



## Staff Report

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**TO:** Honorable Mayor and Members of the Town Council  
**FROM:** Wes Heathcock, Town Manager  
**DATE:** February 13, 2024  
**RE:** Solid Waste Joint Powers Authority

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### Recommendation

Discuss and provide direction on the formation of a Solid Waste Joint Powers Authority or the development of a Joint Powers Agreement.

### Issue Statement and Discussion

Loomis entered into a franchise agreement with Recology Auburn Placer on July 1, 2001, for the collection, transportation, and disposal of solid waste. The term of that franchise agreement has been extended to September 30, 2024. Recology offers the following services to the Town: residential collection, multi-family collection, commercial collection, bulky waste collection, universal waste collection, and special collection. Residential and commercial collection includes mixed waste trash and recycling collection, and source separated green waste collection. Recology also provides street sweeping services to the Town.

The Town will need to either extend the Recology Franchise Agreement or initiate competitive procurement for similar services. Additionally, jurisdictions throughout California have been struggling to comply with SB 1383 (the Short-Lived Climate Pollutant Reduction Act), which establishes methane emissions reduction targets and grants CalRecycle the authority to pass regulations to achieve those targets. The law is a largely unfunded state mandate which passes responsibility for achieving the targets to local agencies. This California State law has the immediate goal of reducing organic waste sent to landfills and the ultimate objective of reaching statewide methane emissions reduction targets. Specifically, it sets a statewide goal for the reduction in organic waste to landfills – 50% by 2020 and 75% by 2025 – in addition to the recovery of 20% of edible food waste for human consumption. Because of these requirements, multiple jurisdictions working together to ensure compliance may be more efficient than individual jurisdictions pursuing it on their own.

R3 Consulting Group, Inc. (R3) was engaged by the Cities of Auburn and Colfax and the Town of Loomis (Jurisdictions) Managers to provide a Feasibility Study (Attachment 1) around the possible formation of

a joint powers arrangement that would assist the Jurisdictions in the oversight and procurement of solid waste collection, transportation, processing, and disposal services, including recyclables and organics. The attached memorandum provides that analysis based on their understanding of the needs and relationship among the Jurisdictions, compares the roles of similar joint powers arrangements, and identifies potential next steps.

The areas in which a Joint Powers Authority or Agreement could provide the Jurisdictions with increased efficiencies include:

- Franchise Administration
- SB 1383 Compliance and reporting
- Rate Setting
- Proposition 218 Compliance
- Public Engagement
- Facility Development
- Program Development and Operations

Key issues that will need to be considered include:

- Board Creation (number of members and proportionality)
- Staffing (if any) and Administration
- Budget/Funding Mechanisms
- Withdrawal Requirements
- Franchise Agreement Terms

Based on familiarity with the Jurisdictions' responsibilities and that of other Joint Powers Authorities, R3 contends that while smaller in size and scope, a Joint Powers Authority could provide some efficiencies in programs, reporting, and contract negotiations or competitive procurements. Working together as a Joint Powers Authority could also achieve greater financial savings than working separately supported by the feasibility memorandum. Conversely, a Joint Powers Agreement could provide similar efficiencies but would likely not balance the responsibilities and funding as equitably as could a Joint Powers Authority.

### **Next Steps**

Should the Council direct staff to create a Joint Powers Authority, each Jurisdiction would need similar direction from their respective City/Town Councils to authorize participation in the creation of the Joint Powers Authority. City/Town attorneys would draft language supported by R3, which would describe the terms and provisions by which the Joint Powers Authority or the Agreement would function. That language would then need to be approved by each Jurisdiction. Potential next steps on how to proceed are to:

1. Receive Direction from City/Town Councils
2. Decide Joint Powers Authority or Agreement
3. If Joint Powers Authority
  - a. Have Attorneys/R3 Develop Joint Powers language
  - b. File Agreement with the State

- c. Select Board Members
  - d. Identify Responsibilities
  - e. Determine Funding Mechanisms
4. If Joint Powers Agreement –
- a. Have Attorneys Develop Joint Powers Agreement proposed language
  - b. Identify Lead Agency
  - c. Identify Responsibilities and Scope
  - d. Determine Funding Mechanisms

**CEQA Requirements**

There are no CEQA implications associated with the recommended action.

**Financial and/or Policy Implications**

There is no immediate financial impact, but it is believed costs for the Town could be reduced over time to oversee its Solid Waste Activities. By creating either a Joint Powers Authority or Joint Powers Agreement, some of the Town’s current Solid Waste regulatory and oversight responsibility will be delegated to the Joint Powers Authority under the new arrangement.

