



AGENDA Regular Meeting

BOARD OF DIRECTORS

June 16, 2016, 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, **Vice President**
Salinas: Gloria De La Rosa
Salinas: Jyl Lutes, **President**
Salinas: Tony R. Barrera
Gonzales: Elizabeth Silva
Soledad: Richard J. Perez, **Alternate Vice President**
Greenfield: Avelina T. Torres
King City: Robert S. Cullen

Alternate Directors

County: John M. Phillips
Salinas: Joseph D. Gunter
Gonzales: Scott Funk
Soledad: Christopher K. Bourke
Greenfield: Raul C. Rodriguez
King City: Darlene Acosta

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 May 19, 2016, Meeting](#)
2. [April 2016 Claims and Financial Reports](#)
3. [May 2016 Member and Interagency Activities Report and Upcoming Events](#)
4. [Monterey Bay Community Power Project Update](#)
5. [A Resolution Establishing the Investment Policy](#)
6. [A Resolution Approving a Professional Services Agreement with CH2M HILL Engineers, Inc. for a Long-range Financial Model and Supplemental Appropriations in the Amount of \\$65,000](#)
7. [A Resolution Awarding the Purchase of a Used 2006 Water Truck to Prime Time Equipment for an Amount of \\$61,987.91](#)
8. [Update on Developing a Wind Turbine Project at Johnson Canyon Landfill](#)
9. [Update on Landfill Gas Power and Solar Project Developments at the Crazy Horse and Johnson Canyon Landfills](#)
10. [Report on Cost Benefit Analysis for Processing Construction and Demolition Materials by Salinas Valley Recycles or Monterey Regional Waste Management District](#)
11. [Update on Uses for Excess Land Use](#)

12. [A Resolution Approving a Two-Year Collection Service Agreement with PaintCare, Inc. for Hauling and Recycling of Latex and Oil-Based Paint and Paint-Related Products with One Optional One-year Extension](#)

PRESENTATION

13. [STRATEGIC PLAN 2013-16 GOALS & OBJECTIVES REPORT](#)
- A. Receive Report from Patrick Mathews, General Manager/CAO
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – None; Informational Only
14. [SURVEY RESULTS FOR SUN STREET FACILITY ALTERNATIVES](#)
- A. Receive Report from Patrick Mathews, General Manager/CAO
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – None; Informational Only
15. [LONG TERM FACILITY NEEDS STUDY PUBLIC OUTREACH PLAN](#)
- A. Receive Report from Susan Warner, Assistant General Manager/Diversion Manager
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – Accept Report and Provide Direction if Needed

CONSIDERATION

16. [COLLABORATIVE DISCUSSIONS WITH MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT UPDATE](#)
- A. Receive Report from Patrick Mathews, General Manager/CAO
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – Accept Report and Provide Direction if Needed

FUTURE AGENDA ITEMS

17. [AGENDA ITEMS – VIEW AHEAD SCHEDULE](#)

ADJOURNMENT

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This agenda was posted at the Administration Office of the Salinas Valley Solid Waste Authority, 128 Sun St., Ste 101, Salinas, and on the Gonzales Council Chambers Bulletin Board, 117 Fourth Street, Gonzales, **Friday, June 10, 2016**. The Salinas Valley Solid Waste Authority Board will next meet in regular special session on **Wednesday, July 13, 2016**. 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.*

**DRAFT MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
BOARD MEETING
MAY 19, 2016**

CALL TO ORDER

President Lutes called the meeting to order at 6:00 p.m.


ROLL CALL

The following Board Directors were present:

City of Salinas	Gloria De La Rosa
City of Salinas	Jyl Lutes, <i>President</i>
City of Salinas	Tony Barrera
City of Gonzales	Elizabeth Silva
City of Soledad	Richard Perez, <i>Alt. Vice President</i>
City of Greenfield	Avelina Torres
City of King	Robert Cullen

ITEM NO. 1

Agenda Item



General Manager/CAO

T. Bruen by EZ

General Counsel Approval

ABSENT

County of Monterey Fernando Armenta
County of Monterey Simon Salinas, *Vice President*

Staff Members Present:

Susan Warner, Asst. GM/Diversion Manager	Elia Zavala, Clerk of the Board
Ray Hendricks, Finance Manager	Mandy Brooks, Recycling Coordinator
Brian Kennedy, Engineering & Environmental Compliance Manager	Monica Ambriz, Human Resources Generalist
Cesar Zuniga, Operations Manager	Thomas Bruen, General Counsel

MEETING ANNOUNCEMENTS

(6:03) President Lutes announced the availability of translation services. No member from the public requested the service.

GENERAL MANAGER COMMENTS

(6:03) Assistant General Manager/Diversion Manager Warner announced the absence of General Manager Mathews due to his son's graduation. She stated that Monterey Regional Wastes Management District has scheduled on their agenda a response to the letter that the Authority sent them after discussions at the March and April Authority Board meetings. The item will be scheduled on the next Authority Board meeting.

DEPARTMENT MANAGER COMMENTS

(6:04) Operations Manager Zuñiga stated that staff is working on a revision to the Sun Street facility permit to increase the vehicle count.

BOARD DIRECTORS COMMENTS

(6:05) Director Silva encouraged all to participate in the local Memorial Day events.

PUBLIC COMMENT

(6:06) Doug Kenyon, announced a Memorial Day ceremony in Salinas at 11:00 am.

CONSENT AGENDA (6:06)

1. Minutes of April 21, 2016, Meeting
2. March 2016 Claims and Financial Reports
3. April 2016 Member and Interagency Activities Report and Upcoming Events
4. 2013-16 Strategic Plan Goals and Six-Month Objectives Update
5. Monterey Bay Community Power Project Update
6. March 2016 Quarterly Tonnage and Diversion Report
7. Resolution No. 2016-14 Approving a Two-Year Professional Services Agreement with AdManor, Inc. for Marketing Services in an Amount Not to Exceed \$100,000 per year
8. Resolution No. 2016-15 Approving Amendment No 1 Authorizing a Two-Year Extension to the Professional Services Agreement with ECS Refining for the Hauling and Recycling of Electronic Waste
9. Resolution No. 2016-16 Approving a Professional Service Agreement with Rock Steady Juggling for the School Assembly Program in an Amount Not to Exceed \$50,000
10. Resolution No. 2016-17 Approving Amendment No. 1 to the Professional Service Agreement for Engineering Services for the Johnson Canyon Landfill Gas Flare Recognizing Acquisition of GC Environmental, Inc. by ES Engineering Services, LLC, and Approving Additional Services for Landfill Gas Flare Interconnect and Control System Installation in an Amount Not to Exceed \$112,286.14
11. Accept Bid Results for the Johnson Canyon Landfill Concrete Pad Modification and Installation Project
12. Resolution No. 2016-18 Awarding the Purchase of a New 2017 Walking Floor Transfer Trailer to Western Trailers for an Amount of \$87,800.00
13. Resolution No. 2016-19 Awarding the Purchase of one Used Caterpillar 938K Loader to Quinn Company for an Amount of \$183,113.35
14. Resolution No. 2016-20 Awarding the Purchase of one New 2017 Freightliner 122SD Coronado Tractor Truck for the Jolon Road Transfer Station Operations to Golden Gate Truck Center for an Amount of \$126,284.44
15. Long Term Facility Needs Design and Environmental Review Update
16. Resolution No. 2016-21 Ratifying the Approval of the Operating Budget and Capital Improvement Projects Budget and Consolidating all Mid-Year Budget Adjustments for Fiscal Year 2015-16

Public Comment: None

Board Comments: The Board pulled item nos. 9, 14, and 15 for separate discussion.

Motion: Alternate Vice President Perez made a motion to approve the consent agenda with the exception of item nos. 9, 14, and 15, which were pulled for separate discussion. Director De La Rosa seconded the motion.

Votes: Motion carried 7, 0

Ayes: Barrera, Cullen, De La Rosa, Lutes, Perez, Silva, Torres

Noes: None

Abstain: None

Absent: Armenta, Salinas

9. Resolution No. 2016-16 Approving a Professional Service Agreement with Rock Steady Juggling for the School Assembly Program in an Amount Not to Exceed \$50,000

Public Comment: None

Board Comments: A concern was raised on the cost for the proposed services. Assistant General Manager Warner stated that the cost was comparable to the similar services that were provided by the previous consultant.

Motion: Director De La Rosa made a motion to adopt the resolution. Alternate Vice President Perez seconded the motion.

Votes: Motion carried 7, 0

Ayes: Barrera, Cullen, De La Rosa, Lutes, Perez, Silva, Torres

Noes: None

Abstain: None

Absent: Armenta, Salinas

14. Resolution No. 2016-20 Awarding the Purchase of one New 2017 Freightliner 122SD Coronado Tractor Truck for the Jolon Road Transfer Station Operations to Golden Gate Truck Center for an Amount of \$126,284.44

Public Comment: None

Board Comments: The Board requested a response from staff to the protest letter. Operations Manager Zuñiga explained that the bid document called for certain specifications or equivalent. The selected equipment meets the specifications as indicated.

Motion: Alternate Vice President Perez made a motion to adopt the resolution. Director De La Rosa seconded the motion.

Votes: Motion carried 7, 0

Ayes: Barrera, Cullen, De La Rosa, Lutes, Perez, Silva, Torres

Noes: None

Abstain: None

Absent: Armenta, Salinas

15. Long Term Facility Needs Design and Environmental Review Update

Public Comment: None

Board Comments: President Lutes expressed concern with moving forward with the Sala Road property in the environmental review study because there is opposition to the proposed development in that area. Staff recommended moving forward with the study as scheduled as opposition is expected in all locations and they may not be fully aware of the intended functions and design of the proposed facility. Some Board members expressed concern that there is miscommunication amongst the community. Staff stated that the public is becoming aware of the project because of the outreach to the community and the public is encouraged to become engaged in the process. The Board suggested staff meet with Supervisor Phillips and Salinas City Councilmember Kimbley Craig to bring them up to date with the proposed project.

Motion: Alternate Vice President Perez made a motion to accept the report. Director Silva seconded the motion.

Votes: Motion carried 5, 2

Ayes: Barrera, Cullen, Perez, Silva, Torres

Noes: De La Rosa, Lutes

Abstain: None

Absent: Armenta, Salinas

PRESENTATION

17. SALINAS VALLEY RECYCLES MARKETING REPORT

(6:21) Mandy Brooks, Recycling Coordinator, provided a presentation on the current marketing programs and its return on investment. Marketing Consultant Sandi Manor spoke on the marketing investment portfolio and the accomplishments from this past fiscal year, which included the tripling of Facebook followers since March-April 2016, the redesign of the agency website, and the return on investment tracking system.

Public Comment: None

Board Comments: The Board commended staff for their public outreach program.

18. EMPLOYEE MENTOR/MENTEE PROGRAM

(6:52) Human Resource Generalist Ambriz presented an overview of the Mentee/Mentor Program. The program currently has seven trained mentors and three mentees have participated. The program has been well received with positive feedback.

Public Comment: None

Board Comments: The Board commended staff for the program.

19. EMPLOYEE JOB SHADOWING PROGRAM

(6:56) Human Resource Generalist Ambriz presented an overview of this program, also referred to as the “buddy program” which helps new hires get acquainted with the agency and helps them feel welcomed.

Public Comment: None

Board Comments: The Board commended staff for the program.

FUTURE AGENDA ITEMS

20. AGENDA ITEMS – VIEW AHEAD SCHEDULE



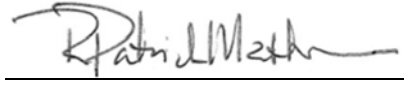
(7:00) The Board reviewed the future agenda items.

ADJOURN

(7:00) President Lutes adjourned the meeting.

APPROVED: _____
Jyl Lutes, President

Attest: _____
Elia Zavala, Clerk of the Board

 <p>Report to the Board of Directors</p>	<p>ITEM NO. 2</p>
<p>Date: June 16, 2016</p> <p>From: Ray Hendricks, Finance Manager</p> <p>Title: April 2016 Claims and Financial Reports</p>	<p> Finance Manager/Controller-Treasurer</p> <p> General Manager/CAO</p> <p><u>Jyl Lutes by ez</u> Board President</p>

RECOMMENDATION

The Executive Committee recommends acceptance of the April 2016 Claims and Financial Reports.

DISCUSSION & ANALYSIS

Please refer to the attached financial reports and checks issued report for the month of April for a summary of the Authority's financial position as of April 30, 2016. Following are highlights of the Authority's financial activity for the month of April.

Results of Operations (Consolidated Statement of Revenues and Expenditures)

For the month of April 2016, FY 2015-16 operating revenues exceeded expenditures by \$524,169. Year to Date operating revenues exceeded expenditures by \$2,835,307.

Revenues (Consolidated Statement of Revenues and Expenditures)

After nine months of the fiscal year (83.3% of the fiscal year), revenues total \$14,809,732 or 88.9% of the total annual revenues forecast of \$16,657,600. April Tipping Fees totaled \$1,028,184 and for the year to date totaled \$9,936,568 or 89.9% of the forecasted total of \$11,055,800.

Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

As of April 30 (83.3% of the fiscal year), year-to-date operating expenditures total \$11,974,425. This is 75.7% of the operating budget of \$15,822,599.

Capital Project Expenditures (Consolidated Grant and CIP Expenditures Report)

For the month of April 2016, grant and capital project expenditures totaled \$8,825. The JCLF flare station improvements account for \$3,080 of the total.

Claims Checks Issued Report

The Authority's Checks Issued Report for the month of April 2016 is attached for review and acceptance. April disbursements total \$941,889.36 of which \$518,131.07 was paid from the payroll checking account for payroll and payroll related benefits.

Following is a list of vendors paid more than \$50,000 during the month of April 2016.

VENDOR	SERVICE	AMOUNT
VISION RECYCLING INC	GREENWASTE PROCESSING	53,091.15
WASTE MANAGEMENT INC	JR TRANSFER STATION OPERATIONS	60,233.16
	MARCH MADISON TRANSFERS	24,216.83
CA STATE BOARD OF EQUALIZATION	BOE QUARTERLY IWM FEE	60,265.80

Cash Balances

The Authority's cash position increased \$725,521 during April to \$17,138,919. Most of the cash balance is restricted, committed, or assigned as shown below:

Restricted by Legal Agreements:

Johnson Canyon Closure Fund	\$ 3,475,147.92
State & Federal Grants	25,557.68
BNY - Bond 2014A Payment	-
BNY - Bond 2014B Payment	-
BNY - Sub Pmt Cap One 2014 Eq Lease	-

Funds Held in Trust:

Central Coast Media Recycling Coalition	88,220.10
Employee Unreimbursed Medical Claims	5,038.81

Committed by Board Policy:

Expansion Fund (South Valley Revenues)	8,086,649.38
Designated for Capital Projects Reserve	763,581.08
Designated for Operating Reserve	254,527.02
Designated for Environmental Impairment Rese	254,527.02
Salinas Rate Stabilization Fund	28,907.77

Assigned by Budget

Assigned for Capital Projects	2,243,405.74
Assigned for OPEB	179,500.00

Available for Operations

1,733,856.05

Total

\$ 17,138,918.57

ATTACHMENTS

1. April 2016 Consolidated Statement of Revenues and Expenditures
2. April 2016 Consolidated Grant and CIP Expenditures Report
3. April 2016 Checks Issued Report



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending April 30, 2016

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
<u>Revenue Summary</u>							
Tipping Fees - Solid Waste	11,055,800	1,028,184	9,936,568	89.9 %	1,119,232	0	1,119,232
Tipping Fees - Surcharge	1,560,600	127,947	1,273,531	81.6 %	287,069	0	287,069
Tipping Fees - Diverted Materials	1,189,400	53,103	1,307,227	109.9 %	(117,827)	0	(117,827)
AB939 Service Fee	2,166,100	180,508	1,805,080	83.3 %	361,020	0	361,020
Charges for Services	124,500	31,803	102,263	82.1 %	22,237	0	22,237
Sales of Materials	309,500	31,172	193,804	62.6 %	115,696	0	115,696
Gas Royalties	220,000	0	132,753	60.3 %	87,247	0	87,247
Investment Earnings	31,700	15,104	44,930	141.7 %	(13,230)	0	(13,230)
Grants/Contributions	0	0	0	0.0 %	0	0	0
Other Non-Operating Revenue	0	873	13,577	0.0 %	(13,577)	0	(13,577)
Total Revenue	16,657,600	1,468,694	14,809,732	88.9 %	1,847,868	0	1,847,868
<u>Expense Summary</u>							
Executive Administration	422,150	38,891	263,480	62.4 %	158,670	617	158,053
Administrative Support	485,350	38,074	353,853	72.9 %	131,497	16,072	115,425
Human Resources Administration	363,900	30,589	281,932	77.5 %	81,968	3,190	78,777
Clerk of the Board	178,300	18,623	132,267	74.2 %	46,033	1,352	44,681
Finance Administration	572,320	53,474	423,330	74.0 %	148,990	4,281	144,709
Operations Administration	376,600	(21,749)	238,535	63.3 %	138,065	9,917	128,148
Resource Recovery	747,650	125,578	575,934	77.0 %	171,716	13,393	158,322
Marketing	75,000	6,682	57,311	76.4 %	17,689	16,919	770
Public Education	188,500	34,587	114,984	61.0 %	73,516	35,990	37,526
Household Hazardous Waste	713,300	43,982	476,875	66.9 %	236,425	10,719	225,706
C & D Diversion	160,000	0	131,405	82.1 %	28,595	0	28,595
Organics Diversion	642,100	53,091	415,592	64.7 %	226,508	170,507	56,001
Diversion Services	23,250	754	18,665	80.3 %	4,585	3,421	1,164



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending April 30, 2016

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Scalehouse Operations	416,950	32,771	320,039	76.8 %	96,911	1,805	95,106
JR Transfer Station	755,600	84,450	617,629	81.7 %	137,971	0	137,971
ML Transfer Station	166,500	0	106,847	64.2 %	59,653	3,248	56,405
SS Disposal Operations	862,280	63,860	684,506	79.4 %	177,774	20,449	157,325
SS Transfer Operations	1,075,400	80,654	855,154	79.5 %	220,246	5,637	214,609
SS Recycling Operations	328,500	22,089	220,347	67.1 %	108,153	1,572	106,580
JC Landfill Operations	2,358,450	158,936	1,589,841	67.4 %	768,609	63,394	705,215
JC Recycling Operations	257,450	21,720	157,393	61.1 %	100,057	303	99,753
Crazy Horse Postclosure Maintenance	660,200	5,806	330,659	50.1 %	329,541	52,546	276,995
Lewis Road Postclosure Maintenance	236,500	1,681	118,967	50.3 %	117,533	20,343	97,190
Johnson Canyon ECS	324,100	15,023	197,326	60.9 %	126,774	43,799	82,975
Jolon Road Postclosure Maintenance	190,350	3,657	128,041	67.3 %	62,309	3,180	59,129
Sun Street ECS	183,600	13,597	123,578	67.3 %	60,022	301	59,721
Debt Service - Interest	1,684,330	(16,573)	1,684,260	100.0 %	70	0	70
Debt Service - Principal	1,184,769	16,573	1,184,761	100.0 %	8	0	8
Closure Set-Aside	189,200	17,707	170,912	90.3 %	18,288	0	18,288
Total Expense	15,822,599	944,525	11,974,425	75.7 %	3,848,174	502,956	3,345,218
Revenue Over/(Under) Expenses	835,001	524,169	2,835,307	339.6 %	(2,000,306)	(502,956)	(1,497,350)



Salinas Valley Solid Waste Authority

Consolidated Grant and CIP Expenditure Report

For Period Ending April 30, 2016

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Fund 180 - Expansion Fund							
180 9023 Salinas Area MRC	21,415	318	27,092	126.5 %	(5,678)	5,915	(11,593)
180 9024 GOE Autoclave Final Project	100,000	0	0	0.0 %	100,000	0	100,000
180 9804 Long Range Facility Needs EIR	543,488	1,006	12,621	2.3 %	530,867	540,626	(9,759)
180 9805 Harrison Road	80,000	0	78,750	98.4 %	1,250	0	1,250
Total Fund 180 - Expansion Fund	744,903	1,324	118,464	15.9 %	626,439	546,541	79,898
Fund 211 - State Grants							
211 2610 Tire Amnesty Grant	25,669	67	3,318	12.9 %	22,351	2,300	20,051
211 2620 Cal Recycle - CCPP	96,433	19	37,041	38.4 %	59,392	849	58,543
211 9206 HHW HD25-15-0003	95,523	471	69,926	73.2 %	25,597	0	25,597
211 9208 Tire Amnesty 2015-16	52,535	1,100	14,050	26.7 %	38,485	17,800	20,685
211 9248 Cal Recycle - 2014-15 CCPP	62,809	550	3,300	5.3 %	59,509	3,300	56,209
Total Fund 211 - State Grants	332,969	2,208	127,635	38.3 %	205,334	24,249	181,085
Fund 216 - Reimbursement Fund							
216 9802 Autoclave Demonstration Unit	143,101	212	1,544	1.1 %	141,556	0	141,556
216 9804 Long Range Facility Needs EIR	267,688	0	4,069	1.5 %	263,619	263,619	0
Total Fund 216 - Reimbursement Fund	410,789	212	5,614	1.4 %	405,175	263,619	141,556
Fund 221 - USDA Grant							
221 9003 USDA Autoclave Studies	6,370	0	6,370	100.0 %	0	0	0
Total Fund 221 - USDA Grant	6,370	0	6,370	100.0 %	0	0	0
Fund 800 - Capital Improvement Projects Fund							
800 9010 JC Roadway Improvements	1,854,726	0	789	0.0 %	1,853,937	0	1,853,937
800 9102 Segunda Vida (Second Life) Start U	6,989	0	5,842	83.6 %	1,147	390	758
800 9103 Closed Landfill Revenue Study	32,222	0	453	1.4 %	31,769	0	31,769
800 9254 JC Leachate Handling Sys	73,000	967	2,408	3.3 %	70,592	0	70,592
800 9255 JC LFG System Improvement	0	0	0	0.0 %	0	0	0



Salinas Valley Solid Waste Authority

Consolidated Grant and CIP Expenditure Report

For Period Ending April 30, 2016

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
800 9316 CH Corrective Action Program	50,000	0	0	0.0 %	50,000	0	50,000
800 9501 JC LFG System Improvements	120	1,035	1,155	964.4 %	(1,035)	0	(1,035)
800 9502 JC Flare Station Improvements	508,730	3,080	178,446	35.1 %	330,284	152,244	178,040
800 9504 JC Module 456B Liner Improvemen	10,181	0	8,009	78.7 %	2,173	0	2,173
800 9506 JC Litter Control Barrier	0	0	0	0.0 %	0	0	0
800 9526 JC Equipment Replacement	30,900	0	0	0.0 %	30,900	0	30,900
800 9602 JR Equipment Purchase	600,000	0	0	0.0 %	600,000	0	600,000
800 9701 SSTS Equipment Replacement	213,888	0	212,628	99.4 %	1,260	0	1,260
800 9702 SSTS NPDES Improvements	12,062	0	0	0.0 %	12,062	0	12,062
Total Fund 800 - Capital Improvement Proje	3,392,819	5,081	409,729	12.1 %	2,983,089	152,634	2,830,455
Total CIP Expenditures	4,887,848	8,825	667,811	13.7 %	4,220,037	987,042	3,232,995

Salinas Valley Solid Waste Authority
Checks Issued Report for 4/1/2016 to 4/30/2016

Check #		Check Date	Amount	Check Total
16095	DESIREE LIZZETTE VALADEZ RECYCLERAMA PERFORMANCES	4/7/2016	103.25	103.25
16096	JOHN DAVID ACEVEDO II RECYCLERAMA PERFORMANCES	4/7/2016	1,356.74	1,356.74
16097	MICHAEL BAKER RECYCLERAMA PERFORMANCES	4/7/2016	1,091.47	1,091.47
16098	VISION RECYCLING INC GREENWASTE PROCESSING	4/7/2016	53,091.15	53,091.15
16099	ADMANOR, INC BRANDING MARKETING CAMPAIGN RECYCLING EDUCATION OUTREACH CCRMC MARKETING	4/14/2016	6,542.50 758.00 11,243.50	18,544.00
16100	ASBURY ENVIRONMENTAL SERVICES HHW DISPOSAL & HAULING SERVICES	4/14/2016	55.00	55.00
16101	AT&T SERVICES INC SS TELEPHONE SERVICE	4/14/2016	306.44	306.44
16102	BARTEL ASSOCIATES, LLC OPEB EVALUATION	4/14/2016	8,170.00	8,170.00
16103	BECKS SHOE STORE, INC. SSTS EMPLOYEE SAFETY SUPPLIES	4/14/2016	185.51	185.51
16104	BRIAN KENNEDY SWANA TRAINING COURSE: PER DIEM	4/14/2016	148.00	148.00
16105	CARDLOCK FUELS SYSTEM, INC. SSTS EQUIPMENT FUEL	4/14/2016	2,016.95	2,016.95
16106	CLARK PEST CONTROL, INC PEST-AWAY SERVICE	4/14/2016	88.00	88.00
16107	COAST COUNTIES TRUCK & EQUIPMENT CO. SSTS EQUIPMENT MAINTENANCE	4/14/2016	858.41	858.41
16108	COSTCO WHOLESALE SSTS FACILITY SUPPLIES EQUIPMENT REPLACEMENT- 2 LAPTOPS REPLACMENT COMPUTER	4/14/2016	70.94 1,142.76 913.01	2,126.71
16109	EAGLE STAR SECURITY FACILITY SECURITY SERVICES	4/14/2016	1,482.00	1,482.00
16110	ERNEST BELL D. JR MARCH JANITORIAL SERVICES	4/14/2016	2,100.00	2,100.00
16111	FEDEX ADMIN OVERNIGHT SHIPPING	4/14/2016	12.73	12.73
16112	FULL STEAM STAFFING LLC SSTS & JCLF TEMP LABOR	4/14/2016	2,142.00	2,142.00
16113	GOLDEN STATE TRUCK & TRAILER REPAIR SSTS EQUIPMENT MAINTENANCE	4/14/2016	5,042.88	5,042.88

Salinas Valley Solid Waste Authority
Checks Issued Report for 4/1/2016 to 4/30/2016

