



DEPARTMENT OF PUBLIC WORKS
Solid Waste Management Division

MINUTES
ZERO WASTE COMMISSION
Monday, July 27, 2009
North Berkeley Senior Center, 1901 Hearst Street
Workshop Room B, 1st floor

Chairwoman Nashua Kalil called the meeting to order with a quorum at 7:05 p.m.

1. Roll Call: Commissioners present: Kalil, Jensen, Kirkpatrick, Oatfield, Blachman (7:15), Tam (7:48)

Commissioners absent: None

Staff: Ken Etherington – Division Manager, Andy Schneider – Recycling Program Manager, Tania Levy - Division Analyst, Lisa Malek-Zadeh - Senior Budget Specialist.

Members of the Public: Asa Dodsworth, Daniel Maher of the Berkeley Ecology Center (EC); Jeff Belchamber and Sara MacKusick of Community Conservation Centers (CCC); Leila Khatapoush and Haowen Tang.

2. Approve Agenda: Kalil proposed an addition to agenda of an appreciation of Peter Schultze Allen for his efforts on the Commission. M/S Jensen/Kalil 4/4/0.

M/S Kalil/Kirkpatrick to approve the amended agenda 4/0/0.

Kalil read the resolution of appreciation for Peter Schultze-Allen, to be completed as a plaque in honor of his dedication and efforts advancing zero waste goals for the City of Berkeley. M/S Jensen/Kalil 4/0/0.

3. Comments from the Public: Haowen Tang a visitor from China was interested in the Commission's function and process. Blachman arrives 7:15. Asa Dodsworth commented about the success of the waste diversion efforts at the Kite Festival event. Kalil suggested we get or create some best management practices for event waste management.

4. Announcements and Commissioner Comments: Kalil stated that neighboring cities and Contra Costa County considering food waste collection and are asking our advice on organics program implementation.

5. Approve Meeting Minutes of 6/22/09: Kalil asked Ken Etherington if there had been any significant program implementation timeline changes. Etherington stated that transfer station rebuild RFP has been rewritten to focus on the MRF, rather than the transfer station as a whole. He stated that a complete rebuild would possibly cost \$30 million that we currently do not have. Kalil proposed that the City look at the facility as a whole before we decide on improving any single part. Etherington stated that the MRF operation is, and will remain, independent from our transfer station operation. However property-wide traffic flow and site layout are still included in the RFP and the successful bidder should have a strong recycling background. Jensen asked for clarification on the comments about our C&D contracts and put-or-pay. The minutes were changed to reflect our contractual obligations. Jensen also asked that his comment be corrected to say that although two-stream recycling may be more difficult, Berkeley is a community that is willing to do more. Kalil asked for a correction to the Sierra Club title. She asked for a correction that quarterly budget reports "will be necessary" rather "than will be helpful". A final

addition of the “City Attorney’s concern on the environmental review of the plastic bag ordinance”, rather than just “concerns on the plastic bag ordinance”.

M/S Jensen/Oatfield to approve the 6/22/09 minutes 5/0/0.

6. Refuse Fund Budget Update (Ken Etherington & Lisa Malek-Zadeh): Kalil welcomed Ms. Malek-Zadeh and stated that given the residential rate increase had passed, the Commission and Council were looking forward to clarified Division budget projections and program data. Kalil referenced cost-containment, efficiency measures, and revenue growth efforts being undertaken by the Division that Division Manager Etherington reviewed at the last ZWC meeting; with this a discussion of how quality standards of current programs would be upheld while also implementing the split-cart program and other advancements in diversion upon which the rate increase was approved and as stated in the public notice of the proposed rate increase.

Malek-Zadeh had the new budget spreadsheet in hand, but was unable to make copies of her budget forecast for distribution due to technical difficulties. She stated that she would review it verbally at this meeting and would email it to the Commission following it.

She then stated that the refuse fund is still in deficit despite the rate increase, on the order of over one-half million dollars at present time. Considering all the services loaded onto the fund, a \$2.5 million deficit is projected at the end of the fiscal year, assuming no additional drop in nor increase of revenue. Given this situation, the Division will have to make severe cutbacks in order to balance the budget. She reported that the budget started 2009 with \$3.9 million fund balance, but no one anticipated the \$700,000 drop in self-haul revenue at the transfer station accompanied by a \$600,000 drop in residential revenue.

Kalil remarked it was difficult for the Commission to understand how the 20% rate increase and transfer station rate increase did not cover the cost of our current level of services nor promised split-cart services given the multiple presentations made to it and Council. The Commission noted legal requirements of the rate notice and premise for the increase. Kalil reminded that the public is expecting program improvements in order to justify the rate increase. Kalil asked if the Division was considering cutting programs. Etherington stated that yes; there was a list of possible program cuts. Kalil asked if those cuts were proposed only if the rate increase was not approved. He replied that that was the original intent, but the Division did not anticipate the drop in revenue and that all options must be considered. Kalil stated that she expects the philosophy of the Division is to find ways to cut costs and maintain programs, not cut them, and to look at the whole budget picture over time. Tam asked for the total percentage of protest ballots returned by property owners; if the percentage was not high, the City could theoretically go back for another increase after the 3-year agreed waiting period. Staff had no data. Commissioners Jensen, Tam and Kirkpatrick did a quick estimation resulting in approximately 17- 19%; Staff concurred this was a close estimate.

