



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

BOARD OF DIRECTORS
Jill Duffy, County of Humboldt
Shane Brinton, City of Arcata
Sherman Schapiro, City of Blue Lake
Larry Glass, City of Eureka, **Chair**
John Maxwell, City of Ferndale
Melissa Marks, City of Rio Dell

AGENDA

Special Board Meeting
Wednesday, October 13, 2010 6:30 PM
Eureka City Council Chambers
531 K Street, Eureka, CA

Copies Available: Copies of the agenda materials are available through individual HWMA member agencies or by calling HWMA at 707-268-8680. There may be a charge for copies.

Accessibility: Accommodations and access to HWMA meetings for people with special needs must be requested in advance of the meeting at 268-8680. This agenda and other materials are available in alternative formats upon request.

1) Call to Order and Roll Call

2) Approve the Agenda

3) Closed Session/Report Out

4) Board Member Reports

5) Oral and Written Communications

This time is provided for people to address the Board or to submit written communications concerning matters not on this agenda. Board Members may respond to statements, but any request that requires Board action will be referred to staff for review. Reasonable time limits may be imposed on both the total amount of time allocated for this item, and on the time permitted to each individual speaker. Such time allotment or portion thereof shall not be transferred to other speakers.

- a. Receive and Review Independent Auditor's Report for Fiscal Year 2009/2010.
- b. Letter from PG&E Awarding a \$5,000 Grant for the Food Waste Digester Project.
- c. Letter from County Counsel Thanking HWMA for Support.
- d. Letter from Humboldt County Association of Governments Proposing a Meeting to Discuss Combining Resources.
- e. Letter from SDRMA Acknowledging No Reported Property/Liability Claims in FY2009/10.

6) Consent Calendar

All matters listed under the Consent Calendar are considered to be routine by the HWMA Board and will be enacted upon by one motion, unless a specific request for review is made by a Board Member or a member of the public. The Consent Calendar will not be read. There will be no separate discussion of

these items. However, if discussion is required, that item will be removed from the Consent Calendar and considered separately

- a. Approve Minutes from Previous Meeting(s).
- b. Receive August FY 10/11 Financials.
- c. Approve Proclamation Thanking Michael Moreland for Service on the Board.
- d. Approve Revised Job Descriptions for Controller and Operations Manager.

7) Approve November Meeting Date.

8) Authorize Staff to Execute an Amendment to Agreement of Purchase and Sale and Joint Escrow Instructions Between Recology and HWMA Concerning Tolling of Indemnification Obligations.

9) Executive Director's Report.

10) Adjourn.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**
Staff Report

DATE: October 14, 2010

FROM: Susan Rigge, Controller

SUBJECT: Item 5)a
Receive and Review Independent Auditor's Report for FY 2009-2010

RECOMMENDED ACTION: Voice Vote
Motion to Accept the Audit of Authority Finances for the FY 2009-2010

DISCUSSION:

The Authority has contracted with the firm of Demello, McAuley, McReynolds & Holland to conduct the annual audit of the Authority's financial activity. Included in this staff packet is a copy of The Authority's *Audited Financial Statements* as prepared and submitted by the firm for fiscal year 2009-2010.

The general-purpose financial statements are the responsibility of the Authority's management. The responsibility of the Independent Auditor is to express an opinion on these financial statements based on their audit. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. An audit includes examining evidence supporting the amounts and disclosures in the general-purpose financial statements and includes assessing the accounting principles used and significant estimates made by management.

The Audit is comprised of a Comparative Statement of Net Assets, Comparative Statements of Activities, and Changes in Net Assets, Statement of Cash Flows, and Notes to the Financial Statements. The opinion of the Auditor is that the basic financial statements present fairly, in material respects, the financial position of the Authority.

Lead Auditor, Kimber McReynolds, is available to answer questions from the Board.



September 13, 2010

Ms. Juliette P. Pohn
Program Analyst
Humboldt Waste Management Authority
1059 W. Hawthorne Street
Eureka, CA 95501

Dear Ms. Pohn:

On behalf of The PG&E Corporation Foundation ("PG&E"), I am pleased to transmit to you this check for \$5,000.00 made payable to Humboldt Waste Management Authority. At PG&E, we believe that it is important to fund nonprofit organizations in the service territory of our corporate sponsor, Pacific Gas and Electric Company, which provide important services to individuals and families in the region.

This grant is to be used to support the Humboldt Regional Food Waste Digester. As a charitable contributor to the project, PG&E is happy to receive any appropriate recognition for this gift.

Please ensure that all recognition provided as a result of this donation be credited to Pacific Gas and Electric Company, as written in this sentence, despite the fact that the funds are from The PG&E Corporation Foundation.

This letter also confirms that Humboldt Waste Management Authority certified in the PG&E grant application that it is in compliance with all local, state, and federal laws, as well as with several PG&E policies. Please ensure that appropriate staff members and officers of Humboldt Waste Management Authority read Attachment A to this letter, which describes those requirements.

At Pacific Gas and Electric Company, we take great pride in the community partnerships we have created and we are grateful for the opportunity to acknowledge and support citizens and organizations committed to making Humboldt a better place to live and work.

Sincerely,

ALISON TALBOTT
Government Relations Consultant

Enclosure

ATTACHMENT A

1. **Humboldt Waste Management Authority** is, and shall remain, in compliance with all federal, state, and local laws, rules, and regulations, including if applicable the California Nonprofit Integrity Act of 2004;
2. **Humboldt Waste Management Authority** does not and shall not, in its by-laws, policies, or practices, discriminate on the basis of race, color, religion, age, sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, pregnancy, sexual orientation, gender identity, or any basis prohibited by applicable law;
3. This donation will be used only for charitable purposes relating to **Humboldt Waste Management Authority**, and will not be used to promote or oppose any candidate or ballot measure, to advocate any legislative or administrative action, or to personally benefit or compensate any elected official; and,
4. **Humboldt Waste Management Authority** and each of its grantees, if any, is in full compliance with all statutes, Executive Orders, and regulations restricting or prohibiting U.S. persons from engaging in transactions and dealings with countries, entities, or individuals subject to economic sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, and **Humboldt Waste Management Authority** does not and shall not promote or engage in violence, terrorism, bigotry, or the destruction of any state, or make grants or otherwise furnish support of any kind to any individual or entity that engages in such activities.

Should any change in circumstances pertaining to any of the requirements listed above occur at any time, **Humboldt Waste Management Authority** will notify PG&E immediately. Because the grant from PG&E is contingent on **Humboldt Waste Management Authority** meeting all of the requirements above, please note that if they are not met, the grant will be void and PG&E may require that it must be repaid in full.



PG&E Comoration Foundation
77 Bea
San Francisco, CA

BNY Mellon WCS
Everett, MA 02149

53-292
113

Date: 08/31/2010

Check No. 0002813

Pay \$*****5,000.00*

FIVE THOUSAND..... AND 00/100 DOLLARS

To The Order Of

ACCOUNTS PAYABLE

HUMBOLDT WASTE MANAGEMENT
AUTHORITY
1059 W HAWTHORNE ST
EUREKA CA 95501

Stephen S. Banzel
Chairperson of the Board
Don C. Dingley
Executive Director

VOID AFTER 90 DAYS

⑈0000002813⑈ ⑆011302920⑆ 068349⑈

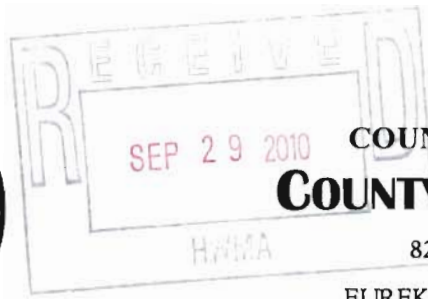
PLEASE FOLD FIRST THEN DETACH ALONG PERFORATION

HUMBOLDT WASTE MANAGEMENT
Check no. 0002813
Date 08/31/2010
Your account number 1064080
Payment Document 2000098502
Our account with you N/A

Invoice	Date	Discount	Net Amount	Comments
92888	08/30/10	0.00	5,000.00	DOUG CARRILLO 3-4122 DACZ
Totals:	USD	0.00	5,000.00	For Payment Info Call Doug Carrillo @ 415-973-4122

Special Handle Code: 01

004983



COUNTY COUNSEL
COUNTY OF HUMBOLDT
825 FIFTH STREET
EUREKA, CALIFORNIA 95501
PHONE: (707) 445-7236 FAX: (707) 445-6297

September 27, 2010

Humboldt Waste Management Authority
1059 West Hawthorne Street
Eureka, CA 95501

Re: Grant to Code Enforcement Unit

Dear Board Members,

On behalf of the County of Humboldt, and particularly the Code Enforcement Unit of the County Counsel's Office, I want to thank you once again for your generous grant of \$32,000.00 for the current fiscal year. The County continues to implement budgetary reductions in order to meet the fiscal crisis that we all face. Your financial support of the Code Enforcement Unit during these difficult economic times is needed more than ever and your generosity is very much appreciated.

