Annual Report
2011-12
Salinas Valley Solid Waste Authority
Promoting A Future Without Landfills
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Letter from the General Manager

The Salinas Valley Solid Waste Authority (Authority) continues to exemplify small and efficient government by focusing on private sector partnerships and local economic development to support and grow our vision of a “Future Without Landfills”. The size of our agency compared to the population and large geographic area we serve is the direct result of our Board’s leadership and staff’s innovative approach to solving challenges. Even with our small and innovative staff, we saw our regional waste diversion levels for our five Salinas valley cities continue to improve with a new high of 71% for the 2011 calendar year. Work is underway to memorialize reporting of our regional recycling rate (instead of by individual city), so we can all equally share in the benefits of our collective hard work.

This annual report highlights the Authority’s many public service and education program accomplishments. In support of our vision to promote responsibility for the waste we produce, the Authority continues to reach out to residents and businesses across the Salinas Valley to educate and engage the public on a wide variety of recycling and resource recovery programs. Recycling at our homes and businesses is the first and most effective way to keep trash out of our landfills, through use of existing Authority services and curbside recycling programs. We participated in or lead many public events across the region, focusing on our message of reducing, reusing, and recycling and how the efforts of all our customers are so important to a “Future Without Landfills”.

Fiscal Challenges
Fiscal year 2011-12 year was challenging for all agencies in Monterey County. The deep economic recession, combined with our increased recycling and waste reduction efforts, continues to affect our disposal tonnage, further highlighting the need to move away from funding operations primarily on revenue from landfill disposal. This old, outdated model of funding recycling and waste reduction efforts with revenue from waste disposal is not a sustainable model and is in conflict with our vision of a “Future Without Landfills”. Further progress was made this fiscal year in defining a new rate model that reflects the future of our business. Our overarching goal is to reduce our need to bury trash in a landfill as the primary way we raise revenues to fund recycling programs designed to keep refuse out of the landfill (see the conflict?). Future rates must be based on the full complement of recycling and resource recovery services provided to the public, and not on declining landfill disposal.

Importing waste from outside the county to support revenue needs is another fiscal challenge for the Authority. Importing waste for a limited time was intended to raise money for capital improvements, but it is now being used to support day to day operations due to ever rising regulatory costs and environmental obligations. Owning four landfills and two transfer stations that support services for over a quarter million residents and businesses spread across 2,500 square miles of service area is challenging. Costs for long term environmental care and debt service for three of our landfills, that are now closed, are running nearly $3.0 million per year, or 19% of our operating budget. These environmental, regulatory, and service obligations inherited by the Authority are the reason our rates have and will continue to be historically higher than those of the Monterey Peninsula Landfill. Our historical reliance on landfills is catching up to us and is the reason the Authority continues to pursue new technology options to replace landfills and create new green job opportunities for our residents.

Changing how we finance our non-landfill waste recovery programs and planning to end importation of waste into the Salinas Valley by 2017 are the top two priorities for the Authority in the coming year.

Program Successes
This fiscal year also brought many successes including breaking ground on our first landfill gas-to-energy project with our project partner Ameresco at the Johnson Canyon Landfill. Landfills create methane gas as buried garbage decomposes. Methane is a very potent greenhouse gas. Collection and treatment of this gas emitting from our landfills is an unfunded Federal and State requirement. The good news is we will soon begin to receive revenue from our partnership with Ameresco (energy developer) for sale of our landfill gas. The project will start operation by the end of 2012. A second landfill gas-to-energy project at the closed Crazy Horse Landfill is set to start in 2013 with a new project owner SCE. The two projects combined will provide new revenues to the Authority of $300,000 to $500,000 per year for the next 20 years, and
create up to 4.3 Megawatts of power (enough for 4,500 homes). The two projects are a sample of the many projects under consideration to help raise revenues outside of landfill disposal.

Crazy Horse Closure Project is nearly complete and will be a showcase for the industry as we utilize a new innovative cover system that will reduce our long term maintenance costs for the site over the next 30 years. Staff has taken on much of the work associated with this project in order to save money and provide better oversight of this critical agency project. We are projecting to be at least $2.7 million under the lowest bid received for this project.

An expanded and improved organics management program was started with our newest private sector partner, Vision Recycling, including a compost and mulch sales center at the Sun Street Transfer Station. Vision Recycling is also working closely with staff to recover and process portions of our construction and demolition waste stream. Vision is also using the finished organics products in a new venture to produce erosion control products and absorbents for storm water improvement projects across the region. This is another great example of sustainability, where recovered waste is being used to produce beneficial products for our region.

A Future Without Landfills
We continue to be recognized as an industry leader and have been asked to present our path towards a “Future Without Landfills” at many conferences and events across California, United States and Mexico. The goal to our future success requires two key steps, first to implement our advanced waste recovery technology referred to as Autoclaving. The Autoclave technology owned by Global Organics Energy has been a major research effort by the Authority for over 5 years and is designed to recover both organic materials (food waste) and cellulose (paper products) from the mixed waste stream currently being landfilled. These two materials make up over 60% of our landfilled waste. The Autoclave technology is proposed to be included as part of the facilities relocation project and would serve all Authority jurisdictions. The new facility would no longer be a transfer station for moving trash around, but would be focused on materials recovery both through the Autoclave technology and expanded public and commercial recycling services. This project would bring in $10s of millions in new technology investments, create green tech jobs, and take the Salinas Valley forward in a more sustainable path for long term waste management.

