

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

**Board of Supervisors Chambers  
Flynn Center 981 H Street  
Crescent City, CA**

**Special Session**

**Tuesday June 12, 2018**

**3:30 PM**

+++++  
The Solid Waste Management Authority of the City of Crescent City and the County of Del Norte, State of California, is now meeting in Special Session. Only those items that indicate a specific time will be heard at the assigned time. All items may be taken out of sequence to accommodate public and staff availability.  
+++++

+++++  
All documents referred to in this agenda are available at the Office of the Del Norte Solid Waste Management Authority at 1700 State Street in Crescent City, between the hours of 8 A.M. and 5 P.M. Monday through Friday OR online at [www.recycledelnorte.ca.gov](http://www.recycledelnorte.ca.gov)  
For more information call 465-1100 or email [dnswwma@recycledelnorte.ca.gov](mailto:dnswwma@recycledelnorte.ca.gov)  
+++++

**3:30 PM      CALL MEETING TO ORDER / ROLL CALL  
                 PLEDGE OF ALLEGIANCE**

**3:31 PM      PUBLIC COMMENTS:** ANY MEMBER OF THE PUBLIC MAY ADDRESS THE SOLID WASTE MANAGEMENT AUTHORITY ON ANY MATTER ON OR OFF THE AGENDA. After receiving recognition from the Chair, please give your name and address for the record. Comments will be limited to three minutes.

**OPEN SESSION ITEMS:**

**1. CONSENT AGENDA**

- 1.1 Approve minutes, Special Session, Monday May 14, 2018. \*\*
- 1.2 Approve payment of transfer between departments to the Del Norte County Roads Division in the amount of \$12,227.80. \*\*
- 1.3 Approve two Authority-allocated bin to support the 2018 Del Norte County Fair as requested by Kim Floyd, CEO of the 41<sup>st</sup> District Agricultural Association. \*\*
- 1.4 Approve budget transfer for FY 17/18 in the amount of \$60,335.00 \*\*

**END CONSENT AGENDA**

**2. TREASURER'S REPORTS**

**Agenda items 2.1 through 2.5 are provided for information only**

- 2.1 Director's Report for June 2018. \*\*
- 2.2 Treasurer / Controller Reports for April 2018 \*\*
- 2.3 Claims approved by Director & Treasurer for May 2018 \*\*
- 2.4 Monthly Cash and Charge Reports for May 2018 \*\*
- 2.5 Earned Revenue Comparisons between FY16/17 and FY17/18 \*\*

## **DISCUSSION/ACTION ITEMS**

### **3. LANDFILL POSTCLOSURE – No Items**

### **4. COLLECTIONS FRANCHISE**

- 4.1 Discussion and possible action regarding status and possible structure of negotiations with Recology Del Norte to possibly modify and extend the Collections Franchise Agreement. \*\*

### **5. TRANSFER STATION – No Items**

### **6. OTHER GENERAL SOLID WASTE AUTHORITY MATTERS**

- 6.1 Public Hearing, and discussion and possible action regarding the proposed Del Norte Solid Waste Management Authority budget for Fiscal Year 2018/2019. \*\*
- 6.2 Discussion and possible action regarding advocacy positions for legislation being considered by the California Legislature, including support for the following bills: SB 1335 (Allen), AB 444 (Ting, Gray), AB 2766 (Berman), SB 168 (Wieckowski), SB 452 (Glazer), SB 212 (Jackson), and AB 1884 (Calderon). \*\*

### **7. ADJOURNMENT**

Adjourn to the Regular Meeting of the Del Norte Solid Waste Management Authority scheduled for 3:30 P.M. Tuesday July 17, 2018 at the Del Norte County Board of Supervisors' Chambers, 981 H Street, Suite 100 in Crescent City.

**\*\* Asterisks next to Agenda Item indicates an associated attachment**

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

**Minutes**

**Board of Supervisors Chambers  
Flynn Center 981 H Street  
Crescent City, CA**

**Special Session**

**Monday May 14, 2018**

**4:30 PM**

**PRESENT:**

Commissioner Blake Inscore, Chair  
Commissioner Chris Howard, Vice Chair  
Commissioner Lori Cowan  
Commissioner Eli Naffah  
Commissioner Jason Greenough  
Director Tedd Ward  
Legal Counsel Martha Rice (Arrived 4:34 P.M.)  
Authority Clerk Kyra Seymour  
Authority Treasurer/Controller Rich Taylor

**ABSENT:**

None

**ALSO PRESENT:**

Jeremy Herber, Recology Del Norte

**4:32 PM CALL MEETING TO ORDER**

Chair Inscore called the meeting to order in special session at 4:32 P.M.

Roll was taken with all Commissioners, and the Chair present.

Commissioner Cowan led the pledge of allegiance

**PUBLIC COMMENTS:**

**4:34 PM** Chair Inscore called for public comments at 4:34 P.M.

Eileen Cooper (County) Eileen stated she would like to be able to attend ad hoc committee meetings discussing the collections franchise.

**OPEN SESSION ITEMS:**

**1. CONSENT AGENDA**

1.1

- 1.1 Approve minutes, Regular Session, Tuesday April 19, 2018.
- 1.2 Approve payment of claim 8179 to Redwoods Leavitt Insurance in the amount of \$10,757.52.
- 1.3 Approve sponsorship for the 2018 Del Norte County Fair in the amount of \$2,000.00 **060101**
- 1.4 In response to a request from the Crescent City / Del Norte Chamber of Commerce, approve the following Authority-allocated bin pulls;  
Three to support activities associated with 4<sup>th</sup> of July celebrations,  
One to support Blues, Brews & Cruise on October 5<sup>th</sup>, and  
Two to support Sea Cruise on October 6<sup>th</sup>. **031205**
- 1.5 Approve budget transfer for FY 17/18 in the amount of \$12,050.00 **022101**

### **END CONSENT AGENDA**

On a motion by commissioner Cowan and seconded by Commissioner Greenough and unanimously carried on a polled vote the Del Norte Management Authority Board approved the items 1.1 through 1.5 on the consent agenda.

## **2. TREASURER'S REPORTS**

**Agenda items 2.1 through 2.5 are provided for information only**

- 2.1 Director's Report for May 2018. **231501**
- 2.2 Treasurer / Controller Reports for March 2018
- 2.3 Claims approved by Director & Treasurer for April 2018 **031202**
- 2.4 Monthly Cash and Charge Reports for April 2018
- 2.5 Earned Revenue Comparisons between FY16/17 and FY17/18

The Authority Chair encouraged the Director to attend CalRecycle workshop on the challenges of current recycling markets scheduled for June 4<sup>th</sup> in Sacramento, California.

Items 2.1 through 2.5 were presented by Director Ward and accepted.

### **DISCUSSION/ACTION ITEMS:**

#### **3. LANDFILL POSTCLOSURE – No Items**

#### **4. COLLECTIONS FRANCHISE**

- 4.1 Discussion and possible action regarding Collections Change Order 15, adjusting collection rates based on changes to the consumer price index (CPI-U). **180510**

On a motion by commissioner Greenough and seconded by Commissioner Howard and unanimously carried on a polled vote the Del Norte Management Authority Board approved Collections Change Order 15, adjusting collection rates based on changes to the consumer price index (CPI-U).

## 5. TRANSFER STATION

- 5.1 Discussion and possible action regarding Transfer Station Operations Change Order 27 adjusting transfer station operations fees based on changes to the consumer price index (CPI-U). **080104**

On a motion by commissioner Howard and seconded by Commissioner Cowan and unanimously carried on a polled vote the Del Norte Management Authority Board approved Change Order 27, adjusting transfer station operations fees based on changes to the consumer price index (CPI-U).

## 6. OTHER GENERAL SOLID WASTE AUTHORITY MATTERS

- 6.1 Discussion and possible action regarding Resolution 2017-01, adjusting refuse disposal rates adjusting the Franchise Collection Rates and the Refuse Disposal Rates for the Del Norte County Transfer Station, the Klamath Transfer Station & the Gasquet Transfer Station. **061801, 031502**

On a motion by commissioner Howard and seconded by Commissioner Greenough and unanimously carried on a polled vote the Del Norte Management Authority Board approved Resolution 2017-01, adjusting refuse disposal rates adjusting the Franchise Collection Rates and the Refuse Disposal Rates for the Del Norte County Transfer Station, the Klamath Transfer Station & the Gasquet Transfer Station.

- 6.2 Discussion and possible action regarding advocacy positions for legislation being considered by the California Legislature, including support for the following bills: AB 2379 (Bloom), SB 1335 (Allen), AB 444 (Ting, Gray), AB 2779 (Stone, Calderon), AB 2766 (Berman), SB 452 (Glazer), SB 212 (Jackson), AB 1288 (Eggman), and AB 1884 (Calderon). **120502**

Commissioner Greenough moved that the Authority adopt oppose positions on AB 2779 and AB 1912. As there was no second, there was no further discussion on this motion.

On a motion by commissioner Howard and seconded by Commissioner Naffah and unanimously carried on a polled vote the Del Norte Management Authority Board voted to oppose AB 1912 (Rodriguez).

Chair recommends bringing item 6.2 back for the June meeting.

Eileen Cooper (County) shared her opinion regarding (Connect The Cap) AB 2779.

**7. ADJOURNMENT**

Adjourn to the Special Meeting of the Del Norte Solid Waste Management Authority scheduled for 3:30 P.M. Tuesday June 12, 2018 at the Del Norte County Board of Supervisors' Chambers, 981 H Street, Suite 100 in Crescent City.

There being no further business to come before the authority, the Chair adjourned the meeting at 5:29 P.M., until the special meeting on Tuesday June 12<sup>th</sup> 2018

\_\_\_\_\_  
Blake Inscore, Chair  
Del Norte Solid Waste Management Authority

Date / /

ATTEST:

\_\_\_\_\_  
Eli Naffah, Secretary  
Del Norte Solid Waste Management Authority

Date / /

Submitted:

\_\_\_\_\_  
Kyra Seymour, Clerk  
Del Norte Solid Waste Management Authority

Date / /



**COPY**

20239-001



**SOLID WASTE**

01/23/2018

0422

16006

**Total Due: \$12,227.80**

Page # 1 of 1

HAUL DIRT TO CRESCENT CITY LANDFILL 107 LOADS FOR 1391 TONS OF DIRT

|           | Quantity | Unit Price | Total Price |
|-----------|----------|------------|-------------|
| Labor     | 1        | 5,395.77   | 5,395.77    |
| Overhead  | 1        | 1,456.88   | 1,456.88    |
| Equipment | 1        | 5,019.00   | 5,019.00    |
| Admin     | 1        | 356.15     | 356.15      |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |
|           |          |            |             |

**Del Norte County Road Division**

102-311-91070

SOLID WASTE

0422

16006

**\$12,227.80**

**RECEIVED**  
MAY 16 2018

DNSWMA

Amount of remittance: \_\_\_\_\_

# 41st District Agricultural Association

421 Hwy 101 North  
Crescent City, CA 95531

Phone 707-464-9556  
Fax 707-464-9519

1-800-350-9556  
E-Mail: [kfloyd@dnfair.org](mailto:kfloyd@dnfair.org)

May 29, 2018

Director Tedd Ward  
Re: Del Norte County Fair Bin Waiver Request

To whom it may concern:

The Del Norte County Fair is requesting a fee waiver for the disposal of dumpsters for the Del Norte County Fair which will be held August 2 thru 5, 2018. We understand that this is contingent upon fee waivers from the other involved agencies. We are very appreciative of your ongoing support and partnership with DNCF for various community events and activities, and look forward to making this Fair a success for everyone involved. The primary goals of the Fair are to provide economic stimulus during what is traditionally a shoulder season and to provide quality of life and community pride enhancements for our residents.

If you have any questions please feel free to call me at 707-464-9556 and I would be happy to discuss the specifics of our requests.

Thank you,



Kimberly Floyd, CEO

1.3

Del Norte County Budget Transfer Request FY 17/18

| Department Name      | Fund | Dept. | Line Item   | Description                        | Budget Transfer Amount(s)               |   |
|----------------------|------|-------|-------------|------------------------------------|---|---|
|                      |      |       |             |                                    | Reduce Expenditures or Increase Revenue | Increase Expenditures or Reduce Revenue |
| Solid Waste          | 422  | 421   | 20239       | Transfer Station Operations        |   | \$ 55,000                               |
| Solid Waste          | 422  | 421   | 20221-063   | Printing - Oil Grant 16/17         | \$ 500                                  |   |
| Solid Waste          | 422  | 421   | 20240-066   | Advertising - DOC Grant 16/17      | \$ 1,500                                |   |
| Solid Waste          | 422  | 421   | 20285-066   | Special Dept Exp - DOC Grant 16/17 |   | \$ 1,500                                |
| Solid Waste          | 422  | 421   | 20285-063   | Special Dept Exp - Oil Grant 16/17 |   | \$ 1,500                                |
| Solid Waste          | 422  | 421   | 20290-063   | Travel - Oil Grant 16/17           | \$ 1,000                                |   |
| Solid Waste          | 422  | 421   | 20121       | Communications                     |   | \$ 185                                  |
| Solid Waste          | 422  | 421   | 20286       | Cash Over / Under                  |   | \$ 150                                  |
| Solid Waste          | 422  | 421   | 90300       | Interest - Solid Waste             | \$ 4,000                                |   |
| Solid Waste          | 422  | 421   | 20239 - 001 | Post-Closure maintenance           | \$ 30,335                               |   |
| Solid Waste          | 422  | 421   | 20231       | Professional Services              | \$ 23,000                               |   |
| Solid Waste          | 422  | 421   | 20238       | TS Collections                     |   | \$ 2,000                                |
| <b>Total Amounts</b> |      |       |             |                                    | \$ 60,335                               | \$ 60,335                               |

Department complete and send to Auditor's Office for transfer number before sending to

*Debbie Howard*  
 Department Head Signature

08 JUNE 2018  
 Date

Auditor's Office: Sufficient balances exist per above  
 (Under \$100 Auditor's Office approves)

Deputy Auditor-Controller \_\_\_\_\_ Date \_\_\_\_\_

TR No. \_\_\_\_\_ Budget Revision No. \_\_\_\_\_

Includes Revenue Appropriation \_\_\_\_\_ Requires 4/5ths Vote \_\_\_\_\_

County Administrative Officer: \_\_\_\_\_ Date \_\_\_\_\_

Recommendation: \_\_\_\_\_

Approve \_\_\_\_\_

Deny \_\_\_\_\_

County Administrative Officer \_\_\_\_\_ Date \_\_\_\_\_

Passed by Board of Commissioners of the Del Norte Solid Waste Management Authority on 12 June 2018.

Ayes:  
 Noes:  
 Absent:

Attest: Clerk of the Board

By: \_\_\_\_\_  
 Kyra Seymour

Blake Inscore, Chair  
 Del Norte Solid Waste Management Authority



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531

Phone (707) 465-1100 Fax (707) 465-1300

[www.recycledelnorte.ca.gov](http://www.recycledelnorte.ca.gov)

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

## Director's Report

Date: 08 June 2018  
To: Commissioners of the Del Norte Solid Waste Management Authority  
From: Tedd Ward, M.S. – Director   
Reporting Period: 11 May 2018 – 08 June 2018  
Attachments: Recology Del Norte reports re. recycling contamination  
Letter from Cal OES re. Landfill repair

File Number: **231501 – Authority Work Plans**

**Summary:** The Del Norte Solid Waste Management Authority continues to operate the Klamath, Gasquet and Del Norte County Transfer Stations and to provide required monitoring, accounting and reports to overseeing agencies. Authority staff provide these services without any financial support from the City of Crescent City or the County of Del Norte, and without receiving a penny of taxes. The rates charged at Authority-managed facilities continue to be lower than any comparable facilities in Humboldt or Curry Counties.

Upcoming Events:

- June 16<sup>th</sup> - Free Mattress Recycling Event 9 AM – 4 PM
- June 21<sup>st</sup> - Director Ward attends Rural Counties' ESJPA mtg
- July 4<sup>th</sup> - All facilities closed
- July 4<sup>th</sup> – Fourth of July Parade & fireworks
- July 5<sup>th</sup> – Del Norte SurfRider Beach Cleanup
- July 5<sup>th</sup> – Gasquet Transfer Station open on Thursdays
- July 6<sup>th</sup> – Klamath Transfer Station open on Fridays
- July 13<sup>th</sup> at 11:30 AM on KFUG – Rethinking Recycling

**Consent Agenda Items:** All claims larger than \$5,000 (which are not regular monthly payments to Hambro/WSG for transfer station operations services) must be separately approved by the Authority Board. The inter-agency transfer under agenda item 1.2 is over \$5,000.

**Agenda Item 1.2** is an inter-department transfer to pay the Road Department for their materials and assistance with the Crescent City Landfill repairs.

**Agenda Item 1.3** is a request from the Del Norte County Fair requesting approval for two

2.1



Authority-allocated bin pulls to support the 2018 Del Norte County Fair.

**Agenda Item 1.4** is a budget transfer in the amount of \$60,335. If approved, this will add amounts to budget lines for transfer station operations, from which we pay Hambro/WSG, by reducing the unspent balances from professional services and post-closure maintenance, which were increased in preparation for the now-completed landfill repairs. Facilities & Programs Coordinator Kyra Seymour is making year-end adjustments to several grants. Finally, small year-end adjustments are being made to two other line items, balanced by the additional banking interest received above and beyond budgeted amounts.

**Collections and Processing:** **Agenda Item 4.1** is a discussion reviewing the process for possibly negotiating a modification and extension of the Collections Franchise Agreement with Recology Del Norte.

**Facilities:** Sometime between the afternoon of May 6<sup>th</sup> and the morning of May 7<sup>th</sup>, someone pulled the entrance gate for the Klamath Transfer Station out from the ground. This gate had been previously vandalized on numerous occasions, and now must be replaced. Staff reported this vandalism to the Sheriff, and this gate was not insured. As Green Diamond shares this gate to access timberlands beyond the Klamath transfer station, and they are working in the area, Green Diamond will be replacing this gate and Authority staff have agreed to pay a portion of the costs.

**Landfill Postclosure:** Facilities and Programs Coordinator Kyra Seymour continues to monitor and maintain the landfill. Last month, she worked with Floyd Clemmons to mow the top of the landfill, and will be working with the Alder Camp crew to cut vegetation on the sideslopes and around the perimeter road.

Attached to this Director's report is documentation from Cal OES indicating that the Authority can expect partial reimbursement for landfill repairs in the amount of \$ 87,132 in the coming weeks.

**Outreach / Events:** On June 8<sup>th</sup> at 11:30 AM, staff produced the fourth broadcast of a 30 minute program on KFUG, Rethinking Recycling. This month's program focused on household hazardous wastes, used motor oil, fireworks, and the mattress collection event. These programs will continue on the second Friday of each month at 11:30 AM. Recordings of these programs are posted both on the KFUG and the DNSWMA websites.

**Advocacy:** **Agenda Item 6.2** pertains to California legislation, recommending advocacy positions on eight bills.

On June 4<sup>th</sup>, Director Ward attended CalRecycle's meeting regarding challenges with respect to recycling markets, and made public comments regarding 'not all materials that can be recycled in urban areas - such as cartons - can be recycled in rural areas like Del Norte.' At this meeting, Pete Keller of Republic Services, the second solid waste company in the world reported that on average at the point of collection, their contamination level was between 22-25%

## Tedd Ward

---

**From:** Jeremy Herber <JHerber@recology.com>  
**Sent:** Tuesday, June 05, 2018 8:58 AM  
**To:** Tedd Ward  
**Subject:** FW: Recology Recycling Weekly Update for May 27th, 2018 to June 2nd, 2018.

Tedd,

We are continuing to collect approximately 75% - 80% of the recyclable volume in Del Norte. Recycling stream continues to remain in the area of 15%-20% contamination depending on the locations serviced during the week.

We are still evaluating the recycling loads daily, however we are seeing levels of contamination somewhat stable. Commercial collection routes appear to have improved the most. We have seen a small decrease from the residential recycling collection  
With the exception of a few areas.

The Community bins remain at a high contamination level around 30%-50% depending on location. Community bins continue to be used as dumping grounds. Resident who are unsure if the item is recyclable or Not will place the item on the ground, or if the item is very large and will not fit through the hole they leave it on the ground.

The routes that are consistently being processed are the following:

- 131 Residential Curbside Recycling
- 132 Residential Curbside Recycling
- 133 Commercial Recycling

Gasquet and Klamath transfer stations are being processed when full.  
Both State street bins are being processed as recycling. Cameras have assisted with contamination and illegal dumping issues.  
Both Smith river and Fort Dick recycling containers are being processed when not extremely contaminated.  
70% Streetside recycling containers are being recycled unless extremely contaminated with food waste.

Bettendorf's trailer has the ability to carry 136 Yards of recyclables. Our average weight of material being loaded On the truck as recyclables is approximately **10 to 11 tons each load.**

### **Last week we delivered 3 loads to Recology Humboldt (Somoa Facility)**

Most of the cardboard is being removed from the recycling loads and processed in Del Norte County.

Best Regards,

**Jeremy Herber**  
General Manager

**Recology Del Norte™** | P.O. Box 1933 | Crescent City, CA 95531  
T: 707.464.4181 | [jherber@recology.com](mailto:jherber@recology.com)

## Tedd Ward

---

**From:** Jeremy Herber <JHerber@recology.com>  
**Sent:** Tuesday, May 29, 2018 8:11 AM  
**To:** Tedd Ward  
**Subject:** FW: Recology Recycling Weekly Update for May 20th, 2018 to May 26th, 2018.

Tedd,

We are continuing to collect approximately 75% - 80% of the recyclable volume in Del Norte. Recycling stream continues to remain in the area of 15%-20% contamination depending on the locations serviced during the week.

We are still evaluating the recycling loads daily, however we are seeing levels of contamination somewhat stable. Commercial collection routes appear to have improved the most. We have seen a small decrease from the residential recycling collection  
With the exception of a few areas.

The Community bins remain at a high contamination level around 30%-50% depending on location. Community bins continue to be used as dumping grounds. Resident who are unsure if the item is recyclable or Not will place the item on the ground, or if the item is very large and will not fit through the hole they leave it on the ground.

The routes that are consistently being processed are the following:

- 131 Residential Curbside Recycling
- 132 Residential Curbside Recycling
- 133 Commercial Recycling

Gasquet and Klamath transfer stations are being processed when full.  
Both State street bins are being processed as recycling. Cameras have assisted with contamination and illegal dumping issues.  
Both Smith river and Fort Dick recycling containers are being processed when not extremely contaminated.  
70% Streetside recycling containers are being recycled unless extremely contaminated with food waste.

Bettendorf's trailer has the ability to carry 136 Yards of recyclables. Our average weight of material being loaded On the truck as recyclables is approximately **10 to 11 tons each load.**

**Last week we delivered 3 loads to Recology Humboldt (Somoa Facility)**

Most of the cardboard is being removed from the recycling loads and processed in Del Norte County.

Best Regards,

**Jeremy Herber**  
General Manager

**Recology Del Norte™** | P.O. Box 1933 | Crescent City, CA 95531  
T: 707.464.4181 | [Jherber@recology.com](mailto:Jherber@recology.com)

## Tedd Ward

---

**From:** Jeremy Herber <JHerber@recology.com>  
**Sent:** Monday, May 21, 2018 8:10 AM  
**To:** Tedd Ward  
**Subject:** FW: Recology Recycling Weekly Update for May 13th, 2018 to May 19th, 2018.

Tedd,

We are continuing to collect approximately 75% - 80% of the recyclable volume in Del Norte. Recycling stream continues to remain in the area of 15%-20% contamination depending on the locations serviced during the week.

We are still evaluating the recycling loads daily, however we are seeing levels of contamination somewhat stable. Commercial collection routes appear to have improved the most. We have seen a small decrease from the residential recycling collection  
With the exception of a few areas.

The Community bins remain at a high contamination level around 30%-50% depending on location. Community bins continue to be used as dumping grounds. Resident who are unsure if the item is recyclable or Not will place the item on the ground, or if the item is very large and will not fit through the hole they leave it on the ground.

The routes that are consistently being processed are the following:

- 131 Residential Curbside Recycling
- 132 Residential Curbside Recycling
- 133 Commercial Recycling

Gasquet and Klamath transfer stations are being processed when full.  
Both State street bins are being processed as recycling. Cameras have assisted with contamination and illegal dumping issues.  
Both Smith river and Fort Dick recycling containers are being processed when not extremely contaminated.  
70% Streetside recycling containers are being recycled unless extremely contaminated with food waste.

Bettendorf's trailer has the ability to carry 136 Yards of recyclables. Our average weight of material being loaded on the truck as recyclables is approximately **10 to 11 tons each load.**

**Last week we delivered 3 loads to Recology Humboldt (Somoa Facility)**

Most of the cardboard is being removed from the recycling loads and processed in Del Norte County.

