



WEST VALLEY

Solid Waste Management Authority

CAMPBELL • LOS GATOS • MONTE SERENO • SARATOGA

REGULAR BOARD MEETING AGENDA

Date: February 6, 2025

Time: 5:00 p.m.

Teleconference/Public Participation Information

Meeting Location

This meeting will be held via teleconference and in-person at:

City of Monte Sereno City Hall
18041 Saratoga-Los Gatos Road
Monte Sereno, CA 95030

General Information

For this meeting, members of the public may observe virtually via the meeting link below, or physically at the above-mentioned location. For those attending the meeting in person, please refer to the last bullet for instructions on making public comments. For those attending virtually, please refer to the following set of bullets for attendance and instructions for making public comment:

- Submit any written comments via email to the West Valley Solid Waste Management Authority (Authority) at Authority@WestValleyRecycles.com prior to or during the time reserved for public comment. At the Board meeting, Authority staff will share all comments with the Board and the comments will become part of the public record.
- Observe and address public comments to the Board telephonically, at the appropriate time provided at the meeting, following these instructions:

Link to join the Virtual Meeting: <https://us02web.zoom.us/j/87353915003>

Call in Phone Number: +1 (669) 444-9171

Meeting ID: 87353915003

- During the meeting, the Chairperson will call for public comment. If you wish to address the Board, please use the “raise hand” feature and the Chairperson will call on you when it is your turn.

Note: For those joining virtually, Authority staff will need to temporarily promote you to a panelist and unmute you to speak.



- For those physically attending, please hold onto all comments until the Chairperson calls for public comment. Once the public comment period has opened, please either stand or raise your hand and the Board will call on you to speak.

Agenda Items

Call to Order

Pledge of Allegiance

Roll Call

Orders of the Day

Each Board Meeting has a predetermined order of business included in the Board Meeting agenda. Each agenda item is preset to a particular start time. The Board Chair, or Board Member majority (by vote), may change a Board Meeting's order of business (except for public hearings, which cannot be changed).

Oral Communications from the Public

Written Communications

Presentations and Informational Items

1. Receive a presentation on the Authority's Multi-Family Behavior Change Pilot Program.

Consent Calendar

2. Receive a report on recent regulatory and legislative changes.
3. Receive a report on the Authority's solid waste and customer service programs.
4. Approve the November 7, 2024 Authority Board Meeting Minutes.
5. Receive the Executive Director's Year-to-Date Financial Report through December 31, 2024 for the fiscal year (FY) ending June 30, 2025.

Old Business

None



New Business

6. Approve Resolution 2025-01 adopting the FY 2025-26 budget.
7. Elect Chairperson and Vice Chairperson for 2025.

Public Hearings

None

Executive Director Report

Future Agenda Items

Board Member Reports

Adjournment

Next Regular Meeting: May 1, 2025, 5:00 p.m.

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Agenda Item No. 2

Meeting Date: February 6, 2025

To: West Valley Solid Waste Management Authority Board

From: Executive Director

Subject: Recent Regulatory and Legislative Changes

AGENDA ITEM REPORT

Recommended Action

Receive a report on recent regulatory and legislative changes.

Discussion

2025 California Legislative Session

The new 2025-2026 State of California (State) legislative session has just begun. This section highlights Assembly Bills (AB) and Senate Bills (SB) introduced so far that have been identified by the West Valley Solid Waste Management Authority's (Authority) Executive Director as being of interest to the Authority. Bills must be introduced by February 21, 2025 to be considered this year. New bills may be introduced that have not been included in this report. In addition to the bills listed below, potential bill topics that may be introduced based on current trends include: extended producer responsibility (EPR), disaster debris, solar panels, vehicle batteries, marine flares, household hazardous waste, e-waste, microplastics, compost permitting, compostable labeling, and recycled content verification.

The Authority Executive Director will continue to monitor and update the Board when new bills or modifications to existing bills may be of particular interest to the Board.

Current Bills

- **AB 70 (Aguiar-Curry)** – Existing law allows biomass conversion to account for 10% of the 50% solid waste diversion requirement under AB 939, under certain conditions. One of the conditions for using biomass conversion to satisfy a portion of the solid waste diversion requirement is that pyrolysis not be included in the source reduction and recycling element. Pyrolysis is not defined for that purpose or for other purposes in the act. This bill would define pyrolysis as the thermal decomposition of material at elevated temperatures in the absence or near absence of oxygen.
- **AB 80 (Aguiar-Curry)** – This bill would revise certain aspects of the State's product stewardship



program for carpet, including revising the wording around authorized civil penalties.

- **SB 14 (Blakespear)** – This bill would make changes to requirements regarding standards for the collection of recyclable materials in State Agency facilities.
- **SB 45 (Padilla)** – Senate Bill 45 would require, on and after January 1, 2027, beverage containers intended for sale in the State to have a cap that is tethered to the container, preventing the separation of the cap from the container when the cap is removed by the consumer. The bill would exempt, until January 1, 2028, beverage containers with a recycling rate of better than 70% for calendar years 2022 and 2023, as determined by CalRecycle, from compliance with that requirement. The bill would exempt beverage containers with a capacity of 3 liters or more from the scope of the bill.

Local

The Technical Advisory Committee (TAC) of the Santa Clara County Recycling and Waste Reduction Commission (RWRC) meets monthly. In addition, multiple local subcommittees attend TAC including, but not limited to, those related to SB 1383 and public education and outreach. The meetings are being attended by representatives from the cities of Campbell, Monte Sereno, and Saratoga; the Town of Los Gatos (Member Agencies); and, the Authority. TAC is also discussing how to address concerns around declining funding resulting from reduced fees received on solid waste tons disposed the County. The Authority is participating in these discussions at the regularly scheduled TAC meetings. The Authority is a member of a TAC subcommittee formed solely to review the need for modifications to the current fee program.

Existing Legislation and Regulations

- **SB 54:** SB 54 (Plastic Pollution Prevention and Packaging Producer Responsibility Act) was signed into law on June 30, 2022. The bill requires producers to ensure that single-use packaging and single-use plastic food service ware are recyclable or compostable by 2032 and achieve 25% source reduction and a 65% covered material recycling rate within specified timeframes. The bill requires covered material producers to join a Producer Responsibility Organization (PRO), which shall be responsible for implementing programs, submitting plans and reports, and meeting established targets. The PRO is required to fully fund the cost of the program, including costs incurred by local jurisdictions and recycling service providers for managing covered materials.

Some recent developments in the SB 54 rulemaking and implementation process include:

- The formal rulemaking period for the SB 54 regulations is still in progress. Following two drafts and public comment periods, CalRecycle released the third draft of the regulations on December 2, 2024, with a public comment period ending December 17, 2024. Statute requires CalRecycle to complete the regulations by January 1, 2025; however, CalRecycle has not publicly released a timeline for publication of the final draft of the regulations following the most recent comment period.
- On December 31, 2024, CalRecycle published an update to the SB 54 covered materials



category list. Note that SB 54 will require all of California's curbside programs to accept materials on the covered materials list that are deemed compostable or recyclable.

- On December 31, 2024, CalRecycle published a Source Reduction Baseline Report, which established a baseline measurement for the producer source reduction targets set forth under SB 54.
- On Nov. 4, 2024, CalRecycle released a Draft Program Environmental Impact Report (PEIR) for public review and comment through December 19, 2024.
- CalRecycle appointed an Advisory Board with representatives from a variety of sectors, including local government. The Advisory Board meets on an ongoing basis and those meetings are open for public attendance and comment. CalRecycle's website includes links to past meeting recordings and materials.

To relieve local jurisdictions and ratepayers from the burden of this legislation, engagement from local jurisdictions will be critical. The Authority and Member Agencies can engage in a variety of ways, including attending informational webinars, joining working groups, attending CalRecycle public workshops, submitting individual or coalition comment letters to CalRecycle or the PRO, and discussing early preparation for potential program impacts.

The Authority's Executive Director will continue to participate in the SB 54 implementation process and stakeholder collaboration opportunities and will update the Board with any developments in the regulations that may impact Member Agencies.

- **AB 1201 and SB 343:** AB 1201 (compostability labeling) and SB 343 (recyclability labeling), are both currently in the implementation process. In December 2024, CalRecycle released the SB 343 Material Characterization Study Revised Preliminary Findings Report, an update to the initial preliminary findings, which were released on December 28, 2023. The final report will be released in early 2025, following public comment.

On December 21, 2023, as required by AB 1201, CalRecycle released a determination declaring the non-feasibility of separately collecting organic waste suitable for use in organic agricultural applications from organic waste not suitable for such use. This determination will have impacts on the determinations of recyclability and compostability of the SB 54 covered materials category list. There will be other intersections between AB 1201, SB 343, and SB 54, and the Authority's Executive Director will be tracking these developments.

- **Advanced Clean Fleet (ACF) Regulations:** The California Air Resources Board (CARB) developed regulations to transition all medium- and heavy-duty diesel trucks to zero-emissions vehicles (ZEVs) by 2045. State and local government, including cities, counties, special districts, and State agencies, are required to purchase ZEVs so that 50% of fleet vehicles are ZEVs beginning in 2024, and 100% of fleet vehicles are ZEVs by 2027. "Specialty vehicles," which include solid waste collection fleets, can be evaluated under the "ZEV milestone" option, which allows agencies more time to comply. Aptly named, this option prescribes the following milestones, measured by percentage of ZEV specialty vehicles and year: 10% by 2030, 25% by 2033, 50% by 2036, 75% by 2039, and 100% by 2042. Certain exemptions may be available



related to infrastructure construction delays, delivery delays, availability, daily usage amounts, back-up vehicles, and emergency conditions. Additionally, CARB's final resolution acknowledged the importance of biomethane derived from organic waste to implement SB 1383. CARB will require staff across State agencies to coordinate and provide, by 2025, a report describing how the implementation of ACF regulations, SB 1383, and SB 1440 will be harmonized.

It is important to note that in November 2023, CARB submitted a waiver request to the federal Environmental Protection Agency (EPA) which, if approved, would give CARB the ability to enforce the ACF regulations on high priority fleets (i.e. large solid waste haulers). On January 15, 2025, CARB withdrew the waiver request, in light of the new federal administration's statements that they intend to unwind all ZEV mandates. Withdrawal of the waiver request does not withdraw the regulations, but CARB has stated that they will not enforce the regulations on high priority fleets at this time. Another waiver request could be submitted and approved at any time in the future, so CARB urges fleets to voluntarily remain compliant with the regulations in the meantime. CARB has also stated that it still intends to enforce the regulations on state and local fleets, as they have stated they do not need a waiver for public agency enforcement.

Documents Attached

None

Fiscal Impact

None



Agenda Item No. 3

Meeting Date: February 6, 2025

To: West Valley Solid Waste Management Authority Board

From: Executive Director

Subject: Solid Waste and Customer Service Programs

AGENDA ITEM REPORT

Recommended Action

Receive a report on the West Valley Solid Waste Management Authority's (Authority) solid waste programs and customer service.

Discussion

Summary

The Authority contracts with West Valley Collection & Recycling (WVC&R) through an Agreement between the Authority and Waste Connections of California Inc., d/b/a West Valley Collection & Recycling for Organic Materials, Recyclable Materials, and Solid Waste Collection Services and Organic Materials and Recyclable Materials Processing (Collection Agreement). In addition to providing quality collection service, WVC&R is responsible for providing various forms of education, outreach, and other customer service within the Authority, ensuring successful recycling programs that conform and comply with requirements imposed by the State of California (State). The Authority monitors WVC&R's programs and performance to determine compliance with the Collection Agreement. The figures in this agenda report summarize the status of each program and indicate the following program trends.

- **Customer Participation in Organics Programs.** During the implementation of organics collection programs in 2022, there was an increase in the total volume of service provided to customers as organics collection containers were provided to customers that did not previously subscribe to organics service. During 2022 and 2023, there was a steady increase in the total amount of organic waste collected; however, organic recycling participation began to slow and level off during the later months of 2023 into 2024. Through the second half of 2024, the Authority saw an anticipated increase in the amount of recycled and organic materials diverted from landfill, likely resulting from the launch of new Authority and WVC&R branding and related enhancements to the Authority's education and outreach program.
- **Bulky Item Collection.** The Authority has seen increased participation in the bulky item collection program due to enhancements negotiated as part of the Collection Agreement with WVC&R. Single family residents now receive three annual on-call bulky item collections and multi-family residents receive one annual on-call bulky item collection.



- Missed Collections.** The Board and Authority have continually monitored the reliability of collection service, due to WVC&R’s various performance issues. WVC&R started showing improvement in September of 2023; however, WVC&R’s collection reliability decreased in early 2024, which may have been caused by the implementation of new routes under the new Collection Agreement. Recent months have shown decreased missed collections when compared to the spike in early 2024.
- Customer Service.** The number of calls received by WVC&R’s customer service team follows the same trend line as missed collections, which is expected due to the increased number of customers calling in to report such service issues. Call volumes and hold times have increased in 2024, spiking toward the end of the year, as Authority residents and businesses have questions about changes to solid waste programs, such as multi-family bulky item collection, and rate adjustments. The Authority anticipates such call volumes will start to decrease in 2025.

Collected Tonnage

Figures 1 through 9 represent WVC&R’s reported tonnage and diversion rate for single family (Figure 1), multi-family (Figure 4), and commercial (Figure 7) customers. Figures 2, 3, 5, 6, 8, and 9 compare the total volume of recycling or organic service levels to the average density (pounds per cubic yard) of customers’ carts and bins. These measurements are used by the Authority to monitor recycling participation levels within the Cities of Campbell, Monte Sereno, and Saratoga; and the Town of Los Gatos (Member Agencies).