The second and final step in a “Future Without Landfills” is to find a more beneficial way to handle the waste left over after all the recycling and waste recovery projects are in place, and to end landfilling as we know it today. After years of technical study and review of projects world-wide, the Authority has selected Plasma Gasification as an energy production technology to replace our last remaining landfill. The project proponent, Plasco Energy, has proposed to utilize our waste processing residue to create electricity through their patented plasma gasification technology. Gasification is a very old technology that has been modified to create a clean-burning, low-carbon fuel from garbage that would in-turn be used for creating electricity by fueling engines on common electrical generators. Other recovered by-products from this process would include metals, slag, sulfur, salts and water all of which can be utilized in other beneficial ways.

Faced with many challenges in 2011-12, staff rose to each and every challenge, expanded and improved public services, exemplified small government innovation, and most importantly continued to focus on our vision of a “Future Without Landfills”. On behalf of staff and all our community partners, we want to thank the public, our member agencies and the Authority Board of Directors for all their support, recognition, leadership and dedication to creating a sustainable recycling and resource recovery program for the entire Salinas Valley.

R. Patrick Mathews
General Manager / Chief Administrative Officer
Mission Statement

“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.”

Vision Statement

“To reduce the amount of waste by promoting individual and corporate responsibility. To recover waste for its highest and best use while balancing rates and services. To transform our business from burying waste to utilizing waste as a resource. To eliminate the need for landfills.”

Values

Innovation * Integrity * Public Education * Efficiency
Fiscally Prudence * Resourcefulness
Customer Service * Community Partnerships

Strategic Goals

• Develop and Implement a Sustainable Finance Plan
• Promote Authority’s Role and Value as a Resource Recovery Agency
• Achieve 75% Diversion by 2015
• Enhance Existing Facilities, Equipment and Public Services
• Promote and Maintain a High Performance, Efficient, and Flexible Workforce

Board of Directors

Fernando Armenta
President
Executive Committee
County of Monterey
Since 1997

Liz Silva
Vice President
Executive Committee
City of Gonzales
Since 2010

Dennis Donohue
Alternate Vice President
Executive Committee
City of Salinas
Since 2007

Gloria De La Rosa
Past President
Executive Committee
City of Salinas
Since 2001

Lou Calcagno
County of Monterey
Since 1999

Robert Cullen
City of Kings
Since 2008

Jyl Lutes
City of Salinas
Since 2010

Annie Moreno
City of Greenfield

Richard Perez
City of Soledad
Since 2010
2011-12 Board Highlights

Funding Agreement with USDA for Biomethane Research
The United States Department of Agriculture agreed to provide $66,000 in federal funding for ongoing biomethane fuels research. The research project will focus on utilizing the Autoclave’s cellulose output for biomethane fuel production. This project will help improve market opportunities for the autoclave’s outputs.

Crazy Horse Solar Project
The Authority was selected to receive up to $35,000 in technical assistance in the form of a feasibility study for the Crazy Horse Landfill Renewable Energy Project, from both the U.S. Environmental Protection Agency and the Department of Energy’s National Renewable Energy Lab. These studies are necessary in order to understand the economics and cost effectiveness of the infrastructure upgrades required to connect to PG&E’s system.

Crazy Horse Landfill Closure Project
The project is on schedule for completion later this year, as well as staff’s projection to save $2.7 million by performing some of this work in-house. To continue making progress, the Board authorized further supplies and equipment, as well as temporary employees. All procurements will be handled according to established procedures.

Sun Street Transfer Station Relocation
Staff presented an update on the future Salinas Area Materials Recovery Center, of which the Autoclave Pulp Recovery & Energy Generation Plant would be a key component. The preferred site being considered is the Work Street Industrial Park. Staff will be inviting the Board to attend an Autoclave test run in the near future.

Autoclave Process Technology
The Board committed to allocate $100,000 in its budget to support the future development only if a successful project can be finalized including: financing and ownership structure, project location, completion of environmental review and permitting, and securing markets for sale of the paper pulp products. The Autoclave technology has proved to reduce 60% of waste volume. This project has the potential to achieve the Authority’s 75% diversion goal and the State’s 75% diversion target by 2020.

Purchase of New Equipment for Sun Street Transfer Station
The Authority purchased a new loader and transfer truck. Both pieces of equipment were needed to replace aging equipment. The purchase of the new equipment will improve the facility’s efficiency.
Long Term Waste Management Plan
75% Diversion Goal

The Board of Directors began investigating alternatives to landfill disposal of solid waste in February 2005 with a series of study sessions leading to adoption of a goal to achieve 75% diversion from landfills by 2015, and development of the Long Term Waste Management Plan, approved in January 2007. This summary provides the elements of the Plan and the current status.

Defining the method to measure progress on meeting the 75% Diversion Goal including conducting a Waste Composition/Generation Study to identify baseline commodities and quantities. Measurement is based on the annual AB939 compliance reporting depicted here for Salinas Valley tonnage in 2011.

