

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

8800 Cal Center Drive
Sacramento, California 95826



Kathy Neal, Chairwoman
Wesley Chesbro, Member
Michael Frost, Member

Tuesday, December 8, 1992
1:30 p.m.
meeting of the

LEGISLATION AND PUBLIC AFFAIRS COMMITTEE

of the
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

8800 Cal Center Drive
Sacramento, CA 95826

AGENDA

Note: o Agenda items may be taken out of order.
o If written comments are submitted, please provide 20 two-sided copies.

Important Notice: The Board intends that Committee Meetings will constitute the time and place where the major discussion and deliberation of a listed matter will be initiated. After consideration by the Committee, matters requiring Board action will be placed on an upcoming Board Meeting Agenda. Discussion of matters on Board Meeting Agendas may be limited if the matters are placed on the Board's Consent Agenda by the Committee. Persons interested in commenting on an item being considered by a Board Committee or the full Board are advised to make comments at the Committee meeting where the matter is considered.

- 1. CONSIDERATION OF CONTRACTS AND INTERAGENCY AGREEMENTS
- 2. CONSIDERATION AND APPROVAL OF SCOPE OF WORK FOR THE "MARKET RESEARCH AND MEDIA CAMPAIGN FOR THE USED OIL RECYCLING PROGRAM" CONTRACT
- 3. CONSIDERATION OF CRRA WORKSHOP COSPONSORSHIP
- 4. PRESENTATION OF PUBLIC AFFAIRS ACTIVITIES (not available until closer to meeting date)
- 5. UPDATE ON BUSINESS AWARDS PROGRAM

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6. UPDATE ON LEGISLATIVE OFFICE ACTIVITIES (oral report)
7. OPEN DISCUSSION
8. ADJOURNMENT

Notice: The Committee may hold a closed session to discuss the appointment or employment of public employees and litigation under authority of Government Code Sections 11126 (a) and (q), respectively.

For further information contact:
INTEGRATED WASTE MANAGEMENT BOARD
8800 Cal Center Drive
Sacramento, CA 95826

Cathy Foreman
(916) 255-2156

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

LEGISLATION AND PUBLIC AFFAIRS COMMITTEE

December 8, 1992

AGENDA ITEM 2

ITEM: Consideration of Approval of Scope of Work for the "Market Research and Media Campaign for the Used Oil Recycling Program" Contract

BACKGROUND:

Staff is requesting that the Committee consider approval of the scope of work for the Market Research and Media Campaign for the Used Oil Recycling Program. This concept was approved at the September 30, 1992 Board meeting.

ANALYSIS:

Staff is proposing that the bid package include an option for the Board to have the right to extend the term of the agreement for two additional one-year periods in order to appeal to a broader base of bidders.

Approval of the scope of work is needed so this contract can be advertised for bid.

Attachments: 1. Scope of Work

Prepared by : Connie Dunn^{CD}
Reviewed by : Bonnie MacDuffee *BLM*
Reviewed by : Bob Del Agostino *BLM*
Legal Review : *[Signature]*

Phone 255-2242
Phone 255-2710
Phone 255-2269
Date/Time 12-1-92

REQUEST FOR PROPOSAL

MARKET RESEARCH AND MEDIA CAMPAIGN FOR THE USED OIL RECYCLING PROGRAM

Amount \$ 475,000.00

DESCRIPTION OF WORK

All work to be performed by the Contractor shall be coordinated with, directed, reviewed and approved by the Contract Manager in cooperation with the Board. Any concerns of contractor and/or contract manager will be considered at contract coordination meetings.

Proposers are to provide a narrative describing resources and expertise available for providing the services described in the detailed Scope of Work. The narrative must include specific proposals to complete tasks A, B, and C, as described in the Scope of Work.

Deliverables and Due Dates:

The marketing strategy will be due to the Board no later than six (6) months after granting of contract. It is anticipated that marketing strategy will be delivered no later than October 1, 1993.

DETAILED SCOPE OF WORK:

A. Market Research

The Contractor shall review and compile available research to determine how private citizens can be motivated to participate in efforts to reduce illegal disposal of used oil through recycling. Primary and secondary research, in-house market studies, focus groups and other research conducted by governmental agencies and private industries should be examined. This research may determine:

- . The demographics of the public that change their own oil;
- . What the public does with its used oil;
- . Motivating factors for those who recycle used oil;
- . Potential motivating factors for those who illegally dispose of used oil.