**Attachments**

- 1. R3 Feasibility Memorandum
- 2. R3 Presentation
- 3. Rural Solid Waste JPA’s

<b>To:</b>	Mr. Sean Rabé, <i>Auburn City Manager</i> Mr. Ron Walker, <i>Colfax City Manager</i> Mr. Wes Heathcock, <i>Loomis Town Manager</i>
<b>From:</b>	Scott Hanin, Principal Carrie Baxter, Sr. Managing Consultant
<b>Date:</b>	February 6, 2024
<b>Subject:</b>	<b>JPA Formation Feasibility Study – R3 Memorandum</b>

## Introduction

R3 Consulting Group, Inc. (R3) is engaged by the Cities of Auburn and Colfax and the Town of Loomis (Jurisdictions) to provide a Feasibility Study around the possible formation of a joint powers arrangement that would assist the Jurisdictions in the oversight and procurement of solid waste collection, transportation, processing, and disposal services, including recyclables and organics. This memorandum provides that analysis based on our understanding of the needs and relationship among the Jurisdictions, compares the roles of similar joint powers arrangements, and identifies potential next steps.

## Background

### Joint Exercise of Powers Act

Local governments get their ability to work together from a state law called the Joint Exercise of Powers Act, as codified in California Government Code section 6500. The Act allows two kinds of joint powers arrangements:

- » A Joint Powers Agreement (Agreement) – When two or more public agencies contract to jointly exercise common powers. In some cases, a member agency agrees to be responsible for delivering a service on behalf of the other member agencies, or
- » A Joint Powers Authority – When two or more public agencies form a separate legal entity. This new entity has independent legal rights, including the ability to enter contracts, own property, set rates and sue or be sued. Forming a separate entity can be beneficial because the debts, liabilities, and obligations of the Joint Powers Authority (JPA) belong to that entity, not the member agencies.

To enter into a joint powers arrangement (either to jointly exercise common powers or to form a separate legal entity), the public agencies must enter into an agreement. This agreement would state both the powers of the joint powers arrangement and the way it will be exercised. The governing bodies of all the member agencies must approve the new agreement. A joint powers agreement is a formal, legal agreement between two or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services. Officials from the member agencies formally approve a cooperative arrangement between the parties and can exercise only those powers that are common to their member agencies.

If a JPA was to be formed, meetings must be open to the public and are subject to the Ralph M. Brown Act. Further, JPAs must follow the Public Records Act, the Political Reform Act, and other public interest laws that ensure political transparency. If a joint powers agreement creates a new JPA, the JPA must file a Notice of a Joint Powers Agreement with the Secretary of State.

JPA's can create their own funding mechanism through administrative or program fees (e.g., AB 939, SB 1383, JPA Surcharge) which would be a separate funding source from the member agencies' fiscal

resources and obligations. As a legally separate public agency, the JPA can sue or be sued, hire staff, set rates, obtain financing to build public facilities, and manage property. Joint powers agreements usually protect their member agencies from a JPA's debts or other liabilities. A JPA is not a special district, even though they may provide similar services. A special district is a separate local government with its own governing body that delivers public services to a particular area.

Should an Agreement be utilized, that agreement would typically reside with one of the members as the lead agency and that agency would essentially manage and implement the scope on behalf of the other members and seek their approval as necessary. No new agency would be formed.

## **Senate Bill 1383**

SB 1383 (the Short-Lived Climate Pollutant Reduction Act) establishes methane emissions reduction targets and grants CalRecycle the authority to pass regulations to achieve those targets. The law is a largely unfunded state mandate which passes responsibility for achieving the targets to local agencies.

This California State law has the immediate goal of reducing organic waste sent to landfills and the ultimate objective of reaching statewide methane emissions reduction targets. Specifically, it sets a statewide goal for the reduction in organic waste to landfills – 50% by 2020 and 75% by 2025 – in addition to the recovery of 20% of edible food waste for human consumption. SB 1383 requires local governments to provide organics collection to all generators and requires all generators to subscribe. It also has specific mandates for container systems, education, and outreach programs, monitoring and contamination reporting, and enforcement of regulations. Full SB 1383 implementation began January 1, 2022. Because of these requirements, working together to ensure compliance may be more efficiently done together rather than individually.