The Waste Composition Study was completed and presented to the Board in December 2008.

Implementing a comprehensive construction and demolition (C&D) recycling program.
Staff met with each Building Official to encourage adoption of an ordinance requiring reuse or recycling of demolition or construction materials. Provided samples of all forms for customer and City use in determining compliance. Developed and distributed a C&D recycling brochure in English and Spanish. C&D totals have increased 4% from 2008 to 2011, with a peak of 5,278 tons in 2009. Vision Services salvages usable wood from construction debris which is recycled into wood chip products.

Enhancing the public education process to further promote the reduce, reuse and recycle message.
Increased Resource Recovery Technicians to two positions. Added a Contracts and Grants Administrator position. Attended community events to provide public outreach and education. Secured grant funding for promotion of recycling bottles and cans, as well as litter abatement, and free disposal of tires. Conducted on site waste assessments and provided recommendations on waste reduction and recycling implementation or enhancements. Initiated recycling stations in classrooms and on school campuses. Funded interactive school assembly program called RecycleRama.

Working closely with large agricultural and commercial businesses to increase diversion.
In collaboration with waste collectors, Authority staff has conducted Waste Assessments and provided recommendations leading to an increase in recycling services and a decrease in trash amounts for several businesses including Fresh Express, HSBC, River Ranch, Kmart, and Taylor Farms. Educating key individuals in these organizations has resulted in successful long term waste reduction programs.
Implementing the steam autoclave pilot project.
Initiated in 2005 after relocation of the autoclave to the Crazy Horse Landfill in partnership with the US Department of Agriculture. Based on the analysis of the test runs and acquisition of the technology by a vendor prepared to advance commercial production, an Autoclave Process Technology Agreement Term Sheet was approved by the Board on May 2, 2012.

Evaluating other Conversion Technologies.
A four-member Conversion Technology Commission was formed in 2007 to research a non combustion based technology suitable for processing municipal solid waste. A procurement process was launched in January 2008 to secure qualified vendor proposals. From the initial nine proposals received, four were further analyzed including 3 thermal processes, and 1 anaerobic digestion project. The top ranked technology was offered by Plasco Energy Group of Ottawa, Canada based on its diversion potential, per ton cost, revenue sharing opportunity, modular ability to increase or decrease processing capability, reduced impact on greenhouse gas, and pre-certification from the CA Energy Commission as an energy eligible for renewal portfolio standards, allowing the electricity produced from the Plasco synthesis gas to command a higher price. This certification was based on the November 2010 decision from CalRecycle, the state department responsible for solid waste and recycling oversight that Plasco’s technology would be considered gasification under California law. The environmental review for the steam autoclave and the Plasco technology was authorized by the Board in January 2011 and commenced in October. Progress on the Environmental Impact Report for the Plasco project was suspended following the announcement that CalRecycle reversed its 2010 decision and the status as a renewable energy was put on hold.

Increasing organics diversion.
The diversion of organic waste (yardwaste, woodwaste and foodwaste) increased more than 15% between 2008 and 2011 resulting in 113,600 tons of reusable material that was screened, ground and chipped and applied for soil enhancement or landscaping.

Implementing Self-haul Materials Recovery Center.
Development of Materials Recovery Centers were completed at both the Sun Street Transfer Station and Johnson Canyon Landfill, accepting electronic waste, cardboard, paper, appliances, metal, plastic, glass and mattresses.

Facilitating member agency programs.
Authority staff worked collaboratively with Cities, County, and Gonzales Grows Green representatives to implement recycling programs in city facilities including providing containers, attending community events on request, communicating with franchise collectors, coordinating and attending community clean up events, working with the Central Coast Recycling Media Coalition to promote recycling of beverage containers and litter abatement, representing cities on the Integrated Waste Management Task Force, participating in the 5 year review of the Integrated Waste Management Plan, periodic review of the Source Reduction and Recycling Element and Household Hazardous Waste Element.
Marketing

One of the Authority’s goals is to promote public awareness about the services the Authority provides to the community. Reaching out to such a large area can become challenging. Staff has utilized every option available to promote its vision of a future without landfills. The Authority utilizes various tools to reach every member of the community, from Facebook, to newspaper articles and ads, to TV and radio ads to promote events, and the recycling resources available to the community.

The goal of the Authority is to promote its role as a community partner in providing economic, and environmental health through sustainable energy and resource recovery. This goal is based on long-term education to create an understanding among the target audiences that inspires environmental stewardship.