Best Regards,

**Jeremy Herber**  
General Manager

**Recology Del Norte™** | P.O. Box 1933 | Crescent City, CA 95531  
T: 707.464.4181 | [Jherber@recology.com](mailto:Jherber@recology.com)



May 18, 2018

Tedd Ward  
Director  
Del Norte Solid Waste Management Authority  
1700 State Street  
Crescent City, CA 95531

RECEIVED  
MAY 24 2018

DNSWMA

Subject: Financial Reconciliation and Application Closure  
DR# 201605, Cal OES ID: 015-91009

Dear Mr. Ward:

The California Governor's Office of Emergency Services (Cal OES) has completed the financial reconciliation for this application and enclosed is a copy of your application history for your records. If a final payment is due, it will be issued by the State Controller's Office and should be received within 30 days. Please be advised that state warrants have a one-year period of negotiability.

All records must be retained for three years from the date of the audit determination letter. For assistance regarding this financial reconciliation and application closure, please contact the Grants Processing Unit at (916) 845-8110.

GRANTS PROCESSING UNIT

Enclosure(s)

**CDAА Obligation Summary (Exhibit "C")**

CDAА No.: 015-91009  
 Applicant: Del Norte Solid Waste Management Authority  
 DR# 2016-05 FIPS# 015-91009

St. Supplement Date 09/27/17

| St. Sup. # | Dam. Cat.  | CDAА DSR#/PW# | FEMA DSR#/PW#                  | Total Obligation |
|------------|--|---------------|--------------------------------|------------------|
| 0          | G  | 3449          |                                | 80,172           |
|            | <u>Desc:</u> Flooding from winter storms caused damage to Del Norte Solid Waste Mgmt's landfill. Del Norte Solid Waste Mgmt contracted with Hemmingsen Contracting Co. Inc. and received assistance from Del Norte County Public Works Dept. A Hazard Mitigation Request was included. |               |                                |                  |
|            |  |               | Subtotal for Category G        | 80,172           |
|            |  |               | Subtotal for Supplement No. 0  | 80,172           |
|            |  |               | Administrative Allowance (10%) | 8,017            |
|            |  |               | Total Supplement No. 0         | 88,189           |

St. Supplement Date 04/10/18

| St. Sup. # | Dam. Cat.   | CDAА DSR#/PW# | FEMA DSR#/PW#                             | Total Obligation |
|------------|---|---------------|---|------------------|
| 1          | G   | 3450          |   | 6,960            |
|            | <u>Desc:</u> To adjust funding for CDAА DSR 3449 based on actual project costs. |               |   |                  |
|            |   |               | Subtotal for Category G                   | 6,960            |
|            |   |               | Subtotal for Supplement No. 1             | 6,960            |
|            |   |               | Administrative Allowance (10%)            | 696              |
|            |   |               | Total Supplement No. 1                    | 7,656            |
|            |   |               |   | <hr/>            |
|            |   |               | All Sup. Eligible Amount                  | 87,132           |
|            |   |               | All Sup. Administrative Allowance(10%)    | 8,713            |
|            |   |               | Total All Sup.                            | 95,845           |
|            |   |               |   | <hr/>            |
|            |   |               | Application Eligible Amount               | 87,132           |
|            |   |               | Application Administrative Allowance(10%) | 8,713            |
|            |   |               | Total Application                         | 95,845           |

**Del Norte Solid Waste Management Authority**  
**A/R Aging Summary**  
 As of May 25, 2018

|  | Current   | 1 - 30   | 31 - 60 | 61 - 90 | > 90  | TOTAL     |
|--|-----------|----------|---------|---------|-------|-----------|
| Affordable Home & Rental Rep.              | 16.09     | 0.00     | 0.00    | 0.00    | 0.00  | 16.09     |
| Agricultural Commission(solid waste only)  | 19.31     | 0.00     | 0.00    | 0.00    | 0.00  | 19.31     |
| Albers Seafood                             | 88.94     | 0.00     | 0.00    | 0.00    | 0.00  | 88.94     |
| Alexandre EcoDairy Farms                   | 640.04    | 1,250.88 | 0.00    | 0.00    | 0.00  | 1,890.92  |
| Babich Construction                        | 25.25     | 0.00     | 0.00    | 0.00    | 0.00  | 25.25     |
| Benner Mini Storage                        | 144.05    | 0.00     | 0.00    | 0.00    | 0.00  | 144.05    |
| Borges Dairy                               | 246.52    | 0.00     | 0.00    | 0.00    | 0.00  | 246.52    |
| Brown, Hector                              | 932.57    | 0.00     | 0.00    | 0.00    | 0.00  | 932.57    |
| Cal-Trans                                  | 294.11    | 0.00     | 0.00    | 0.00    | 0.00  | 294.11    |
| California Auto Image                      | 237.61    | 0.00     | 0.00    | 0.00    | 0.00  | 237.61    |
| California Dept. of Fish & Wildlife        | 0.00      | 853.63   | 0.00    | 0.00    | 0.00  | 853.63    |
| California Dept. Parks & Rec.              | 1,432.59  | 1,272.74 | 0.00    | 0.00    | 0.00  | 2,705.33  |
| Castlerock Countertop's                    | 41.58     | 0.00     | 0.00    | 0.00    | 0.00  | 41.58     |
| Cetnar Construction Inc.                   | 5,620.76  | 0.00     | 0.00    | 0.00    | 0.00  | 5,620.76  |
| City of Crescent City.                     | 458.18    | 0.00     | 0.00    | 0.00    | 0.00  | 458.18    |
| Cornerstone Assembly of God                | 111.38    | 0.00     | 0.00    | 0.00    | 0.00  | 111.38    |
| Crescent Ace Hardware.                     | 555.41    | 0.00     | 0.00    | 0.00    | 0.00  | 555.41    |
| Crescent City KOA                          | 258.40    | 0.00     | 0.00    | 0.00    | 0.00  | 258.40    |
| Crescent City Senior Apt's                 | 18.73     | 0.00     | 0.00    | 0.00    | 0.00  | 18.73     |
| Crescent Fire Protection Dist.             | 44.63     | 2.07     | 0.00    | 0.00    | 0.00  | 46.70     |
| Crescent Senior Estates                    | 431.39    | 0.00     | 0.00    | 0.00    | 0.00  | 431.39    |
| Del Norte Ambulance                        | 66.29     | 31.19    | 0.00    | 0.00    | 0.00  | 97.48     |
| Del Norte Office Supply.                   | 32.67     | 0.00     | 0.00    | 0.00    | 0.00  | 32.67     |
| Del Norte Realty                           | 748.72    | 0.00     | 0.00    | 0.00    | 0.00  | 748.72    |
| DN Unified School District                 | 321.29    | 0.00     | 0.00    | 0.00    | 0.00  | 321.29    |
| DNC Abandoned Vehicle Abatement            | 1,834.59  | 0.00     | 0.00    | 0.00    | 0.00  | 1,834.59  |
| Driftwood Apartments LLC                   | 76.09     | 0.00     | 0.00    | 0.00    | 0.00  | 76.09     |
| Elk Valley Casino                          | 11.07     | 21.60    | 32.68   | 0.00    | 0.00  | 65.35     |
| Frank's Refrigeration                      | 111.39    | 59.48    | 0.00    | 0.00    | 0.00  | 170.87    |
| G. H. Outreach                             | 292.19    | 0.00     | 0.00    | 0.00    | 0.00  | 292.19    |
| Gasquet Mobile Home Park                   | 301.37    | 76.57    | 0.00    | 0.00    | 0.00  | 377.94    |
| Golden State Construction                  | 298.46    | 0.00     | 0.00    | 0.00    | 0.00  | 298.46    |
| Green Scapes                               | 96.66     | 0.00     | 0.00    | 0.00    | 0.00  | 96.66     |
| Griffin's Furniture Outlet                 | 239.42    | 0.00     | 0.00    | 0.00    | 0.00  | 239.42    |
| Hambro/Waste Solutions Group               | 26.30     | 0.00     | 0.00    | 0.00    | 0.00  | 26.30     |
| Hartley Construction                       | 205.61    | 0.00     | 0.00    | 0.00    | 0.00  | 205.61    |
| HASP / Jordan Recovery Centers             | 78.29     | 0.00     | 0.00    | 0.00    | 0.00  | 78.29     |
| Hemmingsen Contracting Company             | 12,785.91 | 0.00     | 0.00    | 0.00    | 0.00  | 12,785.91 |
| Hiouchi Community Fellowship               | 7.50      | 0.00     | 0.00    | 0.00    | 0.00  | 7.50      |
| Humboldt Moving & Storage                  | 57.92     | 0.00     | 0.00    | 0.00    | 0.00  | 57.92     |
| Investment Realty                          | 556.89    | 0.00     | 0.00    | 0.00    | 0.00  | 556.89    |
| Kays Yard Service                          | 82.75     | 0.00     | 0.00    | 0.00    | 0.00  | 82.75     |
| Kirkland's Lawn & Yard Service             | 1,190.18  | 0.00     | 0.00    | 0.00    | 0.00  | 1,190.18  |
| Kraft, Tom & Patti                         | 124.75    | 0.00     | 0.00    | 0.00    | 0.00  | 124.75    |
| Lara-Edelman Accounting Svc.               | 78.33     | 0.00     | 0.00    | 0.00    | 0.00  | 78.33     |
| LNL Design and Construction                | 11.88     | 0.00     | 0.00    | 0.00    | 0.00  | 11.88     |
| Lucky 7 Casino                             | 13.79     | 0.00     | 0.00    | 0.00    | 0.00  | 13.79     |
| Malloroy Construction                      | 49.01     | 0.00     | 0.00    | 0.00    | 0.00  | 49.01     |
| Mastaloudis Homes Inc.                     | 141.08    | 0.00     | 0.00    | 0.00    | 0.00  | 141.08    |
| McMurray & Sons, Inc.                      | 3,387.32  | 0.00     | 0.00    | 0.00    | 0.00  | 3,387.32  |
| Mountain Power Tree Co *COLLECTIONS*       | 0.40      | 28.67    | 17.82   | 0.00    | 34.16 | 81.05     |
| Mow Blow and Go                            | 29.86     | 0.00     | 0.00    | 0.00    | 0.00  | 29.86     |
| Murray Construction                        | 268.88    | 28.56    | -28.56  | 0.00    | 0.00  | 268.88    |
| New Dawn Support Services                  | 897.24    | 0.00     | 0.00    | 0.00    | 0.00  | 897.24    |
| North Coast Properties                     | 51.98     | 0.00     | 0.00    | 0.00    | 0.00  | 51.98     |
| North Woods Realty                         | 180.16    | 0.00     | 0.00    | 0.00    | 0.00  | 180.16    |
| Northridge Electric                        | 479.01    | 0.00     | 0.00    | 0.00    | 0.00  | 479.01    |
| Orcutt's Landscaping/LawnCare*COLLECTIONS* | 0.09      | 1.63     | 0.00    | 0.00    | 16.34 | 18.06     |
| Pacific Ocean Park                         | 760.64    | 0.00     | 0.00    | 0.00    | 0.00  | 760.64    |
| Padraigin Ltd P'ship/MadroneCt             | 31.19     | 0.00     | 0.00    | 0.00    | 0.00  | 31.19     |
| Pappas Dry Wall                            | 109.97    | 0.00     | 0.00    | 0.00    | 0.00  | 109.97    |
| Parkway Feed                               | 80.19     | 0.00     | 0.00    | 0.00    | 0.00  | 80.19     |
| Peasley's Property Mang.                   | 0.00      | 46.04    | 0.00    | 0.00    | 0.00  | 46.04     |
| Pelican Bay Evangelical Free Church        | 17.82     | 8.91     | 0.00    | 0.00    | 0.00  | 26.73     |
| Plunkett's Family Painting                 | 41.41     | 10.40    | 0.00    | 0.00    | 0.00  | 51.81     |
| Ray's Mobile Home Service                  | 64.51     | 0.00     | 0.00    | 0.00    | 0.00  | 64.51     |

**Del Norte Solid Waste Management Authority**  
**A/R Aging Summary**  
**As of May 25, 2018**

|                                | <u>Current</u>    | <u>1 - 30</u>    | <u>31 - 60</u> | <u>61 - 90</u> | <u>&gt; 90</u>  | <u>TOTAL</u>      |
|--------------------------------|-------------------|------------------|----------------|----------------|-----------------|-------------------|
| Recology Del Norte (Franchise) | 104,532.33        | 0.00             | 0.00           | 0.00           | 0.00            | 104,532.33        |
| Recology Del Norte (Prison)    | 13,039.81         | 0.00             | 0.00           | 0.00           | 0.00            | 13,039.81         |
| Recology Del Norte Fran Fees   | 23,681.00         | 0.00             | 0.00           | 0.00           | 0.00            | 23,681.00         |
| Red Sky Roofing                | 12,775.53         | 0.00             | 0.00           | 0.00           | 0.00            | 12,775.53         |
| Redwood National Park          | 1,108.60          | 11,986.48        | 0.00           | 0.00           | 0.00            | 13,095.08         |
| Reservation Ranch              | 318.24            | 448.48           | 0.00           | 0.00           | 0.00            | 766.72            |
| Richard Brown Construction     | 17.82             | 0.00             | 0.00           | 0.00           | 0.00            | 17.82             |
| Richterich & Jones Const       | 185.63            | 0.00             | 0.00           | 0.00           | 0.00            | 185.63            |
| Rick Parker Construction       | 123.26            | 0.00             | 0.00           | 0.00           | 0.00            | 123.26            |
| Ritchie Homes                  | 299.98            | 0.00             | 0.00           | 0.00           | 0.00            | 299.98            |
| Rogers, Luu T. *COLLECTIONS*   | 0.00              | 4.00             | 39.00          | 0.00           | 760.61          | 803.61            |
| Ron Spitzner                   | 155.93            | 0.00             | 0.00           | 0.00           | 0.00            | 155.93            |
| Rural Human Services           | 16.41             | 0.00             | 0.00           | 0.00           | 0.00            | 16.41             |
| S.O.S. Construction            | 94.66             | 0.00             | 0.00           | 0.00           | 0.00            | 94.66             |
| Schnacker's *COLLECTIONS*      | 0.00              | 0.00             | 0.00           | 0.00           | 834.87          | 834.87            |
| Seawood Village                | 2,806.70          | 0.00             | 0.00           | 0.00           | 0.00            | 2,806.70          |
| Smith River Equipment          | 286.06            | 0.00             | 0.00           | 0.00           | 0.00            | 286.06            |
| Smith River Fire Prot. Dist.   | 27.00             | 0.00             | 0.00           | 0.00           | 0.00            | 27.00             |
| Sprint Courier Service         | 7.50              | 0.00             | 0.00           | 0.00           | 0.00            | 7.50              |
| Spruce Haven Mobile Home Park  | 20.17             | 0.00             | 0.00           | 0.00           | 0.00            | 20.17             |
| Stephen F White Gen.Cont. Inc. | 11.57             | 0.00             | 0.00           | 0.00           | 0.00            | 11.57             |
| Stone Roofing                  | 7,229.04          | 0.00             | 0.00           | 0.00           | 0.00            | 7,229.04          |
| Swanson, Ray C. Construction   | 40.10             | 0.00             | 0.00           | 0.00           | 0.00            | 40.10             |
| Tab & Associates               | 366.92            | 0.00             | 0.00           | 0.00           | 0.00            | 366.92            |
| Tim Haban Construction         | 155.28            | 0.00             | 0.00           | 0.00           | 0.00            | 155.28            |
| Tolowa Dee-Ni' Nation          | 180.70            | 182.66           | 0.00           | 0.00           | 0.00            | 363.36            |
| Van Arsdale Construction       | 1,936.47          | 928.13           | 926.65         | 0.00           | 0.00            | 3,791.25          |
| Wigley Contracting             | 170.79            | 0.00             | 0.00           | 0.00           | 0.00            | 170.79            |
| Yurok Economic Dev Corp        | 75.98             | 0.00             | 0.00           | 0.00           | 0.00            | 75.98             |
| Yurok Indian Housing Authority | 169.29            | 271.68           | 0.00           | 0.00           | 0.00            | 440.97            |
| Yurok Tribe                    | 513.57            | 0.00             | 0.00           | 0.00           | 0.00            | 513.57            |
| <b>TOTAL</b>                   | <b>208,204.95</b> | <b>17,513.80</b> | <b>987.59</b>  | <b>0.00</b>    | <b>1,645.98</b> | <b>228,352.32</b> |

Solid Waste  
**Balance Sheet**  
April 30, 2018

**Unaudited**

**ASSETS**

|               |                                    |                            |
|---------------|------------------------------------|----------------------------|
| 422 010 00000 | Cash Solid Waste                   | 771,338.84                 |
| 422 010 00300 | Imprest Cash                       | 3,500.00                   |
| 422 010 00500 | I Bank Loan Deposit Held by County | 198,177.17                 |
| 422 010 01100 | Accounts Receivable                | 3,047.75                   |
| 422 010 03200 | Land                               | 493,000.00                 |
| 422 010 03300 | Transfer Station                   | 3,266,990.64               |
| 422 010 03400 | Equipment                          | 158,443.55                 |
| 422 010 03410 | Buildings & Improvements           | 141,638.89                 |
| 422 010 03440 | Accum Depr Equipment               | (157,814.00)               |
| 422 010 03450 | Accum Depr Bldg & Improv           | (113,204.00)               |
| 422 010 03460 | Accum Depr Transfer Station        | (918,877.00)               |
|               | Total Assets                       | <u><u>3,846,241.84</u></u> |

**LIABILITIES AND FUND EQUITY**

|               |  |                            |
|---------------|--|----------------------------|
| 422 010 05210 | Sublease Payable                                 | 2,727,290.50               |
| 422 010 05300 | Compensated Absences Payable                     | 45,281.00                  |
| 422 010 05400 | Deferred Revenue                                 | 3,047.75                   |
| 422 010 05500 | Post Closure Liability                           | 2,061,342.00               |
| 422 010 05600 | Net OPEB Obligation                              | 273,578.00                 |
| 422 010 07100 | Fund Balance                                     | (1,600,276.06)             |
| 422 010 09600 | Investment in Capital Assets net of related debt | 578,198.00                 |
|               | Revenue  | 2,788,665.69               |
|               | Expenditure                                      | (3,030,885.04)             |
|               | Total Liabilities and Fund Equity                | <u><u>3,846,241.84</u></u> |

## Del Norte Solid Waste Management Authority

## A/R Aging Summary

As of June 10, 2018

|   | Current  | 1 - 30   | 31 - 60  | 61 - 90 | > 90  | TOTAL    |
|---|----------|----------|----------|---------|-------|----------|
| Affordable Home & Rental Rep.             | 151.04   | 0.00     | 0.00     | 0.00    | 0.00  | 151.04   |
| Agricultural Commission(solid waste only) | 0.00     | 19.31    | 0.00     | 0.00    | 0.00  | 19.31    |
| Alexandre EcoDairy Farms                  | 849.48   | 0.00     | 0.00     | 0.00    | 0.00  | 849.48   |
| Babich Construction                       | 8.91     | 0.00     | 0.00     | 0.00    | 0.00  | 8.91     |
| Benner Mini Storage                       | 63.00    | 0.00     | 0.00     | 0.00    | 0.00  | 63.00    |
| Borges Dairy                              | 200.49   | 246.52   | 0.00     | 0.00    | 0.00  | 447.01   |
| Brown, Hector                             | 942.72   | 0.00     | 0.00     | 0.00    | 0.00  | 942.72   |
| Cal-Ore LIFE FLIGHT                       | 51.98    | 0.00     | 0.00     | 0.00    | 0.00  | 51.98    |
| Cal-Trans                                 | 30.86    | 0.00     | 0.00     | 0.00    | 0.00  | 30.86    |
| California Auto Image                     | 283.65   | 0.00     | 0.00     | 0.00    | 0.00  | 283.65   |
| California Dept. of Fish & Wildlife       | 0.00     | 0.00     | 853.63   | 0.00    | 0.00  | 853.63   |
| California Dept. Parks & Rec.             | 816.97   | 1,432.59 | 1,272.74 | 0.00    | 0.00  | 3,522.30 |
| Castlerock Countertop's                   | 19.31    | 0.00     | 0.00     | 0.00    | 0.00  | 19.31    |
| Cetnar Construction Inc.                  | 22.28    | 120.29   | 0.00     | 0.00    | 0.00  | 142.57   |
| City of Crescent City.                    | 216.91   | 0.00     | 0.00     | 0.00    | 0.00  | 216.91   |
| Cornerstone Assembly of God               | 295.71   | 0.00     | 0.00     | 0.00    | 0.00  | 295.71   |
| Crescent Ace Hardware.                    | 319.30   | 0.00     | 0.00     | 0.00    | 0.00  | 319.30   |
| Crescent City KOA                         | 304.52   | 0.00     | 0.00     | 0.00    | 0.00  | 304.52   |
| Crescent Fire Protection Dist.            | 92.28    | 0.00     | 2.07     | 0.00    | 0.00  | 94.35    |
| Crescent Senior Estates                   | 80.15    | 0.00     | 0.00     | 0.00    | 0.00  | 80.15    |
| Del Norte Ambulance                       | 14.98    | 66.29    | 31.19    | 0.00    | 0.00  | 112.46   |
| Del Norte Office Supply.                  | 7.50     | 0.00     | 0.00     | 0.00    | 0.00  | 7.50     |
| Del Norte Realty                          | 440.62   | 0.00     | 0.00     | 0.00    | 0.00  | 440.62   |
| Del Norte Senior Center                   | 51.90    | 0.00     | 0.00     | 0.00    | 0.00  | 51.90    |
| DNC Abandoned Vehicle Abatement           | 0.00     | 1,834.59 | 0.00     | 0.00    | 0.00  | 1,834.59 |
| DNSWM-USFS                                | 150.04   | 0.00     | 0.00     | 0.00    | 0.00  | 150.04   |
| Driftwood Apartments LLC                  | 57.92    | 0.00     | 0.00     | 0.00    | 0.00  | 57.92    |
| Elk Valley Casino                         | 172.27   | 11.07    | 21.60    | 32.68   | 0.00  | 237.62   |
| Frank's Refrigeration                     | 10.11    | 0.00     | 0.00     | 0.00    | 0.00  | 10.11    |
| G. H. Outreach                            | 350.34   | 0.00     | 0.00     | 0.00    | 0.00  | 350.34   |
| Gasquet Mobile Home Park                  | 51.65    | 0.00     | 0.00     | 0.00    | 0.00  | 51.65    |
| Golden State Construction                 | 96.53    | 0.46     | 0.00     | 0.00    | 0.00  | 96.99    |
| GR Construction                           | 49.01    | 0.00     | 0.00     | 0.00    | 0.00  | 49.01    |
| Green Scapes                              | 778.22   | 0.00     | 0.00     | 0.00    | 0.00  | 778.22   |
| Griffin's Furniture Outlet                | 111.50   | 0.00     | 0.00     | 0.00    | 0.00  | 111.50   |
| Hambro/Waste Solutions Group              | 17.99    | 0.00     | 0.00     | 0.00    | 0.00  | 17.99    |
| Hartley Construction                      | 112.49   | 0.00     | 0.00     | 0.00    | 0.00  | 112.49   |
| HASP / Jordan Recovery Centers            | 76.39    | 0.00     | 0.00     | 0.00    | 0.00  | 76.39    |
| Hemmingsen Contracting Company            | 8,756.56 | 0.00     | 0.00     | 0.00    | 0.00  | 8,756.56 |
| Hiouchi Community Fellowship              | 32.82    | 7.50     | 0.00     | 0.00    | 0.00  | 40.32    |
| Humboldt Moving & Storage                 | 208.53   | 0.00     | 0.00     | 0.00    | 0.00  | 208.53   |
| Investment Realty                         | 1,335.39 | 0.00     | 0.00     | 0.00    | 0.00  | 1,335.39 |
| Kays Yard Service                         | 96.56    | 0.00     | 0.00     | 0.00    | 0.00  | 96.56    |
| Kirkland's Lawn & Yard Service            | 276.48   | 0.00     | 0.00     | 0.00    | 0.00  | 276.48   |
| Kraft, Tom & Patti                        | 102.37   | 0.00     | 0.00     | 0.00    | 0.00  | 102.37   |
| Lara-Edelman Accounting Svc.              | 1.55     | 0.00     | 0.00     | 0.00    | 0.00  | 1.55     |
| LNL Design and Construction               | 197.85   | 0.00     | 0.00     | 0.00    | 0.00  | 197.85   |
| Lucky 7 Casino                            | 68.31    | 0.00     | 0.00     | 0.00    | 0.00  | 68.31    |
| Malloroy Construction                     | 9.00     | 49.01    | 0.00     | 0.00    | 0.00  | 58.01    |
| Mastaloudis Homes Inc.                    | 230.18   | 0.00     | 0.00     | 0.00    | 0.00  | 230.18   |
| McMurray & Sons, Inc.                     | 2,132.36 | 0.00     | 0.00     | 0.00    | 0.00  | 2,132.36 |
| Mountain Power Tree Co *COLLECTIONS*      | 0.00     | 0.40     | 28.67    | 17.82   | 34.16 | 81.05    |
| Mow Blow and Go                           | 42.91    | 0.00     | 0.00     | 0.00    | 0.00  | 42.91    |
| Murray Construction                       | 155.93   | 0.00     | 0.00     | 0.00    | 0.00  | 155.93   |
| New Dawn Support Services                 | 694.36   | 0.00     | 0.00     | 0.00    | 0.00  | 694.36   |
| North Coast Properties                    | 33.97    | 51.98    | 0.00     | 0.00    | 0.00  | 85.95    |
| North Woods Realty                        | 28.29    | 0.00     | 0.00     | 0.00    | 0.00  | 28.29    |
| Northridge Electric                       | 298.64   | 0.00     | 0.00     | 0.00    | 0.00  | 298.64   |
| Pacific Ocean Park                        | 1,029.29 | 0.00     | 0.00     | 0.00    | 0.00  | 1,029.29 |
| Padraigin Ltd P'ship/MadroneCt            | 99.68    | 0.00     | 0.00     | 0.00    | 0.00  | 99.68    |
| PALM Industries, Inc.                     | 62.37    | 0.00     | 0.00     | 0.00    | 0.00  | 62.37    |
| Pappas Dry Wall                           | 66.83    | 0.00     | 0.00     | 0.00    | 0.00  | 66.83    |
| Parkway Feed                              | 198.99   | 0.00     | 0.00     | 0.00    | 0.00  | 198.99   |
| Peasley's Property Mang.                  | 17.82    | 0.00     | 0.00     | 0.00    | 0.00  | 17.82    |
| Pebble Beach Apartments                   | 41.59    | 0.00     | 0.00     | 0.00    | 0.00  | 41.59    |
| Pelican Bay Roofing Co.                   | 445.51   | 0.00     | 0.00     | 0.00    | 0.00  | 445.51   |

