



**MINUTES OF THE MARCH 21, 2016
REGULAR MEETING OF THE BOARD OF DIRECTORS**

1. CALL TO ORDER

The Upper Valley Waste Management Agency met in regular session on Monday, March 21, 2016 at 1:30 p.m. at the Yountville Town Council Chambers. Vice Chair Mohler called the meeting to order at 1:33 p.m.

2. ROLL CALL

The following members were present: Vice Chair Mohler, Member Crull, Member Canning, (*Chair Luce and Member Dillon arrived at 1:37pm near the end of item 6A*)

3. PLEDGE OF ALLEGIANCE

Vice Chair Mohler led the Pledge of Allegiance.

4. PUBLIC COMMENT

None

5. CONSENT CALENDAR ITEMS

A. Approval of Minutes

Staff requested approval of the February 8, 2016 regular meeting minutes.

Approved Consent Calendar item 5A: SC, CC, MM, ML(B), DD(B)

6. ADMINISTRATIVE ITEMS

A. California Integrated Waste Management Act

Hazardous Waste Collections – The spring hazardous waste collection events are scheduled for April 8th (business) and April 9th (residential), the events will be held at the Upper Valley Compost and Recycling Yard (program update flyer provided to Board).

Mattress Recycling – Clover Flat Landfill is now accepting mattresses for free through the Bye Bye Mattress program. This is part of a new statewide program. The program uses a recycling fee collected on each mattress and box spring sold; fees pay for the transportation and recycling of the mattresses.

Beverage Container Recycling Program – Program is changing this new fiscal year. County served as an informal lead with the beverage container recycling program for about a decade and is now going to allow for regional applications. Meaning if other agencies would like to continue participating, Agency would need to obtain a letter of authorization from City or Town Managers. Included in the agenda item is an example letter of authorization. Additional notes can be found in the program update. Amanda will be contacting City and Town Managers later on this week.

Sharps and Medications Disposal – The Soroptimist's of Calistoga are holding their semi-annual "No Drugs Down the Drain" event April 23rd in Calistoga, they are able to accept sharps and medications including controlled substances. Helping with flyers and providing sharp containers to give out to people to drop off sharps for disposal.

Vice Chair Mohler would like to know if we have the tonnage for the hazardous household waste events for credit for keeping stuff out of the landfill.

Agency Manager Lederer responds yes we have that information on manifests but we do not get credit for diversion since it cannot legally go into the landfill anyways.

Coming up, and noted in the report, is the Annual Agricultural Pesticide Container Recycling Event that is on Monday, April 25th. This event is usually well attended by the vineyards and wineries.

(Chair Luce and Member Dillon arrived at 1:37pm near the end of this item 6A)

Discussion of item 7A preceded discussion of item 6B.

B. Strategic Planning

(This item continued from November and February Board meeting)

Created a list with five areas that represent what the Board may want to discuss policies on.

Five areas being the diversion rate goal, what are we doing with organics with commercial and residential, value of our local facilities, landfill upgrades (part of contract), and climate change (see agenda attachment entitled Straw Man Policy Statement).

Vice Chair Mohler: Would like to see a waste reduction and reuse policy and also see listed resource recovery policies. Also looking for some very basic numbers on where we are at now. Then create a needs assessment.

Chair Luce: Likes the list of policies laid out but as far as setting priorities would like to work on things that are more doable and within our control, like greenhouse gases. County is in the middle of discussing this and how we connect with the rest of our communities. Also interested in the discussion of biochar.

Christy Abreu: New grant coming out in May. Would like a letter of support. Up to \$900,000 to help pay for infrastructure that is needed prior to composting. Currently composting businesses but not yet residential. Residential is a little more involved. New barn would improve even the existing process.

Agency Manager Lederer: Next process is for the county to approve the land use permit at the Whitehall Lane facility. Then possibly in next year's rate package approve costs of the grinder and probably the roof. Then we educate the public.

Vice Chair Mohler: Would like to see a change from an annual rate setting process and consider a 3-5 year rate setting. Less convoluted.

Agency Manager Lederer: Can look into a policy around future capital needs. IOCR is only one way of collecting money. The rate model that we have now is the right model as long as we have this contract. That won't change until we go out for a new contract. But this does not mean we cannot preplan on capital needs.

Vice Chair Mohler: Can we amend the contract for a better rate model that is user friendly?

Agency Manager Lederer: Company does like the rate model. Contract is not that far from being done. Not sure how cost effective it would be to try and change it now.

Bryce Howard: If you look at all the agreements you'll notice a fairly interesting change in 2007, where the rate model changed and thereafter has been streamlined piece by piece and still evolving into a simpler process. We are always interested in listening.

