Pension related	140,854	196,613	(55,759)	-28%
<b>Liabilities</b>				
Current liabilities	235,944	33,340	202,604	608%
Non-current liabilities	788,062	636,965	151,097	24%
Total liabilities	<u>1,024,006</u>	<u>670,305</u>	<u>353,701</u>	53%
<b>Deferred inflows of resources</b>				
Pension related	52,167	41,652	10,515	25%
<b>Net position</b>				
Net investment in capital assets	28,634	33,710	(5,076)	-15%
Unrestricted	2,192,130	3,760,442	(1,568,312)	-42%
Total net position	<u>\$2,220,764</u>	<u>\$3,794,152</u>	<u>\$ (1,573,388)</u>	-41%

The Authority's net position decreased by \$1,430,014, primarily due to distributions to its members.

**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

Management's Discussion and Analysis  
June 30, 2019

The *Statement of Activities and Changes in Net Position* provides information about all of the Authority's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues and expenses of each of the Authority's programs.

**Authority's Changes in Net Position**

	2019	2018	\$ Change	% Change
Program revenues				
Charges for services	\$1,091,535	\$1,033,206	\$ 58,329	6%
Total program revenues	1,091,535	1,033,206	58,329	6%
General revenues				
Unrestricted investment income	62,265	44,935	17,330	39%
Total general revenues	62,265	44,935	17,330	39%
Program expenses	1,424,333	1,097,680	326,653	30%
Other expenses	1,159,481	-	1,159,481	100%
Change in net position	(1,430,014)	(19,539)	(1,410,475)	7219%
Net position - beginning	3,794,152	3,574,479	219,673	6%
Prior period adjustments/restatements	(143,374)	239,212	(382,586)	-160%
Net position - ending	<u>\$2,220,764</u>	<u>\$3,794,152</u>	<u>\$ (1,573,388)</u>	-41%

The increase in charges for services is mostly attributable to an increase of rates in FY18-19. Expenses in the current year increased over the prior year due to an increase in Personnel Services, General and Program direct expenditures.

**Government-Wide Financial Statements** are presented on an "*economic resources*" measurement focus and on the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current fiscal year's revenues and expenses are taken into account regardless of when cash is received or paid.

**Fund Financial Statements**

The Fund Financial Statements provide detailed information about the Authority's major funds - not the Authority as a whole. The Authority has established separate funds to help control and manage money for particular purposes or to comply with the requirements of the State Grants.

*Governmental Funds* – All of the Authority's services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* basis of accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Authority's general operations. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Authority's programs. Capital assets and other long-lived assets are not presented in the Governmental Fund Financial Statements. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities and Changes in Net Assets) and Governmental Funds Financial Statements are explained in a reconciliation schedule following each Governmental Fund financial statement

**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

Management's Discussion and Analysis  
June 30, 2019

**Notes to Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* including a budgetary comparison to demonstrate compliance with the approved budget; and *Supplementary Information* for the Agency Funds.

**III. Fund Financial Statements Analysis**

The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal and grant requirements.

Governmental Funds – The focus of the Authority's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**IV. Budgetary Highlights**

Total expenditures were \$26,152 over budget, primarily in salaries and benefits.

**V. Capital Asset and Long-Term Obligations**

Capital Assets – As of June 30, 2019 the Authority's capital assets, net of depreciation, were \$28,634. This represents furniture and equipment totaling \$257,461 offset by accumulated depreciation of \$228,827.

Long-Term Obligations – The Authority's long-term obligations as of June 30, 2019 consist of Net Pension liability of \$611,290 and OPEB of \$176,772, totaling \$788,062.

**VI. Economic Factors and Next Year's Budget**

A large portion of the Authority's revenues prior to the new agreement was from the Authority's share of revenues from the sale of recyclable materials. The market price of recyclable materials is affected by local, national, and global markets. Now a more stable revenue stream is provided by the ratepayer surcharge.

The budget for fiscal year 2018/2019 has been developed based on current operating agreements for programs of the Authority and the latest rate in the change in Consumer Price Index was used to inflate anticipated expenses subject to inflation.

**VII. Requests for Information**

This financial report is designed to provide a general overview for those who are interested in the Authority's financial position. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Manager – Office Administration, West Contra Costa Integrated Waste Management Authority, 3220 Blum Drive, suite 198 Richmond, CA 94806.

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
STATEMENT OF NET POSITION  
JUNE 30, 2019

	Governmental Activities
<b>ASSETS</b>	
Current assets	
Cash and investments (Note 2)	\$ 3,127,449
Total current assets	3,127,449
Noncurrent assets	
Equipment, net (Note 3)	28,634
Total noncurrent assets	28,634
Total Assets	3,156,083
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension-related (Note 7)	140,854
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	198,089
Compensated absences	37,855
Total current liabilities	235,944
Noncurrent liabilities:	
Net OPEB liability (Note 6)	176,772
Net pension liability (Note 7)	611,290
Total noncurrent liabilities	788,062
Total Liabilities	1,024,006
<b>DEFERRED INFLOW OF RESOURCES</b>	
Pension-related (Note 7)	52,167
<b>NET POSITION</b>	
Net investment in capital assets (Note 1H)	28,634
Unrestricted	2,192,130
Total Net Position	\$ 2,220,764

See accompanying notes to financial statements

Agenda Item No. 6.2 - Attachment 1

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
Recycling and waste management services	\$ 1,424,333	\$ 1,091,535	\$ -	\$ -	\$ (332,798)
Total	<u>\$ 1,424,333</u>	<u>\$ 1,091,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(332,798)</u>
		General revenues:			
		Investment earnings			62,265
		Member excess distributions			<u>(1,159,481)</u>
		Total general revenues (distributions)			<u>(1,097,216)</u>
		Change in Net Position			(1,430,014)
		Net Position - Beginning, as restated (Note 6G)			<u>3,650,778</u>
		Net Position - Ending			<u>\$ 2,220,764</u>

See accompanying notes to financial statements

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET  
 JUNE 30, 2019

	General Fund	Special Projects Fund	Total
<b>Assets</b>			
Cash and investments (Note 2)	\$ 797,939	\$ 2,329,510	\$ 3,127,449
Total Assets	<u>\$ 797,939</u>	<u>\$ 2,329,510</u>	<u>\$ 3,127,449</u>
<b>Liabilities</b>			
Accounts payable	\$ 70,551	\$ 127,538	\$ 198,089
Total Liabilities	<u>70,551</u>	<u>127,538</u>	<u>198,089</u>
<b>Fund Balance (Note 1J)</b>			
Committed for OPEB unfunded liability	-	350,000	350,000
Unassigned	727,388	1,851,972	2,579,360
Total Fund Balance	<u>727,388</u>	<u>2,201,972</u>	<u>2,929,360</u>
Total Liabilities and Fund Balances	<u>\$ 797,939</u>	<u>\$ 2,329,510</u>	<u>\$ 3,127,449</u>

See accompanying notes to the financial statements

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
 JUNE 30, 2019

Fund Balance - Governmental funds	\$ 2,929,360
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Capital assets	
Capital assets used in governmental activities are not current assets of financial resources and therefore are not reported in the governmental funds.	28,634
Deferred outflows reported on the statement of net position	140,854
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Compensated absences payable	(37,855)
Post employment benefit plan liability	(176,772)
Net pension liability	(611,290)
Deferred inflow of resources reported on the statement of net position	<u>(52,167)</u>
Net position of governmental activities	<u><u>\$ 2,220,764</u></u>

See accompanying notes to financial statements

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Special Projects Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
REVENUES			
Charges for services	\$ 1,091,535	\$ -	\$ 1,091,535
Interest Income	17,713	44,552	62,265
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	<u>1,109,248</u>	<u>44,552</u>	<u>1,153,800</u>
EXPENDITURES			
Current:			
Personnel services	915,269	-	915,269
Professional services	224,381	33,929	258,310
General	137,571	-	137,571
Capital outlay	19,501	-	19,501
	<u>          </u>	<u>          </u>	<u>          </u>
Total Expenditures	<u>1,296,722</u>	<u>33,929</u>	<u>1,330,651</u>
OTHER FINANCING SOURCES (USES)			
Member excess distributions	<u>(695,226)</u>	<u>(464,255)</u>	<u>(1,159,481)</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total financing sources (uses)	<u>(695,226)</u>	<u>(464,255)</u>	<u>(1,159,481)</u>
Net Changes in Fund Balances	(882,700)	(453,632)	(1,336,332)
Fund Balances, Beginning of Year	<u>1,610,088</u>	<u>2,655,604</u>	<u>4,265,692</u>
Fund Balances, End of Year	<u>\$ 727,388</u>	<u>\$ 2,201,972</u>	<u>\$ 2,929,360</u>

