



## **BOARD OF DIRECTORS**

Jack Thompson, City of Rio Dell, **Chair**  
Natalie Arroyo, City of Eureka,  
Adelene Jones, City of Blue Lake  
Sofia Pereira, City of Arcata, **Vice Chair**  
Michael Sweeney, City of Ferndale  
Rex Bohn, County of Humboldt

## **Agenda**

**Thursday, November 12, 2015 5:30 PM**

**Eureka City Council Chambers**

**531 K Street, Eureka, CA**

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### **1. Call to Order and Roll Call at 5:30 PM**

### **2. Consent Calendar**

All matters listed under the Consent Calendar are considered to be routine by the HWMA Board and will be enacted upon by one motion, unless a specific request for review is made by a Board Member or a member of the public. The Consent Calendar will not be read. There will be no separate discussion of these items unless pulled for discussion.

- a. Approve Minutes from the October 8, 2015 HWMA Board of Directors Meeting.
- b. Receive the September Fiscal Year 2015-2016 Financials
- c. Approve Agreement for CRV Glass Hauling Services with Humboldt Recycling, LLC
- d. Approve Golder Associates Project Addendum Dated September 15, 2015

### **3. Oral and Written Communications**

This time is provided for people to address the Board or to submit written communications concerning matters not on this agenda. Board Members may respond to statements, but any request that requires Board action will be referred to staff for review. Reasonable time limits may be imposed on both the total amount of time allocated for this item, and on the time permitted to each individual speaker. Such time allotment or portion thereof shall not be transferred to other speakers.

### **4. Receive Report on Authority Minutes Structure and Authorize Changes as Presented to Substance of Action Minutes**

### **5. Discuss and Provide Direction on the Regional Recycling RFP Process**

### **6. Board Member Reports**

### **7. Executive Director's Report**

### **8. Closed Session: Session** It is the intention of the Board of Directors to meet in closed session for one item:

- a. Public Employee Performance Evaluation for the position of the Executive Director pursuant to Government Code Section 54957.

### **9. Adjourn**



## **BOARD OF DIRECTORS**

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Michael Sweeney, City of Ferndale  
Rex Bohn, County of Humboldt, **Vice Chair**

## **Minutes**

**Thursday, October 8, 2015 5:30 PM**

**Eureka City Council Chambers**

**531 K Street, Eureka, CA**

**Present:** Jack Thompson, Natalie Arroyo, Adelene Jones, Sofia Pereira,  
Michael Sweeney

**Absent:** Rex Bohn

**Staff:** Jill Duffy, Tyler Egerer, Brent Whitener

**Legal Counsel:** Nancy Diamond

### **1. Call to Order and Roll Call at 5:30 PM**

**Chairman Thompson** called the meeting to order at 5:32 p.m. A quorum was present and acting.

### **2. Consent Calendar**

- a. Approve Minutes from the September 10, 2015 HWMA Board of Directors Meeting.
- b. Receive the August Fiscal Year 2014-2015 Financials
- c. Approve Amendment No. 2 to Agreement with Solid Wastes of Willits to provide compensation for Live Loading at the Eel River Transfer Station

**Director Jones** pulled Item 2a).

**Chairman Thompson** Opened the floor to public comment regarding the Consent Calendar. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Motion:** Director Pereira Moved and Director Arroyo Seconded to Approve the Balance of the Consent Calendar.

**Action:** Approve Motion as made by Director Pereira and Seconded by Director Arroyo by the following vote:

**Ayes:** Thompson, Arroyo, Jones, Pereira, Sweeney

**Nays:** None

**Absent:** Bohn

### **Item 2a), Minutes, September 10, 2015:**

**Director Jones** addressed a letter received related to the minutes. A copy of that letter is attached to and made a part of these minutes. Staff will present a report regarding the letter request at the November meeting.

**Chairman Thompson** Opened the floor to public comment regarding the Minutes. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Motion:** Director Jones Moved and Director Sweeney Seconded to Approve the Minutes.

**Action:** Approve Motion as made by Director Jones and Seconded by Director Sweeney by the following vote:

**Ayes:** Thompson, Arroyo, Jones, Pereira, Sweeney

**Nays:** None

**Absent:** Bohn

**3. Oral and Written Communications**

**Chairman Thompson** Opened the floor to public comment regarding Items not on the Agenda. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**4. Receive Report on PERS Benefits and Rates**

**Administrative Services Manager Egerer** provided a brief informational report on the Authority's CalPERS benefits and ongoing liabilities, and discussed with the Board options for improving retirement benefits for the Authority's employees.

**Chairman Thompson** Opened the floor to public comment regarding the presentation on CalPERS. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**No Action Taken.**

**5. Board Member Reports**

**Director Arroyo** reported that the City of Eureka has chosen not to sign the MOU related to the proposed Regional Recycling RFP, citing a lack of total tonnage to encourage strong bidding.

**Director Jones** reported that hiring activities for a new City Manager for the City of Blue Lake were proceeding well.

**Director Thompson** reported on Prop 218 water tax implementation activities in the City of Rio Dell.

**Director Sweeney** reported on significant green waste cleanup activities being undertaken by the local VFW in Francis Creek in the City of Ferndale.

**6. Executive Director's Report**

**Administrative Services Manager Egerer** reported on the current status of Phase II construction at the Cummings Road Landfill and the status of the Authority's annual audit.

**7. Closed Session:** It is the intention of the Board of Directors to meet in closed session for one item:

- a. Public Employee Performance Evaluation for the position of the Executive Director pursuant to Government Code Section 54957.

**Chairman Thompson** Opened the floor to public comment regarding the Closed Session. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Chairman Thompson** Adjourned the Meeting to Closed Session at 6:30 p.m.

**Report Out:** There was nothing to report out from Closed Session proceedings.

**8. Adjourn**

**Chairman Thompson** Adjourned the Meeting at 6:50 p.m.

**Next Meeting:** November 12, 2015 at 5:30 p.m. at Eureka City Hall Council Chambers.



## ***Staff Report***

**DATE:** November 12, 2015

**FROM:** Tyler Egerer, Administrative Services Manager

**SUBJECT:** Item 2b)  
Receive September 2015 Financial Reports

**RECOMMENDED ACTION:** Review and Approve  
Review and Approve September 2015 Financial Reports.

### **DISCUSSION:**

Each month, staff presents an update on the Authority's financials based on activity to-date for a period two months prior to the current month. This enables staff to provide a complete presentation of the full financial activity for that period, as financial data will have been recorded and finalized for the reporting period at that point.

Each year, pending the finalization of the Authority's financial audit, these financial reports are presented as *preliminary* financial reports. Once the audit is finalized and staff closes out the prior year, information presented will represent accurate to-date financial activity and will be marked as such.

The September financials represent first quarter activity for the 2015-16 Fiscal Year. Attachment B, *Preliminary Statement of Operations for Period Ending 09/30/2015* is presented in summary format; detailed analysis of each division of the Authority is available by request for those interested in division performance. Highlights from the third month of activity include:

- a) Continued work at the Cummings Road Landfill, and reduced cash flow as the Authority awaits the release of funds from the Landfill Trust Account to reimburse the Authority for past and current construction expenses. Spending controls remain fairly tight, although the Authority did receive a release from the trust fund of approximately \$2 million to help cover construction costs.
- b) Strong performance over initial projects in solid waste disposal, green waste disposal, and salvage revenues are bolstering the Authority's financial well-being, with strong net income through the first three months.
- c) Significant spending on Member Agency illegal disposal is expending allocated funds for illegal dumping and cleanups (Line 69, 44.08% of budgeted estimates) well towards its budgeted limits. Staff has brought the issue to the attention of Member Agency staff and will be evaluating options through the winter for increasing funding available to Member Agencies and determining if other methods can help offset some of these costs.

- d) Overall cost savings in all expenses have controlled costs approximately 6.50% below budget estimates (Line 115), which smoothes cash flow and contract management through the completion of Phase II of landfill closure construction.

The Authority’s cash position is comprised of three accounts; 1) the Authority’s checking account, which handles all of the day-to-day expenses; 2) the savings account, which maintains the current cash value of the Authority’s reserve funds; and, 3) the Union Bank Trust Account, which maintains the funds held in trust for the completion of the Cummings Road Landfill Closure Project. Following the completion of the Phase II Closure Construction, Union Bank Trust funds will be released into the Authority’s general funds. The total value of each of these accounts, as of September 2015, is as follows:

HWMA Checking, Umpqua Bank:	\$2,616,605.96
HWMA Savings, Umpqua Bank:	\$397,498.89
HWMA CRLF Trust, Union Bank:	\$1,656,961.41

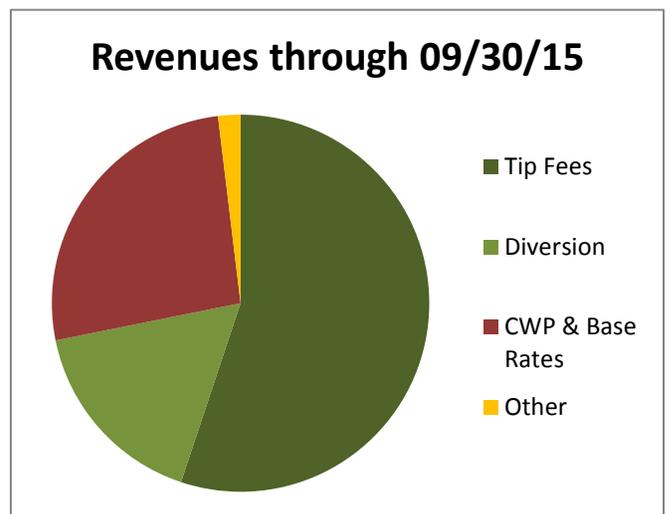
The release of approximately \$2 million in CRLF Trust funds, for construction costs, has replenished the Authority’s cash on hand significantly; not only does this assist with payments to closure construction contractors, but it prepared the Authority for its first loan payment on its long-term debt refinance in November.

**Authority Financials:**

Attachments A and B contain detailed balance sheet and income statement (*Statement of Operations*) information for the September financial report, for Board review and discussion. An analysis of that information as it relates to revenues and expenses, and current month disbursements to vendors and employees, is provided herein.

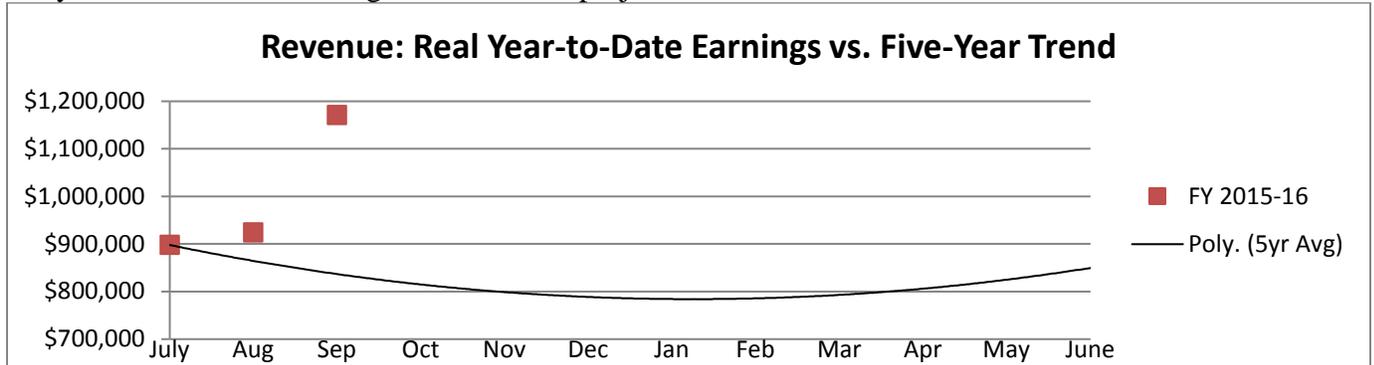
**Revenues** for September are performing at 27.85% of budgeted estimates for Fiscal Year 2015-16, approximately 3.0% over projections. These estimates encapsulate all activity throughout the Authority, and may be influenced by future payouts for fees passed through to Member Agencies, revenue shares for salvaged materials sales, and the delayed receipt of grant revenues for grant-based projects.

As diversion programs increase, staff is monitoring the success of those programs in terms of not only cost, but self-sustaining viability. At present, all divisions are operating above budgeted estimates, and are fully funded off of self-sustaining revenues or fees passed-through from Self-Haul, Franchise, and Satellite Facility tipping fees.