Prospective contractors must identify any new market research proposed to be conducted under this agreement.

Marketing Strategy

Research findings shall be used to develop a three-year marketing strategy for the Board. The strategy shall include, but not be limited to:

- . segmentation of target audiences;
- . recommended media to deliver each message; and
- . timeline and budget for implementation of the overall marketing strategy.

C. Implementation

Following Board approval of the overall marketing strategy, the Contractor shall begin development, production and distribution of materials for specific message delivery. Specific implementation activities will be determined by the results of research conducted under Task A and the strategy approved by the Board under Task B. These may include, but not be limited to:

Public Relations and Collateral Services, such as:

- . print advertisements, signs, brochures, posters, point-of-purchase displays and related material;
- . outdoor advertising;
- . display materials, photographs and other visuals;
- . reports to the Board;
- . direct mail programs;
- . promotional events; and
- . creative and cooperative media opportunities.

Broadcast Media and Audio-visual Services, such as:

- . radio commercials;
- . television commercials; and
- . informational or educational films and video tapes.

Media Planning/Buying

- . negotiation and advantageous purchase of commercial advertising space on radio and television and in newspapers; and
- . negotiation of cooperative advertising with affected industries.

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

**LEGISLATION & PUBLIC AFFAIRS COMMITTEE
DECEMBER 8, 1992**

AGENDA ITEM 3

ITEM: CONSIDERATION OF CALIFORNIA RESOURCE RECOVERY
ASSOCIATION (CRRA) COSPONSORSHIP

BACKGROUND:

On March 26, 1993, CRRA is sponsoring a training course for manufacturers to assist them in expanding their businesses in California. CRRA is contracting with the National Development Council (NDC) to conduct their "Financial Management for Entrepreneurs" course. CRRA has requested that the Board cosponsor this training course for \$2500 to help defray the \$4000 cost of the course.

The Legislation and Public Affairs Committee considered this item on November 17, 1992. At that meeting, the Committee raised a number of issues. These issues included identification of the target groups for course participation and final Board approval of those invited to attend the course. At its November 18, 1992 meeting the Board referred this item to the LPAC for continued discussion and resolution of the outstanding issues.

ANALYSIS:

The target audience of this training course is primarily end-use manufacturers of recycled products. Particular emphasis will be placed on identifying small businesses with limited access to financial resources and limited knowledge of financial mechanisms.

To address the concern that participants be selected in an equitable manner since course attendance will be by invitation-only, the Board will have the final approval of the participant list. CRRA will work in conjunction with staff in the Market Development Branch to identify and invite those manufacturers who use secondary materials as feedstock. In addition, CRRA will contact Recycling Market Development Zone administrators to identify as potential course participants specific companies who are participating in their programs. As NDC has limited course participation to 50--the most effective class size--others will be allowed to attend on a space available basis only.

The agenda for the training course is attached. CRRA has requested that as the first item on the agenda, a Board member welcome the participants and make the necessary introductions.

CRRA has requested the Board to cosponsor this training course. They are seeking \$2500 to partially defray the \$4000 cost of

hiring NDC to which CRRA has already committed. The remaining costs of this workshop will be paid by registration fees.

CRRA training course participation will be appropriated from the FY 92/93 Public Outreach budget, leaving a balance of \$44,406. Previous deductions have been for the State Fair and League of California Cities events.

STAFF COMMENTS:

One objective of the Board is to facilitate the development of markets for recycled materials and to facilitate the production of new products from recycled materials. This training course is geared to the needs of businesses interested in obtaining financing and would complement the technical assistance offered to small businesses through the Board's Recycling Market Development Zone Loan program.

The Board has contracted with NDC to provide economic development training for local government officials and Board staff; however, this training is distinct from and non-duplicative of the CRRA effort.

