



AGENDA Regular Meeting

BOARD OF DIRECTORS
Thursday, November 20, 2014, 6:00 p.m.
Gonzales City Council Chambers
117 Fourth Street, Gonzales, California

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Board Directors

County: Fernando L. Armenta
County: Simon Salinas, **Alternate Vice President**
Salinas: Gloria De La Rosa
Salinas: Jyl Lutes, **Vice President**
Salinas: Tony R. Barrera
Gonzales: Elizabeth Silva, **President**
Soledad: Richard J. Perez
Greenfield: Annie Moreno
King City: Robert S. Cullen

Alternate Directors

County: Louis R. Calcagno
Salinas: Joseph D. Gunter
Gonzales: Scott Funk
Soledad: Christopher K. Bourke
Greenfield: Raul C. Rodriguez
King City: Carlos R. Victoria

TRANSLATION SERVICES AND OTHER MEETING ANNOUNCEMENTS

GENERAL MANAGER/CAO COMMENTS

DEPARTMENT MANAGER COMMENTS

BOARD DIRECTOR COMMENTS

PUBLIC COMMENT

Receive public comment from audience on items which are not on the agenda. The public may comment on scheduled agenda items as the Board considers them. Speakers are limited to three minutes at the discretion of the Chair.

CONSENT AGENDA:

All matters listed under the Consent Agenda may be enacted by one motion unless a member of the Board, a citizen, or a staff member requests discussion or a separate vote.

1. [Minutes of October 16, 2014, Meeting](#)
2. [September 2014 Claims and Financial Reports](#)
3. [Strategic Plan Goals and Six-Month Objectives Monthly Progress Report](#)
4. [Tonnage and Diversion Report for the Quarter Ended September 30, 2014](#)
5. [Member and Interagency Activities Report for October 2014](#)
6. [A Resolution Approving Amendment No. 2 Authorizing a Two and a Half-Year Extension to the Professional Services Agreement with Geo-Logic Associates to Provide Groundwater Monitoring Services in an Amount not to exceed \\$237,950](#)
7. [Report of Contract Award to Salinas Steel Builders for the Sun Street Transfer Station Roof and Gutter Repairs Project in the Amount of \\$48,732](#)

PRESENTATIONS

8. SUN STREET MATERIALS RECOVERY CENTER/TRANSFER STATION CUSTOMER SURVEY RESULTS

- A. Receive Report from HR/Organizational Development Manager Rose Gill
- B. Public Comment
- C. Board Discussion
- D. Recommended Action – None, Informational Only

CONSIDERATION

9. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2014

- A. Receive Report from Interim Finance Manager Ray Hendricks
- B. Public Comment
- C. Board Discussion
- D. Recommended Action – Accept Report

10. A RESOLUTION APPROVING THE CHANGE OF SUNDAY OPERATIONS RESULTING IN CLOSURE OF THE JOHNSON CANYON LANDFILL AND OPENING OF THE SUN STREET MATERIALS RECOVERY CENTER/TRANSFER STATION

- A. Receive Report from Operations Manager Cesar Zuñiga
- B. Public Comment
- C. Board Discussion
- D. Recommended Action – Adopt Resolution

FUTURE AGENDA ITEMS

11. AGENDA ITEMS – VIEW AHEAD SCHEDULE

CLOSED SESSION

Receive public comment from audience before entering into closed session:

- 12.** Pursuant to **Government Code Section 54956.8** to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Diversion Manager Susan Warner, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of acquisition, lease, exchange or sale of 1) City of Salinas Property, APNs 003-012-005, APN 003-012-017 and APN 003-012-018, located between Work Street, Work Circle and Elvee Circle, Salinas, CA; 2) Salinas Valley Solid Waste Authority Property, APNs 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, CA; 3) Waste Management, Inc property located at 1120 Madison Lane, Salinas CA; and 4) City of Salinas property located at 156 Hitchcock Road, Salinas, CA.
- 13.** Pursuant to Government Code Section 54957 (b) to consider the Performance Evaluation of the General Manager/Chief Administrative Officer.

RECONVENE

ADJOURNMENT

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This agenda was posted at the Administration Office of the Salinas Valley Solid Waste Authority, 128 Sun Street, Suite 101, Salinas, and on the Gonzales Council Chambers Bulletin Board, 117 Fourth Street, Gonzales, **Friday, November 14, 2014**. The Salinas Valley Solid Waste Authority Board will next meet in regular session on **Thursday, December 18, 2014**. Staff reports for the Authority Board meetings are available for review at: ▶ Salinas Valley Solid Waste Authority: 128 Sun Street, Ste. 101, Salinas, CA 93901, Phone 831-775-3000 ▶ Web Site: www.salinasvalleyrecycles.org ▶ Public Library Branches in Gonzales, Prunedale and Soledad ▶ City Halls of Salinas, Gonzales, Greenfield, King City & Soledad. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Elia Zavala, Clerk of the Board at 831-775-3000. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II). Spanish interpretation will be provided at the meeting. *Se proporcionará interpretación a Español.*



ORDEN DEL DIA Sesión Regular

CONSEJO DIRECTIVO

Jueves 20 de Noviembre del 2014, 6:00 p.m.

Sala del Cabildo Municipal

117 Fourth Street, Gonzales, California

(Agencia gubernamental de gestión de residuos sólidos del valle de Salinas)

LLAMADA A EL ORDEN

SERVICIOS DE TRADUCCIÓN Y OTROS ANUNCIOS

JURAMENTO A LA BANDERA

LISTA DE PRESENTES

Directores

Condado: Fernando L. Armenta
Condado: Simón Salinas, **Vice Presidente Alterno**
Salinas: Jyl Lutes, **Vice Presidente**
Salinas: Gloria De La Rosa
Salinas: Tony R. Barrera
Gonzales: Elizabeth Silva, **Presidente**
Soledad: Richard J. Perez
Greenfield: Annie Moreno
King City: Robert S. Cullen

Directores Suplentes

Condado: Louis R. Calcagno
Salinas: Joseph D. Gunter
Gonzales: Scott Funk
Soledad: Christopher K. Bourke
Greenfield: Raul C. Rodriguez
King City: Carlos R. Victoria

COMENTARIOS DEL GERENTE GENERAL/JEFE DE ADMINISTRACIÓN

COMENTARIOS DE GERENTES DEPARTAMENTALES

COMENTARIOS DEL CONSEJO

COMENTARIOS PÚBLICOS

Recibir comentarios públicos de la audiencia sobre cuestiones que no están en el Orden Del Día. Las personas están limitadas a tres minutos a discreción del Presidente.

CONSENTIMIENTO DEL ORDEN DEL DÍA:

Todos los asuntos que figuran en Consentimiento Del Orden del Día pueden ser aprobados por un movimiento a menos que un miembro del Consejo, un ciudadano, o un miembro del personal solicite una discusión o votación por separado.

1. Acta de Sesión Regular del 16 de Octubre 2014
2. Informe Financiero y de Pagos Emitidos del mes de Septiembre 2014
3. Informe Mensual de Progreso de las Metas y Objetivos de Seis Meses del Plan Estratégico
4. Informe de Tonelaje y Desviación del Trimestre Finalizado el 30 de Septiembre 2014
5. Informe de Actividades con Miembros y Interagenciales de Octubre 2014
6. Una Resolución que Aprueba la Enmienda No. 2 que Autoriza una Extensión de Dos Años y Medio del Acuerdo de Servicios Profesionales con Geo-Logic Associates para Proveer Servicios de Monitoreo de Aguas Subterráneas en una Cantidad que no Exceda \$ 237,950
7. Informe de Adjudicación de Contrato a Salinas Steel Builders para el Proyecto de Reparaciones de Techo y Canaletas del Centro de Recuperación de Materiales Sun Street por una Cantidad que no Exceda \$ 48,732

PRESENTACIONES

8. RESULTADOS DE LA ENCUESTA DE CLIENTES DEL CENTRO DE RECUPERACION DE MATERIALES Y ESTACIÓN DE TRANSFERENCIA SUN STREET

- A. Recibir Informe de Gerente de Recursos Humanos/Desarrollo Organizacional Rose Gill
- B. Comentarios Públicos
- C. Discusión del Consejo
- D. Acción Recomendada – Ninguna; Información Solamente

CONSIDERACIÓN

9. INFORME FINANCIERO COMPLEJO ANUAL DEL AÑO TERMINADO EL 30 DE JUNIO 2014

- A. Recibir Informe de Gerente Intermitente de Finanzas Ray Hendricks
- B. Comentarios Públicos
- C. Discusión del Consejo
- D. Acción Recomendada – Aceptar Informe

10. UNA RESOLUCIÓN QUE APRUEBA EL CAMBIO DE OPERACIONES DEL DOMINGO RESULTANDO EN EL CIERRE DEL BASURERO EN JOHNSON CAÑÓN Y LA APERTURA DEL CENTRO DE RECUPERACION DE MATERIALES Y ESTACIÓN DE TRANSFERENCIA SUN STREET

- A. Recibir Informe de Gerente de Operaciones Cesar Zuñiga
- B. Comentarios Públicos
- C. Discusión del Consejo
- D. Acción Recomendada – Adoptar Resolución

TEMAS FUTUROS

11. AGENDA DE TEMAS – VISTA ADELANTE

SESIÓN A PUERTA CERRADA

Recibir comentarios del público antes de entrar en sesión a puerta cerrada:

- 12. Conforme a la **Sección 54956.8 del Código de Gobierno** conferir con asesoría legal y negociadores de bienes inmuebles Gerente General/CAO Patrick Mathews, Gerente de Desviación Susan Warner, y Asesor Jurídico Tom Bruen, sobre los posibles términos y condiciones de la adquisición, arrendamiento, intercambio o venta de 1) Ciudad de Salinas, APNs 003-012-005, APN 003-012-017 y APN 003-012-018, que se encuentra entre la calle Work Street, Work Circle y Elvee Circle, Salinas, CA; 2) Salinas Valley Solid Waste Authority, APN 003-051-086 y 003-051-087, ubicado en 135-139 Sun Street, Salinas, CA; 3) Waste Management, Inc. localizados en 1120 Madison Lane, Salinas CA; y 4) Ciudad de Salinas propiedad situada a 156 Hitchcock Road, Salinas, CA.
- 13. Conforme a la **Sección 54957 (b) del Código de Gobierno** para considerar la evaluación de desempeño del Gerente General/Jefe Administrativo.

RECONVOCAR

CLAUSURA DE SESIÓN

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Este Orden del Día fue posteoado en la Oficina de Administración de Salinas Valley Solid Waste Authority en 128 Sun Street, Suite 101, Salinas, y en el boletín de la Sala del Concilio de Gonzales, 117 Fourth Street, Gonzales, California el **viernes 14 de noviembre 2014**. El Consejo Directivo de Salinas Valley Solid Waste Authority se reunirá de nuevo en sesión regular el **jueves 18 de diciembre 2014**. Los informes administrativos de las sesiones del Consejo Directivo están disponibles para su consulta en: ▶ Oficina de Salinas Valley Solid Waste Authority: 128 Sun Street, Ste. 101, Salinas, CA 93901, Tel.: 831-775-3000 ▶ Página web: www.salinasvalleyrecycles.org ▶ Biblioteca Pública de Gonzales, Prunedale y Soledad ▶ Oficinas Municipales de Salinas, Gonzales, Greenfield, King City y Soledad. En cumplimiento de la Ley *Americans with Disabilities Act* (Estadounidenses con Discapacidades) si usted necesita asistencia especial para participar en la sesión, por favor póngase en contacto con Elia Zavala, Secretaria del Consejo, al 831-775-3000. Notificación de 48 horas antes de la sesión permitirá que la Agencia tome las medidas razonables para garantizar la accesibilidad a esta sesión (28 CFR 35.102-35.104 ADA Título II). *Se proporcionará interpretación a español.*

Descargo de responsabilidad: SVSWA ha adoptado medidas bilingües de alcance mas alla de las normas minimas estatales y federales para ayudar a la comunidad de habla Español a comprender los temas a ser considerados en las reuniones del Consejo Directivo. Esto incluye la provision de interpretes a Español en cada reunion del Consejo y la traduccion de Ordenes del dia del Consejo y del Comité Ejecutivo y destacados de las reuniones del Consejo. Todos los otros materiales de las reuniones se proporcionan en Ingles solamente. Debido a las dificultades de traducir con precision algunos materiales de Ingles al Español, puede haber diferencias entre el significado y / o el texto de las versiones en Ingles con las de Español de un documento. La version en Ingles del Orden del dia y todos los demas documentos archivados en la oficina del la Secretaria del Consejo son la version oficial que prevaleceran si alguna diferencia existiera con los documentos traducidos a Español.

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
BOARD MEETING
OCTOBER 16, 2014**

CALL TO ORDER

Presiding Officer Armenta called the meeting to order at 6:03 p.m.

ROLL CALL

The following Board Directors were present:

County of Monterey	Fernando Armenta
City of Salinas	Gloria De La Rosa, <i>arrived at 6:05</i>
City of Salinas	Tony Barrera
City of Salinas	Joe Gunter, <i>Alternate</i>
City of Soledad	Richard Perez
City of Greenfield	Raul Rodriguez, <i>Alternate</i>
City of King	Robert Cullen

ITEM NO. 1

Agenda Item

T. Bruen by ez

General Counsel Approval



General Manager

The following Board Directors were absent:

County of Monterey	Simon Salinas, Alt. Vice President
City of Salinas	Jyl Lutes, Vice President
City of Gonzales	Elizabeth Silva, President
City of Greenfield	Annie Moreno

Staff Members Present:

Patrick Mathews, General Manager/CAO
Ray Hendricks, Interim Finance Manager
Susan Warner, Diversion Manager
Cesar Zuniga, Operations Manager

Elia Zavala, Clerk of the Board
Jenny Mitchell, Contracts & Grants Analyst
Thomas Bruen, General Counsel

MEETING ANNOUNCEMENTS

Translation services were announced. No member from the public requested the service.

GENERAL MANAGER COMMENTS

General Manager/CAO Mathews announced that the Sun Street Transfer Station will be closed on the weekends of October 24-25 and October 31-November 1 for the tipping pad pavement project.

DEPARTMENT MANAGER COMMENTS

(6:05) Operations Manager Zuñiga announced that the Johnson Canyon Landfill has been removed from the State's list of landfills with a violation. Diversion Manager Warner provided details on the used tire collection events happening at the Johnson Canyon Landfill and Sun Street Transfer Station.

BOARD DIRECTORS COMMENTS

None

PUBLIC COMMENT

Emily Hensen, with Greenwaste Recovery, announced that Greenwaste Recovery has now executed the seven franchise agreements with the Monterey Bay Peninsula cities and

Pebble Beach Community. She introduced Jim Moresco, their General Manager for Santa Cruz/Monterey area, and Charlie Cordova, Community Relations Manager in Monterey.

CONSENT AGENDA (6:09)

1. Minutes of September 25, 2014, Meeting
2. August 2014 Claims and Financial Reports
3. Strategic Plan Goals and Six-Month Objectives Monthly Progress Report
4. September 2014 Quarterly Investments Report
5. Resolution No. 2014-32 Approving the Regular Board of Directors and Executive Committee Meetings Calendar for 2015
6. Resolution No. 2014-33 Revising the Designated Positions of the Authority's Conflict of Interest Code Rescinding Resolution 2012-28

Public Comment: None

Board Comments: None

Motion: Director Barrera made a motion to approve the consent agenda as presented. Director Cullen seconded the motion.

Votes: Motion carried 7, 0

Ayes: Armenta, Barrera, Cullen, De La Rosa, Gunter (alt), Perez, Rodriguez (alt)

Noes: None

Abstain: None

Absent: Moreno, Lutes, Salinas, Silva

RECOGNITIONS

7. ANNOUNCEMENT OF NEW PROMOTIONS

(6:10) General Manager/CAO Mathews announced two new employee promotions: Ernesto Natera was promoted from Administrative Assistant II to Accounting Technician. Monica Ambriz was promoted from Administrative Assistant I to Administrative Assistant II and then to Human Resources Generalist. He also commented that the Johnson Canyon Landfill Operations recruitments are nearly complete. Mr. Natera and Mrs. Ambriz were present.

Public Comment: None

Board Comments: The Board commended the promoted staff.

8. ST. PAUL EPISCOPAL CHURCH FOR SUCCESSFUL COMPREHENSIVE RECYCLING PROGRAM IMPLEMENTATION

(6:11) Diversion Manager Warner presented a certificate of recognition to Reverend Jim Ezell for the parish's outstanding commitment to implementing comprehensive recycling programs and waste reduction policies.

Public Comment: None

Board Comments: The Board commended the church's waste reduction efforts.

PRESENTATIONS

9. 2013 FRANCHISED WASTE HAULERS PERFORMANCE REPORT

(6:18) Contracts & Grants Analyst Mitchell presented the waste haulers performance report for 2013 for those member agencies for which the Authority administers their franchise agreements. In the report, Republic Services and Tri-Cities Disposal both showed a slight increase in materials landfilled and diverted in comparison to 2012.

Public Comment: Doug Kenyon, with Republic Services, spoke on their outreach focus to the packing industries in Salinas.

Board Comments: The Board received the report.

10. REPORT ON CITY OF SALINAS/COUNTY OF MONTEREY SUPPORT OF SALINAS-AREA MATERIALS RECOVERY CENTER (SAMRC)

(6:30) General Manager/CAO Mathews reported that County staff has indicated that the project is not yet on their priority list. The City of Salinas is evaluating previous options and looking at acquisition and/or annexation options as a possible way to expedite the project. There have been many discussions at different levels.

Public Comment: None

Board Comments: The Board discussed the report. One member commented on the need to make substantial progress and suggested scheduling continuous meetings or forming a subcommittee.

CONSIDERATION

11. APPOINTMENTS TO THE CITIZENS ADVISORY GROUP

(6:44) General Manager/CAO Mathews announced that no new nominations have been received.

Public Comment: None

Board Comments: The Board received the report.

12. SERVICE FEES FOR GREEN WASTE CONTAMINATION

(6:45) Diversion Manager Warner reported on the issue of contaminated green waste, despite the public outreach and education efforts by the Authority and Vision Recycling, the green waste processor. Staff proposed establishing flat fees per contaminated load delivered by the waste hauler. Currently, the cost to clean-up the contaminated loads is being charged to the Authority. She added that Waste Management and Tri-Cities Disposal have mechanisms in place to address contaminated loads. Republic Services of Salinas would be the hauler most impacted by these fees.

Public Comment: Doug Kenyon, with Republic Services, acknowledged that the contaminated loads were a Salinas problem. He spoke on the need for a collaborative outreach effort approach, not only to educate the public on how to use the green waste bins, but on the consequences of not using them appropriately.

Board Comments: The Board discussed the proposed fees and public outreach. They expressed support for an idea raised by Mr. Kenyon where contamination offenders would eventually get upgraded to a larger waste bin as a result of their continued green waste bin contamination. The customer would pay more but would get a larger waste bin. The Board expressed support for a broader outreach campaign that would give customers enough time to understand the consequences.

Motion: Director De La Rosa made a motion to defer this item to a later date to allow Republic Services to work with the City of Salinas on an approach that includes public education. Alternate Director Gunter seconded the motion. The motion passed unanimously.

Votes: Motion carried 7, 0

Ayes:	Armenta, Barrera, Cullen, De La Rosa, Gunter (alt), Perez, Rodriguez (alt)
Noes:	None
Abstain:	None
Absent:	Moreno, Lutes, Salinas, Silva

FUTURE AGENDA ITEMS

13. AGENDA ITEMS – VIEW AHEAD SCHEDULE

(7:16) The Board reviewed the future agenda items.

CLOSED SESSION

(7:17) Presiding Officer Armenta adjourned the meeting to Closed Session to discuss the following:

11. Pursuant to **Government Code Section 54956.8** to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Diversion Manager Susan Warner, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of acquisition, lease, exchange or sale of 1) City of Salinas Property, APNs 003-012-005, APN 003-012-017 and APN 003-012-018, located between Work Street, Work Circle and Elvee Circle, Salinas, CA; 2) Salinas Valley Solid Waste Authority Property, APNs 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, CA; 3) Waste Management, Inc property located at 1120 Madison Lane, Salinas CA: and 4) City of Salinas property located at 156 Hitchcock Road, Salinas, CA.

RECONVENE

(7:46) Presiding Officer Armenta reconvened the meeting to open session with no reportable action taken in closed session.

ADJOURN

(7:46) Presiding Officer Armenta adjourned the meeting.

APPROVED: _____
Elizabeth Silva, President

Attest:

Elia Zavala, Clerk of the Board



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 2

Finance Manager/Controller-Treasurer

General Manager/CAO

Board President

Date: November 20, 2014
From: Ray Hendricks, Interim Finance Manager
Title: September 2014 Claims and Financial Reports

RECOMMENDATION

Staff recommends acceptance of the September 2014 Claims and Financial Reports. The Executive Committee recommends acceptance.

DISCUSSION & ANALYSIS

Please refer to the attached financial reports and checks issued report for the month of September for a summary of the Authority's financial position as of September 30, 2014. Following are highlights of the Authority's financial activity for the month of September.

Results of Operations (Consolidated Statement of Revenues and Expenditures)

For the month of September 2014, FY 2014-15 operating expenditures exceeded revenues by \$498,310. Year to Date operating revenues exceeded expenditures by \$756,139.

Revenues (Budgetary Comparison Revenue Report)

Revenues for the month of September totaled \$1,389,736. The monthly Tipping Fees totaled \$1,003,938 and year to date totaled \$3,078,031 or 27.97% of the forecasted total of \$11,005,500. As of September 30, after three months of the fiscal year (25.0% of the fiscal year), revenues total \$4,216,985 or 26.83% of the total annual revenues forecast of \$15,717,700.

Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

As of September 30 (25.0% of the fiscal year), year-to-date operating expenditures total \$3,460,847. This is 22.83% of the operating budget of \$15,157.834.

Capital Project Expenditures (Consolidated CIP Expenditures Report)

For the month of September 2014, capital project expenditures totaled \$915,630. \$877,470 of the total was for the Johnson Canyon Equipment Lease/Purchase project and \$14,173 of the total was for the Crazy Horse Canyon Landfill 401/404 Improvements project.

Claims Checks Issued Report

The Authority's Checks Issued Report for the month of September 2014 is attached for review and acceptance. The September checks issued total \$1,896,756.12 of which \$281,314.85 was paid from the payroll checking account for payroll and payroll related benefits, and \$827,470.00 was paid from the Equipment Lease/Purchase Escrow Account. Selected major payments to vendors are listed below:

Vendor	Description	Amount
MARCEL EQUIPMENT LIMITED	2005 CAT 826H COMPACTOR - DEPOSIT	50,000.00
GEOLOGIC ASSOCIATES INC	ALL SITES GROUNDWATER MONITORING SVCS	24,438.12
VISION RECYCLING INC	GREENWASTE PROCESSING PROGRAM	52,646.56
	C&D GRINDING SERVICES	4,075.65
WASTE MANAGEMENT INC	JR MONTHLY FACILITY OPERATIONS	59,252.78
	REPUBLIC TO MADISON LANE WASTE	23,861.17
CITY OF GONZALES	MOCO SOLID WASTE SYSTEM ANALYSIS	25,000.00
	JC HOSTING FEE JULY 2014	20,833.33
RECOLOGY WASTE SOLUTIONS INC	JC MONTHLY OPERATIONS	167,928.00
	JC MONTHLY DIVERSION SVCS	8,737.51
	JC OPERATIONS OUT OF SCOPE	353.46
SCS FIELD SERVICES	ALL SITES ROUTINE ENVIRONMENTAL SVCS	33,677.00
	ALL SITES NON ROUTINE ENVIRONMENTAL SVCS	16,204.79

Cash Balances

The Authority's cash position decreased \$368,297.32 during September to \$14,841,133.90. Most of the cash balance is restricted as shown below:

Restricted by Legal Agreements:

Crazy Horse Closure Fund	(65,024.52)
Johnson Canyon Closure Fund	3,083,315.40
State & Federal Grants	97,369.79
Equipment Lease Escrow	1,473,230.00

Committed by Board Policy:

Expansion Fund (South Valley Revenues)	8,233,052.58
Salinas Transportation Surcharge	27,320.39
Salinas Rate Stabilization Fund	40,623.55

Funds Held in Trust:

Central Coast Media Recycling Coalition	94,863.29
Employee Unreimbursed Medical Claims	2,713.93

Assigned and Unassigned

Operations and Capital Projects	1,853,669.49
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Total	<u>14,841,133.90</u>
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ATTACHMENTS

1. September 2014 Consolidated Statement of Revenues and Expenditures
2. September 2014 Budgetary Comparison Revenue Report
3. September 2014 Consolidated CIP Expenditures Report
4. September 2014 Checks Issued Report



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending September 30, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Revenue Summary							
Tipping Fees - Solid Waste	11,005,500	1,003,938	3,078,031	28.0 %	7,927,469	0	7,927,469
Tipping Fees - Surcharge	1,276,800	110,047	339,943	26.6 %	936,857	0	936,857
Tipping Fees - Diverted Materials	1,017,700	103,979	296,214	29.1 %	721,486	0	721,486
AB939 Service Fee	1,732,000	144,332	432,996	25.0 %	1,299,004	0	1,299,004
Tipping Fees - South Valley	0	11,616	21,535	0.0 %	(21,535)	0	(21,535)
Charges for Services	124,500	0	0	0.0 %	124,500	0	124,500
Sales of Materials	309,500	14,237	36,502	11.8 %	272,998	0	272,998
Gas Royalties	220,000	0	0	0.0 %	220,000	0	220,000
Investment Earnings	31,700	1,372	3,550	11.2 %	28,150	0	28,150
Grants/Contributions	0	0	7,705	0.0 %	(7,705)	0	(7,705)
Other Non-Operating Revenue	0	215	510	0.0 %	(510)	0	(510)
Total Revenue	15,717,700	1,389,736	4,216,985	26.8 %	11,500,715	0	11,500,715

Expense Summary							
Executive Administration	404,660	26,577	66,525	16.4 %	338,135	1,429	336,706
Administrative Support	387,610	19,176	80,937	20.9 %	306,673	127,583	179,091
Human Resources Administration	362,480	29,888	74,633	20.6 %	287,847	16,694	271,152
Clerk of the Board	175,490	9,645	37,152	21.2 %	138,338	2,530	135,808
Finance Administration	680,350	35,761	112,327	16.5 %	568,023	19,441	548,582
Operations Administration	389,350	21,690	76,077	19.5 %	313,273	13,944	299,329
Resource Recovery	715,230	44,835	125,959	17.6 %	589,271	27,797	561,474
Marketing	75,000	6,750	8,535	11.4 %	66,465	66,215	250
Public Education	190,000	5,848	21,085	11.1 %	168,915	49,910	119,005
Household Hazardous Waste	682,880	51,824	104,100	15.2 %	578,780	168,251	410,528
C & D Diversion	30,000	4,076	4,076	13.6 %	25,924	24,924	1,000
Organics Diversion	587,200	52,949	53,176	9.1 %	534,024	531,824	2,200



