



**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, November 10, 2010 6:00 PM

Eureka City Council Chambers

531 K Street, Eureka, CA

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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.

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 September FY 10/11 Financials.

7) Deny "Protest of Request for Proposal Procedure" from Arcata Community Recycling Center.

8) Adopt Resolution 2011-03 Authorizing Staff to Apply for Processor Status.

- 9) Increase Construction Contingency by \$10,000 for the Tip Floor Remodel project.**
- 10) Elect an Interim Vice Chair.**
- 11) Receive Semi-Annual Report on U.S. EPA Region 9 Solid Waste Assistance Grant.**
- 12) Executive Director's Report.**
- 13) Adjourn.**



**HUMBOLDT WASTE
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Melissa Marks, City of Rio Dell

MINUTES

Thursday, October 13, 2010 6:30 PM
Eureka City Council Chambers
531 K Street, Eureka, CA

Present: Shane Brinton, John Maxwell, Larry Glass, Melissa Marks
Absent: Jill Duffy, Sherman Schapiro
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 6:30 p.m. A quorum was present and acting.

2) Approve the Agenda

Motion Brinton/Marks to Approve the Agenda 4 Ayes/0 Nays & Abstentions/2 Absent.

3) Closed Session/Report Out

No Closed Session.

4) Board Member Reports

Boardmember John Maxwell introduced himself as the new representative from the City of Ferndale. He is taking over for former Boardmember Moreland, who resigned his post as he recovers from illness. The Board welcomed Boardmember Maxwell and together expressed their admiration and appreciation for Boardmember Moreland's service to the Authority.

Boardmember Brinton reported on a previous issue facing the City of Arcata regarding wastewater disposal into a proposed protected marine area. He is happy to report that the City has found a viable plan to support via regional stakeholders, and hopes to see this plan reach the blue ribbon task force.

5) Oral and Written Communications

- 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.

Kimber McReynolds, of Demello, McAuley, McReynolds, and Holland, LLP, the Authority's auditors, presented the 2009-2010 annual audit. She noted the age of the most recent landfill engineer's estimate; if closure construction does not begin soon, she strongly suggests obtaining a new estimate. Beyond that, concerns that cropped up in the

current audit, as well as ongoing concerns from previous years have all been handled by Authority staff in a satisfactory manner, and she feels the audit looks very good.

Boardmember Brinton noted that presenting the audit as a non-action item seemed an unusual method for presenting it during a Board meeting. Staff will look into alternatives for the following year's audit.

6) Consent Calendar

- 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.

Boardmember Maxwell pulled Item 6a), as he could not speak for former Boardmember Moreland as to the accuracy of the minutes.

Chairman Glass Opened the Floor to Public Comment.

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

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

Motion Brinton/Marks to Approve Item 6a) of the Consent Calendar 3/1/2.
Boardmember Maxwell abstained.

7) Approve November Meeting Date.

November 11, 2010 is Veteran's Day. Many government offices, including the City of Eureka City Hall, will be closed in observance of the holiday. The Board discussed the option of moving the meeting to Wednesday, November 10. Chairman Glass further noted that he holds a key to City Hall and as such could potentially make the council chambers available for use.

Motion Brinton/Marks to Authorize the Executive Director or Acting Executive Director to Contact all Boardmembers to Establish a Suitable Meeting Date for November 4/0/2.

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.

Nancy Diamond, Legal Counsel, revisited and summarized the background for this tolling of indemnification obligations. The Regional Water Quality Control Board discovered that residuals from a part of the landfill still owned by Recology of Humboldt – the burn dump site – was leaking residuals into the local water supplies that run through the landfill. Making the cleanup of the site a priority, the RWQCB stated that, most likely, no landfill closure plan would be accepted until the handling of the site was taken care of. It is Recology's stance that the Authority is responsible for the cleanup; the Authority takes the opposite stance.

Facing further potential delay in the closure of the landfill, Executive Director Test and Legal Counsel worked with Recology to research the extent of the cleanup effort required at the burn dump site, and both parties agreed to delay the question of who would be responsible for the cost until the site was taken care of. To that effect, the cleanup of the burn dump has been integrated into the closure plan, and once a cost can be determined, both parties will again enter discussion to consider to whom falls responsibility for payment. With the closure plan still in review, an extension of the original agreement to toll indemnification obligations is necessary.

Chairman Glass Opened the Floor to Public Comment.

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

Motion Brinton/Marks to Authorize Staff to Execute an Amendment to Agreement of Purchase of Sale and Joint Escrow Instructions Between Recology and HWMA Concerning Tolling of Indemnification Obligations 4/0/2.