The Authority has been extremely supportive of the Unit's efforts over the years. This grant continues to help the Code Enforcement Unit's operation to address the serious problems of illegal storage and disposal of solid waste in the unincorporated areas of the County.

The Humboldt County Board of Supervisors and my office thank you for your continued support of the Code Enforcement Unit.

Very truly yours,

WENDY B. CHAITIN
County Counsel



HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS

Members: County of Humboldt • Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, Trinidad

HCAOG

September 23, 2010

Mark Lovelace, HTA Chair
825 Fifth Street, Room 111
Eureka, CA 95501

Larry Glass, HWMA Chair
531 K Street
Eureka, CA 95501

Jay Parrish, RCEA Chair
834 Main Street
Ferndale, CA 95536

Dear Supervisor Lovelace, Councilmember Glass and Mr. Parrish:

The Humboldt County Association of Governments (HCAOG) Board has begun the process to fill the vacancy created by the retirement of our long-term Executive Director. Our Board has appointed a sub-committee to evaluate options and outline a process to hire a new executive director.

While working to design a recruitment process, it has become evident that other opportunities exist to strengthen the work of Joint Powers Authorities (JPA) in Humboldt County. HCAOG has historically been tasked with the disbursement of transportation funds. In 2009, we worked with the cities and county to complete the Regional Housing Needs Assessment (RHNA), a difficult process that highlighted the need for more coordination with member entities, as well as more planning capacity internally. The CalTrans Blueprint planning process that is underway looks to integrate the discussion of transportation, land use, transit, energy usage, and planning/growth. Implementation of AB 32 and SB 375 will further challenge us all to make wise and sustainable decisions in these areas.

HCAOG is looking beyond this current recruitment effort. Given our mission and direction, we realize that we cannot work in isolation from the important work and conversations confronting our sister JPA's for energy, transit and waste management. The HCAOG Board and the city managers' group have both been thinking about ways that we could more effectively and efficiently combine our collective resources for the overall benefit of Humboldt County.

We would like to explore those possibilities and others with your organization. We propose a meeting to discuss these opportunities. Perhaps formation of a task force with representatives from each of the four JPA's could initiate this conversation. We are also aware that Humboldt Transit Authority and Redwood Coast Energy Authority in recruitment for your own executive directors, and would ask that you be open to the options for cooperative work on these topics.

Thank you for all that you do on behalf of the residents of Humboldt County. We look forward to working with you. HCAOG Interim Executive Director, Marcella Clem, will contact your staff to coordinate a meeting.

Sincerely yours,

Mark Wheelley
HCAOG Chair

Special District Risk
Management Authority

Maximizing Protection.
Minimizing Risk.

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
F 916.231.4111
Toll-free 800.537.7790
www.sdrma.org



September 30, 2010

Mr. Larry Glass
Board President
Humboldt Waste Management Authority
1059 West Hawthorne Street
Eureka, California 95501-2150

Re: No Reported Property/Liability Claims in 2009-10

Dear Mr. Glass:

This letter is to formally acknowledge the dedicated efforts of the Humboldt Waste Management Authority's Governing Body, management and staff towards proactive loss prevention and safety training. Your agency's efforts have resulted in no reported property/liability claims for program year 2009-10. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Humboldt Waste Management Authority that SDRMA has been able to continue providing affordable property/liability coverage to over 430 public agencies throughout California. In fact, 334 members or 77% in the property/liability program did not have any reported claims in program year 2009-10.

In addition to this annual recognition, members with no reported claims during the program year can earn 2 credit incentive points (CIPs) thereby reducing their annual contribution amount (the agency must earn a minimum of 10 CIPs to qualify for this claims bonus). Also, members without claims for at least 3 years may receive a lower "risk factor" which also reduces their annual contribution amount.

Since SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to Dennis Timoney, SDRMA Chief Risk Officer at dtimoney@sdrma.org.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management and staff of Humboldt Waste Management Authority for their commitment to proactive loss prevention and safety training and for having no reported claims in program year 2009-10.

Sincerely,
Special District Risk Management Authority

David Aranda, President
Board of Directors

An alliance committed to serving
California's independent special districts
www.allspecialdistricts.com

California Special Districts Association
1112 I Street, Suite 200
Sacramento, California 95814-2865
Toll-free 877.924.CSDA (2732)
Fax 916.442.7889

CSDA Finance Corporation
1112 I Street, Suite 200
Sacramento, California 95814-2865
Toll-free 877.924.CSDA (2732)
Fax 916.442.7889

October 13, 2010

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**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

BOARD OF DIRECTORS

Jill Duffy, County of Humboldt
Shane Brinton, City of Arcata
Sherman Schapiro, City of Blue Lake
Larry Glass, City of Eureka, **Chair**
Michael Moreland, City of Ferndale, **Vice Chair**
Melissa Marks, City of Rio Dell

MINUTES

Thursday, September 9, 2010 6:30 PM
Eureka City Council Chambers
531 K Street, Eureka, CA

Present: Shane Brinton, Sherman Schapiro, Larry Glass, Melissa Marks
Absent: Jill Duffy, Michael Moreland
Staff: Jim Test, Susan Rigge, Tyler Egerer
Legal Counsel: Nancy Diamond

1) Call to Order and Roll Call

Chairman Glass called the meeting to order at 6:34 p.m. A quorum was present and acting.

2) Approve the Agenda

Executive Director Test moved Item 3), Closed Session/Report Out to follow Item 9), Executive Director's Report.

Motion Schapiro/Brinton to Approve the Agenda 4 Ayes/0 Nays, Abstentions/2 Absent

4) Board Member Reports

Executive Director Test inquired of Boardmember Schapiro about the status of the Blue Lake Power Company. Boardmember Schapiro reported that the plant is operating full time, and that emissions have improved steadily since operations began. The Air Quality Board is concerned over the ash pile and what will be done with it; Boardmember Schapiro hopes to see it disposed of in a responsible manner.

5) Oral and Written Communications

No Communications.

6) Consent Calendar

- a. Approve Minutes from Previous Meeting(s).
- b. Receive July FY 10/11 Financials.
- c. Approve Change Order No.7 in the amount of \$46,840.00 for Golder Assoc.
- d. Retain the Audit Services of DeMello, McAuley, McReynolds & Holland for the Next Three Years.
- e. Award Construction Bid for Tip Floor Office to Pacific Builders in the Amount of \$65,808 and Authorize a \$5,000 Contingency Fund.
- f. Award Bid not to exceed \$90,000 to Cascadia Consulting Group to Prepare a Waste Characterization Study.
- g. Adopt Resolution 2011-02 Amending the Conflict of Interest Code.

Boardmember Schapiro pulled Item 6a).

Motion Schapiro/Marks to Approve Items 6b) through 6g) of the Consent Calendar 4/0/2.

Boardmember Schapiro reviewed corrections made in conversation with Authority Staff in order to better clarify some of the previous meeting's discussion. Processes by which the minutes are recorded were better defined as well.

Motion Brinton/Schapiro to Approve the Minutes of July 8, 2010 3/1/2.

Motion Brinton/Marks to Approve the Special Meeting Minutes of July 18, 2010 4/0/2.

