

**MOJAVE DESERT AND MOUNTAIN RECYCLING
JOINT POWERS AUTHORITY**

REGULAR MEETING
THURSDAY, MAY 11, 2023
10:30 A.M.

Victorville City Hall
Training Room 1 - upstairs
14343 Civic Drive
Victorville, CA 92392

The meeting will be held in-person and online.

TELECONFERENCE NOTICE

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act and in accordance with the State of Emergency proclaimed by the United States Department of Health and Human Services on January 31, 2020, that allows attendance by members of the Board and the public to participate and conduct the meeting by teleconference.

NOTICE TO THE PUBLIC: To participate please sign in via the link below.

Join Zoom Meeting

<https://us02web.zoom.us/j/81996121755?pwd=ZWFWQTdBSjBkcGVJMzhwUUtlNnIWQT09>

***Directions for hyperlink – highlight line above and right click, select open hyperlink and it will take you directly to the meeting. If it requires the ID or Passcode, they are below.

Meeting ID: 819 9612 1755

Passcode: JPA

One tap mobile

+16699009128,,81996121755#,,,,*766470# US (San Jose)

Questions/Issues call (760) 955-5217.

CALL TO ORDER AND ROLL CALL

PLEDGE

1. Resolution 2023-02: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MOJAVE DESERT AND MOUNTAIN RECYCLING AUTHORITY CONFIRMING THE CONTINUING STATE OF EMERGENCY PROCLAIMED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES ON JANUARY 31, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF ITS BOARD OF DIRECTORS FOR MAY 11, 2023, PURSUANT TO BROWN ACT PROVISIONS

Recommendation: Adopt Resolution 2023-02.

CONSENT CALENDAR

2. Request to Approve the Consent Calendar as follows:

- A. Minutes of the Board Meeting held February 9, 2023.
- B. Warrant Ratification for February 1, 2023, to April 30, 2023.
- C. Treasurer’s Report.

Recommendation: Approve consent calendar.

PUBLIC HEARING ITEMS

None

DISCUSSION/ACTION ITEMS

3. Budget.

Recommendation: Approve 2023/2024 JPA Budget including \$40,000 from 2022/2023 marketing funds.

4. PERMA.

Recommendation: Background on Authority insurance coverages.

5. Curbside Contamination.

Recommendation: Update and discussion about the container minimization project.

6. Grants.

Recommendation: No Authority action is necessary at this time; however, a grant award could require concurrence by the North Desert Project Committee and the Authority.

7. History.

Recommendation: JPA background and history for information and discussion.

8. Legislation – Right to Repair.

Recommendation: Update on Right to Repair (SB 244).

9. Legislation – Containers.

Recommendation: Support AB 660, AB 1290, and SB 353.

10. Legislation – Producer Responsibility.

Recommendation: Board support AB 863, SB 560, and SB 707.

PUBLIC COMMENTS

11. Public comment on items of interest to the public.

BOARD MEMBERS COMMENTS

12. Comments by members of the Board of Directors.

DATE OF NEXT MEETING

THURSDAY, AUGUST 10, 2023

ADJOURNMENT

Change of date for the next meeting, from November 9th to November 16th.

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Resolution 2023-02: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MOJAVE DESERT AND MOUNTAIN RECYCLING AUTHORITY CONFIRMING THE CONTINUING STATE OF EMERGENCY PROCLAIMED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES ON JANUARY 31, 2020 AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF ITS BOARD OF DIRECTORS FOR MAY 11, 2023 PURSUANT TO BROWN ACT PROVISIONS

SUMMARY STATEMENT

AB 361 was adopted as an urgency statute allowing continued suspension of Brown Act teleconferencing requirements during a proclaimed state of emergency. The Governor's March 4, 2020 State of Emergency Declaration suspended requirements that each teleconference location be identified in the meeting notice and agenda, and be publicly accessible. That suspension expired on September 30, 2021.

Upon adoption of an appropriation resolution at the beginning of the meeting, the Authority may continue to teleconference without posting teleconference locations or guaranteeing public access to those locations during a declared state of emergency until January 1, 2024. Findings in the resolution include a finding that meeting in person would present an imminent risk to health and safety of attendees.

AB 361 also requires that the notice and agenda include public access and comment opportunities, including call-in or internet access; that the meeting be conducted so as to protect the public's statutory and constitutional rights; and that no action be taken during teleconferencing interruptions. Public access cannot be restricted by requiring advance written comments, but must allow real time and reasonable access.

Resolution 2023-02 addresses AB 361 provisions allowing continued teleconferencing during the proclaimed emergency.

RECOMMENDED ACTION

Adopt Resolution 2023-02.

PRESENTED BY	FISCAL IMPACT:	MEETING DATE	ITEM NUMBER
John Davis	Reduced Board mileage payments	May 11, 2023	1

RESOLUTION NO. 2023-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MOJAVE DESERT AND MOUNTAIN RECYCLING AUTHORITY CONFIRMING THE CONTINUING STATE OF EMERGENCY PROCLAIMED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES ON JANUARY 31, 2020 AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF ITS BOARD OF DIRECTORS FOR MAY 11, 2023 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Mojave Desert and Mountain Recycling Authority (the "Authority") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the Authority's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Authority's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the Authority's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the Authority, specifically, as the federal state of emergency continues; and

WHEREAS, given the size of the Board meeting room, imposing social distancing measures could present an imminent risk to the health and safety of attendees and enforcement of such rules could deter participation in a Board meeting; and

WHEREAS, the Board of Directors does hereby find that the combination of the emergency order and social distancing concerns has caused, and will continue to cause,

conditions of peril to the safety of persons within the Authority that are likely to be beyond the control of services, personnel, equipment, and facilities of the Authority, and desires to rely upon those orders to allow remote attendance at meetings subject to the requirements of the Brown Act; and

WHEREAS, the Board of Directors does hereby find that, commencing with the May 11, 2023 meeting, it is justified in conducting its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Authority has and will continue to comply with all other applicable health and safety orders.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MOJAVE DESERT AND MOUNTAIN RECYCLING AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Confirmation of Emergency. The Board hereby proclaims that the state of emergency continues throughout the Authority, and meeting in person would be difficult due to the size of the Board meeting room and therefore present imminent risk to those in attendance.

Section 3. Remote Teleconference Meetings. The Administrator and staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act. This Resolution applies to all Authority legislative bodies.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective May 11, 2023 and thereafter until such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which all Authority bodies subject to the Brown Act may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Mojave Desert and Mountain Recycling Authority this 11th day of May, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Debra Jones, Chair

Attest:

Cambria Carroll
Board Secretary

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Consent Calendar

SUMMARY STATEMENT

Request to Approve the Consent Calendar as follows:

- A. Minutes of Board Meeting held February 9, 2023.
- B. Warrant Ratification for February 1, 2023, to April 30, 2023.
- C. Treasurer's Report.

RECOMMENDED ACTION

Approve consent calendar

PRESENTED BY		MEETING DATE	ITEM NUMBER
Cambria Carroll		May 11, 2023	2

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Board Meeting Minutes

SUMMARY STATEMENT

Attached is a report of the Board Meeting minutes from the February 9, 2023, meeting.

Staff remains available for any questions or comments you may have.

RECOMMENDED ACTION

Approve as part of the consent calendar.

PRESENTED BY

Cambria Carroll

MEETING DATE

May 11, 2023

ITEM NUMBER

2A

MINUTES

MOJAVE DESERT AND MOUNTAIN RECYCLING JPA BOARD MEETING

10:00 A.M., THURSDAY, FEBRUARY 9, 2023
VICTOR VALLEY MATERIALS RECOVERY FACILITY (VIRTUAL MEETING) AND IN
PERSON AT VICTORVILLE'S CITY HALL, TRAINING ROOM 1

JPA Board Members Present: Joy Jeannette (Adelanto), Larry Cusack (Apple Valley), Kendi Segovia (Big Bear), Debra Jones (Victorville), Jeff Drozd (Yucca Valley), CJ Porter (1st District), McArthur Wright (29 Palms), Marilyn Kruse (Barstow)

Others Present: John Davis (Administrator), Cambria Carroll (Secretary), Gordon Gregory (Victorville), Dana Armstrong (Victorville), Julie Ryan (Apple Valley), Jess Reed (Barstow), Guy Eisenbrey (Apple Valley), Frank Forbes, Richard Crockett (Burrtec), Sydnie Harris (Apple Valley), Tina Nazarian (FIND), Katya Meyer (Big Bear Lake), Sharon Mitchell (San Bernardino County), 1st Mitchell (San Bernardino County), 2nd Mitchell (San Bernardino County), David Alaniz (San Bernardino County EHS), Adela Evans (San Bernardino County EHS), Tia Simen (San Bernardino County EHS), Kirk Kunihiro (ReCREATE)

Roll call was conducted. Chair, Debra Jones, called the meeting to order at 10:00 A.M.

Board Administrator John Davis led the pledge of allegiance.

1. **Resolution 2023-01.** Board Chair Debra Jones asked for clarification on the timeline for the date compliance concerning remotely held meetings. Board Administrator John Davis provided additional information that the federal state of emergency currently has an expiration of May 11, 2023 but that additional information would be provided during item 7. Resolution 2023-01 was approved on a roll call vote following a motion from Board Member Joy Jeannette and a second from Board Member Marilyn Kruse. This item was approved via roll call vote by all attending Board Members present.
2. **Consent Calendar.** The Consent Calendar was approved on a roll call vote following a motion from Board Member Joy Jeannette and a second from Board Member Kendi Segovia.
3. **MOU.** Board Administrator John Davis clarified that there is some duplication with San Bernardino County's Environmental Health Services Department with compliance and record keeping also taking place at the specific locales within the JPA. Adela Evans added that there was currently not a monetary component to the MOU being presented but added that the County wanted to add the SB1383

component to the food inspections that are currently being handled by the County. Tia Simen added that the supplementation of services provided by the county would be performed during the scheduled food handling inspections, not as an additional inspection. Dana Armstrong asked how the fees currently work for existing inspections and if the associated costs were expected to be placed on the inspected entity. Board Chair Debra Jones thanked Dana Armstrong for her contribution and clarified that due to Brown Act regulations, questions from non-Board members were not permitted to be asked in this meeting. Instruction was given to the Authority Administrator to coordinate edible food recovery work with County Environmental Health Services, food recovery organizations, and member agencies following a motion from Board Member Joy Jeannette and a second from Board Member Kendi Segovia. This item was approved via roll call vote by all attending Board Members present.

4. **Contamination.** An update was provided by Kirk Kunihiro of ReCREATE with the contamination monitoring performed to date with specific examples given for Barstow, Apple Valley, and Victorville. Board Member Jeff Drozd asked what the instruction was for residents needing to dispose of animal manure and how it would work. Board Administrator John Davis clarified that animal manure is compostable and this example should be clarified prior to launch in Yucca Valley. Board Member Marilyn Kruse asked for clarification on how to dispose of an unopened bag of spoiled produce and Kirk provided the clarification that the direction currently being given is requesting residents to de-package spoil items and consolidate to avoid the usage of unacceptable bags. Board Member Marilyn Kruse thanked Kirk for the clarification and added that in Barstow, animal manure was going into the trash but that she would ask Burrtec for clarification. Board Member Joy Jeannette thanked Kirk for the presentation given.
5. **Brown Act.** Board Administrator John Davis explained that the hybrid format used for this meeting was still allowable under the Federal proclaimed emergency that was renewed until May 11, 2023. AB 2449 was enacted by the Legislature to provide direction on the expectations of entities seeking to continue remote location attendance at meetings. Board Member CJ Porter asked for clarification on whether the Board would need to adopt an item to decide if compliance with AB 2449 was the intended direction of the Board and John Davis confirmed that yes, it would be needed to be stated and he would consult with the Board's counsel to clarify any additionally needed requirements for adhering to AB 2449. Board Chair Debra Jones added that for Victorville's City Council, due to requirements specified in AB 2449, Victorville's City Council was against the adoption of this new option for remote attendance. John Davis added that when attendance was only permitted via in-person attendance in accordance with the Brown Act, Board participation was low; that full Board attendance was difficult due to lengthy commutes required from other JPA entities. Board Member Marilyn Kruse added that although she had attended her first meeting in person, she was not able to continue this in-person attendance and she preferred the hybrid format. John Davis proposed changing the May 11th meeting to be May 4th to assure federal timeline compliance. Board Chair Debra Jones clarified that she would be unable to attend due to an existing commitment made with a Standing Advisory Group meeting. John Davis confirmed the meeting date remaining the same, May 11, 2023, and

added that prior to the meeting, the coordination of Board member attendance meeting remotely would be reviewed with each participating agency to assure compliance. Board direction was given to continue hybrid in-person meetings until an expiration of both State and Federal emergency Brown Act provisions.