9) Executive Director's Report.

Executive Director Test has engaged an appraiser to begin a valuation of the Samoa Recycling Facility, as negotiation talks have begun. Two responses were submitted for the Request for Proposals for a recycling processor; copies of these responses have been sent to staff at the Cities of Eureka and Arcata and the County of Humboldt Department of Public Works, as well as Intelliwaste, Inc., the consultants who created the RFP.

Executive Director Test and Legal Counsel will meet with the City of Trinidad tomorrow to lay out the method by which the City will join the Authority. Work on the adjustment of the JPA to turn the Authority into a Regional Agency has been put on hold until next year, when Trinidad is closer to joining and the Board has been reconstituted following elections.

Various contracts are in the works, both for the provision of services and maintenance and construction around the Authority's facilities. The remodeling of the Tip Floor break room is about to commence; Executive Director Test noted that the project is already slightly over budget.

10) Adjourn.

Chairman Glass adjourned the meeting at 6:53 p.m.

Next Meeting November 10, 2010 at 6:30 p.m. at Eureka City Hall Council Chambers.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: November 10, 2010

FROM: Susan Rigge, Controller

SUBJECT: Item 6)b
Review September Financial Reports

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

DISCUSSION:

Attached for Board review are the September Financial Statements

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

For the month of September, the change in net assets was \$97,683. Year to date revenue is \$2,713,723, which is 7.78% higher than the budget of \$2,517,725. Operation and payroll expenses are \$1,533,775, and indirect expenses are \$248,610 all lower than budgeted at 2,014,873.

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 September were \$804,621, which includes \$176,340 for salaries and related employee expense. Bond payments are \$107,194 while payments for transportation and disposal account for \$329,317. Pass through fees paid to county departments and member cities was \$88,300, and consulting fees and construction projects was \$22,438.

Activity Report
July 1, 2010 - September 30, 2010

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	11,130.42	11,507.57	96.72%	\$1,372,492.12	\$1,482,290.09	92.59%
Self Haul	4,360.10	4,700.33	92.76%	\$695,025.32	\$764,565.39	90.90%
Subtotal	15,490.52	16,207.90	95.57%	\$2,067,517.44	\$2,246,855.48	92.02%
ERD	1,969.83	1,980.48	99.46%	\$189,423.25	\$202,120.78	93.72%
TOTAL.	17,460.35	18,188.38	96.00%	\$2,256,940.69	\$2,448,976.26	92.16%
Greenwaste	470.84	749.27	62.84%	\$45,815.55	\$70,697.30	64.81%

Household Hazardous Waste

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	67	123	54.47%	\$13,871.37	\$16,134.78	85.97%
Residential	1,173	1,071	109.52%	\$9,141.40	\$6,642.85	137.61%
Fortuna Residential	24	19	126.32%	\$589.00	\$696.50	84.57%
Revenue from Countywide Fee				\$106,337.84	\$108,776.85	97.76%
TOTAL.	1,264	1,213	104.20%	\$129,939.61	\$132,250.98	98.25%

Traffic Count	Average Daily		Average Daily		% of Prior (ADC)
	Count FY11	Exceptions	Count FY10	Exceptions	
July	291	None	283	None	102.83%
August	261	None	269	None	97.03%
September	262	None	270	None	97.04%
October			235	None	0.00%
November			236	None	0.00%
December			231	None	0.00%
January			249	None	0.00%
February			242	None	0.00%
March			241	None	0.00%
April			242	None	0.00%
May			250	None	0.00%
June			279	None	0.00%

Humboldt Waste Management Authority
Statement of Assets and Liabilities
For the Month Ending September 30, 2010

ASSETS	September 30, 2010	June 30, 2010
Current Assets		
Cash and Cash Equivalents	\$3,672,337.19	\$3,340,503.51
Accounts Receivable	\$742,429.25	\$737,204.39
Prepaid Items	\$30,721.62	\$58,530.88
Total Current Assets	\$4,445,488.06	\$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	\$8,276,332.21	\$8,213,253.20
Environmental Trust Fund	\$0.00	\$0.00
Article Five Trust Fund	\$72,598.39	\$73,196.01
Accrued Interest Receivable	\$69,601.82	\$62,000.00
Total Restricted Assets	\$10,538,435.56	\$10,468,352.35
Other Assets		
Property, Plant, & Equipment	\$5,455,944.22	\$5,535,508.33
Deferred Charges	\$340,879.01	\$348,389.42
Waste Authority Permit	\$221,171.00	\$221,171.00
Contract with Anderson Landfill	\$237,642.33	\$253,485.12
Goodwill Depreciable - Purchase of WSG	\$3,265,910.88	\$3,421,430.46
Total Other Assets	\$9,521,547.44	\$9,779,984.33
Total Assets	\$24,505,471.06	\$24,384,575.46
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$403,508.06	\$583,041.27
Deferred Revenue	\$368,475.66	\$368,475.66
Current Portion of Bonds Payable	\$566,246.00	\$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	\$58,839.48	\$112,128.33
Accrued Interest Payable	\$88,500.00	\$88,500.00
Other Accrued liabilities	\$2,100.00	\$2,100.00
Total Current Liabilities	\$1,559,345.20	\$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	\$25,907,785.72	\$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	\$542,471.66	
Total Net Assets	(\$1,402,314.66)	(\$1,944,786.32)
Total Liabilities and Net Assets	\$24,505,471.06	\$24,384,575.46

