



BOARD OF DIRECTORS

MEETING HIGHLIGHTS

February 16, 2017

History of Salinas Area Transfer Station Search

Salinas Area Facilities Search

Other Due Diligence Studies

- Economic Benefits Studies (IMPLAN)
- Jobs creation (or loss)
- Economic benefits/impacts
- Trickle down effects
- Assess support of member agency
- Economic Development Goals & Objectives

Salinas Area Facilities Search

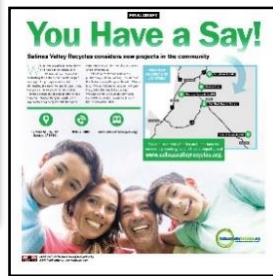
Other Due Diligence Studies

- Long Range Fiscal Impact Studies
- Modeling and projection of rates
- Evaluates long term effects of decisions
- Considers fiscal sustainability of decision options

With the demand for waste services growing at the Sun Street Transfer Station, and 80% of the waste received coming from the City of Salinas and North Monterey County, the future decisions made by the Board are critical for the search of a long term facility, the public's needs, and the agency. To bring the new Board members up to date staff

presented the 20-year history of the search for a long term Salinas Area Facility. The overview included descriptions of the sites considered, studies, and all due diligence completed, as well as the reasons for the changing direction and seeking other potential sites.

Long Term Facility Needs Project Public Outreach Materials



The Board reviewed the Public Outreach material that included input previously provided by the Board and Monterey Regional Waste Management District and received confirmation from legal counsel that it was appropriate for the environmental review process. The Board expressed concerns with the length of the document and appointed a three-member subcommittee to meet with SVR staff to edit and reformat the material in an effort to consolidate the publication down to a version of the document that the Board feels is suitable for mass public distribution.

Preliminary Budget for Fiscal Year 2017-18

The proposed \$16,720,000 operating budget was presented to the Board. It is funded by a 3.6% increase in AB939 Service Fees, a 2.9% increase to Franchise Transportation Surcharge, and a 4.4% increase in projected solid waste which eliminates

| | FY 2016-17 | Proposed FY 2017-18 |
|-------------------------------|-------------|---------------------|
| Operating Revenue | 17,745,600 | 18,364,750 |
| Operating Expenditures | 16,148,000 | 16,720,000 |
| Operating Budget Surplus | 1,597,600 | 1,644,750 |
| CIP Allocations | (2,084,000) | (1,640,000) |
| Use of CIP Reserves (Loan) | 763,500 | - |
| Balance Used to Fund Reserves | 277,100 | 4,750 |

| | |
|---|-----------|
| Johnson Canyon LFG System (Vertical Wells) | 60,000 |
| Johnson Canyon Equipment Replacement | 50,000 |
| Johnson Canyon LFG System (Horizontal Wells) | 30,000 |
| Johnson Canyon Litter Control Fence | 50,000 |
| Johnson Canyon Module 7/8 Construction | 540,000 |
| Repayment of Expansion Fund Loan | 374,000 |
| Jolon Road Transfer Station Improvements | 84,000 |
| Jolon Road Equipment Purchase/Replacement (Repayment) | 120,000 |
| Lewis Road LFG Well Replacement | 30,000 |
| SSTS Equipment Replacement | 300,000 |
| Total Operating Surplus Allocations | 1,640,000 |

the \$1.00 per ton increase in landfill tipping fees that was proposed in January. Revenues fully fund ongoing capital, regulatory, and operational obligations, including two new positions to help manage the increase in tonnage from construction and demolition material and the 12% increase in customers being seen at the Sun Street Transfer Station. The rate hearing and request for budget adoption will be scheduled for the March Board of Directors meeting.

Financial Report for Month Ended December 2016 (50% of the Fiscal Year)

| | |
|-----------------------------|--|
| Revenue collected | \$ 10,093,879 (58.2% of Estimated Revenue of \$17,354,800) |
| Expenditures for operations | \$ 7,294,062 (45.9% of Operating Budget of \$15,902,000) |
| Cash balance | \$ 19,485,298 |

REDUCE REUSE RECYCLE

"To manage Salinas Valley solid waste as a resource, promoting sustainable, environmentally sound and cost effective practices through an integrated system of waste reduction, reuse, recycling, innovative technology, customer service, and education."