6. **PERMA.** Board Administrator John Davis provided an update on the requirements of the current liability insurance requirements for coverage. Direction was given to modify the Authority's policy by accounting for PERMA retention and trust account obligations as separate allocations not subject to the existing 20% reserve balance following a motion from Board Member CJ Porter and a second from Board Member Marilyn Kruse. This item was approved via roll call vote by all attending Board Members present.
7. **1383 Compliance:** Board Administrator John Davis provided an update on SB 1383 compliance with a copy of the letter sent out by CalRecycle's Executive Director to all local governments acknowledging the progress with residential and commercial rollouts of organics collection.
8. **Legislation:** Board Administrator John Davis provided the Board with an update concerning previously supported legislation AB 244, the Right to Repair Act, with its progress nationwide. The Board agreed that support of this legislation would continue as it is re-introduced again.
9. **Public Comment on items of interest to the public:** None
10. **Board Comments:** Board Member Marilyn Kruse thanked the Board for the great presentations given throughout the meeting. Board Chair announced the arrival of the newest Board member, Kendi Segovia from Big Bear, and welcomed her to the Board. Board Member Kendi Segovia thanked Board Chair Debra Jones for the introductions and welcome.

Board Chair Debra Jones confirmed the date of the next meeting for May 11, 2023, with the confirmation that the hybrid in-person meeting would continue for the next meeting. The meeting was adjourned at 11:08 AM.

Debra Jones
Chair

Cambria Carroll
Secretary

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Commercial Warrants Schedule

SUMMARY STATEMENT

Commercial warrants were issued from February 1, 2023, through April 30, 2023, in the amount of \$666,738.06 net of voids covering issued warrant numbers 2557 to 2590.

The claims and/or demands covered by the attached list of warrants were audited as to the accuracy and availability of funds for payment thereof and said claims and/or demands are accurate, and the funds were available for payment thereof.

RECOMMENDED ACTION

Receive, ratify, and file the commercial warrants as presented.

PRESENTED BY		MEETING DATE	ITEM NUMBER
Sydney Harris		May 11, 2023	2B

MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JPA
Warrant Listing: February 1, 2023 - April 30, 2023

Check #	Check Date	Payee	Description	Check Amount
2557	2/6/2023	BURRTEC	NOVEMBER MRF ACTIVITY	200,452.56
2558	2/6/2023	Erin Duckhorn	Marketing Services JANUARY 2023, Inv 5020123	2,785.75
2559	2/6/2023	Find Food Bank	2023 JANUARY sb 1383 tier 1 inv 369962	1,250.00
2560	2/6/2023	National Stewardship Action Council	DONATION FY23-136-AD	350.00
2561	2/6/2023	Mobius Intelligent Systems, LLC	NOVEMBER 2022 TO JANUARY 2023 INVOICES	5,202.07
2562	2/6/2023	John Davis	JPA & MRF Admin Services Jan 2023	11,975.27
2563	2/23/2023	High Desert Second Chance	Edible Food Recovery Program January Inv #0038	2,500.00
2564	2/23/2023	Town of Apple Valley	July-December Rent Distribution	24,703.60
2565	2/23/2023	Victorville	July-December Rent Distribution	24,703.60
2566	2/23/2023	Cole Huber LLP Attorneys	January Services 41903	137.50
2567	2/23/2023	Recreate Waste Collaborative LLC	VV Lid Flaps 1071	3,005.80
2568	2/23/2023	CPSC (California Product Stewardship Council)	November- December SERVICES INV 030	6,583.23
2569	2/23/2023	BURRTEC	December MRF ACTIVITY	135,911.80
2570	2/23/2023	FIND Food Bank	2023 February sb 1383 tier 1 inv 40112	1,250.00
2571	3/6/2023	Erin Duckhorn	Marketing Services FEBRUARY 2023, Inv 5030123	2,785.75
2572	3/6/2023	John Davis	JPA & MRF Admin Services Feb 2023	11,989.87
2573	3/23/2023	BURRTEC	Janaury MRF ACTIVITY	173,824.28
2574	3/23/2023	High Desert Second Chance	Edible Food Recovery Program February Inv #0039	2,500.00
2575	3/23/2023	Mobius Intelligent Systems, LLC	February 2023 1014	1,372.93
2576	3/23/2023	Jeff Drozd	JPA Bd Meeting March 2023	75.00
2577	3/23/2023	Debra Jones	JPA Bd Meeting March 2023	75.00
2578	3/23/2023	Mcathur Wright	JPA Bd Meeting March 2023	75.00
2579	3/23/2023	Marilyn Kruse	JPA Bd Meeting March 2023	75.00
2580	3/23/2023	Larry Cusack	JPA Bd Meeting March 2023	75.00
2581	3/23/2023	Kendi Segovia	JPA Bd Meeting March 2023	75.00
2582	3/23/2023	Joy Jeannette	JPA Bd Meeting March 2023	75.00
2583	4/3/2023	John Davis	JPA & MRF Admin Services Mar 2023	11,872.50
2584	4/3/2023	CPSC (California Product Stewardship Council)	JANUARY- FEBRUARY SERVICES INV 031	2,683.90
2585	4/3/2023	Recreate Waste Collaborative LLC	NEEDLES Lid Flaps 1079	7,352.56
2586	4/3/2023	Cole Huber LLP Attorneys	February Services 42124	100.00
2587	4/10/2023	Town of Apple Valley	Jan-March '23 Rent Distribution	12,817.17
2588	4/10/2023	Victorville	Jan-March '23 Rent Distribution	12,817.17
2589	4/10/2023	Erin Duckhorn	Marketing Services March 2023, Inv 5040323	2,785.75
2590	4/10/2023	High Desert Second Chance	Edible Food Recovery Program March Inv #0040	2,500.00
Total				666,738.06

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Treasurer's Report

SUMMARY STATEMENT

Attached is a report of Cash and Investments of the Authority as of March 31, 2023.

Staff remains available for any questions or comments you may have.

RECOMMENDED ACTION

Receive, ratify, and file the March 31, 2023, Treasurer's Report as presented.

PRESENTED BY

Sydney Harris

MEETING DATE

May 11, 2023

ITEM NUMBER

2C

MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JOINT POWERS AUTHORITY

Treasurer's Report

As of March 31, 2023

Institution/Investment Type	Carrying Amount	Market Value	Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts		
					Dec-22	Sep-22	Jun-22
Funds under control of the Authority:							
Checking Account:							
JPA Administration	147,268.62	147,268.62	(1) 0.30%	On Demand	169,338.87	236,299.65	183,400.13
JPA Organics	0.00	0.00	(1) 0.30%	On Demand	0.00	0.00	0.00
MRF Administration	66,119.48	66,119.48	(1) 0.30%	On Demand	67,984.48	71,467.58	68,161.58
MRF Operations	(146,714.33)	(146,714.33)	(1) 0.30%	On Demand	(68,212.04)	(2,280.27)	(47,764.03)
Total funds under control of Authority	66,673.77	66,673.77			169,111.31	305,486.96	203,797.68
							204,876.14
							0.00
							73,071.58
							17,592.86
							295,540.58

Source of Market Value Information:

(1) Desert Community Bank

I hereby certify that the investment activity for this reporting period conforms with the investment policy of the California Government Code Section 53601.
I also certify that there are adequate funds available to meet the budgeted and actual expenditures of the Mojave Desert & Mountain Integrated Waste Joint Powers Authority for the next six months.

Prepared by: Sara Ogunde


Sydnie Harris, Treasurer

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

2023/2024 Budget

SUMMARY STATEMENT

The 2023/2024 Recycling Authority Budget includes expense and revenue adjustments, as shown in the two attached worksheets.

- Two Board-adopted policies guided recent Authority budget preparation. Expense increases are held to 3%; and reserves are set at 20% of budgeted annual expenses using the latest audited year end fund balance. However the Board modified the reserve policy at its February 2023 meeting by excluding new insurance retention requirements, beginning with \$5000 in 2023/2024. The 2023/2024 Budget recommendation includes a one-time exemption to the 3% expense limit, reflecting increased insurance premiums.
- JPA Administration includes general program costs shared by all members; MRF Administration costs are shared by the project's owners Apple Valley and Victorville.
- An two-year agreement with ReCREATE Waste Collaborate to provide container contamination services was approved at the August 2022 Board meeting. Only half of the work was completed, due to delays in organics cart roll-out proceed, leaving \$40,000 in the 2022/2023 budget that should be sequestered for expenditure in 2023/2024.

Expenses

The total combined Budget expenses are proposed as \$476,747, increasing \$88,397 from 2022/2023. This year's budget includes JPA Administration expenditures of \$431,147, increasing \$84,247 over the prior year. MRF Administration is increased \$4,150 to \$45,600.

The JPA Administration budget includes \$40,000 in marketing expenses to complete curbside cart contamination work carried over from 2022/2023, along with \$80,000 to complete the two year project in 2023/2024. Insurance premiums are expected to increase another \$7,430 for the new year, capping an 86% two-year increase. The insurance costs remain estimates. A one-time \$18,000 marketing increase is recommended to offset the lost program revenue resulting from the insurance increases. This results in an 8% budget increase, exceeding the Board's 3% policy. Contract services cost of living adjustments account for the remaining increases, although professional services was increased to include Find Food Bank's agreement with an offsetting reduction in marketing. MRF insurance and contract services increases also are included.

By using contractors instead of staff, the JPA is able to anticipate and respond to changing dynamics and circumstances, shifting budget resources rather than increasing expenditures. Current emphasis on social media public outreach and edible food recovery are expected to continue, with SB 1383 support efforts continuing for more projects going forward. The curbside container project is facilitating organics and recycling behavior in advance of the state's monitor requirements beginning 2024.

Revenues

JPA program costs are shared 1/3 equally among the members; and 2/3 based on population using May 2023 California Department of Finance figures (excluding military facilities). The Authority population declined by 4,669 with Adelanto and Victorville showing the only increases.

JPA 2023/2024 member contributions (net of fund balance adjustments) total \$349,841 for JPA Administration and \$28,807 for MRF Administration. The JPA Administration excess fund balance is \$38,306 adjusted for insurance retention and sequestered curbside project funds. MRF Administration excess was \$16,794. Total JPA Administration revenue change is \$10,053, a 2% increase that is within Board guidelines. Apple Valley and Victorville share the MRF increase.

RECOMMENDED ACTION

Approve 2023/2024 JPA Budget including \$40,000 from 2022/2023 marketing funds.