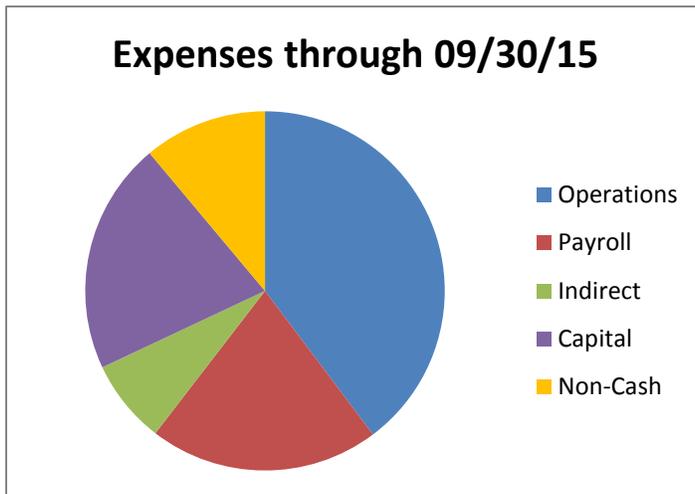
Based on the above factors, and in an attempt to facilitate long-term planning – relative to the Fiscal Year – to the Board and staff in decision making, the following estimation of growth for total revenues is provided below. The following graph tracks current, aggregate, monthly revenue activity against an annual trend line, generated from the previous five years of financial

information. The trend line provides a reasonable estimation of how revenues are expected to be collected throughout the year, including effects related to weather, seasonal activities, and delayed reimbursements for grants and other projects.



Revenue Drivers for FY 2015-16 continue to result from increased activity in both greenwaste disposal and recycling center activity. More franchise greenwaste is coming in than budget projections anticipated (Attachment B, Line 10, 75.22% of budget). The increase in activity increases costs, as well as recent changes in hauling costs approved through a new agreement with the Authority’s greenwaste hauler, Steve Morris Logging. However, greenwaste activities remain self-funded, and will experience only an overall slight decrease in net income as a result of the increased costs in disposal.

In addition, the Authority’s Eureka Recycling Center has seen a significant increase in participation in its California Redemption Value (CRV) buyback program. With almost all of the local, private CRV centers closing down in the face of stricter regulations and weak materials markets, the Authority remains one of the few sites in the greater Eureka area that reimburses customers for their CRV materials. With average daily sales up at least 30% per day, the Authority is able to leverage the increase in materials against the market to recognize the best sale prices available. This has greatly increased salvage revenue over projections (Attachment B, Lines 14 and 16, totaling approximately 41.0% of total amounts budgeted for these items).



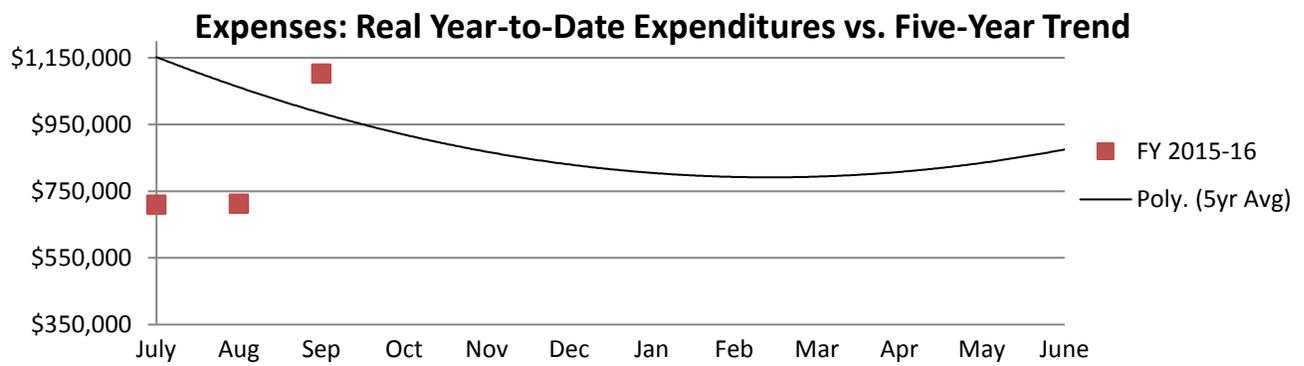
**Expenses** for September continue to be lower than budget projections. Total Expenses (Attachment B, Line 125) are at 18.47% of budgeted estimates, approximately 7.0% below expected costs. Although October will see quarterly payments to Member Agencies for recycling revenue shares and pass-through fees, staff is pleased that estimates continue to overestimate actual activity.

Payroll expenditures (Attachment B, Line 62) are approximately 4.0% below estimated totals: employee turnover, delay

in filling the Programs positions, and continued examination and development of future uses of the Operations Manager position have contributed to near-term savings on payroll expenses.

In general, and even without major projects being undertaken, Authority expenses are prone to large spikes in activity, which can push costs to near budgetary limits in a short amount of time. These spikes are often the result of large, one-time costs such as permit fees, lump sum insurance payments, or large grant expenditures.

Based on the above factors, and in an attempt to provide long-term planning – relative to the Fiscal Year – the Board and staff in decision making, the following estimation of growth for total expenditures is provided below. The following graph tracks current, aggregate, monthly expense activity against an annual trend line, generated from the previous five years of financial information. The trend line provides a reasonable estimation of how expenses are expected influence the Authority’s financials throughout the year, and take into account the effects of those one-time, lump sum payments for certain recurring annual costs.



Staff is in the process of revamping a number of expense reporting methods to better illustrate and make transparent the relationship of expenses to their corresponding activities. To that end, much of the activity for September remains a work-in-progress: as staff corrects minor errors in reporting from previous habits, corrections over the coming months will result in minor shifts across expense line items.

However, of chief interest in this second month are the savings previously mentioned in payroll expenditures; the expected increase in CRV reimbursements due to the increase in customer activity (Attachment B, Line 56, 35.40% of budget); and significant increases in illegal disposal costs (Attachment B, Line 69, 44.08% of budget). Staff will continue to monitor activities in these categories and provide updates in the future regarding their status.

Monthly disbursements to Authority vendors and employees are summarized in Attachment D. Regular expenditures for transportation and disposal costs total \$272,594.67; costs related to Phase II of the Cummings Road Landfill Closure total \$488,666.87; closure construction continues on budget, though some time and material work for projects beyond the original scope of the project will increase costs in the final months.

**Division Activities (as Summarized in Attachment C):**

Solid waste tonnage and revenue remain nearly identical to prior year activity; the continued dry and warm summer weather has allowed for a continued uptick in activity, with daily traffic numbers continuing to be approximately 5.0% over prior year averages. At this rate, tonnage may end up slightly below the budgeted estimate of 70,000 tons; however staff is pursuing a

number of avenues to increase inbound tonnage at the Transfer Station. Shortfalls in tonnage may result in a reduction in revenue, but also result in a similar reduction in shipping and disposal expenses, which greatly offset those shortfalls.

Hazardous waste activity appears down for the month, 5.8% below comparable data through September of the previous Fiscal Year. With several smaller mobile events being held, and the continued decline of participation at monthly events at the Hawthorne Transfer Station, staff expects to see a continuing decline in both traffic and revenue. However, as with most years, the end of summer often sees a sharp decline in activity to be bolstered significantly with the onset of the following summer and a revival of mobile event activity.

**Attachments:**

- A) Authority *Preliminary* Balance Statement, September 2015
- B) Authority *Preliminary* Statement of Operations, September 2015
- C) Activity Report, September 2015
- D) Cash Disbursements, September 2015

**Attachment A**  
**Humboldt Waste Management Authority**  
**Preliminary Statement of Assets and Liabilities**  
**For the Period Ending September 30, 2015**

<b>ASSETS</b>	September 30, 2015	June 30, 2015
Current Assets		
Cash and Cash Equivalents	\$3,024,385.97	\$1,997,851.87
Accounts Receivable	\$851,816.51	\$830,638.07
Prepaid Items	\$94,678.15	\$126,237.55
Total Current Assets	<u>\$3,970,880.63</u>	<u>\$2,954,727.49</u>
Restricted Assets		
Closure and post Closure care Trust Fund	\$1,643,285.24	\$3,788,885.04
Other Assets		
Property, Plant, & Equipment	\$4,634,069.09	\$4,744,597.07
Grants Receivable	\$46,718.98	\$2,624.40
SWoW Receivable	\$11,900.00	\$11,900.00
Deferred Revenue	(\$47,807.00)	(\$43,470.00)
Waste Authority Permit	\$221,171.00	\$221,171.00
Goodwill Depreciable - Purchase of WSG	\$155,519.28	\$311,038.86
Total Other Assets	<u>\$5,021,571.35</u>	<u>\$5,247,861.33</u>
<b>Total Assets</b>	<b>\$10,635,737.22</b>	<b>\$11,991,473.86</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$122,454.34	\$647,256.99
Deferred Revenue - Kernan	\$106,823.42	\$106,823.42
Current Portion of Loan Payable	\$50,000.00	\$50,000.00
Accrued Wages and Payroll taxes payable	\$61,662.13	\$131,918.59
Other Accrued liabilities	\$10,567.03	\$2,100.00
Total Current Liabilities	<u>\$351,506.92</u>	<u>\$938,099.00</u>
Long Term Liabilities		
Loans Payable	\$60,655.40	\$60,655.40
Estimated closure and post closure costs	\$11,217,301.59	\$12,500,000.00
Long-Term Debt	\$6,338,132.00	\$6,338,132.00
Total Long Term Liabilities	<u>\$17,616,088.99</u>	<u>\$18,898,787.40</u>
Total Liabilities	\$17,967,595.91	\$19,836,886.40
Net Assets		
Equity Reserved	(\$5,601,130.96)	(\$5,601,130.96)
Unrestricted	(\$20,843.96)	(\$156,436.58)
Investment in Capital Assets	(\$2,087,845.00)	(\$2,087,845.00)
Increase (Decrease) in Net Assets	\$377,961.23	(\$0.00)
Total Net Assets	<u>(\$7,331,858.69)</u>	<u>(\$7,845,412.54)</u>
<b>Total Liabilities and Net Assets</b>	<b>\$10,635,737.22</b>	<b>\$11,991,473.86</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
**Preliminary Statement of Operations for Period Ending 09/30/2015**

**Total FY15/16  
Budget**      **Year-to-Date Revenues and  
Expenses as compared to 25.00% of  
Total Budget**

**1 Revenues**

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 25.00% of Total Budget	
<b>2 Revenues from Operations</b>				
3	Franchise Tip Fees	\$ 5,418,420	\$ 1,323,209	24.42%
4	Self Haul Tip Fees	\$ 2,337,300	\$ 680,371	29.11%
5	Satellite Tip Fees	\$ 522,421	\$ 281,362	53.86%
6	Out of Area Self Haul Fees	\$ 203,948	\$ -	0.00%
7	Offset for Program and Base Fees	\$ (2,926,212)	\$ (737,063)	25.19%
8	<b>Revenues from Solid Waste</b>	<b>\$ 5,555,877</b>	<b>\$ 1,547,878</b>	<b>27.86%</b>
9	<b>Greenwaste Tip Fees</b>			
10	Franchise	\$ 24,500	\$ 18,429	75.22%
11	Self Haul	\$ 316,200	\$ 65,770	20.80%
12	<b>Diversion Revenue</b>			
13	Hazardous Waste	\$ 100,000	\$ 18,016	18.02%
14	Single-Stream Processing and Loading	\$ 140,000	\$ 57,538	41.10%
15	Self Haul (Appliances, TVs, Tires, Misc. E-waste)	\$ 294,000	\$ 73,307	24.93%
16	Salvage Revenue from Sale of Materials Processed In-House	\$ 570,000	\$ 236,619	41.51%
17	<b>Revenues from Material Diversion Programs</b>	<b>\$ 1,444,700</b>	<b>\$ 469,679</b>	<b>32.51%</b>
18	<b>Total Revenues from Operations</b>	<b>\$ 7,000,577</b>	<b>\$ 2,017,557</b>	<b>28.82%</b>
19	<b>Revenue Generated by Program Fees and Base Rate</b>			
21	County LEA	\$ 186,200	\$ 44,865	24.09%
22	County Rural Container Program	\$ 316,400	\$ 76,236	24.09%
23	County Table Bluff Landfill Maintenance	\$ 65,800	\$ 15,854	24.09%
24	Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 9,614	24.09%
25	Administration (County-Wide Program Fees and Base Rate Combined)	\$ 434,401	\$ 113,680	26.17%
26	Hazardous Waste (County-Wide Program Fee)	\$ 440,073	\$ 106,090	24.11%
27	Cummings Road Landfill (County-Wide Program Fees and Base Rate Combined)	\$ 764,310	\$ 197,169	25.80%
28	Programs (County-Wide Program Fees and Base Rate Combined)	\$ 423,818	\$ 104,403	24.63%
29	Recycling (Base Rate)	\$ 255,310	\$ 69,152	27.09%
30	<b>Total Revenue Generated by Program Fees and Base Rate</b>	<b>\$ 2,926,212</b>	<b>\$ 737,063</b>	<b>25.19%</b>
31	<b>Other Revenues</b>			
33	Revenues from Reimbursements for Materials Collection	\$ 9,000	\$ 850	9.44%
34	Interest Income	\$ 30,000	\$ 24,535	81.78%
35	Rental Income	\$ 118,488	\$ 28,483	24.04%
36	<b>Total Other Revenues</b>	<b>\$ 157,488</b>	<b>\$ 53,868</b>	<b>34.20%</b>
37	<b>Total Revenues</b>			
38		<b>\$ 10,084,277</b>	<b>\$ 2,808,489</b>	<b>27.85%</b>