Figure 1. Single-Family Tonnage and Diversion
Single-Family Tonnage and Diversion

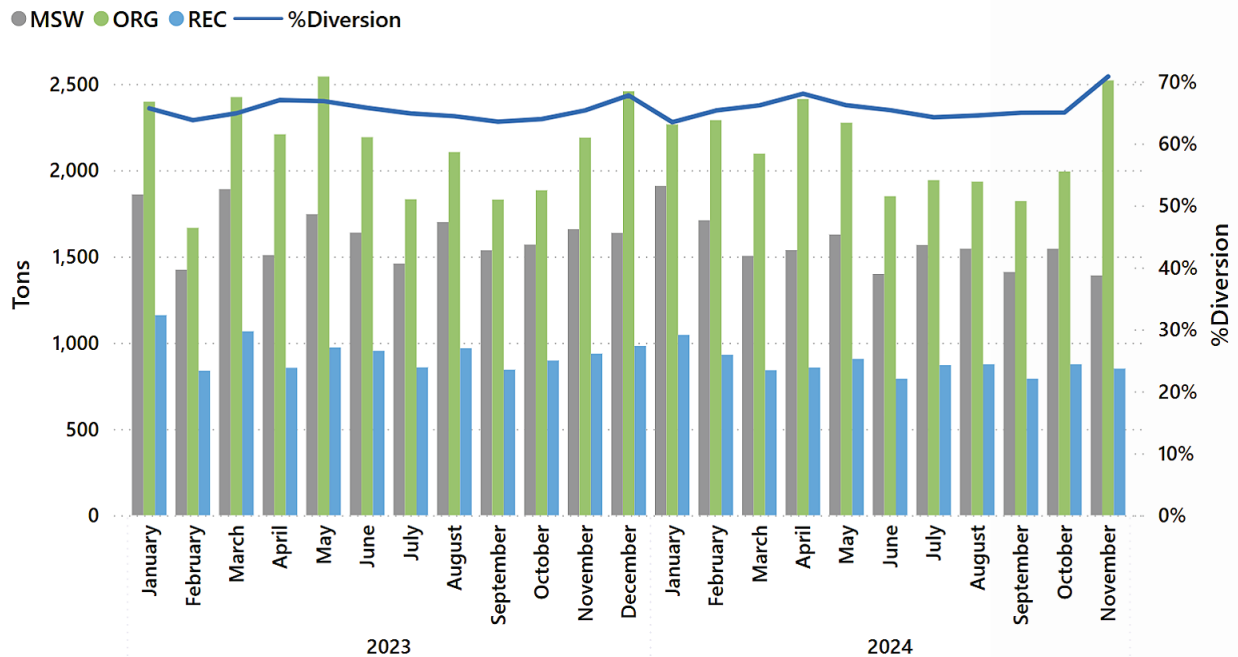




Figure 2. Single-Family Recycling

Single-Family Service Volume vs. Lbs/Service Volume (Cubic Yards)

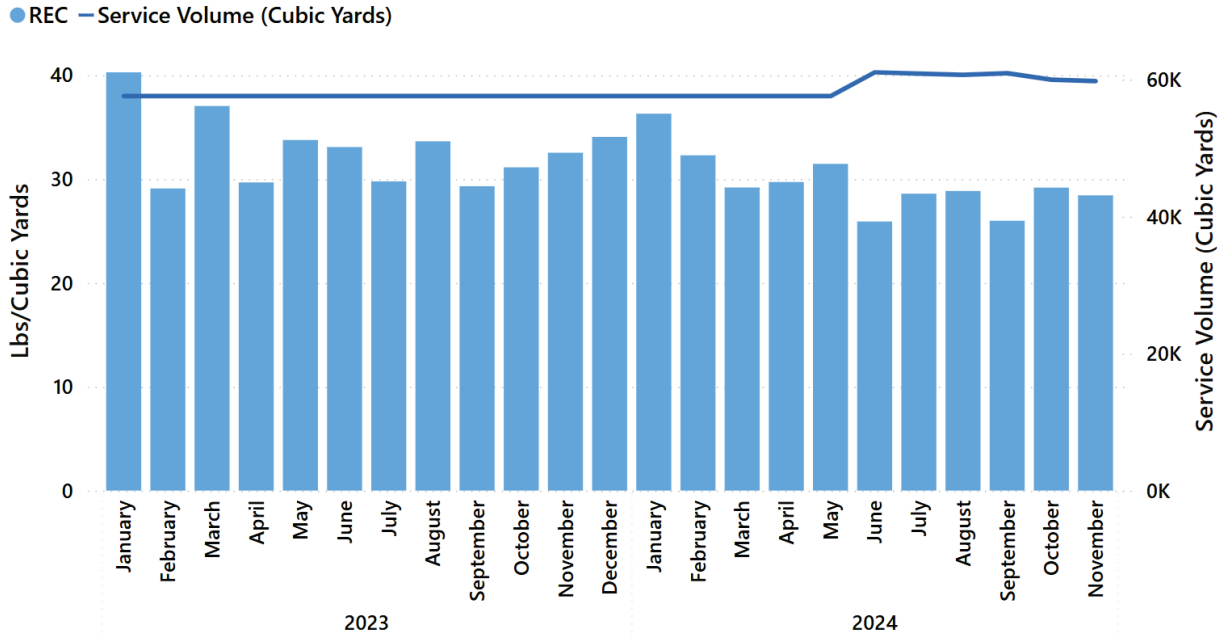


Figure 3. Single-Family Organics

Single-Family Service Volume vs. Lbs/Service Volume (Cubic Yards)

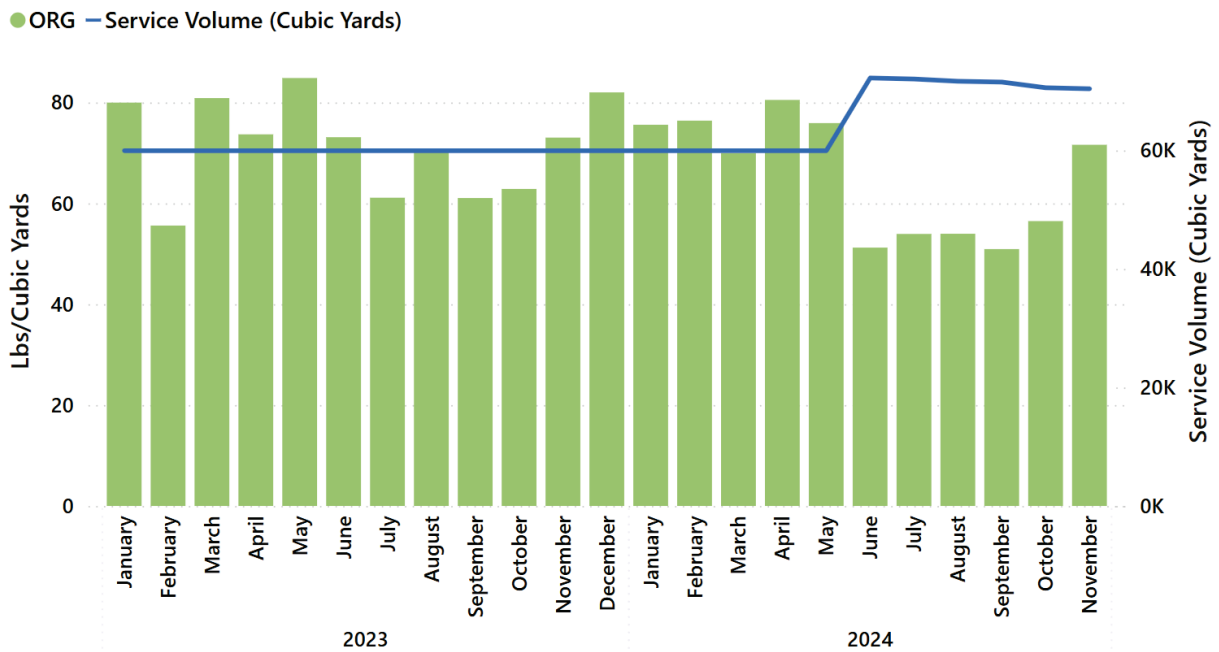




Figure 4. Multi-Family Tonnage and Diversion

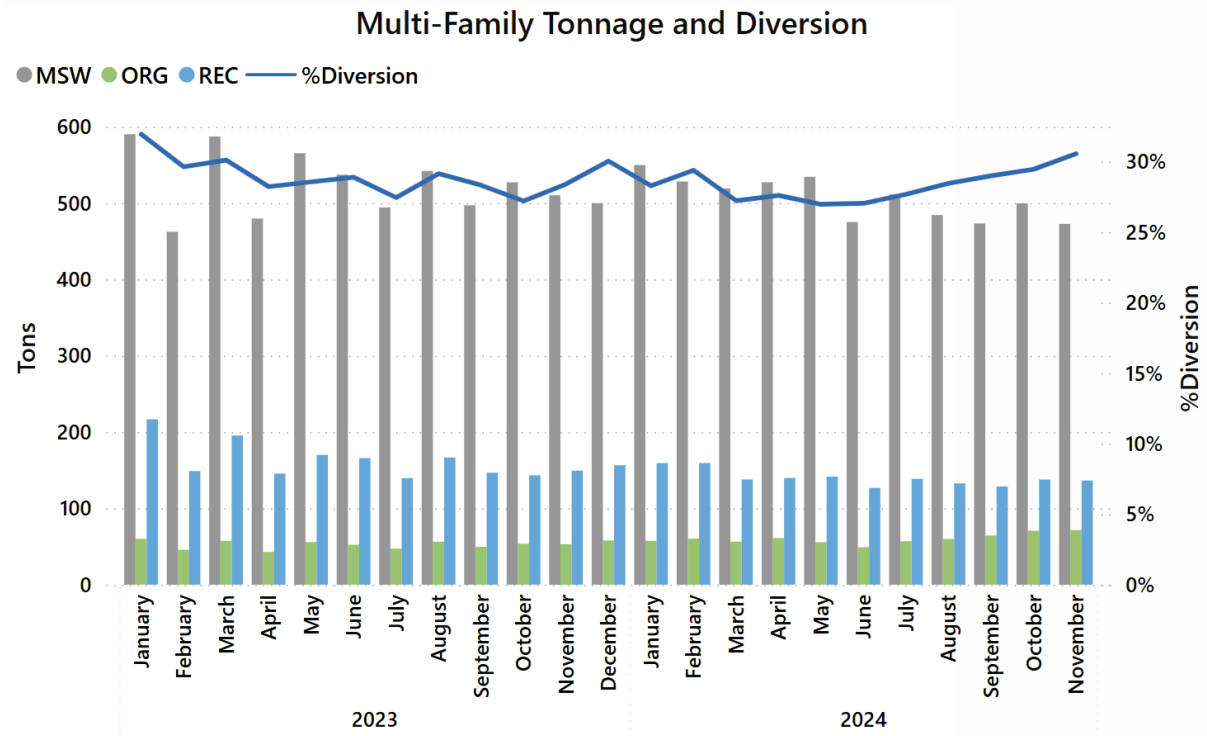


Figure 5. Multi-Family Recycling

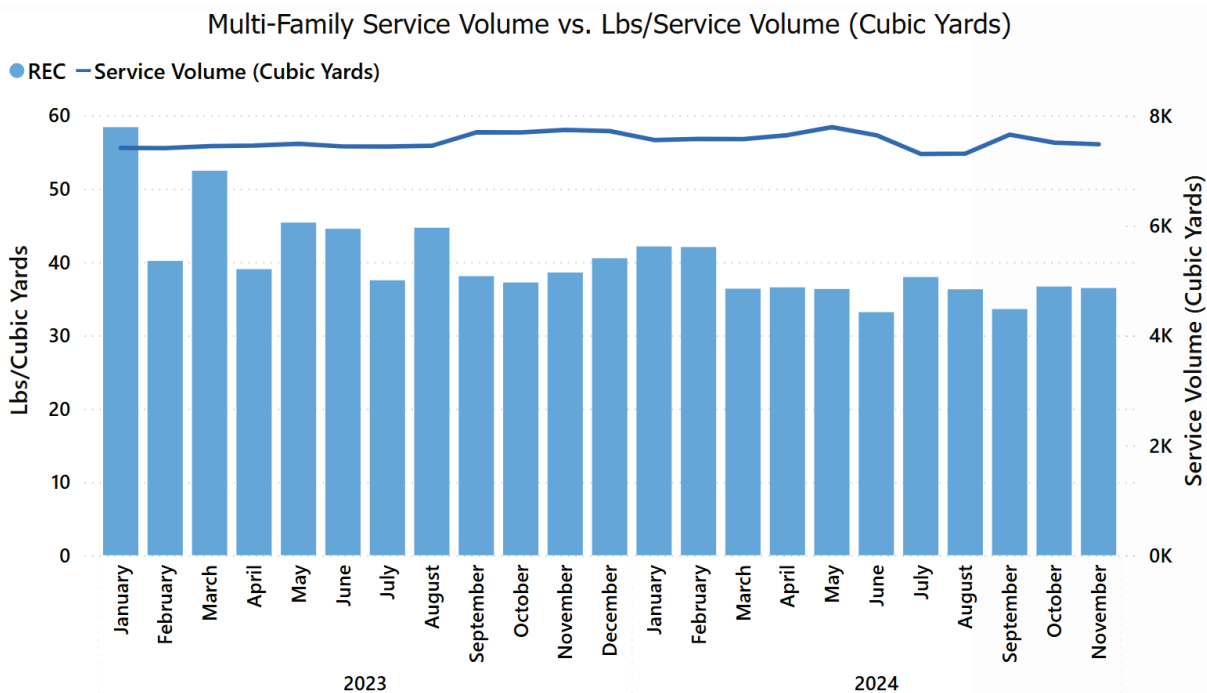




Figure 6. Multi-Family Organics

Multi-Family Service Volume vs. Lbs/Service Volume (Cubic Yards)