PRESENTED BY	FISCAL IMPACT:	MEETING DATE	ITEM NUMBER
John Davis	\$476,747 budget	May 11, 2023	3

MOJAVE DESERT & MOUNTAIN RECYCLING AUTHORITY

BUDGET FY 2023-24 PRELIMINARY

FY 2022-23 through January 2023

Proposed 2023-24

ESTIMATED REVENUES

Admin Fund 8510

	2022-23 Budget	Received	% Received	Proposed 2023-24	Change
Member Contributions	\$ 320,340	\$ 226,386	71%	\$ 349,841	\$ 29,501
Interest Earnings	\$ 500	\$ 751	150%	\$ 500	\$ -
Carry Forward				\$ 40,000	
Grants	\$ 2,500	\$ 15,332	613%	\$ 2,500	\$ -
Other (Fund Balance)	\$ 23,560	\$23,560	100%	\$ 38,306	\$ 14,746
Admin Total	\$ 346,900	\$ 266,029	77%	\$ 431,147	\$ 84,247

MRF Admin - Fund 8512

Member Contributions	\$ 40,787	\$ 30,588	75%	\$ 28,807	\$ (11,980)
Other (Fund Balance)	\$ 663	\$663	100%	\$ 16,794	\$ 16,131
MRF Admin Total	\$ 41,450	\$ 31,251	75%	\$ 45,600	\$ 4,150

Combined Revenue Total

\$ 388,350	\$ 297,280	77%	\$ 476,747	\$ 88,397
-------------------	-------------------	------------	-------------------	------------------

PROPOSED EXPENDITURES

Admin Fund 8510

	2022-23 Budget	Exp. & Encumbered January 2023	% Exp. & Encumber	Proposed 2023-24	Change
7205 Marketing	\$ 70,000	\$ 58,280	83%	\$ 125,000	\$ 55,000
7208 Board Expenses	\$ 4,000	\$ 1,057	26%	\$ 4,000	\$ -
7229 Training	\$ 10,000	\$ 10,234	102%	\$ 10,000	\$ -
7235 Insurance	\$ 29,050	\$ 28,771	99%	\$ 36,480	\$ 7,430
7241 Meetings and Conferences	\$ 4,500	\$ 2,343	52%	\$ 2,500	\$ (2,000)
7247 Memberships and Dues	\$ 2,500	\$ 6,150	246%	\$ 2,500	\$ -
7373 Sponsorships	\$ 15,000	\$ 8,000	53%	\$ 15,000	\$ -
8916 Audit	\$ 5,500	\$ 100	2%	\$ 5,500	\$ -
8940 Contract Services	\$ 184,350	\$ 87,795	48%	\$ 208,167	\$ 23,817
8972 Legal	\$ 1,000	\$ -	0%	\$ 1,000	\$ -
8982 General & Administrative	\$ 21,000	\$ 18,553	88%	\$ 21,000	\$ -
Admin Total	\$ 346,900	\$ 221,283	64%	\$ 431,147	\$ 84,247

MRF Admin - Fund 8512

7235 Insurance	\$ 6,000	\$ 7,457	124%	\$ 9,120	\$ 3,120
8916 Audit	\$ 2,500	\$ 45	2%	\$ 2,500	\$ -
8940 Contract Services	\$27,850	\$ 13,926	50%	\$28,880	\$ 1,030
8972 Legal	\$ 100	\$ -		\$ 100	\$ -
8982 General & Administrative	\$ 5,000	\$ 4,312	86%	\$ 5,000	\$ -
MRF Admin Total	\$ 41,450	\$ 25,740	62%	\$ 45,600	\$ 4,150

Combined Expenditure Total

\$ 388,350	\$ 247,023	64%	\$ 476,747	\$ 88,397
-------------------	-------------------	------------	-------------------	------------------

Revenue over (Under) Exp.

\$ -	\$ 50,257	\$ -
-------------	------------------	-------------

2023-24 JPA Admin

Member Contributions	\$	349,841												
									Change as % of					
	Per Jurisdiction	Population	Per Capita	Total JPA		2022-23 Rev	Change	Total	Quarterly					
Adelanto	\$	12,957	36,656	\$	21,461	\$	34,418	\$	31,130	\$	3,288	10%	\$	8,605
Apple Valley	\$	12,957	74,996	\$	43,908	\$	56,865	\$	51,939	\$	4,926	9%	\$	14,216
Barstow	\$	12,957	24,918	\$	14,589	\$	27,546	\$	25,219	\$	2,327	8%	\$	6,886
Big Bear Lake	\$	12,957	4,914	\$	2,877	\$	15,834	\$	14,536	\$	1,298	8%	\$	3,959
Needles	\$	12,957	4,756	\$	2,785	\$	15,742	\$	14,448	\$	1,293	8%	\$	3,935
San Bernardino Co.	\$	12,957	79,029	\$	46,269	\$	59,226	\$	55,486	\$	3,740	6%	\$	14,807
Twentynine Palms	\$	12,957	14,261	\$	8,349	\$	21,306	\$	19,933	\$	1,374	6%	\$	5,327
Victorville	\$	12,957	137,193	\$	80,323	\$	93,280	\$	84,227	\$	9,053	10%	\$	23,320
Yucca Valley	\$	12,957	21,635	\$	12,667	\$	25,624	\$	23,423	\$	2,201	9%	\$	6,406
Sub total	\$	116,614	398,358	\$	233,228	\$	349,841	\$	320,340	\$	29,501	8%	\$	87,460

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Public Entity Risk Management Authority (PERMA) Liability and Cyber Security

SUMMARY STATEMENT

The Recycling Authority receives general liability and cyber security insurance through the Public Entity Risk Management Authority (PERMA), which provides pooled coverage and risk management services to its members. As noted in the budget recommendation the Authority's insurance costs have increased 86% in two years, now comprising over 10% of the budget. PERMA provided communications from PRISM, its excess coverage pool, about the general liability and cyber security markets. The PRISM documents are attached.

Liability insurance increased substantially two years ago, reflecting market conditions that saw continuing increases in claims frequency, claims value, and loss size. PERMA adopted new requirements for retention and loss reserve trust accounts. The Authority Board determined to fund those requirements as reserve set-a-sides. PERMA also revised its loss experience modification, and the Authority's loss experience factor fell by 20% as a result. However premiums show in a net increase of \$2,443 this year.

Cyber security coverage increased substantially this year, nearly doubling from \$9,262 to \$18,080. PERMA's risk management service explains:

Public entities continue to be a large and frequent target for hackers for several reasons: 1) IT infrastructure and training budgets for public entities are still generally smaller than their commercial counterparts; and 2) Public entities are seen as a vulnerable target due to the necessary services provided to the general public.

The Recycling Authority has very limited cyber exposure as we do not collect personal or financial information, operate no employee computer network and consequently are not vulnerable to ransomware attacks. The Authority's website security is provided by Mobius Intelligent System, which maintains insurance coverage. The Administrator will continue working with PERMA and Mobius to assess the Authority's cyber security coverage scale, including whether the risk justifies continued coverage.

RECOMMENDED ACTION

Background on Authority insurance coverages.

PRESENTED BY

John Davis

FISCAL IMPACT

\$46,800 total
premiums

MEETING DATE

May 11, 2023

ITEM NUMBER

4



February 15, 2023

To: PRISM Cyber Program Members

From: Gina Dean, CEO

Re: Stakeholder Message PRISM Cyber Program Members

Better Together - It's still a good time to be in a JPA!

The cyber insurance industry is in a mixed market cycle, which is impacting every cyber insurance carrier and insured across all sectors. The market is mixed because it is neither fully in a hard market or soft market cycle, as is commonplace for insurance. It's in a cycle where poor risks, whether it is security controls or losses or a combination of both, are experiencing a continuation of the hard market. Good and best in class risks are seeing a more favorable marketplace where coverage may be expanded and premiums and rates may experience flat renewals or lower increases. For risks that have the security controls in place and good loss history, the hard market cycle seems to be tempering. For risks that have poor security controls and/or unfavorable loss history, the hard market cycle is continuing. As PRISM members begin their budgeting process, I want to take this opportunity to provide some background information on the state of the market and the status of the PRISM Cyber Program.

Background

The cyber insurance market has shifted considerably in the last 24 - 36 months and is presumed to continue to be volatile for the foreseeable future. The top 10 carriers, who control an estimated 65%-75% of the U.S. standalone insurance market, have been overwhelmed with cyber incident claims, and have found a temporary normal to operate in, which includes more rate and tighter scrutiny on security controls of their insureds. Ransomware, social engineering/business email compromise, attacks on organizations with systemic reach and other attacks have left no class of business immune to the attacks.

The large increase in the severity of claims has been driven by many factors, including our continued dependence on technology and digitization, globalization, the size of the ransoms being demanded and paid, as well as business interruption and system rebuilding costs. The norm three to four years ago was for ransoms to be tens to hundreds of thousands of dollars. In the past six months, however we have seen the demand for public entity ransom payments reach over \$10M.

Public entities continue to be a large and frequent target for hackers for several reasons: 1) IT infrastructure and training budgets for public entities are still generally smaller than their commercial counterparts; and 2) Public entities are seen as a vulnerable target due to the necessary services provided to the general public.

Because of the increase in frequency and severity of claims, cyber insurers are requesting more underwriting information, requiring more senior level oversight, increasing premiums dramatically, and reducing capacity/appetite in all sectors, most notably for large public entities.



California Association of
Joint Powers Authorities
Accredited with Excellence
1989 - 2025