Prepared by: Sharron Leason *SL* Phone 255-2288
Reviewed by: Pat Macht *PM* Phone 255-2296
Legal Review: *SL* Date/Time 12-1-92

Attachment: Training Course Agenda

FINANCIAL MANAGEMENT FOR ENTREPRENEURS

Training Session Agenda

| | |
|------------|---|
| 9:00 A.M. | WELCOME AND INTRODUCTIONS |
| 9:30 | ROLE OF FINANCIAL STATEMENTS IN FINANCIAL MANAGEMENT <ul style="list-style-type: none">. The Balance Sheet: A Source and Use Statement. The Profit and Loss Statement: Operations and Debt Capacity |
| 10:00 | OVERVIEW OF ACCOUNTS <ul style="list-style-type: none">. Balance Sheet<ul style="list-style-type: none">. Current Assets: Closest to Cash. Current Liabilities: Most Nervous. Long Term Assets: Least Like Cash. Long Term Liabilities: More Patient. Net Worth: Risk Capital. Profit and Loss Statement<ul style="list-style-type: none">. Revenues. Variable Expenses. Fixed Costs. Discretionary Expenses |
| 12:00 Noon | LUNCH |
| 1:00 P.M. | USING RATIO ANALYSIS TO EVALUATE FINANCIAL MANAGEMENT <ul style="list-style-type: none">. Analyzing the Balance Sheet<ul style="list-style-type: none">. Does the Company Collect its Bills?. Does the Company Pay its Bills?. Does the Company Control Inventory?. Have the Owners Demonstrated Financial Commitment to the Company?. Does the Company Have a Profitable Operating History?. Case Study A |

3:30

USING RATIO ANALYSIS TO EVALUATE FINANCIAL MANAGEMENT (Cont'd)

Analyzing the Profit and Loss Statement

- . **Is the Company Growing?**
- . **Does the Company Control Cost of Goods Sold?**
- . **Does the Company Control Fixed Overhead Costs?**
- . **Is the Company Truly Profitable?**
- . **Does the Company Have any Discretionary Cash Flow?**

Case Study B

4:45

SUMMARY OF FINANCIAL MANAGEMENT TECHNIQUES

5:00

ADJOURN

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

LEGISLATION AND PUBLIC AFFAIRS COMMITTEE

DECEMBER 8, 1992

AGENDA ITEM 5

ITEM: Update on Business Awards Program

BACKGROUND:

Earlier this year the Board approved a contract concept to establish a Statewide Business Awards Program to stimulate increased corporate awareness and interest in integrated solid waste management. This program would recognize California businesses for outstanding achievements in areas such as source reduction, reuse or recycling of discarded materials, and recycled product procurement. A contractor would assist Board staff with the planning and implementation of the awards program. The Board awarded the contract to the Local Government Commission in June 1992.

In August 1992 the contractor completed a report surveying existing business awards programs and offering recommendations on the best approach for the Board's program. The contractor collected information from 24 awards programs offered by California local governments and 23 programs offered by selected other organizations. Most of these programs involved an annual ceremony (often a banquet) where a plaque was presented to award recipients. Most of the programs were not restricted to the business community or achievements in waste management. Many of the programs had limited participation rates, probably due to limited publicity and/or lack of interest by businesses who did not perceive significant benefits from participating in the award program. Most programs included some combination of promotional activities such as direct mailings, press releases, public service announcements, and a paid advertisements. Programs with the largest number of applicants often included assistance from trade associations among their promotional activities.

Public Affairs and Education Office and Diversion Assistance Branch staff have been meeting with Board advisors to review the contractor's survey/recommendations report and develop an approach to the program for the Committee's review.

ANALYSIS:

Program timetable. In order to provide sufficient time for the contractor and Board staff to complete all preparatory work, Board staff anticipates the promotion campaign will need to begin

in early April. Board staff envisions the following schedule during 1993 for the program:

- Initiate promotion campaign Early April
- Application deadline Late June
- Processing/judging of applicants July/August
- Presentation of awards October/November

This program timetable will necessitate a time extension of the contract with the Local Government Commission. No additional funds are necessary.

Award categories. Statewide awards will be bestowed on applicants judged to have the most outstanding programs in the categories listed below. Small businesses (less than 100 employees) and large businesses (more than 100 employees) will be separately judged in recognition of their different circumstances. Board staff anticipates one winner in each category. However, the evaluation committee and/or the Board will have the option of conferring honorable mentions, special recognition awards, or splitting an award between two equally outstanding applicants.