## Del Norte Solid Waste Management Authority

## A/R Aging Summary

As of June 10, 2018

|                                | Current           | 1 - 30          | 31 - 60          | 61 - 90      | > 90            | TOTAL             |
|--------------------------------|-------------------|-----------------|------------------|--------------|-----------------|-------------------|
| Plunkett's Family Painting     | 57.69             | 0.00            | 0.00             | 0.00         | 0.00            | 57.69             |
| Ray's Mobile Home Service      | 196.03            | 0.00            | 0.00             | 0.00         | 0.00            | 196.03            |
| Recology Del Norte (Franchise) | 168,689.88        | 0.00            | 0.00             | 0.00         | 0.00            | 168,689.88        |
| Recology Del Norte (Prison)    | 14,207.04         | 0.00            | 0.00             | 0.00         | 0.00            | 14,207.04         |
| Red Sky Roofing                | 10,179.76         | 0.00            | 0.00             | 0.00         | 0.00            | 10,179.76         |
| Redwood National Park          | 2,323.60          | 1,108.60        | 10,877.88        | 0.00         | 0.00            | 14,310.08         |
| Reservation Ranch              | 479.66            | 318.24          | 0.00             | 0.00         | 0.00            | 797.90            |
| Richterich & Jones Const       | 194.54            | 0.00            | 0.00             | 0.00         | 0.00            | 194.54            |
| Rick Parker Construction       | 354.93            | 0.00            | 0.00             | 0.00         | 0.00            | 354.93            |
| Rogers, Luu T. *COLLECTIONS*   | 0.00              | 0.00            | 4.00             | 39.00        | 760.61          | 803.61            |
| Ron Spitzner                   | 135.14            | 0.00            | 0.00             | 0.00         | 0.00            | 135.14            |
| Roy Rook Construction          | 151.47            | 0.00            | 0.00             | 0.00         | 0.00            | 151.47            |
| Rumiano Cheese Company         | 7.50              | 0.00            | 0.00             | 0.00         | 0.00            | 7.50              |
| S.O.S. Construction            | 127.72            | 0.00            | 0.00             | 0.00         | 0.00            | 127.72            |
| Schnacker's *COLLECTIONS*      | 0.00              | 0.00            | 0.00             | 0.00         | 834.87          | 834.87            |
| Seawood Village                | 1,884.50          | 0.00            | 0.00             | 0.00         | 0.00            | 1,884.50          |
| Smith River Equipment          | 81.68             | 0.00            | 0.00             | 0.00         | 0.00            | 81.68             |
| Smith River Fire Prot. Dist.   | 0.00              | 27.00           | 0.00             | 0.00         | 0.00            | 27.00             |
| Stephen F White Gen.Cont. Inc. | 46.65             | 0.00            | 0.00             | 0.00         | 0.00            | 46.65             |
| Stone Roofing                  | 7,860.91          | 0.00            | 0.00             | 0.00         | 0.00            | 7,860.91          |
| Swanson, Ray C. Construction   | 49.09             | 0.00            | 0.00             | 0.00         | 0.00            | 49.09             |
| Tab & Associates               | 331.89            | 0.00            | 0.00             | 0.00         | 0.00            | 331.89            |
| Thomas Gavin Construction      | 13.37             | 0.00            | 0.00             | 0.00         | 0.00            | 13.37             |
| Tim Haban Construction         | 151.47            | 0.00            | 0.00             | 0.00         | 0.00            | 151.47            |
| Tolowa Dee-Ni' Nation          | 1,916.15          | 0.00            | 0.00             | 0.00         | 0.00            | 1,916.15          |
| Van Arsdale Construction       | 2,888.35          | 0.00            | 0.00             | 0.00         | 0.00            | 2,888.35          |
| Wigley Contracting             | 138.11            | 0.00            | 0.00             | 0.00         | 0.00            | 138.11            |
| Yurok Economic Dev Corp        | 173.55            | 0.00            | 0.00             | 0.00         | 0.00            | 173.55            |
| Yurok Indian Housing Authority | 142.86            | 0.00            | 0.00             | 0.00         | 0.00            | 142.86            |
| Yurok Tribe                    | 652.52            | -138.95         | 0.00             | 0.00         | 0.00            | 513.57            |
| <b>TOTAL</b>                   | <b>237,399.22</b> | <b>5,154.90</b> | <b>13,091.78</b> | <b>89.50</b> | <b>1,629.64</b> | <b>257,365.04</b> |

**CLAIMS APPROVED BY THE DIRECTOR**

| Del Norte Solid Waste Management Authority |  |           |               |  |                   |
|--|--|-----------|---------------|--|-------------------|
| Claims for May 2018                        |  |           |               |  |                   |
| Date Paid                                  | Paid to:                                       | Budget    | Amt. Paid     | Description  | Claim #           |
| 5/1/2018                                   | U S Bank Corp P S                              | 20290-066 | \$ 750.00     | ITM 1026 Sustainable Resource Mgmt Cert Course               | 8177              |
|  | U S Bank Corp P S                              | 20290-063 | \$ 750.00     | ITM 1026 Sustainable Resource Mgmt Cert Course               |                   |
|  | U S Bank Corp P S                              | 20170     | \$ 51.84      | INV 154356 Honda-EU1000 Generator service                    |                   |
|  | U S Bank Corp P S                              | 20175     | \$ 300.17     | ORD 416044494 Topaz SigLite 1x5 T-S460 Bluetoo               |                   |
|  | U S Bank Corp P S                              | 20175     | \$ 69.96      | ORD 416044514 Topaz P-T110-T1 Replacement                    |                   |
|  | U S Bank Corp P S                              | 20223     | \$ 7.62       | BILL 840-59400198-2-2634926-2 Cert Rtn Rec post              |                   |
| 5/1/2018                                   | Taylor, Richard D                              | 20235     | \$ 460.00     | Treasurer/Controller Services April 2018                     | 8178              |
| 5/17/2018                                  | Quill  | 20224     | \$ 7.84       | INV 6626239 Black dr bs crd bx mtl edg, 1                    | 8180              |
|  | Quill  | 20140     | \$ 8.05       | INV 6617939 Glove, Exam ntrl pf fbe md100Bx, 1               |                   |
|  | Quill  | 20140     | \$ 8.05       | INV 6617939 Glove, exam ntrl pf rbe lg100Bx, 1               |                   |
|  | Quill  | 20140     | \$ 20.37      | INV 6617939 Purell naturals hand sntzr 8Oz, 5                |                   |
|  | Quill  | 20224     | \$ 6.44       | INV 6617939 Business card holder black, 1                    |                   |
|  | Quill  | 20224     | \$ 13.21      | INV 6617939 Pastels 8.5X11 salmon paper rm, 1                |                   |
|  | Quill  | 20224     | \$ 33.30      | INV 6617939 Self_Adhsv paper file fastener, 2                |                   |
|  | Quill  | 20224     | \$ 6.98       | INV 6617939 Post-It tape flags, sign here, 1                 |                   |
|  | Quill  | 20224     | \$ 6.98       | INV 6617939 Flat quartr coin wrap 1000 org, 1                |                   |
|  | Quill  | 20224     | \$ 245.09     | INV 6587975 Canon gpr-40 blk tnr cartridge, 1                |                   |
| 5/18/2018                                  | Hambro Forest Products                         | 20285-066 | \$ 498.49     | ORD 74206092 Customized Signs (9) & Frames (4)               | 8181              |
|  | Hambro Forest Products                         | 20285-066 | \$ 89.21      | ORD 74227234 Customized Sign, 3ft x 10ft, 1                  |                   |
|  | Hambro Forest Products                         | 20285-066 | \$ 454.07     | ORD 415981995 Custom Air Dancer 20ft, 1                      |                   |
| 5/18/2018                                  | Curry Transfer Roto-Rooter                     | 20140     | \$ 173.08     | INV 65897147 KTS PortaPotty April 2018                       | 8182              |
|  | Curry Transfer Roto-Rooter                     | 20140     | \$ 173.08     | INV 65897146 GTS PortaPotty April 2018                       |                   |
| 5/18/2018                                  | G.H. Outreach                                  | 20285     | \$ 125.00     | INV 827234 April 2018 Recycling services                     | 8183              |
| 5/18/2018                                  | Bi-Coastal Media                               | 20240-066 | \$ 493.00     | INV 5156-2 KPOD-FM Hambro CRV ads, 04/09-30/18, 29           | 8184              |
|  | Bi-Coastal Media                               | 20240-066 | \$ 867.00     | INV 5156-1 KCRE-FM Hambro CRV ads, 04/09-30/18, 51           |                   |
| 5/18/2018                                  | Hi-Tech Security                               | 20236     | \$ 59.13      | INV 18-05009 Repair/replace front door sensor                | 8185              |
| 5/21/2018                                  | Floyd L. Clemann                               | 20239-001 | \$ 570.00     | INV 988002 Vegetation Control                                | 8186              |
| 5/21/2018                                  | Progressive Auto Ins. United Financial Cas. Co | 20152     | \$ 538.00     | Auto Insurance Premium Change, new driver                    | 8187              |
| 5/21/2018                                  | Recology Del Norte                             | 20238     | \$ 1,329.79   | INV 2712 Klamath Beach Rd 04/18 bin pull                     | 8188              |
|  | Recology Del Norte                             | 20238     | \$ 949.85     | INV 2711 Old Gasquet Toll Rd 04/18 bin pull                  |                   |
| 5/21/2018                                  | Hambro/Waste Solutions                         | 20239     | \$ 181,183.36 | INV 2018-04 Material Management April 2018                   | 8189              |
| 5/21/2018                                  | Black & Rice LLP                               | 20234     | \$ 861.00     | Statement for April 2018 Legal Fees                          | 8190              |
| 5/22/2018                                  | United States Cellular                         | 20121     | \$ 85.81      | INV 0247724367 05/04-06/03/18 Cell Service                   | 8191              |
| 5/22/2018                                  | Butcher, Andrew                                | 20231     | \$ 750.00     | INV 2519 IT Services June 2018                               | 8192              |
| 5/22/2018                                  | Creative Information Systems                   | 20232-002 | \$ 2,773.00   | INV SMSQ12750 Sup. & Maint. SMS 7/1/18-6/30/19               | 8193              |
| 5/23/2018                                  | Canon Financial Services, Inc.                 | 20221     | \$ 49.54      | INV 18645264 Printing charges Apr 2018                       | 8194              |
|  | Canon Financial Services, Inc.                 | 20250     | \$ 142.02     | INV 18645264 Contract rental charges May 2018                |                   |
| 5/23/2018                                  | DN Auditor                                     | 20237     | \$ 1,820.31   | Debit/Credit Mo. Lease April 2018                            | Interdepartmental |
| 5/24/2018                                  | Recology Del Norte                             | 20288     | \$ 616.54     | BILL 05324348 1001 Front St - Cultural Center                | 8195              |
|  | Recology Del Norte                             | 20283     | \$ 464.58     | BILL 05324363 500 Cooper Ave - County Yard                   |                   |
|  | Recology Del Norte                             | 20288     | \$ 256.34     | BILL 05324371 900 Tenth St - City Yard                       |                   |
| 5/24/2018                                  | DN Auditor                                     | 20240     | \$ 143.00     | INV 2417341 Triplicate Refuse Site Attendant ads, 4/12 & 4/1 | Interdepartmental |
| 5/29/2018                                  | Crescent Ace Hardware                          | 20275     | \$ (20.00)    | INV 719074 \$20 INSTANT SAVINGS-7422405                      | 8196              |
|  | Crescent Ace Hardware                          | 20224     | \$ 3.00       | INV 719074 PROTECTR HEAR EARPLUG4PR, 1                       |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 8.16       | INV 719074 SAFETY GLASSES CLEAR LEN, 1                       |                   |
|  | Crescent Ace Hardware                          | 20275     | \$ 214.99     | INV 719074 BRSHLS STRNG TRMMR 20V, 1                         |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 4.28       | INV 719037 KEY SCHLAGE SC1-ACE250PK, 2                       |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 2.78       | INV 719028 KEYBLANK PADLOCK 88/30KB, 1                       |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 2.14       | INV 719028 KEY SCHLAGE SC1-ACE250PK, 1                       |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 2.14       | INV 717494 PLASTIC PAIL LID F/1 GAL, 1                       |                   |
|  | Crescent Ace Hardware                          | 20224     | \$ 6.44       | INV 717494 HAND CULTIVATOR WD ACE, 1                         |                   |
| 5/29/2018                                  | Mission Linen Supply                           | 20140     | \$ 30.86      | INV 507430930 Linen service 05/22/18                         | 8197              |
|  | Mission Linen Supply                           | 20140     | \$ 30.86      | INV 507327191 Linen service 05/08/18                         |                   |
|  |  |           |               |  |                   |
|  |  |           |               |  |                   |
|  | <b>TOTAL</b>                                   |           | \$ 198,496.75 |  |                   |

| <b>DNSWMA</b>               |   |   |                   |
|-----------------------------|---|---|-------------------|
| <b>GRAND TOTALS</b>         |   |   |                   |
| May 2018                    |   |   |                   |
|                             | Amount to<br>422-421<br>91003<br>66.53% | Amount to<br>422-421<br>91004<br>33.47% | TOTAL<br>AMOUNT   |
| <b>DNCTS Cash Total</b>     | 33,912.40                               | 17,060.70                               | 50,973.10         |
| <b>DNCTS Charge Total</b>   | 168,578.90                              | 84,808.90                               | 253,387.80        |
| <b>DNCTS Credit/Debit</b>   | 29,014.94                               | 14,596.87                               | 43,611.81         |
| <b>DNCTS Adjustment</b>     | -262.00                                 | 262.00                                  | 0.00              |
| <b>DNCTS Totals</b>         | 231,244.24                              | 116,728.47                              | 347,972.71        |
| <b>Klamath Cash Total</b>   |   | 4,295.89                                | 4,295.89          |
| <b>Klamath Charge Total</b> |   | 206.81                                  | 206.81            |
| <b>Klamath Adjustment</b>   |   |   |                   |
| <b>Klamath Totals</b>       |   | 4,502.70                                | 4,502.70          |
| <b>Gasquet Cash Total</b>   |   | 1,527.14                                | 1,527.14          |
| <b>Gasquet Charge Total</b> |   | 49.84                                   | 49.84             |
| <b>Gasquet Adjustment</b>   |   |   |                   |
| <b>Gasquet Totals</b>       |   | 1,576.98                                | 1,576.98          |
| <b>GRAND TOTALS</b>         | <b>231,244.24</b>                       | <b>122,808.15</b>                       | <b>354,052.39</b> |

**MONTHLY SPLIT SHEET  
DNSWMA TRANSFER STATION  
MONTH: May 2018**

| Date   | Cash         | Checks      | Cash/Check Total | Visa         | Master      | Discover  | AmExp     | Credit Card Total | Charges       | Grand Total   | 66.53% 91003 | 33.47% 91004 | 20286      | Total        |
|--|--------------|-------------|------------------|--------------|-------------|-----------|-----------|-------------------|---------------|---------------|--------------|--------------|------------|--------------|
| 1  | \$ 1,663.26  | \$ 135.23   | \$ 1,798.49      | \$ 1,835.16  | \$ 134.47   |           |           | \$ 1,969.63       | \$ 13,112.19  | \$ 16,880.31  | \$ 1,196.54  | \$ 601.95    | (\$0.24)   | \$ 1,798.25  |
| 2  | \$ 2,533.05  |             | \$ 2,533.05      | \$ 780.04    | \$ 46.04    | \$ 40.22  |           | \$ 866.30         | \$ 7,709.66   | \$ 11,109.01  | \$ 1,685.24  | \$ 847.81    | \$ 0.13    | \$ 2,533.18  |
| 3  | \$ 1,444.18  | \$ 175.17   | \$ 1,619.35      | \$ 749.83    |             | \$ 13.37  |           | \$ 763.20         | \$ 6,277.85   | \$ 8,660.40   | \$ 1,077.35  | \$ 542.00    | \$ 2.29    | \$ 1,621.64  |
| 4  | \$ 1,203.42  | \$ 41.92    | \$ 1,245.34      | \$ 1,044.41  | \$ 217.54   |           |           | \$ 1,261.95       | \$ 8,807.93   | \$ 11,315.22  | \$ 828.52    | \$ 416.82    | (\$19.26)  | \$ 1,226.08  |
| 5  | \$ 2,019.90  | \$ 111.59   | \$ 2,131.49      | \$ 2,086.92  | \$ 7.50     | \$ 27.72  |           | \$ 2,122.14       | \$ 4,588.88   | \$ 4,712.51   | \$ 1,418.08  | \$ 713.41    | \$ 1.67    | \$ 2,133.16  |
| 6  | \$ 1,925.65  | \$ 491.26   | \$ 2,416.91      | \$ 1,848.07  | \$ 72.84    |           |           | \$ 1,920.91       | \$ 57.75      | \$ 4,395.57   | \$ 1,607.97  | \$ 808.94    | \$ 0.08    | \$ 2,416.99  |
| 7  | \$ 2,119.53  | \$ 156.59   | \$ 2,276.12      | \$ 1,518.51  | \$ 64.39    | \$ 10.40  |           | \$ 1,593.30       | \$ 10,244.04  | \$ 14,113.46  | \$ 1,514.30  | \$ 761.82    | \$ 0.04    | \$ 2,276.16  |
| 8  | \$ 1,685.45  | \$ 77.22    | \$ 1,762.67      | \$ 2,841.25  | \$ 64.01    | \$ 7.50   |           | \$ 2,912.76       | \$ 10,447.82  | \$ 15,123.25  | \$ 1,072.70  | \$ 589.97    | (\$38.20)  | \$ 1,724.47  |
| 9  | \$ 1,224.56  | \$ 358.19   | \$ 1,582.75      | \$ 1,443.21  | \$ 69.81    |           |           | \$ 1,513.02       | \$ 10,246.21  | \$ 12,706.11  | \$ 771.24    | \$ 387.99    | \$ 1.01    | \$ 1,160.24  |
| 10   | \$ 1,490.46  | \$ 335.54   | \$ 1,826.00      | \$ 1,373.09  | \$ 148.50   | \$ 11.88  | \$ 60.89  | \$ 1,504.67       | \$ 7,056.01   | \$ 10,476.37  | \$ 1,214.84  | \$ 611.16    | \$ 0.00    | \$ 1,826.00  |
| 11   | \$ 1,406.36  | \$ 92.08    | \$ 1,498.44      | \$ 1,378.01  | \$ 26.73    |           |           | \$ 1,404.74       | \$ 799.19     | \$ 3,702.37   | \$ 996.91    | \$ 501.53    | \$ 12.54   | \$ 1,510.98  |
| 12   | \$ 1,173.24  | \$ 29.78    | \$ 1,203.02      | \$ 956.12    | \$ 142.56   |           |           | \$ 1,098.68       | \$ 1,203.58   | \$ 3,505.28   | \$ 800.37    | \$ 402.65    | (\$1.00)   | \$ 1,202.02  |
| 13   | \$ 1,142.53  | \$ 99.58    | \$ 1,242.11      | \$ 1,047.34  | \$ 38.53    |           | \$ 5.17   | \$ 1,091.04       | \$ 8,638.99   | \$ 10,970.14  | \$ 826.38    | \$ 415.73    | \$ 0.00    | \$ 1,242.11  |
| 14   | \$ 1,479.24  | \$ 40.44    | \$ 1,519.68      | \$ 1,006.46  | \$ 49.95    | \$ 8.91   |           | \$ 1,065.32       | \$ 13,664.94  | \$ 16,249.94  | \$ 1,011.04  | \$ 508.64    | (\$0.01)   | \$ 1,519.67  |
| 15   | \$ 517.19    | \$ 28.29    | \$ 545.48        | \$ 846.91    | \$ 26.04    |           |           | \$ 872.95         | \$ 24,173.92  | \$ 25,592.35  | \$ 362.91    | \$ 182.57    | \$ 0.09    | \$ 545.57    |
| 16   | \$ 1,442.96  | \$ 178.21   | \$ 1,621.17      | \$ 1,095.55  | \$ 27.26    |           | \$ 14.85  | \$ 1,137.66       | \$ 25,327.80  | \$ 28,086.63  | \$ 1,078.56  | \$ 542.61    | (\$0.10)   | \$ 1,621.07  |
| 17   | \$ 1,918.48  | \$ 78.25    | \$ 1,996.73      | \$ 631.72    | \$ 106.92   | \$ 7.50   | \$ 19.31  | \$ 765.45         | \$ 14,731.18  | \$ 17,493.36  | \$ 1,328.42  | \$ 668.31    | (\$0.94)   | \$ 1,995.79  |
| 18   | \$ 2,390.50  | \$ 60.89    | \$ 2,451.39      | \$ 1,157.47  | \$ 145.54   |           |           | \$ 1,303.01       | \$ 517.69     | \$ 4,272.09   | \$ 1,630.91  | \$ 820.48    | \$ 10.00   | \$ 2,441.39  |
| 19   | \$ 1,664.98  | \$ 151.00   | \$ 1,815.98      | \$ 1,715.01  | \$ 86.21    |           |           | \$ 1,801.22       | \$ 903.97     | \$ 4,521.17   | \$ 1,208.17  | \$ 607.81    | (\$0.53)   | \$ 1,815.35  |
| 20   | \$ 1,183.13  | \$ 158.23   | \$ 1,341.36      | \$ 1,320.98  | \$ 55.44    |           | \$ 7.50   | \$ 1,383.92       | \$ 11,052.65  | \$ 13,777.93  | \$ 892.41    | \$ 448.95    | \$ 0.10    | \$ 1,341.46  |
| 21   | \$ 1,150.26  | \$ 101.19   | \$ 1,251.45      | \$ 1,351.19  | \$ 381.65   | \$ 7.50   |           | \$ 1,205.80       | \$ 11,831.62  | \$ 14,202.22  | \$ 774.94    | \$ 389.86    | (\$6.15)   | \$ 1,156.65  |
| 22   | \$ 1,120.15  | \$ 109.97   | \$ 1,230.12      | \$ 1,278.98  | \$ 31.47    | \$ 14.85  | \$ 40.22  | \$ 1,787.91       | \$ 6,377.05   | \$ 9,416.41   | \$ 832.59    | \$ 418.86    | \$ 0.11    | \$ 1,251.56  |
| 23   | \$ 888.42    | \$ 35.14    | \$ 923.56        | \$ 758.03    | \$ 147.80   |           |           | \$ 1,310.45       | \$ 7,542.96   | \$ 10,083.13  | \$ 818.40    | \$ 411.72    | (\$0.29)   | \$ 1,229.83  |
| 24   | \$ 2,310.59  | \$ 186.60   | \$ 2,497.19      | \$ 1,740.33  | \$ 11.88    |           |           | \$ 905.83         | \$ 11,521.76  | \$ 13,351.15  | \$ 614.44    | \$ 309.12    | \$ 0.00    | \$ 923.60    |
| 25   | \$ 1,179.02  | \$ 259.23   | \$ 1,438.25      | \$ 1,520.56  | \$ 166.76   |           |           | \$ 1,752.21       | \$ 595.26     | \$ 4,844.66   | \$ 1,661.38  | \$ 835.81    | \$ 24.80   | \$ 2,521.99  |
| 26   |              |             |                  |              |             |           |           | \$ 1,687.32       | \$ 1,139.15   | \$ 4,264.72   | \$ 956.87    | \$ 481.38    | (\$4.83)   | \$ 1,433.42  |
| 27   |              |             |                  |              |             |           |           | \$ -              | \$ -          | \$ -          | \$ -         | \$ -         | \$ -       | \$ -         |
| 28   |              |             |                  |              |             |           |           | \$ -              | \$ -          | \$ -          | \$ -         | \$ -         | \$ -       | \$ -         |
| 29   | \$ 1,827.90  | \$ 458.30   | \$ 2,286.20      | \$ 1,465.20  | \$ 149.77   |           | \$ 15.00  | \$ 1,629.97       | \$ 10,707.30  | \$ 14,623.47  | \$ 1,521.01  | \$ 765.19    | \$ 7.74    | \$ 2,293.94  |
| 30   | \$ 1,812.45  | \$ 384.09   | \$ 2,196.54      | \$ 1,424.51  | \$ 20.79    |           |           | \$ 1,445.30       | \$ 9,660.00   | \$ 13,301.84  | \$ 1,461.36  | \$ 735.18    | \$ 4.13    | \$ 2,200.67  |
| 31   | \$ 1,862.88  | \$ 535.34   | \$ 2,398.23      | \$ 2,042.75  | \$ 88.54    | \$ 13.50  |           | \$ 2,144.79       | \$ 10,141.80  | \$ 14,684.82  | \$ 1,595.54  | \$ 802.69    | \$ 0.04    | \$ 2,398.27  |
| TOTALS   | \$ 45,887.24 | \$ 5,085.86 | \$ 50,973.10     | \$ 40,665.79 | \$ 2,619.73 | \$ 163.35 | \$ 162.94 | \$ 43,611.81      | \$ 253,387.80 | \$ 347,972.71 | \$ 33,912.40 | \$ 17,060.70 | \$ (47.83) | \$ 50,925.27 |
| 05/31/18 - \$18.06 collected through Del Norte County Collections (delinquent account) |              |             |                  |              |             |           |           |                   |               |               |              |              |            |              |