See accompanying notes to the financial statements

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES  
 JUNE 30, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,336,332)

Amounts reported for governmental activities in the  
 Statement of Activities are different because of the following:

CAPITAL ASSETS

Depreciation expense on capital asset is reported in the Statement of  
 Activities, but it does not require the use of current financial resources.  
 Therefore, depreciation expense is not reported as expenditures in  
 governmental funds. (5,076)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide (or require)  
 the use of current financial resources and therefore are not reported as revenue  
 or expenditures in governmental funds (net change):

Change in compensated absences	(14,609)
Net OPEB liability	(22,784)
Net pension liability and deferred outflows/inflows related to pensions	<u>(51,213)</u>

Change in net position of governmental activities \$ (1,430,014)

See accompanying notes to financial statements

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. *Reporting Entity***

The West Contra Costa Integrated Waste Management Authority (Authority) was formed in 1991 in accordance with the State of California Law (California Integrated Waste Management Act AB939). The Authority was formed for the purpose of planning and implementing measures to reduce the disposal of solid waste in accordance with State Law and developing the Integrated Resource Recovery Facility (IRRF), to meet the requirements of materials recovery facility under section 50000(a)(4) of the California Public Resource Code, for the collection, processing, recycling, and transportation of solid waste and the recovery of materials from such waste in the West Contra Costa County Area of California, in cooperation with West County Resource Recovery, Inc. (WCRR), a wholly owned subsidiary of Richmond Sanitary Services, Inc. (RSS). The IRRF is located in the unincorporated City of North Richmond, and is owned and operated by WCRR, to serve ratepayers within the boundary of the Authority and the unincorporated area of Contra Costa County serviced by RSS. Each member has one representative on the Authority's Board of Directors, with the exceptions of the City of Richmond, which has three, and Contra Costa County, which has a nonvoting representative. The Authority's boundaries are those of its members. The Authority functions independently of its members.

The Authority is not financially accountable for any other organizations and is the only entity included in these statements.

**B. *Basis of Accounting and Measurement Focus***

The accounts of Authority are organized and operated on the basis of funds, each of which is defined as a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenue, and expenditures. Authority resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

*Government-wide Financial Statements* – The Authority's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities for the Changes in Net Position. These statements present summaries of Governmental Activities for the Authority. The Authority has no Business-type Activities.

The Government -wide financial statements are presented on an "*economic resource*" measurement focus and the accrual basis of accounting. Accordingly, all the Authority's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

*Governmental Fund Financial Statements* – Governmental Fund Financial Statements include a Balance Sheet, and a Statement of Revenues, Expenditures, and Changes in Fund Balance for all major governmental funds. An accompanying schedule is presented to reconcile and explain the difference in fund balance as presented in these statements to the net position presented in the Government-Wide financial statements. The Authority has presented all funds as major funds.

All governmental funds are accounted for on a spending or "*current financial sources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Statement of Revenues, Expenditures, and Changes in Fund Balances presented increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current asset. Under there modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of current period.

**C. Cash and Investments**

The Authority pools cash resources from all funds with the City of San Pablo’s cash in order to facilitate management of cash. The balance in pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

**D. Investment Valuation**

The Authority holds unrestricted cash and investment with the Treasurer of the City of San Pablo in a cash and investment pool. The Authority’s investment is presented at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*. However, the value of the pool shares in the City may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Authority’s portion in the pool.

**E. Capital Assets**

Capital assets are those assets acquired for general governmental purposes and are reported in governmental activities in the Government-wide Financial Statements. All purchased capital assets are recorded at historical or estimated historical cost if actual cost is not available. Donated capital assets are valued at their acquisition value on the date received. Authority policy has set the capitalization thresholds for reporting capital assets at the following:

Equipment	\$1,000
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The cost of normal maintenance and repairs that do not add to the value of asset or material extend asset lives are not capitalized.

Depreciation is computed utilizing the straight-line method over the estimated useful lives, which range from two to ten years.

**F. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources expense/expenditure) until then. The Authority has deferred outflows related to pensions.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has deferred inflows related to pensions.

**G. *Compensated Absences***

Compensated absences comprise unpaid vacation and compensated time off. The Authority accrues the cost of these absences when they are earned. The Authority expects its governmental funds' liability for compensated absences to be utilized in the next year.

**H. *Net Position and Fund Equity***

In the Government-Wide Financial Statements, net position are classified in the following categories:

*Net Investment in Capital Assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

*Restricted Net Position* – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of governments.

*Unrestricted Net Position* – This amount is all net position that do not meet the definition of “invested” in capital assets, net of related debt” or “restricted net position” as defined above.

**I. *Use of Restricted/Unrestricted Net Position***

When an expense is incurred for a purpose for which both restricted and unrestricted net position are available, the Authority's policy is to apply restricted net position first.

**J. *Fund Balances – Governmental Funds***

As prescribed by GASB Statement No 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purpose for which amounts in the fund can be spent. As of June 30, 2019, fund balances for governmental funds consist of the following categories:

*Nonspendable*: Items that cannot be spent because they are not in spendable form such as prepaid items, or items that are legally or contractually required to be maintained intact, such as principal of endowment or revolving loan fund.

*Restricted*: Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, law or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

*Committed*: Committed fund balances represent amounts that can only be used for specific purposes through resolutions by Board of Directors. Commitments can only be modified or lifted through Board resolutions.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Assigned: Assigned fund balances encompass the portion of net fund resources reflecting the governments intended use of resources. Assignment of resources can be done by the highest level of decision making or by committee or official designated for that purpose.

Unassigned: This category is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted fund balance resources first, followed by the unrestricted resources in the committed, assigned, and unassigned fund balances, as they are needed.

The Board of Directors establishes, modifies, or rescinds fund balance commitments and assignments by passage of a resolution or an ordinance. This can be done through the adoption of the budget and subsequent budget amendments that occur throughout the year.

**K. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimated and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**L. Interfund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures (governmental fund types). Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recovered as a reduction in expenditures in the user fund. All other interfund transactions are reported as transfers.

**NOTE 2 – CASH AND INVESTMENTS**

The Authority maintains a cash and investment pool with the City of San Pablo (City) for all funds.

The investments made by the City are limited to those allowable under State statues as incorporated into the Authority’s Joint Powers Agreement, which is more conservative than that allowed by State, statute.

Under provisions of this policy, the Authority is authorized to invest in the following types of investments:

Certificate of Deposits	Government Agency Securities
Bankers’ Acceptances	Treasury Bills and Notes
Commercial Paper	Passbook Savings Accounts
Repurchase Agreements	State of California Local Agency Investment Fund
Government Cash Pools	

See the City of San Pablo’s Annual Financial Report for disclosures related to cash and investments and the related interest rate risk, credit rate risk, custodial risk, and concentration of risk.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

*A. Cash Deposits*

The Authority pools all operating cash, except its payroll account, with the City of San Pablo and records the pooled monies as cash and investments. However, the Authority does maintain a petty cash fund of \$250.

*B. Investments*

The Authority’s investments are carried at fair value as required by accounting principals generally accepted in United States. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in investment income (loss) for that fiscal year.

*C. Summary of Cash and Investments*

The Cash and investments are classified in the financial statements as shown below:

Cash and Investments, Statement of Net Position	\$ 3,127,449
Total Cash and Investments	\$ 3,127,449

Cash and Investments held by the Authority at June 30, 2019 consisted of the following:

Pooled Cash with City of San Pablo	\$ 3,075,478
Deposits in Bank	51,971
Total Cash and Investments	\$ 3,127,449

Investments Authorized by the California Government Code

The table below identifies the investment types that are authorized for the authority by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk and concentration of credit risk. The Authority has not adopted a formal investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency investment Fund (LAIF)	N/A	None	\$65 Million
Certificate of Deposit	None	None	None
U.S. Government Securities	None	None	None
City Cash Pool	None	None	None

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Disclosures Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2019, the Authority held \$3,075,478 in deposits with the City of San Pablo with a remaining maturity of 12 months or less.

Disclosure Related to Credit Rate Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2019, the Authority held \$3,075,478 in deposits with the City of San Pablo which is exempt from credit rate risk disclosure.