The Board concurred with the 5 items proposed in the staff report as worthy of further discussion, and asked the Agency Manager Lederer to expand upon each item and come back to the Board with each (probably one or two per meeting) over the next year for detailed discussion and possible action.

7. FRANCHISES' BUSINESS ITEMS

A. Franchises' Status

Agency Manager Lederer: Introduction to update on CalRecycle workshop in Sacramento. Vice Chair Mohler, Self, Greg Pirie, and Christy Abreu attended this workshop about three or four weeks ago. CalRecycle called for this workshop due to the crisis in the market for recycled goods. Things are being collected and the prices and even the ability to send them places are collapsing due to a number of different factors.

Christy Abreu: Believed it was an interesting workshop. More of a "round table" discussion about what could be done about the recycling infrastructure and how California was going to help build and maintain the infrastructure in the future. Is it solely up to California, or is it a National or Regional problem? There were about 60 people there, ranging from haulers, staff members that work in the communities, and elected officials. Other haulers concerns

had to do with labor costs and the Affordable Care Act. (Christy shared the Commodity Pricing Comparison sheet in an e-mail to Steve earlier and to the Board today) Resale prices for just about all recycled materials (except compost) have collapsed. This is a large issue that needs to be addressed.

Vice Chair Mohler: We've been sending about 80% of all our recycling to China. They just aren't buying in the same quantity any more, and are only taking the cleanest materials (the so called "Green Wall"). They've been building these giant empty cities with all of our recyclables and now as their economy slows, and as they are generating some of their own now, they just don't need as much of ours. Does not look like temporary slowdown, more of a permanent shift. All around California recycling centers are going out of business or soon will. Bottom line is what we thought was a sustainable activity is no longer sustainable.

Bryce Howard: Not just the exports going to China but there is local process as work. Study pointed out by HF&H in 2011 that part of public education is true costs of services. Having an itemized fee process that shows trash and recyclable, just like in our fuel tax, so they can actually see real costs, might be beneficial. Right now if you ask anyone, they just tell you that they pay for their garbage and recycling is free, although we know this is not really the case.

Vice Chair Mohler: People, rightly so, for a long time thought that there was money to be made by the recyclables.

Agency Manager Lederer asks Company: If pricing does not pick up, what might this look like to them in a year or two from now?

Bryce Howard: Seeing how the contract is structured it is highly likely there will be a rate increase at some point. But hopeful things will come back a little bit as it does seem to do that at times.

Agency Manager Lederer asks Company: So you see Company in the future doing what Margie mentioned is happening at Palm Springs is doing and turning away items you don't want?

Christy Abreu: I don't think we are there yet. We produce a really good product for our residents and for us and we get to move those products. There is still a market for these products. Legislation is pushing on removing all organics from the landfill by 2020/2025.

Bob Pestoni: Would just like to say we've worked here for 20/30 years working for something positive in recycling. I've been a recycler for many years. The hardest thing we've had to deal with is, about 30 years ago was picking up newspaper on the curb and then needing to stop because there was no market for it. Customers were upset with us. In a trip to Germany's about 15 years ago we noticed their most valuable recyclable item was wood. All other products went back to store or back to the company. We have been a throw-away society. To turn the recycling key off to some items is a really tough choice.

Vice Chair Mohler: People feel morally good to recycle and just don't understand about the economics. We have nothing to immediately deal with but know it can happen.

Christy Abreu: We are not here to talk about rates increases now but to bring attention that the state of California recycling market is tanking and communities are going back to their Boards letting them know, this is not working. Right now it is not a problem for us, but it will be. The intention of CalRecycle was to bring people together to find out what else could we be doing and who could we be collaborating with in the process. Maybe multi states in neighboring areas, so we are sharing in the process. One thing we can control is the organics (hand out of BioRecycle article). Facilities can be built and the organics can be processed and used here. State is now saying there are 100 new facilities throughout the state of California, whether it is anaerobic or general forced air composting.

(Part 2 of 7A)

Agency Manager Lederer: Talked briefly last month that Bryce had put together a list of things that might be in the current rate package. Bryce provided an updated list to give the Board an opportunity to discuss. No decisions were made, only introductory information.

Christy Abreu: Asking the board make a motion to support the Company in sending another letter for the CalRecycle grant for their organics program (copy of sample letter from 2014 distributed). Deadline is in May. Much better chance this time. Asking for Board commitment to send letter.

Vice Chair Mohler: Make a minute order for Chair to sign letter. Member Crull second the motion.