September 2010 Disbursements

Payee Page 10 of 31

Payee	Amount	Payee	Amount
ACRC	\$10,239.50	Mad River Hardwood Co., Inc	\$6,395.60
Anderson Landfill	\$48,563.21	Mainstay Business Solutions	\$1,215.90
Asbury Environmental	\$100.00	Maple Service Plumbing	\$654.23
AT & T	\$614.40	Mendes Supply Company	\$20.11
Bank of New York	\$107,194.00	Mercury Disposal Systems, Inc	\$409.00
Bettendorf Enterprises	\$203,338.54	Mission Uniform & Linen	\$500.75
Biocycle	\$120.00	Myrtle town Lumber	\$77.44
Brent Whitener - travel	\$138.00	Nancy Diamond	\$2,136.01
Bug Press, Inc	\$248.52	Network Management Services	\$3,083.64
Capital Business Machines	\$110.05	Nicholls Trucking, Inc.	\$631.54
Cardmember Service	\$1,103.67	North Coast Audiology Center	\$245.00
Carlos Chavez - Travel	\$349.85	Northcoast Exterminators	\$210.00
Cash for CRV	\$30,028.00	Northern California Gloves	\$189.34
Caterpillar Financial Services	\$2,179.67	Northern California Safety	\$80.00
City of Arcata	\$5,619.88	O & M Industries	\$169.00
City of Blue Lake	\$1,746.61	Oak Harbor Freight Lines, Inc.	\$700.00
City of Eureka	\$288.08	Occupational, Enviro Health	\$65.00
City of Eureka	\$8,862.58	P G & E	\$4,908.68
City of Ferndale	\$1,766.82	Pacific Paper Co.	\$239.34
City of Rio Dell	\$2,208.78	Peterson Tractor	\$2,772.65
City of Trinidad	\$1,503.87	Pierson Building Center	\$592.58
CMRS-FP	\$1,200.00	Recology Humboldt County	\$1,125.00
County Code Enforcement	\$32,000.00	Redwood Teen Challenge	\$1,215.00
County Dept of Public	\$10,055.56	RWS Services	\$937.88
County Environmental Health	\$24,536.32	SCS Field Services	\$250.00
Cox Rassmussen & Co.	\$948.75	SDRMA	\$247.50
Cresco Equipment Rental	\$975.84	SETCO	\$1,187.43
Crystal Springs Bottled Water	\$123.00	Sherwin-Williams Company	\$165.39
Demello, McAuley, McReynolds,	\$14,550.00	Staples Credit Plan	\$77.30
East Bay Machine & Hydraulics	\$157.50	Stericycle, Inc	\$315.00
Eel River Disposal	\$25,710.16	Steve Morris Logging	\$2,989.37
Englund Marine Supply Co. Inc.	\$573.37	Suddenlink	\$51.54
Eureka Humboldt Fire Extinguisher	\$2,169.68	Superior Alarm Systems	\$599.00
Eureka Rubber Stamp Co.	\$17.21	Sweetser & Assoc.	\$595.00
FedEx	\$12.04	Thrifty Supply Company	\$658.22
Fernbridge Tractor	\$230.26	Thumper's Mechanical Service	\$2,675.00
Freon Free	\$340.00	Times Standard	\$159.78
Gess Environmental	\$22,832.54	Uline Shipping Supply	\$883.19
Harbor Freight Tools	\$123.09	Verizon Wireless	\$161.80
HCS D	\$35.00	WBCO Electric Service	\$263.28
Holt of California	\$4,825.31	Xerox Corp.	\$512.98
Humboldt Bay Forest Products	\$5,586.49		
Humboldt Recycling, LLC	\$150.00	Subtotal	\$628,280.54
Intelliwaste, Inc.	\$6,200.00		
James A. Test - Mileage	\$1,662.94	CalPERS On Line	\$17,622.51
Jay West	\$1,137.20	Deferred Comp	\$1,010.00
Karen Sherman - Travel	\$138.00	Payroll	\$157,707.57
L & M Renner, Inc	\$2,295.38		
Lawrence & Associates	\$143.75		
Lighting Resources, LLC	\$2,861.65	Total	\$804,620.62

