



**MINUTES OF THE MAY 16, 2016  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**1. CALL TO ORDER**

The Upper Valley Waste Management Agency met in regular session on Monday, May 16, 2016 at 1:30 p.m. at the Yountville Town Council Chambers. Chair Luce called the meeting to order at 1:35 p.m.

**2. ROLL CALL**

The following members were present: Chair Luce, Vice Chair Mohler, Member Dillon, Member Crull, Member Canning.

**3. PLEDGE OF ALLEGIANCE**

Chair Luce led the Pledge of Allegiance.

**4. PUBLIC COMMENT**

None

**5. CONSENT CALENDAR ITEMS**

**A. Approval of Minutes**

Staff requested approval of the March 21, 2016 regular meeting minutes.

**B. Audit Agreement**

Staff requested approval and authorization of an agreement with Brown Armstrong Accountancy Corporation to perform the Agency's annual financial audits.

Approved Consent Calendar items 5A and 5B: CC, SC, ML, DD, MM

**6. ADMINISTRATIVE ITEMS**

**A. California Integrated Waste Management Act**

The Household Hazardous Waste collection event was conducted on April 8<sup>th</sup> and 9<sup>th</sup>. April 8<sup>th</sup> was for businesses where 5 scheduled appointments brought their materials. April 9<sup>th</sup> event brought in 156 vehicles. Good turnout, even with the rain.

Paint recycling event happening this Saturday (5/21/16) at the Paint Works in St. Helena. Residents will receive a recycling bin in exchange for their paint.

The resolution included in the agenda is an example of a resolution, for the Beverage Container Recycling payment Program, that goes to the Napa County Board of Supervisor's to authorize Napa County as the lead for the agency. Napa County will then receive check payment and forward to agency. Currently have approval from City of Calistoga, still waiting on approval from City of St. Helena and the Town of Yountville.

Sharps and medication disposal event was held on April 23<sup>rd</sup> in the City of Calistoga and collected 370lbs. On the DEA day (4/30/16) only 33lbs was collected, probably not enough notice.

The remaining composting workshops are coming up on June 4<sup>th</sup> in Yountville (Veteran's Memorial Park) and June 25<sup>th</sup> in St. Helena (Crane Park).

Agency Manager added: The Beverage Container Recycling payment Program is the same \$25,000 received in the past, with \$10,000 going to County and \$5,000 going to each of the Cities. State Auditor did an audit a few years ago and decided, even though there is no problem with the program, it should make it much harder for everybody to meet the requirements. One of those requirements is that a JPA could not apply, but County as Agency could, with permission from each of the three Cities. In the past Agency applied for each of the four Cities and payments arrived to the Agency. Now full \$25,000 will go to the County and County will then transfer to UVA. Originally state wanted County to keep the money but we were able to explain that with the Board structure, and with some of the money for Cities, we preferred money stay in the budget where we had City representation.

Clarification: The resolution attached to this agenda item is just an example. There is no Board action required.

## 7. FRANCHISES' BUSINESS ITEMS

### A. Franchises' Status

Annual rate packet was submitted on May 2, 2016. Karen Querin with Auditor's office presented an overview of how the process works. Bryce Howard from UVDS previewed some of the highlights included in the rate packet submittal. No decision or action from the board was requested or given, as the package will be thoroughly reviewed and return in June. Presentations materials on topics as mentioned above are posted to the Agency website.

Agency Manager added: Reminder that we are dealing with two separate contracts. Karen talked in detail about the UVDS or the hauling contract. There is also the Clover Flat contract which is really simple. In 2007 we went through a whole study of the landfill, the cost of new engineering cells and more. Came to a rate that gets CPI'd every year unless something dramatic happens, like a change of law or regulatory structure.

Every year there are capital projects proposed, which, if approved by the Board, are depreciated over several years. Interesting thing this year is there are only nine years left on the contract and there are things needed to buy that depreciate beyond the nine years left on the contract. Still evaluating how to deal with that. Changing the methodology will require amendment to the contract. The Board suggested an option to extend the contract one year (with renewal options) to cover that time period.

The Agency Manager also explained the relationship between UVDS (our regulated hauling company) and UVR (the unregulated recycling company). UVR is treated as a third party vendor, and UVDS pays UVR for a service (receiving, sorting, and reselling recycled materials). The amount paid is based on a formula in the rate methodology. That amount paid is based on presumed costs to perform the service and resale value of materials, and that cost is paid for by the rate payers through rate payer fees. UVR accepts the risks associated with changing costs and resale values (i.e. in any given year if resale prices go down, that cost is born by UVR).

