



AGENDA Regular Meeting

BOARD OF DIRECTORS
Thursday, February 21, 6:00 p.m.
Gonzales City Council Chambers
117 Fourth Street, Gonzales, California

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Board Directors

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

Alternate Directors

County: Simon Salinas
Salinas: Joe Gunter
Gonzales: Scott Funk
Soledad: Christopher Bourke
Greenfield: Raul Rodriguez
King City: Carlos Victoria

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 January 18 and 24, 2013 Meetings](#)
2. [December 2012 Claims and Financial Reports](#)
3. [Quarter Ended December 2012 Tonnage and Diversion Report](#)
4. [Mid-year Budget Adjustments](#)
5. [A Resolution Ratifying the Approval of Amendment No. 1 to the Ameresco Johnson Canyon LLC Site Lease Agreement](#)
6. [A Resolution to Declare the Policy of the Salinas Valley Solid Waste Authority for Outreach to Residents of the Authority](#)

PRESENTATION

7. [Strategic Plan Monthly Progress Report](#)
 - A. Receive a Report from Rose Gill, Administrative Manager

- B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – Receive the report
8. [2012 Employee Survey Results](#)
- A. Receive a Report from Rose Gill, Administrative Manager
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – Receive the report
9. [Status of County Notice of Intent to Withdraw from Joint Powers Authority](#)
- A. Receive a Report from Susan Warner, Diversion Manager
 - B. Public Comment
 - C. Board Discussion
 - D. Recommended Action – Receive the report

CONSIDERATION

10. FY 2013-14 BUDGET PREPARATION

[10-A. Financial Policies](#)

[10-B. Five-Year Forecast](#)

[10-C. Fiscal Year 2013-14 Operating Budget](#)

[10-D. Fiscal Year 2013-14 Capital Improvements Projects Budget](#)

[10-E. Rate Increase](#)

- A. Receive Reports from Management Staff
- B. Public Comment
- C. Board Discussion
- D. Recommended Action – Provide Direction

FUTURE AGENDA ITEMS

11. [Agenda Items – View Ahead](#)

CLOSED SESSION

12. Pursuant to Government Code Section 54956.8 to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Assistant General Manager Jose Gamboa, Finance Manager Roberto Moreno, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of acquisition or lease of APN 003-012-005, APN 003-012-017 and APN 003-012-018, located between Work Street, Work Circle and Elvee Circle, Salinas, California. The Authority's negotiators will negotiate with the City of Salinas and Matthew Ottone and Ottone-Salinas, Inc., the owners of the property.
13. Pursuant to Government Code Section 54956.8 to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Assistant General Manager Jose Gamboa, Finance Manager Roberto Moreno, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of a sale or exchange of APN 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, California. The Authority's negotiators will negotiate with the City of Salinas, Cooley Development and Bristol Alisal Marketplace, LLC, and their affiliates.
14. Pursuant to **Government Code Section 54957 (b)** to consider the Performance Evaluation of the General Manager/Chief Administrative Officer.

RECONVENE

ADJOURNMENT

.....
This agenda was posted at the Administration Office of the Salinas Valley Solid Waste Authority, 128 Sun Street, Suite 101, Salinas, and on the Gonzales Council Chambers Bulletin Board, 117 Fourth Street, Gonzales, **Friday, February 15, 2013**. The Salinas Valley Solid Waste Authority Board will next meet in a regular session on **Thursday, March 21, 2013**. 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.salinavalleyrecycles.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.*

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
SPECIAL BOARD MEETING
JANUARY 18, 2013**

DRAFT

NO QUORUM STUDY SESSION (8:30 a.m. to 10:00 a.m.)

CALL TO ORDER

President Armenta called the meeting to order at 10:00 a.m.

