



BOARD OF DIRECTORS

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

Agenda

Thursday, October 13 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 September 8, 2016 HWMA Board of Directors Meeting.
- b. Receive August Fiscal Year 2016-17 Financials
- c. Approve Final Capital Improvement Plan (2017-2023)
- d. Consider Nominees for Appointment to the North Coast Recycling Market Development Zone (NC-RMDZ) Zone Management Team
- e. Approve Stericycle Transportation and Disposal of Hazardous Wastes Agreement
- f. Declare Landfill Polaris Series 11 All-Terrain Vehicle Surplus and Authorize Executive Director to Sell Surplus Equipment

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. Board Member Reports

5. Executive Director's Report

- 6. Closed Session:** It is the intention of the Board of Directors to meet in closed session for two items:
- a. Public Employee Performance Evaluation for the position of the Executive Director pursuant to Government Code Section 54957.
 - b. Real Property Negotiations pursuant to Government Code 54956.8: Property APN 507-382-12, HWMA Negotiator – Executive Director, Property Negotiator – Wes Green.
 - c. Pending litigation California Government Code 54956.9(a); Hogan v HWMA (Humboldt County Superior Court Case No. DR160325), conference with legal counsel.

7. Adjourn



BOARD OF DIRECTORS

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

Minutes

Thursday, July 14, 2016 5:30 PM
Eureka City Council Chambers
531 K Street, Eureka, CA

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

Audio Recording of Proceedings: https://archive.org/details/AH-hwma_9-8-16

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.

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

Chairwoman Pereira 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 14, 2016 HWMA Board of Directors Meeting.
- b. Receive June Fiscal Year 2015-16 Financials
- c. Receive July Fiscal Year 2016-17 Financials
- d. Approve Stericycle Environmental Solutions as Household Hazardous Waste (HHW) Contractor for Transportation and Disposal Services
- e. Approve Memorandum of Understanding with the County of Humboldt for up to \$40,000 of Measure Z Funding for FY 2016-17
- f. Amendment No.1 to Extend the City of Eureka California Integrated Waste Management Act Compliance and Waste Reductions Services (commonly referred to as the "City of Eureka AB 939 Services Agreement")
- g. Request to Extend Transportation of Municipal Solid Waste Services with Bettendorf Trucking and Disposal of Municipal Solid Waste Services with Dry Creek Landfill for a Period of One-Year.
- h. Resolution 2017-05 in Support of Proposition 67 "The Plastic Bag Ban Proposition"

Chairwoman Pereira opened the floor to public comment regarding the Consent Calendar. No comment was received.

Chairwoman Pereira closed the floor to public comment.

Motion: Director Bohn Moved and Director Thompson Seconded to Approve the Consent Calendar.

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

Ayes: Pereira, Arroyo, Thompson, Bohn

Nays: None

Absent: Jones, Sweeney

3. Oral and Written Communications

Written Communication received from the following:

Maggie Gainer, Zero Waste Humboldt, regarding upcoming ZWH activities.

Chairwoman Pereira opened the floor to public comment regarding items not on the Agenda. No comment was received.

Chairwoman Pereira closed the floor to public comment.

4. Board Member Reports

Reports were received from the following Directors:

Director Thompson, City of Rio Dell

Director Arroyo, City of Eureka

Director Pereira, City of Arcata

5. Executive Director's Report

Executive Director Duffy presented her report, including two video presentations.

6. Closed Session: No Need for Closed Session

7. Adjourn

Chairwoman Pereira adjourned the meeting at 5:47 p.m.

Next Meeting: October 13, 2016 at 5:30 p.m. at Eureka City Hall Council Chambers.



Staff Report

DATE: October 13, 2016

FROM: Tyler Egerer, Administrative Services Manager

SUBJECT: Item 2b)
Receive August 2016 Financial Reports

RECOMMENDED ACTION: Review and Approve
Review and Approve August 2016 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 August financials represent the most complete current activity for start of the 2016-17 Fiscal Year. Attachment B, *Statement of Operations for Period Ending 08/31/2016* is presented in summary format; detailed analysis of each division of the Authority is available by request for those interested in division performance. Highlights of August activity include:

- a) Strong revenue generation for August, with total revenues up approximately 4% over budget estimates;
- b) Current expenses are holding to overall budget estimates;
- c) Higher than expected salvage and CRV revenues and CRV payouts, as traffic continues to peak during the summer months.

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 August 2016, is as follows:

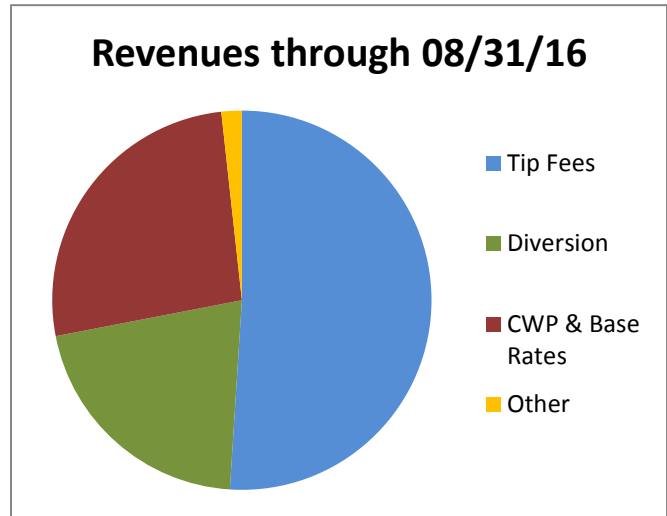
HWMA Checking, Umpqua Bank:	\$2,282,444.88
HWMA Savings, Umpqua Bank:	\$397,608.35
HWMA CRLF Trust, Union Bank:	\$1,673,913.97

Authority Financials:

Attachments A and B contain detailed balance sheet and income statement (*Statement of Operations*) information for the August 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 August are performing at 20.27% of budgeted estimates for Fiscal Year 2016-17, approximately 3.6% 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.

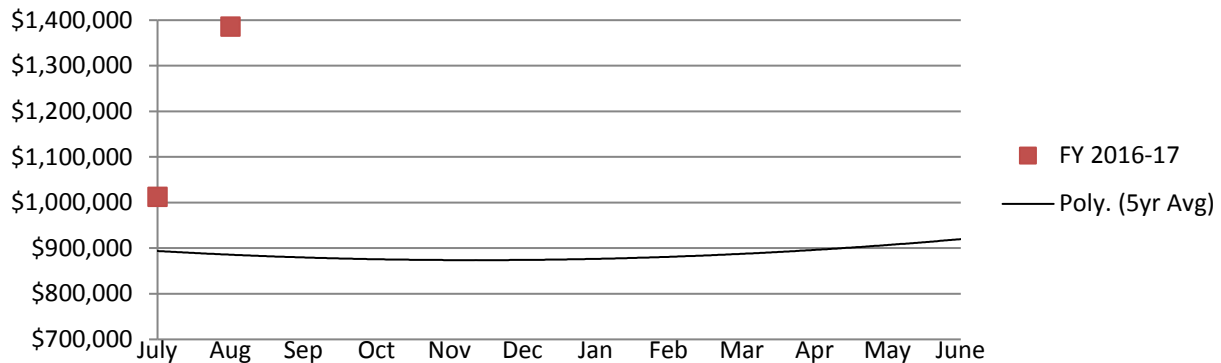
As diversion programs increase, staff is monitoring the success of those programs in terms of not only cost, but self-sustaining viability. At present, all divisions are operating above budgeted estimates, and are fully funded off of self-sustaining revenues or fees passed-through from Self-Haul, Franchise,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



Revenue projections, at least initially, are staying well within estimates of total activity for Fiscal Year 2016-17. As participation in CRV buyback continues to stay strong, due to a lack of private reimbursement centers, revenue estimates for salvage material revenue and processing revenues continue to be high; these will be offset by similarly increased hauling and processing costs as the Authority moves the material to processors for marketing. Interest income (Line 39) is significantly high as the Authority continues to wait for the release of the Landfill Closure Trust following approval of the final closure document for the Cummings Road Landfill.