***D. Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial risk for deposits or investments, other than the following provisions for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgages notes having a value of 150% of the secured public deposits.

***E. Fair Value Hierarchy***

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 3 – CAPITAL ASSETS**

The following is a summary of the Authority’s capital asset accounting for the fiscal year ending June 30, 2019:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
<b>Governmental Activities</b>				
Capital assets, being depreciated:				
Furniture and Equipment	\$ 257,461	\$ -	\$ -	\$ 257,461
Less accumulated depreciation for:				
A/D - Furniture and Equipment	(223,751)	(5,076)	-	(228,827)
Total capital assets, being depreciated, net	\$ 33,710	\$ (5,076)	\$ -	\$ 28,634

The depreciation expense of the capital assets for the fiscal year ended June 30, 2019 was \$5,076. This expense was charged to the Recycling and Waste Management Services function of the Statement of Activities.

**NOTE 4 – RISK MANAGEMENT**

*A. General Liability Insurance*

The Authority maintains a deductible of \$500 per occurrence. Coverage is maintained with the Special District Risk Management Authority with coverage limits of \$2,500,000 per occurrence.

*B. Workers’ Compensation*

The Authority maintains adequate workers’ compensation coverage with the Special District Risk Management Authority.

**NOTE 5 – COMMITMENTS AND CONTINGENCIES**

*A. Lawsuits*

The Authority is not a defendant in any lawsuits as of June 30, 2019.

*B. Federal and State Grant Programs*

The Authority participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the authority may be required to reimburse the grantor government.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 6 – POST RETIREMENT HEALTHCARE BENEFITS**

***A. Plan Description***

The Authority administers a single-employer defined benefit healthcare plan. The Authority currently provides retiree health benefits to eligible employees.

For employees who retire from the Authority after at least five (5) years of service with the Authority and who have reached the age of fifty-five (55), and who continue health insurance through an Authority-sponsored health insurance plan, the Authority will contribute the minimum monthly amount of \$136 of the health insurance premium, which is paid for the lifetime of the retiree. The Authority also pays the administrative fees which are .23% of premiums as of July 1, 2018.

***Employees Covered by Benefit Terms*** – Membership in the Plan consisted of the following at the measurement date of June 30, 2019:

Active employees	5
Inactive employees or beneficiaries currently receiving benefit payments	3
Inactive employees entitled to but not yet receiving benefit payments	0
Total	8

***B. Funding Policy***

The Authority’s policy is to contribute an amount sufficient to pay the current year’s premium. For fiscal year 2018-2019, the Authority contributed \$5,681, which covered current premiums, but did not include any additional prefunding of benefits.

***C. Net OPEB Liability***

***Actuarial Methods and Assumptions*** – the Authority’s net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2018, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2018
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age
Actuarial Assumptions:	
Discount Rate	3.62%
Inflation	2.75%
Payroll Growth	3.00%
Medical Cost Trend Rate	6.00% for 2018 decreasing 0.10% each year to an ultimate rate of 5.00% for 2028 and later years
Employer Cap Adjustment	3.50%
Age adjustment factor	4.00%
Percent married	20.00%
Assumed retirement age	58

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 6 – POST RETIREMENT HEALTHCARE BENEFITS (Continued)**

Discount Rate – The discount rate used to measure the total OPEB liability was 3.62%. The projection of cash flows used to determine the discount rate assumed that the Authority’s contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years. The discount rate was set using historic 28 years real rates of return for each asset class along with assumed long-term inflation assumptions.

***D. Changes in Net OPEB Liability***

The changes in the net OPEB liability follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2018	\$ 143,374	\$ -	\$ 143,374
Changes Recognized for the Measurement Period:			
Service Cost	33,991	-	33,991
Interest on the total OPEB liability	5,088	-	5,088
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	5,681	(5,681)
Net investment income	-	-	-
Administrative expenses	-	-	-
Benefit payments	(5,681)	(5,681)	-
Net changes	33,398	-	33,398
Balance at June 30, 2019	\$ 176,772	\$ -	\$ 176,772

***E. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates***

The following presents the net OPEB liability of the Authority, as well as what the Authority’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.62%) or 1-percentage-point higher (4.62%) than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1% (2.62%)	Discount Rate (3.62%)	Discount Rate +1% (4.62%)
\$ 199,440	\$ 176,772	\$ 158,191

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 6 – POST RETIREMENT HEALTHCARE BENEFITS (Continued)**

The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5%) or 1-percentage-point higher (7%) than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
1% Decrease	Healthcare Cost	1% Increase
	Trend Rates	
(5.0%)	(6.0%)	(7.0%)
\$ 157,956	\$ 176,772	\$ 199,426

***F. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB***

For the year ended June 30, 2019, the Authority recognized OPEB expense of \$39,079. At June 30, 2019, the Authority did not record any deferred outflows and inflows of resources related to OPEB.

***G. Net Position Restatements***

Management adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB), which became effective during the year ended June 30, 2018, but was not implemented until fiscal year ended June 30, 2019.

The implementation of the Statement required the Authority to make prior period adjustments. As a result, the beginning net position of the Governmental Activities was restated and reduced by \$143,374.

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM**

***A. General Information about the Pension Plans***

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the Authority’s Miscellaneous and PEPRAs Miscellaneous Plans. Both plans are cost-sharing multiple employer defined benefit pension plans. Both plans are administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Contra Costa County resolution. CalPERS issued publicly available reports that include a full description of the pension plan regarding benefit provision, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credit service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

The Plans’ provisions and benefits in effect at June 30, 2019, are summarized as follows:

	<b>Miscellaneous</b>	
	Classic Tier	PEPRA Tier
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-67	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8%	6.25%
Required employer contribution rates	10.022%	6.842%

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension**

As of June 30, 2019, the Authority reported net position liabilities for its proportionate shares of the net pension liability of its plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 611,290

The Authority’s net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the plan is measured as of June 30, 2018, and the total pension liability for its plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018 using standard update procedures.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

The Authority’s proportion of the net pension plan liability was based on a projection of the Authority’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers actuarially determined. The Authority’s proportionate share of the net pension liability for its plan as of June 30, 2017 and 2018 was as follows:

	Miscellaneous
	Classic
Proportion - June 30, 2017	\$ 626,351
Proportion - June 30, 2018	611,290
Change - Increase (Decrease)	\$ (15,061)

For the year ended June 30, 2019, the Authority recognized pension expense of \$51,663. At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 44,689	\$ -
Differences between actual and expected experience	23,454	(2,600)
Changes in assumptions	69,689	(17,079)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(24,957)
Net differences between projected and actual earnings on plan investments	3,022	(7,981)
Total	\$ 140,854	\$ (52,617)

The Authority reported \$44,689 as deferred outflows of resources related to contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2020	\$ 50,221
2021	24,931
2022	(26,107)
2023	(5,497)
Total	\$ 43,548

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

Actuarial Assumptions – The total pension liability in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality Rate Table (a)	Derived using CalPERS Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

(a) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for each plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2019. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2018-19 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market returns expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumption applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (a)	Current Target Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets		0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%		-0.92%
Total	<u>100%</u>		

(a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation rate of 2.5% used for this period

(c) An expected inflation rate of 3.0% used for this period

***Sensitivity of the Proportionate Share of the Net Pension Liability to Change in the Discount Rate*** – The following presents the Authority’s proportionate share of the net pension liability for its Plan, calculated using the discount for its Plan, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
	Classic
1% Decrease	6.15%
Net Pension Liability	\$ 960,421
Current Discount Rate	7.15%
Net Pension Liability	\$ 611,290
1% Increase	8.15%
Net Pension Liability	\$ 323,089

**WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 7 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

*Pension Plan Fiduciary Net Position* – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**NOTE 8 – RELATED PARTY TRANSACTIONS**

The City of San Pablo (City) performs accounting services for the Authority. In this regard, the City charged the Authority \$28,700 for fiscal year ended June 30, 2019.