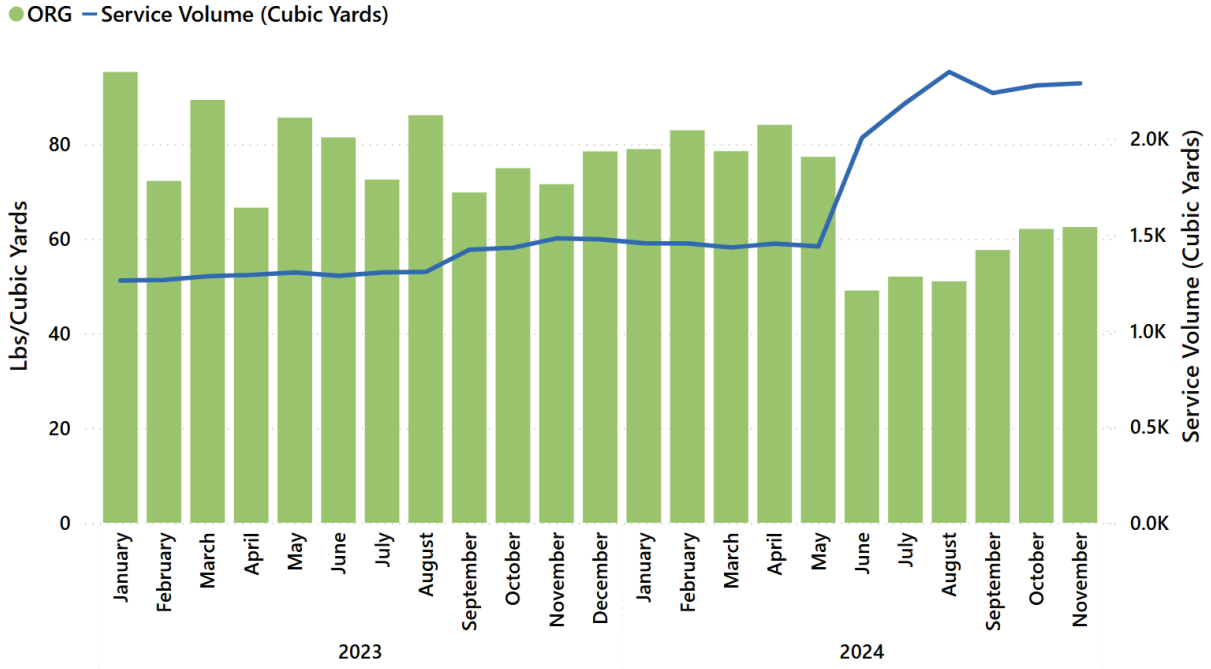


Figure 7. Commercial Tonnage and Diversion

Commercial Tonnage and Diversion

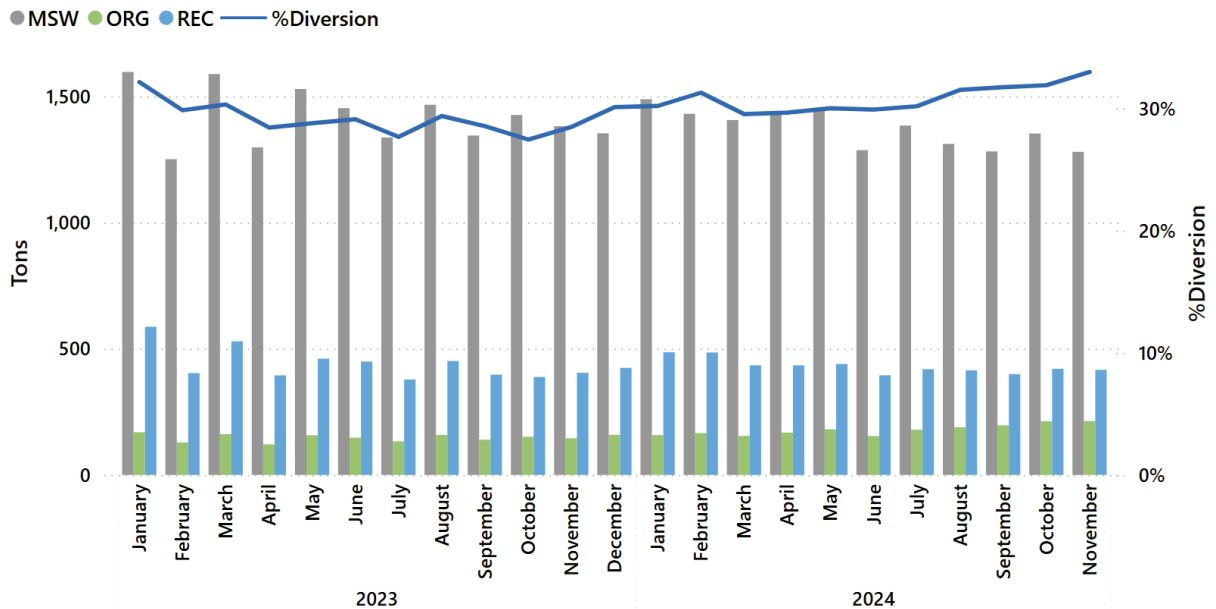




Figure 8. Commercial Recycling

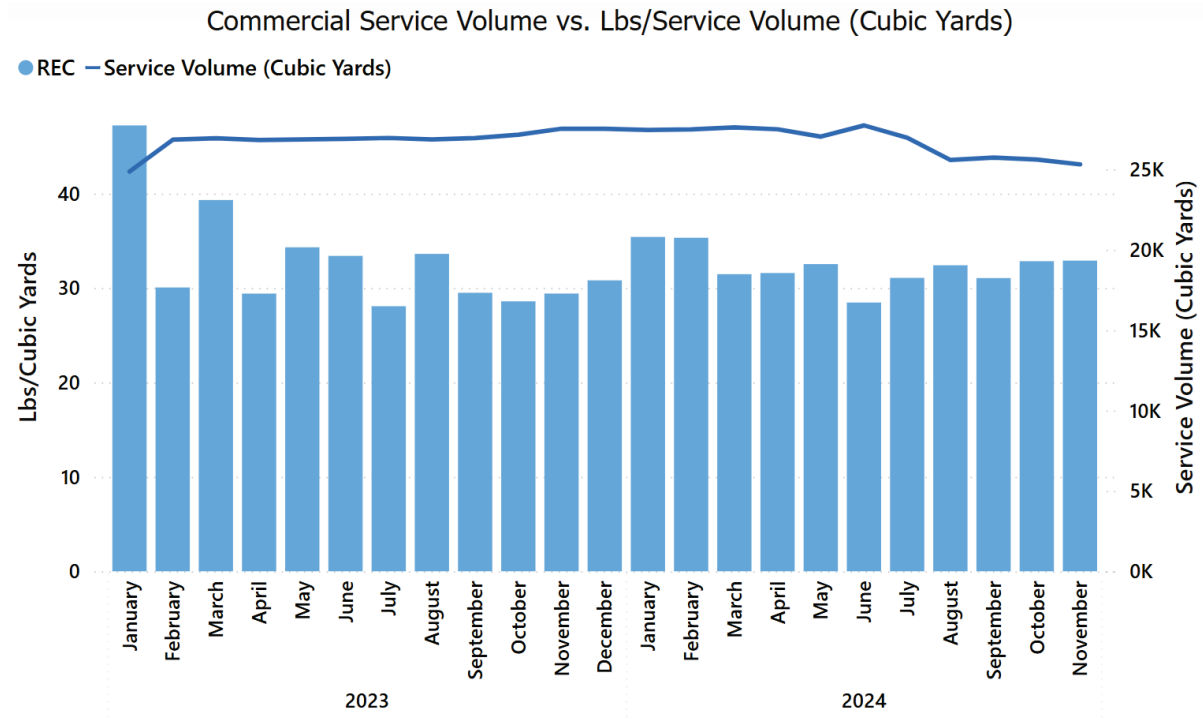
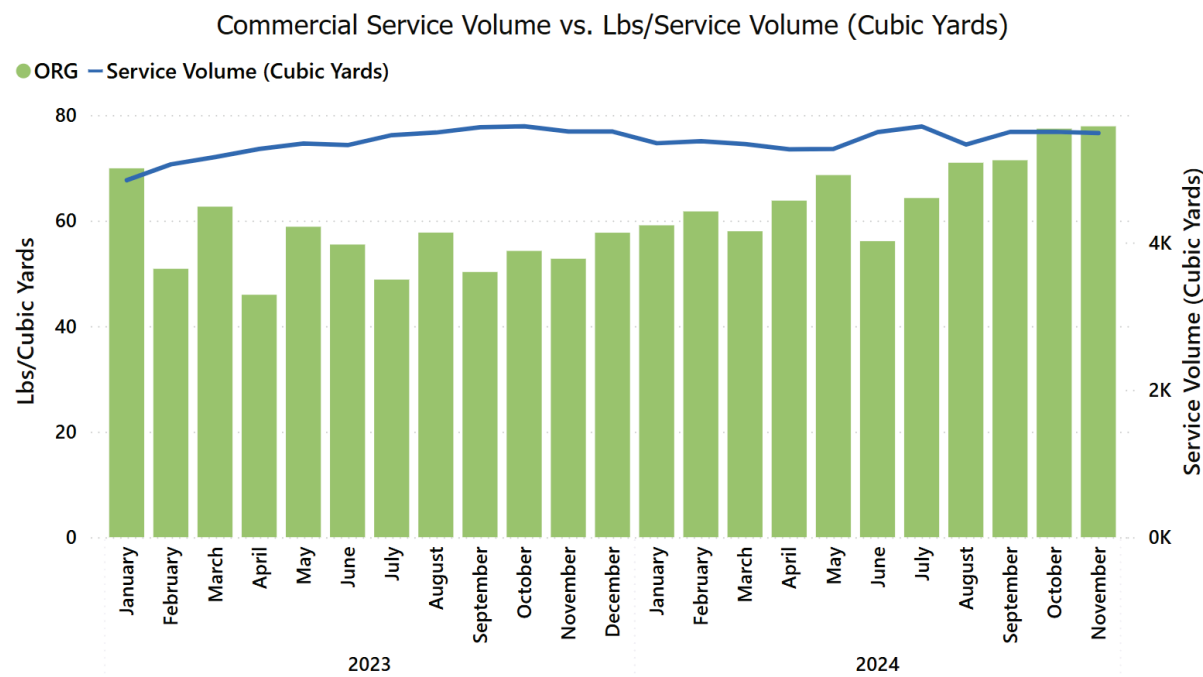


Figure 9. Commercial Organics

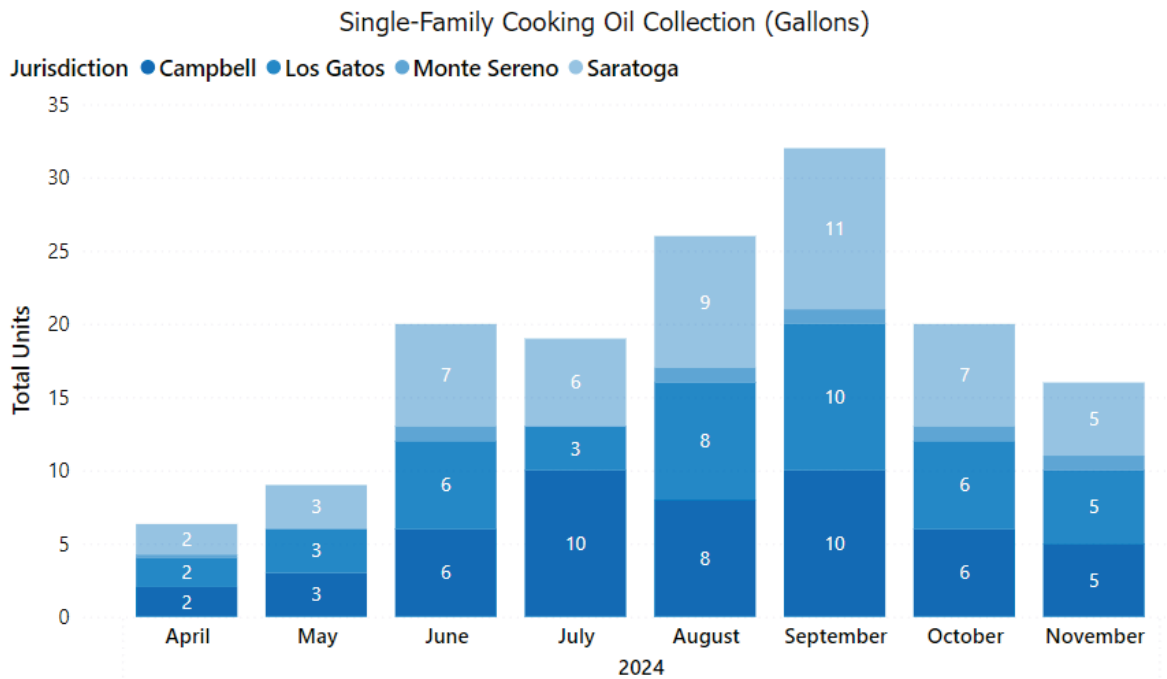




Used Cooking Oil Collection

As part of the Authority's new Collection Agreement with WVC&R that commenced March 1, 2024, WVC&R transitioned from providing used motor oil collection to providing used cooking oil collection. Figure 10 shows the gallons of cooking oil collected. This program is starting to see a decline in use after the initial start-up, which may be due to cyclical cooking oil use patterns. The Authority will continue to monitor this program's usage.