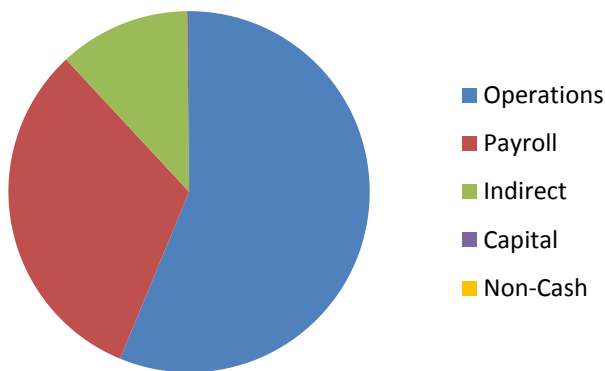
Based on the above factors, and in an attempt to facilitate long-term planning – relative to the Fiscal Year – to the Board and staff in decision making, the following estimation of growth for total revenues is provided below. The following graph tracks current, aggregate, monthly revenue activity against 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: Real Year-to-Date Earnings vs. Five-Year Trend



Ongoing disposal activities, a strong construction season, and a continued level of high participation in CRV reimbursement through the Authority’s Eureka Recycling Center are keeping revenue above estimates, resulting in a robust start to the new Fiscal Year.

Expenses through 08/31/16

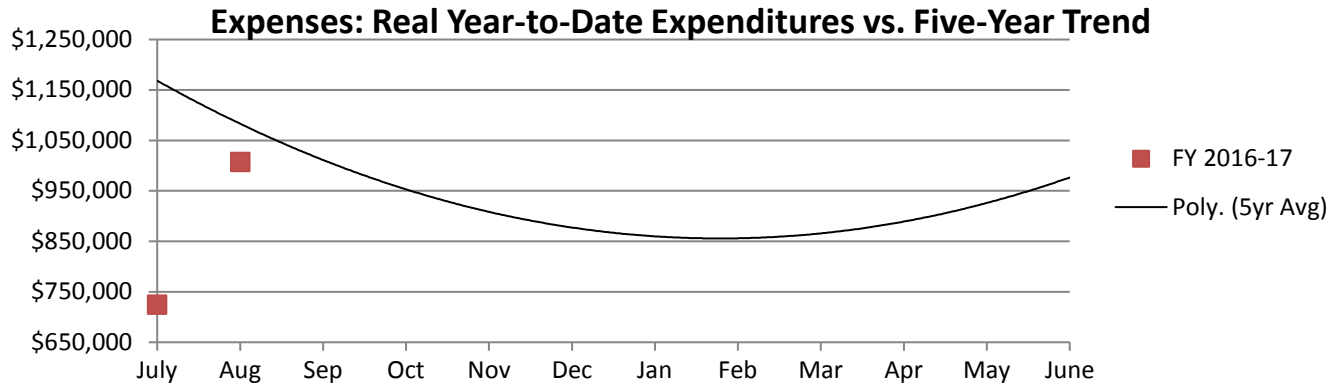


Expenses for August are above budget projections. Total Expenses (Attachment B, Line 126) are at 16.37% of budgeted estimates, approximately even with expected costs.

Payroll expenditures are about 4% above budget estimates (Line 62, 21.61% of an expected 16.67% of budget). Due to several work-place employee injuries over the past several years, the Authority’s worker’s compensation insurance premium was increased by SDRMA. This increased cost is reflected in the overall

Payroll expenditures. Staff is working with our worker’s compensation insurance provider, SDRMA, to reduce incident rates by improving the overall workplace environment at the Transfer Station and Landfill.”

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.



Of chief interest in August is the expected increase in CRV reimbursements due to the increase in customer activity (Attachment B, Line 56, 42.08% of budget). Other expenses are staying well within the normal range of activity, or have yet to be incurred (payments on long-term debt, recording of depreciation expenses, and/or one-time payments to reserves and for capital improvements).

Monthly disbursements to Authority vendors and employees are summarized in Attachment D for the month of August. With the completion and payment of most of the costs for Phase II of Landfill construction, disbursements for August are comprised primarily of day-to-day costs, including approximately \$100,000 in payments to replenish CRV payout funds and approximately \$300,000 in various waste disposal and transportation costs.

Division Activities (as Summarized in Attachment C):

Activity for all divisions is on track to match Fiscal Year 2016-17 activity. Hazardous Waste and Greenwaste numbers are up significantly, however these numbers tend to normalize against themselves over the winter – with the return of actual wet weather, the Authority will most likely see a balancing of Greenwaste and HHW numbers through the early part of calendar year 2017

Attachments:

- A) Authority Balance Statement, August 2016
- B) Authority Statement of Operations, August 2016
- C) Activity Report, August 2016
- D) Cash Disbursements, August 2016

Statement of Net Position
For Period Ending August 31, 2016
(compared to prior year totals)

	<u>8/31/2016</u>	<u>6/30/2016</u>
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash and Investments	\$ 2,693,560	\$ 2,215,412
Restricted Cash and Investments	1,681,306	1,675,143
Accounts Receivable:		
Customer (Net of Doubtful Accounts)	719,259	795,271
Grants	8,655	4,369
Deposits	19,500	19,500
Prepaid Expenses	-	-
Total Current Assets	<u>5,122,281</u>	<u>4,709,695</u>
Noncurrent Assets:		
Capital Assets:		
Property, Plant and Equipment, Net	4,375,443	4,354,337
Waste Authority Permit	221,171	221,171
Contract Rights/Goodwill, Net	-	-
Total Noncurrent Assets	<u>4,596,614</u>	<u>4,575,508</u>
Total Assets	<u>9,718,895</u>	<u>9,285,204</u>
Deferred Outflows: Pension Plan	74,123	74,123
Total Assets and Deferred Outflows	<u>\$ 9,793,018</u>	<u>\$ 9,359,327</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION(DEFICIT)		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 508,618	\$ 521,914
Accrued Payroll	135,398	139,747
Customer Deposits	2,350	2,350
Long-term Debt Due Within One Year	536,958	1,102,409
Total Current Liabilities	<u>1,183,324</u>	<u>1,766,420</u>
Noncurrent Liabilities:		
Long-term Debt Due After One Year	4,727,259	4,161,808
Net Pension Obligation	362,032	362,032
Estimated Closure and Post-Closure Care Costs	7,607,426	7,607,426
Total Noncurrent Liabilities	<u>12,696,717</u>	<u>12,131,266</u>
Total Liabilities	<u>13,880,041</u>	<u>13,897,686</u>
Deferred Inflows: Pension Plan	127,024	127,024
Deferred Inflows: Unavailable Revenue	48,069	48,069
Total Liabilities and Deferred Inflows	<u>14,055,134</u>	<u>14,072,779</u>
NET POSITION (DEFICIT)		
Net Investment in Capital Assets	(667,603)	(688,709)
Restricted for Debt Service	1,681,306	1,675,143
Unrestricted (Deficit)	(5,726,993)	(9,012,911)
Total Net Position	<u>451,174</u>	<u>3,313,024</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 9,793,018</u>	<u>\$ 9,359,326</u>