Special Media Campaigns

Tire Recycling Campaign
- Radio ads on KPRC and KDON
- Newspaper ads in El Sol, Salinas Californian, South County newspapers and Auto Shopper
- Radio ads on KDON, KPRC, KRAY, KMJV, KTGE and KLOK
- Press release and on-site event with Radio Tigre

Household Hazardous Waste Recycling Campaign
- TV spots on KSMB, KMUV, KSMS, KION and KCBA
- Radio spots on KDON, KPRC, KLOK, KRAY, KMJV and KTGE

“Stay Local” Branding Campaign
- TV ads on KION, KCBA, KSMS, KMUV and KSMB
- Radio ads on KDON and KPRC

Holiday Tree Recycling Campaign
- Newspaper ads in El Sol, Salinas Californian and South County newspapers
- Radio ads on KDON and KPRC

Public Notice Rate Increase Campaign
- Newspaper ads in El Sol, Californian, and South County newspapers
- Radio ads on KTGE, KMJV, KLOK, KRKC, KDON, KPRC and KRAY
- Press releases

“Plug or Play” Recycling Event
- TV media on KSMS, KMUV, KSMS KION and KCBA
- Radio media on KLOK, KRAY, KMJV, KTGE, KPRC
- Newspaper columns and Web ads
- Interviews and news segments on KION News

Fact:
www.svswa.org Receives 200 visitors each day

Top 3 searches on the www.svswa.org
1. Recycling projects for students
2. Information on Authority Projects
3. Locations for recycling and disposal
The Authority staff provides several services throughout the Salinas Valley. From assisting customers in finding the appropriate location for recycling, to promoting recycling at schools and organizations, and ensuring that all the materials that are received at our facilities are handled safely. The Authority staff always strives to provide great customer service to keep customers satisfied and returning to the Authority’s facilities.

Promotions & New Employees

Guillermina Gutierrez
Promoted to Resource Recovery Technician

Mandy Brooks
Promoted to Recycling Coordinator

Jenny Mitchell
Promoted to Contracts & Grants Analyst

Jason Guillen
New Hire HHW Maintenance Worker II
Santa Clara Valley Authority Area

Waste From South Santa Clara Valley

Waste From Authority Area
(Salinas, Gonzales, Soledad, Greenfield, King, and Eastern Portion of Monterey County)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tons</td>
<td>250,912</td>
<td>246,489</td>
<td>216,524</td>
<td>219,583</td>
<td>227,207</td>
<td>234,709</td>
<td>235,852</td>
<td>222,906</td>
<td>205,534</td>
<td>187,486</td>
<td>173,907</td>
<td>171,082</td>
<td>166,943</td>
</tr>
</tbody>
</table>

Each day residents in the Salinas Valley add more than 458 tons of trash to the landfill.

Landfilled Tonnage FY 2011-12

- Authority Area: 166,943 Tons
- Santa Clara Valley: 69,215 Tons
- Other: 89 Tons

Total Tons Landfilled: 236,247 Tons

Historical Tonnage

Tonnage

Our Trash
Total Tonnage Disposed At The Landfill By Origin

- Monterey County: 32,792, 20%
- Soledad: 9,586, 6%
- Greenfield: 6,855, 4%
- King City: 8,409, 5%
- Gonzales: 5,697, 3%
- Salinas: 103,604, 62%

By Origin

- Monterey County: 32,792
- Soledad: 9,586
- Greenfield: 6,855
- King City: 8,409
- Gonzales: 5,697
- Salinas: 103,604

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- Soledad: 9,586
- Greenfield: 6,855
- King City: 8,409
- Gonzales: 5,697
- Salinas: 103,604

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- King City: 8,409
- Gonzales: 5,697
- Salinas: 103,604
**Diversion**

### Annual Diversion Rates

<table>
<thead>
<tr>
<th>CITY</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salinas</td>
<td>60%</td>
<td>61%</td>
<td>64%</td>
<td>70%</td>
<td>69%</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>Gonzales</td>
<td>45%</td>
<td>40%</td>
<td>62%</td>
<td>64%</td>
<td>62%</td>
<td>62%</td>
<td>61%</td>
</tr>
<tr>
<td>Soledad</td>
<td>54%</td>
<td>50%</td>
<td>55%</td>
<td>59%</td>
<td>60%</td>
<td>59%</td>
<td>63%</td>
</tr>
<tr>
<td>Greenfield</td>
<td>23%</td>
<td>24%</td>
<td>55%</td>
<td>56%</td>
<td>54%</td>
<td>50%</td>
<td>52%</td>
</tr>
<tr>
<td>King City</td>
<td>78%</td>
<td>78%</td>
<td>76%</td>
<td>79%</td>
<td>80%</td>
<td>81%</td>
<td>84%</td>
</tr>
<tr>
<td>Unincorporated Monterey County</td>
<td>63%</td>
<td>54%</td>
<td>54%</td>
<td>53%</td>
<td>62%</td>
<td>58%</td>
<td>62%</td>
</tr>
</tbody>
</table>

* 2011 rates are still preliminary.

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**The Authority’s regional diversion rate increased to 71% for the five Salinas Valley Cities in the calendar year 2011**

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**Diversion at Authority Facilities FY 2011-12**