7) Authorize Staff to Work with the City of Trinidad in Joining the JPA.

Executive Director Test provided a brief history of the work between the City of Trinidad and the Authority in attempting to bring Trinidad into the JPA. The City first expressed interest during the diesel fuel spikes two years ago; with the various problems faced by the Authority at that time, the decision to join was put on hold. Now that the Authority is on firmer ground and discussing potential regionalization efforts, the City of Trinidad would once again like the chance to join the JPA.

Regionalization efforts have been slowed by Executive Director Test, as Staff and the Authority's regionalization consultant continue to work on the specifics of the process. Since the plan to add Trinidad had originally been included with the reworking of the JPA, this would have slowed Trinidad's entry into the JPA greatly.

The Board discussed the various steps that would be taken to add Trinidad to the Authority. Executive Director Test estimates it will take three to four months to finalize the process, including the work necessary to implement flow control for the City of Trinidad.

Chairman Glass Opened the Floor to Public Comment.

Stan Binnie, Mayor of the City of Trinidad introduced himself and Steve Albright, City Manager of Trinidad. He spoke about his conversations with Executive Director Test, and the renewed interest of the City of Trinidad to join the Authority. He requested that, for the sake of both parties, the benefits provided by each be examined.

Executive Director Test began by noting the benefits the Authority provides to its members; notably, the ability to provide a community voice on all waste management activities and the ability to take part in rate hearings, in order to maintain stable disposal rates. In addition, the various programs activities and outreach provided by the Authority would be provided at little to no cost to the citizens of Trinidad. For the Authority, the addition of another voice in the decision making process and the increased effort to act regionally for the County are the most important benefits to having Trinidad represented on the Board.

Mayor Binnie inquired about the process of establishing flow control, and wondered how drastically the City's curbside program would change. Executive Director Test stated that his plan would be to work with Humboldt Sanitation to establish a contract for service that would not greatly alter the current setup in Trinidad.

Steve Albright, City Manager for Trinidad, noted a variety of beneficial programs in place meant to save the citizens of Trinidad on their disposal services. He hoped that these programs – most importantly, the pay-as-you-go blue bags and the community-based recycling center – would remain in place.

Chairman Glass Closed the Floor to Public Comment.

Boardmember Brinton, echoed by the rest of the Board, stated his excitement at the prospect of adding another voice to the regional effort and welcomed the diversity of opinion that the City of Trinidad would bring to the Board.

Executive Director Test summed up the process to add the City of Trinidad, and estimated that, most likely, the Board would be presented with the ability to certify a date

for Trinidad's inclusion at the January meeting provided all member agencies agree to the addition.

Motion Brinton/Schapiro to Authorize Staff to Work with the City of Trinidad in Joining the JPA 4/0/2.

8) Approve Revised Organization Chart and Classification and Pay Plans.

Executive Director Test provided an overview of the different operators working throughout the Authority. He noted that while pay grades can differ greatly between the Tip Floor, Recycling Center, and Landfill all positions perform essentially the same functions of heavy equipment operation, equipment repair and facility maintenance. Combining these operators into one classification will make it easier to move employees around the facilities as needed to cover shift shortages and increased business.

The Senior Programs Analyst would provide in-house planning and materials management functions which would otherwise be performed by outside consulting firms. Boardmember Schapiro asked about the estimated savings provided by this position. Executive Director Test did not have a solid estimated figure, but noted that many of the projects the Senior Analyst would be working on are projects that were otherwise shelved until money and time to hire a consultant became available.

Motion Brinton/Marks 4/0/2.

9) Executive Director's Report.

The RFP for a Recycling Processor is moving along swiftly; questions have come in, and responses have been sent out. The due date for proposals is in October, at which point the selection process begins.

The Landfill Closure Plan is still in review at that Water Quality Board. In the meantime, Authority staff is looking into alternative energy solutions to utilize the emissions from the trash at the landfill.

Scalehouse Remodeling is in the planning stages as part of ongoing renovations at the Transfer Station. The flow of traffic in the Scalehouse, as well as better protection against rainy weather conditions are the key reasons for the remodel. In addition, a contractor has been selected to remodel the Tip Floor break room, and work on that will begin in the coming months.

A contract with Humboldt Sanitation to include self haul tonnages is almost complete, and negotiations have gone well. Boardmember Schapiro inquired about the status of recycling and credit card usage at the Transfer Station, both of which are doing very well. Boardmember Marks discussed an illegal paint dump, which hazardous waste staff is helping to dispose of properly while saving as much money as possible for those performing the cleanup.

10) Adjourn.

Chairman Glass Opened the Floor to Public Comment regarding the Closed Session.

Chairman Glass Closed the Floor to Public Comment. No one spoke.

Chairman Glass Adjourned the meeting to Closed Session at 7:20 p.m.

Next Meeting is 6:30 p.m. on October 14, 2010 at Eureka City Hall Council Chambers.

3) Closed Session/Report Out

- a. Pursuant to Government Code Section 54956.8 for real property negotiations re: Arcata Recycling Center Samoa Facility. Negotiators for HWMA are: Board Chair Glass, Board Member Brinton, Authority Counsel Diamond and Executive Director Test.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: October 14, 2010

FROM: Susan Rigge, Controller

SUBJECT: Item 6)b
Review August Financial Reports

RECOMMENDED ACTION: Comment.
Review and Comment on the August Financial Reports.

DISCUSSION:

Attached for Board review are the August Financial Statements

- Activity Report
- Balance Sheet
- Disbursements
- Department and Authority-wide Income Summaries.

For the month of August, the change in net assets was \$253,533. Year to date revenue is \$1,851,630, which is 10.32% higher than the budget of \$1,678,484. Operation and payroll expenses are \$1,006,367, and indirect expenses are \$147,477 all lower than budgeted at \$1,343,249.

The Activity Report indicates that solid waste tonnage and revenue has decreased from the same period a year ago. ERD tonnage also has decreased from the same period last year. Additionally, Greenwaste tonnage is down significantly.

Cash Disbursements for the month of August were \$860,288, which includes \$176,314 for salaries and related employee expense. Bond payments are \$107,194 while payments for transportation and disposal account for \$326,878. Pass through fees paid to county departments was \$25,517, and consulting fees and construction projects was \$28,005.

**Activity Report
July 1, 2010 - August 31, 2010**

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	7,416.14	7,728.74	95.96%	\$914,484.49	\$995,539.11	91.86%
Self Haul	3,018.52	3,157.17	95.61%	\$481,349.97	\$514,488.34	93.56%
Subtotal	10,434.66	10,885.91	95.85%	\$1,395,834.46	\$1,510,027.45	92.44%
ERD	1,278.76	1,418.60	90.14%	\$122,957.78	\$144,540.60	85.07%
TOTAL.	11,713.42	12,304.51	95.20%	\$1,518,792.24	\$1,654,568.05	91.79%
Greenwaste	345.55	505.21	68.40%	\$33,555.85	\$47,714.20	70.33%

Household Hazardous Waste

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	48	94	51.06%	\$10,019.22	\$11,294.63	88.71%
Residential	803	758	105.94%	\$5,561.15	\$4,574.00	121.58%
Fortuna Residential	8	7	114.29%	\$266.00	\$531.50	50.05%
Revenue from Countywide Fee				\$66,697.49	\$75,361.19	88.50%
TOTAL.	859	859	100.00%	\$82,543.86	\$91,761.32	89.95%

Traffic Count	Average Daily	Exceptions	Average Daily	% of Prior (ADC)
	Count FY11		Count FY10	
July	291	None	283	102.83%
August	261	None	269	97.03%
September			270	0.00%
October			235	0.00%
November			236	0.00%
December			231	0.00%
January			249	0.00%
February			242	0.00%
March			241	0.00%
April			242	0.00%
May			250	0.00%
June			279	0.00%

Humboldt Waste Management Authority
Statement of Assets and Liabilities
For the Month Ending August 31, 2010

