



Agenda Item No. 12.

Staff Report

Date: January 14, 2016

To: Mayor Hoertkorn and Council Members

From: Joe Chinn, Town Manager

Subject: Resolution Establishing Maximum Rates Collected By Marin Sanitary Service for Refuse and Recyclable Material Collection and Disposal Services, to Be Effective retroactive to January 1, 2016

Recommendation

Conduct a public hearing and adopt Resolution No. 1933 establishing maximum rates collected by Marin Sanitary Service for Refuse and Recyclable Material Collection and Disposal Services, to be effective retroactive to January 1, 2016.

Background and discussion

The Town of Ross participates in a franchisor's group comprised of San Rafael Larkspur, portions of Marin County and the Las Gallinas Valley Sanitary District that in turn retains an independent consulting firm to review the rate package submitted annually by Marin Sanitary Service (MSS). HF&H Consultants, LLC has determined that a 5.61% rate increase over 2015 levels is appropriate for the Town of Ross to compensate MSS for its costs to provide refuse and related services in Ross.

Marin Sanitary Service (MSS) provides refuse hauling and recycling services in numerous areas of Marin County including within the Town of Ross. The services within the Town are pursuant to a collection agreement, also known as a franchise agreement. The franchise agreement outlines the services that must be provided as well as a methodology for setting rates. Each year, the Town Council meets to set the maximum collection rates that can be collected by MSS in the Town of Ross at a public hearing.

The Franchise Agreement between Town of Ross and Marin Sanitary Service provides that California towns are allowed to regulate local refuse and recycling services under Article XI of the California Constitution and the California Public Resources Code and to collect a franchise fee. The Town of Ross Franchise Agreement with MSS is for refuse, organic materials, and recycling collection and services. The Franchise Agreement sets forth the services provided by MSS, the rate setting methodology and the franchise fee paid to the Town of Ross. The revenue-based methodology used to set the annual rates is contained in the Second Amendment to the Amendment and Restatement of Collection Agreement of the Town of Ross with Marin Sanitary Service (Franchise Agreement) approved by the Town Council on December 13, 2012.

The Franchise Agreement provides for a detailed review of MSS's operations every three years. In the interim two-year period, annual summary reviews are conducted based on the last detailed analysis. The last detailed review occurred in 2012 year for the 2013 rates. The proposed rate levels for 2016 are based on a detailed review. This three-year rate setting procedure is the industry-standard for rate-setting for refuse service. As noted on page 6 of the HF&H cover letter, several expense items are "trued-up" – or adjusted to match actual figures – every year, not just during a detailed review. Nonetheless, some items like Benefits only get trued-up every third year.

San Rafael, Larkspur, Ross, the County of Marin including within the Ross Valley Sanitary District boundaries, and the Las Gallinas Valley Sanitary District have contracts with MSS that utilize a similar rate setting methodology and have joined together as a Franchisors' Group to share information and reduce costs. The Franchisors' Group meets several times per year to oversee MSS's operations, and have met twice since October to review MSS's rate proposals and the work of the consultant conducting the rate review. The results of the rate review are presented in the "Rate Adjustment" section of this report.

The 2012 amendment to the Franchise Agreement included many new provisions in order to help stabilize rates, foster zero waste goals, and adjust to changes in the industry and MSS's services. Among the new provisions are comprehensive annual reporting to describe progress and achievements in meeting zero waste goals through 1) programs and activities approved by the Franchisors' Group, 2) public education reporting, and 3) reporting on new technologies and industry best practices to enhance progress towards zero waste. The 2015 Service Area Annual Report is included as a separate attachment.

While perhaps the original purpose of refuse service had to do with public health and safety around sanitation, it is increasingly emphasizing making progress on waste reduction and climate change goals, which are also forms of public health and safety. The State of California has adopted several pieces of legislation mandating significant reductions of waste to landfill, recognizing the embedded environmental impacts and greenhouse gas emissions associated with them.

In addition, Ross is a member of the Marin Hazardous and Solid Waste JPA (JPA), which is the group charged with complying with the California Integrated Waste Management Act of 1989. The goal of the Act is to reduce the flow of materials to landfills. The JPA Board is made up of city and town managers and the County Administrator.

The JPA prepared a Zero Waste Feasibility Study in December 2009 which identified a goal of achieving "zero waste in the next five to 17 years." Zero waste has been defined as 94% diversion of materials from landfill, taking into account the need for producer responsibility and product stewardship, which is beyond local control. Marin County has a current diversion rate of 74%. MSS and the JPA are putting considerable time and effort into getting organics out of the landfill. The Commercial Food to Energy (F2E) program is in its third year and is expected to increase the diversion rate, and new statewide legislation, AB1826, which mandates commercial composting starting in 2016, is expected to increase it as well.

In summary, the overall industry is moving from "bringing garbage to the landfill" to "resource hauling" including transport to recyclers and re-users to find the next highest and best use of materials, with the landfill being the last option. It should be noted that MSS has been a leader in this movement, as they

have invested in facilities and technologies to divert materials from the landfill, many without ratepayer assistance, including the construction of the Marin Resource Recovery Center, Marin Recycling Center, and investments in the F2E program with Central Marin Sanitation Agency. In addition, MSS has a robust community outreach and education program, which provides free resources to customers and schools to encourage recycling and other zero waste activities.

Rate adjustment

This section specifically examines this year’s rate recommendations. Over the past fifteen years, the approved annual increase in Marin Sanitary Service rates have ranged from less than one percent to over 10% with an average of 4.51%. Last year’s rate increase was 2.77%.

In 2015, the Franchising Agencies again selected HF&H Consultants, LLC to conduct the rate review. HF&H has successfully reviewed the MSS rate proposal for several years, and is highly regarded in the industry. MSS reimburses the City and other Franchisors for the consultant’s fees for the rate review.

MSS submitted an initial rate application in August for 2016 with a proposed 11.02% increase over 2015 rates. HF&H conducted a review of the MSS rate proposal and recommended adjustments for Franchising Agencies based on allowable expenses in the rate setting methodology.

The full rate review and proposed adjustments are contained in the attached HF&H Report. The following table contains a summary of the rate increase components, which reflect projected costs for 2016 utilizing the agreed upon rate setting methodology in the Franchise Agreement.

**Rate Adjustment Components
2016 Component Percentages**

Wages	1.64%
Benefits (including workers comp)	3.71%
Depreciation and interest	0.84%
Maintenance	1.42%
Other operating costs*	2.51%
Fuel and Oil	(2.99%)
Disposal	(0.88%)
<u>Revenue shortfall net of franchise fees</u>	<u>(0.64%)</u>
Total rate adjustment	5.61%

(*includes profit, general & administrative costs (e.g., public education, customer service, etc.)

This year’s rate increase is 5.61% due to a variety of factors as shown in the table. Wages increased mainly due to standard increases in accord with MSS’s collective bargaining agreement. Depreciation and interest reflects an increase in interest rates for bulk loans MSS has on their fleet. Maintenance costs increased due to newer equipment requiring more frequent and complex maintenance. For example, fully automated trucks come with more intricate working parts that need to be maintained or can get damaged and need extensive repair.

The two highest increases were for Benefits and Other Operating Costs. Benefits comprised the largest portion of the rate increase, and were mainly due to a catch-up of actual benefits over the past year. As

noted in the HF&H review, benefit costs grew by a much higher percentage than was accounted for in the indices, which is consistent with overall benefits cost increases for other waste haulers and in other industries as well.

Other Operating Costs is a broad category and comprises many items which added to the increase this year. Those included investments in technological equipment and software to collect better data and shore up accounts and services. This should result in more efficiency over the coming years. It also included regulatory fees and professional fees to maintain state level regulatory compliance. There were also permit fees related to work at the facility. In addition, there was a one-time cost for updating their system-wide waste characterization study, which had not been done since 2008. Finally, there were costs associated with having an accounting firm assist with tonnage reporting and calculations in order to meet state and local reporting goals and requirements.

Some line items were beneficial to the overall rate adjustment. Fuel and oil costs were significantly lower than projected and continue to show favorable effects on the rates even though they are projected to increase some in the coming year. In addition, MSS continues to negotiate favorable rates at disposal sites and is now bringing organics materials to the new Redwood Landfill composting program, which is much closer than their previous location in Zamora. Finally, Revenue Surplus net of Franchising Fees is the projected adjustment needed to meet the revenue requirement stipulated in the Franchise Agreement, which was a favorable adjustment this year.

A more detailed analysis of these factors can be found on pages 3 - 7 in the HF&H Review which is attached. This review took longer than usual due to the conclusion of the Operational Improvement Plan (OIP), which is ending this year. This OIP was agreed upon by the Franchisors' Group entities in 2012, and should produce long term rate benefits as the operation becomes more efficient. The expenses related to the OIP cut across the categories above. Examples of long-term positive outcomes would be lower workers compensation injuries, less fuel and oil as routes are cut, and more accurate billing to capture accounts that were not being billed.

New Programs

Franchisors' Group entities communicate program ideas they would like to see to MSS, and in turn MSS researches costs and includes new program proposals in the annual rate application. In 2016, MSS proposes to phase in a 2 cubic yard curbside pickup of extra refuse on a scheduled day in the fall, which would eliminate the customer's need to transport it themselves. In addition, MSS proposes adding one bulky waste pickup in the fall as well, which would allow customers to dispose of up to two large items at curbside. In 2017 customers would receive these services twice per year.

Rate Payer Comparisons

The cost of a 32 gallon residential landfill cart would be increased approximately \$1.72 per month, from \$30.65 to \$32.37. The average for all of Marin is \$35.27. As part of conducting the rate application review, the Franchisors' Group asked HF&H to conduct a survey of Bay Area refuse haulers. The actual survey results from our neighboring communities are included in Attachment 3 within the attached HF&H report. Staff is recommending that the rate adjustment be applied across the board to all residential, multi-family and commercial service accounts. Actual rates for all services are provided as an attachment to the Resolution.

Fiscal, resource and timeline impacts

The 5.61% overall increase is applied to all customer types and service options as included in the attached Resolution. If approved, these rates are projected to satisfy the City's contractual obligations to meet the MSS revenue requirement to cover Ross refuse and recycling service costs, including franchise fees.

Alternative actions

1. Accept the staff recommendation to institute the maximum MSS rate increases and allocations recommended in the HF&H Report pursuant to the rate setting methodology set forth in the current Franchise Agreement and shown in the attachment to the Resolution effective retroactively to January 1, 2016.
2. Not accept the findings of the HF&H Report and the staff recommendation and provide additional direction to staff. The rates ultimately adopted must meet the requirements of the Franchise Agreement.

Environmental review (if applicable)

N/A

Attachments

- Resolution No. 1933 including Rate Schedule
- HF&H Review of MSS Rate Application, including Bay Area Rate Survey
- MSS 2015 Service Area Annual Report

TOWN OF ROSS

RESOLUTION NO. 1933

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF ROSS ESTABLISHING MAXIMUM RATES COLLECTED BY MARIN SANITARY SERVICE FOR REFUSE AND RECYCLABLE MATERIAL COLLECTION AND DISPOSAL SERVICES, TO BE EFFECTIVE RETROACTIVELY TO JANUARY 1, 2016

WHEREAS, Section 6.12.350 of the Ross Municipal Code (RMC) provides that a charge shall be collected by the authorized refuse and recycling agent Marin Sanitary Services (MSS) is the authorized refuse and recycling agent in the Town of Ross. MSS has proposed a 5.61% increase in customer rates for calendar year 2016. Along with San Rafael, Larkspur, portions of Marin County and the Las Galinas Valley Sanitary District, the Town retained HF&H Consultants, LLC, and independent consulting firm, to review the appropriateness of the proposed rate increase. HF&H has determined the proposed rate increase is appropriate per the attached report. Based on HF&H's findings, the Town Council hereby agrees with and approves the proposed increases requested by MSS; and

WHEREAS, Effective January 1, 2016, the services and rates for the collection of solid waste, including food waste and recycling and resource recovery, shall be as shown in the attached schedule; and

WHEREAS, the rate increase agreed to and approved herein shall apply to the time period from January 1, 2016 to December 31, 2016.