<table>
<thead>
<tr>
<th>Tons Received</th>
<th>Salinas</th>
<th>Monterey County</th>
<th>Soledad</th>
<th>King City</th>
<th>Greenfield</th>
<th>Gonzales</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tons Received</td>
<td>125,398</td>
<td>40,939</td>
<td>14,287</td>
<td>10,173</td>
<td>8,748</td>
<td>7,305</td>
<td>206,849</td>
</tr>
<tr>
<td>Diverted Greenwaste</td>
<td>16,462</td>
<td>4,375</td>
<td>1,544</td>
<td>1,261</td>
<td>1,400</td>
<td>1,115</td>
<td>26,157</td>
</tr>
<tr>
<td>Diverted C&amp;D</td>
<td>926</td>
<td>3,142</td>
<td>43</td>
<td>45</td>
<td>12</td>
<td>43</td>
<td>4,210</td>
</tr>
<tr>
<td>Diverted Biosolids</td>
<td>2,526</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,526</td>
</tr>
<tr>
<td>Diverted Concrete/Asphalt</td>
<td>1,080</td>
<td>260</td>
<td>397</td>
<td>82</td>
<td>395</td>
<td>203</td>
<td>2,417</td>
</tr>
<tr>
<td>Diverted Other</td>
<td>3,327</td>
<td>369</td>
<td>191</td>
<td>376</td>
<td>86</td>
<td>247</td>
<td>4,596</td>
</tr>
<tr>
<td><strong>Total Tons Diverted</strong></td>
<td><strong>21,794</strong></td>
<td><strong>8,147</strong></td>
<td><strong>4,701</strong></td>
<td><strong>1,764</strong></td>
<td><strong>1,893</strong></td>
<td><strong>1,608</strong></td>
<td><strong>39,906</strong></td>
</tr>
<tr>
<td>% Diverted</td>
<td><strong>17.38%</strong></td>
<td><strong>19.90%</strong></td>
<td><strong>32.90%</strong></td>
<td><strong>17.34%</strong></td>
<td><strong>21.63%</strong></td>
<td><strong>22.01%</strong></td>
<td><strong>19.29%</strong></td>
</tr>
<tr>
<td>Tons Landfilled</td>
<td>103,604</td>
<td>32,792</td>
<td>9,586</td>
<td>8,409</td>
<td>6,855</td>
<td>5,697</td>
<td>166,943</td>
</tr>
</tbody>
</table>
## Operating Budget

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>Actual FY 2010-11</th>
<th>Actual FY 2011-12</th>
<th>Budgeted FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tipping Fees</td>
<td>$12,271,112</td>
<td>$12,272,036</td>
<td>$12,681,900</td>
</tr>
<tr>
<td>South Santa Clara Valley</td>
<td>2,211,254</td>
<td>2,243,315</td>
<td>2,340,900</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td>320,583</td>
<td>63,257</td>
<td>80,200</td>
</tr>
<tr>
<td>Sales Recycled Materials</td>
<td>428,466</td>
<td>419,614</td>
<td>572,500</td>
</tr>
<tr>
<td>Grants &amp; Other Revenue</td>
<td>340,020</td>
<td>139,214</td>
<td>177,000</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$15,571,435</strong></td>
<td><strong>$15,137,436</strong></td>
<td><strong>$15,852,500</strong></td>
</tr>
</tbody>
</table>

### Expenditures

<table>
<thead>
<tr>
<th></th>
<th>Actual FY 2010-11</th>
<th>Actual FY 2011-12</th>
<th>Budgeted FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$2,356,135</td>
<td>$2,102,079</td>
<td>$2,363,160</td>
</tr>
<tr>
<td>Resource Recovery</td>
<td>2,029,357</td>
<td>2,116,629</td>
<td>2,308,290</td>
</tr>
<tr>
<td>Scalehouse Operations</td>
<td>321,688</td>
<td>318,113</td>
<td>342,490</td>
</tr>
<tr>
<td>Landfill Operations</td>
<td>3,415,697</td>
<td>3,519,181</td>
<td>3,569,290</td>
</tr>
<tr>
<td>Transfer Stations Operations</td>
<td>2,511,658</td>
<td>2,643,365</td>
<td>2,724,680</td>
</tr>
<tr>
<td>Environmental Control System</td>
<td>659,460</td>
<td>802,511</td>
<td>973,670</td>
</tr>
<tr>
<td>Closure Costs</td>
<td>296,939</td>
<td>303,192</td>
<td>277,000</td>
</tr>
<tr>
<td>Debt Services</td>
<td>3,138,188</td>
<td>3,139,651</td>
<td>3,140,120</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td><strong>$14,729,122</strong></td>
<td><strong>$14,944,721</strong></td>
<td><strong>$15,698,700</strong></td>
</tr>
</tbody>
</table>

### How your $67 Tipping Fee is Spent

<table>
<thead>
<tr>
<th>Transfer of Waste</th>
<th>$10.61</th>
<th>Transferring of the waste received at the Sun Street and Jolon Road Transfer Stations to the Johnson Canyon Landfill.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legacy Liabilities</td>
<td>$17.33</td>
<td>Repayment of bonds used to close landfills and perform needed improvements when the Authority was formed; maintaining the Crazy Horse, Jolon Road, and Lewis Road closed landfills.</td>
</tr>
<tr>
<td>Public Services Operational Costs</td>
<td>$39.06</td>
<td>Operating the Sun Street Materials Recovery Center, Johnson Canyon Landfill and providing diversion services and administration.</td>
</tr>
<tr>
<td><strong>Total Tipping Fee</strong></td>
<td>$67.00</td>
<td></td>
</tr>
</tbody>
</table>
Innovation at its Best!

The Authority is constantly looking for opportunities to be more cost effective. As more Agencies outsource projects and personnel to reduce costs, the Authority has taken a different approach by utilizing current staff with the experience and skills to think of innovative ways to reduce costs or create savings. Below are some examples of how staff has worked to reduce costs and make every dollar count in this tough economy.