ASSETS	August 31, 2010	June 30, 2010
Current Assets		
Cash and Cash Equivalents	\$3,612,752.03	\$3,340,503.51
Accounts Receivable	\$664,510.35	\$737,204.39
Prepaid Items	\$33,928.04	\$58,530.88
Total Current Assets	\$4,311,190.42	\$4,136,238.78
Restricted Assets		
Investment with Bond Trustee	\$2,119,903.14	\$2,119,903.14
Closure and post Closure care Trust Fund	\$8,248,678.86	\$8,213,253.20
Environmental Trust Fund	\$0.00	\$0.00
Article Five Trust Fund	\$72,597.43	\$73,196.01
Accrued Interest Receivable	\$67,067.88	\$62,000.00
Total Restricted Assets	\$10,508,247.31	\$10,468,352.35
Other Assets		
Property, Plant, & Equipment	\$5,488,910.22	\$5,535,508.33
Deferred Charges	\$343,382.48	\$348,389.42
Waste Authority Permit	\$221,171.00	\$221,171.00
Contract with Anderson Landfill	\$242,923.26	\$253,485.12
Goodwill Depreciable - Purchase of WSG	\$3,317,750.74	\$3,421,430.46
Total Other Assets	\$9,614,137.70	\$9,779,984.33
Total Assets	\$24,433,575.43	\$24,384,575.46
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$372,827.32	\$583,041.27
Deferred Revenue	\$368,475.66	\$368,475.66
Current Portion of Bonds Payable	\$629,164.00	\$755,000.00
Current Portion of Leases Payable	\$21,676.00	\$21,676.00
Current Portion of Loan Payable	\$50,000.00	\$50,000.00
Accrued Wages and Payroll taxes payable	\$63,862.34	\$112,128.33
Accrued Interest Payable	\$88,500.00	\$88,500.00
Other Accrued liabilities	\$2,100.00	\$2,100.00
Total Current Liabilities	\$1,596,605.32	\$1,980,921.26
Long Term Liabilities		
Loans Payable - CIWMB Closure	\$313,655.00	\$313,655.00
Equipment Leases Payable	\$39,785.52	\$39,785.52
Estimated closure and post closure costs	\$13,150,000.00	\$13,150,000.00
Bonds payable, long-term portion	\$10,845,000.00	\$10,845,000.00
Total Long Term Liabilities	\$24,348,440.52	\$24,348,440.52
Total Liabilities	\$25,945,045.84	\$26,329,361.78
Net Assets		
Equity Reserved	(\$2,846,875.24)	(\$2,846,875.24)
Unrestricted	\$3,070,493.92	\$3,070,493.92
Investment in Capital assets	(\$2,168,405.00)	(\$2,168,405.00)
Increase (Decrease) in Net Assets	\$433,315.91	
Total Net Assets	(\$1,511,470.41)	(\$1,944,786.32)
Total Liabilities and Net Assets	\$24,433,575.43	\$24,384,575.46

Disbursements - August 2010

Paid To	Cleared	Paid To	Cleared
ACRC	\$9,615.00	McKinleyville Press	\$350.00
Anderson Landfill	\$62,201.35	Mendes Supply Company	\$128.90
Applied Polymer Systems, Inc	\$2,029.79	Mercury Disposal Systems, Inc	\$424.00
Asbury Environmental Services	\$210.00	Mission Uniform & Linen	\$314.58
AT & T	\$617.67	Myrtle town Lumber	\$57.96
Bank of New York	\$107,194.00	Nancy Diamond	\$4,924.16
Bettendorf Enterprises, Inc.	\$204,356.14	Network Management Services	\$2,160.78
Bob's Sign Shop	\$75.00	Nilsen Feed & Grain Company	\$169.26
Bold Images	\$125.30	North Coast Journal	\$315.00
Brent Whitener - travel	\$187.00	North Coast Laboratories	\$85.00
Broadway Medical	\$40.90	North Coast Unified Air Qualif	\$1,220.14
California Body Shop, Inc	\$624.72	Northcoast Awning Co.	\$8,689.76
California Resource Recovery	\$2,511.00	Northcoast Exterminators	\$315.00
Cardmember Service	\$3,822.67	Northcoast Powersports Central	\$111.50
Cash for CRV	\$34,082.00	Northern California Gloves	\$35.80
Caterpillar Financial Services	\$2,179.67	Northern California Safety Con	\$80.00
City of Eureka	\$218.22	Occupational, Environmental Health	\$520.00
Cresco Equipment Rental Affili	\$975.84	P G & E	\$2,567.38
Crystal Springs Bottled Water	\$102.50	Pacific Paper Co.	\$141.07
Danielle Guinn - travel	\$4.00	Pacific Watershed Assoc.	\$1,057.80
DCI BUILDERS	\$17,369.85	Peterson Tractor	\$1,401.56
ECS Refining	\$652.00	Petty Cash	\$289.99
Eel River Disposal	\$20,360.99	Phillips Service Corp.	\$83,718.50
Eric Keller-Heckman - travel	\$4.00	Picky Picky Picky Store	\$1,710.43
Ernie Bull - travel	\$4.00	Pierson Building Center	\$568.96
Eureka Humboldt Fire Extinguisher	\$7,923.44	Recology Humboldt County	\$1,575.00
Eureka Oxygen Co	\$753.06	Redwood Teen Challenge	\$307.50
Eureka Printing Company, Inc.	\$1,720.05	Sainte Partners	\$380.00
Eureka Rubber Stamp Co.	\$22.72	Schuyler Rubber Co.,Inc	\$3,014.61
FedEx	\$24.64	SDRMA	\$123.75
Fernbridge Tractor and Equipme	\$7.00	SETCO	\$2,374.86
Freon Free Appliance Processin	\$683.00	Sherwin-Williams Company	\$40.84
Gess Environmental	\$22,480.63	Stacy Knox - uniforms	\$136.64
Golder Associates	\$482.50	Staples Credit Plan	\$122.84
Hach Company	\$646.40	Stericycle,Inc	\$533.97
Hambro/WSG Inc	\$3,916.25	Steve Morris Logging & Contrac	\$6,899.68
Harbor Freight Tools	\$134.01	Stewart Telecommunications	\$518.81
HCS D	\$23.60	Suddenlink	\$89.00
Hensell Materials	\$410.89	Superior Alarm Systems, Inc.	\$260.00
Holt of California	\$330.05	Taylor Made Organizing	\$130.00
Humboldt Arts Council	\$500.00	The Arcata Eye	\$200.00
Humboldt Bay Forest Products	\$6,306.55	Thumper's Mechanical Service	\$350.00
Humboldt County Dept of Public Works	\$10,152.26	Times Standard	\$1,357.15
Humboldt County Environmental Health	\$15,609.84	Uline Shipping Supply Speciali	\$46.53
Humboldt Lock and Safe	\$283.67	United Rentals Inc.	\$174.96
Humboldt Recycling ,LLC	\$523.70	Verizon Wireless	\$224.32
Jay West	\$1,320.00	Western Chain Saw	\$246.53
Jeff Williams - travel	\$4.00	Whitchurch Engineering, Inc	\$172.50
JMB Architecture	\$11,635.22	Xerox Corp.	\$276.70
Ken Newell	\$3,737.85	Zep Manufacturing Company	\$87.74
Kenneth Kaiser O.D.	\$280.00		
KIEM-TV3	\$750.00	Subtotal	\$703,973.95
L & M Renner, Inc	\$5,669.14		
Mad River Hardwood Co., Inc	\$3,196.80	Deferred Comp	\$4,040.00
Mainstay Business Solutions	\$3,315.56	CalPERS On Line	\$16,659.94
Maple Service Plumbing	\$319.55	Payroll	\$135,613.97
McKinleyville Ace	\$246.50		\$860,287.86

October 13, 2010

Humboldt Waste Management Authority
Summary Statement of Operations
For the Month Ending August 31, 2010
Actual vs Budget

