



FY 2019-20

Request for Budget Direction

January 24, 2019

Budget Assumptions

- Status Quo
 - No additional diversion or services other than increased organics program approved in September 2017.
 - No Madison Lane Transfer Revenues and Expenses

FY 2019-20 Projected Total Budget Increase

Expanded Organics Processing (full year) Includes 2 Diversion Workers (6 months)	269,600
Payroll Increases	84,600
Mo.Co. Litter Program	100,000
Contract Labor	181,800
All Other Increases / (Decreases)	(573,300)
Debt Service	(583,700)
CIP Budget	530,000
New Cell Construction/Set-Aside	<u>700,000</u>
Total Increase	\$ 709,000

Payroll Budget Increases

COLA (MOU)	\$ 156,400
Merit Increases	115,000
Health Premiums	(138,300)
Net All Other Increases/(Decreases)	<u>(48,500)</u>
Total Payroll Increases	84,600

Debt Service Schedule

FY	Bond Payments	Capital Lease	Total Debt Service
2014-15	1,920,876	414,901	2,335,776
2015-16	1,908,648	960,373	2,869,021
2016-17	1,907,820	797,594	2,705,415
2017-18	2,051,271	797,594	2,848,866
2018-19	3,135,978	797,594	3,933,572
2019-20	3,134,015	212,663	3,346,678
2020-21	3,136,699	0	3,136,699

Capital Lease budget will be allocated to fund future Equipment Replacement
Final Bond Payment Scheduled for 08/01/2031

CIP Budget

Johnson Canyon Module Construction (Estimated Set-Aside)	\$ 950,000
Equipment Replacement/Repayment	920,000
JC LFG System Improvements	60,000
CH Flare Enclosure	30,000
Jolon Road Transfer Station Improvements	25,000
Jolon Road Well	25,000
Concrete Grinding	<u>20,000</u>
Total CIP/Set Aside	\$ 2,030,000

Projected Revenue Increase

5,000-ton increase in solid waste tonnage projection	\$ 342,500
Salinas Organics Program Increase or AB939 fee	313,200
AB939 fee (in lieu of tipping fee)	100,000
Net all other Revenue Increases/(Decreases)	<u>(106,300)</u>
Total Revenue Increase	\$ 649,400

Rate Changes

	<u>Per Ton</u>
Greenwaste- Self Haul	\$ 39.00
Yardwaste- Franchise	\$ 43.00
Wood waste	\$ 39.00
Clean Fill Dirt (In Service Area) (per ton landfill cost)	\$ 20.00
Clean Fill Dirt (Out of Service Area) to garbage rate	\$ 32.00
Sludge	\$ 32.00
	<u>Total Amount</u>
AB939 Increase for MoCo Litter Program	\$100,000
Salinas Organics Increase or AB939 Fee	\$313,222

Budget Summary

	2018-19 BUDGET PRIOR TO ADJUSTMENTS	2018-19 BUDGET AFTER ADJUSTMENTS	2019-20 PROPOSED STATUS QUO
<u>Revenue Summary</u>			
Operating Revenues	\$ 19,720,275	\$ 19,720,275	\$ 20,369,675
Use of One Time Surplus	-	2,683,991	-
Total Revenue	<u>19,720,275</u>	<u>22,404,266</u>	<u>20,369,675</u>
<u>Expense Summary</u>			
Operating Expenditures	14,926,200	15,979,200	14,988,900
Debt Service	3,933,800	3,933,800	3,350,100
CIP Allocation	550,000	930,991	1,080,000
New Cell Set Aside (CIP)	<u>250,000</u>	<u>1,500,000</u>	<u>950,000</u>
Total Expenditure Budget	<u>19,660,000</u>	<u>22,343,991</u>	<u>20,369,000</u>
Balance Used for Reserves	<u>\$ 60,275</u>	<u>\$ 60,275</u>	<u>\$ 675</u>

Additional Administrative Tasks

- End 2004 Discounted Greenwaste Contract with Republic to complete rate setting transition for Expanded Organics Program, to meet State Mandates

Salinas and North County to MRWMD

Operational Savings	\$	(1,945,400)
Decrease in Revenue		1,278,000
MRWMD Tipping Fees Salinas (\$62/ton)		5,828,000
MRWMD Tipping Fees North County		<u>868,000</u>
Net Increase		<u>6,028,600</u>
Per Ton (190,000)		100.23
Increase	\$	31.73



Eliminate 4 full time positions

Salinas Withdrawal

Operating Expenditures	13,052,100
CIP Budget/Set-Asides	<u>1,480,000</u>
Total Budget	14,532,100
Salinas Liability Payment	(2,900,000)
Non-Solid Waste Revenues	<u>(3,079,375)</u>
Net Solid Waste Revenue Needed	<u>8,552,725</u>
Per Ton (80,000 remaining)	\$ 106.91
Increase	\$ 38.41