November 10, 2010

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Humboldt Waste Management Authority
Summary Statement of Operations
For the Month Ending September 30, 2010
Actual vs Budget

	September Actual	YTD Total	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD 25.00% of Total Budget
Operations							
Total Revenues	862,828	2,713,723	2,517,725	195,998	107.78%	10,070,901	26.95%
Operational Expense	334,406	1,118,941	1,200,733	(81,791)	93.19%	4,802,930	23.30%
Payroll	157,793	414,834	496,660	(81,826)	83.52%	1,986,640	20.88%
Indirect Expense	85,532	248,610	317,480	(68,871)	78.31%	1,269,921	19.58%
Subtotal Expenses	577,731	1,782,385	2,014,873	(232,488)		8,059,491	
Net Operations	285,097	931,338	502,853	428,486		2,011,410	
Capital Expenditures	62,918	132,796	215,750	(82,954)	61.55%	863,000	15.39%
Non-Operational Expense	32,966	99,470	104,572	(5,102)	95.12%	418,288	23.78%
Other Revenues & Expenses	(91,530)	(289,398)	(166,233)	(123,165)	174.09%	(664,932)	43.52%
Net Change in Assets	97,683	409,674	16,298	393,377		65,190	

Humboldt Waste Management Authority
Summary Statement of Operations
For the Month Ending September 30, 2010
by Department

	YTD Total	Admin	Transfer Station	ERD	Recycling	Programs	HHW	Compost Facility	Cummings Landfill
Operations									
Total Revenues	2,713,723	111,466	1,687,530	187,418	176,362	153,447	129,939	98,729	168,833
Operational Expense	1,118,941	0	732,073	82,770	148,597	1,365	62,392	73,892	17,851
Payroll	414,834	40,297	162,788	0	76,464	45,410	41,350	2,749	45,776
Indirect Expense	248,610	34,071	67,502	0	44,731	44,722	21,868	5,314	30,402
Subtotal Expenses	1,782,385	74,368	962,363	82,770	269,792	91,497	125,610	81,955	94,029
Net Operations	931,338	37,098	725,167	104,647	(93,430)	61,950	4,329	16,774	74,804
Capital Expenditures	132,796	(27,379)	194,019	0	(33,845)	0	0	0	0
Non-Operational Expense	99,470	11,493	54,369	0	5,279	7,281	10,521	4,431	6,096
Other Revenues & Expenses	(289,398)	7,356	(281,157)	0	(14,464)	0	0	0	(1,133)
Net Change in Assets	409,674	60,339	195,621	104,647	(79,328)	54,669	(6,192)	12,343	67,575

**Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending September 30, 2010
Administration & Transfer Station**

	September Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	YTD 25.00% of Total Budget
Total Revenues	674,466	2,162,776	2,062,155	100,621	104.88%	8,248,620	8,248,620	26.22%
Direct Expenses	418,895	1,242,990	1,356,958	(113,967)	91.60%	5,427,830	5,427,830	22.90%
Gross Margin	255,571	919,785	705,198	214,588		2,820,790		
Indirect Expenses	57,502	146,304	162,882	(16,578)	89.82%	651,526	651,526	22.46%
Income from Operations	198,070	773,482	542,316	231,166		2,169,264		
Capital Expenditures	62,918	132,796	201,250	(68,454)	65.99%	805,000	805,000	16.50%
Depreciation	23,523	71,141	73,897	(2,756)	96.27%	295,588	295,588	24.07%
Other Revenue & Expense	(91,042)	(288,265)	(166,233)	(122,032)	173.41%	(664,932)	(664,932)	43.35%
Net Income (Loss)	20,587	281,280	100,936	180,344		403,744		

Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending September 30, 2010
Programs Department

	September Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	YTD 25.00% of Total Budget
Total Revenues	121,052	382,115	290,070	92,045	131.73%	1,160,281	32.93%	
Direct Expenses	49,507	227,158	274,052	(46,894)	82.89%	1,096,206	20.72%	
Gross Margin	71,544	154,957	16,019	138,938		64,075		
Indirect Expenses	18,966	71,904	87,124	(15,220)	82.53%	348,496	20.63%	
Income from Operations	52,579	83,052	(71,105)	154,158		(284,421)		
Capital Expenditures	0	0	0	0	0.00%	0	0.00%	
Depreciation	7,411	22,233	23,651	(1,418)	94.01%	94,603	23.50%	
Other Revenue & Expense	0	0	0	0	0	0	0	
Net Income (Loss)	45,168	60,819	(94,756)	155,575		(379,024)		

