

MINUTES

DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY CITY OF CRESCENT CITY COUNTY OF DEL NORTE STATE OF CALIFORNIA

Regular Session, Wednesday March 12, 2014 @ 3:30 PM

PRESENT: Commissioner Ron Gastineau, City
Commissioner Roger Gitlin, County, Chair
Commissioner Rick Holley, City, Vice-Chair
Commissioner Mike Sullivan, County
Commissioner Mary Wilson, Public, Clerk
Legal Counsel Martha Rice
Treasurer/Controller Richard Taylor
Acting Director/Program Manager Tedd Ward

ABSENT: None

ALSO PRESENT: Wes Nunn, Solid Waste Task Force
Wilma Madden, PS Business Services
Tommy Sparrow, Recology Del Norte
Joel Wallen, Hambro's/WSG
Clint Schaad, Del Norte County Auditor
Jay Sarina, Del Norte County CAO
Richard Taylor, Authority Treasurer / Controller

3:30 PM CALL MEETING TO ORDER

Chairman Gitlin opened the meeting in regular session at 3:30 p.m.

Chairman Gitlin announced that they were removing Item 7.1 from agenda as they did not have final report from the Sheriff's Department and the analysis is incomplete. Chairman Gitlin also announced that no discussion will be held on item 7.2 as it is a preliminary report.

3:30 PM PUBLIC COMMENTS

The following person(s) addressed the Authority:

Elizabeth Henry read and handed out a letter regarding the R3 preliminary draft report.

Patricia Black, City resident and member of the task force, acknowledged the R3 report is a draft and was pleased that the Solid Waste Authority was the best method. She indicated she wants the economically best solution. Ms. Black added that she was not happy that the report did not mention what the other joint powers authorities are responsible for with regard to the staffing. Chairman Gitlin pointed out that the report is preliminary. Ms. Black commented on the educational aspect being handled by Recology and wanted to know who would then pay for that education. She added that they need to know what the goals are.

Norma Williams commented on the R3 report and reminded the Commission that they are required to have a “meet and confer” under State law for the changes in the possible privatization of gate staff. She cited a Costa Mesa legal case. Ms. Williams added that she supported the union staff and the non-represented management staff. Chairman Gitlin asked Martha Rice if they were in any violation in relation to Norma’s claim. Ms. Rice responded that this is a preliminary report, so there is no violation as yet.

Kathryn Murray asked if 7.3 and 7.4, the invoices for R3, are going to be discussed as well, since the Chairman had acknowledged the report was incomplete. She stated she did not feel they should be paid if the report is incomplete.

Eileen Cooper, county resident and customer, noted her concern about the issues she read in the newspaper, such as financial oversight. She asked why the Commission would wish to lessen the oversight of funds. Ms. Cooper then commented on the Commission being responsible for the environmental concerns related to the closure of the landfill. The City and County contributed in the past to that financial obligation. Ms. Cooper stated that she did not feel it was appropriate to privatize that aspect.

Mike Thompkins commented on the R3 report and that Acting Director Ward’s response to the report was well written. He added that Ms. Rice’s and Mr. Taylor’s written responses were also well written and should be fully considered. He added that he did not feel that payments to R3 should be made until a more comprehensive report is presented by R3. He also wanted to see environmentally and ecologically responsible disposal of hazardous material. In addition, he wanted to see more responsible pricing for the public as well.

Kevin Hendrick, County resident, asked why they were having an agenda item for which they are not accepting public comment.

Ralph Johansson, resident of the county, presented a letter regarding the R3 report. He asked how many members of the Commission read the R3 report.

There is no meat to the R3 report, in his opinion, and he wondered why they (Commission) were paying such a substantial sum for preparation of a “fluff” report. He wanted to know what the actual agenda was, and commented on the affect to the employees. He added there was no trenchant analysis here for the board to rely upon. He hoped this board would not be responsible for deterioration of this JPA.