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending September 30, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Diversion Services	144,750	14,625	24,092	16.6 %	120,658	65,362	55,296
Tire Amnesty Grant	49,895	1,611	4,229	8.5 %	45,665	22,700	22,965
Cal Recycle - CCPP	157,939	24,648	35,198	22.3 %	122,741	21,298	101,443
Scalehouse Operations	389,110	25,690	78,621	20.2 %	310,489	4,903	305,587
JR Transfer Station	724,300	59,253	118,506	16.4 %	605,794	592,528	13,267
ML Transfer Station	150,000	23,861	46,664	31.1 %	103,336	103,187	149
SS Disposal Operations	666,580	73,450	170,836	25.6 %	495,744	62,929	432,815
SS Transfer Operations	962,040	59,337	225,022	23.4 %	737,018	146,309	590,709
SS Recycling Operations	188,400	16,499	25,507	13.5 %	162,893	62,500	100,394
JC Landfill Operations	3,081,700	211,176	513,433	16.7 %	2,568,267	877,982	1,690,285
Crazy Horse Postclosure Maintenance	560,000	41,822	98,581	17.6 %	461,419	126,908	334,511
Lewis Road Postclosure Maintenance	225,060	9,863	42,684	19.0 %	182,376	47,405	134,971
Johnson Canyon ECS	304,100	12,600	29,348	9.7 %	274,752	103,960	170,792
Jolon Road Postclosure Maintenance	199,910	2,845	95,297	47.7 %	104,613	12,986	91,627
Sun Street ECS	147,100	5,129	10,890	7.4 %	136,210	49,609	86,601
Debt Service - Interest	2,025,700	0	826,373	40.8 %	1,199,327	0	1,199,327
Debt Service - Principal	315,000	0	315,000	100.0 %	0	0	0
Closure Set-Aside	186,000	0	35,986	19.3 %	150,014	0	150,014
Total Expense	15,157,834	891,426	3,460,847	22.8 %	11,696,987	3,351,107	8,345,880
Revenue Over/(Under) Expenses	559,866	498,310	756,139	135.1 %	(196,272)	(3,351,107)	3,154,835

Salinas Valley Solid Waste Authority

Budgetary Comparison Revenue Report

For Period Ending: 9/30/2014

		CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Tipping Fees - Solid Waste					
150-51250	Tipping Fees - Landfills	4,155,500.00	394,330.92	1,226,608.02	29.52 %
150-51261	Tipping Fees - MTS Adjustments	650,000.00	73,451.62	224,861.72	34.59 %
150-51265	Bad Debt Write Off	0.00	0.00	470.00	0.00 %
170-51252	Tipping Fees - Transfer Station	6,200,000.00	535,102.70	1,625,038.32	26.21 %
	Total Tipping Fees - Solid Waste	11,005,500.00	1,002,885.24	3,076,978.06	27.96 %
Tipping Fees - Surcharge					
170-51251	Tipping Fees - Surcharge for Operations	1,276,800.00	110,047.29	339,942.52	26.62 %
	Total Tipping Fees - Surcharge	1,276,800.00	110,047.29	339,942.52	26.62 %
Tipping Fees - Diverted Materials					
106-51256	Tipping Fees - HHW	55,000.00	3,855.00	15,458.00	28.11 %
107-51255	Tipping Fees - Mattresses	70,500.00	6,090.00	22,110.00	31.36 %
107-51257	Tipping Fees - Green Waste	624,000.00	56,631.11	171,733.07	27.52 %
107-51258	Tipping Fees - C&D	104,400.00	8,980.72	27,150.67	26.01 %
107-51259	Tipping Fees - Diversion	43,000.00	3,046.79	10,563.86	24.57 %
107-51260	Tipping Fees - Biosolids	56,000.00	18,905.60	29,214.64	52.17 %
107-51262	Tipping Fees - Wood Waste	64,800.00	6,858.86	20,372.94	31.44 %
	Total Tipping Fees - Diverted Materials	1,017,700.00	104,368.08	296,603.18	29.14 %
AB939 Service Fee					
106-51264	AB939 Service Fee	1,732,000.00	144,332.00	432,996.00	25.00 %
	Total AB939 Service Fee	1,732,000.00	144,332.00	432,996.00	25.00 %
Tipping Fees - South Valley					
180-51253	Tipping Fees - South Valley	0.00	11,615.69	21,535.18	0.00 %
	Total Tipping Fees - South Valley	0.00	11,615.69	21,535.18	0.00 %
Charges for Services					
105-52110	Tri-Cities Franchise Administrative	47,200.00	0.00	0.00	0.00 %
105-52120	BFI Franchise Administrative	77,300.00	0.00	0.00	0.00 %
	Total Charges for Services	124,500.00	0.00	0.00	0.00 %
Sales of Materials					
106-53310	Sales - E-Waste	105,000.00	9,091.42	22,874.21	21.78 %
106-53340	Sales - Metal	156,000.00	0.00	0.00	0.00 %
106-53350	Sales - Plastic	8,000.00	1,064.00	2,084.00	26.05 %
106-53360	Sales - Cardboard	30,000.00	2,355.20	6,227.90	20.76 %
106-53370	Sales - Mixed Paper	3,500.00	336.40	990.00	28.29 %
106-53380	Sales - Mixed Glass	1,000.00	476.71	476.71	47.67 %
106-53390	Sales - HHW Material	6,000.00	913.00	3,849.57	64.16 %
	Total Sales of Materials	309,500.00	14,236.73	36,502.39	11.79 %

Salinas Valley Solid Waste Authority

Budgetary Comparison Revenue Report

For Period Ending: 9/30/2014

		CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Gas Royalties					
150-53401	Gas Royalties	220,000.00	0.00	0.00	0.00 %
	Total Gas Royalties	220,000.00	0.00	0.00	0.00 %
Investment Earnings					
105-54001	Investment Earnings	11,000.00	995.75	1,825.72	16.60 %
105-54200	Rental Income	1,000.00	0.00	0.00	0.00 %
105-54310	Late Payment Finance Charges	1,000.00	41.74	182.26	18.23 %
131-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
150-54001	Investment Earnings	0.00	0.00	-2,644.18	0.00 %
150-54200	Rental Income	2,000.00	335.00	670.00	33.50 %
151-54001	Investment Earnings	3,500.00	0.00	0.00	0.00 %
160-54200	Rental Income	5,200.00	0.00	3,516.06	67.62 %
170-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
180-54001	Investment Earnings	8,000.00	0.00	0.00	0.00 %
190-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
216-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
	Total Investment Earnings	31,700.00	1,372.49	3,549.86	11.20 %
Grants/Contributions					
211-55252	Dept of Conservation	0.00	0.00	0.00	0.00 %
211-55256	Tire Amnesty	0.00	0.00	7,704.59	0.00 %
211-55257	Biodiesel Fueling Infrastructure Grant	0.00	0.00	0.00	0.00 %
211-55261	Tire Derived Aggregate	0.00	0.00	0.00	0.00 %
211-55262	HHW - Mobile Collection Events	0.00	0.00	0.00	0.00 %
211-55268	In Kind Grant Contribution	0.00	0.00	0.00	0.00 %
221-55265	USDA Grant	0.00	0.00	0.00	0.00 %
	Total Grants/Contributions	0.00	0.00	7,704.59	0.00 %
Other Non-Operating Revenue					
105-57005	Miscellaneous Receipts	0.00	114.70	359.89	0.00 %
106-57005	Miscellaneous Receipts	0.00	99.90	149.85	0.00 %
150-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
160-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
170-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
216-57810	Capital One Purchase/Lease	0.00	0.00	0.00	0.00 %
	Total Other Non-Operating Revenue	0.00	214.60	509.74	0.00 %
Totals		15,717,700.00	1,389,072.12	4,216,321.62	26.83 %

Salinas Valley Solid Waste Authority

Revenue Type Summary For Period Ending: 9/30/2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Tipping Fees - Solid Waste	11,005,500.00	1,002,885.24	3,076,978.06	27.96 %
Tipping Fees - Surcharge	1,276,800.00	110,047.29	339,942.52	26.62 %
Tipping Fees - Diverted Materials	1,017,700.00	104,368.08	296,603.18	29.14 %
AB939 Service Fee	1,732,000.00	144,332.00	432,996.00	25.00 %
Tipping Fees - South Valley	0.00	11,615.69	21,535.18	0.00 %
Charges for Services	124,500.00	0.00	0.00	0.00 %
Sales of Materials	309,500.00	14,236.73	36,502.39	11.79 %
Gas Royalties	220,000.00	0.00	0.00	0.00 %
Investment Earnings	31,700.00	1,372.49	3,549.86	11.20 %
Grants/Contributions	0.00	0.00	7,704.59	0.00 %
Other Non-Operating Revenue	0.00	214.60	509.74	0.00 %
Totals	15,717,700.00	1,389,072.12	4,216,321.52	26.83 %

Salinas Valley Solid Waste Authority
Fund Summary
For Period Ending: 9/30/2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Administration Fund	137,500.00	1,152.19	2,367.87	1.72 %
AB939 Fund	2,096,500.00	162,523.63	485,106.24	23.14 %
Recycling Fund	962,700.00	100,513.08	281,145.18	29.20 %
Crazy Horse Closure Fund	0.00	0.00	0.00	0.00 %
Johnson Cyn Project Fund	5,027,500.00	468,117.54	1,449,965.56	28.84 %
Johnson Canyon Closure Fund	3,500.00	0.00	0.00	0.00 %
Jolon Road Project Fund	5,200.00	0.00	3,516.06	67.62 %
Transfer Stations Fund	7,476,800.00	645,149.99	1,964,980.84	26.28 %
Expansion Fund	8,000.00	11,615.69	21,535.18	269.19 %
Debt Service	0.00	0.00	0.00	0.00 %
State Grants	0.00	0.00	7,704.59	0.00 %
Reimbursement Fund	0.00	0.00	0.00	0.00 %
USDA Grant	0.00	0.00	0.00	0.00 %
Totals	15,717,700.00	1,389,072.12	4,216,321.52	26.83 %



Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report For Period Ending September 30, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Fund 131 - Crazy Horse Closure Fund							
131 9314 CH Closure Quality Assurance	25,171	1,255	1,255	5.0 %	23,916	0	23,916
131 9316 CH Corrective Action Program	205,026	0	890	0.4 %	204,137	0	204,137
Total Fund 131 - Crazy Horse Closure Fund	230,197	1,255	2,145	0.9 %	228,053	0	228,053
Fund 180 - Expansion Fund							
180 9003 USDA Autoclave Studies	91,980	281	747	0.8 %	91,232	2,113	89,119
180 9023 Salinas Area MRC	430,527	4,800	5,050	1.2 %	425,477	0	425,477
180 9024 GOE Autoclave Final Project	100,000	0	0	0.0 %	100,000	0	100,000
Total Fund 180 - Expansion Fund	622,507	5,081	5,797	0.9 %	616,710	2,113	614,596
Fund 211 - State Grants							
211 9201 HHW - Mobile Collection Events	48,242	473	2,657	5.5 %	45,584	0	45,584
211 9503 JC Module 1 Horizontal Wells	81,393	0	0	0.0 %	81,393	0	81,393
Total Fund 211 - State Grants	129,634	473	2,657	2.0 %	126,977	0	126,977
Fund 216 - Reimbursement Fund							
216 9525 JC Equipment Lease/Purchase	3,014,405	877,470	1,541,175	51.1 %	1,473,230	412,576	1,060,654
216 9802 Autoclave Demonstration Unit	150,000	0	0	0.0 %	150,000	0	150,000
Total Fund 216 - Reimbursement Fund	3,164,405	877,470	1,541,175	48.7 %	1,623,230	412,576	1,210,654
Fund 221 - USDA Grant							
221 9003 USDA Autoclave Studies	6,867	0	0	0.0 %	6,867	0	6,867
Total Fund 221 - USDA Grant	6,867	0	0	0.0 %	6,867	0	6,867
Fund 800 - Capital Improvement Projects Fund							
800 9010 JC Roadway Improvements	1,490,241	0	0	0.0 %	1,490,241	0	1,490,241
800 9102 Segunda Vida (Second Life) Start Up	25,000	0	0	0.0 %	25,000	0	25,000
800 9103 Closed Landfill Revenue Study	35,000	0	0	0.0 %	35,000	0	35,000
800 9318 CH 401/404 Improvements	85,745	14,173	16,513	19.3 %	69,232	0	69,232



Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report

For Period Ending September 30, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
800 9501 JC LFG System Improvements	56,286	0	0	0.0 %	56,286	0	56,286
800 9502 JC Flare Station Improvements	292,069	0	0	0.0 %	292,069	0	292,069
800 9503 JC Module 1 Horizontal Wells	118,280	1,375	1,375	1.2 %	116,905	0	116,905
800 9504 JC Module 456B Liner Improvements	10,642	0	461	4.3 %	10,181	0	10,181
800 9506 JC Litter Control Barrier	50,000	8,634	8,634	17.3 %	41,366	0	41,366
800 9701 SSTS Equipment Replacement	115,000	0	75,576	65.7 %	39,424	37,036	2,388
800 9702 SSTS NPDES Improvements	64,081	0	0	0.0 %	64,081	0	64,081
800 9703 SSTS Improvements	400,000	7,168	24,864	6.2 %	375,136	0	375,136
800 9803 Regional Solid Waste Study	25,000	0	25,000	100.0 %	0	0	0
Total Fund 800 - Capital Improvement Projects	2,767,345	31,350	152,423	5.5 %	2,614,923	37,036	2,577,887
Total CIP Expenditures	6,920,956	915,630	1,704,197	24.6 %	5,216,759	451,725	4,765,034

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13199	MARCEL EQUIPMENT LIMITED 2005 CAT 826H COMPACTOR - DEPOSIT	9/4/2014	50,000.00	50,000.00
13200	AT&T SERVICES INC TELEPHONE SERVICE MONTHLY ALL SITES	9/10/2014	150.27	150.27
13201	BC LABORATORIES, INC ALL SITES GROUNDWATER LAB TESTING	9/10/2014	9,355.00	9,355.00
13202	CARDLOCK FUELS SYSTEM, INC. SS TS VEHICLE AND EQUIPMENT FUEL	9/10/2014	1,526.34	1,526.34
13203	CLINTON HENDRICKS CALPERS EDU. FORUM TRAVEL REIMBURSEMENT	9/10/2014	162.00	162.00
13204	COAST COUNTIES TRUCK & EQUIPMENT CO. SS TS VEHICLE SUPPLIES	9/10/2014	8.28	8.28
13205	COMCAST MONTHLY INTERNET SERVICE	9/10/2014	156.61	156.61
13206	CULTURAL COMMITTEE OF SALINAS COMMUNITY EVENT SPONSORSHIP	9/10/2014	3,000.00	3,000.00
13207	CUTTING EDGE SUPPLY SS TS EQUIPMENT MAINTENANCE	9/10/2014	2,085.33	2,085.33
13208	FIRST NIGHT MONTEREY, INC COMMUNITY EVENT SPONSORSHIP	9/10/2014	3,000.00	3,000.00
13209	GOLDEN STATE TRUCK & TRAILER REPAIR SS TS VEHICLE AND EQUIPMENT MAINTENANCE	9/10/2014	6,826.22	6,826.22
13210	HOPE SERVICES MATTRESSES RECYCLING	9/10/2014	3,114.00	3,114.00
13211	ID CONCEPTS, LLC SDI COMPANY - ID CONCEPTS	9/10/2014	151.49	151.49
13212	INFINITY STAFFING SERVICES, INC. SS TS DRIVER	9/10/2014	2,130.31	2,130.31
13213	JOSE RAMIRO URIBE SS TS VEHICLE REPAIRS	9/10/2014	580.75	580.75
13214	LAMAR BROS TIRE SERVICE, INC. VEHICLE SERVICE	9/10/2014	37.08	37.08
13215	LIEBERT CASSIDY WHITMORE AB 218 WEBINAR	9/10/2014	55.00	55.00
13216	MCGILLOWAY, RAY, BROWN & KAUFMAN AUDIT SERVICES	9/10/2014	2,725.00	2,725.00
13217	MONTEREY COUNTY BUSINESS COUNCIL 2014-15 ASSOCIATION MEMBERSHIP	9/10/2014	5,000.00	5,000.00
13218	MONTEREY COUNTY HEALTH DEPARTMENT SS TS ANNUAL PERMIT	9/10/2014	8,219.00	8,219.00

Salinas Valley Solid Waste Authority**Checks Issued Report for 9/1/2014 to 9/30/2014**

Check #	Name	Check Date	Amount	Check Total
13219	NEXTEL OF CALIFORNIA, INC CELL PHONE SERVICE	9/10/2014	497.76	497.76
13220	OFFICE DEPOT OFFICE SUPPLIES	9/10/2014	344.12	344.12
13221	OLDTOWN SALINAS FOUNDATION COMMUNITY EVENT SPONSORSHIP	9/10/2014	1,000.00	1,000.00
13222	PACIFIC GAS AND ELECTRIC COMPANY ELECTRICAL SERVICES ALL SITES MONTHLY	9/10/2014	8,650.16	8,650.16
13223	PACIFIC MUNICIPAL CONSULTANTS CH CEQA	9/10/2014	393.75	393.75
13224	PLACEMENT PROS ADMIN AND SS TS TEMP LABOR	9/10/2014	6,019.23	6,019.23
13225	PROBUILD COMPANY LLC JC FENCE SUPPLIES	9/10/2014	384.75	384.75
13226	QUINN COMPANY SS TS EQUIPMENT SUPPLIES	9/10/2014	8,764.65	8,764.65
13227	RBF CONSULTING JC DENSITY SURVEYING	9/10/2014	4,840.00	4,840.00
13228	SCS FIELD SERVICES CH & LR MONITORING DATA ACCESS	9/10/2014	375.00	

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13239	CHRISTOPHER GIMINEZ ANNUAL WEBSITE HOSTING SERVICES	9/17/2014	780.00	780.00
13240	CITY OF GONZALES JC HOSTING FEE SEPTEMBER	9/17/2014	20,833.33	20,833.33
13241	COAST COUNTIES TRUCK & EQUIPMENT CO. SS TS VEHICLE SUPPLIES	9/17/2014	59.92	59.92
13242	CSC OF SALINAS/YUMA SS TS EQUIPMENT AND VEHICLE SUPPLIES	9/17/2014	210.72	210.72
13243	DATA FLOW AP CHECKS	9/17/2014	245.56	245.56
13244	DAVE J. DEERING JANITORIAL SERVICES SS TS QUARTERLY FLOOR VARNISH	9/17/2014	1,830.00 350.00	2,180.00
13245	EDWARDS TRUCK CENTER, INC SS TS VEHICLE MAINTENANCE SUPPLIES	9/17/2014	118.67	118.67
13246	GEOLOGIC ASSOCIATES, INC. ALL SITES GROUNDWATER MONITORING SERVICES	9/17/2014	24,438.12	24,438.12
13247	GOLDEN STATE TRUCK & TRAILER REPAIR SS TS VEHICLE & EQUIPMENT MAINTENANCE JC FACILITY SUPPLIES	9/17/2014	4,962.23 2,720.00	7,682.23
13248	**VOID**	9/17/2014	-	-
13249	GREENWASTE RECOVERY INC. CARPET DIVERSION PROGRAM	9/17/2014	572.30	572.30
13250	GUERITO MONTHLY PORTABLE TOILET SERVICE MONTHLY PORTABLE TOILET SERVICE	9/17/2014	170.00 340.00	510.00
13251	HOPE SERVICES SS TS DIVERSION SERVICES MATTRESSES RECYCLING SS TS DIVERSION SERVICES	9/17/2014	6,689.24 1,248.00 4,359.28	12,296.52
13252	INDEPENDENT RE RESEARCH, INC PROPERTY APPRAISAL - RETAINER FEE	9/17/2014	3,840.00	3,840.00
13253	INFINITY STAFFING SERVICES, INC. SS TS DRIVER	9/17/2014	2,362.50	2,362.50
13254	JOSE RAMIRO URIBE SS TS VEHICLE REPAIRS	9/17/2014	638.84	638.84
13255	KANEKO AND KRAMMER CORP. PROPOSAL FOR COMPENSATION STUDY	9/17/2014	6,314.00	6,314.00
13256	KETTLE CREEK CORPORATION RECYCLING BINS	9/17/2014	19,097.92	19,097.92

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13257	MALLORY CO. INC HHW SAFETY SUPPLIES	9/17/2014	77.94	77.94
13258	MANUEL PEREA TRUCKING, INC. SS TS DRIVER	9/17/2014	1,127.25	1,127.25
13259	MANUEL TINAJERO CH SITE IMPROVEMENTS	9/17/2014	1,350.00	1,350.00
13260	MARTA M. GRANADOS BOARD MEETING INTERPRETING SERVICES	9/17/2014	180.00	180.00
13261	MERIDIAN PACIFIC SALES, INC JC FENCE EQUIPMENT	9/17/2014	3,547.80	3,547.80
13262	MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY SS TS SEWER SERVICE	9/17/2014	27.90	27.90
13263	MONTEREY SANITARY SUPPLY, INC. JANITORIAL SUPPLIES JANITORIAL SUPPLIES	9/17/2014	107.56 184.92	292.48
13264	NEXIS PARTNERS, LLC ADM BUILDING MONTHLY RENT	9/17/2014	8,709.00	8,709.00
13265	OFFICE DEPOT OFFICE SUPPLIES	9/17/2014	580.76	580.76
13266	ONE STOP AUTO CARE/V & S AUTO CARE, INC ADMIN VEHICLE SERVICE	9/17/2014	36.99	36.99
13267	PACIFIC CREST ENGINEERING INC SS TS PAVEMENT PROJECT ENGINEERING SERVICES	9/17/2014	5,200.00	5,200.00
13268	PACIFIC GAS AND ELECTRIC COMPANY ELECTRICAL SERVICES ALL SITES MONTHLY	9/17/2014	118.38	118.38
13269	PHILIP SERVICES CORP HHW MATERIAL DISPOSAL AND SUPPLIES JULY HHW MATERIAL DISPOSAL AND SUPPLIES	9/17/2014	14,818.95 6,732.00	21,550.95
13270	PLACEMENT PROS ADMIN I LABOR TEMP	9/17/2014	1,442.47	1,442.47
13271	POWER2SUSTAIN, INC BAG SPEAK ENVIRONMENTAL LITERACY PROJECT	9/17/2014	5,000.00	5,000.00
13272	PURE WATER BOTTLING WATER SERVICE	9/17/2014	165.50	165.50
13273	QUINN COMPANY SS TS EQUIPMENT SUPPLIES	9/17/2014	3,709.75	3,709.75
13274	**VOID**	9/17/2014	-	-
13275	REPUBLIC SERVICES #471 TRASH DISPOSAL SERVICE	9/17/2014	67.81	67.81

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13276	STATE COMPENSATION INSURANCE FUND STATE COMP DEPOSIT	9/17/2014	1,969.34	1,969.34
13277	STURDY OIL COMPANY SS TS VEHICLE MAINTENANCE & SUPPLIES	9/17/2014	635.45	635.45
13278	THOMAS M BRUEN AUGUST LEGAL SERVICES	9/17/2014	2,631.90	2,631.90
13279	TOYOTA MATERIAL HANDLING HHW FORKLIFT MAINTENANCE	9/17/2014	103.00	103.00
13280	TRUCKSIS ENTERPRISES INCORPORATED TRUCKSIS -PRINT FLIERS	9/17/2014	310.25	310.25
13281	US POST OFFICE POST OFFICE BOX RENEWAL	9/17/2014	278.00	278.00
13282	VALLEY BLUEPRINT PLANS PRINTING SERVICES	9/17/2014	50.80	50.80
13283	VISION RECYCLING INC GREENWASTE PROCESSING PROGRAM	9/17/2014	52,646.56	52,646.56
13284	WASTE MANAGEMENT INC JR MONTHLY FACILITY OPERATIONS REPUBLIC TO MADISON LANE WASTE	9/17/2014	59,252.78 23,861.17	83,113.95
13285	WESTERN EXTERMINATOR COMPANY FACILITY VECTOR CONTROL	9/17/2014	351.50	351.50
13286	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION VEHICLE FUEL	9/17/2014	1,852.75	1,852.75
13287	ADMANOR, INC CENTRAL COAST RECYCLING MEDIA COLATION CAMPAING	9/24/2014	4,614.50	4,614.50
13288	BC LABORATORIES, INC SS TS LAB SERVICES	9/24/2014	770.00	770.00
13289	CALIFORNIA WATER SERVICE SS TS WATER SERVICE	9/24/2014	676.63	676.63
13290	CARDLOCK FUELS SYSTEM, INC. SS TS VEHICLE AND EQUIPMENT FUEL	9/24/2014	1,475.94	1,475.94
13291	CITY OF GONZALES MO. CO. SOLID WASTE SYSTEM ANALYSIS JC HOSTING FEE JULY 2014	9/24/2014	25,000.00 20,833.33	45,833.33
13292	COAST COUNTIES TRUCK & EQUIPMENT CO. SS TS VEHICLE SUPPLIES	9/24/2014	111.54	111.54
13293	CONRAD FOREST PRODUCTS 30 CLASS 3 POLES	9/24/2014	10,277.00	10,277.00
13294	ECO 21 LLC ECO 21 LLC VERMIFACTORY.COM	9/24/2014	1,650.00	1,650.00

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13295	EDUARDO ARROYO JC SCALEHOUSE RERAIRS	9/24/2014	1,250.00	1,250.00
13296	FEDEX OVERNIGHT SHIPMENTS	9/24/2014	33.35	33.35
13297	FIRST ALARM FACILITY ALARM SERVICE	9/24/2014	758.64	758.64
13298	GEARY WILTON LYONS RICE STRAW BALES	9/24/2014	800.00	800.00
13299	GOLDEN STATE TRUCK & TRAILER REPAIR SS EQUIPMENT AND VEHICLE REPAIRS	9/24/2014	5,541.37	5,541.37
13300	GREEN RUBBER - KENNEDY AG, LP ALL SITES FACILITY SUPPLIES	9/24/2014	3,190.55	3,190.55
13301	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 JC FENCE SUPPLIES CREDIT MEMO - RETURNED SUPPLIES	9/24/2014	4,687.52 (1,522.80)	3,164.72
13302	HERTZ EQUIPMENT RENTAL CORPORATION EQUIPMENT RENTAL	9/24/2014	324.00	324.00
13303	HOME DEPOT ALL SITES FACILITY SUPPLIES	9/24/2014	479.63	479.63
13304	HOPE SERVICES MATTRESSES RECYCLING	9/24/2014	1,256.00	1,256.00
13305	JULIO GIL FACILITY AND VEHICLE SIGNAGE	9/24/2014	95.85	95.85
13306	MALLORY CO. INC HHW SAFETY SUPPLIES	9/24/2014	1,068.45	1,068.45
13307	MANUEL PEREA TRUCKING, INC. SS TS DRIVER	9/24/2014	2,342.25	2,342.25
13308	MANUEL TINAJERO LANDSCAPING SERVICE	9/24/2014	900.00	900.00
13309	MASKELL PIPE & SUPPLY, INC HDPE PIPE & COUPLINGS	9/24/2014	1,032.70	1,032.70
13310	MONTEREY BAY OFFICE PRODUCTS COPIER MACHINE LEASE	9/24/2014	285.50	285.50
13311	OFFICE DEPOT OFFICE SUPPLIES ITEMS RETURN	9/24/2014	92.73 (53.72)	39.01
13312	PACIFIC MUNICIPAL CONSULTANTS CH CEQA	9/24/2014	861.25	861.25
13313	PATRICIA A. BERGSTROM SVSWA LEADER SHIP TEAM OFFSITE	9/24/2014	2,740.00	2,740.00

Salinas Valley Solid Waste Authority**Checks Issued Report for 9/1/2014 to 9/30/2014**