**NOTE 9 – SUBSEQUENT EVENT**

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. As a result, the outbreak has caused uncertainty in the financial markets. The ultimate financial impact and duration cannot be estimated at this time.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**Required Supplementary Information****NOTE 1 – BUDGETARY CONTROL AND ACCOUNTING**

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In May of each year, the Executive Director submits to the Board of Directors a proposed operating budget for the following two fiscal years. This budget includes proposed expenditures by fund and the revenues expected to finance them.
2. Public hearings are conducted to obtain public and ratepayer comments.
3. The budget is legally enacted through passage of a resolution before July 1.
4. The Executive Director is authorized to transfer budget amounts; however, any revision which alter total expenditures of any fund must be approved by Board of Director.
5. Formal budgetary integration is employed as management control device during the year for the General Fund and Special Revenue Funds.
6. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The Executive Director must approve any adjustments to the budget.
7. Appropriations lapse at the end of the year fiscal year and then are re-budgeted for the subsequent fiscal year.
8. Budgeted appropriations for the various governmental funds become effective each July 1. The Board of Directors may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended or encumbered.
9. The accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for the General Fund and Special Revenue Funds present comparisons of the legally adopted budget with actual data on a basis consistent with accounting principles generally accepted in the United States of America.

**Encumbrances**

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are reported as reservations of fund balance since they represent commitments, which will be honored during the subsequent year. Encumbrances do not represent expenditures or liabilities.

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	(Negative)
<b>REVENUES</b>				
Charges for services	\$ 1,013,700	\$ 1,013,700	\$ 1,091,535	\$ (77,835)
Interest	6,500	6,500	17,713	(11,213)
Total Revenues	1,020,200	1,020,200	1,109,248	(89,048)
<b>EXPENDITURES</b>				
Current:				
Salary and benefits	739,199	739,199	915,269	(176,070)
Professional services contracts	254,000	254,000	224,381	29,619
Administrative	190,300	190,300	137,571	52,729
Capital outlay	16,000	16,000	19,501	(3,501)
Total Expenditures	1,199,499	1,199,499	1,296,722	(97,223)
<b>OTHER FINANCING SOURCES (USES)</b>				
Member excess distributions	-	-	(695,226)	695,226
Total financing sources (uses)	-	-	(695,226)	695,226
<b>CHANGE IN FUND BALANCE</b>	<b>\$ (179,299)</b>	<b>\$ (179,299)</b>	(882,700)	<b>\$ 703,401</b>
Fund balance at beginning of year			1,610,088	
Fund balance at end of year			<b>\$ 727,388</b>	

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
 SPECIAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 44,552	\$ (44,552)
Total Revenues	<u>-</u>	<u>-</u>	<u>44,552</u>	<u>(44,552)</u>
<b>EXPENDITURES</b>				
Current:				
Professional services contracts	-	-	33,929	(33,929)
Capital outlay - one-time programs	<u>105,000</u>	<u>105,000</u>	<u>-</u>	<u>105,000</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>33,929</u>	<u>71,071</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Member excess distributions	<u>-</u>	<u>-</u>	<u>(464,255)</u>	<u>464,255</u>
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>(464,255)</u>	<u>464,255</u>
<b>CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(453,632)</u>	<u>\$ 348,632</u>
Fund balance at beginning of year			<u>2,655,604</u>	
Fund balance at end of year			<u>\$ 2,201,972</u>	

**Required Supplementary Information**

**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

Required Supplementary Information - Pension  
Benefit Plan Trend Information  
For the Year Ended June 30, 2019

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	<b>Miscellaneous Plans</b>				
	<b>Measurement Date</b>				
	<b>6/30/2014</b>	<b>6/31/2015</b>	<b>6/30/2016</b>	<b>6/30/2017</b>	<b>6/30/2018</b>
Proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.0001501%
Proportionate share of the net pension liability	\$ 320,057	\$ 428,066	\$ 538,968	\$ 626,351	\$ 611,290
Covered payroll	\$ 370,907	\$ 279,183	\$ 396,064	\$ 469,151	\$ 494,375
Proportionate share of the net pension liability as percentage of covered payroll	86.29%	153.33%	136.08%	133.51%	124%
Plan fiduciary net position as a percentage of the total pension liability	83.03%	77.70%	73.86%	73.86%	75.57%

\*Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

SCHEDULE OF CONTRIBUTIONS

	<b>Miscellaneous Plans</b>				
	<b>Reporting Fiscal Year</b>				
	<b>6/30/2015</b>	<b>6/30/2016</b>	<b>6/30/2017</b>	<b>6/30/2018</b>	<b>6/30/2019</b>
Contractually required contribution (actuarially determined)	\$ 62,407	\$ 22,280	\$ 64,051	\$ 41,157	\$ 44,689
Contributions related to the actuarially determined contribution	62,407	22,280	64,051	41,157	44,689
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 370,907	\$ 279,183	\$ 396,064	\$ 469,151	\$ 494,375
Contributions as a percentage of covered payroll	16.83%	7.98%	16.17%	8.77%	9%

\*Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

<b>Required Supplementary Information</b>
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**WEST CONTRA COSTA  
INTEGRATED WASTE MANAGEMENT AUTHORITY**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**

Post Retirement Health Care Defined Benefit Plan

Last 10 fiscal years\*

<b>Measurement Date</b>	<u><b>6/30/18</b></u>
<b>Total OPEB Liability</b>	
Service Cost	\$ 33,991
Interest	5,088
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(5,681)
<b>Net change in total OPEB liability</b>	<u>33,398</u>
<b>Total OPEB liability - beginning</b>	<u>143,374</u>
<b>Total OPEB liability - ending (a)</b>	<u><u>\$ 176,772</u></u>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 5,681
Contributions - employee	-
Net investment income	-
Administrative expense	-
Benefit payments	(5,681)
<b>Net change in plan fiduciary net position</b>	<u>-</u>
<b>Plan fiduciary net position - beginning</b>	<u>-</u>
<b>Plan fiduciary net position - ending (b)</b>	<u><u>\$ -</u></u>
 Net OPEB liability (asset) - ending (a)-(b)	<u><u>\$ 176,772</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
 Covered payroll	<u><u>\$ 469,151</u></u>
 Net OPEB liability (asset) as a percentage of covered payroll	<u><u>37.68%</u></u>

\* Fiscal year 2019 was the first year of implementation.

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# Agenda Report

**Date:** November 12, 2020  
**To:** West Contra Costa Integrated Waste Management Authority Board  
**From:** Christina Leard, Board Secretary and Program Manager  
**Subject:** Resolution of Appreciation

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## **ACTION REQUESTED**

Consideration of a motion to approve Resolutions 20-04, 20-05, 20-06 and 20-07 recognizing Directors Peter Murray, Greg Lyman, Jael Myrick and Ben Choi and expressing appreciation for their service to the Authority.

## **BACKGROUND**

The Board of Directors of the West Contra Costa Integrated Waste Management Authority extends its sincere appreciation for contributions made by Directors Murray, Lyman, Myrick, and Choi during their tenure as Members of the Board of Directors.

In 2007, Director Murray was appointed to serve as a representative for the City of Pinole and has served as Director, and two terms as Vice-Chair and Chair. Director Lyman was appointed to serve as a representative for the City of El Cerrito in 2009, and has served as Director, Vice-Chair, and two terms as Chair. Director Myrick was appointed to serve as a representative for the City of Richmond in 2014, and has served as Director, and Vice Chair. Director Choi was appointed to serve as a representative for the City of Richmond in 2017, and has served as Director, Vice Chair, and Chair.

Directors Murray, Lyman, Myrick, and Choi will no longer be members of their respective City Councils and as a result will be ending their service as members of the Authority Board of Directors.

## **FISCAL IMPACT**

None.

Respectfully Submitted,

*Christina Leard*

Christina Leard  
Board Secretary, Program Manager

**Attachments:** Resolutions 20-04, 20-05, 20-06, and 20-07

**RESOLUTION NO. 20-04**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
RECOGNIZING AND EXPRESSING APPRECIATION FOR DIRECTOR  
PETER J. MURRAY'S SERVICE AS A MEMBER OF  
THE AUTHORITY BOARD OF DIRECTORS**

**WHEREAS**, Director Peter J. Murray's public service has included over 28 years combined as a member of the Pinole Planning Commission and Pinole City Council; and,

**WHEREAS**, in 2007, Director Murray was appointed to serve as a representative for the City of Pinole on the Board of Directors of the West Contra Costa Integrated Waste Management Authority; and,

**WHEREAS**, Director Murray served as Director, Vice-Chair, and Chair of the Authority Board of Directors; and,

**WHEREAS**, Director Murray has guided the Authority through numerous challenging projects, including negotiation of a Joint Exercise of Powers Agreement (JEPA), hiring of multiple Executive Directors, and other important projects; and

**WHEREAS**, Director Murray will no longer be a member of the Pinole City Council and as a result will be ending his service as a member of the Authority Board of Directors.