**40 Expenses**

<b>41 Operating Expenses</b>				
<b>42 Solid Waste Hauling</b>				
43	Hawthorne Street TS	\$ 1,918,078	\$ 292,738	15.26%
44	McKinleyville Satellite	\$ 62,060	\$ 77,947	125.60%
45	Fortuna Satellite	\$ 107,942	\$ 36,724	34.02%
<b>46 Solid Waste Disposal</b>				
47	Hawthorne Street TS	\$ 1,262,609	\$ 211,219	16.73%
48	McKinleyville Satellite	\$ 50,212		
49	Fortuna Satellite	\$ 65,406		
<b>50 Diverted Materials Hauling &amp; Disposal</b>				
51	Greenwaste	\$ 279,132	\$ 53,528	19.18%
52	Hazardous Waste	\$ 275,000	\$ 9,761	3.55%
53	Appliances, TVs, Tires, Misc. E-waste	\$ 109,000	\$ 23,578	21.63%
54	Leachate	\$ 100,000	\$ 10,678	10.68%
55	Asbestos	\$ -		
56	CRV Paid Out	\$ 480,000	\$ 169,940	35.40%
<b>57 Contract Services</b>				
58	RMDZ	\$ 10,000		
59	Temporary Employment Services	\$ -	\$ 7,492	
60	<b>Total Operating Expenses</b>	<b>\$ 4,719,439</b>	<b>\$ 893,605</b>	<b>18.93%</b>
61	<b>Payroll Expenses</b>			
62		<b>\$ 2,344,300</b>	<b>\$ 499,109</b>	<b>21.29%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
**Preliminary Statement of Operations for Period Ending 09/30/2015**

	Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 25.00% of
64 <b>Program Fees Passed-Through to Member Agencies</b>		
65 AB939	\$ 66,420	\$ 1,100 1.66%
66 County LEA	\$ 186,200	\$ 15,105 8.11%
67 County Rural Container Program	\$ 316,400	\$ 25,668 8.11%
68 County Table Bluff Landfill Maintenance	\$ 65,800	\$ 5,338 8.11%
69 Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 17,587 44.08%
70 <b>Total Program Fees and Base Rates Passed Through</b>	<b>\$ 674,720</b>	<b>\$ 64,798 9.60%</b>
71		
72 <b>Indirect Expenses</b>		
73 Accounting Expense	\$ 16,500	\$ 10,150 61.52%
74 Advertising Expense	\$ 21,100	\$ 3,991 18.91%
75 Alarm/Security Expense	\$ 1,650	\$ 1,472 89.19%
76 Bank Fees Expense	\$ 27,700	\$ 7,144 25.79%
77 Dues/Membership	\$ 4,250	
78 Employment Expenses (Hiring, Testing, etc.)	\$ 5,200	
79 Engineering & Consulting	\$ 25,000	
80 Environmental Monitoring	\$ 81,500	\$ 9,299 11.41%
81 CRBAS Five-Year Monitoring	\$ 55,283	
82 Gas/Fuel Expense	\$ 68,900	\$ 9,938 14.42%
83 Insurance Expenses		
84 Environmental	\$ 11,000	
85 General Liability	\$ 42,671	\$ 7,083 16.60%
86 Property	\$ 4,590	\$ 3,283 71.53%
87 Janitorial/Vector Services	\$ 15,300	\$ 4,430 28.95%
88 Legal Expense	\$ 70,000	\$ 16,552 23.65%
89 Leases - Property & Equipment	\$ 42,060	\$ 8,541 20.31%
90 Meeting Expense	\$ 3,200	\$ 225 7.03%
91 Mileage Reimbursement	\$ 3,400	
92 Office Supplies	\$ 16,100	\$ 4,823 29.96%
93 Operating Supplies	\$ 88,600	\$ 7,956 8.98%
94 Outside Printing	\$ 5,150	\$ 478 9.29%
95 Permits & Fees	\$ 104,800	\$ 12,359 11.79%
96 Postage	\$ 6,300	\$ 283 4.49%
97 Publications	\$ 100	
98 Rental Expense	\$ 798	\$ (226) -28.33%
99 Repairs & Maintenance Expenses		
100 Facilities	\$ 88,500	\$ 7,233 8.17%
101 Equipment	\$ 110,250	\$ 18,615 16.88%
102 Vehicles	\$ 6,500	\$ 1,177 18.11%
103 Safety Expense	\$ 23,900	\$ 6,932 29.01%
104 Small Tools	\$ 7,500	
105 Software Expense	\$ 44,400	\$ 9,006 20.28%
106 Telephone Expense	\$ 14,300	\$ 1,786 12.49%
107 Training	\$ 8,700	\$ 1,450 16.67%
108 Travel - Transportation, Meals, Lodging	\$ 7,500	\$ 1,233 16.44%
109 Uniforms Expense	\$ 16,500	\$ 6,441 39.04%
110 Utilities Expense		
111 Electricity/Heat	\$ 86,350	\$ 19,527 22.61%
112 Water	\$ 4,850	\$ 1,226 25.28%
113 <b>Total Indirect Expenses</b>	<b>\$ 1,140,402</b>	<b>\$ 182,407 15.99%</b>
114		
115 <b>Total Operational and Indirect Expenses</b>	<b>\$ 8,878,861</b>	<b>\$ 1,639,918 18.47%</b>
116		
117		
118		
119 <b>Capital Expenditures</b>		
120 Reserve and Capital Improvement Expenses		
121 Landfill Closure Expenses		\$ 504,069
122 Long-Term Interest	\$ 111,139	
123 <b>Total Capital Expenditures</b>	<b>\$ 111,139</b>	<b>\$ 504,069 453.55%</b>
124		
125 <b>Total Expenses</b>	<b>\$ 8,990,000</b>	<b>\$ 2,143,987 23.85%</b>
126		
127 <b>Net Income (Loss) from Operating Activities</b>	<b>\$ 1,094,277</b>	<b>\$ 664,502 60.73%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
**Preliminary Statement of Operations for Period Ending 09/30/2015**

Total FY15/16  
Budget                      Year-to-Date Revenues and  
Expenses as compared to 25.00% of

128

129 **Non-Cash Activities Affecting Net Assets**

130 Depreciation Expense	\$	397,889	\$	110,528	27.78%
131 (Gain)/Loss on Sale of Bonds			\$	1,501	
132 Amortization Expense - WSG Goodwill	\$	622,078	\$	155,520	25.00%
133 <b>Total Non-Cash Activities</b>	<b>\$</b>	<b>1,019,967</b>	<b>\$</b>	<b>267,549</b>	<b>26.23%</b>

134

135 **Grant Activities**

136 Waste Tire	\$	-			
137 RMDZ	\$	5,000			0.00%
138 OPP	\$	40,000			0.00%
139 HHW HD	\$	205,214			0.00%
140 DoC	\$	20,000			0.00%
141 <b>Revenues from Grant Programs</b>	<b>\$</b>	<b>270,214</b>	<b>\$</b>	<b>-</b>	<b>0.00%</b>
142 Waste Tire Grant	\$	-			
143 RMDZ	\$	5,000			0.00%
144 Oil Payment Program	\$	40,000			0.00%
145 HHW HD Grant	\$	205,214			0.00%
146 DoC Grant	\$	20,000			0.00%
147 <b>Expenses Incurred by Grant Programs</b>	<b>\$</b>	<b>270,214</b>	<b>\$</b>	<b>-</b>	<b>0.00%</b>
148 <b>Total Grant Activities</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>(18,992)</b>	

149

150 **Increase (Decrease) in Net Assets**    \$            74,310    \$            377,961    508.63%

151

152 **Reserves and Trusts**

153 Funds Replenished from Release of CRLF Trust					
154 Current Cash Value of Designated Reserves			\$	397,499	
155 HWMA Reserve Policy - 20% of Operating Expenses (Includes Payroll)	\$	1,750,000	\$	397,499	22.71%
156 Disbursements from Trust to Cover Phase II Expenses					
157 Disbursements from Trust for Retention					
158 CRLF Closure Trust Fund	\$	3,769,932	\$	3,769,932	100.00%
159 <b>Total Reserves and Trust Funds</b>	<b>\$</b>	<b>5,519,932</b>			

**Attachment C  
Activity Report  
July 1, 2015 -September 30, 2015**

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	10,293	10,395	99.0%	\$1,315,584	\$1,312,570	100.2%
Self Haul	4,091	4,133	99.0%	\$648,188	\$652,383	99.4%
<b>Subtotal</b>	<b>14,385</b>	<b>14,528</b>	<b>99.0%</b>	<b>\$1,963,772</b>	<b>\$1,964,953</b>	<b>99.9%</b>
Humboldt Sanitation	668	425	157.0%	\$65,804	\$58,764	112.0%
ERD	1,078	1,295	83.3%	\$105,345	\$126,483	83.3%
<b>TOTAL.</b>	<b>16,130</b>	<b>16,248</b>	<b>99.3%</b>	<b>\$2,134,922</b>	<b>\$2,150,200</b>	<b>99.3%</b>
<b>Greenwaste</b>	<b>833</b>	<b>601</b>	<b>138.7%</b>	<b>\$62,403</b>	<b>\$51,021</b>	<b>122.3%</b>

**Household Hazardous Waste**

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	92	89	103.4%	\$14,204	\$17,038	83.4%
Residential	1,033	1,116	92.6%	\$3,707	\$6,624	56.0%
Fortuna Residential	29	20	145.0%	\$105	\$150	70.0%
Revenue from Countywide Fee				\$106,090	\$103,231	102.8%
<b>TOTAL.</b>	<b>1,154</b>	<b>1,225</b>	<b>94.2%</b>	<b>\$124,106</b>	<b>\$127,043</b>	<b>97.7%</b>

Traffic Count	Average Daily		Average Daily		% of Prior
	Count FY16	Exceptions	Count FY15	Exceptions	
July	295	None	289	None	102.1%
August	251	None	275	None	91.2%
September	289	None	259	None	111.6%
October		None	250	None	0.0%
November		None	259	None	0.0%
December		None	248	None	0.0%
January		None	278	None	0.0%
February		None	254	None	0.0%
March		None	251	None	0.0%
April		None	272	None	0.0%
May		None	267	None	0.0%
June		None	286	None	0.0%
Year-to-Date Average	278		266		104.8%

## Attachment D

### September 2015 Disbursements

Paid To	Amount	Paid To	Amount
101Netlink	\$64.00	Northern California Gloves	\$582.68
Advanced Superior Alarms	\$147.00	Northern California Safety Con	\$80.00
Airgas USA LLC West Division	\$549.58	Oak Harbor Freight Lines, Inc.	\$1,365.00
Asbury Environmental Services	\$70.00	Pacific Gas & Electric	\$6,116.53
B & B Portable Toilet Company	\$4,042.19	Pacific Motorsports	\$1,200.00
Bank Fees	\$2,894.19	Pacific Paper Co.	\$702.19
Bettendorf Enterprises, Inc.	\$104,656.88	Petty Cash	\$249.77
Blue Shield of California	\$23,477.00	Picky Picky Picky Store	\$1,215.32
Broadway Medical	\$19.52	Pierson Building Center	\$448.01
CA SDU	\$6.50	Randy Jones Trucking	\$2,400.00
Capital One Commercial	\$82.58	Recology Humboldt County	\$243.75
Cash for CRV	\$53,192.00	Redwood Electronics Corporatio	\$18.60
City of Eureka	\$3,272.79	Redwood Radiology Inc	\$40.00
Clean Harbors Env Services	\$542.50	RioDell Scotia Chamber of Comm	\$120.00
Crystal Springs Bottled Water	\$94.50	S.D.R.M.A	\$7,256.93
Delux Business Supplies	\$607.27	Scrapper's Edge	\$2.06
Ellis Art & Engineering Suppli	\$4.62	SCS Field Services	\$250.00
Englund Marine Supply Co. Inc.	\$190.73	SETCO	\$1,187.42
Express Services, Inc.	\$2,950.67	Sharps Solutions LLC	\$1,810.00
FedEx	\$51.85	Sherwin-Williams Company	\$357.15
Geo-Logic Associates	\$32,229.74	Shred Aware	\$1,208.00
Golder Associates	\$5,404.47	Solid Waste of Willits, Inc.	\$155,445.67
Hensell Materials	\$309.94	Steve Morris Logging & Contrac	\$5,454.33
Humboldt Community Services Di	\$27.80	Suddenlink	\$204.95
Humboldt County Dept of Public	\$31,005.70	Thumper's Mechanical Service I	\$1,750.00
Humboldt County Environmental	\$23,896.96	Times Standard	\$662.41
Humboldt County Sheriff's Offi	\$50.00	U-HAUL CORPORATE	\$177.71
Humboldt Recycling	\$2,528.40	Uline Shipping Supply Speciali	\$124.58
I-5 Tire, Inc	\$884.00	United Rentals Inc.	\$1,554.31
JJACPA , Inc	\$8,400.00	UNUM Life Insurance Company of	\$258.47
L & M Renner, Inc	\$2,827.78	US Bank Office Equipment Finan	\$441.89
Lawrence & Associates	\$17,305.00	Verizon Wireless	\$346.63
Lost Coast Communications, Inc	\$1,936.00	YP	\$2,646.00
Mendes Supply Company	\$1,378.98	Zep Manufacturing Company	\$149.51
Mercury Disposal Systems, Inc	\$357.00		
Meyers Earthwork Inc	\$439,132.13	Total Vendor Disbursements	\$969,439.22
Mission Uniform & Linen	\$1,015.20		
Nancy Diamond	\$3,919.50	Total Payroll Disbursements	\$144,052.99
Network Management Services	\$2,701.98		
Nilsen Feed & Grain Company	\$336.90	<b>Total Disbursements</b>	<b>\$1,113,492.21</b>
North Coast Journal	\$805.50		