## **Overview**

### **Western Placer Waste Management Authority (WPWMA)**

WPWMA is a regional agency established in 1978 through a joint powers agreement between Placer County and the cities of Lincoln, Rocklin, and Roseville to own and operate a regional recycling facility and landfill. The WPWMA is planning another expansion of their WPWMA material recovery facility (MRF) in order to handle anticipated growth in solid waste diversion goals required by SB 1383 and the California Green Building Standards Code. All members of the WPWMA committed their waste streams to the WPWMA Materials Recovery Facility (MRF) by entering agreements known as flow commitment agreements to enable the guarantee of repayment of debt associated with the bonds issued to ensure additional upgrades to the facilities meet operation needs and state requirements.

The Cities of Auburn and Colfax, and Town of Loomis have not directly committed their waste streams to the WPWMA MRF but do direct flow to the WPWMA MRF through their exclusive franchise agreements.

### **City of Auburn**

Auburn entered into an exclusive franchise agreement with Recology Auburn Placer on July 1, 1999, for the collection, transportation, and disposal of solid waste. The term of the agreement will end on July 1, 2024. Recology offers the following services to the City: residential curbside collection, universal waste collection, and commercial and multi-family collection. Residential and commercial collection includes mixed waste trash and recycling collection, as well as source separated green waste collection. The City of Auburn purchased the Auburn Landfill in 1975 and closed the landfill around 1984. As part of the exclusive franchise agreement, closure liabilities have been transferred to Recology Auburn Placer and the company currently manages and maintains the 40-acre parcel of land by the airport.

### **City of Colfax**

Colfax entered into an exclusive franchise agreement with Recology Auburn Placer on July 14, 2016, for the collection, transportation, and disposal of solid waste. The base term of the agreement will end on July 14, 2036, with an automatic extension for an additional five years. Therefore, the agreement will terminate on July 14, 2041, unless the Contractor is in breach of the agreement or either party requests termination of the agreement by December 31, 2035. Recology offers the following services to the City: residential collection, multi-family collection, commercial collection, bulky waste collection, universal waste collection, and special collection. Residential, multi-family, and commercial collection includes mixed waste trash and

recycling collection, and source separated green waste collection. The agreement also requires Recology to provide street sweeping services at no additional charge.

## **Town of Loomis**

Loomis entered into an agreement with Recology Auburn Placer on July 1, 2001, for the collection, transportation, and disposal of solid waste. The term of the agreement has been extended to September 30, 2024. Recology offers the following services to the Town: residential collection, multi-family collection, commercial collection, bulky waste collection, universal waste collection, and special collection. Residential and commercial collection includes mixed waste trash and recycling collection, and source separated green waste collection. Recology also provides street sweeping services to the Town.

## **Joint Powers Authority**

### **Potential Roles and Responsibilities**

There are many different roles and responsibilities a JPA or Agreement could assume on behalf of the Jurisdictions. In Attachment 1, we have provided a matrix describing the roles and responsibilities of several rural JPAs to give an example of their respective scopes. Below, we briefly describe the most common activities performed by solid waste JPAs and how they may benefit the Jurisdictions. Joint Powers Agreements are far less common in the solid waste arena than are JPAs.

### **Franchise Administration**

Currently, each of the Jurisdictions are responsible for managing their own franchise agreements. This includes rate setting, potential Proposition 218 noticing, dealing with customer complaints, reviewing reports provided by the haulers, enforcement, community engagement, and CalRecycle reporting. Combining efforts into a JPA could create a greater economy of scale for the Jurisdictions to negotiate and procure services and oversee their solid waste franchise agreements. All these activities could be centralized within a single new agreement managed by the JPA to avoid duplication of efforts and reduce associated costs.

### **SB 1383 Responsibilities**

Each of the Jurisdictions are currently responsible for complying with SB 1383 regulations. As members of a JPA or through an agreement, member agencies would benefit from a consolidated regional approach to address SB 1383 requirements, including current or planned programs such as:

- » Edible Food Recovery Programs – Work with the County and other agencies and organizations to create a regional edible food recovery network.
- » Education & Outreach
  - Develop a JPA website with collection and rate information and a section devoted to SB 1383.
  - Coordinated mailings and outreach to the commercial sector that complies with AB 1826 and SB 1383 outreach markets.
- » Organic Waste Capacity and Diversion Planning
  - Work with the County to monitor and report to the state as needed on the region's organic capacity.
  - Member Agencies will need to ensure long-term organic capacity is procured.
- » Complaints and Waivers
  - Develop a method to handle complaints in a manner compliant with SB 1383.
  - Work to identify generators that are eligible for waivers.
- » Inspections/Monitoring/Enforcement – Work with the hauler to monitor and inspect accounts in a manner compliant with SB 1383. Develop a protocol for how to issue citations for violations and ensure that member agencies will be responsible for collecting the penalty fees.
- » Reporting and Record-Keeping – Collaborate with contracted haulers, to maintain records for each Jurisdiction, as mandated by SB 1383 and CalRecycle, and to submit reports to the state as required.
- » Enforcement – Be responsible for issuing Notice of Violations from accepting the payments from non-compliant violators.