NOW THEREFORE BE IT RESOLVED, the foregoing resolution was duly and regularly adopted by the Ross Town Council at its regular meeting held on the 14th day of January 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kathleen Hoertkorn, Mayor

ATTEST:

Linda Lopez, Town Clerk

Town of Ross
Refuse Collection Rates
Effective 1/1/2016

Effective 1/1/2016 - 5.61% Rate Increase

Cart Service	FLAT			HILL		
	Current 2015 Rate	New 1/1/2016 Rate		Current 2015 Rate	New 1/1/2016 Rate	
	Monthly	Monthly	Amt of Inc	Monthly	Monthly	Amt of Inc
20 gallon	\$26.05	\$27.51	\$1.46	\$32.71	\$34.55	\$1.84
32 gallon	\$30.65	\$32.37	\$1.72	\$38.48	\$40.64	\$2.16
64 gallon	\$81.30	\$84.74	\$3.44	\$76.96	\$81.28	\$4.32
96 gallon	\$91.95	\$97.11	\$5.16	\$115.44	\$121.92	\$6.48
Low income - 20 gal**	\$20.84	\$22.01	\$1.17	\$26.17	\$27.64	\$1.47
Low income - 32 gal**	\$24.52	\$25.90	\$1.38	\$30.78	\$32.51	\$1.73
Low income - 64 gal**	\$49.04	\$51.79	\$2.75	\$61.57	\$65.02	\$3.45
Sr Rate Min Chg*	\$23.91	\$25.25	\$1.34	\$27.72	\$29.28	\$1.56
Compacted 32 gal	\$61.30	\$64.74	\$3.44	\$76.96	\$81.28	\$4.32
Compacted 64 gal	\$122.60	\$129.48	\$6.88	\$153.92	\$162.55	\$8.63

*No new customers will be added with this rate type.
**Must meet PG&E CARE program eligibility requirements

Multi-Family Service (Bundled service includes garbage, recycling and organics services)							
Cart Service	Collections per Week						Per Pick Up
	1	2	3	4	5	6	
Current 2015 Rate							
32 gallon	\$30.65	\$61.30	\$91.95	\$122.60	\$153.25	\$183.90	\$90.85
64 gallon	\$61.30	\$122.60	\$183.90	\$245.20	\$306.50	\$367.80	\$181.70
96 gallon	\$91.95	\$183.90	\$275.85	\$367.80	\$459.75	\$551.70	\$271.95
New 1/1/2016							
32 gallon	\$32.37	\$64.74	\$97.11	\$129.48	\$161.85	\$194.22	\$97.11
64 gallon	\$64.74	\$129.48	\$194.22	\$258.96	\$323.69	\$388.43	\$194.22
96 gallon	\$97.11	\$194.22	\$291.33	\$388.43	\$485.54	\$582.65	\$291.33
Bin Service	Collections per Week						Per Pick Up
Current 2015 Rate							
2 yard	\$307.09	\$416.52	\$531.94	\$647.37	\$762.78	\$884.25	\$90.85
3 yard	\$393.58	\$787.01	\$1,180.61	\$1,574.11	\$1,967.76	\$2,361.20	\$90.85
5 yard	\$610.47	\$1,220.93	\$1,831.40	\$2,441.78	\$3,052.26	\$3,662.65	\$140.89
10 yard	\$909.66	\$1,819.12	\$2,728.73	\$3,638.31	\$4,547.86	\$5,457.51	\$235.69
18 yard	\$1,454.90	\$2,909.74	\$4,364.62	\$5,819.44	\$7,274.43	\$8,729.25	\$377.57
New 1/1/2016							
2 yard	\$324.32	\$439.89	\$561.78	\$683.69	\$805.57	\$933.86	\$95.95
3 yard	\$415.66	\$831.16	\$1,246.84	\$1,662.42	\$2,078.15	\$2,493.66	\$95.95
5 yard	\$644.72	\$1,289.42	\$1,934.14	\$2,578.76	\$3,223.49	\$3,868.12	\$148.79
10 yard	\$960.69	\$1,921.17	\$2,881.81	\$3,842.42	\$4,802.99	\$5,763.68	\$248.91
18 yard	\$1,536.52	\$3,072.98	\$4,609.48	\$6,145.91	\$7,682.53	\$9,218.96	\$398.75

Commercial Service (includes garbage and recycling services)							
Cart Service	Collections per Week						Per Pick Up
	1	2	3	4	5	6	
Current 2015 Rate							
32 gallon	\$30.65	\$61.30	\$91.95	\$122.60	\$153.25	\$183.90	\$90.85
64 gallon	\$61.30	\$122.60	\$183.90	\$245.20	\$306.50	\$367.80	\$181.70
96 gallon	\$91.95	\$183.90	\$275.85	\$367.80	\$459.75	\$551.70	\$271.95
Commercial Organics (F2E) - 32 gallon	\$13.12	\$26.24	\$39.36	\$52.48	\$65.60	\$78.72	\$39.36
Commercial Organics (F2E) - 64 gallon	\$26.24	\$52.48	\$78.72	\$104.96	\$131.20	\$157.44	\$78.72
Commercial Organics/Compost - 32 gallon	\$13.12	\$26.24	\$39.36	\$52.48	\$65.60	\$78.72	\$39.36
Commercial Organics/Compost - 64 gallon	\$26.24	\$52.48	\$78.72	\$104.96	\$131.20	\$157.44	\$78.72
New 1/1/2016							
32 gallon	\$32.37	\$64.74	\$97.11	\$129.48	\$161.85	\$194.22	\$97.11
64 gallon	\$64.74	\$129.48	\$194.22	\$258.96	\$323.69	\$388.43	\$194.22
96 gallon	\$97.11	\$194.22	\$291.33	\$388.43	\$485.54	\$582.65	\$291.33
Commercial Organics (F2E) - 32 gallon	\$13.86	\$27.71	\$41.57	\$55.42	\$69.28	\$83.14	\$41.57
Commercial Organics (F2E) - 64 gallon	\$27.71	\$55.42	\$83.14	\$110.85	\$138.56	\$166.27	\$83.14
Commercial Organics/Compost - 32 gallon	\$13.86	\$27.71	\$41.57	\$55.42	\$69.28	\$83.14	\$41.57
Commercial Organics/Compost - 64 gallon	\$27.71	\$55.42	\$83.14	\$110.85	\$138.56	\$166.27	\$83.14
NOTE: Food Waste service: no charge for the first pickup of first cart							
Bin Service	Collections per Week						Per Pick Up
Current 2015 Rate							
2 yard	\$307.09	\$416.52	\$531.94	\$647.37	\$762.78	\$884.25	\$90.85
3 yard	\$393.58	\$787.01	\$1,180.61	\$1,574.11	\$1,967.76	\$2,361.20	\$90.85
5 yard	\$610.47	\$1,220.93	\$1,831.40	\$2,441.78	\$3,052.26	\$3,662.65	\$140.89
10 yard	\$909.66	\$1,819.12	\$2,728.73	\$3,638.31	\$4,547.86	\$5,457.51	\$235.69
18 yard	\$1,454.90	\$2,909.74	\$4,364.62	\$5,819.44	\$7,274.43	\$8,729.25	\$377.57
New 1/1/2016							
2 yard	\$324.32	\$439.89	\$561.78	\$683.69	\$805.57	\$933.86	\$95.95
3 yard	\$415.66	\$831.16	\$1,246.84	\$1,662.42	\$2,078.15	\$2,493.66	\$95.95
5 yard	\$644.72	\$1,289.42	\$1,934.14	\$2,578.76	\$3,223.49	\$3,868.12	\$148.79
10 yard	\$960.69	\$1,921.17	\$2,881.81	\$3,842.42	\$4,802.99	\$5,763.68	\$248.91
18 yard	\$1,536.52	\$3,072.98	\$4,609.48	\$6,145.91	\$7,682.53	\$9,218.96	\$398.75

Additional Services: Fees and Collection Details			
Fees apply to all customer types (residential, commercial, multifamily) unless noted			
Item	Detail	Current 2015 Rate	New 2016 Rate
Extra Organics Cart Rental (Residential Only)	35 or 64 gallon cart	\$1.65	\$1.74
Extra Split Cart Rental (Residential Only)	64 or 96 gallon cart	\$1.65	\$1.74
Extra garbage (regular service day)	Up to 32 gallon bag/ customer owned can	\$10.00	\$10.56
Extra 20 Gal. garbage (off-day in MSS cart)	Additional single empty of cart (applies to contaminated carts as well).	\$6.01	\$6.35
Extra 32 Gal. garbage (off-day in MSS cart)	Additional single empty of cart (applies to contaminated carts as well).	\$7.07	\$7.47
Extra garbage 64 Gal. (off-day in MSS cart)	Additional single empty of cart (applies to contaminated carts as well).	\$14.15	\$14.94
Extra garbage 96 Gal. (off-day in MSS cart)	Additional single empty of cart (applies to contaminated carts as well).	\$21.22	\$22.41
		Current 2015 Rate	New 2016 Rate
Lock Charges (Customer owned)	Each lock, monthly	\$17.94	\$18.95
Lock Charges	Each lock, single extra unlock/relock fee	\$4.04	\$4.27
MSS Company Lock		\$15.94	\$16.83
Steam clean	Cart	\$12.90	\$13.62
Steam clean	Bin	\$88.05	\$92.99
Steam clean	Compactor (rate varies by size, max rate)	\$185.79	\$196.21
Bin Rental	3-5 yard	\$74.34	\$78.51
Bin Rental	10 yard	\$99.24	\$104.81
Bin Rental	18 yard	\$198.51	\$209.65
Compactor	Hauling charge per empty	\$197.50	\$208.58
Compactor	Tipping fee per ton	\$89.15	\$94.15
Compactor	Special handling per empty	rates vary by job	
Compacted refuse	Stationary Front Loader per empty	\$70.47	\$74.42
		Current 2015 Rate	New 2016 Rate
Distance Charges	Per cart/bin, Each way		
Distance	5'-50'	\$3.73	\$3.94
Distance	Over 50'	\$5.95	\$6.28
		Current 2015 Rate	New 2016 Rate
Return fee cart	On service day	\$5.00	\$5.28
Return fee cart	Off-service day pick-up fee	\$17.50	\$18.48
Return fee Apartment	On or off service day return fee	\$17.50	\$18.48
Return fee bin	Off-service day	See commercial/MF rates	
Resume service fee	To restart account after stop for non-payment	NA	\$35.00
Household Bulky Items			
Item	Detail	Rate Range	
Special Collection Fee	One time fee applied to ALL bulky item collections for the use of a special collections vehicle and driver.	\$25.00	\$25.00
Special Handling Fee	When two drivers are needed to collect items due to the extra weight and/or size.	\$20.00	\$20.00
Mattresses & Box Springs	Twin, Full, Queen/King	\$15-20.00	\$15-20.00
Toilets and Sinks	If part of larger load	\$5.00	\$5.00
	If single item	\$10.00	\$10.00
Large Furniture	(<6ft, >6ft, recliners, sectionals)	\$25-35.00	\$25-35.00
Misc. Furniture	Chairs, BBQs, small desk, etc.	\$7.5-25.00	\$7.5-25.00
Tires	Auto and Truck	\$10-15.00	\$10-15.00
Materials Requiring Special Handling (MRSH fee included in price)			
Large Appliances	Clothes or Dish Washer	\$15-35.00	\$15-35.00
E-waste	TVs, computers, monitors, consoles	\$25-35.00	\$25-35.00

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Marin Sanitary Service

CONSERVATION – OUR EARTH, OUR MISSION, OUR JOB



SERVICE AREA ANNUAL REPORT

2015

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EXECUTIVE SUMMARY

Executive Summary

CONTINUED COMMITMENT

Marin Sanitary Service (MSS) continuously puts forth its best effort to help jurisdictions we serve in meeting their Zero Waste and greenhouse gas reduction goals. In 2012, an amendment was made to the Franchisors' Group (FG) agreements that included provision of a comprehensive annual report to describe progress and achievements in meeting zero waste goals through programs and activities approved by the Franchisors' Group to enhance progress towards zero waste. This amendment was implemented in 2013. All data presented is for the entire MSS Service Area (San Rafael, Larkspur, Ross, LGVSD, Ross Valley-North, Ross Valley-South, County of Marin, Fairfax and San Anselmo). Most of the data reported is for the calendar year 2014. Some sections include data through June 30 (Q2 2015).

OPERATIONAL EFFICIENCY

The Operational Improvement Plan and Zero Waste Programs detailed in this report illustrate MSS's commitment to diverting resources from the landfill. Progress is being made to streamline collection services and to make technology and fleet enhancements that will make routes more efficient, improve data collection for monitoring and reporting the purposes, and ultimately keep rates as low as possible. The County has a Zero Waste goal to divert 94% of all materials from the landfill by 2025. MSS adds new programs and/or reviews and enhances ongoing programs on an annual basis. Community Outreach and Education is essential to meeting diversion goals. MSS now employs six dedicated Recycling Program Coordinators who are each responsible for a specific customer base and/or program type.

2014 IN REVIEW

The focus for calendar year 2014 was on fine tuning existing programs and services and exploring potential new programs. The 4R Planet School Programs has expanded and continues to bring in people not only from local jurisdictions but from all over the globe to learn about our facility and diversion programs. In 2012, AB 341, Mandatory Commercial Recycling became law. Since then, the list of customers required to comply with this law continues to decrease as more and more business and Multifamily Dwellings (MFDs) commit to diverting materials from the waste stream.

LOOKING AHEAD

In 2015, another organics program was implemented in the commercial sector. Commercial customers now have the option of participating in two organics recycling programs: Commercial Food to Energy (F2E) and/or Commercial Composting. A pilot study was conducted in MFDs to study outreach methods that would result in high participation and low contamination. Another pilot looked at the logistics of implementing a scheduled curbside bulky item collection program to help with illegal dumping of materials. MSS proposes to implement these last two programs in 2016.

EXECUTIVE SUMMARY

Patty Garbarino
President, Marin Sanitary Service
September 1, 2015

WASTE CHARACTERIZATION STUDY 2014 AND DIVERSION WORKING GROUP

Waste Characterization Study 2014 and Diversion Working Group

In 2014, Marin Sanitary Service commissioned CalRecovery, Inc. to perform a quantitative characterization of disposed waste delivered to the transfer station at Marin Sanitary Service. Loads delivered to the Transfer Station by MSS rear loaders, roll-offs, and front loaders collection vehicles were sampled and sorted.

Summary of Results

The two largest material types still disposed of by the residential and commercial sectors are organics and paper (Table 1). Substantial percentages of food waste were identified in disposed residential waste (29%), roll-off accounts of large commercial customers (39%), and commercial front loader accounts (36%). Substantial concentrations of recyclable paper fiber (corrugated/paper bags, newspaper, and mixed paper subcategories) were identified in disposed residential waste (13%), roll-off accounts of large commercial customers (17%), and commercial front loader accounts (20%). Contaminated paper, in many cases coated with wet food waste, comprised between 4% to 8% of the residential, commercial roll-off, and commercial front loader disposed waste.

Table 1: Materials in Disposed Waste stream

CUSTOMER TYPE	COLLECTION VEHICLE TYPE	MATERIAL DISPOSED	PERCENTAGE OF DISPOSAL
Residential	Rear Loader	Food waste	29%
Commercial	Roll-off	Food waste	39%
Commercial/Multifamily	Front Loader	Food waste	36%
Residential	Rear Loader	Paper Products	13%
Commercial	Roll-off	Paper Products	17%
Commercial/Multifamily	Front Loader	Paper Products	20%

The residential focus group, in the rate structure analysis, revealed that the majority of customers value MSS recycling and composting services and say they “recycle all they can”. However, many still report the “ick” factor (smells, mess, and pests) often prevents them from always placing food scraps in the organics (green) cart. MSS will focus efforts on hands-on workshops that show customers how to avoid issues like smells, dirty carts and fruit flies. Despite high customer awareness around curbside recycling and organics services, a disconnect exists between what customers say they do and what they actually do. This is evidenced in Figure 1 (materials in disposed waste stream that go to the landfill) which shows that many easily recyclable and compostable items are still ending up in the landfill. Table 2 compares the 2008 study to the 2014 study. Another focus group finding from the residential sector is that people are confused about paper/fiber recycling. Though the amount of paper being thrown away has actually decreased from 28% to 17%, confusion remains around paper board items like cereal boxes and glossy paper items like ads and junk mail. MSS will have more single material type education and messaging in print, on the web and in social media campaigns and will be working with an Outreach firm that specializes in behavior change campaigns using Community Based Social Marketing.