**NOW, THEREFORE**, the Board of Directors of the West Contra Costa Integrated Waste Management Authority hereby extends its sincere appreciation for contributions made by Director Peter J. Murray during his tenure as a Member of the Board of Directors representing the City of Pinole.

**BE IT FURTHER RESOLVED** that Director Peter J. Murray be provided a copy of this Resolution adopted by the Authority Board of Directors at its meeting of November 12, 2020.

**CHAIR OF THE BOARD**

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**RESOLUTION NO. 20-05**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
RECOGNIZING AND EXPRESSING APPRECIATION FOR DIRECTOR  
GREG LYMAN'S SERVICE AS A MEMBER OF  
THE AUTHORITY BOARD OF DIRECTORS**

**WHEREAS**, Director Greg Lyman's public service has included over 17 years combined as a member of the El Cerrito Park and Recreation Commission and El Cerrito City Council; and,

**WHEREAS**, in 2009, Director Lyman was appointed to serve as a representative for the City of El Cerrito on the Board of Directors of the West Contra Costa Integrated Waste Management Authority; and,

**WHEREAS**, Director Lyman served as Director, Alternate Director, Vice-Chair, and Chair of the Authority Board of Directors; and,

**WHEREAS**, Director Lyman has guided the Authority through numerous challenging projects, including negotiation of a Joint Exercise of Powers Agreement (JEPA), hiring of multiple Executive Directors, and other important projects; and

**WHEREAS**, Director Lyman will no longer be a member of the El Cerrito City Council and as a result will be ending his service as a member of the Authority Board of Directors.

**NOW, THEREFORE**, the Board of Directors of the West Contra Costa Integrated Waste Management Authority hereby extends its sincere appreciation for contributions made by Director Greg Lyman during his tenure as a Member of the Board of Directors representing the City of El Cerrito.

**BE IT FURTHER RESOLVED** that Director Greg Lyman be provided a copy of this Resolution adopted by the Authority Board of Directors at its meeting of November 12, 2020.

**CHAIR OF THE BOARD**

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**RESOLUTION NO. 20-06**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
RECOGNIZING AND EXPRESSING APPRECIATION FOR DIRECTOR  
JAEI MYRICK'S SERVICE AS A MEMBER OF  
THE AUTHORITY BOARD OF DIRECTORS**

**WHEREAS**, Director Jael Myrick's public service has included over 11 years combined as representative for Assemblymember Nancy Skinner and as a member of the Richmond City Council; and,

**WHEREAS**, in 2014, Director Myrick was appointed to serve as a representative for the City of Richmond on the Board of Directors of the West Contra Costa Integrated Waste Management Authority; and,

**WHEREAS**, Director Myrick served as Director and Vice-Chair of the Authority Board of Directors; and,

**WHEREAS**, Director Myrick has guided the Authority through numerous challenging projects, including negotiation of a Joint Exercise of Powers Agreement (JEPA), hiring of multiple Executive Directors, and other important projects; and

**WHEREAS**, Director Myrick will no longer be a member of the Richmond City Council and as a result will be ending his service as a member of the Authority Board of Directors.

**NOW, THEREFORE**, the Board of Directors of the West Contra Costa Integrated Waste Management Authority hereby extends its sincere appreciation for contributions made by Director Jael Myrick during his tenure as a Member of the Board of Directors representing the City of Richmond.

**BE IT FURTHER RESOLVED** that Director Jael Myrick be provided a copy of this Resolution adopted by the Authority Board of Directors at its meeting of November 12, 2020.

**CHAIR OF THE BOARD**

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**RESOLUTION NO. 20-07**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY  
RECOGNIZING AND EXPRESSING APPRECIATION FOR DIRECTOR  
BEN CHOI'S SERVICE AS A MEMBER OF  
THE AUTHORITY BOARD OF DIRECTORS**

**WHEREAS**, Director Ben Choi's public service has included over 10 years combined as a member of the Richmond Planning Commission and Richmond City Council; and,

**WHEREAS**, in 2017, Director Choi was appointed to serve as a representative for the City of Richmond on the Board of Directors of the West Contra Costa Integrated Waste Management Authority; and,

**WHEREAS**, Director Choi served as Director, Vice-Chair, and Chair of the Authority Board of Directors; and,

**WHEREAS**, Director Choi has guided the Authority through numerous challenging projects, including negotiation of a Joint Exercise of Powers Agreement (JEPA) and other important projects; and

**WHEREAS**, Director Choi will no longer be a member of the Richmond City Council and as a result will be ending his service as a member of the Authority Board of Directors.

**NOW, THEREFORE**, the Board of Directors of the West Contra Costa Integrated Waste Management Authority hereby extends its sincere appreciation for contributions made by Director Ben Choi during his tenure as a Member of the Board of Directors representing the City of Richmond.

**BE IT FURTHER RESOLVED** that Director Ben Choi be provided a copy of this Resolution adopted by the Authority Board of Directors at its meeting of November 12, 2020.

**CHAIR OF THE BOARD**

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# Agenda Report

**Date:** November 12, 2020  
**To:** West Contra Costa Integrated Waste Management Authority Board  
**From:** Peter Holtzclaw, Executive Director  
**Subject:** Public Hearing to Approve the Calendar Year 2021 Post-Collection Rates

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## RECOMMENDED ACTIONS

Choose between scenarios presented and adopt Resolution 20-08 to approve the resulting 2021 Post-Collection Rates for the Republic Services Collection Service Area and 2021 Blended Per Ton Rates as set forth in the Resolution.

## SUGGESTED FORMAT FOR THE HEARING:

1. Open the Public Hearing.
2. Receive oral report from Authority staff.
3. Questions and answers from the Board for Authority Staff, Consultant and/or Republic Services representative.
4. Receive any comments from the public.
5. Close the Public Hearing.
6. Board discussion.
7. Final Scenario Decision.

## BACKGROUND

Republic Services, and each of its affiliates, provides post collection services to RecycleMore through a Post Collection Agreement (PCA) between Republic and RecycleMore. This includes the services and facilities of Golden Bear Transfer Station, Keller Canyon Landfill, West Contra Costa Sanitary Landfill and West County Resource Recovery. Per Article 5 of the PCA, Republic's sole compensation for services provided to RecycleMore is via the blended per ton rate. The blended per ton rate is charged by Republic to the solid waste hauler, Richmond Sanitary Service (a Republic affiliate), providing solid waste collection services to RecycleMore's member agencies, except El Cerrito, which has its own post-collection agreement and sets its own post-collection rates. Each Member City oversees the collection rates charged by their franchised haulers.

One of RecycleMore's responsibilities is to approve the maximum annual Post-Collection Rate which, when added to the collection rates established pursuant to each member agency's collection franchise agreement, equals the total amount charged to solid waste rate-payers. The Board is asked to adopt a rate schedule that approves the Post-Collection Rates to be included in the total amounts charged to the residential, commercial and industrial solid waste customers effective January 1, 2021. Residential Post-Collection Rates are a monthly amount for each service level (20, 35, 65, and 95-gallons), Commercial Post-Collection Rates are a flat amount per cubic yard, and Industrial Post-Collection Rates (for those customers using debris boxes and compactors) are on a per-ton basis.

Funds for the revenue requirements provided for in the PCA are generated by charging an appropriate rate to the franchise collection customers. Only industrial customers (those using debris boxes and compactors) pay on a per-ton basis. Residential and commercial customers pay on either a per can (based on the size of their container) or per-bin (based on the cubic yards of weekly service) basis. It should be noted that the rate analysis presented in this report is only for the Republic collection service area. Starting with the 2014 rates, the City of El Cerrito has had a separate PCA and approves its own Post Collection Rates.

## **ANALYSIS**

RecycleMore staff, with assistance from R3 Consulting Group, completed a review and analysis of the blended rate per ton and the 2021 Post-Collection rates. The 2021 Post-Collection rates originally included a 2021 Revenue Requirement of \$17,860,580 based on the calculation of the 2021 "blended per ton rate" of \$110.14, which was presented to the Board on October 8, 2020. Those figures included \$250,000 (\$1.43 per ton) for CalRecycle Regulatory Compliance as well as \$1,637,026 (\$9.36 per ton) in annual revenue for the Authority's Budget.

### **Board Direction**

On October 8, 2020, the Authority Board conducted a workshop on calendar year 2021 post-collection rates and provided guidance to staff. Specifically, the Board indicated that it is supportive of the Material Specific fee calculation of \$82.87, HHW fee calculation of \$6.86, Recycling Rebate of \$0.48, and Governmental Fee calculation of \$10.10.