In-Sourcing Projects

Due to many fields relating to the solid waste industry requiring specialized expertise and knowledge, outsourcing contracts tend to be more expensive. A solution to this problem has been to utilize Authority staff to handle various projects that were previously contracted out. Below is a list of projects in-sourced.

- Completing the Crazy Horse Closure Project with internal staff. Savings: $2,700,000.
- Utilized Authority staff with heavy equipment experience to complete winterization preparedness at sites. Savings: $10,000.
- Permit modifications and updates for Authority sites. Savings: $70,000.
- Landfill and Transfer Station maintenance and improvements such as storm water improvements. Savings: $35,000.
- Used Authority staff to update human resource software instead of utilizing outside vendor. Savings: $18,000.
- Utilizing Authority staff for translating services, marketing & design work usually contracted out. Savings: $10,000.

Reducing Expenses

As all public agencies know expenses tend to only go up. The Authority is negotiating with vendors to keep expenses stable as possible or in some cases even reduce costs to the Authority.

- Received grants totaling $177,000 for various projects, reducing the amount the Authority required from the landfill rates.
- Negotiated a decrease per unit in the cost of recycling mattresses.
- Extended the RecycleRama contract for school assembly programs at no additional cost.
- Negotiated the same hourly rates for marketing services as the previous contract.
- Negotiated with oil recycling hauler to collect used oil at no cost to the Authority and negotiated an arrangement to receive payment for non-contaminated used oil. Added CDs and cell phones to the list of materials the Authority is compensated for.

Creating partnerships

As the Authority moves forward, we are constantly looking for new opportunities to create partnerships that will reduce expenses and build community partnerships.

- The Authority is participating in the Paint Stewardship program, which will accept the latex and oil base paints collected at Authority facilities at no cost. Estimated annual savings: $44,300.
- Located a recycler that would accept video cassettes at no cost, compared to the previous vendor’s cost of $0.25 per pound.
- Working with the Authority’s financial software vendor to become a beta site at a greatly reduced cost. Being a beta site also allows the Authority to have input during the software development phase.
- The Authority has a long standing partnership with Hope Services, providing employment opportunities for community members with developmental disabilities.
HHW Safe Disposal and Recycling

Since 1997, the Authority’s Household Hazardous Waste (HHW) program has provided residents and small businesses with a safe and convenient solution for disposal of HHW. Everyday household products contain dangerous chemicals that must be disposed of properly.

Before collection programs were available, options for managing HHW were limited to disposal in the trash, pouring down the drain, or storing the waste indefinitely, all of which were unsafe, dangerous and even illegal.

The Authority not only strives to provide safe disposal of HHW material, but also tries to reuse and recycle as much material as possible to reduce costs and to promote sustainability within the community. The Authority recycled 90% of the HHW material that is brought to our facilities. Residents can even pick up paint or other common household products that have been recycled at the Sun Street Household Hazardous Waste collection facility.

HHW Collection FY 2011-12

<table>
<thead>
<tr>
<th>Material</th>
<th>Pounds Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flammable Solids / Liquids</td>
<td>6,825</td>
</tr>
<tr>
<td>Oil Base Paint</td>
<td>58,950</td>
</tr>
<tr>
<td>Poisons</td>
<td>14,950</td>
</tr>
<tr>
<td>Acid</td>
<td>3,950</td>
</tr>
<tr>
<td>Base</td>
<td>11,150</td>
</tr>
<tr>
<td>Oxidizer</td>
<td>780</td>
</tr>
<tr>
<td>PCB</td>
<td>393</td>
</tr>
<tr>
<td>Antifreeze</td>
<td>7,920</td>
</tr>
<tr>
<td>Auto Batteries</td>
<td>4,922</td>
</tr>
<tr>
<td>Latex Paint</td>
<td>77,250</td>
</tr>
<tr>
<td>Motor Oil &amp; Filters</td>
<td>75,525</td>
</tr>
<tr>
<td>Mercury containing</td>
<td>75</td>
</tr>
<tr>
<td>Fluorescent Lamps</td>
<td>15,334</td>
</tr>
<tr>
<td>Household Batteries</td>
<td>11,750</td>
</tr>
<tr>
<td>Electronic Waste</td>
<td>351,759</td>
</tr>
<tr>
<td>Universal Waste</td>
<td>494,365</td>
</tr>
<tr>
<td>Medical Waste</td>
<td>1,259</td>
</tr>
<tr>
<td>Gas Cylinders</td>
<td>2,765</td>
</tr>
<tr>
<td>Other Materials</td>
<td>10,125</td>
</tr>
<tr>
<td>Total Pounds Collected</td>
<td>1,150,047</td>
</tr>
<tr>
<td>Total Customers for 2011-12</td>
<td>8,716</td>
</tr>
</tbody>
</table>

HHW Location & Hours

139 Sun St. Salinas, CA
Monday—Saturday
8:00 AM—5:00 PM
(831) 424-5520

Facts:

The Authority received 1,150,047 lbs. of household hazardous waste in 2011-12 FY

90% of the household hazardous waste material received was recycled.
Greenfield High School

$12,922 Annual Savings

Due to continued budget cuts, the Greenfield High School was looking for methods to reduce expenses where possible. The Authority staff, in partnership with Maury Treleven from Tri-cities Disposal & Recycling, toured the High School facilities to conduct a waste audit to create a school-wide classroom mixed recycling program, administrative office recycling program, and an expanded kitchen recycling program to reduce its expenses on disposal. Although the school previously had a recycling program in place, it was under utilized and the High School continued to pay $3,403.86 per month for disposal services.