Check #	Name	Check Date	Amount	Check Total
13314	PITNEY BOWES GLOBAL POSTAGE MACHINE LEASE	9/24/2014	316.18	316.18
13315	PLACEMENT PROS TIRE AMNESTY LABOR	9/24/2014	172.39	172.39
13316	PROBUILD COMPANY LLC JC FENCE SUPPLIES	9/24/2014	1,977.37	1,977.37
13317	QUINN COMPANY JC EQUIPMENT MAINTENANCE PARTS RETURN	9/24/2014	2,211.56 (596.57)	1,614.99
13318	RECOLOGY WASTE SOLUTIONS, INC JC MONTHLY OPERATIONS JC MONTHLY DIVERSION SERVICES JC OPERATIONS OUT OF SCOPE	9/24/2014	167,928.00 8,737.51 353.46	177,018.97
13319	REFRIGERATION SUPPLIES DISTRIBUTOR HHW FREON CERTIFICATION	9/24/2014	68.50	68.50
13320	REPUBLIC SERVICES OF SALINAS TRANSPORATION SURCHARGE REFUND	9/24/2014	840.42	840.42
13321	REUSETHISBAG.COM REUSETHISBAG.COM:REUSABLE BAGS	9/24/2014	3,888.00	3,888.00
13322	SAN BENITO SUPPLY, CONSTRUCTION, CONCRETE & QUARRY JC LITTER FENCE SUPPLIES	9/24/2014	3,171.26	3,171.26
13323	SCS FIELD SERVICES ALL SITES ROUTINE ENVIRONMENTAL SERVICES ALL SITES NON ROUTINE ENVIRONMENTAL SERVICES	9/24/2014	33,677.00 16,204.79	

Salinas Valley Solid Waste Authority

Checks Issued Report for 9/1/2014 to 9/30/2014

Check #	Name	Check Date	Amount	Check Total
13332	ACU-BLAST LLC VACUUM TRAILER PURCHASE	9/29/2014	2,200.00	2,200.00
13333	BANK OF NEW YORK BANK TRUSTEE FEE	9/29/2014	1,250.00	1,250.00
13334	DLT SOLUTIONS INC AUTOCAD LICENSES RENEWAL	9/29/2014	1,368.52	1,368.52
13335	**VOID**	9/29/2014	-	-
13336	**VOID**	9/29/2014	-	-
13337	INDEPENDENT RE RESEARCH, INC PROPERTY APPRAISAL	9/30/2014	960.00	960.00
DFT2015269	WAGEWORKS FSA MONTHLY ADMIN FEES	9/16/2014	36.00	36.00
SUBTOTAL:				<u>\$ 787,971.27</u>
PAYROLL DISBURSEMENTS				281,314.85
DISBURSEMENTS FROM EQUIPMENT LEASE ESCROW ACCOUNT				827,470.00
GRAND TOTAL				<u>\$ 1,896,756.12</u>

SALINAS VALLEY SOLID WASTE AUTHORITY
SIX-MONTH STRATEGIC OBJECTIVES

July 31, 2014 through January 31, 2015

AS OF NOVEMBER 13, 2014

ITEM NO. 3

Agenda Item

Patricia Mascher

General Manager

THREE-YEAR GOAL: FUND AND IMPLEMENT 75% DIVERSION OF WASTE FROM LANDFILLS						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Oct. 15, 2014 Dec. 31, 2014	Diversion Manager	Meet with all Authority staff to receive input on how the interim Materials Recovery Center at Sun Street can be improved. Develop a prioritized list of suggestions that will improve diversion and efficiency.			X	Staff meetings scheduled in November in conjunction with future SAMRC design (Objective B.5 below) - Move to Dec 2014
3. Nov. 30, 2014	Diversion Manager	Apply for grant funding and develop a plan for converting the green waste chip and grind operation at Johnson Canyon to include composting.	X			Successful grant awards to be announced in November
4. Dec. 31, 2014	Diversion Manager	Develop and implement plans to redesign a portion of the shop building at Johnson Canyon Landfill into a second hand merchandise retail outlet for salvaged materials as a pilot project for an outlet in the Salinas area.		X		
5. Dec. 31, 2014	Finance Manager	Create five- and ten-year budget/rate projections to facilitate achieving 75% diversion, and include in all future budget documents.		X		

THREE-YEAR GOAL: COMPLETE DEVELOPMENT OF THE SALINAS AREA TRANSFER STATION AND MATERIALS RECOVERY CENTER (MRC)					
WHEN	WHO	WHAT	STATUS		
			DONE	ON TARGET	REVISED
1. At the Aug. 21, 2014 Board meeting	Diversion Manager – lead, General Manager and Authority Engineer	Present to the Board for consideration authorization to proceed with CEQA analysis on the combined Salinas area Materials Recovery Center and GOE (Global Organics Energy) project.	X		Agreement approved at the 9/25/14 meeting. Kick off meeting held with URS on 10/2/14.
2. At the Aug. 21, 2014 Board meeting	General Manager	Recommend to the Board for action initiation of the CEQA process for the combined project.	X		Agreement and scope of work approved on 9/25/14 meeting
3. By the Sept. 2014 Oct. 16, 2014 Board meeting	General Manager	Have the Sun Street and Madison Lane properties assessed and report the results to the Board.	X		Appraisals have been completed and will be presented in closed session 10/16/14
4. At the Oct. 16, 2014 Board meeting	General Manager, working with the City of Salinas and the county	Report to the Board how the City of Salinas and the County could support Madison Lane as the site for the combined project.	X		Verbal update provided 9/25/14. Report will be provided 10/16/14. Monthly progress updates will continue
5. Dec. 31, 2014	General Manager	Meet with all Authority staff to receive input on how the Materials Recovery Center should be designed for optimal customer and employee access and efficiency. Incorporate suggestions into the facility design.		X	Staff mtgs being scheduled in Oct/Nov in conjunction with current MRC improvements (Objective A.1 above)

SIX CRITICAL QUESTIONS

Discussion of some of these critical questions resulted in Strategic Objectives under this goal.

#1: Should SVR proceed with the advanced waste recovery system proposed by Global Organics Energy as part of the combined project for CEQA review?

Board consensus: Yes

#2: Should SVR continue providing franchise waste transfer services for the County and Salinas?

Board consensus: Yes

#3: Does the Sun Street Operation have to relocate?

Board consensus: (Decision delayed)

#4: Should Work Street be selected as the preferred option?

Board consensus: No – remove from consideration as preferred site, alternative option

#5: Should the Hitchcock Road site be studied?

Board consensus: No – remove from consideration as preferred site, alternative option

#6: Should the Madison Lane site be studied?

Board consensus: Yes

**THREE-YEAR GOAL: UTILIZE JOLON ROAD, CRAZY HORSE AND LEWIS ROAD
CLOSED LANDFILLS TO GENERATE REVENUE**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Dec. 31, 2014	Authority Engineer and the Diversion Manager, with input from stakeholders around each landfill	Develop and present to the Board for action a budget for a consultant to develop a scope of work for generating revenue, including identification of funding.	X			Budget for this item approved 9/25/14 meeting
2. Dec. 31, 2014	General Manager	Actively participate in the Monterey Bay Economic Partnership and report the results to the Board.		X		SVSWA is now formally enrolled as a member, periodic updates to follow
3. Jan. 15, 2014	Authority Engineer and the HR/Organizational Development Manager	Start the procurement process to hire a consultant with possible student intern support and/or local college/university participation in business development planning.		X		Started the procurement process on October 6, 2014.

THREE-YEAR GOAL: INCREASE PUBLIC ACCESS, INVOLVEMENT AND AWARENESS OF SVR ACTIVITIES						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Dec Nov-30, 2014	HR/Organizational Development Manager	Prepare a plan for expansion of Spanish outreach and present to the Board for consideration.			X	To be presented to Board at December 18, 2014 meeting
2. Dec. 31, 2014	HR/Organizational Development Manager	Grow email/social media distribution lists by 50%.		X		Combined Resource Recovery's email distribution to increase list.
3. Dec. 31, 2014	HR/Organizational Development Manager	Expand connections with local special interest organizations (e.g., Chambers, Rotaries, Legion, and environmental sustainability groups) by providing at least six (6) presentations on Authority activities.		X		Continuing and ongoing.
4. Dec. 31, 2014	HR/Organizational Development Manager	Develop and implement a plan for conducting large public meetings through webinars.		X		
5. Jan. 31, 2015	HR/Organizational Development Manager	Create pre-recorded informational/how-to videos to reduce, reuse and recycle for distribution through electronic media and website.		X		Working with staff to record any upcoming presentations to the public and post on website.
6. Jan. 31, 2014	President Silva (lead) Each Board member	Attend at least one event and distribute information about SVR goals and activities.				

THREE-YEAR GOAL: REDUCE COSTS AND IMPROVE SERVICES AT THE JOHNSON CANYON LANDFILL AND OTHER SVR FACILITIES

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Nov. 30, 2014	Operations Manager	Complete all temporary improvements at the Sun Street Transfer Station to provide for 2-3 years of added operational life and present to the Board necessary approvals.	X			Pavement work and roof repairs completed November 9, 2014.
2. By Jan. 15, 2015	Operations Manager	Complete all necessary equipment purchases, staff hiring and training to commence Authority operations at Johnson Canyon Landfill on January 1, 2015.		X		The majority of the equipment has been purchased. Landfill staff has been hired and will be trained in December 2014.
3. Jan. 15, 2015	Operations Manager Diversion Manager	Evaluate alternatives for optimal recovery of recyclable materials (glass, plastic, cardboard, paper, carpet, film plastic, wood, organics, metal, construction debris, and textiles) at the Johnson Canyon Landfill. Develop a plan for receiving, storing and marketing the materials.		X		Currently working on MRC layouts and potential vendors to assist with diversion of recyclable materials from the tipping face.



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 4

Finance Manager/Controller-Treasurer

N/A

Legal Counsel

General Manager/CAO

Date: November 20, 2014
From: Ray Hendricks, Interim Finance Manager
Title: Tonnage and Diversion Report for the Quarter Ended September 30, 2014

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

This is a routine information item.

FISCAL IMPACT

For the quarter ended September 30, 2014, the Authority paid Recology \$503,784 for landfilling 45,842 tons of solid waste. This is an average of \$10.99 per ton.

DISCUSSION & ANALYSIS

Total Tons Landfilled

Total tons landfilled decreased by 27.8% for the quarter ended September 30, 2014 as shown below:

	3Q 2014	3Q 2013	Change in	%
<u>Service Area</u>	<u>Tonnage</u>	<u>Tonnage</u>	<u>Tonnage</u>	<u>Change</u>
Authority Service Area	45,831	44,249	1,582	3.6%
South Santa Clara Valley	754	20,244	(19,490)	-96.3%
Out of District	<u>11</u>	<u>8</u>	<u>3</u>	42.1%
Total Landfilled	46,596	64,501	(17,904)	-27.8%

For the quarter ended September 30, 2014, the Authority landfilled 45,831 tons of solid waste generated from the Authority's service area. This is an increase of 3.6% over the same quarter of the previous year's total of 44,249.

As of September 30, 2014, the Authority landfilled a total of 46,596 tons for the quarter including 754 tons from South Santa Clara Valley. This represents a 27.8% decrease over the same period in the previous year's total landfilled tonnage of 64,501.

South Valley Tonnage

The total tonnage delivered from outside of the County by Recology South Valley Disposal and Recycling during this quarter was 754 tons or 2% of all landfilled tonnage. This is a 96.3% decrease over the same quarter of 2013. The large decrease in landfill tonnage can be attributed to the ending of imported waste from Recology South Valley. We are currently receiving only the residual self-haul waste from their San Martin Transfer Station. We expect to stop receiving this material from them in December 2014. Revenue received from this waste totaled \$31,455.

Authority Service Area Tonnage Analysis

The following table analysis is for the Authority Service Area tonnage only as accepted at the Johnson Canyon Landfill:

	Jul-Sep 2014		Jul-Sept 2013		Change	%
	Tonnage	%	Tonnage	%	Tonnage	Change
Total Tons Accepted	55,707	100%	55,427	100%	280	0.5%
Less Diverted Materials	7,518	13%	7,502	14%	16	0.2%
Less C&D	707	1%	1,560	3%	(853)	-54.7%
Less Sludge	1,043	2%	1,502	3%	(459)	-30.5%
Less Beneficial Reuse	608	1%	613	1%	(6)	-0.9%
Total Landfilled	45,831	82%	44,249	80%	1,582	3.6%

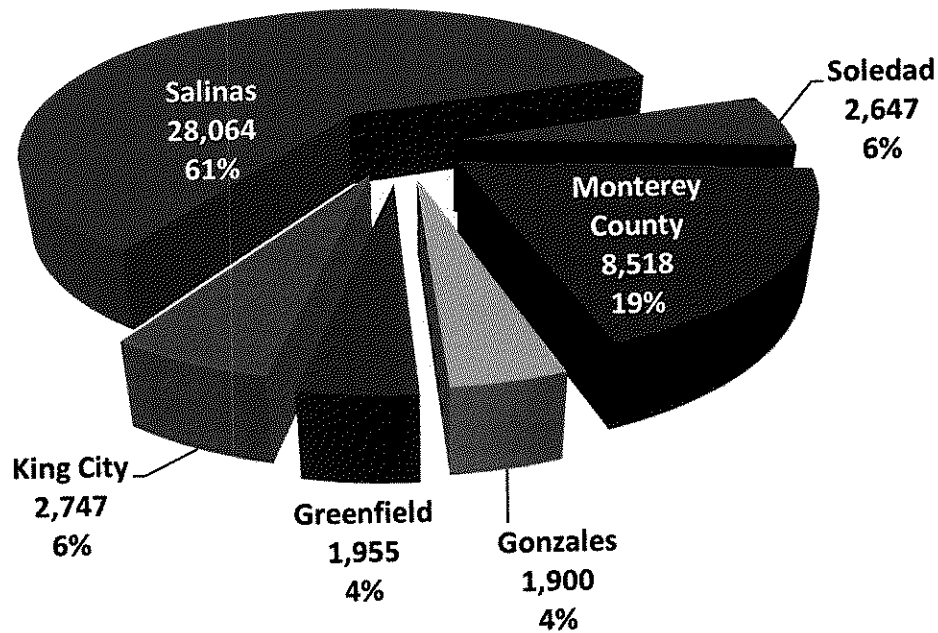
Compared to the corresponding quarter in 2013, the total tons accepted for the quarter ending September 30, 2014 increased by 0.5% and diverted material decreased by .2%.

Construction & Demolition material (C&D) is dependent on local construction projects and can vary dramatically throughout the year. Biosolids are received primarily from the wastewater treatment plants in the cities of Greenfield and Soledad, but not on a predictable schedule. Beneficial reuse consists of concrete and asphalt that is used at the Authority's facilities as road base. The Authority has little control over C&D, sludge and beneficial reuse received. The net result of all landfill activities is an increase of 3.6% tons landfilled.

Waste Origin

Of the 45,831 tons landfilled from the Authority's service area, the City of Salinas accounts for 61% of the waste and the County accounts for 19%.

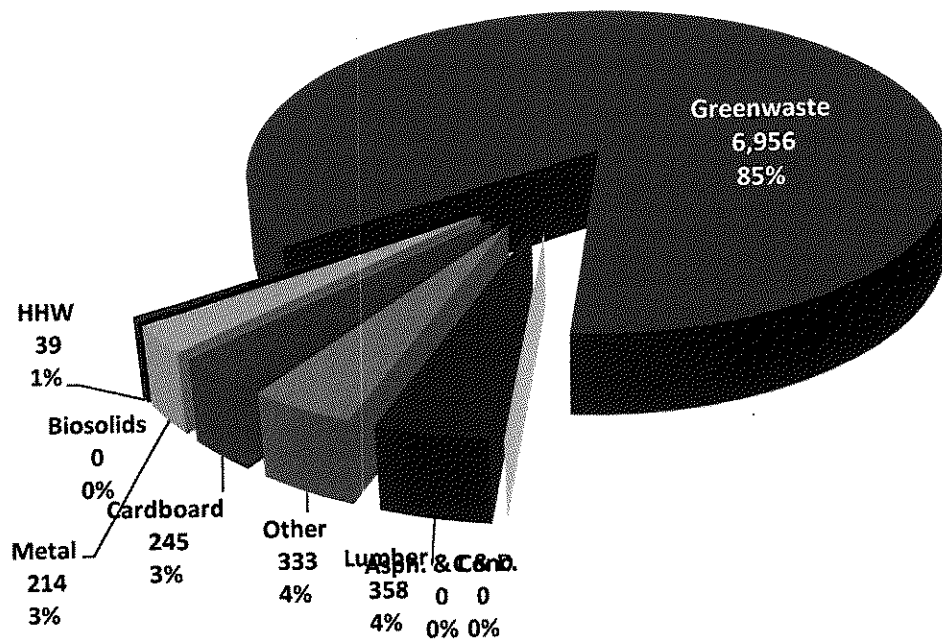
QUARTER ENDED September 30, 2014
AUTHORITY LANDFILLED
WASTE ORIGIN- 45,831 TONS



Diverted Materials

The Diverted Tonnage chart below shows the Authority received a grand total of 8,145 tons of diverted materials for the quarter ended September 30, 2014. In addition to the 7,518 tons of diverted materials received at Johnson Canyon, as shown in the *Authority Service Area Tonnage* table, the Authority sent 588 tons of recyclable materials to market directly from the Sun Street Transfer Station. The Authority also diverted approximately 39 tons of Household Hazardous Waste (HHW) materials. Total tons of diverted materials for the quarter ended September 30, 2014 has resulted in a net decrease in recycling of 58 tons or .7% over the same quarter of the previous year.

QUARTER ENDED SEPTEMBER 30, 2014 **DIVERTED MATERIALS - 8,145**



ATTACHMENTS

None

Single Use Plastic Bag Ban

Each of the member cities adopted an ordinance prohibiting most uses of plastic bags within their jurisdictions. The effective dates will be between January 1 and March 31, 2015. Each of the businesses will be charging 10 cents per bag, excepting Gonzales merchants, who will charge 25 cents. SVR continues to provide reusable bags at public events and attends outreach events whenever informed. Staff met with representatives from Save Our Shores and the Monterey Regional Waste Management District on October 22 to strategize a county wide approach to promoting the ban.

South County Cities Franchise Agreements

From correspondence received from the City Managers, the cities of Gonzales, Soledad and Greenfield will recommend to their respective Councils either extend or restate their agreement for garbage and recycling collection with Tri Cities Recycling and Disposal, in lieu of competitive bidding. The City of King will extend its agreement with Waste Management.

Quarterly Franchise Meetings

Staff met with the cities of Gonzales, Greenfield and Soledad, as well as Gary and Tom Parola of Tri-Cities Disposal on October 22 for the Tri-Cities Recycling quarterly franchise meeting. A tour of Tri-Cities new sorting line followed the meeting.

County of Monterey Franchise Rate Hearing

The County of Monterey's Environmental Health Bureau has scheduled a hearing for December 9, 2014 at 1:30 p.m. to consider proposed rates for new services and adjustments to current rates for their Unified Franchise Agreement with Waste Management. Staff will review the proposed rates when published.

Gonzales Annual Cleanup

SVR staff assisted the City of Gonzales and Tri-Cities Recycling with the annual cleanup at the Johnson Canyon Landfill on October 10-13. More than 700 pounds of paint and oil were collected.

Greenfield Cleanup Day and Harvest Festival

The Saturday, October 18 clean up event netted 1,360 pounds of household hazardous waste. SVR staff worked with The Offset Project to site and empty recycling and food waste containers and provide public education on source separation during the October 19 annual Harvest Festival.

Free Household Hazardous Waste Disposal Events

The new location for first Saturday of the month HHW collection in King City (High School parking lot) has proven to be much more effective than the former location at the Jolon Road Landfill. The second Saturday location is now the Soledad Mission Shopping center parking lot. The third Saturday collection remains at LA Hearne Company in Prunedale. Each event is held from 9am to noon and is free to residents bringing antifreeze, motor oil and filters, latex paint and medical sharps. Free sharps containers are available.

Sharps Collection

The new Gonzales Pharmacy was added to the list of locations which accept sharps in approved containers and is a distribution point for free sharps containers to residents.

Free Tire Recycling

This year's second round of free tire recycling for up to 9 passenger car or truck tires per customer concluded at the Johnson Canyon Landfill on October 19. The collection trailer has moved to the Sun Street Transfer Station between October 27 and November 27.

Greenwaste Contamination

A meeting was held in Soledad on October 9 with Gary and Tom Parola from Tri-Cities Disposal and representatives of Gonzales, Greenfield and Soledad to discuss contamination of greenwaste delivered to the Johnson Canyon Landfill and a possible cleaning fee from Vision Recycling.

Classroom Recycling Presentation

A new record of 34 classroom presentations in one day was established on October 14 at Sherwood School in Salinas. The outreach to each classroom is done in conjunction with implementation of a new or improved school recycling program. Teachers and staff, as well as custodians receive separate training.

Sharps Container Distribution

At the Binational Health Week Event at Closter Park in Salinas on October 12, 130 sharps containers were given away to attendees.

ATTACHMENT(S)

None

**ITEM NO. 5**
Finance Manager/Controller-Treasurer

N/A

General Counsel

General Manager/CAO

Date: November 20, 2014
From: Susan Warner, Diversion Manager
Title: Member and Interagency Activities for October 2014

RECOMMENDATION

Staff recommends the Board accept the report.

STRATEGIC PLAN RELATIONSHIP

This report relates to the 3-year goal to increase public access, involvement and awareness of Salinas Valley Recycles activities and is intended to keep the Board apprised of communication with our member agencies.

OCTOBER 2014**Department of Resources Recycling and Recovery**

Notification was received on October 14 that the Johnson Canyon Landfill was removed from the inventory of solid waste facilities that had violated state minimum standards for landfill gas monitoring and control. This action was based on monthly inspection reports from the Local Enforcement Agency (LEA) documenting the steps taken to correct the high levels of landfill gas at one of the monitoring probes had been effective.

Salinas Area Materials Recovery Center

The County of Monterey Resource Management Agency has indicated there are no funds for the Rossi Road extension project. They anticipate the timing of improvements and funding to be generated by conditions placed upon the future development via the land use entitlement process issued for the South Boronda area.

The City of Salinas continues to evaluate options for determining the most expeditious manner for getting the Rossi Street extension constructed and is conducting internal meetings.

Johnson Canyon Landfill Haul Route

County staff has been reviewing and requesting clarification on the draft MOU for improvements to Iverson and Johnson Canyon Roads required by the 2002 Regional Facilities EIR mitigation measure.

Wireless Communications Site Lease Lewis Road Landfill

As lead agency for the project, County staff is reviewing the draft MOU for the site lease.



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

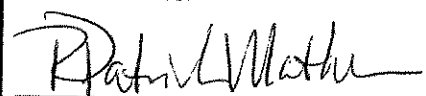
Report to the Board of Directors

ITEM NO. 6


Finance Manager/Controller-Treasurer

N/A

General Counsel


General Manager/CAO

Date: November 20, 2014

From: David B. Meza, Authority Engineer

Title: A Resolution Approving Amendment No. 2 Authorizing a Two and a Half-Year Extension to the Professional Services Agreement with Geo-Logic Associates to Provide Groundwater Monitoring Services in an Amount not to exceed \$237,950

RECOMMENDATION

Staff recommends approving this item.

STRATEGIC PLAN RELATIONSHIP

This item does not relate to the Strategic Plan. This item secures services to maintain the landfill operations compliant with current regulations.

FISCAL IMPACT

Funding for this item is included in the approved FY 2014-2015 budget.

DISCUSSION & ANALYSIS

The Professional Services Agreement with Geo-Logic allows for two optional two-year extensions. On November 15, 2012, Amendment No. 1 was approved by the Board extending the agreement to December 2014. Amendment No. 2 would extend the agreement to June 30, 2017. The previous amendment was based on a calendar basis. As with other long term agreements, this amendment would align with the Authority's fiscal year schedule. Geo-Logic Associates has agreed to extend the current terms of the contract for an additional two and half years ending on June 30, 2017. Staff wishes to extend the current contract as well, because Geo-Logic Associates has provided excellent service at a competitive fee.

BACKGROUND

On December 16, 2010, the Board approved a two-year contract with Geo-Logic Associates to provide groundwater monitoring services in the amount of \$176,976 with two optional two-year extensions. Amendment No. 1 extended the agreement 2 years to December 2014 for \$176,978. Amendment No. 2 is for 2.5 years at a cost of \$237,950.

ATTACHMENTS

1. Geo-Logic Letter 8/20/2014
2. Resolution
3. Exhibit A - Amendment No. 2

August 20, 2014
JN 2011-0002

Salinas Valley Solid Waste Authority
128 Sun Street, Suite 101
Salinas, California 93901

Attention: Mr. David Meza

**PROPOSAL TO CONTINUE GROUNDWATER MONITORING AND REPORTING SERVICES
AT SALINAS VALLEY SOLID WASTE AUTHORITY LANDFILL SITES
MONTEREY COUNTY, CALIFORNIA**

Geo-Logic Associates (GLA) is pleased to present this letter proposal to continue to provide our groundwater monitoring and reporting services at the four Salinas Valley Solid Waste Authority (SVSWA) landfill sites. This work will be a continuation of our existing contract to provide these services. GLA will utilize the same fee schedule to provide our services (attached), which represents a discounted rate when compared to our 2014 fee schedule. In summary, the proposed work will include the following routine tasks:

Task G1 – Meetings with the Central Coast Regional Water Quality Control Board: Meetings with the Central Coast RWQCB will be scheduled at the discretion of SVSWA's project manager. GLA will prepare a meeting agenda and meeting minutes, providing copies to the RWQCB and SVSWA staff.

Tasks G2A and G2B - Preparation of Project Health and Safety and Project Sampling and Analysis Plans: The most significant change to SVSWA's groundwater monitoring programs during the last two years was the adoption of field filtering for metals analysis at the Crazy Horse Sanitary Landfill. This was addressed in an internal revision to the current Project Sampling and Analysis Plan. As a result, the current Project Sampling and Analysis Plan and Project Health and Safety Plan will continue to be used during the contract extension. Should the program elements change during the course of the extension period, GLA will revise these plans accordingly.

Task G3 – Monthly Project Status Table: For each invoice submitted to SVSWA, GLA will prepare a cost-tracking spreadsheet and summary report describing the work performed and covered in the invoice.

Groundwater Monitoring Services (Tasks M1 through M4): GLA will collect semiannual groundwater, soil-pore liquid, and other environmental samples as required by the site-specific Monitoring and Reporting Programs. Sampling of the Lewis Road and Crazy Horse landfills will be conducted in January and July of each year. Sampling of the Johnson Canyon and Jolon Road landfills will be conducted in March and September of each year.

Work will also include annual sampling of leachate monitoring points at each landfill with a leachate collection system, annual landfill gas condensate sampling at the Crazy Horse Sanitary Landfill, and annual stormwater detention basin sediment sampling at the Crazy Horse and Johnson Canyon Sanitary Landfills. In addition, the eight residential wells surrounding the Crazy Horse Sanitary Landfill will be conducted on a quarterly basis in the months of January, April, July, and October.

All environmental monitoring and sampling activities will be conducted in accordance with the Project Sampling and Analysis Plan and the site-specific Monitoring and Reporting Programs using calibrated and decontaminated field instruments. Field sampling will be documented on daily field report forms. Monitoring services will include coordination of sample container delivery and pickup with SVSWA's contract laboratory. Field services will be provided by experienced environmental field technicians working out of our Morgan Hill office.