ROLL CALL

The following Board Directors were present:

County of Monterey	Fernando Armenta, President
City of Salinas	Gloria De La Rosa
City of Soledad	Richard Perez
City of Greenfield	Annie Moreno
City of King	Robert Cullen

The following Board Directors were absent:

County of Monterey	Louis Calcagno
City of Salinas	Jyl Lutes
City of Salinas	Tony Barrera
City of Gonzales	Elizabeth Silva, Vice President

Staff Members Present:

Patrick Mathews, General Manager/CAO	Rose Gill, Administrative Manager
Jose Gamboa, Assistant General Manager	David Meza, Authority Engineer
Roberto Moreno, Finance Manager	Cesar Zuniga, Operations Superintendent
Susan Warner, Diversion Manager	Elia Zavala, Clerk of the Board

Translation Services were available; no members of the public used the service

BOARD DIRECTORS AND STAFF COMMENTS

None

PUBLIC COMMENT

None

A. STRATEGIC PLANNING WORKSHOP

- Welcome and Public Comment
- Introductions
- SVSWA Mission, Vision, Core Values, and Three-Year Goals (2012-2015)
- Strengths and Accomplishments, and Weaknesses and Challenges
- External Factors – Opportunities and Threats
- Three-year Goals
- One-year Strategic Objectives
- Follow-up Process
- Summary and Closing Remarks

ITEM NO. 1-A

Agenda Item

N/A

General Counsel Approval



General Manager/CAO

The workshop was facilitated by Marilyn Snider, of Snider and Associates. A record of the meeting is attached hereto.

ADJOURN

President Armenta adjourned the meeting.

APPROVED: _____
Fernando Armenta, President

Attest:

Elia Zavala, Clerk of the Board

SALINAS VALLEY SOLID WASTE AUTHORITY

STRATEGIC PLANNING RETREAT

18 January 2013 * 128 Sun St., Suite 201, Salinas

Marilyn Snider, Facilitator—Snider and Associates (510) 531-2904
Gail Tsuboi, Graphic Recorder — Tsuboi Design (925) 376-9151

MISSION STATEMENT

To manage Salinas Valley solid waste as a resource, promoting sustainable, environmentally sound and cost effective practices through an integrated system of waste reduction, reuse, recycling, innovative technology, customer service and education.

VISION STATEMENT

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

CORE VALUES

not in priority order

- ♦ *Innovation*
- ♦ *Integrity*
- ♦ *Public Education*
- ♦ *Efficiency*
- ♦ *Fiscal Prudence*
- ♦ *Resourcefulness*
- ♦ *Customer Service*
- ♦ *Community Partnerships*

THREE-YEAR GOALS

2010-2013 * not in priority order

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

NEXT STEPS/FOLLOW-UP PROCESS

WHEN	WHO	WHAT
Tuesday, Jan. 22, 2013	Rose	Distribute the Strategic Planning Retreat record to meeting attendees and invitees.
Within 48 hours of receipt	All	Read the retreat record.
By Feb. 15, 2013	Management Team (General Manager-lead)	Review the "Current Internal Weaknesses/Challenges" list for possible action items.
At the Feb. 24, 2013 Board meeting	Board of Directors	Formally adopt the Strategic Plan.
Monthly	Board & General Manager	Monitor progress on the goals and objectives and revise objectives (add, amend and/or delete), as needed.
Monthly	Rose	Prepare and distribute the written Strategic Plan Objectives Grid update.
July 19, 2013 (Friday) 8:00/8:30 am – 3:00 pm	Board & Management Team	Strategic Planning Retreat to: - more thoroughly assess progress on the goals and objectives - identify Three-Year Goals for 2013-2016 - develop objectives for the next six months

S.W.O.T. ANALYSIS

Strengths – Weaknesses - Opportunities - Threats

STRENGTHS AND ACCOMPLISHMENTS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY (SVSWA) IN THE PAST YEAR

Brainstormed Perceptions:

- Great staff with a teamwork mentality and a drive to excel
- Increased education
- We're operating in a very lean fashion
- Completed the annual report internally at minimal cost
- No grievances in 2012
- We've almost completed the Crazy Horse Landfill Closure Project; we managed it ourselves and saved \$2.3 million
- Our workers come up with ideas and share them with us for cost savings
- Highly efficient transfer station
- The transfer station received a national award from the Solid Waste Assn. of North America for safety, cost effectiveness, customer service and efficiency
- The Solid Waste Assn. of North America asked us to host a webinar on our website about our transfer station's performance
- Earth work on the Crazy Horse Landfill Closure Project was done internally
- We have an internal process (suggestion box and focus groups) to get ideas from our employees for implementation
- Every year we have increased our public outreach and education
- We get calls to participate, nationally and internationally, in congresses related to our Plasco and GOE Project because of benefits to our industry
- 69% diversion
- Increase the knowledge of the community; they now know where the transfer station is
- Our innovative ways of bringing in new technology
- We effectively use local vendors to accomplish our work
- We have a good safety program
- We have only had one lost-time injury in 2012
- Implemented a Marketing Committee to develop marketing guidelines
- Neighbors like the look of the Crazy Horse Project
- We facilitated school districts to develop recycling programs - one at Gonzalez High School and one at Greenfield High School; the Greenfield HS program will result in cost savings of \$12,922 annually
- Through the Crazy Horse Project, we developed a lot of in-house expertise and technical skills in the field
- Received a USDA grant of \$66,000 for a biomethane basin
- Partnered with the county for customer service training to save money
- Received an unqualified opinion in our audit and no management letter
- Consolidation of reporting for AB 939 (the California Integrated Waste Management Act of 1989 - our management bible) compliance
- No voluntary turnover for 2012