	August Actual	YTD Total	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD 16.67% of Total Budget
Operations							
Total Revenues	952,905	1,851,630	1,678,484	173,146	110.32%	10,070,901	18.39%
Operational Expense	331,119	749,416	800,488	(51,073)	93.62%	4,802,930	15.60%
Payroll	153,168	256,951	331,107	(74,156)	77.60%	1,986,640	12.93%
Indirect Expense	67,618	147,577	211,654	(64,077)	69.73%	1,269,921	11.62%
Subtotal Expenses	551,905	1,153,943	1,343,249	(189,306)		8,059,491	
Net Operations	400,999	697,687	335,235	362,452		2,011,410	
Capital Expenditures	7,877	69,878	143,833	(73,955)	48.58%	863,000	8.10%
Non-Operational Expense	34,285	66,504	69,715	(3,211)	95.39%	418,288	15.90%
Other Revenues & Expenses	(105,305)	(197,868)	(110,822)	(87,046)	178.55%	(664,932)	29.76%
Net Change in Assets	253,533	363,437	10,865	352,572		65,190	

Humboldt Waste Management Authority
Summary Statement of Operations
For the Month Ending August 31, 2010
by Department

	YTD Total	Admin	Transfer Station	ERD	Recycling Programs	HHW	Compost Facility	Cummings Landfill
Operations								
Total Revenues	1,851,630	69,851	1,174,950	122,958	105,685	82,543	72,835	101,522
Operational Expense	749,416	0	491,949	50,178	101,093	427	42,872	11,893
Payroll	256,951	19,711	97,324	0	44,488	39,743	25,869	27,937
Indirect Expense	147,577	12,426	46,718	0	29,279	18,661	16,166	20,971
Subtotal Expenses	1,153,943	32,136	635,991	50,178	174,860	84,907	56,241	60,800
Net Operations	697,687	37,715	538,960	72,780	(53,575)	(2,363)	16,594	40,722
Capital Expenditures	69,878	(27,379)	131,101	0	(33,845)	0	0	0
Non-Operational Expense	66,504	7,662	36,259	0	3,697	4,854	2,954	4,064
Other Revenues & Expenses	(197,868)	5,090	(187,849)	0	(14,464)	0	0	(644)
Net Change in Assets	363,437	62,521	183,750	72,780	(37,891)	(9,377)	13,640	36,014

Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending August 31, 2010
Administration & Transfer Station

	August Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	16.67% of Total Budget
Total Revenues	739,271	1,489,044	1,374,770	114,274	108.31%	8,248,620	18.05%	
Direct Expenses	402,001	804,742	904,638	(99,896)	88.96%	5,427,830	14.83%	
Gross Margin	337,270	684,302	470,132	214,171		2,820,790		
Indirect Expenses	42,205	88,422	108,588	(20,165)	81.43%	651,526	13.57%	
Income from Operations	295,065	595,880	361,544	234,336		2,169,264		
Capital Expenditures	7,877	69,878	134,167	(64,288)	52.08%	805,000	8.68%	
Depreciation	24,059	47,618	49,265	(1,647)	96.66%	295,588	16.11%	
Other Revenue & Expense	(104,661)	(197,224)	(110,822)	(86,402)	177.96%	(664,932)	29.66%	
Net Income (Loss)	158,469	281,160	67,291	213,869		403,744		

**Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending August 31, 2010
Programs Department**

	August Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	YTD 16.67% of Total Budget
Total Revenues	154,330	261,063	193,380	67,683	135.00%	1,160,281	22.50%	
Direct Expenses	61,540	161,794	182,701	(20,907)	88.56%	1,096,206	14.76%	
Gross Margin	92,790	99,269	10,679	88,589		64,075		
Indirect Expenses	17,112	38,184	58,083	(19,899)	65.74%	348,496	10.96%	
Income from Operations	75,678	61,085	(47,404)	108,488		(284,421)		
Capital Expenditures	0	0	0	0	0.00%	0	0	0.00%
Depreciation	7,885	14,822	15,767	(945)	94.01%	94,603	15.67%	
Other Revenue & Expense	0	0	0	0	0	0	0	0
Net Income (Loss)	67,793	46,263	(63,171)	109,434		(379,024)		

**Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending August 31, 2010
Landfill Includes Trust Funds**

	August Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	16.67% of Total Budget
Total Revenues	59,304	101,522	110,333	(8,811)	92.01%	662,000	662,000	15.34%
Direct Expenses	20,746	39,830	44,256	(4,426)	90.00%	265,534	265,534	15.00%
Gross Margin	38,558	61,693	66,078	(4,385)		396,466		
Indirect Expenses	8,302	20,971	44,983	(24,013)	46.62%	269,899	269,899	7.77%
Income from Operations	30,256	40,722	21,095	19,628		126,567		
Capital Expenditures	0	0	9,667	(9,667)	0.00%	58,000	58,000	0.00%
Depreciation	2,341	4,064	4,683	(619)	86.79%	28,097	28,097	14.46%
Other Non-Operational Expenses	(644)	(644)	0	(644)		0	0	
Net Income (Loss)	27,271	36,014	6,745	29,269		40,470		

October 13, 2010

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**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: October 14, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 6)c
Approve Proclamation Thanking Michael Moreland for Service on the Board.

RECOMMENDED ACTION: Voice vote.
Approve the attached Proclamation.

DISCUSSION:

Board member Moreland has resigned from the Ferndale City Council due to health reasons and a replacement will be named to the Authority Board. It is appropriate that the authority recognize Mr. Moreland for his four years of dedicated service to the Authority.

**A PROCLAMATION OF THE BOARD OF THE
HUMBOLDT WASTE MANAGEMENT AUTHORITY
ACKNOWLEDGING AND THANKING
MICHAEL MORELAND
FOR HIS EFFORT WHILE SERVING ON THE BOARD**

WHEREAS, the Humboldt Waste Management Authority (HWMA) is a joint powers authority formed by the cities of Arcata, Blue Lake, Eureka, Ferndale, and Rio Dell and the County of Humboldt to deal with solid waste management issues; and

WHEREAS, MICHAEL MORELAND has been a duly appointed member of the Board of Directors from January 2007 representing the City of Ferndale through September 2010; and

WHEREAS, MICHAEL MORELAND has served this board well both in its on-going decision making processes as well as by serving on various committees when needed and by serving as Board Vice-Chair from January 2009 through September 2010;

NOW, THEREFORE, BE IT PROCLAIMED by the Board of the Humboldt Waste Management Authority that we do acknowledge the efforts of **MICHAEL MORELAND** as HWMA Board member and thank him for his extraordinary service during his term on the Board.

INTRODUCED, PASSED, AND ADOPTED this 14th day of October 2010 by the following vote:

AYES:

NAYS:

ABSENT:

ATTEST:

Executive Director

Chair



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: October 14, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 6)d
Revised Job Descriptions for Controller and Operations Manager.

RECOMMENDED ACTION: Voice Vote.
Approve Revised Classifications including:
Controller and Operations Manager.

DISCUSSION:

The Controller has been the second-in-command for a number of years. With the recent establishment of an Operations Manager, senior staff felt it appropriate to appoint that position as the supervisor in the absence of the Executive Director.

Classification and Pay Plans

The revised Job Descriptions for Controller and Operations Manager are attached. The only changes to the descriptions are that the Operations Manager now supervises the operations of the Authority in the absence of the Executive Director. There are no changes to the Pay Plan.

Financial Impact

Minor revisions to the job descriptions will not have any impact on pay scales or the proposed budget.

ATTACHMENTS:

Job Descriptions for: Controller and Operations Manager.



JOB DESCRIPTION

CONTROLLER

SUMMARY

This is a full-time, exempt position with administrative, supervisory, planning and reporting responsibilities. The Controller is responsible for management of HWMA financial and administrative functions and is designated as the Authority Treasurer. This position is responsible for establishing and maintaining financial systems, financial policies and procedures, and financial reporting and compliance requirements. The Controller helps plan, prepare and monitor HWMA's operating budget, as well as short and long-term capital budgets, cash flow requirements, financial projections, and periodic financial reports, as outlined in the HWMA finance policy and procedure manual.

The Controller is also responsible for establishing and maintaining general administrative systems, corporate insurance requirements and personnel administration.

This position provides information and assistance to the auditor in the performance of the annual audit.