» Procurement – Take over the responsibility for meeting procurement goals set out in SB 1383.

## **Program Compliance and Reporting**

Each Jurisdiction is responsible for creating AB 939 planning documents and maintaining those documents through annual reporting to CalRecycle. Reporting includes updates on each Jurisdiction's progress in complying with State mandates related to solid waste diversion.

### ***The JPA or lead agency in an Agreement, could assume responsibilities in one of two ways:***

1. Work with the hauler to collect reporting data, interact with CalRecycle, and submit reports on behalf of each Jurisdiction. This coordination should result in a more efficient process, less potential errors and reduced resources dedicated to this effort. In this scenario, each Jurisdiction will need to report to CalRecycle individually.
2. Assume reporting responsibilities to CalRecycle on behalf of the Jurisdictions to simplify the reports to CalRecycle. The cost of doing so would have to be evaluated as historical AB 939 planning documents (SRRE & HHWE) may have to be revised to reflect the change. It is our understanding that updates are not particularly expensive or time consuming. In this scenario, one report would summarize program compliance to CalRecycle for all Jurisdictions.

## **Rate Setting**

Annually, each Jurisdiction adjusts its rates based on both indexed and possible detailed reviews based on programmatic changes. These efforts vary in complexity depending on the year and possible programmatic changes mandated by CalRecycle. Because of the relatively small size of the Jurisdictions and the currently shared resources, including the hauler, combining these efforts whenever possible could reduce expenses related to review of these projections and potentially result in additional rate savings by increased efficiencies associated with shared resources.

## **Proposition 218 Compliance**

When adjusting rates for solid waste services, each Jurisdiction's governing body may hold a public hearing and provide a notice of the time and date of the hearing, typically through an individual letter or flyer. This is to allow each account holder the opportunity to protest the rate change pursuant to Proposition 218. Should there be a majority protest, the rate change would not be permitted. If a new JPA were to be the rate making body on behalf of the Jurisdictions, it could hold one public hearing and issue the notices on behalf of the three agencies, reducing time and expense overall and could also assume the Proposition 218/Proposition 26 rate making requirements. With an Agreement, it is much more likely that each Jurisdiction would continue to set its own rates and conduct its own Proposition 218 process.

## **Public Engagement**

To have successful diversion programs, public education and engagement is a key to success through improved public engagement. Rather than each Jurisdiction having to develop their own materials with the hauler, the JPA or lead agency in an Agreement, could coordinate and potentially develop materials and engagement efforts with the hauler to achieve a greater economy of scale, have common messages and simplify the point of contact to increase overall customer service. This is a common function of JPAs to provide additional expertise and redundancy in addition to those performed by the hauler.

## **Facility Development**

Although the Jurisdictions have no plans to develop facilities, City's/Town's sometimes get together as a JPA to develop facilities such as transfer stations and Materials Recovery Facilities. By committing the flow to the JPA, that tonnage provides a guarantee to potential lenders similar to collateral to allow for the JPA to issue its own debt and establish a fee, typically added to the regular rates to pay off the obligation. Under an Agreement, a Lead Agency could take the lead in developing a facility and other Jurisdictions participate through flow control and operating agreements.

## **Programs (e.g., HHW, Special Collection Events)**

By working together, the Jurisdictions could schedule special events such as clean-ups, paper shredding, HHW and mattress drop-offs, sharps and prescription collections, and other unique programs together, making it easier to publicize.

The larger size makes it more cost efficient for the program contractors. These types of events are very common programs for a JPA or Lead Agency to administer on behalf of their members.

## Key Issues for the JPA or Agreement

### **Board Creation** *(how many members and proportionality)*

JPAs must have a governing Board, typically, but not always made up of elected officials. However, Zero Waste Marin, for instance, which is a JPA made up of all the Marin County cities/towns, delegates that responsibility to their city/town managers. While it is critical for staff to report back to their elected officials, staff is in a better position to be effective in the day-to-day operations of the JPA as they are more familiar with the solid waste operations, typically hear more about customer service issues and are responsible for ensuring compliance with State law and the franchise agreements. Based on our understanding of the Jurisdictions, having the Jurisdiction managers serve as Board Members would be a very efficient way to provide the services under the JPAs mission.