- Submitted a lot of regulatory reports in a timely manner
- Implemented recycling in 17 multiple-family residences
- Our accounts receivables are out on the second day of the month
- We developed a local partnership with the community garden
- We created and are using the new logo
- We had three key vacant positions that were filled internally
- HHW (Hazardous Household Waste) has not had a violation in ten years in the annual inspection
- We submitted three permit documents last year; they are the main permit documents to operate our facilities
- The Tire Amnesty Program was successful – we collected 16,800 tires

THE AUTHORITY'S CURRENT WEAKNESSES/CHALLENGES

Brainstormed Perceptions:

- Not enough staff to do everything we want to do
- Liabilities impact our funding for public services
- Expending our reserve funds
- Do not have a sufficient break room
- Do not have a sustainable rate model
- Transfer station too small
- Have not replaced older equipment
- Lack of funds to hire consultants to keep up with permit requirements
- There is a conflict over the location of the transfer station which impacts the Authority in many ways
- Low morale due to criticism over the rate differential compared to Marina
- Suspension on Plasco Project
- Staff stretched too thin (burn-out)
- Not enough training for staff
- Do not have adequate room for the filing system
- Not enough staff to deal with the filing system
- Reliance on waste importation
- Frustration with misinformation in the public
- Running out of landfill capacity without new funding
- No contingency funds for unexpected events/circumstances
- Lack of participation by some Board members in the strategic planning retreats

EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A POSITIVE IMPACT ON SVSWA IN THE COMING YEAR

Brainstormed Perceptions:

- Consolidation of the franchise contracts with the four south valley cities
- New legislation allowing conversion technologies
- Upturn in the economy
- Increase in house sales; they're up approximately 8%
- Possible county cooperation to fund the regional landfill truck route
- Salinas Chamber of Commerce and the Monterey Business Council support the economic benefits of our conversion technology and autoclave projects
- County stops process to withdraw from the JPA
- Extension of the Vision Services Contract for composting
- Extension of the Recology Tonnage Importation contract
- Opportunities for cooperation or merger with the Monterey Regional Waste Management Dist.
- The Amnesty Grant opportunity
- Merger with Marina
- Positive response to bilingual education
- City of Salinas cooperation to complete our land acquisition at Work St.
- Possibility of an HHW (Household Hazardous Waste) grant for facilities
- Refinancing the Authority's debt
- Grant collaboration with the City of Salinas for a biofuel project
- Partnership moving forward with GOE could result in cost savings
- Grant funds availability for innovative technology
- Opportunity to change the Recology Tonnage Importation agreement to become a conversion technology partner

EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A NEGATIVE IMPACT ON SVSWA IN THE COMING YEAR

Brainstormed Perceptions:

- Member agency withdrawal
- Outside groups spreading misinformation
- Inadequate resources to deal with a catastrophic emergency
- Earthquake
- Tsunami
- Vulnerable to vandalism
- Loss of outside imported waste without replacement revenue
- New legislation without proper funding
- Lack of a countywide disaster preparedness plan
- Continued decrease of tonnage levels
- Lack of public acceptance of raising rates
- Sacramento politics, e.g., lack of clear regulations regarding conversion technology
- Pressure to move the transfer station
- County not designating funds to upgrade the regional landfill truck route
- Tonnage leaving the area
- Cities and county not ensuring that contractors are taking their waste to our landfill according to the JPA agreement
- Downturn in the economy

STRATEGIC PLANNING ELEMENTS

"SWOT" ANALYSIS

Assess the organization's:

- Internal Strengths - Internal Weaknesses
- External Opportunities - External Threats

MISSION/PURPOSE STATEMENT

States WHY the organization exists and WHOM it serves

VISION STATEMENT

A vivid, descriptive image of the future – what the organization will BECOME

CORE VALUES

What the organization values, recognizes and rewards – strongly held beliefs that are freely chosen, publicly affirmed, and acted upon with consistency and repetition

THREE YEAR GOALS

WHAT the organization needs to accomplish (consistent with the Mission and moving the organization towards its Vision) – usually limited to 4 or 5 key areas

THREE YEAR KEY PERFORMANCE MEASURES

WHAT success will look like when the goal is achieved

SIX MONTH STRATEGIC OBJECTIVES

HOW the Goals will be addressed: By when, who is accountable to do what for each of the Goals

FOLLOW-UP PROCESS

Regular, timely monitoring of progress on the goals and objectives; includes setting new objectives every six months

S A L I N A S V A L L E Y S O L I D W A S T E A U T H O R I T Y

SIX-MONTH STRATEGIC OBJECTIVES

18 January 2013 through 15 July 2013

THREE-YEAR GOAL: <i>DEVELOP AND IMPLEMENT A SUSTAINABLE FINANCE PLAN</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the Jan. 29, 2013 Monterey County Board of Supervisors meeting	SVSWA Board President Fernando Armenta and Past President Gloria DeLaRosa	Request the County Board of Supervisors to have a joint meeting with the Salinas Valley Solid Waste Authority Board before the end of March 2013 to discuss the membership of the county in the JPA.				
2. At the Feb. 21, 2013 Board meeting	Finance Manager	Recommend to the Board for action how to use South Valley monies (e.g., capital projects, continue to build up, pay off debt).				
3. At the Feb. 21, 2013 Board meeting	General Manager and Finance Manager	Review the Capital Improvement Plan, analyze the impact of different scenarios (e.g., Sun St. vs. Work St., conversion technology, operations status quo, the county remaining a member of the JPA) and report the results to the Board of the scenarios presented.				
4. At the Feb. 21, 2013 Board meeting	Finance Manager	Present to the Board for discussion options for a rate model.				
5. At the April 18, 2013 Board meeting	Board of Directors	Determine the rate model for 2013-2014 (i.e., either status quo or new).				

**THREE-YEAR GOAL: *PROMOTE THE AUTHORITY'S ROLE AND VALUE AS
A RESOURCE RECOVERY AGENCY***

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. June 30, 2013	Asst. General Manager and Administrative Manager	Create a new TV and radio ad campaign to promote our new logo and name (Salinas Valley Recycles).				
2. June 30, 2013	Asst. General Manager and Administrative Manager	Create at least two news releases related to the Authority's role as a resource recovery agency.				
3. July 15, 2013	Administrative Manager	Post at least one post per week on Facebook with a tip or information related to the Authority's role as a resource recovery agency.				

THREE-YEAR GOAL: *ACHIEVE 75% DIVERSION BY 2015*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. June 30, 2013	Diversion Manager	Ensure that GOE completes its engineering and at least 30% of the plans and specs studies for the Autoclave Project.				
2. June 30, 2013	Diversion Manager	Conduct six home composting public workshops.				
3. July 15, 2013	Operations Superintendent	Increase by at least 2% the amount of recycling and tonnage diverted at Authority facilities.				
4. FUTURE OBJECTIVE Sept. 15, 2013	Diversion Manager	Ensure that the USDA Project is completed.				

THREE-YEAR GOAL: *ENHANCE EXISTING FACILITIES, EQUIPMENT AND PUBLIC SERVICES*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. March 31, 2013	General Manager and Authority Engineer	Complete the closure construction of the Crazy Horse Landfill.				
2. July 1, 2013	General Manager, working with the Board of Directors	Obtain a commitment for county, state and federal funding to reconstruct the Regional Landfill Truck Route.				
3. July 15, 2013	Operations Superintendent	Present to the Board of Directors for action a recommendation for an Equipment Replacement Program.				
4. July 15, 2013	Operations Superintendent	Present to the Board of Directors for action an in-house ECS (Environmental Control System) Operations Plan, resulting in sufficient cost savings and including a budget.				
5. July 15, 2013	Authority Engineer	Update the Stormwater Pollution Prevention Plan (SWPPP) for all landfills to comply with new regulations.				
6. July 15, 2013	Contracts/Grants Analyst	Apply for a TDA (Tire Deferred Aggregate) grant for the Johnson Canyon Landfill (JLCF) Landfill Gas (LFG) Collection System.				
7. FUTURE OBJECTIVE Sept. 30, 2013	General Manager, Diversion Manager, Authority Engineer	Present to the Board for action the Salinas Area Material Recovery Center Siting and Land Swap/Acquisition Plan.				
8. FUTURE OBJECTIVE _____	Management Team	Identify and recommend to the Board for direction how to use existing closed landfills for public benefit and potential revenue.				