SUPERVISION RECEIVED AND EXERCISED

The Controller reports to the Executive Director; and, supervises and trains finance staff and scale staff.

TYPICAL DUTIES

Financial Management

- Manage internal accounting and financial control systems.
- Maintain A/P, G/L and Payroll Ledgers, and Fund Accounts.
- Review and monitor cash flow requirements, and prepare cash flow projections.
- Work with the Executive Director and staff to develop and maintain effective annual operating budgets.
- Oversee the annual audit process and review and comment on auditor recommendations.
- Maintain computer networks and accounting and scale software systems.
- Review and monitor contract requirements for annual rate adjustments and reporting.
- Review and monitor corporate insurance requirements.

Compliance Management

- Work with the Executive Director and staff to develop and maintain program compliance documentation and reporting systems.
- Work with the Executive Director and staff to design and prepare periodic compliance reports required by HWMA procedures or regulatory agencies.

- Develop and maintain effective electronic and paper filing systems for financial and corporate records that comply with program and audit requirements.

Personnel Management

- Work with the Executive Director and staff to analyze staffing requirements and prepare job descriptions, and to develop and maintain effective hiring, training, evaluation, compensation and benefit programs.
- Participate in recruitment and placement for non-exempt positions.
- Provide training and guidance to supervisors on personnel policies, processes, and regulatory issues.
- Maintain personnel files and records and assist employees with forms and procedures.
- Administer CalPERS retirement program and health benefits program.

Other Duties

- Answer questions from the public regarding Authority functions and policies.
- Attend Board meetings; and other related events, as requested.
- Perform all other duties as assigned by the Executive Director.
- Attend and participate in professional group meetings, stay abreast of trends and regulations in the field of public finance administration.

QUALIFICATIONS

Knowledge of

- Governmental Accounting Standard Board policies and regulations.
- Generally Accepted Accounting Principles.
- Employment Law and Workers Compensation Law.

Skill in

- Understanding budget preparation and implementation and cash flow planning.
- Ability to interpret and apply laws, regulations, policies and procedures.
- Ability to exercise sound judgment within the constraints of general policy guidelines.
- Ability to establish and maintain relationships with a wide range of government officials and the public.
- Strong oral and written communication skills.
- Ability to operate a variety of computer programs.
- Ability to supervise and coordinate staff.

Experience and Education

- A Degree in Accounting or Business Administration.
- A minimum of seven years experience as a controller or finance manager in a supervisory capacity.

Special Qualifications or Licenses

- Must have a valid California drivers' license.



JOB DESCRIPTION

Operations Manager

SUMMARY

This is a full-time, exempt position with administrative, supervisory, planning and reporting responsibilities. The Operations Manager is responsible for long range operational planning, and management of daily activities at the Hawthorne Street Transfer Station and the Mad River Compost Facility. This position helps plan and monitor operational budgets, and prepares periodic compliance reports.

This position is responsible for planning and administering transportation, disposal, recycling and greenwaste contracts.

The Operations Manager also facilitates cooperative relationships with other agencies; helps plan and coordinate community events; and manages facility compliance reports related to the operations of the Authority.

SUPERVISION RECEIVED AND EXERCISED

The Operations Manager reports to The Executive Director and supervises operations staff and contractors. The Operations Manager supervises the operations of the Authority in the absence of the Executive Director.

TYPICAL DUTIES

Operations Management

- Develop long-range and short-range operating plans.
- Negotiate and manage procurement and service contracts.
- Supervise facility staff and contractors.
- Respond to emergency situations.
- Provide information and answers questions of contractors and the public.
- Develop efforts to improve operations and ensure safety in the workplace.
- Evaluate employee performance.
- Enforce personnel policies.
- Recommend equipment purchases.
- Develop and monitor annual operating budget.
- Coordinate with Local and State regulatory agencies.

Compliance Management

- Work with the Executive Director and staff to maintain facility compliance documentation and reporting systems.
- Design and prepare periodic compliance reports required by HWMA procedures or regulatory agencies.

- Work with the Controller to develop and maintain effective electronic and paper filing systems that comply with program and audit requirements.

Other Duties

- Answer questions from the public regarding Authority functions and policies.
- Attend Board meetings; and other related events, as requested.
- Participates in recruitment and placement for non-exempt employees.
- Perform all other duties as assigned by the Executive Director.
- Attend and participate in professional groups to stay abreast of trends and regulations in program related fields.

QUALIFICATIONS

Knowledge of

- Principles and practices of employee supervision, including selection, training, work evaluation, and discipline.
- Methods, tools, and equipment used in waste management operations.
- Safe work methods and safety practices pertaining to the work.
- Relevant codes, policies, and regulations.

Skill in

- Ability to work effectively with employees, vendors and the public.
- Ability to prepare and maintain accurate written records and reports.
- Ability to interpret plans, maps, specifications, and manuals.
- Understanding budget preparation and implementation.
- Ability to interpret and apply laws, regulations, policies and procedures.
- Ability to exercise sound judgment within the constraints of general policy guidelines.
- Strong oral and written communication skills.

EXPERIENCE AND EDUCATION

- A Degree in Environmental Science or related field, or a comparable regime of education and experience in solid waste or municipal activities.
- Three years experience in waste management with at least two years in a supervisory capacity.
- Forty hours hazardous waste training.

SPECIAL QUALIFICATIONS AND/OR LICENSES

- Must have valid California drivers' license.
- Must be willing to respond to emergency situations during off-hours as required.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: October 14, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 7
Approve November meeting Date.

RECOMMENDED ACTION: Voice Vote.
Approve November meeting Date.

DISCUSSION:

The regular meeting in November falls on Veteran's Day. Staff would like to confirm that the meeting should be held on Thursday November 11 or moved to an alternate date.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: October 14, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 8
Authorize staff to execute an extension to the Tolling Agreement Amendment to Agreement of Purchase and Sale and Joint Escrow Instructions between City Garbage and HWMA.

RECOMMENDED ACTION:

Authorize staff to execute an extension to the Tolling Agreement Amendment to Agreement of Purchase and Sale and Joint Escrow Instructions between City Garbage and HWMA.

DISCUSSION:

On November 13, 2008, the Board authorized an amendment to the purchase and sale agreement through which the HWMA obtained ownership of the landfill. This amendment tolled the indemnity obligations of the sale specifically concerned with liability of the burn dump site located adjacent to the landfill on the property of Recology (formerly called City Garbage). Recology has been working for the past two years with the North Coast Regional Water Quality Control Board regarding disposition of the burn dump site. Regional Water has verbally indicated that it would like Recology to remove the burn residue and place it in the landfill before allowing HWMA to close the landfill.

The 1999 property purchase agreement between HWMA and City Garbage allows for cross indemnity for specified landfill related claims. As you may remember, Recology believes that HWMA would be responsible for the cost of such a clean up on the burn dump site. HWMA staff disputes this assertion because the burn dump site exists outside the HWMA-owned landfill, and is the product of City Garbage's operation of the landfill prior to HWMA's acquisition.

There are a significant number of unknowns associated with resolution of City Garbage's claim of indemnity. HWMA Counsel and staff believe that both entities stand to benefit by coordinating efforts to address Regional Water's concerns with the burn dump, and determine who will pay the cost of clean up after a clean up plan is approved by the regulatory agencies. The proposed amendment would defer the process of resolving the indemnification claim for an additional two years; it does not require HWMA to admit to the validity of the claim, nor would it require HWMA to contribute funds to the development of a plan for the burn residue site.

ATTACHMENTS:

Tolling Agreement Extension

Notice of Claim of Indemnity sent by City Garbage two years ago

Amendment to Agreement of Purchase and Sale

TOLLING AGREEMENT EXTENSION

This TOLLING AGREEMENT EXTENSION (“Extension”) amends that certain AMENDMENT TO AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS CONCERNING TOLLING OF INDEMNIFICATION OBLIGATIONS entered into as of October 16, 2008 (“Amendment”) by and between HUMBOLDT WASTE MANAGEMENT AUTHORITY, a California joint powers authority (“Buyer”), and RECOLOGY HUMBOLDT COUNTY, formerly known as CITY GARBAGE COMPANY OF EUREKA, INC., a California corporation (“Seller”).