Representation of the governing Board is typically delegated in one of two ways. Either each member agency getting one vote, or each member agency is assigned a proportional voting share based a metric such as population or tonnage. Although the three Jurisdictions vary somewhat in size, equal voting seems to be the most advantageous method to eliminate disagreements and keep voting balanced. Therefore, we would recommend a three-person Board, made up of the City/Town Managers (or their designee) with one vote for each Board member. As a separate agency, the JPA would need its own insurance or participate with the lead agency.

Under an Agreement, no separate agency would be created and there would be no independent Board. The City Council of the lead agency would likely govern and manage the staffing and finances as described in the Agreement and receive financial support from the other Jurisdictions.

### **Staffing** *(if any)* and Administration

Staffing of JPAs vary by JPA scope and the size of their member agencies. Larger JPAs typically have an executive director supported by public education/outreach staff, finance, or other specialties. Many JPAs are supported by their member agencies who often employ staff, manage finances, and provide human resources support including retirement benefits, health coverage, and general employee support. Smaller JPAs may only have a part-time executive director supported by consultants (e.g., Napa-Vallejo Waste Management Authority) while others rely exclusively on member agency staff (e.g., Zero Waste Marin).

Because of the small size of the JPA, the executive director and staff roles could be performed by current Jurisdiction staff, possibly rotating the executive director position annually among the Jurisdictions. Staffing and consulting support would be centralized with the JPA on behalf of the members.

Assuming the JPA is not going to hire its own staff, the JPA agreement will need to clarify the expectations and responsibilities for the work to be performed by the JPA on behalf of the Jurisdictions. In some JPA's, one member, often the largest, takes the role as lead agency and assigns all the responsibilities to staff members who incorporate the activities into their other job responsibilities. This is typically within the Public Works Department. Tasks can be divided among the members.

With an Agreement, typically a large member agency takes the lead and utilizes its own personnel and resources to administer the Agreement on behalf of Jurisdictions. For example, San Benito County oversees most of the solid waste system in the County including services within the Cities through an agreement that includes reimbursement to the County and under certain circumstances, staff will seek approval from the City Councils.

### **Budget/Funding Mechanisms**

JPAs are typically funded through administrative program fees such as an AB 939 fee, SB 1383 fee, or a JPA surcharge either added to the customer rates or a tip fee if the JPA regulates a facility. Larger JPAs have dedicated fees and might even have a separate funding source such as a voter approved assessment (Alameda County). The Jurisdictions would need to decide on which funds would be allocated to pay for JPA activities and which Jurisdiction would administer the funds. A JPA would need to purchase insurance directly, through a risk pool or join through one if its member agencies. Because an Agreement would not



require a separate agency, it is likely to be cheaper to administer although it is anticipated that a new JPA would be a minimal expense due to the focused scope and that most responsibilities will be performed by existing staff.

## Withdrawal Requirements

Often withdrawal requirements become a significant issue in JPAs. Because of funding obligations, flow control commitments or the need to redo documents, members considering withdrawal are often met with resistance. Assuming any new JPA agreement would not include complex commitments around debt service, facilities or other financial relationships, withdrawal requirements should be kept relatively simple should a member wish to leave and simply require that any prior obligations to the JPA are met prior to the effective date of the withdrawal. Unlike a JPA, an Agreement could just outline a simple process for a party to the agreement to withdraw or for the entire agreement to be dissolved,

## Franchise Agreement Terms

Because each of the Jurisdictions have different expiration dates of their agreements, certain challenges may exist to coordinate services and achieve some of the objectives desired through this effort. Auburn and Loomis's agreements expire within three months of one another, and it should be relatively easy to coordinate negotiations or procurement of a new agreement between the two jurisdictions and align any new agreement dates. However, because Colfax's agreement does not end until 2036 or 2041, they would not likely participate in the procurement of new agreements. However, it may still be possible to negotiate similar programs, customer service and other planning activities in the current agreement, and align the end dates of new agreements with Colfax for future procurements. The Jurisdictions could also consider a tiered membership structure and dues since services will not all be the same.

## Recommendations

Based on our familiarity with the Jurisdictions' responsibilities and that of other JPAs, we believe that while smaller in size and scope, a JPA could provide some efficiencies in programs, reporting, and contract negotiations or competitive procurements. Working together as a JPA could also achieve greater financial savings than working separately. Specific recommendations are on the following page.