Attachment B
Fiscal Year 2016 - 2017
Statement of Operations For Period Ending August 31, 2016

**Total FY16/17
Budget** **Year-to-Date Revenues and
Expenses as compared to
16.67% of Total Budget**

1 **Revenues**

2	Revenues from Operations			
3	Franchise Tip Fees	\$5,321,773	\$936,269	17.59%
4	Self Haul Tip Fees	\$2,454,199	\$439,403	17.90%
5	Satellite Tip Fees	\$591,435	\$207,507	35.09%
6	Out of Area Self Haul Fees	\$185,448		
7	Offset for County-Wide Program Fees	(\$2,930,149)	(\$538,530)	18.38%
8	Revenues from Solid Waste	\$5,622,705	\$1,044,648	18.58%
9	Greenwaste Tip Fees			
10	Franchise	\$136,000	\$14,877	10.94%
11	Self Haul	\$205,200	\$60,690	29.58%
12	Diversion Revenue			
13	Hazardous Waste	\$100,000	\$12,474	12.47%
14	Single-Stream Processing and Loading	\$137,000	\$29,746	21.71%
15	Self Haul (Appliances, TVs, Tires, Misc. E-waste)	\$98,000	\$26,614	27.16%
16	Salvage Revenue from Sale of Materials Processed In-House	\$804,000	\$284,662	35.41%
17	Revenues from Material Diversion Programs	\$1,480,200	\$429,064	28.99%
18	Total Revenues from Operations	\$7,102,905	\$1,473,712	20.75%
19				
20	Revenue Generated by Program Fees and Base Rate			
21	County-Wide Program Fees			
22	Administrative	\$133,700	\$23,538	17.60%
23	Hazardous Waste	\$450,276	\$77,514	17.21%
24	Cummings Road Landfill Pledge of Revenue	\$310,800	\$57,550	18.52%
25	Programs	\$249,980	\$60,761	24.31%
26	Rural Container Sites	\$327,600	\$55,702	17.00%
27	Table Bluff Landfill	\$56,700	\$11,584	20.43%
28	LEA	\$219,100	\$32,780	14.96%
29	Illegal Dumping and Cleanup Funds	\$39,900	\$7,024	17.60%
30	Base Fees			
31	Administrative	\$270,804	\$59,522	21.98%
32	Cummings Road Landfill Operations	\$346,376	\$86,510	24.98%
33	Universal Waste Programs	\$56,334	\$15,527	27.56%
34	Recycling Programs	\$402,158	\$50,526	12.56%
35	Total Revenue Generated by Program Fees and Base Rate	\$2,863,728	\$538,538	18.81%
36				
37	Other Revenues			
38	Revenues from Reimbursements for Materials Collection	\$9,000		
39	Interest Income	\$6,000	\$6,184	103.06%
40	Rental Income	\$121,865	\$29,415	24.14%
41	Total Other Revenues	\$136,865	\$35,599	26.01%
42				
43	Total Revenues	\$10,103,498	\$2,047,849	20.27%

44

Attachment B
Fiscal Year 2016 - 2017
Statement of Operations For Period Ending August 31, 2016

		Total FY16/17 Budget	Year-to-Date Revenues and Expenses as compared to 16.67% of Total Budget	
45	Expenses			
46	Operating Expenses			
47	Solid Waste Hauling & Disposal			
48	Hawthorne Street TS	\$3,130,351	\$514,373	16.43%
49	McKinleyville Satellite	\$142,469	\$55,366	38.86%
50	Fortuna Satellite	\$203,596	\$35,014	17.20%
51	Diverted Materials Hauling & Disposal			
52	Greenwaste	\$305,925	\$41,939	13.71%
53	Hazardous Waste	\$275,000	\$1,441	0.52%
54	Appliances, TVs, Tires, Misc. E-waste	\$112,000	\$25,697	22.94%
55	Leachate	\$78,400	\$18,951	24.17%
56	CRV Paid Out	\$480,000	\$201,995	42.08%
57	Contract Services			
58	RMDZ	\$10,000		
59	Temporary Employment Services	\$0	\$7,189	
60	Total Operating Expenses	\$4,737,740	\$901,965	19.04%
61				
62	Payroll Expenses	\$2,362,940	\$510,675	21.61%
63				
64	Program Fees and Base Rate Passed-Through to Member Agencies			
65	County-Wide Program Fees			
66	County LEA	\$219,100	\$15,402	7.03%
67	County Rural Container Program	\$327,600	\$26,171	7.99%
68	County Table Bluff Landfill Maintenance	\$56,700	\$5,443	9.60%
69	Illegal Dumping and Cleanup Funds	\$39,900	\$1,410	3.53%
70	Total Program Fees and Base Rates Passed Through	\$643,300	\$48,426	7.53%
71				
72	Indirect Expenses			
73	Accounting Expense	\$18,000	\$7,493	41.63%
74	Advertising Expense	\$21,100	\$1,638	7.76%
75	Alarm/Security Expense	\$1,650	\$159	9.61%
76	Bank Fees Expense	\$27,700	\$6,193	22.36%
77	Dues/Membership	\$6,500	\$2,250	34.62%
78	Employment Expenses (Hiring, Testing, etc.)	\$5,500	\$117	2.13%
79	Engineering & Consulting	\$113,502	\$7,353	6.48%
80	Environmental Monitoring	\$78,817	\$3,980	5.05%
81	CRBAS Five-Year Monitoring	\$30,000		
82	Gas/Fuel Expense	\$68,900	\$7,367	10.69%
83	Insurance Expenses			
84	Environmental	\$11,000		
85	General Liability	\$42,671	\$44,053	103.24%
86	Property	\$4,590	\$4,070	88.66%
87	Janitorial/Vector Services	\$14,500	\$2,759	19.03%
88	Legal Expense	\$50,000	\$6,006	12.01%
89	Lease Expense	\$42,700	\$7,914	18.53%
90	Meeting Expense	\$3,200	\$100	3.13%
91	Mileage Reimbursement	\$3,400		
92	Office Supplies	\$16,000	\$1,915	11.97%
93	Operating Supplies	\$88,600	\$14,945	16.87%
94	Outside Printing	\$5,150	\$206	4.01%
95	Permits & Fees	\$84,800	\$1,907	2.25%
96	Postage	\$6,300	\$1,416	22.48%
97	Publications	\$100		
98	Rental Expense	\$5,000	\$884	17.67%
99	Repairs & Maintenance Expenses			
100	Facilities	\$74,817	\$13,250	17.71%
101	Equipment	\$139,819	\$14,432	10.32%
102	Vehicles	\$2,500	\$26	1.06%
103	Safety Expense	\$23,900	\$3,925	16.42%
104	Small Tools	\$3,500	\$389	11.10%