RECITALS

WHEREAS Buyer and Seller (the “Parties”) previously entered into the Amendment tolling certain time periods (relating to a claim by Buyer against Seller) for two years because the Parties concurred that deferring the process of resolving that claim would mutually benefit the Parties and could enable the Parties to avoid needless expense;

WHEREAS, the Parties concur that deferring that process for an additional two years would be similarly beneficial;

AGREEMENT

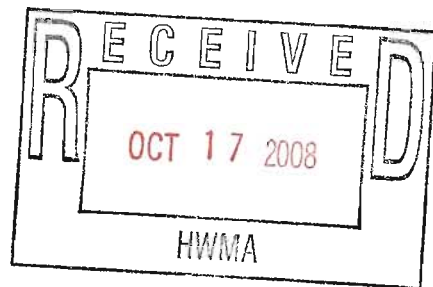
NOW THEREFORE, the Parties, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, mutually agree that (a) all initial-capitalized terms used in this Extension and not otherwise defined herein shall have the same definition as given to them in the Amendment, (b) the two-year Tolling Period and Extension Period in the Amendment are hereby extended to four years, (c) all other terms of the Amendment remain unchanged, (d) signatures to this Extension provided by facsimile or e-mail shall have the same force and effect as originals, and (e) this Extension may be executed in counterparts.

IN WITNESS WHEREOF the undersigned have executed this Extension as set forth below.

<p>Humboldt Waste Management Authority</p> <p>By: _____ James A. Test, Executive Director</p> <p>Date: October ____, 2010</p>	<p>Recology Humboldt County</p> <p>By: _____ Michael J. Sangiacomo, President and CEO</p> <p>Date: October ____, 2010</p>
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People • Service • Environment
CITY GARBAGE COMPANY OF EUREKA



October 16, 2008

Via Facsimile and Certified Mail

Jim Test
Executive Director
Humboldt Waste Management Authority
1059 West Hawthorne Street
Eureka, CA 95501

Re: Notice of Third Party Claim and Contractual Indemnity Demand

Dear Jim,

Thanks again for meeting with me on October 7th and with Drew Lehman and me on October 10th to discuss issues relating to City Garbage Company of Eureka, Inc., Humboldt Waste Management Authority, their November 29, 1999 Agreement of Purchase and Sale and Joint Escrow Instructions, and the closure of the Cummings Road Landfill, including related burn dump residue.

We understand that you have been in touch with the North Coast Regional Water Quality Control Board regarding the Authority's closure of the Landfill and the related burn dump residue. Some of the burn dump residue was not only disposed of in the Landfill, but also extends over onto City Garbage's neighboring property. As we discussed, the Water Board claims – so far only orally, but a written claim is expected soon – that residue must be removed and placed into the Landfill before it closes.

As we also mentioned, City Garbage believes that the Authority is responsible under the Agreement for indemnifying City Garbage in full against the Water Board's claim and all related costs (including attorneys' and consultants' fees) City Garbage incurs. This is because in Paragraphs 5.4(b) and (d) of the Agreement, the Authority agreed to assume (a) all closure obligations "existing or arising with respect to the Landfill," and (b) all corrective action obligations "existing on or arising from or after the Close of Escrow with respect to the Landfill."

This letter is to provide the Authority with written notice of the Water Board's claim – and City Garbage's right to be indemnified against it by the Authority – pursuant to Paragraphs 5.5(a) and 16.0 of the Agreement. I'm copying Nancy Diamond on this letter as you told me she would be representing the Authority in this matter, and because we understand that she has replaced Mr. Schaub (deceased) as the attorney recipient of notices under Paragraph 16.0. If this understanding is wrong, please let us know right away who the correct attorney recipient is. I am also copying Mr. Kindsfather because he is designated to receive notices under Section 16.0.

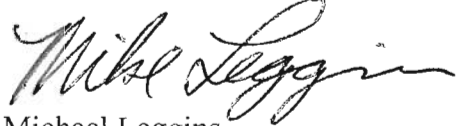
Also, pursuant to Paragraph 16.0(c), City Garbage hereby changes its copy recipient for notices from Alan W. Sparer, Esq. to Brian S. Haughton, Esq., Barg Coffin Lewis & Trapp, LLP, 350 California Street, 22nd Floor, San Francisco, CA 94104-1435, Fax: 415-228-5450.

Finally, as we also discussed, City Garbage and the Authority stand to benefit by coordinating their responses to the Water Board's claims. To allow time for that coordination, enclosed is a proposed amendment to the Agreement.

If the amendment is acceptable, please have it executed and returned to me, and I will do the same on our end. If not, please let us know in writing within thirty days whether, pursuant to Paragraph 5.5 of the Agreement, the Authority agrees to assume the defense of the Water Board's claim against City Garbage and agrees to indemnify City Garbage for any and all associated losses. Time is of the essence, as we are incurring significant costs in response to the RWQCB claim.

Very truly yours,

City Garbage Company of Eureka



Michael Leggins
General Manager

Enc.
cc (w/enc.):

Via Facimile: Nancy Diamond, Esq., 822 G St # 3, Arcata, CA 95521; Fax: 707- 826-8541.

Brian S. Haughton, Esq., Barg Coffin Lewis & Trapp, LLP, 350 California Street, 22nd Floor, San Francisco, CA 94104-1435, Fax: 415-228-5450

Via Certified Mail: Gerald J. Boldt Waste Management
Authority, Arcata, CA 95521, Fax: 707-826-8541

**AMENDMENT TO AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS
CONCERNING TOLLING OF INDEMNIFICATION OBLIGATIONS**

This AMENDMENT TO AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS CONCERNING TOLLING OF INDEMNIFICATION OBLIGATIONS (“Amendment”) is entered into as of October 16, 2008 (“Effective Date”) by and between HUMBOLDT WASTE MANAGEMENT AUTHORITY, a California joint powers authority (“Buyer”), and CITY GARBAGE COMPANY OF EUREKA, INC., a California corporation (“Seller”) (Buyer and Seller are also referenced individually as “Party” and collectively as “Parties”).

RECITALS

WHEREAS the Parties previously entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions, dated November 29, 1999 (“Agreement”), whereby the Parties agreed that Seller would transfer its interest in the Landfill and the Landfill Property to Buyer, and Seller would retain the adjacent Retained Property, as specified further in the Agreement, all subject to certain representations, warranties, and indemnities;

WHEREAS, following certain amendments to the Agreement, the parties completed the transaction contemplated by the Agreement on June 16, 2000;

WHEREAS, Paragraph 5.0 of the Agreement specifies the rights of the Parties to indemnification with respect to Losses and Third Party Claims, and specifies a process by which the Parties are to resolve such requests for indemnification;

WHEREAS, on or about the Effective Date, Seller gave notice (“Notice”) to Buyer of a Third Party Claim by the North Coast Regional Water Quality Control Board (“Water Board”) relating to the investigation and remediation of waste from Landfill operations that currently resides on the Retained Property;

WHEREAS, in the Notice Seller explained that any costs and expenses incurred by Seller in responding to the Third Party Claim are Losses against which Buyer agreed to Indemnify Seller under Paragraph 5.4 of the Agreement;

WHEREAS, Buyer disputes the application of Paragraph 5.4 of the Agreement to the Third Party Claim as described in the Notice, and Buyer’s liability to indemnify Seller for such Losses arising thereunder;

WHEREAS, the Parties concur that deferring the process of resolving the indemnification claim presented in the Notice will mutually benefit the Parties and may enable the Parties to avoid needless delay and expense.

AMENDMENT

October 13, 2010

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NOW THEREFORE, the Parties, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and which is hereby acknowledged, mutually agree as follows:

1. **Defined Terms.** All initial-capitalized terms used in this Amendment and not otherwise defined herein shall have the same definition as given to them in the Agreement.

