

**DRAFT MINUTES OF THE
REGULAR BOARD MEETING OF THE
CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY
HELD ON MARCH 25, 2010**

The regular meeting of the Central Contra Costa Solid Waste Authority's (CCCSWA's) Board of Directors convened at 1666 N. Main Street, 3rd Floor Conference Room, Walnut Creek, Contra Costa, State of California, on March 25, 2010. Vice Chair Victoria Smith called the meeting to order at 3:04 P.M.

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

PRESENT: Board Members: Candace Andersen
Mike Anderson (arrived at 3:43 p.m.)
Carol Federighi
Steve Glazer
Karen Mendonca, Vice Chair
Victoria Smith, Chair
Karen Stepper
Gayle Uilkema

ABSENT: Board Members: Mary Piepho
Sue Rainey
Gary Skrel
Dave Trotter

Staff members present: Paul Morsen, Executive Director; Janna McKay, Executive Assistant/Secretary to the Board; Bart Carr and Lois Courchaine, Waste Prevention and Recycling Managers; Janelle Cameron, Executive Assistant/Business & Accounting Operations. Kent Alm, CCCSWA Counsel, was also present.

2. ADOPTION OF AGENDA

MOTION by Board Member Mendonca to approve adoption of the Agenda. SECOND by Board Member Stepper.

MOTION PASSED unanimously.

3. PUBLIC COMMENT ON ITEMS NOT ON THIS AGENDA

No comments.

4. WRITTEN COMMUNICATIONS TO THE AUTHORITY

- a. Correspondence received from Lafayette resident, Robert D. Reigg regarding rate increase and Authority's Staff response*
- b. Correspondence received from Walnut Creek resident, Lew Samuels regarding rate increase and Authority's Staff response*
- c. Correspondence received from Timothy James, Manager, Local Government Relations in Sacramento regarding Agenda Item No. 9a*

- d. Correspondence received from Concord resident, Gina Gotsill regarding plastic ban*
- e. Correspondence received from Ms. Johnnise Foster Downs, Director, Local Government Affairs in Sacramento regarding Agenda Item No. 9a & 9b*

Paul Morsen mentioned that Tim Argenti received the highest award from Republic Services and was honored recently in Phoenix, Arizona. He was not in attendance, but Susan Hurl thanked the Board on his behalf.

5. CHAIR AND VICE CHAIR ELECTIONS

MOTION by Board Member Uilkema to elect Vice Chair Smith as the 2010-11 Chair for the CCCSWA. SECOND by Board Member Federighi.

MOTION PASSED unanimously.

MOTION by Board Member Uilkema to elect Board Member Mendonca as the 2010-11 Vice Chair for the CCCSWA. SECOND by Board Member Federighi.

MOTION PASSED unanimously.

6. CONSENT CALENDAR

- a. Consider Approving Minutes of the Regular Board Meeting on February 25, 2010*
- b. Consider Approving Final Contract Agreement Between CCCSWA and EBMUD for Commercial Food Waste Processing and Disposal Services*

Board Member Uilkema spoke about her conversation with Tim Argenti regarding the final contract agreement between CCCSWA and EBMUD. It came to her attention that there were concerns from the Vine Hill community about the siting of the facility at the transfer station and the plan to grind between 15 to 100 tons of food waste within 300 feet of their residential area. She requested clarification on the quantity of food that is expected to be grounded at the facility and taken to EBMUD for processing.

Paul Morsen responded that EBMUD has a permit for 100 tons a day to both service the Authority and other communities in the Bay Area. Currently, the Authority's food waste portion averages about 15 tons a day. He stated the 100 tons a day is the total capacity available at EBMUD right now for all of the food waste they can contract for. EBMUD has applied for a permit increase to 200 tons per day. CCCSWA food wastes are a small portion of these permitted tons. He also added that there is no additional food waste tonnage that is planned to go through the Transfer Station; it is the same food waste that goes through the transfer station now that is mixed with the municipal solid waste—the only difference is that they are pulling a portion of the food waste out and grinding it up and sending it away in a separate truck to EBMUD. He stated that community hearings with the Vine Hill residents are planned.