Commissioner Holley indicated he had comments he wished to make regarding the 7.2 item. Chairman Gitlin responded they were prepared to discuss item 7.2, but he received call from R3 indicating that the report was not ready to be discussed in public, as it was only a preliminary draft.

Chairman Gitlin added that R3 will be submitting another report containing additional information. The report will be discussed at a future meeting to be scheduled during this meeting. Commissioner Holly asked how the information would be relayed to R3 and asked what the timeline was for doing so. Ms. Rice pointed out they would need a motion and a 2nd to put Item 7.2 back on the agenda.

Commissioner Sullivan confirmed there will be public input on the preliminary draft that will be submitted. Chairman Gitlin confirmed that was correct. Commissioner Sullivan stated he was okay with that process. Acting Director Ward commented there would be the opportunity to comment on the draft submittal. Commissioner Gastineau asked why they received this draft. Chairman Gitlin commented that the preliminary draft was placed on the Authority’s website by the acting director, but should not have been. Commissioner Sullivan stated he was in favor of leaving the item as pulled from this agenda and for it to be on a future agenda. Commissioner Holly indicated again that he wanted to make comments on the preliminary draft to be provided to R3. Commissioner Wilson stated she was fine with leaving Item 7.2 off this agenda and having it come back with more information at a future meeting and as a more complete report. She added that it will be coming back as a draft, not as a final version, to which the public can provide comments.

Chairman Gitlin asked Ms. Rice if the Commission can acknowledge Item 7.2 in order to act on Items 7.3 and 7.4. Ms. Rice responded they could not. Commissioner Sullivan confirmed that the R3 contact information would be on the Authority website.

1. DEL NORTE SOLID WASTE TASK FORCE – No Items

2. CONSENT AGENDA

2.1 Approve minutes, Regular Session, Tuesday February 11, 2014.

- 2.2 Acknowledge and file applications to CalRecycle to the City/County Annual Payment and Reporting System (CAPRS) to support and promote recycling programs including beverage containers in Del Norte County. - 071802
- 2.3 Approve budget transfer in the amount of \$1,952 from Household Hazardous Waste Event to legal counsel. - 022101

END CONSENT AGENDA

There were no public comments or requests to remove items from the consent agenda.

On a motion by Commissioner Sullivan, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners approved and adopted the consent agenda, consisting of items 2.1-2.3, as presented.

3. DIRECTOR'S & TREASURER'S REPORTS

Agenda items 3.1 through 3.5 are provided for information only

- 3.1 Acting Director's Report - 231501
- 3.2 Treasurer/Controller Report for January 2014
- 3.3 Claims approved by Treasurer & Director for February 2014
- 3.4 Monthly Cash and Charge Reports for February 2014
- 3.5 Earned Revenue Comparisons between FY12/13 and FY13/14

END DIRECTOR'S & TREASURER'S REPORTS

The above reports were reviewed. Commissioner Wilson commented on a phone call she made to the Sheriff's Office about Detective Barber's report.

Commissioner Wilson commented on the finance report dating back to August. Acting Director Ward reminded the Commission that the Administrative Assistant has been out on medical leave, but they are working with the Auditor's Office to get caught up. Commissioner Wilson then asked about a negative amount of \$169,000 in the report. Acting Director Ward responded that it was coded to that line item incorrectly and was then backed out. Commissioner Sullivan asked where that error occurred. Acting Director Ward responded that he was unsure, but would follow up. Clint Schaad, County Auditor stated that it was a payment to Hambro that was coded to the wrong line item. He indicated he was not sure if it happened in his office or at the Authority office, but it was only a transposition of line item numbers. Rich Taylor added that 20236 was the wrong line item number and that 20239 was the correct line item number and it has been corrected. Mr. Taylor then presented his reports for item 3.2 and for 3.3. No action was taken.

