



## Upper Valley Waste Management Agency Board Agenda Letter

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**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

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### **RECOMMENDATION**

#### **MANAGER'S REPORT**

**DISCUSSION AND POSSIBLE ACTION:** Manager to provide an update on the status of current activities.

### **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**

Information from various sources on legislative activity is attached. Of particular note are AB 283 (Chesbro) on EPR; AB 222 (Adams) on waste conversion technologies, SB 26 (Simitian) on home generated Pharmaceutical Waste (now in suspense), AB 1358 (Hill) on Styrofoam.

### Recycling Markets

Because of the current problems in the economy, markets for recycled goods have plummeted in the past months. The Company will provide a brief update on the situation as it relates to UVDS. The CIWMB continues to discuss this subject at their Board meetings as well.

### CFL Use of Out of County Waste

CFL, which is authorized to accept up to 5% of total disposal from out of county waste, has recently been contracting with entities in Oakland and Hayward to accept waste streams from those jurisdictions. CFL had accepted very little out of county waste in the past, thus allowing significantly more waste to be accepted at this time while still staying below the 5% threshold. This additional waste provides revenue during this time of reduced in county waste volumes, and therefore benefits both the company and the agency. We will continue to monitor the volumes to ensure the 5% limit is not exceeded.

### Financial Status of each Jurisdiction's Use of "In Kind" Services Provided by UVA

Under the Franchise Agreement, each jurisdiction is entitled to a total of \$75,000 worth of "in kind" services from UVDS. An accounting of funds remaining in each jurisdiction is attached.

### Accuracy of Weight Information for Public Drive-in Customers at CFL

The agency and company have been reviewing weight records for drive-in customers at CFL. Customers with small loads are charged a set fee (\$11/load) assuming a conversion factor of cubic yards to tons (the rates set at CFL are based on weight, but since small loads are not weighed this conversion factor is needed). It appears that the conversion factor used is underestimating the weight of the average load, and therefore the amount being charged at the gate is, on average, also low. As such, both the company (and UVA via the landfill surcharge), are being undercompensated for this service. We are working to adjust the conversion factor and therefore charge appropriately for this service.

### Protection of Customer Information

Recent Federal legislation requires companies that maintain customer account information adopt policies and practices to ensure that information is kept safe. This is the so called "Red Flags" rule. The agency has formally requested (see attached correspondence) that UVDS review its policies and report back its conformance with this federal requirement.

### Monthly Financial Reports and Draft Budget for Next Year

The most recent financial reports are attached. The Manager will provide an analysis of these reports for the Board.

Also attached is a draft budget for next year for the Board to review. By the end of this year I expect that our reserves will be right at the Board policy minimum of \$35,000. The budget I have prepared for next year is balanced, but does eliminate one of our previous large expenses, the HHW event normally held in Calistoga in October. Alternatively, I propose we invest our other budgeted funds in educating our citizens about the existing, year round, drop off locations that can be used, and move away from the expensive one-day events that we cannot currently fund.

The Board also has other options, including raising the surcharge we receive on waste deposited in the landfill. For instance, increasing our surcharge from \$3.75/ton to \$4.75/ton would raise approximately \$30,000 per year of additional revenue for the Agency, but these costs would have to be covered by the rate payers. We could also further access our reserves, though this would put us under the the minimum

reserves Board policy require. For a variety of reasons I am not recommending these, but they are available options that we can discuss in more detail should the Board be interested in doing so.

**SUPPORTING DOCUMENTS**

- A . Red Flags Memorandum
- B . Yountville Franchise Services
- C . Calistoga Franchise Services
- D . County Franchise Services
- E . St. Helena Franchise Services
- F . Financial Reports
- G . NCRA Leg Update
- H . CCDEH Leg Update
- I . CIWMB Leg Update

Recommendation: Approve  
Reviewed By: Steven Lederer