Board Member Uilkema agreed that a public hearing in the Vine Hill area is needed. She stated that they want to make sure the work is done timely and secondly, according to Susan Hurl, it is expected to be a 17-week process to do the environmental work.

Board Member Andersen asked about the total number of trucks coming in and out of the transfer station.

Susan Hurl with Allied Waste Services responded it is currently hundreds. She stated that they have already had a meeting with the Mountain View Sanitary District's (located in the Vine Hill Area) general manager and assistant general manager providing them with the project description. They will be going to their Board in a month or so to give them an informational update/review of what the project is all about. Ms. Hurl stated that they are very supportive of the project and Allied Waste will be holding meetings at their facility to keep them in the loop.

Paul Morsen added that the County has hired a consultant to handle the permitting project and Staff is hoping for some very positive results.

Chair Smith opened it up to the public for comments.

Don Gray, EBMUD, approached the Board and commented that it has been a very pleasant experience working with CCCSWA for the past two plus years on the food waste pilot project. He stated it is a very innovative project—something that is not being done anywhere else in the world in municipal waste plants.

Joe Augustine, EBMUD shift supervisor, who runs the area of the plant that handles the food waste approached the Board and stated that the EBMUD staff love the project and everyone he has been working with on the CCCSWA side of things has been great. He thanked and congratulated the Board for this innovative program.

Chair Smith thanked both of them and explained that this program is very dear to their hearts.

MOTION by Board Member Uilkema to approve 4.a and 4.b. SECOND by Board Member Federighi.

MOTION PASSED unanimously

7. NEWS ARTICLES OF INTEREST TO THE BOARD*

Chair Smith asked Mr. Morsen if the new larger transfer station in Brentwood would have an effect on the Authority's business or possibly give them an opportunity.

Mr. Morsen responded that Brentwood is located too far away considering the trucks time on the road especially on crowded State Route 4; however, he stated, if an opportunity came down the road for them to utilize the facility they would certainly come back to the Board for discussion, but right now he doesn't see any opportunity.

8. ADMINISTRATIVE AND FINANCIAL MATTERS

a. Receive Fiscal Year 2009-10 Mid-Year Budget Report*

This report is presented for information only. No action is requested at this time.

Paul Morsen reported that the funds have been somewhat short this year with the loss of grant money from the Department of Conservation in the amount of \$45K. Also, with the lower revenues from recyclables sales that have been experienced, staff has been quite careful in spending and consequently, as of December 30th, the budget is well below planned expenditures. Their projections indicate that they will be under budget at fiscal end as well.

Mr. Morsen opened it up to the Board for Q&A. No questions were asked.

Chair Smith opened it up for public comment. No comments were made.

b. Update on Walnut Creek Recycling Center (WCRC) and Request for Authority to Amend Contract for Post 2011 Services*

1. Accept and comment on staff update regarding discussions with the City of Walnut Creek on continued use of WCRC property following conclusion of current lease agreement on March 1, 2011.
2. Authorize Executive Director to amend current lease agreement with the City of Walnut Creek, reflecting these changes, for the period of March 2, 2011 to March 1, 2012.

No report given due to Walnut Creek Board members not in attendance. This item was tabled until the April 29th Board of Directors meeting.

c. Diversions Newsletter Contract*

Authorize the Executive Director to enter into a three year contract with Gigantic Idea Studios beginning July 1, 2010 and ending June 30, 2013 for a total cost of \$208,419.84 (\$69,473.28 per year).

MOTION by Board Member Uilkema to approve the CCCSWA enter into a three year contract with Gigantic Idea Studios. SECOND by Vice Chair Mendonca.

MOTION PASSED unanimously

9. PROGRAMS

a. Report on Single-Use Plastic Bags and Expanded Styrofoam Food Packaging*

1. Provide direction to staff regarding Board interest or intent to pursue banning single-use Plastic packaging:
 - a. Banning plastic grocery bags only, or
 - b. Banning polystyrene (“Styrofoam”) Food Containers only, or
 - c. Banning plastic grocery bags and Polystyrene Food Containers
2. Alternatively, direct staff to explore other options to banning single use plastic packaging:
 - a. Increase public education around AB 2449 requirements for making plastic bag recycling available to the public

- b. Work with retailers to establish voluntary fees or other incentives for using alternatives to single use plastic packaging
- c. Support efforts for State bans

Chair Smith started by saying that this is an important issue that will be considered over many months. She noted that there is a lot of public interest and the Authority is interested in seeing what other jurisdictions are doing, and to carefully consider what their options are.