Humboldt Waste Management Authority
Statement of Operations with Budget
For the Month Ending September 30, 2010
Landfill Includes Trust Funds

	September Actual	YTD Actual	YTD Budget	YTD Variance	% of YTD Budget	Total Budget	YTD Total Budget	YTD 25.00% of Total Budget
Total Revenues	67,311	168,833	165,500	3,333	102.01%	662,000	662,000	25.50%
Direct Expenses	23,798	63,627	66,384	(2,756)	95.85%	265,534	265,534	23.96%
Gross Margin	43,513	105,206	99,117	6,089		396,466	396,466	
Indirect Expenses	9,064	30,402	67,475	(37,073)	45.06%	269,899	269,899	11.26%
Income from Operations	34,449	74,804	31,642	43,162		126,567	126,567	
Capital Expenditures	0	0	14,500	(14,500)	0.00%	58,000	58,000	0.00%
Depreciation	2,032	6,096	7,024	(928)	86.79%	28,097	28,097	21.70%
Other Non-Operational Expenses	(489)	(1,133)	0	(1,133)		0	0	
Net Income (Loss)	31,928	67,575	10,118	57,458		40,470	40,470	



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: November 10, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 7
"Protest of Request for Proposal Procedure" from Arcata Community Recycling Center.

RECOMMENDED ACTION: Voice Vote
Deny the Protest from Arcata Community Recycling Center and confirm that both proposals comply with the submittal deadline required by the RFP.

DISCUSSION:

We have received a protest letter from Arcata Community Recycling Center alleging that their proposal is the only proposal that complies with the RFP process. Their protest is based on an incorrect date contained in section 9.3 of the RFP which identified October 11, 2010 as the submittal deadline. October 11 was a federal holiday, Columbus Day, so I changed the date to October 12, 2010 before the RFP was released. I changed the date in Table 1, Proposal Procurement Schedule, but did not correct the date in Section 9.3. There are three other sections (Secs. 2.4, 5.0, 9.7) that identify Table 1 as the appropriate schedule.

The other proposer called about a week before the deadline to request clarification of the date and I told them Table 1 was the correct date. ACRC did not question the discrepancy.

Attached is a memo from HWMA General Counsel indicating that the use of the October 12 date is reasonable.

Nancy Diamond
Attorney at Law

Memorandum

To: Jim Test, Executive Director
ND

From: Nancy Diamond, HWMA General Counsel

Date: November 3, 2010

Re: Submittal Date for Recyclables Processing RFP

INTRODUCTION

This provides an analysis of a “Protest to the RFP Process” sent by ACRC in a letter dated October 21, 2010, pertaining to the cut off date for submittal of proposals in response to the RFP for Transportation and Processing of Recyclables. ACRC asserts that HWMA should not have accepted any proposals after 2:00 pm October 11, 2010, a bid received on October 12, 2010 should have been returned, and the ACRC proposal is the only bid that complied with the RFP process.

I understand that a few days before the due date, a second Proposer sought specific clarification from you as to the submittal deadline, to which you responded that it was October 12, 2010.

ANALYSIS

The RFP contains two proposal submittal deadlines: Tuesday, October 12, 2010 2:00 pm and Monday, October 11, 2010 2:00 pm. HWMA received the ACRC proposal on October 11, 2010, before 2:00 pm, and a second bid on October 12, 2010 before 2:00 pm. The October 11 deadline evidently relied on by ACRC is stated in and Section 9.3 “Proposal Submittal Format” (page 25). The October 12 deadline is stated in Table 1 “Proposal Procurement Schedule” of Section 2.4 “Proposal Schedule” (page 8). Table 1 is referenced in Section 5.0 “Agreement Arrangements” (page 14) and Section 9.7 “Schedule” (page 26) as the schedule to be followed for the procurement process. In addition, Section 1.2 of the RFP provides an overview of the RFP’s organization and explains that “Section 2 contains Proposal considerations such as . . .the proposal schedule.” Based on the numerous references to Table 1, it appears that the RFP intended Table 1 to be the controlling statement of the schedule including the proposal submittal deadline, and the October 11 date stated in Section 9.3 appears to be a typographical error.