Regarding the Authority Budget and CalRecycle Regulatory Compliance portions of the Blended Per Ton Rate, the Board directed staff to conduct further analysis and provide the Board with additional post-collection rate options that would reduce the needed revenue for these components in an effort to reduce the needed increase in post-collection rates.

RecycleMore staff and R3 have prepared three options for the 2021 post-collection rates for Board consideration. Each of these options maintain the \$250,000 in CalRecycle Regulatory compliance revenues that were originally presented to the Board in October - the only difference between these options is the amount of revenue for the Authority Budget.

Option 1 includes a correction to the Authority Budget component and reduces the needed post-collection rates without the need to use reserves. Options 2 and 3 include use of available Authority reserves in the amounts of \$250,000 and \$450,000.

Currently, RecycleMore’s Fund Balances are:

<u>Fund</u>	<u>Current Balance</u>	<u>Target/Board Policy</u>
Operating	\$727,288	\$1,096,807 (67% of Operating Budget)
Reserve	\$1,851,921	\$662,000
Retirement	\$350,000	\$350,000
<b>Total</b>	<b>\$2,929,309</b>	<b>\$2,108,807</b>

**Option 1 - No Use of Reserves**

Option 1 reduces the revenue for the Authority Budget by \$250,000 to \$1,387,026 (\$7.93 per ton). This reduction is the result of a correction to the revenue requirement that was presented in October, which inadvertently included the \$250,000 in CalRecycle Regulatory Compliance revenues in the Authority Budget (in addition to the separate \$1.43 per ton for CalRecycle Regulatory Compliance already held in the blended per ton rate). This occurred because the Authority’s adopted FY 20/21 budget included the CalRecycle Regulatory Compliance amounts, when in practice these amounts have been collected and used by Republic, not the Authority. This option maintains funding of the Authority Budget without the need to use reserves.

Option 1 reduces the blended per ton rate by 1.3% from the \$110.14 presented to the Board in October to \$108.71 per ton, and results in increases to residential post-collection rates of \$0.84 - \$4.13 per month, \$0.88 per weekly cubic yard for commercial customers, and \$15.17 per ton for industrial customers.

**Option 2 - Use \$250,000 of Reserves**

Option 2 further reduces the revenue for the Authority Budget by using \$250,000 in reserves bringing the needed 2021 post-collection rate revenues to \$1,137,026 (\$6.50 per ton). Option 2 reduces the blended per ton rate by 2.6% from the \$110.14 presented to the Board in October to \$107.28 per ton, and results in increases to residential post-collection rates of \$0.76 - \$3.71 per month, \$0.70 per weekly cubic yard for commercial customers, and \$12.85 per ton for industrial customers.

**Option 3 - Use \$450,000 of Reserves**

Option 3 reduces the revenue for the Authority Budget by using \$450,000 in reserves bringing the needed 2021 post-collection rate revenues to \$937,026 (\$5.36 per ton). Option 3 reduces the blended per ton rate by 3.7% from the \$110.14 presented to the Board in October to \$106.14 per ton, and results in increases to residential post-collection rates of \$0.69 - \$3.38 per month, \$0.56 per weekly cubic yard for commercial customers, and \$10.99 per ton for industrial customers.

**Comparison of Options**

The following tables display comparisons of the Blended Per Ton Rate for Options 1 – 3 compared to the original amounts presented to the Board in October.

**Table 1: Comparison of 2021 Post-Collection Rates by Customer Class**

	Blended Per Ton Rate	Residential				Commercial	Industrial
		20-Gallon	35-Gallon	60/65-Gallon	95/100-Gallon	Per Cubic Yard	Per Ton
<b>Current 2020</b>	<b>\$106.26</b>	\$5.80	\$10.17	\$18.91	\$28.37	\$12.35	\$161.77
<b>October Workshop</b>	<b>\$110.14</b>	\$6.74	\$11.81	\$21.96	\$32.94	\$13.40	\$179.27
<b>Option 1</b>	<b>\$108.71</b>	\$6.64	\$11.65	\$21.66	\$32.50	\$13.23	\$176.94
<b>Option 2</b>	<b>\$107.28</b>	\$6.56	\$11.50	\$21.38	\$32.08	\$13.05	\$174.62
<b>Option 3</b>	<b>\$106.14</b>	\$6.49	\$11.38	\$21.16	\$31.75	\$12.91	\$172.76

**Table 2: Comparison of Dollar Increases in Post-Collection Rate Compared to 2020**

	Blended Per Ton Rate	Residential				Commercial	Industrial
		20-Gallon	35-Gallon	60/65-Gallon	95/100-Gallon	Per Cubic Yard	Per Ton
<b>October Workshop</b>	<b>\$3.88</b>	\$0.94	\$1.64	\$3.05	\$4.57	\$1.05	\$17.50
<b>Option 1</b>	<b>\$2.45</b>	\$0.84	\$1.48	\$2.75	\$4.13	\$0.88	\$15.17
<b>Option 2</b>	<b>\$1.02</b>	\$0.76	\$1.33	\$2.47	\$3.71	\$0.70	\$12.85
<b>Option 3</b>	<b>\$(0.12)</b>	\$0.69	\$1.21	\$2.25	\$3.38	\$0.56	\$10.99

**Table 3: Comparison of Percentage Increases in Post-Collection Rate Compared to 2020**

	Blended Per Ton Rate	Residential				Commercial	Industrial
		20-Gallon	35-Gallon	60/65-Gallon	95/100-Gallon	Per Cubic Yard	Per Ton
<b>October Workshop</b>	<b>3.7%</b>	16.2%	16.1%	16.1%	16.1%	8.5%	10.8%
<b>Option 1</b>	<b>2.3%</b>	14.5%	14.6%	14.5%	14.6%	7.1%	9.4%
<b>Option 2</b>	<b>1.0%</b>	13.1%	13.1%	13.1%	13.1%	5.7%	7.9%
<b>Option 3</b>	<b>-0.1%</b>	11.9%	11.9%	11.9%	11.9%	4.5%	6.8%

**FISCAL IMPACT**

Option 1 maintains needed levels of funding for the Authority Budget and CalRecycle Compliance Funding. Option 2 requires use of \$250,000 in fund reserves and Option 3 requires use of \$450,000 in fund reserves.

The Authority’s reserves are extremely healthy, as the JPA has received more revenues throughout the year with higher volumes during the pandemic. To reiterate WCCIWMA’s fund balances:

<u>Fund</u>	<u>Current Balance</u>	<u>Target/Board Policy</u>
Operating	\$727,288	\$1,096,807 (67% of Operating Budget)
Reserve	\$1,851,921	\$662,000
Retirement	\$350,000	\$350,000
<b>Total</b>	<b>\$2,929,309</b>	<b>\$2,108,807</b>

Staff recommends Option 3, which will use \$450,000 of reserves for WCCIWMA’s operating budget. This provides the most rate relief for rate payers during these very challenging economic times.

Staff also recommends that the Compliance Fund be defined as a Restricted Fund outside of the JPA budget, to be used only for projects associated with AB1826 and SB1383. Staff will return with a draft proposal to the Board in early 2021 that defines the management and purchasing policy associated with this fund.

Respectfully Submitted,

*Peter Holtzclaw*

Peter Holtzclaw  
Executive Director

**Attachment 1:** Resolution 20-08, including Exhibits A, B, C, and D

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**RESOLUTION NO. 20-08A**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE  
MANAGEMENT AUTHORITY APPROVING THE  
CALENDAR YEAR HOUSEHOLD HAZARDOUS WASTE  
PROGRAM BUDGET AND THE POST-COLLECTION  
RATES FOR CALENDAR YEAR 2021**

WHEREAS, the Joint Powers Agreement creating the West Contra Costa Integrated Waste Management Authority (“Authority”) provides that the Authority is to approve post-collection rates to be paid by ratepayers; and

WHEREAS, Republic Services, Inc. and each of its affiliates providing services to the Authority, collectively referred to as “Contractor” by means of the services and facilities of Golden Bear Transfer Station, Keller Canyon Landfill, West Contra Costa Sanitary Landfill and West County Resource Recovery, provides Post-Collection Services to the Authority through an agreement between Contractor and the Authority; and

WHEREAS, the Authority intends to approve and maintain reasonable rates for the Post-Collection services described in the Post-Collection Agreement; and

WHEREAS, a notice of a Public Hearing regarding the revenue requirements for Calendar Year 2021 under the Post-Collection Agreement with Republic Services, Inc. and associated rates to be charged for Calendar Year 2021 including rates for disposal and processing of solid waste, recyclables, and household hazardous waste was published in the West County Times on November 6<sup>th</sup> and 11<sup>th</sup>, 2020; and

WHEREAS, the Authority Board of Directors conducted a Public Hearing on the proposed Post-Collection Rates for 2021 on November 12, 2020, and considered all evidence presented regarding the proposed rates.