Check #		Check Date	Amount	Check Total
16114	**VOID**	4/14/2016	-	-
16115	GONZALES ACE HARDWARE JCLF FACILITY REPAIRS NIPPLE GALVANIZED	4/14/2016	86.35 (28.27)	58.08
16116	GRAINGER CHLF FACILITY MAINTENANCE	4/14/2016	27.68	27.68
16117	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 JCLF FACILITY REPAIRS	4/14/2016	414.68	414.68
16118	HERTZ EQUIPMENT RENTAL CORPORATION JCLF EQUIPMEN RENTAL	4/14/2016	999.59	999.59
16119	ID CONCEPTS, LLC ID CONCEPTS - BRIAN KENNEDY	4/14/2016	57.25	57.25
16120	JOSE RAMIRO URIBE SSTS EQUIPMENT MAINTENANCE	4/14/2016	479.39	479.39
16121	JULIO GIL VEHICLE WRAP FOR FORD VAN SSTS DEPARTMENT SUPPLIES	4/14/2016	1,792.38 73.19	1,865.57
16122	**VOID**	4/21/2016	-	-
16123	MARTA M. GRANADOS BD MEETINGS INTERPRETER SERVICES 2015-16	4/14/2016	360.00	360.00
16124	MONTEREY SANITARY SUPPLY, INC. SSTS JANITORIAL SERVICES	4/14/2016	36.14	36.14
16125	NEXTEL OF CALIFORNIA, INC CELL PHONE SERVICE	4/14/2016	276.00	276.00
16126	OFFICE DEPOT ADMIN OFFICE SUPPLIES	4/14/2016	1,183.28	1,183.28
16127	PACIFIC GAS AND ELECTRIC COMPANY ELECTRICAL SERVICES ALL SITES MONTHLY	4/14/2016	5,821.19	5,821.19
16128	PENINSULA MESSENGER LLC BANK COURIER SERVICES	4/14/2016	360.00	360.00
16129	PINNACLE MEDICAL GROUP HEP B VACCINE MACIAS	4/14/2016	80.00	80.00
16130	QUINN COMPANY CREDIT - PARTS RETURN JCLF EQUIPMENT MAINTENANCE	4/14/2016	(3,401.28) 4,997.85	1,596.57
16131	**VOID**	4/14/2016	-	-
16132	**VOID**	4/14/2016	-	-
16133	SALINAS CALIFORNIAN DIVERSION WORKER AD	4/14/2016	754.09	754.09

Salinas Valley Solid Waste Authority
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Check #		Check Date	Amount	Check Total
16134	SCOTT W GORDON FEBRUARY LEGAL SERVICES	4/14/2016	1,925.00	1,925.00
16135	SCS FIELD SERVICES NON ROUTINE ENV. SERVICES	4/14/2016	142.75	142.75
16136	SWANA SWANA: MEMBERSHIP FOR BRIAN KENNEDY	4/14/2016	212.00	212.00
16137	THOMAS M BRUEN MARCH LEGAL SERVICES	4/14/2016	2,784.20	2,784.20
16138	TOMMY DIAZ DOT MEDICAL CERTIFICATION RENEWAL - TOMMY DIAZ	4/14/2016	150.00	150.00
16139	US BANK CORPORATE PAYMENT SYSTEM LA PLAZA BAKERY: BOARD MEETING REFRESHMENTS 201 MAIN ST:EMPLOYEE COMMUNICATIONS DINNER 2016 HARBOR FREIGHT TOOLS: HHW SUPPLIES AMAZON.COM: TRAINING MATERIALS AMAZON.COM: TRAINING SUPPLIES AMAZON:E-SIGNATURE TABLE CABLES VISTA PRINT: BUSINESS CARDS FOR NEW EMPLOYEE CALIFORNIA CPA:MEMBERSHIP REGISTRATION EXPERIAN: NEW CUSTOMER CREDIT CHECK SMART & FINAL: SUPPLIES FOR WASTE SORT HARBOR FREIGHT TOOLS: SUPPLIES FOR WASTE SORT ALAMEDA ELECTRICAL DISTRIBUTORS: CHLF REPAIR AMAZON: E-SIGNATURE TABLET CASES SWANA: ANNUAL WESTERN REGIONAL SYMPOSIUM HIGHESET.COM: JC INTERNET DISNEYLAND HOTEL: CONFERENCE LODGING LUIGI'S: BD MEETING SUPPLIES 3/17/16 LA PLAZA BAKERY:NEW HIRE ORIENTATION PROGRAM SUBWAY: NEW HIRE ORIENTATION PROGRAM CVS PHARMACY: BOARD RETREAT SUPPLIES INTERMEDIA:MONTHLY EMAIL EXCHANGE HOSTING MICROSOFT: MONTHLY OFFICE 365 SUBSCRIPTION SHAREFILE: MONTHLY SUBSCRIPTION LUIGIS:NEW HIRE PROGRAM L STREET PARKING: MEETING PARKING VALLEY SAW AND GARDEN EQUIPMENT: JCLF SUPPLIES BASIC FOODS: JCLF FACILITY SUPPLIES GUARDIAN SAFETY: SSTS SAFETY SUPPLIES VEGETABLE GROWERS SUPPLY: EPLOYEE PROTECTIVE EQUIP SAFEWAY: BD RETREAT 2/29/16 REFRESHMENTS SMART&FINAL: BD MTG SUPPLIES 3/17/16 SMART&FINAL: BD RETREAT 2/29/16 REFRESHMENTS FACEBOOK: AD FOR MARKETING COMMITTEE CVS: OFFICE SUPPLIES HARBOR FREIGHT TOOLS: SSTS EQUIPMENT SUPPLIES HARBOR FREIGHT TOOLS: SSTS EQUIPMENT SUPPLIES USPS: POSTAGE WALMART: BD RETREAT 2/29/16 REFRESHMENTS MICROSOFT: WINDOWS 10 PROFETIONAL SOFTWARE UPGRADE DISCOUNT MUGS: SAFETY WORK GEAR	4/14/2016	65.85 1,141.00 43.02 57.72 37.59 63.48 34.69 1,295.00 99.90 35.98 24.41 45.29 277.00 550.00 91.60 448.86 17.03 40.00 40.00 30.54 262.76 10.00 32.95 80.00 20.00 35.36 3.22 8.72 50.04 116.85 19.36 32.70 139.56 13.84 24.00 44.58 20.69 25.96 99.99 319.34	5,798.88
16140	**VOID**	4/14/2016	-	-
16141	**VOID**	4/14/2016	-	-

Salinas Valley Solid Waste Authority
Checks Issued Report for 4/1/2016 to 4/30/2016

Check #		Check Date	Amount	Check Total
16142	**VOID**	4/14/2016	-	-
16143	**VOID**	4/14/2016	-	-
16144	AAA FLAG & BANNER MFG. CO., INC LITTER ABATEMENT ADVERTISEMENT	4/21/2016	19.41	19.41
16145	ADMANOR, INC TIRE AMNESTY MEDIA	4/21/2016	213.75	213.75
16146	AON RISK INSURANCE SERVICES WEST, INC . SS TS VEHICLE INSURANCE	4/21/2016	14.00	14.00
16147	CALIFORNIA HIGHWAY ADOPTION CO. LITTER ABATEMENT SERVICES	4/21/2016	550.00	550.00
16148	CARDLOCK FUELS SYSTEM, INC. SSTS EQUIPMENT FUEL	4/21/2016	10,092.85	10,092.85
16149	CITY OF GONZALES JC LF WATER JC HOSTING FEE	4/21/2016	128.17 20,833.33	20,961.50
16150	CLARK PEST CONTROL, INC PEST-AWAY SERVICE	4/21/2016	88.00	88.00
16151	COAST COUNTIES TRUCK & EQUIPMENT CO. SSTS EQUIPMENT MAINTENANCE	4/21/2016	177.02	177.02
16152	CSC OF SALINAS/YUMA SSTS EQUIPMENT MAINTENANCE	4/21/2016	184.73	184.73
16153	CUTTING EDGE SUPPLY JCLF EQUIPMETN MAINTENANCE RETURN SSTS FACILITY MAINTENANCE	4/21/2016	1,028.96 (218.46) 101.71	912.21
16154	FOUNDING CHAPTER SOLID WASTE ASSOCIATION OF NORTH AMERICA SWANA MOLO REGISTRATION: BRIAN KENNEDY	4/21/2016	1,049.00	1,049.00
16155	FULL STEAM STAFFING LLC JCLF TEMP LABOR	4/21/2016	713.50	713.50
16156	GOLDEN STATE TRUCK & TRAILER REPAIR JCLF EQUIPMENT MAINTENANCE	4/21/2016	1,604.86	1,604.86
16157	GRAINGER SSTS FACILITY MAINTENANCE	4/21/2016	838.62	838.62
16158	GREEN RUBBER - KENNEDY AG, LP SSTS FACILITY MAINTENANCE FACILITY MAINTENANCE JCLF DEPARTMENT SUPPLIES	4/21/2016	63.74 165.14 213.11	441.99
16159	GREEN VALLEY INDUSTRIAL SUPPLY, INC JCLF VEHICLE SUPPLIES	4/21/2016	289.20	289.20
16160	GREENWASTE RECOVERY INC. CARPET RECYCLING	4/21/2016	754.10	754.10

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Check #		Check Date	Amount	Check Total
16161	HARTFORD FIRE INSURANCE COMPANY INSURANCE - SURETY	4/21/2016	2,750.00	2,750.00
16162	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 JCLF EQUIPMENT MAINTENANCE	4/21/2016	254.25	254.25
16163	HOME DEPOT ALL SITES FACILITY MAINTENANCE	4/21/2016	1,536.52	1,536.52
16164	**VOID**	4/21/2016	-	-
16165	HOPE SERVICES FEBRUARY & MARCH SSTS DIVERSION SERVICES MARCH & MARCH SSTS DIVERSION SERVICES	4/21/2016	11,279.80 12,971.77	24,251.57
16166	MONTEREY AUTO SUPPLY INC SSTS & JCLF EQUIPMENT MAINTENANCE	4/21/2016	228.08	228.08
16167	MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY SSTS SEWER SEVICES	4/21/2016	457.40	457.40
16168	NEXIS PARTNERS, LLC ADMIN BUILDING RENT	4/21/2016	9,212.00	9,212.00
16169	O'NEILL SEA ODYSSEY FY2015-16 WATERSHED LITTER & RECYCLING EDUCATION	4/21/2016	30,000.00	30,000.00
16170	ONHOLD EXPERIENCE TELEPHONE HOLD SERVICE	4/21/2016	207.00	207.00
16171	PACIFIC GAS AND ELECTRIC COMPANY SS TS STREET SWEEPER FUEL	4/21/2016	135.14	135.14
16172	PACIFIC WASTE SERVICES JCLF FACILITY MAINTENANCE	4/21/2016	1,025.00	1,025.00
16173	PROBUILD COMPANY LLC SSTS FACILITY MAINTENANCE	4/21/2016	606.10	606.10
16174	PURE WATER BOTTLING POTABLE WATER SERVICE	4/21/2016	309.56	309.56
16175	QUINN COMPANY JCLF EQUIPMENT MAINTENANCE	4/21/2016	2,339.59	2,339.59
16176	REPUBLIC SERVICES #471 TRASH DISPOSAL SERVICE	4/21/2016	69.98	69.98
16177	RODDY TREVINO TRAINING PER DIEM	4/21/2016	18.00	18.00
16178	RONNIE G. REHN SSTS FACILITY SUPPLIES	4/21/2016	63.29	63.29
16179	RUSSO ENVIRONMENTAL SERVICES INC. JCLF LEACHATE STORAGE	4/21/2016	4,082.00	4,082.00
16180	SALINAS CALIFORNIAN LEGAL POSTING - FEES & RATES FY2016-17	4/21/2016	369.02	369.02

Salinas Valley Solid Waste Authority
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Check #		Check Date	Amount	Check Total
16181	SHARPS SOLUTIONS, LLC SHARPS DISPOSAL	4/21/2016	200.00	200.00
16182	SOUTH COUNTY NEWSPAPER LEGAL POSTING FEES & RATES FY2016-17	4/21/2016	150.00	150.00
16183	STURDY OIL COMPANY SSTS EQUIPMENT MAINTENANCE	4/21/2016	1,019.26	1,019.26
16184	SUSAN WARNER SUPPLIES FOR NATIVIDAD CREEK CLEAN UP AND SEGUNDA	4/21/2016	213.01	213.01
16185	UNITED RENTALS (NORTHWEST), INC SSTS EQUIPMENT RENTA	4/21/2016	245.94	245.94
16186	VERIZON WIRELESS SERVICES CELL PHONE SERVICE CELL PHONE SERVICE	4/21/2016	38.01 81.02	119.03
16187	WASTE MANAGEMENT INC JR TRANSFER STATION OPERATIONS MARCH MADISON TRANSFERS	4/21/2016	60,233.16 24,216.83	84,449.99
16188	WEST COAST RUBBER RECYCLING, INC TIRE AMNESTY RECYCLING	4/21/2016	1,100.00	1,100.00
16189	WESTERN EXTERMINATOR COMPANY FACILITY VECTOR CONTROL FACILITY VECTOR CONTROL	4/21/2016	59.50 8.50	68.00
16190	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION FUEL PURCHASES	4/21/2016	1,669.05	1,669.05
16191	ALLEN BROTHERS OIL II, INC. JCLF VEHICLE MAINTENANCE	4/28/2016	322.01	322.01
16192	ASBURY ENVIRONMENTAL SERVICES HHW DISPOSAL & HAULING SERVICES	4/28/2016	120.00	120.00
16193	ASSURED AGGREGATES CO., INC SSTS FACILITY MAINTENANCE	4/28/2016	808.99	808.99
16194	BARN WORLD, LLC JC DRAINAGE GUARD	4/28/2016	5,398.98	5,398.98
16195	BC LABORATORIES, INC JR & JCLF WATER SAMPLE TESTING	4/28/2016	1,060.00	1,060.00
16196	CALIFORNIA WATER SERVICE SS TS MONTHLY WATER SERVICE	4/28/2016	421.12	421.12
16197	CARDLOCK FUELS SYSTEM, INC. JCLF EQUIPMENT FUEL	4/28/2016	3,290.99	3,290.99
16198	CDW GOVERNMENT HHW REPLACEMENT RECEIPT PRINTER	4/28/2016	327.92	327.92
16199	CSC OF SALINAS/YUMA SSTS EQUIPMENT MAINTENANCE	4/28/2016	35.15	35.15
16200	EAGLE STAR SECURITY FACILITY SECURITY SERVICES	4/28/2016	2,964.00	2,964.00

Salinas Valley Solid Waste Authority
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Check #		Check Date	Amount	Check Total
16201	FERNANDO CABALLERO MEDICAL CARD REIMBURSEMENT	4/28/2016	150.00	150.00
16202	FIRST ALARM FACILITY SECURATY SYSTEM	4/28/2016	1,583.00	1,583.00
16203	FULL STEAM STAFFING LLC SSTS & JCLF TEMP LABOR	4/28/2016	2,725.25	2,725.25
16204	GOLDEN STATE TRUCK & TRAILER REPAIR SSTS EQUIPMENT FUEL	4/28/2016	5,847.61	5,847.61
16205	**VOID**	4/28/2016	-	-
16206	GRAINGER JCLF DEPARTMENT SUPPLIES	4/28/2016	139.79	139.79
16207	GREEN VALLEY INDUSTRIAL SUPPLY, INC SSTS FACILITY MAINENANCE	4/28/2016	262.54	262.54
16208	GUERITO SITES PORTABLE TOILET SERVICES	4/28/2016	1,028.00	1,028.00
16209	GUILLERMINA GUTIERREZ PUBLIC OUTREACH PROMOTION	4/28/2016	28.95	28.95
16210	JENNY MITCHELL REUSABLE CLOTH NAPKINS AND FORKS FOR THE OFFICE	4/28/2016	37.65	37.65
16211	JOSE RAMIRO URIBE SSTS EQUIPMENT MAINTENANCE	4/28/2016	85.00	85.00
16212	MALLORY CO. INC HHW SUPPLIES	4/28/2016	1,471.95	1,471.95
16213	MONTEREY COUNTY BUSINESS COUNCIL ANNUAL MEMBERSHIP	4/28/2016	2,000.00	2,000.00
16214	ONE STOP AUTO CARE/V & S AUTO CARE, INC OPERATIONS VEHICLE MAINTENANCE	4/28/2016	70.82	70.82
16215	OSCAR GARCIA LEGALSHIELD REIMBURSEMENT	4/28/2016	12.99	12.99
16216	PACIFIC CREST ENGINEERING INC JC GEOTECHNICAL INVESTIGATION - POST REPORT	4/28/2016	370.00	370.00
16217	QUINN COMPANY SSTS EQUIPMENT MAINTENANCE	4/28/2016	378.18	378.18
16218	R & T HEATING & SHEET METAL, INC SERVICE AC SERVER ROOM	4/28/2016	112.00	112.00
16219	WESTERN EXTERMINATOR COMPANY FACILITY VECTOR CONTROL	4/28/2016	304.50	304.50
16220	WILLDAN FINANCIAL SERVICES ANNUAL DISCLOSURE SERVICE	4/28/2016	1,600.00	1,600.00
JFT201640	CA STATE BOARD OF EQUALIZATION BOE QUARTERLY IWM FEE	4/25/2016	60,265.80	60,265.80

Salinas Valley Solid Waste Authority
Checks Issued Report for 4/1/2016 to 4/30/2016

<u>Check #</u>	<u>Check Date</u>	<u>Amount</u>	<u>Check Total</u>
FT201642 WAGEWORKS FSA ADMIN FEE	4/13/2016	178.00	178.00
SUBTOTAL:			423,758.29
PAYROLL DISBURSEMENTS			518,131.07
GRAND TOTAL			<u>941,889.36</u>



Report to the Board of Directors

ITEM NO. 3

N/A

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Susan Warner, Diversion Manager/Assistant General Manager

Title: Member and Interagency Activities Report for May 2016 and Upcoming Events

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 and regulators.

City of King

Staff continues to act as lead negotiator, under direction of the City Manager for the City of King for renewal and restatement of their Franchise Services Agreement with Waste Management. Great progress has been made and work is underway to finalize the draft agreement for City Council consideration early this summer.



Wally Waste Not Awards

Nine schools have submitted applications for the 2016 Wally Waste Not Awards. While still under review, it appears that each of these schools will comply with the 26 requirements focusing on waste reduction and recycling efforts on the campus and in classrooms. The schools will be recognized at the August Board meeting.



SVR received notification that the Household Hazardous Waste collection facility improvements grant met the minimum criteria, however due to the number of qualifying applications received, a random draw would be conducted to determine the successful awardees.

Gonzales, Soledad and Greenfield

Staff continues to act as lead negotiator, under direction of the three City Managers for renewal and restatement of their Franchise Services Agreement with Tri-cities Disposal. Great progress has been made and work is underway to finalize the draft agreement for City Council consideration early this summer.

Monterey County Environmental Health Bureau

The May inspection was conducted on 6/1/16 for the Sun Street transfer station. There were no areas of concern, although both the tonnage and vehicle limits were exceeded on a few dates in May. The inspector was pleased that improvements were being done to the Materials Recovery Center because it is a benefit to the community.

Inspections were conducted at the Crazy Horse and Lewis Road landfills on 5/13/16. No violations were observed at either site. There was a concern about the height of the vegetation on top of the Lewis Road landfill. The inspector noted that she would review the regulations to determine if limits are specified.

Monterey County LEA continues to process the application to modify the existing permit at Sun Street transfer station to increase the amount of daily vehicle trips. Public comments will be accepted concerning the increase, and thus far the following findings had been made:

- ☐ Sun Street Transfer Station exceeded the current vehicles per day limit for ten of the last fifteen months.
- ☐ Tonnage exceedance occurred two months during the same period (April 2015 and March 2016).
- ☐ Changes in regional facility operations such as closure of Crazy Horse Landfill and changes in operating hours at Madison Lane are likely contributors to the increase vehicle visits.
- ☐ The 2003 Initial Study/Mitigated Negative Declaration (IS/MND) and the 2005 subsequent MND, anticipated increase activity for daily tonnage and traffic primarily as a response to the closure of Crazy Horse Landfill (2010, ceased operations).
- ☐ The requested change from 296 vehicles per day to 570 vehicles per day is a "nonmaterial" change to the existing permit and would not affect the design or operation of the facility.
- ☐ The application meets the requirements of the California Code of Regulations, Title 27, Section 21570, for a modified permit application.
- ☐ The application is complete and correct.

Future Events

Gonzales:	6/4	Community Wide Yard Sale
	6/12	Recycling and E-waste event at Johnson Canyon Landfill
	6/25	Composting Workshop, Fairview School, 10-11 am
	6/25	and 6/26 Recycling and Clean Up Event, Fairview School
	10/8	and 10/9 Weekend Clean Up Event
Greenfield:	8/28	Dia del Trabajador Agricola
	10/22	Recycling and Clean Up Event
King City:	6/26	Through 7/2 Beautification Week
Monterey	6/4	San Ardo drop off event
County:	7/16	Chualar cleanup event
	7/30	Aromas drop off event
Salinas:	6/25	District 1 Clean Up Event
	8/13	District 5 Clean Up Event
	9/10	District 4 Clean Up Event
	10/22	Citywide Clean Up Events
Soledad:	10/1	Recycling and Clean Up Event



ITEM NO. 4

N/A

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Patrick Mathews, General Manager/CAO

Title: Monterey Bay Community Power Project Updates

RECOMMENDATION

Staff recommends that the Board accept this update report.

STRATEGIC PLAN RELATIONSHIP

Potential development of the Monterey Bay Community Power (MBCP) project would support Goal 3 to “generate new revenues from our closed landfills” by supporting potential new local markets and demand for renewable energy.

FISCAL IMPACT

All MBCP project work is currently funded through grants and outside fund sources. There is no cash contribution from SVR, only dedication of a small amount of the General Manager’s time each month to participate as a member of the Project Development Advisory Committee (PDAC), review consultant work products and assist with member agency presentations and community outreach efforts.

DISCUSSION & ANALYSIS

The Board received a presentation for the MBCP group at it April 21, 2016 meeting. The presentation provided an update to the Board on the outcomes of the due diligence work recently completed and the next steps in the process. The Monterey County Board of Supervisors received a similar presentation on May 3, 2016. This information will be used to assist each jurisdiction in the tri-county region in deciding whether to participate in the formation of a new community based, energy procurement organization.

There were no formal meetings of the PDAC in June as this month started the outreach program and many scheduled workshops and presentations to further the education process in advance of the participation decisions by all jurisdictions in fall 2016.

The first community wide workshop was held at the County of Monterey Board of Supervisors chambers on the morning of May 24, 2016. The next two community workshops were held in the Board of Supervisors chambers for Santa Cruz County and San Benito County on June 9, 2016. All meetings were well attended and many good questions were asked and answered by all the support, technical and PDAC members in attendance. Additional efforts are underway to form two committees with City Managers and Senior Staff to review and finalize the governance and financing recommendations for the future agency.

BACKGROUND

All cities and counties in the tri-county region, along with several regional agencies such as SVR and the Monterey Regional Waste Management District all signed on to participate the Phase I feasibility study to determine the viability of creating a regional entity to pool electric loads and purchase power for resale, also known as Community Choice Energy. These entities may form under State Law, AB 117 (2002) in order to: buy and sell power locally, design power portfolios that further support renewable energy development and demand, and provide more local input over energy supplies for the community.

This project, if implemented, would provide local residents and businesses with another choice in their decision to purchase more renewable and cost competitive green electricity. Community Choice Energy projects such as this are considered by many to be the single most important local action that could significantly reduce greenhouse gas generation and assist local jurisdictions in compliance with AB 32.

ATTACHMENT(S)

1. None



Report to the Board of Directors

ITEM NO. 5

Finance Manager/Controller-Treasurer

General Manager/CAO

Not available

Board President

Date: June 16, 2016
From: Ray Hendricks, Finance Manager
Title: A Resolution Establishing the Investment Policy

RECOMMENDATION

The Executive Committee recommends adoption of the resolution.

STRATEGIC PLAN RELATIONSHIP

The recommended action is routine in nature. However, it does continue to support the previous goal to Develop and Implement a Sustainable Finance Plan by ensuring that the Authority's monies are invested accordance with State law and sound investment practices.

FISCAL IMPACT

Due to the current state of the economy investment returns are still low. Interest earnings are no longer a significant part of the Authority's budget. By becoming a more active, but still conservative, participant in the investment market, the Authority should net modestly higher yields resulting in more revenue for the Authority.

DISCUSSION & ANALYSIS

The investment policy has no changes from the current policy. The Investment Policy allows investment in all investment vehicles permitted by State law. However, in actual practice the funds managed by the Treasurer have historically been invested in the Local Agency Investment Fund (LAIF).

LAIF interest dropped as low as .228% in May 2014. In order to increase returns, staff diversified its investments by investing in collateralized Certificates of Deposit with yields higher than the LAIF rate. Since then, LAIF returns have slowly improved. At the end of April 2016, LAIF was yielding 0.525%. The is higher than the return on the Certificates of Deposits which expire in June 2017. Staff will continue to look for higher yielding investment opportunities that meet the criteria of Safety, Liquidity, and Yield in that order. If investments that meet that criteria are not available, the investments will be added to LAIF.

BACKGROUND

In order to properly handle the Authority's investments, the Board is asked to adopt the attached Investment Policy. California Government Code Section 53646(a) (2) states that the treasurer or chief fiscal officer of a local agency may render annually to the legislative body of the local agency an investment policy, which the legislative body shall consider at a public meeting. State law further requires the Treasurer or Chief Financial Officer to submit detailed information on all securities, investments, and monies of the Authority on a quarterly basis. The next report is due in July 2016.

ATTACHMENT(S)

1. Resolution
2. Investment Policy

RESOLUTION NO. 2016 -

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY ESTABLISHING THE INVESTMENT POLICY

WHEREAS the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5921 and 53630 et seq.; and

WHEREAS the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern and has passed legislation to restrict permissible investments and promote oversight procedures; and

WHEREAS it is necessary to establish the policy and guidelines for the Authority to invest public funds in a manner which will provide a high level of safety and security of principal; and

WHEREAS the Finance Manager/Treasurer of Salinas Valley Solid Waste Authority shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting; and

WHEREAS the Authority's Investment Policy has been developed and presented to this Board on June 16, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Salinas Valley Solid Waste Authority that it does hereby adopt the attached Investment Policy, marked "Exhibit A," and authorizes and directs the Finance Manager/Treasurer to use said Policy in the investment of Authority funds.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at the regular meeting duly held on the 16th day of June 2016 by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Jyl Lutes, President

ATTEST:

Elia Zavala, Clerk of the Board

SALINAS VALLEY SOLID WASTE AUTHORITY

INVESTMENT POLICY

PURPOSE

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process and to organize and formalize investment-related activities. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The ultimate goal is to enhance the economic status of the Authority while protecting its invested cash.

The investment policies and practices of the Salinas Valley Solid Waste Authority are based on state law and prudent money management. All funds will be invested in accordance with the Authority's Investment Policy and the authority governing investments for local governments as set forth in the California Government Code, Sections 53601 through 53686. The provisions of relevant bond documents restrict the investments of bond proceeds.

OBJECTIVE

The Authority has a fiduciary responsibility to maximize the productive use of all the assets entrusted to its care and to invest and wisely and prudently manage those public funds. As such, the Authority shall strive to maintain the level of investment of all idle funds as near 100% as possible through daily and projected cash flow determinations, investing in those investment vehicles deemed prudent and allowable under current legislation of the State of California and the ordinances and resolutions of of the Salinas Valley Solid Waste Authority.