Chair Smith introduced Paul Morsen to present the topic of discussion.

Paul Morsen started by saying that there is a great deal of interest in these two waste stream commodities; he referenced the letters received from the California Restaurants Association and the California Grocers Association. He noted both organizations would like a chance to speak with the Authority before any decisions are made in banning Styrofoam (take-out containers) and single-use plastic bags. He informed the Board that he is bringing these issues to the Board, not for any decision today but for discussion and any possible direction.

Chair Smith asked Lois Courchaine for a brief presentation regarding her white paper.

Ms. Courchaine spoke about reasons why she felt these waste stream materials need to be addressed. She also mentioned AB449 which mandates grocery stores accepting and recycling plastic bags from customers. She noted that the program is not being utilized effectively or, in some cases, not at all. The State of California reports that 5-10% of plastic bags are being recycled. When plastic bags end up in the recycling cart or the garbage cart, chances are very good that they are going to blow out and end up in the streets, and eventually in the creeks. She noted that this is a huge problem that can impact a lot of agencies—municipalities are struggling to decrease trash loads in waterways to a much lower percent by 2012.

Chair Smith requested background history and information on what experience other cities have had in instituting bans and the legal issues surrounding their actions. She also requested an update on the master Environmental Impact Report (EIR) and where that effort is at the present time.

Paul Morsen responded that: 1) San Francisco has successfully banned plastic bags, 2) Richmond is banning Styrofoam takeout containers to go in effect on July 1, 2010, 3) Oakland tried to ban plastic bags but was sued because they did not do an EIR; however, they are in the process of completing their EIR, 3) Seattle was trying to put a deposit/fine on plastic bags, which was overturned by the voters, and 4) the Country of Ireland put a .40 cent fee on each plastic bag and has claimed it has reduced the problem by 90 percent. These are just a few of the examples of what is currently being done.

Mr. Morsen stated that there are two basic ways that they can proceed besides doing nothing: 1) banning Styrofoam and/or single use plastic bags, or 2) trying to revitalize the State's collection and recycling program for bags. He noted that he is unaware of any effective way to recycle Styrofoam that has been stained and contaminated by food products (take out containers). He noted with the litter and environmental problems that these commodities can cause, special concerns exist that do not revolve around other commodities in the waste stream.

Lois Courchaine added that the expense of municipalities to collect these commodities out of the creeks and litter on the streets is exorbitant.

Board Member Mendonca asked what happens with the plastic bags that are collected in the grocery stores.

Mr. Morsen responded that the plastic bags are recycled into products such as Trex—an artificial wood product. Styrofoam can be made into crown molding and in fact, works great; however, it is pretty difficult to recycle the Styrofoam food containers because once it's contaminated with food it cannot be used as packing material or recycled into other products.

Lois Courchaine added that Steve Moore with Pacific Rim Recycling explained to her that recycling plastic bags can cost up to \$20,000 a ton to pull them out of a single stream and after that effort, they are worth about \$100 a ton. She commented that it doesn't make financial sense.

Board Member Stepper had several comments for going forward: 1) there are too many grocery stores that do not have their recycling containers visible to the customer for recycling their plastics bags and wondered if they are actually being recycled, 2) she requested to see some costs come back for the cities and to see if there is any way to measure the cost differential if they were to ban materials. She noted that the cities are already cleaning up the streams so they're not going to save any money by banning plastic bags—the litter problem will continue, 3) she is concerned that they are just trying to do it in a few places. She gave an example of the local farmers market where people bring their reusable bags but the merchants put all of their produce in plastic bags so the effectiveness has a little problem for her. Furthermore, she does not think it's very effective to single out just the types that the State has mandated, 4) she would like to find a way to incentivize the biodegradable products. She wanted to know what the impact would be if they were to increase the volume of biodegradables or would that increase the costs. She asked, has any other cities or agencies had an effective program that had a big increase in the use of biodegradables, and 5) she spoke about the economy and the impact for the small and big business owners if they were to enforce banning regulations.