Attachment B
Fiscal Year 2016 - 2017
Statement of Operations For Period Ending August 31, 2016

		Total FY16/17 Budget	Year-to-Date Revenues and Expenses as compared to 16.67% of Total Budget	
105	Software Expense	\$42,400	\$8,224	19.40%
106	Telephone Expense	\$14,300	\$1,120	7.83%
107	Training	\$15,000	\$1,021	6.81%
108	Travel - Transportation, Meals, Lodging	\$10,000		
109	Uniforms Expense	\$16,000	\$6,673	41.71%
110	Utilities Expense			
111	Electricity/Heat	\$73,350	\$15,993	21.80%
112	Water	\$4,850	\$808	16.66%
113	Total Indirect Expenses	\$1,170,115	\$188,585	16.12%
114				
115	Total Operational and Indirect Expenses	\$8,914,095	\$1,649,651	18.51%
116				
117	Net Income from Operations	\$1,189,403	\$398,198	33.48%
118				
119	Capital Expenditures			
120	Reserve Fund Requirements	-\$154,830		
121	Asset Improvements, Non-CIP	\$147,460	\$2,582	1.75%
122	Long-Term Principal	\$1,102,409		
123	Long-Term Interest	\$83,809		
124	Total Capital Expenditures	\$1,178,848	\$2,582	0.22%
125				
126	Total Expenses	\$10,092,943	\$1,652,232	16.37%
127	Net Income (Loss)	\$10,555	\$395,616	3748.04%
128	Grant Activities			
129	Waste Tire	\$0		
130	RMDZ	\$3,500		
131	OPP	\$40,000		
132	HHW HD	\$205,214	\$42,863	20.89%
133	DoC	\$20,000	\$15,808	79.04%
134	Revenues from Grant Programs	\$268,714	\$58,671	21.83%
135	Waste Tire Grant	\$0		
136	RMDZ	\$3,500		
137	Oil Payment Program	\$40,000	\$969	2.42%
138	HHW HD Grant	\$205,214	\$2,145	1.05%
139	DoC Grant	\$20,000		
140	Expenses Incurred by Grant Programs	\$268,714	\$3,113	1.16%
141	Total Grant Activities	\$0	\$55,557	
142				
143	Non-Cash Activities Affecting Net Income			
144	Depreciation Expense	\$433,397		
145	Total Non-Cash Activities	\$433,397		
146				
147				
148	Increase (Decrease) in Net Assets	\$ (422,842)	\$ 451,174	
149				
150	Reserves and Trusts			
151	Operating Reserve: 15% of Operating Expenses	\$1,065,102		
152	Personnel Stabilization Reserve	\$150,000		
153	Rate Stabilization Reserve	\$400,000		
154	Capital Improvement Fund	\$400,000		
155	Current Cash Value of Designated Reserves		\$397,598	
156	Total Required Budget Funding for Reserves			
157	Disbursements from Trust related to Final Closure Approval			
158	CRLF Closure Trust Fund		\$1,671,949	
159	Total Reserves and Trust Funds	\$2,015,102	\$2,069,547	102.70%

Attachment C
Activity Report
July 1, 2016 -August 31, 2016

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	7,187	6,899	104.2%	\$927,414	\$877,756	105.7%
Self Haul	3,197	2,759	115.8%	\$511,082	\$440,353	116.1%
Subtotal	10,383	9,659	107.5%	\$1,438,495	\$1,318,108	109.1%
Humboldt Sanitation	408	476	85.6%	\$40,142	\$46,934	85.5%
ERD	686	732	93.6%	\$67,006	\$71,547	93.7%
TOTAL.	11,477	10,867	105.6%	\$1,545,643	\$1,436,589	107.6%
Greenwaste	692	554	124.9%	\$51,924	\$41,852	124.1%

Household Hazardous Waste

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	84	65	129.2%	\$ 7,690.10	\$ 9,955.71	77.2%
Residential	627	717	87.4%	\$ 4,744.90	\$ 2,452.10	193.5%
Fortuna Residential	25	22	113.6%	\$ 235.00	\$ 105.00	223.8%
Revenue from Countywide Fee				\$ 79,219	\$ 71,377.22	111.0%
TOTAL.	736	804	91.5%	\$91,889	\$83,890	109.5%

Traffic Count	Average Daily		Average Daily		% of Prior
	Count FY17	Exceptions	Count FY16	Exceptions	
July	314	None	295	None	106.4%
August	315	None	251	None	125.6%
September		None	289	None	0.0%
October		None	265	None	0.0%
November		None	265	None	0.0%
December		None	266	None	0.0%
January		None	285	None	0.0%
February		None	274	None	0.0%
March		None	273	None	0.0%
April		None	330	None	0.0%
May		None	293	None	0.0%
June		None	314	None	0.0%
Year-to-Date Average	315		283		111.0%

Attachment D
August 2016 Disbursements

Paid To	Amount	Paid To	Amount
101Netlink	\$60.00	Les Schwab Tire Center	\$106.43
Access Humboldt	\$100.00	Lost Coast Communications, Inc	\$200.00
AFLAC	\$651.72	Mad River Union	\$90.00
Airgas USA LLC West Division	\$465.12	Mendes Supply Company	\$138.18
Asbury Environmental Services	\$215.00	Mission Uniform & Linen	\$816.18
B & B Portable Toilet Company	\$9,612.40	Nancy Diamond	\$3,646.50
Bank Fees	\$2,596.35	Network Management Services	\$3,661.75
Bartolomei Scale	\$865.35	North Coast Journal	\$946.60
Bettendorf Enterprises, Inc.	\$132,857.34	Northern California Safety Con	\$80.00
CA SDU	\$13.00	Oak Harbor Freight Lines, Inc.	\$975.68
Capital One Commercial	\$49.12	Pacific Gas and Electric	\$8,194.95
Cardmember Service	\$1,814.72	Pacific Paper Co.	\$1,483.97
Cash	\$102,938.00	Pape Machinery	\$87.25
Chris Pennington	\$300.00	Picky Picky Picky Store	\$3,255.44
City of Eureka	\$3,452.79	Pierson Building Center	\$118.00
Crystal Springs Bottled Water	\$75.00	Randy Jones Trucking	\$1,200.00
EASI Computer Systems	\$600.00	RazurSharp	\$17.36
Eco Medical	\$926.40	RWS Services	\$74.24
Express Services, Inc.	\$2,230.80	Sierra Instruments	\$937.40
Golder Associates	\$2,106.56	Solid Waste of Willits, Inc.	\$157,710.41
Holt of California	\$3,485.17	Specialty Traffic Systems	\$8.48
Humboldt Community Services Di	\$20.90	Steve Morris Logging & Contrac	\$3,196.10
Humboldt County Sheriff's Offi	\$100.00	Suddenlink	\$204.95
Humboldt Recycling	\$4,635.60	Uline Shipping Supply Speciali	\$759.23
I-5 Tire, Inc	\$626.60	Union Bank	\$625.00
Integra Supply	\$2,480.00	UNUM Life Insurance Company of	\$246.16
Internal Revenue Service	\$54.00	US Bank Office Equipment Finan	\$509.92
L & M Renner, Inc	\$2,022.34	Verizon Wireless	\$280.37
		Vendor Disbursements	\$464,924.83
		Payroll Disbursements	\$153,570.65
		Total Disbursements	\$618,495.48