SCOPE

It is intended that this policy cover all funds and investment activities of the Salinas Valley Solid Waste Authority. This investment policy applies to all Authority transactions involving the financial assets and related activity of all funds. Any additional funds that may be created from time to time shall also be administered with the provisions of this policy and comply with current State Government Code.

The Authority will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

AUTHORIZATION

The Board of Directors has delegated investment authority to the Finance Manager/Treasurer. This delegation is further authorized by Section 53600, et seq. of the Government Code of the State of California, which specifies the various permissible investment vehicles, collateralization levels, portfolio limits, and reporting requirements.

GUIDELINES

Government Code Section 53600.5 states: “When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objective of the trustee shall be to safeguard the principal of funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.”

Simply stated, *safety of principal* is the foremost objective, followed by *liquidity* and *return on investment* (known as yield). Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from market erosion or security defaults.

1. Government Code Section 53601 authorizes the following investment vehicles:

<u>Permitted Investments/Deposits</u>	<u>Maximum Percentages of Portfolio</u>	<u>Maximum Maturity</u>	<u>Minimum Quality Requirements</u>
U.S. Treasury Obligations	Unlimited	5 Years*	None
U.S. Agencies Obligations ^(g)	Unlimited	5 Years*	None
Certificates of Deposit	Unlimited	5 Years*	None
Negotiable Certificates	30%	5 Years*	None
Bankers Acceptances	40% ^b	180 Days	None
Commercial Paper	25% ^c	270 Days	A-1/P-1/F-1
L.A.I.F.	40 Million ^a	N/A	None
CalTRUST Investment Pool ^(h)	Unlimited	N/A	None
Repurchase Agreements	Unlimited	1 Year	None
Reverse Repurchase Agreements	20%	92 Days	None
Mutual Funds and Money Market			
Mutual Funds	20%	n/a	Multiple ^{d, e}
Medium Term Notes ^f	30%	5 Years*	“A” rating

*Maximum term unless expressly authorized by Governing Body and within the prescribed time frame for said approval

(a) Limit set by LAIF Governing Board, not the Government Code.

(b) No more than 30 percent of the agency’s money may be in Bankers’ Acceptances of any one commercial bank.

(c) 10 percent of the outstanding commercial paper of any single corporate issuer.

(d) A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years experience investing in instruments authorized by Government Code sections 53601 and 53635.

(e) A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years experience

investing in money market instruments with assets under management in excess of \$500 million.

(f) "Medium-term notes" are defined in Government Code Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating with the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S."

(g) Includes U.S. Government Sponsored Enterprise Obligations

(h) Investment Trust of California dba CalTRUST

2. Criteria for selecting investments, and the order of priority, are:

A) Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. Investments of the Salinas Valley Solid Waste Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The Authority only invests in those instruments that are considered very safe.

B) Liquidity. This refers to the ability to "cash in" at any moment with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the unexpected need for funds occurs. The Salinas Valley Solid Waste Authority investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements, which might be reasonably anticipated. It is the Authority's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

C) Yield. Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return. The Salinas Valley Solid Waste Authority investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Authority's investment risk constraints and the cash flow characteristics of the portfolio.

3. An amount of money deemed sufficient to meet one payroll and two weeks claims shall be maintained in highly liquid investment vehicles such as the State Local Agency Investment Fund, or other similar investment instrument
4. The Authority will attempt to obtain the highest yield obtainable when selecting investments, provided that criteria for safety and liquidity are met. Ordinarily, through a positive yield curve, (i.e., longer term investment rates are higher than those of shorter maturities), the Authority attempts to ladder its maturities to meet anticipated cash maturities that carry a higher rate than is available in the extremely short market of 30 days or less.
5. Most investments are highly liquid, with the exception of certificates of deposit held by banks and savings and loans. Investments in Certificate of Deposit shall be fully insured or collateralized. When insurance is pledged, it shall be through the FDIC. Collateralization shall be in the amount of 110% of principal when government securities are pledged or 150% of principal when backed

by first deeds of trust. Maturities are selected to anticipate cash needs, thereby obviating the need for forced liquidation.

6. When investing in Bankers Acceptances, Treasury Bills and Notes, Government Agency Securities and Commercial Paper, securities for these investments shall be conducted on a delivery-versus-payment basis. Securities are held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts when such delivery directly to the Authority would be impractical.
7. With the exception of Treasury Notes and other government Agency Issues, the maturity of any given investment shall not exceed 1 year.
8. Bond Proceeds shall include any notes, bonds or other instruments issued on behalf of the Salinas Valley Solid Waste Authority for which the members of the Board of Directors serve as the governing body. Should the Salinas Valley Solid Waste Authority elect to issue bonds for any purpose, the Indenture of Trust shall be the governing document specifying allowable investments for the proceeds of the issue as prescribed by law.
9. Investment income shall be shared by all funds on a proportionate ratio of each funds balance to total pooled cash with investment income distributed accordingly on a quarterly basis.
10. Investments in any other vehicle like Repurchase and Reverse Repurchase Agreements shall not be authorized unless the investment is made through the pooled money portfolio of the Local Agency Investment Fund.
11. The Treasurer shall annually render to the Board of Directors for consideration at a public meeting, a statement of investment policy. The Treasurer will also render an investment report to the Board of Directors within 30 days following the end of each calendar quarter. The monthly report shall include type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and monies held by the Salinas Valley Solid Waste Authority. The report shall state compliance with the investment policy or manner in which the portfolio is not in compliance. It shall also include a statement denoting the ability to meet the Authority's expenditure requirement for the next six months or provide an explanation as to why sufficient money shall, or may, not be available.
12. Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the Salinas Valley Solid Waste Authority Investment Policy and supersede any and all previous language.
13. Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or that could impair their ability to make impartial decisions.

The basic premises underlying the Authority's investment philosophy are, and will continue to be, to safeguard principal, to meet the liquidity needs of the organization and to return an acceptable yield.

June 16, 2016



Report to the Board of Directors

ITEM NO. 6

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Ray Hendricks, Finance Manager

Title: A Resolution Approving a Professional Services Agreement with CH2M HILL Engineers, Inc. for a Long-range Financial Model and Supplemental Appropriations in the Amount of \$65,000

RECOMMENDATION

Staff recommends that the Board adopt the resolution.

STRATEGIC PLAN RELATIONSHIP

The recommended action partially completes Objective No. 2, "Complete the RFP process and select vendors for the Long-Range Financial Study and Economic Impacts/Benefits Study for all selected CEQA project scenarios" under Goal B.

FISCAL IMPACT

This item was not included in the budget. In order to complete this work, additional appropriations in the amount of \$65,000 are needed from the expansion fund.

In order to allow for flexibility for changes to the scope of work, this project will be completed on a time and materials basis. Initial estimates for the scope of work is \$56,055. In addition to the consultant's time, staff time is also required to gather the information required to complete the study. A small contingency has been included in the requested budget amount.

DISCUSSION & ANALYSIS

The proposed financial study, together with the Environmental Impact Report of the Long-Term Facility Needs and Global OrganicS Energy Clean Fiber Organics Recovery System Project approved on November 19, 2015, and the Economic Impact Study to be approved at a later date, will provide the Board with the information necessary to make decisions on the long-term path of SVR.

BACKGROUND

In 2005, the Board of Directors set the goal to divert 75% of landfill waste from the waste stream by 2015. The State of California has since adopted a similar diversion goal of 75% diversion from landfills by 2020 as enacted by AB 341 in 2011.

At the July 30, 2015 retreat, SVR Board of Directors directed staff to prepare a Request for Proposals (RFP) for long range Financial Modeling of all the approved project options currently under environmental review. The RFP documents were approved by the Board at the December 17, 2015 Board Meeting. At the February 29, 2016 retreat,

SVR Board of Directors directed staff to release the RFP and select a vendor to complete the work. Staff received one proposal from CH2M Hill Engineers on April 28, 2016.

ATTACHMENT(S)

1. Resolution
2. Exhibit A – Professional Service Agreement
3. Exhibit B – Scope of Work
4. Exhibit C – Fee Schedule

RESOLUTION NO. 2016 -

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY APPROVING
A PROFESSIONAL SERVICES AGREEMENT WITH CH2M HILL ENGINEERS, INC. FOR A
LONG-RANGE FINANCIAL MODEL AND
SUPPLEMENTAL APPROPRIATIONS IN THE AMOUNT OF \$65,000**

WHEREAS, at the July 30, 2015, Board of Directors retreat, the Board directed staff to present a scope of work to select a consultant to prepare a long range financial model for each of the scenarios selected to be studied under the California Environmental Quality Act (CEQA) for the Long Term Facility Needs (LTFN) Environmental Impact Report (EIR), and that the financial model be done in conjunction with the Environmental Impact Report process; and,

WHEREAS, at the December 17, 2015, meeting the Board adopted Resolution No. 2015-35 Authorizing the Release of a Request for Proposals for a Long-Range Financial Model and Customer Rate Projections Study; and,

WHEREAS, at the February 29, 2016, Board of Directors retreat, the Board directed staff to complete the Request for Proposals process and select vendors for the Long-range Financial Report and Economic Impact/Benefit Study on all selected LTFN project scenarios; and,

WHEREAS, on April 28, 2016, staff received a proposal from CH2M Hill Engineers, Inc. for a Long-Range Financial Model; and,

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to execute a Professional Services Agreement with CH2M HILL Engineers, Inc. for a Long-Range Financial Model as attached hereto and marked "Exhibit A,"; and,

BE IT FURTHER RESOLVED, that supplemental appropriations in the amount of \$65,000 from the expansion fund are hereby approved.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at its regular meeting duly held on the 16th day of June 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ATTEST: _____
Ella Zavala, Clerk of the Board

Jyl Lutes, President

EXHIBIT A



AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN SALINAS VALLEY SOLID WASTE AUTHORITY AND CH2M Hill Engineers, Inc.

TO PROVIDE A LONG-RANGE FINANCIAL MODEL AND CUSTOMER RATE PROJECTIONS FOR SALINAS VALLEY SOLID WASTE AUTHORITY SERVICES

This agreement, made and entered into this 16th day of June 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 CH2M Hill Engineers, Inc. (hereinafter "Consultant").

WHEREAS, Consultant represents that it is specially trained, experienced, and competent to perform the special services which will be required by this agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions,

NOW, THEREFORE, Consultant and Authority agree as follows:

1. Scope of Service

The project contemplated and the Consultant's services are described in Exhibit "B," attached hereto and incorporated herein by reference.

2. Completion Schedule

Consultant shall complete the consulting services described in Exhibit "B" by June 30, 2017.

3. Compensation

Authority hereby agrees to pay Consultant for services rendered to Authority pursuant to this agreement in an amount not to exceed the amount indicated in the payment schedule in, and in the manner indicated and in accordance with, Exhibit "C."

All wage scales shall be in accordance with applicable determinations made by the Director of the Department of Industrial Relations of the State of California, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with Section 1771. In accordance with Section 1773.2 of said Labor Code, copies of the aforesaid determinations of the Director of the Department of Industrial Relations are to be on file at the Consultant's principal office. It shall be mandatory for any Contractor or Consultant to whom a contract is awarded to pay not less than the applicable prevailing wage rate to all workers employed for the execution of the Contract.

4. Billing

Consultant shall submit to Authority an itemized invoice, prepared in a form satisfactory to Authority, describing its services and costs for the period covered by the invoice. Except as specifically authorized by Authority, Consultant shall not bill Authority for duplicate services performed by more than one person. Consultant's bills shall include the following information to which such services or costs pertain:

- A. Brief description of services performed;
- B. The date the services were performed;
- C. The number of hours spent and by whom;
- D. A brief description of any costs incurred;
- E. The Consultant's signature; and
- F. Reference to Authority's Purchase Order Number

In no event shall Consultant submit any billing for an amount in excess of the maximum amount of compensation provided in Section 3, unless authorized pursuant to Section 5 herein.

All such invoices shall be in full accord with any and all applicable provisions of this agreement.

Authority shall make payment for all undisputed portions on each such invoice within forty-five (45) days of receipt, provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this agreement, Authority shall not be obligated to process any payment for disputed portions of invoice to Consultant until forty-five (45) days after a correct and complying invoice has been submitted by Consultant.

5. Additional Services

It is understood by Authority and Consultant that it may be necessary, in connection with the project, for Consultant to perform or secure the performance of consulting and related services other than those set forth in Exhibit "B." Authority has listed those additional consulting services that could be anticipated at the time of the execution of the agreement as shown in Exhibit "B." If said additional services are requested by the Authority, Consultant shall advise Authority in writing of the need for additional services, and the cost of and estimated time to perform the services. Consultant shall not proceed to perform any such additional service until Authority has determined that such service is beyond the scope of the basic services to be provided by the Consultant, is required, and has given its written authorization to perform. Written approval for performance and compensation for additional services may be granted by the Authority's Chief Administrative Officer.

Except as hereinabove stated, any additional service not shown on Exhibit "B" shall require an amendment to this agreement and shall be subject to all of the provisions of this agreement.

6. Additional Copies

If Authority requires additional copies of reports, or any other material which Consultant is required to furnish in limited quantities as part of the services under this agreement, Consultant shall provide such additional copies as are requested, and Authority shall compensate Consultant for the actual costs of duplicating such copies.

7. Responsibility of Consultant

- A. By executing this agreement, Consultant agrees that Consultant is apprised of the scope of work to be performed under this agreement and Consultant agrees that said work can and shall be performed in a competent manner. By executing this agreement, Consultant further agrees that the Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the Authority the services contemplated under this agreement and that Authority relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees that Consultant shall follow the current, generally accepted professional standard of care to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the project for which the services are rendered under this agreement. Consultant shall have the right to reasonably rely on all information provided by Authority without independent verification.
- B. Consultant shall assign a single project director to have overall responsibility for the execution of this agreement for Consultant. Kevin McCarthy is hereby designated as the project director for Consultant. Any changes in the Project Director designee shall be subject to the prior written acceptance and approval of the Authority's General Manager or designated representative.
- C. Recent changes in State law expand the definitions of work, including testing and survey work, for which prevailing wages may need to be paid on construction projects paid for with public funds. It is the Consultant's responsibility to inform itself of, and to comply at its sole expense with, all State law requirements governing the payment of prevailing wages.

8. Responsibility of Authority

To the extent appropriate to the project contemplated by this agreement, Authority shall:

- A. Assist Consultant by placing at his disposal all available information pertinent to the project, including but not limited to, previous reports, and any other data relative to the project. Nothing contained herein shall obligate Authority to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of Authority.
- B. Make provisions for Consultant to enter upon public and private property as required by Consultant to perform his services.
- C. Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- D. The Chief Administrative Officer or authorized designee shall act as Authority's

representative with respect to the work to be performed under this agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret, and define Authority's policies and decisions with respect to the materials, equipment, elements, and systems pertinent to Consultant's services. Authority may unilaterally change its representative upon notice to the Consultant.

- E. Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any defect in the project.
- F. Furnish approvals and permits from all governmental authorities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the project.

9. Acceptance of Work Not a Release

Acceptance by the Authority of the work performed under this agreement does not operate as a release of Consultant from professional responsibility for the work performed.

10. Indemnification and Hold Harmless

Contractor shall indemnify and hold harmless and defend Authority, its directors, officers, employees, or authorized volunteers, and each of them from and against:

- A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including the Authority and/or Contractor, or any directors, officers, employees, or authorized volunteers of the Authority or Contractor, and damages to or destruction of property of any person, including but not limited to, the Authority and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, to the extent caused by the negligence, recklessness and willful misconduct of the Consultant, its employees or subcontractors, and except the negligence or willful misconduct or active negligence of the Authority or its directors, officers, employees, or authorized volunteers;.
- B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor;
- C. Any and all losses, expenses, damages (including damages to the work itself), reimbursement of reasonable attorneys' fees, and other costs, which any of them may incur to the extent caused by the negligent failure of Contractor to faithfully perform the work and all of the Contractor's obligations under the Contract.

With regard to any claim alleging Contractor's negligent performance of professional services, Contractor's defense obligation under this indemnity paragraph means only the reimbursement of reasonable defense costs to the proportionate extent of its actual indemnity obligation hereunder.

Contractor shall pay and satisfy any judgment, award, or decree that may be rendered against the Authority or its directors, officers, employees, or authorized volunteers, in any such suit, action or other legal proceeding that relates to indemnified acts to the extent of Contractor's responsibility therefor, and to the extent they are not covered by Contractor's insurance.

11. Insurance

A. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

B. Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 or equivalent form covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 aggregate.
2. Automobile Liability: Insurance Services Office Form Number CA 0001 or equivalent form covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate per project site.

C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The Authority, its officers, officials, employees, and volunteers are to be covered as additional insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the Consultant's insurance coverage (except professional liability) shall be primary insurance as respects the Authority, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Authority, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it. Any available insurance proceeds in excess of the specified minimum limits and coverage shall be available to the Authority and its indemnified parties. All policies referenced herein shall include primary and non-contributory coverage in favor of SVSWA, either within the policy form or via endorsement."

Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the Authority. All insurance companies affording coverage shall issue an endorsement to their policy, committing them to provide thirty (30) days written notice by mail to the Salinas Valley Solid Waste Authority should the policy be canceled before the expiration date, or ten (10) days for cancellation for non-payment of premium. .

Waiver of Subrogation

Consultant hereby grants to Authority a waiver of any right to subrogation which any insurer of said Consultant (except the professional liability insurer) may acquire against the Authority by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the Authority has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Consultant shall be solely responsible for any and all deductibles and self-insured retentions.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VI, unless otherwise acceptable to the Authority.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Verification of Coverage

Consultant shall furnish the Authority with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. A statement on the insurance certificate which states that the insurance company will endeavor to notify the certificate holder, "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives" does not satisfy the requirements of herein. The Consultant shall ensure that the above-quoted language is stricken from the certificate by the authorized representative of the insurance company. The insurance certificate shall also state the limits of coverage required hereunder.

Consultant shall provide substitute certificate of insurance no later than ten (10) days after to the policy expiration date. Failure by the Consultant to provide such a

substitution and extend the policy expiration date shall be considered default by Consultant.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Maintenance of insurance by the Consultant as specified in the agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatever and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.

The insurer (except the professional liability carrier) shall waive all rights of subrogation against the Authority, its directors, officers, employees, or authorized volunteers.

12. Access to Records

Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for Authority under this agreement on file for at least three (3) years following the date of final payment to Consultant by Authority. Any duly authorized representative(s) of Authority shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities to Authority's representative(s) for such access and inspection.

13. Assignment

It is recognized by the parties hereto that a substantial inducement to Authority for entering into this agreement was, and is, the professional reputation and competence of Consultant. This agreement is personal to Consultant and shall not be assigned by it without the prior express written approval of Authority. If the Consultant is a corporation or other business entity, a change of control (meaning a transfer of more than 20% of the voting stock or equity interest in the entity) shall constitute an assignment requiring the Authority's prior consent.

Authority may assign this agreement, and its assignee shall have all of the rights, and be subject to all of the obligations, of Authority hereunder, and whenever an officer of Authority is referred to in this agreement, then the representative of the assignor exercising similar duties shall be deemed to be the person referred to.

14. Changes to Scope of Work

Authority may at any time and, upon a minimum of ten (10) days written notice, seek to modify the scope of basic services to be provided under this agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify Authority in writing. The rate of compensation shall be based upon the hourly rates shown in Exhibit "C" of this agreement. Upon agreement between Authority and Consultant as to the extent of said impacts to time and compensation, an amendment to this agreement shall be prepared describing such changes.

Execution of the amendment by Authority and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

15. Compliance with Laws, Rules, and Regulations

Services performed by Consultant pursuant to this agreement shall be performed in accordance and full compliance with all applicable federal, state, and local laws and any rules or regulations promulgated thereunder.

16. Licenses

If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its employees, agents, or subcontractors by federal or state law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

17. Fiscal Considerations

The parties to this Agreement recognize and acknowledge that Authority is a political subdivision of the entities which it represents. As such, Authority is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of Authority business, Authority will adopt a proposed budget for a given fiscal year.

In addition to the above, should the Authority during the course of a given year for financial reasons reduce, or order a reduction, in the budget for which services were agreed to be performed, pursuant to this paragraph in the sole discretion of the Authority, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

18. Interest of Public Official

No official or employee of Authority who exercises any functions or responsibilities in review or approval of services to be provided by Consultant under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of Authority have any interest, direct or indirect, in this Agreement or the proceeds thereof.

19. Withholding (Form 730)

In accordance with changes in Internal Revenue Law, OASDI (Old Age, Survivors, & Disability Insurance) and income taxes may be withheld from any payments made to Consultant under the terms of this Agreement if Consultant is determined by the Authority not to be an independent contractor.

20. California Residency (Form 590)

All independent Consultants providing services to the Authority must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Consultant will be required to submit a Form 590 prior to execution of this agreement or Authority shall withhold seven (7) percent of each payment made to the Consultant during the term of this agreement. This requirement applies to any agreement/contract exceeding \$600.00.

21. Tax Payer Identification Number (Form W-9)

All independent Consultants or Corporations providing services to the Authority must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

22. Independent Contractor

It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this agreement, is an independent contractor and not an employee of the Authority. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee, agent, or servant of the Authority.

23. Exhibits Incorporated

All exhibits referred to in this agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of the agreement and any of the terms of any exhibit to the agreement, the terms of the agreement shall control the respective duties and liabilities of the parties.

24. Integration and Amendment

This agreement represents the entire understanding of Authority and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to those matters covered in it. This agreement may not be modified or altered except by amendment in writing signed by both parties.

25. Jurisdiction

This agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this agreement shall be in the State of California in the County of Monterey.

26. Severability

If any part of this agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void in so far as it is in conflict with said laws, but the remainder of the agreement shall continue to be in full force and effect.

27. Notice to Proceed; Progress; Completion

Upon execution of this agreement by both parties, Authority shall give Consultant written notice to proceed with this work. Such notice may authorize Consultant to render all of the services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, Authority shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Consultant shall diligently proceed with the work authorized and complete it within the agreed time period specified in said notice.

28. Ownership of Documents

Title to all documents, drawings, specifications, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials with respect to work performed under this agreement shall vest with Authority at such time as Authority has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which they were prepared. Authority agrees to hold harmless and indemnify the Consultant against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Consultant.

29. Subcontractors

Consultant shall be entitled, to the extent determined appropriate by Consultant, to subcontract any portion of the work to be performed under this agreement. Consultant shall be responsible to Authority for the actions of persons and firms performing subcontract work. The subcontracting of work by Consultant shall not relieve Consultant, in any manner, of the obligations and requirements imposed upon Consultant by this agreement. All subcontractors shall comply with the insurance requirements in Section 11 as if they were the Consultant.

30. Dispute Resolution

A. MEDIATION

In the event of any dispute, claim, or controversy among the parties arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, the parties shall submit the dispute to the Judicial Arbitration and Mediation Service (JAMS) for non-binding mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals, and in promptly scheduling the mediation proceedings. The mediation shall take place in Salinas, California. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are and shall be, confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within 30 days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), either party may submit the dispute, claim or controversy to binding arbitration as provided in this Agreement, or litigation, as the parties agree. The mediation may continue, if the parties so agree, after the appointment of the arbitrators. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The pendency of a mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

B. ARBITRATION

Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by binding arbitration in Salinas, California before three arbitrators. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration

Rules and Procedures. The provisions of California Code of Civil Procedure, section 1283.05, as well as any amendments or revisions thereto, are incorporated into this agreement. Depositions may be taken and discovery may be obtained in any arbitration under this agreement in accordance with said statute or any amendment thereto. Judgment on the arbitrator's award may be entered in any court having jurisdiction. This clause shall not preclude any of the parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. This arbitration clause is subject to the limitation in subsection C below.

C. CLAIMS AGAINST THE AUTHORITY; STATUTE OF LIMITATIONS

Any claims for relief against the Authority shall be subject to the claims requirements of Government Code Section 905 *et seq.* and the Authority's Ordinance Code Article 3.04 and must be submitted to arbitration or litigation within the applicable statutes of limitations governing civil actions in California, or will otherwise be barred. The arbitrators shall be without jurisdiction to hear or determine claims barred by the statute of limitations. This provision shall be enforced by the Superior Court of Monterey County or any other court of competent jurisdiction.

31. Termination

A. In the event that it is determined by the Authority to terminate this agreement, the Authority:

1. Shall give Consultant written notice that in the Authority's opinion the conduct of the Consultant is such that the interests of the Authority may be impaired or prejudiced, or
2. Upon written notice to Consultant, may for any reason whatsoever, terminate this agreement.

B. Upon termination, Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon hourly rates shown in Exhibit "C," except that:

1. In the event of termination by the Authority for Consultant's default, Authority shall deduct from the amount due Consultant the total amount of additional expenses incurred by Authority as a result of such default. Such deduction from amounts due Consultant are made to compensate Authority for its actual additional cost incurred in securing satisfactory performance of the terms of this agreement, including but not limited to, costs of engaging other consultants for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay Authority the full amount of such expense, but only to the extent caused by its negligence. In the event that this agreement is terminated by Authority for any reason, Consultant shall:
 - (a) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by Authority; and
 - (b) Deliver to Authority all documents, data, reports, summaries, correspondence, photographs, computer software, video, and audiotapes, and any other materials provided to Consultant or prepared by or for Consultant or the Authority in connection with this agreement. Such material is to be delivered to Authority whether in completed form or in process;

however, notwithstanding the provisions of Section 23 herein, Authority may condition payment for services rendered to the date of termination upon Consultant's delivery to the Authority of such material.

- C. In the event that this agreement is terminated by Authority for any reason, Authority is hereby expressly permitted to assume this project and complete it by any means, including but not limited to, an agreement with another party.
- D. The rights and remedy of the Authority provided by under this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this agreement.
- E. Consultant may terminate this Agreement upon 30 days notice in the event of non-payment or other material breach by Authority.

32. Audit and Examination of Accounts

- A. Consultant shall keep and will cause any assignee or subcontractor under this agreement to keep accurate books of record in account, in accordance with sound accounting principles, which records pertain to services to be performed under this agreement.
- B. Any audit conducted of books and records and accounts shall be in accordance with generally accepted professional standards and guidelines for auditing.
- C. Consultant hereby agrees to disclose and make available any and all information, reports, or books of records or accounts pertaining to this agreement to Authority and any local, State or Federal government that provides support funding for this project.
- D. Consultant hereby agrees to include the requirements of subsection (B) above in any and all contracts with assignees or consultants under his agreement.
- E. All records provided for in this section are to be maintained and made available throughout the performance of this agreement and for a period of not less than three (3) years after full completion of services hereunder, except that any and all such records which pertain to actual disputes, litigation, appeals, or claims shall be maintained and made available for a period of not less than three (3) years after final resolution of such disputes, litigation, appeals, or claims.

33. Extent of Agreement

This agreement represents the entire integrated agreement between Authority and Consultant and supersedes all prior negotiations, representations, understandings, or agreements between the parties either written or oral.