DISCUSSION/ACTION ITEMS

4. LANDFILL POSTCLOSURE – No Items

5. COLLECTIONS FRANCHISE

- 5.1 Discussion and possible action regarding letter of February 27, 2014 from Recology Del Norte requesting rate adjustments based on changes to the Consumer Price Index, to become effective July 1, 2014. - 031507

Discussion was held regarding the February 27th letter. Acting Director Ward stated that this annual rate adjustment was a standard part of the agreement. Bill Lonsdale commented that Recology does a fine job, but he was a little concerned about rate increases. He asked what the procedure is for notifying the public about the increase and for public response. Commissioner Wilson asked what quarterly reports had been provided and commented she was not in favor of automatic rate adjustments. Commissioner Sullivan indicated that the increases are built into the contract. Ms. Rice commented that increase is included in the contract as is the requirement for notification ahead of the release of the CPI index for March, which probably won't be available till May. Ms. Rice added that an actual Resolution for the revised rates will come before the Board when the CPI is available. Ms. Rice also commented that there have been a couple of years without a CPI increase. Acting Director Ward stated that there are a number of different quarterly reports, quite detailed, that he could review for them. Mr. Sparrow indicated that a letter is sent to every customer ahead of the implementation of the increase.

On a motion by Commissioner Sullivan, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners directed Authority staff to draft a Change Order for Board consideration to adjust Rates to be charged under the Collections Franchise during fiscal year 2014/2015 based on changes to the Consumer Price Index.

6. TRANSFER STATION

- 6.1 Discussion and possible action regarding letter of February 28, 2014 from Hambro / WSG requesting service fee adjustments based on changes to the Consumer Price Index, to become effective July 1, 2014. - 080104

Discussion was held regarding the service fee adjustment request from Hambro/WSG. No public comments. No comments from Commission.

On a motion by Commissioner Sullivan, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners directed Authority staff to draft a Change Order for Board consideration to adjust Service Fees to be paid to Hambro/WSG for Transfer Station Operations during fiscal year 2014/2015 based on changes to the Consumer Price Index.

- 6.2 Discussion and possible action regarding sending a letter from Authority legal counsel Martha Rice to American Refuse, congratulating them on being awarded the contract for solid waste collection at Pelican Bay State Prison and informing them of the requirement to deliver solid waste collected within Del Norte County to the Del Norte County Transfer Station per the Authority's flow control ordinance. - 031507

Discussion was held regarding the American Refuse contract to haul refuse from Pelican Bay State Prison and the requirement that it be collected at the transfer station per the Authority's flow control ordinance. There were no comments from public. Commissioner Wilson commented that perhaps a phone call would be in order before the letter is sent. Acting Director Ward indicated he could call them the day the letter is sent. Chairman Gitlin asked if this contract was state-wide or just for Pelican Bay State Prison. Ms. Rice stated she was not aware of the status. Acting Director Ward indicated that Mr. Sparrow informed him that they American Refuse had submitted bids for several prisons in California.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners approved and authorized sending the letter.

7. GENERAL SOLID WASTE AUTHORITY MATTERS

- 7.1 Discussion and possible action regarding development, implementation and monitoring of additional fiscal controls addressing regular practices of the Del Norte Solid Waste Management Authority. 022102, 012101, 040501

This item was pulled from the agenda and no discussion was held. See public comments above.

- 7.2 Discussion and possible action regarding comments, questions, and input related to the Draft Report from R3 Consultants on Assessment of the Del Norte Solid Waste Management Authority. 130101

This item was pulled from the agenda and no discussion was held. See public comments above.

7.3 Discussion and possible authorization of payment of claim to R3 Consulting Group for Invoice 7261 in the amount of \$16,930.00