2. **Dispute.** As a result of the Notice, a dispute has arisen between Buyer and Seller as to whether costs and expenses incurred by Seller in responding to the Third Party Claim are Losses against which Buyer agreed to Indemnify Seller under Paragraph 5.4 of the Agreement (“Dispute”). To avoid incurring attorneys’ fees and to provide adequate time for the Parties to explore a consensual resolution of the Dispute, the Parties agree to the tolling and extension periods set forth below. The Parties expressly reserve all claims and do not waive any defenses except as expressly set forth below.

3. **Statutes of Limitation and Equitable Defenses Tolloed.** All statutes of limitation and all equitable defenses based on the passage of time that are applicable to the Dispute shall be tollod for two (2) years from the Effective Date (“Tolling Period”).

4. **Time for Complying with Purchase Agreement Extended.** The time for fulfilling any requirements, asserting any rights, and meeting any obligations created by the Agreement with respect to the Dispute – including, without limitation, any requirement that Buyer respond to the Notice or that Buyer notify Seller whether it will defend and indemnify Seller in part or in full against the Third Party Claim at issue in the Notice – shall be extended for two (2) years from the Effective Date (“Extension Period”).

5. **Early Termination of Tolling/Extension Periods.** Either Party may terminate the Tolling Period and/or Extension Period by providing the undersigned representative of the non-canceling Party with 60 days prior, written notice of cancellation.

6. **No Admission.** Except as otherwise expressly provided herein, this Amendment does not constitute an admission by any Party of anything.

7. **Governing Law; Entire Agreement; Amendments.** This Amendment shall be construed and interpreted in accordance with the laws of the State of California without regard to its choice of law principles. This Amendment constitutes the entire agreement and understanding among the Parties with respect to its subject matter, and no statement, promise, or inducement made by any of the Parties or agent of the Parties that is not contained in this written Amendment shall be valid or binding. This Amendment may not be enlarged, modified, or altered except in a writing signed by the Parties.

8. **Counterparts; Authority.** For purposes of this Amendment, signatures provided by facsimile or e-mail shall have the same force and effect as original signatures. This Amendment may be executed in counterparts. Each of the undersigned represents and warrants that he or she is authorized to sign this Amendment on behalf of the party or parties for whom he or she is signing.

October 13, 2010

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IN WITNESS WHEREOF the undersigned have executed this Amendment as set forth below.

DATED: ~~October~~ November ____, 2008

By: _____

Jaimes A. Test
Executive Director
Humboldt Waste Management Authority

DATED: ~~October~~ November ____, 2008

By: _____

Michael J. Sangiacomo
President and CEO
City Garbage Company of Eureka

Jim Test

From: Gina Morrison [GMorrison@waterboards.ca.gov]
Sent: Friday, October 31, 2008 3:44 PM
To: dlehman@norcalwaste.com
Cc: Jim Test; Diana Henriouille
Subject: Comments on Oct 2008 BD Sampling Plan

Hi Drew,


































Thanks for the call. Here is the quick and dirty of my comments as we discussed on the sampling plan I received today.

1. In addition to a corporate signature, all reports must be signed and stamped by a California Certified Engineering Geologist or a Professional Civil Engineer.
2. You should probably remove the word landfill from the site title, as it was never engineered. Also the site is currently known in the system as the Cummings Road Burn Ash Site - so if you are going to use a different name - you should also list the known name as an aka.
3. Winter is the time to look for water sources and this sampling should include a spring/soep inspection of the 2 side drainages. At this point, you should note the location and the condition (ie at the bottom of exposed waste - or just above the stream, etc.) This data will be important as you move forward with the investigation.
4. And finally, here are the analytes that should be added to your list in Table 1: potassium, alkalinity (all), chloride, TDS, fluoride, nitrate, nitrite, ammonia, COD, hardness, calcium, iron, magnesium, sodium, total organic carbon, organochlorine pesticides, chlorophenoxy herbicides, and organophosphorus compounds. Plus low level VOCs only at location BDS-1.

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Thanks I would like to see this sample taken in November, if at all possible.

Gina

  Subject	Status	Due Date	% Complete	Categories
Categories: Administration (8 items)				
 Develop MOU for Recycling Services	In Progress	Thu 1/6/2011	10%	Administration
 Develop List of Qualified Contractors	In Progress	Thu 1/13/2011	10%	Administration
 Appraise Samoa Facility	In Progress	Thu 1/13/2011	25%	Administration
 Manage RFP for Recycling Processing	In Progress	Thu 11/11/2010	25%	Administration
 Revise Rio Dell Franchise and Ordinance to Include Mandatory Curbside fo...	In Progress	Thu 1/6/2011	50%	Administration
 Recycling processing center feasibility study	Completed	Thu 7/9/2010	100%	Administration
 Work with the City of Trinidad on joining JPA	In Progress	Thu 11/11/2010	50%	Administration
 Revise JPA Agreement	Not Started	Thu 2/10/2011	0%	Administration
Categories: Cummings Road Landfill (5 items)				
 Landfill gas utilization project	Not Started	Thu 1/13/2011	0%	Cummings Road Landfill
 Permanent Office for Cummings Road	In Progress	Thu 1/13/2011	25%	Cummings Road Landfill
 Report of Waste Discharge	In Progress	Thu 1/13/2011	75%	Cummings Road Landfill
 Define Limits of Waste	In Progress	Thu 1/13/2011	75%	Cummings Road Landfill
 Cummings Road Closure plan	In Progress	Thu 1/13/2011	50%	Cummings Road Landfill
Categories: Facility Maintenance (3 items)				
 Remodel Scale House	In Progress	Thu 2/10/2011	10%	Facility Maintenance
 Remodel Tipping Floor Breakroom/office	In Progress	Thu 1/13/2011	25%	Facility Maintenance
 Repair perimeter drainage at back of tip building	Deferred	Thu 1/13/2011	0%	Facility Maintenance
Categories: Green Waste (1 item)				
 Renew Arcata Grenwaste Drop-off Contract	In Progress	Thu 10/14/2010	25%	Green Waste
Categories: Hauling&Disposal (3 items)				
 Revise Bettendorf Transportation Contract	In Progress	Thu 10/14/2010	25%	Hauling&Disposal
 Renew ERD Transportation Contract	Not Started	Thu 3/10/2011	0%	Hauling&Disposal
 Develop Self Haul Transportation Contract With Hum San	In Progress	Thu 10/14/2010	50%	Hauling&Disposal
Categories: Personnel (1 item)				
 Review Personnel Manual	Not Started	Thu 11/11/2010	0%	Personnel
Categories: Planning (3 items)				
 Develop Regional Agency	In Progress	Thu 11/11/2010	25%	Planning
 Review EPA Brownfield Grant, Hawthorne Street	Deferred	Thu 11/11/2010	0%	Planning
 Strategic Plan, Phase 1	In Progress	Thu 2/10/2011	50%	Planning
Categories: Programs (10 items)				
 Manage Waste Characterization Study	In Progress	Thu 6/9/2011	25%	Programs
 Renew Eureka-AB-939 Contract	Completed	Thu 10/14/2010	100%	Programs
 Renew Contract with PSC for HHW	Completed	Thu 6/10/2010	100%	Programs
 Apply for New Fire Amnesty Program	Completed	Thu 10/14/2010	100%	Programs
 Implement HHWA Fire Amnesty Program	Completed	Thu 10/14/2010	100%	Programs
 Review food waste grant and financing options	In Progress	Thu 1/13/2011	50%	Programs
 C&D Recycling Ordinance	Deferred	Thu 1/13/2011	0%	Programs

Subject	Status	Due Date	% Complete	Categories
Revise HHW Satellite Collection Center Contracts	In Progress	Thu 1/13/2011	50%	Programs
Revise Local Task Force Ordinance	Deferred	Thu 1/13/2011	0%	Programs
Redwood Valley Container Site Contract	Deferred	Thu 1/13/2011	25%	Programs
Categories: Technology Upgrades (3 items)				
Review use of automated commercial scale	Not Started	Thu 2/10/2011	0%	Technology Upgrades
Review use of credit/debit cards at Scale House.	In Progress	Thu 1/13/2011	50%	Technology Upgrades
Revise Filing System	Deferred	Thu 1/13/2011	25%	Technology Upgrades