

MINUTES

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

Special Session, Wednesday May 21, 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 Member, Secretary/Clerk
Legal Counsel Martha Rice
Treasurer/Controller Richard Taylor
Acting Director/Program Manager Tedd Ward

ABSENT: None

ALSO PRESENT: Sherrick Cron, Deputy County Auditor
Johnny Jacobs, Bayside Excavation
Dennis Penning, Rogue Valley Disposal
Karen Phillips, PS Business Services
Tommy Sparrow & Lorie Poole, Recology Del Norte
Joel Wallen, Hambro/WSG
Wes White, Hambro/WSG

3:30 PM CALL MEETING TO ORDER

Chairman Gitlin called the meeting to order in special session at 3:30 p.m.
Commissioner Wilson led the pledge of allegiance.

3:30 PM PUBLIC COMMENTS: ANY MEMBER OF THE PUBLIC MAY ADDRESS THE SOLID WASTE MANAGEMENT AUTHORITY ON ANY MATTER ON OR OFF THE AGENDA.

The following person(s) addressed the Commission: none.

1. DEL NORTE SOLID WASTE TASK FORCE – No Items

2. CONSENT AGENDA

- 2.1 Approve minutes, Regular Session, Wednesday April 9, 2014.
- 2.2 Approve minutes, Special Session, Thursday May 8, 2014.
- 2.3 Receive and file Hazardous Waste Generator Inspection Report from the California Department of Toxic Substances Control of 24 April 2014. **091101**
- 2.4 Approve request for waiving disposal fees for the disposal of materials associated with the Crescent City – Del Norte County Chamber of Commerce’s annual 4th of July celebrations. **031205**
- 2.5 Approve request form the 41st District Agricultural Association requesting the Authority’s sponsorship of Family Day at the Del Norte County Fair on August 3rd, 2014. **060101**
- 2.6 Approve payment of invoice 7329 from R3 Consulting Group in the amount of \$2,275.
- 2.7 Approve budget transfer in the amount of \$20,200. **022101**

END CONSENT AGENDA

There were no public comments regarding the consent agenda matters.

On a motion by Commissioner Gastineau, seconded by Commissioner Wilson, 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 2.1-2.7, 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 March 2014 **201803**
- 3.3 Claims approved by Treasurer & Director for April 2014
- 3.4 Monthly Cash and Charge Reports for April 2014
- 3.5 Earned Revenue Comparisons between FY12/13 and FY13/14

The above listed reports were discussed. Commissioner Sullivan suggested that the Director’s reports were too detailed. Acting Director Ward replied that considering the ongoing discussions about the activities and staffing levels of management at the Authority that this additional detail seemed relevant even though it is not a comprehensive description of all activity. Commissioner Sullivan asked Acting Director Ward if he could indicate the time spent for each major activity/item on the director’s reports. Commissioner Holley wondered if that level of detail was necessary. Staff reported that revenues are coming in very close to projections. No action was taken.

DISCUSSION/ACTION ITEMS

4. LANDFILL POSTCLOSURE

- 4.1 Receive and file letter from Susan Markie of the California Department of Resources, Recycling and Recovery (CalRecycle) regarding approval of the reduction of the postclosure maintenance financial assurance multiplier for the Crescent City Landfill. **060901**

Acting Director Ward reported on the letter from Susan Markie of CalRecycle. Staff sees this letter as good news regarding the post closure of the land fill. The multiplier was reduced from 24 to 23 (about \$99,000+ worth in reduced liability). Staff has standing direction to apply for similar multiplier reductions annually. No action was required.

- 4.2 Discussion and possible action regarding Pledge of Revenue for Financial Assurances for Postclosure Maintenance and Potential Corrective Action relating to the Crescent City Landfill and Resolution 2014-02, A RESOLUTION FOR THE PLEDGE OF REVENUE AGREEMENT ESTABLISHING FINANCIAL ASSURANCE FOR POSTCLOSURE MAINTENANCE AND CORRECTIVE ACTION AT THE CRESCENT CITY LANDFILL. **060901, 022104, 130102**

Acting Director Ward reported on the resolution and agreement for revenue pledge. Previously the letter pledging revenue was approved, but the City and County did not want their signatures on it. Staff drafted a new pledge agreement and resolution for the Authority to sign and approve which does the same thing as the previous versions but without separate approval and signature by either the City or the County.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved and adopted Resolution No. 2014-02, entitled, A RESOLUTION FOR THE PLEDGE OF REVENUE AGREEMENT ESTABLISHING FINANCIAL ASSURANCE FOR POSTCLOSURE MAINTENANCE AND CORRECTIVE ACTION AT THE CRESCENT CITY LANDFILL and agreement pledging revenues.