## Next Steps

Should the decision be made to create a JPA, each Jurisdiction would need direction from their respective City/Town Councils to authorize participation in the creation of the JPA. City/Town attorneys would draft the Joint Powers Agreement supported by R3, which would describe the terms and provisions by which the JPA would function. That agreement would then need to be approved by each Jurisdiction. Potential Next steps on how to proceed are to:

1. Review with City/Town Councils
2. Decide JPA or Agreement
3. If JPA –
  - a. Have Attorneys Develop JPA Agreement
  - b. File Agreement with the State
  - c. Select Board Members
  - d. Identify Responsibilities
  - e. Determine Funding Mechanisms
4. If JPA Agreement –
  - a. Have Attorneys Develop JPA Agreement
  - b. Identify Lead Agency
  - c. Identify Responsibilities and Scope
  - d. Determine Funding Mechanisms

*Our recommendations are listed below:*

<b>Item</b>	<b>Agreement</b>	<b>JPA</b>
<b>Board</b>	Lead Agency Council	Three or Six
<b>Board Members</b>	None	City/Town Manager or designee
<b>Voting</b>	None	One vote per Jurisdiction
<b>Meeting Frequency</b>	As needed	Quarterly (as needed)
<b>Funding</b>	Funded by members designated funds	Annual Budget funded from each member's solid waste program fees
<b>AB 939 Reporting (HHWE, SRRE, EAR)</b>	Individual Jurisdictions	Individual Jurisdictions
<b>Staffing</b>	Lead Agency	Jurisdiction Staff
<b>Facility Development/Debt Issuance</b>	Not in Scope	Must be approved by member agency councils
<b>Flow Control</b>	Jurisdiction	Jurisdiction
<b>Rate Reviews/Recommendations</b>	Lead Agency/TAC	JPA/TAC
<b>Rate Setting for Member Agencies</b>	Jurisdiction	Jurisdiction/JPA
<b>Code Enforcement</b>	Jurisdiction	Jurisdiction
<b>Proposition 218 Compliance</b>	Lead Agency	JPA
<b>Negotiate, Procure, and Manage Collection, Processing and Disposal Agreements</b>	Lead Agency	JPA
<b>Execute Franchise Agreements or Amendments</b>	Jurisdictions	JPA or Jurisdictions
<b>Solid Waste Planning</b>	Lead Agency & Jurisdictions	JPA
<b>Public Education &amp; Outreach</b>	Lead Agency & Jurisdictions	JPA/Hauler

TAC=Technical Advisory Committee of Jurisdiction Staff

Auburn, Colfax & Loomis

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# Consideration of Solid Waste JPA Formation Feasibility Analysis

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February 6, 2024



# PRIMARY FOCUS AREAS

**Background**



**Key Issues to Consider**



**Alternatives**



**Recommended Options**



**Next Steps**



# BACKGROUND

## ➤ **Current Agreements with Recology**

- Auburn Expires June 30, 2024
- Colfax Expires July 14, 2036 (plus 5-year option)
- Loomis Expires September 30, 2024

## ➤ **Western Placer Waste Management Authority (WPWMA)**

- Regional agency established in 1978 through a joint powers agreement
- Placer County and the cities of Lincoln, Rocklin, and Roseville
- Jurisdictions have directed their waste to WPWMA Materials Recovery Facility (MRF) but not bound to the facility

- A joint powers agreement (JPA) is a formal, legal agreement between two or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services. Officials from those public agencies formally approve a cooperative arrangement.
- Governments get their authority to work together from a state law called the Joint Exercise of Powers Act. JPAs can exercise only those powers that are common to their member agencies.
- Joint powers agency's meetings are open to the public and subject to the Ralph M. Brown Act. Further, JPAs must follow the Public Records Act, the Political Reform Act, and other public interest laws that ensure political transparency.

- If a joint powers agreement creates a new joint powers agency, the JPA must file a Notice of a Joint Powers Agreement with the Secretary of State.
- As a legally separate public agency, the JPA can sue or be sued, hire staff, obtain financing to build public facilities, manage property and can be a separate funding source. Joint powers agreements usually protect their member agencies from a JPA's debts or other liabilities.
- Although sometimes confused with each other, a JPA is not a special district, even though they may provide similar services. A special district is a separate local government with its own governing body that delivers public services to a particular area.