Bryce Howard of UVDS presented an analysis (Handout #2) comparing the San Francisco CPI versus what UVDS rate increases over the past several years. Total over a nine year period are pretty close.

Bryce continued: Banks really like our current rate model and it is easier to get financing. But the challenge is having less than 10 years remaining on the contract, which means financing is more difficult. Previously discussed possible option was to renew one year at a time to facilitate financing. Would encourage every jurisdiction to have a franchise fee. Calistoga has a 6% fee and encourages all jurisdiction start one at one-two percent every year for the next 10 years to arrive at 10% fee. These fees are not subject to Proposition 218; however, money must be justified for a specific purpose related to solid waste and does have to be used for what it is approved for. What it does for company is it builds a partnership. The more revenue collected the more fees jurisdictions get. If pirates came into the area taking revenue out of the system, we are partnered in trying to make sure the revenue stays here.

Bryce wanted to briefly discuss the C+D pad status.

Agency Manager explained: In 2007 a fund for the creation of the C+D pad occurred. In that agreement it was understood that the C+D pad had to eventually move due to the current location being part of the landfill; at some point it needs to be landfill again. Company has proposed certain improvements to the gate area which also includes moving the C+D, although the gate improvements and moving the C+D line are two different projects. Through the adopted franchise agreement approved in 2007 that created C+D, the Board made a commitment to the company that it will help them move the C+D to the front area using IOCR or some other source of funding. The other gate improvements also make sense, but the Board is not committed to those since they were not part of the 2007 agreement.

Hoping to do several meetings with the Board in the next year to go back to the 2007 agreement and educate the board on what happened, and then take another look at the Company's actual proposal and give the Board an opportunity to weigh in and agree or disagree or make changes. Then we'll figure out cost and how we want to pay for it.

Christie Abreu (Handout #5) provided a summary on the proposed use permit change; not anticipating any changes with truck trips and collections. It is important to get the organics out of the landfill and this will help.

Member Dillon: Would like a calendar with special topics listed for the next 7 months with specific deadlines, just to plan ahead. Build future strategic planning dates into the calendar as well.

### B. Waste Management Companies' Issues

Christie (Handout #7-CUP summary) – Explained handout.

New state bill coming next year being called 901 bill.

Earth Day update. Good turnout. 120/125 cars at each event. Totals noted. So far this year 500 mattresses have been recycled. This is good and 90% of this product is recyclable.

Agency Manager: Wanted to mention one thing on the use permit. The County Planning department (PBES) is processing this use permit and they normally ask Public Works and other departments for comments. Since I represent the agency, Rick Marshal from the department is handling the planning side. Rick and I are not consulting on this and I am staying out of the process.

**8. OTHER BUSINESS ITEMS**

**A. Manager's Report**

Coming next month is agency's budget. Expect it to look a lot like this current year's budget. This current budget includes money put aside of \$35,000 for a consultant, which was not spent. Will keep this in the new budget for further discussion on need. Revenue will be down a little bit. Landfill tons are on a slightly downward trend. Otherwise, will look the same.

**B. Reports from Jurisdictions**

i. Napa County: None

ii. Calistoga: Currently satisfied with garbage and recycling placed behind the Fire Department after discussion to remove them from City property. Two restaurants have hired somebody who steam cleans the barrels and the dumpsters and the grounds every single week. Happier sight. Know it is not a long term solution because they will have to come out of this location eventually because it is adjacent to the river.

iii. St. Helena: None

iv. Yountville: Was invited by the company to attend a "Trash Bash", an industry event held in Sacramento. Had a great time. Lots of waste management people and legislative people.

Also had annual cleanup day. Total trash collected was 13.91 tons, three loads. Metal appliances 5.8 tons and e-waste 0.48 tons. Very successful. Cost about \$5,000-6,000. Used franchise credits.

**C. Board of Directors Comments**

None

**D. Future Agenda Items**

Board requested staff draft a potential contract amendment to extend the UVDS contract in rolling one year increments for consideration by the Board. This would enable the company to better finance capital assets which are needed for Board desired programs.

**9. ADJOURNMENT**

Meeting was adjourned at 3:13 p.m. The next regularly scheduled meeting of the Agency Board of Directors will be held on Monday, June 27, 2016 at 1:30 p.m. in the Yountville Town Council Meeting Chambers.

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN (A): \_\_\_\_\_  
ABSENT(B): \_\_\_\_\_  
EXCUSED(X): \_\_\_\_\_

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: Y = Ayes; N = No; A = Abstain; B = Absent; X = Excused