

WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS MEETING MINUTES – JANUARY 13, 2022

Meeting Date | Time 1/13/2022 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 March 4, 2020 State of Emergency Declaration and enactment of Assembly Bill 361 on September 16, 2021, which adopted exemptions to the Ralph M. Brown Act and the proposed findings to be adopted by the Board at this meeting, to be conducted by teleconference only in accordance with Government Code Section 54953(e). No physical location will be available for this meeting. All votes of the Board to be Roll Call votes.

Meeting called by	Board of Directors	Board Members Present:
Type of meeting	Regular	Directors: T. Rudnick, El Cerrito; R. Xavier, Alternate, San Pablo; A. Tave, Pinole; D. Romero, Hercules (Vice-Chair); G. McLaughlin, and N. Bates (Chair), Richmond
Authority Staff Present	Peter Holtzclaw, Lisa Borreani, Christina Leard, Andy Schneider, Donald Sturman	Absent: M. Willis, Richmond; and, F. Glover (Ex-Officio) Contra Costa County
Legal Counsel	John Bakker	

CALL TO ORDER/ROLL CALL

Chair Bates called the meeting to order at 6:22 P.M. The Roll Call established the existence of a quorum (Bates, McLaughlin,* Romero, Rudnick, Tave, Xavier). *Director McLaughlin arrived after Roll Call at 6:37 P.M.

CLOSED SESSION

There was no Closed Session.

PLEDGE OF ALLEGIANCE

Director Rudnick led the Pledge of Allegiance.

EX-PARTE COMMUNICATIONS & DISCLOSURE

There were no ex-parté communications or disclosures.

PUBLIC COMMENT

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

CONSENT CALENDAR

Vice Chair Romero removed Item 6.4 for clarifications related to the Request for Proposal (RFP) for an Edible Food Recovery Consultant. He questioned several aspects of the RFP including the action to Work with County Environmental Health with respect to assistance with some of the record review requirements; requested that East Bay Sanitary be mentioned as part of the Post-Collection Agreement (PCA) since they were the actual operator picking up the green waste; requested that the referenced Tier 1 and Tier 2 lists be made available to the Board of Directors; and with respect to the scope of services requested that the hours assigned to each entity be identified along with the person designated and the rate.

Executive Director Peter Holtzclaw explained that County Environmental Health had been included since edible food in general was a regionalized program and it would take the efforts of many agencies to address, and given the shared resources between County, RecycleMore and member agency staff as well as all the private organizations involved it was felt to be important to include in the RFP. With respect to the lack of reference to East Bay Sanitary, he noted that the larger framework with edible food recovery was outside the scope of the solid waste service providers, and while they could have been mentioned the whole aspect of edible food recovery did not include a role with East Bay Sanitary. He clarified there was already an actual Tier 1 list with the R-3 Consulting SB 1383 Preparedness Study, and with the RFP the awardee would verify the information and take a step further into Tier 2. All that information was available on the RecycleMore website. He further verified that the hours to be assigned to each entity would be broken down by principal, hourly rate and estimated hours per person.

Director Rudnick clarified that East Bay Sanitary hauled the green waste while the City of El Cerrito hauled the recycling in El Cerrito.

Mr. Holtzclaw clarified that the item had been submitted for information only and not for approval at this time. When complete, the contract would be submitted to the Board for approval.

MOTION by Director Xavier to approve Consent Calendar Items 6.1, 6.2, 6.3 and 6.4. **SECOND** by Director Rudnick.

MOTION PASSED unanimously by a Roll Call vote.

STAFF REPORT

Staff Report Item 7 - | Presenter | Peter Holtzclaw - Executive Director

Executive Director Holtzclaw reported the comments on the Memorandum of Understanding (MOU) had been received from all five member agencies. Staff was preparing a draft MOU and work plan and would work with all member agencies to get a good consensus of what the timeframe would look like. All member agencies were expected to approve the MOU in March 2022.

Mr. Holtzclaw announced that there was an SB 1383 grant that had just been released by CalRecycle with a February 1, 2022 deadline. Staff was getting information and ideas from member agency staff and contractors and would be applying for that grant. He would provide an update on the application when available.

Agenda Item 8.1 – Administrative Policy for Compliance Set-Aside Monies | Presenter | Peter Holtzclaw, Executive Director

Executive Director Holtzclaw reported that the Compliance Set-Aside Fund had been created in 2019 during the 2020 rate structure as a set-aside for SB 1383 and AB 1826 funds, and a year later in the budget process the Board had designated it as a restricted fund for compliance projects. He explained that the Compliance Set-Aside Fund sat outside the RecycleMore budget; a line item where \$800,000 had been set aside and \$50,000 or so had been spent in an informal way. The agenda item was intended to formalize how the money was spent out of that fund and the Board would have to approve those projects. He sought direction from the Board and expressed the desire to present it to the Board during the budget process. He characterized the Compliance Fund as roughly equivalent to an escrow account where Republic Services and Richmond Sanitary collected the revenues and dispersed those revenues through the transparent funds, a process that had been followed for decades. The funds were auditable and had been audited in the past.