During the last year, the Monitoring and Reporting Program for the Crazy Horse Landfill was revised to include field filtering for metals. This procedure adds approximately 10 minutes of sampling time to each well, or about nine hours of additional time for each semiannual monitoring event. GLA has increase our budget for monitoring of the Crazy Horse Landfill accordingly.

The Crazy Horse, Johnson Canyon, and Jolon Road landfills will be sampled for the 5-year Constituents of Concern (COCs) during the second semiannual 2016 monitoring event. The additional sampling will add approximately 10 to 15 minutes to each well at each of these three landfills. The monitoring budget for the second semiannual 2016 event has been increased accordingly. It should be noted that SVSWA will also incur greater laboratory costs associated with the COC sampling event.

Reporting Services (Tasks R1 through R4): GLA will prepare semiannual and annual groundwater monitoring reports for each landfill site to address all reporting requirements contained in the site-specific Monitoring and Reporting Programs, and subsequent reporting requirements requested by SVSWA and the Central Coast RWQCB.

The compliance schedule for the semiannual and annual reports is as follows:

- Crazy Horse Sanitary Landfill: January 31st (annual) and July 31st
- Johnson Canyon Sanitary Landfill: February 28th (annual) and August 31st
- Jolon Road Sanitary Landfill: March 31st (annual) and September 30th
- Lewis Road Sanitary Landfill: April 30th (annual) and October 31st

Each semiannual and annual monitoring report will include a tabulation of historical groundwater elevation and groundwater chemistry data for each sampling point, as well as tabulations of leachate, soil-pore liquid, landfill gas condensate, sedimentation basin liquid, and sedimentation basin soil chemistry (as appropriate). The reports will discuss the current environmental monitoring data, compare the current findings to past results, evaluate data

trends, and summarize compliance issues. Landfill gas extraction system information, waste intake data, and other site monitoring information obtained by SVSWA's in-house staff or subcontractors will be presented in appendices, as appropriate. A site location, groundwater equipotential contour map, and isoconcentration contour maps (for Crazy Horse Sanitary Landfill), and final grading contour maps for the closed sites will be included in the reports.

To address reporting requirements in the most recent Monitoring and Reporting Program (R3-2013-0016) for the Crazy Horse Sanitary Landfill, the annual report will include an evaluation of the corrective action measures (concentrations and pounds of VOCs removed by each of the active corrective action measures – bioremediation, groundwater extraction and treatment, and landfill gas extraction), and a comparison of VOC concentrations at key monitoring wells to well-specific corrective action goals.

Draft reports will be provided to SVSWA for review and comment approximately two weeks before the submittal deadline. The final report, incorporating SVSWA comments, will be uploaded to Geotracker, and a compact disc containing the report in its entirety and the SVSWA transmittal letter will be provided to the Central Coast RWQCB on or before the required submittal date.

Non-Routine Services (Tasks N1 through N4): From time to time, SVSWA requires environmental consulting services beyond those covered in the routine monitoring services scope of work. GLA can provide the types of environmental monitoring, reporting, regulatory compliance, permitting, engineering design, and construction quality assurance services that may be required. Costs for non-routine services will be incurred on a time-and-material basis according to the same unit rates provided to SVSWA for our routine services. GLA understands that work will not be conducted on non-routine services without specific authorization from SVSWA's project manager.

Project Team: As currently envisioned, there will be no significant change in project personnel. Mr. John Hower will continue in the role of Project Manager. Ms. Sarah Battelle will continue to serve as Principal-in-Charge. Ms. Adrienne Thibeault will serve as reporting manager for the Crazy Horse and Lewis Road landfills, and Ms. Terri Satterfield will serve as the reporting manager for the Johnson Canyon and Jolon Road landfills. Sampling will continue to be provided by Mssrs. Bret Treece, and Grant Deem. GLA's core team of professionals will be supported by more than 100 professional and support staff in the event that additional resources are required to complete routine or non-routine work.

Costs for Services: GLA proposes to continue to provide routine groundwater monitoring and reporting services using the same rates that were used in our 2011-2014 contract. However, sampling and reporting times have been increased to address recent monitoring and reporting requirements for the Crazy Horse Landfill, and for the 5-year COC sampling events at the Crazy Horse, Johnson Canyon, and Jolon Road landfills. Our proposed semiannual cost estimate for the first fiscal year (January 1 to June 30, 2015) is as follows:

Task G1A – Quarterly Project Meetings.....	\$2190.00
Task G1B – WDR/Sampling/Lab Quality Control Plan	No Charge
Task G2A – Site-Specific Sampling and Analysis Plan	No Charge
Task G2B – Site-Specific Health and Safety Plan.....	No Charge
Task G3 – Monthly Project Status Table	\$2142.00
Task C1 – Corrective Action Element for Crazy Horse Landfill	Included in Task R2
Task M1 – Lewis Road Sanitary Landfill Monitoring	\$2609.00
Task M2 – Crazy Horse Sanitary Landfill Monitoring.....	\$13,508.00
Task M3 – Johnson Canyon Sanitary Landfill Monitoring.....	\$2193.00
Task M4 – Jolon Road Sanitary Landfill Monitoring	\$2193.00
Task R1 – Lewis Road Sanitary Landfill Reporting	\$3035.00
Task R2 – Crazy Horse Sanitary Landfill Reporting	\$10,809.00
Task R3 – Johnson Canyon Sanitary Landfill Reporting	\$3186.00
Task R4 – Jolon Road Sanitary Landfill Reporting.....	\$3186.00
Cost estimate for the period of January 1 to June 30, 2015:.....	\$45,051.00

The cost estimate for the second fiscal year (July 1, 2015 to June 30, 2016) continues the routine sampling and reporting employed during the first fiscal year, but includes two sets of sampling and reporting. Our proposed cost estimate for the second fiscal year is as follows:

Task G1A – Quarterly Project Meetings.....	\$4380.00
Task G1B – WDR/Sampling/Lab Quality Control Plan	No Charge
Task G2A – Site-Specific Sampling and Analysis Plan	No Charge
Task G2B – Site-Specific Health and Safety Plan.....	No Charge
Task G3 – Monthly Project Status Table	\$4284.00
Task C1 – Corrective Action Element for Crazy Horse Landfill	Included in Task R2
Task M1 – Lewis Road Sanitary Landfill Monitoring.....	\$5218.00
Task M2 – Crazy Horse Sanitary Landfill Monitoring.....	\$27,016.00
Task M3 – Johnson Canyon Sanitary Landfill Monitoring.....	\$4386.00
Task M4 – Jolon Road Sanitary Landfill Monitoring	\$4386.00
Task R1 – Lewis Road Sanitary Landfill Reporting	\$6070.00
Task R2 – Crazy Horse Sanitary Landfill Reporting	\$21,618.00
Task R3 – Johnson Canyon Sanitary Landfill Reporting	\$6372.00
Task R4 – Jolon Road Sanitary Landfill Reporting.....	\$6372.00
Cost estimate for the period of July 1, 2015 to June 30, 2016:	\$90,102.00

The third fiscal year will extend from July 1, 2016 to June 30, 2017. During the second semiannual 2016 sampling event, the Johnson Canyon, Jolon Road, and Crazy Horse landfills will be sampled for site-specific Constituents of Concern, which will add sampling time to the routine monitoring event time, and will include additional data entry, statistical analyses, and reporting elements. In addition, at the request of SVSWA, our budget includes the first semiannual 2017 reporting for the Crazy Horse Sanitary Landfill, which is typically completed in July of each year, but will be completed by June 30, 2017.

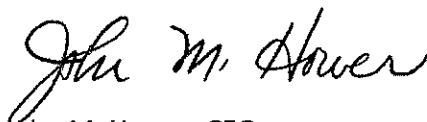
Task G1A – Quarterly Project Meetings.....	\$4380.00
Task G1B – WDR/Sampling/Lab Quality Control Plan	No Charge
Task G2A – Site-Specific Sampling and Analysis Plan	No Charge
Task G2B – Site-Specific Health and Safety Plan.....	No Charge
Task G3 – Monthly Project Status Table	\$4284.00
Task C1 – Corrective Action Element for Crazy Horse Landfill	Included in Task R2
Task M1 – Lewis Road Sanitary Landfill Monitoring.....	\$5218.00
Task M2 – Crazy Horse Sanitary Landfill Monitoring.....	\$28,259.00
Task M3 – Johnson Canyon Sanitary Landfill Monitoring.....	\$4802.00
Task M4 – Jolon Road Sanitary Landfill Monitoring	\$4802.00
Task R1 – Lewis Road Sanitary Landfill Reporting	\$6070.00
Task R2 – Crazy Horse Sanitary Landfill Reporting	\$31,064.00
Task R3 – Johnson Canyon Sanitary Landfill Reporting	\$6757.00
Task R4 – Jolon Road Sanitary Landfill Reporting.....	\$7161.00
Cost Estimate for the period of July 1, 2016 to June 30, 2017:	\$102,797.00

GLA's proposed cost for non-COC semiannual events represents a 1.8 percent increase over our 2013-2014 cost estimate, most of which has been added to address the changes in sampling protocols (field filtering) and new reporting elements (corrective action evaluations) that were adopted for the Crazy Horse Landfill in Order R3-2013-0016. Monitoring, data analysis, and reporting for the COC sampling event will result in an increase of approximately 9.5 percent when compared to the routine (non-COC) semiannual monitoring and reporting costs. The additional costs include additional sampling time (about 10 to 15 minutes of additional time per well) and data analysis, including recalculation of concentration limits (background concentration limits for the Crazy Horse and Johnson Canyon landfills, and intrawell concentration limits for Jolon Road Sanitary Landfill). In total, GLA estimates that the costs for our routine services during the 2015-2017 contract extension would be **\$237,950**.

Costs for all services (routine and non-routine) will be billed on a time-and-materials basis not to exceed the approved budget without prior consent by SVSWA's Project Manager. GLA's fees for these services will be based on the unit rates for professional staff and services as outlined in our attached Fee Schedule.

We hope this scope and cost estimate is adequate for your purposes. If you have any questions regarding this proposal, please call me at (858) 451-1136 at your convenience.

Geo-Logic Associates



John M. Hower, CEG
Supervising Geologist

Attachments: Fee Schedule



**FEE SCHEDULE – SALINAS VALLEY SOLID WASTE AUTHORITY
GROUNDWATER MONITORING AND REPORTING PROGRAM**

PERSONNEL CHARGES

PROFESSIONAL STAFF:

Staff Engineering Geologist/Hydrogeologist/Engineer	99.00/Hour
Project Engineering Geologist/Hydrogeologist/Engineer	126.00/Hour
Senior Engineering Geologist/Hydrogeologist/Engineer	160.00/Hour
Supervising Engineering Geologist/Hydrogeologist/Engineer	175.00/Hour
Principal Engineering Geologist/Hydrogeologist/Engineer	195.00/Hour
Court Appearance (Expert Witness, Deposition, etc.)	1.75 x HourlyRate (4 Hour Minimum)

FIELD STAFF:

Field Technician I	69.00/Hour
Field Technician II	75.00/Hour
Senior Field Technician	87.00/Hour
Prevailing Wage Minimum	87.00/Hour Min.
Supervising Field Technician	98.00/Hour

SUPPORT STAFF:

Laboratory Technician	95.00/Hour
CADD/Designer	95.00/Hour
Geotechnical Draftsperson	65.00/Hour
Geotechnical Clerk/Typist	55.00/Hour
Word Processor	70.00/Hour

*Overtime Premium is 35% of PERSONNEL CHARGE

*A surcharge of 20% of PERSONNEL CHARGES is applicable to personnel working in hazardous materials environments to compensate for costs associated with hazardous materials operations training and personnel medical examinations.

EQUIPMENT CHARGES

ReMi/Refraction Seismograph	600.00/Day
BAT Permeameter	100.00/Day
Compaction Testing Equipment & Supplies	50.00/Day
Slope Inclinator	250.00/Day

EXPENSES

Vehicle Use for Field Services (added to appropriate "PERSONNEL CHARGE")	12.00/Hour
Soil Sampling Equipment & Drilling Supplies	5.00/Hour
Groundwater Sampling Equipment and Supplies	15.00/Hour
Per Diem	Lesser of (Cost +15%) or (Local Government Rate)
Outside Services (Consultants, Surveys, Chemical lab Tests, etc.)	Cost + 15%
Reimbursables (Maps, Photos, Permits, Expendable Supplies, etc.)	Cost + 15%
Outside Equipment (Drill Rig, Backhoe, Monitoring Equipment, etc.)	Cost + 15%

PERMITS, FEES AND BONDS

The costs of all permits, fees, and performance bonds required by government agencies are to be paid by the Client, unless stated otherwise in an accompanying proposal.

INSURANCE

GeoLogic Associates, Inc. carries workers' compensation, comprehensive general liability and automobile with policy limits normally acceptable to most clients. The cost for this insurance is covered by the fees listed in this schedule. Cost of any special insurance required by the Client, including increases in policy limits, adding additional insured parties and waivers of subrogation, are charged at cost plus 15%. Unless otherwise stated, such charges are in addition to the estimated or maximum charges stated in any accompanying proposal.

Geo-Logic

ASSOCIATES

LABORATORY TESTING

California Bearing Ratio (excluding moisture-density curve).....	\$150.00/Point
Chloride Content.....	60.00/Test
Corrosivity Series (resistivity, Ph, Sulfate, Chloride).....	150.00/Test
Consolidation Test (without rate data – up to 8 loading increments).....	140.00/Test
Consolidation Test (single point).....	95.00/Test
Consolidation Test Rate Data (per load increment).....	70.00/each
Direct Shear Test (at natural moisture).....	55.00/Point
Direct Shear Test (saturated – strain rate 0.0084 inch/min.).....	65.00/Point
Direct Shear Test (saturated, recycled – strain rate 0.0084 inch/min.).....	120.00/Point
Direct Shear Test (ASTM 3080 – consolidated drained).....	125.00/Point
Direct Shear Test (ASTM 3080 – consolidated drained, residual).....	280.00/Point
Durability Index - Coarse.....	125.00/Test
Durability Index – Fine.....	115.00/Test
Expansion Index Test.....	110.00/Test
Grain-Size Analysis - Sand-Clay, including Hydrometer.....	160.00/Test
Grain-Size Analysis - Gravel-Clay, including Hydrometer.....	200.00/Test
Liquid Limit.....	65.00/Test
Los Angeles Abrasion Test (500 revolutions).....	145.00/Test
Los Angeles Abrasion Test (1000 revolutions).....	160.00/Test
Mechanical Analysis - ASTM D1140 (wash 200 sieve).....	60.00/Test
Mechanical Analysis - Sand or Gravel (dry sieve).....	70.00/Test
Mechanical Analysis Sand and Gravel (wash sieve).....	155.00/Test
Mechanical Analysis Sand or Gravel (wash sieve).....	100.00/Test
Moisture Content.....	13.00/Test
Moisture-Density Curve for Compacted Fill (4-inch Mold).....	140.00/Test
Moisture-Density Curve for Compacted Fills (6-inch Mold).....	175.00/Test
Moisture-Density Single Point.....	70.00/Test
Moisture-Density Curve (Calif. 216).....	145.00/Test
Permeability (falling head).....	160.00/Test
Permeability (flexible wall - ASTM).....	300.00/Test
Permeability (rigid wall – constant head pressure).....	250.00/Test
Plastic Limit.....	65.00/Test
Plasticity Index.....	120.00/Test
Resistance Value.....	200.00/Test
Resistivity & pH Test (Calif. 532 or 643).....	90.00/Test
Sand Equivalent.....	65.00/Test
Specific Gravity and Absorption - Gravel.....	71.00/Test
Specific Gravity - Fine-Grained Soils.....	76.00/Test
Sulfate Content.....	50.00/Test
Triaxial Compression Test (CD with pore pressure).....	575.00/Test
Triaxial Compression Test (CU with pore pressure).....	425.00/Test
Triaxial Compression Test (UU).....	115.00/Test
Unconfined Compression Test (undisturbed sample).....	75.00/Test
Unit Dry Weight and Moisture Content (undisturbed sample).....	18.50/Test

Special Sample Preparation and Laboratory Testing not listed above will be charged at applicable personnel rates.

TERMS

Payment is due upon presentation of invoice and is past due thirty (30) days from invoice date. Past due accounts are subject to a finance charge of one and one-half percent (1-1/2%) per month, or the maximum rate allowed by law.

PROPOSAL PERIOD

Unless otherwise stated, a proposal accompanying this schedule is effective for sixty (60) days. If authorization to proceed is not received within this period, GeoLogic Associates, Inc. reserves the right to renegotiate the fee.

Special Fee Schedule Effective through 12/31/2016

RESOLUTION NO. 2014-

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY APPROVING AMENDMENT NO. 2 AUTHORIZING A TWO AND A HALF YEAR EXTENSION TO THE PROFESSIONAL SERVICES AGREEMENT WITH GEO-LOGIC ASSOCIATES TO PROVIDE GROUNDWATER MONITORING SERVICES IN AN AMOUNT NOT TO EXCEED \$237,950

WHEREAS, on December 16, 2010, the Board approved a two-year Professional Services Agreement with Geo-Logic Associates with two optional two-year extensions; and,

WHEREAS, on November 15, 2014, the Board approved Amendment No. 1 for \$176,978 and extended the Agreement two years to December 31, 2014; and,

WHEREAS, the Authority wishes to extend the Agreement to conclude on June 30, 2017, to align with the Authority's fiscal year budget; and,

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY that the Chief Administration Officer is hereby authorized and directed for and on behalf of the Salinas Valley Solid Waste Authority to execute Amendment No. 2 authorizing a two and half year extension to the agreement with Geo-Logic Associates for an amount not to exceed \$237,950, as attached hereto and marked "Exhibit A."

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority this 20th day of November 2014 by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Elizabeth Silva, President

ATTEST:

Elia Zavala, Clerk of the Board



AMENDMENT NO. 2
TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN
SALINAS VALLEY SOLID WASTE AUTHORITY AND
GEO-LOGIC ASSOCIATES
TO PROVIDE GROUNDWATER MONITORING SERVICES

This amendment, is made and entered into this 20th day of November 2014, by and between the Salinas Valley Solid Waste Authority, a joint powers authority organized under the laws of the State of California (hereinafter "Authority"), and Geo-Logic Associates. (hereinafter "Consultant").

The Authority and Consultant entered into an Agreement on December 16, 2010. The initial term of the agreement expired December 31, 2012, and provided that the term may be extended twice at two-year extension each. On November 15, 2012, the Agreement was extended to December 31, 2014..

All terms of the aforementioned agreement will continue in force with the exception of the following changes:

1. Completion Schedule

The Authority and Consultant hereby mutually agree to extend the agreement with Geo-Logic Associates for an additional two and half year term effective January 1, 2015 and ending June 30, 2017.

2. Compensation

Salinas Valley Solid Waste Authority agrees to pay for Geo-Logic Associates for services delivered by this agreement in an amount not to exceed the amount indicated in the payment schedule and in the manner indicated and in accordance with attached proposal from Geo-Logic Associates dated August 20, 2014.

IN WITNESS THEREOF, the parties hereto have made and executed this Amendment No. 2 on the date first above written.

SALINAS VALLEY SOLID WASTE AUTHORITY:

APPROVED AS TO FORM:

R. Patrick Matthews
Chief Administrative Officer

Thomas M. Bruen
Authority General Counsel

ATTEST:

Geo-Logic Associates

Elia Zavala
Clerk of the Board


Name: _____
Title: _____



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SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 7


Interim Finance Manager

N/A

Legal Counsel


General Manager/CAO

Date: November 20, 2014

From: Cesar Zuñiga, Operations Manager

Title: Report of Contract Award to Salinas Steel Builders for the Sun Street Transfer Station Roof and Gutter Repairs Project in the Amount of \$48,732

RECOMMENDATION

This is an informational item. Per Authority Code Section 3.02.010 (a), public works projects under \$50,000 may be entered into by the Chief Administrative Officer and the results of the bidding shall be reported to the Authority Board.

STRATEGIC PLAN RELATIONSHIP

The repairs to the roof and gutters of the Sun Street Transfer Station support Goal 5: Reduce Costs and Improve Services at the Johnson Canton Landfill and Other SVSWA Facilities. The repairs to the roof and gutters will improve the roof drainage system, repair existing leaks, and improve the quality of the water runoff associated with the building.

FISCAL IMPACT

Funding for this item is included in the FY 2014-2015 budget under CIP Project 9702 Sun Street Transfer Station NPDES Improvements Project.

DISCUSSION & ANALYSIS

The Sun Street Transfer Station Roof and Gutter Repairs bid received one bid from Salinas Steel Builders in the amount of \$48,732 which is within the budgeted amounts for the project. Repairs are expected to be complete by November 2014.

BACKGROUND

The Sun Street Transfer Station has experienced issues with its storm water runoff and roof leaks. Staff has made numerous improvements to the drainage system and its best management practices, which has resulted in improved storm water sample readings. The Sun Street Transfer Station was supposed to be developed into a fully enclosed system within three years of initiating operations. The delays associated with construction of a new facility has delayed the demolition of the existing buildings, which are in need of repairs to minimize the impacts the rusted roofs and failed gutter systems contribute to the facilities storm water runoff and interior leaks.

ATTACHMENTS

1. None



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

Date: November 20, 2014

From: Rose Gill, HR/Organizational Development Manager

Title: Sun Street Materials Recovery Center/Transfer Station Customer Survey Results

ITEM NO. 8

N/A

Finance Manager/Controller-Treasurer

N/A

General Counsel

N/A

General Manager/CAO

**A PRESENTATION WILL BE GIVEN
AT THE MEETING**



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SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Executive Committee

ITEM NO. 9

Finance Manager/Controller-Treasurer

Legal Counsel

Board President

Date: November 5, 2014

From: Ray Hendricks, Interim Finance Manager

Title: Comprehensive Annual Financial Report for
the year ended June 30, 2014

RECOMMENDATION

The Executive Committee recommends that the Board accept this item.

STRATEGIC PLAN RELATIONSHIP

This agenda item is a routine annual operational item.

FISCAL IMPACT

This item has no fiscal impact. It reports the results of the fiscal year's operations.

DISCUSSION & ANALYSIS

The Authority's Comprehensive Annual Financial Report was audited by McGilloway, Ray, Brown & Kaufman. The audit of the financial statements is an annual requirement. The final report is under internal review by the Auditor and will be distributed at the Executive Committee Meeting, or just prior.

The auditors provided an "unqualified opinion," meaning that they took no exception to any of the numbers. The auditors also informed us that there is no management letter for this past fiscal year, meaning that our financial operations met all internal controls requirements. This is the sixth year in a row that we have not received a management letter. Typically, a management letter is issued when the auditors feel that internal controls could be improved.

The Comprehensive Annual Financial Report (copy attached) contains a wealth of information about the Authority's finances in accordance with Governmental Accounting Standards. We highly encourage the Board to read the Management Discussion and Analysis, which provides a summary of the Authority's finances. In this staff report, we wish to address the two most important numbers from the financial statements, the Net Position and the Change in Net Position.

Deficit Unrestricted Net Position of \$4,265,137

The deficit in unrestricted net position exists primarily because of \$531,600 in Postclosure Payable – Current, and \$13,448,211 in Postclosure Payable – Long Term. Were it not for the Postclosure Payable, the Unrestricted Net Position would be a positive \$9,714,674.

SALINAS VALLEY SOLID WASTE AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Fiscal Year Ended June 30, 2014



PREPARED BY

THE AUTHORITY'S FINANCE DIVISION

Ray Hendricks
Interim Finance Manager/Treasurer

J.D. Black, Accountant
Ernesto Natera, Accounting Technician

AUDITORS

McGilloway, Ray, Brown & Kaufman
Accountants and Consultants
379 W. Market Street
Salinas, CA 93901

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INTRODUCTORY SECTION



"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"

October 29, 2014

President and Board of the Salinas Valley Solid Waste Authority:

We are pleased to submit the Salinas Valley Solid Waste Authority's (Authority) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014.

This report was prepared by the Authority in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. We believe that the data, as presented, is accurate in all material respects and that it is presented in a manner designated to set forth fairly the financial position and results of operations of the Authority. Included are all the disclosures we believe are necessary to enhance understanding of the financial condition of the Authority.

This report consists of management's representations concerning the financial position of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of the Authority has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

McGilloway, Ray, Brown & Kaufman, a firm of certified public accountants, has audited the Authority's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended June 30, 2014, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the Authority's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the report of the independent auditors.

Reporting Entity

On January 1, 1997, the Salinas Valley Solid Waste Authority was created through a joint powers agreement among the cities of Salinas, Gonzales, Greenfield, King, Soledad, and the unincorporated area of the eastern portion of Monterey County, to provide solid waste disposal services to the member cities and the unincorporated area in the eastern and southern portion of the county. The Authority is governed by a nine-member board consisting of three members of the Salinas City Council, two members of the Monterey County Board of Supervisors and one City Council member each from the cities of Gonzales, Greenfield, King, and Soledad.

Operating Results

Generally Accepted Accounting Principles require that depreciation, estimated closure costs and estimated post-closure maintenance costs be charged as a current expense. These expenses are allocated over the estimated remaining capacity of the landfills within the Authority's disposal system. Based on these requirements, the Salinas Valley Solid Waste Authority reports operating income of \$3,586,570 and an increase in net position of \$342,435 for the fiscal year ended June 30, 2014.

As part of its adopted policy, the Authority does not set aside funds for post-closure maintenance. Per agreement with the California Integrated Waste Management Board, dated June 19, 1998, the Authority has pledged future revenue to cover the cost of post-closure maintenance. Authority tipping fees are not expected to cover the accrual of post-closure expenses in the current period. At June 30, 2014 the Authority has accrued post-closure liabilities totaling \$13,979,811 which will be paid out of future revenues over the next 30 years.

The Authority's policy is to set aside funds for closure costs. Closure liabilities of \$2,627,000 are fully funded at June 30, 2014.

The Authority's tipping fees are set at an amount sufficient to provide for operations, closure set-aside requirements, post-closure maintenance on a pay-as-you-go basis, capital requirements and debt service on bonds issued for capital replacement. Authority's tipping fees are not expected to recover depreciation expense.

The Statement of Cash Flows for the fiscal year ended June 30, 2014, provides a detailed reconciliation of the Authority's increase in cash of \$2,124,682 to \$10,700,692.

Cash Management Policies and Practices

The Authority invests all idle funds daily. In accordance with the provisions of California Government Code Section 53600 et seq, an investment and cash management policy is adopted annually by the Board of Directors of the Salinas Valley Solid Waste Authority.

Investment income includes changes in the fair value of investments. Calculation of gains and losses in fair value of investments is unrealized and only measures the fair value at a point in time. During the fiscal year ended June 30, 2014 the Authority's investment earnings were \$28,013, a decrease of \$11,167 from the previous year.

Risk Management

The Authority purchases commercial insurance for general liability, automobile liability, pollution liability, public official's bonds and property damage. Additional information on the Authority's risk management activity can be found in Note 15 of the financial statements.

Financial Management

The Authority carefully monitors its gate rates. On July 1, 2012, the tipping fee increased \$3.00 to \$67.00 per ton, which was necessary to keep up with operating expenses. The decreases in tonnage experienced in the past appear to be leveling off. Effective July 1, 2013 the Board adopted an AB939 Fee, which generated \$1.7 million during the year ended June 30, 2014. This revenue is guaranteed regardless of tonnage received. This will reduce the fluctuations in revenue due to changes in tonnage.