\$20 blew under scale. Couldn't retrieve

Kathy training Scott  
Cash shortage \$46.04, pd. \$35.911.04 pd 5/12

cash shortage from 5/9 pd \$11.04

\$2.00 oil paid out

| <b>DAILY TICKET REPORT</b>     |              |            |                           |                         |
|--------------------------------|--------------|------------|---------------------------|-------------------------|
| <b>DNSWMA TRANSFER STATION</b> |              |            |                           |                         |
| <b>MONTH:</b>                  | May-18       |            |                           |                         |
| <b>Date</b>                    | <b>BEGIN</b> | <b>END</b> | <b>VOIDED<br/>TICKETS</b> | <b>TICKET<br/>COUNT</b> |
| 1                              | 1003215      | 1003446    |                           | 232                     |
| 2                              | 1003447      | 1003636    |                           | 190                     |
| 3                              | 1003637      | 1003821    |                           | 185                     |
| 4                              | 1003822      | 1004022    |                           | 201                     |
| 5                              | 1004023      | 1004271    | 1                         | 248                     |
| 6                              | 1004272      | 1004511    | 2                         | 238                     |
| 7                              | 1004512      | 1004735    |                           | 224                     |
| 8                              | 1004736      | 1004954    |                           | 219                     |
| 9                              | 1004955      | 1005114    | 1                         | 159                     |
| 10                             | 1005115      | 1005301    | 1                         | 186                     |
| 11                             | 1005302      | 1005510    |                           | 209                     |
| 12                             | 1005511      | 1005715    |                           | 205                     |
| 13                             | 1005716      | 1005862    |                           | 147                     |
| 14                             | 1005863      | 1006068    |                           | 206                     |
| 15                             | 1006069      | 1006269    | 1                         | 200                     |
| 16                             | 1006270      | 1006410    | 1                         | 140                     |
| 17                             | 1006411      | 1006593    |                           | 183                     |
| 18                             | 1006594      | 1006790    |                           | 197                     |
| 19                             | 1006791      | 1007025    |                           | 235                     |
| 20                             | 1007026      | 1007229    |                           | 204                     |
| 21                             | 1007230      | 1007446    |                           | 217                     |
| 22                             | 1007447      | 1007617    | 2                         | 169                     |
| 23                             | 1007618      | 1007779    |                           | 162                     |
| 24                             | 1007780      | 1007947    |                           | 168                     |
| 25                             | 1007948      | 1008098    | 2                         | 149                     |
| 26                             | 1008099      | 1008328    | 1                         | 229                     |
| 27                             | 1008329      | 1008516    |                           | 188                     |
| 28                             | CLOSED       |            |                           |                         |
| 29                             | 1008517      | 1008815    |                           | 299                     |
| 30                             | 1008816      | 1009079    |                           | 264                     |
| 31                             | 1009080      | 1009309    |                           | 230                     |
| <b>TOTAL</b>                   |              |            | <b>12</b>                 | <b>5851</b>             |

High

299

Low

140

Daily Ave.

195

**DNSWMA  
KLAMATH TRANSFER STATION - DEPOSITS**

May-2018

| Date         | Cash               | Checks           | TOTAL              |                    |                    | Over / Short    | Sales            | Charges            | TOTAL<br>Cash +<br>Charge | Tickets |
|--------------|--------------------|------------------|--------------------|--------------------|--------------------|-----------------|------------------|--------------------|---------------------------|---------|
|              |                    |                  | Deposit            | Sales              | Sales              |                 |                  |                    |                           |         |
| May 2, 2018  | 248.95             | 42.42            | 291.37             | 292.77             | 291.37             | (1.40)          |                  | 291.37             | 21                        |         |
| May 6, 2018  | 654.97             | 65.72            | 720.69             | 711.69             | 720.69             | 9               |                  | 720.69             | 30                        |         |
| May 9, 2018  | 165.21             | 176.19           | 341.40             | 341.40             | 341.40             | 0.00            | 9.00             | 350.40             | 20                        |         |
| May 13, 2018 | 481.70             | 224.16           | 705.86             | 704.73             | 705.86             | 1.13            |                  | 705.86             | 29                        |         |
| May 16, 2018 | 368.39             | 45.16            | 413.55             | 423.55             | 413.55             | (10.00)         | 81.67            | 495.22             | 31                        |         |
| May 20, 2018 | 647.40             | 36.36            | 683.76             | 684.67             | 683.76             | (0.91)          |                  | 683.76             | 42                        |         |
| May 23, 2018 | 222.35             | 15.11            | 237.46             | 246.21             | 237.46             | (8.75)          | 24.26            | 261.72             | 16                        |         |
| May 27, 2018 | 383.05             |                  | 383.05             | 383.10             | 383.05             | (0.05)          |                  | 383.05             | 28                        |         |
| May 30, 2018 | 427.95             | 90.80            | 518.75             | 517.75             | 518.75             | 1.00            | 91.88            | 610.63             | 25                        |         |
|              |                    |                  | 0.00               |                    | 0.00               |                 |                  | 0.00               |                           |         |
|              |                    |                  | 0.00               |                    | 0.00               |                 |                  | 0.00               |                           |         |
| <b>TOTAL</b> | <b>\$ 3,599.97</b> | <b>\$ 695.92</b> | <b>\$ 4,295.89</b> | <b>\$ 4,305.87</b> | <b>\$ 4,295.89</b> | <b>(\$9.98)</b> | <b>\$ 206.81</b> | <b>\$ 4,502.70</b> | <b>242</b>                |         |

**TOTAL SALES (CASH + CHARGE)**

| Date         | Wednesday | Friday | Sunday |
|--------------|-----------|--------|--------|
| May 2, 2018  | 291.37    |        |        |
| May 6, 2018  |           |        | 720.69 |
| May 9, 2018  | 350.40    |        |        |
| May 13, 2018 |           |        | 705.86 |
| May 16, 2018 | 495.22    |        |        |
| May 20, 2018 |           |        | 683.76 |
| May 23, 2018 | 261.72    |        |        |
| May 27, 2018 |           |        | 383.05 |
| May 30, 2018 | 610.63    |        |        |

**TOTALS \$2,009.34 \$0.00 \$2,493.36**

DAILY AVERAGE \$401.87 \$623.34

| <b>DNSWMA<br/>GASQUET TRANSFER STATION - DEPOSITS<br/>May-2018</b> |                    |                   |                          |                     |                    |                        |                 |                                    |                |
|--|--------------------|-------------------|--------------------------|---------------------|--------------------|------------------------|-----------------|------------------------------------|----------------|
| <b>Date</b>  | <b>Cash</b>        | <b>Checks</b>     | <b>TOTAL<br/>Deposit</b> | <b>Over / Short</b> | <b>Sales</b>       | <b>TOTAL<br/>Sales</b> | <b>Charges</b>  | <b>TOTAL<br/>Cash +<br/>Charge</b> | <b>Tickets</b> |
| May 5, 2018  | 334.14             | 57.05             | 391.19                   | (\$0.01)            | 391.20             | 391.19                 |                 | 391.19                             | 39             |
| May 12, 2018   | 279.12             | 103.16            | 382.28                   | (\$1.01)            | 383.29             | 382.28                 |                 | 382.28                             | 30             |
| May 19, 2018   | 331.69             | 164.88            | 496.57                   | (\$2.00)            | 498.57             | 496.57                 |                 | 496.57                             | 32             |
| May 26, 2018   | 199.73             | 57.37             | 257.10                   | \$0.00              | 257.10             | 257.10                 | 49.84           | 306.94                             | 28             |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
|  |                    |                   | 0.00                     |                     |                    | 0.00                   |                 | 0.00                               |                |
| <b>TOTAL</b>   | <b>\$ 1,144.68</b> | <b>\$ 382.46</b>  | <b>\$ 1,527.14</b>       | <b>\$ (3.02)</b>    | <b>\$ 1,530.16</b> | <b>\$ 1,527.14</b>     | <b>\$ 49.84</b> | <b>\$1,576.98</b>                  | <b>129</b>     |
| <b>TOTAL SALES (CASH + CHARGE)</b>                                 |                    |                   |                          |                     |                    |                        |                 |                                    |                |
| <b>Date</b>  | <b>Thursday</b>    | <b>Saturday</b>   |                          |                     |                    |                        |                 |                                    |                |
| May 5, 2018  |                    | 391.19            |                          |                     |                    |                        |                 |                                    |                |
| May 12, 2018   |                    | 382.28            |                          |                     |                    |                        |                 |                                    |                |
| May 19, 2018   |                    | 496.57            |                          |                     |                    |                        |                 |                                    |                |
| May 26, 2018   |                    | 306.94            |                          |                     |                    |                        |                 |                                    |                |
| <b>TOTALS</b>  | <b>\$0.00</b>      | <b>\$1,576.98</b> |                          |                     |                    |                        |                 |                                    |                |
| <b>DAILY AVERAGE</b>   |                    | <b>\$394.25</b>   |                          |                     |                    |                        |                 |                                    |                |

**AUTHORITY      REVENUE      REPORT      April 2018**

Source      2016/2017      **2017/2018**  
 Authority      Actual Annual      Budget/Month      Adjusted Annual Budget  
 Service Fees      \$ 1,114,509.12      \$ 94,453.88      \$ 1,133,446.50

|              | 2016/2017              |                     | 2017/2018              |                     |
|--------------|------------------------|---------------------|------------------------|---------------------|
|              | Actual/Month           | Comparison FY15/16  | Actual/Month           | Over Budget         |
| July         | \$ 93,395.01           | \$ 12,556.47        | \$ 105,951.48          | \$ 11,497.61        |
| August       | \$ 100,284.45          | \$ 17,739.97        | \$ 118,024.42          | \$ 23,570.55        |
| September    | \$ 97,849.58           | \$ 7,042.13         | \$ 104,891.71          | \$ 10,437.84        |
| October      | \$ 84,217.04           | \$ 12,026.46        | \$ 96,243.50           | \$ 1,789.63         |
| November     | \$ 87,939.87           | \$ (540.40)         | \$ 87,399.47           | \$ (7,054.41)       |
| December     | \$ 84,419.61           | \$ 4,925.25         | \$ 89,344.86           | \$ (5,109.02)       |
| January      | \$ 88,068.76           | \$ 7,039.36         | \$ 95,108.12           | \$ 654.24           |
| February     | \$ 78,021.83           | \$ 9,650.22         | \$ 87,672.05           | \$ (6,781.83)       |
| March        | \$ 92,473.84           | \$ 6,382.38         | \$ 98,856.22           | \$ 4,402.35         |
| April        | \$ 91,704.52           | \$ 5,448.15         | \$ 97,152.67           | \$ 2,698.80         |
| May          | \$ 106,885.70          | \$ 15,922.45        | \$ 122,808.15          | \$ 28,354.28        |
| June         | \$ 109,248.91          | \$ -                |                        | \$ -                |
| <b>Total</b> | <b>\$ 1,114,509.12</b> | <b>\$ 98,192.44</b> | <b>\$ 1,103,452.65</b> | <b>\$ 64,460.03</b> |

Over last year  
Over Budget

**AUTHORITY      REVENUE      REPORT      May 2018**

Source      2016/2017

**2017/2018**

**Franchise Fee**      Actual Annual

Budget/Month      Budget/Year  
 \$ 23,015.25      \$ 276,183.00

| 2016/2017    |                      | Comparison          | 2017/2018            |                     |
|--------------|----------------------|---------------------|----------------------|---------------------|
| Actual/Month |                      | FY 16/17            | Actual/Month         | Over/(Under) Budget |
| July         | \$ 24,594.00         | \$ (821.00)         | \$ 23,773.00         | \$ 757.75           |
| August       | \$ 22,628.00         | \$ 3,609.00         | \$ 26,237.00         | \$ 3,221.75         |
| September    | \$ 24,003.00         | \$ (1,142.00)       | \$ 22,861.00         | \$ (154.25)         |
| October      | \$ 22,699.00         | \$ 1,683.00         | \$ 24,382.00         | \$ 1,366.75         |
| November     | \$ 21,921.00         | \$ 2,198.00         | \$ 24,119.00         | \$ 1,103.75         |
| December     | \$ 22,566.00         | \$ 2,029.00         | \$ 24,595.00         | \$ 1,579.75         |
| January      | \$ 20,591.00         | \$ 2,458.00         | \$ 23,049.00         | \$ 33.75            |
| February     | \$ 22,030.00         | \$ 2,738.00         | \$ 24,768.00         | \$ 1,752.75         |
| March        | \$ 21,197.00         | \$ 2,062.00         | \$ 23,259.00         | \$ 243.75           |
| April        | \$ 22,923.00         | \$ 758.00           | \$ 23,681.00         | \$ 665.75           |
| May          | \$ 23,040.00         | \$ 3,426.00         | \$ 26,466.00         | \$ 3,450.75         |
| June         | \$ 23,586.00         | \$ -                |                      | \$ -                |
| <b>Total</b> | <b>\$ 271,778.00</b> | <b>\$ 18,998.00</b> | <b>\$ 267,190.00</b> | <b>\$ 14,022.25</b> |

Over/(Under) last year

Over/(Under) Budget



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531

Phone (707) 465-1100 Fax (707) 465-1300

www.recycledelnorte.ca.gov

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

## Staff Report

**Date:** 07 June 2018  
**To:** Commissioners of the Del Norte Solid Waste Management Authority  
**From:** Tedd Ward, M.S. – Director *Tedd*  
Del Norte Solid Waste Management Authority  
**Attachment:** Letter of 22 May 2018 from Recology Del Norte and preceding e-mail from Director Ward  
**File Number:** 180510  
**Topic:** Process for negotiating modifications and extension of the Collections Franchise Agreement with Recology Del Norte

**Recommendation:** That the Board of the Del Norte Solid Waste Management Authority take the following actions:

1. Affirm that the Board's intent is to negotiate a modification and extension of the Collections Franchise Agreement with Recology Del Norte.
2. Affirm the appointees to the Collections Ad Hoc Committee, with Commissioners' understanding that progress in negotiations will not be delayed to the extent that this Committee does not meet
3. Affirm that the Board intends that the Collections Ad Hoc Committee will have regular detailed discussions and negotiations with Recology Del Norte, and
4. Affirm that the Board will consider interim recommendations from the Collections Ad Hoc Committee for direction or action by the Authority Board.

**Background:** At the May Authority meeting, the Board directed staff to formally invite Recology Del Norte into negotiations to possibly modify and extend the current Collections Franchise Agreement. If this current agreement is not extended, it would expire

in a little more than five years, on 30 June 2023.

At the May meeting, the Chair appointed Commissioners Greenough and Howard to serve on an Ad hoc Committee to engage in these negotiations. Commissioner Howard, who did not attend the May meeting, reported in an e-mail that his schedule did not have space enough to allow him to participate with this Committee. Commissioner Greenough did not respond to communications from staff.

Chair Inscore and Commissioner Naffah met with staff on May 2 to discuss the potential options and issues associated with this negotiation.

**Analysis:** Extension of the collections franchise will require some way to have detailed technical discussions of options with Recology Del Norte - including representatives focused on the interests of customers, residents and businesses - and craft recommendations for the full Authority Board to act upon. In the past, the Del Norte Solid Waste Task Force provided a forum for these detailed discussions. Since the closure of Julindra Recycling, the Board has appointed Ad Hoc Committees to address developing issues related to recycling, processing and collections as a means for these detailed discussions.

As the Board considers how to most effectively complete these negotiations, Commissioners should recognize and affirm the process and level of engagement necessary, or direct staff to develop another approach. If appointed Commissioners cannot make the time to attend Ad Hoc Committee meetings, then staff could work with another committee structure to represent community interests with respect to the Collections Franchise.

Once the committee review structure is affirmed, staff will propose a series of meetings. To the extent possible, similar or related topics will be grouped together in a sequence so interim decisions can guide discussions that follow. Potential groupings of topics include:

1. **Franchise Fundamentals:** Franchise Areas, Term of Extension, What services are exclusive to the franchise, Potential inclusion of additional new services such as street sweeping or mobile shredding, Cart size options
2. **Recycling and Processing:** Define recyclable materials, in-county processing, streetside recycling, community bins, commercial recycling, and contract provisions accommodating changing recycling markets
3. **Other Services:** Organics collections, Pre-paid bags, Special collections, Authority-directed services
4. **Outreach and Enforcement:** Outreach, schools, monitoring, reporting and enforcement
5. **Rate Structures:** Minimum subscription fees, franchise fees, service fees

Any changes to the Franchise Collections Agreement will be made through Change

Orders or other contractual arrangements that will be approved by a vote of the Authority Board. In other words, no recommendation of the Ad Hoc Committee would be final until approved by the Authority Board.

**Alternatives:** Staff need Board guidance regarding the structure of these negotiations. Alternatives to the methods discussed in the staff recommendations include:

1. **Change the Review Committee.** The Board could direct staff to work with the Solid Waste Task Force, but this would delay negotiations by several months for the process of appointing volunteers to this body. The Chair could also change the Commissioners serving on the Collections Ad Hoc Committee.
2. **Gather additional information about current services.** The Collections Franchise enables the Authority Board to call for a Service Audit of Recology Del Norte, which was last performed prior to the development of the request for proposals that led to the current collections franchise. If there are no significant issues found in such an audit, this would be an Authority expense. Unless Commissioners are aware of any specific area of concern regarding Recology Del Norte's services, staff do not see a need for a performance audit at this time.
3. **Change the structure of discussions.** The Board could also direct staff to pursue a different structure for these negotiations. Considering the significance and magnitude of anticipated changes, staff recommend that any negotiating structure include regular updates and discussion or direction by the full Authority Board as negotiations continue.

**Fiscal Impact:** Recology Del Norte's most recent fiscal report indicates that gross revenue of the current collections franchise is approximately \$4.7 million annually, and the collections franchise receives approximately 55% of the total annual solid waste expenditures in Del Norte.

**Related Issues:** The Authority's compliance with many requirements overseen by CalRecycle, the California Department of Resources, Recycling and Recovery, are achieved through provisions of the Collections Franchise Agreement. Compliance programs include all recycling programs and organics collections. Modification or elimination of such compliance programs may result in actions from CalRecycle, potentially including fines or other enforcement actions.

Jeremy:

As we have discussed, the Del Norte Solid Waste Management Authority's Ad Hoc Franchise Collections Committee, comprised of Commissioners Inscore and Naffah, met on 02 May 2018.

As discussed at the Authority meeting on April 17, the Authority recognizes the continuing challenges of reducing the amount of trash in Recology Del Norte's recycling programs, and understands that substantial changes to our collections programs will be necessary to reduce the proportion of trash in these programs to 10% or less. The Authority Board also understands that even if Del Norte's recyclables be delivered to the Recology Humboldt processing facility with just 10% contamination, significant additional processing is required to remove contaminants prior to baling and marketing most of these materials.

Reducing the amount of trash in our programs will require a combination of significant changes to:

- How recyclables are collected – especially at unstaffed sites
- Rate structures and specifications of collections services
- Containers and/or collections equipment
- Possible exploration of in-County processing to the extent practical

In addition, it is worth considering additional requirements that are likely to come from CalRecycle in coming years, and how the collections franchise can help our agency meet those requirements.

There may be significant expense associated with these changes. The current collections franchise agreement with Recology Del Norte ends in a little more than 5 years, on 30 June 2023. It is not unusual to extend collections agreements when significant changes are enacted, as this helps the contractor plan for and amortize new expenses.

So one of the first and most important decisions of this Committee will be to decide whether to enter into negotiations with Recology Del Norte to see if we can agree on how the current agreement might be extended and modified to address these challenges, or whether to initiate a process to review the Authority's current collection and processing service standards in preparation for releasing a new Request for Proposals for collection services.

This is a formal request for a response from Recology indicating responses to the following questions:

1. Is Recology Del Norte interested in extending the current agreement with the Del Norte Solid Waste Management Authority, understanding that such an extension could include changes to the collections programs and possibly rate structures?
2. Are there any provisions of the current agreement that Recology feels absolutely must be changed if this agreement is to be extended?

If Recology Del Norte is interested in such negotiations, Authority staff anticipate the Ad Hoc Committee would have a sequence of meetings with Recology representatives, identifying a sequence of specific topic areas for consideration, with recommendations of the Committee on each topic area to be considered by the full Authority Board at our monthly public meetings. Thus we hope that extension negotiations could proceed in a methodical, practical way that is relatively transparent to the public. Please provide a simple response to these questions when you can, but no later than June 1.

Sincerely,

Tedd Ward, Director



5/22/2018

Tedd Ward, Director  
Del Norte Solid Waste Management Authority  
1700 State Street  
Crescent City, CA, 95531

Dear Mr. Ward:

Thank you for the opportunity to discuss the challenges we are facing not only in our current collections contract, but also recognizing the difficulties ahead with recycling.

Recology Del Norte is interested in extending our collection contract with the Del Norte Solid Waste Management Authority and understands that changes to the collection contract and rate structures may be affected.

Recology does not believe there are any restrictions that would limit the ability for us to move forward with conversations relating to changes in the current agreement. We are working to provide a variety of options for the Authority Board to review and consider. We appreciate the opportunity to provide continued service to the Del Norte Community and look forward to meeting with the Ad Hoc Committee in the near future.

Regards,

A handwritten signature in blue ink, appearing to read 'Jeremy Herber', is written over a light blue horizontal line.

Jeremy Herber  
General Manager  
Recology Del Norte

RECEIVED  
MAY 22 2018

DNSWMA



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531

Phone (707) 465-1100 Fax (707) 465-1300

www.recycledelnorte.ca.gov

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

## Staff Report

**Date:** 07 June 2018  
**To:** Commissioners of the Del Norte Solid Waste Management Authority  
**From:** Tedd Ward, M.S. – Director *Tedd*  
Del Norte Solid Waste Management Authority  
**File Number:** 022102 – Authority Budget  
**Topic:** Final Approval and Adoption of the Del Norte Solid Waste Management Authority Budget for Fiscal Year 18/19

**Recommendation:** That the Board of the Del Norte Solid Waste Management Authority hold a public hearing regarding the attached budget. After receiving and considering public comments, staff recommend adopting the attached budget proposed for Fiscal Year 2018/2019.

**Background:** The budget for the Del Norte Solid Waste Management Authority is to be approved ahead of and separately from the County budget. The Authority budget is approved before June 30, whereas the final County budget is usually not approved until September or October.

In preparation for final adoption by the Authority Board, the proposed budget has been presented to the Crescent City Council and the Del Norte County Board of Supervisors for comment. Neither the Crescent City Council nor the Board of Supervisors had comments on the draft budget. The public hearing for the budget was noticed in the Del Norte Triplicate last week.

**Analysis:** The proposed balanced budget for Fiscal Year 2018/2019 is attached.

This staff report provides an overview of the assumptions and projections to be used in the preparation of the Authority budget for Fiscal Year 2018/2019.



## Projected Expenses

Each year since the opening of the Del Norte County Transfer Station in 2005, the Authority's largest single expense has been payment to Hambro/WSG for their transfer station operation services, and this amount comprises over 58% of the expenses anticipated for the coming fiscal year.