The request for proposal process is intended to allow a governmental agency to evaluate the best use of public resources for a particular service or project. In contrast to the competitive bid context of a public works construction project, state law does not dictate the process to be followed, a “bid protest” procedure, or the manner of selecting a contractor in an RFP situation. The result is that the agency retains complete control over the RFP process. Indeed, Section 2.1 of the RFP

“Rights of Authority” recites this fact by noting that the Authority may reject any proposals and waive any of the RFP requirements if it is in the best interests of the Authority.

In the present case, reliance on the later submittal deadline appears reasonable based on the language of the RFP. Thus, adopting the narrow view requested by ACRC to reject proposals submitted after October 11 would cut-off legitimate participation by those who relied in good faith on Sections 2.4, 5.0, 9.7 and your clarification. Moreover, ACRC does not identify any particular harm that it has suffered by having submitted its proposal one day earlier than the other proposal. It is my opinion that the Authority’s interests are best served by not waiving the October 12 deadline to reject the later submitted proposal.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**
Staff Report

DATE: November 10, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 8
Adopt Resolution 2011-03 Authorizing HWMA to Participate in the Covered Electronic Waste Recovery and Recycling Payment System.

RECOMMENDED ACTION: Voice vote.
Adopt Resolution 2011-03

DISCUSSION:

Since 2007, HWMA has collected Covered Electronic Waste (CEW), such as televisions and computer monitors, and other Universal Waste – Electronic Devices (UWEDs), such as cell phones, computer towers and peripherals, through state permits from Cal Recycle (formerly the California Integrated Waste Management Board), and the California Department of Toxic Substances Control (DTSC). The collected e-waste is then packaged by HWMA personnel and shipped to ECS Refining, a state-certified recycler in Santa Clara, CA for dismantling. The recycler then pays HWMA a per-pound reimbursement for CEW that has been received. The UWEDs that are sent to the recycler are received at no charge; however, HWMA absorbs the shipping cost of roughly 4 cents per pound to the San Francisco Bay Area.

Recently, staff has been investigating the procedures and permitting requirements for disassembly (termed “recycling” by state regulations) of electronic waste. This August, staff toured two electronic waste recycling facilities in Sacramento and Stockton, to gather more information on the various processes and technologies available for e-waste disassembly. On November 9, the owners of Onsite Electronics Recycling will meet with HWMA staff at Hawthorne Street, to tour HWMA’s appliance recycling area, and to discuss electronics recycling. Finally, at the end of this month, staff will tour ECS Refining electronic waste recycling facility in Santa Clara.

Some potential advantages of being able to disassemble the e-waste that HWMA collects are the following:

- Receive a higher reimbursement for Covered Electronic Wastes (CEW), under the state’s SB20/50 program, at \$0.39 per pound vs. \$0.16 to \$0.20 per pound for collection only (as HWMA currently does).

- Reduce shipping costs to Sacramento or Santa Clara, where we presently send collected e-waste for processing. If e-waste is processed and densified onsite at Hawthorne Street, our shipping cost per pound could decline significantly.
- Enable HWMA to market recovered circuit boards and metals as scrap materials from UWED devices, rather than collecting no revenue from these items, as is done currently for non-CEW materials, such as PC towers.
- Eventually employ up to two full-time recycling technicians, to disassemble collected electronic wastes. HWMA currently collects about 750,000 pounds of e-waste per year, through the HWMA Recycling Center at Hawthorne Street in Eureka, and through one to three mobile E-waste amnesty events held each summer. As our solid waste tonnage continues to decline, and as curbside recycling collection expands, HWMA will need to move into new areas of waste management and recycling, if we wish to maintain current staffing levels.
- Ensure that electronic wastes that are collected by HWMA are disassembled to the component level before being shipped overseas to commodity markets. The vast majority of electronic wastes that are collected in North America are ultimately sent to Asian markets; however, by processing the waste into components domestically, we reduce the chance that these materials are mismanaged in a third-world country, as has been well-documented in the national media.

Staff believe that by obtaining the necessary permits to recycle e-waste, HWMA will be able to move slowly into the disassembly process; HWMA will be under no obligation to recycle all e-waste that it collects, and should it appear that disassembly of locally collected e-waste is not revenue positive, HWMA can continue as it has since 2007 on e-waste with collection activities only.

DTSC requires the governing board of a public agency to pass a resolution to be able to begin recycling (dismantling) electronic waste on-site. Attached is the proposed resolution.

ATTACHMENTS:

Resolution 2011-03



**HWMA
RESOLUTION 2011-03**

A RESOLUTION OF THE HUMBOLDT WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS AUTHORIZING HWMA TO PARTICIPATE IN THE COVERED ELECTRONIC WASTE RECOVERY AND RECYCLING PAYMENT SYSTEM OF CALRECYCLE.