34. Notices

- A. Written notices to the Authority hereunder shall, until further notice by Authority, be addressed to:

Salinas Valley Solid Waste Authority
Attn: Mr. R. Patrick Mathews,
General Manager/CAO
128 Sun Street, Suite 101
Salinas, CA 93901

- B. Written notices to the Consultant shall, until further notice by the Consultant, be addressed to:

CH2M Hill Engineers, Inc.
Attn: Mr. Kevin McCarthy
1737 N. First Street, Suite 300
San Jose, CA 95112

- C. The execution of any such notices by the Chief Administrative Officer or Assistant General Manager representative of the Authority shall be effective as to Consultant as if it were by resolution or order of the Authority Board, and Consultant shall not question the authority of the Chief Administrative Officer or Assistant General Manager to execute any such notice.
- D. All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

35. Nondiscrimination

During the performance of this agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability.

36. Conflict of Interest

Consultant warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this agreement a violation of any applicable state, local, or federal law. Consultant further declares that, in the performance of this agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify Authority of the existence of such conflict of interest so that Authority may determine whether to terminate this agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code section 81000 *et seq.*) that apply to Consultant as the result of Consultant's performance of the work or services pursuant to the terms of this agreement.

37. Headings

The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this agreement.

38. Multiple Copies of Agreement

Multiple copies of this agreement may be executed but the parties agree that the agreement on file in the office of the Clerk of the Authority Board is the version of the agreement that shall take precedence should any differences exist among counterparts of the documents.

IN WITNESS THEREOF, the parties hereto have made and executed this Agreement on the date first above written.

SALINAS VALLEY SOLID WASTE AUTHORITY:

APPROVED AS TO FORM:

R. Patrick Mathews
General Manager/CAO

Thomas M. Bruen
Authority General Counsel

ATTEST:

Elia Zavala
Clerk of the Board

CONSULTANT: CH2M Hill Engineers, Inc.

Signature

Printed Name

Title

Attachments:

Exhibit B Scope of Services
Exhibit C Fee Schedule

3. Project Understanding and Approach

Project Understanding and Approach

The CH2M team offers experienced and committed staff who have expertise in strategic planning and decision analysis, municipal budgeting and finance, municipal solid waste rate setting and analysis, long-term financial planning and forecasting, economic evaluation, and technical analysis.

CH2M will work closely with SVSWA staff and its EIR consultant and other technical consultants to clearly understand the five operational scenarios and associated data and financial information to be provided for making 20-year financial projections. **Critical assumptions to be used for data gathering and development of the financial model and projections are detailed under the work plan tasks below.**

Quality Control and Assurance

CH2M has established internal policies to guide consistent application of project and quality management processes. The starting point is development of a specific Project Management Plan (PMP). The PMP documents and communicates to the entire project team information, including: a description of project tasks; client contact information; document control; quality assurance plan and quality control procedures; project tracking procedures; scheduling; and project communication plan for interacting with the internal project team, the client, and key stakeholders.

Proposed Work Plan

Our project manager, **Kevin McCarthy**, will be the primary point of contact for this project and will utilize his 9 years of experience as an Executive Director of a solid waste authority to partner with SVSWA's Executive Director and Finance Director to ensure delivery of a successful project. He will ensure there is a clear understanding of project goals and expectations and the project is executed in a timely manner.

Periodic in-person and phone meetings will be held throughout the project term to make sure project goals and expectations continue to be met. Close coordination with the EIR consultant is critical so that we can adequately map out the project deliverables; the timing and quality of information derived from the concurrent EIR preparation is critical to the project success. CH2M will be relying on SVSWA and its EIR consultant for all operational cost information for each of the five project scenarios along with the most recent budget information and Member Agency collection rate information (e.g., annual rate revenue, rate adjustment methodology, pass-through costs, etc.).

Task 1. Project Kick-off Meeting

A project kick-off meeting will be held to: ensure project goals and expectations are clearly captured and understood; refine the project schedule, given then current information on the EIR preparation and availability of operational and capital cost projections for the five scenarios; define communication protocols and preferences; and review adopted budget and Member Agency rate information to be provided by SVSWA. SVSWA shall also communicate specific assumptions to be used in the 20-year forecasts such as CIP projects (excluding the five project scenarios), and projected unfunded state mandates.

Timeframe: July 2016 (or sooner depending upon contract approval date).

CH2M Resources: Kevin McCarthy and Dan Pitzler will attend the meeting in person with Lyndsey Lopez available via teleconference



CH2M HILL ENGINEERS, INC. • COMPANY PROPRIETARY

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Authority Staff Resource Allocation: The SVSWA Executive Director and Finance Director should attend this meeting and other agreed-upon future formal project meetings, along with key consultant staff involved with the EIR preparation

Critical Assumptions: SVSWA will make available at this meeting in hard copy and electronic format all relevant budget information (i.e., adopted FY1617 operating budget and approved rates and fees), including supporting tonnage/customer/unit/service/royalty/earnings/ forecasts, projected cost, fee, and revenue increases. Additional data needs will be discussed, and CH2M will outline a conceptual diagram of the financial model. The project meeting will also be the forum for establishing clear expectations on the project cost estimates and related operational assumption information to be provided by the SVSWA and its EIR consultant to CH2M.

Task 2. Data Collection and Analysis

Our team has performed numerous solid waste assessments that have involved modeling the effect of system changes to capital and operating budgets. These assessments range from feedstock quantity estimates to tonnage and financial projections for proposed processing facilities to collection rate design. CH2M's project manager also has extensive hands-on facility operations experience. Thus, our team members are keenly aware of the type and quality of operational data and assumptions that need to be provided by SVSWA and its EIR consultant so 20-year financial projections can be performed efficiently and accurately with sufficient time and budget for completing a sensitivity analysis of such projections.

In order to ensure efficiency in our analysis methods, it is assumed that SVSWA will provide an electronic version of its adopted budget, and other factors that will be important for projecting long-term operating costs and revenues such as:

- Current and long-term forecast tons of solid waste, recycling, and yard waste delivered by receiving facility, plus forecast future food waste recovery
- Current and long-term forecasts of units, franchise fees, other fees, customers, royalties and other revenue sources not charged for on a per-ton basis
- Relevant contract escalation factors for all contracts that affect the operating budget by year or by method (i.e., CPI) for as many future years as available

Our budgeted hours for this task allow for minimal review of the actual data provided by the EIR consultant. Stated another way, CH2M is not budgeting for original research or technical analysis of the five project scenarios. CH2M will review the data sufficient to assess whether the data seems to reflect reasonable operational and capital assumptions and identify data that may be considered out of range, but any adjustments to the data will be outside the scope of this project.

Timeframe: July to September 2016; subject to change based on any changes in the EIR preparation schedule

CH2M Resources: Lyndsey Lopez and Kevin McCarthy will be the primary resources for data collection and analysis tasks, including gathering data from the EIR consultant and SVSWA

Authority Staff Resource Allocation: The SVSWA Executive Director and Finance Director will be required to provide requested budget information and Member Agency rate information as required for the project. Because these data are known to SVSWA and not CH2M, it's not possible for us determine SVSWA staff time for this effort. CH2M will endeavour to efficiently manage any questions we have regarding the data and schedule short duration phone calls to review and address any data gaps or clarifying questions regarding the data.

Critical Assumptions: For completion of this task, CH2M assumes that SVSWA will have made available at the project kick-off meeting or soon thereafter (i.e., within 30 days) all relevant budget information (i.e., adopted FY1617 budget and approved rates and fees), and information necessary to project long-term revenues and costs for the 20-year financial projections. CH2M also assumes that the EIR consultant will have provided, as agreed to at the project kick-off meeting, all relevant operational cost information and key assumptions to support cost estimates.

Task 3. Financial Model Development and Forecasting

Our team has performed a variety of financial and capacity modeling projects that have assisted clients with option evaluation and system optimization, including rate analysis. We have experience developing and using advanced modeling tools to aid in this analysis.

Dan Pitzler recently utilized these techniques on the *City of Calgary Solid Waste Collection Services Review and Recyclables Transfer Efficiency Study* project and on the *City of Los Angeles Solid Waste Franchise System* project. For the City of Calgary, Dan developed analyzed the City's operating budget and developed a model that allowed the testing of various scenarios for fleet, maintenance, labor, and shared service costs for blue and black carts across the three residential districts with and without a proposed new recyclables transfer station at various locations within the city.

For the City of Los Angeles, Dan developed a rate evaluation model for one of the largest solid waste solicitations ever attempted. The rate model enable proposers to provide cost of service proposals for solid waste, recycling, and organics service for 11 franchise zones and 4 possible combinations of franchise zones. The model also facilitates development of bundled and uniform rates across the program, utilizing 10,000 data points.

Based on data obtained in Task 2, CH2M will develop model requirements and sketch of the model requirements. This information will be submitted to the SVSWA, and used as the basis for a meeting at which the Authority and CH2M will finalize data inputs and the model requirements and structure.

The model will capture cost information about each scenario which will be analysed and summarized by year over a 20-year period. The calculations will be performed using a custom-built financial model that builds on similar concepts CH2M has used such as those Dan Pitzler built recently for the cities of Los Angeles and Calgary. The model will be structured with an inputs tab that will include 20-year forecasts for key parameters, and tabs for revenues, expenses, and a summary.

Timeframe: October 2016 to February 2017; subject to change based on any changes in the EIR preparation schedule

CH2M Resources: Dan Pitzler will develop the model requirements and structure, Alex Shannon will build the model, and review will be provided by Dan and Kevin McCarthy. A meeting will be held with key SVSWA staff with attendance by Dan Pitzler and Kevin McCarthy with Alex Shannon attending by phone to review a draft of the model.

Authority Staff Resource Allocation: SVSWA staff will be asked to review model requirements and the proposed model structure, and to provide all assumptions to be used to complete 20-year budget projections (operating revenues (with forecast quantities and known growth rates), financial constraints (e.g., debt service coverage ratios), operating expenses, capital improvements and disposal fees and rates) for the five project scenarios.

Critical Assumptions: SVSWA will provide in hard copy and electronic format all relevant budget information (as noted above). The Authority and/or its EIR consultant will also provide operational cost information (i.e., operating revenues if applicable such as commodity revenues, or any other revenues generated from proposed operations; operating expenses; and capital costs) for each project scenario. Such information should be provided in a format consistent with the detail provided in SVSWA's



adopted FY1617 operating budget (i.e., program budget and major category line item detail). All cost information should be associated with projected tonnage so cost/ton figures can be developed and used in forecasting of future disposal and processing costs for the five project scenarios.

Task 4. Final Report

CH2M will present the results of the analysis in a draft report, and will attend a meeting to discuss SVSWA comments on the draft. After incorporating Authority comments, CH2M will prepare a final report. It is assumed that CH2M will present the results of the study at one public forum (as selected by the Authority) utilizing a PowerPoint presentation.

Timeframe: October 2016 to February 2017; final tool delivered to SVSWA in March 2017

CH2M Resources: Dan Pitzler will be responsible for delivery of the draft and final report, with input from Lyndsey Lopez and Alex Shannon. The report will be reviewed by Kevin McCarthy. Kevin McCarthy and Dan Pitzler will attend the presentation of results and make a presentation if requested by SVSWA.

Authority Staff Resource Allocation: SVSWA staff will be asked to provide comments on the draft report

Critical Assumptions: It is assumed that the Authority will provide one copy of consolidated comments on the draft report. The report will be up to 30 pages in length plus an appendix tables of model results for each scenario.

4. Schedule of Work

CH2M's project manager Kevin McCarthy is committed to regular, open, and constructive dialogue to ensure the project is delivered on schedule. As a former Executive Director of a solid waste authority, he is very sensitive to how high-profile public projects like this one need to be managed within the formal nature of public sector decision-making processes. He will provide project status updates to the Authority Finance Manager by no later than the 5th of each month and will check-in via phone and emails in between project status updates to ensure client expectations and needs are being met.

Exhibit 1 outlines the project schedule inclusive of meeting dates, project updates, and major project deliverables.

Exhibit 1. Project Schedule

Activity	Deliverable	Date
Task 1 – Project Kick-off Meeting	<ul style="list-style-type: none"> Kick-off Meeting with Staff SVSWA to provide requested data, and additional data needs to be identified 	<ul style="list-style-type: none"> July 2016
Task 2 – Data Collection and Analysis	<ul style="list-style-type: none"> Receipt and high level review of requested data from SVSWA and/or EIR consultant Periodic conference calls with SVSWA and EIR Consultant, if applicable, to discuss data 	<ul style="list-style-type: none"> July – September 2016
Task 3 – Financial Model Development and Forecasting	<ul style="list-style-type: none"> Develop model requirements Meeting to review draft model with SVSWA SVSWA to provide all assumptions to be used to complete 20-year budget projections, including assumptions to be used for collection rate impacts 	<ul style="list-style-type: none"> October 2016 – February 2017
Task 4 – Final Report	<ul style="list-style-type: none"> Draft Report Comments from SVSWA on draft report Final report and one meeting to present results of financial modelling 	<ul style="list-style-type: none"> March 2017
Project Reporting	<ul style="list-style-type: none"> Written project status reports by the 5th of each month 	<ul style="list-style-type: none"> July 2016 – March 2017

5. Financial

Exhibit 2 provides a list of key project milestones for each task, assigned staff for each task with time allocation and hourly rates, and total costs for each task. The grand total of all task costs matches the total lump sum.

Exhibit 2. Staff Time Allocation, Hourly Rates, and Cost by Task

Task	Assigned Staff	Time Allocation	Hourly Rate	Task Costs
1 – Kick-off Meeting	Kevin McCarthy	12 hours	\$215	\$2,580
	Dan Pitzler	16 hours	\$215	\$3,440
	Lyndsey Lopez	4 hours	\$150	\$600
<i>Milestones for this task: Project Kick-off meeting.</i>				
2 – Data Collection and Analysis	Lyndsey Lopez	20 hours	\$150	\$3,000
	Kevin McCarthy	20 hours	\$215	\$4,300
	Dan Pitzler	8 hours	\$215	\$1,720
	Alex Shannon	4 hours	\$135	\$540
<i>Milestones for this task: No specific deliverable.</i>				
3 – Financial Model Development and Forecasting	Dan Pitzler	40 hours	\$215	\$8,600
	Alex Shannon	100 hours	\$135	\$13,500
	Kevin McCarthy	16 hours	\$215	\$3,440
	Lyndsey Lopez	4 hours	\$150	\$600
<i>Milestones for this task: One project meeting to review draft model, walk client through how to use tool, and identify any needed refinements to the model.</i>				
4 – Final Report	Kevin McCarthy	20 hours	\$215	\$4,300
	Dan Pitzler	24 hours	\$215	\$5,160
	Lyndsey Lopez	4 hours	\$150	\$600
	Alex Shannon	8 hours	\$135	\$1,080
<i>Milestones for this task: Attend SVSWA Board Meeting to make a presentation or assist with making a presentation on the final financial model and financial forecasts.</i>				
Project Administration:	Accounting	16 hours	\$70	\$1,120
Project Expenses:				\$1,475
GRAND TOTAL (Lump-Sum Cost)				\$56,055

Lump Sum Cost

\$56,055

PRIME TIME EQUIPMENT

Prime Time Equipment

15609 Valley Blvd.
Fontana, CA 92335
Phone: 909-357-9961
Fax: 909-357-9964

PF Date 2-Jun-16
Sale Date _____

Salesman CHARLIE
Invoice # _____
DL # _____

Sold To: **Salinas Valley Recycles**
128 Sun Street, Suite 101
Salinas, CA 93902

Mailing Address:
PO Box 2159
Salinas, CA 93901

Ship To: **Salinas Valley Recycles**

Attn:

Phone# 831-775-3020
Cell#

Lienholder:

QTY	VIN#	Price
1	2006 International Prostar with non-compliant ISX Cummins Engine 10 Speed tandem axle heavy duty 4000 gallon water truck (with 500,000+ miles) Upgraded automatic side sprayers New water cannon <i>optional</i> 4000 Gal water tank (NEW) Includes Premium 2000 - 1 year - 100,000 mile warranty	\$25,000.00 \$3,500.00 \$6,500.00 \$25,000.00 \$3,000.00
	Admin Fee	\$500.00
	Doc Fees @ each	\$88.00
	DMV Fees (Subject to Final DMV Audit)	\$40.00
	Sales Tax - 9.125%	\$5,483.03
	TOTAL	\$69,111.03
	Down Payment	
	Balance	\$69,111.03

Sale price includes Premium 2000 - 1 year - 100,000 mile warranty. Coverage includes engine, transmission, rear end and includes: Value Pack - Aftertreatment Assemblies and Critical Components Package: Turbocharger(s), Engine Fuel Injectors, Water Pump, Fuel Pump and ECM

An on-road heavy-duty diesel or alternative-diesel vehicle operated in California may be subject to the California Air Resources Board Regulation to reduce Particulate Matter and Criteria Pollutant Emissions from In-Use Heavy-Duty Diesel Vehicles. It therefore could be subject to exhaust retrofit or accelerated turnover requirements to reduce emission of air pollutants. For more information, please visit the California Air Resources Board website at www.arb.ca.gov/diesel/truck

A heavy-duty tractor and 53-foot or longer box-type trailer operated in California may be subject to the California Air Resources Board Heavy-Duty Vehicle Greenhouse Gas Emission Reduction Measure. These vehicles may be required to use low-rolling resistance tires and meet aerodynamic equipment requirements to reduce greenhouse gas emissions. For more information, please visit the California Air Resources Board website at www.arb.ca.gov/hdghg/hdghd.htm

Signed and Accepted: _____ Print Name: _____

Date: _____



Report to the Board of Directors

ITEM NO. 7

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Cesar Zuñiga, Operations Manager

Title: A Resolution Awarding the Purchase of a Used 2006 Water Truck to Prime Time Equipment for an Amount of \$61,987.91

RECOMMENDATION

Staff recommends adoption of the resolution.

STRATEGIC PLAN RELATIONSHIP

The purchase of the used water truck supports Goal E: Reduce Costs and Improve Services at SVR Facilities. The used water truck will be used for dust control at the Jolon Road Transfer Station, which is scheduled to be operated by SVR staff on September 1, 2016.

FISCAL IMPACT

Funding for this purchase is included in the 2015-2016 Fiscal Year Budget. There is currently \$158,239 within Capital Improvement Project (CIP) 9602 for the purchase of the required equipment for the Jolon Road Transfer Station operations. The existing budgeted amount is sufficient to cover the purchase of the proposed used water truck.

DISCUSSION & ANALYSIS

On April 21, 2016 the Board of Directors authorized staff to assume the operations of the Jolon Road Transfer Station at the end of the existing agreement with Waste Management. Staff will assume the operations of the Jolon Road Transfer Station on September 1, 2016. In order to ensure that all equipment is procured on a timely basis, the Board authorized the funding of the Jolon Road Equipment Purchase CIP. The purchase of a used water truck will allow staff to address any dust issues and provide water for the facility.

On May 25, 2016, staff solicited Request for Bids for the purchase of a used water truck. Bids were due June 6, 2016.

Below are the Bid results:

Dealer	Model	Total Bid Cost
Prime Time Equipment	2006 International Prostar	\$61,987.91
Prime Time Equipment	2008 Freightliner Columbia	\$80,023.53
Quinn Company	2012 International	\$93,525.00
Americ Machinery Corporation	2006 Sterling	\$51,603.03

Based on the four bids received for a used water truck staff recommends the Board approve the bid submitted by Prime Time Equipment for a 2006 International Prostar. Based on the specifications and information provided by the bidders, the 2006 International Prostar is the best priced unit due to the new water tank and components offered by the bidder, as well as the 1-year warranty. The lowest bid submitted by Americ Machinery Corporation is \$10,384 less, but has a water truck system with 12,300 hours, is missing the hose reel, does not come with a pto driven pump, and the tank is unlined and has rust.

Staff requests that the Board award the purchase contract of One (1) Used 2006 Water Truck to Prime Time Equipment at a cost of \$61,987.91. The selected unit is equipped with a new water tank system and also comes with a one-year warranty. Staff has decided not to include the upgrade option for a new water cannon, which will reduce Prime Time's bid from \$69,111.03 to \$61,987.91.

BACKGROUND

On January 21, 2016, staff presented options for the operation of the Jolon Road Transfer Station to the Board. The presentation included the cost for the Authority to operate the facility. After some discussion, the Board of Directors instructed staff to request a cost proposal from the existing operator Waste Management. Waste Management did not submit a written proposal for the operation of the Jolon Road Transfer Station, but did verbally inform the SVR they would be willing to hold the existing annual rate of \$722,798 with future annual CPI adjustments. On April 21, 2016 the Board authorized staff to assume the operations of the Jolon Road Transfer Station on September 1, 2016.

ATTACHMENT(S)

1. Resolution
2. Exhibit A – Prime Time Equipment Proposal

RESOLUTION NO. 2016 -

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY AWARDING THE PURCHASE OF ONE USED WATER TRUCK TO PRIME TIME EQUIPMENT FOR AN AMOUNT OF \$61,987.91

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to purchase a Used Water Truck for the Jolon Road Transfer Station from Prime Time Equipment, as attached hereto and marked "Exhibit A," and to carry out all responsibilities necessary.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 16th day of June 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ATTEST:

Jyl Lutes, President

Elia Zavala, Clerk of the Board



Report to the Board of Directors

ITEM NO. 8

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Patrick Mathews, General Manager/CAO

Title: Update on Developing a Wind Turbine Project at Johnson Canyon Landfill

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support the goal to use SVR landfills and excess lands to generate alternative sources of revenue and it supports SVR's mission and vision to reduce dependence on landfills (in this instance landfill tipping fees).

FISCAL IMPACT

There is no immediate fiscal impact, though further development of this concept could lead to additional long term revenues that are not disposal dependent.

DISCUSSION & ANALYSIS

Development of wind energy projects have begun to take shape in the Salinas Valley with single turbine systems now in operation in the cities of Gonzales and Soledad. Additional systems are under development and discussion in the Salinas Valley area. Attached is the April 6, 2016, staff report for the City of Soledad who is considering the installation of a second wind turbine system on the outskirts of the city. The purpose of including this report is to show the potential that exists for a simple lease of land to a wind generation company. The Soledad structure provides for a \$65-\$75,000 per year lease rate just for use of the land.

Further environmental and fiscal benefits could be accomplished if there is a local taker for the energy output, as was the case for the two initial wind turbines in Soledad and Gonzales. With the possible formation of the Monterey Bay Community Power Agency later this year, a new demand for local renewable energy build-out would be created offering additional options for any future "green energy projects" built in the Salinas Valley.

Staff has had some initial communication with the developer of the Gonzales and Soledad wind turbines and confirmed that the revenue potential in the range of \$60-\$70,000 is possible, but some level of environmental review will be needed to assess the potential environmental impacts, such as the California Condor.

BACKGROUND

Wind energy development in the Salinas Valley has begun to take shape as the environmental concerns and limitations on location have been defined. The Johnson Canyon Landfill falls within the envelope for potential development of this renewable energy source and could offer new revenue opportunities and energy sources for SVR and its member agencies.

ATTACHMENT(S)

1. City of Soledad Report, Wind Site Lease and Easement Option agreement, April 6, 2016



COUNCIL COMMUNICATION

SUBJECT: RESOLUTION NO. 5168, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD APPROVING AN EXCLUSIVE OPTION AGREEMENT BETWEEN THE CITY OF SOLEDAD AND FOUNDATION WINDPOWER, LLC TO ACQUIRE A WIND SITE LEASE AND EASEMENTS

MEETING

DATE: April 6, 2016

Recommendation

It is recommended that the City Council adopt Resolution No. 5168, Approving an Exclusive Option Agreement between the City of Soledad and Foundation Windpower, LLC, to Acquire a Wind Site Lease and Easements.

Background

As the Council is aware, the City previously entered into a Site Lease Agreement and Power Purchase Agreement ("PPA") with Foundation Windpower ("Foundation") for a 1.0 Megawatt Wind Turbine constructed and currently in operation at the City's Water Reclamation Facility ("WRF"). The financial benefit derived from this lease comes from the PPA, which provided the City with an estimated savings of \$66,806 in electrical costs for the first year of operation, with increasing savings each year thereafter as PG&E rates escalate. While the lease itself generates no revenue, the City considers the agreement to have been a successful and beneficial "partnership" with Foundation, and the turbine has operated at the WRF without any problems.

In early 2015 the City was approached about the possibility of installing additional wind turbine facilities at the WRF. On March 4, 2015, the City Council provided Staff with direction to commence negotiations with Foundation for additional wind turbine facilities. Although there were several options, the City and Foundation finally agreed upon a single new turbine. The proposed new 2.85 Megawatt turbine facility will be slightly higher than the existing 440 foot high turbine, standing at 453 feet in height from the tip of the rotor, and would be located approximately 1000 feet further away from the center of town.

Unlike the existing wind turbine facility, power generated at the new facility will be sold directly to PG&E and none directly to the City. However, the City will be generating lease revenue, in

the form of rent, from the facility. On April 1, 2015, the Council considered and approved a lease payment schedule for the facility by minute motion as follows:

Years 1-7: \$65,000/yr
Years 8-14: \$70,000/yr
Years 15-20: \$75,000/yr

Said approval was necessary in order for Foundation to proceed with an initial electrical transmission assessment of PG&E infrastructure between the WRF and PG&E's substation to verify the feasibility of net-metering an additional 2.85 Megawatts to the PG&E grid. That analysis has been completed with positive results.

Foundation is targeting December of 2016 for commencing installation of the new wind turbine facility. One of the steps in the somewhat complex facility approval and planning process is the preparation of an "interconnection study" with PG&E. In order to commence this process with PG&E, Foundation must be able to prove that they have an established interest in the proposed lease site, or "site exclusivity" as termed by PG&E. Site exclusivity can be demonstrated in a number of ways, such as by proof of ownership or a leasehold interest, or by proof of an option to purchase or acquire a leasehold. Although PG&E established a March 31, 2016 deadline for Foundation to prove site exclusivity, the deadline was extended to accommodate the Council's April 6 meeting.

At this point, the wind turbine project has not been before the Planning Commission or the City Council, and the required analysis pursuant to the California Environmental Quality Act ("CEQA") has not been commenced. As such, the City is unable to provide Foundation with any outright ownership interest in the property. However, the City can enter into an option agreement for the property, which is what is before the Council this evening.

Review and Analysis

Foundation has prepared an Option Agreement, which has been reviewed by Staff, whereby the City will grant an exclusive option to Foundation to lease property and acquire the easements necessary for a wind turbine facility at the City's WRF. The term of the agreement is three years, although Foundation is hoping to exercise its option before the end of this year. Consideration for the option rights has been established at \$500 per year. As written, Foundation may not exercise its option until the CEQA process and City permitting has been completed.

The Option also contains a draft version of the "Wind Site Lease and Easement" that would be used for the project. The draft lease is based on the lease that was successfully used for the previous wind turbine facility. Per provisions in the Option Agreement, the parties have agreed that while the lease, as attached, is being approved as to substantial form and content, it is still subject to modification before execution. Moreover, the final version of the lease will have to come back to the Council for approval after the CEQA process and Planning permitting have been completed and approved.