NOW, THEREFORE, the Board of Directors of the West Contra Costa Integrated Waste Management Authority resolves as follows:

Section 1. The Calendar Year 2021 Household Hazardous Waste (HHW) Budget set forth in Exhibit A attached hereto in the amount of \$1,199,808 is hereby approved.

Section 2. Post-Collection Rates set forth in Exhibit B is attached hereto are hereby approved and said rates are effective January 1, 2021.

Section 3. This Resolution shall be immediately effective upon adoption by the Board of Directors.

Section 4. The Secretary shall certify passage of this Resolution and cause it to be distributed to all Directors and Alternates, Authority Members, Contra Costa County, Authority Officers, Richmond Sanitary Service, Inc., West County Resource Recovery, Inc., and other interested parties upon request.

**ATTEST:**

**CHAIR OF THE BOARD**

\_\_\_\_\_  
Christina Leard, Authority Secretary

\_\_\_\_\_  
Abel Pineda, Board Chair

\_\_\_\_\_  
Date

Attachments: Exhibit A - Calendar Year 2021 Household Hazardous Waste (HHW) Budget  
Exhibit B - Calendar Year 2021 Post Collection Rates Option 1

I hereby certify that the foregoing resolution was adopted by the Board of Directors of the West Contra Costa Integrated Waste Management Authority at its Regular Meeting on November 12, 2020, by the following vote:

AYES: Directors: \_\_\_\_\_

NOES: Directors: \_\_\_\_\_

ABSTAIN: Directors: \_\_\_\_\_

ABSENT: Directors: \_\_\_\_\_

\_\_\_\_\_  
Christina Leard, Authority Secretary

**Exhibit A**  
**2021 HHW Budget Compared to 2020 HHW Budget**

	2021 Requested Budget	\$ Change to 2020 Adopted Budget	% Change to 2020 Adopted Budget	2020 Adopted Budget
Wages & Benefits	\$ 134,674	\$ 2,589	1.96%	\$ 132,085
Program Supplies, Consumables and Outside Services	\$ 38,868	\$ 747	1.96%	\$ 38,121
HHW Facility Outside Services (Stericycle)	\$ 416,355	\$ 8,004	1.96%	\$ 408,351
Fuel	\$ 4,726	\$ 91	1.96%	\$ 4,635
Utilities	\$ 17,277	\$ 332	1.96%	\$ 16,945
Property Taxes	\$ 19,923	\$ 383	1.96%	\$ 19,540
Insurance	\$ 9,782	\$ 188	1.96%	\$ 9,594
Permit Fees	\$ 10,677	\$ 205	1.96%	\$ 10,472
Site Maintenance	\$ 41,110	\$ 790	1.96%	\$ 40,320
Accounting Support	\$ 33,286	\$ 640	1.96%	\$ 32,646
Satellite HHW Facility (El Cerrito Recycling Center)	\$ 211,308	\$ -	0.00%	\$ 211,308
Sharps Containers/Sharps & Pharmaceutical Disposal	\$ 42,000	\$ -	0.00%	\$ 42,000
Three Special One Day Collection Events	\$ 120,000	\$ 10,451	9.54%	\$ 109,549
<b>Subtotal</b>	<b>\$ 1,099,986</b>	<b>\$ 24,420</b>	<b>2.27%</b>	<b>\$ 1,075,566</b>
Balancing Account Add (Deduct)	\$ (153)	\$ (5,954)	-100.00%	\$ 5,801
Operator Profit Margin 15%	\$ 164,975	\$ 2,770	1.78%	\$ 162,205
HHW Revenue	\$ (65,000)	\$ -	0.00%	\$ (65,000)
<b>Total Operating Expense</b>	<b>\$ 1,199,808</b>	<b>\$ 21,236</b>	<b>1.88%</b>	<b>\$ 1,178,572</b>

**Total HHW Program Expenses \$ 1,199,808**

RSS @ 92.7% \$ 1,112,222

Total Tons (RSS) 162,164

**Rate per Ton \$ 6.86**

EL Cerrito @ 7.3% \$ 87,586

Total Tons (El Cerrito) 12,761

**Rate per Ton \$ 6.86**

**Exhibit B to Resolution No. 20-08  
CALENDAR YEAR 2020  
POST-COLLECTION RATES**

**Republic Services Collection Service Area**

**Option 1:**

**Can Service (based on 59,982 equivalent standard 35-gallon cans)**

20-gallon	\$ 6.64	per can per month
35-gallon	11.65	per can per month
60/65-gallon	21.66	per can per month
95/100-gallon	32.50	per can per month

**Bin Service (373,746 cubic yards)** \$ 13.23 per uncompacted cubic yard

**Box Service (24,287 tons)** \$ 176.94 per ton

**RESOLUTION NO. 20-08B**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE  
MANAGEMENT AUTHORITY APPROVING THE  
CALENDAR YEAR HOUSEHOLD HAZARDOUS WASTE  
PROGRAM BUDGET AND THE POST-COLLECTION  
RATES FOR CALENDAR YEAR 2021**

WHEREAS, the Joint Powers Agreement creating the West Contra Costa Integrated Waste Management Authority (“Authority”) provides that the Authority is to approve post-collection rates to be paid by ratepayers; and

WHEREAS, Republic Services, Inc. and each of its affiliates providing services to the Authority, collectively referred to as “Contractor” by means of the services and facilities of Golden Bear Transfer Station, Keller Canyon Landfill, West Contra Costa Sanitary Landfill and West County Resource Recovery, provides Post-Collection Services to the Authority through an agreement between Contractor and the Authority; and

WHEREAS, the Authority intends to approve and maintain reasonable rates for the Post-Collection services described in the Post-Collection Agreement; and

WHEREAS, a notice of a Public Hearing regarding the revenue requirements for Calendar Year 2021 under the Post-Collection Agreement with Republic Services, Inc. and associated rates to be charged for Calendar Year 2021 including rates for disposal and processing of solid waste, recyclables, and household hazardous waste was published in the West County Times on November 6<sup>th</sup> and 11<sup>th</sup>, 2020; and

WHEREAS, the Authority Board of Directors conducted a Public Hearing on the proposed Post-Collection Rates for 2021 on November 12, 2020, and considered all evidence presented regarding the proposed rates.

NOW, THEREFORE, the Board of Directors of the West Contra Costa Integrated Waste Management Authority resolves as follows:

Section 1. The Calendar Year 2021 Household Hazardous Waste (HHW) Budget set forth in Exhibit A attached hereto in the amount of \$1,199,808 is hereby approved.

Section 2. Post-Collection Rates set forth in Exhibit C is attached hereto are hereby approved and said rates are effective January 1, 2021.

Section 3. This Resolution shall be immediately effective upon adoption by the Board of Directors.

Section 4. The Secretary shall certify passage of this Resolution and cause it to be distributed to all Directors and Alternates, Authority Members, Contra Costa County, Authority Officers, Richmond Sanitary Service, Inc., West County Resource Recovery, Inc., and other interested parties upon request.