This proposed budget includes Salaries and Benefits determined based on the salary schedules in the adopted MOU between the Authority and SEIU Local 1021 representing employees of the Del Norte Solid Waste Management Authority, and using spreadsheets from the County Auditor's office. This includes additional payments for Unfunded PERS liabilities in the amount of 10.987% of each employee's pay, and a health insurance cost of \$12,200 per employee as recommended by the County Auditor. Though staff anticipate that the amount of unfunded PERS liability will be reduced following the actuarial report by Bickmore, that information is not yet available.

County Auditor Clinton Schaad recommended that remaining budgets from multi-year grants be rolled over at the end of the fiscal year, and so budget lines from such grants are shaded in the budget. FY 18/19 grant amounts are blacked out in the column for FY 17/18.

Several of these amounts are projected by the Del Norte County Auditor's office, including depreciation and the "Interfund Cost Plan", which is the charge for our share of County services. The amount for the Interfund Cost Plan decreased by over \$2,162 compared to last year, but is still over \$10,000 above the amount for FY 16/17.

Significant budget changes are associated with landfill obligations. Following a multiple year effort by Authority staff, the amount budgeted for State Fees has been reduced as the Waste Discharge Fees for the Crescent City Landfill have been reduced, saving the Authority over \$26,000 annually.

For the past six years, the Authority's annual audits have included findings and recommendations to adjust rates to increase the pace at which the Authority reduces the outstanding liability associated with the landfill, most recently assessed as (\$2,046,994). This budget at least partially addresses those recommendations. This budget also anticipates expenses associated with grading, erosion control and repair of drainage structures associated with the storms this coming winter.

This budget has a placeholder for the as-yet uncalculated amount of the Annual Required Contribution to address liabilities associated with Other Post Employment Benefits (OPEB). This placeholder amount is the same as the Annual Required Contribution paid in FY 17/18, as calculated in "The Del Norte Solid Waste Management Authority Actuarial Valuation of Other Post-employment Benefits Programs as of July 1,

2015.”

Several upcoming projects are projected to increase professional services expenses. We have hired a computer and information technology contractor who is providing essential ongoing support. This coming fiscal year, there are also likely to be professional services contracted to assist with the siting, permitting, and development of a small-volume transfer station to serve the northern portion of the County. In part due to the uncertainty regarding expenses for these future projects, the Contingency budget line has also been increased.

Though no site has yet been identified for a northern transfer station, the proposed budget includes a \$212,000 placeholder for expenses associated with identifying and analyzing potential properties and other actions leading to property acquisition or construction of a northern transfer station. Costs for purchasing property and constructing a northern transfer station are very dependent on which site is ultimately selected. Thus, only preliminary costs associated with development of the northern transfer station have been included in this proposed budget.

## **Revenue Projections**

The two main sources of revenue for Authority operations are the Franchise Fees (90153) and Authority Service Fees (91004), about 1/3 of the transfer station tipping fees. The Consumer Price Index (CPI-U) for March 2018 was just released, and staff project that disposal rates will increase by approximately 2%.

Proposed Franchise Fees are based on revenues received this year. As indicated in the Authority Earned Revenue comparisons (agenda item 2.5), franchise fee revenues for FY 17/18 are about 5.6% above the budgeted amount for FY 16/17.

Authority Service Fees are nearly 7.7% ahead of the FY 16/17 budget currently, so the amount budgeted for budget lines 20239, 91003, and 91004 are all based on the projected revenue for this fiscal year, times the 2% increase associated with rate changes.

The largest revenue line is TS Gate Fees (91003), about 2/3 of the transfer station tipping fees. This is the main source of revenue to pay Hambro/WSG. We intend to budget the amount to pay Hambro/WSG from the Transfer Station Operations line (20239), paid from line (91003). Approximately \$40,000 of this amount will be paid from Authority Service Fees (91004), which are collected at the Gasquet and Klamath Transfer Stations.

DNSWMA PROPOSED BUDGET for Fiscal Year 2018 / 2019

12-Apr-18

| Line                           | Project | Description                          | FY 17/18<br>Adopted  | FY 17/18<br>Revised as of 4/10/18 | FY 18/19<br>Draft    |
|--------------------------------|---------|--------------------------------------|----------------------|-----------------------------------|----------------------|
| <b>Salaries and Benefits</b>   |         |                                      |                      |                                   |                      |
| 10010                          |         | Payroll                              | \$ 353,741.00        | \$ 353,741.00                     | \$ 339,373.00        |
| 10010                          | 70      | Payroll                              | \$ 6,600.00          | \$ 6,600.00                       | \$ 6,600.00          |
| 10012                          |         | Overtime                             | \$ 815.00            | \$ 815.00                         | \$ 900.00            |
| 10015                          |         | Part-time/Temp                       | \$ 29,000.00         | \$ 32,000.00                      | \$ 32,000.00         |
| 10020                          |         | Retirement                           | \$ 87,455.00         | \$ 65,455.00                      | \$ 96,535.00         |
| 10022                          |         | Retirement - CalPERS Unfunded Liabil | \$ -                 | \$ 26,000.00                      | \$ 37,287.00         |
| 10030                          |         | Employee Benefits                    | \$ 104,337.00        | \$ 104,337.00                     | \$ 100,994.00        |
| 10032                          |         | Supp Health Insurance                |                      |                                   |                      |
| 10033                          |         | Employee Life Insurance              | \$ 369.90            | \$ 369.90                         | \$ 206.00            |
| 10035                          |         | Management Life Insurance            | \$ 510.00            | \$ 510.00                         | \$ 419.00            |
| 10040                          |         | Worker's Compensation                | \$ 37,352.00         | \$ 37,352.00                      | \$ 37,352.00         |
|                                |         | <b>Salaries and Benefits</b>         | <b>\$ 620,179.90</b> | <b>\$ 589,827.90</b>              | <b>\$ 651,666.00</b> |
| <b>Services &amp; Supplies</b> |         |                                      |                      |                                   |                      |
| 20110                          |         | Clothing                             | \$ 750.00            | \$ 750.00                         | \$ 750.00            |
| 20121                          |         | Communications                       | \$ 3,200.00          | \$ 3,200.00                       | \$ 3,400.00          |
| 20140                          |         | Household Expense                    | \$ 5,709.00          | \$ 5,709.00                       | \$ 5,800.00          |
| 20150                          |         | Insurance-Office                     | \$ 3,600.00          | \$ 3,600.00                       | \$ 10,450.00         |
| 20151                          |         | Liability Insurance                  |                      |                                   |                      |
| 20152                          |         | Vehicle Insurance                    | \$ 3,200.00          | \$ 3,200.00                       | \$ 3,200.00          |
| 20155                          |         | Liability Insurance                  | \$ 2,500.00          | \$ 2,500.00                       | \$ 2,500.00          |
| 20170                          |         | Maintenance-Equipment                | \$ 500.00            | \$ 500.00                         | \$ 500.00            |
| 20171                          |         | Maintenance-Vehicles                 | \$ 2,000.00          | \$ 2,000.00                       | \$ 3,000.00          |
| 20175                          |         | Maintenance-Computers                | \$ 3,400.00          | \$ 3,400.00                       | \$ 3,400.00          |
| 20180                          |         | Maint-Structures/Improvements & TS   | \$ 2,000.00          | \$ 168,531.00                     | \$ 2,000.00          |
| 20200                          |         | Memberships                          | \$ 7,800.00          | \$ 7,800.00                       | \$ 8,500.00          |
| 20221                          |         | Printing                             | \$ 500.00            | \$ 700.00                         | \$ 700.00            |
| 20221                          | 72      | Printing - DOC Grant 18/19           |                      |                                   | \$ 3,000.00          |
| 20221                          | 71      | Printing - Oil Grant 18/19           |                      |                                   | \$ 500.00            |
| 20221                          | 69      | Printing - DOC Grant 17/18           | \$ 3,000.00          |                                   |                      |
| 20221                          | 64      | Printing - Oil Grant 17/18           | \$ 500.00            |                                   |                      |
| 20221                          | 66      | Printing - DOC Grant 16/17           | \$ 3,000.00          |                                   |                      |
| 20221                          | 63      | Printing - Oil Grant 16/17           | \$ 500.00            |                                   |                      |
| 20223                          |         | Postage                              | \$ 1,000.00          | \$ 1,000.00                       | \$ 1,000.00          |
| 20224                          |         | Office Supplies                      | \$ 6,800.00          | \$ 6,800.00                       | \$ 6,800.00          |
| 20227                          |         | Books/Subscriptions                  | \$ 175.00            | \$ 175.00                         | \$ 256.00            |
| 20230                          |         | Prof Serv-Co/City                    | \$ 10,000.00         | \$ 10,000.00                      | \$ 10,000.00         |
| 20230                          | 70      | Prof Serv-Model Contract             |                      |                                   |                      |
| 20231                          |         | Prof Serv                            | \$ 70,749.81         | \$ 70,749.81                      | \$ 40,000.00         |
| 20231                          | 70      | Prof Services - USFS Grant           | \$ 8,400.00          |                                   | \$ 8,400.00          |
| 20232                          |         | Prof Serv-Well Monitoring            | \$ 20,000.00         | \$ 20,000.00                      | \$ 21,000.00         |
| 20232                          | 2       | Data Processing - Software           | \$ 1,500.00          | \$ 4,000.00                       | \$ 4,000.00          |
| 20233                          |         | Audit                                | \$ 10,000.00         | \$ 10,000.00                      | \$ 11,000.00         |
| 20234                          |         | Legal Counsel                        | \$ 10,000.00         | \$ 10,000.00                      | \$ 15,000.00         |
| 20235                          |         | Treasurer                            | \$ 8,000.00          | \$ 8,000.00                       | \$ 8,000.00          |
| 20236                          |         | Security                             | \$ 2,000.00          | \$ 14,000.00                      | \$ 1,500.00          |
| 20237                          |         | Credit Card Service Fees             | \$ 15,500.00         | \$ 17,900.00                      | \$ 20,000.00         |
| 20238                          |         | TS Collection                        | \$ 25,000.00         | \$ 25,000.00                      | \$ 28,000.00         |
| 20239                          |         | Transfer Station Operations          | \$ 1,952,536.00      | \$ 1,952,536.00                   | \$ 2,138,482.00      |
| 20239                          | 1       | Post Closure Maintenance             | \$ 10,000.00         | \$ 161,813.00                     | \$ 10,000.00         |
| 20240                          |         | Advertising/Publications             | \$ 3,000.00          | \$ 3,000.00                       | \$ 10,000.00         |
| 20240                          | 72      | Advertising - DOC Grant 18/19        |                      |                                   | \$ 3,000.00          |
| 20240                          | 71      | Advertising - Oil Grant 18/19        |                      |                                   | \$ 2,000.00          |

DNSWMA PROPOSED BUDGET for Fiscal Year 2018 / 2019

12-Apr-18

| Line                                | Project | Description                          | FY 17/18               | FY 17/18               | FY 18/19               |
|-------------------------------------|---------|--------------------------------------|------------------------|------------------------|------------------------|
|                                     |         |                                      | Adopted                | Revised as of 4/10/18  | Draft                  |
| 20240                               | 64      | Advertising Oil Grant - 17/18        | \$ 2,000.00            |                        |                        |
| 20240                               | 69      | Advertising- DOC Grant 17/18         | \$ 3,000.00            |                        |                        |
| 20240                               | 66      | Advertising - DOC Grant 16/17        | \$ 1,116.00            |                        |                        |
| 20240                               | 63      | Advertising - Oil Grant 16/17        | \$ 3,000.00            |                        |                        |
| 20250                               |         | Lease of Equipment                   | \$ 2,500.00            | \$ 2,500.00            | \$ 2,500.00            |
| 20250                               | 70      | Lease of Equip- USFS Grant           | \$ 2,500.00            |                        | \$ 2,500.00            |
| 20251                               |         | Lease - Gasquet Transfer Station     | \$ 680.00              | \$ 681.00              | \$ 700.00              |
| 20260                               |         | Rent-Office                          |                        | \$ -                   |                        |
| 20269                               |         | Lease Payment - Card Machine         |                        | \$ -                   |                        |
| 20270                               |         | Minor Equipment (>\$1K)              | \$ 3,000.00            | \$ 3,600.00            | \$ 3,000.00            |
| 20275                               |         | Small Tools (<\$1K)                  | \$ 750.00              | \$ 1,850.00            | \$ 1,000.00            |
| 20270                               | 70      | Small Tools - USFS Grant             | \$ 2,395.00            |                        | \$ 2,395.00            |
| 20280                               |         | Delivery Service                     | \$ 400.00              | \$ 400.00              | \$ 400.00              |
| 20281                               |         | Household Hazardous Waste Event      | \$ 32,000.00           | \$ 32,000.00           | \$ 33,000.00           |
| 20283                               |         | Community Clean-up                   | \$ 7,000.00            | \$ 7,000.00            | \$ 7,500.00            |
| 20283                               | 70      | Community Clean-up - USFS Grant      | \$ 8,000.00            |                        | \$ 8,000.00            |
| 20285                               |         | Special Dept Expense                 | \$ 1,500.00            | \$ 5,800.00            | \$ 5,800.00            |
| 20285                               | 72      | Spec Dept Exp - DOC Grant 18/19      |                        |                        | \$ 4,500.00            |
| 20285                               | 71      | Spec Dept Exp - Oil Grant 18/19      |                        |                        | \$ 6,500.00            |
| 20285                               | 64      | Spec Dept Exp-Oil Grant - 17/18      | \$ 6,500.00            |                        |                        |
| 20285                               | 69      | Spec Dept Exp - DOC Grant 17/18      | \$ 4,500.00            |                        |                        |
| 20285                               | 66      | Spec Dept Exp - DOC Grant 16/17      | \$ 4,500.00            |                        |                        |
| 20285                               | 63      | Spec Dept Exp - Oil Grant 16/17      | \$ 6,500.00            |                        |                        |
| 20286                               |         | Cash Over/Under                      | \$ 175.00              | \$ 175.00              | \$ 250.00              |
| 20287                               |         | DNDI Other Pickups                   |                        | \$ -                   |                        |
| 20287                               | 70      | DNDI Pickups - USFS Grant            | \$ 4,000.00            |                        | \$ 4,000.00            |
| 20288                               |         | City Collections                     | \$ 17,000.00           | \$ 17,000.00           | \$ 17,000.00           |
| 20290                               |         | Travel                               | \$ 3,000.00            | \$ 8,500.00            | \$ 8,500.00            |
| 20290                               | 70      | Travel - USFS Grant                  | \$ 400.00              |                        | \$ 400.00              |
| 20290                               | 72      | Travel - DOC Grant 18/19             |                        |                        | \$ 4,500.00            |
| 20290                               | 71      | Travel - Oil Grant 18/19             |                        |                        | \$ 2,500.00            |
| 20290                               | 64      | Travel-Oil Grant - 17/18             | \$ 2,500.00            |                        |                        |
| 20290                               | 69      | Travel - DOC Grant 17/18             | \$ 4,500.00            |                        |                        |
| 20290                               | 66      | Travel - DOC Grant 16/17             | \$ 4,500.00            |                        |                        |
| 20290                               | 63      | Travel - Oil Grant 16/17             | \$ 2,500.00            |                        |                        |
| 20291                               |         | Commissioner Expense                 |                        |                        |                        |
| 20297                               |         | Vehicle Fuel                         | \$ 1,200.00            | 1200                   | \$ 1,200.00            |
| 20300                               |         | Utilities                            |                        |                        |                        |
| 20301                               |         | State Fees                           | \$ 31,000.00           | \$ 31,000.00           | \$ 31,000.00           |
|                                     |         | <b>Services &amp; Supplies</b>       | <b>\$ 2,359,435.81</b> | <b>\$ 2,628,569.81</b> | <b>\$ 2,533,283.00</b> |
| <b>Other Charges</b>                |         |                                      |                        |                        |                        |
| 30420                               |         | Interest Payments                    |                        |                        |                        |
| 30440                               |         | Transfer Station Loan Pymts-Interest |                        |                        |                        |
| 30490                               |         | Depreciation Expense                 | \$ 91,715.00           | \$ 91,715.00           | \$ 90,056.00           |
| 30500                               |         | Department Allotment                 |                        |                        |                        |
|                                     |         | <b>Other Charges</b>                 | <b>\$ 91,715.00</b>    | <b>\$ 91,715.00</b>    | <b>\$ 90,056.00</b>    |
| <b>Fixed Assets</b>                 |         |                                      |                        |                        |                        |
| 40610                               |         | Property                             |                        |                        | \$ 212,000.00          |
| 40620                               |         | Equipment                            |                        |                        |                        |
|                                     |         | <b>Fixed Assets</b>                  | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 212,000.00</b>   |
| <b>Intra / Inter Fund Transfers</b> |         |                                      |                        |                        |                        |
| 70530                               | 25      | Interfund-Repayment to County        | \$ 201,515.00          | \$ 201,515.00          | \$ 201,112.00          |
| 70530                               | 199     | Interfund-Cost Plan                  | \$ 76,906.00           | \$ 76,906.00           | \$ 74,744.00           |

**DNSWMA PROPOSED BUDGET for Fiscal Year 2018 / 2019**

12-Apr-18

| Line                                 | Project | Description                          | FY 17/18                 | FY 17/18                 | FY 18/19                 |
|--------------------------------------|---------|--------------------------------------|--------------------------|--------------------------|--------------------------|
|                                      |         |                                      | Adopted                  | Revised as of 4/10/18    | Draft                    |
| 70800                                |         | ARC Payment OPEB                     | \$ 163,456.00            | \$ 163,456.00            | \$ 163,456.00            |
| 70910                                |         | Op. Transfer Out                     |                          |                          |                          |
| 70910                                | 123     | Op Trans Out Bad Check Fee           |                          |                          |                          |
|                                      |         | <b>Intra / Inter Fund Transfers</b>  | <b>\$ 441,877.00</b>     | <b>\$ 441,877.00</b>     | <b>\$ 439,312.00</b>     |
| <b>Other Charges</b>                 |         |                                      |                          |                          |                          |
| 81000                                |         | Contingency                          | \$ 10,000.00             | \$ 10,000.00             | \$ 10,000.00             |
|                                      |         | <b>Other Charges</b>                 | <b>\$ 10,000.00</b>      |                          |                          |
| <b>TOTAL EXPENDITURES</b>            |         |                                      | <b>\$ 3,523,207.71</b>   | <b>\$ 3,751,989.71</b>   | <b>\$ 3,926,317.00</b>   |
| <b>Revenues</b>                      |         |                                      |                          |                          |                          |
| 90153                                |         | Franchise Fees                       | \$ (276,183.00)          | \$ (276,183.00)          | \$ (290,922.00)          |
| 90210                                |         | Code Enforcement                     |                          |                          |                          |
| 90300                                |         | Interest - Solid Waste               | \$ (3,500.00)            | \$ (5,500.00)            | \$ (5,000.00)            |
| 90301                                |         | Late Payment Fee                     |                          |                          |                          |
| 90650                                |         | DOC Grant 15/16                      | \$ -                     |                          |                          |
| 90650                                | 72      | DOC Grant 18/19                      |                          |                          | \$ (15,000.00)           |
| 90650                                | 71      | Oil Grant 18/19                      |                          |                          | \$ (15,000.00)           |
| 90650                                | 69      | DOC Grant 17/18                      | \$ (15,000.00)           | \$ (15,000.00)           |                          |
| 90650                                | 64      | Oil Grant 17/18                      | \$ (15,000.00)           | \$ (15,000.00)           |                          |
| 90650                                | 66      | DOC Grant 16/17                      | \$ -                     |                          |                          |
| 90650                                | 63      | Oil Grant 16/17                      | \$ -                     |                          |                          |
| 90650                                | 70      | USFS Cleanup Grant                   | \$ (31,639.00)           |                          | \$ (31,639.00)           |
| 90830                                |         | Closure/Post Closure Fee             | \$ -                     |                          |                          |
| 91001                                |         | Tipping Fees                         | \$ -                     |                          |                          |
| 91002                                |         | Resource Recovery Infrastructure Fee | \$ -                     |                          |                          |
| 91003                                |         | Gate Tipping Fees                    | \$ (2,071,439.21)        | \$ (2,071,439.21)        | \$ (2,323,343.00)        |
| 91003                                | 99      | Gate Tipping Fees - Prior Yr         | \$ -                     |                          |                          |
| 91004                                |         | Authority Service Fees               | \$ (1,109,846.50)        | \$ (1,133,447.50)        | \$ (1,244,813.00)        |
| 91004                                | 99      | DNSWMA Tipping Fees - Prior Yr       | \$ -                     |                          |                          |
| 91070                                |         | Operating Transfer In (from 608)     | \$ -                     |                          |                          |
| 91070                                | 25      | Op Tran in from County (Loan)        | \$ -                     |                          |                          |
| 91075                                | 25      | Op Transfer in from County           | \$ -                     |                          |                          |
| 91121                                |         | Misc Reimbursements                  | \$ (500.00)              | \$ (500.00)              | \$ (500.00)              |
| 91121                                | 123     | Bad Check Fee Reimb                  | \$ (100.00)              | \$ (100.00)              | \$ (100.00)              |
| 91122                                |         | Insurance Recovery                   |                          |                          |                          |
| 91124                                |         | Misc Revenue                         |                          |                          |                          |
| 91130                                |         | Construction Loan                    |                          |                          |                          |
| <b>TOTAL REVENUES</b>                |         |                                      | <b>\$ (3,523,207.71)</b> | <b>\$ (3,517,169.71)</b> | <b>\$ (3,926,317.00)</b> |
| Net Cost (Prior Year Grant Expenses) |         |                                      | \$ (0.00)                |                          | \$ -                     |



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531  
Phone (707) 465-1100 Fax (707) 465-1300  
[www.recycledelnorte.ca.gov](http://www.recycledelnorte.ca.gov)

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

## Staff Report

**Date:** 10 April 2018  
**To:** Commissioners of the Del Norte Solid Waste Management Authority  
**From:** Tedd Ward, M.S. –Director  
Del Norte Solid Waste Management Authority  
**Attachments:** Bill Text: AB 444, AB 1335, AB 1884 & AB 2766  
SB 169, SB 212 & SB 452  
**File Numbers:** 120502 - Legislation  
**Topic:** Advocacy Positions on Legislation

**Summary / Recommendation:** That the Authority Board adopt the recommended (or revised) advocacy positions on each of the bills described in this report, and authorize staff to prepare and send letters supporting adopted advocacy positions. As legislation is regularly modified through the committee review process, potential advocacy positions include: **Support, Support if Amended, Watch, Oppose Unless Amended, and Oppose.** In the following table, adopted positions are indicated in **bold**. The Board does not need to vote on a 'Watch' position, unless the Board wishes to communicate a specific message for advocacy.

**Background:** This year, the Authority Board has already adopted positions of Support for AB 168 (Weikowski) and Oppose for AB 2921 (Low). Revised text and status of all bills before the California legislature, however, may be found through this website: <http://leginfo.legislature.ca.gov/>.