## *Staff Report*

**DATE:** September 17, 2015 For Board Meeting: October 8, 2015

**FROM:** Brent Whitener, Acting Operations Manager

**SUBJECT:** Item 2c)  
Approve Agreement for CRV Glass Hauling Services with Humboldt Recycling, LLC

**RECOMMENDED ACTION:** Voice vote.  
Approve Agreement for CRV Glass Hauling Services with Humboldt Recycling, LLC

### **DISCUSSION:**

Since January 2012, Humboldt Recycling, LLC, a separate business controlled by the owners of McKinleyville-based Humboldt Sanitation, has provided hauling services to the Authority to store and transport CRV glass to a processor located in the Bay area. This existing agreement was entered into verbally and staff is requesting the Board to authorize a formal agreement with Humboldt Recycling, LLC for hauling and reimbursement services for a period of 3 years.

The Agreement before the Board for consideration is specific to the hauling and processing of segregated CRV glass that is received at HWMA's Eureka Recycling Center (ERC), and sets forth terms and conditions for transportation services, and the pass-thru of revenue to the Authority. Humboldt Recycling is a certified CalRecycle CRV glass processor and they possess the expertise and equipment to haul roll-off containers and end-dump trailers containing CRV glass to CalRecycle-approved "Beneficiating Processors."

For clarification, this Agreement does not affect processing of mixed ("commingled") recyclables that are received in the free drop-off bins at ERC, which will continue to be processed under the existing contract with Solid Wastes of Willits – this Agreement only applies to CRV glass that is separately received from customers at ERC's Certified Recycling Center (aka "Buy-Back" center) for redemption of CRV deposits, and separated by color.

This draft agreement has been reviewed by Greg Cain of Humboldt Recycling, LLC, and the Authority's General Counsel.

Staff recommends the Board review, approve and direct the Chair to sign the agreement.

**BACKGROUND:**

California Redemption Value, or “CRV, “ is a deposit paid on sales of certain recyclable beverage containers in California. The deposit was established by the “Bottle Bill,” AB 2020 (Margolin), passed by the legislature in 1986.

To encourage the recycling of these beverage containers, CalRecycle (previously the Division of Recycling under the State Department of Conservation) established a statewide Certified Recycling Center system for container collection and redemption. HWMA’s Eureka Recycling Center is one of several certified CRV buy back centers in Humboldt County.

The general public can drop off recyclable materials at the ERC, and be reimbursed by HWMA for CRV glass containers at the current rate of 5 cents for each container less than 24 ounces and 10 cents for each container 24 ounces or larger, or the equivalent of \$0.105 per pound of CRV-glass containers. This glass is sorted by color into green, brown (“amber”) or clear (“flint”) bins. This sorted glass is stored in 20 cubic yard containers, and picked up by Humboldt Sanitation for transport to their McKinleyville location. The glass material is then transferred into storage bunkers at Humboldt Recycling’s yard until a sufficient volume of color-sorted glass is available for shipping to a processing center located in either Sacramento or San Leandro.

After the glass is transported to Humboldt Sanitation’s yard in McKinleyville, HWMA is reimbursed for the CRV value (“Refund Value”) of the glass, and HWMA also receives a Processing Payment and an Administrative Fee for the CRV glass received. Finally, under both the existing arrangement and the proposed formal agreement, Humboldt Recycling passes revenue through to HWMA the same per-ton scrap value that it receives from the CalRecycle-approved glass processor. Payments from Humboldt Recycling are typically made within two weeks of receipt of the CRV glass material.

In return for the services provided by Humboldt Recycling as described above, HWMA pays Humboldt Recycling for 1) the local shuttling of glass bins; and 2) long-distance hauling of color-sorted CRV glass to ‘Strategic Materials’, a CalRecycle- approved “beneficiating” processor with receiving facilities located in the Sacramento and San Leandro. The shuttling of 20-yard debris bins that contain CRV glass between ERC and Humboldt Recycling’s McKinleyville yard is billed at a flat rate of \$130 per bin, and the long-distance hauling of glass to the out-of-county processor is billed at a current rate of \$40 per ton. The proposed hauling agreement with Humboldt Recycling has a monthly fuel-index adjustment for the diesel fuel component of the long-distance transportation cost, and an annual Consumer Price Index (CPI) adjustment for the base transportation component of the long-distance transportation cost.

**FISCAL IMPACT:**

Based on volumes of segregated CRV glass containers that are currently redeemed at Eureka Recycling Center, and proposed charges from Humboldt Recycling, this Agreement will result in approximately \$2,000 per month in expenses for HWMA. On the revenue side, CRV glass activities generate approximately \$9,000 per month in combined CRV glass processing payments, administrative fees and scrap value. HWMA’s current Fiscal Year 2015/16 operating budget already accounts for the monthly revenues and expenses associated with these activities.

## **ALTERNATIVES:**

1. HWMA could begin on-site storage of crushed CRV glass at the Hawthorne Street Transfer Station (HSTS), and separately arrange for long-distance transportation of the stored glass to Strategic Materials to either Sacramento or San Leandro. At this time staff does not see this as a viable alternative to the proposed agreement with Humboldt Recycling for the following reasons:
  - There is minimal storage area under cover at the Hawthorne Street Transfer Station.
  - New stormwater regulations and zoning restrictions make outdoor storage problematic.
  - Staff requested a materials quote in June 2015, and the quote was significantly less than Humboldt Sanitation is able to procure.

**AGREEMENT BETWEEN  
THE HUMBOLDT WASTE MANAGEMENT AUTHORITY  
AND  
HUMBOLDT RECYCLING, LLC  
FOR CRV GLASS HAULING AND PROCESSING**

**THIS AGREEMENT** for CRV Glass Hauling and Processing ("Agreement") is made by and between the Humboldt Waste Management Authority, a joint powers public entity, (hereinafter referred to as "Authority" and "HWMA") and Humboldt Recycling, L.L.C., a California limited liability corporation (hereinafter referred to as "Contractor"). This Agreement is effective as of November 13, 2015 ("Effective Date").

**RECITALS**

**WHEREAS**, the HWMA owns and operates the Eureka Recycling Center, a CalRecycle certified recycling center, #RC14862, and the Hawthorne Street Transfer Station, a municipal solid waste transfer facility, for the benefit of its member agencies, both located at 1059 W. Hawthorne St., Eureka, CA 95501; and

**WHEREAS**, the California Integrated Waste Management Act of 1989 (AB 939) requires the diversion of materials from landfills, and

**WHEREAS**, the California Beverage Container Recycling and Litter Reduction Act of 1986 (AB 2020) incentivized the return of certain beverage containers for consumers, with a goal of recycling 80 percent of all beverage containers sold in the state; and

**WHEREAS**, the HWMA redeems California Redemption Value ("CRV") glass containers at its Eureka Recycling Center, thus helping to reduce litter and recover the containers for a beneficial use; and

**WHEREAS**, Contractor is certified by CalRecycle as a CRV glass processor (Processing Center #PR19130.001), has the expertise and equipment to haul roll-off containers and end-dump trailers containing CRV glass to CalRecycle-approved "Beneficiating Processors," and holds all required Federal and State permits, licenses and certifications required to perform such services; and

**WHEREAS**, Contractor has provided CRV hauling and processing services for HWMA since January 2012 under a verbal arrangement; and

**WHEREAS**, the Authority desires to enter into a formal agreement for CRV glass hauling and processing services and Contractor wishes to provide such services to the Authority on the terms and conditions below.

**NOW THEREFORE**, based on the mutual conditions and covenants recited herein and made a material part hereof, the parties agree as follows:

1. **Definitions.** Unless the context otherwise requires, capitalized terms used in this Agreement will have the meanings as specified below:

**"Administrative Fee"** is the payment by Contractor as a certified CRV processor to HWMA as a certified recycling center, equal to three-fourths of 1 percent of the Refund

Value, as described in Section 14573.5 of the Public Resources Code.

**“Beneficiating Processor”** means a processor certified by CalRecycle to process furnace ready scrap glass, or cullet, as defined in California Code of Regulations, Title 14, Division 2, Chapter 5, Section 2000(a).

**“CalRecycle”** means the California Department of Resources Recycling and Recovery.

**“Contractor’s Facility”** refers to Humboldt Recycling’s facility at 2585 Central Ave., McKinleyville, CA 95519

**“CRV”** means the California Redemption Value for segregated glass containers, as determined by CalRecycle, pursuant to the annual calculation requirement in Public Resources Code Section 14549.5, and subject to mid-year adjustments. The CRV, often expressed as a per-pound value, reflects a deposit value on certain beverage containers sold in California.

**“Processing Payment”** means the amount paid by Contractor to HWMA established by CalRecycle pursuant to Section 14575 of the Public Resources Code.

**“Refund Value”** means the total dollar value of a given load of CRV-glass containers, as determined by multiplying the weight of the CRV-glass containers by the CalRecycle per-pound CRV value for glass containers in effect when the containers were received at the Eureka Recycling Center, and paid by Contractor to HWMA.

**“Scrap Value”** means the amount paid by Contractor to HWMA for CRV glass at the same value per ton received by Contractor from the Beneficiating Processor, multiplied by the total tons of CRV glass received from HWMA.

2. **Scope of Services.** Contractor shall perform CRV glass hauling and processing for the Authority in accordance with this Agreement. The term “Services” shall mean the Services to be performed by Contractor, described in this Section 2 as follows:
  1. Contractor shall provide three (3) roll-off bins, each with a minimum 20-cubic yard capacity, to be located at Eureka Recycling Center, to hold separated flint (clear), amber (brown), and green CRV glass containers.
  2. Contractor shall provide the truck and labor necessary to transport the bins, once full of CRV glass containers stored at the Eureka Recycling Center, to Contractor’s Facility.
  3. Contractor shall comply with all relevant California laws and regulations regarding the receipt and processing of CRV materials, including those found in Divisions 12.1, 12.5, 12.7, and 12.9 of the Public Resources Code, and Title 14, Division 2, Chapter 5 of the California Code of Regulations,.
  4. Contractor is required to provide CRV glass hauling services at such a frequency as to prevent overflow of accumulated glass at the Eureka Recycling Center in each of the Contractor’s supplied bins.