Figure 10. Single-Family Cooking Oil Collection





Bulky Item Collection

Figures 11 and 12 show demand within the Authority for on-call single-family bulky item collection, in addition to the scheduled single-family bulky item collection provided by WVC&R throughout the year. Due to changes to the program, bulky item collections have increased since the implementation of the new Collection Agreement in March of 2024.

Figure 11. Single-Family On-Call Bulky Item Collection

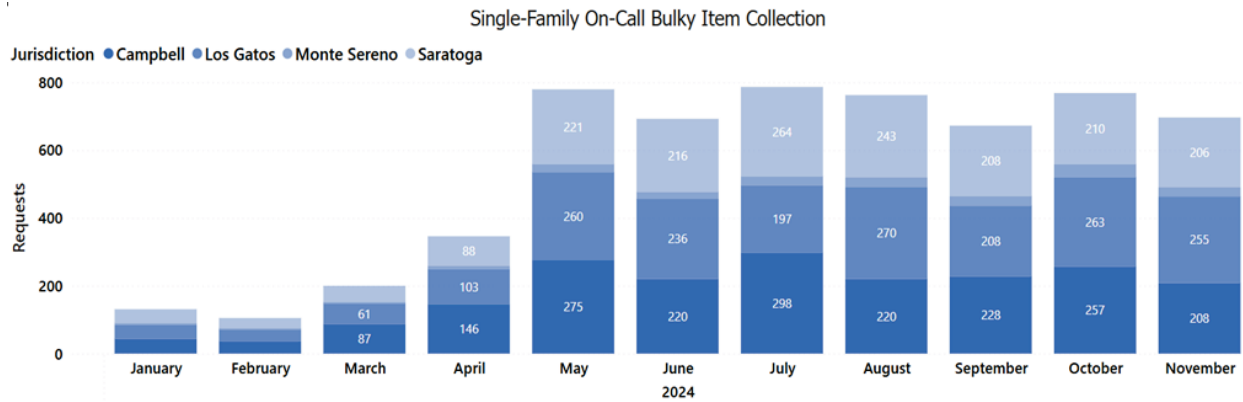
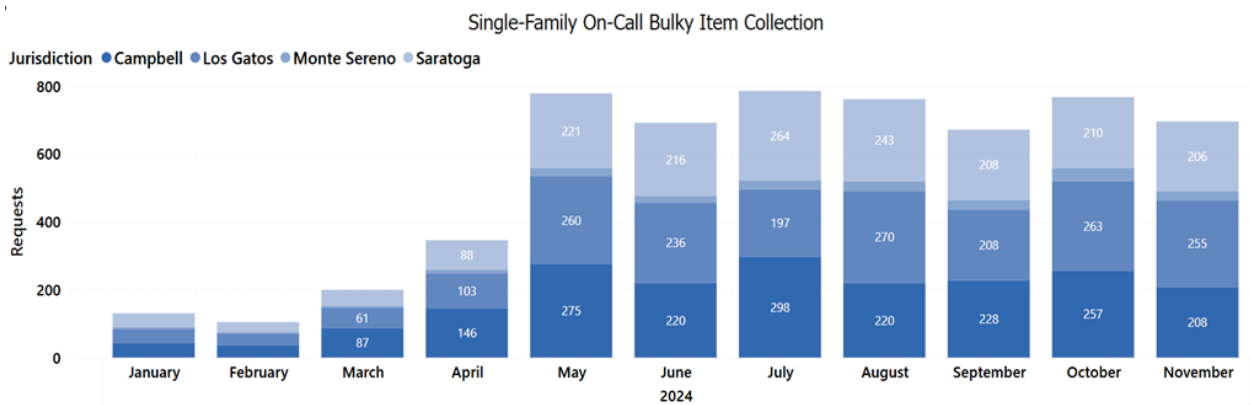


Figure 12. Multi-Family On-Call Bulky Item Collection

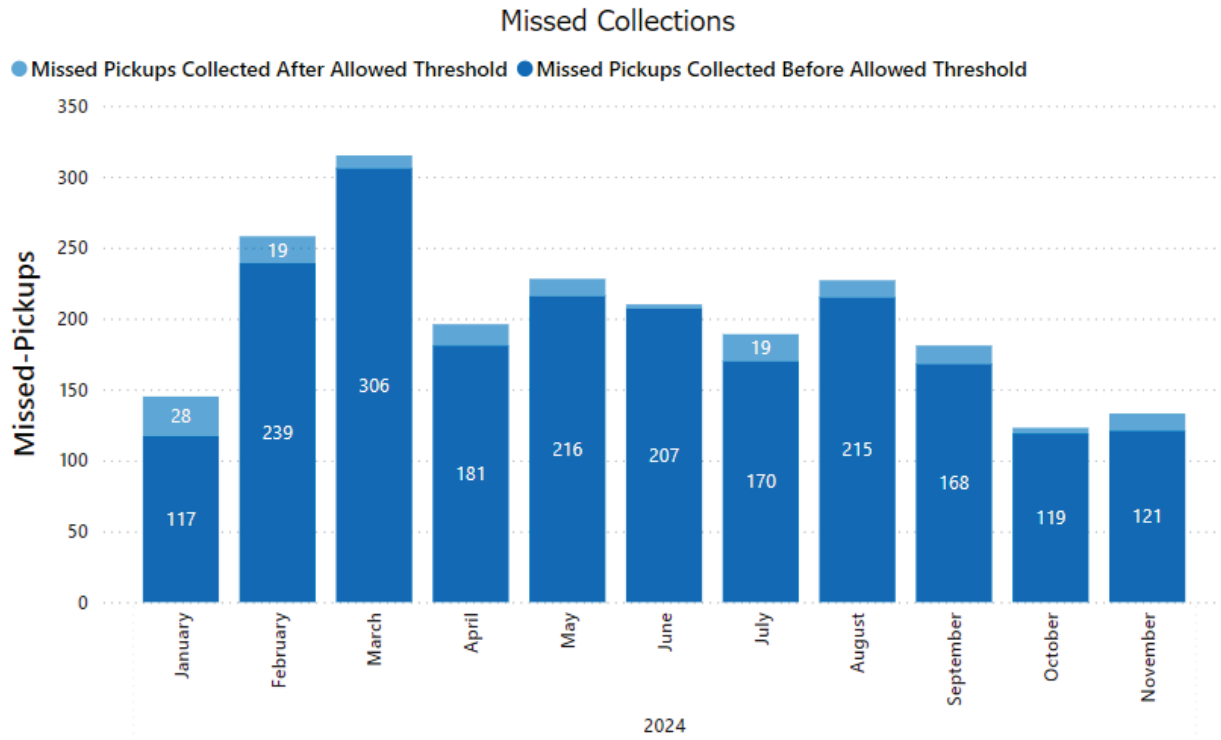




Missed Collections

Figure 13 shows the number of missed collections. The Authority has closely monitored WVC&R's missed collections during the term of the Collection Agreement and the Authority meets monthly with WVC&R to discuss the high number of missed collections as well as potential causes and solutions. WVC&R managed operations to reduce the number of missed collections throughout 2024.

Figure 13. Missed Collections





Customer Service

Figures 14 and 15 represent the number of collection service inquiries and complaints received by WVC&R from within the Authority's service area. These tables are inclusive of any requests or complaints sent directly to each Member Agency and the Authority.

Figure 14. Inquiries and Complaints by Month

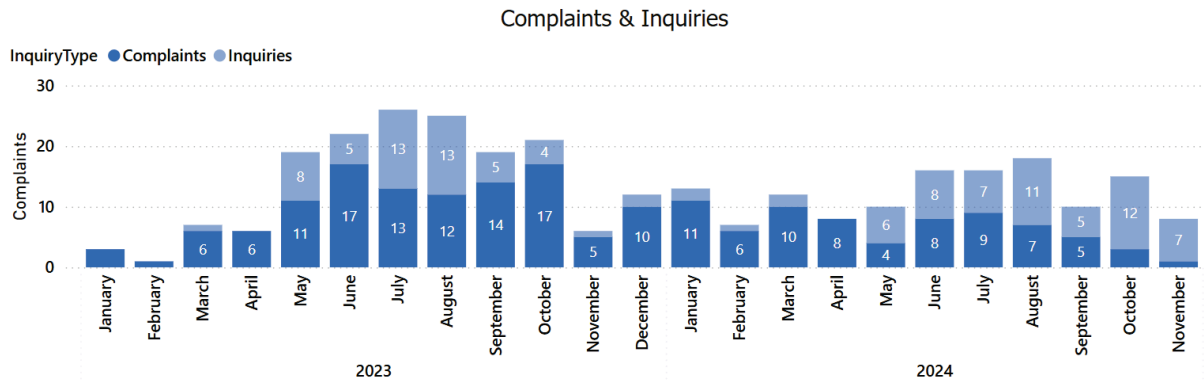


Figure 15. Inquiries and Complaints by Subject Matter

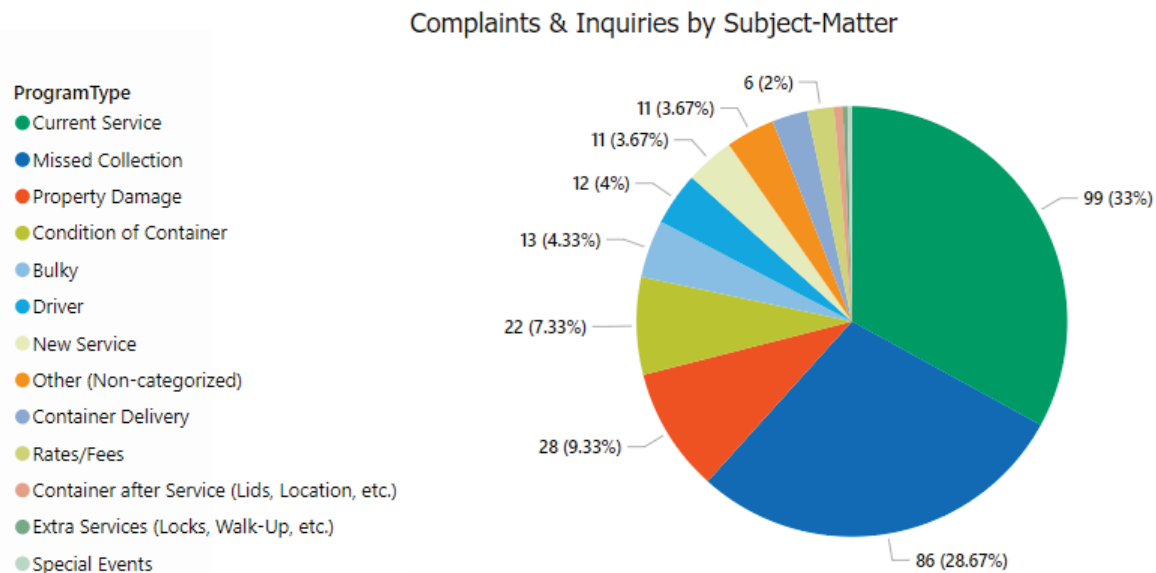




Figure 16 represents the average amount of time Authority customers wait on hold when calling WVC&R’s customer service center. These hold times reflect the average total time a customer waits on hold, including the time it takes the customer service representative to answer the call, any additional customer hold time, and time spent by the customer listening to WVC&R’s outgoing message. The spike in customer calls during October was due to the start of billing to residential customers for additional recycling and organics containers beyond what is included in the bundled rate for service.