Tri-cities provided containers to create a Classroom Recycling Center in each classroom. Additional containers were provided to establish recycling programs for batteries and printer cartridges. Students were given additional containers to promote their current recycling program for CRV material. Both staff and students received training on utilizing the new recycling program.

Savings—Students coordinating the bottles and cans recycling program are utilizing funds from recycling to sponsor a field trip to Disneyland. With positive support from staff and students, the High School was able to reduce its annual disposal expenses by $12,922 annually.

Jalisco Market

$1,000 Annual Savings

Authority staff completed a waste audit to determine what recyclable materials were being discarded in the four cubic yard weekly trash container. Although Jalisco Market was previously recycling corrugated cardboard, most other recyclables were not being recycled. To promote recycling, employees received free training on what materials could be recycled. Additionally, several recycling containers were located throughout the establishment to promote recycling by customers and employees.

Savings—Employees reduce by half, the waste going to their trash containers. The store was able to switch to a smaller trash dumpster, which resulted in a savings of $1,000 annually.

Would you like to have the Authority perform a free waste assessment at your office, business, or school? Please call us at 775-3000 to schedule an appointment.
The Authority is currently conducting tests, utilizing a steam autoclave to transform municipal solid waste into a usable product that may be used for ethanol production or to generate renewable energy. The autoclave is a rotating pressure vessel with a 2 ton capacity that receives solid waste from a feed conveyor. High and low pressure steam is applied as well as recirculating hot oil. The result of this process is an organic pulp and inorganic residual which is transferred to a conveyor that feeds a trommel screen where the material is separated. This technology is unique in that it uses temperature, pressure and vacuum to sanitize municipal solid waste, clean recyclables and converts much of the organic fraction into pulp. The pulp can potentially be converted into ethanol and energy.

The operation of the steam autoclave system has allowed the Salinas Valley Solid Waste Authority to test various blends of municipal solid waste, food and greenwaste, manure, etc. for determination of volume reduction, recovery of recyclable materials. Possible end uses for this test project include gasification, anaerobic digestion, composting feedstock, refuse derived fuel, and biogas production. Testing is currently being performed at the Crazy Horse landfill. Plans are being developed to incorporate a commercial scale autoclave system capable of processing up to 600 tons of solid waste daily when the Salinas Area Materials Recovery Center is relocated to Work Street in Salinas.
The closure of Crazy Horse Canyon Landfill will be the most complex and expensive project that the Authority will undertake since the Agency was formed in 1997. The landfill site has been operating since 1934. The Closure project is unique, as it also includes a top cover layer of closure turf. This provides a protective layer while eliminating the need for large amounts of soil to be added.

**Cost Savings**

The project was initially placed out for vendors to bid, but the lowest bid submitted was $12.7 million. The Authority staff was confident it could complete the project at a much lower cost than the bids that were received. Staff has taken the following steps to reduce or eliminate some of the costs involved in the project.

- By in-sourcing all the work associated with a general contractor such as staffing, accounting construction support process, procurement, and project management. Savings: $264,800
- By using Authority owned equipment instead of renting equipment. Savings: $24,000
- By revising plans on module 1. Savings: $75,000
- By having Authority staff complete portions of the parking lot pavement work. Savings: $40,000

The Crazy Closure Project is currently scheduled to be completed $2.7 million under the lowest bid submitted.

Aerial view of Crazy Horse Closure Project showing the liner (black) and the turf (green)

Liner rolls being installed over the top soil to prevent water from entering the ground

Unloading sand to the turf. Over 300,000 cubic yard of sand will be placed

Sand is raked into the turf to weigh it down

A helicopter was used to carry the large rolls of turf to the top of the landfill due to no large equipment being allowed to drive directly on top of the liner
What Happens to E-Waste

Have you brought your television, computer, or monitor to recycle at the Sun Street Transfer Station or any of our facilities or recycling events? Ever wondered how or where it’s recycled?

1. Electronics are received at our facilities free of cost
2. Electronics are separated by type and shrinked wrapped for safe transportation
3. Electronics are shipped to ECS Refining in Stockton, CA for recycling
4. Electronics are dismantled and high value components are harvested for reuse
5. Materials are shredded and sorted using magnets, sorting lines and shaker tables
6. Materials are sent to smelters to be melted into base form: plastic, aluminum, steel, copper and others

Question:
When I dispose of an old computer at an Authority facility, what happens to the hard drive? Is my information safe?

Answer:
If your hard drive has more than 146 GB capacity it is tested and destined for re-use. Hard drives are wiped per Department of Defense Standards.

If you hard drive is less than 146 GB it is shredded and recycled into basic metals to build new products.
Recycling Programs

Electronic Waste
The Authority collected 856,045 lbs. of electronic waste for FY 2011-12. Residents and businesses can bring electronic waste such as TV’s, microwaves, computers, monitors and many more items to any of the Authority’s three facilities free of charge. To learn what happen to your electronic waste after you drop it off at our facility, see page 17.