Director McLaughlin verified with Mr. Holtzclaw that the Board held the authority to approve the funds. With respect to the policy, she objected to the inclusion of Republic Services, Inc. in the process that would require approval by Republic, the Executive Director or the Board, and suggested it was inappropriate to approve the hauler in the policy. She also expressed the preference that RecycleMore hold the compliance funds rather than the hauler.

Mr. Holtzclaw agreed with the recommendation that Republic Services, Inc. be removed from the process of approving funds leaving the Executive Director and the Board, but stated it would be more difficult for RecycleMore to hold the compliance funds given that everything was being done through the front end franchise collection contracts. He described that process in detail and explained that Republic Services paid RecycleMore a quarterly amount according to the budget passed by the Board and the rate setting. The City of San Pablo, which provided accounting services to RecycleMore for a fee, held those monies. To have RecycleMore hold the compliance fund would create an unnecessary step.

Director McLaughlin asked therefore that a statement be included that the hauler will send account statements including deposits and expenditures to RecycleMore on a monthly basis.

Mr. Holtzclaw stated that could be done.

Director Rudnick asked if the City of San Pablo could hold the funds, and Mr. Holtzclaw stated that could be pursued. She suggested it would be better for the public that the monies be held by a public agency in a public fund and know how the money was being disbursed.

Mr. Holtzclaw clarified that the City of El Cerrito had a similar PCA with Republic Services and made payments to Republic; the post-collection fee derived from El Cerrito's own PCA, and payment to the RecycleMore budget where El Cerrito paid 7.227 percent of the West County post-collection tonnage into the RecycleMore budget, about \$84,000 annually which was paid to Republic, and Republic paid that amount to RecycleMore. El Cerrito also paid about \$100,000 for the Household Hazardous Waste (HHW) program annually that went to Republic as well, which disbursed the money back into both sides for expenses incurred.

Director Rudnick requested that the City of San Pablo be asked if it could support the holding of the compliance funds. She also asked how the money would be disbursed, and Mr. Holtzclaw stated it would be difficult to do by population or ratepayer given that it would probably be more in general program terms given that with the SB 1383 ramp up, organics would be getting out of the waste stream. He added those cities with more multifamily units would probably get more outreach. The work plan would provide more information.

Director Xavier reported that the recommendations from San Pablo staff were in line with Director McLaughlin's recommendations, having the Board and the Executive Director approve the funds, and consider adding a requirement that the Board approve a work plan before funds were allocated, and require approval of any expenses over the Executive Director's authority of \$10,000. She asked if RecycleMore legal counsel had reviewed the policy.

Mr. Holtzclaw agreed with all the recommendations, stated there had been legal review, and noted that the recommendations could be included in the policy to be returned to the Board. The Board could approve an annual work plan with expenses to be brought back during the budget process.

Director Tave verified that there would be approximately \$750,000 in the Compliance Fund at the end of 2022, approximately \$250,000 annually. He agreed with the comments.

Vice Chair Romero emphasized that if San Pablo was to hold the funds there would be a cost to do that. If Republic Services was not charging RecycleMore to hold those funds he had no problem continuing to allow that to be done. He clarified that Republic had been holding and forwarding the funds to RecycleMore under contract. He supported a policy for compliance set-aside to make sure that everyone was clear about the use of the funds. Any funds used for a program would have to come to the Board. He agreed with Executive Director and Board approval, had no problem with Republic Services holding the funds, concurred with the analogy that the process was similar to property taxes, and agreed with the need for a policy.

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

Chair Bates agreed with the item, to be returned to the Board with a finalized version.

Legal Counsel John Bakker verified with the Board the desire that staff reach out to the City of San Pablo to ask about holding the funds and identifying the cost of that process.

The item would return to the Board with recommended changes.

BOARD MEMBER AND STAFF ANNOUNCEMENTS

Director Rudnick reported that El Cerrito had lost one of its police officers, Jerrick Bernstine, on his 26th birthday. She asked that the meeting be adjourned in his memory.

Vice Chair Romero advised that Isiah Turner, a former Richmond City Manager, had also recently passed away. He asked that the meeting also be adjourned in Mr. Turner's memory.

ADJOURNMENT

With consensus of the Board, Vice Chair Romero adjourned the meeting at 7:03 P.M. *in Memory of El Cerrito Police Officer Jerrick Bernstine, and Former Richmond City Manager Isiah Turner*, until the regular Board meeting scheduled for February 10, 2022 at 6:15 P.M.

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 January 13, 2022.

Donald W. Sturman
Donald W. Sturman (Feb 16, 2022 12:36 PST)

Board Secretary, Donald W. Sturman

Feb 16, 2022

Date






2022 01-13 Board Meeting Minutes-WCCIWMA-RecycleMore

Final Audit Report

2022-02-16

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