A Public Agency

75 Iron Point Circle, Suite 200 - Folsom, CA 95630

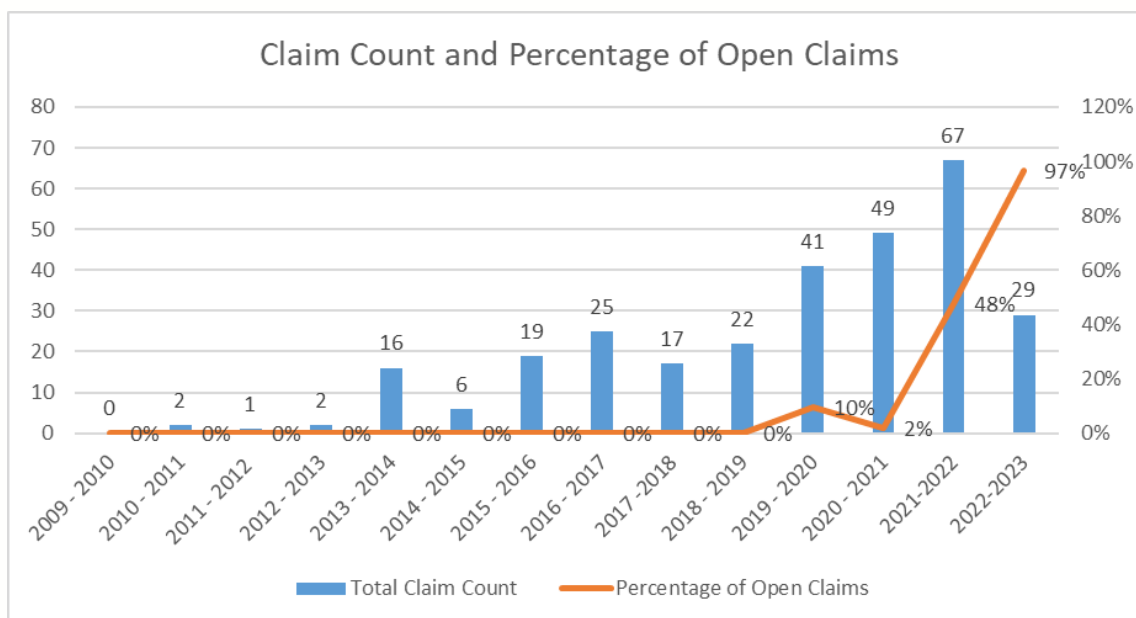
916.850.7300

prismrisk.gov

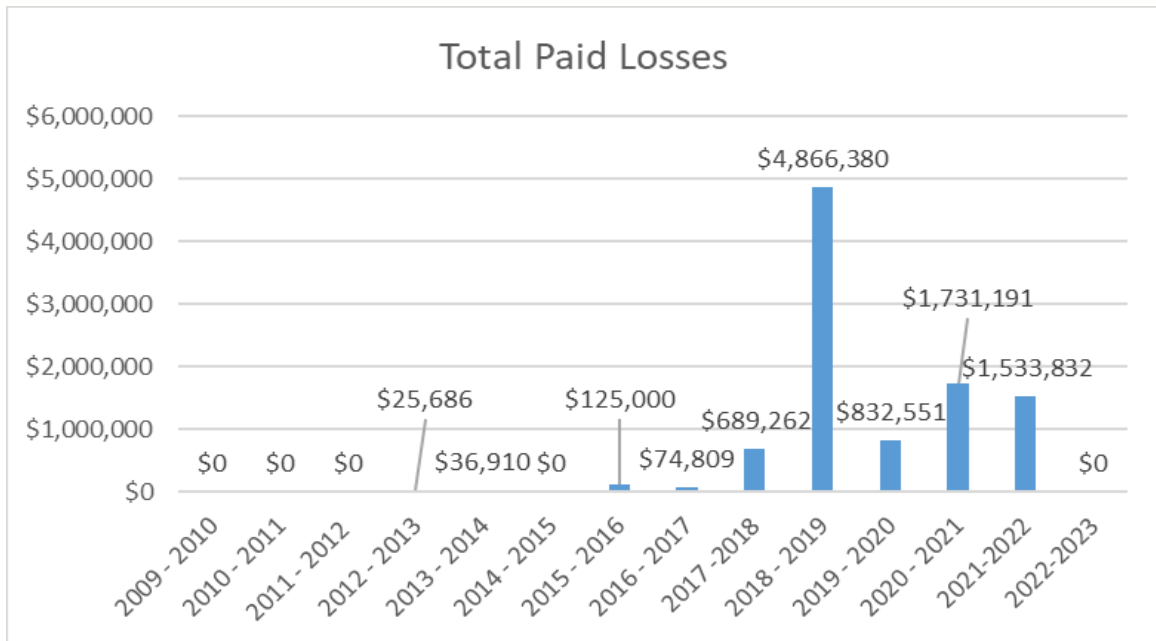
In 2023, however we are seeing more capacity come into the marketplace in terms of private equity, public company raising of capital, new insurance linked securities in Bermuda, and other capital infusions. This is contributing to a slight easing on premium increases for good risks and an increased appetite to write public entities. Alliant has provided our submission to Beazley, our incumbent provider, and will also be marketing our program to multiple insurers for the renewal of the PRISM Cyber Program. We expect the sentiment towards the public entity sector in the cyber insurance marketplace to be more favorable than it has in the past two years, for good risks. If this is the case, it may translate into more favorable or stable coverage, either in the form of sub-limits, increased limits, stable retentions, and/or less volatility in premium changes.

As all of the aforementioned affects the insurance industry, they also affect PRISM. We continue to experience both frequency and severity of claims in the program. The following two graphs depict the frequency and severity of claims by PRISM members over the last 14 years.

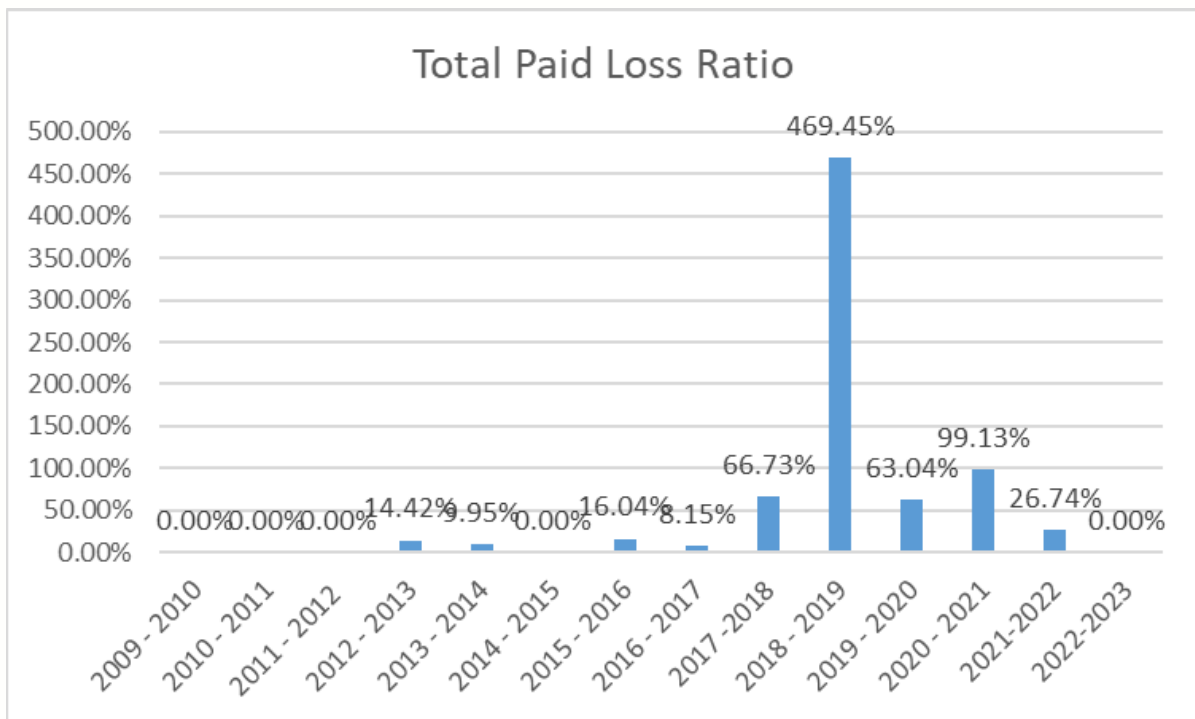
The first graph highlights the fact that until four years ago, the frequency of cyber claims is what you would expect as a “normal” trend; however, the significant increase in frequency since 2019, was certainly unforeseen by the industry.



The second graph highlights the uptick in severity over the past six years. It also shows how volatile losses in cyber insurance can be, and that any year can have losses which are multiple times larger than any historical losses seen by the Program.



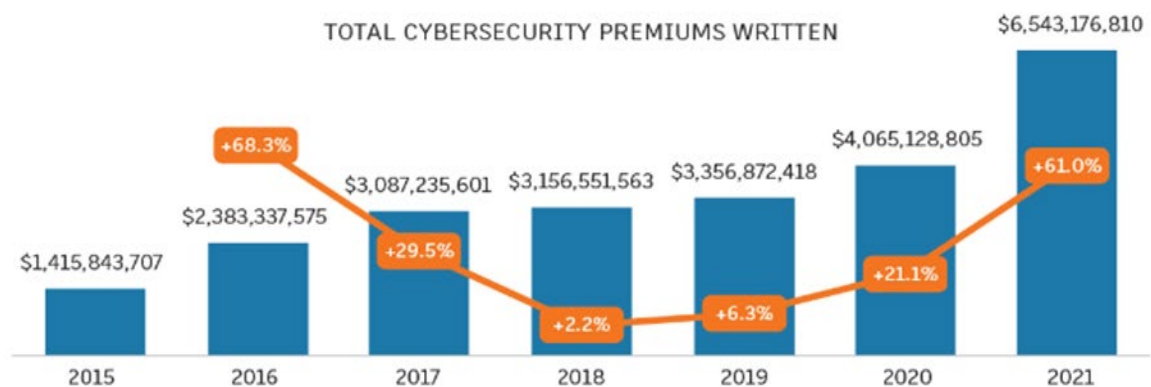
In addition to the increases in claims frequency and severity, the following graph highlights the increase in the paid and projected loss ratios of claims in the PRISM Cyber Program over the last 14 years. Again, the graph highlights the uptick in loss ratios, which changed significantly starting five years ago, with 2021 and 2022 too early to determine where loss ratios may end up.



The following two graphs depict the written premium, demand and claims in the general U.S. cyber insurance marketplace. The graphs are from the National Association of Insurance Commissioners and the Council of Insurance Agents and Brokers, which exhibit many industry trends including the rise of premium, demand and claims. An item of note is the insurance company repositioning, meaning there was a lot of reshuffling in their portfolios to understand the risk they have on hand and how they will move forward.

CYBER INSURANCE MARKET*

The total U.S. market for cybersecurity insurance increased 61.0% to \$6.5 billion in 2021 from \$4.1 billion in 2020.



*U.S. domiciled insurers and alien surplus lines insurers

LARGEST CYBER INSURERS

The top 10 U.S. groups wrote 57.4% of the cyber insurance, totaling \$2.8 billion in 2021.

2021 rank	2020 rank	Company	Direct written premium	Market share
1	1	Chubb Ltd.	\$473,073,308	9.8%
2	8	Fairfax Financial Holdings Ltd.	\$436,447,801	9.0%
3	2	Axa Insurance Group	\$421,013,729	8.7%
4	11	Tokio Marine Holdings Inc.	\$249,785,218	5.2%
5	3	American International Group Inc.	\$240,613,748	5.0%
6	NR	Travelers Cos. Inc.	\$232,276,831	4.8%
7	5	Beazley Insurance Co. Inc	\$200,877,555	4.2%
8	7	CNA Financial Corp.	\$181,382,785	3.8%
9	NR	Arch Capital Group Ltd.	\$171,944,995	3.6%
10	6	Axis Capital Holdings Ltd.	\$159,059,212	3.3%

Source: National Association of Insurance Commissioners

Safety in Numbers

Thankfully for members of the PRISM Cyber Program, our size offers economies of scale that could not be realized without being in a pool. In the hard market we were able to leverage our volume to benefit all Program members and we continue to use this leverage in the mixed market. The amount of increase for individual members is dependent upon your entity's claims experience and size. If you are one of the lucky ones who have not yet experienced this new reality in claim trends, you may expect to see increases, but to a lesser degree. The PRISM Committees and Board of Directors have dedicated time and resources to ensure premiums are equitable amongst the members, based on an allocation that takes into consideration each individual member's potential exposure *and* claims experience.

The Big Picture

If we have learned from history, we know that joint powers authorities (pooling) have been the answer to turbulent markets. By staying the course, we have weathered the hard market together, and we will continue to benefit from our economies of scale and our sharing of best practices to help manage risk and hard markets.

While PRISM's premiums may increase for 2023/2024 policy year, the premiums have still been less costly than an entity would be faced with outside of the pool. We will continue to navigate, test and push the markets to maintain the benefits the members have seen in the PRISM Cyber Program.

Member's Response

In October, 2022 the PRISM Executive Committee approved a policy directing members of the Cyber Program to participate in a Cyber Security Health Check once every three years. This was done in an effort to help members manage cyber risk and be aware of best practices in this very specific area of risk management. The cost of this service is covered by the PRISM Cyber Program.

PRISM has contracted with its longstanding business partner Synoptek, to assist in the implementation of this initiative. The Health Check process is facilitated by cyber security experts from Synoptek and consists of the following:

1. A one-hour interview (teleconference) with a Synoptek representative to gain an understanding of the organization's current cyber security controls
2. A subsequent one-hour overview (teleconference) with a Synoptek representative to review findings and recommendations for program maturity
3. A comprehensive written report with findings and recommendations

To help get the most from this service, it is critical that a representative with a working knowledge of cyber security controls participate in this process. PRISM will begin working with Synoptek and members to begin scheduling these assessments shortly.

Additionally, there are several other actions that should be taken during these continued, turbulent times:

1. Communicate the state of the market to all of your stakeholders, so there is an understanding that this is industry-wide.
2. The severity of claims is on the rise. Please consider ongoing cyber security training for staff, as well as strengthening your cyber security practices and systems. PRISM has partnered with Knowbe4 to deliver an engaging cyber security training program at exclusive discounted rates.
3. Anticipate an increase in your own SIR funding.
4. Fill out an application on the Alliant Cyber Public Entity Application Portal.
5. Have an incident response plan in place, as well as a dedicated incident response colleague or team.
6. Work very closely with your insurance claims manager during a claim, and obtain agreements made during the process from the insurance carrier in writing.
7. Ensure you are working with the insurance company's paneled vendors, to maximize claim expertise, sublimits, and the depth/breadth of your coverage.
8. Continue to engage PRISM on risk assessments and stay up to date on other risk control tools/information available to the membership.

Finally, manage your individual risk by taking advantage of the best practices programs and service partner programs PRISM offers.

As always, if you have questions or need additional information to better understand the current environment or to communicate to your internal management and governing officials, please let us know.