Staff Report

DATE: September 16, 2016 **For Meeting Of:** October 13, 2016

FROM: Jill Duffy, Executive Director
Tyler Egerer, Administrative Services Manager

SUBJECT: Item 2c)
Presentation of the Final 2015-2023 Capital Improvement Plan

RECOMMENDED ACTION: Roll Call Vote.
1. Approve Final 2015-2023 Capital Improvement Plan; and
2. Return to the Board with a final document.

DISCUSSION:

Attached is the Final 2016-2023 Capital Improvement Plan for the Board's review and discussion. This Plan identifies facility and capital improvement projects anticipated over the next seven years. The Plan, as presented, identifies a total of \$12,903,500 of anticipated improvements and expenditures for the identified period. Approval of this Plan will not appropriate funds, as future years will depend on the adoption of annual budgets, Plan modifications, project details, and consideration of other long-term commitments.

The Draft CIP was presented to the Board at the May 12th meeting, circulated to member agency staff with no additional suggested revisions received by September 15th.

ATTACHMENT:

Attachment A: Final 2016-2023 HWMA Capital Improvement Plan

Final HWMA Capital Improvement Plan

Fiscal Years 2017- 2023

HUMBOLDT WASTE MANAGEMENT AUTHORITY

October 13, 2016
Presented to the HWMA Board of Directors

Final HWMA Capital Improvement Plan

Fiscal Years 2017- 2023

Description

A Capital Improvement Plan (CIP) is a planning and fiscal management tool used to assist in the coordination, timing and financing of capital improvements over a multi-year period. Capital improvements refer to major, non-reoccurring physical expenditures such as land, building, infrastructure and equipment. For purposes of this initial CIP, staff identified those projects with an estimated \$25,000 and greater costs, with an anticipated lifespan of 5-7 years. The CIP is a working document, and should be reviewed and updated annually to reflect Authority needs, priorities and funding opportunities.

The CIP is intended to:

- ❖ Initiate the timely repair and replacement of aging infrastructure and rolling stock.
- ❖ Enable Board and public discussion of Authority infrastructure needs, Board approved priorities and Strategic Plan implementation.
- ❖ Identify the most economical means of financing capital improvements, with the goal of avoiding sharp increases to the Authority's Waste Management Fee ("Tipping Fee").
- ❖ Balance necessary improvements with the Authority's financial resources.

Preparation of the CIP and annual budget are closely linked. The CIP is usually adopted in conjunction with the annual budget, with the first year of the CIP (often referred to as the 'capital budget') outlining specific projects and appropriating funds for identified projects in the upcoming fiscal year. Projects and financing sources outlined for subsequent years are not authorized until the annual budget for those years is officially adopted by the HWMA Board of Directors. The 'out years' serve as a guide for future planning and will be subject to further review and modification according to the Authority's needs.

General Revenue & Expenditure Forecasting

Funding for CIP projects is generally expected to come from the Board established Capital Improvement Fund, a designated fund, that is expected to receive Board appropriated funds identified during the annual review and approval process. The goal of the Capital Improvement Fund (CIF) is to assist with minimizing impacts to the Authority's Waste Management Fees when significant expenditures are necessary for property acquisition, replacement of rolling stock or other infrastructure related process. Additionally, the Authority may pursue securing grants or long-term debt in order to implement Board approved projects.

Tonnage projections, salvage markets, and performance of self-funded programs influence revenue streams received by the Authority, while cost controls, long-term debt, contract terms and cost increase (via CPI) and fuel costs also influence total expenditures.

For revenue projections, staff estimates a total of 70,000 tons of solid waste received through a combination of the Hawthorne Street Transfer Station, Satellite Facilities in McKinleyville and Fortuna, and County Wide Program Fees collected on material self-hauled to landfill. This tonnage is currently considered to be the floor of total tonnage disposed by member agencies serviced by the Authority; even in depressed economic conditions, this tonnage volume has stayed fairly level.

Using this revenue assumption provides a strong base for determining available funds not just for day-to-day operations, but possible revenue available for designation into the CIF year to year. In addition, improvements in self-funded programs – namely, composting activities – could allow the Authority to realize savings that may contribute to the growth of needed CIP funds.

One of the most significant challenge in managing ever-shifting recycling materials markets, which have significant effects of available revenue; for the purposes of forecasting, the Authority uses current rates for materials markets, which are at the lowest they have been in some time.

The effects of expenditures on Authority funds are often much more visible and controllable over time. For example, base contract costs are influenced through established CPI indexes referenced through the Bureau of Labor Statistics, and are typically adjusted by an increase between 2.3 and 2.5 percent annually. Of the Authority's costs, transportation and disposal of solid waste, organic waste, and hazardous waste are not only the chief expenses of day-to-day operations, but are also all affected by changes in CPI; therefore, staff is able to present a constant growth in expenditures as related CPI adjustments.

Long-term debt costs are another significant expense to the Authority; however, the repayment schedule for these costs is outlined in the acquisition of the debt instrument, which improves budgeting capabilities in the long term. Recent efforts by staff and the Board to refinance current long-term debt have resulted in savings to the Authority, a significant portion of which may assist in the funding of the CIP. Other expenditure effects, such as costs associated with implantation of state-mandated minimum wage increases, are factored in as gradual costs increases, with plans to offset initial costs through the use of stabilization funds from designated reserves for personnel costs. Similar efforts related to fuel spikes are being put in place to allow for effective saving and planning for the CIP.

Methodology

1. Establish a 'planning committee'

An internal committee comprised of the Executive Director, Director of Administrative Services & Finance, Director of Facilities Management & Operation, Landfill Supervisor and Operator Supervisor were responsible for necessary planning, inventory collection and project identification.

2. Define capital projects or purchases

Each manager drafted a list of capital projects and/or major purchases proposed to be included in the CIP. These projects generally included repairs, replacement and improvements to facility and buildings, or equipment necessary to perform solid waste collection, diversion or recycling. Committee members then identified those projects greater than \$25,000 and a proposed useful life of 5-7 years for inclusion into the CIP project list. Projects less than \$25,000 will be included as annual capital outlay costs.

3. Calculate estimated costs for each project

Each CIP project was assigned an approximate cost. This figure is preliminary, expected year of implementation and indicated the priority of need. This information will assist in determining the year the project will be completed and how much of the Authority's budget is allotted to it. Projects requiring engineering, permitting, staffing or other associated costs will have the total cost refined as information becomes available.