Figure 16. Call Center Performance

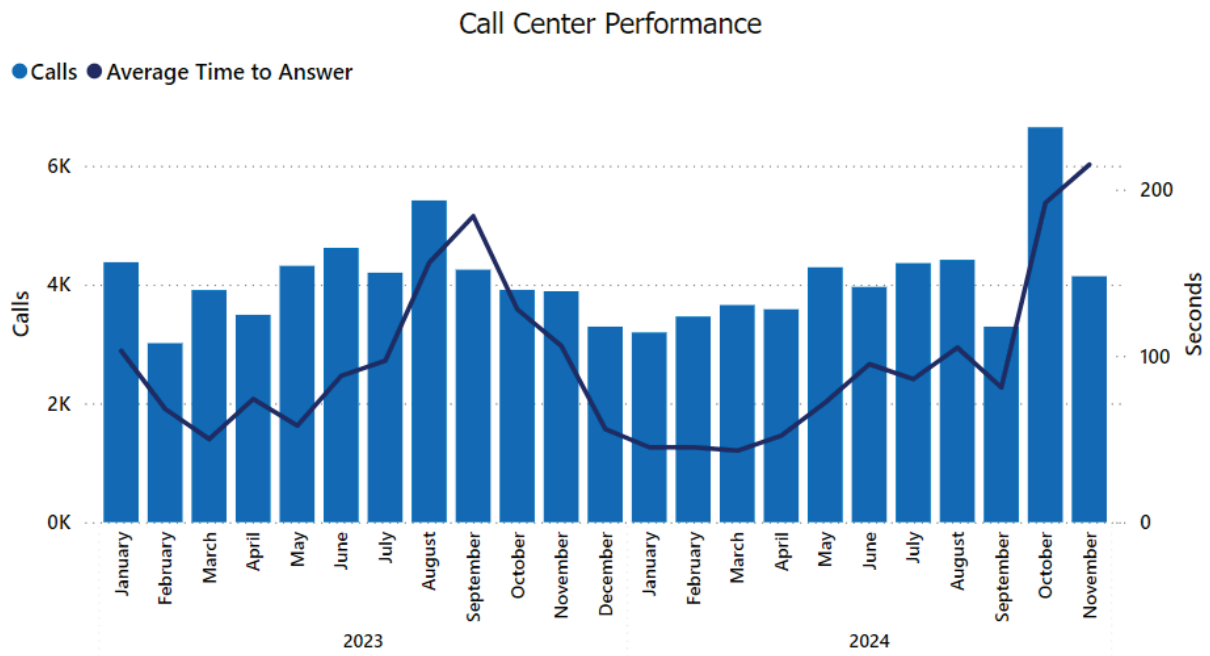
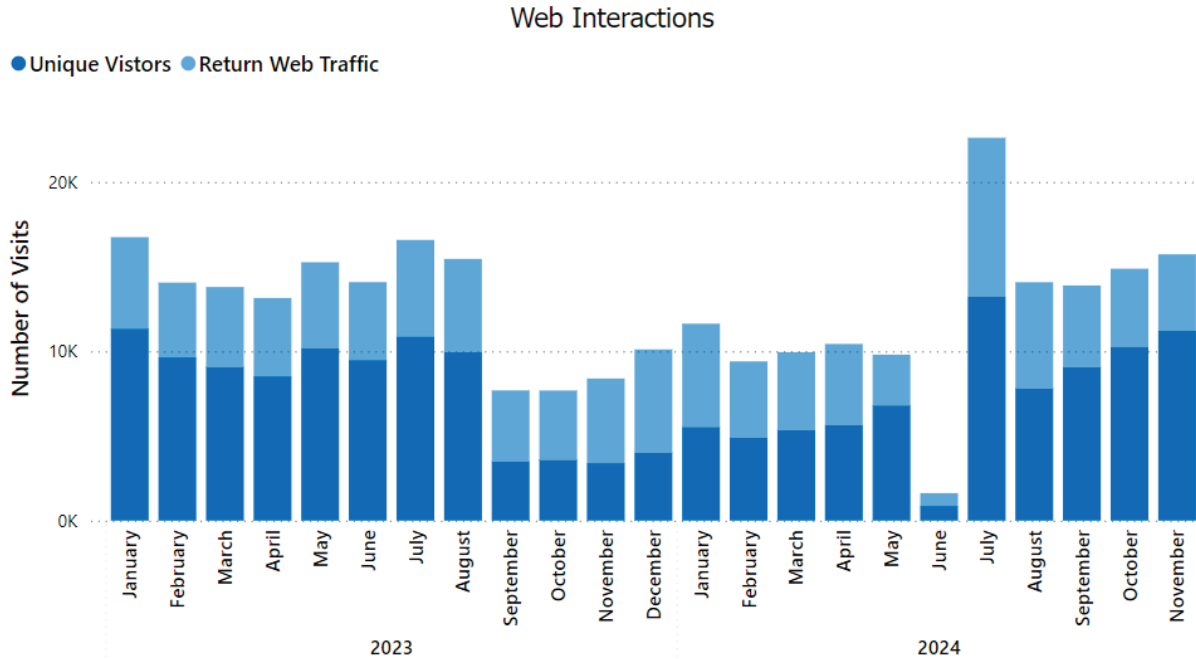




Figure 17 represents the number of new and repeat visits to WVC&R’s webpage, which provides information about collection services in the Authority. Due to implementation of the new website, which occurred in June of 2024, June website data is incomplete; however, full reporting of website data resumed in July of 2024.

Figure 17. Website Interactions



Documents Attached

None

Fiscal Impact

None

Alternatives



PRIOR MEETING MINUTES

Date of Meeting: November 7, 2024

General Information

Meeting held via teleconference in accordance with California Governor Executive Order N-29-20; and in-person at the City of Monte Sereno's City Hall located at 18041 Saratoga-Los Gatos Road, Monte Sereno, CA 95030.

Call to Order

At 5:16 p.m., Chair Mekechuk called the meeting to order.

Pledge of Allegiance

Roll Call

Attendee Name	Title	Member Agency	Status
Bryan Mekechuk	Chair	City of Monte Sereno	Present
Chuck Page	Vice Chair	City of Saratoga	Present
Dan Furtado	Board Member	City of Campbell	Present
Mary Badame	Board Member	Town of Los Gatos	Present

Orders of the Day

None

Oral Communications from the Public

The Board received public comment from West Valley Collection & Recycling's (WVC&R) Bay Area Outreach Manager, Andy Buck, on WVC&R's plan to conduct surveys in downtown areas to ascertain the barriers faced by businesses related to the achievement of SB 1383 compliance.

Written Communications

None

Presentations and Informational Items

1. The Board received a presentation from Becky Scribner from Mill Industries (Mill) on the implementation of the Multi-Family Behavior Change Pilot Program (Pilot). Becky Scribner provided details on the device to be distributed during the Pilot and explained how Mill



anticipates increased participation in food recovery programs. The Pilot is scheduled to launch in late November to early December, with a final report anticipated by June 2025. The Pilot is funded by a \$50,000 allocation from CalRecycle grant funds issued to the West Valley Solid Waste Management Authority (Authority).

The Board received and discussed a report on options for managing “hard-to-recycle” materials, with presentations provided by both WVC&R and Ridwell, Inc. (Ridwell) about collection programs for hard-to-recycle materials. The Executive Director and Authority attorney will explore allowing Ridwell as an authorized collector within the Authority. The Board received public comment. Residents expressed their interest in, and asked clarifying questions about, Ridwell’s program.

2. The Board received a presentation on the Authority's fiscal year (FY) 2025-26 budget priorities from Executive Director, Rob Hilton.

Consent Calendar

3. Dan Furtado pulled Agenda Item 4, to receive a report on recent regulatory and legislative changes, for discussion as Old Business.
4. Upon a motion by Vice Chair Page and a second by Member Badame, the Board voted unanimously to approve Agenda Item 5, to receive a report on the Authority’s Solid Waste and Customer Service Programs, Agenda Item 6, to approve the September 5, 2024 Board Meeting minutes, and Agenda Item 7, to receive the Executive Director’s Year to Date Financial Report through September 30, 2024, and for the fiscal year ending June 30, 2025.

Old Business

5. Upon a motion by Member Badame and a second by Vice Chair Page, the Board voted unanimously to approve Agenda Item 4, to receive a report on recent regulatory and legislative changes.
6. The Board received a report on single-family service for customers with two-to-four units. The Board received public comment. Residents presented their experience with service at two-to-four unit properties. WVC&R's District Manager, Ryan Schuyler, shared WVC&R's commitment to improving service issues.
7. The Board Approved Resolution No. 2024-07 authorizing the First Amendment to the Agreement between West Valley Solid Waste Management Authority and USA Waste of California, inc. d/b/a Waste Management of South Bay (WM) for disposal of Solid Waste, and Transport and Processing of Mixed Organic Waste, Source-Separated Yard Trimmings, and Construction and Demolition Debris and authorized the Board Chair to execute the First Amendment.



New Business

None

Executive Director Report

Executive Director, Rob Hilton, provided an update on Senate Bill (SB) 1383 enforcement and outreach efforts.

Future Agenda Items

None

Board Member Reports

The Board Received a report from Member Dan Furtado on the success of the City of Campbell Police Department's Annual Bicycle Giveaway Program and thanked WVC&R for the donation.

Adjournment

Chair Mekechuk adjourned the meeting at 7:56 p.m. until the next regular meeting, which will be held February 6, 2025 at 5:00 p.m.

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Agenda Item No. 5

Meeting Date: February 6, 2025

To: West Valley Solid Waste Management Authority Board

From: Executive Director

Subject: Year-To-Date Financial Report

AGENDA ITEM REPORT

Recommended Action

Receive the Executive Director's Year-to-Date Financial Report through December 31, 2024 for the fiscal year (FY) ending June 30, 2025.

Discussion

The report titled "Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual" shows the approved budget, the year-to-date actual amounts, and the preliminary fund balance through June 30, 2024 for FY 2024-25. With 50% of the fiscal year passed, the report shows that the West Valley Solid Waste Management Authority (Authority) received \$688,778 or 52% of revenues and expended \$299,011, or 21% of expenses, as compared to the approved FY 2024-25 budget.

In the first quarter of FY 2024-25, the Authority received Senate Bill (SB) 1383 Local Assistance Grant funds from CalRecycle, which will be spent by the Authority during FY 2024-25 and FY 2025-26.

In February 2011, the Board adopted a policy requiring the Authority to maintain an operating reserve of \$100,000 and a rate stabilization reserve of \$100,000. The preliminary fund balance of \$1,053,426 is more than the \$200,000 required and increases the July 1, 2024 starting balance of \$663,659 by \$389,767. The Authority expects to see the fund balance drawn down throughout the year as more expenses are accrued over the remaining two quarters of FY 2024-25; however, the Authority expects the fund balance to remain higher than usual due to the timing of expenses due and receipt of SB 1383 grant funding in FY 2024-25.

Documents Attached

Fiscal Year 2024-25 Year-to-Date Financial Report

Fiscal Impact

None

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ATTACHMENT TO AGENDA ITEM NO. 5

Fiscal Year 2024-25 Year-to-Date Financial Report

West Valley Solid Waste Management Authority Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual December 31, 2024					
Account #	Description	Authority Budget FY 2024-25	Year to Date Actual	Balance	YTD %
Revenues					
4410	Interest	\$ -	\$ -	\$ -	N/A
4431	Unrealized Gains/Losses	-	5,727	(5,727)	N/A
4523	SB 1383 Local Assistance Grant	374,757	374,757	-	100%
4968	Expense Abatement	-	-	-	N/A
4970	City of Campbell	276,488	115,203	161,285	42%
4970	Town of Los Gatos	214,275	89,281	124,994	42%
4970	City of Monte Sereno	22,779	9,491	13,288	42%
4970	City of Saratoga	197,865	82,444	115,421	42%
4975	Other Revenue (Reimbursement of Education & Outreach)	235,000	-	235,000	0%
4965	Other Revenue (Non-Exclusive C&D Program)	13,500	11,875	1,625	88%
4965	Other Revenue (Liquidated Damages)	-	-	-	N/A
	Total Revenues	\$ 1,334,664	\$ 688,778	\$ 645,886	52%
Expenditures:					
Services and Supplies:					
7424	Office Expense	\$ -	\$ -	\$ -	N/A
7424	SB 1383 Member Agency Organics Procurement	201,365	5,441	195,924	3%
7427	Special Departmental Exp. (Legal Services)	51,946	3,962	47,984	8%
7430	Prof. & Special Services (Executive Director)	754,323	183,065	571,258	24%
7430	Prof. & Special Services (Other)	5,000	-	5,000	0%
7430	Education and Outreach	90,000	21,493	68,507	24%
7432	SB 1383 Education and Outreach	260,000	32,341	227,659	12%
7432	Other Contractual Services (Website Administration)	-	-	-	N/A
7432	Other Contractual Services (Audit Services)	3,605	-	3,605	0%
7433	Insurance (Liability)	6,912	7,351	(439)	106%
7435	Travel/Conf. & Meetings	2,000	773	1,227	39%
7438	Other Charges (Accounting & Bookkeeping)	10,443	10,443	-	100%
7443	SB 1383 Edible Food Recovery Countywide Program	34,142	34,142	-	100%
	Total Expenditures	\$ 1,419,735	\$ 299,011	\$ 1,120,724	21%
	Excess (deficiency) of revenues over (under) expenditures	\$ (85,071)	\$ 389,767	\$ (474,838)	
	Beginning Fund Balance 7/1/24 (Preliminary)	285,071	663,659		
	Ending Fund Balance	\$ 200,000	\$ 1,053,426		

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Agenda Item No. 6

Meeting Date: February 6, 2025

To: West Valley Solid Waste Management Authority Board

From: Executive Director

Subject: Fiscal Year 2025-26 Budget

AGENDA ITEM REPORT

Recommended Action

Approve Resolution 2025-01 adopting the fiscal year (FY) 2025-26 budget.

Discussion

Background

Article 5 of the Joint Exercise of Powers Agreement (Agreement) defines the funding mechanisms for all activities performed by the West Valley Solid Waste Management Authority (Authority). Paragraph B states that the Authority must adopt a budget for each FY beginning on July 1 and ending on June 30 of the following calendar year. Paragraph A specifies that the requisite funds are to be allocated among the cities of Campbell, Monte Sereno, Saratoga; and the Town of Los Gatos (Member Agencies) in amounts equal to each Member Agency's share, which is calculated based on each Member Agency's population as a percentage of the total population of all Member Agencies. Through 2011, each Member Agency included its assessment amount in the Member Agency's respective annual budget. However, in 2012 and each year thereafter, the Member Agencies have elected to recover their respective assessed costs in the collection rates.

The Board's Fund Balance policy is to maintain an operating reserve of \$100,000 and a rate stabilization reserve of \$100,000.

Pursuant to the Amendment to the Authority's agreement for Executive Director Services entered into by the Authority and HF&H Consultants (HF&H) on May 6, 2021, the Authority specifically defines the scope of services to be provided by the Executive Director in the annual budget. Therefore, an approval of the budget will authorize the expenditure of funds for this task and authorize the Executive Director and HF&H to perform the work during FY 2025-26. The Authority has attached HF&H's proposed scope of services and hourly rates to this report.

FY 2025-26 Revised Proposed Expenses and Revenues

Resolution 2025-01, attached to this report, includes the following:

- The actual results of the previous FY 2023-24 budget.
- The approved FY 2024-25 budget.
- The proposed FY 2025-26 budget.