February 16, 2023

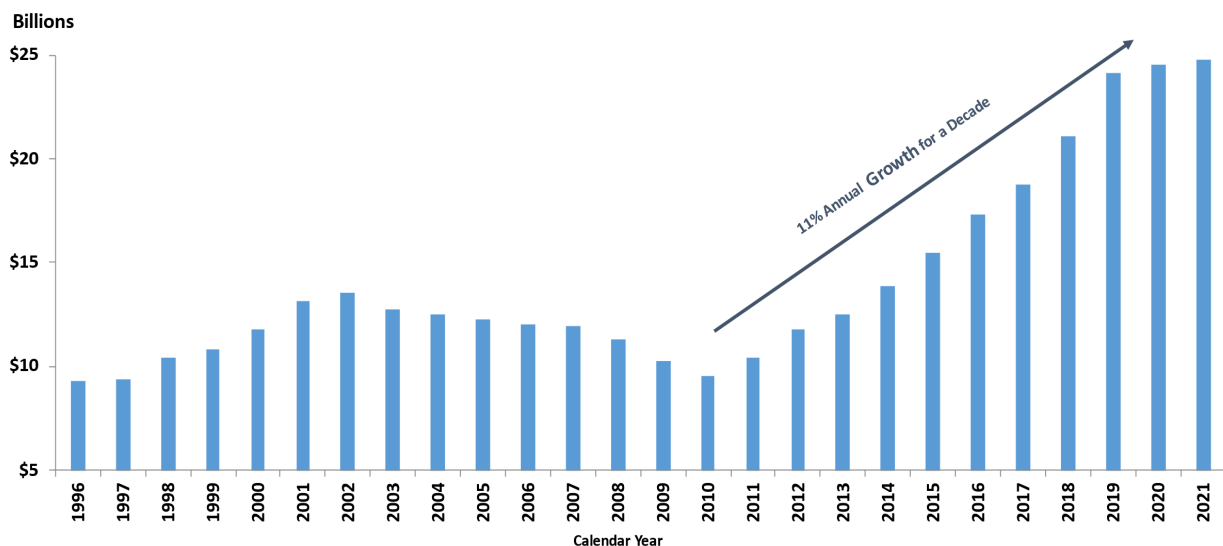
To: General Liability Program 1 (GL1) Members

From: Gina Dean, CEO

Re: GL1 Program Stakeholder Communication – Navigating the New Normal

The increase in the number and size of large liability claims continues to create very difficult market conditions. To some extent this is “the same old story” that we have been communicating over the last several years. The difference perhaps, being an increased recognition that the clear uptick in losses (as illustrated in the graphic below) we’ve experienced across the industry, and across the PRISM GL programs, are not an extended anomaly or a string of bad luck, but rather the new normal. The factors that continue to fuel the increased claims costs are varied and many, but they all result in more and larger claims...frequency of severity. This is a wide-spread issue that particularly impacts public entities, and our members have contributed our fair share of large losses. However, the members are certainly better off together than they would be as individual placements out in the market, and PRISM remains the best solution in navigating this new normal.

Upward Trend in Liability Claims



Now more than ever it is critical that we maximize our collective strength to address these pressing and increasingly costly issues. It is imperative that we continue to take action to prevent, control and mitigate losses. Lastly, it is important that we all understand the trends and issues that we are faced with so that we can effectively communicate them to our various constituents along with a clear picture of what we are doing together to address them. The attached document is the first step in that effort. It will:

- Further explore the factors driving the losses and the hard market,
- Discuss the risk control resources that PRISM brings to address the loss exposures,
- Describe why being a member of the Program continues to provide value to the members,
- Advise on what you the member can do to mitigate increases,
- Address how the allocation formulas ensure equity among those who have experienced losses and those who haven't yet, and
- Provide talking points intended to help you communicate the message to your management and governing bodies.

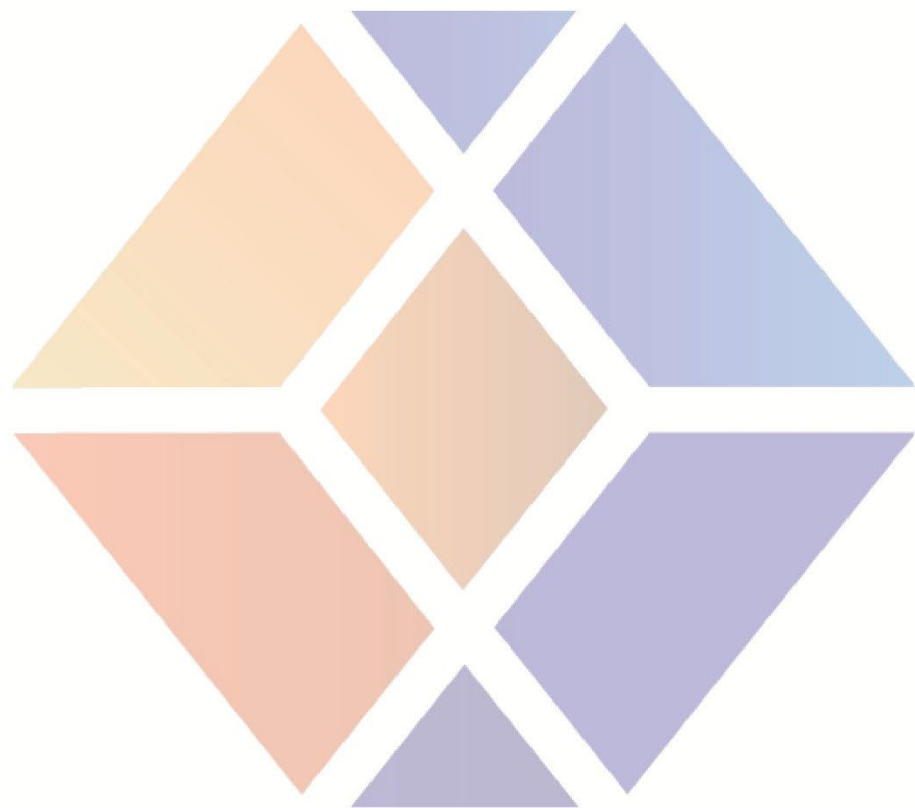
To help you fully digest this information we plan to hold several Zoom meetings over the coming weeks where we will discuss the above in greater detail and answer any questions the members may have in reviewing these materials. We are prepared to also have individual calls/meetings with members who may want assistance in preparing communications to their stakeholders. In the meantime, myself and the rest of the PRISM and Alliant staff stand ready to answer questions and assist any way that we are able.

As noted above, the collective financial strength, expertise and resources continue to make PRISM the best solution even, and perhaps especially, through these hard market conditions.

Please don't hesitate to reach out to us for assistance.

Sincerely,

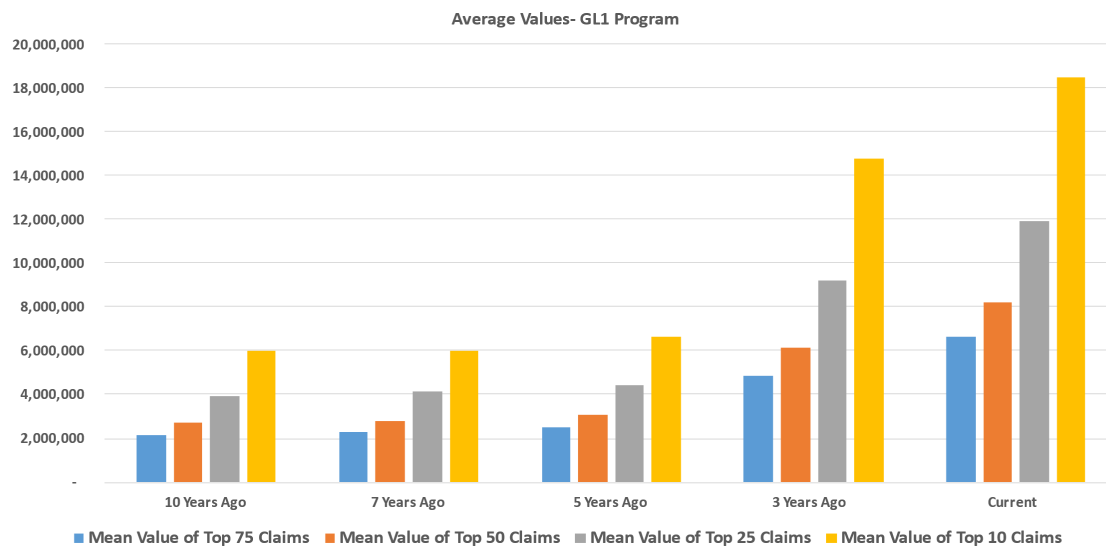
Gina Dean



2023 Liability Insurance Market Update

The hard general liability market that we have experienced in recent years will continue for 2023. The increase in the number and size of extremely large losses over the last 6-8 years are the main contributor. The prolonged soft market that we enjoyed during the 15-20 years prior to the market starting to harden in the late 2010's contributed to the problem. Relatively good loss experience over that time drove competition way up and pricing down to a point that wasn't sustainable, especially once the loss experience changed. And change it did. Starting around 2013-2014, the size of loss outcomes got significantly bigger. Claims that previously had resolved in the \$5M-\$10M range started costing public entities and their insurers \$20M-\$30M and higher. This turned out to be an industry-wide trend, but certainly seemed to have its origins in California, and tracks with PRISM's experience as well. The graph below illustrates the change in the average loss amount for the larger losses in the GL1 Program's loss portfolio.

Mean Value Large Liability Losses

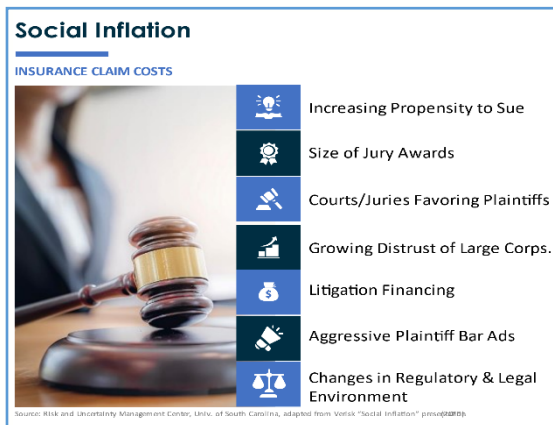


Clearly something changed, and with that change, carriers have been taking steps to protect themselves from what appears to be the new normal. This has included:

- Withdrawing from the market altogether,
- Reducing capacity (amount of limit carriers are willing to put at risk),
- Increasing attachment point,
- Pushing for aggregate limits,
- Restricting coverage through exclusionary language, and
- Dramatically increasing rates.

We expect some or all of the above to continue for the 23/24 renewal.

Why is This Happening



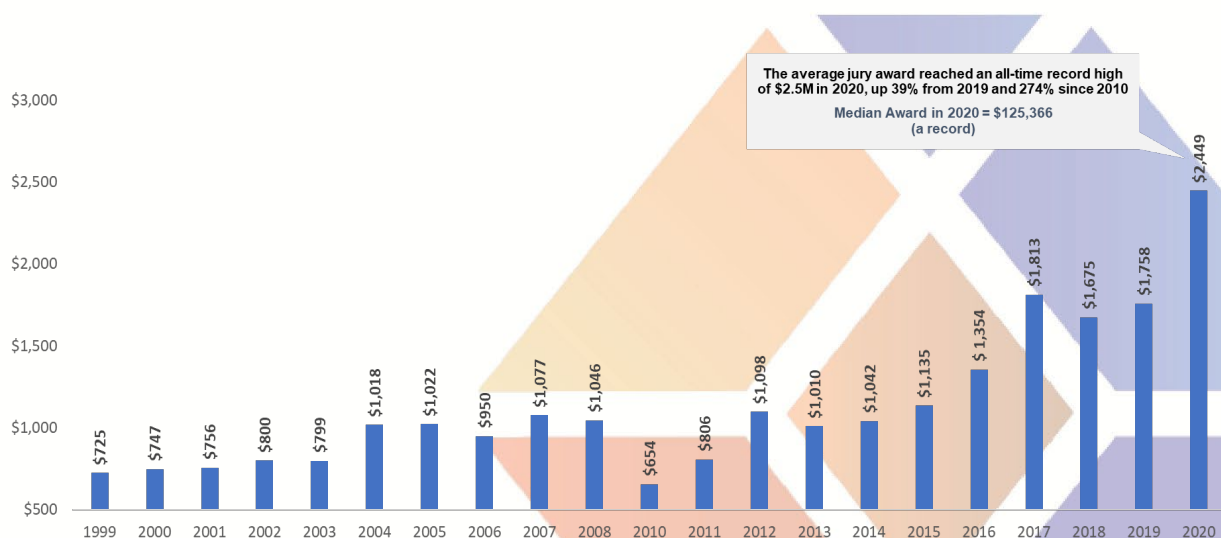
There are numerous reasons for the increased frequency of severity described above, collectively referred to as Social Inflation. Generally defined as “all ways in which insurers’ claims cost rise over and above general economic inflation”, there are numerous specific factors that cause this phenomenon some of which are listed in the box to the left.