4. Evaluate capital assets

Capital assets are the funds such as annual budgeting, capital reserve funds, grants and long-term debt that HWMA could pursue for replacement, renovations or other improvement projects listed in the plan.

Each project's planned completion date will depend on when the project costs can be allotted from the capital assets.

5. Prioritize projects

Assign the list of capital projects an order of completion based on the needed funds and the urgency of the project.

Repairs to potential hazards were prioritized in the interest of employee and public safety, operational requirements, Board directive and Strategic Plan implementation.

These were then strategically spread out throughout the plan's time frame. This approach is to assist in the necessary planning to minimize impacts to the tip fee.

6. Forecast funding needs

Outline the allotment of capital assets and public funding according to the prioritized list of projects.

7. Present the CIP at a Board meeting

Capital Improvement Plan Summary

Total anticipated spending for the Capital Improvement Plan is \$12,903,500, and comprises spending on nine total projects over the next seven Fiscal Years (ending June 30, 2017 through June 30, 2023). Approval of the projects presented is conceptual only, meaning no spending Authority is imparted to staff with approval of this Plan; semi-annual review of project status, additional projects, and required funding will be provided to the Board with budget and mid-year budget reviews.

Anticipated Allocation or Expenditure By Fiscal Year *

Project Name	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Replacement Conveyor Belt		\$200,000						\$200,000
Tip Floor Excavator		\$288,000						\$288,000
Tip Floor Loader		\$180,000						\$180,000
Fork Lift - Recycling		\$60,000						\$60,000
70' Pit Scale Replacement			\$65,000					\$65,000
Roll Up Doors-Motor Systems	\$48,000							\$48,000
Remodel – Scale House				\$30,000				\$30,000
Property Acquisition – Forest Parcels	\$1,032,000							\$1,032,000
Mixed Waste Materials Recovery (MRF)							\$11 Million	\$11 Million
	\$1,080,000	\$728,000	\$65,000	\$30,000			\$11 Million	\$12,903,000

*May involve securing grants or other debt service

PROJECT: Replacement conveyor for Harris Baler

PRIORITY: Medium

AREA: Recycling

IMPLEMENTATION DATE: 2017/18

DESCRIPTON:

The Authority owns and operates a 1983 Harris Baler that bales and densifies cardboard, aluminum, plastics and other materials. These commodities are then transported to out of area processors for recovery.

The conveyor that feeds the baler is worn to the point of needing a complete replacement. The conveyor system consists of supports, continuous rubber mat belt, drive motor and system drive chain. All components are worn out from extended age and continuous use. A re-design and replacement is necessary for the Authority to continue baling materials for commodity sales.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$100,000	\$100,000						\$200,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$100,000	\$100,000						\$200,000
Long Term Debt								
Grant								

PROJECT: Tip Floor Excavator

PRIORITY: Medium

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2017/18

DESCRIPTON:

The Authority owns and operates two excavators to support Tip Floor Operations. The ‘newer’ Hitachi 200X has accumulated approximately 11,000 hours of use, and the ‘older’ CAT 315 was in use at the time the Authority was formed and purchased from Waste Solutions Group in 2003. Both excavators are approaching the end-of-expected life for machines used in this type of service.

Both excavators are essential to the Authority’s operations, and are directly involved with the daily loading of municipal solid wastes and curbside recyclable materials. Staff is proposing to replace the CAT 315.

Purchase, or potentially a lease, of a replacement excavator will ensure continued operations with minimal breakdowns and out of service periods common to machinery with extended service hours.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$144,000	\$144,000						\$288,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$144,000	\$144,000						\$288,88
Long Term Debt								
Grant								

PROJECT: Tip Floor Loader

PRIORITY: Medium

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2017/18

DESCRIPTON:

The Authority owns and operates two loaders to support Tip Floor Operations. The smaller of the two loaders, a CAT IT14G, and has accumulated 8,000 operating hours. This loader is used primarily to move and push municipal solid waste from the self-haul area, green waste and recyclable materials as necessary. The second loader, a CAT 950H was purchased in February 2011, and has accumulated 4,000 operating hours.

Both loaders, while well maintained, are essential to the Authority’s operations, and are directly involved with the daily loading of municipal solid wastes and curbside recyclable materials. Tip floor operations require the use of tow loaders to efficiently move solid wastes, green waste and recyclables for transportation. Staff proposes to replace the CAT IT14.

Purchase, or potentially a lease, of a replacement loader will ensure continued operations with minimal breakdowns and out of service periods common to machinery with extended service hours.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$90,000	\$90,000						<i>\$180,000</i>

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$90,000	\$90,000						<i>\$180,000</i>
Long Term Debt								
Grant								

PROJECT: Fork Lift – Recycling

PRIORITY: High

AREA: Eureka Recycling Center

IMPLEMENTATION DATE: 2017/18

DESCRIPTON:

The Eureka Recycling Center uses two fork lift trucks for routine operations, and borrows a fork lift from Household Hazardous Waste when necessary. The lift truck handles bins containing diverted recyclable materials, and load those materials for baling preparation or transfer into transportation trailers. The older forklift (Hyster) was purchased in 2007, accumulated 4,500 hours of service but is less dependable than the newer forklift. The newer forklift (Linde) was purchased in 2012 and has accumulated 6,000 hours of service.

The Hyster forklift’s engine was replaced in 2009, and has 4,500 hours on that engine but the chassis and mast components are showing service wear and extended life. A replacement of the Hyster will be needed to ensure operating efficiency in the Recycling Center.

The volume of materials received, processed and shipped from the Eureka Recycling Center has literally doubled over the past year following the closure of private CRV vendors in the Eureka community. It is critical that functional and reliable equipment be available to handle recyclable materials.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$30,000	\$ 30,000						\$60,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$30,00	\$30,000						\$60,000
Long Term Debt								
Grant								

PROJECT: 70' Pit Scale Replacement

PRIORITY: Low

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2018/19

DESCRIPTON:

The Authority uses a commercially rated and certified 70 ft. pit scale to weigh and load the semi-trucks that carry materials from the facility to their destination locations, be they landfill, brokerage yard, or a shipping port. Trucks that transport materials are required to meet axel weight restrictions. This scale enables the operations crew to determine accurate axle weights of outbound trucks for material loading prior to highway transit.

The existing scale is regularly maintained, cleaned and calibrated annually. The scale was purchased in 2005, and will require replacement within the next several years.

The scale functions as an outbound scale and is essential to the operations of the Authority. It must be fully operational and accurate at all times in order to support the average 15 trucks and trailers departing from the Hawthorne Street Transfer Station.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$0	\$ 0	\$ 65,000					<i>\$65,000</i>

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$0	\$0	\$ 65,000					<i>\$65,000</i>
Long Term Debt								
Grant								

PROJECT: Roll Up Doors – Motor Systems

PRIORITY: High

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2016/17

DESCRIPTON:

The Hawthorne Street Transfer Station has a total of ten ‘roll up’ metal doors that allow ingress and egress from the Main Tip Floor and loading pit areas. These are controlled by heavy-duty electric motors, with a backup manual chain-cog system in the event of a power loss. Nine of these doors require replacement of the electric motors and drives as they are work, outdated and replacement parts are no longer available.

