



Upper Valley Waste Management Agency Board Agenda Letter

TO: Board of Directors
FROM: Steven Lederer - Manager
Upper Valley Waste Management Agency
REPORT BY: Steven Lederer, Director of Environmental Management - 253-4471
SUBJECT: Manager's Report

RECOMMENDATION

MANAGER'S REPORT

DISCUSSION AND POSSIBLE ACTION: Manager to provide an update on the status of current activities and obtain Board direction where applicable on the items within.

EXECUTIVE SUMMARY

Manager to provide an update on the status of current activities.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Extended Producer Responsibility (EPR) and other Legislative Activities

Last year the Governor signed AB 2398 (Perez)--EPR for carpet and AB-1343--EPR for paint.

Over 2000 new bills have been submitted by the legislature this year. Once it becomes clear which of these

have relevance the manager will provide an update.

Monthly Financial Reports

Current reports are attached. Of note, landfill surcharge revenue is on track to exceed budgeted revenues by about \$10,000, but HHW expenses are also exceeding the current budget. The Agency as a whole is on track to conclude the year within the allotted budget.

Leftover issues from June Rate Setting Process

Several issues were left over from the June rate setting process (gate opening charges, distance tables, language about curbside recycling, and milk cartons). Agency staff and the company have met on these issues. The Manager will provide a brief update on these discussions, but a more formal presentation will be provided in April.

Recent Correspondence

A resolution from the City of Calistoga was received, requesting that UVA once again consider funding an HHW event in Calistoga. The Manager has attempted to summarize the issues and history related to the event, and seeks any Board guidance regarding a possible written response to the resolution and other actions related to a possible event.

- The HHW event is the responsibility of the Upper Valley Waste Management Agency (not UVDS), using funds from a surcharge that is placed on each ton of waste disposed of at Clover Flat Landfill (CFL);
- The event cost is approximately \$25,000-\$30,000, with the primary cost being paying to dispose of the waste that is collected; The event is for residential customers only.
- Because of the drastic decrease in waste disposed of at CFL over the past few years, the funds to conduct this event no longer exist in the UVA budget (in fact two events per year, one in Calistoga and one elsewhere in the UVA used to be held; but both have been canceled in 2009 and 2010).
- Last June the UVA Board considered raising the landfill surcharge by \$1/ton, which would have raised sufficient funds to conduct the Calistoga event. The Board decided raising this fee at that time was not appropriate given the state of the economy. With the passage of Proposition 26 last November, the UVA Board would now need to submit a proposed increase to a citizen's vote should they wish to consider raising the landfill fee again this June for the purposes of funding the event. A targeted fee whereby only specific ratepayers (such as residential customers in Calistoga), to fund an event that was only open to those same ratepayers (residential customers in Calistoga) would likely avoid Prop 26 requirements.
- In order to conduct the event, an alternate source of funding will need to be found, until landfill volumes increase sufficiently to generate adequate revenue. Revenue sources could include:
 1. Calistoga
 2. Multiple jurisdictions
 3. Private funding
 4. Grant funding (staff is investigating a CalRecycle HHW Grant program which was identified by Karen Slusser)
- To correct the possible misconceptions that seem to surround this issue, it is noted that Upper Valley Disposal Service (UVDS) is a privately owned company, who's rates (and therefore profit margin) are fixed by their contract

with the Upper Valley Waste Management Agency (UVA). They neither have the responsibility nor authority to conduct HHW events that are outside the scope of their contract or included in their rate structure.

Agency staff requests Board input and direction on this issue.

SUPPORTING DOCUMENTS

A . Calistoga Resolution

B . Financial Report

Recommendation: Approve
Reviewed By: Steven Lederer