Bond Issue 2014

On January 28, 2014, the Authority completed a refunding of the revenue bonds issued in 2002 and refinancing of the Crazy Horse Canyon Landfill installment purchase agreement with the City of Salinas. The refunding revenue bonds total \$31,390,000. The refunding bonds were sold in two series, Series 2014A and Series 2014B. Series 2014A, totaling \$27,815,000, refunded the Series 2002 revenue bonds and Series 2014B, totaling \$3,575,000 refinanced the Crazy Horse Canyon Landfill installment purchase agreement.

The maximum annual debt service is \$3,137,000 including interest at varying rates up to 5.50%. The final interest and principal payment on the bonds is scheduled for August 1, 2031.

Expansion Fund

The "Expansion Fund" was established to collect proceeds from the sale of outside waste, pay costs associated with increased tonnage generated by outside waste and pay the costs related to locating and permitting a new landfill site and other long-term expansion costs. Over the ten-year term of the revised agreement with South Valley Disposal, revenue from the sale of outside waste is estimated at \$23.3 million, with costs estimated at \$4.9 million to operate Crazy Horse, \$1.8 million for liners at Johnson Canyon, \$2.2 million in closure set-asides, \$1.8 million in taxes and fees and \$0.8 million on conversion technology projects with the balance to be used for locating and permitting a new landfill site. In order to avoid tipping fee increases during the Great Recession the Board of Directors decided to use these funds for operations until a better economic outlook was available.

At June 30, 2014, the Expansion Fund had unrestricted net position of \$8,158,580.

Summary

The Authority's operating expenses have been reduced to their lowest point. However, due to decreasing tonnage leading to decreased revenues, the Authority has not been able to benefit from the reduced operating expenses.

The deficit Net Position is expected to diminish over time as the Postclosure Payable and Bonds Payable are paid down with future revenues.

With the adoption of the AB939 Fee for FY 2013-14 the Authority will have a more stable revenue base.

Acknowledgements

I would like to take this opportunity to thank the members of the Salinas Valley Solid Waste Authority's Board of Directors for their interest and support in the financial operations of the Authority. It is the responsible and progressive manner in which business is conducted that makes the Authority successful. I would also like to extend special recognition to the Authority staff for their day-to-day involvement in the operations. In addition, I would like to offer special thanks to J. D. Black, Accountant, and Ernesto Natera, Accounting Technician, without whom this presentation would not be possible. I would also like to thank the Authority's auditors McGilloway, Ray, Brown & Kaufman. It is the combined effort of all participants that resulted in the issuance of this document.

Respectfully submitted,



C. Ray Hendricks
Interim Finance Manager/Treasurer

SALINAS VALLEY SOLID WASTE AUTHORITY



List of Principal Officials

As of June 30, 2014

Elizabeth Silva, City of Gonzales
President

Jyl Lutes, City of Salinas
Vice President

Fernando Armenta, County of Monterey
Board Member

Tony Barrera, City of Salinas
Board Member

Robert Cullen, City of King
Board Member

Gloria De La Rosa, City of Salinas
Board Member

Annie Moreno, City of Greenfield
Board Member

Richard Perez, City of Soledad
Board Member

Simon Salinas, County of Monterey
Board Member

R. Patrick Mathews
General Manager/CAO

David Meza
Engineering Manager

Thomas M. Bruen
General Counsel

Susan Warner
Division Manager

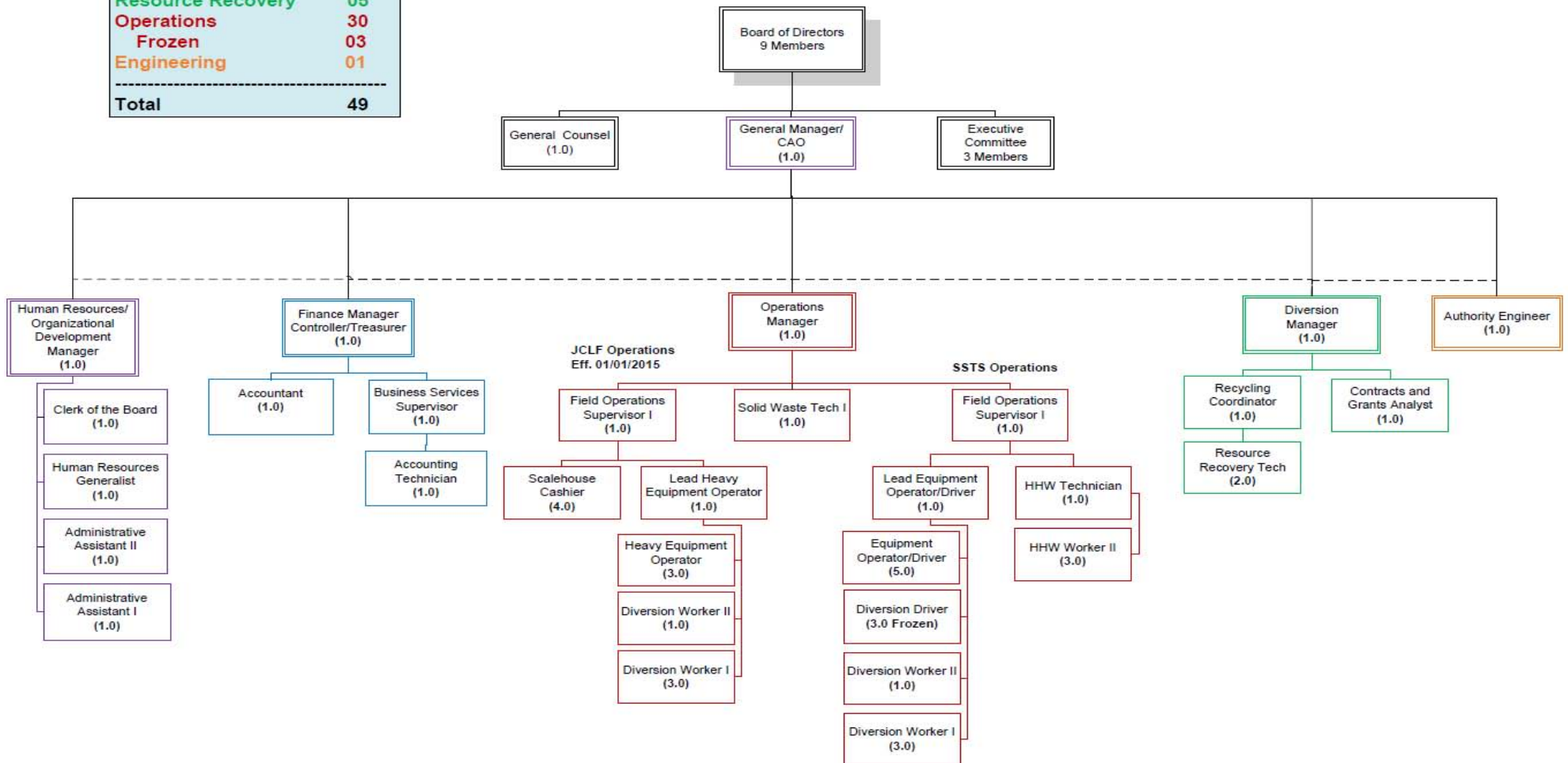
Ray Hendricks
Interim Finance Manager/Treasurer

Cesar Zuniga
Operations Manager

Rose Gill
Administrative Manager

Salinas Valley Solid Waste Authority
Organizational Chart
 Effective Date: March 20, 2014

Administration	06
Finance	04
Resource Recovery	05
Operations	30
Frozen	03
Engineering	01
<hr/>	
Total	49



FINANCIAL SECTION

McGILLOWAY, RAY, BROWN & KAUFMAN

Accountants & Consultants

2511 Garden Road, Suite A180
Monterey, CA 93940-5301
831-373-3337 Fax 831-373-3437
Toll Free 866-373-2511

379 West Market Street
Salinas, CA 93901
831-424-2737
Fax 831-424-7936

INDEPENDENT AUDITOR'S REPORT

The Honorable Board
of the Salinas Valley Solid
Waste Authority
Salinas, California

We have audited the accompanying financial statements of Salinas Valley Solid Waste Authority (Authority), as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

*Daniel M. McGilloway, Jr., CPA, CVA, Gerald C. Ray, CPA, Clyde W. Brown, CPA, Patricia M. Kaufman, CPA,
Larry W. Rollins, CPA, Helen Grace H. Rodriguez, CPA, CFE*

*Sarita C. Shannon, CPA, Whitney Ernest, CPA, Devvyn MacBeth, CPA,
Jesus Montemayor, CPA, Smriti Shrestha, CPA*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2014, and the respective changes in financial position and cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of funding progress as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the Authority's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

McGillaway, Ray, Brown & Kaufman

October 29, 2014
Salinas, California

**SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

This section of the Salinas Valley Solid Waste Authority (Authority) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and comparative analysis of the financial activities of the Authority for the fiscal years ended June 30, 2014 and June 30, 2013. Please consider the information presented here in conjunction with the basic financial statements that immediately follow, along with the letter of transmittal and other portion of this CAFR.

For the fiscal year ended June 30, 2014, the Authority adopted the provisions of the Governmental Accounting Standards Board (GASB) Statements No. 65, "Items Previously Reported as Assets and Liabilities." GASB 65 redefines the accounting for certain transactions that in prior years were capitalized and amortized over a period of years. Under GASB 65, these transactions are to be expensed in the year of the financial event and any that have been capitalized in prior years are to be treated as prior period adjustments in the fiscal year ended June 30, 2014. There is additional information about these changes in Note 1 following the Basic Financial Statements.

Financial Highlights

- The Authority's net position improved by \$342,435 (3.0%) to a deficit of \$11,242,664.
- Operating revenues increased \$2,264,002 (14.2%), as the result of the implementation of the AB939 service fee and a modest increase in local economic activity.
- Tons landfilled increased 6,268 tons (2.7%) during the year from 236,521 tons in fiscal year 2012-13 to 242,789 tons in fiscal year 2013-14.
- Operating expenses increased \$531,182 (3.8%) to \$14,658,377 due primarily increases in personnel services, depreciation and contractual services in the current fiscal year.
- The Authority's total long-term liabilities increased by \$1,607,417 to \$52,790,804 due to a new equipment agreement in the current year for purchase of equipment for the Johnson Canyon Landfill. The Authority is set to take over operations of this landfill on January 1, 2015.
- The closure of Crazy Horse Landfill is underway and expected to be completed by December 2014. This is the single largest project of the Authority since being formed in 1997.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's Comprehensive Annual Financial Report (CAFR), which are comprised of three components: 1) Management Discussion and Analysis (this document), 2) Basic Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains other supplementary information in addition to the basic financial statements for further information and analysis.

Basic Financial Statements

The Financial Statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statement of Net Position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine the Authority's credit worthiness and whether the Authority has successfully recovered all its costs through its user fees and other charges.

**SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

The final required Financial Statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operations and investments. It also provides answers to such questions as where did the cash come from, what was the cash used for, and what was the change in the cash balance during the reporting period.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain Required Supplementary Information that presents the funding progress of the Authority's retirement plan.

FINANCIAL STATEMENT ANALYSIS

Statement of Net Position

Net position is a good indicator of the Authority's financial position. At the end of this fiscal year, the Authority had a deficit net position of \$11,242,664 which is an improvement in net position of \$342,435.

The following is the condensed Statement of Net Position for the fiscal years ended June 30, 2014 and 2013:

Salinas Valley Solid Waste Authority Condensed Statement of Net Position June 30, 2014 and 2013				
	2014	2013	Change	% Change
Assets				
Current Assets	\$ 16,214,511	\$ 10,465,344	\$ 5,749,167	54.9%
Other Assets	2,778,031	5,583,949	(2,805,918)	-50.2%
Capital Assets, Net	27,357,419	27,778,894	(421,475)	-1.5%
Total Assets	46,349,961	43,828,187	2,521,774	5.8%
Liabilities				
Current Liabilities	4,299,647	4,229,899	69,748	1.6%
Long-term Liabilities	52,790,804	51,183,387	1,607,417	3.1%
Total Liabilities	57,090,451	55,413,286	1,677,165	3.0%
Deferred Inflows of Resources	502,174	-	502,174	0.0%
Net Position				
Net Investment in				
Capital Assets	(7,404,404)	(8,341,693)	937,289	-11.2%
Restricted	426,877	3,419,936	(2,993,059)	-87.5%
Unrestricted	(4,265,137)	(6,663,342)	2,398,205	-36.0%
Total Net Position (Deficit)	\$ (11,242,664)	\$ (11,585,099)	\$ 342,435	-3.0%

The total net deficit is due primarily to the deficit of \$7,404,404 Net Investment in Capital Assets. This is the result of capital assets depreciating at a faster rate than the related debt is being paid.

**SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

Statement of Revenues, Expenses and Changes in Net Position

The following is the Condensed Statement of Revenues, Expenses and Changes in Net Position for the fiscal years ended June 30, 2014 and 2013:

Salinas Valley Solid Waste Authority
Condensed Statement of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2014 and 2013

	2014	2013	Change	% Change
Operating Revenues				
Charges for Services	\$ 17,534,111	\$ 15,438,514	\$ 2,095,597	13.6%
Sales of Materials	594,056	392,958	201,098	51.2%
Operating Grants and Contributions	116,780	149,473	(32,693)	-21.9%
Total Operating Revenues	<u>18,244,947</u>	<u>15,980,945</u>	<u>2,264,002</u>	<u>14.2%</u>
Operating Expenses				
Personnel Services	4,089,205	3,763,121	326,084	8.7%
Contractual Services	1,666,689	1,453,881	212,808	14.6%
Operating Contracts	4,737,350	4,783,575	(46,225)	-1.0%
Depreciation	1,412,742	1,289,903	122,839	9.5%
Other Operating Expenses	2,752,391	2,836,715	(84,324)	-3.0%
Total Operating Expenses	<u>14,658,377</u>	<u>14,127,195</u>	<u>531,182</u>	<u>3.8%</u>
Operating Income/(Loss)	3,586,570	1,853,750	1,732,820	93.5%
Non-operating Revenues/(Expenses)				
Investment Earnings	28,013	39,180	(11,167)	-28.5%
Other Non-Operating Revenue	18,094	17,619	475	2.7%
Interest Expense	(2,728,361)	(2,026,114)	(702,247)	34.7%
Bond Underwriter	(561,881)	-	(561,881)	-
Change in Net Position	342,435	(115,565)	458,000	-396.3%
Net Position - Beginning	(11,585,099)	(10,079,386)	(1,505,713)	14.9%
Prior Period Adjustment - Note 19	-	(1,390,148)	1,390,148	-100.0%
Net Position - Ending	<u>\$ (11,242,664)</u>	<u>\$ (11,585,099)</u>	<u>\$ 342,435</u>	<u>-3.0%</u>

The Authority's activities decreased the net deficit by \$342,435. Key elements of this change are as follows:

Operating revenues increased \$2,264,002 (14.2%) primarily due to the implementation of the AB939 Service fee that ensures that we are financially prepared for the ending of the importation of solid waste.

Operating expenses increased \$531,182 (3.8%) due to \$326,084 (8.7%) increase in personnel services, a \$122,839 (9.5%) increase in depreciation, and a \$212,808 (14.6%) increase in contractual services in the current fiscal year.

The \$(1,390,148) prior period adjustments is due to GASB 65 reporting requirements taking effect for FY 2013-14. Previously, certain bond issuance costs were to be capitalized and amortized over the life of the bond. GASB 65 requires that those costs be expensed in the period they were incurred. Since the original bond was issued in 2002, a prior period adjustment is required.

**SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

The single biggest expense for the year was the \$2,877,345 paid to Recology Waste Systems for operation of the Johnson Canyon landfill, diversion services, and air space conservation adjustment.

The \$3,290,242 in non-operating expenses is for interest paid on the Authority's long-term debt, and costs related to the issuance of the 2014 bonds.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year, the Authority had \$27,357,419 invested in capital assets, primarily in landfills as summarized below. During this fiscal year, the Authority added \$991,267 in capital assets and recorded depreciation expense of \$1,412,742. Additional information on the Authority's capital assets can be found in Note 6 on page 20 of this report. The following is the Condensed Statement of Capital Assets for the fiscal years ended June 30, 2014 and 2013:

Salinas Valley Solid Waste Authority
Condensed Statement of Capital Assets
For the years ended June 30, 2014 and 2013

	2014	2013
Land	\$ 42,600	\$ 42,600
Building	456,484	456,484
Improvements other than building	54,048,983	53,773,249
Equipment	3,672,307	2,799,196
Construction in progress	124,286	281,864
	58,344,660	57,353,393
Accumulated Depreciation	(30,987,241)	(29,574,499)
Total	<u>\$ 27,357,419</u>	<u>\$ 27,778,894</u>

Long-Term Debt

At the end of this fiscal year, the Authority had \$37.3 million in long-term debt as shown below.

The 2002 Revenue Bonds, and the Installment Purchase Agreement were both refunded with the new 2014A, and 2014B bonds. Additionally, the Authority entered into a purchase-lease agreement with capital one in order to purchase equipment necessary to take over operations of Johnson Canyon Landfill during FY 2014-15. Additional information on the Authority's long-term debt can be found in Note 8 on page 21 of this report.

Standard & Poor's Corporation (S&P) assigned the revenue bonds a rating of "AA-".

**SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

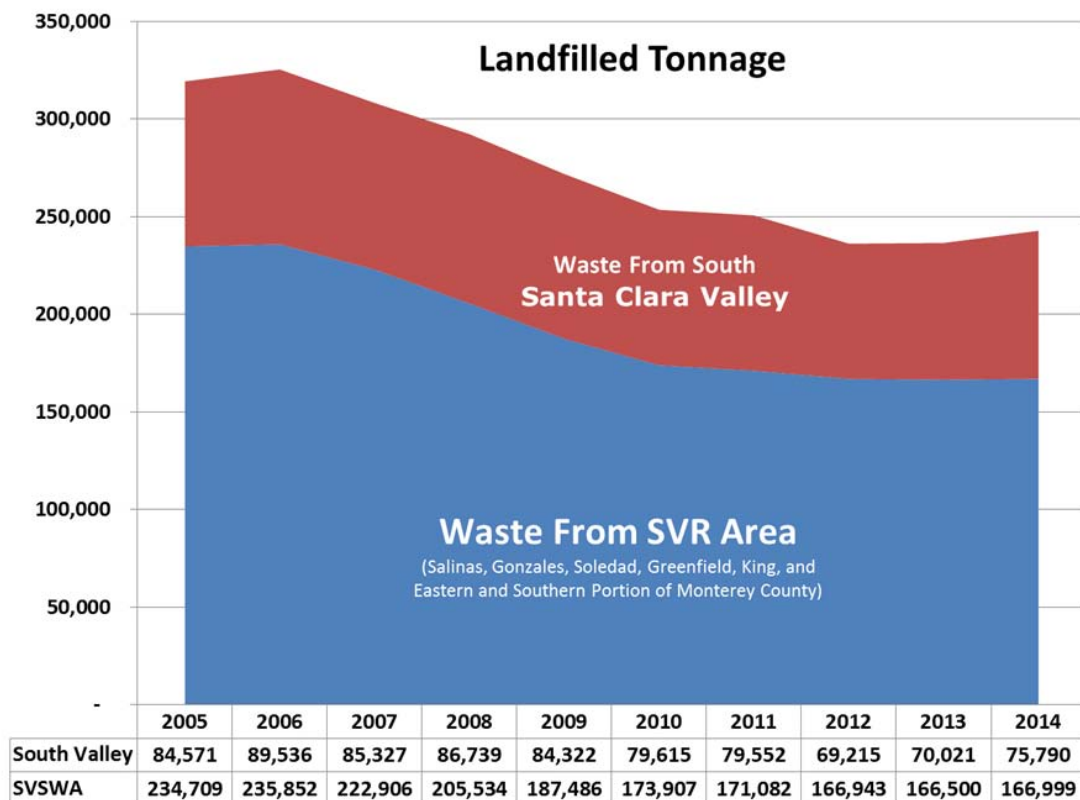
The following is the Condensed Statement of Long-Term Debt for the fiscal years ended June 30, 2014 and 2013:

Salinas Valley Solid Waste Authority
Condensed Statement of Long-Term Debt
For the years ended June 30, 2014 and 2013

	2014	2013
Revenue Bonds, Series 2002	\$ -	\$ 33,085,000
Bond Discount	-	(252,002)
Installment Purchase Agreement	-	3,287,588
2014A (AMT) Refunding Revenue Bond	27,815,000	-
2014B (Taxable) Refunding Revenue Bond	3,575,000	-
2014 Refunding Revenue Bond Premium	2,254,049	-
Equipment Lease Payable	3,670,000	-
Total	\$ 37,314,049	\$ 36,120,586

ECONOMIC FACTORS AND NEXT YEAR'S RATES

The Authority's operations are dependent on the amount of solid waste that is received at the landfills. Tonnage had been steadily declining since 2006, as reflected in the chart below. However, incoming landfilled tonnage has remained largely unchanged since the year ended 2012. For FY 2014-15 management is anticipating the trend to continue with tonnage remaining constant. The tipping fees remain constant at \$67.00 per ton. The 2014-15 budget is balanced.



SALINAS VALLEY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, grantors and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Authority's Finance Division, at the Salinas Valley Solid Waste Authority, P.O. Box 2159, Salinas, California 93902-2159.

SALINAS VALLEY SOLID WASTE AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2014
With Comparative Totals as of June 30, 2013

	2014	2013
Assets		
Current Assets		
Cash and Investments	\$ 10,700,692	\$ 8,576,010
Restricted Cash	3,320,685	225,734
Accounts Receivable, Net	1,984,625	1,659,316
Interest Receivable	5,048	4,284
Prepaid Expenses	203,461	-
Total Current Assets	16,214,511	10,465,344
Noncurrent Assets		
Restricted Cash	2,778,031	5,583,949
Capital Assets, Net	27,357,419	27,778,894
Total Noncurrent Assets	30,135,450	33,362,843
Total Assets	46,349,961	43,828,187
Liabilities		
Current Liabilities		
Accounts Payable	1,757,234	1,629,204
Wages Payable	94,601	97,938
Accrued Leave	352,388	343,881
Interest Payable	676,348	803,891
Closure Payable	230,197	34,202
Postclosure Payable - Current	531,600	171,540
Installment Purchase Agreement	-	127,506
Equipment Lease Payable	342,279	-
Bonds Payable - Current	315,000	1,021,737
Total Current Liabilities	4,299,647	4,229,899
Long Term Liabilities		
OPEB Liability	289,020	221,920
Closure Payable	2,396,803	2,365,279
Postclosure Payable	13,448,211	13,624,845
Installment Purchase Agreement	-	3,160,082
Equipment Lease Payable	3,327,721	-
Bonds Payable, Net	33,329,049	31,811,261
Total Long Term Liabilities	52,790,804	51,183,387
Total Liabilities	57,090,451	55,413,286
Deferred Inflows of Resources		
Gain on Refunding of Bonds	502,174	-
Total Deferred Inflows of Resources	502,174	-
Net Position		
Net Investment in Capital Assets	(7,404,404)	(8,341,693)
Restricted for Debt Service	-	2,820,700
Restricted for Grant	69,427	196,309
Restricted for Closure Reserve	357,450	402,927
Unrestricted	(4,265,137)	(6,663,342)
Total Net Position (Deficit)	\$ (11,242,664)	\$ (11,585,099)

The accompanying notes are an integral part of this financial statement

SALINAS VALLEY SOLID WASTE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2014
With Comparative Totals for fiscal year ended June 30, 2013

	2014	2013
Operating Revenues		
Charges for Services	\$ 17,534,111	\$ 15,438,514
Sales of Materials	594,056	392,958
Operating Grants and Contributions	116,780	149,473
Total Operating Revenues	<u>18,244,947</u>	<u>15,980,945</u>
Operating Expenses		
Personnel Services	4,089,205	3,763,121
Contractual Services	1,666,689	1,453,881
Operating Contracts	4,737,350	4,783,575
Supplies	488,037	454,034
Insurance	238,915	219,004
Building Rent	104,658	104,508
Taxes and Permits	736,417	728,267
Utilities	138,820	137,788
Depreciation	1,412,742	1,289,903
Closure/Postclosure Maint.	639,510	712,257
Hazardous Waste	172,520	192,176
Other	233,514	288,681
Total Operating Expenses	<u>14,658,377</u>	<u>14,127,195</u>
Operating Income (Loss)	<u>3,586,570</u>	<u>1,853,750</u>
Non-Operating Revenues (Expenses)		
Investment Earnings	28,013	39,180
Other Non-Operating Revenue	18,094	17,619
Interest Expense	(2,728,361)	(2,026,114)
Bond Underwriter	(561,881)	-
Total Non-Operating Revenues (Expenses)	<u>(3,244,135)</u>	<u>(1,969,315)</u>
Change in Net Position	342,435	(115,565)
Total Net Position - Beginning	(11,585,099)	(10,079,386)
Prior Period Adjustment - Note 19	-	(1,390,148)
Total Net Position - End of Year	<u>\$ (11,242,664)</u>	<u>\$ (11,585,099)</u>

The accompanying notes are an integral part of this financial statement

SALINAS VALLEY SOLID WASTE AUTHORITY
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2014
With Comparative Totals for fiscal year ended June 30, 2013

	2014	2013
Cash Flows from Operating Activities:		
Receipts from Customer and Users	\$ 17,908,950	\$ 15,763,071
Payments to Suppliers	(8,810,239)	(11,153,925)
Payments to Employees	(4,016,924)	(3,683,581)
Net Cash Provided (Used) by Operating Activities	<u>5,081,787</u>	<u>925,565</u>
Cash Flows from Non-Capital Financing Activities:		
Other Non-Operating Revenue/(Expense)	<u>18,094</u>	<u>17,619</u>
Cash Flows from Capital and Related Financing Activities:		
Refunding of 2002 Bonds and Installment Purchase Agreement	(2,192,903)	-
Capital Lease	3,670,000	-
Acquisition of Capital Assets	(991,267)	(351,494)
Principal paid on Capital Debt	(1,097,517)	(1,102,987)
Interest paid on Capital Debt	(2,101,728)	(2,037,063)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,713,415)</u>	<u>(3,491,544)</u>
Cash Flows from Investing Activities:		
Interest Received	26,923	57,989
Increase (Decrease) in Fair Value of Investments	326	(12,627)
Transfer (to) from Restricted Cash	(289,033)	2,502,166
Net Cash Provided (Used) by Investing Activities	<u>(261,784)</u>	<u>2,547,528</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,124,682	(832)
Cash and Cash Equivalents at Beginning of Year	<u>8,576,010</u>	<u>8,576,842</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 10,700,692</u></u>	<u><u>\$ 8,576,010</u></u>
Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	<u>\$ 3,586,570</u>	<u>\$ 1,853,750</u>
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	1,412,742	1,289,903
(Increase) Decrease in Accounts Receivable	(325,309)	(217,852)
(Increase) Decrease in Prepaid Expenses	(203,461)	-
Increase (Decrease) in Accounts Payable	128,030	146,520
Increase (Decrease) in Wages Payable	(3,337)	23,693
Increase (Decrease) in Accrued Leave	8,507	(7,079)
Increase (Decrease) in OPEB Payable	67,100	62,920
Increase (Decrease) in Closure/Postclosure Payable	410,945	(2,226,290)
Total Adjustments to Net Income	<u>1,495,217</u>	<u>(928,185)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 5,081,787</u></u>	<u><u>\$ 925,565</u></u>

The accompanying notes are an integral part of this financial statement

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

1. **Summary of Significant Accounting Policies:**

Financial Reporting Entity: The Salinas Valley Solid Waste Authority (Authority) is a joint exercise of powers authority, created pursuant to an agreement dated as of January 1, 1997, (the "Authority Agreement") among the County of Monterey and the cities of Salinas, Gonzales, Greenfield, Soledad and King (the "Members"). The Authority was established to acquire and manage the landfill assets of each member, ensure long-term landfill capacity of the Authority service area and provide unified and coordinated solid waste management for the member agencies.