5. Contractor shall maintain county-certified scales to properly weigh all loads of CRV glass containers received from HWMA.
  6. Contractor shall submit by fax or email to HWMA the net weight of material received by Contractor within 5 business days of receipt. HWMA shall enter required shipping documentation into the Division of Recycling Integrated Information system (DORIIS) system within 5 business days of receiving net weight reports from Contractor.
  7. Upon receipt of CRV glass containers from HWMA, Contractor shall submit appropriate payments to HWMA, as described in Section 5 of this Agreement.
  8. Contractor shall haul CRV glass from Contractor's Facility to a Beneficiating Processor approved by HWMA. Unless written notice is provided by HWMA to Contractor stating otherwise, HWMA hereby approves the use of "Strategic Materials", a Beneficiating Contractor, with receiving facilities located in Sacramento, CA and San Leandro, CA.
3. **Term.** The effective date of this Agreement shall be November 13, 2015 and this Agreement shall terminate on November 14, 2018. This Agreement may be terminated by either party upon 60 days advance written notice of its intent to terminate. In the event of early termination, the Authority shall pay to Contractor and Contractor shall pay to the Authority all fees owing as of said date.
  4. **Extension.** The term of the agreement may be extended by mutual agreement between HWMA and the Contractor for up to two additional years.
  5. **Fees and Payment, Payment.**
    1. **Local hauling to Contractor's Facility.** The Authority shall pay Contractor at the rate of \$130.00 per bin containing CRV glass that is hauled from the Eureka Recycling Center to Contractor's Facility located in McKinleyville, CA.
    2. **Transportation to Beneficiating Processor.** The Authority shall pay Contractor for long-distance transportation services based on the tons of CRV glass received from HWMA at a rate of \$40.00 per ton.
    3. **Payment.** At least once per month, Contractor shall submit invoices to HWMA for Contractor's local hauling of CRV-glass bins and long-distance hauling of CRV glass for the prior billing period, based on the rates described in Sections 5(a) and 5(b) above. All undisputed amounts shall be paid by the Authority within 30 days of invoice receipt. If the Authority disputes an invoice, it may withhold that portion so contested, without the accrual of interest for late payment, and shall pay the undisputed amount. The Authority may withhold all or any portion of the funds provided for by this Agreement, without the accrual of interest for late payment, in the event that Contractor has materially violated or threatens to materially violate, any term, provision, or condition of this Agreement.
    4. **Annual Adjustment of Transportation Fees.** The transportation rates specified in

Sections 5.1 and 5.2 shall be subject to annual review by the Authority and Contractor, provided either party provides notice no later than three months prior to the end of a contract year. The party requesting the rate review shall provide evidence supporting the proposed change, increase or decrease, in the transportation rates. Proposed adjustments will be subject to amendment approval by the HWMA Board of Directors and the Contractor.

6. **Refund Value, Processing Payment, Administrative Fees and Scrap Value Payments.** Within 15 days after receipt of CRV glass containers from HWMA, Contractor shall pay to HWMA the Refund Value, Processing Payment, Administrative Fee and Scrap Value for all CRV glass material received during the time period since Contractor's last payment to HWMA.
7. **Independent Contractor Status.** Contractor is performing Services as an independent contractor for the Authority, and is neither an employee nor an agent of the Authority. Except as otherwise provided in this Agreement, Contractor shall have sole control over the manner and method of performance of the services, and Authority's only interest shall be in the results of such services. Authority's liability hereunder shall be limited to payment of the compensation provided in this Agreement. Contractor agrees and acknowledges that it is not entitled to any benefits or insurance, including without limitation any medical, unemployment, or disability benefits, on Authority's account. This Section shall also apply to any of Contractor's subcontractors.
8. **Designation of Representative.** Contractor and Authority shall designate specific individuals to act as representatives ("Designated Representative"), who shall have authority to transmit instructions, receive information, and implement the Agreement on behalf of each respective party. Either party may change its Designated Representative or the address of its Designated Representative by giving reasonable notice to the other party.
9. **Notice.** All notices required or permitted hereunder shall be in writing and shall be deemed to have been properly given and delivered when delivered personally (including by commercial messenger or courier or by facsimile transmission) or four (4) days after deposit in the U. S. mail with all postage or charges fully prepaid and addressed to the authorized representative of the appropriate party.

**HWMA:**  
Executive Director  
Humboldt Waste Management Authority,  
1059 West Hawthorne Street, Eureka, CA 95501  
Phone: (707) 268-8680

**Contractor:**  
Humboldt Recycling, LLC  
2585 Central Ave.  
McKinleyville, CA 95519  
Phone: (707) 839-3285

**10. Indemnification.**

1. **General.** Contractor shall indemnify, hold harmless, protect and defend with legal counsel acceptable to the Authority or co-counsel acceptable to the Authority at Contractor's sole cost, HWMA and its employees, officials, members, officers, agents, assigns and volunteers from and against any and all liability to which any of them may be subjected by reason or resulting directly or indirectly from actions or inactions of Contractor performed or occurring under or in connection with the

Agreement, whether or not those liabilities are litigated, settled or reduced to judgment unless those liabilities are caused in part by any wrongful or negligent act, error or omission by any party indemnified under this Agreement. This indemnification will not extend to claims to the extent they are caused by the sole negligence or intentional misconduct or omission of HWMA.

2. **Hazardous waste.** Without limiting Contractor's indemnification stated above, Contractor shall indemnify, hold harmless, protect and defend with legal counsel acceptable to the Authority or co-counsel acceptable to the Authority at Contractor's sole cost, the Authority from and against all liabilities paid, incurred or suffered by or asserted against the Authority in a judicial, administrative or regulatory form or otherwise, arising or resulting in whole or in part from any release, cleanup or detoxification, or preparation and implementation or any removal, remedial response, closure or other plan concerning hazardous waste handled, removed or transported by Contractor pursuant to this Agreement.

The indemnities described in this subsection are intended to operate as an agreement pursuant to 42 USC § 9607(e) and California Health & Safety Code § 25364, to insure, protect, hold harmless and indemnify the Authority from liabilities in accordance with this section. The Authority does not hereby waive or surrender any other indemnity or remedy available to it, and Contractor is strictly liable to the Authority for hazardous materials conditions arising under this Agreement, including any repair, cleanup or detoxification thereof or preparation and implementation of any removal, remedial, response, closure or other plan.

3. **Injuries or accidents.** Contractor retains responsibility for all injuries, accidents and other mishaps associated with its performance under this Agreement, including personal injury, damage to any real or personal property. Contractor will promptly report any such events to the Authority orally, followed by written notice within three working days, including details of any witness statements. Contractor will institute an emergency operations plan and provide a copy to the Authority upon the Authority's request. Said plan shall mitigate and correct hazards that may arise due to accidents or destruction from transportation services, including property damage and traffic disruption, and will include any business plan for emergency response to the release or threatened release of hazardous materials in accordance with applicable law.

11. **Insurance.** Prior to performing any Services hereunder and throughout the Term of this Agreement, Contractor shall maintain insurance in full compliance with all of the provisions of this Section.

1. **General Liability:** General liability with minimum limits of liability per occurrence of One Million Dollars (\$1,000,000), and per aggregate of Two Million Dollars (\$2,000,000).
2. **Comprehensive automobile liability insurance:** Comprehensive coverage for all vehicles and all motor equipment, owned, leased, hired, borrowed or operated by Contractor in its performance of this Agreement, and shall obtain uninsured/underinsured motorists liability coverage. Minimum limits of liability

per occurrence shall be One Million Dollars (\$1,000,000), and per aggregate Two Million Dollars (\$2,000,000).

3. **Pollution liability, environmental impairment:** Environmental impairment and release or spill of “pollutants” or “wastes” and all cleanup costs relating thereto with minimum limits of liability per occurrence of One Million Dollars (\$1,000,000), and per aggregate of Two Million Dollars (\$2,000,000).
  4. **Workers’ compensation insurance:** Workers’ compensation as required by state law.
  5. **Employer’s liability insurance:** Bodily injury by accident in the amount of One Million Dollars (\$1,000,000) each accident and bodily injury by disease in the amount of Two Million Dollars (\$2,000,000) policy limit and each employee.
  6. **Additional insured:** Contractor shall include the Authority and its employees, officials, members, officers, agents, assigns and volunteers by endorsement or otherwise as additional insured under all policies except with respect to employer’s liability insurance.
  7. **Primary coverage:** Contractor shall ensure that insurance policies are always primary with respect to performance under this Agreement.
  8. **Evidence of coverage:** Contractor shall file with the Authority evidence of coverage in force, including endorsements, together with a Certificate of Insurance on an Authority-approved form, and shall annually file with the Authority, renewed certificates of insurance.
  9. **Changes in Insurance.** The Authority reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required upon ninety (90) days advance written notice to Contractor.
12. **Compliance with applicable law.** Contractor will perform all its obligations under this Agreement in accordance with applicable local, state and federal law. Contractor is solely liable for all fines and penalties that may be imposed on Contractor to the extent that those fines and penalties are the result of Contractor’s violations of applicable law.
13. **Events of Default.**
- a. **Contractor Default.** Each of the following constitutes an event of default:
    1. *Breach of Agreement.* Contractor fails to perform any of its obligations under this Agreement and fails to cure that breach within thirty (30) days of receiving notice from the HWMA specifying the breach.
    2. *Attachment.* Attachment of any equipment owned by Contractor that is necessary for its ability to provide transportation services is seized, attached, or levied upon and not placed back into service within two business days.
    3. *Bankruptcy, insolvency, liquidation.* Contractor’s filing of a voluntary claim for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or consents to the appointment of or taking

of possession by a receiver, liquidator, assignee, trustee, custodian, administrator of Contractor for any part of Contractor's operating assets or property.

4. Failure by Contractor to maintain certification as a CRV glass processor by CalRecycle.
5. Failure to submit timely payments to HWMA of Refund Value, Processing Payments, Administrative Fees and Scrap value, as described in Section 6 of this agreement.

**b. HWMA default.** Each of the following constitutes an event of default:

1. HWMA's failure to pay fees for hauling or freight charges to the end user in accordance with Section 5 of this Agreement.
2. HWMA's failure to enter required shipping documentation in the Division of Recycling Integrated Information system (DORIIS) system within 5 business days of receiving net weight reports from Contractor.

**c. Remedies upon default.**

1. *Authority's remedies.* Upon occurrence of a Contractor default, the Authority has the following rights:
  - i. To terminate the Agreement;
  - ii. To suspend the Agreement;
  - iii. All other available remedies to exercise its remedies in accordance with this Agreement in any other available remedies at law and in equity including specific performance.
2. *Contractor's remedies.* Upon occurrence of a HWMA default, Contractor has the right to exercise any and all available remedies at law and in equity.

14. **Contractor Warranties and Representations.** Contractor warrants and represents that (i) it possesses the business, professional, and technical expertise to perform the Services, (ii) it possesses the equipment, facilities, and employees to perform the Services, (iii) it shall perform the Services, within the limits prescribed by the Authority, in a safe and workmanlike manner consistent with the care and skill ordinarily exercised for such services by other companies providing similar services under similar circumstances and conditions at the same time and in the same locality, (iv) it shall perform the Services in material compliance with all valid and applicable laws and regulations, and (v) as of the Effective Date of this Agreement, Contractor possesses all material permits, licenses, certificates, or approvals required by applicable statutes, ordinances, orders, rules and regulations necessary to perform the Services and shall maintain all such permits, licenses, certificates, or approvals current for the term of the Agreement.

15. **Audit of Records.** Contractor shall maintain complete and accurate records of all payrolls, expenditures, disbursements and other cost items charged to the HWMA or establishing the basis for an invoice, for a minimum of four years from the date of final payment to Contractor. All such records shall be clearly identifiable. Contractor shall allow HWMA representatives to inspect, examine, copy and audit such records during regular business hours upon 24 hours' notice.

16. **Waiver.** Either party's waiver of any breach or default may not be deemed to be a

waiver of any other breach or default, including ones with respect to the same obligations under this Agreement. The subsequent acceptance by either party of any damages or other money paid by the other party may not be deemed to be a waiver by that party of any preexisting or concurrent breach or default. Failure to object to breach or event of default is not and may not be construed as a waiver of that provision.

17. **Dispute resolution.** The parties agree to negotiate any disputes over the performance of their respective rights and obligations under this Agreement in good faith for a period of at least 30 days after the date of notice invoking the need for dispute resolution or exercising rights under law. Neither party may initiate court action prior to such good faith negotiation and following that prior to good faith third-party mediation. If any legal action, including an action for declaratory relief, is brought to enforce or interpret the provisions of this contract, the prevailing party shall be entitled to recover reasonable attorneys' fees from the other party.
18. **Governing law, venue.** This Agreement and performance hereunder and all suits and special proceedings shall be interpreted in accordance with California law. Venue shall be fixed in Humboldt County.
19. **Authority to Execute Contract.** Each party hereto warrants and represents to the other party that such party has the full right, power and authority to enter into this Agreement and has obtained all necessary consents and approvals to consummate the transaction contemplated hereby.
20. **Assignment, subcontract.** Contractor may not assign or subcontract its rights, interests, duties or obligations under this Agreement without prior consent from the Authority. In the event the Authority approves Contractor to subcontract any part of the Services, each subcontractor shall be bound by the same terms and conditions concerning insurance and indemnity as required in this Agreement and such provisions will be made a part of any such subcontract agreement.
21. **Excuse of Performance.** The performance of this Agreement, except for the payment of money for Services already rendered, may be suspended by either party in the event performance of this Agreement is prevented by a cause or causes beyond the reasonable control of such parties. Such causes shall include but not be limited to: acts of God, acts of war, riot, fire, explosion, accidents, inclement weather or sabotage, lack of adequate fuel, power, raw materials, labor or transportation facilities; changes in government laws, regulations, orders, or defense requirements; restraining orders, labor disputes, strike, lock-out or injunction (provided that neither party shall be required to settle a labor dispute against its own best judgment). The party which is prevented from performing by a cause beyond its reasonable control shall use its best efforts to eliminate such cause or event.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives.