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Figure 1: 2014 Composition of Disposed (Landfilled) Waste Stream from Residential (95%)/Light Commercial (5%)

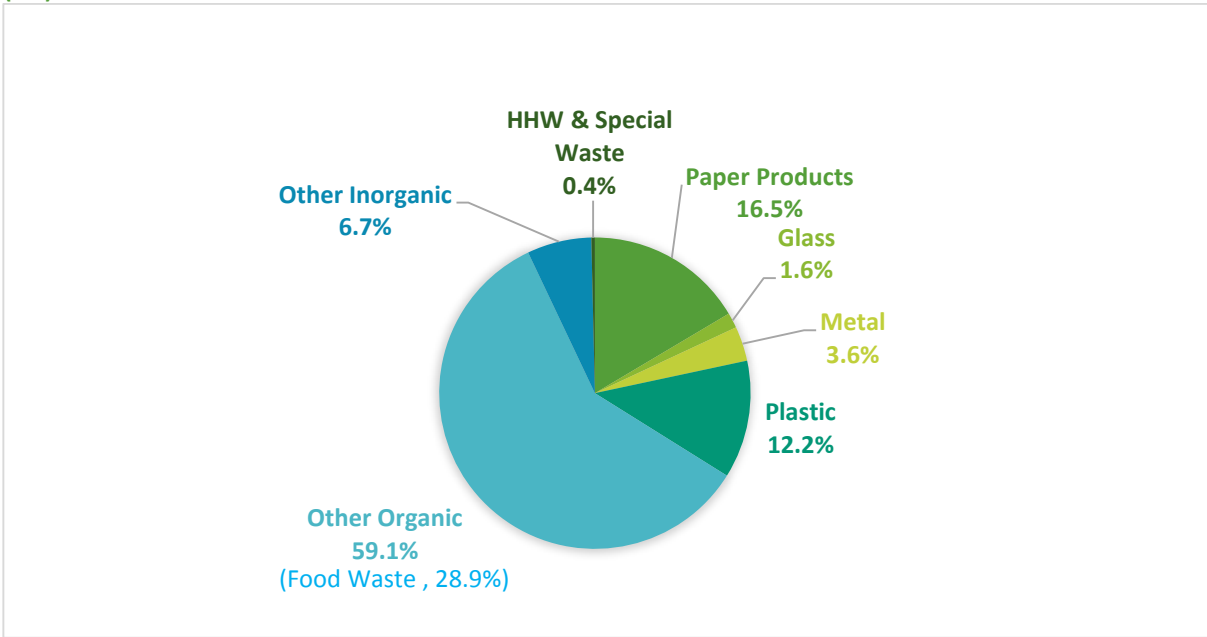


Table 2: 2014 Waste Characterization Comparison of Disposed (Landfilled) Materials in Residential Sector

MATERIAL	PERCENTAGE OF DISPOSAL 2008	PERCENTAGE OF DISPOSAL 2014
Other Organic (Yard waste and soiled paper)	21%	30%
Food waste	27%	29%
Paper products	28%	17%
Glass	2%	2%
Metals	5%	4%
Plastics	12%	12%

The commercial focus group revealed that the majority of customers value MSS recycling and composting services but only 16% said they actually recycle all they can. The 2014 Waste Characterization study broke out commercial accounts by container type (Figures 2 and 3). This was not broken out in the 2008 study, however. Percentages of disposed materials were averaged for these two streams in the 2014 study for comparison with the 2008 study in Table 3. Organics and paper continue to comprise the majority of recoverable items still being disposed in landfill containers (75% in 2008 and 74% in 2014). The addition of the commercial composting program in 2015, increased participation

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in commercial food waste to energy, and a full scale multifamily organics program in 2016 will help to move these materials out of the landfill.

Table 3: Comparison of Disposed (Landfilled) Waste Stream for Commercial Customers

MATERIAL	PERCENTAGE OF DISPOSAL 2008	PERCENTAGE OF DISPOSAL 2014
Other Organic (Yard waste and soiled paper)	15%	13%
Food waste	30%	37%
Paper products	30%	24%
Glass	2%	3%
Metals	1%	2%
Plastics	15%	16%

Figure 2: 2014 Composition of Disposed (Landfilled) Waste Stream from Commercial Roll-off

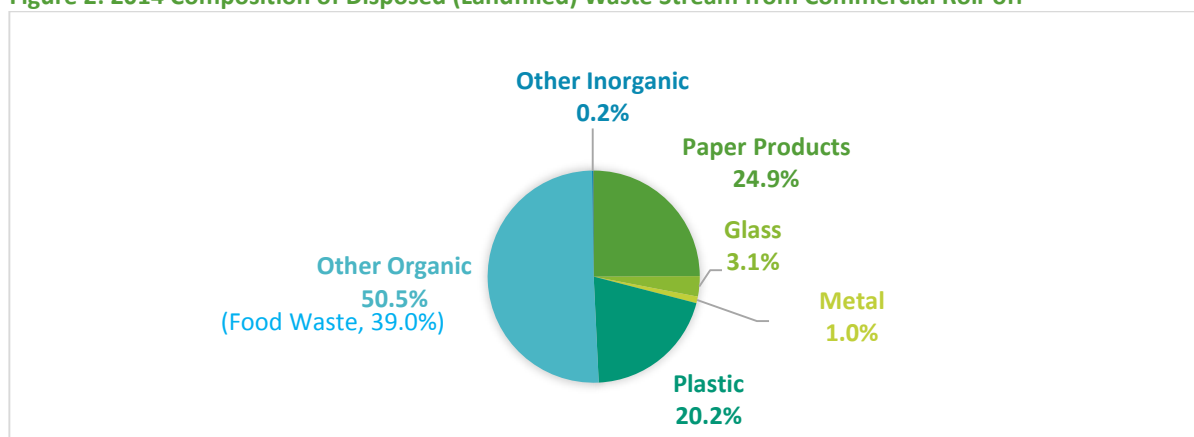
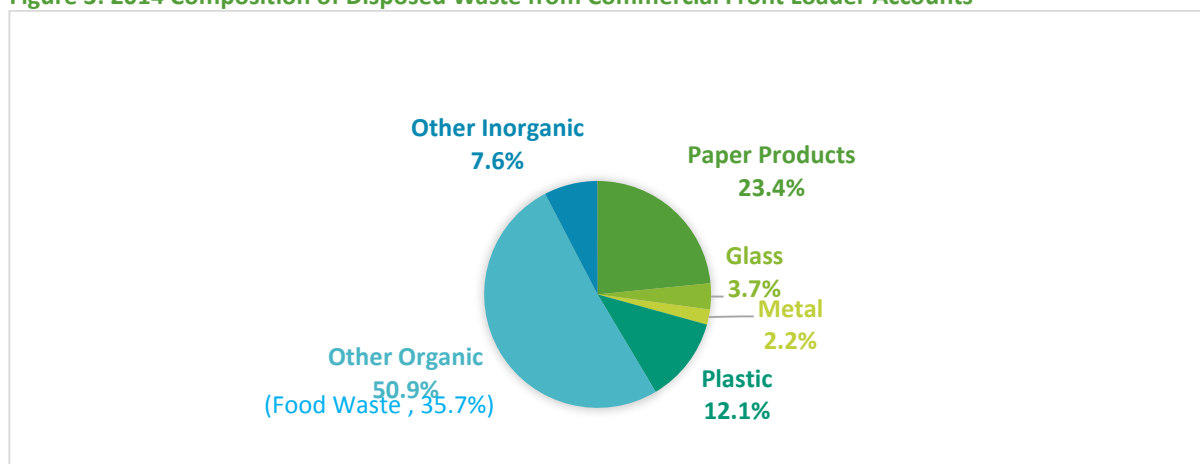


Figure 3: 2014 Composition of Disposed Waste from Commercial Front Loader Accounts



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DIVERSION WORKING GROUP

The MSS Diversion Working Group (DWG) was created to use the results of the Waste Characterization Study performed by CalRecovery at the end of 2014, and to identify and develop projects that will ultimately increase the recycling rates for the rate regulated services and programs at Marin Sanitary Service and the non-rate regulated services at the Marin Resource Recovery Center. This will also aid in helping our jurisdictions meet their Climate Action Plan goals and help the County of Marin reach its diversion goal of 94%.

Identified Strategies:

1. The primary company strategy is to continue advocating source separation of materials in the existing waste streams with a focus on organics and paper.
2. Collect additional materials (bulky items) that cannot be collected in curbside carts through scheduled clean-up programs and have them processed through MRRC.
3. Completely separate wet organics from the commercial waste stream, allowing for the processing of commercial “dry recyclable sort loads” inside MRRC.
4. Utilize new technologies to process the organics stream and/or recover the remaining difficult to process recyclable materials.

The Diversion Working Group (DWG) is comprised of Managers and key staff from Operations, Outreach, and Contract Compliance. Six (6) projects have been identified based on findings from the 2014 CalRecovery Waste Characterization Study that will focus on specific material streams for increased recovery efforts. Meetings occur bi-monthly. Organics comprise the majority of the materials still being disposed of by customers. Therefore, we believe that focused efforts on this stream will achieve two goals: a reduction in GHG emissions (since organics are the largest contributor to greenhouse gas emissions in a landfill), and increased diversion of these materials from the landfill into compost and energy. Source separation will remain our primary strategy to collect recyclable materials to retain high value and volume. Once maximum source separation is attained and organics are removed from the waste stream, the resulting waste stream can be better analyzed to determine which technology would be most appropriate for processing and recovering the remaining resources to increase recycling rates and diversion.

Projects Identified:

1. Multifamily Organics (Food scraps/Yard waste) Pilot Study

- a. Primary goals:
 - i. To increase participation in compost programs among Multifamily Dwelling tenants.
 - ii. To determine cost effective methods of outreach.
 - iii. To collect contaminant-free organic material.
 - iv. To study the cost impact of implementing a full scale organics program at MFDs.
- b. Results:
 - i. Four outreach strategies were tested on 20 apartment buildings containing 185 units total.

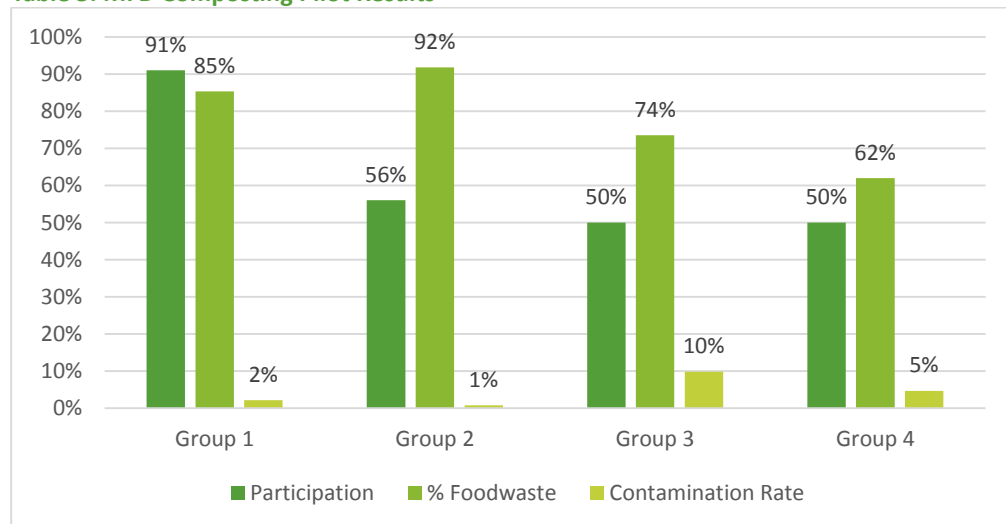
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Table 4: Outreach Method by Group

Outreach Tools	Group 1	Group 2	Group 3	Group 4
Kitchen pail	Yes	No	No	No
Training/Presentation	Yes	Yes	No	No
Door-to-door outreach	Yes	Yes	No	No
Brochures/Internal Stickers	Yes	Yes	Yes	No
Posters/Signage/Cart Stickers	Yes	Yes	Yes	Yes

ii. Overall study results are shown in the table below:

Table 5: MFD Composting Pilot Results



iii. Participation was audited to show the use of the green carts for collection of food waste, food soiled paper and yard waste. Group 1 had a significantly higher level of participation (91%) compared to the other three outreach Groups. The green carts in this study were primarily used for the collection of food waste and food soiled papers. A small percentage of the overall compostable material was yard waste. Though not studied, this is most likely due to separate collection of landscaping materials by maintenance or a professional landscaping company. While percentage of food waste in with the yard waste was not significantly different between Group 1 and 2, there was a significant difference between the first 3 Groups and Group 4. Contamination also increased significantly in the groups that received the least outreach (Group 3 and

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4). Contaminants included plastic bags, plastic cups, plastic bottles, plastic to-go containers, Styrofoam cups and egg cartons, milk cartons, and coffee cups.

c. MSS Recommendations:

- i. Utilize the outreach methods and tools provided to Group 1. These included kitchen compost pails, door to door outreach with tenant, stickers, signs, brochures, flyers, and training programs for Property Managers and Tenants
- ii. Rate implications and options will also be provided to MSS service areas with the 2016 rate application.

2. Commercial Food Waste to Energy (F2E)

a. Primary goals:

- i. To increase tonnage collected by increasing participation in the program.
- ii. To increase community outreach and messaging about the importance of the program.