WHEREAS, on September 24, 2003, the Electronic Waste Recycling Act of 2003 (Act), Chapter 526, Statutes of 2003 (SB 20, Sher) became law with the purpose of improving the growing challenge of appropriately managing discarded electronic equipment; and

WHEREAS, the Act authorizes CalRecycle, formerly the California Integrated Waste Management Board (CIWMB) to administer a covered electronic waste recovery and recycling payment system to establish and enhance an infrastructure for the proper management of electronic wastes collected by municipalities, nonprofit organizations, and private entities; and

WHEREAS, Title 14, California Code of Regulations, Section 18660.11(b) (2) (F) requires a local government agency to provide a resolution from the governing body of the local agency authorizing the agency to participate in the payment system; and

WHEREAS, an entity intending to participate in the covered electronic waste recovery and recycling payment system must secure approval from the CIWMB prior to handling materials for which payment will be sought; and

NOW, THEREFORE, BE IT RESOLVED that the HWMA Board of Directors authorizes the submittal of a regional application on behalf of the Joint Powers Authority Members to CalRecycle, formerly the California Integrated Waste Management Board for approval to participate in the Covered Electronic Waste Recovery and Recycling Payment System. The Executive Director of the Humboldt Waste Management Authority, or his/her designee, is hereby authorized and empowered to execute all necessary documents, including but not limited to, applications, agreements, amendments, and payment requests to secure payment funds and to implement and carry out the purposes specified in the Act and payment system.

The foregoing Resolution was passed by the Board of the Humboldt Waste Management Authority this 10th day of November 2010.

APPROVED:

Larry Glass, Chairperson

Date: _____

ATTEST:

HWMA Clerk

Date: _____



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**
Staff Report

DATE: November 10, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 9
Increase Construction Contingency for the Tip-Floor Office/Break room
Remodel.

RECOMMENDED ACTION:
Increase the contingency fund from \$5,000 to \$15,000

DISCUSSION:

In early October 2010, construction began on the addition of a tip-floor office and the remodeling of the existing tip-floor breakroom. The HWMA Board previously authorized the award of the contract for this work to Pacific Builders, in the amount of \$65,808, with a \$5,000 contingency, at the September 2010 Board of Directors meeting.

As with many remodeling projects when you cut open the walls you find problems, in this case, a severe rodent infestation. We are finding that the old construction of the breakroom was not sealed to prevent rodent access to the wall and ceiling cavities. We plan to remove existing drywall and ceiling panels to clean out dead rodents and debris and seal to prevent re-infestation.

In order for the contractor to proceed with the removal of the existing drywall and re-insulate with sprayed-in closed-cell foam, rather than with the originally proposed open-batt insulation, staff recommends that the contingency fund for this construction project be increased by \$10,000. The closed-cell foam insulation will harden after application, thus providing a less suitable harborage for rats and insects. Additional metal flashing will be placed over suspected rodent entry points, and the expanding foam insulation should seal existing voids.

There are sufficient cash reserves to cover the cost of this project.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: November 10, 2010

FROM: Jim Test, Executive Director

SUBJECT: Item 10
Elect Interim Vice-Chair

RECOMMENDED ACTION: Voice vote.
Nominate and Elect Interim Vice-Chair

DISCUSSION:

The office of Vice-Chair is currently vacant and should be filled. The term of office would run through our January, 2011 meeting at which time the Board will elect new officers to finish vacated terms that run through June 30, 2011.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

TO: The Board of Directors

DATE: November 10, 2010

FROM: Juliette Bohn, Program Analyst

SUBJECT: Item 11
U.S. EPA Region 9 solid Waste Assistance grant semi-annual report

RECOMMENDED ACTION: None

DISCUSSION:

HWMA recently completed a semi-annual report for the U.S. EPA Region 9 Solid Waste Assistance grant that is partially funding the permitting work for the Humboldt Regional Food Waste Digester facility. A summary of this report is included below.

Over the last six months, HWMA has worked actively with the contracted planning firm, Plan West Partners, and the sub-contractor, Ourevolution Energy and Engineering, to develop the California Environmental Quality Act (CEQA) initial study. This included multiple meetings with the City of Eureka Planning department, the Eureka Fire department, Eureka Traffic department, and the adjacent Elk River wastewater treatment plant. Upon the advice of Plan West and the City of Eureka, HWMA hired an archaeologist and a biologist to survey the potential project site. The biologists surveyed the site for the existence of wetlands and environmentally sensitive habitats. This investigation identified new (unmapped) wetland areas and the biologists are currently updating the official wetland delineation. The archaeologist performed a historical records search and consulted the Native American tribes in the area to evaluate the potential for cultural resources at the site. No cultural resources were found to be present during the excavation.






