Tire Recycling
The Authority received a CalRecycle FY 2011-12 Local Government Waste Tire Amnesty Event Grant in the amount of $60,864 to continue to hold free tire recycling events for residents of the Salinas Valley. The Authority hosted a series of events that rotated between each of the Authority’s three facilities – Sun Street Recycling Center, Johnson Canyon Landfill, and Jolon Road Transfer Station. Last fiscal year the program collected and recycled 21,670 waste tires.

Greenwaste
The Authority received 26,063 tons of greenwaste from the Salinas Valley for FY 2011-12. Greenwaste is reused or recycled for several purposes such as alternative daily cover for the landfill, and to creating compost for local gardens. Another creative option being implemented at the Johnson Canyon Landfill is to create sock filters with the recycled wood chips that can be used for erosion control or removing contaminants from stormwater runoff.

GRANTS

Beverage Container Recycling — $63,027
A grant was awarded to the Authority by CalRecycle Beverage Container City/County Payment Program for implementing beverage container recycling programs, litter clean ups, recycling education, advertising, promotional materials, and purchasing recycled content products on behalf of the Cities of Salinas, Gonzales, Soledad, Greenfield and King City.

Biomethane— $66,000
The Authority received a grant from the United States Department of Agriculture for research options for converting cellulose output from the Autoclave via anaerobic digestion into biomethane fuel.

RE-Powering Feasibility Study— $35,000
The Authority received a grant from the United States Environmental Protection Agency (EPA). The EPA provided technical assistance in the form of a feasibility study for the potential installation of Solar Photovoltaics at Crazy Horse Landfill.
Outreach to Schools and Communities

The Authority is always striving to promote organizations to become more aware about reuse and recycling opportunities in the community. Forty four (44) recycling presentation were provided to different schools and organizations throughout the Salinas Valley. Each organization was provided with guidance and materials to improve their recycling programs.

Recycling Presentations
Rotary Club Salinas
Salinas YMCA
ELA Gonzales
La Gloria School Gonzales
Martin Luther King School Salinas
John Steinbeck School Salinas
Jesse Sanchez School Salinas
Marin Luther King School Salinas
Frank Paul School Salinas
Natividad School Salinas
Gabilan Head Start Center King City
Frank Paul Head Start Salinas
Salinas Adult School
Gabilan Elementary Soledad
Gabilan Head Start King City
Growers Express Salinas
University Park School Salinas
Green Academy Toro Park
Madonna Del Sasso Salinas
Monterey Park School Salinas
Main Street School Soledad
DLT King City
Jalisco Market Gonzales
Canyon Creek Townhomes
Head Start SCDC Salinas
Washington Middle School Salinas
Head Start First Steps Salinas
Washington Middle School Salinas
Tynan Village Salinas
Head Start Front Street Salinas
Santa Rita Head Start Center
Head Start Sherwood Salinas
Hartnell Environmental Class Salinas
Head Start First Steps Salinas
Head Start Sherwood Salinas
John Steinbeck Library Salinas
Little Friend Preschool Salinas
Parents Head Start Gonzales
Trujillo Income Tax Salinas
Salinas Surgery Center Salinas
Boys & Girls Club Salinas
South County YMCA Soledad
Short Term Crisis Salinas
Environmental Science Class
Frank Ledesma School Soledad

Would you like to have the Authority perform a presentation at your business, or school? Please call us at 775-3000

RecycleRama

RecycleRama is an outreach program that is sponsored by the Salinas Valley Solid Waste Authority, performing more than 60 shows for various schools and other organizations throughout the community. The program consists of promoting the three Rs, waste reduction, reusing items, and recycling. It is performed through a fun and interactive presentation to get kids involved and interested in recycling.

If you would like to have an event at your organization or school, please contact us at (831) 775-3000.
Thank You

As the Authority continues to provide essential services to the community and promote a future without landfills, residents, students, teachers, and community members provide feedback to the Authority to thank staff for their dedication and services. Below are some of the letters the Authority has received.

I enjoyed learning about recycling and how to save energy and water and also we can reuse the things we recycle.

- Boys & Girls Club of Monterey County

Dear Esli & Biana,

Thank you both very much for your participation in the Environmental Leadership Camp at Toro Park. I enjoyed working with you and think the kids learned a lot. Keep up the good work!

David & Leslie

Dear Mandy,

Thank you so much for the gift of your presence and inspiration at our Cabrillo Extravaganza Day. You truly made a difference in the students who participated that day. I was also so pleased to have met you. Gracias! Jose Martinez

Dear Salinas Valley Solid Waste Authority:

Thank you for teaching us the 3 R’s. They are: reduce, reuse and recycle. I like you.

- Julio

Thanks for coming and informing us about plastics and animals!

- Gina Smith

Thank you so much for coming to us!

- Monica Gomez

Thank you so much! I learned a lot! Grace

Thanks for coming and giving that interesting powerpoint presentation to our class.

- Thank You!

Dance

Thank you so much!

- Thank You!

Thank you for coming into our class and teaching us about our environment.

- Thank you!