Christy Abreu: Also Spring Newsletter includes individual town events as well as Hazardous Household Waste Day and Drip Hose event in May and other good information.

Vice Chair Mohler: What can the Company automatically do and what has to come to the board for approval and why?

Bryce Howard: Anything that is capital we do not automatically do. Even on expense side that is reviewed by the Board each year through the rate package. Capital side is more defined and listed. The trucks were something where company put together a truck replacement schedule. Basically states trucks that are 10 years old or do not pass smog anymore, then they replace them. Trucks are on a five year depreciation schedule. Usually that truck gets double that depreciation before it is even considered to be replaced. These are diesel trucks. Believes it is important to have the discussion about truck replacement before the end of the contract.

Agency Manager Lederer: Both grinder and roof were on the list and I suggested that they come off because the land use permit process is likely to take us well into next year. Do not believe it made sense to fund them this year. Short answer is any money they want to spend is approved by this Board because only way to get it back is through the rates.

Back in 2007/2008 when we built what is now the existing construction and demolition (C&D) debris facility we agreed we were going to collect a certain amount of money through IOCR in order for creation of the C&D pad and all the equipment. But even at that time it was realized it could not stay where it was at forever because it was in a part of the landfill that eventually would be needed to become landfill again. This was phase one. UVDS agreement number three stated that the board will continue to collect money in order to do Phase 2, which is moving the C&D system down to the gate in conjunction with other gate improvements. Board will determine if there is or is not enough money and whether to implement Phase 2, and in what form. Bryce placing it on the list is not binding. Board has options. Wanted to have the discussions earlier and not have it be a surprise in June. Will keep board informed.

B. Waste Management Companies' Issues

None

8. OTHER BUSINESS ITEMS

A. Manager's Report

Steve was invited by St. Helena City Manager and asked to brief their City Counsel on options for household hazardous waste disposal within the City of St. Helena. Part of this was a lead in of getting rid of the oil tank previously talked about last year. Tomorrow night will be the night.

B. Reports from Jurisdictions

i. Napa County: Syar Use Permit expansion hearing tomorrow. Napa Vallejo went out to bid for the second stage of their paving project at the transfer station. Awarded contract last week. Completion of the project will finish sprucing up the facility that needed a lot of deferred maintenance. Also still trying to talk to potential renewable energy partners. With County now being part of MCE there may be solar or other opportunities there to use the facilities and the waste to make electricity. They are still some distance away from a deal.

ii. Calistoga: Bad behavior from those businesses with the shared dumpster space behind the Fire Department. City threatened to take the space away from them because it is City property that they are allowing these businesses to use. Got corrected really quickly. Now have hired someone out there making sure everything is in order. The other day they were out there power washing the whole thing. Not sure who is paying for these services.

Long term plan is when Caltrans comes in to replace the Lincoln Avenue bridge in 2017 and knowing they are requesting a good portion of that parking lot for staging equipment Public Works Director, Mike Kirn is negotiating to repave the parking lot when all is done and build a properly fitted place for all that to happen because it is adjacent to the river and any runoff must be controlled. So there is a solution by 2018. Assuming Caltrans finishes that bridge.

E-Waste Collection & shredding event on April 23rd.

iii. St. Helena: Local events coming up and special guest presentation. Shred-it event on Saturday, April 23rd. Everyone is welcome.

iv. Yountville: Yountville clean-up day is on Saturday, May 14th. Evening on the Friday before is very popular. Garage Sale is Saturday, May 7th. Working with West America Bank for Shred-it Day & E-waste event, Friday, April 22nd.

C. Board of Directors Comments

Vice Chair Mohler stated she will not be present for April's meeting.
Member Crull will be sending alternate in her place for April's meeting.

D. Future Agenda Items

None

9. ADJOURNMENT

Meeting was adjourned at 3:14 p.m. The next regularly scheduled meeting of the Agency Board of Directors will be held on Monday, April 18, 2016 at 1:30 p.m. in the Yountville Town Council Meeting Chambers.

AYES: _____
NOES: _____
ABSTAIN: _____
ABSENT: _____

By: _____
ATTEST: Steven Lederer, Manager of the Upper Valley Waste Management Agency

KEY

Vote: CC = Chris Canning; DD = Diane Dillon; ML = Mark Luce; MM = Margie Mohler; SC = Sharon Crull
BW = Brad Wagenknecht; GK = Gary Kraus; JD; Jeffrey Durham; PD = Paul Dohring
The maker of the motion and second are reflected respectively in the order of the recorded vote.
Notations next to vote: N = No; X = Excused; A = Abstain; B = Absent