The Authority is governed by a nine member governing board, consisting of three members of the Salinas City Council, two members of the Monterey County Board of Supervisors, and one City Council member each from the cities of Gonzales, Greenfield, King City and Soledad. Pursuant to the Authority Agreement, the affirmative vote of at least one member of the Authority Board who is a member of the Salinas City Council is required to approve Board actions.

Basis of Presentation: The financial activities of the Authority are accounted for in a single enterprise fund that reports the operations of the solid waste system, which is financed primarily by tipping fees. The solid waste system includes landfills, transfer stations and resource recovery facilities located in Monterey County. Solid waste collection services are provided by local municipalities and private companies.

Basis of Accounting: The Authority's single enterprise fund is accounted for using the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when they are incurred.

Measurement Focus: The Authority's single enterprise fund is accounted for on a cost of service or "economic resources" measurement focus. This means that assets and all activities are included on the statement of net position. Operating statements present increases (revenues) and decreases (expenses) in net total assets. The financial statements distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are charges to residents and customers for waste collection and disposal and the revenues from the sale of processed waste materials. Operating expenses include the cost of waste disposal and recycling services, administrative expenses, closure and post closure maintenance and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Budgets: The Authority adopts an annual, operating budget as a financial plan for the year, pursuant to the legal requirements of the Authority's bond documents. The budget is adopted by the governing Board as an operating plan and budgetary basis financial statements are not presented because there is no legal requirement to report budgetary basis financial information.

Accounting Changes: The Authority applies all applicable GASB pronouncements for certain accounting and financial reporting guidance.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012. The accompanying financial statements

SALINAS VALLEY SOLID WASTE AUTHORITY
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reflect the implementation of GASB Statement No. 65. GASB Statement No. 65 required that debt issuance costs be reported as expenses when incurred. The retroactive effects of implementing this change in reporting debt issuance costs resulted in a restatement of the beginning net position, as described further in Note 19.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*, to resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. This statement amends Statement No. 10, *Codification of Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state and local government's risk financing activities to the general fund and the internal service fund type. This statement also amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current servicing fee rate. Application of this statement is effective for the Authority's fiscal year ended June 30, 2014.

In June 2012, the GASB issued two new standards, GASB Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25* and GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* to improve the guidance for accounting and reporting on the pensions that governments provide to their employees.

Key changes include:

- Separating how the accounting and financial reporting is determined from how pensions are funded.
- Employers with defined benefit pension plans will recognize a net pension liability, as defined by the standard, in their government-wide, proprietary and fiduciary fund financial statements.
- Incorporating ad hoc cost-of-living adjustments and other ad hoc postemployment benefit changes into projections of benefit payments, if an employer's past practice and future expectations of granting them indicate they are essentially automatic.
- Using a discount rate that applies (a) the expected long-term rate of return on pension plan investments for which plan assets are expected to be available to make projected benefit payments, and (b) the interest rate on a tax-exempt 20-year AA/Aa or higher rated municipal bond index to projected benefit payments for which plan assets are not expected to be available for long-term investment in a qualified trust.
- Adopting a single actuarial cost allocation method - entry age normal - rather than the current choice among six actuarial cost methods.
- Requiring more extensive note disclosures and required supplementary information.

The statements relate to accounting and financial reporting and do not apply to how governments approach the funding of their pension plans. At present, there generally is a close connection between the ways many governments fund pensions and how they account for and report information about them in financial statements. The statements would separate how the accounting

SALINAS VALLEY SOLID WASTE AUTHORITY
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and financial reporting is determined from how pensions are funded. Application of Statement No. 67 is effective for financial statements for the Authority's fiscal year ended June 30, 2014. Application of Statement No. 68 is effective for the Authority's fiscal year ending June 30, 2015.

In January 2013, the GASB issued GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. This statement is intended to improve accounting and financial reporting for state and local government's combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. A disposal of government operations can occur through a transfer to another government or a sale.

The new standard provides guidance for:

- Determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations;
- Using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations;
- Measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and
- Reporting the disposal of government operations that have been transferred or sold.

Application of Statement No. 69 is effective for the Authority's fiscal year ending June 30, 2015.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this statement is to enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees and to enhance the information disclosed about a government's obligations and risk exposure from extending nonexchange financial guarantees. This statement also will augment the ability of financial statement users to assess the probability that governments will repay obligation holders by requiring disclosures about obligations that are issued with this type of financial guarantee. Application of Statement No. 70 is effective for the Authority's fiscal year ended June 30, 2014 and did not have an impact on the Authority's financial statements for 2014.

In November, 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68. Application of Statement No. 71 is effective for the Authority's fiscal year ending June 30, 2015.

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Cash and Cash Equivalents: Cash and cash equivalents consist of petty cash, deposits in non-interest bearing checking accounts, money market mutual funds, and investments with Local Authority Investment Fund (LAIF) managed by the State of California. Deposits in LAIF are generally available for withdrawal by the Authority on a next day basis and are therefore considered cash equivalents.

For purposes of determining cash equivalents, the Authority has defined its policy concerning the treatment of short-term investments to include investments with a maturity of three months or less when purchased as cash equivalents if management does not plan to reinvest the proceeds. Short-term investments that management intends to rollover into similar investments are considered part of the investment portfolio and are classified as investments.

Investments: Investments consisted of deposits in open end, money market mutual funds and deposits with the LAIF, an investment pool with restricted withdrawals, and BNY, which is restricted for debt service. All investments are stated at fair value.

Accounts Receivable: Accounts receivable are composed primarily of monthly billings for tipping fees, services and contractual amounts receivables. All accounts receivable are uncollateralized.

The Authority sets aside an allowance for uncollectible accounts based on an analysis of those accounts considered to be uncollectible at year-end. Accounts receivable are reported net of the allowance for uncollectible accounts.

Deferred Outflows and Inflows of Resources: Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*," the Authority recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the Authority that is applicable to a future reporting period. The Authority has no items which qualify for reporting in this category.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the Authority that is applicable to future reporting periods. The Authority has one item which qualifies for reporting as described further in Note 4.

Capital Assets: Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or, if donated, fair value at the date of donation. Expenses, which materially extend the useful life of existing assets, are capitalized. Certain costs for professional services and interest associated with the acquisition and construction of capital assets have been capitalized. The cost of capital assets sold or retired is removed from the appropriate accounts and any resulting gain or loss is included in the increase in net position. Depreciation of capital assets is computed using the straight-line method over the estimated useful lives of the assets, which are summarized as follows:

Buildings	20-40 years
Other Improvements	4-50 years
Equipment	5-10 years

Depletion and depreciation of the Authority's landfill sites has been provided over the estimated remaining capacity of its landfills. By the time a landfill stops accepting waste that landfill must be fully depreciated. This may lead to larger amounts of depreciation charged at the end of the

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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landfill's life for projects capitalized in those latter years.

The cost of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized.

Restricted Cash: Restricted cash of the Authority represent bond proceeds legally required by the Authority's bond covenants and trust indenture to be set aside for debt service and funds required to be set-aside for the eventual closure of the landfills under state law. Restricted resources are used first to fund expenses incurred for restricted purposes.

Net Position: The statement of net position reports all financial and capital resources. The difference between assets and liabilities is net position. There are three components of net position.

Invested in Capital Assets, Net of Related Debt - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent, related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component of net position consists of constraints placed on the use of net position by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are no net positions restricted by enabling legislation.

Unrestricted - This component of net position consists of net position that do not meet the definition of Invested in Capital Assets, Net of Related Debt or Restricted.

Revenue Recognition: Revenue from tipping fees is recognized when the service is provided for customers using the Authority's facilities. Credit customers are billed monthly and non-credit customers pay at the transfer station, landfill or resource recovery facility.

Amortization: Premium, discount and issue costs on long-term debt are amortized on the straight-line method over the life of the related debt issues.

Landfill Expenses: Landfill expenses include the cost to design and construct landfill "cells" on property permitted and approved as a landfill site. The design and construction costs for each cell are recorded as capital assets and amortized to expense based on the cell capacity used in each year. Landfill expenses also include accruals for landfill closure and postclosure care costs based on the landfill capacity used in each year.

Compensated Absences: Authority employees accumulate Paid Time Off (PTO) which is payable to employees upon termination or retirement at the pay rate on that date. The Authority accrues unused PTO and related taxes and benefits on the statement of net position as current liabilities.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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2. Cash and Investments:

Cash and Cash Equivalents: The bank balance and carrying value of the Authority's cash and cash equivalents, including restricted balances, at June 30, 2014 were as follows:

Cash and Investments	\$ 10,700,692
Restricted Cash	6,098,716
	<hr/>
Total	\$ 16,799,408
	<hr/>

The Authority's cash and investments at June 30, 2014, were held as follows:

Cash managed by the Authority's Treasurer	\$ 5,188,772
Investments managed by the Authority's Treasurer	11,610,636
	<hr/>
Total	\$ 16,799,408
	<hr/>

The Authority follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures. The Authority's investment policy conforms to state law (Government Code Sections 53601 through 53659). The investment of bond proceeds is governed by the specific Indenture of Trust. The investment policy is reviewed annually. Investments shown at fair value are for information only to assess the actual value if the Authority were to liquidate the investments before maturity. The Authority intends to hold all investments to maturity.

The Authority participates in the Local Authority Investment Fund (LAIF), an investment pool managed by the State of California. At June 30, 2014, LAIF had invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. These Structured Notes and Asset-Backed Securities are subject to market risk as a result of changes in interest rates.

Custodial Credit Risk: Custodial credit risk is defined as the risk that the Authority may not recover the securities held by another party in the event of a financial failure. The Authority's investment policy for custodial credit risk requires all investment securities to be held in the Authority's name by a third party safekeeping institution. All deposits with financial institutions are considered fully insured or collateralized pursuant to the custodial credit risk categories of GASB Statement No. 3. According to the investment policy investment of bond proceeds are restricted by the provisions of relevant bond documents. Funds held by Bank of New York (BNY) the Fiscal Agent of the Series 2014 Refunding Revenue Bonds are held in the Trustee's name, BNY, for the benefit of the Authority. This custodial credit risk exists due to the requirements of the bond indenture.

Credit Risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The Local Agency Investment Fund (LAIF) managed by the State Treasurer, representing 76.3% of the investment portfolio, is not rated. Investments in money market funds are limited by Government Code Section 53601 to those that have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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Concentration of Credit Risk: Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Authority's investment policy addresses the concentration of credit risk by limiting the maximum amount that may be invested in certain investments and in any one issuer, except for investments in LAIF and those made by Bank of New York (BNY). The investment in LAIF and the Public Investment Money Market Account, representing 76.3% and 8.7%, respectively, of the portfolio are not considered a concentrated risk. The Rabobank Certificates of Deposit represents 15.1% of the portfolio. They are fully collateralized at 110% of value.

The Authority was in compliance with these limitations at June 30, 2014. At June 30, 2014, certain individual investments exceeded 5% of the total investment portfolio (including cash and cash equivalents) as follows:

Investment Type	Investment Maturities				% of Total
	Fair Value	0-6 Mths	6-12 Mths	1-5 years	
State of California Local Agency Investment Fund	\$ 8,853,455	\$ -	\$ 8,853,455	\$ -	76.3
Bank of New York Escrow Account	1,661	1,661			-
Public Investment Money Market Account	1,005,520	1,005,520			8.7
Rabobank Certificates of Deposit	1,750,000			1,750,000	15.0
	<u>\$ 11,610,636</u>	<u>\$ 1,007,181</u>	<u>\$ 8,853,455</u>	<u>\$ 1,750,000</u>	<u>100.0</u>

3. Accounts Receivable:

Accounts receivable and the related allowance for doubtful accounts at June 30, 2014, are summarized as follows:

**SALINAS VALLEY SOLID WASTE AUTHORITY
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Billed Receivables:

Tipping Fee Accounts Receivable	\$ 1,594,204
Recology - Tonnage Band	129,023
Intergovernmental Grants Receivable	95,148
LFG Gas Royalties	66,021
Sales of Recycling Materials	61,970
Franchise Administration	30,506
Intergovernmental Receivable - Miscellaneous	13,418
Employees' Flexible Spending Account	4,625
Land Rent	2,235
Vision Recycling Fuel	1,707
Vision Recycling Fuel	710
Miscellaneous Receivable	1,000
	<hr/>
Total Accounts Receivable	2,000,567
Allowance for Doubtful Accounts	(15,942)
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	\$ 1,984,625
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4. Deferred Inflows of Resources:

For the fiscal year ended June 30, 2014, Salinas Valley Solid Waste Authority adopted GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". An increase in the Authority's Net Position that is expected to occur in a future period is a Deferred Inflow of Resources. A decrease in the Authority's Net Position that is expected to occur in a future period is a Deferred Outflow of Resources.

The only item that is reportable for the fiscal year ended June 30, 2014, is a deferred inflow of resources, the gain on the refunding of the Series 2002 Revenue Bonds.

Deferred inflows resources balances for the year ended June 30, 2014 were as follows:

	June 30, 2013	Increases	Decreases	June 30, 2014
Gain on Refunding of Bonds				
2014A (AMT) Refunding Revenue Bond	\$ -	\$ 444,981	\$ -	\$ 444,981
2014B (Taxable) Refunding Revenue Bond	-	57,193	-	57,193
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 502,174	\$ -	\$ 502,174
	<hr/>	<hr/>	<hr/>	<hr/>

The gain is amortized using the effective interest rate method as principal payments are made and is attributed to each of the refunding series of bonds, as follows.

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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Fiscal year Ended June 30,	2014A (AMT) Refunding Revenue Bond	2014B (Taxable) Refunding Revenue Bond	Total
2015	\$ -	\$ -	\$ -
2016	37,377	10,368	47,745
2017	37,377	9,404	46,781
2018	37,377	8,426	45,803
2019	37,279	7,425	44,704
2020-2024	163,300	20,933	184,233
2025-2029	104,813	637	105,450
2030-2032	27,458	-	27,458
	\$ 444,981	\$ 57,193	\$ 502,174

5. Restricted Cash:

Cash and investments of \$6,098,716 are recorded as restricted assets at June 30, 2014.

Cash and investments of \$3,009,889 are restricted by the California Integrated Waste Management Board for the closure of Johnson Canyon Landfill.

Cash and investments of \$62,459 are restricted by the California Department of Conservation grant for recycling activities and \$6,968 are restricted for the United States Department of Agriculture grant for the 2 anaerobic basins at Crazy Horse Canyon Landfill.

Cash and investments of \$3,019,400 are restricted by the capital equipment lease financing agreement with Capital One Public Funding, LLC. This equipment is to be used for the operation of the Johnson Canyon Landfill.

6. Capital Assets:

The changes in capital assets of the Authority for the year ended June 30, 2014, are summarized as follows:

SALINAS VALLEY SOLID WASTE AUTHORITY
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	June 30, 2013	Increases	Decreases	June 30, 2014
Business-type activities				
Nondepreciable assets:				
Land	\$ 42,600	\$ -	\$ -	\$ 42,600
Construction in Progress	281,864	-	(157,578)	124,286
Total nondepreciable assets	<u>324,464</u>	<u>-</u>	<u>(157,578)</u>	<u>166,886</u>
Depreciable Assets:				
Buildings	456,484	-	-	456,484
Other Improvements	53,773,249	275,734	-	54,048,983
Machinery and Equipment	2,799,196	873,111	-	3,672,307
Total depreciable assets	<u>57,028,929</u>	<u>1,148,845</u>	<u>-</u>	<u>58,177,774</u>
Less Accumulated Depreciation	<u>(29,574,499)</u>	<u>-</u>	<u>(1,412,742)</u>	<u>(30,987,241)</u>
Total Depreciable Assets, Net	<u>27,454,430</u>	<u>1,148,845</u>	<u>(1,412,742)</u>	<u>27,190,533</u>
Total Capital Assets, Net	<u>\$ 27,778,894</u>	<u>\$ 1,148,845</u>	<u>\$ (1,570,320)</u>	<u>\$ 27,357,419</u>

Construction in progress at June 30, 2014, consists of \$124,286 in costs associated with various landfill projects.

7. Accrued Leave:

Employees are eligible to receive their entire unused paid time off upon termination, or can elect to be paid annually for a maximum of fifteen days of annual leave, depending on years of service. At June 30, 2014, the liability for this accrued leave is \$352,388.

8. Long Term Liabilities:

The following is a summary of long term liabilities for the fiscal year ended June 30, 2014:

SALINAS VALLEY SOLID WASTE AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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	June 30, 2013	Increases	Decreases	June 30, 2014	Due Within One year
Long Term Debt:					
2002 Revenue Bonds	\$ 33,085,000	\$ -	\$ 33,085,000	\$ -	\$ -
Bond Discount	(252,002)	252,002	-	-	-
2014A (AMT) Refunding Revenue Bond	-	27,815,000	-	27,815,000	-
2014B (Taxable) Refunding Revenue Bond	-	3,575,000	-	3,575,000	315,000
2014 Revenue Bond Original Issue Premium	-	2,254,049	-	2,254,049	-
Equipment Lease Payable	-	3,670,000	-	3,670,000	342,279
Installment Purchase Agreement	3,287,588	-	3,287,588	-	-
Long Term Debt Subtotal	<u>36,120,586</u>	<u>37,566,051</u>	<u>36,372,588</u>	<u>37,314,049</u>	<u>657,279</u>
Other Long Term Liabilities:					
Post Employment Benefits	221,920	67,100	-	289,020	-
Closure Payable	2,399,481	-	(227,519)	2,627,000	230,197
Postclosure Payable	13,796,385	183,426	-	13,979,811	531,600
Total Long Term Liabilities	<u>\$ 52,538,372</u>	<u>\$ 37,816,577</u>	<u>\$ 36,145,069</u>	<u>\$ 54,209,880</u>	<u>\$ 1,419,076</u>

The annual debt service requirements for long term debt are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2015	\$ 657,279	\$ 1,678,408	\$ 2,335,687
2016	1,020,453	1,685,789	2,706,242
2017	1,047,193	1,658,221	2,705,414
2018	1,224,608	1,624,258	2,848,866
2019	2,377,718	1,555,854	3,933,572
2020-2024	9,702,749	6,373,240	16,075,989
2025-2029	11,420,000	3,674,112	15,094,112
2030-2032	<u>7,610,000</u>	<u>642,950</u>	<u>8,252,950</u>
	<u>\$ 35,060,000</u>	<u>\$ 18,892,832</u>	<u>\$ 53,952,832</u>

On January 28, 2014, Salinas Valley Solid Waste Authority issued Alternative Minimum Taxable bonds (Series 2014A) with a par value of \$27,815,000. These refunding revenue bonds were sold for \$30,069,049. This resulted in an original issue premium of \$2,254,049 meaning the bonds sold at 108.10% of the par value. The purpose of the bonds issuance was to currently refund the refunded Series 2002 revenue bonds. The balance of the Series 2002 bonds refunded was \$33,050,000. The Series 2014A bonds bear an interest rate of between 5% and 5.5% with varying annual principal payments beginning August 1, 2017 and semi-annual interest payments beginning August 1, 2014. The final principal and interest payment is due August 1, 2031.

In order to fully refund the Series 2002 revenue bonds, the Salinas Valley Solid Waste Authority made a debt service fund contribution of \$848,859 and a debt service reserve fund contribution of \$2,829,714. Unamortized Series 2002 bond issuance costs were \$252,002 at the date of refunding.

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Additionally, on January 28, 2014, Salinas Valley Solid Waste Authority issued Taxable bonds (Series 2014B) with a par value of \$3,575,000. These bonds were sold at par. The purpose of the issuance of these bonds was to refund the Authority's 1997 Installment Purchase Agreement. The balance of the 1997 Installment Purchase Agreement refunded was \$3,287,588. The Series 2014B bonds bear an interest rate of between .990% and 4.841% with varying annual principal payments beginning August 1, 2014 and semi-annual interest payments beginning August 1, 2014. The final principal and interest payment is due August 1, 2023.

The current refunding of the Series 2002 revenue bonds and the 1997 Installment Purchase Agreement reduced total debt service payments over the next 17 years by \$4,991,172. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,725,617.

The annual debt service requirements for the 2014A (AMT) Refunding Revenue Bond are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ -	\$ 1,487,418	\$ 1,487,418
2016	-	1,475,125	1,475,125
2017	-	1,475,125	1,475,125
2018	145,000	1,471,500	1,616,500
2019	1,265,000	1,436,250	2,701,250
2020-2024	7,375,000	6,138,500	13,513,500
2025-2029	11,420,000	3,674,112	15,094,112
2030-2032	7,610,000	642,950	8,252,950
	<u>\$ 27,815,000</u>	<u>\$ 17,800,980</u>	<u>\$ 45,615,980</u>

The annual debt service requirements for the 2014B (Taxable) Refunding Revenue Bond are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 315,000	\$ 118,458	\$ 433,458
2016	320,000	113,523	433,523
2017	325,000	107,695	432,695
2018	335,000	99,772	434,772
2019	345,000	89,728	434,728
2020-2024	1,935,000	228,691	2,163,691
	<u>\$ 3,575,000</u>	<u>\$ 757,867</u>	<u>\$ 4,332,867</u>

Equipment Lease Payable

The Equipment Lease is a capital lease for certain landfill equipment in the amount of \$3,670,000 for a term of 5 years. The first interest and principal payment is due June 30, 2015 and each year thereafter until June 30, 2020. The interest rate for this capital lease is 3.08%.

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The annual debt service requirements are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2015	\$ 342,279	\$ 72,532	\$ 414,811
2016	700,453	97,141	797,594
2017	722,193	75,401	797,594
2018	744,608	52,986	797,594
2019	767,718	29,876	797,594
2020-2024	392,749	6,049	398,798
	<u>\$ 3,670,000</u>	<u>\$ 333,985</u>	<u>\$ 4,003,985</u>

Other Long Term Payable

The other long term liabilities include Other Post Employee Benefits as required by GASB Statement No. 45. This liability is for the employer's portion of medical insurance benefits for retirees from the Salinas Valley Solid Waste Authority.

The amounts accrued for Closure Payable and Postclosure Payable are mandated by the California Department of Resources, Recycling, and Recovery. This is the estimated liability for closing and maintaining for 30 years after closure the landfills of the Salinas Valley Solid Waste Authority.

9. Unamortized Bond Discount and Premium:

The 2002 Revenue Bonds were sold at a discount of \$397,895. The discount is being amortized over the life of the bond issue (30 years) at an annual rate of \$13,263. The 2002 Revenue Bonds were refunded during the fiscal year ended June 30, 2014. The following is a summary of the 2002 Revenue Bonds unamortized discount at June 30, 2014:

	June 30, 2013	Increases	Decreases	June 30, 2014
Revenue Bonds, Series 2002	\$ 252,002	\$ -	\$ (252,002)	\$ -

The refunding bonds Series 2014A was sold at a premium of \$2,254,049. The premium is being amortized over the life of the bond issue. The following is a summary of the 2014 Revenue Bonds unamortized premium at June 30, 2014:

Revenue Bonds unamortized premium at June 30, 2014:

	June 30, 2013	Increases	Decreases	June 30, 2014
Revenue Bonds, Series 2014	\$ -	\$ 2,254,049	\$ -	\$ 2,254,049

Total bonded debt outstanding at June 30, 2014 net of the unamortized bond premium is as follows:

Bonds payable	\$ 31,390,000
Add unamortized bond issue premium	2,254,049
Net bonds payable	<u>\$ 33,644,049</u>

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10. Landfill Closure and Postclosure Requirements:

The Salinas Valley Solid Waste Authority operates a solid waste disposal system serving the waste shed of the cities of Salinas, Gonzales, Greenfield, Soledad and King, and the eastern and southern portions of the unincorporated area of Monterey County. The system currently consists of one active landfill (Johnson Canyon), two transfer stations (Sun Street and Jolon Road) and three closed landfills (Lewis Road, Jolon Road and Crazy Horse).

The landfills are regulated by the California Department of Resources, Recycling, and Recovery (CalRecycle) which requires the Authority to set-aside funds annually for landfill closure and to fund postclosure maintenance for at least 30 years after closure. On June 19, 1998, the CalRecycle, approved the Authority's financial assurance mechanisms for closure and postclosure maintenance for the Authority's four landfills. Since then, the CalRecycle and the Authority have agreed to the financial assurance mechanism for corrective action for the Jolon Road, Johnson Canyon and Crazy Horse Landfills. The State found that the Enterprise Fund and Pledge of Revenue Agreement met the requirements of Title 27 of the California Code of Regulations and Federal Title 40 regulations.

Under the terms of these agreements the Authority is to annually set-aside funds for the closure of the landfills. The postclosure maintenance and corrective action costs will be funded on a pay-as-you go basis when they are actually incurred and are secured by a pledge of revenue.

Closure costs are determined and funded annually based on landfill capacity used. Although postclosure maintenance costs will be paid near or after the date that the landfills stop accepting waste, the Authority reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Postclosure maintenance costs are based on the level of service required to protect the environment during the postclosure period. These include the cost of equipment and facilities, such as leachate collection systems and final cover maintenance. Postclosure care costs extend over a 30 year period of time. For this reason, it is likely there will be unforeseen repair or replacement costs during the postclosure period. Some of these variances are due to changes in technologies, changes in operational conditions and physical changes at the landfills. Estimated current costs of closure and postclosure care are evaluated annually as required by Generally Accepted Accounting Principles (GAAP). The results of the annual evaluation can increase or decrease closure and postclosure costs depending on the various components here described.

The system estimated capacity at June 30, 2014 is presented as follows:

	<u>Johnson Canyon</u>	
Permitted Capacity (cu. yd.)	10,512,141	100.0%
Cumulative Capacity Used (cu. yd.)	<u>(2,652,604)</u>	25.2%
Remaining Capacity (cu. yd.)	<u><u>7,859,537</u></u>	74.8%

System Capacity

As of June 30, 2014, the Authority has 74.8% of its system capacity remaining. System capacity is based on the capacity of the one active landfill, Johnson Canyon. During the fiscal year ended June 30, 2014, the Authority landfilled a total of 242,789 tons of solid waste. As of June 30, 2014 the Authority has 28 years remaining landfill capacity.

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Johnson Canyon Landfill

On February 1, 2008, Johnson Canyon was granted a revised permit by the California Integrated Waste Management Board increasing its landfill capacity. It has capacity to the year 2040 based on the assumption that the goal of 75% is reached by the year 2015. The site capacity estimates and closure and postclosure costs were revised as part of the permit process.

Closed Landfills

Crazy Horse Landfill closed on May 31, 2009. It is now undergoing the closure process.

Jolon Road Landfill is accepting waste only as a transfer station. The landfill was closed in October 2007. No refuse is being landfilled on this site.

Lewis Road Landfill is a closed landfill. No refuse is being landfilled on this site.