Other factors that are often cited are the overall economic disparity between the “haves” and the “have nots”; the changing composition of jury

demographics to millennials who tend to hand out bigger awards; the impact of our digital society where public opinion can be formed in 140 characters or less; plaintiff attorney’s use of the Reptile Theory to scare jurors into punishing defendants; and distrust of police who are often “presumed guilty”. Litigation financing deserves specific discussion as it is being used more to fund plaintiff litigation. This practice involves third parties (plaintiff law firms and even private equity) “invest” in a plaintiff’s lawsuit earning a large return in the event the suit is successful, is widely unknown by the general public, and is not required to be disclosed to the jury in most cases. This opportunistic practice is becoming more and more prevalent as the potential returns continue to increase, driving longer more extensive litigation that ultimately leads to larger and more expensive claims.

With all of these factors contributing (and more), it is no surprise that the size of average jury awards has grown steadily over the last two decades as shown below.

Average Jury Awards, 1999 – 2020 (latest available)



Source: Jury Verdict Research; Current Award Trends in Personal Injury (61st Edition), Thomson Reuters; Risk and Uncertainty Management Center, Univ. of South Carolina.

These increasing awards include what have been termed “nuclear verdicts” where juries are awarding tens and in some cases hundreds of millions of dollars to the plaintiff(s). Public Entities, especially California Public Entities, are particularly susceptible to what are known as “nuclear verdicts” due to the type of services provided (law enforcement, road design, child services, etc.), and their perceived “deep pockets”. These incredibly large jury verdicts make taking cases to trial very risky, resulting in a propensity to settle at much higher amounts than in the past. Whether it is via jury award or settlement, the numbers just keep going up and up. Some of the largest public entity claims over the last ten years are shown below.

Loss Year	Description	Total Paid
1987-2017	Sexual Abuse (Class Action)	\$1,100,000,000
1983-2018	Sexual Abuse (Class Action)	\$700,000,000
2017	Sexual Abuse (Class Action)	\$464,400,000
2015	Methane Gas Leak	\$120,000,000
2015	Bus Shelter Collapse (Single Plaintiff)	\$115,000,000
2014	Child Abuse/Foster Care	\$113,400,000
2009-2014	Sexual Abuse (Class Action)	\$102,500,000
2011	Police Shooting/Wrongful Death	\$97,000,000
2021	Wrongful Conviction	\$75,000,000
2014	Dangerous Condition/Landslide	\$71,500,000
2016	Vehicle Accident/Fire Ambulance	\$65,750,000
2016	Wrongful Death	\$60,000,000
2015	Strip Search (Class Action)	\$53,000,000
2017	Vehicle Accident/Motorcycle vs Auto	\$46,000,000
2015	Vehicle Accident/Sheriff Vehicle	\$42,000,000
2014	Wrongful Conviction	\$40,000,000
2019	Wrongful Death	\$33,500,000
2014	Dangerous Condition/Vehicle Accident	\$32,500,000
2015	Sexual Abuse	\$31,000,000
2016	Dangerous Condition/Vehicle Accident	\$30,000,000

Unfortunately, some of the claims above are from PRISM members, and collectively we have had our share of large claims. In fact, over the ten-year period from 2011/12 through 2020/21 the GL1 members have experienced 928 claims that exceeded their self-insured retention (SIR). These claims collectively exceeded the collective SIRs by \$695 million for an average of \$69.47M per year. When an annual trend factor of 7% is considered, these numbers jump to 1,219 claims with a collective \$1.16 billion above SIR for an average of \$115.83M per year! This idea of trend is important as insurance carrier underwriters and actuaries apply some trend to the historical claim when trying to project future years' claims costs based on the historical losses. In recent years we have seen trend factors between 7% and as much as 13% used in these calculations.

It is also helpful to have a basic sense of how insurance carriers tend to look at appropriateness of premium. One measure that is used is loss ratio, or the ratio of dollars of incurred loss to dollars of premium. There is some variation, but liability carriers tend to underwrite to somewhere around a 65% loss ratio. In other words, they want to set their rates so that over the long term incurred losses will make up no more than 65% of the premium charged. This leaves room for expenses, provision for adverse loss experience and profit margin.

We often get questions from members who say, “my entity only has one bad claim that exceeds a certain layer, so why is the premium for that layer so high?” The hypothetical analysis below shows the impact of both trend and underwriting to a 65% loss ratio to that “only one loss in the layer” scenario. In this case the layer in question is the \$5M xs of \$10M layer, and the entity has only one claim with total incurred in that layer totaling \$2M. Based on this raw data, the 10-year average loss is \$200,000 and an implied premium based on a 65% loss ratio would be \$308,000. Once the 7% trend is applied, there are now four claims with total incurred in the layer, the average jumps to \$1.57M and the computed premium to over \$2M.

Ground Up Claims	DOL	Total Incurred	Untrended Incurred into *Layer	Years of Trend	Cumulative Trend Factor	Trended Incurred	Trended into *Layer
Claim 1	9/4/2013	\$7,750,000	\$0	10	1.97	\$15,245,423	\$5,000,000
Claim 2	2/22/2015	\$12,000,000	\$2,000,000	8	1.72	\$20,618,234	\$5,000,000
Claim 3	5/5/2017	\$9,500,000	\$0	6	1.50	\$14,256,938	\$4,256,938
Claim 4	4/18/2021	\$10,000,000	\$0	2	1.14	\$11,449,000	\$1,449,000
		10-Year Average	\$200,000			10-Year Average	\$1,570,594
		Premium (priced to LR)	\$307,692			Premium (priced to LR)	\$2,416,298

*Layer Limit	\$5,000,000
*Layer Attachment	\$10,000,000
Trend Factor	7.0%
Permissible Loss Ratio	65.0%

The preceding simplified model is applied to one hypothetical member and one layer of coverage. When instead you look at the incurred losses for the Program on the previous page and apply the same concept, it's easier to understand the premium increases that we have experienced.

Better Together

While member loss experience certainly is part of the larger problem, the GL1 Program remains part of the solution. The members are certainly better together. The collective size of the GL1 members allows us to withstand the kind of loss experience depicted above. We are able to leverage our volume to allow for greater self-funding (pooling), and to maintain relationships with our reinsurance carrier partners. We have been creative in our program structure to mitigate the costs increases, and to continue to provide the high excess limits that the membership needs. That being said, the Program will again see rate increases in the coming year, with individual member's changes

varying based on their own loss experience. This last part is important to note because the individual member loss experience is a big part of the premium allocation process and those with better loss experience will see less of an impact on their rates, while those loss leaders will see bigger increases. To accomplish this, the allocation includes an experience modification formula for losses in the lower, more predictable layers, and large loss surcharges in the excess layers.

Despite the increases that we've experienced in recent years, it is still much better to be part of the group as compared to individual entities who are facing the same environment on their own. The following are case studies of several "stand-alone" public entities and a couple of pools that we provide as examples of this:

1. **County** with very good loss experience was forced to increase their SIR from \$1M to 2M to go along with a 300% premium increase at 21/22 renewal. The county received another sizeable premium increase at their 22/23 renewal.
2. **City** with good loss history. The best terms available in the market at their 2020/21 renewal included a 300% premium increase and doubling of their SIR from \$500K to \$1M. The City instead joined the PRISM GL1 Program with a 79% premium increase and \$1M SIR.
3. **City** with only two losses above the retention in the past 10 years with the most recent loss 7 years ago. Renewal terms from the incumbent for 22/23 were at a 150% increase and included a full law enforcement exclusion.
4. **City** with a clean account over the past 4 years with a \$10M SIR. Market pushed a 15% increase for 2022/2023 – despite the fact that over the past 3 years the City had already absorbed increases of 75%.

Other California pools are experiencing difficult renewals as well:

1. **Pool** with good loss history had their SIR increased from \$5M to \$10M along with a 100% premium increase at the 2021/22 renewal. At the 2022/23 renewal they received an additional 25% premium increase.
2. **Pool** with a 20-year carrier relationship was informed that for 2021/2022 the carrier reduced their capacity from \$20M to \$10M and pushed the retention from \$5M to \$7.5M and with a 30% increase in rate. This was followed in 2022/23 with a 10% increase despite no losses over the past two years.

While our renewals in recent years have been challenging, PRISM members have fared much better than most, including the examples above. By staying the course, we will all benefit from our economies of scale, our leverage in the reinsurance markets, and our sharing of best practices to help manage risk and hard markets. PRISM members remain better together.

PRISM's Response

PRISM has always been proactive in managing the GL1 Program with our market allocation approach to help manage the members' costs. Over the last several years, the

Program has been loss challenged, causing some members to take on increased self-insured retentions (SIRs) and/or Individual Member Corridor Deductibles (IMCDs) to manage the increase in premiums. Both are effective tools to explore, and we are happy to work with you to determine if an increased SIR or IMCD is appropriate for you.

PRISM was also among the first Joint Powers Authorities in the nation to setup its own captive insurance company, PRISM ARC. The captive has been used strategically to earn greater investment returns on monies held to pay claims in the group corridor deductible layers. Public entities are very restricted in what they can invest in, impacting overall returns. The captive, while still very conservative, is not as restricted and can therefore generate higher yields. This is a benefit to PRISM members as it allows PRISM to discount the premiums to the members in anticipation of the investment returns.

Two years ago, we entered into a new agreement with one of the largest and most stable carriers in the world, Berkshire Hathaway, to provide reinsurance for the \$5M to \$10M layer. This proved to be immediately beneficial at their first renewal (7/1/22) when they agreed to an increase at just under 2.5%, which was lower than what loss development would have indicated. Based on preliminary meetings with Berkshire this year, we again expect to receive renewal terms for the 7/1/23 renewal. We also restructured the \$9M layer above \$10M to include a \$5M Program Corridor Deductible and added an additional quota share participant. Both moves allowed us to mitigate price increases and eliminate any member aggregate limits for the Program. For the \$6M x \$19M layer we successfully renewed with the same quota share partners and with the same terms and conditions as expiring. Finally, we secured optional excess limits to \$50 Million to meet the growing need for protection against the ever-increasing claim costs.

While PRISM's premiums will increase for 2023/24, the premiums are still less costly than an entity would likely be faced with outside of PRISM. A testament to the continued competitiveness of the Program are the seven new cities who joined the Program or who joined a member JPA over the last two years at considerable savings compared to their other stand-alone or JPA options. In addition to premium savings, those entities also avoided coverage restrictions and limitations that were quoted outside of PRISM.

Member's Response

There are several steps that can/should be taken during these turbulent times.

1. First, communicate the state of the market to all your stakeholders so there is an understanding that this is an industry-wide problem. We are happy to participate on conference calls or attend meetings to assist with this communication if so desired
2. The severity of claims is on the rise. If you are not yet participating in the Optional Excess Liability (OEL) Program, consider doing so. This Program provides three options of additional limits excess the GL1 Program: \$10M, \$15M or \$25M.
3. Anticipate an increase in your own SIR funding being suggested by your actuary.
4. It may be tempting to consider increasing your SIR to save premium dollars; however, this needs to be weighed against the increased cost to fund the higher

SIR. In addition, given these new severity trends, all things being equal, the bias should be toward transferring risk due to the uncertainty of these changing claim trends.

5. Vigorously defend the claims that are defensible.
6. In a hard market environment, the quality of loss data will undergo additional scrutiny. Make sure your data is in good condition.
7. Stay up to date on maintenance, inspections and trainings.
8. Finally, manage your individual risk by taking advantage of the best practices programs and service partner programs we offer.