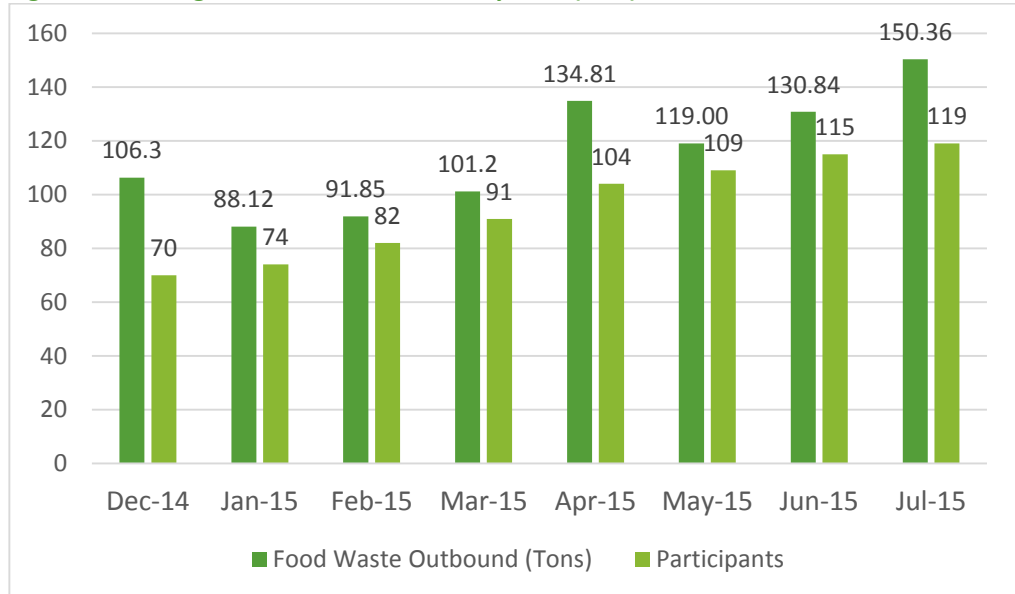
b. Results:

- i. Targeted messaging was sent to all potential customers beginning March 2015. A press release in mid spring resulted in coverage of the success of the program in two local newspapers, four on-line news sources, and one State Renewable Energy magazine.
- ii. According to focus groups conducted in 2014, face to face conversations is what guides the behavior of this sector. The primary focus of Outreach is to increase participation.
- iii. At the end of 2014, there were 70 customers enrolled in the F2E program. With increased outreach efforts, advertising, and referrals from garbage route drivers, this number increased to 119 by June 30, 2015. Average tonnage per month has increased from 3.5 tons per day in 2014 (six day per week collection) to 5.2 tons per day by June of 2015.



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Figure 4: F2E Progress December 2014 to July 2015 (tons)



- iv. Central Marin Sanitation Agency by the end of June 2015 was generating 16-18 hours per day of their energy needs from food waste, biosolids and fats, oil and grease collection (FOG).

3. Residential Organics (Food scraps/Yard waste) recycling

a. Primary goals:

- i. To increase tonnage collected by increasing participation in the program.
- ii. To increase community outreach and messaging about the importance of the program.

b. Plan:

- i. Two new ad campaigns (“Make Every Crumb Count” and “Every Meal, Every Day, Every Week: Compost”) had targeted messaging to get customers to place food waste in with the yard waste into the MSS green organics carts. Ads were also placed in the Marin IJ, the Pacific Sun and the Marin Scope newspapers. Posters with messaging were also distributed around the community and in schools.

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- ii. All residential customers received information on what to place in the green cart through a special compost newsletter with their bill.
- iii. The website has been redesigned and contains more information on the importance of this program, kitchen pail purchasing, tips for collecting food scraps in the home, and a list of acceptable and non-acceptable items.
- iv. Curbside composting workshops were implemented in 2015. The plan is to have one per quarter. Customers are notified of the events through social media, the web, and the distribution of flyers at public agencies and buildings.
- v. In addition, the program is promoted at local events and on the MSS website.
- vi. MSS will continue to partner with WMEarthcare (the compost facility at Redwood Landfill), Zero Waste Marin, local non-profits and community groups on the promotion of these organics programs.
- vii. It was decided to forego food waste in green waste participation audits for 2015. 49% of all organics routes are fully automated. Fully automated collection is much more efficient and cost effective. The 2014 Waste Characterization showed an increase of FW in the landfill despite high participation rates in 2013 (47%). Tonnage is not correlating with participation though and the amount of food waste in the yard waste is less than 3% on visual inspection. Outreach and effective messaging are the strategies that the group feels will ultimately decrease the FW that is ending up in the landfill.

4. Commercial “Dry loads” through MRRC

a. Primary goals:

- i. To identify large commercial customers that have large volumes of “dry” materials that cannot be collected in curbside carts and route them to MRRC for processing.

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For large commercial customers, dry loads may consist of items such as pallets, cardboard, large plastic items, or other bulky items.

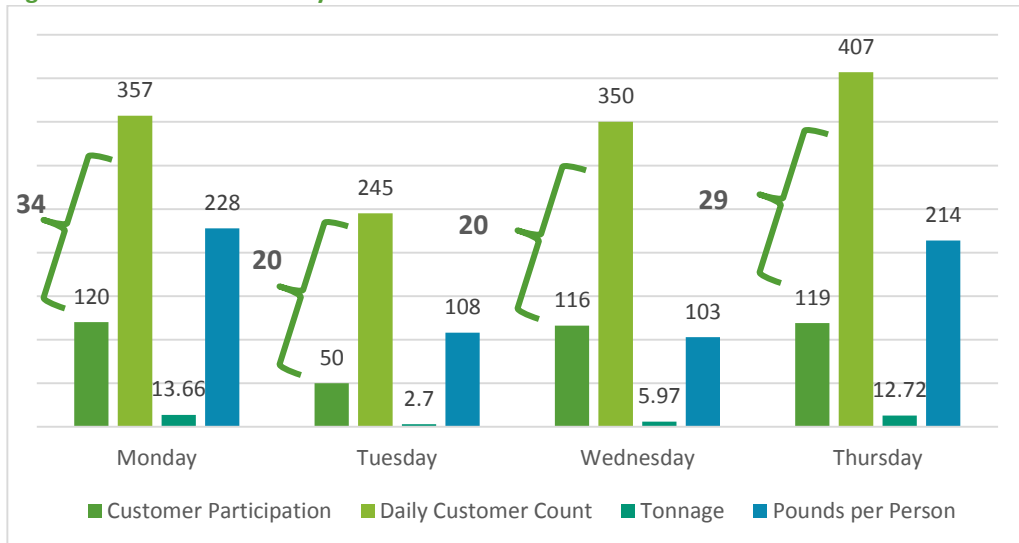
- ii. To increase recovery of recyclable materials using current technology from this customer base.
- b. Plan:
 - i. MSS will begin coding customers by business type in Soft-Pak.
 - ii. Material mix will be audited through visual waste audits of the garbage stream.
 - iii. It is anticipated that approximately one third of all commercial bin customers would qualify for inclusion in a dry load diversion program and that this could result in the recovery of 25 – 30% more materials through manual sorting of dry loads.
 - iv. Work began early 2015 to identify this customer based on material mix from visual waste audits. These customers will be “routed for diversion” through MRRC.
 - v. The rate implications for processing additional loads at Marin Resource Recovery will be analyzed and presented to the MSS service area in spring 2016.

5. Processing at MRRC of bulky item loads from MSS curbside collection programs: Las Gallinas Valley Sanitary District Pilot Program

- a. Primary goals:
 - i. To determine the feasibility of implementing a curbside bulky item collection program for residential customers in order to decrease illegal dumping of materials. The chosen area for the pilot was Santa Venetia (LGVSD) with Monday-Thursday collection days.
 - ii. Results from the pilot have allowed MSS to determine the following (Figure 5)
 - 1. Cost of implementation: truck, driver time, outreach time and materials.
 - 2. Cost of disposal and processing.
 - 3. Types of materials collected.
 - 4. Types of materials diverted.

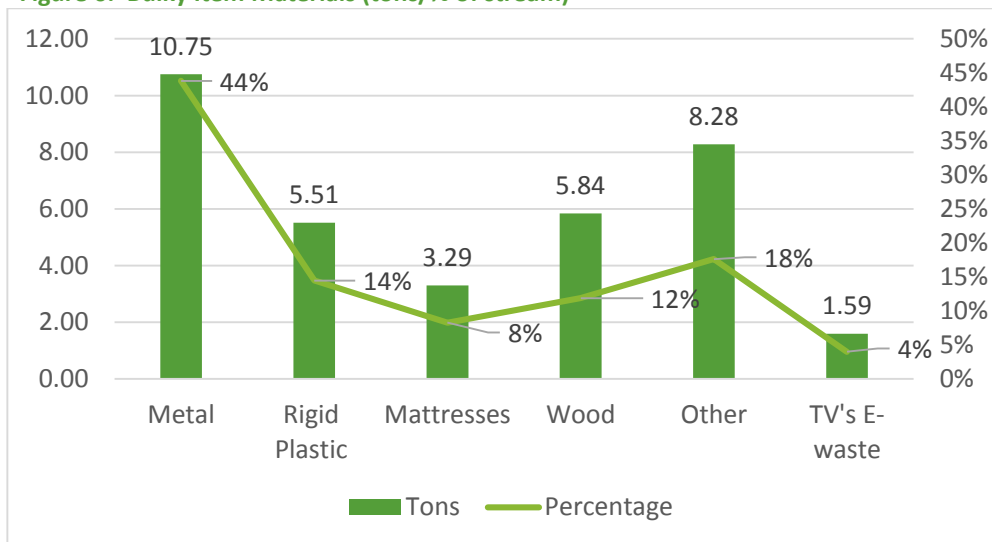
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Figure 5: Santa Venetia Bulky Item Pilot Results



- iii. Overall, participation was 29% with 35.25 tons of materials collected. 82% of these materials were diverted from the landfill. Materials included scrap metals, rigid plastics, mattresses, wood, TVs and e-waste.

Figure 6: Bulky Item Materials (tons/% of stream)



- b. MSS Recommendations:
 - i. To add scheduled curbside bulky item collection programs in every service area. Programs currently offered in some jurisdictions include scheduled curbside clean-

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ups of extra yard waste, recycling, and garbage; on-call bulky item collection; and a hybrid of these two programs.

- ii. Collecting bulky items on a scheduled basis in all jurisdictions may help alleviate illegal dumping and will lead to higher participation in these programs.
- iii. Table 6 below compares the current curbside collection programs in our contracts for unincorporated areas of Marin County (Ross Valley North, Ross Valley South, and unincorporated central Marin) to the LGVSD pilot. Distributing flyers to individual customers the week before collection lead to a significant increase in participation; however, this method of outreach is also time consuming and costly.

Table 6: Comparison of Curbside Collection Programs

Jurisdiction	Participants	Customer Base	Participation Rate	Tons Collected	Outreach Method
Ross Valley-South County of Marin	150	2882	5%	10.4	Direct Mailer
Ross Valley-North	233	1231	19%	9.62	Billing Insert
Las Gallinas Valley Sanitary District (Santa Venetia) Pilot	405	1359	29%	35.25	Door to Door Flyer

- iv. Rate implications will be provided to MSS service areas with the 2016 rate application

6. Infrastructure: Developing and utilizing new technologies and equipment to process the organics stream and/or to recover the remaining difficult to process recyclable materials.

- a. Two new technologies look very promising and have been approved to fit within the land use footprint of MSS.
 - i. Dry Anaerobic Digestion could be used to process the more contaminated organic fraction primarily from multifamily dwellings serviced by MSS. The biogas derived from this process could be used as an energy source or a fuel source.
 - ii. Biomass Conversion technology could use the non-compostable wood waste as feedstock for energy generation that could take MRRC off the grid.
- b. The Transfer Station will need to be rebuilt in the near future and we believe it could be better utilized by incorporating new technologies in the existing footprint. MSS will continue to explore these and other technologies in the coming years and will work to find a cost effective strategy that will result in more diversion of resources from the landfill.

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Public Outreach and Zero Waste Programs

OUTREACH AND EDUCATION SERVICES

At Marin Sanitary Service, community involvement through education, outreach and alliance building is our greatest passion and supports our ultimate goal of zero waste. Our duty is to engage and educate our community in how *they too* can be part of the solution. Outreach is the most important aspect in reaching our goal of zero waste. In order to provide more hands-on training to customers, MSS now employs five full-time Recycling Programs Coordinators each dedicated to a customer type in addition to a full time Household Hazardous Waste Coordinator. Their contact and program specialty is listed below.

Table 7: Outreach Department Staff Contacts

Name	Title	Contact	Primary Focus
Jennifer Grenier Selvig	Recycling Programs Coordinator	(415) 458-5542 Jennifer.grenier@marinsanitary.com	Large Commercial Businesses and C&D Programs
Jessica Connolly	Recycling Programs Coordinator	(415) 456-2665 Jessica.Connolly@marinsanitary.com	Multifamily Dwellings (Apartments)
Ruben Hernandez	Recycling Programs Coordinator	(415) 526-6622 Ruben.Hernandez@marinsanitary.com	Food to Energy and Commercial Organics
Zoe Pearl	Education and School Recycling Programs Coordinator	(415) 458-5539 Zoe.Pearl@marinsanitary.com	Tours, Recycling Education and Outreach in Schools.
Kathy Wall	HHW Coordinator	(415) 485-6806 Kathy.Wall@marinsanitary.com	Curbside and Drop-off HHW Programs
Chance Shelley	Recycling Programs Coordinator	(415) 458-5530 Chance.Shelley@marinsanitary.com	Community Outreach and Residential Programs

All Service Area residential and commercial customers have received multiple mailed communication pieces informing them of MSS programs and services. These mailings have educated the public on zero waste programs; proper recycling and composting practices; the hours and times of operation at all facilities; proper disposal of household hazardous waste; and Mandatory Commercial Recycling (AB 341). Materials were also distributed to public libraries, city/town halls, police and fire departments, Chambers of Commerce and community bulletin boards to reach more of the community. With the addition of Outreach Staff, MSS has been able to do more hands-on education of customers at events and individually with customers distributing more printed educational materials. The Figures below show the various Outreach and Communications activities. Outreach activities for the first six months

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of 2015 is already twice (Figure 7, 228 activities) what it was for the entire 2014 year (Figure 8, 120 activities). Community meetings include but are not limited to Chambers of Commerce, Climate Action Planning committees, School Green Teams, Home Owner and Neighborhood Association meetings. Community newsletters are non-MSS publications and include City and Town Manager electronic newsletters, school newsletters and neighborhood association print and online newsletters.

