December 6, 2018

The Honorable Simon Salinas
President
Salinas Valley Solid Waste Authority Board
128 Sun Street #101
Salinas, CA 93901
Via email to adriannae@svswa.org

RE: City of Salinas' One-Year Notice of Intention to Withdraw from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority

Dear President Salinas:

On November 20, 2018, the Salinas City Council passed and approved Resolution 21521 that authorizes the City Manager to deliver a one year written notice to the Salinas Valley Solid Waste Authority (SVSWA) of the City's intent to withdraw from the *Joint Powers Agreement Between the City of Salinas, The City of Gonzales, The City of Greenfield, The City of King, The City of Soledad, and the County of Monterey Creating the Salinas Valley Solid Waste Authority.* Pursuant to section 19 of the Joint Powers Agreement, this letter serves as the one-year notice. Accordingly, such one-year period shall be deemed complete on December 7, 2019.

The City believes withdrawal from the SVSWA is in the best interests of its residents and business-owners. This notice will allow the City to continue the process of determining the most efficient and economical method of delivering waste disposal and diversion services to the Salinas community, and it will allow the SVSWA to begin the process of assessing how to address the City's potential withdrawal from the Joint Powers Agreement.

In the meantime, should the countywide solid waste stakeholders build a timely consensus on the Memorandum of Understanding proposed by the City for cooperative management of countywide waste management infrastructure, which is demonstrated to be in the best interest of the City and the region, then the City may opt to rescind the notice and remain a member of the Joint Powers Authority.

Sincerely,

Joe Gunter

Mayor

City of Salinas

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cc: Ray Corpuz, City Manager, City of Salinas

Hans Uslar, City Manager, City of Monterey, via email only to uslar@monterey.org
Mike McHatten, City Manager, City of Soledad, via email only to
mmchatten@cityofsoledad.com

Paul Wood, City Manager, City of Greenfield, pwood@ci.greenfield.ca.us

Rene Mendez, City Manager, City of Gonzales, via email only to rmendez@ci.gonzales.ca.us

Steven Adams, City Manager, City of King City, via email only to sadams@kingcity.com Patrick Mathews, General Manager, SVSWA, via email only to patrickm@svswa.org

The Honorable Bruce Delgado, Chair, Monterey Regional Waste Management District Board, via email only to bdelgado62@gmail.com

Tim Flanagan, General Manager, Monterey Regional Waste Management District Board, via email only to tflanagan@mrwmd.org

Lew Bauman, County Administrative Officer via email only to, baumanl@co.monterey.ca.us

John Ramirez, Director, County Environmental Health via email only to, ramirezi1@co.monterey.ca.us

Stephen McCaffrey, Division Manager, Republic Services, Inc. via email only to, smccaffrey@republicservices.com

RESOLUTION NO. 21521 (N.C.S.)

CITY OF SALINAS' ONE YEAR NOTICE OF INTENTION TO WITHDRAW FROM THE JOINT POWERS AGREEMENT WITH THE SALINAS VALLEY SOLID WASTE AUTHORITY

WHEREAS, State regulations AB 1594, SB 1826, SB 1383, and AB 341 mandate additional solid waste diversion from landfills; and

WHEREAS, these regulations, along with other solid waste market factors (e.g., China's National Sword policy on recycled materials), are leading to significant increases in the cost to manage solid waste for all jurisdictions in the state; and

WHEREAS, on August 7, 2018, the City Council approved a resolution that supports a collaboration between the Salinas Valley Solid Waste Authority (SVSWA) and the Monterey Regional Waste Management District (MRWMD) through a Memorandum of Understanding (MOU) to leverage their resources and efficiently maximize the use of the existing solid waste processing and landfill facilities in Monterey County to minimize the impact of the state regulations noted above upon City and county-wide solid waste rate payers; and

WHEREAS, on July 17, 2018, the Monterey County Board of Supervisors declared support of the same MOU; and

WHEREAS, on November 13, 2018, a meeting is scheduled among the key stakeholders to build consensus on the MOU, including representatives from SVSWA, MRWMD, City of Salinas, Monterey County, and South County cities; and

WHEREAS, staff recommends that the City of Salinas develop its own plan for solid waste management in parallel with the MOU negotiations. This will give the City a back-up plan to assure its compliance with the new regulations and to meet the City Council's desire and direction to move the Sun Street Transfer Station out of the City's boundaries and away from its residents and businesses to allow for revitalization of the Alisal Marketplace area consistent with the Alisal Vibrancy Plan, in case regional consensus on the MOU fails as it did with the recommendations in the 2015 countywide study--Evaluation and Analysis of Monterey County's Solid Waste Management System; and

WHEREAS, City staff believe it is in the best economic interests of its citizens and businesses to explore more efficient and economical waste disposal options; and

WHEREAS, Section 19 of the *Joint Powers Agreement Between the City of Salinas, The City of Gonzales, The City of Greenfield, The City of King, The City of Soledad, and the County of Monterey Creating the Salinas Valley Solid Waste Authority* ("JPA") enables the City to deliver a one-year written notice to the SVSWA of intention to withdraw from the JPA; and

WHEREAS, Section 19 of the *Joint Powers Agreement* allows for withdrawal so long as the City makes provision for paying its share of the indebtedness and interest thereon and its

share of the closure, post-closure and site remediation costs, which the City plans to make provision for paying; and

WHEREAS, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to deliver a one-year written notice to the SVSWA of the City's intent to withdraw from the Salinas Valley Solid Waste Authority Joint Powers Agency. This notice will allow the City to begin the process of determining the most efficient and economical method of delivering waste disposal and diversion services to the Salinas community, and it will allow the SVSWA to begin the process of assessing how to address the City's potential withdrawal from the JPA. In the meantime, should the MOU stakeholders build a timely consensus that's in the best interest of the City and the region, the City will have the option to rescind the notice and remain a member of the JPA.

PASSED AND APPROVED this 20th day of November 2018, by the following vote:

AYES: Councilmembers: Craig, Davis, De La Rosa, McShane, Villegas, and Mayor Gunter

NOES: Councilmember Barrera

ABSENT: None

ABSTAIN: None

APPROVED:

—DocuSigned by:

Joe Gunter — D3A49BD817A34AA...

Joe Gunter, Mayor

ATTEST:

DocuSigned by:

Patricia M. Barajas, City Clerk