**- THREE-YEAR GOAL: *PROMOTE AND MAINTAIN A HIGH PERFORMANCE, EFFICIENT
AND FLEXIBLE WORKFORCE***

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. Bimonthly, at the Employee Safety Committee meeting	Administrative Manager	Identify and present one new safety strategy to enhance the Safety Program for employees.				
2. April 30, 2013	Administrative Manager	Develop and present to the Board for action a formal succession policy to include career development.				
3. June 15, 2013	Administrative Manager, working with IT staff	Implement and maintain an Authority-wide Enterprise Document Management System, including reviewing and updating, if needed, the Authority's record retention policies.				
4. July 15, 2013 and annually thereafter	Administrative Manager	Create and distribute to field personnel a Field Personnel Training Plan.				
5. July 15, 2013	Administrative Manager, with input from legal counsel	Update and present to the Board for action, at its August 2013 meeting, the Administrative Procedural Manual.				
6. Within 30 days following each Strategic Planning Retreat	Administrative Manager	Align the Workforce Performance Objectives and training requirements with the Strategic Plan.				

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
BOARD MEETING
JANUARY 24, 2013**

DRAFT

CALL TO ORDER

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

ROLL CALL

The following Board Directors were present:

County of Monterey	Fernando Armenta, President
County of Monterey	Louis Calcagno
City of Salinas	Gloria De La Rosa
City of Salinas	Jyl Lutes
City of Salinas	Tony Barrera
City of Gonzales	Elizabeth Silva, Vice President
City of Soledad	Richard Perez
City of King	Robert Cullen

The following Board Directors were absent:

City of Greenfield Annie Moreno

Staff Members Present:

Patrick Mathews, General Manager/CAO
Jose Gamboa, Assistant General Manager
Susan Warner, Diversion Manager
Roberto Moreno, Finance Manager
Rose Gill, Administrative Manager

David Meza, Authority Engineer
Cesar Zuniga, Operations Superintendent
Elia Zavala, Clerk of the Board
Thomas Bruen, General Counsel

BOARD DIRECTOR COMMENTS

President Armenta announced that translation services were available. Five individuals received translation devices.

GENERAL MANAGER COMMENTS

General Manager/CAO Mathews commented on the handouts provided:

- New Gasification facilities under development
- Plasco's agreement for commercial-scale operation in Ottawa, Canada
- Monterey Regional Waste Management District letter dated December 28, 2012 regarding the topic of consolidation
- Rate Increase request by Recology in San Francisco
- Copy of the letter submitted to the County Board of Supervisors as result of the Board Strategic Planning Retreat.

Regarding Agenda Item No. 11: Based on CalRecycle's request to postpone the item to February for more review time, he recommended that the Board open the item for public comment and continue it to the February Board meeting. He mentioned that the Authority has already implemented some of the policy items.

DEPARTMENT MANAGER COMMENTS

Diversion Manager Warner commented on the bags-in-a-bag recycling program.

ITEM NO. 1-B

Agenda Item

T. Bruen by ez

General Counsel Approval



General Manager/CAO

PUBLIC COMMENT

None

ELECTION OF OFFICERS

A. 2013 ELECTION OF OFFICERS – PRESIDENT, VICE PRESIDENT, AND ALTERNATE VICE PRESIDENT

(6:08) Director Cullen provided the Nominating Committee recommendation in a form of a motion.

Public Comment: None

Board Comments: None

Motion: Director Cullen made a motion to appoint Director Armenta to the office of President, Director Silva to the office of Vice President, and Director Lutes to the office of Alternate Vice President. Vice President Silva seconded the motion.