As mentioned above, in addition to CEQA analysis, the Project will still be subject to the issuance of a Conditional Use Permit ("CUP") from the Planning Commission. The CUP would be expected to contain a number of standard development conditions dealing with code compliance and indemnification, as well as anticipated mitigation measures.

The Option Agreement allows Foundation to terminate the agreement for a number of reasons, including a determination that an EIR must be prepared for the proposed project, or a determination that the proposed leased premises is unsuitable or undesirable for Foundation's acquisition and use. Both parties have the right to terminate the agreement for a default in complying with the Agreement's terms.

Financial Considerations


The proposed wind turbine facility will not cost the City any initial capital outlay and has the potential for development of a revenue source of between \$65,000 to \$75,000 per year over a twenty-year period.

Alternatives

- Adopt the Proposed Resolution.
- The Council could refrain from approving the Option Agreement, or delay approval of the same. This is not recommended due to the fact that in order to be considered as part of the PG&E process in 2016, Foundation needs to establish an interest in the proposed leased premises during the first week in April. Failure to obtain said interest will result in Foundation having to wait until 2017 for PG&E consideration, which in turn may cause Foundation to abandon its plans for construction of a facility in Soledad.

Public Notice Requirement

None required.


Public Works Director


City Manager

Attachments:

1. Resolution
2. Exclusive Option Agreement - Exhibit A
3. Site Map - Exhibit 1
4. Draft Wind Site Lease and Easement - Exhibit 2

RESOLUTION NO. 5168

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
APPROVING AN EXCLUSIVE OPTION AGREEMENT BETWEEN THE CITY OF
SOLEDAD AND FOUNDATION WINDPOWER LLC TO ACQUIRE A WIND SITE
LEASE AND EASEMENTS**

WHEREAS, Foundation Windpower, LLC ("Foundation"), the entity responsible for the construction of the existing wind turbine facility in the City, has proposed to construct an additional wind turbine facility on City of Soledad property located at the City's Water Reclamation Facility ("WRF"); and

WHEREAS, on March 4, 2015, the City Council provided Staff with direction to commence negotiations with Foundation and, if appropriate, to prepare necessary approval documents related to the establishment of a new wind turbine facility; and

WHEREAS, unlike the existing wind turbine facility, which produces electricity for the City's use at a reduced rate, the new facility will not provide electricity to the City, but rather, will provide a significant annual source of income via rent when the wind turbine facility commences operation; and

WHEREAS, on April 1, 2015, the City Council considered and approved by minute motion the rental schedule to be charged for the proposed facility lease; and

WHEREAS, in order to engage with PG&E in the preparation of an interconnection study for the electricity to be produced at the proposed wind turbine facility, Foundation must prove "site exclusivity" by possessing some form of property interest in the proposed facility site by no later than the first week of April, 2016; and

WHEREAS, due to the fact that an analysis of the wind turbine facility project pursuant to the California Environmental Quality Act has not commenced, and the project has not been brought before the Planning Commission or City Council for appropriate permitting and processing, the City is unable to enter into a direct lease for the property with Foundation at this time; and

WHEREAS, notwithstanding the foregoing, the Parties have determined that an option agreement, basically a right to enter into a lease at a subsequent time, will suffice for establishing site exclusivity; and

WHEREAS, Foundation and City Staff have worked on the preparation of an "Exclusive Option Agreement to Acquire a Wind Site Lease and Easements" and Staff is recommending that after review and consideration, the Council approve the Agreement.

NOW THEREFORE, be it hereby resolved by the City Council of the City of Soledad that the "Exclusive Option Agreement to Acquire a Wind Site Lease and Easements" between

the City and Foundation Windpower, LLC, a California limited liability company, a copy of which is attached hereto as Exhibit A and by this reference incorporated herein, is hereby approved and the City's Mayor directed to execute the same on behalf of the City of Soledad.

PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 6th day of April, 2016, by the following vote:

AYES, and in favor thereof, Councilmembers:

NOES, Councilmembers

ABSTAIN, Councilmembers:

ABSENT, Councilmembers:

FRED J. LEDESMA, MAYOR

Attest:

ADELA P GONZALEZ, City Clerk



Report to the Board of Directors/EC

ITEM NO. 9

Finance Manager/Controller-Treasurer

General Manager/CAO

T. Bruen by pm

General Counsel

Date: June 16, 2016

From: Patrick Mathews, General Manager/CAO

Title: Update on Landfill Gas Power and Solar Project Developments at the Crazy Horse and Johnson Canyon Landfills

RECOMMENDATION

Staff recommends that the Board accept this update report.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support the 2013-2016 Strategic Plan Goal to "Utilize our Closed Landfills to Generate Revenue".

FISCAL IMPACT

Johnson Canyon Landfill: SVR currently receives approximately \$220-250,000 per year in royalties from Ameresco for delivery of landfill gas (LFG) to their power plant located on leased land at the Johnson Canyon Landfill. Under the terms of our agreements, Ameresco is required to begin expanding their plant capacity or other use of the LFG once there is enough excess LFG to support a second engine-generator. As a result of recent LFG well installation into the more recently filled landfill areas, we are now producing enough LFG to warrant development of a second power production system, or some equivalent beneficial use of the LFG (CNG, pipeline distribution). Ameresco has first rights to the LFG and has been notified of the LFG generation milestone. We are currently discussing the beneficial reuse options for this excess LFG including installation of a second power generation unit, or potentials distribution via pipeline to the State prisons south of the landfill. Under either scenario, SR would anticipate receiving \$150-250,000 per year in new royalty revenues under current terms and market conditions.

Crazy Horse Landfill: Under the current memorandum of Understanding (MOU) between SVR, County of Monterey and Ameresco, SVR would receive landfill gas production royalties based on 12.5% of gross revenues from Ameresco electrical sales to the County and sale of renewable energy credits (RECs), estimated to be approximately \$3.5 million dollars over the 20-year project life. Ameresco has estimated that over the 20-year life of this project, Monterey County would save approximately \$3-5.6 million dollars in electricity costs as compared to PGE provided electricity. The County savings projections are based on historic and industry projections for PGE rate increases estimated at 5% per year as compared to the Ameresco proposal with a fixed 3.5% annual rate adjustment. While there is no guarantee on the projected increase in electric rates, market projections and historical rates support that electricity pricing.

SVR and the County of Monterey have also received a proposal from our selected solar development vendor, ISM. They have proposed to develop up to 2 mW of solar power for

the County on top of the closed Crazy Horse Landfill. The structure would be very similar to the MOU discussed above and would provide energy savings to the County estimated to be between \$5-11 million over 20 years. SVR would receive a rental royalty based on a yet-to-be-determined percentage share of the County savings.

All of the above projects could also be consider for feed-in to the proposed Monterey Bay Community Power agency, if formation occurs as proposed in fall of 2016. This newly formed agency would have a very strong appetite for power from these types renewable energy sources and these projects would support one of the key objectives of the agency to support local build-out of renewable energy projects and resulting economic benefits.

DISCUSSION & ANALYSIS

Johnson Canyon Landfill: Ameresco has first rights to the LFG and has been notified of the LFG generation milestone. We are currently discussing the beneficial reuse options for this excess LFG including installation of a second power generation unit, or potentials distribution via pipeline to the State prisons south of the landfill. The State prisons north of Soledad have indicated an interest in taking some of the landfill gas for use on site or to generate electricity at the prison. State funding may be available to support such an endeavor and this project option was previously studied under CEQA.

Crazy Horse Landfill: SVR and County of Monterey Staff have been collaboratively working on two potential projects at the Crazy Horse Landfill that could deliver a substantial portion of the County's energy needs to County owned and operated facilities. However, due to staffing and resource constraints at the County neither of these projects are currently progressing as planned. County staff has indicated that they remain interested in both projects, but that it may be several months until they can commit the full internal resources needed to proceed with their due diligence and contact negotiations. As outlined above, staff has highlighted other possible options for use of this resource if the County is unable to commit to either renewable energy project or if the RES-BCT program becomes fully subscribed in the near future.

One project could utilize the landfill gas being produced at the landfill to generate electrify in a similar manner as the existing operating facility located at the Johnson Canyon Landfill. The second project would utilize the top of the closed Crazy Horse Landfill to support a large solar production facility. Both projects could take advantage of the one of PG&E's net metering programs called the Renewable Energy Self-Generation Bill Credit (RES-BCT). This is commonly referred to a form of "virtual net metering". Both projects would provide delivery of 100% renewable energy to County of Monterey (County) facilities and provide a new source of revenue to Salinas Valley Solid Waste Authority (Salinas Valley Recycles (SVR) through the sale of SVR landfill gas to Ameresco as fuel for production of electricity, or lease of the landfill site for installation of a large solar array system. This program is only available to the jurisdiction with land use control over the power plant site and is thus only available to the County of Monterey.

Timing continues to be critical for the success of these projects under the RES-BCT program offering is limited in the amount of energy that PG&E will allow under the program. We are aware that other California agencies are interested in this offering that is capped at 105 mW of total capacity and no more than 5 mW per project. This is a first-come first-serve opportunity and neither Ameresco nor SVR can accurately project when the 105 mW of capacity will be tied up and the program will close.


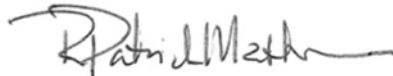
BACKGROUND

Landfills generate methane gas (Landfill Gas, "LFG") as a result of waste decomposition. Under California law, this gas must be collected and treated to reduce greenhouse gas release into the atmosphere. In California, LFG is considered a renewal biogas resource and is subject to the various credits and benefits that go along with use of this fuel to produce electricity or other alternative fuels. Ameresco currently operates a large number of these LFG power plants in California. Ameresco has previously executed agreements with SVR for development of a landfill gas power project at our closed Crazy Horse Landfill and holds the necessary permits, entitlements and a shovel-ready engine generator to proceed with this project in a timely manner.

Closed landfills offer a unique opportunity for use as platforms for solar arrays. Not only do you find a beneficial use for what is otherwise a degraded piece of land, but there is an equal reduction in the loss of other more valuable lands needed to support the growing solar industry and demand.

ATTACHMENT(S)

1. None

 <p>Report to the Board of Directors</p>	<p>ITEM NO. 10</p>
<p>Date: June 16, 2016</p> <p>From: Cesar Zuñiga, Operations Manager</p> <p>Title: Report on Cost Benefit Analysis for Processing Construction and Demolition Materials by SVR or Monterey Regional Waste Management District (MRWMD)</p>	<p>N/A</p> <hr/> <p>Finance Manager/Controller-Treasurer</p>  <hr/> <p>General Manager/CAO</p> <p>N/A</p> <hr/> <p>Legal Counsel</p>

RECOMMENDATION

Staff recommends that the Board accept this informational report.

STRATEGIC PLAN RELATIONSHIP

The development of a Construction and Demolition (C&D) processing program supports SVR Goal to "Reduce Cost and Improve Services at SVR Facilities" by removing clean and re-usable wood out of C&D materials delivered to our facilities.

FISCAL IMPACT

The current program for C&D processing is self-sustained by the tipping fee collected at the gate house. SVR is looking at other potential options to process C&D materials including:

1. Use of a portable sort line
2. Installation of a permanent sort line at the Johnson Canyon Landfill
3. Transferring our C&D to the MRWMD once their C&D processing upgrades are completed and fully operational
4. Direct haul of C&D loads to MRWMD for processing via franchise collectors.

SVR staff is gathering information and costs on these options, and preparing comparative financial analyses for each. Once we receive the direct haul cost impacts from Republic Services and a confirmation of processing rates from MRWMD, the cost analyses of options will be presented to the Board for further discussion and direction.

DISCUSSION & ANALYSIS

At the February 29, 2016, Board Retreat staff was asked to prepare and present a cost benefit analysis for processing Construction and Demolition by SVR staff and also work on collaborate efforts with MRWMD. On April 21, 2016 the Board authorized the General Manager to send a letter to the District that included information requests related to collaborative efforts for processing C&D material for SVR and the relate processing rate.

As SVR considers its long term facility needs, we have identified C&D as a specific material stream that requires separate processing outside of the Clean Fiber and Organics Recovery System currently under environmental review. As the majority of C&D received at SVR facilities is composed of wood and we have processing capacity for clean woody material already in place, simple separation of the clean woody material from painted wood and

other materials could be handled with minimal infrastructure investment. Combined with the advanced processing capacity that may be available at the MRWMD in the near future, we have a number of immediate options available for advanced recovery off this specific waste stream.


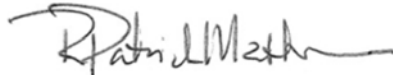
BACKGROUND

All cities within the SVR service areas are working to or have already implemented C&D ordinance to divert such materials from the landfill. Our current C&D program allows us to divert some clean wood and grind the remainder of the materials that can be used as Alternative Daily Cover (ADC) at the landfill. There has been talk by CalRecycle to eliminate the use of ADC as a diversion activity in the next 4-5 years. In an effort to maintain and increase future diversion rates SVR is looking at programs that could increase the diversion of all clean wood mixed into C&D loads.

These programs can include the sorting of clean wood that can be re-used as landscape products, as well as re-sale of acceptable construction lumber such as 2x4, 4x4, 2x6, and so on. The re-use of these products allows us to reduce the amount of waste produced, while re-purposing materials and providing them to the public a reduced rate.

ATTACHMENTS

None

 <p>Report to the Board of Directors</p>	ITEM NO. 11
	N/A
	Finance Manager/Controller-Treasurer
	
<p>Date: June 16, 2016</p> <p>From: Patrick Mathews, General Manager/CAO</p> <p>Title: Update on Uses for Excess Land</p>	<p>General Manager/CAO</p>
	<p>N/A</p> <p>Legal Counsel</p>

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support the goal to use SVR landfills and excess lands to generate alternative sources of revenue and it supports SVR's mission and vision to reduce dependence on landfills (in this instance landfill tipping fees). This report addresses two Board objectives under this goal of updating the Board on cell tower leasing and process for sale of excess land holdings.

FISCAL IMPACT

There is no immediate fiscal impact, though further development of these land re-purposing concepts could lead to additional one-time or ongoing long-term revenues that are not disposal dependent.

DISCUSSION & ANALYSIS

Communication Towers: SVR currently leases land at the closed Lewis Road landfill to the County of Monterey for a communications tower that primarily serves emergency communication needs for the County. The land is leased for \$1 per year. However, there is a provision that if the County can secure any private company tenants that want to utilize available space on the tower for installation of commercial communication equipment (such as a cellular provider), then SVR would receive 50% of all commercial lease revenues. These commercial leases run \$15-30,000 per year.

At last reporting, the County had not received any new interest in commercial leases, but we will continue to receive updates if new tenants come forward with interest. Currently there does not appear to be any cellular coverage or communications needs from other carriers that could benefit from new towers at any of our other sites. Again, staff will continue to reach out to the local and major carriers periodically in case new demands or coverage needs can be addressed with use of SVR's properties.

Excess Lands: SVR has two properties with significant excess land, Jolon Road Transfer Station (~496 acres) and Lewis Road Landfill (~124 acres). Staff is evaluating a number of options for beneficial use of our excess lands including:

1. Selling off large parcel sections for development or agriculture
2. Sub-dividing the parcels for individual sale as small ranches (~5-20 acres)

3. Leasing the lands for agricultural purposes. (SVR currently leases the majority of the Jolon Road properties for cattle grazing)
4. Leasing the lands for large scale commercial solar development

In order to develop a more accurate understanding of the feasibility for each of these options, the next step in our work plan is to determine the availability of water, both quality and quantity that would be needed to support options 1-3 above. Option 4 is not water dependent. Water availability will be the critical factor in determining if any of the first three options should be pursued further. Staff will prepare a request for proposals for assistance in evaluating water availability and quality at each site as our next step. Once complete, staff can begin to focus on the most viable options and further define the revenue potentials and additional study needs.

BACKGROUND

Use of SVRs excess land holdings or closed landfills can provide platforms for additional revenues. Staff has and will continue to seek out other beneficial uses for these holdings to support the long-range financial needs of SVR and further reduce our dependence on landfill tipping fees.

ATTACHMENT(S)

None



Report to the Board of Directors

ITEM NO. 12

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Jenny Mitchell, Contracts & Grants Analyst

Title: A Resolution Approving a Two-Year Collection Service Agreement with the PaintCare, Inc. for Hauling and Recycling of Latex and Oil-Based Paint and Paint-Related Products with One Optional One-year Extension

RECOMMENDATION

Staff recommends that the Board adopt the resolution.

As part of the California Architectural Paint Recovery Program (AB 1343), PaintCare, Inc. (PaintCare) will provide recycling payments and no-cost hauling and disposal of all latex and oil-based paint and paint-related products received and processed at Salinas Valley Recycles' (SVR) Household Hazardous Waste Facility (HHW) in Salinas. This includes materials collected from SVRs' ABOP facilities in Gonzales and King City, as well as materials accepted at mobile collection events. This agreement will allow SVR to continue offering enhanced recycling services at no-cost to the public.

STRATEGIC PLAN RELATIONSHIP

The recommended action will assist the Authority in supporting the Strategic Plan Three-Year Goal to Fund and Implement 75% Diversion of Waste from Landfills.

FISCAL IMPACT

Participation in this Program will result in an annual cost savings of approximately \$67,000 for the packaging and disposal of paint. In addition, this agreement will be one of the few that reimburses SVR for recycling or disposing of problematic materials, rather than paying for such services. Accordingly, the Program will pay SVR an estimated \$24,000 per year for Additional Activities. This will more than offset the annual loss of \$15,000 from commercial paint customers. As a final savings measure, HHW staff will now pack and ship latex paint in the same manner as oil-based paints; in cubic-yard boxes. This new process is far less time consuming than bulking and will decrease the staff time necessary for processing latex paint, allowing HHW staff to spend more time on other HHW services, such as hosting additional mobile collection events throughout the year.

DISCUSSION & ANALYSIS

Currently, there is no fee for residents to dispose of paint and paint-related products at SVR facilities and mobile collection events. These costs have historically been absorbed by SVR to comply with diversion mandates set forth by AB 939 and disposal restrictions established by California's Department of Toxic Substances Control (DTSC) and Health and Safety Code (Section 25217.1). However, commercial customers are charged \$1.50

per gallon to offset the program costs associated with handling, storage, processing, recycling, and transportation.

In FY 2014-15, SVR paid \$253,362 in payroll costs for HHW staff to collect, process and package paint and paint-related products, and paid Stericycle approximately \$67,233 for transportation and recycling of such materials, for a total cost of \$320,595. SVR collected \$15,396 in revenue from commercial customers bringing the net cost to \$305,199.

As part of the Program, PaintCare will pay for packing containers, transportation and recycling/proper disposal of leftover paint delivered to SVR collection locations and mobile events. Annual cost savings will be achieved through the Program providing 55-gallon drums and 1-cubic yard packaging containers that will be serviced at no cost by Stericycle, SVRs' current HHW hauler. For Additional Activities, the Program will pay SVR \$1.60 for every gallon of salvaged paint provided directly to the public for reuse and \$4.50 for reprocessed latex paint provided to the public for reuse. The program will also pay SVR \$124.00 per 55-gallon drum of bulked latex paint and \$40.00 per 1-cubic yard container of paint and paint-related products collected at mobile collection events. In addition to the cost savings and ancillary revenues, participation in the program will ultimately allow SVR to provide paint collection as a no-cost recycling service to the public by eliminating the \$1.50 per gallon fee for paint and paint-related materials accepted from commercial customers. PaintCare will also conduct extensive public outreach about the Program, and promote SVR sites as Collection Facilities.

The service agreement with PaintCare is for a two-year term with automatic renewals for additional successive one-year terms, unless either party notifies the other of the non-renewal (in accordance with Article 11 of the agreement). This will be the first agreement that SVR and PaintCare will enter into to establish a working relationship. As part of this agreement Stericycle will remain the designated hauler.

BACKGROUND

Over the last 20 years, Federal and State regulations restricting hazardous waste from landfills have resulted in bans that include paint and paint-related products. In response to such mandates, SVR established a paint recycling program that has been recycling and diverting paint and paint-related materials from the landfill since 1999. Accordingly, Stericycle (formerly Phillips Services) has been providing reliable paint recycling services for SVR since the program's inception.

AB 1343 (enacted in 2010) requires paint manufacturers to develop and implement a program to collect, transport, and process post-consumer paint and other architectural coatings to reduce the costs and environmental impacts of their disposal in California. Since State regulations have placed architectural paints into the category of products funded through "Extended Producer Responsibility" (EPR) legislation, fees are now collected at the point of sale for all new latex and oil-based paint and paint-related products sold in California. The money is then used to fund each of the steps required to recycle used paint and paint-related products. PaintCare is the non-profit organization established by the American Coatings Association (ACA) to plan and implement AB 1343. The Program launched in October 2012 and California's Department of Resource Recycling and Recovery (CalRecycle) is the regulatory agency with oversight of the Program, which is modeled after several other successful EPR programs in the state (e.g. electronic waste recycling and used mattress recycling).

It is anticipated that the State-wide implementation of this law and program will have a significant impact on reducing illegal dumping of latex and oil-based paint and paint-related products along roads and on private property throughout SVRs' jurisdiction. The Marina Landfill and all Santa Cruz County HHW facilities (including the Buena Vista Landfill) have implemented the program and are largely satisfied with its success.

ATTACHMENTS

1. Resolution
2. Exhibit A –Service Agreement, Scope of Work and Compensation Rates
(The agreement will be provided at the Board meeting.)

RESOLUTION NO. 2016 -

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY APPROVING A TWO-YEAR COLLECTION SERVICES AGREEMENT WITH PAINTCARE, INC. FOR HAULING AND RECYCLING OF LATEX AND OIL-BASED PAINT AND PAINT-RELATED PRODUCTS WITH ONE OPTIONAL ONE-YEAR EXTENSION

WHEREAS, PaintCare Inc. is the non-profit organization charged with implementing and managing the California Architectural Paint Recovery Program, which commenced October 1, 2012; and,

WHEREAS, Salinas Valley Solid Waste Authority desires to enter into a service agreement with PaintCare for the purposes of collecting and recycling paint and paint-related products at no cost; and,

WHEREAS, Salinas Valley Solid Waste Authority's participation in the Program will allow a no-cost paint recycling option for residential and commercial customers; and,

WHEREAS, Salinas Valley Solid Waste Authority's participation in the Program will offset the current Household Hazardous Waste (HHW) program budget by providing reimbursements for direct-use paint, reprocessed and bulked latex paint, as well as transportation costs and recycling containers for mobile HHW collection events; and,

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to execute a two-year Collection Services Agreement with PaintCare, Inc. for paint hauling and recycling services as attached hereto and marked "Exhibit A."

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at its regular meeting duly held on the 16th day of June 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Jyl Lutes, President

ATTEST:

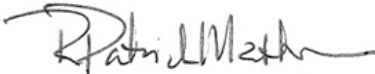
Elia Zavala, Clerk of the Board

Updated June 9, 2016

S A L I N A S V A L L E Y R E C Y C L E S

SIX-MONTH STRATEGIC OBJECTIVES

February 29, 2016 – July 25, 2016

ITEM NO. 13
Agenda Item

General Manager/CAO

THREE-YEAR GOAL: FUND AND IMPLEMENT 75% DIVERSION OF WASTE FROM LANDFILLS						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By June 4 , 2016 July 1, 2016	Diversion Manager and Operations Manager	Report to the General Manager, the outcome of a study to determine how much gypsum board (sheet rock) is collected and if it can be economically processed and marketed.			X	Currently determining volume of gypsum board received and processing options locally.
2. By July 1, 2016	Engineering Manager and Diversion Manager	Submit for review by the Local Enforcement Agency a compost site permit for Johnson Canyon to potentially include food waste.		X		Preparation/review of the application is complete and awaiting process question responses from the LEA.
3. By February 28, 2017	General Manager	Present an overview of the Clean Fiber and Organics Recovery Demonstration Project to each of the Valley City Councils and Board of Supervisors.			X	Staff recommends postponing presentations until after GOE has completed engineering for the demonstration unit in fall/winter 2016.
4. By July 1, 2016	Diversion Manager	Consult with existing food pantries in the Salinas Valley to determine the feasibility of developing a Clothing Closet Store in their community, and make a recommendation to the General Manager.		X		Outreach to other potential partners is underway.

Updated June 9, 2016

THREE-YEAR GOAL: <i>COMPLETE FACT FINDING PROCESS FOR SALINAS AREA MATERIALS RECOVERY CENTER (SAMRC)</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Beginning May 1, 2016 and at least quarterly thereafter	Diversion Manager	Provide a status report to the Board regarding progress on the fact-finding process for the Salinas Area Materials Recovery Center and Clean Fiber and Organics Recovery System.	X			First report was at the May 19, 2016 Board meeting.
2. By June 1, 2016	Finance Manager	Complete the RFP process and select vendors for the Long-Range Financial Study and Economic Impacts/Benefits Study for all selected CEQA project scenarios.	X			One RFP response was received and discussion and contract negotiations with the selected vendor is underway. Contract for Long-Range Financial Study will be presented to the Board at its June 2016 meeting.
3. At the June 16, 2016 Board meeting	Diversion Manager	Present to the Board a Public Outreach Plan for each location to be studied in the Long-Range Facilities environmental review.	X			Scheduled for June Board meeting.