HWMA staff also visited the North Coast Regional Water Quality Control Board's (NCRWCB) Santa Rosa office and procured the historical site analyses, water and soil sampling reports, as well as communications between the former owner of the project site and the NCRWCB. This reconnaissance was needed to ascertain that the site was no longer contaminated, and that extensive site clean-up work would not be needed. HWMA found that the site was cleaned to the NCRWQCB's satisfaction, and that the project development and permitting work could continue.

In August, HWMA released the food waste digester project description to all regulatory and tribal agencies for an initial consultation review. HWMA received comments from some of

the area tribal agencies as well as from the Army Corps of Engineers and the City of Eureka Traffic department. Concurrent with this effort, HWMA and the project partners have assessed all of the potential impacts, and have prepared written recommendations for project impact mitigation. HWMA will be releasing the full CEQA initial study document with a mitigated Negative Declaration of impact¹ in November, 2010.

Given that the mitigated Negative Declaration of impact might be challenged by regulatory agencies, and a full Environmental Impact Report (EIR) may be required, HWMA staff has actively contributed to CalRecycle's effort to develop a state-wide anaerobic digestion programmatic EIR. HWMA has served on the Technical Advisory Group participating in discussions related to the potential impacts of these facilities as well as the alternatives for mitigating the impacts.

¹ A mitigated Negative Declaration of impact means that while some potential significant effects on the environment were identified in the study, the project would have no negative environmental impact with proper mitigation.

   Subject	Status	Due Date	% Complete	Categories
 Categories: Administration (8 items)				
 Develop MOU for Recycling Services	In Progress	Thu 1/13/2011	10%	Administration
 Develop List of Qualified Contractors	In Progress	Thu 2/10/2011	10%	Administration
 Appraise Samoa Facility	In Progress	Thu 1/13/2011	25%	Administration
 Manage RFP for Recycling Processing	In Progress	Thu 1/13/2011	25%	Administration
 Revise Rio Dell Franchise and Ordinance to Include M...	In Progress	Thu 2/10/2011	50%	Administration
 Recycling processing center feasibility study	Completed	Thu 7/8/2010	100%	Administration
 Work with the City of Trinidad on joining JPA	In Progress	Thu 1/13/2011	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 2/10/2011	0%	Cummings Road L...
 Permanent Office for Cummings Road	In Progress	Thu 2/10/2011	25%	Cummings Road L...
 Report of Waste Discharge	In Progress	Thu 2/10/2011	75%	Cummings Road L...
 Define Limits of Waste	In Progress	Thu 2/10/2011	75%	Cummings Road L...
 Cummings Road Closure plan	In Progress	Thu 2/10/2011	50%	Cummings Road L...
 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 6/9/2011	0%	Facility Maintenance
 Categories: Green Waste (1 item)				
 Renew Arcata Grenwaste Drop-off Contract	In Progress	Thu 1/13/2011	25%	Green Waste
 Categories: Hauling&Disposal (3 items)				
 Revise Bettendorf Transportation Contract	In Progress	Thu 1/13/2011	25%	Hauling&Disposal
 Renew ERD Transportation Contract	Not Started	Thu 3/10/2011	0%	Hauling&Disposal
 Develop Self Haul Transportation Contract With Hum ...	In Progress	Thu 1/13/2011	50%	Hauling&Disposal
 Categories: Personnel (1 item)				
 Review Personnel Manual	Not Started	Thu 1/13/2011	0%	Personnel
 Categories: Planning (3 items)				
 Develop Regional Agency	In Progress	Thu 2/10/2011	25%	Planning
 Review EPA Brownfield Grant, Hawthorne Street	Deferred	Thu 5/12/2011	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 Tire Amnesty Program	Completed	Thu 10/14/2010	100%	Programs
 Implement HHWA Tire 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 2/10/2011	0%	Programs
 Revise HHW Satellite Collection Center Contracts	In Progress	Thu 6/9/2011	50%	Programs
 Revise Local Task Force Ordinance	Deferred	Thu 4/14/2011	0%	Programs
 Redwood Valley Container Site Contract	Deferred	Thu 4/14/2011	25%	Programs
 Categories: Technology Upgrades (3 items)				
 Review use of automated commercial scale	Not Started	Thu 2/10/2011	0%	Technology Upgra...
 Review use of credit/debit cards at Scale House.	In Progress	Thu 1/13/2011	50%	Technology Upgra...
 Revise Filing System	Deferred	Thu 1/13/2011	25%	Technology Upgra...