Expenses

Executive Director Services Expenses

Executive Director expenses are those expenses that pay for services provided by HF&H to manage the ever-expanding mandates imposed by the California Department of Resources, Recycling and Recovery (CalRecycle). This includes: 1) management of the Authority's solid waste, recycling, organics, and construction and demolition (C&D) debris disposal, processing, and collection contracts; 2) management of the Authority's effort to achieve compliance with Assembly Bill (AB) 939, AB 1826, and Senate Bill (SB) 1383; 3) Board Meeting preparation and facilitation; and, 4) other tasks as assigned by the Board. The attached HF&H Scope of Services describes each task in more detail, including both ongoing program management and one-time projects directed by the Board. In addition, the attached HF&H Hourly Rates provides billing rates for FY 2025-26. HF&H adjusted FY 2024-25 rates by the Consumer Price Index (CPI) as prescribed in the contract between the Authority and HF&H. The FY 2025-26 budgeted amount of \$834,602 includes the following services:

- General Services: This expenditure of \$713,129 includes all the services provided by HF&H during the prior budget year (FY 2024-25), plus additional services that Member Agency staff and Authority Board Members have specifically requested. These additional services include, but are not limited to, developing a reserve policy, responding to increased customer inquiries and complaints, and building relationships with schools interested in the Authority's programs.
- Grant Administration: This expenditure of \$13,497 allows the Authority to continue managing SB 1383 Local Assistance Grant funds, including completing Itemized Expenditure Reports. During 2024, CalRecycle increased the reporting requirements for the Local Assistance Grants.
- Public Education and Outreach Request for Proposal (RFP): This expenditure of \$20,726 is for the Authority's conduct of an RFP process for continued education and outreach development services. The Authority is currently under contract with MIG, Inc. (MIG) for the design of most of the Authority's education and outreach material. The Authority's agreement with MIG is scheduled to expire at the end of FY 2024-25.
- Bulky Reuse Program Development: This expenditure of \$38,200 covers the Authority's support to West Valley Collection & Recycling (WVC&R) in establishing the reuse feature of the bulky item collection program, which is available to single-family and multi-family customers.
- Senate Bill (SB) 1383 Implementation Record Audit: This expenditure of \$24,416 allows for



auditing the Authority's SB 1383 Implementation Record to ensure compliance prior to CalRecycle's enforcement audit.

- Hard to Recycle Material Contractor Evaluation: This expenditure of \$24,634 is for evaluating and working with potential contractors to define a program and system to collect and process hard-to-recycle materials.

By approving Resolution 2025-01 authorizing the attached FY 2025-26 Authority budget, the Board is approving the tasks and total expenditure for all Executive Director Services and the Executive Director may move resources between tasks during the implementation of the services.

Legal Service Expenses

This expenditure covers the services of Logan and Powell, LLP (L&P) to provide advice on Authority legal matters, including the conduct of meetings in accordance with the provisions of the Brown Act; performing legal research as needed; preparing legal notices as needed; and, assisting with other legal matters, as directed by the Board. The FY 2025-26 budgeted amount of \$56,260 includes the following:

- General Services: This expenditure of \$51,795 allows for L&P's ongoing legal services provided to the Authority. This expense includes a contractual 2.00% annual rate increase, approved by the Board in an amendment to the Authority's agreement with L&P at the May 6, 2021 Board Meeting. The Authority's attorney has a current (FY 2024-25) hourly rate of \$291.83 and the rate will increase in FY 2025-26 to \$297.67.
- Hard-to-Recycle Material Contractor Evaluation: This expenditure of \$4,465 covers the Authority's attorney providing support during the evaluation of, and potential contracting with, additional contractors to collect and process hard-to-recycle materials.

Education and Outreach Expenses

This expenditure of \$242,050 allows for expenses incurred related to designing, printing, and/or distributing educational materials, as outlined in the Public Education and Outreach Plan developed by the Authority in coordination with WVC&R as well as other education and outreach expenses that may arise including, but not limited to, participation in County-produced education materials. This WVC&R-funded expense includes, but is not limited to, digital media campaigns, MFD move-in kits, commercial business posters and brochures, vehicle signage, newsletters, and service guides, and expenses are funded through the agreement with WVC&R. The Authority has increased WVC&R's expense amount by 3.00% for FY 2025-26, as compared to WVC&R's budgeted FY 2024-25 expense.

SB 1383 Education and Outreach Expenses

This expenditure of \$45,000 covers direct costs associated with producing a mailer on proper recycling practices, as required by SB 1383. Additionally, the budget will cover concluding both the production of training videos and the multi-family behavior change pilot program, initiated in FY



2024-25, both designed to support proper organics source separation and increase organics recycling participation. The expenses budgeted for video development and the multi-family pilot are not intended to increase the approved FY 2024-25 budgeted expenses. This budget would only be used if these programs are not completed by the end of FY 2024-25 and carry into FY 2025-26.

Edible Food Recovery County Program Expenses

This expenditure of \$39,234 allows for each Member Agency's participation in the County-wide edible food recovery program. The County contracts with Joint Ventures Silicon Valley (JVSV) for these services that ensure the Authority's compliance with SB 1383.

Organics Product Procurement Expenses

This expenditure of \$77,852 covers the cost for the Authority to procure recovered organic waste products, such as compost, as required by SB 1383.

Accounting and Bookkeeping Expenses

This expenditure of \$10,756 covers accounting and bookkeeping support services provided by the City of Campbell's Finance Department staff. The Authority has increased this amount by 3.00% for FY 2025-26 compared to the budgeted FY 2024-25 expense.

Liability Insurance Expenses

This expenditure of \$8,822 covers general liability and public officials' errors and omissions insurance. This amount reflects an increase of 20.00% to the actual premiums paid for FY 2024-25 to project costs based on recent rate increases by the insurance provider, the Special District Risk Management Authority (SDRMA).

Mileage and Meeting Expenses

This expenditure of \$2,000 allows for Board Member attendance at relevant industry conferences during the year. The budgeted amount is to provide for increased attendance by Board Members to allow them to become more familiar with solid waste issues, as the end of the WVC&R contract term approaches. The budgeted amount is the same as prior year budgets.

Website Administration

This expenditure of \$1,500 allows for IT support and other administrative costs to host and maintain the Authority's website.

Professional Service Expenses

This expenditure of \$5,000 covers other professional services or studies (e.g., engineering consulting services, litigation services, and association memberships) not included in the other professional services specifically identified herein. The budgeted amount is the same as prior year budgets.



Audit Service Expenses

This expenditure of \$3,713 covers audit services required by Article 5.B of the Agreement. The Authority has increased this budgeted amount by 3.00% for FY 2025-26 compared to the budgeted FY 2024-25 expense.

Contingent Expenses

Executive Director – CalRecycle Enforcement Review Support

This expenditure of \$190,000 is contingent upon CalRecycle’s initiation of an enforcement review for the Authority’s Member Agencies. The Authority would provide support to each Member Agency as they respond to CalRecycle’s requests. Upon notification by CalRecycle, the Executive Director would be authorized to provide up to \$50,000 to each Member Agency, except for the City of Monte Sereno. The Executive director would be authorized to provide a maximum of \$40,000 to the City of Monte Sereno. This expenditure is not to exceed a total of \$190,000.

Revenues

Member Agency Assessment Revenues

Member Agency assessments are revenues from rate payers, paid through the solid waste collection rates. This revenue is budgeted at \$961,425 for FY 2024-25. Member Agency assessments, and subsequently, the impact on ratepayers, increased by approximately 35% from FY 2024-25 to FY 2025-26 due to the loss of CalRecycle one-time grant revenues in the amount of \$374,757, received by the Authority during FY 2024-25.

Non-Exclusive C&D Program Revenues

C&D debris collection contractors are anticipated to provide \$13,500 in revenue through their payment of administrative fees to the Authority based on the number of roll-off container pulls performed by each contractor. The Authority estimates this revenue based on the prior year’s reported roll-off pulls. Due to the fluctuation in construction (and resulting C&D debris) from year to year, these roll-off pulls may vary, along with the resulting Authority revenue.

Education and Outreach Reimbursement Revenues

In FY 2025-26, the Authority will receive reimbursement for the public education and outreach costs summarized above in the amount of \$242,050 from WVC&R.

Documents Attached

HF&H Scope of Services

HF&H Hourly Rates

Resolution 2025-01

Amendment to the West Valley Solid Waste Management Authority Agreement for Executive Director Services Dated May 6, 2021

Fiscal Impact

The attached FY 2025-26 proposed budget shows the expected assessment for each Member Agency resulting from the proposed budget.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

SCOPE OF SERVICES

The tasks that HF&H Consultants, LLC (HF&H) will perform during fiscal year (FY) 2025-26 include the following:

General Services

Task 1: Authority Administration

- 1a Manage the procurement of legal services, liability insurance, and other services and supplies required for the conduct of the West Valley Solid Waste Management Authority's (Authority) business.
- 1b Prepare and provide orientation materials, including copies of all Authority agreements and policies, to new Board Members, as needed.
- 1c Work with the auditor for the Authority fiscal agent (the City of Campbell) to complete the annual financial audit of the Authority's financial statements. This includes preparing the financial statements, reviewing the footnotes, preparing the management letter, and responding to inquiries from the auditors.
- 1d Manage the submission of Fair Political Practices Commission forms (Form 700) by the Executive Director, Legal Counsel, and Board Members representing the cities of Campbell, Monte Sereno, and Saratoga; and the Town of Los Gatos (Member Agencies).
- 1e Prepare and provide responses to requests from the public received under the Public Records Act, including coordination with the Authority's fiscal agent, as necessary.
- 1f Complete ethics training, as required by AB 1234.
- 1g Develop an Authority budget reserve policy for Board approval.

Task 2: Authority Budget

- 2a Prepare the annual Authority budget for Board approval.
- 2b Monitor the Authority's annual budget, including tracking invoices for services rendered to the Authority, submitting invoices to the City of Campbell, reviewing and approving purchase orders created by the City of Campbell, and reviewing and revising (as necessary) budget progress summaries provided by the City of Campbell.

Task 3: Facilitate Board Meetings

- 3a Prepare for and conduct quarterly Board Meetings. This task includes preparing public notices, agendas, agenda reports, resolutions, Board Member agenda packets, public meeting binders, and meeting minutes. In addition, this task covers the preparation and conduct of "agency review" meetings with Member Agency staff prior to regularly scheduled Board Meetings.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

- 3b Prepare a financial report of the Authority's activities for each quarter, showing actual expenditures against the approved budget. These reports are presented at the next regularly scheduled Board Meeting following the close of each quarter.
- 3c Present status reports on each of the Authority projects or activities at regularly scheduled Board Meetings, as needed.
- 3d Perform Board Meeting follow-up, including maintaining a record of all Authority actions.

Task 4: Member Agency Support

- 4a Prepare for and attend monthly in-person meetings with Member Agency staff, report on issues, and receive direction from staff between Board Meetings. This task includes preparing the agenda and related agenda materials.
- 4b Respond to inquiries from Member Agency staff on issues including, but not limited to, Senate Bill (SB) 1383 compliance and services performed by West Valley Collection and Recycling (WVC&R).

Task 5: Customer Service

- 5a Work with WVC&R, WM, contractors approved by the Authority to provide construction and demolition (C&D) debris collection and processing services (collectively referred to as Companies) to respond to all phone and website complaints and inquiries from Member Agencies' residents and businesses regarding services provided under the agreements.
- 5b Document, in a summary tracking file, all phone and website inquiries categorized by Member Agency, topic, and date received.
- 5c Monitor and review inquiry trends for potential public education and outreach topics and efforts.
- 5d Provide additional Authority and Member Agency complaint and inquiry follow-up and review (in coordination with Companies) until each complaint/inquiry reaches a resolution that is satisfactory to the customer.
- 5e Provide solutions and direction to Companies for unresolved and escalated complaints.
- 5f Prepare training materials and attend multiple customer service training sessions with WVC&R employees to provide updated industry standards and customer-centric approaches to promote ongoing service improvement.

Task 6: Collection and Disposal Contract Management

- 6a Ensure that the Companies comply Authority and Member Agency agreement requirements to furnish certificates of insurance and performance bonds.
- 6b Manage the revision of these contracts when needed to implement new programs, update the list of recyclable materials, or implement other changes, as directed by the Board.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

- 6c Review and summarize the Companies' monthly, quarterly, and annual reports and utilize the reports to monitor solid waste programs.
- 6d Review the Companies' operational performance and calculate the amount of liquidated damages, if any, breach letters, or other delinquency notifications under the agreements.
- 6e Initiate the corrective action plans (CAP) process and prepare for and attend meetings with WVC&R to monitor drafting of the CAP and progress of CAP completion.
- 6f Conduct annual C&D debris contractor open enrollment process and review submitted applications for approved C&D debris collection and processing contractors.
- 6g Develop a comprehensive brochure for C&D debris, outlining key information and resources to support C&D debris program compliance.
- 6h Review approved C&D debris collection contractors' monthly administrative fees to verify the contractors' calculation of payments.
- 6i Monitor C&D debris collection and processing contractors and, as needed, issue delinquency notifications.