Updated June 9, 2016

THREE-YEAR GOAL: <i>UTILIZE CLOSED JOLON ROAD, CRAZY HORSE AND LEWIS ROAD LANDFILLS TO GENERATE REVENUE</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By June Sept 1, 2016	Finance Manager	Determine the feasibility of leasing excess property for agriculture uses and make a recommendation to the General Manager.			X	List of potential agricultural interests and potential property matches are being developed, but not complete
2. At the June 17, 2016 Board meeting	Engineering Manager	Present an update to the Board on solar projects at closed landfills.	X			Report is include in the June 2016 agenda
3. At the June 17, 2016 Board meeting	Engineering Manager	Present an update to the Board on commercial leases for cell towers.	X			Report is include in the June 2016 agenda
4. At the June 17, 2016 Board meeting	Engineering Manager	Present a report to the Board on the process for selling excess property at closed landfills.	X			Report is include in the June 2016 agenda
5. At the June 17, 2016 Board meeting	Engineering Manager	Present an update to the Board on developing a wind turbine at Johnson Canyon.	X			Report is include in the June 2016 agenda

Updated June 9, 2016

THREE-YEAR GOAL: INCREASE PUBLIC ACCESS, INVOLVEMENT AND AWARENESS OF SVR ACTIVITIES						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By July 25, 2016	Recycling Coordinator	Review current how-to videos for home composting to determine whether to use one or develop a new video, and post it on the SVR website.		X		Work in progress.
2. At the June 16, 2016	HR Manager and General Manager	Survey customers to determine where the customers would go if there was no Sun Street Transfer Station (e.g., to Johnson Canyon or Marina Landfills) and report the results to the Board.	X			Report scheduled for June 2016 Board meeting
FUTURE: By _____	Diversion Manager and Contracts Grants Analyst	Present to the General Manager ideas for developing a transportation grant for educational tours of SVR facilities and make recommendations to the Board regarding funding and what age or grade level to target.				Grant opportunity research is ongoing

THREE-YEAR GOAL: REDUCE COSTS AND IMPROVE SERVICES AT SVR FACILITIES						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. On or before the April 21, 2016 Board meeting	Operations Manager	Prepare and present to the Board for action, operation of the Jolon Road Transfer Station by SVR personnel at the end of the Waste Management contract on September 1, 2016.	X			Board received presentation and approved SVR assumption of Jolon Road TS operations at its April 21, 2016 meeting.
2. At the April 21, 2016 Board meeting	Operations Manager and Engineering Manager	Develop and present to the Board a plan to replace or repair landfill gas flare stations.	X			The proposed plan was presented to the Board of Director on April 21, 2016.
3. At the June 16, 2016 Board meeting	General Manager and Engineering Manager	Present to the Board an update on the Ameresco contract and determine their interest in installing another power generation unit at Johnson Canyon.	X			Report is include in the June 2016 agenda
4. At the June 16, 2016 meeting	General Manager and Operations Manager	Prepare and present to the Board a cost benefit analysis for processing Construction and Demolition by SVR or Monterey Regional Waste Management District.	X			Report is include in the June 2016 agenda, comparative District rates and info has been requested

THREE-YEAR GOAL: <i>PROMOTE AND MAINTAIN A HIGH PERFORMANCE, EFFICIENT AND FLEXIBLE WORKFORCE</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By May 1, 2016, contingent upon Board approval	Human Resources Manager	Begin the staff recruitment process for Jolon Road operations.	X			All recruitments are underway.
2. At the May 19, 2016 Board meeting	Human Resources Manager	Present to the Board an update on the Employee Mentor Program.	X			Staff will present program at the May 2016 Board meeting.
3. At the June 16, 2016 Board meeting	Human Resources Manager	Present to the Board an update on the Job Shadowing Program for new hires.	X			Staff will present program at the May 2016 Board meeting.
4. By July 25, 2016	Human Resources Manager	Develop and begin implementation of a cross training program for all interested employees.		X		Program under review by staff.
5. By July 25, 2016	Human Resources Manager and Operations Manager, working with staff	Identify and implement at least two teambuilding activities during regular business hours to promote communication and employee morale.	X			Conducted one agency-wide team building training focused on communication. Second training focused on strategic planning.



2013-16 Strategic Plan Update

Patrick Mathews
General Manager/CAO

June 16, 2016

2013-16 Strategic Goals

- **Fund/Implement 75% Waste Diversion from Landfills**
- **Complete Fact Fining Process for Salinas Area Materials Recovery Center (SAMRC)**
- **Utilize Jolon Road, Crazy Horse and Lewis Road Closed Landfills to Generate Revenue**
- **Increase Public Access, Involvement & Awareness of SVSWA Activities**
- **Reduce Costs & Improve Services at SVR Facilities**
- **Promote and Maintain a High Performance, Efficient, and Flexible Workforce**

GOAL: Fund and Implement 75% Diversion of Waste from Landfills

- **Collecting, Processing and marketing gypsum board (sheet rock)**
- **Compost site permit for Johnson Canyon to include food waste**
- **Clean fiber and organics recovery demonstration project**
- **Explore other locations for a Clothing Closet**

GOAL: Complete Fact Finding Process for Salinas Area Materials Recovery Center (SAMRC)

- **Progress on the fact-finding process for SAMRC, clean fiber and organics recovery system**
- **RFP process for long-range financial study and economic impacts/benefits study for CEQA scenarios**
- **Public Outreach plan for each location**

GOAL: Utilize Jolon Rd, Crazy Horse & Lewis Road Closed Landfills to Generate Revenue

- **Determine feasibility of leasing excess property for agriculture uses**
- **Solar projects at closed landfills**
- **Commercial leases for cell towers**
- **Process for selling excess property at closed landfills**
- **Develop a wind turbine at Johnson Canyon**

GOAL: Increase Public Access, Involvement and Awareness of SVSWA Activities

- **How-to videos for home composting**
- **Add question on customer service survey asking where would customers go if Sun Street closed**
- **Develop a transportation grant for educational tours of SVR facilities (future objective)**

GOAL: Reduce Costs and Improve Services at Johnson Canyon Landfill

- **Operation of the Jolon Road Transfer Station**
- **Replace and repair landfill gas flare stations**
- **Ameresco contract to determine interest in installing another power generation unit at Johnson Canyon**
- **Cost benefit analysis for processing Construction and Demolition by SVR or MRWMD**

GOAL: Promote & Maintain a High Performance, Efficient & Flexible Workforce

- **Recruitment process for Jolon Road operations**
- **Employee mentor program**
- **Job Shadowing (Buddy Program) for new hires**
- **Cross training program**
- **Two teambuilding activities**

2013-16 Strategic Plan Update

**QUESTIONS-
COMMENTS?**

**ITEM NO. 14**

N/A

Finance Manager/Controller-Treasurer

N/A

General Counsel

N/A

General Manager/CAO

Date: June 16, 2016

From: Patrick Mathews, General Manager/CAO

Title: Survey Results for Sun Street Facility Alternatives

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

Sun Street Transfer Station Quarterly Customer Survey

Working toward a future without landfills...

*“The decisions we make
today regarding a
sustainable waste
management system
will serve our
communities and future
generations for decades
to come.”*

- Patrick Mathews



Item 14 - June 16, 2016

Our Mission

"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."



Our Vision

To reduce the amount of waste by promoting individual and corporate responsibility.

To recover waste for its highest and best use while balancing rates and services.

To transform our business from burying waste to utilize waste as a resource.

To eliminate the need for landfills.

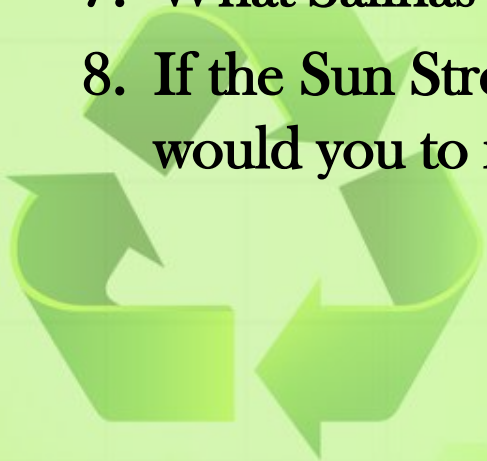
Purpose of the Survey

To document:

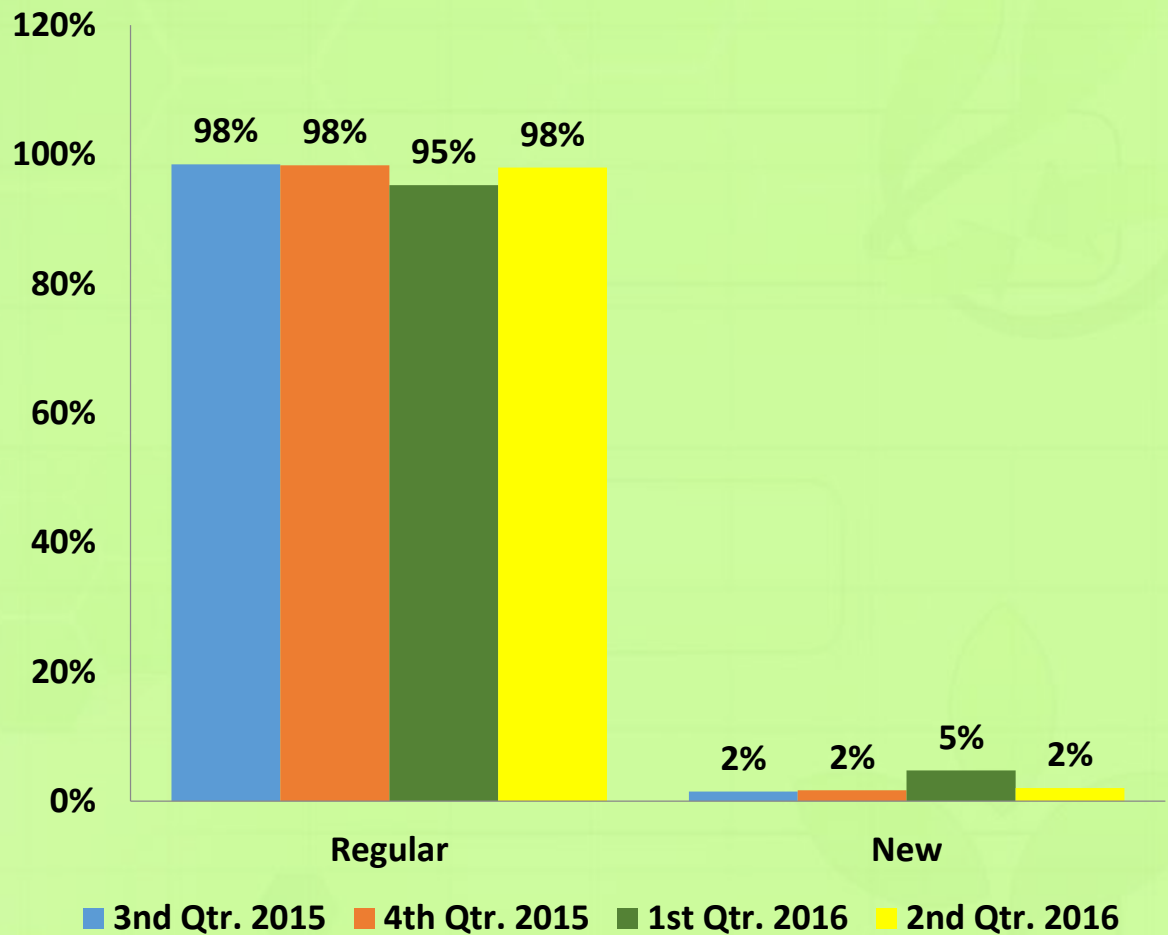
- Where customers come from
- The quality of service provided
- How often customers use our services
- The effectiveness of marketing and public outreach

Questions asked:

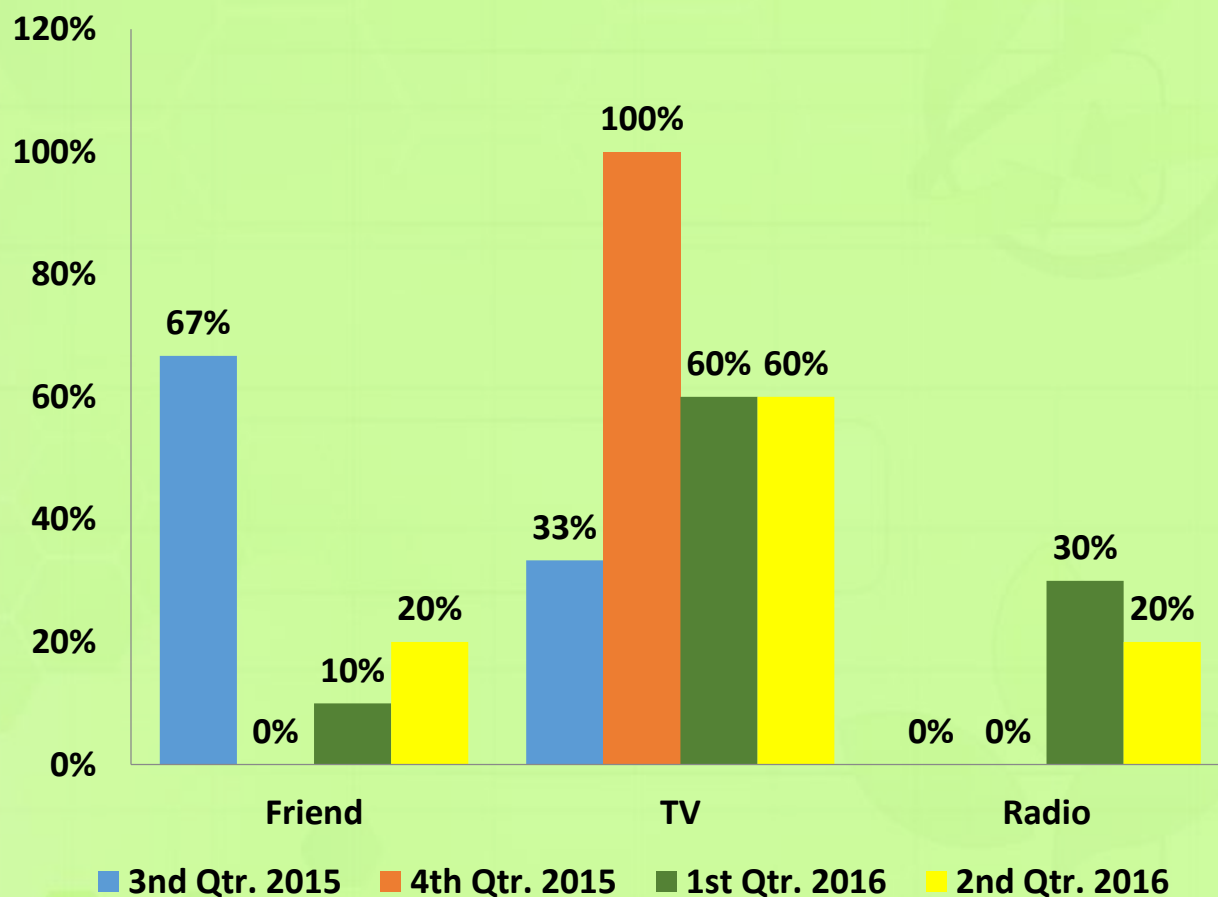
1. Is this your first time at the Sun Street Station?
2. If yes, how did you hear about the Sun Street Transfer Station?
3. If no, how often do you come to the Sun Street Transfer Station?
4. What services do you use?
5. Are you pleased with our services?
6. Would you like to see any improvements? What type?
7. What Salinas City Council district are you from?
8. If the Sun Street Transfer Station were to close down, where would you go to recycle or dispose of garbage?



Question 1: Is this your first time at the Sun Street Transfer Station?

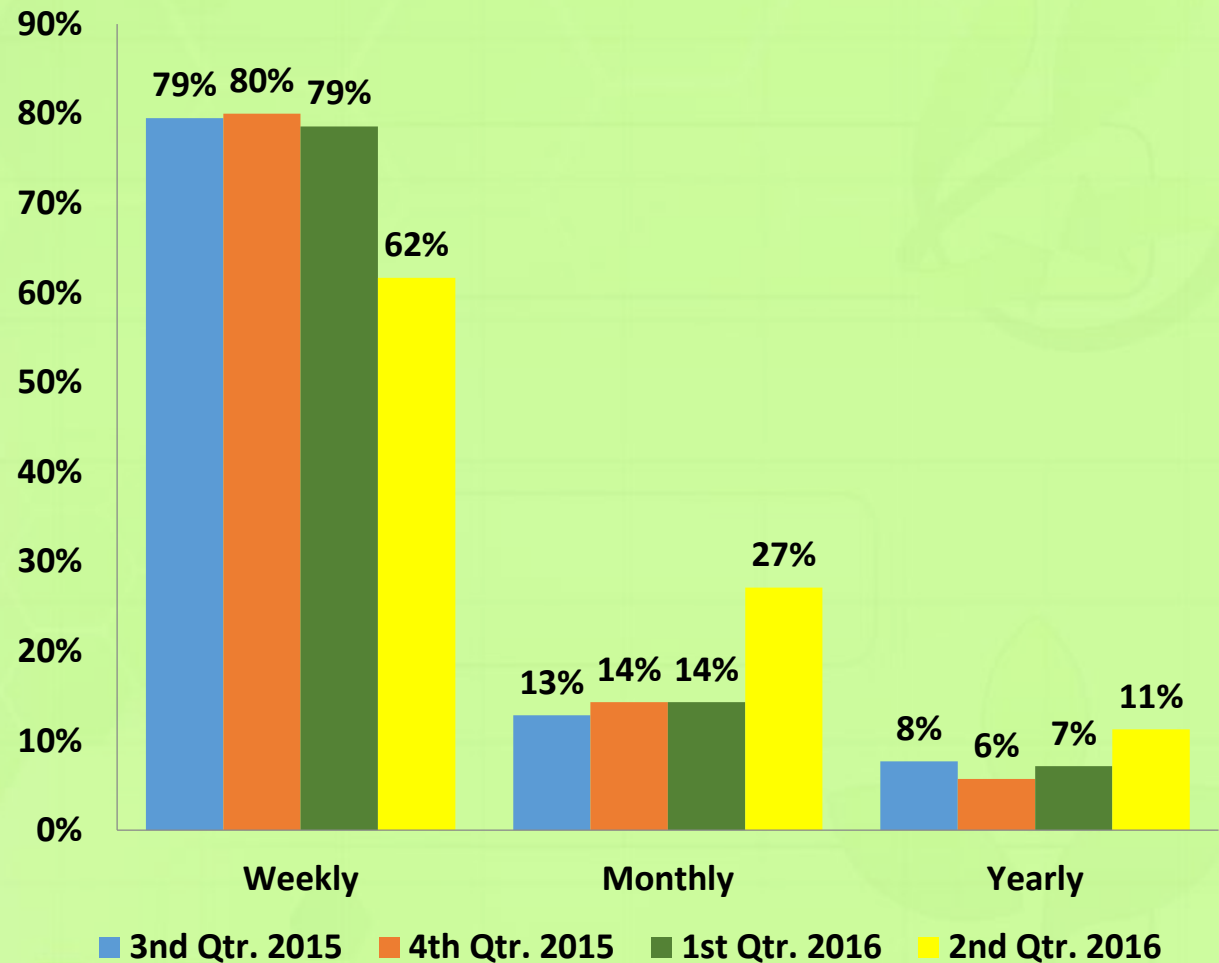


Question 2: How did you (new customer) hear about the Sun Street Transfer Station?



Question 3:

How often do you visit the Sun Street Transfer Station?

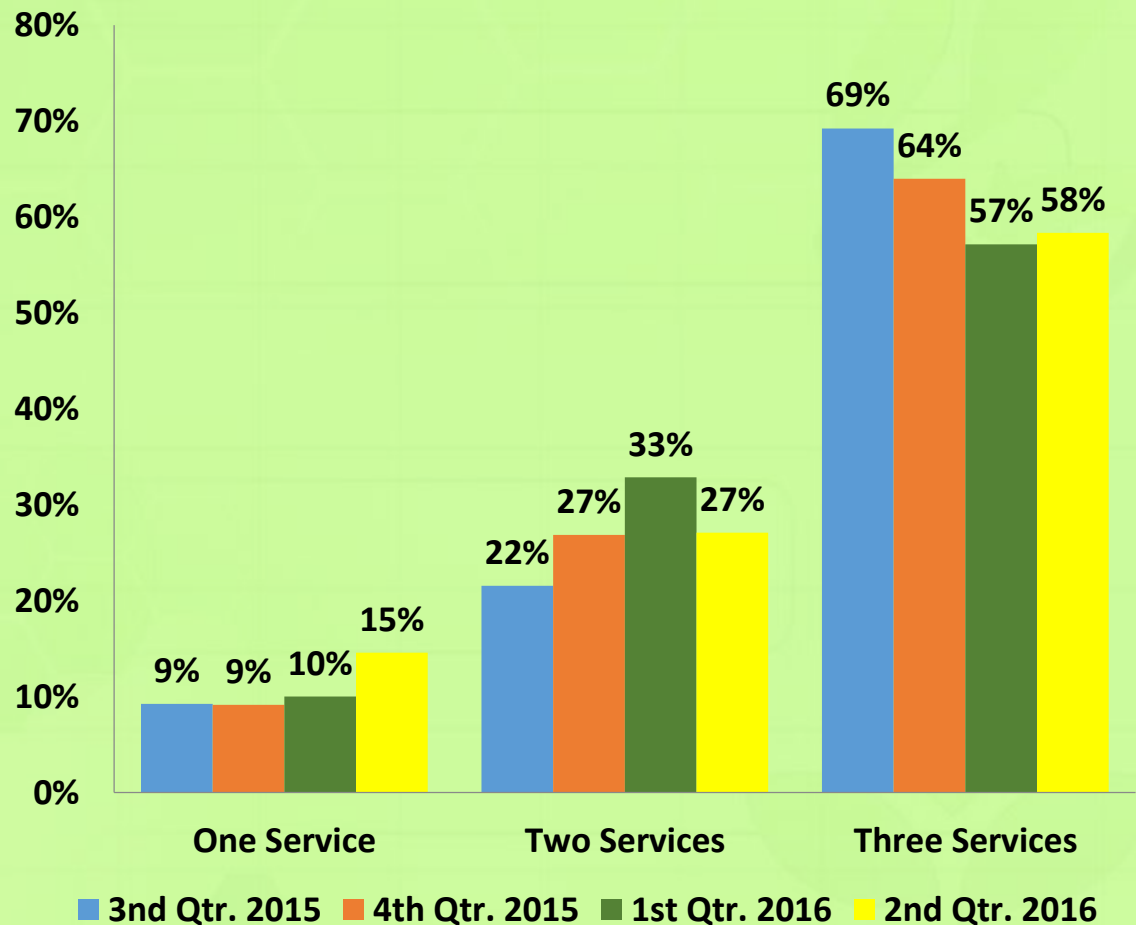


Question 4:

What services do you use?

Services Provided:

- Garbage
- Recycling
- Household Hazardous Waste



Question 5:

Are you pleased with our services?

- 99% of customer in 2014 said yes
- 100% in 2015 and 2016 said yes



Question 6:

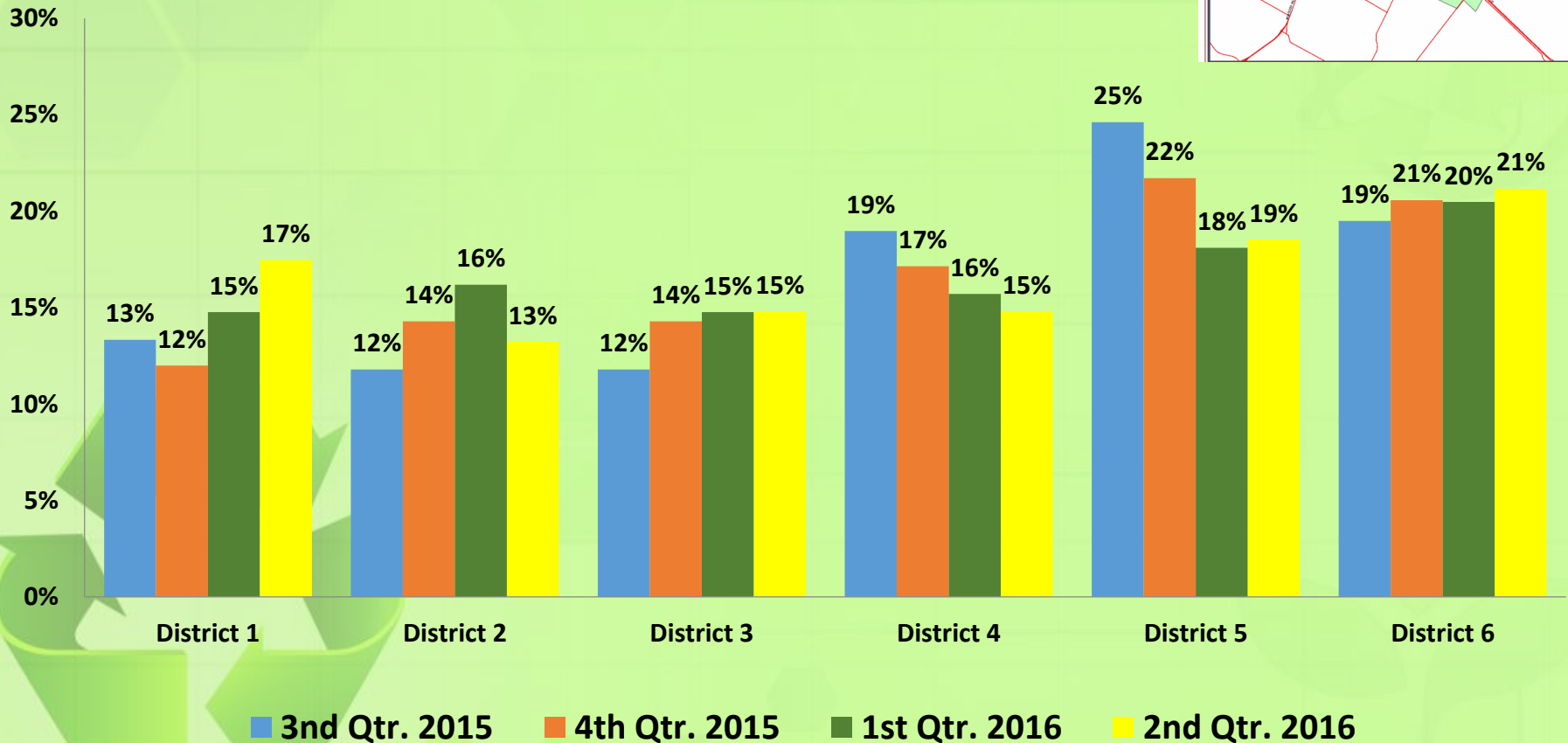
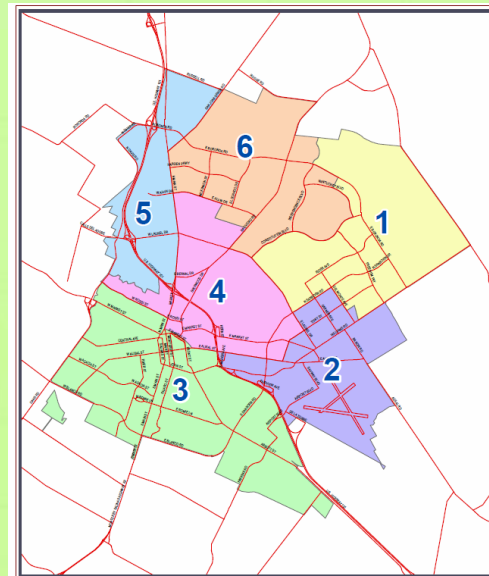
Would you like to see any improvements?

- Open on Sundays
- More opportunities to donate reusable items



Question 7:

What Salinas City district are you recycling from?



Question 8:

If the Sun Street Transfer Station were to close, where would you take your recycling and garbage?

- Madison Lane transfer station
- Marina Landfill
- Johnson Canyon Landfill
- Don't know



See attachment for more
Customer feedback

Conclusion:

Residents and business are more aware of the Sun Street Transfer Station and the services offered.

- 10% increase in customers who heard about Sun Street from a friend
- 27% increase in customers who visit more than once per month
- 24% increase in self haul customers with garbage
- 44% increase in self haul customers with recycling
- **100%** of customers are satisfied with service received !





**Sun Street Transfer Station
Quarterly Customer Survey
Administration
June 18, 2016**

Customer Feedback

QUESTION 8:

If the Sun Street Transfer Station were to close down, where would you take your recycling and garbage?