To expand on the last point, PRISM Risk Control wants you to know that you are not alone while managing the multitude of risks facing your agency. Our team of specialists is here to help, whether by providing direct consultation or connecting you with one of our trusted partners. Regardless of the topic, we encourage you to reach out to the Risk Control team for assistance with your organization's risk management challenges.

We would also like to call your attention to a few services and resources we think you should be taking advantage of:

General Liability

- PRISM members are provided free access to [Labor Law/Employment Practices Services](#) through Eyres Law Group. The service provides members with unlimited telephone calls to ELG, email communications, and/or faxes to answer employment law questions as they arise. ELG also provides step-by-step-coaching and advice in a privileged context for employment law decisions and subsequent actions.
- PRISM Partner, [A-Check Global](#), provides an electronic platform that allows employers to monitor employee driving records on demand and provides automatic e-mail notification when a reportable event occurs. The system also includes a record management system.
- Staff has developed a [Resource Page](#) specifically for Law Enforcement. The page is designed to be a one-stop-shop for law enforcement related resources including POST approved training, and PRISM service partnerships.
- The [School Liability Handbook: Student Activities and Employment Issues](#) was created in conjunction with Lozano Smith, a law firm specializing in school liability legal services. The Handbook consists of 5 modules, such as School Activities and the Law and Employment Issues for School Districts.
- PRISM staff developed a pair of resource documents designed to assist members with [Road Maintenance](#) risk. These documents include discussions regarding the use of Geographical Information Systems and other general design and maintenance best practices.

Talking points for the GL1 Program

Individual Claim Examples

To describe the effects of social inflation on claims, below are several summaries of recent jury verdicts and settlements, many of which involve members of PRISM's GL1 and GL2 Programs:

- Jurors awarded \$45.4 million against a southern California county to a girl who suffered sexual abuse for two years in a home where she was left despite evidence showing that an accused molester lived in the house.
- Jurors awarded \$33 million against a southern California county in a wrongful death case where the deceased attacked several county road workers while under the influence and was killed during the altercation.
- A southern California city was sued for dangerous condition of public property after a 16-year-old was struck by a car crossing a street at a crosswalk near his school. The driver of the vehicle was looking for an item that was on the floor of the passenger seat when he struck the teenager. The teen survived but has multiple injuries including a brain injury. A jury found there to be a dangerous condition and awarded over \$23 million against the City.
- A northern California county was sued after a family's vehicle was struck in an intersection late at night by a law enforcement vehicle that was responding to a call without lights and sirens on. Several members of the family were injured, and one young child was left with permanent brain damage. The case was settled for approximately \$27 million.
- A southern California city agreed to pay \$21 million to resolve a case for wrongful conviction of a man who was incarcerated for 30+ years.
- A southern California city settled a claim for injuries sustained due to a trip and fall on a city trail for \$11.2 million.
- A southern California city agreed to pay \$12.5 million to resolve a case in which a driver struck and killed a baby and injured the father of the child. The city was sued for dangerous condition of public property as the driver claimed his view was obstructed by foliage.
- A southern California county agreed to pay \$12M in a post-trial settlement to the family of a man who died after sheriff's deputies restrained him during his arrest. A jury had originally awarded \$85M to the family, but a settlement was reached as the County prepared its appeal of the case (there is some hope to be found here!)
- A northern California city paid \$12 million to settle a case in which a motorcyclist was struck in an intersection by a police car that was responding to a call. The injured motorcyclist lost a leg in the accident.

Aggregate Claims Trends

- As both frequency and severity have risen for the GL1 Program, just like the general liability industry, the claims trend and lack of capacity will result in anticipated rate increases.
- The natural result of this significant change in losses is that PRISM has adjusted forecasts and rates to account for new loss trends, as have our carriers.

The total number of claims in the GL1 Program over \$1M in the last five years has more than doubled. This is a big indication of how jury verdicts (and settlements) are increasing!

Benefits of Being in a Pool

Economies of scale benefits

- Access to insurance options. PRISM's size provides more leverage in the insurance market. It also allows access to the reinsurance markets, which are not available to individual buyers, thus expanding the universe of available coverage options. PRISM has been able to leverage this access and the Program's premium volume to secure unique and beneficial reinsurance agreements.
- Maintaining broad coverage. Public agencies with stand-alone placements are seeing reductions in their coverage limits and/or exclusions. Although GL1 continues to face the potential for coverage restrictions, PRISM has largely been able to maintain broad coverage in the Program.

Equitability

- PRISM's members with large loss experience have better coverage and premium options in the pool than finding coverage alone, but members with less severe loss experience also receive benefits from pooling as they are recognized and rewarded through premium reductions.

General Market and Program Information

- The size of our program, with 129 members, more than \$7.8 in payroll and 765,000 ADA, offers great purchasing power to our members and provides much greater stability than smaller programs or individual risks.
- The liability market continues to harden. We continue to see a significant increase in plaintiff demands and high dollar liability claims. Jury verdicts (and settlements) are much higher than they have been in years past and that is affecting the industry's surplus.
- There are many factors causing this including tactics plaintiff's counsel are using (such as the use of the Reptile Theory) to drive up claims' verdicts and settlements. The selection of appropriate defense counsel, who are experienced in dealing with these tactics, has never been more important.

- Markets continue to be more judicious with how and where they deploy their capacity and/or limit their exposure, with some leaving the market entirely. The overall “supply” of limits has been reduced by more than 50% in the last five years. The size, stability, and premium volume of the GL1 Program have attracted markets that may not consider participation otherwise.
- We have always been proactive in our management and funding approach, and this remains the same today. One of the strengths of the GL1 Program is the active involvement of the Underwriting Committee and their ability to be flexible. This approach often means modifying the Program structure and the Program's retained risk to keep premiums as low as possible for the members.
- We are not unique in experiencing rate increases for liability coverage as the claims environment in California and across the nation is increasingly adverse for public entities.
- Our membership has increased in each of the last few years with seven new members joining the GL1 Program since 2021/22. This shows that the Program is still competitive in the market.
- The benefits of pooling shine brightest during a hard market when our economies of scale, our leverage in the reinsurance markets and our sharing of best practices help our members manage risk.



**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

SB 1383 Implementation: Contamination Minimization

SUMMARY STATEMENT

The Authority Board approved an agreement with ReCREATE Waste Collaborative at its August 2022 meeting. ReCREATE will visit communities through June 2024, lifting cart lids, identifying contamination and leaving cart hangars noting what shouldn't be in the carts. Their work is timed to support the initial roll-out of three container service. The intent is to minimize contamination in the new organics materials carts to assure compliance with CalRecycle's container monitoring requirements, to minimize the cost to remove contamination from recycling and organic barrels, and to avoid landfilling recycling and organics materials.

ReCREATE's work is allocated on a pro-rata basis based on members' budget contributions. Barstow and Apple Valley began residential organics collection in 2022. Victorville is carrying out a pilot program and Needles is exempt from the residential organics requirement.

ReCREATE visited 2,425 Barstow households and 4,625 in Apple Valley. They visited 532 Victorville homes as part of its three container pilot program in February. Needles's recycling and trash carts received 614 reviews in March.

Since no other organics roll-outs are planned until after July 1, the Authority's recommended budget rolls-over \$40,000 to complete the work during the upcoming fiscal year.

Kirk Kunihiro from ReCREATE Waste Collaborative will provide an overview of their recent work.

RECOMMENDED ACTION

Update and discussion about the container minimization project

PRESENTED BY
Kirk Kunihiro and
John Davis

FISCAL IMPACT:
\$160,000 over two
years from
Marketing

MEETING DATE
May 11, 2023

ITEM NUMBER
5

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Victor Valley Materials Recovery Facility Grant Opportunities

SUMMARY STATEMENT

The Victor Valley Materials Recovery Facility (MRF) is owned by Apple Valley and Victorville, financed by a 1995 Recycling Authority Bond issue secured by the owners' revenue pledges. The bonds were retired in 2020. Burrtec Waste Industries operates the MRF under an agreement with the Authority, authorized by agreements with the owners. Apple Valley and Victorville comprise the North Desert Project Committee and are responsible for all MRF financial obligations. No other Authority member is financially responsible for the MRF.

The MRF began operating in 1995 with a single conveyor system and all manual sorting except for a ferrous metal magnet. A 2006 upgrade increased capacity and reduced operating costs through processing screens, optical sorters, additional conveyors and increased floor capacity. Equipment improvements since 2006 offer further efficiencies, cost reduction and increased recovery. Aluminum cans, the most valuable commodity, are recovered with an optical sorter. However eddy current separation is more effective. Polypropylene containers are hand sorted and could be sorted along with PET containers in an upgraded optical system. Glass bottles are broken and fall through conveyor screens along with large amounts of other similar material that must be shipped for beneficiation at a high cost. The current screen separating containers from paper fiber is outdated.

The Authority Administrator and Burrtec's Director of MRF Operations met with The Recycling Partnership's (TRP) Director of Processing Advancement to discuss TRP's grant opportunities. A national non-profit focused on improving recycling access, TRP receives funding from packaging and product manufacturers and retailers <https://recyclingpartnership.org/>

MRF processing grants are available to public, private or non-profit owned and operated MRFs. These include:

- General MRF Assistance Grants for MRFs to increase throughput and/or capacity
- Aluminum Can Recycling Grants to improve eddy-current separators, robotic sorters, and other equipment and process improvements to capture more cans during the sortation process at MRFs.
- Polypropylene Recycling Grants to facilitate new or improved MRFs sortation of polypropylene
- PET Recycling Grants to facilitate increased capture and upgraded quality of PET at MRFs, secondary sortation facilities, and PET reclaimers

RECOMMENDED ACTION

No Authority action is necessary at this time; however a grant award could require concurrence by the North Desert Project Committee and the Authority

PRESENTED BY

John Davis

FISCAL IMPACT

Unknown costs and grant revenue

MEETING DATE

May 11, 2023

ITEM NUMBER

6

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Mojave Desert and Mountain Recycling Authority's Background and History

SUMMARY STATEMENT

High Desert communities began working together on solid waste issues in 1988, carrying out a regional landfill study and then continuing to prepare the Desert and Mountain Regional Source Reduction and Recycling Element (SRRE). The SRRE was a requirement of AB 939, California's Integrated Waste Management Act. The High Desert opted to prepare a regional SRRE, identifying programs needed to meet California's requirements that 25% of local solid waste be diverted from landfills by 1995 and 50% by 2000.

The SRRE identified a joint powers authority as the agency to coordinate members' source reduction, recycling, composting, and public education efforts by implementing and funding regionally integrated programs. The Mojave Desert and Mountain Integrated Waste Management Authority was formed in 1991 as the regional forum for local elected officials and staff to meet, discuss and carry out needed programs and services. The Board later determined to use the more descriptive name Mojave Desert and Mountain Recycling Authority, which was adopted in the Second Amendment to the Joint Powers Agreement in 2005.

The Authority includes nine members, jointly sharing their authority to plan and implement solid waste diversion and recycling programs. Adelanto, Apple Valley, Barstow, Big Bear Lake, Needles, San Bernardino County, Twentynine Palms, Victorville and Yucca Valley comprise the JPA.

An elected Councilmember or Supervisor represents each member on the Board of Directors, and may be represented by an alternate. Regular Board meetings are held quarterly, on the second Thursday in February, May, August and November. Prior to May 2020 Board meetings were held at the Victor Valley Materials Recovery Facility in Victorville. Board members are paid \$75 for each meeting they attend, and are reimbursed for mileage.

Member agencies staff meet regularly with the Authority Administrator and contractors for the two months between Board meetings, also on the second Thursday. These meetings focus on emerging issues, new developments, regional concerns, and updates intended to guide local programs and improve regional coordination.

The Authority's is performed by independent contractors. There are no Authority employees. By using contractors instead of staff, the Authority is able to anticipate and respond to changing dynamics and circumstances, shifting budget resources rather than increasing expenditures. Annual expenses are held to 3% increases by Board policy. The Authority maintains a 20% operating fund reserve with annual excess allocated to offset revenues.