Eliminate 22 full time positions
and 5 Hope Services

Summary

Budget

- Status Quo
- Salinas Proposed MOU
- Salinas Withdrawal

Tipping Fee

\$ 68.50
\$ 100.23
\$ 108.16

- Solid Waste Increases are in Addition to Organics AB939 and other rate changes shown in Status Quo Budget

Residential Rates (Estimate) SVSWA Related Increases Only

Hauler	Service Level	Status Quo	Salinas Proposed MOU	Salinas Withdrawal
Republic	32 gal	\$.31	\$ 2.88	\$ 2.86
Tri Cities	48 gal	\$.27	\$ 3.46	\$ 4.26
WM- County	35 gal	\$.15	\$ 3.31	\$ 4.10
WM- King City	35 gal	\$.10	\$ 3.90	\$ 4.85

- Does not include the following
 - Franchise Fees (10%-26%)
 - Increases due to Direct Haul or Madison Lane
 - Hauler CPI Increases
 - Increases for Curbside Recycling & Processing

Commercial Rates (Estimate) SVSWA Related Increases Only

Hauler	Service Level	Status Quo	Salinas Proposed MOU	Salinas Withdrawal
Republic	1 cy	\$ 1.04	\$ 9.67	\$ 9.61
Tri Cities	1 cy	\$.46	\$ 19.05	\$ 23.70
WM- County	1 cy	\$.88	\$ 19.34	\$ 23.96
WM- King City	1 cy	\$.43	\$ 16.38	\$ 20.37

- Does not include the following
 - Franchise Fees (10%-26%)
 - Increases due to Direct Haul or Madison Lane
 - Hauler CPI Increases
 - Increases for Curbside Recycling & Processing

Commercial Rates (Estimate) SVSWA Related Increases Only

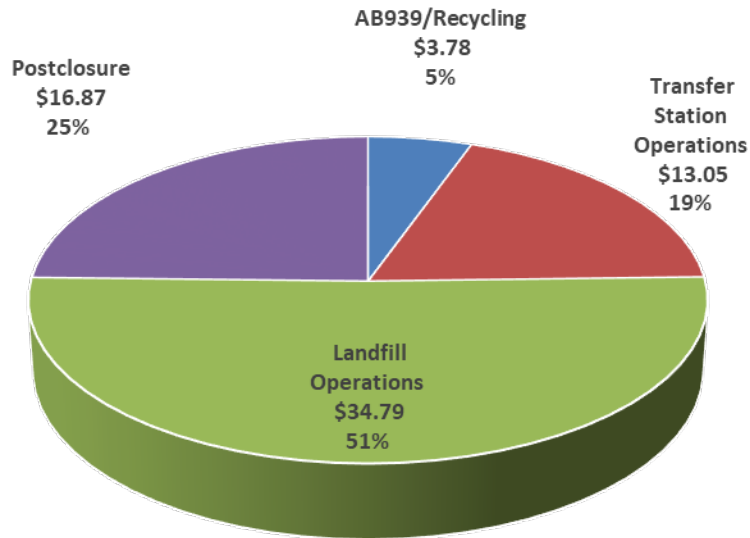
Hauler	Service Level	Status Quo	Salinas Proposed MOU	Salinas Withdrawal
Republic	3 cy	\$ 3.10	\$ 28.79	\$ 28.59
Tri Cities	3 cy	\$ 1.39	\$ 57.18	\$ 71.12
WM- County	3 cy	\$ 2.04	\$ 44.68	\$ 55.34
WM- King City	3 cy	\$.98	\$ 37.04	\$ 46.06

- Does not include the following
 - Franchise Fees (10%-26%)
 - Increases due to Direct Haul or Madison Lane
 - Hauler CPI Increases
 - Increases for Curbside Recycling & Processing