**ATTEST:**

**CHAIR OF THE BOARD**

\_\_\_\_\_  
Christina Leard, Authority Secretary

\_\_\_\_\_  
Abel Pineda, Board Chair

\_\_\_\_\_  
Date

Attachments: Exhibit A - Calendar Year 2021 Household Hazardous Waste (HHW) Budget  
Exhibit C - Calendar Year 2021 Post Collection Rates Option 2

I hereby certify that the foregoing resolution was adopted by the Board of Directors of the West Contra Costa Integrated Waste Management Authority at its Regular Meeting on November 12, 2020, by the following vote:

AYES: Directors: \_\_\_\_\_

NOES: Directors: \_\_\_\_\_

ABSTAIN: Directors: \_\_\_\_\_

ABSENT: Directors: \_\_\_\_\_

\_\_\_\_\_  
Christina Leard, Authority Secretary

**Exhibit A**  
**2021 HHW Budget Compared to 2020 HHW Budget**

	2021 Requested Budget	\$ Change to 2020 Adopted Budget	% Change to 2020 Adopted Budget	2020 Adopted Budget
Wages & Benefits	\$ 134,674	\$ 2,589	1.96%	\$ 132,085
Program Supplies, Consumables and Outside Services	\$ 38,868	\$ 747	1.96%	\$ 38,121
HHW Facility Outside Services (Stericycle)	\$ 416,355	\$ 8,004	1.96%	\$ 408,351
Fuel	\$ 4,726	\$ 91	1.96%	\$ 4,635
Utilities	\$ 17,277	\$ 332	1.96%	\$ 16,945
Property Taxes	\$ 19,923	\$ 383	1.96%	\$ 19,540
Insurance	\$ 9,782	\$ 188	1.96%	\$ 9,594
Permit Fees	\$ 10,677	\$ 205	1.96%	\$ 10,472
Site Maintenance	\$ 41,110	\$ 790	1.96%	\$ 40,320
Accounting Support	\$ 33,286	\$ 640	1.96%	\$ 32,646
Satellite HHW Facility (El Cerrito Recycling Center)	\$ 211,308	\$ -	0.00%	\$ 211,308
Sharps Containers/Sharps & Pharmaceutical Disposal	\$ 42,000	\$ -	0.00%	\$ 42,000
Three Special One Day Collection Events	\$ 120,000	\$ 10,451	9.54%	\$ 109,549
<b>Subtotal</b>	<b>\$ 1,099,986</b>	<b>\$ 24,420</b>	<b>2.27%</b>	<b>\$ 1,075,566</b>
Balancing Account Add (Deduct)	\$ (153)	\$ (5,954)	-100.00%	\$ 5,801
Operator Profit Margin 15%	\$ 164,975	\$ 2,770	1.78%	\$ 162,205
HHW Revenue	\$ (65,000)	\$ -	0.00%	\$ (65,000)
<b>Total Operating Expense</b>	<b>\$ 1,199,808</b>	<b>\$ 21,236</b>	<b>1.88%</b>	<b>\$ 1,178,572</b>

**Total HHW Program Expenses \$ 1,199,808**

RSS @ 92.7% \$ 1,112,222

Total Tons (RSS) 162,164

**Rate per Ton \$ 6.86**

EL Cerrito @ 7.3% \$ 87,586

Total Tons (El Cerrito) 12,761

**Rate per Ton \$ 6.86**



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**RESOLUTION NO. 20-08C**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WEST CONTRA COSTA INTEGRATED WASTE  
MANAGEMENT AUTHORITY APPROVING THE  
CALENDAR YEAR HOUSEHOLD HAZARDOUS WASTE  
PROGRAM BUDGET AND THE POST-COLLECTION  
RATES FOR CALENDAR YEAR 2021**

WHEREAS, the Joint Powers Agreement creating the West Contra Costa Integrated Waste Management Authority (“Authority”) provides that the Authority is to approve post-collection rates to be paid by ratepayers; and

WHEREAS, Republic Services, Inc. and each of its affiliates providing services to the Authority, collectively referred to as “Contractor” by means of the services and facilities of Golden Bear Transfer Station, Keller Canyon Landfill, West Contra Costa Sanitary Landfill and West County Resource Recovery, provides Post-Collection Services to the Authority through an agreement between Contractor and the Authority; and

WHEREAS, the Authority intends to approve and maintain reasonable rates for the Post-Collection services described in the Post-Collection Agreement; and

WHEREAS, a notice of a Public Hearing regarding the revenue requirements for Calendar Year 2021 under the Post-Collection Agreement with Republic Services, Inc. and associated rates to be charged for Calendar Year 2021 including rates for disposal and processing of solid waste, recyclables, and household hazardous waste was published in the West County Times on November 6<sup>th</sup> and 11<sup>th</sup>, 2020; and

WHEREAS, the Authority Board of Directors conducted a Public Hearing on the proposed Post-Collection Rates for 2021 on November 12, 2020, and considered all evidence presented regarding the proposed rates.

NOW, THEREFORE, the Board of Directors of the West Contra Costa Integrated Waste Management Authority resolves as follows:

Section 1. The Calendar Year 2021 Household Hazardous Waste (HHW) Budget set forth in Exhibit A attached hereto in the amount of \$1,199,808 is hereby approved.

Section 2. Post-Collection Rates set forth in Exhibit D is attached hereto are hereby approved and said rates are effective January 1, 2021.

Section 3. This Resolution shall be immediately effective upon adoption by the Board of Directors.

Section 4. The Secretary shall certify passage of this Resolution and cause it to be distributed to all Directors and Alternates, Authority Members, Contra Costa County, Authority Officers, Richmond Sanitary Service, Inc., West County Resource Recovery, Inc., and other interested parties upon request.

**ATTEST:**

**CHAIR OF THE BOARD**

\_\_\_\_\_  
Christina Leard, Authority Secretary

\_\_\_\_\_  
Abel Pineda, Board Chair

\_\_\_\_\_  
Date

Attachments: Exhibit A - Calendar Year 2021 Household Hazardous Waste (HHW) Budget  
Exhibit D - Calendar Year 2021 Post Collection Rates Option 3

I hereby certify that the foregoing resolution was adopted by the Board of Directors of the West Contra Costa Integrated Waste Management Authority at its Regular Meeting on November 12, 2020, by the following vote:

AYES: Directors: \_\_\_\_\_

NOES: Directors: \_\_\_\_\_

ABSTAIN: Directors: \_\_\_\_\_

ABSENT: Directors: \_\_\_\_\_

\_\_\_\_\_  
Christina Leard, Authority Secretary

**Exhibit A**  
**2021 HHW Budget Compared to 2020 HHW Budget**

	2021 Requested Budget	\$ Change to 2020 Adopted Budget	% Change to 2020 Adopted Budget	2020 Adopted Budget
Wages & Benefits	\$ 134,674	\$ 2,589	1.96%	\$ 132,085
Program Supplies, Consumables and Outside Services	\$ 38,868	\$ 747	1.96%	\$ 38,121
HHW Facility Outside Services (Stericycle)	\$ 416,355	\$ 8,004	1.96%	\$ 408,351
Fuel	\$ 4,726	\$ 91	1.96%	\$ 4,635
Utilities	\$ 17,277	\$ 332	1.96%	\$ 16,945
Property Taxes	\$ 19,923	\$ 383	1.96%	\$ 19,540
Insurance	\$ 9,782	\$ 188	1.96%	\$ 9,594
Permit Fees	\$ 10,677	\$ 205	1.96%	\$ 10,472
Site Maintenance	\$ 41,110	\$ 790	1.96%	\$ 40,320
Accounting Support	\$ 33,286	\$ 640	1.96%	\$ 32,646
Satellite HHW Facility (El Cerrito Recycling Center)	\$ 211,308	\$ -	0.00%	\$ 211,308
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Three Special One Day Collection Events	\$ 120,000	\$ 10,451	9.54%	\$ 109,549
<b>Subtotal</b>	<b>\$ 1,099,986</b>	<b>\$ 24,420</b>	<b>2.27%</b>	<b>\$ 1,075,566</b>
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Operator Profit Margin 15%	\$ 164,975	\$ 2,770	1.78%	\$ 162,205
HHW Revenue	\$ (65,000)	\$ -	0.00%	\$ (65,000)
<b>Total Operating Expense</b>	<b>\$ 1,199,808</b>	<b>\$ 21,236</b>	<b>1.88%</b>	<b>\$ 1,178,572</b>

**Total HHW Program Expenses \$ 1,199,808**

RSS @ 92.7% \$ 1,112,222

Total Tons (RSS) 162,164

**Rate per Ton \$ 6.86**

EL Cerrito @ 7.3% \$ 87,586

Total Tons (El Cerrito) 12,761

**Rate per Ton \$ 6.86**

**Exhibit D to Resolution No. 20-08  
CALENDAR YEAR 2020  
POST-COLLECTION RATES**

**Republic Services Collection Service Area**

**Option 3 (Staff Recommendation):**

**Can Service (based on 59,982 equivalent standard 35-gallon cans)**

20-gallon	\$ 6.49	per can per month
35-gallon	11.38	per can per month
60/65-gallon	21.16	per can per month
95/100-gallon	31.75	per can per month

**Bin Service (373,746 cubic yards)** \$ 12.91 per uncompacted cubic yard

**Box Service (24,287 tons)** \$ 172.76 per ton