Commissioner Sullivan moved to approve payment of the R3 invoice in the amount of \$16,930, and Commissioner Wilson seconded the motion. There were no board comments. Public Comment- Bill Lonsdale recommended against making any payment to R3 at this point in time. Ralph Johansson commented that he had asked the Chairman when the report would be available to the public and was referred to Acting Director Ward. He felt that that referral was an acknowledgement of the Chair's approval of the information. Elizabeth Henry expressed confusion on the preliminary, preliminary draft report and felt the distribution of it was poorly handled by the Commission and that R3 pulled the report back in response to the prepared comments. Norma Williams, chapter president of the employees association, stated she was baffled that they are choosing to act on a payment considering the status of the report. She stated she felt the Commission should not act on Items 7.3 or 7.4. She also stated she felt the proceedings on Item 7.2 were highly questionable. Commissioner Sullivan asked Ms. Rice if the preliminary draft was a trigger for payment. Ms. Rice responded that she was unsure of what the terms were in the contract for payment. Commissioner Sullivan then rescinded his motion in support of payment. Commissioner Wilson stated would rescind her second on the motion. The motion died for lack of a second. She then apologized to the public for the confusion with regard to the draft. She stated she felt the Chairman had good intentions and his actions allow for more input into the draft. Commissioner Wilson added that by not moving forward today, it would give more opportunity for public input. Chairman Gitlin also apologized for the confusion.

Commissioner Holley asked if they could make a partial payment on the invoice. Acting Director Ward commented that the County Auditor will not authorize partial payment of invoices. Mr. Schaad confirmed that was correct. Commissioner Holley asked what had been paid to date. Acting Director Ward responded that the first invoice was a little over \$6,000.

7.4 Discussion and possible authorization of claim to R3 Consulting Group for Invoice 7281 in the amount of \$8,068.75

Chairman Gitlin asked if Item 7.4 should be pulled from the agenda as well. Commissioner Holley moved to pay this invoice as partial payment to R3, and Commissioner Gastineau seconded the motion. Elizabeth Henry asked if they knew what they were paying for under this invoice. Acting Director Ward pointed out that the full invoice was included in the agenda and reviewed the items being billed for under it. Janet Gilbert, county resident, commented the Commission needs to be aware of the terms of the contract they signed with regard to

payment. She suggested that if they do not have the contract available, they should make no payment.

Commissioner Sullivan made a motion to table both Items 7.3 and 7.4., as a substitute motion, and Commissioner Holley seconded the motion to table Items 7.3 and 7.4, which carried on a unanimous polled vote.

7.5 Discussion and possible action regarding re-introducing and waiving the first reading of Authority Ordinance 2014-02, regarding Flow Control and Franchises. - 151801

Discussion was held regarding Ordinance 2014-02, entitled, AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY REGARDING FLOW CONTROL AND FRANCHISES. Ms. Rice explained this is a replacement ordinance for the responsibility ordinance that is in the process of being repealed. The packet includes both a clean version of the ordinance, and one that tracks the changes made to it. Elizabeth Henry felt they were taking a step backwards with removing the responsibility paragraph. She also commented on State regulation AB341 regarding mandatory commercial recycling. Ms. Henry stated they cannot ignore AB341. She requested the Commission pull this item for further review by legal counsel, the director and a commission committee. Ms. Henry stated that it was too early to pass an ordinance of this kind. Commissioner Sullivan asked why they would need the local ordinance if there is an applicable state law. Acting Director Ward responded they are obligated to report how they are implementing the mandatory program. Commissioner Holley was concerned about the impact on the City and County and would like to postpone action. Commissioner Gastineau commented that city and county staffs are reviewing the ordinance as well. Commissioner Holley commented on the need to review AB341. Acting Director Ward indicated that the Commission should not move forward with Ordinance 2014-01 without having the replacement ordinance in place. Both ordinances go to both City and County for approval and then come back to the Authority before final adoption. Commissioner Sullivan commented the initial version of 2014-02 has already been passed on a 4-1 vote. Ms. Rice commented that both have already been introduced to the Authority. They have to be approved as to form by both the City and the County before appearing on the City Council and County Board of Supervisors agendas. Ms. Rice stated she was not in support of completing adoption of the version of 2014-02 that was adopted by the Authority, but the Commission could direct staff to have information on AB341 on the next agenda and not submit the ordinances to the City and County until after that. Chairman Gitlin directed staff to revisit this item on the next agenda along with information on AB341. Commissioner Wilson commented she was familiar AB341 and what long term strategic goals this body should consider. Commissioner Sullivan asked they confirm that AB341 requires there be a local ordinance. Elizabeth Henry requested and received clarification

on the process for adopting ordinances by the Authority. Joel Wallen commented on AB341.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, with Commissioners Holley and Gastineau voting “no” on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners voted to re-introduce and waive the first reading of 2014-02. The motion failed for lack of a “yes” vote from either City Commissioner.