# WHY CONSIDER A JPA

- Allows for coordinated sharing of scarce resources (e.g., staffing and funds)
- Creates a Potential Economy of Scale
  - Negotiation of new services or agreements
  - Competitive Procurement of new services
  - CalRecycle Compliance
    - Reporting
    - Enforcement
- Consolidated Public Messaging and Engagement
- One Proposition 218 Process



- Potential Scope of Services
  - Franchise Administration
  - Program Compliance (CalRecycle) and Reporting
  - Rate Setting
  - Proposition 218 Compliance
  - Public Engagement
  - Facility Development
  - Programs (e.g., HHW, Special Collection Events)
  - Zero Waste Planning
  - Regional Agency Plan for reporting or Individually

### ➤ Key Issues

- Board creation (how many members and proportionality)
- Elected officials or Staff or Both
- Voting (one city – one vote or proportional)
- Staffing, if any and administration
- Budget/funding mechanisms
- Withdrawal requirements
- Terms of current Franchise Agreements
- Rate Setting Responsibility

# ALTERNATIVES

- 1. Joint Powers Agreement** – When two or more public agencies contract to jointly exercise common powers. In some cases, a member agency agrees to be responsible for delivering a service on behalf of the other member agencies, or
- 2. Joint Powers Authority** – When two or more public agencies form a separate legal entity. This new entity has independent legal rights, including the ability to enter contracts, own property, set rates and sue or be sued. Forming a separate entity can be beneficial because the debts, liabilities, and obligations of the Joint Powers Authority (JPA) belong to that entity, not the member agencies.

# FORMATION OPTIONS

Item	Agreement	JPA
Board	Lead Agency Council	Three or Six
Board Members	None	City/Town Manager or designee
Voting	None	One vote per Jurisdiction
Meeting Frequency	As needed	Quarterly (as needed)
Funding	Funded by members designated funds	Annual Budget funded from each member's solid waste program fees
AB 939 Reporting (HHWE, SRRE, EAR)	Individual Jurisdictions	Individual Jurisdictions
Staffing	Lead Agency	Jurisdiction Staff
Facility Development/Debt Issuance	Not in Scope	Must be approved by member agency councils
Flow Control	Jurisdiction	Jurisdiction
Rate Reviews/Recommendations	Lead Agency/TAC	JPA/TAC
Rate Setting for Member Agencies	Jurisdiction	Jurisdiction/JPA
Code Enforcement	Jurisdiction	Jurisdiction
Proposition 218 Compliance	Lead Agency	Jurisdiction/JPA
Negotiate, Procure, and Manage Collection, Processing and Disposal Agreements	Lead Agency	JPA
Execute Franchise Agreements or Amendments	Jurisdictions	JPA or Jurisdictions
Solid Waste Planning	Lead Agency & Jurisdictions	JPA
Public Education & Outreach	Lead Agency & Jurisdictions	JPA/Hauler

# Recommendations

- Have each City/Town consider the formation of a JPA or development of a JPA Agreement
- If approved, by City/Town Councils, direct City/Town Attorneys to develop formation paperwork
- Identify Scope and Responsibilities of each Member
- Identify a Lead Agency which could rotate
- Develop an overall annual budget and identify funding mechanisms
- Identify Board Members if JPA
- If JPA, consider delegating rate setting process to the JPA

- Review with City/Town Councils
- Decide JPA or Agreement or Leave as is
- If JPA –
  - Have Attorneys Develop JPA Agreement
  - Identify Responsibilities
  - Determine Funding Mechanisms
  - File Agreement with the State
- If JPA Agreement –
  - Have Attorneys Develop JPA Agreement
  - Identify Lead Agency
  - Identify Responsibilities and Scope
  - Determine Funding Mechanisms