5. COLLECTIONS FRANCHISE

- 5.1 Discussion and possible action regarding Collections Change Order 5, making rate adjustments based on changes in disposal costs and changes to the consumer price index. **061801**

Discussion was held regarding the change order. This is an inflation based increase in the rates, which is built into the contract. The change order includes adjustment

to the disposal component of the collection rates to reflect the \$142.24 per ton tipping fees beginning July 1, 2014.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved Change Order 5 as presented.

6. TRANSFER STATION

- 6.1 Discussion and possible action regarding letter from Edward Einowski regarding the Interstate Commerce Clause as it may apply to disposal of materials from Del Norte County at landfill(s) located in Oregon. **041801**

Discussion was held regarding the letter from Edward Einowski. Wes White of WSG commented on the landfill contract capacity and any possibility of banning any California garbage from being transported to Oregon. Mr. Penning discussed the interstate commerce clause, which seems to indicate that Oregon cannot ban waste from California being transported to Oregon (Dry Creek). The land fill has 250 acres and they feel that as each cell is used it continues to take longer to fill so Mr. Penning is confident that the landfill will be available for many years.

- 6.2 Discussion and possible action regarding sewer assessment for APN 115-180-22, 1700 State Street. **031508**

Discussion was held regarding the sewer assessment for 1700 State Street. A payment of \$10,532.00 to the County of Del Norte would make the account current and allow the Authority to make future annual payments of \$1,200 or less. Staff will draft a budget transfer to pay this bill and bring the account current if possible. Alternatively, staff may work with the County Community Development Department staff to devise a payment schedule for the sewer assessment. The Authority staff was not aware of the liability and had not previously received a bill of any kind for this sewer assessment.

Commissioner Wilson moved, and Commissioner Gitlin seconded a motion that the Del Norte Solid Waste Management Authority Board of Commissioners pay the sewer assessment in full. Before a vote was made, Commissioner Sullivan moved and Commissioner Holley seconded a motion to table the matter. This latter motion was unanimously carried on a polled vote.

- 6.3 Discussion and possible action regarding Transfer Station Operations Change Order 19 adjusting service fees based on changes to the Consumer Price Index. **080104**

Discussion was held regarding the change order No 19, which adjusts the service fees paid to Hambro/WSG at the Del Norte County Transfer Station per the contract that is in place.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved and adopted the Change Order No. 19 as presented.

- 6.4 Discussion and possible action regarding Adoption of Resolution 2014-03, A RESOLUTION OF THE GOVERNING BOARD OF THE DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY ADJUSTING RATES FOR THE DEL NORTE COUNTY TRANSFER STATION, THE KLAMATH AND GASQUET TRANSFER STATIONS, AND THE FRANCHISE COLLECITON RATES. **061801**

No public comments were made.

On a motion by Commissioner Gastineau, seconded by Commissioner Holley, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved and adopted Resolution No. 2014-03 as presented.

7. GENERAL SOLID WASTE AUTHORITY MATTERS

- 7.1 Discussion and possible action regarding the status and / or contents of the report from the Del Norte County Sheriff's Department regarding the investigation of financial management by the Del Norte Solid Waste Management Authority. **060902**

Discussion was held regarding the report on the investigation of financial management of the Authority. Counsel Rice reported on the investigation report and how it is affected by the Public Records Act. The report can be reviewed at the Sheriff's Office, will not be widely distributed as it would serve no public good. There was not enough evidence as to who or how the funds disappeared to make any arrests in this matter. No members of the public made comments. Commissioners expressed their disappointment, but noted that they were not surprised. Ms. Rice reported that the report did indicate that there does not appear to be a continuing issue of missing funds. The cash control procedures implemented since the start of this investigation have included three unannounced surprise cash counts which balanced to accounting records to the penny – thus providing supporting evidence that this issue is no longer ongoing. Commissioner Holley said 'Maybe staff will feel a little bit less like there's a cloud hanging over them, and we can move about our business.'

7.2 Discussion and possible action regarding Management Report, and Financial Statements together with Independent Auditor's Report for the year ending June 30, 2013. **012101**

Discussion was held regarding the management and audit reports. The Smith & Newell report was included in the agenda. Treasurer Rich Taylor noted that the report suggested several changes. Staff noted that the reports are to be accepted and filed, no other action is necessary. Sherrick Cron noted that the Auditor's Office will work to reconcile the discrepancies between the outside auditor and County Auditor's office. The audit shows that the revenues are up this year. Commissioner Holley asked why the report is being given so late. Mr. Cron noted that the field work normally takes several months after the close of the fiscal year in question.

On a motion by Commissioner Holley, seconded by Commissioner Sullivan, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners accepted and filed the Management Report and Financial Statements together with Independent Auditor's Report for the year ending June 30, 2013.