Task 7: Regulatory Compliance Monitoring

- 7a Provide periodic reports on the status of federal and state legislation impacting the Member Agencies' refuse and recycling programs and report out on industry trends at regularly scheduled Board Meetings.
- 7b Represent the Authority at County Technical Advisory Committee (TAC) meetings, Implementation Committee (IC) meetings, SB 1383 subcommittee meetings, operations subcommittee meetings, and public education and outreach subcommittee meetings, as well as other relevant regional and statewide meetings, as needed and directed by Member Agency staff and/or the Board, and communicate relevant information back to the Member Agencies.
- 7c Prepare and submit miscellaneous reports requested by local agencies related to the Authority's solid waste and recycling collection and disposal programs. These include, for example, the County's recycling hotline, Household Hazardous Waste (HHW) program, and collection rate surveys.
- 7d Prepare and submit each Member Agency's annual reports to CalRecycle. This includes accompanying the CalRecycle representative on site visits to the Authority jurisdictions. Additionally, HF&H will respond to CalRecycle questions related to the annual reports and site visits.
- 7e Maintain an Implementation Record on behalf of each Member Agency, coordinating data collection with the Authority's contractors and Member.
- 7f Respond to any questions from CalRecycle regarding SB 1383 compliance, exclusive of responding to an enforcement review. We have included enforcement review support under contingent services Task 15.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

- 7g Conduct on-site waiver investigations for generator waiver applications and expiring waivers and notify the generators and WVC&R of the Authority's approval or denial of such waivers.
- 7h Conduct an annual compliance review of multi-family and commercial generators, as required by SB 1383.
- 7i Investigate SB 1383 related complaints reported to the Authority or its Member Agencies.
- 7j Conduct SB 1383 related inspections to determine a generator's compliance with SB 1383 organics recycling requirements, provide education to con-compliant generators, and issue notices of violation to generators that do not come into compliance.
- 7k Notify Member Agencies of potential and required SB 1383 enforcement actions and provide documentation to the Member Agencies supporting the Authority's determination and the education and outreach efforts provided by the Authority, its Contractors, and Joint Venture Silicon Valley (JVSV) to bring the generator into compliance.

Task 8: Education and Outreach

- 8a Prepare an annual public education and outreach plan, in coordination with WVC&R, to ensure campaigns are strategic, well thought out, and consistent throughout the year.
- 8b Monitor the development and progress of campaigns and technical assistance as promised in the public education and outreach plan, ensuring effective monitoring and management throughout the year.
- 8c Prepare for and attend monthly status update meetings with WVC&R to discuss the progress of WVC&R's public education and outreach activities and address any concerns or updates.
- 8d Participate in the development of educational collateral with the Authority's contracted design firm to create content and plan for distribution of content.
- 8e Discuss various aspects of all collateral material with WVC&R before WVC&R drafts and designs the content; and review WVC&R's public education materials prior to finalization and production.
- 8f Maintain the Authority's website to ensure information is current, accurate, and effective.
- 8g Collaborate with WVC&R to ensure the upkeep of a collective West Valley Recycles website, housing all up-to-date publications and information.
- 8h Conduct interviews with prospective candidates seeking the position of Diversion Coordinator at WVC&R.
- 8i Participate in the WVC&R training program for diversion coordinators to ensure proficiency of the staff in such roles at WVC&R.
- 8j Update fact sheets for vendors providing educational support on disposal and recycling programs in the County.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

- 8k Assist with technical assistance outreach as a supplemental role replacement to WVC&R, if needed, due to open diversion coordinator staffing positions with WVC&R.

Task 9: Rate Setting

- 9a Review WVC&R's rate adjustment calculations for collection service and WM's rate adjustment calculations for disposal and processing for completeness and compliance with the methodologies described in the agreements between the Authority and each contractor.
- 9b Verify WVC&R's rate adjustment calculations and WM's rate adjustment calculations are mathematically correct.
- 9c Verify WVC&R and WM used the correct allowable expenses and correct percentage change increase in CPI in accordance with the agreements between the Authority and each contractor.
- 9d Meet with Member Agency staff to review proposed amendments to solid waste collection rates.
- 9e Meeting with WVC&R and WM, separately, to discuss any needed adjustments to the submitted rate applications.
- 9f Conduct a rate survey for neighboring jurisdictions within Santa Clara County.

One-Time Services

Task 10: SB 1383 Grant Administration

- 10a Monitor and manage CalRecycle SB 1383 Local Assistance Grant Program Funds.
- 10b Apply for modifications to grant funding usage, as necessary to ensure all funds are put to good use.
- 10c Prepare and submit Expenditure Itemization Summaries, including compiling all invoices.

Task 11: Public Education and Outreach Request for Proposal (RFP)

- 11a Review marketplace for potential design contractors.
- 11b Develop, finalize, and post an RFP for education and outreach design services.
- 11c Review and assess proposals received for compliance with RFP requirements.
- 11d Conduct interviews with proposers.
- 11e Finalize a recommendation for approval by the Board and award the final contract.

Task 12: Bulky Reuse Program Development

- 12a Support WVC&R with the development of their bulky reuse program.
- 12b Facilitate introductions of WVC&R staff to a variety of other bulky programs which successfully incorporate reuse.

WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY

FISCAL YEAR 2025-26 SCOPE OF SERVICES

Task 13: SB 1383 Implementation Record Audit

- 13a Conduct a review of Authority and Member Agency Implementation Record files to confirm that all required data under SB 1383 is included in the Implementation Record.
- 13b Provide a summary to each Member Agency of the documentation needed to complete the Implementation Record and update the Implementation Record based on the audit results.

Task 14: Hard to Recycle Materials Contractor Evaluation

- 14a Coordinate with the Authority's attorney to discuss potential hard to recycle material collection and processing services with each potential contractor.
- 14b Attend up to two meetings each with WVC&R, Ridwell, and the Authority's attorney to discuss potential services.
- 14c Prepare for and present to the Board, at a regularly scheduled Board Meeting, the results of discussions with each potential hard-to-recycle materials contractor.

Contingent Services

Task 15: CalRecycle Enforcement Review Support

- 15a Coordinate and attend an Implementation Record review meeting with CalRecycle related to SB 1383 compliance for each Member Agency receiving notification from CalRecycle of a SB 1383 enforcement audit.
- 15b Provide responses to CalRecycle's Implementation Record follow-up questions with support from each Member Agency.
- 15c Prepare for and attend site visits meeting with CalRecycle.
- 15d Support each Member Agency in reaching SB 1383 compliance with any CalRecycle-identified areas of concern.

HF&H CONSULTANTS, LLC

STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

(Effective July 1, 2025)

Professional Fees

Hourly rates for professional and administrative personnel are as follows:

<u>Position</u>	<u>Rate</u>
President	\$350.35
Senior Vice President & Vice President	\$321.63 – 344.62
Senior Project Manager	\$298.66 – 327.39
Project Manager/Senior Associate	\$228.60 – 269.94
Associate Analyst	\$182.64 – 189.53
Assistant Analyst	\$137.84 – 183.79
Administrative Staff	\$114.87 – 137.84

Direct Expenses

Standard charges for common direct expenses are as follows:

Automobile Travel	Prevailing IRS Mileage Rate
Airfare and Public Transit	Actual Cost

Billing Policies

Our policy is to bill for our services based on the standard hourly rate of the staff member assigned, multiplied by the time required to perform the client-related tasks, plus the direct expenses as described above. In implementing this policy, we adhere to the following practices:

- It is our standard practice to e-mail invoices to our clients, although hard copies of invoices can be sent to clients on request.
- We round to the nearest one-quarter hour (e.g., if two hours and 55 minutes are spent on a task, it is recorded as three hours, if two hours and 5 minutes are spent on a task, it is recorded as two hours). A minimum charge of one-quarter hour is charged for any client work performed in a day.
- We do not markup out-of-pocket expenses, however, we may charge administrative or professional time related to the provision of the goods and services associated with these charges.
- If subcontractors are used, HF&H reserves the right to charge a 5% markup should the subcontractor's services require cumbersome administrative oversight (e.g., multiple subcontractors; engagement turns out to solely require services of subcontractor, but HF&H as the prime must prepare billings).
- Mileage fees are based on the round-trip distance from the point of origin.
- If a client reschedules a previously scheduled meeting and the change results in penalties being assessed by a third party (e.g., airline cancellation fee), then the client will bear the cost of these penalties.

HF&H CONSULTANTS, LLC

STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

(Effective July 1, 2025)

While no minimum fee for a consulting engagement has been established, it is unlikely (given the nature of our services) that we can gain an understanding of a client's particular requirement, identify alternatives, and recommend a solution in less than twenty-four consulting hours.

Insurance

We maintain the following policies of insurance with carriers doing business in California:

- Comprehensive General Liability Insurance (\$2,000,000 Occurrence/\$4,000,000 Aggregate)
- Workers' Compensation (\$1,000,000)
- Professional Liability Insurance (\$2,000,000 Occurrence/\$2,000,000 Aggregate)
- Hired and Non-Owned Auto Liability¹ (\$2,000,000)
- Umbrella Liability (\$3,000,000 Occurrence/\$3,000,000 Aggregate)

All costs incurred in complying with additional coverages or limits (excluding additional insured and waiver of subrogation endorsements) become the responsibility of the client and are not included in the fees for services or direct charges but are billed in addition to the contract at cost, plus any professional or administrative fees.

Invoices and Payment for Services

Our time reporting and billing system has certain standard formats that are designed to provide our clients with a detailed invoice of the time and charges associated with their engagement. (We typically discuss these with our clients at our kick-off meeting). We are also pleased to provide our clients with a custom invoice format, but we will have to bill the client for time spent conforming our invoices to their unique requirements.

Billings for professional services and charges are submitted every month, in order that our clients can more closely monitor our services.

¹ HF&H Consultants does not own any company automobiles.



WEST VALLEY

Solid Waste Management Authority

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RESOLUTION NO. 2025-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY APPROVING A BUDGET FOR FISCAL YEAR 2025-26

WHEREAS,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY that the Authority approves the document entitled "Fiscal Year 2205-26 Budget." The Authority has attached a copy of the budget hereto and incorporates such attachment herein by reference.

This resolution was passed and adopted by the Board of Directors of the West Valley Solid Waste Management Authority at a regular board meeting on the 6th day of February 2025, by the following vote:

	Count	Member Names
AYES:	_____	_____
NOES:	_____	_____
ABSENT:	_____	_____
ABSTAIN:	_____	_____

Approved: _____
Chairperson

Attest: _____
Rob Hilton, Executive Director

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WEST VALLEY

Solid Waste Management Authority

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ATTACHMENT TO RESOLUTION 2025-01

Fiscal Year 2025-26 Budget

Expenditures	Approved Fiscal Year 2023-24	Approved Fiscal Year 2024-25	Proposed Fiscal Year 2025-26
Beginning Fund Balance	\$ 340,278	\$ 584,886	\$ 499,815
Revenues			
Member Agency Reimbursements	\$ 886,449	\$ 711,407	\$ 961,425
Education and Outreach Reimbursement	\$ 78,171	\$ 235,000	\$ 242,050
SB 1383 Local Assistance Grant	\$ -	\$ 374,757	\$ -
Liquidated Damages from WVC&R	\$ 223,100	\$ -	\$ -
Annual Payment from WVC&R	\$ 300,000	\$ -	\$ -
Collections Reimbursement from WVC&R	\$ -	\$ -	\$ -
Non-Exclusive C&D Program	\$ 19,050	\$ 13,500	\$ 13,500
Investment Income	\$ 18,399	\$ -	\$ -
Total Revenues	\$ 1,525,169	\$ 1,334,664	\$ 1,216,975
Expenditures			
Executive Director Services			
General	\$ 447,211	\$ 664,095	\$ 713,129
Grant Administration	\$ 16,041	\$ 4,264	\$ 13,497
Public Education and Outreach Materials Request for Proposal	\$ -	\$ -	\$ 20,726
Bulky Material Reuse	\$ -	\$ -	\$ 38,200
SB 1383 Implementation Record Audit	\$ -	\$ -	\$ 24,416
Hard to Recycle Material Contractor Evaluation	\$ -	\$ -	\$ 24,634
Prior One-Time	\$ 266,126	\$ 85,964	\$ -
Legal Services			
General	\$ 20,967	\$ 51,946	\$ 51,795
Hard to Recycle Material Contractor Evaluation	\$ -	\$ -	\$ 4,465
Prior One-Time	\$ -	\$ -	\$ -
Education and Outreach	\$ 101,854	\$ 260,000	\$ 242,050
SB 1383 Education and Outreach	\$ -	\$ 90,000	\$ 45,000
Edible Food Recovery County Program	\$ 30,028	\$ 34,142	\$ 39,234
Organic Product Procurement	\$ 37,691	\$ 201,365	\$ 77,852
SB 1383 Reporting Software	\$ 26,640	\$ -	\$ -
Annual Payment from WVC&R	\$ 300,000	\$ -	\$ -
Accounting and Bookkeeping	\$ 19,983	\$ 10,443	\$ 10,756
Liability Insurance	\$ 6,010	\$ 6,912	\$ 8,822
Mileage and Meetings	\$ 4,826	\$ 2,000	\$ 2,000
Website Administration	\$ -	\$ -	\$ 1,500
Professional Services	\$ -	\$ 5,000	\$ 5,000
Audit Services	\$ 3,184	\$ 3,605	\$ 3,713
Total Expenditures	\$ 1,280,561	\$ 1,419,735	\$ 1,326,790
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 244,608	\$ (85,071)	\$ (109,815)
Fund Balance			
Committed - Executive Director: CalRecycle Enforcement Review Support Contingency	\$ -	\$ -	\$ 190,000
Unassigned	\$ 384,886	\$ 299,815	\$ -
Assigned	\$ 200,000	\$ 200,000	\$ 200,000
Ending Fund Balance	\$ 584,886	\$ 499,815	\$ 390,000

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AMENDMENT TO WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY AGREEMENT FOR EXECUTIVE DIRECTOR SERVICES

THIS AMENDMENT is dated this 6th day of May, 2021, and is made by and between the WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY, a California joint powers authority, ("Authority") and HF&H CONSULTANTS, LLC, a limited liability company, ("Consultant").

I. RECITALS

- 1.1 On September 5, 2013, the Authority and Consultant entered into that certain "West Valley Solid Waste Management Authority Agreement for Executive Director Services" (the "Agreement").
- 1.2 The parties desire to enter into this Amendment to update the scope of services to be performed by Consultant.