Figure 7: Communications and Community Outreach by Type Q1-2 2015 (not including Schools or Mandatory Commercial Recycling)

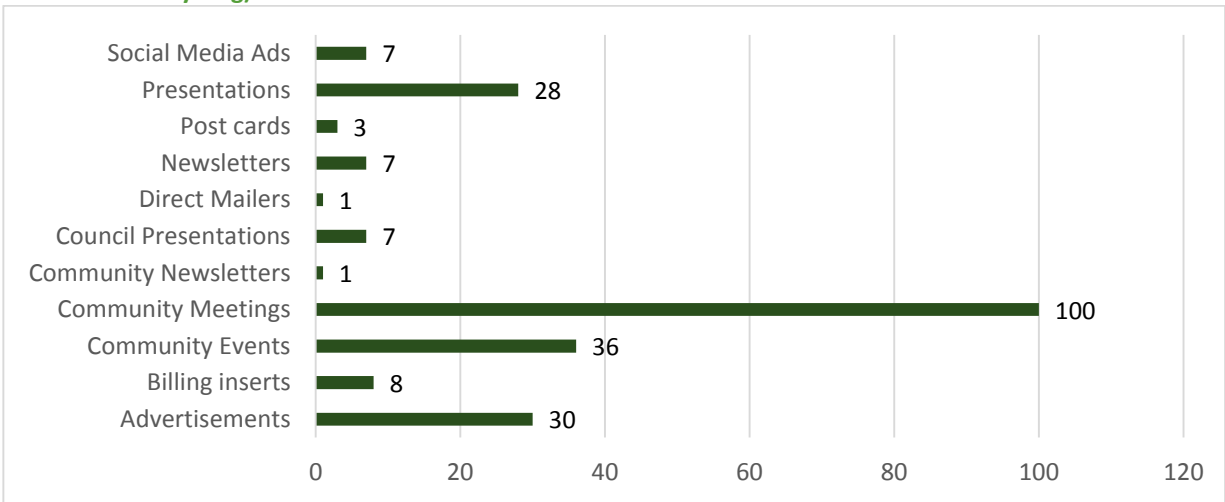
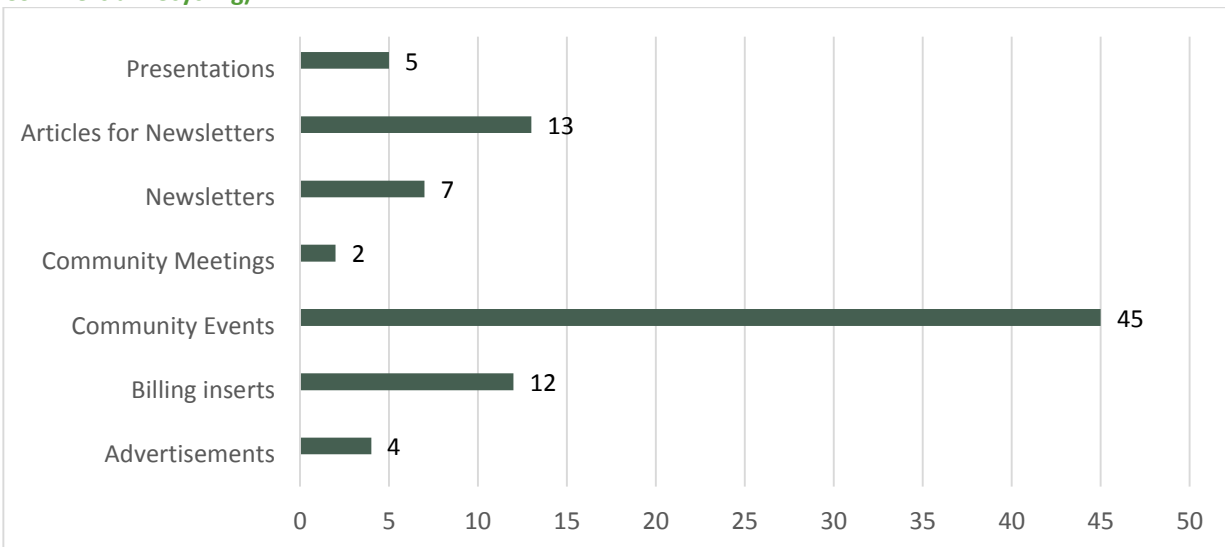


Figure 8: Communications and Community Outreach by Type Q1-4 2014 (not including Schools or Mandatory Commercial Recycling)



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FIRST ANNUAL CUSTOMER APPRECIATION DAY

On Sunday, April 19, 2015, MSS held the first annual customer appreciation day. The event was advertised in the biannual newsletter that was directly mailed to each customer, in local print and online newspapers, and via social media. MSS anticipates double the turnout next year. Figure 9 shows the number of participants at each event. The event officially started at 9am; however, excited customers started lining up before 8am and the very last of the compost was scooped at 2:15.

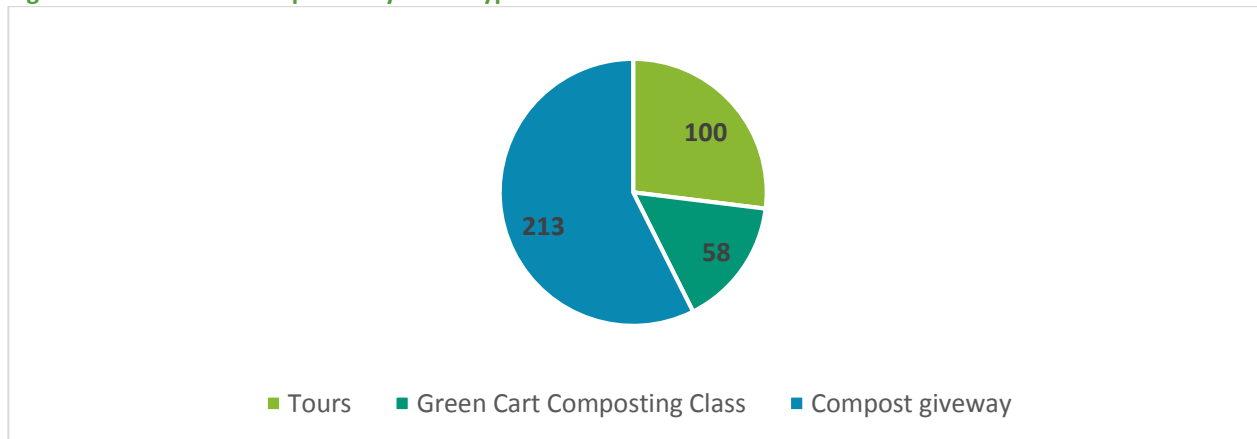


Customers had the opportunity to participate in a tour and/or a composting workshop. The 45 minute tour included the Marin Recycling Center, the Marin Resource Recovery Center, the Marin Household Hazardous Waste Facility and the animals at “Flying Can Ranch”. During the 30 minute composting workshop, customers learned how to successfully participate in the organics “green cart” program and received a kitchen pail and instructions to take home. The biggest draw of the day was the free compost giveaway (Table 8). MSS advertised no more than 64 gallons of compost per customer. On average, the amount given away was 76 gallons per customer. The company received several letters, emails and phone calls thanking us for the event.

Table 8: Compost Giveaway Details

TOTAL PARTICIPANTS	213
Compost available (Cubic Yards)	80
Compost available (Gallons: 1 CY = 202 gallons)	16,160
Compost per participant (gallons)	76

Figure 9: Customer Participation by Event Type



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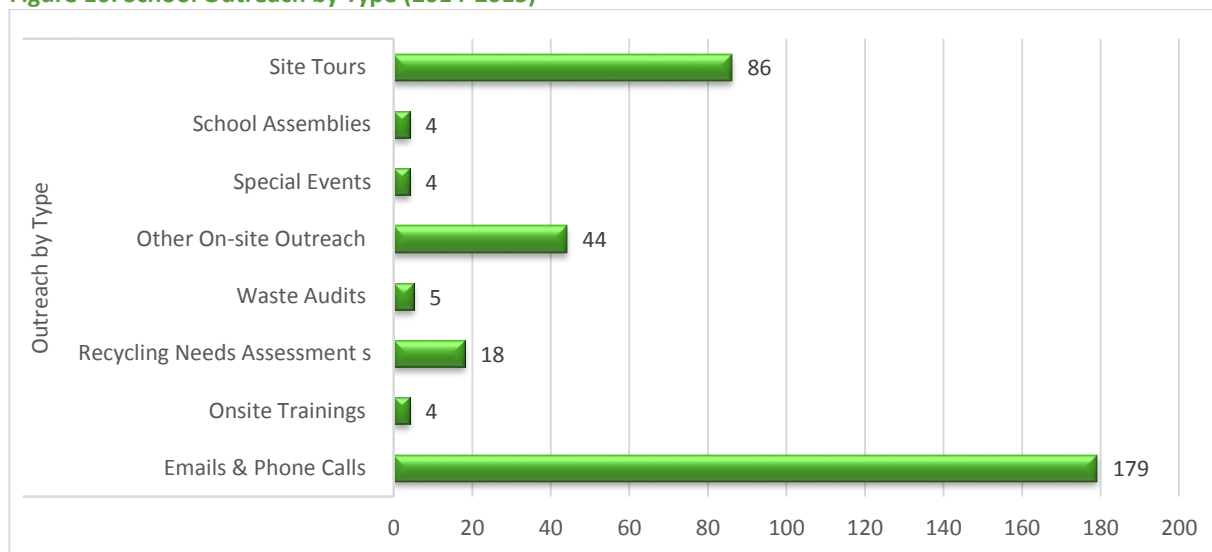
4R PLANET SCHOOL PROGRAM AND TOURS

At MSS, our goal is to educate, equip and empower school districts, individual schools and/or classrooms to develop comprehensive waste reduction and recycling plans. The 4R Planet School program is twofold. The first is our onsite program which includes tours of the MSS recycling facilities and lessons on the Four R's in the MSS Environmental Classroom. Second is our in school program which includes hands-on training, waste diversion program assistance, and customized educational lessons. All of these activities are led by our Education & School Recycling Programs Coordinator.



MSS entered into a series of conversations and strategy sessions with Mary Jane Burke and her staff at the Marin County Office of Education. The issues and obstacles of recycling and composting were discussed and a report card was generated for each school showing service levels and diversion rates. The results of these report cards will be distributed in the 2015-2016 school year in an attempt to decrease waste and increase recycling and composting at each school. In addition, MSS is collaborating with Zero Waste Marin on a pilot study to measure outreach techniques that result in behavior change. At the start of this school year, every school was hand delivered information on our 4R Planet School Program, tours, and the services we offer including the composting program. Figure 10 shows the types of outreach that were performed in 2014-2015.

Figure 10: School Outreach by Type (2014-2015)



The following services are provided to schools at no cost:

- Onsite evaluation of recycling needs.
- Waste audits to help schools know what recyclables are still being thrown in the trash.
- Signage, stickers, and curbside containers to help with source separation.

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- Educational lessons and assemblies on the 4R's.
- Source separation trainings.
- Green team guidance on waste reduction planning.
- Educational tours of MSS recycling facilities.
- Lending library of resources: books, DVDs, binders with lesson plans that meet California curriculum standards.
- Online resources: sample letters, lesson ideas, recycling procedures and more.

MANDATORY COMMERCIAL RECYCLING (AB 341)

Mandatory Commercial Recycling (AB 341) has been in effect since July 2012. This law calls for recycling 75 percent of California's solid waste by 2020. This is a significant increase above the 50-percent, statewide recycling mandate established in AB 939, which was passed in 1989 and has been the primary driving force for improving recycling in California. Approximately 60% of materials disposed of in landfills are from the commercial sector.

It is important to note that AB 341 is a continuation of an effort by the state to reduce greenhouse-gas (GHG) emissions, as required by AB 32, which became law in 2006. Simply stated, recycling reduces GHG emissions, and through the implementation of AB 341 will make a significant reduction in these emissions.

Cal-Recycle meets annually with MSS and the jurisdictions we serve to assess how outreach, education and monitoring is taking place in Marin County. They constantly comment that we are way ahead of the curve in getting compliance. 94% of all commercial and apartment customers were in compliance at the end of 2013.

Educating businesses about recycling is a dynamic and ongoing process. MSS has two Commercial Recycling Coordinators working with businesses and apartment buildings. In addition, there is a full time Commercial Recycling Coordinator dedicated to increasing participation in the two organics programs (Commercial Food Waste to Energy (F2E) and Commercial Composting) and a full time School Recycling Coordinator. New businesses and their employees are educated about recycling requirements and opportunities. Existing businesses and their employees are monitored and encouraged to divert even more resources from the landfill.

Waste audits are part of the monitoring process and help to identify waste types and volumes of divertible materials in the disposed of waste stream. Drivers performed over **1100 on-site visual audits** of commercial landfill carts. Customers with 50% or more of divertible material were referred to the appropriate Outreach Staff for waste stream assessments. Waste stream assessments are on-site assessments of the waste stream (total flow of materials generated) and recycling potential of an individual business, institution, or household. From this assessment, service and education needs are determined and a waste reduction plan is developed and implemented. Customers who have been identified to be non-compliant with AB 341 receive a phone call, followed by a letter that is followed by an onsite waste assessment. If the customer remains non-compliant after 90 days, they are referred to

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the City, Town, or County jurisdiction for follow-up. Collaboration between the public and MSS is key to the success of this law. The findings are in line with Waste Characterization Study conducted by MSS in November 2014.