These doors were initially installed during the Tip Floor Building expansion project in 2003. The Transfer Station is located adjacent to Humboldt Bay and the marine environment exposure has taken a toll on this infrastructure. Properly functioning doors are necessary to control operations and ensure site control and security.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$48,000	\$ 0						\$48,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$48,000							\$48,000
Long Term Debt								
Grant								

PROJECT: Remodel – Tip Floor Scale House

PRIORITY: Medium

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2019/20

DESCRIPTON:

The Hawthorne Street Transfer Station Scale House design has been long outdated in terms of form and function for several years. The existing design requires staff to face the direction opposite to traffic, and has required a number of wiring modifications to allow for updated computer use. This remodel project is intended to improve employee working conditions and improve customer service experience.

Modernization of the Scale-house will also improve integration of computer hardware and software moving into the future.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$0	\$ 0	\$0	\$30,000				\$30,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund	\$0	\$0	\$0	\$30,000				\$30,000
Long Term Debt								
Grant								

PROJECT: Property Acquisition – Forest Parcels **PRIORITY:** High

AREA: Cummings Road Landfill **IMPLEMENTATION DATE:** 2016/17

DESCRIPTON:

In conjunction with the Settlement and Release Agreement entered into with Recology on May 20, 2014 regarding the cleanup of the Cummings Road Burn Ash Site, the Authority acquired an Option for the purchase of seven (7) parcels totaling 413 acres of real property. The term of the Option was initially approved for May 20, 2016, and extended for a term of one year.

The property was appraised in September 2013 to have a total value of \$2.4 million, with an estimated timber valuation of \$1.1 million. Currently, five of the seven parcels are managed under a Non-Industrial Timber Management Plan. The remaining two parcels have timber harvest rights held by Humboldt Redwoods Company until 2027. The Option agreement establishes the purchase price at \$1,032,500, if the Authority chooses to exercise its option and purchase the property,

This exclusive option was related to the Clean Up and Abatement Order of the (former) Burn Ash Site and related corrective actions. The surrounding acreage will serve as buffer from existing and future development pressures. Other uses may be evaluated as planning proceeds.

Staff will be working to complete necessary investigation and analysis of the properties, and identify potential funding sources for purchase.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>	\$1,032,500							\$1,032,500

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund								
Long Term Debt								
Grant								

PROJECT: Mixed Waste Materials Recovery

PRIORITY: Medium

AREA: Tip Floor Operations

IMPLEMENTATION DATE: 2022/23

DESCRIPTON:

HWMA’s Strategic Plan 3.1 “Develop Mixed Waste Processing Capacity, if Economically Feasible” was approved by the Board in May 2013. Necessary planning and feasibility processes, including space utilization study, engineering, and environmental review/permitting will need to be performed to determine whether project is to proceed.

As presented by the Authority’s consultant, the estimated cost to process materials through a mixed waste MRF is projected to be in the range of \$100 to over \$150 per ton. Based on preliminary information on four mixed waste MRFs in California, projected average capital costs of a (highly mechanized) mixed materials MRF range from \$3 million to \$11 million for equipment alone, depending on processing capacity needed.

Additional costs may include: costs incurred to conduct a feasibility study, space utilization study, and engineering study; site preparation; site acquisition (if needed); and environmental review.

Uncommitted Balance as of 06/30/2016

ESTIMATED COST	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
Engineering/ Design								
Administration								
Inspection								
Improvements								
<i>Total</i>							\$11,000,000	\$11,000,000

FINANCING	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022	2022/2023	Total
CIP Fund								
Long Term Debt								
Grant								



Staff Report

DATE: September 30, 2016 For Meeting Of: October 13, 2016

FROM: Jill K. Duffy, Executive Director

SUBJECT: Item 2d)
Consider Nominees for Appointment to the North Coast Recycling Market Development Zone (NC-RMDZ) Zone Management Team

RECOMMENDED ACTION:

That the Board Appoints:

- 1) Andrew Whitney, City of Eureka Economic Development Project Manager and
- 2) Cindy Harrington, County of Humboldt Economic Development Coordinator to the NCRMDZ Zone Management Team; or
- 3) Takes other action as appropriate.

SUMMARY:

At the July 14, 2016 meeting, the Board approved circulation to city managers and the County Administrative Officer seeking nominees to serve on the NCRMDZ Zone Management Team. The names of two nominees were forwarded, and are presented for the Board's consideration.

Staff recommends the appointment of:

- 1) Andrew Whitney, City of Eureka Economic Development Project Manager and
- 2) Cindy Harrington, County of Humboldt Economic Development Coordinator

Once the Del Norte Solid Waste Management Authority (DNSWMA) has made their two appointments, the Zone Management Team will convene. HWMA and DNSWMA will provide coordination assistance, as well as the services of the NCRMDZ Coordinator Maureen Hart.

Background

The North Coast Recycling Market Development Zone encompasses Humboldt and Del Norte counties and the incorporated cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, Trinidad and Crescent City. With support of all of the above entities, the County of Humboldt submitted a re-designation application to CalRecycle in May 2016 seeking continued designation of the zone. The 10-year re-designation is required so that designated communities in Humboldt and Del Norte counties may remain active participants in the California Department of Resources, Recycling and Recovery's (CalRecycle) Recycling Market Development Zone Program (RMDZ). Since 2002, the North Coast Recycling Materials Development Zone (NCRMDZ) has been administered and funded through HWMA.

A venue to ensure outreach and promotion of the NCRMDZ services and technical assistance is outlined in the “*Market Development Plan*” which established a Zone Management Team (ZMT). The ZMT is composed of five (5) members and includes representatives from both counties. The ZMT is to provide the services and experience needed to successfully encourage and increase local manufacturing using recycled materials.

Members of the ZMT include four persons that are either elected officials of participating jurisdictions within the Zone, or their staff, for appointment. The Board of the Del Norte Solid Waste Management Authority (DNSWMA) shall appoint two representatives and two representatives shall be appointed by the Humboldt Waste Management Authority, and one ZMT member shall be appointed by a majority vote of a quorum of the four appointed ZMT members. The public member can be any interested resident, business or non-profit representative from either county.

Staff of the DNSWMA, Del Norte Economic Development Commission, HWMA and Humboldt County Economic Development recently discussed the need to re-form the ZMT so that communication, coordination and development of the Annual Work Plan may be efficiently accomplished.

Staff recommends the Board appoint the two nominees, 1) Andrew Whitney and 2) Cindy Harrison to the Zone Management Team. Alternatively, if there are additional considerations for appointment, staff requests the Board discuss and appoint two members accordingly.

FISCAL IMPACT:

No direct impact.



Staff Report

DATE: October 13, 2016

FROM: Brent Whitener, Director Operations and Facilities Management

SUBJECT: Item 2e)
Approve Stericycle Environmental Solutions and HWMA Agreement for Household Hazardous Waste (HHW) Transportation and Disposal Services.

RECOMMENDED ACTION: That the Board of Directors:

- 1) Approve the agreement between HWMA and Stericycle Environmental Solutions, for a period of three-years; and
- 2) Authorize the Executive Director to execute and agreement with Stericycle to secure household hazardous waste transportation and disposal services.