Closure and Postclosure Maintenance Costs

Estimated closure and postclosure maintenance costs and amounts set-aside for closure as of June 30, 2014, are presented as follows:

	June 30, 2014				
	Total	Crazy Horse	Johnson Canyon	Lewis Road	Jolon Road
Estimated:					
Closure Cost	\$ 9,354,030	\$ 356,618	\$ 8,997,412	\$ -	\$ -
Postclosure Maintenance Cost	\$ 16,365,474	\$ 11,127,718	\$ 3,190,828	\$ 874,685	\$ 1,172,243
Expense (Income):					
Closure	\$ 328,743	\$ 6,766	\$ 321,977	\$ -	\$ -
Postclosure Maintenance	310,767	164,449	114,186	14,370	17,762
Total Expense (Income)	\$ 639,510	\$ 171,215	\$ 436,163	\$ 14,370	\$ 17,762
Outstanding Liability:					
Closure	\$ 2,627,000	\$ 356,618	\$ 2,270,382	\$ -	\$ -
Postclosure Maintenance	13,979,811	11,127,718	805,165	874,685	1,172,243
Total Liability	\$ 16,606,811	\$ 11,484,336	\$ 3,075,547	\$ 874,685	\$ 1,172,243
Assets Set-Aside for Closure-Cash	\$ 3,009,889	\$ (36,359)	\$ 3,046,248	\$ -	\$ -
Cash over/(under) Closure Liability	\$ 382,889	\$ (392,977)	\$ 775,866	\$ -	\$ -

Johnson Canyon Landfill estimated closure costs increased \$132,967 as a result of the CalRecycle inflation factor of 1.5%. After taking into account the capacity used at the landfill, the Authority recognized a closure expense of \$321,977 for Johnson Canyon.

Johnson Canyon Landfill estimated postclosure costs increased \$47,155 as a result of the CalRecycle inflation factor of 1.5%. After taking into account the remaining capacity of the landfill, the Authority recognized a postclosure expense of \$114,186.

The postclosure maintenance liability of \$13,979,811 will be funded from future revenues as expenditures take place.

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11. Deferred Compensation Plan:

Effective July 1, 2004, the Authority established a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Small Business Job Protection Act of 1996 requires the establishment of a trust or similar vehicle to ensure that the assets of the deferred compensation plans under the Internal Revenue Code Section 457 are protected and used exclusively for the benefit of plan participants and/or their beneficiaries. All employees are eligible to participate through voluntary salary reduction. The Authority's adopted Plan Document includes the provision for such a Trust. The existence of the trust does little to change the Plan structure except to add a layer of protection for money set aside for the employee against claims of the Employer's creditors.

The Authority's deferred compensation plan is administered by the ICMA Retirement Corporation. The ICMA Deferred Compensation plan has a balance of \$581,981 as of June 30, 2014. Since these funds are held by the ICMA Retirement Corporation under a trust arrangement for the benefit of the employees, these funds are not reported on the financial statements.

12. Retirement Programs:

Effective July 1, 2004, the Authority entered into a contract with the California Public Employees' Retirement System (CalPERS) for the provision of retirement benefits under the Public Employees' Retirement Law. The total pension expense for the fiscal year was \$444,758 which included normal costs, annual amortization of prior service costs and Employer Paid Member Contributions.

Public Employees Retirement System

Plan Description: The Authority's defined benefit pension Miscellaneous Plan, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. Menus of benefit provisions as well as other requirements are established by State statutes within the Public Employees' Retirement Law. The Authority selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office – 400 Q Street – Sacramento, CA 95811.

The Authority entered into a contract with CalPERS effective July 1, 2004, to provide 2% at 55 for Local Miscellaneous Members. All CalPERS participant benefits vest after five years of service. Miscellaneous employees under CalPERS who retire at or after age 55 with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount that varies from 2% at age 55 to a maximum 2.418% at age 63, of the single highest year's salary for each year of credited service.

Funding Policy: Active plan members are required to contribute 7% of their annual covered salary. Effective January 1, 2010, the Authority began contributing the 7% as Employer Paid Member Contributions. The Authority is also required to contribute an actuarially determined rate. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2013-14 was 10.695% for miscellaneous employees of annual covered payroll. The contribution requirements of the plan members are established by State statute and employer contribution rate is established and may be amended by CalPERS.

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Annual Pension Cost: For fiscal year 2013-14, the Authority's annual pension cost of \$444,758 was equal to the Authority's required and actual contributions of \$280,759 and \$163,999 as Employer Paid Member Contributions. The required contribution for fiscal year 2013-14 was determined as part of the original actuarial valuation using the Entry Age Actuarial Cost Method with the contributions determined as a percent of pay. The actuarial assumption included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service ranging from 3.20% to 14.20% for miscellaneous members, and (c) 3.00% payroll growth.

Both (a) and (b) include an inflation component of 2.75%. The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short term volatility in the market value of investments spreading the unrealized and realized gain/(loss) over a 15 year period (smoothed market value). CalPERS unfunded actuarial accrued liability is being amortized as a level percentage of assumed future payroll on a closed basis. All pension costs are paid upon receipt of invoices.

Trend Information – Following is the three-year trend information for CalPERS:

THREE-YEAR TREND INFORMATION FOR PERS				
Fiscal Year	Annual Pension Cost (APC)		Percentage of APC Contributed	Net Pension Obligation
6/30/2012	\$	388,253	100%	\$ -
6/30/2013		426,483	100%	-
6/30/2014		444,758	100%	-

The Authority has less than 100 active members; therefore, it is required to participate in a risk pool.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents the risk pool multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Description and Funding Policy

The Authority participates in an agent multiple-employer defined benefit postemployment healthcare plan administered by CalPERS. Employees who retire directly from the Authority under the California Public Employee's Retirement System (CalPERS) at the minimum age of 50 with at least 5 years of CalPERS service (or disability) are eligible to receive up to \$105/month for medical insurance premiums paid to CalPERS. This same benefit may continue to a surviving spouse depending on the retirement plan election. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, P.O. Box 942701, Sacramento, CA 94229-2701.

Annual OPEB Costs and Net OPEB Obligation

The Authority funds the payment of current retirees health costs on a pay-as-you go basis. For the fiscal year ended June 30, 2014, the Authority's pay-as-you-go contributions for health care benefits for retirees are \$800. There was 1 retiree on the health insurance plan.

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13. Postemployment Healthcare Plan:

The Authority's annual Other Post Employment Benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The components of the Authority's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the Authority's net OPEB obligation (NOO) for the years ended June 30, 2014 and June 30, 2013 are as follows:

	June 30, 2014	June 30, 2013
Annual required contribution	\$ 68,500	\$ 63,600
Interest on net OPEB obligation	9,400	6,800
Adjustments to net OPEB obligation	(10,000)	(6,900)
Annual OPEB expense	67,900	63,500
Contribution under "pay-as-you-go"		
Payment for CalPers	(800)	(580)
Increase in OPEB obligation	67,100	62,920
Net OPEB obligation - beginning of year	221,920	159,000
Net OPEB obligation - end of year	\$ 289,020	\$ 221,920

Funded Status and Funding Progress

As of June 30, 2012, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits as well as the unfunded actuarial accrued liability (UAAL) was \$234,100.

The covered payroll (annual payroll of active employees covered by the plan) was \$2,252,000 and the ratio of the UAAL to the covered payroll was 10.4%. The plan has no segregated assets.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

In the June 30, 2012 actuarial valuation, the actuarial cost method used is Entry Age Normal (EAN) cost method. Under the EAN cost method, the plan's Normal Cost is developed as a level percent of payroll throughout the participants' working lifetime. Entry age is based on current age minus years of service. The Actuarial Accrued Liability (AAL) is the cumulative value on the valuation date of prior Normal Cost. For the retirees, the AAL is the present value of all projected benefits. The Unfunded AAL is being amortized as a level dollar closed 30 year basis, as a level percent of payroll with a remaining amortization period at June 30, 2014 for 27 years. GASB 45 requires the interest rate to represent the underlying expected return for the source of funds used to pay

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benefits. The actuarial methods and assumptions included 4.5% interest rate, representing the long term expected rate of return on the Authority's pooled investments. Annual inflation assumed to increase at 3% per annum and Aggregate Payroll assumed to increase at 3.25% per annum. The study also used assumptions for the salary merit and longevity increases, and demographic assumptions such as mortality withdrawal, and disability based on CalPERS 1997-2007 Experience Study. Retirement assumption was also based on CalPERS 1997-2002 Experience Study of the Miscellaneous Plan 2.0% at 55 years, with expected retirement age of approximately 62.78.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

14. Concentrations:

The Authority received 71.1% of its Charges for Services (tipping fees) from three haulers: Republic Services, Waste Management and Recology South Valley. These three haulers comprised approximately \$1,382,223 (69.6%) of accounts receivable balances at June 30, 2014. A major reduction in revenue from any of the above sources may have a significant effect on the future operations of the Authority, however this is very unlikely.

Under the Waste Delivery Agreements that support the Revenue Bonds and under the Joint Powers Agreement, establishing the Authority, each member agency is required to direct all garbage to Authority facilities. They do this by means of the Franchise Agreements with their respective haulers. Republic Services, serving the City of Salinas, and Waste Management serving Unincorporated Monterey County and the City of King, are required to bring their garbage and yard waste to Authority facilities.

Recology South Valley brings their waste to Johnson Canyon Landfill, under the Waste Disposal and Capacity Guarantee Agreement approved in 2003. This agreement has a termination date of December 31, 2014. The amount of garbage being brought to the Johnson Canyon landfill after June 30, 2014 is minimal. The Authority prepared for the end of this contract by implementing an AB939 fee in the fiscal year 2013-14.

15. Commitments and Contingencies:

Recology Waste Systems Long-Term Contract

On October 23, 2003, the Authority entered into a revised long-term contract with Norcal Waste Systems (Norcal) for the operation of scalehouses Sun Street Transfer Station and diversion services. Norcal has since become Recology Waste Systems (Recology). All services are provided based on a minimum flat monthly fee along with additional fees based on tonnages/quantities processed at each of the sites and landfill compaction. The Authority has taken over several of the operations, with the remaining services scheduled to be taken over on January 1, 2015. The basic contract terms, at June 30, 2014, were as follows:

Contract Ending Date	Service	Basic Annual Fee	Future Minimum Contractual Amount
12/31/2014	Johnson Canyon Landfill Basic Facility Fee	\$ 2,015,135	\$ 1,007,568

For the fiscal year ended June 30, 2014, the Authority paid Recology Waste Systems \$2,877,345

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for operations of Johnson Canyon landfills, diversion services, excess tonnage, and air space conservation adjustment.

USA Waste Long-Term Contract

As part of the Settlement Agreement and Release on the Jolon Road litigation, the Authority entered into an Amended and Restated Operating Agreement for the Jolon Road Transfer Station. The initial term of this Amended Agreement commenced on June 3, 2004 and ends on September 1, 2016, however, it may be extended for up to three (3) additional one-year renewal terms. Effective June 1, 2014, the base compensation consists of a fuel component of \$2,920 and a non-fuel component of \$56,333. The base compensation is adjusted annually on the anniversary date of the Amended Agreement based on changes in the Retail On-Highway Diesel Prices and Consumer Price Index. The basic contract terms at June 30, 2014, were as follows:

Contract Ending Date	Service	Basic Annual Fee	Future Minimum Contractual Amount
9/1/2016	Jolon Road Transfer Station	\$ 711,033	\$ 1,540,572

Lease Obligations

On October 19, 2006, the Authority entered into a ten year lease commencing January 1, 2007, for office space at 128 Sun Street in Salinas. Effective January 1, 2012, the monthly lease payments were \$7,194. The lease has an option to extend for two five-year periods.

The future minimum lease payments through December 2016, are as follows:

<u>Ended June 30</u>	<u>Amount</u>
2015	\$ 86,328
2016	86,328
2017	43,165
	<u>\$ 215,821</u>

Risk Management

The Authority is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. Effective July 1, 2009, the Authority has purchased worker's compensation insurance through the Zurich American Insurance Company for its employees. The Authority has the following commercial insurance policies:

<u>Coverage</u>	<u>Detail</u>	<u>Limits</u>	<u>Deductible</u>
Environmental impairment liability	Per occurrence	\$ 10,000,000	\$ 25,000
Additional pollution liability limited occurrence		1,000,000	10,000
General liability	Aggregate	1,000,000	-
Automobile liability	Per accident	1,000,000	1,000
Property damage	Per occurrence	3,650,565	5,000
Public officials/employment practices	Each act	1,000,000	10,000
Excess liability	Each act	5,000,000	-
Crime	-	1,000,000	5,000
Equipment Floater	-	10,000,000	5,000

There have been no significant reductions in any insurance coverage, nor have there been any insurance related settlements that exceeded insurance coverage during the past three fiscal years.

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Corrective Action Plan

The California Code of Regulations requires landfill owners and operators to demonstrate the availability of financial resources to conduct corrective action activities for all known or reasonably foreseeable releases from the disposal facility affecting water quality.

The Authority has conducted studies to determine the site remediation cost to mitigate those releases. These cost estimates are incorporated into the Final Closure and Postclosure Maintenance Plan for each of the landfills. These amounts have been reviewed and approved by CalRecycle and the Regional Water Quality Control Board.

The estimated cost of capital improvements and operations and maintenance costs to mitigate a potential release at the Authority landfills is estimated as follows:

Landfill - Action	Capital Improvements	Maintenance	Total	Contingency
Johnson Canyon	\$ 385,106	\$ 377,220	\$ 762,326	\$ -
Crazy Horse	2,908,200	6,583,500	9,491,700	-
Jolon Road	-	1,302,000	1,302,000	-
Lewis Road	122,700	226,000	348,700	35,000
Total Corrective Actions	\$ 3,416,006	\$ 8,488,720	\$ 11,904,726	\$ 35,000

The capital improvements costs are one-time costs. The maintenance costs are the total estimated cost ranging from 19 years for Lewis Road to 57 years for Johnson Canyon. If there should be a release at one of the landfill sites the Authority would have to spend up to the amounts shown on capital improvements. If the capital improvements have to be made, the Authority would be obligated to spend the maintenance amounts shown on the table for maintenance of the improvements.

These amounts have not been recorded as a liability because while some releases are possible, they are not considered probable or if they are considered probable, they are not sufficiently measureable.

16. Restricted Net Position:

At June 30, 2014, the statement of net position reports restricted net position of \$426,877. None of the net positions are restricted by enabling legislation. This consists of \$69,427 of unspent grant monies, and \$357,450 for closure reserve.

17. Net Position:

Deficit Net Investment in Capital Assets

The deficit of \$7,404,404 in Net Investment in Capital Assets is the result of the Authority issuing 30-year debt to purchase and improve assets that depreciated at a much faster rate than the debt is being repaid. Three of the Authority's landfills are closed and fully depreciated, however, the debt associated with those assets will not be paid in full until 2032.

Unrestricted Net Deficit

The deficit of \$4,265,137 in Unrestricted Net Deficit is the result of accrued operating expenses such as postclosure that will be paid from future revenues. Per Board policy tipping fees are set at an amount such that postclosure maintenance is funded on a pay-as-you-go basis. Thus far, \$13,979,811 in operating expenses has been accrued as a long term liability which will be funded over the next 30 years from tipping fees. This is in accordance with the Pledge of Revenue that is

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part of the Financial Assurances agreement between the Authority and CalRecycle.

18. Bond Rate Covenant:

Pursuant to the Master Indenture of the Revenue Bonds, Series 2014, the Authority has agreed, at all times while any of the Bonds remain outstanding, to set fees and charges and manage operations so as to yield Net Revenues during the fiscal year equal to at least one hundred fifteen percent (115%) of the bond's annual debt service for the fiscal year.

This calculation is based on Net Revenues as described in the Master Indenture. The calculation is based on operating income increased by investment earnings on all funds other than bond project funds and reduced by postclosure expense, depreciation and amortization, all non-cash items. At June 30, 2014, the calculation is 192%.

Net revenue available for debt service for the year ended June 30, 2014, is determined as follows:

Revenues	
Operating revenues	\$ 18,244,947
Interest not on Project funds	28,013
Revised Revenues	<u>18,272,960</u>
Maintenance & Operations Costs	
GAAP Operating Expenses	14,658,377
Less the following items per Master Indenture	
Postclosure maintenance	(310,767)
Closure	(328,743)
Depreciation	(1,412,742)
Add Postclosure liability being paid	
Lewis Road	97,684
Jolon Road	29,657
Revised Maintenance and Operations Expenses per Master Indenture	<u>12,733,466</u>
Net Revenues	<u>\$ 5,539,494</u>
Annual Debt Service	
Debt service on 2014 Bond	<u>\$ 2,879,137</u>
Debt Service Coverage Ratio	192%
Debt Service Coverage Required	115%

19. Prior Period Adjustment:

The Authority wrote off the remaining unamortized cost of debt issuance for the Authority's 2002 bonds in accordance with the implementation of GASB Statement No. 65. The effect of this change on the beginning net position is a reduction of \$1,390,148 for the year ended June 30, 2013.

20. Subsequent Events:

Date of Management Review

Management has evaluated subsequent events through October 29, 2014, the date which these financial statements were available to be issued.

SALINAS VALLEY SOLID WASTE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014

California Public Employees' Retirement System
Schedule of Funding Progress

Miscellaneous 2% at 55 Risk Pool

Actuarial Valuation Date	(a) Actuarial Accrued Liability- (AAL) Entry Age	(b) Actuarial Value of Assets	(a-b) Unfunded AAL (UAAL)	(b/a) Funded Ratio	© Covered Payroll	[(a-b)/c] UAAL as a Percentage of Covered Payroll
6/30/2007	\$ 2,611,746,790	\$ 2,391,434,447	\$ 220,312,343	91.6%	\$ 665,522,859	33.1%
6/30/2008	\$ 2,780,280,768	\$ 2,547,323,278	\$ 232,957,490	91.6%	\$ 688,606,681	33.8%
6/30/2009	\$ 3,104,798,222	\$ 2,758,511,101	\$ 346,287,121	88.8%	\$ 742,981,488	46.6%
6/30/2010	\$ 3,309,064,934	\$ 2,946,408,106	\$ 362,656,828	89.0%	\$ 748,401,352	48.5%
6/30/2011	\$ 3,619,835,876	\$ 3,203,214,899	\$ 416,620,977	88.5%	\$ 759,263,518	54.9%
6/30/2012	\$ 4,175,139,166	\$ 3,686,598,343	\$ 488,540,823	88.3%	\$ 757,045,663	64.5%

Since the Authority has less than 100 active members, it is required to participate in a risk pool. The above data is for the Miscellaneous 2% at 55 Risk Pool which the Authority participates in.

Prior to July 1, 2004, the Authority's employees were covered with the City of Salinas under a separate contract with the California Public Employees' Retirement System (CALPERS). There is no outstanding liability from that plan to the Authority.

SALINAS VALLEY SOLID WASTE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014

Postemployment Health Insurance Benefits Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) - Entry Age (a)	Actuarial Value of Assets (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (b/a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((a-b)/c)
6/30/2009	\$ 84,600	\$ -	\$ 84,600	0.00%	\$ 2,096,000	4.04%
6/30/2012	\$ 234,100	\$ -	\$ 234,100	0.00%	\$ 2,252,000	10.40%

Note: Fiscal year 2010 was the year of implementation of GASB No. 45 and the Authority elected to implement prospectively, therefore, prior year comparative data is not available. The Authority is required to have a valuation triennially.

STATISTICAL SECTION

SALINAS VALLEY SOLID WASTE AUTHORITY

Index to Statistical Section

This part of the Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the Authority's overall financial health.

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Financial Trends - These schedules contain information to help the reader understand how the Authority's financial performance and well-being have changed over time.

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Revenue Capacity - These schedules contain information to help the reader assess the Authority's most significant local revenue source.

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Debt Capacity - These schedules present information to help the reader assess the affordability of the Authority's current level of outstanding debt and the Authority's ability to issue additional debt in the future.

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Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

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Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

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Salinas Valley Solid Waste Authority
Net Position
Last Ten Years
(accrual basis of accounting)

Description	06/30/05	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13	06/30/14
Net investment in capital asset	\$ (6,111,819)	\$ (5,519,727)	\$ (16,391,014)	\$ (16,102,591)	\$ (12,533,301)	\$ (9,445,282)	\$ (9,560,964)	\$ (8,493,008)	\$ (8,341,693)	\$ (7,404,404)
Restricted	3,233,233	10,835,323	12,208,279	13,379,080	6,876,058	2,820,700	2,820,700	3,438,482	3,419,936	426,877
Unrestricted	(570,311)	(8,723,107)	(3,110,695)	(4,554,170)	(7,493,399)	(5,327,847)	(4,955,983)	(6,415,008)	(6,663,342)	(4,265,137)
Total net position	<u>\$ (3,448,897)</u>	<u>\$ (3,407,511)</u>	<u>\$ (7,293,430)</u>	<u>\$ (7,277,681)</u>	<u>\$ (13,150,642)</u>	<u>\$ (11,952,429)</u>	<u>\$ (11,696,247)</u>	<u>\$ (11,469,534)</u>	<u>\$ (11,585,099)</u>	<u>\$ (11,242,664)</u>

Note: As recommended by GASB 44, this schedule provides data retroactively to the year GASB 34 was implemented. The Authority implemented GASB 34 in Fiscal Year 2003.

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

Description	06/30/05	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13	06/30/14
Changes in net position:										
Operating Revenues (see Schedule 3)	\$ 13,972,210	\$ 14,809,642	\$ 15,295,892	\$ 15,706,134	\$ 15,298,739	\$ 16,135,595	\$ 15,070,564	\$ 15,273,792	\$ 15,980,945	\$ 18,244,947
Operating Expenses (see Schedule 4)	10,476,337	12,944,909	14,589,056	12,244,092	17,370,851	12,610,300	11,720,409	12,554,260	12,837,292	13,245,635
Depreciation	809,199	785,813	2,449,961	1,909,945	2,341,946	482,624	496,778	628,648	1,289,903	1,412,742
Operating income(loss)	<u>2,686,674</u>	<u>1,078,920</u>	<u>(1,743,125)</u>	<u>1,552,097</u>	<u>(4,414,058)</u>	<u>3,042,671</u>	<u>2,853,377</u>	<u>2,090,884</u>	<u>1,853,750</u>	<u>3,586,570</u>
Non-operating revenue(expenses)										
Interest income	741,475	1,219,357	1,498,000	1,397,018	764,812	289,760	233,541	52,658	39,180	28,013
Gain(loss) on disposition of capital assets	-	(50,512)	(1,437,223)	-	-	-	(848,017)	-	-	-
Interest expense	(2,389,943)	(2,352,878)	(2,310,063)	(2,265,802)	(2,225,196)	(2,177,895)	(2,132,513)	(2,085,322)	(2,026,114)	(2,728,361)
Grant income	64,143	-	-	-	-	-	-	-	-	-
Other revenue(expense), net	68,144	146,499	106,492	(667,564)	1,481	43,678	149,793	168,493	17,619	18,094
Cost of bond issuance	-	-	-	-	-	-	-	-	-	(561,881)
Total non-operating revenue(expense), net	<u>(1,516,181)</u>	<u>(1,037,534)</u>	<u>(2,142,794)</u>	<u>(1,536,348)</u>	<u>(1,458,903)</u>	<u>(1,844,457)</u>	<u>(2,597,196)</u>	<u>(1,864,171)</u>	<u>(1,969,315)</u>	<u>(3,244,135)</u>
Change in net position	<u>\$ 1,170,493</u>	<u>\$ 41,386</u>	<u>\$ (3,885,919)</u>	<u>\$ 15,749</u>	<u>\$ (5,872,961)</u>	<u>\$ 1,198,214</u>	<u>\$ 256,181</u>	<u>\$ 226,713</u>	<u>\$ (115,565)</u>	<u>\$ 342,435</u>
Net position by component:										
Net investment in capital asset	\$ (6,111,819)	\$ (5,519,727)	\$ (16,391,014)	\$ (16,102,591)	\$ (12,533,301)	\$ (9,445,282)	\$ (9,560,964)	\$ (8,493,008)	\$ (8,341,693)	\$ (7,404,404)
Restricted for debt service	3,233,233	2,821,420	2,821,882	2,821,862	2,820,700	2,820,700	2,820,700	2,820,700	2,820,700	-
Restricted for Grant	-	-	-	-	-	-	-	112,906	196,309	69,427
Restricted for capital projects	-	8,813,993	8,745,386	8,149,009	4,055,358	-	-	-	-	-
Restricted for closure reserve	-	(800,090)	641,011	2,408,209	-	-	-	504,876	402,927	357,450
Unrestricted	<u>(570,311)</u>	<u>(8,723,107)</u>	<u>(3,110,695)</u>	<u>(4,554,170)</u>	<u>(7,493,399)</u>	<u>(5,327,847)</u>	<u>(4,955,983)</u>	<u>(6,415,008)</u>	<u>(6,663,342)</u>	<u>(4,265,137)</u>
Total net position	<u>\$ (3,448,897)</u>	<u>\$ (3,407,511)</u>	<u>\$ (7,293,430)</u>	<u>\$ (7,277,681)</u>	<u>\$ (13,150,642)</u>	<u>\$ (11,952,429)</u>	<u>\$ (11,696,247)</u>	<u>\$ (11,469,534)</u>	<u>\$ (11,585,099)</u>	<u>\$ (11,242,664)</u>

Note: As recommended by GASB 44, this schedule provides data retroactively to the year GASB 34 was implemented. The Authority implemented GASB 34 in Fiscal Year 2003.