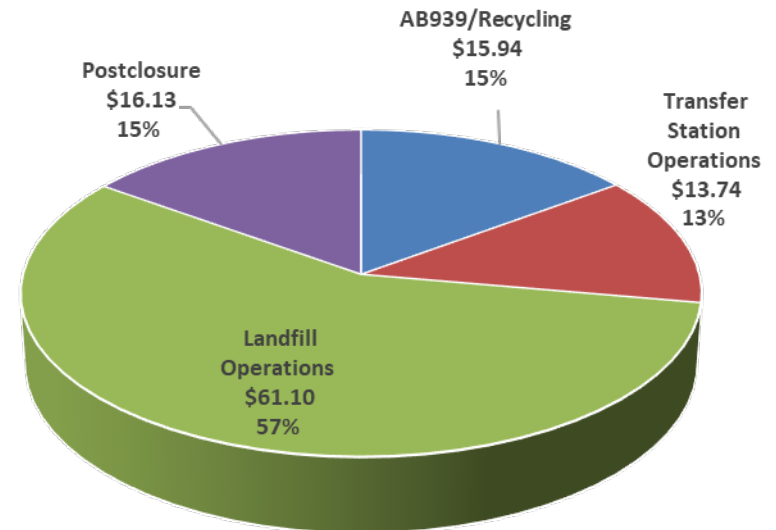


Tipping Fee Comparisons

Status Quo
\$68.50/Ton



Salinas Withdrawal
\$106.92



Status Quo

Residential Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	32 gal	\$.24	\$.31	\$.19	\$.74
Tri Cities	48 gal	\$.44	\$.27	\$.14	\$.85
WM- County	35 gal	\$.65	\$.15	\$.08	\$.88
WM- King City	35 gal	\$.43	\$.10	\$.10	\$.63

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Status Quo

Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	1 cy	\$ 4.37	\$ 1.04	\$ 1.90	\$ 7.31
Tri Cities	1 cy	\$ 3.00	\$.46	\$.69	\$ 4.15
WM- County	1 cy	\$ 3.82	\$.88	\$.47	\$ 5.17
WM- King City	1 cy	\$ 1.82	\$.43	\$.41	\$ 2.66

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Status Quo

Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	3 cy	\$ 5.07	\$ 3.10	\$ 2.87	\$ 11.04
Tri Cities	3 cy	\$ 8.12	\$ 1.39	\$ 1.90	\$ 11.41
WM- County	3 cy	\$ 8.82	\$ 2.04	\$ 1.09	\$ 11.95
WM- King City	3 cy	\$ 4.11	\$.98	\$.92	\$ 6.01

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas MOU

Residential Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	32 gal	\$.24	\$ 2.88	\$ 1.10	\$ 4.22
Tri Cities	48 gal	\$.44	\$ 3.46	\$.78	\$ 4.68
WM- County	35 gal	\$.65	\$ 3.31	\$.40	\$ 4.36
WM- King City	35 gal	\$.43	\$ 3.90	\$.78	\$ 5.11

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas MOU

Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	1 cy	\$ 4.37	\$ 9.67	\$ 4.93	\$ 18.97
Tri Cities	1 cy	\$ 3.00	\$ 19.05	\$ 4.41	\$ 26.46
WM- County	1 cy	\$ 3.82	\$ 19.34	\$ 2.32	\$ 25.48
WM- King City	1 cy	\$ 1.82	\$ 16.38	\$ 3.28	\$ 21.48

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas MOU

Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	3 cy	\$ 5.07	\$ 28.79	\$ 11.90	\$ 45.76
Tri Cities	3 cy	\$ 8.12	\$ 57.18	\$ 13.06	\$ 78.36
WM- County	3 cy	\$ 8.82	\$ 44.68	\$ 5.35	\$ 58.85
WM- King City	3 cy	\$ 4.11	\$ 37.04	\$ 7.41	\$ 48.56

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas Withdrawal

Residential Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	32 gal	\$.24	\$ 2.86	\$ 1.09	\$ 4.19
Tri Cities	48 gal	\$.44	\$ 4.26	\$.94	\$ 5.64
WM- County	35 gal	\$.65	\$ 4.10	\$.48	\$ 5.23
WM- King City	35 gal	\$.43	\$ 4.85	\$.95	\$ 6.23

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas Withdrawal Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	1 cy	\$ 4.37	\$ 9.61	\$ 4.91	\$ 18.89
Tri Cities	1 cy	\$ 3.00	\$ 23.70	\$ 5.34	\$ 32.04
WM- County	1 cy	\$ 3.82	\$ 23.96	\$ 2.78	\$ 30.56
WM- King City	1 cy	\$ 1.82	\$ 20.37	\$ 3.99	\$ 26.18

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing

Salinas Withdrawal

Commercial Rates Increase (Estimate)

Hauler	Service Level	Hauler CPI	Disposal	Franchise Fees	Total Increase
Republic	3 cy	\$ 5.07	\$ 28.59	\$ 11.83	\$ 45.49
Tri Cities	3 cy	\$ 8.12	\$ 71.12	\$ 15.85	\$ 95.09
WM- County	3 cy	\$ 8.82	\$ 55.34	\$ 6.42	\$ 70.58
WM- King City	3 cy	\$ 4.11	\$ 46.06	\$ 9.03	\$ 59.20

- Does not include the following
 - Increases due to Direct Haul or Madison Lane
 - Increases for Curbside Recycling & Processing