II. AMENDMENT

1.1 Section 2.1 Scope of Services is hereby amended to read as follows:

"Section 2.1 Scope of Services. Consultant shall act as the Executive Director of the Authority and provide all services necessary to assist the Authority in performing those services outlined in the formation documents of the Authority or required by law including, but not limited to, contract administration, implementation and monitoring of statutory requirements, regulatory compliance and monitoring, facilitation of board meetings, and administrative services for the Authority. Each year as part of the budget process, Consultant shall provide a scope of services and budget for the following fiscal year consistent with the duties of the Executive Director outlining the tasks to be performed that year and associated costs. For Fiscal Year 2021-2022, Consultant shall perform those services outlined in Exhibit A."

1.2 Section 2.6 is amended to provide an updated Compensation Schedule, a copy of which is attached hereto as Exhibit B and incorporated herein. In addition, the rates included in Exhibit B shall be adjusted annually by an amount equal to the percentage increase in the Consumer Price Index for all Urban Wage Earners and Clerical Workers, for the San Francisco-Oakland-Hayward, CA, Base Period 1952-1984 = 100, not seasonally adjusted ("CPI"), compiled and published by the United States Bureau of Labor Statistics, from the immediately preceding calendar year times the rates and charges in effect for the immediately preceding calendar year.

III. Except as expressly provided in this Amendment, all other terms and conditions of the Agreement shall remain unchanged and in effect during the term of the Agreement.

IN WITNESS WHEREOF, the Authority and Consultant have executed this Amendment.

AUTHORITY:
West Valley Solid Waste
Management Authority

CONSULTANT:
HF&H Consultants, LLC

BY: _____
Paul Resnikoff, Chair

BY: _____
Marva Sheehan, Vice President

EXHIBIT A

Scope of Services

SCOPE OF SERVICES

The tasks that HF&H will perform include, but are not limited to, the following:

Task 1: Contract Administration

- 1a Ensure that WVC&R and Guadalupe comply with requirements to furnish certificates of insurance and performance bonds in accordance with the agreements.
- 1b Review the companies' operational performance and calculate the amount of liquidated damages, if any, under the agreements.
- 1c Manage the revision of these contracts for implementation of new programs, changes to recyclable materials, or other changes as directed by the Board.
- 1d Work with the companies to respond to complaints and inquiries from Member Agencies' residents and businesses regarding services provided under the agreements.
- 1e Enforce the collection franchise agreement provisions and respond to violations (e.g., rogue dumpsters).
- 1f Support, either directly or through the management of a procurement consultant, any future solid waste collection and /or disposal procurement contract(s).

Task 2: SB 1383 Implementation and Monitoring

- 2a Ensure that WVC&R's container colors and labeling are compliant with SB 1383 through reviewing orders and conducting side visits.
- 2b Develop and implement the Authority's generator waiver verification procedures in cooperation with WVC&R and a third-party reporting system.
- 2c Support Member Agencies with ordinance adoptions, including attending Member Agency Council Meetings.
- 2d Provide assistance to Member Agencies with the development of individual procurement plans and use plans for organic materials.
- 2e Support Member Agencies with the development of new and ongoing outreach programs for single-family, multi-family, and commercial customers, edible food generators, and self-haulers.
- 2f Determine standards and protocols for annual inspections of edible food generators. Inspections for calendar year 2022 will occur in HF&H's FY 22-21 scope of work.
- 2g Determine approach and investigation procedures for SB 1383-related complaints and conduct investigations beginning January 1, 2022.

- 2h Determine approach and procedures for annual verification of self-hauler compliance with SB 133. Verification of self-haulers for calendar year 2022 will occur in HF&H's FY 22-21 scope of work.
- 2i Prepare and submit Member Agencies' Initial Compliance record to CalRecycle on behalf of each Member Agency. Additionally, we will respond to CalRecycle questions.
- 2j Provide assistance implementing a software program.
- 2k Develop and maintain an Implementation Record on behalf of each Member Agency.

Task 3: Other Regulatory Compliance Monitoring

- 3a Assist Member Agencies with compliance for other regulations.
- 3b Attend monthly meetings with Member Agency staff.
- 3c Provide periodic reports on the status of federal and state legislation impacting the Member Agencies' refuse and recycling programs at regularly scheduled Board Meetings. Provide information on industry trends.
- 3d Represent the Authority at County TAC meetings and other relevant regional and statewide meetings as needed and as directed by the Member Agencies' staff and/or Board and communicate relevant information to Member Agencies.
- 3e Prepare and submit miscellaneous reports requested by local agencies related to the Authority's solid waste and recycling collection and disposal programs. These include, for example, Santa Clara County's recycling hotline and HHW program and collection rate surveys.
- 3f Prepare and submit the Member Agencies' Annual Reports to CalRecycle on behalf of each Member Agency. This includes accompanying the CalRecycle representative on site visits in the Authority jurisdictions. Additionally, we will respond to CalRecycle questions related to the annual reports and site visits.

Task 4: Facilitate Board Meetings

- 4a Prepare for and conduct quarterly Board Meetings. This task includes preparing the public notices, agendas, agenda reports, resolutions, Board Member agenda packets, public meeting binders, and meeting minutes. In addition, prepare for and conduct "agency review" meetings with Member Agency staff prior to regularly scheduled Board Meetings or special Board Meetings.
- 4b Prepare a financial report of the Authority's activities for each quarter, showing actual expenditures against the approved budget. These reports are presented at the next regularly scheduled Board Meeting following the close of each quarter.
- 4c Present status reports on each of the Authority projects or activities at regularly scheduled Board Meetings, as needed.
- 4d Follow-up on action items from the Board Meeting, including maintaining a record of all Authority actions.

Task 5: Authority Administration

- 5a Conduct conference calls with Member Agencies' staff on an as needed basis (at least quarterly) to report on issues and receive direction from staff between Board Meetings, including special Board Meetings. This task includes preparing the agenda and agenda materials. There are times when topics require face-to-face meetings. We will discuss the options with the Member Agencies' staff and will schedule the appropriate time and place for the meeting(s).
- 5b Respond to inquiries from Member Agencies' residents and businesses regarding the Authority's solid waste and recycling services in a timely manner.
- 5c Manage the procurement of legal services, liability insurance and other services and supplies required for the conduct of the Authority's business.
- 5d Manage the submission of Fair Political Practices Commission forms (Form 700) by the Executive Director, Legal Counsel, and Board Members.
- 5e Prepare the annual Authority budget for approval by the Board.
- 5f Prepare and provide orientation materials (including copies of the collection and disposal agreements, Rules of Conduct, and Joint Powers Authority agreement) to new Board members as needed.
- 5g Meet with the Member Agencies' Councils as requested for Council workshops to review changes to solid waste and recycling collection programs.
- 5h Work with the City of Campbell auditors to complete the annual financial audit of the Authority's financial statements. This includes preparing the financial statements, reviewing the footnotes, preparing the management letter, and responding to inquiries from the auditors.
- 5i Lead in the maintenance of the Authority's website. We collaborate with WVC&R and the Member Agencies' staff to maintain the website.
- 5j Review public education material provided by WVC&R for proper content prior to final publication.

Task 6: Cost-Based Rate Adjustment

- 6a Prepare for and meet with WVC&R to receive its application and obtain an explanation for any changes in its compensation for Rate Year Sixteen, provide an initial request for documents and information that are necessary for our review, and, establish a schedule.
- 6b Review the application for mathematical accuracy and compliance with the Franchise Agreement, notify WVC&R and the Authority of any areas of non-compliance, and request additional information necessary to bring the applications into compliance.
- 6c Reconcile Rate Year Fourteen revenues and expenses reported in the applications to WVC&R's audited financial statements and its general ledger and review the reasonableness of any adjusted costs in accordance with Section 8.4.2 of the Franchise Agreement.

- 6d Review the calculation of, and support for, any adjusted Rate Year Fourteen labor, vehicle-related costs, and other costs, in accordance with Section 8.4.2.B of the Franchise Agreement, and summarize Rate Year Fourteen allowed costs.
- 6e Calculate allowed profit, based on the adjusted forecasted Rate Year Sixteen operating costs eligible for profit, in accordance with Section 8.4.2.C of the Franchise Agreement.
- 6f Review the calculation and support for the WVC&R's forecasted pass-through costs, including disposal and lease costs, in accordance with Section 8.4.2.D of the Franchise Agreement.
- 6g Review forecasted regulatory, franchise fees, and compensation review fees using Rate Year Sixteen values in accordance with Section 8.4.2.D.
- 6h Meet with WVC&R to review preliminary findings, receive comments and any additional information, and adjust our preliminary findings, as appropriate.
- 6i Prepare for and attend a conference call with WVC&R and the Authority to discuss preliminary findings.
- 6j Prepare a draft report of any findings from our review of WVC&R's Rate Year Sixteen proposed costs and present a final report to the Authority.

Task 7: Collection Procurement

- 7a Develop the Process Design Outline for all policy, business term, service, and regulatory compliance issues for the upcoming franchise, including documentation of current practices in the Franchise Agreement.
- 7b Facilitate meetings with Member Agency staff to discuss the key issues and alternatives and complete the Design Recommendation.
- 7c Document and present Proposed Process Design for Board Meeting (PowerPoint-style) and receive Board Member input. Revise Proposed Process Design based on Board Member input.
- 7d Develop a draft franchise agreement, a draft RFP, and draft proposal cost forms (Draft RFP Package) based on the Process Design Outline for all policy, business term, service, and regulatory compliance areas required for the upcoming franchise.
- 7e Prepare a Final RFP Package and present for Board Meeting to receive finalization of the RFP package from Board Members.

EXHIBIT B
Compensation Schedule

HF&H CONSULTANTS, LLC

STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

(Effective January 1, 2021)¹

Professional Fees

Hourly rates for professional and administrative personnel are as follows:

<u>Position</u>	<u>Rate</u>
President	\$305
Senior Vice President & Vice President	\$280 - \$300
Senior Project Manager	\$260 - \$285
Senior Associate/Project Manager	\$199 - \$235
Associate Analyst	\$159 - \$165
Assistant Analyst	\$120 - \$160
Administrative Staff	\$100 - \$120

Direct Expenses

Standard charges for common direct expenses are as follows:

Automobile Travel	Prevailing IRS mileage rate
Airfare and Public Transit	Actual Cost

Billing Policies

Our policy is to bill for our services based on the standard hourly rates of the staff member assigned, multiplied by the time required to perform the client-related tasks, plus the direct expenses as described above. In implementing this policy we adhere to the following practices:

- It is our standard practice to e-mail invoices to our clients, although hard copies of invoices can be sent to clients on request.
- We round to the nearest one-quarter hour (e.g., if two hours and 55 minutes are spent on a task, it is recorded as three hours, if two hours and 5 minutes are spent on a task, it is recorded as two hours). A minimum charge of one-quarter hour is charged for any client work performed in a day.
- We do not markup out-of-pocket expenses, however, we may charge administrative or professional time related to the provision of the goods and services associated with these charges.
- If subcontractors are used, HF&H reserves the right to charge a 5% markup should the subcontractor's services require cumbersome administrative oversight (e.g., multiple subcontractors; engagement turns out to solely require services of subcontractor, but HF&H as the prime must prepare billings).

¹ Litigation Support and Expert Witness Services are not covered by this schedule of fees and expenses.

HF&H CONSULTANTS, LLC

STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

- Mileage fees are based on the round-trip distance from the point of origin.
- If a client's change to a previously scheduled meeting results in penalties being assessed by a third party (e.g., airline cancellation fee), then the client will bear the cost of these penalties.

While no minimum fee for a consulting engagement has been established, it is unlikely (given the nature of our services) that we can gain an understanding of a client's particular requirement, identify alternatives, and recommend a solution in less than twenty-four consulting hours.

Insurance

We maintain the following policies of insurance with carriers doing business in California:

- Comprehensive General Liability Insurance (\$2,000,000 Occurrence/\$4,000,000 Aggregate)
- Workers' Compensation (\$1,000,000)
- Professional Liability Insurance (\$2,000,000 Occurrence/\$2,000,000 Aggregate)
- Hired and Non-Owned Auto Liability² (\$2,000,000)
- Umbrella Liability (\$3,000,000 Occurrence/\$3,000,000 Aggregate)

All costs incurred in complying with additional coverages or limits (excluding additional insured and waiver of subrogation endorsements) become the responsibility of the client and are not included in the fees for services or direct charges but are billed in addition to the contract at cost, plus any professional or administrative fees.

Invoices and Payment for Services

Our time reporting and billing system has certain standard formats that are designed to provide our clients with a detailed invoice of the time and charges associated with their engagement. (We typically discuss these with our clients at our kick-off meeting.) We are also pleased to provide our clients with a custom invoice format but we will have to bill the client for time spent conforming our invoices to their unique requirements.

Billings for professional services and charges are submitted every month, in order that our clients can more closely monitor our services.

² HF&H Consultants does not own any company automobiles.



WEST VALLEY

Solid Waste Management Authority

CAMPBELL • LOS GATOS • MONTE SERENO • SARATOGA

CALENDAR OF FUTURE AGENDA ITEMS

May 1, 2025

- Receive a report from Executive Director and WVC&R on status of new contract implementation
- Receive report on final FY 2025-26 rates.
- Authorize Education & Outreach design and printing vendor RFP.
- Accept audited financial statements.
- Approve Board Meeting schedule.

September 4, 2025

- Receive results of Multi-Family Behavior Change Pilot with Mill.
- Receive and file CalRecycle Electronic Annual Reports.

November 6, 2025

- Receive an Authority budget workshop presentation.

February 5, 2026

- Elect new officers.
- Approve the West Valley Solid Waste Management Authority (Authority) budget for fiscal year (FY) 2026-27.