**Analysis:** Considering the information available through Californians Against Waste and the California Product Stewardship Council (including some of the following bill descriptions), the following table summarizes additional bills during this legislative session that could impact programs or responsibilities of the Del Norte Solid Waste Management Authority:

| <b>Legislation - Topic</b>   | <b>Summary</b>   | <b>Status / Next Step</b>              | <b>Recommended Advocacy Position</b> |
|--|--|--|--------------------------------------|
| AB 444 (Ting, Gray) –<br>Home Generated Sharps and Med Waste                                     | This bill would authorize the California Environmental Protection Agency to develop a statewide program for the collection, transportation, and disposal of home-generated medical waste, as defined.  | Senate Environmental Quality Committee | Support                              |
| AB 1288 (Eggman)<br><br>Tip Fee Reform   | AB 1288 seeks to address the need for more organics recycling infrastructure in order to meet the 75% organic waste diversion mandate set by the Short Lived Climate Pollutant law, SB 1383. As cities begin to comply with these organic waste diversion rates, they will have to face tough decisions when deciding how to fund new recycling programs. Raising the funds at a statewide level will allow for the funding of needed infrastructure without tough decisions at the local level. If the state is going to meet its organic waste diversion mandates, significant investments in additional organics recycling facilities are needed. | Inactive                               | Support                              |
| AB 1884 (Calderon) –<br><br>Straws Upon Request  | In an effort to stop plastic pollution and reduce the overwhelming amount of single-use plastic Californian's consume on a daily basis, Assembly Bill 1884 would require sit-down restaurants in California to forgo the automatic distribution of straws in every drink, and instead only provide a straw when it is requested by the customer.   | Senate Rules Committee                 | Support                              |
| AB 1912 (Rodriguez) –<br><br>Joint Powers Agreements, Liability for Public Employee's Retirement | AB 1912 places substantial burdens and new challenging requirements on cities and Counties by applying retroactive as well as prospective joint and several liability for all retirement related obligations to any current or former member of a JPA throughout its existence.  | Senate Rules Committee                 | <b>Oppose -14 May</b>                |



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531

Phone (707) 465-1100 Fax (707) 465-1300

[www.recycledelnorte.ca.gov](http://www.recycledelnorte.ca.gov)

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

| Legislation - Topic                                   | Summary   | Status / Next Step     | Recommended Advocacy Position |
|---|---|------------------------|-------------------------------|
| AB 2379 (Bloom) –<br><br>Plastic Microfiber Pollution | This bill requires that all clothing made from more than 50% or more synthetic fabric to include a label that warns of plastic microfiber shedding which contributes to marine plastic pollution. Microfibers are a subcategory of microplastics consisting of plastic fibers that shed from synthetic fabric during regular washing. Right now, it's estimated that plastic microfibers are, by count, the single largest contributor to watershed plastic pollution in developed countries and account for a significant portion of plastic waste entering the ocean. | Inactive               | Support                       |
| AB 2766 (Berman)-<br><br>Plastic Market Development   | This bill would reinstate California's successful Plastic Market Development (PMD) program for an additional five years. Prior to sunseting on December 31, 2017, the PMD program ensured that between 75-80% of all plastic bottles were collected, processed, and manufactured into new products right here in California – providing quality in-state jobs, conserving natural resources, and keeping product-associated greenhouse gas emissions low.   | Senate Rules Committee | Support                       |

| <b>Legislation - Topic</b>                                | <b>Summary</b>   | <b>Status / Next Step</b>   | <b>Recommended Advocacy Position</b> |
|---|--|---|--------------------------------------|
| <p>AB 2779 (Stone, Calderon) –</p> <p>Connect the Cap</p> | <p>Plastic bottle caps are the third most commonly found item during California beach ups and pose a severe threat to birds and marine wildlife that mistake them for food. Between five and ten billion plastic bottle caps are estimated to enter our landfills or environment every year - just from California. These caps are made of recyclable plastic and are recyclable through existing beverage container recycling infrastructure. This bill would eliminate this source of plastic pollution by requiring all plastic beverage containers sold in California to have a cap that is connected to its bottle.</p> | <p>Inactive</p>   | <p>Support</p>                       |
| <p>AB 2921 (Low)</p>                                      | <p>This bill relates to polystyrene recycling, but fails to create any program likely to actually increase recycling of this material.</p>   | <p>Inactive</p>   | <p><b>Oppose – 19 April</b></p>      |
| <p>SB 168 (Wieckowski)</p>                                | <p>Establishes minimum recycled content requirements for beverage containers.</p>  | <p>Assembly Natural Resources Committee</p>                           | <p><b>Support - 20 Feb</b></p>       |
| <p>SB 212 (Jackson) –</p> <p>Medical Waste</p>            | <p>This bill adds to the Medical Waste Management Act a definition of “home-generated pharmaceutical waste” as a prescription or over-the-counter human or veterinary home-generated pharmaceutical that is waste and is derived from a household, including, but not limited to, a multifamily residence or household.</p>  | <p>Assembly Committee on Environmental Safety and Toxic Materials</p> | <p>Support</p>                       |
| <p>SB 452 (Glazer) –</p> <p>Bottle Bill Fix</p>           | <p>Amid California's beverage container recycling center closure crisis, the beverage container recycling rate has slipped below 80% for the first time in a decade, resulting in 1.7 million beverage containers being littered or landfilled every day. This bill would refocus State resources in order to restore recycling incentives for recyclers to 2015 levels and bring recycling opportunities back to unserved communities. CAW is supporting this bill</p>  | <p>Assembly Natural Resources Committee</p>                           | <p>Support</p>                       |



# Del Norte Solid Waste Management Authority

1700 State Street, Crescent City, CA 95531

Phone (707) 465-1100 Fax (707) 465-1300

[www.recycledelnorte.ca.gov](http://www.recycledelnorte.ca.gov)

The Authority's mission is the management of Del Norte County solid waste and recyclable material in an environmentally sound, cost effective, efficient and safe manner while ensuring 100% regulatory compliance with law.

| Legislation - Topic                                 | Summary  | Status / Next Step         | Recommended Advocacy Position |
|---|--|----------------------------|-------------------------------|
| SB 1335 (Allen) –<br><br>Sustainable Food Packaging | This bill would help California meet its waste diversion goals by ensuring that all disposable food packaging provided at food service facilities serving to, or located in, a state agency or facility, or from a concessionaire on state property, is recyclable or compostable. "Packaging" would include all bowls, cups, plates, containers, and trays. | Assembly –<br>Held at Desk | Support                       |

**ASSEMBLY BILL**

**No. 444**

---

**Introduced by Assembly Members Ting and Gray**

February 13, 2017

---

An act to ~~amend Section 117904 of~~ *add Section 117906* to the Health and Safety Code, relating to public health.

LEGISLATIVE COUNSEL'S DIGEST

AB 444, as amended, Ting. Medical waste: home-generated sharps medical waste.

*The Medical Waste Management Act generally regulates the management and disposal of medical waste.*

*This bill would authorize the California Environmental Protection Agency to develop a statewide program for the collection, transportation, and disposal of home-generated medical waste, as defined.*

~~The Medical Waste Management Act, among other things, authorizes a local agency to approve, as part of a medical waste management program, a location as a point of consolidation for the collection of home-generated sharps waste, which, after collection, is transported and treated as medical waste. The act requires sharps containers at a home-generated sharps consolidation point that are ready for disposal to not be held more than 7 days, except as provided.~~

~~This bill would extend the time period that sharps containers at a home-generated sharps consolidation point may be held from 7 to 14 days.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 117906 is added to the Health and Safety  
2 Code, to read:

3     117906. (a) For purposes of this section, the following  
4 definitions apply:

5     (1) "Home-generated medical waste" includes home-generated  
6 pharmaceutical waste and home-generated sharps waste.

7     (2) "Home-generated pharmaceutical waste" means a  
8 prescription or over-the-counter human or veterinary  
9 home-generated pharmaceutical, as defined in Section 109925 or  
10 in the Federal Food, Drug, and Cosmetic Act, as amended (21  
11 U.S.C. Sec. 321(g)(1)), that is a waste, as defined by Section 25124,  
12 derived from a household, including, but not limited to, a  
13 multifamily residence or household.

14     (3) "Home-generated sharps waste" means hypodermic needles,  
15 pen needles, intravenous needles, lancets, and other devices that  
16 are used to penetrate the skin for the delivery of medications, that  
17 are wastes, as defined pursuant to Section 25124, derived from a  
18 household, including, but not limited to, a multifamily residence  
19 or household.

20     (4) "Stakeholder" means a person, including, but not limited  
21 to, a consumer, retailer, distributor, or healthcare provider or  
22 facility, who will be participating in a program developed pursuant  
23 to subdivision (b).

24     (b) (1) The California Environmental Protection Agency, in  
25 consultation with stakeholders, may develop a statewide program  
26 for the collection, transportation, and disposal of home-generated  
27 medical waste that complies with federal and state laws regulating  
28 the collection, transportation, and disposal of medical waste.

29     (2) The program developed pursuant to paragraph (1) shall not  
30 be implemented without appropriation by the Legislature in the  
31 annual Budget Act.

32     ~~SECTION 1. Section 117904 of the Health and Safety Code~~  
33 ~~is amended to read:~~

34     ~~117904. (a) In addition to the consolidation points authorized~~  
35 ~~pursuant to Section 118147, the enforcement agency may approve~~  
36 ~~a location as a point of consolidation for the collection of~~  
37 ~~home-generated sharps waste, which, after collection, shall be~~  
38 ~~transported and treated as medical waste.~~

- 1     ~~(b) A consolidation location approved pursuant to this section~~  
2 ~~shall be known as a "home-generated sharps consolidation point."~~  
3     ~~(c) A home-generated sharps consolidation point is not subject~~  
4 ~~to the requirements of Chapter 9 (commencing with Section~~  
5 ~~118275), to the permit or registration requirements of this part, or~~  
6 ~~to any permit or registration fees, with regard to the activity of~~  
7 ~~consolidating home-generated sharps waste pursuant to this section.~~  
8     ~~(d) A home-generated sharps consolidation point shall comply~~  
9 ~~with all of the following requirements:~~  
10     ~~(1) All sharps waste shall be placed in sharps containers.~~  
11     ~~(2) Sharps containers ready for disposal shall not be held for~~  
12 ~~more than 14 days without the written approval of the enforcement~~  
13 ~~agency.~~  
14     ~~(e) An operator of a home-generated sharps consolidation point~~  
15 ~~approved pursuant to this section shall not be considered the~~  
16 ~~generator of that waste, but shall be listed on the tracking~~  
17 ~~documents in compliance with the United States Postal Service~~  
18 ~~requirements for waste shipped through mail back and on the~~  
19 ~~tracking documents as required by the department.~~  
20     ~~(f) The medical waste treatment facility which treats the sharps~~  
21 ~~waste subject to this section shall maintain the tracking document~~  
22 ~~required by Sections 118040 and 118165 with regard to that sharps~~  
23 ~~waste.~~



# California LEGISLATIVE INFORMATION

Home Bill Information California Law Publications Other Resources My Subscriptions My Favorites

## SB-1335 Solid waste: food service packaging: state agencies, facilities, and property. (2017-2018)

SHARE THIS:  

Date Published: 05/07/2018 09:00 PM

AMENDED IN SENATE MAY 07, 2018

AMENDED IN SENATE APRIL 25, 2018

CALIFORNIA LEGISLATURE— 2017–2018 REGULAR SESSION

### SENATE BILL

No. 1335

**Introduced by Senator Allen  
(Principal coauthor: Senator Hill)  
(Coauthor: Senator Stern)  
(Coauthors: Assembly Members Bloom and Friedman)**

**February 16, 2018**

An act to add Chapter 6 (commencing with Section 42370) to Part 3 of Division 30 of the Public Resources Code, relating to solid waste.

### LEGISLATIVE COUNSEL'S DIGEST

SB 1335, as amended, Allen. Solid waste: ~~disposable~~ food service packaging: state agencies and large state facilities. *agencies, facilities, and property.*

The California Integrated Waste Management Act of 1989, administered by the Department of Resources Recycling and Recovery, generally requires rigid plastic packaging containers, as defined, sold or offered for sale in this state to meet one of specified criteria.

This bill would enact the Sustainable Packaging for the State of California Act of 2018, which would prohibit a food service facility *located in a state agency or large state facility, state-owned facility, acting as a concessionaire on state property, or under contract to provide food service to a state agency,* on and after January 1, 2021, from dispensing prepared food using ~~disposable~~ a type of food service packaging unless the type of ~~disposable~~ food service packaging is accepted for recovery by the recycling or composting program serving the state agency or large state facility and it has been demonstrated to the satisfaction of the department that the type of disposable food service packaging is recovered for recycling or composting at a rate of 75% or more. *on a list that the bill would require the department to publish and maintain on its Internet Web Site that contains types of approved food service packaging that are reusable, recyclable, or compostable. The bill would exempt packaging acquired before its inclusion on the list, as specified. The bill would require the department to regularly, but no less than once every 5 years, evaluate the list of approved types of food service packaging and would authorize the department to add or remove types of food service packaging to or from the list based on whether the packaging is, among other factors, recyclable or compostable. The bill would authorize the department to require a manufacturer of a type of food service packaging or material to submit data for purposes of this evaluation, as*

specified.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Chapter 6 (commencing with Section 42370) is added to Part 3 of Division 30 of the Public Resources Code, to read:

**CHAPTER 6. Sustainable Packaging for the State of California Act of 2018**

**42370.** This chapter shall be known, and may be cited, as the Sustainable Packaging for the State of California Act of 2018.

**42370.1.** For purposes of this chapter, the following terms have the following meanings:

(a) "Beverage container" has the same meaning as defined in Section 14505.

(b) ~~"Disposable food"~~ "Food service packaging" means a ~~single-use disposable~~ product used for serving or transporting prepared, ready-to-consume food or beverages, including, but not limited to, plates, cups, bowls, trays, and hinged or lidded containers. ~~"Disposable food"~~ "Food service packaging" does not include beverage containers or single-use disposable items, such as straws, cup lids, and utensils, or single-use disposable packaging for unprepared foods.

(c) "Prepared food" means a food or beverage prepared for consumption on or off a food service facility's premises, using any cooking or food preparation technique. "Prepared food" does not include ~~prepackaged~~ *prepackaged, sealed* food that is ~~made mass produced~~ by a third party off the premises of the ~~state agency or large state food service facility~~.

(d) "Recyclable" means that a type of food service packaging is composed of material that meets all of the following criteria:

(1) The material is eligible to be labeled as "recyclable" in accordance with the uniform standards contained in the Federal Trade Commission Guides for the Use of Environmental Marketing Claims.

(2) The recycling collection of the material is available at a location in at least 60 percent of the cities, counties, and cities and counties in the state.

(3) The director determines that the material, in its final form as part of food service packaging, meets both of the following criteria:

(A) The material is regularly separated for recycling by recycling service providers that serve a substantial majority of communities in the state.

(B) The separated material has readily available recycling markets. The director's determination of whether a separated material has readily available recycling markets shall be based on consultation with local governments and representatives of the solid waste and recycling industry and on consideration of data that may be presented by a manufacturer of a type of food service packaging or material.

**42370.2.** ~~On (a) Except as provided in subdivision (b), on and after January 1, 2021, a food service facilities facility located in state agencies and large state facilities a state-owned facility, acting as a concessionaire on state property, or under contract to provide food service to a state agency shall not dispense prepared food using disposable food service packaging unless the type of disposable food service packaging is accepted for recovery by the recycling or composting program serving the state agency or large state facility and it has been demonstrated to the satisfaction of the department that the type of disposable food service packaging is recovered for recycling or composting at a rate of 75 percent or more. on the list maintained and updated by the department pursuant to Section 42370.3.~~

(b) A food service facility may use food service packaging that is not on the list maintained and updated by the department pursuant to Section 42370.3 under any of the following circumstances:

(1) The food service facility possessed that specific inventory of food service packaging before January 1, 2019.

(2) The food service facility possessed that specific inventory of food service packaging before the list maintained pursuant to Section 42370.3 was updated to remove the type of food service packaging and the type of food service packaging was on the list when the food service facility took possession of the food service packaging.

(3) The food service facility acquired that specific inventory of food service packaging pursuant to a contract entered into before January 1, 2019.

(4) The food service facility acquired that specific inventory of food service packaging pursuant to a contract entered into before the list maintained pursuant to Section 42370.3 was updated to remove the type of food service packaging and the type of food service packaging was on the list when the food service facility entered into the contract.

(c) This section shall not affect any contract in existence as of January 1, 2019. For a contract that is subject to this section and that is entered into, renewed, or updated after January 1, 2019, the food service facility shall be responsible for ensuring that the food service packaging subject to the contract is in compliance with this section.

~~42370.3.(a) For purposes of demonstrating that the recycling or composting rate requirements specified in Section 42370.2 are met for any type of packaging, the demonstration may include data comparing the amount of that type of packaging that is recycled or composted in this state or in the city, county, or regional agency territory in which the state agency or large state facility is located during the previous calendar year, with the amount of that type of packaging that is distributed in this state or that city, county, or regional agency territory during that calendar year.~~

~~(b) The demonstration made pursuant to Section 42370.2 shall comply with the following requirements:~~

~~(1) All thermoformed polyethylene terephthalate (PET) packaging shall be considered as the same type of packaging when demonstrating the recycling rate for thermoformed PET packaging.~~

~~(2) All polycoated papers and paperboards shall be considered as the same type of packaging when demonstrating the recycling rates for polycoated papers and paperboards.~~

~~(3) All compostable plastic packaging shall be considered as the same type of packaging when demonstrating the composting rates for compostable plastic packaging.~~

**42370.3. (a) The department shall publish the following list of approved types of food service packaging on its Internet Web site no later than June 1, 2020:**

(1) Food service packaging that is made from thermoformed polyethylene terephthalate.

(2) Food service packaging that is made from paper or paperboard.

(3) Food service packaging that is made from compostable plastic that meets an ASTM standard specification identified in subdivision (b) of Section 42356.

(4) Reusable food service packaging that is provided by either the food service facility or the customer.

(b) (1) The department shall regularly, but no less than once every five years, evaluate the list of approved food service packaging published pursuant to subdivision (a) to evaluate whether each of the types of approved food service packaging is recyclable or compostable. The department may remove a type of food service packaging from the list if the department determines that the type of food service packaging is not recyclable or compostable.

(2) Before removing a type of food service packaging from the list pursuant to paragraph (1), the department shall consider whether there are cost-effective alternatives available for the material of which the food service packaging is composed.

(c) (1) The department shall regularly, but no less than once every five years, evaluate whether there are types of food service packaging that are recyclable or compostable that are not on the list published by the department pursuant to subdivision (a). The department may add a type of food service packaging to the list published pursuant to subdivision (a), including, but not limited to, upon the request of a manufacturer of a type of food service packaging or material, if the food service packaging is either recyclable or compostable.

(2) The department may require that a manufacturer of a type of food service packaging or material submit data for purposes of the department's evaluation of whether to add the type of food service packaging or material that the manufacturer seeks to have added to the list.

(d) In deciding whether to remove a type of food service packaging from the list pursuant to subdivision (b) or to add a type of food service packaging to the list pursuant to subdivision (c), the department may consider either of the following:

(1) Whether the material of which the food service packaging is composed is prone to become litter.

*(2) Whether the material of which the food service packaging is composed has any chemicals that pose a risk to human health.*

**42370.4.** This chapter does not preempt the authority of a city, county, or city and county to adopt and enforce additional single-use take-out food packaging ordinances, regulations, or policies that are more restrictive than the applicable standards required by this chapter.

AMENDED IN ASSEMBLY APRIL 30, 2018  
AMENDED IN ASSEMBLY APRIL 16, 2018  
AMENDED IN ASSEMBLY FEBRUARY 5, 2018  
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1884**

---

**Introduced by Assembly Members Calderon and Bloom**

January 17, 2018

---

An act to add Section 114082 to the Health and Safety Code, relating to food facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1884, as amended, Calderon. Food facilities: single-use plastic straws.

Existing law, the California Retail Food Code, establishes uniform health and sanitation standards for, and provides for regulation by the State Department of Public Health of, retail food facilities, as defined, and requires local health agencies to enforce these provisions. Existing law requires, except as otherwise provided, a person who violates any provision of the code to be guilty of a misdemeanor, punishable as specified.

This bill would prohibit a food facility, as specified, where food may be consumed on the premises, from providing single-use plastic straws to consumers unless requested by the consumer. The bill would specify that the first and 2nd violations of these provisions would result in a warning and any subsequent violation would be an infraction punishable by a fine of \$25 for each day the food facility is ~~in violation~~ violation, *but not to exceed an annual total of \$300*. By creating a new crime and

imposing additional enforcement duties on local health agencies, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 114082 is added to the Health and Safety  
2 Code, to read:

3 114082. (a) A food facility where food may be consumed on  
4 the premises shall not provide single-use plastic straws to  
5 consumers unless requested by the consumer. For purposes of this  
6 section, a food facility shall not include a facility listed in  
7 *paragraphs (1) through (11), inclusive, of subdivision (b) of*  
8 *Section 113789, nor a food facility with a self-service beverage*  
9 *station.*

10 (b) Notwithstanding Section 114395, the first and second  
11 violations of subdivision (a) shall result in a warning, and any  
12 subsequent violation shall constitute an infraction punishable by  
13 a fine of twenty-five dollars (\$25) for each day the food facility is  
14 ~~in violation:~~ *violation, but not to exceed three hundred dollars*  
15 *(\$300) annually.*

16 SEC. 2. No reimbursement is required by this act pursuant to  
17 Section 6 of Article XIII B of the California Constitution for certain  
18 costs that may be incurred by a local agency or school district  
19 because, in that regard, this act creates a new crime or infraction,  
20 eliminates a crime or infraction, or changes the penalty for a crime  
21 or infraction, within the meaning of Section 17556 of the  
22 Government Code, or changes the definition of a crime within the  
23 meaning of Section 6 of Article XIII B of the California  
24 Constitution.

1     However, if the Commission on State Mandates determines that  
2     this act contains other costs mandated by the state, reimbursement  
3     to local agencies and school districts for those costs shall be made  
4     pursuant to Part 7 (commencing with Section 17500) of Division  
5     4 of Title 2 of the Government Code.

O

AMENDED IN ASSEMBLY MARCH 19, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2766**

---

**Introduced by Assembly Member Berman**

February 16, 2018

---

An act to amend Section 14581 of, and to add and repeal Section 14549.2 of, the Public Resources Code, relating to recycling, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2766, as amended, Berman. California Beverage Container Recycling and Litter Reduction Act: market development payments.

Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires a distributor to pay a redemption payment for every beverage container sold or offered for sale in the state by the distributor to the Department of Resources Recycling and Recovery for deposit in the California Beverage Container Recycling Fund. Moneys in the fund are continuously appropriated to the department for certain payments, including, until January 1, 2018, market development payments. Former law authorized the department, until January 1, 2018, (1) to annually expend up to \$10,000,000 from the fund to make market development payments to an entity certified by the department as a recycling center, processor, or dropoff or collection program for empty plastic beverage containers that are subsequently washed and processed into flake, pellet, or other form, and made usable for the manufacture of a plastic product, or to a product manufacturer for empty plastic beverage containers that are subsequently washed and processed into flake, pellet, or other form, and used by that product manufacturer to

manufacture a product, and (2) to expend additional amounts to make market development payments, calculated as provided.

This bill would authorize the department to again expend those amounts to make market development payments *from January 1, 2018*, until January 1, 2024. By authorizing expenditures from a continuously appropriated fund, this bill would make an appropriation.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 14549.2 is added to the Public Resources  
2 Code, to read:

3 14549.2. (a) For purposes of this section, the following  
4 definitions shall apply:

5 (1) "Certified entity" means a recycling center, processor, or  
6 dropoff or collection program certified pursuant to this division.

7 (2) "Product manufacturer" means a person who manufactures  
8 a plastic product in this state.

9 (b) In order to develop California markets for empty plastic  
10 beverage containers collected for recycling in the state, the  
11 department may, consistent with Section 14581 and subject to the  
12 availability of funds, pay a market development payment to a  
13 certified entity or product manufacturer for empty plastic beverage  
14 containers collected and managed pursuant to this section.

15 (c) The department shall make a market development payment  
16 to a certified entity or product manufacturer in accordance with  
17 this section, only if the plastic beverage container is collected and  
18 either recycled or used in manufacturing, in the state, as follows:

19 (1) The department shall make a market development payment  
20 to a certified entity for empty plastic beverage containers that are  
21 collected for recycling in the state, that are subsequently washed  
22 and processed by a certified entity into a flake, pellet, or other  
23 form in the state, and made usable for the manufacture of a plastic  
24 product by a product manufacturer.

25 (2) The department shall make a market development payment  
26 to a product manufacturer for empty plastic beverage containers  
27 that are collected for recycling in the state, that are subsequently

1 washed and processed into a flake, pellet, or other form in the state,  
2 and used by that product manufacturer to manufacture a product  
3 in this state.

4 (3) The department shall determine the amount of the market  
5 development payment, which may be set at a different level for a  
6 certified entity and a product manufacturer, but shall not exceed  
7 one hundred fifty dollars (\$150) per ton. In setting the amount of  
8 the market development payment for both certified entities and  
9 product manufacturers, the department shall consider all of the  
10 following:

11 (A) The minimum funding level needed to encourage the in-state  
12 washing and processing of empty plastic beverage containers  
13 collected for recycling in this state.

14 (B) The minimum funding level needed to encourage the in-state  
15 manufacturing that utilizes empty plastic beverage containers  
16 collected for recycling in this state.

17 (C) The total amount of funds projected to be available for  
18 plastic market development payments and the desire to maintain  
19 the minimum funding level needed throughout the year.

20 (4) The department may make a market development payment  
21 to both a certified entity and a product manufacturer for the same  
22 empty plastic beverage container.

23 *(d) In order to preserve markets for empty plastic beverage*  
24 *containers collected for recycling in the state, a certified entity or*  
25 *product manufacturer is eligible to receive payments for containers*  
26 *collected and managed as provided in this section commencing*  
27 *January 1, 2018.*

28 ~~(d)~~

29 *(e)* This section shall remain in effect only until January 1, 2024,  
30 and as of that date is repealed, unless a later enacted statute that  
31 is enacted before January 1, 2024, deletes or extends that date.

32 SEC. 2. Section 14581 of the Public Resources Code is  
33 amended to read:

34 14581. (a) Subject to the availability of funds and in  
35 accordance with subdivision (b), the department shall expend the  
36 moneys set aside in the fund, pursuant to subdivision (c) of Section  
37 14580, for the purposes of this section in the following manner:

38 (1) For each fiscal year, the department may expend the amount  
39 necessary to make the required handling fee payment pursuant to  
40 Section 14585.

1 (2) Fifteen million dollars (\$15,000,000) shall be expended  
2 annually for payments for curbside programs and neighborhood  
3 dropoff programs pursuant to Section 14549.6.

4 (3) (A) Ten million five hundred thousand dollars (\$10,500,000)  
5 may be expended annually for payments of five thousand dollars  
6 (\$5,000) to cities and ten thousand dollars (\$10,000) for payments  
7 to counties for beverage container recycling and litter cleanup  
8 activities, or the department may calculate the payments to counties  
9 and cities on a per capita basis, and may pay whichever amount  
10 is greater, for those activities.