**CONTRACTOR**

\_\_\_\_\_  
Greg Cain, President

Designated Representative:

Tasha Eisner

teisner@humboldtsanitation.com  
Phone: (707) 839-3285

\_\_\_\_\_  
Date

**HUMBOLDT WASTE  
MANAGEMENT AUTHORITY**

\_\_\_\_\_  
Jill Duffy, Executive Director

\_\_\_\_\_  
Date

Designated Representative:

Tyler Egerer, Administrative Svcs. Mgr.  
tegerer@hwma.net  
Phone: (707) 268-8680

Approved as to form:

\_\_\_\_\_  
Nancy Diamond, HWMA General Counsel

Date: \_\_\_\_\_

Insurance Certificates Approved:

By: \_\_\_\_\_

Date: \_\_\_\_\_



## ***Staff Report***

**DATE:** October 16, 2015 For Meeting of: November 12, 2015

**FROM:** Mark Springman, Cummings Road Landfill

**SUBJECT:** Item 2d)  
Approve Golder Associates Project Addendum Dated September 15, 2015

**RECOMMENDED ACTION:** Voice vote.

- 1.) Consider approval of the Project Addendum dated September 15, 2015 in the amount of \$82,480 with Golder Associates, Inc. to continue groundwater monitoring and reporting at the Cummings Road Landfill; and
- 2.) Authorize mid-year budget adjustments in the amount of \$22,000; and
- 3.) Authorize the Executive Director to Execute the Project Addendum.

### **DISCUSSION:**

Golder Associates has been under contract with HWMA to provide water quality monitoring and reporting for the Cummings Road Landfill since 2005. The attached Project Addendum dated September 15, 2015 identifies the proposed scope of services and activities to be conducted during FY 2015-16 and reflects regulatory monitoring changes resulting from the Cummings Road Landfill Waste Discharge Requirement (WDR) approved by the North Coast Regional Water Quality Control Board on May 2, 2013.

Golder Associates submits to the Authority cost estimates detailing the scope of services annually for the upcoming year. Last year's agreement for groundwater monitoring and reporting activities was for the amount of \$60,161. The scope of services detailed the attached Project Addendum represents an *increase* of \$22,319 from prior year services. The increase is due to costs associated with performing the required 5-year constituent of concern analyses which will not be required to be performed again until 2020.

### **FISCAL IMPACT**

This item has been partially budgeted for in the approved FY 2015-16 Budget. The Landfill Manager has outlined a savings plan that will provide for additional funding to Engineering and Consulting Expenses; these savings will be reviewed and detailed to the Board for authorization during the report on mid-year budget adjustments presented in January.

### **ATTACHMENTS:**

Attachment No. 1 - *Project Addendum – September 15, 2015*



**PROJECT ADDENDUM  
September 15, 2015**

**GOLDER ASSOCIATES INC.**

<b>Client / Project Name and Site</b>	<b>Client Reference No.</b>	<b>Golder Project No.</b>
Humboldt Waste Management Authority/ Cummings Road Landfill WDR/MRP Monitoring and Reporting		053-7486-16

**SCOPE OF SERVICES:** Extend groundwater monitoring and reporting for third quarter 2015 through second quarter 2016 reporting, including bi-monthly storm water reporting of laboratory analytical results. Includes 5-year constituent of concern monitoring event in third quarter 2015. See attached cost estimate.

**CHANGE IN AGREEMENT COST** (attach detailed calculation sheets):

Increase in Agreement Cost due to this Addendum:	
<i>Third quarter 2015 5-year COC monitoring and annual reporting</i>	\$ 53,223
<i>First semiannual 2016 monitoring and reporting</i>	\$ 23,479
<i>Bi-monthly surface water and storm water reporting</i>	\$ 3,264
<i>Fourth and second quarter groundwater measurements</i>	\$ 2,514
<i>2015 – 2016 Total</i>	\$ 82,480
 Remaining budget from 2014-2015 monitoring and reporting	 \$ 8,557
 Additional total budget (2015-2016 amount – remaining amount)	 \$ 73,923

**CHANGE IN AGREEMENT TIME:**

New Completion Date due to this Addendum: August 31, 2016

The work covered by this project addendum shall be performed under the same terms and conditions as those included in the original Agreement. All other terms and conditions of said Agreement, as it may have been modified, shall be and remain the same.

The foregoing modification of said Agreement is hereby accepted.

Humboldt Waste Management Authority

By: \_\_\_\_\_

Authorized Representative

\_\_\_\_\_

GOLDER ASSOCIATES INC.,

By: Keis H. Johnson

Authorized Representative

Associate/Senior Consultant

\_\_\_\_\_

Date: \_\_\_\_\_

Date: 09/15/2015

**GOLDER ASSOCIATES INC.**

**COST ESTIMATE**

CLIENT: Humboldt Waste Management Authority  
 PROJECT: 2nd Semi-Annual and 5-year COC Monitoring/Reporting, 2015  
 Cummings Road Landfill

DATE: September 10, 2015  
 PROPOSAL NO. 0537486

ITEM DESCRIPTION	UNIT	UNIT COST	QUAN-TITY	COST	SUB-TOTAL	TASK TOTAL
<b>SUMMARY:</b>						
<b>Task 1 - Water Quality Monitoring (does not include surface water monitoring)</b>						<b>\$14,278</b>
<b>Task 2 - Report Preparation</b>						<b>\$10,721</b>
<b>Task 3 - Laboratory Analysis</b>						<b>\$28,224</b>
<b>TOTAL for the 2nd Semi-Annual Monitoring/Reporting</b>						<b>\$53,223</b>

**Task 1 - Water Quality Monitoring (does not include surface water monitoring)**

SCOPE: Measure water levels and sample all site monitoring points according to existing monitoring plan.  
 Assumes five days on site and accessible roads to all wells.

**Professional Services**

Technician	hour	\$80	120	\$9,600	
Sr. Consultant	hour	\$170	4	\$680	
Office Service Fee (7%)				\$720	\$11,000

**Chargeable Equipment/Consumable Materials**

Field Vehicle (4x4)	day	\$85	8	\$680	
Per diem	day	\$120	5	\$600	
Mileage	mile	\$0.50	600	\$300	\$1,580
Per Sampling Location Charge	each	\$30	41	\$1,230	
Field sample filters	each	\$18	26	\$468	\$1,698

**TASK TOTAL \$14,278**

**Task 2 - Report Preparation**

SCOPE: Review analytical results and issue a semiannual and annual monitoring report.

**Professional Services**

Admin	hour	\$60	6	\$360	
Drafter	hour	\$90	4	\$360	
Staff Geologist	hour	\$95	80	\$7,600	
Senior Consultant	hour	\$170	10	\$1,700	
Office Service Fee (7%)				\$701	\$10,721

**TASK TOTAL \$10,721**

**Task 3 - Laboratory Analysis**

SCOPE: Sample kit delivery, sample transport, analyses, field and lab QA/QC, electronic deliverable, 15-day turnaround.  
 Includes 5-year COC sampling event, and EPA8260 for the trip, field, equipment blanks.

**Wells, Springs, and Leachate Composite**

VOCs EPA 8260, Appendix I	each	\$70	44	\$3,080	
Metals (Ca, Mg, K, Na)	each	\$24	41	\$984	
TDS	each	\$10	41	\$410	
Sulfate	each	\$9	41	\$369	
Ammonia	each	\$30	41	\$1,230	
Bicarbonate and Carbonate	each	\$16	41	\$656	
Chloride	each	\$9	41	\$369	
COD	each	\$22	6	\$132	

**Constituents of Concern**

Sulfide	each	\$25	26	\$650	
SVOCs EPA 8270	each	\$125	26	\$3,250	
PCBs (8082)	each	\$60	26	\$1,560	
Chlorinated Herbicides (EPA 8151)	each	\$85	26	\$2,210	
Organochlorine Pesticides EPA 8081	each	\$75	30	\$2,250	
Organophosphorus Pesticides (EPA 8141)	each	\$85	26	\$2,210	
Cyanide	each	\$28	26	\$728	
COC Metals (20 metals)	each	\$130	26	\$3,380	
VOCs (TO-15)	each	\$140	5	\$700	
Methane	each	\$75	5	\$375	\$24,543

\$3,681

**TASK TOTAL \$28,224**

**TOTAL for the 2nd Semi-Annual Monitoring/Reporting \$53,223**

**GOLDER ASSOCIATES INC.  
COST ESTIMATE**

CLIENT: Humboldt Waste Management Authority  
PROJECT: 1st Semi-Annual Monitoring/Reporting, 2016  
Cummings Road Landfill

DATE: 9/10/15  
PROPOSAL NO. 0537486

ITEM DESCRIPTION	UNIT	UNIT COST	QUAN-TITY	COST	SUB-TOTAL	TASK TOTAL
<b>SUMMARY:</b>						
<b>Task 1 - Water Quality Monitoring (does not include surface water monitoring)</b>						<b>\$9,090</b>
<b>Task 2 - Report Preparation</b>						<b>\$8,528</b>
<b>Task 3 - Laboratory Analyses</b>						<b>\$5,862</b>
<b>TOTAL for the 1st Semi-Annual Monitoring/Reporting</b>						<b>\$23,479</b>

**Task 1 - Water Quality Monitoring (does not include surface water monitoring)**

SCOPE: Measure water levels and sample all site monitoring points according to existing monitoring plan.  
Assumes five (5) days on site with accessible roads to all wells.

**Professional Services**

Technician	hour	\$80	70	\$5,600		
Sr. Consultant	hour	\$170	4	\$680		
Office Service Fee (7%)				\$440	\$6,720	

**Chargeable Equipment/Consumable Materials**

Field Vehicle (4x4)	day	\$85	6	\$510		
Per diem	day	\$120	5	\$600		
Mileage	mile	\$0.50	600	\$300	\$1,410	
Per Sampling Location Charge	each	\$30	20	\$600		
Field sample filters	each	\$18	20	\$360	\$960	
				<b>TASK TOTAL</b>		<b>\$9,090</b>

**Task 2 - Report Preparation**

SCOPE: Review analytical results and issue a semiannual monitoring report.

**Professional Services**

Admin	hour	\$60	6	\$360		
Drafter	hour	\$90	4	\$360		
Staff Geologist	hour	\$95	62	\$5,890		
Senior Consultant	hour	\$170	8	\$1,360		
Office Service Fee (7%)				\$558	\$8,528	
				<b>TASK TOTAL</b>		<b>\$8,528</b>

**Task 3 - Laboratory Analyses**

SCOPE: Sample kit delivery, sample transport, analyses, field and lab QA/QC, electronic deliverable, 15-day turnaround.  
Includes 1 semi-annual sampling event, and EPA8260 for the trip, field, equipment blanks and one full duplicate.

**Wells, Springs, and Leachate Composite**

EPA 8260, Appendix I	each	\$70	23	\$1,610		
Metals (Ca, Mg, K, Na)	each	\$24	20	\$480		
TDS	each	\$10	20	\$200		
Sulfate	each	\$10	20	\$200		
Ammonia	each	\$30	20	\$600		
Bicarbonate and Carbonate	each	\$30	20	\$600		
Chloride	each	\$10	20	\$200		
COD	each	\$22	6	\$132		
VOCs (TO-15)	each	\$140	5	\$700		
Methane	each	\$75	5	\$375	\$5,097	
Administrative (15%)					\$765	
				<b>TASK TOTAL</b>		<b>\$5,862</b>

**TOTAL for the 1st Semi-Annual Monitoring/Reporting**

**\$23,479**

**GOLDER ASSOCIATES INC.  
COST ESTIMATE**

CLIENT: Humboldt Waste Management Authority  
PROJECT: MRP Surface Water and Storm Water Bi-Monthly Reporting 2015-2016  
Cummings Road Landfill

DATE: September 8, 2015  
PROPOSAL NO. 0537486

ITEM DESCRIPTION	UNIT	UNIT COST	QUANTITY	COST	SUB-TOTAL	TASK TOTAL
<b>SUMMARY:</b>						
<b>Task 4 - MRP Surface Water and Storm Water Bi-Monthly Report Preparation - Lab Analyses Portion</b>						<b>\$3,264</b>
<b>Every other month October 2015 through June 2016 TOTAL</b>						<b>\$3,264</b>

**Task 4 - MRP Surface Water and Storm Water Bi-Monthly Report Preparation - Lab Analyses Portion**

SCOPE: Review analytical results & issue bi-monthly SW report (October 2015 through June 2016).  
(Formerly the CAO monthly report)

**Professional Services**

Admin	hour	\$60	1	\$60
Staff Geologist	hour	\$95	4	\$380
Senior Consultant	hour	\$170	1	\$170
Office Service Fee (7%)				\$43

<b>MONTHLY TASK TOTAL</b>	<b>\$653</b>	
<b>Every other month October 2015 through June 2016 TOTAL</b>		<b>\$3,264</b>

**GOLDER ASSOCIATES INC.  
COST ESTIMATE**

CLIENT: Humboldt Waste Management Authority  
PROJECT: Quarterly Water Levels  
Cummings Road Landfill

DATE: September 15, 2015  
PROPOSAL NO. 0537486

ITEM DESCRIPTION	UNIT	UNIT COST	QUAN-TITY	COST	SUB-TOTAL	TASK TOTAL
<b>SUMMARY:</b>						
<b>Task 1 - Quarterly Water Level Monitoring</b>						<b>\$2,514</b>
<b>TOTAL for the Quarterly Water Levels</b>						<b>\$2,514</b>

**Task 1 - Quarterly Water Level Monitoring**

SCOPE: Measure water levels in all site monitoring wells according to new WDR/MRP.  
Assumes one day on site with accessible roads to all wells.