Kalil stated that the political fallout of program cuts would be huge. She asked if the Division’s labor unions were engaged in order to get their cooperation in cutting costs, as is the case throughout the state. Etherington replied no, that the intent was to define programs and then present them. The Commission suggested a better way was to start discussions now and given that large budget costs were associated with labor, they would be an important part of defining solutions.

Etherington stated that his current focus is on revenue building and attracting other haulers and generators to the transfer station. Etherington reflected upon situation that the City provides free

commercial recycling to businesses that do not pay for our refuse service. Levy stated that was historically done to encourage recycling when service was not easy to acquire and markets were good. Tam asked if the commercial franchise fee increase was still being considered. Etherington stated that a franchise fee rate increase package was currently being worked on, as well as a program possibly requiring franchise haulers to provide recycling service if also contracted for refuse, with anticipation of going to Council in October.

Blachman asked when the Division expects to roll out the spilt cart program. Malek-Zadeh agreed that the carts were included in the rate increase, but that the timing of rollout is uncertain. Blachman also asked if all Division staff was aware of the financial situation and were any incentive programs being considering. Etherington said Staff is utilizing driver information to plan code enforcement on commercial customers that have wet waste collected by franchised haulers. Etherington made it clear that no residential program cuts are proposed.

Kalil asked Ms. Malek-Zadeh to return in September with an updated report of the Division's current budget status and the spreadsheet sent in advance via e-mail. Kalil restated the importance of having a strategic plan and asked for Malek-Zadeh's assistance in the Division's creation of one. Tam mentioned that StopWaste is working on their own strategic plan and that we should be consulting with them.

Kalil reflected that the September commission meeting falls on a religious holiday (Yom Kippur) and must be moved to another date; the 21st was agreed to by commissioners.

7. Community Environmental Advisory Commission - Bio-Diesel Report: Discussion of the intention of the Toxics Division to present its report to the Zero Waste Commission and obtain a resolution of support for City activities. Schneider reported that the City is no longer allowed to store bio-diesel in its underground tanks and that has resulted in the elimination of biodiesel use. There was discussion of sustainable versus unsustainable sources of bio-diesel being of issue. It was determined that insufficient information was available for complete consideration at this meeting. The Chair requested staff schedule a presentation from the Toxics Division to define a resolution of support from the Commission.

8. Division Update:

Plastic Bag Ordinance and EPR update: Etherington reported that the Plastic Bag Ordinance is scheduled to go to Council in October. Levy reported that staff met with the City Attorney and discussed some remaining issues including the environmental review process, an education campaign, and required public hearing process. Kalil reminded staff that there was an extensive process conducted by the Commission's subcommittee including business community and retailer interviews, presentations, and surveys completed in the past and that these contacts should be revisited for current support. No action was reported on EPR until after the Plastic Bag work is completed. Jensen requested staff move this resolution forward to Council as soon as possible. Kalil mentioned a draft staff report to Council written in cooperation with the EPR subcommittee.

C&D Program Improvements: Schneider reported that C&D program improvements were being implemented at the transfer station. Clarifying acceptance procedures, training floor staff and requesting a new C&D characterization from Davis Street are steps being taken to save money and improve our reportable C&D diversion rate. Blachman suggested some media PR to inform the public of these improvements.

Apple Moth Compliance Issues: Schneider reported that the State and County Departments of Agriculture are requiring some pre-processing of plant debris, prior to it being shipped out of the

Apple Moth quarantine area. Berkeley has been targeted as a hot spot of Apple Moth activity and were asked by the State that plant debris be ground on-site at the Transfer Station. StopWaste held a meeting of involved parties and agreements were made to continue monitoring, but to plan for future compliance of this pre-processing requirement. Division staff is currently “rolling over” the plant debris prior to loading into the transfer trailers as a measure to reduce Apple moth infection. This is viewed as a good faith effort by the Department of Agriculture, and is satisfying the requirement for the time being.

Plant Debris Landfill Ban: Schneider reported that Alameda County has passed a Plant Debris Landfill Ban that will effect operations at the Transfer Station. This will begin as an educational campaign to inform customers about future regulations. By January 2010, customers that deliver a mixed load of plant debris and trash will be asked to segregate their load at a designated area. Those that refuse to segregate will be charged a considerable surcharge.

Kalil reminded staff to utilize the subcommittee process to analyze options related to commercial operations. Kirkpatrick asked for clarification on the Division’s best program targets.

Etherington stated the StopWaste Waste Characterization Study showed that organics are still the largest component in the City’s waste stream. He related his experience with multi-family showed a small return for a lot of effort. Kalil requested a report on best practices and reminded that cost-benefit analysis focused upon diversion achievement must be considered in all program decisions.

9. Legislative Update: Tam urged letters of opposition to SB63, which would eliminate the California Integrated Waste Management Board as a cost saving measure, and would consolidate that agency's functions with those of the Department of Conservation. He also reported that AB 473 (Multi-Family Recycling) is currently being worked out in the Senate and will likely pass, but will likely be vetoed by the Governor again. There is no reportable state action on Plastic Bags.

10. Future Agenda Items and Meeting Dates:

Kalil repeated that the September meeting is moved to the 21st due to Jewish Holiday on 9/28
Requested Multi-Family presentation by Ken Etherington.

Requested return from Lisa Malek-Zadeh for budget presentation and continued discussion.

11. Training Opportunities: None

12. Adjourn: M/S Steen/Kalil adjourn (9:40) 5/0/0