Out of 2,215 commercial businesses, 84% (1,866) subscribe to at least one recycling service and 14% (316) are not required under AB 341 to have recycling services. At the end of June 2015, only Larkspur and San Rafael still have non-compliant businesses (Table 9). Of the 737 Multifamily Dwellings (apartments buildings with five or more units), only five percent (38) remain non-compliant (Table 10). All are in San Rafael. Of the jurisdictions MSS serves, only Fairfax has a Mandatory Commercial Recycling Ordinance that requires ALL commercial businesses and multifamily dwellings to recycle and/or compost. This has been very successful in increasing diversion and participation in MSS recycling and organics programs.

Table 9: Commercial Business Non-Compliance with AB 341

Commercial Businesses			
JURISDICTION	Jan-Dec 2013	Jan-Dec 2014	Jan-June 2015
	Qualifies: <i>NOT</i> compliant	Qualifies: <i>NOT</i> compliant	Qualifies: <i>NOT</i> compliant
San Rafael	45	25	31
Consolidated County of Marin	1	0	0
Las Gallinas Valley Sanitary District	1	0	0
Ross	0	0	0
Larkspur	5	0	2
San Anselmo	2	0	0
Fairfax	0	0	0
Grand Total	54	25	33

Table 10: Multifamily Dwelling Compliance with AB 341

Multifamily Dwellings			
JURISDICTION	Jan-Dec 2013	Jan-Dec 2014	Jan-June 2015
	Qualifies: <i>NOT</i> compliant	Qualifies: <i>NOT</i> compliant	Qualifies: <i>NOT</i> compliant
San Rafael	91	43	38
Consolidated County of Marin	2	2	0
Las Gallinas Valley Sanitary District	0	0	0
Ross	0	0	0
Larkspur	1	1	0
San Anselmo	0	1	0
Fairfax	0	0	0
Grand Total	94	47	38

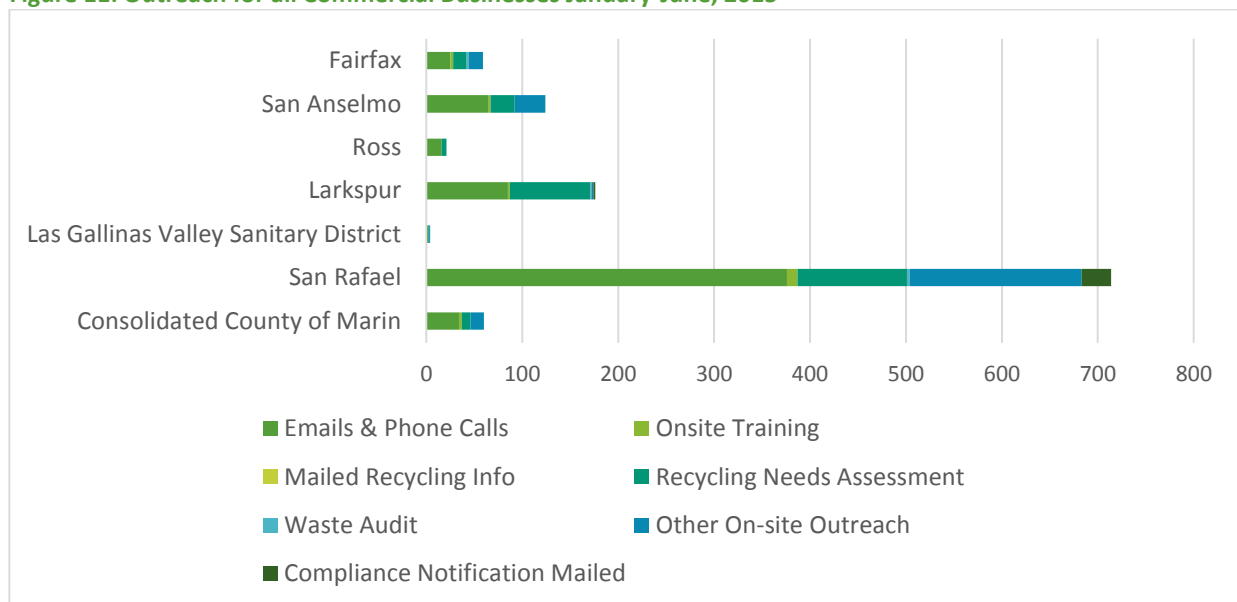
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Having specialized Recycling Program Coordinators has allowed MSS to streamline and individualize outreach efforts for the variety of customers in the commercial sector. Assessments of the customers' waste stream is then used to tailor a recycling program that best suits the business type. The Operations staff and Outreach staff use this data to create a comprehensive diversion plan. Once recycling and/or organics services are established, the teams work to "right size" the garbage service which often results in decrease in the overall "resource hauling" bill. There have been 1,809 different outreach contacts for Q1-2, 2015. Details are shown below in Table 7. Figures 11, 12 and 13 show the break outs by customer type.

Table 11: Commercial/Multifamily Outreach by Type January-June, 2015

OUTREACH TYPE	EXPLANATION OF OUTREACH TYPE	TOTAL
Emails & Phone Calls	<i>Communication with customers via email or phone</i>	706
Onsite Training	<i>Includes workshops, presentations and hands-on sorting training</i>	91
Mailed Recycling Info	<i>Any Outreach Materials mailed through USPS</i>	2
Recycling Needs Assessment	<i>Detailed assessment of all materials generated and recycling/organics needs</i>	502
Waste Audit	<i>Audit to determine resources being thrown in garbage</i>	6
Other On-site Outreach	<i>Includes labeling carts/bins, delivery of posters & other outreach materials</i>	426
Compliance Notification	<i>AB 341 (Mandatory Commercial Recycling) Compliance letters mailed</i>	76
Grand Total		1809

Figure 11: Outreach for all Commercial Businesses January-June, 2015



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Figure 12: Outreach for Multifamily Dwellings January-June, 2015 (There are no MFDs in the Town of Ross)**

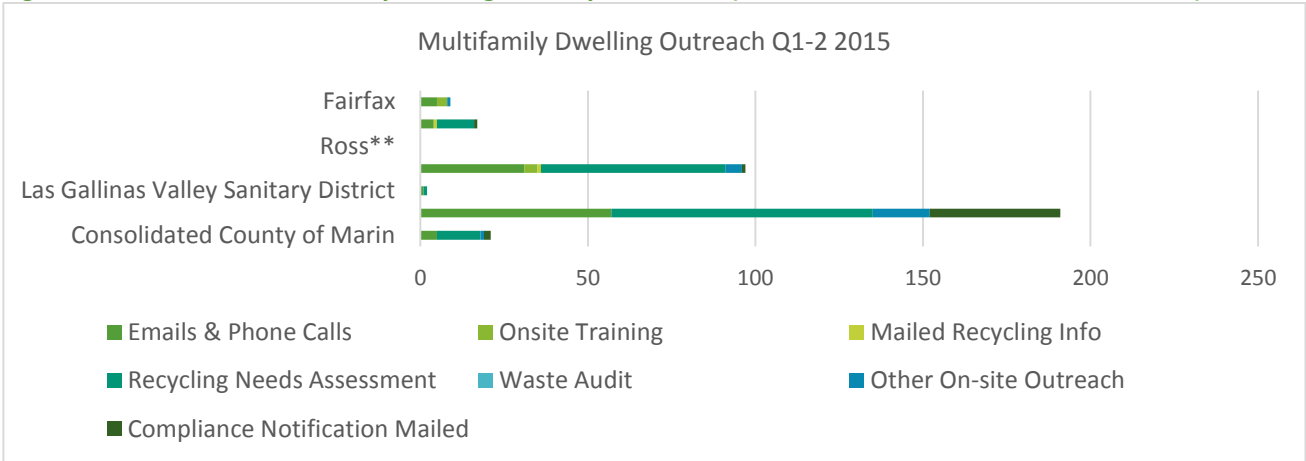
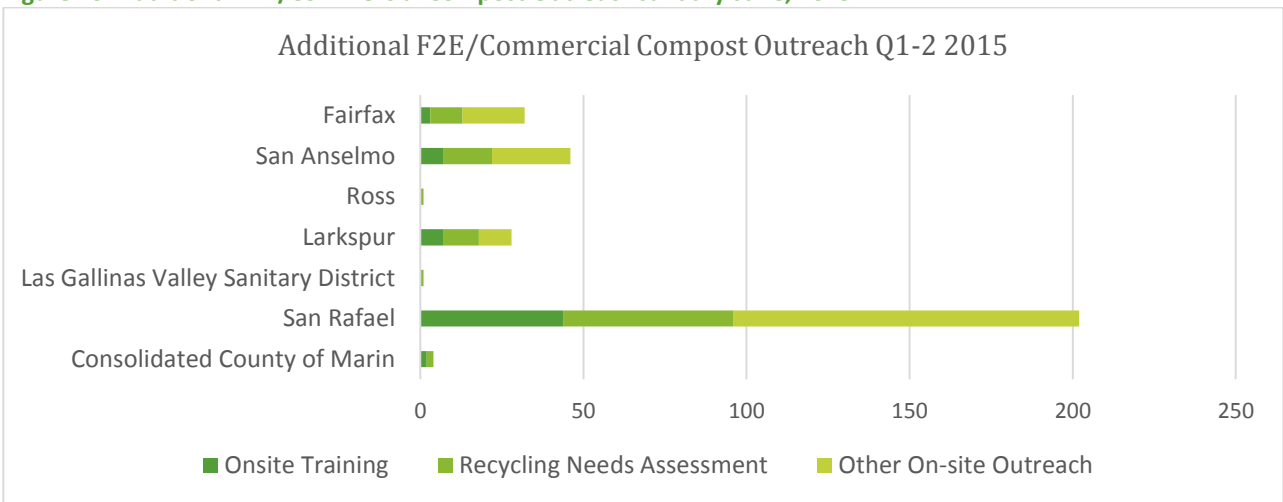


Figure 13: Additional F2E/Commercial Compost Outreach January-June, 2015



MANDATORY COMMERCIAL ORGANICS RECYCLING (AB 1826) UPDATE

In October of 2014 Governor Brown signed AB 1826 Chesbro (Chapter 727, Statutes of 2014), requiring businesses to recycle their organic waste beginning April 1, 2016, depending on the amount of waste they generate per week. This law also requires that on and after January 1, 2016, local jurisdictions across the state must implement an organic waste recycling program to divert organic waste generated by businesses, including multifamily residential dwellings that consist of five or more units (please note, however, that, multifamily dwellings are not required to have a food waste diversion program). Organic waste means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste. This law phases in the mandatory recycling of commercial organics over time.

PUBLIC OUTREACH AND ZERO WASTE PROGRAMS

- April 1, 2016: a business that generates eight cubic yards or more of organic waste per week
- January 1, 2017: a business that generates four cubic yards or more of organic waste per week
- January 1, 2019: a business that generates four cubic yards or more of commercial solid waste
- Summer/Fall 2021: If CalRecycle determines that the statewide disposal of organic waste in 2020 has not been reduced by 50 percent of the level of disposal during 2014, the organic recycling requirements on businesses will expand to cover businesses that generate two cubic yards or more of commercial solid waste per week. Additionally certain exemptions, previously discussed, may no longer be available if this target is not met.

Issues and Local Government Effects

- Unlike AB 341 in which volumes of municipal solid waste are the criteria for compliance, AB 1826 uses volume of organics generated as the criteria. The only way to know how much of the waste stream is comprised of organic materials, a detailed waste audit would need to be performed. This is a time consuming and costly process.
- Unlike AB 341 in which the hauler can easily identify customers, the administrative burden of complying with this law is on local government.
- Self-haul allowance is problematic unless self-haulers are held to the same environmental health and safety standards as haulers and the material is hauled to a designated and permitted processing facility.
- Multifamily units that subscribe to landscaping services must be tracked and monitored by local government. Landscapers are self-haulers.

Suggested solution

Creation of a Mandatory Commercial Recycling and Organics ordinance that makes identification of customers easier, contains a mechanism for enforcement, and allows MSS to educate, monitor and report progress to the jurisdictions we serve. MSS would be happy to coordinate with each jurisdiction to develop an ordinance that meets all State recycling and organics laws and helps meet city and town climate action plan goals for green house emission reductions and diversion. For more information on this law, visit <http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/>

OPERATIONAL IMPROVEMENT PLAN

Operational Improvement Plan

In 2012, MSS underwent an extensive audit of its collection operations. From the results of the audit, a five year Operational Improvement Implementation Plan was developed. This ongoing plan will lead to the following:

- Increased staffing and operational improvements.
- Technology changes and upgrades to the existing sorting infrastructure.
- Enhanced outreach programs

The overarching goal is to efficiently increase diversion rates by introducing new programs and technology in a cost effective manner to keep rates affordable to the MSS rate base. MSS is now two years into the implementation of this efficiency based plan. Accomplishments to date include:

- Implementation of routing efficiencies including new routing software, continued replacement of rear loading trucks with more efficient fully automated side loaders, and route consolidations.
- Reduction of routes while sustaining high service levels.
- Route supervision and auditing which have resulted in the retrieval of lost revenues.
- New Diversion Working Group established in 2015 to look specifically at all emerging diversion opportunities.

ROUTING AND AUDITS

Route Consolidation: A new automated garbage truck route was established in San Anselmo and Ross Valley North. This increase in efficiency enabled MSS to eliminate one full-time position. The new automated truck, with a single driver, is able to do the work of what was once done by two employees. The use of fully automated collection vehicles will be expanded in the coming years.