DISCUSSION:

The Board selected Stericycle Environmental as the successful firm in the HHW RFP process at the September 8, 2016 Board meeting and directed the Executive Director, General Counsel and Stericycle to develop agreement language. This completed agreement is being brought back before the Board for final approval preceding execution by the Authority. The agreement package now before you has been reviewed and executed by Stericycle.

FISCAL IMPACT:

This agreement will be implemented immediately. Typical budgeted annual cost is currently about \$200,000.00 per fiscal year. This is a three-year agreement with two one year mutually agreeable extensions available. Prices for services remain constant through the term of the agreement. The HHW team has become very proficient at controlling costs under these contracts for HHW services.

ALTERNATIVES TO RECOMMENDED ACTION:

1. Reject the agreement language and re-negotiate or re-open the contract solicitation process. This agreement mirrors its predecessors and should serve the Authority well over its term and as such, staff does not recommend rejection.

ATTACHMENT:

Stericycle/HWMA HHW Agreement



Staff Report

DATE: October 13, 2016

FROM: Jill K. Duffy, Executive Director

SUBJECT: Item 2f)
Declare the Landfill Polaris Series 11 All-Terrain Vehicle Surplus and Authorize the Executive Director to Sell Surplus Equipment.

RECOMMENDED ACTION: Voice vote.
Declare the Landfill Polaris Series 11 All-Terrain Vehicle Surplus, Authorize the Executive Director to Sell Surplus Equipment.

DISCUSSION:

The Polaris All-Terrain Series 11 Vehicle (Polaris) used at the Landfill, has run well beyond the end of its useful life to the Authority. The Polaris is over ten years old, and repair costs to maintain the bare minimum working condition for the vehicle have become prohibitive. Having replaced the vehicle, staff recommends the Board declare the Polaris surplus in an attempt to realize some value from its disposal.

As part of the planned capital improvements for Fiscal Year 2016-2017, Landfill staff has successfully quoted for and replaced the long-running Polaris ATV. The Polaris has been used as one of the chief methods for moving staff, visitors, and maintenance supplies around the Landfill for almost ten years, and has served well beyond its expected life.

Although the Polaris has no book value or use to the Authority, it may have use to another entity or member of the public. Any amount recovered via the sale of the Polaris would offset some of the cost of its replacement, valued at approximately \$16,000.

FISCAL IMPACTS:

Minimal cost in staff time to sell the equipment and ensure transfer off-site. As the equipment holds no remaining book value to the Authority's financials, the Executive Director has the flexibility to pursue a number of options in the sale of the equipment, which may reduce staff time in securing a sale. The Authority will further recognize a small gain from the sale of the equipment.



Staff Report

DATE: September 30, 2016

For Meeting of: October 13, 2016

FROM: Jill Duffy, Executive Director

SUBJECT: Item 5)
Executive Director Report

RECOMMENDED ACTION: Informational Only.

Administration

Cummings Road Landfill

The draft Construction Quality Assurance (CQA) report remains under review, with additional requested information submitted to the County LEA and North Coast Regional Water Quality Control Board. The County LEA and NCRWQCB will notify CalRecycle, who will then issue a final letter to HWMA stating the landfill is certified closed.

Audit

Staff continued working with the Authority's auditors in September for preparation of the 2015-16 Audit report. Presentation of the audit is on schedule to be presented at the November 2016 Board meeting.

SDRMA Risk Audit

On July 20 & 21st, a safety management consultant reviewed the Authority's operations (recycling, tip floor, household hazardous waste, green waste, landfill and administration services) and safety programs with the goal of assisting the Authority improve our safety efforts. The audit conducted as a result of three severe worker compensation claims being filed in the last 5-years. A report containing findings and recommendations was submitted to the Authority at the end of August, and staff will be working on implementation strategies.

Local Task Force

The Local Task Force met Thursday, September 29 at 10:00 at the Adorni Center Conference Room, with the purpose of discussing membership restructure and other revisions. The Task Force will be requesting of Humboldt County jurisdictions that a restructure to the Local Task Force membership composition be approved so that it operates independently of HWMA and continues to meet state mandated requirements.

HWMA will continue preparation of annual reports and related Integrated Waste Management plans, and submit to the Local Task Force for their review and approval.

Executive Committee

A meeting of the Executive Committee was held Oct. 6, 2016; due to the lack of a quorum the meeting was cancelled.

Operations:

Annual Scale Certification was completed on September 29th.

Authority staff has been preparing for winterization activities other routine facility maintenance.

Staffing

Operations and Recycling Center staffing remains lean with the absence of two full-time employees due to injuries.

Recycling:

The recycling center buy-back staff continues to experience significant Ca. Redemption Value (CRV) buy-back activity.

Mattress Recycling

On August 1st, the Authority and the Mattress Recycling Council (MRC) kicked off the ‘no charge’ collection and baling of mattresses. Residential mattresses may be disposed 7 days a week at the Hawthorne Street Transfer Station during regular operational hours.

We made our first shipment of baled mattresses on September 22, 2016. This shipment contained 426 units and weighed approximately 20,000 pounds.

The Authority also assisted the Mattress Recycling Council (MRC) with two collection days held for local tribes in Klamath and Weitchpec. These events brought in approximately 25 mattresses each, and would normally have required MRC to pay the full cost of transporting the collected mattresses to their processing facilities in central California. Authority staff worked with MRC and tribal representatives to coordinate delivery of the mattresses to the Hawthorne Street Transfer Station, where the mattresses were baled and included in the first full mattress shipment from HWMA. This coordinated effort saved the program money and reduced environmental impacts from excessive materials shipping.

Landfill

- Semi-Annual monitoring well and surface water sampling took place in September.
- Landfill and Burn Ash winterization activities are almost complete, pending completion of the vegetation monitoring (see next bullet)
- Jim Able Forestry will be completing the annual vegetation survey for the former CR Burn Ash site in late September/October
- Flare and Leachate compressors were given turn-ups.
- Gina Morrison of the NCRWQCB performed an inspection of the landfill, former burn ash site and surrounding areas.
- PWA conducted quarterly seep & spring inspection of the landfill on September 30th.

Programs:

The **Rio Dell E-Waste Mobile Collection Event** was held September 17, 2016 and brought in fourteen pallets of electronic waste, and was considered highly successful by Authority programs staff. Authority staff appreciated the help provided by the City of Rio Dell and noted that no significant issues were encountered.

Programs staff continues to maintain excellent working relationships with their grant managers for various grant-funded programs, all while continuing to research new avenues for grant funding on upcoming projects. These funds assist Member Agencies with materials diversion that would otherwise require funding from solid waste tipping fees. Furthermore, these savings allow Programs staff to explore the feasibility of expanded services in other areas, such as providing lower-cost solutions to small businesses participating in the Authority's Conditionally Exempt Small Quantity Generator HHW program, or improving electronic waste disposal methods for Member Agencies.

Household Hazardous Wastes:

Permanent Red Shed Collection Events:

October

The First Saturday collection event had 122 attendees delivering household hazardous wastes for disposal.

Additionally, 157 customers dropped off HHW during the month of September by appointment.