Board member Stepper then inquired about charging the customer fees for plastic and brown (paper) bags and asked why she would be charged for brown paper bags.

Paul Morsen responded that paper bags are a big market for Kraft paper (brown paper) recycled materials and indeed most paper bags from the grocery are about 40% post consumer content. Paper bags are a big user for recycled paper. He noted that paper bags costs about .5+ cents and plastic bags about roughly .1 cent and so some businesses have decided to charge for paper bags to both encourage people to use reusable bags and to allay the bag costs. Paper bags have some advantages over plastic bags with regard to their recyclability and in fact, they do compost and breakdown in nature while plastic does not.

Lois Courchaine added that the premise of the Oakland lawsuit is that paper bag manufacturing has just as harmful an effect on the environment and thus must go through the (CEQA) California Environmental Quality Act process. The “green fee” for paper bags is a way of discouraging their use and therefore balancing out the environmental impact of paper vs. plastic, thus avoiding the CEQA process.

Board Member Andersen echoed Board Member Stepper's comments regarding the economy and anything that is going to comprise an additional financial responsibility for retailers and restaurants must be seriously considered. She is also concerned about rushing forward unless

there is a regional approach. She noted that most of our cities are adjacent to other cities that may or may not have anything in place to deal with these commodities. She hopes there will be a statewide policy in place that will resolve this and is concerned about the CEQA issue and does not want to walk into a lawsuit unnecessarily. She would like the Authority to focus on the education efforts of using reusable bags.

Board Member Uilkema agreed with Board Member Andersen with changing the mind set of people and to start early and educate the children through the schools program. She also concurred with the notion of a regional approach. Secondly, she would like to find out how some communities come together to be able to accomplish the collection of plastic bags as a raw material and how it effects the waste stream. Lastly, she expressed concern over the impact on businesses and adding regulation on them. However, she stated, they should start planning, devising and working as a region to figure out what they can do to get them out of the community as a raw material, eventually to an ultimate provider.

Board Member Federighi agreed to a lot of what has been stated; however, she doesn't want to shut the door on banning the materials down the road—at this time she wants to focus on educating the communities and encourage public awareness.

Chair Smith opened it up to the public for comments.

Kristen Altbaum, resident of Lafayette approached the Board and noted she came in support of banning plastic bags and Styrofoam or charging the customer fees. She spoke about the City of Millbrae which enacted a ban on all No. 6 plastics, which incorporates Styrofoam but also anything with a No. 6 on the back of it. Businesses are passing the extra costs onto the customers and charging .25 cents per container and about 85% of the food vendors are happy with the food container ban and 15% are not so happy. She encouraged the Authority to talk to the cities that have bans in place before coming to any conclusions about businesses suffering.

Connie Kopps, “The Bag Lady” approached the Board and spoke about her business, “Use-A-Bag a Lottabag. Information was left with the Board Secretary.

Chair Smith brought it back to the Board for final comments.

Board Member Anderson commented that the Styrofoam is really a huge problem for him and those materials ending up in our creeks, canyons and polluting communities and the environment. He suggested starting with a Styrofoam ban because it is a difficult material to recycle. Additionally, he noted that they are a regional agency and could be out front on this issue.

Board Member Mendonca supports Board Member Anderson's comments and suggested the Board to not lose the momentum and assume that they are harming businesses during this economic time, and in fact, are harming the environment more so.

Board Member Glazer requested clarification and stated that his understanding is that they cannot assess a fee because legislation precludes that approach.

Paul Morsen responded that it his understanding that they cannot assess a fee on bags because that has been foreclosed by AB2449.

Board Member Glazer questioned if they are talking about opposing a fee, then are they talking about supporting legislation which narrows their ability and the debate. He also requested information on cost analysis for businesses and is in support of a regional approach.

Board Member Andersen is interested in knowing the ramifications on the impact for businesses.

Board Member Uilkema concurred with Board Member Andersen and stated that the enforcement is a concern for her. She gave an example of the Air District and the wood burning ban and questioned how the Authority would deal with the enforcement issue and the need to know the consequences which are a critical part of a well planned ban.