11 (B) Eligible activities for the use of these funds may include,  
12 but are not necessarily limited to, support for new or existing  
13 curbside programs, neighborhood dropoff programs, public  
14 education promoting beverage container recycling, litter prevention,  
15 and cleanup, cooperative regional efforts among two or more cities  
16 or counties, or both, or other beverage container recycling  
17 programs.

18 (C) These funds shall not be used for activities unrelated to  
19 beverage container recycling or litter reduction.

20 (D) To receive these funds, a city, county, or city and county  
21 shall fill out and return a funding request form to the department.  
22 The form shall specify the beverage container recycling or litter  
23 reduction activities for which the funds will be used.

24 (E) The department shall annually prepare and distribute a  
25 funding request form to each city, county, or city and county. The  
26 form shall specify the amount of beverage container recycling and  
27 litter cleanup funds for which the jurisdiction is eligible. The form  
28 shall not exceed one double-sided page in length, and may be  
29 submitted electronically. If a city, county, or city and county does  
30 not return the funding request form within 90 days of receipt of  
31 the form from the department, the city, county, or city and county  
32 is not eligible to receive the funds for that funding cycle.

33 (F) For the purposes of this paragraph, per capita population  
34 shall be based on the population of the incorporated area of a city  
35 or city and county and the unincorporated area of a county. The  
36 department may withhold payment to any city, county, or city and  
37 county that has prohibited the siting of a supermarket site, caused  
38 a supermarket site to close its business, or adopted a land use policy  
39 that restricts or prohibits the siting of a supermarket site within its  
40 jurisdiction.

1 (4) One million five hundred thousand dollars (\$1,500,000) may  
2 be expended annually in the form of grants for beverage container  
3 recycling and litter reduction programs.

4 (5) (A) The department shall expend the amount necessary to  
5 pay the processing payment established pursuant to Section 14575.  
6 The department shall establish separate processing fee accounts  
7 in the fund for each beverage container material type for which a  
8 processing payment and processing fee are calculated pursuant to  
9 Section 14575, or for which a processing payment is calculated  
10 pursuant to Section 14575 and a voluntary artificial scrap value is  
11 calculated pursuant to Section 14575.1, into which account shall  
12 be deposited both of the following:

13 (i) All amounts paid as processing fees for each beverage  
14 container material type pursuant to Section 14575.

15 (ii) Funds equal to the difference between the amount in clause  
16 (i) and the amount of the processing payments established in  
17 subdivision (b) of Section 14575, and adjusted pursuant to  
18 paragraph (2) of subdivision (c) of, and subdivision (f) of, Section  
19 14575, to reduce the processing fee to the level provided in  
20 subdivision (e) of Section 14575, or to reflect the agreement by a  
21 willing purchaser to pay a voluntary artificial scrap value pursuant  
22 to Section 14575.1.

23 (B) Notwithstanding Section 13340 of the Government Code,  
24 the moneys in each processing fee account are hereby continuously  
25 appropriated to the department for expenditure without regard to  
26 fiscal years, for purposes of making processing payments pursuant  
27 to Section 14575.

28 (6) Up to five million dollars (\$5,000,000) may be annually  
29 expended by the department for the purposes of undertaking a  
30 statewide public education and information campaign aimed at  
31 promoting increased recycling of beverage containers.

32 (7) Up to ten million dollars (\$10,000,000) may be expended  
33 annually by the department for quality incentive payments for  
34 empty glass beverage containers pursuant to Section 14549.1.

35 (8) (A) Up to ten million dollars (\$10,000,000) may be  
36 expended annually by the department for market development  
37 payments for empty plastic beverage containers pursuant to Section  
38 14549.2, until January 1, 2024.

39 (B) In addition to the amount specified in subparagraph (A),  
40 the department may expend the amount calculated pursuant to

1 subparagraph (C) for market development payments for empty  
2 plastic beverage containers pursuant to Section 14549.2.

3 (C) The department shall calculate the amount authorized for  
4 expenditure pursuant to subparagraph (B) in the following manner:

5 (i) The department shall annually determine, on or before  
6 January 1, whether the amount of funds estimated to be necessary  
7 pursuant to clause (ii) of subparagraph (A) of paragraph (5) for  
8 deposit to a processing fee account established by the department  
9 for plastic beverage containers to make processing payments for  
10 plastic beverage containers for the current calendar year is less  
11 than the total amount of funds that were estimated to be necessary  
12 the previous calendar year pursuant to clause (ii) of subparagraph  
13 (A) of paragraph (5) for deposit to that processing fee account.

14 (ii) If the amount estimated to be necessary for the current  
15 calendar year, as specified in clause (i), is less than the amount  
16 estimated to be necessary for the previous calendar year, the  
17 department shall calculate the amount of that difference.

18 (iii) The department shall expend an amount that is not greater  
19 than 50 percent of the amount calculated pursuant to clause (ii)  
20 for purposes of subparagraph (B).

21 (iv) If the department determines that the amount of funds  
22 authorized for expenditure pursuant to this subparagraph is not  
23 needed to make plastic market development payments pursuant to  
24 subparagraph (B) in the calendar year for which that amount is  
25 allocated, the department may expend those funds during the  
26 following year.

27 (v) If the department determines that there are insufficient funds  
28 to both make the market development payments pursuant to  
29 subparagraph (B) and to deposit the amount required by clause (ii)  
30 of subparagraph (A) of paragraph (5), for purposes of making the  
31 processing payments and reducing the processing fees pursuant to  
32 Section 14575 for plastic beverage containers, the department shall  
33 suspend the implementation of this subparagraph and subparagraph  
34 (B).

35 (D) Subparagraphs (B) and (C) shall remain operative only until  
36 January 1, 2024.

37 (b) (1) If the department determines, pursuant to a review made  
38 pursuant to Section 14556, that there may be inadequate funds to  
39 pay the payments required by this division, the department shall

1 immediately notify the appropriate policy and fiscal committees  
2 of the Legislature regarding the inadequacy.

3 (2) On or before 180 days, but not less than 80 days, after the  
4 notice is sent pursuant to paragraph (1), the department may reduce  
5 or eliminate expenditures, or both, from the funds as necessary,  
6 according to the procedure set forth in subdivision (c).

7 (c) If the department determines that there are insufficient funds  
8 to make the payments specified pursuant to this section and Section  
9 14575, the department shall reduce all payments proportionally.

10 (d) Before making an expenditure pursuant to paragraph (6) of  
11 subdivision (a), the department shall convene an advisory  
12 committee consisting of representatives of the beverage industry,  
13 beverage container manufacturers, environmental organizations,  
14 the recycling industry, nonprofit organizations, and retailers to  
15 advise the department on the most cost-effective and efficient  
16 method of the expenditure of the funds for that education and  
17 information campaign.

18 (e) Subject to the availability of funds, the department shall  
19 retroactively pay in full any payments provided in this section that  
20 have been proportionally reduced during the period of January 1,  
21 2010, through June 30, 2010.

22 SEC. 3. This act is an urgency statute necessary for the  
23 immediate preservation of the public peace, health, or safety within  
24 the meaning of Article IV of the California Constitution and shall  
25 go into immediate effect. The facts constituting the necessity are:

26 In order to restore payments to California manufacturers that  
27 ended on January 1, 2018, and preserve markets for empty plastic  
28 beverage containers collected for recycling in the state, it is  
29 necessary that this act take effect immediately.

AMENDED IN ASSEMBLY MAY 24, 2018  
AMENDED IN SENATE JANUARY 18, 2018  
AMENDED IN SENATE APRIL 6, 2017  
AMENDED IN SENATE FEBRUARY 28, 2017

**SENATE BILL**

**No. 168**

---

**Introduced by Senator Wieckowski  
(Coauthor: Senator Stone)**

January 23, 2017

---

An act to add Sections 14514.2 and 14548 to, and to add and repeal Section 14549.7 of, the Public Resources Code, relating to recycling.

LEGISLATIVE COUNSEL'S DIGEST

SB 168, as amended, Wieckowski. Recycling: beverage containers.

Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires every beverage container sold or offered for sale in this state to have a minimum refund value. Under existing law, a beverage distributor is required to pay a redemption payment to the Department of Resources Recycling and Recovery for every beverage container sold or offered for sale in the state to a dealer, and the department is required to deposit those amounts in the continuously appropriated California Beverage Container Recycling Fund.

Existing law requires each glass container manufacturer to use a minimum percentage of 35% of postfilled glass in the manufacturing of its glass food, drink, or beverage containers.

This bill would require the department, on or before January 1, 2023, to establish minimum content standards, as defined, for beverage containers that are constructed of metal, glass, or plastic, or other material, or any combination thereof, except as specified in the above

provision. The bill would require the department, on or before January 1, 2020, to provide to the Legislature a report on the establishment and implementation of an extended producer responsibility program to replace the current California beverage container recycling program, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 14514.2 is added to the Public Resources  
2 Code, to read:

3 14514.2. "Minimum content standard" means a requirement  
4 for the minimum percentage of a material type that a beverage  
5 container is constructed of, including, but not limited to, recycled  
6 material.

7 SEC. 2. Section 14548 is added to the Public Resources Code,  
8 to read:

9 14548. On or before January 1, 2023, and except as provided  
10 in Section 14549, the department shall establish minimum content  
11 standards for beverage containers that are constructed of metal,  
12 glass, or plastic, or other material, or any combination thereof.

13 SEC. 3. Section 14549.7 is added to the Public Resources Code,  
14 to read:

15 14549.7. (a) On or before January 1, 2020, the department  
16 shall provide to the Legislature a report on the establishment and  
17 implementation of an extended producer responsibility program  
18 to replace the current beverage container recycling program  
19 established by this division. The report shall include, but is not  
20 limited to, analyses and recommendations on all of the following:

21 (1) Establishment of a stewardship organization, including all  
22 of the following:

23 (A) Membership of the organization.

24 (B) Classification of the organization, such as whether the  
25 organization should be a nonprofit organization.

26 (C) Duties and responsibilities of the organization, including  
27 the components of a stewardship plan and annual reports to be  
28 submitted by the organization.

29 (2) Program funding.

30 (3) Goals of the program.

- 1 (4) Oversight and enforcement ~~for~~ of the program.
- 2 (b) (1) A report to be submitted pursuant to subdivision (a)
- 3 shall be submitted in compliance with Section 9795 of the
- 4 Government Code.
- 5 (2) Pursuant to Section 10231.5 of the Government Code, this
- 6 section is repealed on January 1, 2024.

O

---

**Introduced by Senator Jackson**

February 1, 2017

---

An act to add Section 117670.1 to the Health and Safety Code, relating to medical waste.

LEGISLATIVE COUNSEL'S DIGEST

SB 212, as introduced, Jackson. Medical waste.

Existing law, the Medical Waste Management Act, administered by the State Department of Public Health, regulates the management and handling of medical waste, as defined.

This bill add to the act a definition of "home-generated pharmaceutical waste" as a prescription or over-the-counter human or veterinary home-generated pharmaceutical that is waste and is derived from a household, including, but not limited to, a multifamily residence or household.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 117670.1 is added to the Health and  
2 Safety Code, to read:  
3 117670.1. "Home-generated pharmaceutical waste" means a  
4 prescription or over-the-counter human or veterinary  
5 home-generated pharmaceutical, as defined in Section 109925 of  
6 the Federal Food, Drug, and Cosmetic Act, as amended (21  
7 U.S.C.A. Sec. 321(g)(1)), that is a waste, as defined in Section

- 1 25124, derived from a household, including, but not limited to, a
- 2 multifamily residence or household.

O

AMENDED IN ASSEMBLY APRIL 24, 2018

AMENDED IN ASSEMBLY APRIL 9, 2018

**SENATE BILL**

**No. 452**

---

**Introduced by Senator Glazer**

*(Principal coauthors: Assembly Members Gloria and Kalra)*

*(Coauthors: Assembly Members Baker and Cunningham)*

February 15, 2017

---

An act to amend Sections 14536, 14571.6, 14571.8, 14581, and 14585 of, to add Sections 14510.7, 14571.65, and 14573.8 to, and to add and repeal Sections 14549.2, 14572.3, and 14575.2 of, the Public Resources Code, relating to beverage containers, *and* making an appropriation therefor, ~~and declaring the urgency thereof, to take effect immediately.~~ *therefor.*

LEGISLATIVE COUNSEL'S DIGEST

SB 452, as amended, Glazer. The California Beverage Container Recycling and Litter Reduction Act.

(1) Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires the Department of Resources Recycling and Recovery to annually designate convenience zones and requires that at least one certified recycling center that meets certain requirements be located within every convenience zone. Existing law authorizes the department to grant a convenience zone an exemption from certain redemption requirements, including certain dealer and recycling center redemption requirements, based on certain factors. Existing law limits the total number of exemptions that may be granted to 35% of the total number of convenience zones identified as having one or more of those factors applicable.

This bill, if there is a certified recycling center located within one mile of an unserved convenience zone, would require the department to grant that convenience zone an exemption from the redemption requirements and would increase the total number of exemptions that may be granted otherwise to 50% of the number identified as eligible. The bill would require the department to evaluate and recommend to the Legislature, on or before January 1, 2021, policies, incentives, and standards for ensuring the establishment and maintenance of a network of cost-effective direct redemption opportunities, as defined by the bill, in every community sufficient to support the recycling of not less than 80% of beverage containers sold in the state.

(2) The act requires dealers within a convenience zone where no recycling location has been established, or within a convenience zone that is unserved for 60 days and not exempt from convenience zone requirements, to submit an affidavit to the department stating that the dealer has met specified standards for redemption, including, among others, that the dealer is redeeming all empty beverage container types at all open cash registers or at one designated location on the dealer's premises, during all hours that the dealer is open for business. If the dealer does not submit that affidavit, existing law requires the dealer to pay \$100 per day to the department, for deposit in the California Beverage Container Recycling Fund, a continuously appropriated fund described in (3), until a recycling location is established or until the dealer meets the standards for redemption specified in the affidavit provision.

This bill would revise these convenience zone redemption duties and apply them only to dealers with gross annual sales of \$2,000,000 or more. The bill, until January 1, 2021, would exempt certain dealers from these requirements.

(3) The act establishes the California Beverage Container Recycling Fund and, except for administrative costs, continuously appropriates moneys in the fund to the department for specified purposes, including the amount necessary to pay handling fees to certain types of recyclers to provide an incentive for the redemption of empty beverage containers in convenience zones. The act also continuously appropriates moneys in the fund to the department for expenditure for various purposes relating to beverage container recycling purposes that included, until January 1, 2018, up to \$10,000,000 annually for market development payments for empty plastic beverage containers. The act also continuously appropriates from the fund \$15,000,000 annually for

payments for curbside programs and neighborhood dropoff programs and \$10,500,000 annually for payments to cities and counties for beverage container recycling and litter cleanup activities.

This bill would require the department to offer a handling fee payment from the fund to certain certified recyclers within unserved convenience zones. The bill would make an appropriation by changing the terms and conditions under which the department is authorized to make payments from a continuously appropriated fund. The bill, until July 1, 2021, would require the handling fee to be set at the rate in effect on July 1, 2015. The bill would authorize the department, until July 1, 2021, to annually expend money from the fund for specified supplemental handling fee payments to low-volume recycling centers, and would reinstate the authority to appropriate up to \$10,000,000 annually for market development payments for empty plastic beverage containers until January 1, 2024. By authorizing the expenditure of a continuously appropriated fund for new purposes, this bill would make an appropriation. The bill would require the department to withhold payments for curbside programs and neighborhood dropoff programs and for beverage container recycling and litter cleanup activities in any city, county, or city and county that has restricted or prohibited the siting of a certified recycling center or a supermarket site, respectively, as provided.

(4) Under the act, the department is required to calculate a processing fee for each beverage container with a specified scrap value, which is required to be paid by beverage manufacturers for each beverage container sold or transferred to a distributor or dealer. The department is required to calculate the processing fee in a specified manner, so that the actual processing fee generally equals 65% of the processing payment that the department is required to pay to processors if the scrap value of the container having a refund value pursuant to the act is less than the cost of recycling. The department is required to determine the statewide weighted average cost to recycle each beverage container type by conducting a survey, as specified. The department is required to establish a processing fee account in the continuously appropriated California Beverage Container Recycling Fund for each material type and to deposit processing fees and other amounts in the applicable account.

This bill would, for purposes of calculating processing payments, require the department, until January 1, 2021, to use the actual cost of recycling that was in effect on December 30, 2015, adjusted as specified.

The bill would make an appropriation by changing the terms and conditions under which the department is authorized to make payments from a continuously appropriated fund. The bill would provide that the processing fees established by the department between ~~the effective date of the bill and December 31, 2018, inclusive, January 1, 2019, and December 31, 2019, inclusive,~~ shall not be higher than they would be absent these new provisions. The bill would require the department to suspend usage of surveys and calculations of recycling costs until at least January 1, 2020, and would authorize the department to redirect any contract funds for cost surveys and calculations to provide for a specified assessment and to utilize any contract funds available for the development of amendments to be recommended to the Legislature regarding specified provisions of the act.

~~(5) This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 14510.7 is added to the Public Resources  
2 Code, to read:

3 14510.7. "Direct redemption opportunity" means a recycling  
4 opportunity that meets both of the following conditions:

5 (a) Provides reasonable availability for a consumer to redeem  
6 empty beverage containers and directly receive the redemption  
7 value for those containers.

8 (b) Provides sufficient overall redemption opportunities in the  
9 state whereby, in conjunction with other collection opportunities,  
10 not less than 80 percent of beverage containers sold in the state  
11 can be consistently and sustainably recycled.

12 SEC. 2. Section 14536 of the Public Resources Code is  
13 amended to read:

14 14536. (a) Except as provided in subdivision (b), the director  
15 shall adopt, amend, or repeal all rules and regulations in accordance  
16 with Chapter 3.5 (commencing with Section 11340) of Part 1 of  
17 Division 3 of Title 2 of the Government Code.

18 (b) (1) The director shall adopt regulations, and may adopt  
19 emergency regulations, for the purposes of implementing Sections

1 14538, 14539, 14541, 14549.1, 14549.2, 14550, 14561, 14571.6,  
2 14571.65, 14574, 14575, 14585, 14588.1, 14588.2, and 14591.

3 (2) Any emergency regulations, if adopted, shall be adopted in  
4 accordance with Chapter 3.5 (commencing with Section 11340)  
5 of Part 1 of Division 3 of Title 2 of the Government Code, and for  
6 the purposes of that chapter, including Section 11349.6 of the  
7 Government Code, the adoption of these regulations is an  
8 emergency and shall be considered by the Office of Administrative  
9 Law as necessary for the immediate preservation of the public  
10 peace, health and safety, and general welfare. Notwithstanding  
11 Chapter 3.5 (commencing with Section 11340) of Part 1 of Division  
12 3 of Title 2 of the Government Code, including subdivision (e) of  
13 Section 11346.1 of the Government Code, any emergency  
14 regulations adopted pursuant to this section shall be filed with, but  
15 not be repealed by, the Office of Administrative Law and shall  
16 remain in effect until revised by the director.

17 SEC. 3. Section 14549.2 is added to the Public Resources Code,  
18 to read:

19 14549.2. (a) For purposes of this section, the following  
20 definitions shall apply:

21 (1) "Certified entity" means a recycling center, processor, or  
22 dropoff or collection program certified pursuant to this division.

23 (2) "Product manufacturer" means a person who manufactures  
24 a plastic product in this state.

25 (b) In order to develop California markets for empty plastic  
26 beverage containers collected for recycling in the state, the  
27 department may, consistent with Section 14581 and subject to the  
28 availability of funds, pay a market development payment to a  
29 certified entity or product manufacturer for empty plastic beverage  
30 containers collected and managed pursuant to this section.

31 (c) The department shall make a market development payment  
32 to a certified entity or product manufacturer in accordance with  
33 this section, only if the plastic beverage container is collected and  
34 either recycled or used in manufacturing, in the state, as follows:

35 (1) The department shall make a market development payment  
36 to a certified entity for empty plastic beverage containers that are  
37 collected for recycling in the state, that are subsequently washed  
38 and processed by a certified entity into a flake, pellet, or other  
39 form in the state, and made usable for the manufacture of a plastic  
40 product by a product manufacturer.

1 (2) The department shall make a market development payment  
2 to a product manufacturer for empty plastic beverage containers  
3 that are collected for recycling in the state, that are subsequently  
4 washed and processed into a flake, pellet, or other form in the state,  
5 and used by that product manufacturer to manufacture a product  
6 in this state.

7 (3) The department shall determine the amount of the market  
8 development payment, which may be set at a different level for a  
9 certified entity and a product manufacturer, but shall not exceed  
10 one hundred fifty dollars (\$150) per ton. In setting the amount of  
11 the market development payment for both certified entities and  
12 product manufacturers, the department shall consider all of the  
13 following:

14 (A) The minimum funding level needed to encourage the in-state  
15 washing and processing of empty plastic beverage containers  
16 collected for recycling in this state.

17 (B) The minimum funding level needed to encourage the in-state  
18 manufacturing that utilizes empty plastic beverage containers  
19 collected for recycling in this state.

20 (C) The total amount of funds projected to be available for  
21 plastic market development payments and the desire to maintain  
22 the minimum funding level needed throughout the year.

23 (4) The department may make a market development payment  
24 to both a certified entity and a product manufacturer for the same  
25 empty plastic beverage container.

26 (d) This section shall remain in effect only until January 1, 2024,  
27 and as of that date is repealed, unless a later enacted statute, that  
28 is enacted before January 1, 2024, deletes or extends that date.

29 SEC. 4. Section 14571.6 of the Public Resources Code is  
30 amended to read:

31 14571.6. (a) Except as provided in Section 14572.3, in any  
32 convenience zone where no recycling location has been established  
33 that satisfies the requirements of Section 14571, and in any  
34 convenience zone that has exceeded the 60-day period for the  
35 establishment of a recycling center pursuant to Section 14571.7,  
36 all dealers within that zone shall, until a recycling location has  
37 been established in that zone, do one of the following:

38 (1) Submit to the department an affidavit form provided by the  
39 department stating that all of the following standards are being  
40 met by the dealer:

1 (A) The dealer redeems all empty beverage container types at  
2 a minimum of one designated location on the dealer's premises,  
3 during all hours that the dealer is open for business. The dealer is  
4 not required to redeem more than 24 beverage containers of any  
5 one type per consumer per day.

6 (B) The dealer has posted signs that meet the size and location  
7 requirements specified in subdivision (b) of Section 14570, and  
8 that conform to paragraph (2) of that subdivision.

9 (C) The dealer is delivering, or having delivered, all empty  
10 beverage containers received from the public to a certified recycling  
11 center or processor for recycling.

12 (2) Pay to the department for deposit in the fund the sum of one  
13 hundred dollars (\$100) per day until a recycling location is  
14 established or until the standards for redemption specified in  
15 paragraph (1) are met.

16 (b) This section shall apply only to a dealer with gross annual  
17 sales of two million dollars (\$2,000,000) or more.

18 SEC. 5. Section 14571.65 is added to the Public Resources  
19 Code, to read:

20 14571.65. (a) It is the intent of the Legislature that the  
21 requirements and incentive payments of the act do all of the  
22 following:

23 (1) Provide residents of every community with direct redemption  
24 opportunities.

25 (2) Provide sufficient overall redemption opportunities in the  
26 state whereby, in conjunction with other collection opportunities,  
27 not less than 80 percent of beverage containers sold in the state  
28 can be consistently and sustainably recycled.

29 (3) Provide a marketplace and even playing field whereby the  
30 businesses that operate facilities that collect empty beverage  
31 containers for recycling are as sustainable and profitable, and the  
32 workers as fairly compensated, as the businesses and workers that  
33 produce and distribute the beverages for consumption.

34 (b) On or before January 1, 2021, the department shall evaluate  
35 and recommend to the Legislature policies, incentives, and  
36 standards for ensuring the establishment and maintenance of a  
37 network of cost-effective direct redemption opportunities in every  
38 community sufficient to support the recycling of not less than 80  
39 percent of beverage containers sold in the state.

1 (c) When developing recommendations for direct redemption  
2 opportunities, the department shall consider all of the following  
3 factors:

- 4 (1) Population density.
  - 5 (2) Distance between population centers and the recycler or  
6 other operation that redeems empty beverage containers.
  - 7 (3) Total population of the community.
  - 8 (4) Rural and nonrural areas.
  - 9 (5) Alternative certified redemption opportunities.
  - 10 (6) Best practices identified in a department-sponsored  
11 convenience study.
  - 12 (7) The role of dealers, including supermarkets, in providing  
13 direct redemption opportunities.
  - 14 (8) Enforcement mechanisms for ensuring direct redemption  
15 opportunities.
  - 16 (9) The role of local governments to support direct redemption  
17 opportunities.
  - 18 (10) The process for providing exemptions to the direct  
19 redemption opportunity standards.
  - 20 (11) The role of the state in supporting direct redemption  
21 opportunities and the structure and amount of any payments.
  - 22 (12) Any other factors that the department deems appropriate.
- 23 (d) The department shall conduct at least two stakeholder  
24 meetings to determine the factors to be considered when developing  
25 recommendations for direct redemption opportunities.