Program costs are shared 1/3 equally among the members, reflecting each jurisdiction's responsibility to carry out diversion activities; and 2/3 based on population, with military facilities excluded since members have no control or responsibility for their performance. The Agreement provides for Project Committees focused on a particular project or issue. Project Committee expenditures are shared only by Committee members.

The Victorville Materials Recovery Facility (MRF) was financed by Authority bonds in 1995, using a Project Committee of Apple Valley and Victorville. They were responsible for bond payments, and for operating expenses. The Authority manages Burrtec's operations agreement. The MRF now processes and markets recycling from eight member agencies.

With the Board's leadership and direction, the JPA and agency recycling coordinators:

- Implement a three-container assessment for over 25,000 households including viewing and providing feedback on organics, recycling and trash carts
- Carried out a pilot curbside recycling contamination project reaching over 1,200 households identifying strategies to reduce contamination and reduce costs
- Beginning in 2017, tracked and commented on CalRecycle's SB 1383 regulations, including concepts and multiple drafts over 3 years
- Advocated successfully for state grants supporting local agency SB 1383 implementation
- Focus on edible food recovery, working with the High Desert Second Chance, the High Desert Food Collaborative, and FIND Food Bank to expand and support food recovery organizations' capacity to accept business donations
- Helped secure donation of a 1200 square foot refrigeration unit to expand food storage
- Negotiated a lease agreement, revised MRF operating agreement, and processing agreement resulting in a new composting facility with capacity for JPA members
- Secured land use approval for future construction and demolition materials recycling, mixed waste processing, engineered fuel, and transfer capability
- Assisted with efforts to secure statewide funding for compost facilities, including a \$2.5 million grant to the new compost facility
- Initiated a comprehensive social media strategy with 26 Facebook pages administered by the JPA and local coordinators
- Focus social media on original and local content, boosting posts around events to reach community members
- Negotiated a curbside contamination reduction project including a public survey, online course, door-to-door outreach and contamination audit
- Received a CalRecycle grant to promote refillable one gallon propane canisters, working with the California Product Stewardship Council
- Worked with a professional videographer to produce a local recycling video showing acceptable materials and in-home and curbside behavior
- Boost the video on social media, including posts around specific materials and behavior
- Coordinated and supported a new community college recycling module to be offered online as part of sustainability curriculum

- Visited 249 businesses generating organic materials to assess their generation, verify their management practices, and initiate adoption of new practices to comply with state requirements (AB 1826)
- Visited nearly 1,500 High Desert businesses to verify their participation in California's mandatory commercial recycling program (AB 341)
- Awarded 14 Special Recognition awards to High Desert businesses for their unique and voluntary recycling efforts
- Helped its member agencies achieve greater than 50% diversion before California changed to a per-capita disposal calculation in 2008 (SB 1016)
- Negotiated long-term landfill use agreements, stabilizing pricing and facilitating recycling
- In 1992, the JPA negotiated a countywide landfill rate, reducing Desert and Mountain rates by over \$30 per ton
- The JPA was the lead negotiator for 18 cities, resulting in a 1997 Waste Disposal Agreements that stabilized landfill rates and reduced the rate by \$4.50 per ton
- The JPA initiated and lead the 2002 Waste Disposal Agreement amendment returning additional money to participating cities. First year's payments to JPA communities totaled \$314,530
- Prepared the Resource and Materials Strategy to expand recycling and composting at the MRF in anticipation of California's 75% statewide recycling goal
- Administers the High Desert Recycling Market Development Zone, working to find uses for recycled materials and providing financial incentives to recycling businesses
- Helped bring a fully-permitted and operating compost facility to the High Desert, including RMDZ funding
- Advised CalRecycle on funding expanding composting at another High Desert facility
- Prepared a program to keep JPA agencies in compliance with the State's mandatory commercial organics program, including an approved alternative generator method
- Organized and presented a regional organics collection, processing and market development workshop
- Sponsored Curiosity Quest Goes Green's Telly Award winning Kids Recycling program on the PBS network, coordinating filming at the Victor Valley MRF
- Produced a Victor Valley MRF tour video and accompanying booklet graphically showing 34 steps needed to process recycled materials
- Organized annual regional events to focus on recycling and composting opportunities
- Maintains the website www.urecycle.org
- Sponsored the Mojave Desert and Mountain Master Composters, with over 2000 trained home composters working in five regional groups
- Developed a Master Composter certification program, recognizing their volunteer efforts and providing opportunities to explain and promote home composting and recycling
- Offered resident training on recycling, including "Green Team" volunteer opportunities to increase recycling volume and quality
- Worked with Victor Valley College and Victorville Federal Corrections to adopt the Master Composter certification to inmate training

- Initiated effort to develop and introduce recycling and materials management curriculum to local community colleges
- Analyzed landfill financial impacts resulting from anticipated increased recycling
- Carried out community based social marketing outreach to area businesses and multi-family residences, explaining new mandatory commercial recycling requirements
- Sponsored High Desert Opportunity to inform businesses about mandatory commercial recycling and market development
- Organized and presented regional forums on construction materials recycling, market development, and diversion
- Led and shared regional research on waste tire, mattress and carpet recycling
- Participate in WeTip program to pursue illegal dumping enforcement
- Arranged outreach through local cable, newspaper and radio to promote events and provide recycling information
- Prepared table top displays, handout materials and publications
- Support local collection programs, including residential and commercial recycling, commercial organics, construction material recycling, and self-haul recycling
- Assists and provide data for communities' annual reports to CalRecycle
- Represents the region's concerns on national, regional, statewide and local organizations including:
 - The Statewide Commission on Recycling Markets and Curbside Recycling
 - Chair, Commission's Market Development Committee
 - California Council on Carpet Recycling and CalRecycle's Carpet Stewardship Advisory Committee
 - Build Infrastructure Now Coalition leadership (increasing California resources and outlets for recycled material)
 - Sustainable Cities USA (chairing the solid waste committee)
 - West Coast Forum on Climate and Materials Management (co-chairing the materials management committee)
 - Californians Against Waste (board member and president)
 - California Resource Recovery Association (professional certification instructor, policy committee and technical council chair, advisor to the Board and former president of the statewide non-profit recycling organization)
 - California Association of Recycling Market Development Zones (advisor and former president)
 - Institute of Local Government (advisor and contributor to League of Cities and Association of Counties project to enhance California recycling infrastructure)
 - Californians Against Waste (board member for this Sacramento based recycling advocacy group)
 - The Reuse Institute (advisory board member for a national organization focused on product reuse)
 - San Bernardino County Solid Waste Task Force (chair of technical committee)
 - The Countywide Partnership Strategy, the Railcycle negotiating team, San Bernardino County Zero Waste Communities
 - CalRecycle working groups and policy initiatives (including recycling market development, facilities permitting and financing, CEQA, beverage containers,

conversion technologies, diversion calculation, alternative daily cover, compost quality, program alternatives, greenhouse gas, and sustainability)

RECOMMENDED ACTION

JPA background and history for information and discussion.

PRESENTED BY	FISCAL IMPACT:	MEETING DATE	ITEM NUMBER
John Davis	None	May 11, 2023	7

MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JOINT POWERS AUTHORITY			
AGENDA MATTER			
Legislation: Right to Repair			
SUMMARY STATEMENT			
<p>The Authority Board expressed its continued support for California Right to Repair legislation by supporting SB 244, which was passed by the Senate Judiciary Committee and was placed on the Appropriations Committee Suspense File.</p> <p>SB 244 Right to Repair requires manufacturers of consumer electronics to provide replacement parts, diagnostic information, and service literature to consumers and third-party repair businesses.</p> <p>Background: Guaranteeing a "right to repair" will ensure that consumers have the ability to fix the electronics that they own or have them fixed by a technician, preventing much of the electronic waste that gets thrown away every day and saving consumers money.</p>			
RECOMMENDED ACTION			
Update on Right to Repair (SB 244)			
PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
John Davis	No direct Authority impact	May 11, 2023	8

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Legislation: Containers

SUMMARY STATEMENT

[AB 660 Streamlining Date Labels](#) requires food manufacturers to use uniform terminology when labeling products with "safety" or "quality" dates and bans the use of consumer-facing "sell-by" dates.

Background: Studies show that 20% of all avoidable food waste is caused by consumer confusion over expiration dates, and streamlining these dates will reduce food waste, financial losses to consumers, and methane emissions from food rotting in landfills.

[AB 1290 Eliminating Problem Plastics](#) eliminates several of the most problematic forms of plastics that contaminate recycling or pose a risk to human health, by prohibiting the use of polyvinyl chloride (PVC), polyvinylidene chloride (PVDC), Polyethylene terephthalate glycol (PET-G), or pigmented polyethylene terephthalate (PET) packaging, as well as prohibiting the addition of per- and polyfluoroalkyl substances (PFAS), carbon black, and oxo-degradable additives in plastic packaging.

Background: These forms of plastic packaging create a barrier to achieving the state's recycling and toxicity goals, and many of the country's leading consumer brands have already committed to eliminating their use.

[SB 353 Bottle Bill Expansion](#) expands the Bottle Bill to include juice containers 46 ounces and larger and updates the payment formula that funds recycling centers.

Background: Updating the definition of 'beverage' to strike the current exemption for specified juice containers (46 ounces and larger) will incorporate 100-200 million containers into the state's CRV program, increasing curbside payments and reducing consumer confusion. The bill also addresses the current scrap-value crisis that affects small and medium-volume recycling centers' financial viability by changing the formula used to calculate the state's processing payments and more closely approximate market values.

RECOMMENDED ACTION

Support AB 660, AB 1290, and SB 353.

PRESENTED BY

John Davis

FISCAL IMPACT

Unknown increased
recycling revenues

MEETING DATE

May 11, 2023

ITEM NUMBER

9

**MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE
JOINT POWERS AUTHORITY**

AGENDA MATTER

Legislation: Producer Responsibility

SUMMARY STATEMENT

AB 863 CARE Reform Increases the penalties for violations of the state's carpet stewardship law and specifies that a carpet stewardship organization that violates any provision of the carpet stewardship law three or more times is ineligible to act as the agent for carpet manufacturers in the state.

Background: Would improve accountability for Carpet America Recovery Effort (CARE) or any other consumer-funded carpet recycling program by increasing civil penalties for violating relevant laws and making repeat offenders ineligible to run this program.

SB 560 Gas Cylinders will establish a framework for the application of extended producer responsibility to the end-of-life management of covered gas cylinders, which include propane gas cylinders under 20 pounds, helium cylinders, isobutane cylinders, and butane cylinders.

Background: Instead of the local jurisdiction carrying the burden of disposal, creating an EPR program will place a shared responsibility for end-of-life product management on producers, and other entities involved in the product chain, instead of the consumers.

SB 707 Responsible Textile Recovery Act According to the author, "SB 707 would establish an Extended Producer Responsibility (EPR) program for textiles," under which "producers of clothing and other textiles would be responsible for implementing and funding programmatic plans that would facilitate the repair and reuse of clothing and the recycling of textile fibers."

Background: Thrift stores, charities and other collection sites would be supported for their work repairing and recycling unusable textiles.

RECOMMENDED ACTION

Board support AB 863, SB 560, and SB 707

PRESENTED BY

John Davis

FISCAL IMPACT

Reduced HHW gas
cylinder costs

MEETING DATE

May 11, 2023

ITEM NUMBER

10

MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JOINT POWERS AUTHORITY

AGENDA MATTER

Public Comment

SUMMARY STATEMENT

Comments on items of interest to the Public.
--

RECOMMENDED ACTION

None

PRESENTED BY

Cambria Carroll

MEETING DATE

May 11, 2023

ITEM NUMBER

11

MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JOINT POWERS AUTHORITY

AGENDA MATTER

Board Member Comments

SUMMARY STATEMENT

Comments by members of the Board.

RECOMMENDED ACTION

None

PRESENTED BY

Cambria Carroll

MEETING DATE

May 11, 2023

ITEM NUMBER

12