Chair Smith requested to Mr. Morsen the following to: 1) research the information and questions that all of the Board Members had, 2) explore the ramifications to businesses, 3) get more information of the potential state ban which would solve the problem, 4) get information of the potential of a litter fee for some cities, 5) see how the current EIR unfolds, 6) research enforcement issues, and finally 7) look into partnering with other agencies, e.g., Central Sanitary District, EBMUD, etc.—those agencies are interested in keeping those same materials out of the waste stream and the environment.

Chair Smith requested Mr. Morsen to come back with answers to the questions that were asked today.

Mr. Morsen agreed, over the course of the next several Board Meetings to bring back information and answers regarding the questions that have been asked by Board Members.

b. 2010 Report from the Ad-Hoc Legislative Committee*

Approve the recommendations of the Ad-hoc Legislative Committee to send letters supporting legislation of interest to this Agency.

Board Member Glazer requested pulling the Brown bill (AB 1998) letter due to the earlier plastic and Styrofoam discussion.

Discussion ensued by Board members regarding the impact of the problem and legislation.

MOTION by Board Member Glazer to approve the recommendation letters from the Committee with an exception of AB 1998. Board requested to hold AB1998 for April Board discussion. SECOND by Board Member Stepper.

MOTION PASSED unanimously

10. EXECUTIVE DIRECTOR'S REPORT

- a. AWS Awarded Green Business Designation. On November 19, 2009, Allied Waste Services offices and corporation yard were certified as a Contra Costa Green Business. They are the very first hauler in the area to receive this distinction. Allied employees, Jennifer Brannen and Stacy Antenol, recycling coordinators led the effort. Additionally, Allied was recognized by the Walnut Creek Chamber of Commerce on February 26, 2010 for being a Walnut Creek Green Minded business. Congratulations to Allied.

- b. Commercial Food Waste Pilot Implementation completed. The pilot is completed and they are servicing 105 restaurants; collection days are M-W-F. Mr. Morsen looks forward to the expansion in September.
- c. Update on Office Lease. The Authority's current office building went into receivership, was sold and a new owner came on board. Consequently their lease was rendered invalid and now they are on a month-to-month basis. Staff is looking into other office suites and a decision will be made soon. They will keep the Board apprised.
- d. California Redemption Program Legislation. Funds from the CRV Program were borrowed to help the overall State budget. Governor Schwarzenegger signed AB7 into law. As a result, payments will be reinstated retroactively in full from January 1, 2010 thru June 2010. The Division of Recycling will audit the CRV fund in June to ensure that there is enough money for payments to continue; however, they did not have a time frame when the Authority might expect grant payment and those grant payments will be made available based on the availability of funds when the State sets their budget this summer.
- e. Announcements. None

11. BOARD COMMUNICATIONS AND ANNOUNCEMENTS

Board Member Mendonca mentioned the St. Mary's College Gaels basketball team playoff game airing Friday @ 4:27 p.m. Go Gaels!

12. PERSONNEL MATTERS

- a. CLOSED SESSION – Public Employee Performance Evaluation @ 4:36 p.m.
With respect to every item of business to be discussed in closed session pursuant to California Government Code Section 54957:
 - (i) Evaluation of Performance. Position: Executive Director

Open Session @ 4:57 p.m.

Chair Smith reported out and thanked Mr. Morsen for his willingness to serve another year. She noted that they have discussed his performance review and everyone had very positive comments about his performance. Chair Smith noted that Board Member Rainey will meet with him to further discuss. Chair Smith concluded that as Vice Chair she felt that attending the agenda review meetings have been very helpful and has seen how much Staff contributes to each agenda item. She noted that Kent Alm will modify Mr. Morsen's contract and it will be placed on a future Board of Directors meeting agenda for approval.

Mr. Morsen stated that his understanding is one more year and then the Agency will begin the recruitment process and he'll stay on during that 8+ month period.

Board Member Anderson commented it will be about a two year process with a departure in late 2012, early 2013.

13. ADJOURNMENT

There being no further business to come before the Board, Chair Rainey adjourned the meeting at 4:59 p.m.

*Corresponding Agenda Report or Attachment was included in the Board packet.

Respectfully submitted by:

Janna McKay, Executive Assistant/
Secretary to the Board of the
Central Contra Costa Solid Waste Authority,
County of Contra Costa, State of California