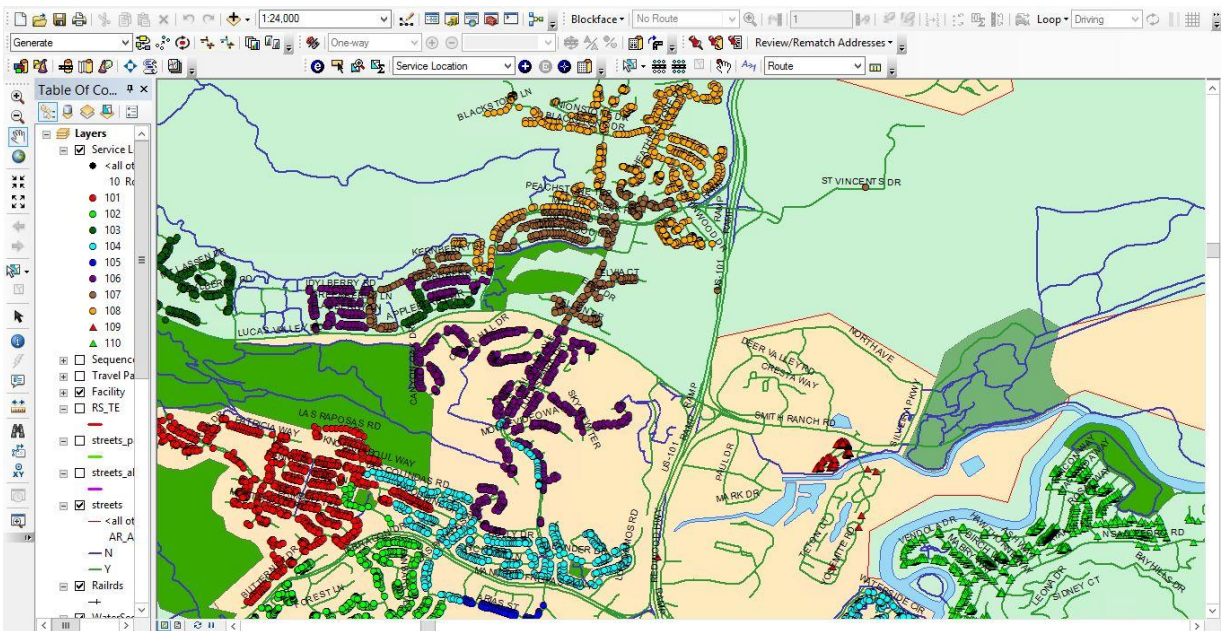
Audit Results:

- Account and Service Audits: Account audits determine if customers are being billed properly for the service they receive. Service audits are to ensure that customers have the correct carts/bins on site that MSS has recorded in the Soft-Pak data base. Audits are performed on an ongoing basis for garbage, recycling and organics routes. Another goal of these audits is to determine the feasibility of further implementing fully automated routes.
 - Service Not Billed: 365 accounts were not being billed for the services being provided. Letters were sent to the residences to inform them to call and set up an account to continue receiving service. 271 accounts have resumed service after receiving the letter.

OPERATIONAL IMPROVEMENT PLAN

- No Service: 303 accounts did not have any service. Letters were mailed to these residences to inform them of the services offered by MSS. 88 customers have resumed service after receiving the letter.
- Distance: Standard base rates exist for curbside collection of garbage, recycling and organics. For carts not placed at the curb there is an additional fee for collection (distance fees). 267 accounts were identified that had been receiving distance service at no charge. The distance was measured and letters were mailed to the customers giving them the option of either bringing the carts down to the curb side or paying the charge for distance. Of the 267, 33 qualified to receive onsite collection (distance) at no charge due to a disability and have a disability waiver noted in their account, 27 are now placing their carts at the curb to avoid the distance fees and 48 did not respond at all. All others have agreed to the distance fees for onsite collection.
- Set-Out Rates: Set out rates are used to determine participation in programs. Residential Organics, Recycling and Garbage routes were audited by counting the number of carts put out for service. Residential collection is once per week for all three services. A one week snap shot yielded the following results.
 - Garbage – 92%
 - Recycle – 84%
 - Organics– 73%

ROUTE OPTIMIZATION AND WORKFLOW IMPROVEMENT SOFTWARE



OPERATIONAL IMPROVEMENT PLAN

At the end of April 2015 MSS purchased **RouteSmart**, a route optimization and balancing software program, and began to aid the Operations Department in furthering our efficiency goals and maintenance of collection routes. In May a designated server was set up and a training and implementation plan was established. This will take place over a five month period and is expected to be completed in November 2015. Phase 1 began in June 2015 and included:

- Purchase of the program and a dedicated RouteSmart program server.
- Data validation and cleanup in the main Customer Service Program concentrating on street/address details.
- Geo-coding of all street data.
- Review of collection route attributes including stop time per collection type, posted speed limits, route start/stop times, truck & cart capacity, and collection location.

Tablet Implementation:



In May 2015, MSS rolled out a new program utilizing Samsung Tablets to run routing software inside the route trucks. A total of 20 tablets are currently in use. Tablets were initially trialed on roll-off routes then expanded to cart delivery and commercial recycling routes. There are many benefits of using the tablets; however the two most important are: 1) the automated recording of collection data and 2) the ability to properly record and measure route productivity. The tablets track all work orders and route stops and automatically time stamp all pick-ups ensuring timely and efficient service to our customers. The tablets eliminate the need to manually enter this information into our computer system and also enabled the Company to go paperless for these routes. Prior to this, each driver received a route list that could

be one hundred or more pages in length. Not only do the tablets contain all the information contained in the printed route list, they also enable the driver to enter route notes directly into each customer's account, take pictures to document blocked or overloaded containers, and sequence new stops they may have on their route. These notes contain useful information that help customer service representatives to give real time information to our customers. Next steps will be to add the tablets to the Residential Automated Routes. The use of these tablets will continue to help streamline MSS operations and simplify the record keeping needed to ensure routes are run efficiently.

FOCUS GROUP AND RATE PILOT: IMPLEMENTATION OF KEY FINDINGS

Focus Group and Rate pilot: Implementation of key findings

The Franchisors Group engaged HF&H to review and revise the current disposal based rate structure in order to investigate converting to a structure in which charges for all services are outlined (a materials management structure). Focus groups were held for single-family residential, commercial, and multifamily tenants and property managers/owners at the end of 2013 and beginning of 2014. After analysis of the data, the group decided to proceed with a pilot for the commercial and single-family residential customers only.

Based on findings from the focus group and the rate pilot, the following was presented to the Franchisors' Group and was implemented in 2015. New service descriptions have been added to the bill to help customers understand what services are being provided as part of the monthly rate. A common misconception gleaned from all of the focus groups was that MSS sorts through the garbage. To help dispel this thought and reeducate customers, "garbage service" has been replaced with "landfill service" to help show customers the final destination of materials in these carts/bins. MSS will track service changes for 6 months and assess the impact of the new messaging and billing format on service levels. Behavior change will be monitored and presented to the FG in the fall. In addition, MSS will investigate costs and a time frame for changing the commercial billing system to a credit based system as tested in the pilot study. Research findings will guide a larger conversation on the prospect for a new commercial rate structure, credit based system, and local ordinances for mandatory recycling and organic services for all service sectors to increase diversion. Changes could be adopted by 2016.

RESIDENTIAL CUSTOMERS

This sector received a reformatted bill that now shows all services presented in a "bundled rate" for one low cost. In addition, they received a flyer with the bill containing information on saving money by reducing, reusing, recycling and composting. Customers are now offered extra recycling split carts for a nominal monthly fee. Additional yard waste carts are already offered for a nominal monthly fee. Final approval on the new messaging and billing format was approved by all jurisdictions in early March 2015. For this reason, the revised bills and messaging rolled out to all customers beginning with April 2015 bills. Each single-family residential customer receives a quarterly billing statement (on month in arrears, present month and one month in advance).

COMMERCIAL CUSTOMERS

This sector received a reformatted bill and enhanced messaging based on focus group findings and feedback on direct cost savings by participating in recycling and composting programs. Beginning 2015, two organics programs were offered for the same charge to all commercial customers. At this time, there is no separate charge for organic service at multifamily dwellings. Final approval was obtained from each jurisdiction before the new messaging, organic service fees and billing format was rolled out. The new format and information was formally rolled out to all commercial businesses and multifamily units in April 2015. Commercial customers receive monthly billing invoices for services provided the previous month.

FOCUS GROUP AND RATE PILOT: IMPLEMENTATION OF KEY FINDINGS

BILLING SOFTWARE ANALYSIS

Background:

MSS tested a credit based billing method for commercial customers developed by HF&H. In this credit based system, all commercial customers would receive a substantial increase in the current rate for garbage collection (20% was tested) and would receive a credit of up to 30% for diverting materials from the landfill (at least 25% of the overall waste generation). This credit based system made the following assumptions:

- Customers would subscribe to MSS containers (carts/bins) for ALL recycling, organics and garbage service.
- All recycling and organics would be full and contaminant free and placed at the curb according to the subscribed collection frequency.

MSS performed a review of available waste management billing and operations software programs that would allow incorporating a credit based billing system to incentivize commercial customers to reduce “landfill gallons” and increase “diversion gallons”. The following systems were reviewed:

- Waste Accounting Management (WAM): This system currently has no plans to offer a credit based system but would be willing to investigate developing something.
- Terra Trash: At this time, they are not interested in adding this feature.
- Tower: This system currently has no plans to offer a credit based system but would be willing to investigate developing something.
- Desert Micro: This system currently has no plans to offer a credit based system but would be willing to investigate developing something.
- Soft-Pak: MSS uses this software for customer service, billing, routing, and scale soft-ware system currently. Soft-Pak is willing to develop a credit based system.

Commercial customers reported that a credit based system would incentivize them to divert materials from the landfill and reduce their overall waste generation. This customer base also reported being unaware of all the recycling services offered by MSS (cardboard, paper, bottles & cans, organics). Many reported that they self-haul, back-haul, donate or sell their recyclables but would be interested in subscribing to MSS recycling services to help the County of Marin achieve a high diversion rate and to help offset the costs of processing recyclables and organics.

Analysis

Many of the modules MSS relies upon on for daily operations do not interface with the software platforms from the other companies and would need to be purchased from other vendors assuming they exist. For this reason, only our current software provider, Soft-Pak was consulted regarding development of a custom billing program. Though initially conversations with Soft-Pak about this proposal were optimistic, the company announced at its user conference in September, 2015, that it is moving away from custom programming and is now advocating standardized programming to their customers. The reason for this is threefold: 1) it keeps costs down, 2) it enables Soft-Pak to create

FOCUS GROUP AND RATE PILOT: IMPLEMENTATION OF KEY FINDINGS

standard software that is more detailed by having the base program include all of the most popular customer demands rather than custom software fixes, and 3) allows programmers to better serve the customer base. Implementation of this type of credit based system would have the following impacts:

- MSS would not be able to participate in “global Soft-Pak system updates” and would instead require more complicated and time consuming system updates.
- MSS and Soft-Pak have expressed concern about effect on the main database due to the custom programming. It is unknown how future upgrades to the calculator and entire dataset can be handled.
- MSS anticipates the following staffing needs:
 - At least three fulltime staff including one-two dedicated customer service representatives (CSR) and an additional full time route auditor and pick-up truck.
 - RouteSmart, the MSS route optimization system is heavily dependent on accurate and up to date service level data. Frequent changes to service levels could have a negative impact to routing solutions offered by this program. To ensure the accuracy, this system would require a dedicated fulltime staff.
 - Increased program administrative needs:
 - Monitoring service level changes
 - Verification of documentation
 - Verification of billing
 - Increased communication needs between CSR, dispatch, drivers, route supervisors, and outreach staff regarding changes required i.e. service location issues
 - Increased training needs
 - Costs could exceed \$200,000 per year to message, monitor and manage this program.

Recommendations:

At this time, MSS recommends continuing with the current billing system in which commercial customers pay for garbage, recycling is bundled into the “garbage” rate, and organics service is offered at a rate 30% less than the garbage rate. Increased efforts are underway to provide more messaging on service offerings and more hands-on outreach and education to commercial customers. Monitoring of the effects of these efforts will be reported annually to all MSS service areas.

RATE SHEET AND FEE STANDARDIZATION

MSS has begun the process of standardizing the rate sheets for all jurisdictions to provide consistency across service areas. The new format will be a matrix layout with separate sections for service sectors (single family residences, multifamily dwellings, and commercial businesses). The Company has also begun the process of standardizing fees across all service areas for items such as lock fees, steam cleans, and resume service fees. Preliminary plans were presented at the Service Area meeting on May 12, 2015.

BACKGROUND ON DIVERSION CALCULATIONS

Background on Diversion Calculations

DIVERSION VERSUS RECYCLING RATES

There is confusion about diversion rates which are used by the County of Marin to gauge compliance with State mandates such as AB 939 and recycling rates, which are used by haulers to determine what amounts of materials are recycled or composted curbside for residential and commercial customers. Both methods help measure success/compliance, however, they use different calculation methods. Overall, the goal is to reduce waste and send less waste to the landfills by recycling and composting more materials.

Jurisdictional *diversion rates* are calculated based on a disposal-based indicator which is a per capita disposal rate expressed as pounds per person per day (PPD). This disposal rate uses two factors: a jurisdiction's population and its disposal tonnage, as reported by disposal facilities. The jurisdictional diversion rate focuses on a list of programs that includes but is not limited to recycling, composting, household hazardous waste, and other source reduction programs such as purchasing policies, xeriscaping, and material exchange programs (thrift shops, yard sales, reuse stores). The disposal target for each jurisdiction or regional agency was calculated by averaging the waste generation over a period of four years (2003, 2004, 2005, and 2006), which was determined by CalRecycle to be the equivalency of the 50% AB 939 landfill diversion rate. The disposal target for the Marin County was calculated to be 7.6 PPD. For 2013, the Marin County Jurisdictional Diversion rate was 74% (down from 75% in 2012) with a population disposal of 4.0 PPD (up from 3.8 PPD in 2012). Information on the source reduction reporting element can be found at the link below.