Customer Feedback:

- I am a new customer. It's already a great experience. It's clean and organized. I used to go to the one on Boronda until a friend told me about Sun Street.
- I don't know where I would go.
- The day this transfer closes down, it would be unbearable.
- It's right in the heart of Salinas.
- I would have to go to Marina.
- I would throw my trash out on the street.
- This transfer station is closer to home.
- I would hate for it to close.
- I would take a ride out to the campo (field) and dump my trash there.
- I would have more trash around my house which would create more litter.
- I'd be screwed. It's close by.
- Throw on the street.
- Bad deal, bad deal. Don't close down.
- Who would take my Household Hazardous Waste items? I can't go to Marina if I live in Salinas. Gonzales doesn't have a HHW Department.
- This would be a sad day for the City of Salinas. The whole community brings their trash and recyclables here.
- The City Streets of Salinas would be a dumping ground for trash.
- I think the City of Salinas needs to really rethink closing this facility.
- That would not be a smart move.

- I come to this Transfer Station to get rid of my trash and recycle because the workers here are so friendly. I've been to others and the employees act like they don't want to be there.
- It's always an adventure when you come to Sun Street. I love coming here.
- Salinas has a problem with the homeless now they will have a problem with residents throwing their trash out in the street.
- This is not a smart move Salinas. Way to go.
- It's nice to come here and know you're going to get treated well. You're going to get help. If I have any questions, my questions are answered. As soon as you enter the front gate, everyone has a smile on their face. I don't know where I would go but I do know it's going to be a sad day for me. I'll miss coming here and the people. They are just so friendly. I'd have to think twice about where I would go.



Report to the Board of Directors

ITEM NO. 15

N/A

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Susan Warner, Diversion Manager/Assistant
General Manager

Title: Long Term Facility Needs Public Outreach Plan

RECOMMENDATION

Staff recommends the Board accept the report and provide direction if needed.

STRATEGIC PLAN RELATIONSHIP

This project relates to Goal A, Fund and Implement 75% Diversion of Waste from Landfills and Goal B, Complete Fact Finding Process for Salinas Area Materials Recovery Center (SAMRC).

FISCAL IMPACT

Expenses incurred as a part of public outreach will be budgeted in Capital Project Budget 9804 and will be mainly for staff time.

BACKGROUND

At its November 19, 2015 meeting, the Board of Directors approved the following five Project Scenarios to be studied under the California Environmental Quality Act, as well as through economic and risk analysis.

- 1) Transfer Station/Materials Recovery Center and Global OrganicS Energy (GOE) Clean Fiber OrganicS Recovery System
 - a) Harrison Road at Sala Road
- 2) Transfer Station/Materials Recovery Center only
 - a) Sun Street transfer station
 - b) Harrison Road at Sala Road
 - c) Crazy Horse landfill
 - d) Transfer services to GOE facility
- 3) GOE Clean Fiber OrganicS Recovery System only
 - a) Harrison Road at Sala Road
 - b) Johnson Canyon landfill
- 4) No Salinas Area Facility (City Manager's Solid Waste Study Recommendation)
 - a) All North county and Salinas waste to Monterey Peninsula Landfill (MPL) for burial or processing
 - b) All public services shifted to MPL
- 5) No Project
 - a) Sun Street transfer station remains with minor improvements

- b) Continue discussion with Monterey Regional Waste Management District for processing options

DISCUSSION & ANALYSIS

Part of the Scope of Work in the contract with AECOM for design of facilities and CEQA compliance is the distribution of the Notice of Preparation of an Environmental Impact Report (EIR). This initiates the minimum 30-day scoping period when public meetings are held to inform agencies and the public about the Project and to solicit input on the scope and content of the EIR. The activities and the location of the Project Scenarios are studied to determine if there are impacts in the following areas and if so, can they be mitigated to less than significant:

Aesthetics	Hazards and Hazardous Materials
Agriculture and Forestry Resources	Hydrology/Water Quality
Air Quality	Land Use Planning,
Biological Resources	Mineral Resources
Cultural Resources	Noise
Geology/Soils	Population/Housing
Greenhouse Gas Emissions	Public Services
Recreation	Transportation/Traffic
Utility/Service Systems	

Meetings will be scheduled in the evening, at locations as close as practical to the potential Project locations of Harrison Road, near the Sala Road exit from Highway 101, the Sun Street transfer station, the Crazy Horse Landfill, the Johnson Canyon Landfill and the Monterey Regional Waste Management District. All meetings will provide written and spoken information in English and Spanish.

On display at the meetings would be boards showing various elements of the Project, a Power Point presentation, a Project Description Fact Sheet, information about the planning process and how to get involved, and comment cards. Again, all of the material provided will be in Spanish and English.

Notification of meetings will be provided on the Authority's website, Facebook and Twitter, as well as direct mailing to property owners surrounding the Project sites.

Attachment: Public Outreach Plan



“Working toward a future without landfills”

Long Term Facility Needs Public Outreach

- Projects**
- 1) Transfer Station/Materials Recovery Center/Clean Fiber Recovery at Harrison Road
 - 2) Transfer Station/Materials Recovery Center at Harrison Road at Sun Street at Crazy Horse Landfill
 - 3) Clean Fiber Organics Recovery System at Harrison Road at Johnson Canyon Landfill
 - 4) No Salinas area facility – Salinas and North County to Marina Landfill
 - 5) No Project – Sun Street remains
- Guidelines**
- 1) Authority is the lead for Authority facilities and background
 - 2) Global OrganicS Energy is the lead for their technology
- Purpose**
- 1) To share information about Long Term Facility Needs related to the use of the sites, the planning process, technologies involved, plan timeline and implementation.
 - 2) To solicit input and identify concerns for consideration during plan development and environmental review.
 - 3) To promote the Authority’s mission and vision of waste reduction and recycling, and movement toward landfill elimination.

Target Audiences

Salinas Valley Recycles Employees
Johnson Canyon neighbors
Sun Street neighbors
Harrison Road
Board of Supervisors
Salinas Valley city councils
Assembly Member Alejo
Santa Rita School District
Salinas Valley residents
Public service organizations (Rotary, Chambers of Commerce, JCs, Lions, etc.)
Salinas Valley Environmental Justice Committee (GreenAction)
Franchise Haulers – Republic, Tri Cities and Waste Management

Informational Materials in English and Spanish

- Project description fact sheet
- Power Point Slides
- Planning process information
- Newspaper/letter articles (Press Releases)
- Frequently Asked Questions list
- Comment cards
- Weblinks

Website Page Dedicated to Long Term Facilities Needs at www.svswa.org

- Home page and What's New
- Project page – detailed project information
- Outreach page – briefings, community meetings schedule and meeting summaries
- Calendar – updated list of meetings and milestones as well as project timeline
- Document page – electronic listing of all pertinent documents related to the project
- Contact page – Team contact information
- FAQs
- Links page – links to others involved in the project or pertinent articles

Media Plan

- Press releases distributed at milestones
- Salinas Californian, Monterey Herald, South County Newspapers, El Sol
- Radio and/or television guest spots as appropriate

Schedule

- 11/19/15 Board approved Projects for review
- 12/31/15 Draft outreach presentation developed
- 04/15/16 Outreach plan drafted
- 06/16/16 Final Outreach Plan provided to Board
- 08/31/16 Finalize public workshops/meetings schedule

**Mission**

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 services and education.

Vision

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

Innovation • Integrity • Public Education • Efficiency • Fiscal Prudence • Resourcefulness • Customer Service • Community Partnerships

June 9, 2016

Draft

Tim Flanagan, General Manager
Monterey Regional Waste Management District
14201 Del Monte Blvd.
P.O. Box 1670
Marina, CA 93933

Subject: Response to Inter-Agency Collaboration letter of May 20, 2016

Dear Tim,

Thank you and your Board for your agency's timely response to our April 15, 2016 letter. The response to your question posed to SVR in the subject letter is yes, we are interested in negotiating terms and conditions for the various disposal and/or processing services outlined in our referenced letter. Our Board discussed this letter at its April 21, 2016 meeting and again at its June 16, 2016 meeting and provided direction to staff to move forward with these discussions. We are in the process of conducting CEQA required analyses on a number of project scenarios focused on long term facility needs for our agency, including use of various District services. Development of clear costs and terms for any future agreements with the District are critical for completion of our CEQA, economics and financial impacts studies that will be used by our Board to make these long range decisions. We look forward to these discussions over the coming months.

Your truly,

Patrick Mathews, General Manager/CAO
Salinas Valley Recycles

Copy to: SVR Board of Directors



Report to the Board of Directors

ITEM NO. 16

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: June 16, 2016

From: Patrick Mathews, General Manager/CAO

Title: Update on Interagency Collaboration with Monterey Regional Waste Management District

RECOMMENDATION

Staff and the Executive Committee recommend that the Board of Directors accept this status report and provide any additional direction it feels is relevant at this time.

The attached May 20, 2016 letter from the Monterey Regional Waste Management District (District) concurs with this Board's interest (included in SVR's attached April 15, 2016 letter to District General Manager) in considering further discussion with SVR board members through formation of ad hoc committees. The Board will need to establish its goals and objectives for the ad hoc meetings.

STRATEGIC PLAN RELATIONSHIP

Evaluation of all SVR's potential options under the "Long Term Facility Needs" studies currently underway are consistent with the SVR's Mission, Vision and Values.

The recommended action further helps support SVR Goals to:

- Fund and Implement 75% diversion from landfills and,
- Complete Fact finding Process for Salinas Area Materials Recovery Center

FISCAL IMPACT

There is no immediate fiscal impact for this action and full financial modeling for all study scenarios is included in the California Environmental Quality Act (CEQA) process currently underway to fully assess both short and long term cost impacts and economic benefits to SVR and its customers. The attached correspondence and information requests to the District are specific to the needs of the CEQA process and related studies.

DISCUSSION & ANALYSIS

Staff continues to support a multi-pronged approach of studying multiple options for the long term community needs for solid waste and resource recovery services, as requested by the City of Salinas in its August 13, 2013 letter (attached). To this effect, the response from the District is a great first step in developing the necessary facts needed to fully evaluate a number of collaborative options along with all the project scenarios/sites recommended by our Citizen's Advisory Group (CAG) and approved by the Board.

It is important to note that solid waste facilities are often complex in nature and have both pros and cons with regards to location and community impact (both actual and perceived). All of the options under consideration will have challengers and supporters.

This is typically the case with solid waste facilities and an often discussed topic in papers and articles within our industry.

Completion of the Board authorized CEQA, financial and economic studies are essential to the selection of the specific path or project option(s) based on a solid set of facts. Premature notions or decisions of a preferred path or project option or consideration to eliminate sites before completion of the studies, will potentially expose the Board to more criticism than is necessary. SVR's history of pursuing a singular project path has not resulted in success as referenced under the background information referenced below. In response to this concern, staff continues to engage the respective City and County Economic Development staff in identifying any other site options that could be added to the Board alternatives.

By completing the comprehensive and transparent fact gathering process already underway, the Board will have a solid set of facts, options and findings to consider when making their final decisions. All stakeholders, supporters and those with concerns (current and future) to any particular option will have an open opportunity to participate in the process.

BACKGROUND

Please refer to the October 15, 2015 staff report on the preparation of the Long Term Facility Needs CEQA documents and related studies for a full history of SVR's efforts to site a permanent facility and relocate or enhance the Sun Street Public Service Facility.

The attached letter from the City of Salinas restated their desire to see SVR's Sun Street operations relocated, requesting re-evaluation of multiple alternative sites and commencement of the CEQA process. As a result of this request from the City of Salinas, the CAG was formed to participate in the evaluation of alternative sites. The work and recommendations of the CAG were the basis for the final site options selected by the Board for further study including CEQA, long range financial modeling, and economic benefits studies.

ATTACHMENT(S)

1. August 13, 2013 City of Salinas letter regarding CEQA process for relocation of Sun Street Public Service Facilities
2. May 13, 2016 District staff report and response to SVR letter of April 15, 2016
3. Draft letter to MRWMD acknowledging desire to negotiate shared services



City of Salinas

OFFICE OF THE CITY COUNCIL • 200 Lincoln Avenue • Salinas California 93901 • (831) 758-7201 • Fax (831) 758-7368

August 19, 2013

Salinas Valley Solid Waste Authority
ATTN: Patrick Matthews, General Manager
128 Sun Street, Suite 101
Salinas, CA 93901



RECEIVED

AUG 22 2013

SVSWA

Re: City of Salinas Response Regarding Relocation of Sun Street Transfer Station to Work Street and Request for Property Exchange Agreement.

Mr. Matthews,

We have reviewed your e-mail communications to Salinas City Manager Ray Corpuz of August 5 and 6 and have spoken to staff regarding their concerns about your request for the City to provide the Salinas Valley Solid Waste Authority (SVSWA) with a land swap agreement for the relocation of the transfer station prior to completion of CEQA documentation. This request raises concerns for us as both City representatives to the SVSWA Board and as three of the City Council Members responsible for making the final decision about the relocation site.

We believe that the best decisions can only be made after we have received complete data that fully evaluates all alternatives for possible relocation. Until we have information that evaluates the difference between Work Street (with and without the Granite Asphalt Plant), Hitchcock Road and the Waste Management site, we cannot fully understand the issues associated with our decisions. We also believe that it is essential that all agencies, organizations and community interests be heard on the relocation options so that we can weigh all perspectives before deciding.

We recognize that a lot of effort has gone into previous discussions about the Work Street site, but have been made aware of a number of community and staff concerns about this location. We therefore request, as representatives from the City of Salinas, that you immediately resume the CEQA process that will provide us the information we need to advance this important decision. This action will allow everyone to move closer to resolution of this long standing matter. Should you require more direction than this letter provides, we request that you place this item on the first available agenda for consideration by the full SVSWA Board.

Finally, we want to state clearly that the City of Salinas has a need for the Sun Street Transfer Station to be relocated so that we can advance development of the Alisal Market Place and associated facilities. We also recognize that the Solid Waste Study that will be undertaken by multiple jurisdictions in Monterey County may have implications that create uncertainty about

August 19, 2013
Salinas Valley Soled Waste Authority
Patrick Matthews, General Manager

the relocation plans as they are developing. However, we again believe that the best way forward for all parties is for the EIR to be completed so that we all have solid data on which to base our development and property agreement decisions.

We want to be clear that we understand that you are seeking assurances that the City of Salinas will negotiate in good faith for a location that is desirable for the transfer station. We can direct staff to prepare an MOU to that effect if you believe that is necessary. However, until full details are provided, we would find it difficult to prepare a property agreement for the relocation.

Should you have questions or wish clarification on our recommendations, please contact Gary Petersen, Director of Public Works at 831-758-7390.

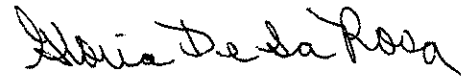
Regards,



Tony Barrera
Council Member District 2



Jyl Lutes
Council Member District 6



Gloria De La Rosa
Council Member District 4

cc: Ray Corpuz, City Manager
Vanessa Vallarta, City Attorney
Gary Petersen, Director of Public Works
City of Salinas - Council



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: May 13, 2016
 TO: Board of Directors
 FROM: Ad Hoc Committee Chair
 SUBJECT: Report of the Ad Hoc Committee and Its Recommendation to
 Approve a Response Letter to Salinas Valley Recycles (SVR)

RECOMMENDATION: The Ad Hoc Committee unanimously recommends that the Board approve the attached response letter to SVR and authorize the General Manager to sign and mail the letter.

BACKGROUND

Board Members will recall that at our April 22, 2016 meeting we received and briefly discussed a letter sent to General Manager Flanagan from Patrick Matthews, the General Manager of Salinas Valley Recycles (SVR – formerly the Salinas Valley Solid Waste Authority). (A copy of that letter is attached as Exhibit A to this memo.) Board Chair Allion appointed an ad hoc committee at that time, comprised of himself and Board Members Downey and Bales, to further look into and discuss the matter and bring back to the full Board at this meeting a recommendation for a response by the District to that letter from SVR.

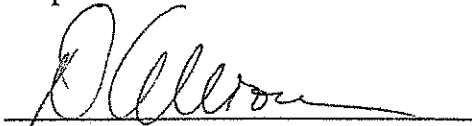
The ad hoc committee members all met for over an hour on May 4th regarding this matter. Staff members in attendance were Tim Flanagan, Chuck Rees, Guy Petraborg, Jeff Lindenthal and Rob Wellington. A draft outline of a proposed response, and the issues and details concerning a response, were discussed at considerable length. The committee members agreed upon a framework for the response, and directed Legal Counsel to prepare a draft letter for all to review. A telephone conference was scheduled for the committee and the staff present for the following week, May 10th. A draft was prepared and sent out on May 6th; no comments for suggested revisions were received prior to the teleconference on May 10th. The draft was discussed at length in the teleconference (45 minutes), and the committee unanimously agreed upon the form of the draft letter, with a couple minor revisions. After the teleconference staff members submitted to legal counsel some further suggestions for changes. Most of those were included in a further redlined draft which was sent out to the committee. The committee members then unanimously approved the final draft of the letter to recommend to the Board for approval at this meeting. A copy of the recommended letter is attached to this memo as Exhibit B.

DISCUSSION

One of the ad hoc committee members noted that this proposed letter is in accordance "with the path the Board has consistently expressed." The committee members felt that to be the case, as reflected, for example, in this Board's prior insistence that the planned survey work for the Countywide Integrated Solid Waste Management Study, promoted by the county city managers' group, not consider consolidation or merger, and subsequently the Board's generally favorable reception and discussion back in September 2015 of the Study and the primarily recommended scenario.

CONCLUSION

It is therefore recommended that the Board approve the Adhoc Committee recommendation to authorize the General Manager to sign and mail the response letter to SVR.


Dennis Allion

BOARD OF DIRECTORS
DENNIS ALLION
CHAIR

IAN OGLESBY
VICE CHAIR

GARY BALES
DAVID PENDERGRASS
LEO LASKA
LIBBY DOWNEY
JANE PARKER
BRUCE DELGADO
CARRIE THEIS



TIMOTHY S. FLANAGAN
GENERAL MANAGER

GUY PETRABORG, P.E., G.E.
PRINCIPAL ENGINEER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

ROBERT WELLINGTON
COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

May 20, 2016

RECEIVED

MAY 24 2016



Mr. Patrick Mathews, General Manager/CAO
Salinas Valley Recycles (SVR)
PO Box 2159
Salinas CA 93902-2159

SVSWA

Re: Inter-Agency Collaboration; Your Letter of April 15, 2016

Dear Patrick:

This letter is in response to your letter to me dated April 15, 2016, with questions related to issues and informational needs to assist in your evaluation of various collaborative options under consideration by SVR in its Long Term Needs Environmental Impact Study. The District's Board of Directors reviewed and discussed this letter in its meeting today and authorized me to send it to you. The District's response to the primary questions raised in your letter are as follows:

Merger and Joint Governance. You/SVR asked "Is the District interested in exploring merger and joint governance of a countywide agency with Salinas Valley Recycles (SVR)?"

The position of the District Board has been for some time now, and remains, that it is not interested in merger or joint governance. Since that is the District's position, the Board believes that discussions of this matter "at the elected level" would be inappropriate, and that any discussions of this nature should be official, open and on-the-record, as modeled in our present letters to each other. However, our Board has indicated that it is open to discuss other options for our joint collaboration.

Shared or Contracted Services. You (for SVR) have inquired about three options in this regard.

(1) *Clean Fiber and Organics Recovery System* – Is the District interested in participating in this project?

The District Board is not interested in participating in this project at the present time. The District could certainly reevaluate this position, but that would depend upon the outcome of considerable further exploration and understanding of this project on our part.

(2) *Contracted Landfill Disposal Only* or

(3) *Contracted Waste Processing Services* – Would the District under contract (i) accept SVR waste for landfill disposal or (ii) extend processing services to one or both of SVR's waste streams identified in its letter (i.e., mixed commercial waste and C&D materials)?

Mr. Patrick Mathews
May 20, 2016
Page 2

Our answer to each of these questions is the same – The District will certainly consider and discuss providing either or both of the services to SVR mentioned above, by contract on negotiated terms mutually agreed upon and beneficial to both parties. A full set of services could be discussed and possibly made available to SVR, including recycling services at our MRF, an HHW program, food and green waste processing, E-waste and drop-off recycling, Last Chance Mercantile reuse and retail sales, and others.

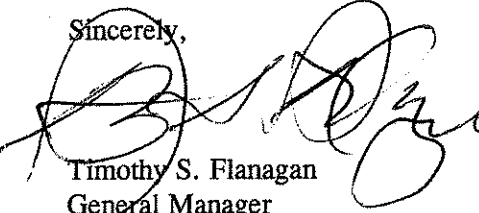
Before we proceed further to review and provide answers to the questions you have posed regarding the above-two services, we have a question of SVR: Is the SVR interested in either or both of such services, and in negotiating with the District regarding same?

If so, then I am authorized to meet with you as soon as mutually convenient to begin discussions, outline the issues involved and start on a negotiating process to reach an agreement between SVR and the District on these matters, subject to review and approval of our respective boards, of course. District staff would also commence the efforts necessary to try to answer all of the services-related questions posed to us in your April 15th letter.

Additionally, the District Board believes that further discussions at the board level may well be in order, and would suggest a future meeting between ad hoc committees of our two boards on these matters, including the several recommendations set forth in the countywide solid waste study of last year.

We look forward to hearing back from you on this matter and continuing with our joint collaborative efforts.

Sincerely,



Timothy S. Flanagan
General Manager

cc: SVR Board of Directors
District Board of Directors



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 13

N/A

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: April 21, 2016

From: Patrick Mathews, General Manager/CAO

Title: Collaborative Discussions between Salinas Valley Recycles and Monterey Regional Waste Management District (MRWMD)

RECOMMENDATION

Staff recommends that the Board accept this report and provide staff and Board with any added direction regarding collaborative discussions beyond those currently underway with the SVR and MRWMD General Managers and staff.

STRATEGIC PLAN RELATIONSHIP

This status report provides support for SVRs goal to "Complete the Fact Finding Process for the Salinas Area Materials Recovery Center and Clean Fiber and Organics Recovery System" and all other alternatives approved for consideration under the California Environmental Quality Act (CEQA) environmental review process currently underway.

FISCAL IMPACT

This report has no immediate fiscal impact, but may lead to future system recommendations that may alter diversion, public services and/or costs for future SVR activities and public service programs.

DISCUSSION & ANALYSIS

Since summer 2015, the General Managers and key staff from SVR and MRWMD have met and communicated periodically regarding each agency's long range plans and activities. The purpose of these meetings, as directed by the Board, is to determine what levels of collaboration can occur between the agencies to improve delivery of services and manage system costs. These meetings are ongoing and have been very informative.

Attached you will find a letter to the MRWMD that begins outlining the specific details needed to support our CEQA and fiscal review processes for the varying options under consideration by SVR. This letter requests more detailed information and responses to a number of important policy questions that are necessary for the two agencies to begin substantive discussions on future areas of collaboration.

BACKGROUND

SVR and MRWMD General Managers have and will continue to meet periodically to stay abreast of each agency's activities, progress and advancements in providing improved

public and franchise services. Our collective goal is to find areas of mutual benefit and cooperation that can assist both agencies in achieving higher waste recovery, increased green energy production, improved public services and a more sustainable waste management system in Monterey County. This item is a follow-up to Board's discussion on this topic at its March 2016 meeting and the January 2016 staff report updating the Board on inter-agency discussions.

ATTACHMENT(S)

1. Letter to MRWMD regarding Interagency Collaboration and CEQA Analysis, April 13, 2016
 - a. SVR Board report "Update on Inter-Agency Collaborative Discussions", 1/21/2016
 - b. Solid Waste Study, Scenario 7 Projected Traffic and Routes
 - c. MRWMD "Guiding Principles for Acceptance of Regional Waste", 8/12/2005



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Mission

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 services and education.

Vision

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

Innovation • Integrity • Public Education • Efficiency • Fiscal Prudence • Resourcefulness • Customer Service • Community Partnerships

April 15, 2016

Tim Flanagan, General Manager
Monterey Regional Waste Management District
14201 Del Monte Blvd., PO Box 1670
Marina, CA 93933-1670

Subject: Inter-Agency Collaboration and CEQA Analysis

Dear Tim,

Per our discussions over the last few months, our Board of Directors has asked that we provide you with an outline of the issues and informational needs that will assist us in evaluating the various collaborative options under consideration in our Long Term Facilities Needs Environmental Impact Study (EIR). As several of the options under study include varying levels of shared or collaborative services between our agencies, we would like to outline the higher-level questions and information that will be important for our analysis and will form the agenda for our respective Board's ongoing discussions. As reference, attached is a copy of the update report on agency General Manager discussions provided to our Board in January 2016.

Merger and Joint Governance

This is a question that has been raised many times over the years dating back to the formation of SVR in 1997 and remains an often-raised topic of discussion and speculation.

- Is the District interested in exploring merger and joint governance of a countywide agency with Salinas Valley Recycles (SVR)?

Firm resolution of this question will help to guide our future discussions and Board processes. As we discussed, there is some interest in having further discussion at the elected level regarding this issue. We will keep you informed as our Board provides formal direction.

Shared or Contracted Services

As outlined in the attached update to our Board, there are a number of options under study from development of SVR's public/private partnership with Global OrganicS Energy for recovery of clean paper fiber, organics and recyclables from the mixed waste stream (landfilled waste) to the simple movement of all North County and Salinas refuse to the Marina Landfill for disposal only and closure of SVR's public service facilities in Salinas. This was the recommendation coming from the City Manager's Solid Waste Study last year (study scenario no. 7).

www.svswa.org

PO Box 2159, Salinas CA 93902-2159 • 128 Sun Street, Ste. 101, Salinas CA 93901
tel. (831) 775-3000 • fax (831) 755-1322

Inter-Agency Collaboration and CEQA Analysis

The following questions and information requests will assist us in clarifying the options being studied, define the appropriate paths forward to complete our EIR process, and provide a strong supporting fact set for our Board to consider when it deliberates the EIR outcomes.

Clean Fiber and Organics Recovery System

1. Would the District be interested in participating in this project for advanced processing of waste already destined for your landfill such a residential packer truck waste? For clarification, we are not interested in securing waste already dedicated to your current or future materials recovery facility, only mixed curbside waste or unmarketable recovered paper products (waxed cardboard, food contaminated paper...) destined for landfilling. District interest in participating at this time would not be binding and would of course be subject to successful completion of SVR's EIR process, inter-agency rate and service negotiations, and final commercial demonstration of the fiber recovery plant scheduled for next year.
2. Would the District be interested in jointly hosting this project at its Marina landfill as an added siting option that SVR can consider in our EIR process? If yes,
3. What level of additional California Environmental Quality Act (CEQA) analysis do you believe would be required to facilitate such a project on your property?

