



BETTY T. YEE
California State Controller

RECEIVED

June 06, 2017

**Commission on
State Mandates**

June 6, 2017

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Re: Draft Proposed Decision

Incorrect Reduction Claim

Integrated Waste Management, 13-0007-I-02

Public Resources Code Sections 40418, 40196.3, 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes of 1992, Chapter 1116 (AB 3521); Statutes of 1999, Chapter 764 (AB 75)

State Agency Model Integrated Waste Management Plan (February 2000)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007,
2007-2008, 2008-2009, and 2009-2010

Sierra Joint Community College District, Claimant

Dear Ms. Halsey:

The State Controller's Office (SCO) has reviewed the Commission on State Mandates' (Commission) draft proposed decision dated May 19, 2017, for the above incorrect reduction claim filed by Sierra Joint Community College District.

We agree with the Commission's conclusion and recommendation to support our reduction of costs claimed for fiscal years (FY) 1999-2000, 2000-2001, the second half of FY 2003-2004, and FY 2004-2005 through FY 2009-2010.

However, with regards to the first half of FY 2003-2004, the Commission concluded that the offset should be reduced by \$3,393, from \$7,513 to \$4,120, because the district was only required to divert 25% of its solid waste. Therefore, the Commission concluded that for us to calculate an offset using the actual tonnage diverted of 45.59% is incorrect as a matter of law. We disagree.

For the first half of FY 2003-2004, we agree that the district diverted 45.59% of its solid waste, which is above the mandated level of 25%. However, there is no evidence in its FY 2003-2004 mandated cost claim that the district pro-rated the direct costs to claim only 54.84% ($25\% \div 45.59\%$) of the total diversion costs incurred. In fact, on its FY 2003-2004 Form IWM-2, the

Heather Halsey, Executive Director

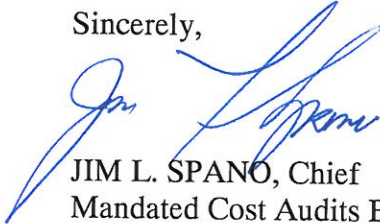
June 2, 2017

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district reported time for "diverting solid waste from landfill disposal or transformation facilities – source reduction / recycling / composting" (Exhibit D, page 230). No proration or allocation was noted. Based on the information provided in the claim, we believe the district claimed 100% of the direct cost incurred to perform the mandated activities. Therefore, we believe the correlated offsetting savings should also be calculated at 100% of the actual diversion rate of 45.59%, totaling \$7,513.

If you have any questions, please contact me by telephone at (916) 323-5849.

Sincerely,



JIM L. SPANO, Chief
Mandated Cost Audits Bureau
Division of Audits

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On June 7, 2017, I served the:

- **State Controller's Office Comments on the Draft Proposed Decision**

Integrated Waste Management, 13-0007-I-02

Public Resources Code Section 40418, 40196.3, 42920-42928;

Public Contract Code Section 12167 and 12167.1

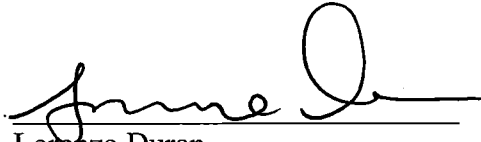
Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, and 2009-2010

Sierra Joint Community College District, Claimant

By making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on June 7, 2017 at Sacramento, California.

A handwritten signature in black ink, appearing to read 'Lorenzo Duran', written over a horizontal line.

Lorenzo Duran

Commission on State Mandates

980 Ninth Street, Suite 300

Sacramento, CA 95814

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COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 3/22/17

Claim Number: 13-0007-I-02

Matter: Integrated Waste Management

Claimant: Sierra Joint Community College District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

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