1. Best Source Reduction Program - Small Business
2. Best Source Reduction Program - Large Business
3. Best Reuse Program - Small business
4. Best Reuse Program - Large business
5. Best Recycling Program - Small Business
6. Best Recycling Program - Large Business
7. Best Buy Recycled Program - Small Business
8. Best Buy Recycled Program - Large Business
9. Best Product Manufactured with Recycled Materials
10. Best Integrated Waste Management Program - Small Business
11. Best Integrated Waste Management Program - Large Business

Eligible organizations. Because the Board's primary goal for the Business Awards Program involves promoting outstanding achievements by California businesses in integrated waste management, the awards program will exclude nonprofit organizations, educational institutions, individuals, and governmental agencies. Any for-profit business can apply for one or more award categories if the applicant's program(s) either:

- 1) Reduces non-hazardous solid waste generated or disposed of at a California facility owned or leased by the applicant,
or

- 2) Involves a finished product incorporating at least 10% recycled postconsumer materials which is manufactured at a California facility owned or leased by the applicant.

Applicants must be in compliance with all federal, State, and local environmental regulations. All award recipients must be willing to share information about their successful strategies with other businesses.

Application materials. A brochure outlining the awards program will be widely distributed as part of the program's promotional activities. The brochure will include a "business reply mail" postcard for requesting the complete application packet. The application packet will include:

- Detailed description and evaluation criteria for each award category
- Guidelines and recommendations for completing application materials
- Application forms
- A "resource guide" highlighting integrated waste management strategies for the commercial sector

Board staff recommends a "resource guide" about commercial integrated waste management strategies be included in the application materials packet. This guide, which would be compiled by Business Assistance Section staff, would assist program participants in preparing their applications. However, the guide would also be designed to be a useful information resource to businesses who request information about the program, but decide not to participate.

Evaluation criteria. The contractor and Board staff will develop a first draft of the evaluation criteria. These draft criteria will then be distributed to representatives of the business community and other interested parties for comment. Staff will present the revised criteria to the Committee for approval or concurrence.

Promotional activities. The existing contract specifies the announcement and promotion of the Business Awards Program will be accomplished primarily through soliciting promotional assistance from trade associations (e.g., California Manufacturers Association, California Chamber of Commerce) and local government recycling coordinators. These groups typically distribute newsletters or other mailings to their members/clients which could include information about the awards program. This

strategy, which has proven effective for promoting the CALMAX program and was used by many of the more successful awards programs studied by Local Government Commission, will maximize promotional efforts with limited funds.

In addition to soliciting and assisting program supporters, the contractor will work with Board staff and other Board contractors to solicit free or reduced rate advertisements in business journals and newspapers.

The contractor will conduct the following activities to promote the awards program:

- Develop and distribute a press release
- Develop and distribute a promotional flyer
- Develop and distribute public service announcements
- Promote awards program at workshops and conferences
- Assist program supporters in promoting program
- Develop camera-ready materials for program supporters

Processing of applications. Applications for the awards program will be due in late June or early July. Board staff will then review and screen applications to be forwarded to an evaluation committee. This committee will include Board staff and invited representatives from the business community. After the evaluation committee recommends three finalists for each category, the contractor will contact federal, State and local regulatory agencies to confirm finalists are in compliance with all applicable laws and regulations. The contractor will then conduct on-site visits to verify application information and develop final scores for each finalist. Board staff will conduct final rankings of all finalists and present recommended winners for Board approval.

Award presentations. Staff is currently investigating possible conferences, dinners, or other ceremonies of significance to the business community where the Board could present the awards. Such an event is likely to draw press coverage and have significance to program applicants. Each winner will also have the option to have an individual award presentation at an appropriate venue of their choice (e.g., city council meeting, business association luncheon). Staff are also investigating other issues about the award presentations, such as whether award winners should be announced prior to the award presentation. Staff will provide more information about these options in future updates to the Committee.

Award "trophy." A design for the award "trophy" will be developed by Board staff and presented to the Committee for approval. The "trophy" design will include secondary materials if at all possible. The contractor will examine the possibilities of including developmentally disabled work centers in the design and/or production process.

STAFF COMMENTS:

Staff is presenting this informational item as a status report on the progress of the Business Awards Program. Staff would be pleased to receive comments or direction from the Legislation and Public Affairs Committee.

Prepared By: Chris Allen *CA* Phone 255-2368

Reviewed By: Mitch Delmage/Linda Hennessy *LD* Phone 255-2385

Legal Review: *LD* Date/Time 11-23-92