Contracted Landfill Disposal Only

4. Per the City Manager's study recommendation, would the District accept SVR waste for landfill disposal only (no MRF processing), under contract? If yes,
5. Would the District extend SVR its premium disposal rate offered to Greenwaste Recovery for residues coming from its San Jose processing facilities and what is that rate currently? What contractual conditions would come with the premium rate, such as "put-or-pay"?
6. Will the District need to update its CEQA documents to accept SVRs additional out-of-district waste? We have attached a map showing the likely traffic and routing associated with the Solid Waste Study recommendation for your reference.
 - a. Please forward the most current CEQA documents/amendments governing your acceptance of out-of-district waste for our study reference.
7. How will the District's landfill life be affected with an increase of 120,000-170,000 tons per year from SVR in addition to its current importation tonnage contracts, plus expected future annual growth projections in the SVR service region of 1-3%?
8. Would any of the current importation contracts or a future SVR contract retain any future (but currently unknown) financial liabilities for waste once it is accepted for landfilling by the District, either during or after termination of the agreement?
9. Have your "Guiding Principles for Acceptance of Out-of-District Waste" been modified or changed since adoption in 2005 (copy attached)? If yes, please forward your most current Guiding Principles, but if not:
 - b. Would the policy limitation for short to medium term contracts only still be applicable?
 - c. Would SVR have to consolidate waste and use transfer trucks only to deliver waste?
 - d. Can the district handle an additional 200-300 self-haul customers per day, and all the ancillary services (HHW, drop-off recycling, organics,...) if the SVR facilities

Inter-Agency Collaboration and CEQA Analysis

- in Salinas are closed per the Solid Waste Study recommendation? The 2005 Guiding Principles indicate this may be prohibited.
- e. How many added employees would the District need to accommodate full service of SVR customers and franchisee waste delivery proposed in the Solid Waste Study? And would the District give priority to hiring any displaced SVR employees to fill these positions if its Salinas facilities are closed?
 - f. Any new or expanded capital improvements or heavy equipment needed to accommodate increases in tonnage and traffic associated with SVR waste?
 - g. Are there any other significant conditions for delivery of waste to the District's landfill, contractual obligations or provision related to public self-haul services that SVR should be aware of for its CEQA studies?

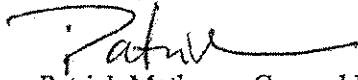
Contracted Waste Processing Services

- 10. We understand the District is enhancing its Materials Recovery Facility (MRF) processing capabilities for construction and demolition materials and mixed commercial waste. Would the District be willing to extend processing services to SVR for one or both of these waste streams? If yes,
- 11. What are the conditions for delivery of waste for processing? Would your guiding principles apply here or can select franchise vehicles be instructed to deliver waste directly to your MRF?
- 12. Any anticipated limitations or standards for what types of materials can be delivered for processing?
- 13. Do you anticipate market conditions could alter current or future recovered materials categories, costs and/or recovery rates for the enhanced MRF facilities? Example, will processing rates go up or down conditioned upon current market conditions for recyclables? Would the District be open to sharing some portion of the recycling revenues when markets are very good?
- 14. If SVR decided to maintain its public self-haul and AB 939 services in the Salinas area, would the District offer a lower rate for processing only that does not include your cost recovery for onsite public services such as drop off recycling, AB 939 services or HHW collection?
- 15. As above, in the event there is a future decision that results in any reduction of SVR staff, would the District give priority to hiring displaced SVR employees to fill positions necessary to accommodate increased processing of SVR materials at its facility?
- 16. Please provide a list of your stakeholder groups and organizations (Chambers, Rotaries, environmental organizations, ...) near the landfill and in the District service area that should be notified or engaged in our CEQA processes that involve moving materials to District facilities.

We appreciate the opportunity to continue and build upon our current discussions. While we do not expect you can immediately answer all of the broader questions posed above, we hope to begin addressing as many as reasonably possible in the near future to allow our EIR consultant to better frame and evaluate some of the options under consideration. Please forward any questions you may have as they arise and we will do the same on our end. Our goal is to fully define each option under consideration, evaluate short and long-term rates and costs, consider economic benefits and impacts, and create a clear and transparent dialogue between our agencies that facilitates sharing of services and programs where it makes most sense for our respective operations.

Inter-Agency Collaboration and CEQA Analysis

Sincerely,



Patrick Mathews, General Manager/CAO
Salinas Valley Recycles

Attachments: SVR Board report "Update on Inter-Agency Collaborative Discussions", January 21, 2016
Solid Waste Study, Scenario 7 Projected Traffic and Routes
MRWMD "Guiding Principles for Acceptance of Regional Waste", August 12, 2005

Copy: Citizens Advisory Group
AECOM, Jeff Zimmerman



SalinasValleyRecycles.org

Salinas Valley Solid Waste Authority

Report to the Board of Directors

ITEM NO. 8

N/A

Finance Manager/Controller-Treasurer

Patrick Mathews

General Manager/CAO

N/A

Legal Counsel

Date: January 21, 2016

From: Patrick Mathews, General Manager/CAO

Title: Update on Collaborative Discussions between Salinas Valley Recycles and Monterey Regional Waste Management District (MRWMD)

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

The status report provides information that supports Goal A, Fund and Implement 75% Diversion of Waste from Landfills. The Board provided specific instruction under its July 2015-Jan 2016 Strategic Planning objectives to have the General Manager facilitate meetings with the new MRWMD General Manager on the feasibility of sharing future processing capacities as they are developed.

FISCAL IMPACT

This report has no fiscal impact, but may lead to future system recommendations that improve diversion, public services and/or reduce costs for SVR activities.

DISCUSSION & ANALYSIS

In September both General Managers and their immediate staff met at SVR offices to review the proposed Clean Fiber and Organics Recovery Technology Center proposal by Global Organics Energy (GOE) and to discuss how this proposed technology could be developed and potentially shared by both agencies in the future.

In October 2015, both General Managers and their immediate staff met at the MRWMD offices to review and discuss the district's planned Materials Recovery Facility Improvements and how their updated facility could also be shared with SVR. Both facilities have primary focuses on specific waste streams that could be complementary and not competitive in nature, achieving a very high collective waste recovery rate and a long term sustainable system for the entire County.

To advance the discussions around possible future shared or joint programs/projects under evaluation in our Environmental Impact Study for future facility needs, the General Manager is preparing a letter to the MRWMD outlining areas of discussion and informational needs associated with:

1. MRWMD interest in merger and joint governance of the agencies
2. MRWMD interest in shared use of the potential future Clean Fiber and Organics Recovery System for processing mixed residential wastes destined for landfill
3. Contracted rates, terms, conditions and limits associated with:
 - a. SVR delivery of refuse for landfilling at MRWMD

- b. SVR delivery of select materials for processing at MRWMD
- c. Designation of MRWMD as the direct haul site for Salinas and North County franchise and self-haul wastes
- 4. Other shared program services such as household hazardous waste disposal contracting, cooperative organics management programs and expanding shared public education services
- 5. Impacts associated with limiting waste importation into Monterey County

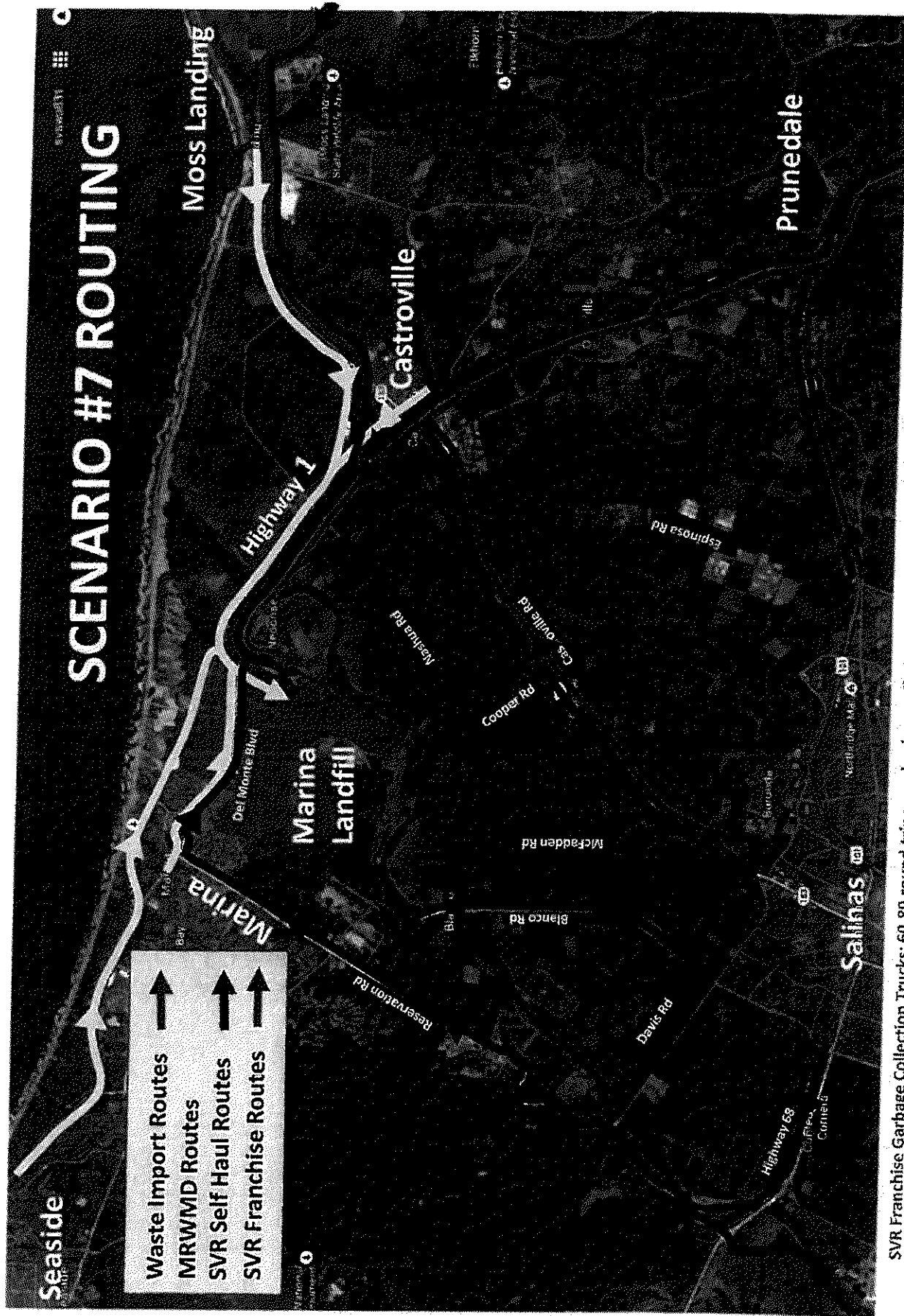
BACKGROUND

SVR and MRWMD General Managers have and will continue to meet periodically to stay abreast of each agency's activities, progress and advancements in providing increased waste recovery services with new or expanded technologies. Our collective goal is to find areas of mutual benefit and cooperation that can assist both agencies in achieving higher waste recovery, increased green energy production, improved public services and a more sustainable waste management system in Monterey County.

ATTACHMENT(S)

None

SCENARIO #7 ROUTING



SVR Franchise Garbage Collection Trucks: 60-80 round-trips per day (controlled routes)
 SVR Self Haul Customer Vehicles: 250-350 round-trips per day (uncontrolled routes)

Johnson Cyn Landfill Comparison Transfer Trucks: 28-32/day,
 Franchise Trucks: 20-24/day, Self-haul Vehicles: 20-30/day:



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: August 12, 2005
TO: General Manager
FROM: Assistant General Manager and Senior Engineer
SUBJECT: Policy Regarding Acceptance of Regional Waste (Out-of-District) for Disposal at the Monterey Peninsula Landfill

RECOMMENDATION: That the Board of Directors take the following action:

- Consider and provide direction on the draft "Guiding Principles for Acceptance of Regional Waste" for Disposal at the Monterey Peninsula Landfill, and
 - Set a Public Hearing for September 16, 2005 to Adopt the "Guiding Principles for Acceptance of Regional Waste" and Adopt a Disposal Fee for Acceptance of Regional Waste.
-

BACKGROUND

The Monterey Regional Waste Management District (MRWMD) is in the enviable position of owning a landfill with a remaining capacity in excess of 40,000,000 tons, yielding a site life of well over 100 years for its member agencies. This enormous capacity places the Monterey Peninsula Landfill in the top 20 landfills in the entire United States with respect to remaining waste capacity, and probably within the top 2 or 3 with respect to the estimated site life.

The MRWMD is evaluating the possibility of accepting regional solid waste, defined as waste from outside its existing service area. Acceptance of regional waste would be done on a case-by-case basis by agreement in accordance with the MRWMD's adopted "Guiding Principles for Acceptance of Regional Waste". Strict environmental, operational, and financial standards would be built into any agreement to accept such waste. Regional cooperation for waste disposal would be given a high priority. The District intent at this time is to offer only short and/or intermediate capacity (defined as 20 to 30 years disposal capacity) to importing jurisdictions. Acceptance of any regional solid waste would only be approved as long as the MRWMD can maintain a reserve disposal capacity at the Monterey Peninsula Landfill that will give its member agencies a site life in excess of 75 years (to the year 2080).

GUIDING PRINCIPLES FOR ACCEPTANCE OF REGIONAL WASTE

In July 2004, an Ad Hoc Advisory Task Force was formed and discussions on the "Guiding Principles" for the MRWMD were initiated. One of the guiding principles is on landfill capacity and service area. This principle addresses parameters for offering certain limited, excess landfill capacity to neighboring public agencies for the disposal of regional ("out-of-District") waste at the Monterey Peninsula Landfill. Two immediate potential buyers of this excess landfill capacity include the Salinas Valley Solid Waste Authority (SVSWA) and Santa Cruz County. The proposed 2004 Guiding Principle regarding landfill capacity and service area is as follows:

"Consider a policy establishing a minimum 75 year landfill life to serve projected waste streams exclusively generated by the MRWMD member agencies to the year 2080. Certified landfill capacity exceeding 75 years would be considered excess capacity, which could be considered for sale to the County of Santa Cruz and the Salinas Valley Solid Waste Authority (SVSWA). The purpose of the sale of the excess capacity is to mitigate further disposal fee increases to the MRWMD member agencies and to permit the SVSWA and the County of Santa Cruz adequate time to identify and develop additional long-term disposal capacity within their respective jurisdictions."

At its October 15, 2004 Board meeting, the Board agreed on the Guiding Principles that were proposed by the MRWMD Advisory Task Force. Since then, the Guiding Principles have been further developed. The Board Finance Committee met on July 6, 2005 and discussed the acceptance of regional (out-of-District) waste. A draft "Guiding Principles for Acceptance of Regional Waste" is presented below for the Board's consideration:

Guiding Principles for Acceptance of Regional (out-of-District) Waste

1. *Regional waste received will be from public agencies only, by agreement.*
2. *The primary need of the public agency will be for short to intermediate (20 to 30 years)-term landfill space while they work to find a long-term solution to their solid waste disposal needs.*
3. *The sale of the MRWMD excess landfill capacity will be subject to a contract approved by the Board.*
4. *The amount of waste to be accepted will not reduce the MRWMD's certified landfill capacity below 75 years (to 2080).*
5. *The waste brought to the MRWMD will have been subject to recycling and diversion programs acceptable to meet the State-mandated diversion goals.*
6. *The MRWMD will have the ability to shorten the contract term should the agency not demonstrate adequate progress in meeting their long-term solution to solid waste disposal.*
7. *The acceptance of Regional waste will utilize only District landfill operations and airspace. The waste will not require the use of any of the following MRWMD services: materials recovery facility, public recycling drop-off facility, Last Chance Mercantile, household hazardous waste collection program, and public awareness program.*
8. *The agreed-to disposal fee will include an escalation clause to compensate the MRWMD for future annual increases in costs.*
9. *The waste will be transported to the MRWMD in large transfer-trailer-type loads to minimize the impact on public roads and maximize the efficiency of transportation and landfill operations.*

After approving the 2004 Guiding Principles, the Board authorized staff to meet with the SVSWA and the County of Santa Cruz to discuss the parameters for the possible acceptance of their waste at the Monterey Peninsula Landfill.

NEIGHBORING AGENCY NEED FOR DISPOSAL CAPACITY

The SVSWA and the County of Santa Cruz have both short and long-term needs for the safe, environmentally sound and fiscally responsible disposal of their solid waste.

The siting of a new sanitary landfill is an extremely difficult proposition for any public or private entity. It has been over 15 years since the last landfill was sited in California. (The last landfill sited in California is the Keller

Canyon Landfill in Contra Costa County, owned by Allied Waste). The SVSWA and County of Santa Cruz face a daunting task in siting and developing a new landfill in Monterey County or Santa Cruz County. These neighboring regional agencies have indicated interest in the potential utilization of the District's excess landfill capacity for their disposal needs.

ENVIRONMENTAL REVIEW

Staff will be evaluating the appropriate CEQA documentation needed to accompany the Board's approval of the proposed agreements to accept regional waste. The likely main issues are air quality and traffic. Loads of waste to the Monterey Peninsula Landfill from the regional waste sources would not exceed the MRWMD's peak daily trip volume or waste tonnage that have been included in the revised Solid Waste Facility Permit (SWFP) (August 2005). Therefore, we do not anticipate traffic or tonnage to be an issue. Air quality may be of concern because the total trip lengths are increased relative to the disposal options that the regional waste generators now have for disposal locations (Crazy Horse Landfill and Buena Vista Landfill). It is possible that compliance with CEQA may be achieved by preparing an addendum to the SWFP Negative Declaration that specifically addresses acceptance of regional waste. The analysis of the traffic/air quality issues most likely will result in a conclusion that the proposed agreements would not result in significant environmental impacts. Such an addendum would not require a public review period.

BENEFITS OF ACCEPTING REGIONAL WASTE

The adoption of the Guiding Principles for Acceptance of Regional Waste would have the following benefits to the MRWMD and the neighboring regional public agency:

Value to the MRWMD

- The funds could be used for new waste diversion and recycling programs such as new conversion technologies, enhanced public education and outreach, food waste composting, and/or new methods of operation such as the bioreactor landfill and landfill mining. Each of these programs would reduce the disposal capacity needed by the MRWMD and in effect replace a portion of the excess landfill capacity proposed for sale. Additional recycling efforts may be mandated in the future due to a proposed increase in the current 50% diversion rate to 70%, which is currently proposed on the 2005 Legislative Calendar.
- The additional revenue from the sale of excess landfill capacity could be used to mitigate future disposal fee increases to MRWMD member agencies, allowing for more stable and predictable fees.

Value to the Public Agency

- The purchase of a certain amount of MRWMD's excess landfill capacity will provide the jurisdiction additional time to develop long-term solutions to their solid waste disposal needs. Possible solutions include increased diversion, new methods of operations, and development of new recycling programs.

QUESTIONS AND ANSWERS REGARDING IMPORTATION OF REGIONAL WASTE

Staff has developed a list of questions and answers regarding the issues surrounding the importation of regional waste. This Q&A list is intended to provide interested parties with information on the key issues. A copy is attached.


SOLID WASTE DISPOSAL FEE EVALUATION

At the March 18, 2005 Board meeting, the Board authorized EMCON/OWT to prepare a solid waste disposal fee evaluation for the Monterey Peninsula Landfill. The purpose of the study was to outline issues related to acceptance of regional waste for landfilling, to determine the MRWMD's cost for developing and utilizing the existing landfill waste capacity and to evaluate a potential fee that the MRWMD could charge should it elect to accept regional waste for disposal. Rich Haughey from EMCON will attend the August 19th Board meeting to make a presentation to the Board and answer questions.

CONCLUSION

Staff is requesting that the Board provide comments and direction regarding the "Guiding Principles for Acceptance of Regional Waste" and then set a public hearing for September 16, 2005 to adopt the Guiding Principles for Acceptance of Regional Waste and adopt a disposal fee for acceptance of regional waste.


Timothy S. Flanagan
Assistant General Manager


Richard D. Shedden, P.E.
Senior Engineer

Attachment



IMPORTATION OF REGIONAL (OUT OF DISTRICT) SOLID WASTE
BY THE
MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

QUESTIONS AND ANSWERS

August 2005

The Monterey Regional Waste Management District's (MRWMD's) Monterey Peninsula Landfill has a remaining capacity in excess of 40,000,000 tons, yielding a site life of well over 100 years for its member agencies. The MRWMD is evaluating the possibility of accepting regional solid waste, defined as waste from outside its existing service area. The District would look to provide short or intermediate landfill capacity (ranging from 20 to 30 years) to any importing jurisdiction. Acceptance of any regional solid waste shall only be approved as long as the MRWMD can maintain a reserve capacity that will give its member agencies a landfill site life in excess of 75 years (to the year 2080). The additional revenues from the sale of excess landfill capacity can be used to implement of new waste diversion and recycling programs and to mitigate future disposal fee increases to MRWMD member agencies, allowing for more stable and predictable fees.

The following is a list of questions and answers regarding some of the key issues surrounding the importation of regional waste to the Monterey Peninsula Landfill:

1. What is meant by "Regional Waste"?

Regional waste is solid waste from outside the MRWMD's existing service area.

2. What is the existing MRWMD service area?

The MRWMD service area includes the cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Monterey, Pacific Grove, Sand City, Seaside, Pebble Beach Community Services District, and unincorporated areas of Monterey County. The MRWMD service area covers about 853 square miles and serves approximately 170,000 residents. The District provides a number of services to residents in the District's service area. These services include the composting of the majority of Monterey County's biosolids, the processing and recovery of commercial and demolition waste, a comprehensive Public Education and Outreach program for the member jurisdictions and schools, composting of organic materials, the HHW "drop-off" program, and the Last Chance Mercantile.

3. Why should the MRWMD consider regional waste importation? Why is this a regional issue?

With a current reserve capacity of 100 years and on-going improvements in solid waste disposal, the MRWMD is in a position to make available excess solid waste disposal capacity at the Monterey Peninsula Landfill to other regional governmental entities for the benefit of MRWMD member agencies. The direction of the District at this time is to provide short and/or intermediate disposal capacity, defined as twenty to thirty years capacity, for any importing jurisdiction. This type of regional planning and cooperation is consistent with many other forms of regional coordination and cooperation such as transportation, emergency medical care, fire fighting mutual aid, air quality management, and water quality management.

4. How much waste disposal capacity does the MRWMD currently have?

Currently the Monterey Peninsula Landfill has over 40,000,000 tons of remaining waste capacity, with an estimated site life of well over 100 years at the current rate of fill (plus a 1% per year growth factor). The California Integrated Waste Management Board presently mandates that every city and county in the State divert 50% of its solid waste from landfill disposal.

Additional landfill capacity can be developed through the implementation of new technology and processes. (See Question 7). Indications are that the State may increase the mandatory diversion rate to 70% or even higher in the next few years. Achieving this higher diversion rate would increase the site life of the Monterey Peninsula Landfill to approximately 150 years. This amount of capacity far exceeds any prudent projections of disposal needs into the future.

The MRWMD's goal is to secure a minimum long-term solid waste disposal capacity of 75 years for its member jurisdictions. This 75-year "reserve capacity" requires that the MRWMD set aside for its member agencies a minimum of 25,700,000 tons out of the 40,100,000 tons of remaining capacity. Therefore, approximately 14,400,000 tons of capacity is considered to be "excess capacity".

The status of the MRWMD's disposal capacity is such that it could theoretically accept all of the waste from north SVSWA and Santa Cruz County (over 320,000 tons per year), with out any increase in diversion or recycling, for over 45 years and still have in excess of 75 years of capacity for the MRWMD. This 45-year period would give the SVSWA and Santa Cruz County sufficient time to develop and implement their own long-term solutions to their solid waste disposal needs.

5. Would the MRWMD consider importation of solid waste from outside the region?

The MRWMD would only consider acceptance of solid waste from those neighboring Monterey Bay Area jurisdictions which are in compliance with all State regulations and have met all their requirements mandated through their Source Reduction and Recycling Elements (SRRE).

6. What would be the anticipated environmental impacts, if any, (e.g. traffic/noise/litter) etc.- from regional waste importation?

Imported regional waste would be delivered to the Monterey Peninsula Landfill in large transfer trailers. The importation of between 300 tons per day (tpd) to 1,000 tpd of additional solid waste would increase truck traffic by only 30-50 -vehicle trips per day - between 5% and 8% of the total vehicle trips per day into the MRWMD site currently. No significant additional increases in litter- would be anticipated since incoming waste would be delivered in covered transfer trailers. Noise impacts would be nominal because the additional vehicle trips would conform to current hours of operation. The recently revised Solid Waste Facility Permit (SWFP) and California Environmental Quality Act ("CEQA") documents for the Monterey Peninsula Landfill provide sufficient capacity relative to peak daily waste tonnage and traffic volume to allow for the importation of the proposed regional waste.

7. What would the revenue from the sale of the excess capacity be used for?

The tipping fee the District anticipates charging for regional importation would be reflective of covering the total cost borne for the additional handling and straight disposal of the incoming waste. No other District services such as the processing or recycling of the incoming waste, public education programs, composting, etc. would be anticipated being provided to the incoming waste material. The additional revenue from the sale of the excess capacity could be used for two distinct purposes: implementation of new waste management technologies and recycling processes designed to create additional landfill capacity, and rate stabilization for the MRWMD member agencies. Examples of potential new waste management technologies and processes include:

- New waste conversion technology.
- Enhanced recycling and re-use technology.
- Enhanced public education and outreach.
- Food waste composting.
- Reclamation of landfill airspace by the mining of solid waste already in place for recovery of metals, wood, tires, inert material, soils, organic waste, etc.
- Implementation of landfill bioreactor technology to increase the rate of waste decomposition and landfill gas generation, resulting in increased landfill airspace due to greater waste stabilization, settlement, and in-place waste densities.

SVSWA Agenda Items - View Ahead 2016

Item No. 17

	13-Jul RETREAT	18-Aug	15-Sep	20-Oct	17-Nov	15-Dec
1	QTE June Cash & Investments	Minutes	Minutes	Minutes	Minutes	Minutes
2	RETREAT STRATEGIC PLANNING New 3-YEAR GOALS & 6-MONTH OBJECTIVES	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3		Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report
4		SP Goals Updated 6-Mo. Objectives	Strategic Plan Update	Strategic Plan Update	Strategic Plan Update	Strategic Plan Update
5		Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update
6		QTE June Customer Service Survey	2014-15 SVR Annual Report	QTE Sept. Cash & Investments	QTE Sept Tonnage & Diversion Reports	Annual County Used Oil Report
7		QTE June Tonnage & Diversion Reports	Franchise Customer Rate Itemization	QTE Sept Facilities Customer Survey Results	Reserves Allocation	128 Sun St. Building Lease (exp 12/31/16)
8		Wally Waste-Not Awards	Environmental Steward Award	2017 Meetings Calendar	Audit Report (EC)	City of Gonzales Franchise Contract Administration (exp 12/31/16)
9		Annual Tonnage & Diversion Performance Report	FY15-16 Grants & CIP Budget	CAG Annual Report	<i>GM Evaluation</i>	City of Greenfield Franchise Contract Administration (exp 12/31/16)
10		CAG Update		Annual Franchise Haulers Performance Report		City of Soledad Franchise Contract Administration (exp 12/31/16)
11						Elections Nominating Committee
12						<i>GM Evaluation</i>
13						

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