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Operating Revenue by Source
Last Ten Years
(accrual basis of accounting)

Fiscal Year	Charges for Services	Sales of Materials	Operating Grants and Contributions	Total Operating Revenues
06/30/05	\$ 13,972,210	\$ -	\$ -	\$ 13,972,210
06/30/06	14,774,920	-	34,722	14,809,642
06/30/07	15,241,960	-	53,932	15,295,892
06/30/08	15,281,310	266,657	158,167	15,706,134
06/30/09	15,038,687	186,521	73,531	15,298,739
06/30/10	15,612,328	405,466	117,801	16,135,595
06/30/11	14,621,695	433,359	15,510	15,070,564
06/30/12	14,654,565	419,613	199,614	15,273,792
06/30/13	15,438,514	392,958	149,473	15,980,945
06/30/14	17,534,111	594,056	116,780	18,244,947

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Operating Expenses by Activity
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Personnel Services	Contractural Services	Operating Contracts	Supplies	Insurance	Building Rent	Taxes and Permits	Utilities	Closure/ Postclosure Maintenance	Hazardous Waste	Other	Total Operating Expenses
06/30/05	\$ 1,168,495	\$ 1,272,204	\$ 5,933,568	\$ 72,414	\$ 238,609	\$ 46,725	\$ 709,528	\$ 74,597	\$ 705,905	\$ 146,864	\$ 107,428	\$ 10,476,337
06/30/06	1,510,747	1,136,668	6,350,548	294,943	220,400	42,441	856,633	100,847	2,182,801	127,346	121,535	12,944,909
06/30/07	1,572,729	1,572,274	5,825,771	90,958	286,669	74,108	840,698	116,233	3,835,518	203,060	171,038	14,589,056
06/30/08	2,217,099	2,042,237	5,907,393	176,589	254,783	90,733	772,394	125,726	296,515	177,680	182,943	12,244,092
06/30/09	2,704,352	1,916,644	5,539,953	230,557	233,477	99,190	735,705	134,839	5,435,843	168,862	171,429	17,370,851
06/30/10	3,273,902	1,561,538	5,326,362	319,126	216,357	96,814	733,494	155,505	556,332	174,900	195,970	12,610,300
06/30/11	3,697,152	1,136,289	4,422,103	361,401	189,062	99,310	685,116	160,573	641,333	171,496	156,574	11,720,409
06/30/12	3,593,200	1,390,036	4,804,124	382,533	220,868	99,606	742,681	133,416	897,535	173,359	116,902	12,554,260
06/30/13	3,763,121	1,453,881	4,783,575	454,034	219,004	104,508	728,267	137,788	712,257	192,176	288,681	12,837,292
06/30/14	4,089,205	1,666,689	4,737,350	488,037	238,915	104,658	736,417	138,820	639,510	172,520	233,514	13,245,635

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Revenue Base
Last Ten Fiscal Years

Fiscal Year	Solid Waste Landfilled (tons)
06/30/05	319,252
06/30/06	325,402
06/30/07	308,234
06/30/08	292,720
06/30/09	271,808
06/30/10	253,553
06/30/11	250,683
06/30/12	236,248
06/30/13	236,521
06/30/14	242,789

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Revenue Rates
Last Ten Fiscal Years

Tipping Fees	06/30/05	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13	06/30/14
Tipping Fee	\$ 48.00	\$ 50.00	\$ 54.50	\$ 58.00	\$ 63.00	\$ 63.00	\$ 64.00	\$ 64.00	\$ 67.00	\$ 67.00
Surcharge on Salinas franchise waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.00	\$ 5.00	\$ 5.00	\$ 8.00	\$ 11.00
AB939 Fee (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.00

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Principal Customers
Current Fiscal Year and Nine Years Ago

Customer	6/30/2014		Customer	6/30/2005	
	Tons Processed	Percentage of Total		Tons Processed	Percentage of Total
Republic Services Of Salinas	106,358	38.09%	Republic Services Of Salinas	112,359	32.82%
Recology South Valley	75,790	27.15%	Recology South Valley	84,572	24.70%
Waste Management - Madison Lane	20,899	7.49%	Waste Management	32,951	9.62%
Waste Management - Jolon Road	15,390	5.51%	Rural Dispose-All	36,650	10.70%
City Of Soledad	9,120	3.27%	City Of Soledad	7,077	2.07%
City Of Greenfield	8,252	2.96%	City Of Greenfield	6,078	1.78%
Rural Dispose-All	8,031	2.88%	Tri-Cities Disposal	5,129	1.50%
Tri-Cities Disposal	4,085	1.46%	City Of Gonzales	3,931	1.15%
City Of Gonzales	3,809	1.36%	Correctional Trn.Fac.Soledad	2,808	0.82%
Correctional Trn.Fac.Soledad	1,589	0.57%	DON CHAPIN COMPANY	1,881	0.55%
All Other Customers	25,857	9.26%	All Other Customers	48,938	14.29%
Total Tons for All Customers	<u>279,180</u>	<u>100.00%</u>	Total Tons for All Customers	<u>342,374</u>	<u>100.00%</u>

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Ratio of Outstanding Debt
Last Ten Fiscal Years

Total				
Fiscal Year	Amount (1)	Per Capita (2)	As a Share of Personal Income	
6/30/2005	\$ 60,324,511	\$ 148.92	0.44%	
6/30/2006	\$ 61,456,927	\$ 153.12	0.40%	
6/30/2007	\$ 63,996,727	\$ 159.15	0.41%	
6/30/2008	\$ 61,607,943	\$ 151.87	0.36%	
6/30/2009	\$ 65,726,918	\$ 160.17	0.38%	
6/30/2010	\$ 64,595,160	\$ 155.63	0.37%	
6/30/2011	\$ 63,334,082	\$ 150.12	0.36%	
6/30/2012	\$ 55,791,466	\$ 130.73	0.30%	
6/30/2013	\$ 52,538,372	\$ 122.52	N/A	
6/30/2014	\$ 54,209,880	N/A	N/A	

(1) Data Source: Salinas Valley Solid Waste Authority Finance Division

(2) Amount of debt divided by population as provided by U.S. Census Bureau - see Schedule 10 (Demographic Statistics)

Salinas Valley Solid Waste Authority
Pledged-Revenue Coverage
Last Ten Fiscal Years

Description	06/30/05	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13	06/30/14
Operating Income (see Schedule 2)	\$ 2,686,674	\$ 1,078,920	\$ (1,743,125)	\$ 1,552,097	\$ (4,414,058)	\$ 3,042,671	\$ 2,853,377	\$ 2,090,884	\$ 1,853,750	\$ 3,586,570
Investment Earnings	741,475	1,219,357	1,498,000	1,033,793	650,090	289,760	233,541	52,658	39,180	28,013
Closure/Postclosure Expense	705,905	2,182,801	3,835,518	296,515	2,400,249	556,332	641,333	897,535	712,257	639,510
Lewis Rd Postclosure				(52,767)	(154,128)	(99,706)	(134,012)	(135,362)	(103,497)	(97,684)
Jolon Rd Postclosure				(25,064)	(38,081)	(37,209)	(35,581)	(21,935)	(29,946)	(29,657)
Depreciation and Amortization	809,199	785,813	2,449,961	1,909,945	2,341,946	482,624	496,778	628,648	1,289,903	1,412,742
Total	<u>\$ 4,943,253</u>	<u>\$ 5,266,891</u>	<u>\$ 6,040,354</u>	<u>\$ 4,714,519</u>	<u>\$ 786,018</u>	<u>\$ 4,234,472</u>	<u>\$ 4,055,436</u>	<u>\$ 3,512,428</u>	<u>\$ 3,761,647</u>	<u>\$ 5,539,494</u>
Annual Debt Service	<u>\$ 1,594,600</u>	<u>\$ 2,249,300</u>	<u>\$ 2,437,000</u>	<u>\$ 2,749,804</u>	<u>\$ 2,754,916</u>	<u>\$ 2,753,154</u>	<u>\$ 2,753,091</u>	<u>\$ 2,753,092</u>	<u>\$ 2,753,093</u>	<u>\$ 2,879,137</u>
Coverage Percentage	310%	234%	248%	171%	29%	154%	147%	128%	137%	192%
Required Percentage	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%

Data Source: Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Demographic Statistics
Last Ten Fiscal Years

Year	County of Monterey			
	Unemployment Rate (1)	Population (2)	Personal Income (000) (3)	Personal Income Per Capita (4)
06/30/05	7.4%	405,090	\$ 14,519,770	\$ 34,172
06/30/06	7.0%	401,374	\$ 15,667,000	\$ 38,193
06/30/07	7.1%	402,116	\$ 15,586,498	\$ 38,373
06/30/08	8.4%	405,660	\$ 17,205,000	\$ 42,144
06/30/09	11.8%	410,370	\$ 17,381,644	\$ 42,356
06/30/10	12.8%	415,057	\$ 17,574,000	\$ 42,176
06/30/11	12.4%	421,898	\$ 17,355,940	\$ 41,138
06/30/12	9.9%	426,762	\$ 18,365,298	\$ 43,034
06/30/13	8.5%	428,826	N/A	N/A
06/30/14	7.0%	N/A	N/A	N/A

Data Sources:

- (1) California Employment Development Department; Labor Market Info Division
- (2) U.S. Census Bureau
- (3) U.S. Department of Commerce, Bureau of Economic Analysis (in thousands)
- (4) U.S. Department of Commerce, Bureau of Economic Analysis

Salinas Valley Solid Waste Authority
Number of Businesses, Number of Employees, and Third Quarter Payroll by Size Category (Private Industry)
Classified by North American Industry Classification System (NAICS) Codes for Metropolitan Statistical Areas (MSAs)

MSA and Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013
SALINAS MSA									
Total									
No. of Businesses	11,167	11,543	11,614	11,822	11,770	11,895	12,022	11,167	11,717
No. of Employees	150,590	150,949	152,069	152,846	146,140	148,321	150,224	150,590	158,846
Payroll (in thousands)	\$1,253,718	\$1,275,051	\$1,337,691	\$1,376,250	\$1,283,014	\$1,341,043	\$1,406,250	\$1,450,657	\$1,507,712
Agriculture									
No. of Businesses	584	577	571	562	546	529	529	532	540
No. of Employees	51,053	51,097	52,341	54,430	54,635	56,258	58,401	60,673	62,874
Payroll (in thousands)	\$336,288	\$342,021	\$369,937	\$383,147	\$380,582	\$416,294	\$448,534	\$472,663	\$520,761
Mining									
No. of Businesses	9	9	8						
No. of Employees	192	201	195						
Payroll (in thousands)	\$3,429	\$3,742	\$3,828						
Utilities									
No. of Businesses	25	26	25	23	21	19	20	21	21
No. of Employees	528	569	553	508	500	482	557	868	872
Payroll (in thousands)	\$9,714	\$8,836	\$9,266	\$10,210	\$11,086	\$10,735	\$14,754	\$19,317	\$21,089
Construction and Mining									
No. of Businesses	965	1,012	990	967	930	866	824	787	825
No. of Employees	6,886	7,367	7,102	6,144	4,578	4,314	3,997	4,673	4,823
Payroll (in thousands)	\$73,121	\$80,519	\$81,155	\$76,843	\$59,777	\$54,275	\$51,117	\$58,685	\$62,188

- (1) Data are confidential if there are fewer than 3 businesses in a category or one employer makes up 80 percent or more of the employment in a category.
- (2) Data are suppressed because confidential data could be extrapolated if these totals were included.
- (3) Data does not include totals for government employment.
- (4) Data is reported at September 30 each year.
- (5) Data for the mining industry is combined with the construction industry beginning in 2008.
- (6) Rules instituted by the Federal Bureau of Labor Statistics after September 11, 2001, prohibit state departments of labor or economic security from publically identifying the names of individual employers.
- (7) Information for 2014 not yet available.

Definitions of Terms and Source Notes

www.labormarketinfo.edd.ca.gov/?pageid=1035

Salinas Valley Solid Waste Authority
Number of Businesses, Number of Employees, and Third Quarter Payroll by Size Category (Private Industry)
Classified by North American Industry Classification System (NAICS) Codes for Metropolitan Statistical Areas (MSAs)

MSA and Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013
Manufacturing									
No. of Businesses	283	281	269	251	255	256	244	248	265
No. of Employees	6,735	6,274	6,163	6,107	5,861	5,457	5,869	5,287	5,439
Payroll (in thousands)	\$73,030	\$65,346	\$64,045	\$62,187	\$56,038	\$57,445	\$66,066	\$63,429	\$59,826
Wholesale Trade									
No. of Businesses	408	429	420	400	402	391	377	377	368
No. of Employees	5,016	4,938	4,987	5,260	4,940	5,281	5,120	5,480	5,227
Payroll (in thousands)	\$71,940	\$69,628	\$72,518	\$78,282	\$74,947	\$79,735	\$83,299	\$88,422	\$92,922
SALINAS MSA									
Retail Trade									
No. of Businesses	1,300	1,330	1,288	1,267	1,221	1,227	1,200	1,195	1,175
No. of Employees	16,828	16,688	17,045	16,557	14,877	15,251	15,530	15,812	16,144
Payroll (in thousands)	\$120,898	\$120,907	\$123,776	\$123,551	\$107,453	\$111,004	\$122,602	\$120,195	\$120,072
Transportation and Warehousing									
No. of Businesses	231	248	250	248	241	239	227	230	239
No. of Employees	2,955	2,925	3,228	3,192	3,032	2,942	2,715	3,085	3,309
Payroll (in thousands)	\$28,851	\$28,644	\$34,632	\$36,789	\$34,856	\$36,081	\$36,164	\$37,895	\$40,049
Information									
No. of Businesses	117	116	105	107	98	106	99	102	102
No. of Employees	2,310	2,163	2,137	2,020	1,671	1,619	1,532	1,525	1,517
Payroll (in thousands)	\$33,578	\$33,618	\$35,998	\$31,248	\$24,735	\$23,894	\$24,061	\$23,229	\$23,947

Notes:

- (1) Data are confidential if there are fewer than 3 businesses in a category or one employer makes up 80 percent or more of the employment in a category.
- (2) Data are suppressed because confidential data could be extrapolated if these totals were included.
- (3) Data does not include totals for government employment.
- (4) Data is reported at September 30 each year.
- (5) Data for the mining industry is combined with the construction industry beginning in 2008.
- (6) Rules instituted by the Federal Bureau of Labor Statistics after September 11, 2001, prohibit state departments of labor or economic security from publically identifying the names of individual employers.
- (7) Information for 2014 not yet available.

Definitions of Terms and Source Notes

www.labormarketinfo.edd.ca.gov/?pageid=1035

Salinas Valley Solid Waste Authority
Number of Businesses, Number of Employees, and Third Quarter Payroll by Size Category (Private Industry)
Classified by North American Industry Classification System (NAICS) Codes for Metropolitan Statistical Areas (MSAs)

MSA and Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013
Finance and Insurance									
No. of Businesses	388	389	398	390	363	367	363	345	333
No. of Employees	3,757	3,816	3,819	3,541	2,857	2,630	2,528	2,480	2,235
Payroll (in thousands)	\$63,242	\$63,144	\$69,518	\$77,659	\$47,648	\$46,824	\$43,452	\$46,190	\$43,238
Real Estate and Rental and Leasing									
No. of Businesses	432	445	420	400	393	386	360	369	380
No. of Employees	2,364	2,497	2,243	1,932	1,730	1,745	1,654	1,753	1,639
Payroll (in thousands)	\$21,537	\$22,315	\$21,402	\$17,392	\$15,087	\$15,752	\$17,044	\$17,891	\$18,071
Services									
No. of Businesses	6,425	6,681	6,870	7,207	7,300	7,509	7,779	6,989	7,469
No. of Employees	51,966	52,414	52,256	53,155	51,459	52,342	52,321	54,233	54,767
Payroll (in thousands)	\$418,089	\$436,331	\$451,616	\$478,942	\$470,805	\$489,004	\$499,157	\$502,741	\$505,549

Notes:

- (1) Data are confidential if there are fewer than 3 businesses in a category or one employer makes up 80 percent or more of the employment in a category.
- (2) Data are suppressed because confidential data could be extrapolated if these totals were included.
- (3) Data does not include totals for government employment.
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Definitions of Terms and Source Notes

www.labormarketinfo.edd.ca.gov/?pageid=1035

Salinas Valley Solid Waste Authority
Building Permits - County of Monterey
Last Ten Fiscal Years

Fiscal Year	New Single Family Residence	Other Residential	Total Residential	Nonresidential	Total All Building Permits
06/30/05	129	976	1,105	2,364	3,469
06/30/06	195	753	948	2,639	3,587
06/30/07	257	711	968	2,326	3,294
06/30/08	261	671	932	2,027	2,959
06/30/09	67	511	578	1,539	2,117
06/30/10	72	973	1,045	1,139	2,184
06/30/11	71	1,655	1,726	408	2,134
06/30/12	111	1,711	1,822	355	2,177
06/30/13	118	1,578	1,696	522	2,218
06/30/14	119	1,958	2,077	338	2,415

Data Source: Monterey County Department of Building Services

Salinas Valley Solid Waste Authority
Housing Stock - County of Monterey
Last Ten Fiscal Years

Fiscal Year	Single Family Residential	Multiple	Mobile Homes	Total All Housing
06/30/05	95,146	95,146	5,677	195,969
06/30/06	96,021	96,021	5,715	197,757
06/30/07	96,474	96,474	5,723	198,671
06/30/08	96,672	96,672	5,736	199,080
06/30/09	96,668	96,668	5,709	199,045
06/30/10	96,569	96,569	5,678	198,816

Data Source: CA Dept. of Finance - Report E-8 Historical Population and Housing Estimates - Organized by Geography

Date	Single Family Residential Detached	Single Family Residential Attached	Multiple Two to Four	Multiple Five Plus	Mobile Homes
01/01/11	87,355	8,902	12,388	23,593	5,672
01/01/12	87,610	8,902	12,394	23,625	5,675
01/01/13	87,563	8,903	12,412	23,753	5,677
01/01/14	87,723	8,910	12,494	24,005	5,685

Data Source: CA Dept. of Finance - Report E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011-2013, with 2010 Census Benchmark

Salinas Valley Solid Waste Authority
Operating and Capacity Indicators
Last Ten Fiscal Years

Fiscal Year	Authority's Employees by Department				
	Administration	Finance	Engineering	Operations	Diversion
06/30/05	5	1	2	4	2
06/30/06	6	2	2	4	1
06/30/07	6	3	2	3	6
06/30/08	6	3	2	3	8
06/30/09	6	4	1	9	8
06/30/10	6	4	2	15	8
06/30/11	6	4	2	15	8
06/30/12	6	4	1	22	5
06/30/13	6	4	1	19	5
06/30/14	6	4	1	21	5

Fiscal Year	Other Operating and Capacity Indicators		
	Authority Area (1) (Square Miles)	Landfill Acreage	Daily Landfill Capacity (tons)
06/30/05	3,280.600	447.000	1,574.000
06/30/06	3,280.600	943.000	1,574.000
06/30/07	3,280.600	943.000	1,574.000
06/30/08	3,280.600	943.000	1,574.000
06/30/09	3,280.600	943.000	1,574.000
06/30/10	3,280.600	943.000	1,574.000
06/30/11	3,280.600	943.000	1,574.000
06/30/12	3,280.600	943.000	1,574.000
06/30/13	3,280.600	943.000	1,574.000
06/30/14	3,280.600	943.000	1,574.000

Source:

(1) Authority Area - U.S. Census Bureau
Other data from Salinas Valley Solid Waste Authority Finance Division

Salinas Valley Solid Waste Authority
Operating and Capacity Indicators
Capital Assets Statistics by Function
Last Ten Fiscal Years

Function	06/30/05	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13	06/30/14
<hr/> Administration <hr/>										
Vehicles	2	3	2	1	1	1	1	1	1	1
Computer Equipment	5	6	6	6	6	6	6	6	6	6
Buildings	1	1	1	1	1	1	1	1	1	1
Buildings (square footage)	1,100	1,100	6,884	6,884	6,884	6,884	6,884	6,884	6,884	6,884
<hr/> Finance <hr/>										
Computer Equipment	2	3	3	4	4	4	4	4	4	4
<hr/> Operations <hr/>										
Vehicles	5	5	5	9	12	12	12	13	13	14
Machinery & Equipment										
Forklifts/Hydraulic Lifts	1	2	2	2	2	2	2	2	2	2
Heavy Equipment	-	-	-	2	2	3	5	6	6	7
Water Truck	-	-	-	-	-	-	1	1	1	1
Bulldozers	-	-	-	-	-	-	-	-	-	-
Computer Equipment	5	5	5	5	8	8	8	8	8	8
Fuel Tanks	-	-	-	-	-	-	1	1	2	2
Buildings	8	10	10	10	10	10	10	10	10	10
Buildings (square footage)	27,370	28,920	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110
Landfills	3	4	4	4	4	4	4	4	4	4
Flares	4	4	4	4	4	4	4	4	4	4
Site Security Systems	2	2	2	2	2	1	1	1	1	1
Leachate Systems	2	3	3	3	3	3	3	3	3	3
Gas Monitoring Wells	37	37	37	38	38	40	40	40	40	40
Water Wells	48	48	48	48	48	48	48	48	48	48
Water Tanks	2	3	3	3	3	3	3	3	3	3
Land (acreage)	447	943	943	943	943	943	943	943	943	943
Landfill Gas to Energy - Gas Scrubber	-	-	-	-	-	-	-	-	-	1
<hr/> Diversion <hr/>										
Vehicles	1	1	2	3	3	3	3	3	3	3
Computer Equipment	2	2	3	4	5	5	5	5	5	5

Data Source: Salinas Valley Solid Waste Authority Finance Division



SalinasValleyRecycles.org

Salinas Valley Solid Waste Authority

Report to the Board of Directors

ITEM NO. 10

[Signature]
Finance Manager/Controller-Treasurer

N/A

Legal Counsel

[Signature]
General Manager/CAO

Date: November 20, 2014

From: Cesar Zuñiga, Operations Manager

Title: A Resolution Approving the Change of Sunday Operations Resulting in Closure of the Johnson Canyon Landfill and Opening of Sun Street Transfer Station

RECOMMENDATION

Staff recommends the Board adopt the Resolution. There was consensus amongst the Executive Committee members to present the item to the Board of Directors for consideration.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support the Authority's Goal to *Reduce Costs and Improve Services at the Johnson Canyon Landfill and Other SVR Facilities.*

FISCAL IMPACT

The current budget does not include the operation of the Johnson Canyon Landfill on Sundays as of the end of the existing Recology agreement on December 31, 2014. As part of the Request for Proposals (RFP) released in October 2013, the operation of the Johnson Canyon Landfill was based on a six day operation. Staff will develop a budget based on direction received from the Board of Directors for the proposed Sunday operations at either Johnson Canyon Landfill or Sun Street Transfer Station.

DISCUSSION & ANALYSIS

The current Sunday operation serves an average of 33 customers with an average of 13 tons of solid waste and recyclables received at the Johnson Canyon Landfill. The Sun Street Transfer Station currently averages 205 customers and 56 tons of solid waste and recyclables on Saturdays. Staff believes that opening the Sun Street Transfer Station on Sundays would serve at least 100 customers per day and likely more based on Saturday operations and process 30 to 80 tons per day. The cost of operating the Johnson Canyon Landfill or Sun Street Transfer Station would be similar, based on employee staffing and the required equipment for each operation. However, the Sun Street Transfer Station would likely serve a larger customer base as detailed below and would generate enough revenue to cover the added operational cost and result in extra revenue for the Authority. Staff feels this would be a beneficial enhancement to public services at little or no cost if the Sunday operations were to be relocated to the Sun Street facility. Based on the amount of traffic each facility receives, staff believes that the operation of the Sun Street Transfer Station would best serve the residents of the Salinas Valley.

Facility	Customers Served	Tons Processed	Estimated Cost
Johnson Canyon	33	13	\$2,300
Sun Street Transfer Station	100+ (est.)	30-80	\$2,200

Postclosure maintenance liability is a pre-existing liability that the Authority assumed when it was formed. Neither the County of Monterey nor the City of Salinas provided any postclosure funding when their landfills were transferred to the Authority. The postclosure liability continues to accrue without being funded. Under the Pledge of Revenue Agreement with CalRecycle, the Authority is allowed to pay this liability on a pay-as-you-go basis from current year revenues when the actual postclosure maintenance work takes place.

Change in Net Position of \$342,435

The change in net position is primarily due to the refinancing of the bonds. The savings in long term debt of \$1,642,294 from the bonds and IPA refinancing more than offset the \$1,412,742 in depreciation expense which is not funded within the rates.

Per the Authority's financial policies, the Authority does not fund depreciation within the rates. Typically, the Authority will show a net operating deficit since depreciation expense has no revenue to cover it.

Based on accounting rules for landfills, depreciation is calculated on the capacity used. The expansion permit at Johnson Canyon Landfill had kept depreciation relatively low. In the year ending June 30, 2014 depreciation increased \$122,839. Depreciation will increase again in the year ending June 30, 2015 as we begin to write off the new equipment purchased to operate the Johnson Canyon Landfill.

BACKGROUND

The Authority's financial statements are presented on a full accrual basis similar to a business. The Authority's financial statements are audited by McGilloway, Ray, Brown & Kaufman. The audit of the financial statements is an annual requirement.

ATTACHMENT(S)

1. Governance letter from McGilloway, Ray, Brown & Kaufman (will be distributed separately)
2. Draft of the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014 (will be distributed separately)

If the change is approved by the Board of Directors, staff will begin modifying each facilities permit to reflect the changes in hours of operation. Staff anticipates that the permit changes associated with the reduction of operating hours at the Johnson Canyon Landfill can be accomplished faster than increasing the hours of operation at the Sun Street Transfer Station. However, staff feels that the changes to both operations should occur simultaneously to avoid any short term loss of public services on Sundays.

Once implemented for 6 months, staff will monitor and report back to the Board the net expense/revenue for providing Sunday operational services at the Sun Street facilities.

BACKGROUND

On March 20, 2014, the Board of Directors approved the Implementation Plan for Authority staff to provide Landfill Operations and Diversion Services at the Johnson Canyon Landfill. The proposals received from staff and private vendors did not include the operation of the Johnson Canyon Landfill on Sundays. Staff's re-evaluation of the advantages and disadvantages of closing our operations on Sundays has raised the possible benefits to public services by maintaining Sunday operations in the Salinas area to provide a more access to recycling and disposal opportunities to the region. Currently no public recycling and solid waste services are available on Sundays for the general public in either the Monterey or Santa Cruz areas.

Attachment(s)

1. Resolution

RESOLUTION NO. 2014 –

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY APPROVING THE CHANGE OF SUNDAY OPERATIONS RESULTING IN CLOSURE OF THE JOHNSON CANYON LANDFILL AND OPENING OF THE SUN STREET TRANSFER STATION

WHEREAS, on March 20, 2014, the Board of Directors approved the Implementation Plan for Authority staff to provide Landfill Operations and Diversion Services at the Johnson Canyon Landfill. The proposals received from staff and private vendors did not include the operation of the Johnson Canyon Landfill on Sundays; and,

WHEREAS, the Authority has re-evaluated the advantages and disadvantages of maintaining the Sunday operations and finds that maintaining a Sunday operation offers a public benefit to the region as there is no disposal facility open on Sundays within Monterey County or Santa Cruz County; and,

WHEREAS, the Authority further finds that having Sunday operations in the Salinas area will provide an enhanced public service to a larger customer base, from which revenue would serve to offset the cost of the operation, and would result in extra revenue for the Authority; and,

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the Salinas Valley Solid Waste Authority, that the change of Sunday operations resulting in closure of the Johnson Canyon Landfill and opening of the Sun Street Transfer Station is hereby approved, contingent upon receiving the appropriate permit authorities; and,

BE IT FURTHER RESOLVED, that after six months of implementation of the revised Sunday operations, staff shall provide the Board of Directors with a report on the revenues and expenses for this enhanced public service.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 20th day of November 2014, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ATTEST:

Elizabeth Silva, President

Elia Zavala, Clerk of the Board

SVSWA Agenda Items - View Ahead

Item No. 11

2014		2015				
	18-Dec	22-Jan	5-Feb	19-Feb	19-Mar	19-Apr
1	Minutes	Election of Officers	SIX-MONTH STRATEGIC PLANNING RETREAT	Minutes	Minutes	Minutes
2	Claims/Financials (EC)	New Hires		Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3	Strategic Plan Update	Minutes		Award contract for JC flare replacement	Strategic Plan Update	QTE March Cash & Investments
4	Award bid for LFG Pipe	Claims/Financials (EC)		SP Goals Updated 6-Mo. Objectives		
5	Revised SP Objective: Segunda Vida - salvaged materials store	4th Qtr 2014 Tonnage & Diversion Report		In-house ECS Ops Plan (sp1)		
6	Annual County Used Oil Report	Strategic Plan Update		FY Preliminary Operating & CIP Budget		
7	SSTS Temporary Improvements Report (sp4)	Employee Survey Results		QTE December Tonnage & Diversion Report - jm/rm		
8	Admin Procedures Manual (sp1) (EC)	Green Waste Contamination Fees (EC)		CCA 2014 Annual Report		
9	2015 Officers Nominating Committee	Funding Report for Closed Landfills Revenue Generation Scope of Work (sp4)		Mid-Year Budget Adjustments		
10	Monterey Bay Economic Partnership Update (sp4)					
11	Spanish Outreach Expansion Plan (sp4)					
12	GM Evaluation (BD) & Real Properties					

Consent
Presentation
Consideration
Closed Session
[Other] (Public Hearing, Recognition, Informational, etc.) (EC) Executive Committee (sp) Strategic Plan Item