7.3 Discussion and possible action regarding re-appointment of Mary Wilson to serve as the Public Commissioner through March 2015.

Discussion was held regarding the appointment of a public member, and term of the public member.

On a motion by Commissioner Sullivan, seconded by Commissioner Gastineau, and unanimously carried on a polled vote with Commissioner Wilson abstaining, the Del Norte Solid Waste Management Authority Board of Commissioners approved the reappointment of Mary Wilson, as public member, for a term ending March 2015.

7.4 Discussion and possible action regarding adoption of Resolution 2014-04, A RESOLUTION OF THE GOVERNING BOARD OF THE DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY ESTABLISHING THE STANDARD TERM OF THE PUBLIC COMMISSIONER. **101503**

Acting Director Ward reported on the resolution.

On a motion by Commissioner Sullivan, seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved and adopted Resolution 2014-04, entitled, A RESOLUTION OF THE GOVERNING BOARD OF THE DEL NORTE SOLID WASTE MANAGEMENT AUTHORITY ESTABLISHING THE STANDARD TERM OF THE PUBLIC COMMISSIONER.

7.5 Discussion and possible action regarding proposed budget for fiscal year 2014/2015 and schedule a public hearing for June 11 for final adoption. **022102**

Tedd Ward noted that he provided the additional information and eliminated the budget line for Commissioner compensation as requested by the Commission at the last meeting where the budget was discussed,. The current proposed budget is a balanced budget. Commissioners asked about the life insurance for managers and directors, and the break out in the payroll for a director. The breakout of each position was noted in the budget's payroll projections provided by the Del Norte County Auditor. By consensus, the Acting Director was directed to transmit the budget to the County Auditor and provide notice of a public hearing to be held on June 11th at 3:45 p.m. to finalize and adopt the budget.

7.6 Discussion and possible action regarding policies and programs related to used oil recycling in Del Norte County. **150901**

Johnny Jacobs, Bayside Excavation, presented his concerns regarding commercial oil recycling and accepting waste oil at the transfer station. The Health and Safety Code notes that notice has to be given to the transfer station before delivering it. Mr. Jacobs noted that he would like to deliver more than 15 gallons at a time to the transfer station. Acting Director Ward asked Mr. Jacobs what issue he has delivering commercial waste oil to Recology. Mr. Jacobs noted that he had more oil to recycle than 15 gallons at a time due to his equipment, and he was not aware that he could take the used oil to Recology in larger quantities. Mr. Ward noted there is a potential hazard and contamination hazard with quantities over 55 gallons. Staff recommended no action.

Wes White commented that there are issues with how to get the oil to the storage tank, and handling the drum itself. Tommy Sparrow noted that they do provide the service at no cost to the customers. Commissioners indicated that as this commercial oil recycling service is already available through Recology Del Norte, there did not appear to be a reason to change the current system of directing customers with more than 15 gallons of oil to Recology Del Norte. Commissioners requested that the public information include information regarding the services for recycling commercial oil through Recology be made public. No additional action was taken.

7.7 Discussion and possible action regarding Authority support for the City of Crescent City's annual 'Clean Sweep' collection program.

Discussion was held regarding the City's Clean Sweep program. Hambro's has agreed to waive the fees and staff is requesting that the transfer station fees also be waived for this program.

On a motion by Commissioner Sullivan, seconded by Commissioner Wilson, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners approved waiving the fees for the City of Crescent City' Clean Sweep program as requested.

- 7.8 Receive, post, and file Final Report Assessment of the Del Norte Solid Waste Management Authority by R3 Consulting Group.

Discussion was held regarding the final report from R3 Consulting Group. Staff will post this report to the authority's website and requested receiving the report. No public comments were made. Commissioner Sullivan recommended setting a special meeting to discuss one of the options. The report will be posted on the website. Further action will be taken at a later date regarding the report options.

On a motion by Commissioner Sullivan and seconded by Commissioner Gastineau, and unanimously carried on a polled vote, the Del Norte Solid Waste Management Authority Board of Commissioners accepted and directed that the Final Report from R3 be posted on the Authority website.

**OPEN / CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(Gov. Code 54957)**

Title: Program Manager/Acting Director

No closed session was held.

8. ADJOURNMENT

Adjourn to the next scheduled meeting of the Del Norte Solid Waste Management Authority scheduled for 3:30 PM June 11, 2014 at the Del Norte County Board of Supervisor's Chambers, 981 H Street, Suite 100 in Crescent City.

There being no further business to come before the Commission, the Chairman adjourned the meeting at 5:15 p.m., until the next regularly scheduled meeting on June 11, 2014.

Roger Gitlin, Chair
Del Norte Solid Waste Management Authority

Date / /

ATTEST:

Mary Wilson, Secretary/Clerk of the Board

Date / /