(<http://www.calrecycle.ca.gov/Igcentral/PARIS/Codes/default.htm#Reduction>)

The ton-per-ton disposal and *recycling rates* of the various haulers in Marin, including Marin Sanitary Service, all contribute to the 74% diversion rate. For the purpose of this report, only tonnages for materials collected and processed under the Franchise Agreements are used and are presented going forward as "Recycling Rates". The Franchised Programs are discussed under Zero Waste Programs. **Other tonnages from residential and commercial self-hauling, construction & demolition debris box rentals, and a host of other non-franchised programs within the County are not accounted for in this annual report but are reflected in the Jurisdictional diversion rate that is reported by MSS to the Marin Hazardous and Solid Waste Joint Powers Authority (JPA), who in turn reports this tonnage information to the State of California.** Table 12 shows the tonnage collected for the entire MSS Service Area. The overall recycling rate has increased slightly from Q2, 2014 to Q2, 2015. Jurisdictions all over the Nation are seeing similar trends in Recycling Rates partially due to the "evolving ton". There are fewer newspapers in print, less glass, lighter weight metals and plastics, more film pouch packaging compared to 10 years ago. On average, it takes 25% more plastic by volume to make the same ton today. Though more volumes of materials are being recycled and processed, this shift combined with less overall disposal makes the recycling rates appear to be unchanged or even decreasing according to an EPA Webinar Series on "The Changing Waste Stream", November 13, 2014.

BACKGROUND ON DIVERSION CALCULATIONS

Table 12: MSS SERVICE AREA DISPOSAL AND RECYCLING RATES

	Residential Q2, 2015	Residential Q2, 2014	Commercial Q2, 2015	Commercial Q2, 2014	Total Q2, 2015	Total Q2, 2014
Tons Collected:						
Curbside Yard Waste	9,600	9,257	NA*	NA*	9,600	9,257
Curbside Recycle	6,689	6,753	3,340	3,215	10,029	9,967
Transfer Station	7,321	7,266	16,021	16,407	23,342	23,673
Commercial Food waste (F2E)	NA	NA	736	522	736	522
Commercial processed at Marin Resource Recovery Center (MRRC)	NA	NA	4,919	4,945	4,919	4,945
Total Tons Collected	23,610	23,276	25,016	25,089	48,626	48,364
*Commercial yard waste is co-collected with residential yard waste. Tonnage is included with Residential.						
Tons Recycled:						
Curbside Yard Waste	9,600	9,257	NA*	NA*	9,600	9,257
Curbside Recycle	6,689	6,753	3,340	3,215	10,029	9,967
Commercial Food waste (F2E)	NA	NA	736	522	736	522
Commercial recovered through MRRC	NA	NA	4,134	4,121	4,134	4,121
Total Tons Recycled	16,289	16,009	8,210	7,857	24,499	23,867
*Commercial yard waste is co-collected with residential yard waste. Tonnage is included with Residential.						
Recycling Rate	69%	69%	33%	31%	50%	49%

RESIDENTIAL SERVICE LEVELS

Residential Service Levels

All residential customers are offered three services as part of the bundled “resource hauling” rate. This includes a gray “landfill” (garbage) cart, a split body recycling cart and a green organics cart. The charge is based on the size of the landfill cart. At the end of June 2015, there were 30,487 Residential customers signed up for service with MSS. The number of 20-gallon subscriptions continues to increase annually while the number of 64 and 96 gallon subscriptions continue to decrease (Table 13). Table 14 shows the subscriptions to organics and recycling services. These numbers are only for MSS supplied tipper carts and do not reflect customer owned cans or bags that contain extra yard waste and/or recycling. In 2014, MSS introduced a larger 95-gallon split cart for recycling and a smaller 35-gallon green cart for organics. There is a nominal fee for the rental of additional MSS tipper carts for organics and recycling. MSS encourages the use of company owned carts to increase collection efficiency, decrease damage to customer owned containers, and increase safety of our drivers by preventing risk of injury due to the manual moving and emptying of customer owned containers.

Table 13: Residential “Landfill” Cart Service Subscriptions

Residential Weekly Garbage Service						
Number of customers						
CART size	2011	2012	2013	2014	Q2 2015	% change since 2011
20 gallon	2,825	3,137	3,517	3,896	4,345	54%
32 gallon	20,113	20,216	20,157	20,068	19,865	-1%
64 gallon	6,474	6,133	5,935	5,837	5,713	-12%
96 gallon	700	654	594	569	564	-19%

Table 14: Residential Cart Service Subscription for Recycling and Organics

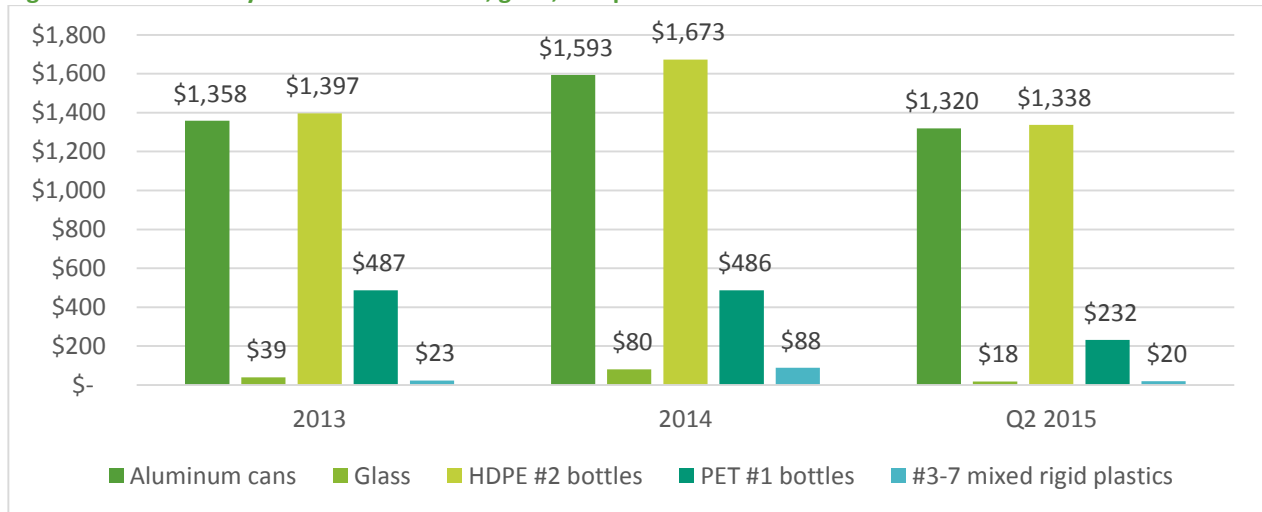
Residential Weekly Dual Sort Recycling Service						
Number of customers						
CART size	2011	2012	2013	2014	Q2 2015	% change
64 gallon	28,121	28,194	28,333	28,902	28,858	3%
95 gallon	-	-	-	546	699	28%
Residential Weekly Green Waste Service						
Number of customers						
CART size	2011	2012	2013	2014	Q2 2015	% change
35 gallon	-	-	-	186	337	81%
64 gallon	28,889	29,193	29,710	30,155	30,139	4%

COMMODITY PRICES

Commodity Prices

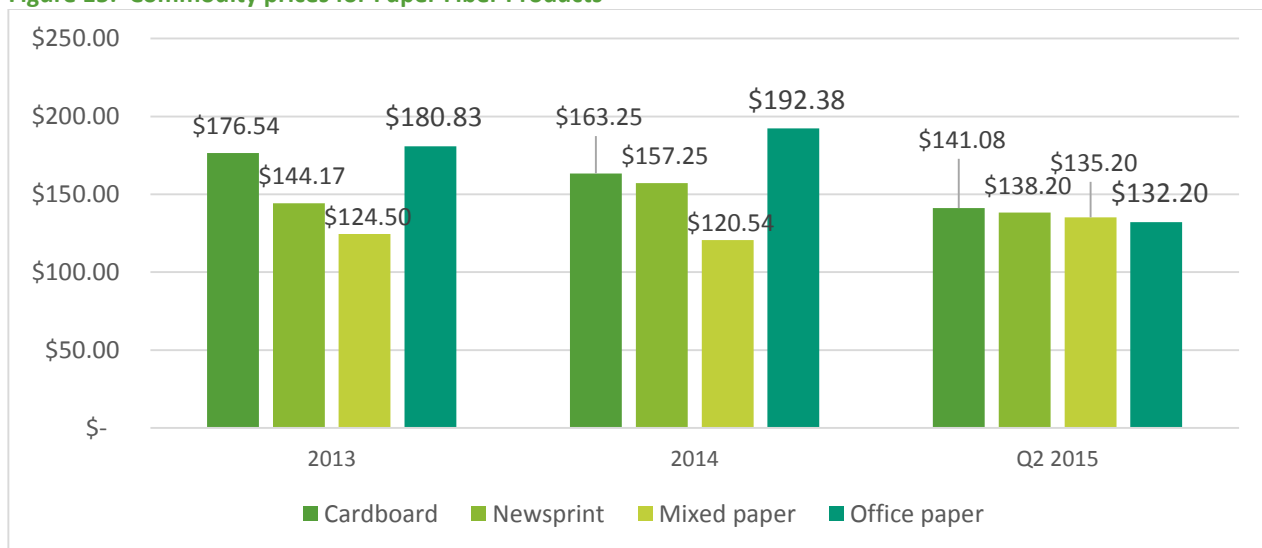
All commodity prices have decreased significantly in 2015, most notably for PET#1 bottle shaped plastics, #3-7 mixed rigid plastics and glass. This trend is expected to continue.

Figure 14: Commodity Prices for aluminum, glass, and plastics #1-7.



Prices for cardboard, newsprint, mixed paper and office paper were similar in 2013 and 2014. Except for a slight increase in the price for mixed paper, the price for all other paper fiber products has decreased in 2015. This trend is expected to continue.

Figure 15: Commodity prices for Paper Fiber Products



HOUSEHOLD HAZARDOUS WASTE (HHW) DROP-OFF PROGRAM

Household Hazardous Waste (HHW) Drop-off Program

Though not an annual reporting requirement, we felt it worthwhile to show the results of this important diversion service. The Marin Household Hazardous Waste Facility tracks participants by city, town, and unincorporated Marin. Ross Valley-South, County of Marin, and Las Gallinas Valley Sanitary District are grouped in with other unincorporated areas south of Novato including West Marin. Ross Valley-North customers are included in the totals for Fairfax and San Anselmo. From July 1, 2014 through June 30, 2015, 18,577 customers in the MSS service area participated in the HHW drop-off programs (18,339 residential and 238 commercial participants). Table 11 provides the total number of participants by customer type in each city/town.

Table 15: 2014-2015 HHW PARTICIPANTS

CITY/TOWN	RESIDENTIAL	COMMERCIAL
Fairfax	1,376	5
Larkspur	1,076	8
Ross	255	2
San Anselmo	2,413	11
San Rafael	9,875	173
Unincorporated Marin County	3,344	39
Total Participants	18,339	238

CUSTOMER SERVICE CALL LOGS

Customer Service Call Logs

RESIDENTIAL AND COMMERCIAL/MULTIFAMILY NEW STARTS FOR 2014

In 2014, there were 2,411 calls to start new Residential service. This increased by 6% over 2013 (2,250 calls). All new customers received the Residential Service Guide that explains MSS Curbside collection services and programs, debris box rental and document shredding; Marin Resource Recovery Center drop-off information; Marin Recycling drop-off and buy-back information; and Marin Household Hazardous Waste drop-off information as well as the HHW Curbside Collection Brochure. Additionally, there were 183 calls to start new Commercial/MFD service in 2014 compared to 179 in 2013 (0.4% increase).

RESIDENTIAL AND COMMERCIAL/MULTIFAMILY CUSTOMER COMPLAINTS

The total call volume increased 32% from 2013 (46,319) to 2014 (68,423). However, the majority of calls are due to service change requests, inquiries regarding what can and cannot be recycled/composted, and questions regarding billing. We are proud to report that there are minimal complaint calls from the customers we serve. Complaint calls have decreased by 2% from 2013-2014 (Table 16). The majority of complaint calls were for missed collections and containers that were broken. In most cases, the drivers were able to empty the missed containers on the same service day or the next business day. All broken containers were either repaired or replaced.

Table 16: Complaints by Type by Service Area 2013-2014

JURISDICTION	MISSED COLLECTIONS		BROKEN CONTAINERS	
	2013	2014	2013	2014
Consolidated County of Marin	556	573	383	536
San Rafael	2,249	2,185	1,192	2,170
Las Gallinas Valley Sanitary District	532	471	376	615
Ross	160	115	80	102
Larkspur	330	293	237	703
San Anselmo	667	725	261	610
Fairfax	323	419	141	143
MSS Service Area	4,817	4,781	2,670	4,879

REPORTS OF INJURIES AND DAMAGE TO PROPERTY

Marin Sanitary Service has an active safety committee that meets monthly to review accidents and injuries. The committee includes owners, supervisors, loss control and insurance personnel. Each department has a tailored safety plan that includes ongoing training and review of new equipment and procedures, OSHA required. Documented employee safety meetings are held daily, weekly, monthly and throughout the year with written agendas and handout materials in all departments.

CUSTOMER SERVICE CALL LOGS

All accidents and injuries are investigated in an interactive process with the employee to determine what factors caused the event. If it is determined that changes to equipment, procedures, or collection location could prevent a recurrence, corrective action is taken whenever possible. If refresher training is needed, it is addressed with the entire department. Any claim of damage is investigated immediately by supervisors and the safety administrator. If the Company is liable, restitution is made to the owner/customer by either repair at the Company's expense or payment to the owner/customer. Liable automobile damage is repaired by a reputable, local business and a rental is provided if needed, or payment is made if the owner/customer prefers.

In 2014, there was a 49% decrease in all reportable injuries and accidents from 2013 totals. Details are shown in Table 17 below.

Table 17: Injuries and Accidents 2013 compared to 2014

TITLE	DESCRIPTION	2014 TOTALS	2013 TOTALS
Preventable Damage Event	Property or vehicle damage determined the fault of MSS driver.	26	*82
Non-preventable Damage Event	Not due to driver negligence and not fault of any other party. Trees/wires snagged that are lower than allowed or damage that driver could not have avoided, malfunctioning gates closing on trucks, gate blowing shut, etc.	2	NA
Work comp injuries	Injuries on the job defined by OSHA as work related.	7	24
Other minor events that are not classified by above.	Minor injury not needing medical attention, very minor damages reported by drivers, etc.	0	48
GRAND TOTAL		35	72

**In 2013, preventable and non-preventable damage events were combined.*

CONTACT INFORMATION

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