**Professional Services**

Technician	hour	\$80	20	\$1,600	
Sr. Consultant	hour	\$170	1	\$170	
Office Service Fee (7%)				\$124	\$1,894

**Chargeable Equipment/Consumable Materials**

Field Vehicle (4x4)	day	\$85	2	\$170	
Per diem	day	\$120	1	\$120	
Mileage	mile	\$0.50	600	\$300	\$590
Per Sampling Location Charge	each	\$30	1	\$30	\$30

**TASK TOTAL \$2,514**

**TOTAL for the Quarterly Water Levels \$2,514**



## ***Staff Report***

**DATE:** November 12, 2015

**FROM:** Tyler Egerer, Administrative Services Manager

**SUBJECT:** Item 4)  
Review Minutes Format

**RECOMMENDED ACTION:** Receive Report and Provide Direction  
Receive Report on Authority Minutes Structure and Authorize Changes as  
Presented to Substance of Action Minutes

### **DISCUSSION:**

At the October 8, 2015 meeting, the Board received a public written comment related to the substance of the minutes. The letter recommended that when members of the public provide comment on agenda items, they be given a brief one sentence summary of the content of those comments. A copy of that letter is attached. Following discussion of the letter, staff recommends the Board adopt a policy of providing action summary minutes, with a reference to the video recording of the meeting which explicitly states the video is provided for information only.

Staff recommends that the minutes should strive to reflect solely the critical actions of the Board; video recordings of the meetings of the Board are available as a tool for reviewing the discussion of each Item presented during the meeting. As an example, draft minutes from September are presented as Attachment B to this report. October's minutes were authored in the current style of the Authority's action minutes.

A brief discussion with the Board in October affirmed two key concerns that were highlighted by staff in consideration of the request. First, video footage of each meeting is maintained in perpetuity through recordings provided by Access Humboldt, a non-profit organization that specializes in creating recordings of government meetings. These videos are uploaded first to the Access Humboldt website, and are then catalogued in the Internet Archive, a non-profit which provides a digital library for the purpose of maintaining video, text, and audio accessibility into the foreseeable future. The resulting video is of high quality and is easily searchable for viewing exact conversations and actions which take place during Authority meetings.

The second concern is staff is not always able to adequately capture the tone and tenor of comments made by the public, either flawlessly through a near-verbatim record of the minutes, nor in a one-sentence summary of that individual's comments. By request of the public in 2011, the Board contracted with Access Humboldt to provide video recordings, in part, to alleviate concerns associated with representations of public comment in older minutes. Costs for these

recordings are embedded as part of the tip fee for solid waste, and should, in most cases, alleviate the need for additional staff time to generate details in the minutes beyond the actions taken by the Board.

Staff has prepared an sample version using the September 10, 2015 minutes, with recommended changes, which would alleviate the need to summarize public comment and direct readers to seek more information from the videos recorded by Access Humboldt and made available through the Internet Archive.

Changes include a link to the video of the meeting for which the minutes are prepared, with an express indication that the meeting video is for additional information only, and is not to be construed as the official record of the meeting; for that, a copy of the final minutes as approved by the Board shall be considered the true record of the meeting.

In addition, all comments made during the course of the meeting shall be referred to in the following manner:

Comments were received by the following:

Name, Affiliation, Stance on Item (*if relevant to discussion of Item or Topic*).

This format will be applied to all items, including Director Reports. This would require readers interested in the full context of any and all comments to view the material available in the Access Humboldt video.

The minutes presented in Attachment B are consistent with minutes as generated by a majority of Member Agencies for which video broadcasts of agency meetings are available by reference. One agency provides verbatim minutes, while the rest provide a mix of action and semi-verbatim minutes, in the vein of the current HWMA meeting minutes.

**Fiscal Impact:**

Minimal staff time to establish new templates for future meeting minutes; minor savings in staff time to author future minutes with less need for details.

**Attachments:**

- A) Letter from Jud Ellinwood dated October 2, 2015
- B) Example Minutes from September 10, 2015, with recommended changes

**Jud Ellinwood**  
1426 Eighth St.  
Eureka, CA 95501  
707-443-9153

October 2, 2015

Board of Directors and ED,  
Humboldt Waste Management Authority  
1059 West Hawthorne St.  
Eureka, CA 95501

**Subject: September 10 Meeting Minutes**

Dear HWMA Board Members and ED:

I have just completed reading the minutes of the last Board meeting, and would like to comment on their completeness. As a matter of established procedure, I believe minutes of public agency should, for the benefit of those who haven't attended or viewed a meeting of interest and for providing the public with an adequate written record of meeting comment, at least provide a minimal recapitulation of comments submitted by the public. Saying someone commented is inadequate.

Therefore, I'm requesting two actions to be taken by the Board. One is to amend the minutes of the September 10, 2015 so that they include a summary of statements made by Maggie Gainer and Ali Lee under Item #3 *Oral And Written Communications* and by Rick Powell under Item #4 *Regional Recycling RFP*.

The second action I'm respectfully requesting is that the Board and ED reaffirm that public comments in HWMA meeting minutes will be customarily captured in summarizing statements that communicate the essence of what was said, just as the statements of Board members and HWMA staff currently are summarized.

I would appreciate it if this letter were entered into the October 8 meeting written record. Thank you!

Sincerely,

Jud Ellinwood



**BOARD OF DIRECTORS**

Jack Thompson, City of Rio Dell, **Chair**  
Natalie Arroyo, City of Eureka,  
Adelene Jones, City of Blue Lake  
Sofia Pereira, City of Arcata  
Michael Sweeney, City of Ferndale  
Rex Bohn, County of Humboldt, **Vice Chair**

**Minutes**

**Thursday, September 10, 2015 5:30 PM**  
**Eureka City Council Chambers**  
**531 K Street, Eureka, CA**

Present: Jack Thompson, Natalie Arroyo, Adelene Jones, Sofia Pereira,  
Michael Sweeney, Rex Bohn  
Staff: Jill Duffy, Tyler Egerer, Brent Whitener  
Legal Counsel: Nancy Diamond

Video of Proceedings: [https://archive.org/details/AH-hwma\\_2-12-15](https://archive.org/details/AH-hwma_2-12-15)

Recordings of the meetings of the HWMA Board of Directors are provided for information only, and should not be considered official records of the HWMA. The Actions of the HWMA Board of Directors are recorded below and, following approval by a majority of the members of the Board, are the official record of the Board's actions for the meeting date noted above.

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**1. Call to Order and Roll Call at 5:30 PM**

**Chairman Thompson** called the meeting to order at 5:31 p.m. A quorum was present and acting.

**2. Consent Calendar**

- a. Approve Minutes from the July 9, 2015 HWMA Board of Directors Meeting.
- b. Receive the June Fiscal Year 2014-2015 Financials
- c. Receive the July Fiscal Year 2014-2015 Financials
- d. Receive 2015-16 Legislative Session Status Report
- e. Approve Agreement between HWMA and Eel River Resource Recovery, Inc. to Provide Municipal Solid Waste Loading Services.
- f. Approve Agreement between HWMA and Steve Morris Logging, Inc. to Provide Green Waste Hauling Services

**Director Pereira** pulled Item 2f for discussion.

**Chairman Thompson** Opened the floor to public comment regarding the Consent Calendar. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Motion:** Director Arroyo moved and Director Pereira seconded to Approve the Balance of the Consent Calendar.

**Action:** Approve the Motion as made by Director Arroyo and seconded by Director Pereira by the following vote:

**Ayes:** Thompson, Arroyo, Jones, Pereira, Sweeney, Bohn

**Nays:** None

**Absent:** None

**Item 2f):**

~~Director Pereira questioned whether or not other haulers had expressed interest in bidding on green waste hauling services. The Board discussed the high value of the current contract and the history the Authority has with its current hauler. The Board discussed with staff facets of the current contract for green waste hauling services.~~

**Chairman Thompson** Opened the floor to public comment regarding the proposed green waste agreement. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Motion:** Director Jones moved and Director Sweeney seconded to Approve the Agreement between HWMA and Steve Morris Logging, Inc. to Provide Green Waste Hauling Services.

**Action:** Approve the Motion as made by Director Jones and seconded by Director Sweeney by the following vote:

**Ayes:** Thompson, Arroyo, Jones, Pereira, Sweeney, Bohn

**Nays:** None

**Absent:** None

**3. Oral and Written Communications**

**Chairman Thompson** Opened the floor to public comment regarding items not on the Agenda. The following members of the public presented comments to the Board:

**Maggie Gainer**, President of the Board of Directors of Zero Waste Humboldt

**Ali O. Lee**, Member of the Board of Directors of Zero Waste Humboldt

**Chairman Thompson** Closed the floor to public comment.

**4. Regional Recycling RFP**

~~Executive Director Duffy led a lengthy discussion with the Board regarding the current status of regional recycling efforts. Options for moving forward, Member Agency ability to participate, and methods aimed at expanding the discussion at future meetings were the major topics of discussion. The Board discussed with Staff the current status of the Regional Recycling RFP.~~

**Chairman Thompson** Opened the floor to public comment regarding the regional recycling RFP. Comment was received from the following members of the public:

**Rick Powell**, of Eel River Resources Recovery

**Chairman Thompson** Closed the floor to public comment.

**Motion:** Director Arroyo moved and Director Bohn seconded to Delay Item to November Meeting of the HWMA Board of Directors, Pending Discussion by City of Eureka and HWMA Staff with Director Arroyo regarding Participation in the RFP Process.

**Action:** Approve the Motion as made by Director Arroyo and seconded by Director Bohn by the following vote:

**Ayes:** Thompson, Arroyo, Jones, Pereira, Sweeney, Bohn

**Nays:** None

Absent: None

## 5. Board Member Reports

~~5. Reports were received from the following members of the Board:~~

~~Director Jones, City of Blue Lake reported that the City of Blue Lake is actively seeking to hire a new City Manager, following the current City Manager's announcement of retirement.~~

~~Director Pereira, City of Arcata reported that the City of Arcata would be participating in a study session with Zero Waste Humboldt, and that any interested parties should contact with Zero Waste Humboldt to join in and participate.~~

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## 6. Executive Director's Report

~~Executive Director Duffy reported on a number of ongoing projects and issues, including increased traffic and tonnage being handled at the Eureka Recycling Center, and the effects on the center's employees; the first of several Mattress Coalition meetings held to discuss plans for mattress recycling in the future; and, a collaboration with the Harbor District to recycle fishing gear for a two-week period in October.~~

~~Executive Director Duffy provided a presentation on activities at the Cummings Road Landfill, as construction nears completion. The Board thanked her and Recology for their efforts in accomplishing closure of not only the landfill, but the Burn Ash Site as well. The Board received the Executive Director's Report and received further information via oral presentation.~~

## 7. Closed Session: Session

It is the intention of the Board of Directors to meet in closed session for two items:

- a. Potential Litigation pursuant to California Government Code 54956.9(c).
- b. Public Employee Performance Evaluation for the position of the Executive Director pursuant to Government Code Section 54957.

**Chairman Thompson** Opened the floor to public comment regarding Closed Session. No comment was received.

**Chairman Thompson** Closed the floor to public comment.

**Chairman Thompson** Adjourned the Meeting to Closed Session at 6:54 p.m.

**Report Out:** There was no report out from Closed Session proceedings.

## 8. Adjourn

**Chairman Thompson** Adjourned the Meeting following Closed Session.

**Next Meeting:** October 8, 2015 at 5:30 p.m. at Eureka City Hall Council Chambers.



## ***Staff Report***

**DATE:** October 26, 2015

**For Meeting of:** November 12, 2015

**FROM:** Jill Duffy, Executive Director

**SUBJECT:** Item 5)  
Discuss and Provide Direction on the Regional Recycling RFP Process

**RECOMMENDED ACTION:** Voice Vote

*That the Board:*

1. Decline to lead the Regional Recycling RFP process; and
2. Disband Regional Recycling RFP Evaluation Committee; and
  
3. Exercise Option to Extend Services for 2-Years with SWOW:
4. Continue with the current Solid Wastes of Willits, Inc. agreement for recyclable processing until 2016; and
5. Enter discussions with Solid Wastes of Willits, Inc. to exercise the two-year extension option; and
6. Authorize the Executive Director and Legal Counsel to negotiate with Solid Waste of Willits, Inc. and return to the Board with a Draft Amendment for Extension.
7. Request that the City of Arcata to enter into the “*Recycling Memorandum of Understanding Between HWMA and Certain of its Member Agencies to Participate in a Recyclable Materials Processing Contract*” dated June 7, 2011 to continue receiving revenue-sharing proceeds.