7.6 Discussion and possible actions regarding nominations for 2014 Green Ribbon Awards. - 071805

Discussion was held regarding the nominations for Green Ribbon Awards. Acting Director Ward stated they are planning to hand out the awards at the Youth and Family Fair on April 26th. Patricia Black commented this was a wonderful thing for the Board to do. Commissioner Wilson commented it would be nice to be able to publish or advertise the Green Ribbon awards or some other sort of public acknowledgement. Chairman Gitlin asked if there were any costs associated with the awards. Acting Director Ward responded they primarily involve staff time. Acting Director Ward indicated he could include this item on the next agenda to give the Commissioners time to think of additional categories, if they wished to do that.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Authority Board of Commissioners approved the list of nominations for the Green Ribbon Award, as presented.

7.7 Discussion and possible action regarding setting a special meeting of the Del Norte Solid Waste Management Authority for 3:30 PM on either March 25, 26 or 27, 2014 to discuss the draft budget for FY 14/15.

Discussion was held regarding the setting of a special meeting date. Chairman Gitlin stated that the R3 report will be on the agenda. Commissioner Gastineau indicated he was only available on 25th. Chairman Gitlin commented that 25th is a Board of Supervisors meeting day. Acting Director Ward commented that the budget discussion could be held at the April 8 regular meeting date. It would be challenging to handle both the draft budget and the R3 report at same meeting. Commissioner Wilson asked if they could hold a committee meeting for review of the budget before a full review of the draft budget. Commissioner Sullivan indicated he would not be available the last week of March. Commissioner Holley felt it would be beneficial to have a special workshop for the budget review. Commissioner Holley stated he had potential conflicts on the 25th and 26th. Chairman Gitlin commented he wanted to see the R3 revisions and have

them in the public's hands. Chairman Gitlin confirmed that the Commission wanted to have a stand-alone meeting for the R3 report. The budget discussion could be on the regular meeting of April 9. Acting Director Ward suggested they have an item on the April 8 meeting to set a special meeting for the R3 report.

Tuesday, April 1, was then suggested as a time convenient to all Commissioners either at the Flynn Center or at another location such as the room at the Wastewater Treatment Plant. The time was set for 3:00 p.m. on Tuesday, April 1, at a location yet to be determined and announced. The April 9 meeting will include the draft budget discussion. Chairman Gitlin asked for items 7.2, 7.3, and 7.4 to be on the April 1 meeting. Elizabeth Henry asked if the draft would be available to the public in advance of the April 1 meeting. Chairman Gitlin responded yes, after it is reviewed by staff and two commissioners, it will be posted to the website. Chairman Gitlin stated he will be following up with R3 as to the availability of the report.

CLOSED SESSION:

8. CONFERENCE WITH LABOR NEGOTIATORS: Agency designated representatives: Rick Holley and Martha Rice; Employee Organization: Mid-Management (Ward, Valdez).

There were no public comments regarding the closed session matter(s). Chairman Gitlin recessed the open session at 5:49 p.m. and immediately convened in closed session to discuss the above listed matter.

The closed session was adjourned at 6:08 p.m. and the open session was immediately reconvened. Counsel announced that the following action was taken in closed session: none.

ADJOURN

There being no further business to come before the Authority, Chair Gitlin adjourned the meeting at 6:09 p.m., until the special session scheduled for April 1, 2014.

Roger Gitlin, Chair
Del Norte Solid Waste Management Authority

Date / /

ATTEST:

Mary Wilson, Secretary/Clerk of the Board

Date / /