Auburn, Colfax & Loomis

**Consideration of Solid Waste JPA Formation  
Feasibility Analysis**

*Questions? Comments?*



Item	South Lake Tahoe Basin Solid Waste Management Authority	Mendocino Solid Waste Management Authority	Amador County Integrated Solid Waste Management Agency	Del Norte Solid Waste Management Authority	Kings Waste and Recycling Authority	Humboldt Waste Management Authority	Yuba-Sutter Regional Waste Management Authority
Website	<a href="https://www.edcgov.us/Government/BOS/CommissionsAndCommittees/SouthLakeTahoeBasinWasteManagementAuthority">https://www.edcgov.us/Government/BOS/CommissionsAndCommittees/SouthLakeTahoeBasinWasteManagementAuthority</a>	<a href="https://mendocycle.org/Home/About">https://mendocycle.org/Home/About</a>	<a href="https://www.amadorgov.org/departments/waste-management-recycling/regional-agency">https://www.amadorgov.org/departments/waste-management-recycling/regional-agency</a>	<a href="https://www.recycledelnorte.ca.gov/">https://www.recycledelnorte.ca.gov/</a>	<a href="https://www.countyofkings.com/departments/outside-agencies/kings-waste-and-recycling-authority">https://www.countyofkings.com/departments/outside-agencies/kings-waste-and-recycling-authority</a>	<a href="https://www.hwma.net/board-of-directors">https://www.hwma.net/board-of-directors</a>	<a href="https://www.yubasutterrecycles.com/">https://www.yubasutterrecycles.com/</a>
Member Agencies (and their population)	County of El Dorado 194,224 County of Douglas 50,235 City of South Lake Tahoe 21,636	County of Mendocino 92,729 City of Fort Bragg 6966 City of Ukiah 16,836 City of Willits 4,951	Amador County 41,188 Amador City 209 City of Ione 5,638 City of Jackson 5,390 City of Plymouth 1,135 City of Sutter Creek 2,786	Del Norte County 27,482 Crescent City 6,789	Hanford 59,991 Lemoore 27,943 Corcoran 22,683 Kings County 152,336	City of Arcata 19,174 City of Blue Lake 1,187 City of Eureka 26,417 City of Ferndale 1,402 City of Rio Dell 3,397 County of Humboldt 137,015	Yuba County 84,401 City of Live Oak 16,948 City of Marysville 12,758 City of Wheatland 3,838 Yuba City 68,302 Sutter County 101,103
	5	5	7	5	5	6	6
Board Members	One member and one alternate of the governing body of the appointing agency		One elected official from each incorporated city and two County Supervisors	two members from the Crescent City City Council, two members of the Del Norte County Board of Supervisors and one other public member, elected by the other four. Each member is appointed annually, except for the public member who serves a two year term.	five member Board is made from one representative from each of the City Councils and two representatives from the Kings County Board of Supervisors.	One member for each member agency	One elected representative from each of the six member jurisdictions.
Voting Process	Each agency shall have one vote				Majority vote of 3	Equal voting rights for each member agency	Majority carries vote
Board Meets	At least one meeting per year; held on a as-needed basis				Scheduled to meet monthly, however, the board typically will cancel meetings and meet every other month	Meets once per month, has December off, and can call meetings for special items	Board meets monthly



Rural Solid Waste JPAs

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<b>Mission</b>					KWRA is dedicated to the environmental protection and conservation of natural resources through its commitment to recycling and safe disposal of municipal solid waste generated by the communities we serve.	Help member agencies have a cost effective approach to handling solid waste.	To empower our Yuba and Sutter County community in an effort to ensure materials management is handled in a safe, sustainable, environmentally friendly and cost-effective manner through education, technology, and a focus on customer service.
<b>Disposal 2019</b>	N/A	N/A	36,101	9,314	141,049	N/A	195,527
<b>CalRecycle Diversion Rate 2019</b>	N/A	N/A	67%	50%	53%	N/A	62%
<b>AB 939 Reporting</b>	Jurisdiction	Jurisdiction	Regional Agency	Regional Agency	Regional Agency	Jurisdiction	Regional Agency
<b>Annual Budget</b>			No separate budget	\$ 4,500,000.00	FY 20-21, \$8,326,000 - 16% to member services (\$1,313,000) Annual budget is about \$10 million, the budget includes the operations of the facility.	\$15 million and includes the operations of a facility (landfill that is no longer operational and fixed HHW facility)	Roughly 1.5 million includes operations of a facility
<b>Agency Staff</b>	Board Chair - \$0 (2) Board members - \$0	Hazardous Waste Supervisor - \$61,778 General manager - \$54,515 (3) Hazardous Waste Technician - \$10,199 - 39,298 Office assistant - \$6,778 (5) Board member - \$0	None		2 admin staff (need to get 1 more), 1 Executive Director, 1 management analyst(vacant), 2 Site Coordinators (management of Operations), 11 Operations Staff – Site Attendant (3), Operations Assistant III (2), Industrial Maintenance Tech I, Truck Driver, Operations Technician, Operations Assistant II, Equipment Operator III, Operations Supervisor.	34 Budgeted FTEs Operations Division - handles landfill and hhw facility Environmental Health Division - 1 safety coordinator + 3 FTEs Finance Division - 4 FTEs  Each division has director and supervisor and one executive director to maintain all divisions	Currently 1 ED, 2 Management Analysts, will be adding a 3rd staff position, Program Manager

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Activities the JPA is responsible for					Rates for KWRA are set by the JPA. Cal Recycle Reporting and Closed Landfill Maintenance is done by KWRA. JPA does provide assistance in public education and outreach	JPA runs everything such as: CalRecycle reporting, rate setting, public education, flow control, maintain organic waste and recycling, negotiate contracts ( each jurisdiction manages contract), JPA handles solid waste when it is at facility	Oversee the operation of the HHW facility. Fund the LEA. Setting diversion goals, finding new technologies and or processes. Expanding facilities (new MRF and or Transfer Station). CalRecycle reporting, rate setting, and public education