26 SEC. 6. Section 14571.8 of the Public Resources Code is  
27 amended to read:

28 14571.8. (a) A lease entered into by a dealer after January 1,  
29 1987, shall not contain a leasehold restriction that prohibits or  
30 results in the prohibition of the establishment of a recycling  
31 location.

32 (b) Except as provided in subdivision (h), the director may grant  
33 an exemption from the requirements of Section 14571 for an  
34 individual convenience zone only after the department solicits  
35 public testimony on whether or not to provide an exemption from  
36 Section 14571. The solicitation process shall be designed by the  
37 department to ensure that operators of recycling centers, dealers,  
38 and members of the public in the jurisdiction affected by the  
39 proposed exemption are aware of the proposed exemption. After  
40 evaluation of the testimony and any field review conducted, the

1 department shall base a decision to exempt a convenience zone  
2 pursuant to this subdivision on one, or any combination, of the  
3 following factors:

4 (1) The exemption will not significantly decrease the ability of  
5 consumers to conveniently return beverage containers for the  
6 refund value to a certified recycling center redeeming all material  
7 types.

8 (2) The nearest certified recycling center is within a reasonable  
9 distance of the convenience zone being considered from exemption.

10 (3) The convenience zone is in the area of a curbside program  
11 that meets the criteria specified in Section 14509.5.

12 (4) The requirements of Section 14571 cannot be met in a  
13 particular convenience zone due to local zoning or the dealer's  
14 leasehold restrictions for leases in effect on January 1, 1987, and  
15 the local zoning or leasehold restrictions are not within the  
16 authority of the department and the dealer. However, any lease  
17 executed after January 1, 1987, shall meet the requirements  
18 specified in subdivision (a).

19 (5) The convenience zone has redeemed less than 60,000  
20 containers per month for the prior 12 months.

21 (c) The department shall review each convenience zone in which  
22 a certified recycling center was not located on January 1, 1996, to  
23 determine the eligibility of the convenience zone under the  
24 exemption criteria specified in subdivision (b).

25 (d) The total number of exemptions granted by the director  
26 under subdivision (b) shall not exceed 50 percent of the total  
27 number of convenience zones identified as eligible pursuant to  
28 subdivision (b).

29 (e) The department may, on its own motion, or upon petition  
30 by any interested person, revoke a convenience zone exemption,  
31 including an exemption granted under subdivision (h), if either of  
32 the following occurs:

33 (1) The condition or conditions that caused the convenience  
34 zone to be exempt no longer exists, and the department determines  
35 that the criteria for an exemption specified in this section are not  
36 presently applicable to the convenience zone.

37 (2) The department determines that the convenience zone  
38 exemption was granted due to an administrative error.

39 (f) If an exemption is revoked and a recycling center is not  
40 certified and operational in the convenience zone, the department

1 shall, within 10 days of the date of the decision to revoke, serve  
2 all dealers in the convenience zone with the notice specified in  
3 subdivision (a) of Section 14571.7.

4 (g) An exemption shall not be revoked when a recycling center  
5 becomes certified and operational within an exempt convenience  
6 zone unless either of the events specified in paragraphs (1) and (2)  
7 of subdivision (e) occurs.

8 (h) If there is a certified recycling center located within one  
9 mile of an unserved convenience zone, the department shall grant  
10 an exemption from the requirements of Section 14571 for that  
11 convenience zone.

12 SEC. 7. Section 14572.3 is added to the Public Resources Code,  
13 to read:

14 14572.3. (a) A dealer described in subdivision (c) and who is  
15 located in a convenience zone described in subdivision (b) shall  
16 be exempt from the dealer requirements of Section 14571.6.

17 (b) Subdivision (a) shall apply only to a dealer that is located  
18 in a convenience zone that meets one of the following:

19 (1) The convenience zone was served by, or exempted because  
20 of, a recycling center that closed between January 1, 2016, and  
21 December 31, 2017, inclusive, at the initiation of the recycler and  
22 not at the initiation of the dealer.

23 (2) The convenience zone was served by, or exempted because  
24 of, a recycling center that closed as a result of an action taken by  
25 the department or local government on or after January 1, 2018.

26 (c) Subdivision (a) shall apply only to a dealer that meets one  
27 of the following conditions:

28 (1) The dealer demonstrates to the department that it has acted  
29 in full compliance with the requirements of Section 14571.6.

30 (2) The department approves the dealer for an exemption  
31 described in subdivision (a). The department may approve a dealer  
32 that was not in compliance with Section 14571.6 for an exemption  
33 only if the dealer pays the department any moneys owed by the  
34 dealer under Section 14571.6.

35 (d) The Legislature finds and declares that the purpose of this  
36 section is to temporarily suspend the obligations of dealers  
37 described in subdivision (c) to comply with the requirements of  
38 Section 14571.6 in order to focus attention and resources on the  
39 reestablishment of recycling centers in currently unserved  
40 convenience zones. Nothing in this section is intended to reduce

1 the obligation of dealers and the department to site and maintain  
2 recycling centers.

3 (e) This section shall remain in effect only until January 1, 2021,  
4 and as of that date is repealed.

5 SEC. 8. Section 14573.8 is added to the Public Resources Code,  
6 to read:

7 14573.8. (a) It is the intent of the Legislature to maximize the  
8 recovery, redemption, and recycling of empty beverage containers  
9 generated in this state, including any empty beverage containers  
10 that have been deposited by consumers in curbside programs with  
11 the expectation that those containers will be recycled and the  
12 redemption value and any processing payment allocated to helping  
13 to offset the cost of operating those programs.

14 (b) No provision of this division, and no regulation adopted or  
15 enforced by the department to carry out this division, shall prevent  
16 the department from encouraging, supporting, or certifying entities  
17 established to recover, recycle, and redeem empty beverage  
18 containers from the curbside stream, including certifying entities  
19 that recover, sort, cancel, and claim the refund value and processing  
20 payments on any empty beverage containers recovered from the  
21 residual generated by a curbside recycling program or material  
22 recovery facility.

23 (c) No provision of this division, and no regulation adopted or  
24 enforced by the department to carry out this division, shall prevent  
25 the department from certifying a processor to recover, sort, cancel,  
26 and claim the refund value and processing payments on any empty  
27 beverage containers recovered from the residual generated by a  
28 curbside recycling program or material recovery facility.

29 SEC. 9. Section 14575.2 is added to the Public Resources Code,  
30 to read:

31 14575.2. (a) (1) Notwithstanding Section 14575, for purposes  
32 of calculating processing payments, the department shall use the  
33 actual costs of recycling that were in effect on December 30, 2015.

34 (2) Consistent with Section 14575, the department shall adjust  
35 the recycling costs described in paragraph (1) to reflect changes  
36 in the cost of living from December 30, 2015, as measured by the  
37 Bureau of Labor Statistics of the United States Department of  
38 Labor or a successor agency of the United States government as  
39 of the effective date of this section *January 1, 2019*, and at least  
40 once annually thereafter.

1 (3) Consistent with Section 2975 of Title 14 of the California  
2 Code of Regulations, the department shall adjust the recycling  
3 costs described in paragraph (1) to reflect the fixed reasonable  
4 financial returns for urban and rural recycling centers designated  
5 for the 2018 processing payment.

6 (b) Notwithstanding subdivisions (d) and (e) of Section 14575,  
7 for processing fees established by the department between ~~the~~  
8 ~~effective date of this section and December 31, 2018,~~ *January 1,*  
9 *2019, and December 31, 2019, inclusive,* the department shall not  
10 impose a processing fee on a beverage manufacturer that is higher  
11 than the processing fee that would be imposed without this section.

12 (c) (1) Notwithstanding subdivision (c) of Section 14575, the  
13 department shall suspend usage of surveys and calculations of  
14 recycling costs until at least January 1, 2020.

15 (2) The department may redirect any contract funds already  
16 approved for cost surveys and calculations as of ~~the effective date~~  
17 ~~of this section~~ *January 1, 2019,* into an updated contract to utilize  
18 data collected for the 2015 processing payment to provide the  
19 department with an assessment of variations in the average cost  
20 of recycling based on, at a minimum, each of the following:

21 (A) Recycling location monthly average volume.

22 (B) Recycling location geographic area.

23 (C) Recycling location distance to end-use market.

24 (3) The department may utilize any contract funds available as  
25 ~~of the effective date of this section~~ *January 1, 2019,* for the analysis  
26 and development of recommendations to the Legislature of  
27 amendments to subdivisions (b) and (c) of Section 14575 to satisfy  
28 the legislative intent expressed in subdivision (f) of Section 14501  
29 to create and maintain a marketplace where it is profitable to  
30 establish sufficient recycling centers and locations to provide  
31 consumers with convenient recycling opportunities through the  
32 establishment of minimum refund values and processing fees and,  
33 through the proper application of these elements, to enhance the  
34 profitability of recycling centers, recycling locations, and other  
35 beverage container recycling programs.

36 (d) This section shall remain in effect only until January 1, 2021,  
37 and as of that date is repealed.

38 SEC. 10. Section 14581 of the Public Resources Code is  
39 amended to read:

1 14581. (a) Subject to the availability of funds and in  
2 accordance with subdivision (b), the department shall expend the  
3 moneys set aside in the fund, pursuant to subdivision (c) of Section  
4 14580, for the purposes of this section in the following manner:

5 (1) For each fiscal year, the department may expend the amount  
6 necessary to make the required handling fee payment pursuant to  
7 Section 14585.

8 (2) (A) Fifteen million dollars (\$15,000,000) shall be expended  
9 annually for payments for curbside programs and neighborhood  
10 dropoff programs pursuant to Section 14549.6.

11 (B) The department shall withhold payments to curbside  
12 programs and neighborhood dropoff programs in any city, county,  
13 or city and county that has prohibited the siting of a certified  
14 recycling center, caused a certified recycling center to close its  
15 business, or adopted a land use policy that restricts or prohibits  
16 the siting of a certified recycling center within its jurisdiction.

17 (3) (A) Ten million five hundred thousand dollars (\$10,500,000)  
18 may be expended annually for payments of five thousand dollars  
19 (\$5,000) to cities and ten thousand dollars (\$10,000) for payments  
20 to counties for beverage container recycling and litter cleanup  
21 activities, or the department may calculate the payments to counties  
22 and cities on a per capita basis, and may pay whichever amount  
23 is greater, for those activities.

24 (B) Eligible activities for the use of these funds may include,  
25 but are not necessarily limited to, support for new or existing  
26 curbside programs, neighborhood dropoff programs, public  
27 education promoting beverage container recycling, litter prevention,  
28 and cleanup, cooperative regional efforts among two or more cities  
29 or counties, or both, or other beverage container recycling  
30 programs.

31 (C) These funds shall not be used for activities unrelated to  
32 beverage container recycling or litter reduction.

33 (D) To receive these funds, a city, county, or city and county  
34 shall fill out and return a funding request form to the department.  
35 The form shall specify the beverage container recycling or litter  
36 reduction activities for which the funds will be used.

37 (E) The department shall annually prepare and distribute a  
38 funding request form to each city, county, or city and county. The  
39 form shall specify the amount of beverage container recycling and  
40 litter cleanup funds for which the jurisdiction is eligible. The form

1 shall not exceed one double-sided page in length, and may be  
2 submitted electronically. If a city, county, or city and county does  
3 not return the funding request form within 90 days of receipt of  
4 the form from the department, the city, county, or city and county  
5 is not eligible to receive the funds for that funding cycle.

6 (F) For the purposes of this paragraph, per capita population  
7 shall be based on the population of the incorporated area of a city  
8 or city and county and the unincorporated area of a county. The  
9 department shall withhold payment to any city, county, or city and  
10 county that has prohibited the siting of a supermarket site, caused  
11 a supermarket site to close its business, or adopted a land use policy  
12 that restricts or prohibits the siting of a supermarket site within its  
13 jurisdiction.

14 (4) One million five hundred thousand dollars (\$1,500,000) may  
15 be expended annually in the form of grants for beverage container  
16 recycling and litter reduction programs.

17 (5) (A) The department shall expend the amount necessary to  
18 pay the processing payment established pursuant to Section 14575.  
19 The department shall establish separate processing fee accounts  
20 in the fund for each beverage container material type for which a  
21 processing payment and processing fee are calculated pursuant to  
22 Section 14575, or for which a processing payment is calculated  
23 pursuant to Section 14575 and a voluntary artificial scrap value is  
24 calculated pursuant to Section 14575.1, into which account shall  
25 be deposited both of the following:

26 (i) All amounts paid as processing fees for each beverage  
27 container material type pursuant to Section 14575.

28 (ii) Funds equal to the difference between the amount in clause  
29 (i) and the amount of the processing payments established in  
30 subdivision (b) of Section 14575, and adjusted pursuant to  
31 paragraph (2) of subdivision (c) of, and subdivision (f) of, Section  
32 14575, to reduce the processing fee to the level provided in  
33 subdivision (e) of Section 14575, or to reflect the agreement by a  
34 willing purchaser to pay a voluntary artificial scrap value pursuant  
35 to Section 14575.1.

36 (B) Notwithstanding Section 13340 of the Government Code,  
37 the moneys in each processing fee account are hereby continuously  
38 appropriated to the department for expenditure without regard to  
39 fiscal years, for purposes of making processing payments pursuant  
40 to Section 14575.

1 (6) Up to five million dollars (\$5,000,000) may be annually  
2 expended by the department for the purposes of undertaking a  
3 statewide public education and information campaign aimed at  
4 promoting increased recycling of beverage containers.

5 (7) Up to ten million dollars (\$10,000,000) may be expended  
6 annually by the department for quality incentive payments for  
7 empty glass beverage containers pursuant to Section 14549.1.

8 (8) Up to ten million dollars (\$10,000,000), less any amount  
9 appropriated in the annual Budget Act, may be expended annually  
10 by the department for market development payments for empty  
11 plastic beverage containers pursuant to Section 14549.2, until  
12 January 1, 2024.

13 (b) (1) If the department determines, pursuant to a review made  
14 pursuant to Section 14556, that there may be inadequate funds to  
15 pay the payments required by this division, the department shall  
16 immediately notify the appropriate policy and fiscal committees  
17 of the Legislature regarding the inadequacy.

18 (2) On or before 180 days, but not less than 80 days, after the  
19 notice is sent pursuant to paragraph (1), the department may reduce  
20 or eliminate expenditures, or both, from the funds as necessary,  
21 according to the procedure set forth in subdivision (c).

22 (c) If the department determines that there are insufficient funds  
23 to make the payments specified pursuant to this section and Section  
24 14575, the department shall reduce all payments proportionally.

25 (d) Before making an expenditure pursuant to paragraph (6) of  
26 subdivision (a), the department shall convene an advisory  
27 committee consisting of representatives of the beverage industry,  
28 beverage container manufacturers, environmental organizations,  
29 the recycling industry, nonprofit organizations, and retailers to  
30 advise the department on the most cost-effective and efficient  
31 method of the expenditure of the funds for that education and  
32 information campaign.

33 (e) Subject to the availability of funds, the department shall  
34 retroactively pay in full any payments provided in this section that  
35 have been proportionally reduced during the period of January 1,  
36 2010, through June 30, 2010.

37 SEC. 11. Section 14585 of the Public Resources Code is  
38 amended to read:

39 14585. (a) The department shall adopt guidelines and methods  
40 for paying handling fees to supermarket sites, nonprofit

1 convenience zone recyclers, or rural region recyclers to provide  
2 an incentive for the redemption of empty beverage containers in  
3 convenience zones. The guidelines shall include, but not be limited  
4 to, all of the following:

5 (1) Handling fees shall be paid on a monthly basis, in the form  
6 and manner adopted by the department. The department shall  
7 require that claims for the handling fee be filed with the department  
8 not later than the first day of the second month following the month  
9 for which the handling fee is claimed as a condition of receiving  
10 any handling fee.

11 (2) The department shall determine the number of eligible  
12 containers per site for which a handling fee will be paid in the  
13 following manner:

14 (A) Each eligible site's combined monthly volume of glass and  
15 plastic beverage containers shall be divided by the site's total  
16 monthly volume of all empty beverage container types.

17 (B) If the quotient determined pursuant to subparagraph (A) is  
18 equal to, or more than, 10 percent, the total monthly volume of  
19 the site shall be the maximum volume which is eligible for a  
20 handling fee for that month.

21 (C) If the quotient determined pursuant to subparagraph (A) is  
22 less than 10 percent, the department shall divide the volume of  
23 glass and plastic beverage containers by 10 percent. That quotient  
24 shall be the maximum volume that is eligible for a handling fee  
25 for that month.

26 (3) The department shall pay a handling fee per eligible  
27 container in the amount determined pursuant to subdivision (f).

28 (4) If the eligible volume in any given month would result in  
29 handling fee payments that exceed the allocation of funds for that  
30 month, as provided in subdivision (b), sites with higher eligible  
31 monthly volumes shall receive handling fees for their entire eligible  
32 monthly volume before sites with lower eligible monthly volumes  
33 receive any handling fees.

34 (5) (A) If a dealer where a supermarket site, nonprofit  
35 convenience zone recycler, or rural region recycler is located ceases  
36 operation for remodeling or for a change of ownership, the operator  
37 of that supermarket site, nonprofit convenience zone recycler, or  
38 rural region recycler shall be eligible to apply for handling fees  
39 for that site for a period of three months following the date of the  
40 closure of the dealer.

1 (B) Every supermarket site operator, nonprofit convenience  
2 zone recycler, or rural region recycler shall promptly notify the  
3 department of the closure of the dealer where the supermarket site,  
4 nonprofit convenience zone recycler, or rural region recycler is  
5 located.

6 (C) Notwithstanding subparagraph (A), any operator who fails  
7 to provide notification to the department pursuant to subparagraph  
8 (B) shall not be eligible to apply for handling fees.

9 (b) The department may allocate the amount authorized for  
10 expenditure for the payment of handling fees pursuant to paragraph  
11 (1) of subdivision (a) of Section 14581 on a monthly basis and  
12 may carry over any unexpended monthly allocation to a subsequent  
13 month or months. However, unexpended monthly allocations shall  
14 not be carried over to a subsequent fiscal year for the purpose of  
15 paying handling fees but may be carried over for any other purpose  
16 pursuant to Section 14581.

17 (c) (1) The department shall not make handling fee payments  
18 to more than one certified recycling center in a convenience zone.  
19 If a dealer is located in more than one convenience zone, the  
20 department shall offer a single handling fee payment to a  
21 supermarket site located at that dealer. This handling fee payment  
22 shall not be split between the affected zones. The department shall  
23 stop making handling fee payments if another recycling center  
24 certifies to operate within the convenience zone without receiving  
25 payments pursuant to this section, if the department monitors the  
26 performance of the other recycling center for 60 days and  
27 determines that the recycling center is in compliance with this  
28 division. Any recycling center that locates in a convenience zone,  
29 thereby causing a preexisting recycling center to become ineligible  
30 to receive handling fee payments, is ineligible to receive any  
31 handling fee payments in that convenience zone.

32 (2) The department shall offer a single handling fee payment  
33 to a rural region recycler located anywhere inside a convenience  
34 zone, if that convenience zone is not served by another certified  
35 recycling center and the rural region recycler does either of the  
36 following:

37 (A) Operates a minimum of 30 hours per week in one  
38 convenience zone.

39 (B) Serves two or more convenience zones, and meets all of the  
40 following criteria:

- 1 (i) Is the only certified recycler within each convenience zone.  
2 (ii) Is open and operating at least eight hours per week in each  
3 convenience zone and is certified at each location.  
4 (iii) Operates at least 30 hours per week in total for all  
5 convenience zones served.
- 6 (3) In a convenience zone that, as of ~~the effective date of the~~  
7 ~~measure that added this paragraph,~~ *January 1, 2019*, has been  
8 continuously unserved by a certified recycling location for at least  
9 six months, the department shall offer a handling fee payment to  
10 a recycler located within the convenience zone that operates a  
11 minimum of 30 hours per week regardless of physical location  
12 within that convenience zone and that is certified on or after ~~the~~  
13 ~~effective date of that bill.~~ *January 1, 2019*.
- 14 (d) The department may require the operator of a supermarket  
15 site, or the operator of a rural region recycler, receiving handling  
16 fees to maintain records for each location where beverage  
17 containers are redeemed, and may require the supermarket site or  
18 rural region recycler to take any other action necessary for the  
19 department to determine that the supermarket site or rural region  
20 recycler does not receive an excessive handling fee.
- 21 (e) The department may determine and utilize a standard  
22 container per pound rate, for each material type, for the purpose  
23 of calculating volumes and making handling fee payments.
- 24 (f) (1) On or before January 1, 2008, and every two years  
25 thereafter, the department shall conduct a survey pursuant to this  
26 subdivision of a statistically significant sample of certified  
27 recycling centers that receive handling fee payments to determine  
28 the actual cost incurred for the redemption of empty beverage  
29 containers by those certified recycling centers. The department  
30 shall conduct these cost surveys in conjunction with the cost  
31 surveys performed by the department pursuant to subdivision (b)  
32 of Section 14575 to determine processing payments and processing  
33 fees. The department shall include, in determining the actual costs,  
34 only those allowable costs contained in the regulations adopted  
35 pursuant to this division that are used by the department to conduct  
36 cost surveys pursuant to subdivision (b) of Section 14575.
- 37 (2) Using the information obtained pursuant to paragraph (1),  
38 the department shall then determine the statewide weighted average  
39 cost incurred for the redemption of empty beverage containers,

1 per empty beverage container, at recycling centers that receive  
2 handling fees.

3 (3) The department shall determine the amount of the handling  
4 fee to be paid for each empty beverage container by subtracting  
5 the amount of the statewide weighted average cost per container  
6 to redeem empty beverage containers by recycling centers that do  
7 not receive handling fees from the amount of the statewide  
8 weighted average cost per container determined pursuant to  
9 paragraph (2).

10 (4) The department shall adjust the statewide average cost  
11 determined pursuant to paragraph (2) for each beverage container  
12 annually to reflect changes in the cost of living, as measured by  
13 the Bureau of Labor Statistics of the United States Department of  
14 Labor or a successor agency of the United States government.

15 (5) The cost information collected pursuant to this section at  
16 recycling centers that receive handling fees shall not be used in  
17 the calculation of the processing payments determined pursuant  
18 to Section 14575.

19 (6) Notwithstanding paragraphs (2) and (3), for the period from  
20 ~~the effective date of the measure that added this paragraph~~ *January*  
21 *1, 2019*, to July 1, 2021, inclusive, the handling fee shall be set at  
22 the rate in effect on July 1, 2015.

23 (g) The department may update the methodology and scrap  
24 values used for calculating the handling fee from the most recent  
25 cost survey if it finds that the handling fee resulting from the most  
26 recent cost survey does not accurately represent the actual cost  
27 incurred for the redemption of empty beverage containers by those  
28 certified recycling centers.

29 (h) (1) The department may expend up to three million dollars  
30 (\$3,000,000) annually from the fund for supplemental handling  
31 fee payments to low-volume recycling centers and recyclers willing  
32 to open a recycling center in a convenience zone that has recently  
33 become unserved. The department shall allocate the amount  
34 authorized for these supplemental handling fee payments into 12  
35 equal monthly allotments.

36 (2) Supplemental handling fee payments shall be distributed  
37 once per month in equal amounts to recycling centers that are  
38 eligible for handling fees pursuant to subdivision (a), subject to  
39 all of the following requirements:

1 (A) A recycling center receiving a handling fee pursuant to this  
2 subdivision shall have no more than 600,000 beverage containers  
3 eligible for handling fees per month.

4 (B) Priority shall be given to recycling centers with the lowest  
5 volumes of beverage containers that are located in rural regions.

6 (C) (i) Payments shall be distributed first to no more than 100  
7 recycling centers with the lowest volumes of beverage containers  
8 that are located in rural regions, in order of lowest volume.

9 (ii) After payments are distributed pursuant to clause (i),  
10 payments shall be distributed to other recycling centers with the  
11 lowest volumes of beverage containers, in order of lowest volume.

12 (3) No more than 400 recycling centers shall receive  
13 supplemental handling fee payments pursuant to this subdivision.

14 (4) The department may make the supplemental handling fee  
15 payments authorized pursuant to this subdivision by augmenting  
16 handling fee payments received by recyclers pursuant to  
17 subdivision (f).

18 (5) This subdivision shall become inoperative on July 1, 2021.

19 ~~SEC. 12. This act is an urgency statute necessary for the~~  
20 ~~immediate preservation of the public peace, health, or safety within~~  
21 ~~the meaning of Article IV of the California Constitution and shall~~  
22 ~~go into immediate effect. The facts constituting the necessity are:~~

23 ~~Because of the unprecedented closures of recycling centers~~  
24 ~~statewide, reduced access to redemptions for consumers, declining~~  
25 ~~recycling rates, and higher costs associated for grocers and retailers,~~  
26 ~~it is necessary for this act to take effect immediately.~~

27

28

29 REVISIONS:

30 Heading—Line 2.

31