## **DISCUSSION:**

At the September 10<sup>th</sup>, 2015 meeting the Board continued the Regional Recycling RFP agenda item until the November meeting to allow for the Eureka representative time to take up this item with their staff.

Staff recommends the following actions:

**1) Recommendation Number 1 & 2:** Due to the lack commitment to participate in a regional procurement process, staff recommends that the HWMA Board of Directors 1) decline to lead a Regional Recycling RFP process; and 2) notify Recycling RFP Evaluation Committee members that the committee has been disbanded and thank them for their service.

**2) Recommendation Number 3 -7:** Staff’s recommendation remains unchanged from the September Board meeting. Member agency staff representatives recommended that the Authority 1) suspend the Recycling RFP process; and 2) continue with Solid Waste of Willits for

recyclable processing until 2016, and enter into discussions to exercise the two-year extension option, and 3) return to the Board with proposed action.

### ***Exercise 2-Year Extension Option with SWOW***

As detailed in the September report, the Authority's current processor has indicated a willingness to negotiate an extension. Staff believes this time may be used to prepare a more robust long-term plan for recycled materials, develop a comprehensive approach that better supports the local community, encourages participation of all of the Authority's member agencies and enables necessary planning activities to meet Strategic Plan goals.

Under the term of the SWOW recycling agreement, the parties have the option to negotiate in good faith on one- (2) year extension on mutually agreeable negotiated terms and conditions. To preserve the one-year notice provision, staff submitted notice to SWOW on August 24, 2015 that the Authority may desire to exercise discussion of the extension option, with no proposed revisions to the existing agreement.

Currently, mixed-stream recyclable materials from the cities of Arcata, Eureka, a portion of the unincorporated County of Humboldt and those mixed-stream materials dropped off at the Authority's Eureka Recycling Center are transported and processed under the agreement. The recycling agreement provides for revenue sharing which is regularly distributed to those member agencies directing their recyclables to the Authority, in accordance with a Memorandum of Understanding entered into by the Authority, the City of Eureka and County of Humboldt.

Should the recommended action to extend the term of the agreement be directed, staff also recommends that a request be forwarded to the City of Arcata that the City enter into the "*Recycling Memorandum of Understanding Between HWMA and Certain of its Member Agencies to Participate in a Recyclable Materials Processing Contract*" dated June 7, 2011 to continue receiving revenue-sharing proceeds.

### **Background**

Following the Authority's adopted Strategic Plan Objective 1.2 – *Work with Member Agencies to Procure Regional Source-Separated Recyclables Processing Capacity*, Authority staff initiated development of a Regional Recycling Request for Proposal (RFP) and Recycling Flow Control Memorandum of Understanding (MOU) in November 2014. Both documents were circulated to the city councils and County Board of Supervisors in March 2015 with a request that a determination be made by each member agency to determine by May 29, 2015 whether to participate in a regional recycling RFP process.

The goal of the Regional Recycling RFP effort was to provide Participating Agencies with comprehensive, stable and cost effective recycling processing services. Combining tonnage and recycling processing contract management responsibilities into the Authority's system would reduce duplicative administrative efforts for member agencies to solicit and manage individual recyclable contracts, and maximize leverage opportunities to secure competitive proposals for the combined tonnage in a transparent and equitable manner.

HWMA entered into 5-year agreement with Solid Wastes of Willits in 2011 to handle mixed-stream recyclable materials until September 2016, with an option for an one 2-year extension. Mixed-stream recyclable materials from the cities of Arcata, Eureka, a portion of the

unincorporated County of Humboldt and materials received at the Authority’s recycling center are transported and processed under the agreement. Revenue sharing has been distributed regularly to the member agencies directing their recyclables to the Authority through a MOU signed by the City of Eureka, County of Humboldt and HWMA.

Mixed-stream materials are transported to the Hawthorne Street Transfer Station by franchise haulers for Eureka, Arcata and unincorporated Greater Arcata/Eureka areas, where it is then loaded into SWOW trailers. Mixed-stream material received at the Authority’s Eureka Recycling Center is also loaded into SWOW trailers and transported for processing. Additionally, franchise collected source-separated material (cardboard) is also collected, transported to the Eureka Recycling Center and loaded into SWOW trailers for process.

In accordance with the processing agreement with SWOW, the Authority receives quarterly payments from the processor and passes revenue through to the contributing entities:

Mixed-stream material – not less than \$8/ton (minus 10% administrative charge)  
 Source-separated material (Cardboard) - \$55/ton

Participating Entity	Sept.1, 2013-August 31, 2014			Sept.1, 2014-August 31, 2015		
	Mixed-Stream Tonnage	Source Separated Tonnage	Combined Tonnage	Mixed-Stream Tonnage	Source Separated Tonnage	Combined Tonnage
<b>City of Arcata</b>	1,824.90	478.10	2,303.00	1,949.63	483.14	2,432.77
<b>City of Blue Lake</b>	91.04	0	91.04	0	0	0
<b>City of Eureka</b>	2,936.49	935.51	3,872.00	3,439.20	974.45	4,413.65
<b>County of Humboldt</b>	1,205.53	37.22	1,242.75	1,372.30	1.52	1,378.82
<b>H.S.U.</b>	290.53	0.16	290.69	69.42	0	69.42
<b>Eureka Recycling Center (HWMA)</b>	1,199.89	0  (HWMA self-bales & markets cardboard)	1,199.89	1,510.17	0  (HWMA self-bales & markets cardboard)	1,510.17
<b>Tonnage Total</b>	7,548.38	1,450.99	<b>8,999.37</b>	8,345.72	1459.11	<b>9,804.83</b>

**FISCAL IMPACT**

No direct fiscal impact other than staff time.

**STRATEGIC PLAN OBJECTIVE:**

**1.2 Procure Regional Source Separated Recyclable Processing Capacity**

**ALTERNATIVES:**

- 1) Proceed with Recycling RFP for mixed-stream tonnage originating from HWMA’s Eureka Recycling Center and Participating Agencies. *Staff will return to the Board with a Final RFP, draft agreement and proposed Memorandum of Understanding.*
- 2) Proceed with Recycling RFP for only mixed-stream tonnage originating from HWMA’s Eureka Recycling Center. *Staff will return to the Board with a Final RFP, draft agreement and proposed Memorandum of Understanding.*

3) Board's discretion.

*Refer to prior HWMA staff reports:*

November 13, 2014 (agenda item no. 8)

February 12, 2015 (agenda item no. 8)

March 12, 2015 (agenda item no. 7)

April 9, 2015 (agenda item no. 6)

June 11, 2015 (agenda item no. 8)

September 10, 2015 (agenda item no. 4)



## ***Staff Report***

**DATE:** October 29, 2015

For Meeting of: November 12, 2015

**FROM:** Jill Duffy, Executive Director

**SUBJECT:** Item 7)  
Executive Director Report

**RECOMMENDED ACTION:** Informational Only.

### **Administration**

#### *Cummings Road Landfill Construction Closure Activities*

Meyer's Earthwork completed their construction activities at the Cummings Road Landfill Friday, October 16<sup>th</sup>, with Miller Farms completing application of erosion control on Tuesday, October 20<sup>th</sup>. Final walk through of the project site was conducted Thursday, October 22<sup>nd</sup>. Final project invoices are expected to be received by November 1<sup>st</sup>.

GeoLogic will be preparing the Cummings Road Landfill Closure Phase 2 - Quality Construction Assurance report (CQA) for review and submittal to the NCRWQCB, County LEA and CalRecycle. Once the report is approved, staff expects CalRecycle to authorize release of project funds held in retention as well as the remaining HWMA funds held in the CalRecycle Trust Account.

#### *Audit*

The auditors are preparing the 2014-15 Audit report with a presentation to the Board expected in January 2016.

#### *CalTrans Agreement for Solid Waste Disposal Site Services*

On October 13<sup>th</sup>, HWMA was notified that it was awarded a two-year contract for services for disposal of highway green waste, wood, and highway generated debris collected and delivered by CalTrans Road Crew. Total amount for the two year period is \$25,566.30.

#### *North State Rendering – Ceasing Meat Processing Services*

North State Rendering recently notified their customers that they are ceasing collection of meat scraps to Southern Oregon and Northern California effective Nov. 15, 2015. This includes Humboldt, Del Norte, Trinity, Siskiyou counties in California and Coos, Curry, Jackson, Josephine and Klamath counties in Oregon. Businesses include slaughter houses, butcher shops, and fish processors.

HWMA is assisting the County's Environmental Health Division to provide disposal guidance to affected businesses. North State Rendering will no longer be picking up meat scrap/by-product from grocery stores, butcher shops and meat processors. They will however continue collecting fry oil and grease trap wastes. Meetings are being held to determine how to address the handling and disposal of items.

### **Operations:**

#### *Franchise Truck Tare Weights:*

HWMA in concert with Recology are conducting a pilot project utilizing Recology route haul drivers to evaluate the use of pre-posted haul truck tare weights. The purpose of the pilot project is to identify ways to reduce haulers turn-around time in the Hawthorne Transfer Station. HWMA has one commercial sized scale to handle both in-bound and out-bound vehicle weights, which periodically results in vehicle congestion and time delays. The proposal entails the establishment of individual vehicles empty tare weights which are recorded. This would enable franchise trucks to enter the transfer facility, determine the in-bound weight, and using the specific truck tare weight, depart the Authority from the side gate. There would be no need to determine the empty weight because the Authority already has the tare weight recorded and on file. With an average of twenty five deliveries per day, route trucks will require only one weight per route delivery. Staff will evaluate results and possibly inaugurate the process with our other route haul partners at a later date.

### **Recycling:**

The recycling center buy-back staff continues to report a significant up-tick in Ca. Redemption Value (CRV) items resulting from the absence of private sector buy-back locations being available locally. Commodity brokers are struggling with massive back logs of materials. Our cardboard buyer, International Paper in Springfield, Oregon was not accepting delivery for a thirty day period due to heavy inventory on hand. One recycling vendor has refused a quote on our mixed rigid plastic (MRP) bales that were diverted from the tip floor and processed for shipment. The broker simply states that the current market is so poor for MRP that it is not worth transportation and handling. The appliance metal shred bales are down another 20% in value. One bright spot is that the empty butane cylinders commonly used in illegal activities locally are now being accepted by a recycler in lieu of being shipped as hazardous compressed gas. This recycling method results in significant savings over their being shipped as HHW.

### **Programs:**

#### *PaintCare:*

The paint stewardship organization is proposing an updated version of the contract with HHW facilities that has re-tooled language for liability and indemnification thought to be far more user friendly than the original 2012 agreement. Our existing Letter of Authorization arrangement is becoming flawed by a lack of qualified temporary labor. This newly proposed contract, if executed, will allow HWMA to have direct contact with PaintCare products. We have participated with PaintCare since 2012. Resulting in savings of about \$50,000.00 per year in paint related transportation costs. The draft contract is before HWMA counsel and staff for review.

#### *Tire grant:*

The final payment for the residential amnesty grant in the amount of \$47,000.00 is forthcoming from CalRecycle. The grant was used to collect and ship about 12,000 tires that were collected

from residents in 2014 and 2015. Staff is watching for an announced tire grant cycle that would stand to benefit jurisdictional governments and special districts. Funding announcements are due in early winter.

*Mattress recycling:*

The Mattress Recycling Council conducted a meeting and site visit here in September. The successful recycler in their RFP process is DR3 within St. Vincent DePaul. North Coast participants would probably see mattresses transported to the greater Sacramento area for recycling. A representative of DR3 has visited the Hawthorne Street Transfer Station as well. The program start-up is currently slated for January, 2016. The contract language in support of our participation within the mattress recycling program is before the Executive Director and HWMA counsel for review. Matters of reimbursement and transportation logistics remain on the table for negotiation.

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*AB-939/DOC Payment Program:*

HWMA staff administers these two grant activities for County of Humboldt and City of Rio Dell. Planned activities include recycling education in schools and litter abatement . In addition, ramping up of outreach and education related to mandatory commercial recycling will be occurring in several member agency jurisdictions.

*Household Hazardous Wastes:*

The October Red Shed event held October 3 had 134 participants. The mobile event held in the City of Blue Lake on October 17, and in cooperation with Blue Lake Rancheria, had 25 attendees. The trend towards increased numbers of weekday appointments at the permanent facility and the declining attendance at our summer mobile events is a continuing trend. HHW staff will evaluate these events and report to the board when scheduling the 2016 round of proposed HHW mobile collection event