Votes: Motion carried 8, 0

Ayes: Armenta, Barrera, Calcagno, Cullen, De La Rosa, Lutes, Perez, Silva

Noes: None

Abstain: None

Absent: Moreno

CONSENT AGENDA (6:11)

1. Minutes of December 13, 2012 Special Meeting
2. November 2012 Claims and Financial Reports
3. Quarter Ended December 2012 Cash and Investments Report
4. Resolution No. 2013-01 Approving the 2013 Strategic Plan Goals and Objectives
5. Resolution No. 2013-02 Declaring a 1999 Wesco Walking Floor Trailer as Surplus Property and Authorizing the General Manager to Dispose of Property
6. Resolution No. 2013-03 Approving Change Order No. 5 for the Sand Placement Construction Contract for the Crazy Horse Landfill Closure Construction Project with San Benito Supply for an Amount not to Exceed \$200,000
7. Frequently Asked Questions: Why is the Agency doing business under a new name?
8. Resolution No. 2013-04 Approving Amendment No. 3 Authorizing a One and one-half Year Extension to the Agreement with Waste Management, Inc. for Solid Waste Transfer, Handling, Transportation of Republic Services of Salinas Materials at the Madison Lane Transfer Station for an Amount not to Exceed \$165,000

Public Comment: None

Board Comments: None

Motion: Director Cullen made a motion approve the consent agenda. Vice President Silva seconded the motion.

Votes: Motion carried 8, 0

Ayes: Armenta, Barrera, Calcagno, Cullen, De La Rosa, Lutes, Perez, Silva

Noes: None

Abstain: None

Absent: Moreno

PRESENTATIONS

9. FISCAL YEAR 2013-14 BUDGET PREVIEW

(6:11) Finance Manager Moreno outlined the items for discussion at the February Board meeting in preparation for budget approval in April.

Public Comment: Dough Kenyon commented that setting the rates in March would be helpful to Republic Services.

Ivone Jimenez inquired about the Authority reserves. General Manager/CAO Mathews addressed her questions.

Board Comments: The Board expressed concerns on the approval of the budget without resolution on the County's intent to withdraw, and discussed public outreach on the proposed rate increase. By consensus, the Board recommended moving up the public hearing to consider the fiscal year 2013-14 rates and the budget approval to March.

CONSIDERATION

10. RESOLUTION NO. 2013-05 REVISING THE REGULAR BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE MEETINGS FOR CALENDAR YEAR 2013

(6:35) General Manager/CAO Mathews reported that the Executive Committee recommended changing its meeting time to 4:00 p.m. to accommodate schedules.

Public Comment: None

Board Comments: None

Motion: Director Cullen made a motion to adopt the resolution. Director De La Rosa seconded the motion.

Votes: Motion carried 8, 0

Ayes: Armenta, Barrera, Calcagno, Cullen, De La Rosa, Lutes, Perez, Silva

Noes: None

Abstain: None

Absent: Moreno

11. A RESOLUTION TO DECLARE THE POLICY OF THE SALINAS VALLEY SOLID WASTE AUTHORITY FOR OUTREACH TO RESIDENTS OF THE AUTHORITY

(6:36) General Manager/CAO Mathews provided a report outlining the policy which expands bilingual outreach efforts and includes the formation of a citizens advisory committee.

Public Comment: None

Board Comments: The Board asked when the formation of the citizens committee would occur. General Manager/CAO Mathews responded that before the end of the fiscal year.

Board Action: The Board continued this item to February.

12. 2012 CIVIL GRAND JURY REPORT DRAFT RESPONSE

(6:39) General Manager/CAO Mathews provided a report.

Public Comment: None

Board Comments: The Board commended staff on the thoroughness of the response and discussed the distribution of the document. President De La Rosa asked staff to report back how much it would cost to translate it to Spanish.

Motion: Director Cullen made a motion to authorize the Board President to submit the report response to the Presiding Judge. Director De La Rosa seconded the motion.

Votes: Motion carried 8, 0

Ayes: Armenta, Barrera, Calcagno, Cullen, De La Rosa, Lutes, Perez, Silva

Noes: None

Abstain: None

Absent: Moreno

FUTURE AGENDA ITEMS

13. AGENDA ITEMS – VIEW AHEAD

(6:47) General Manager/CAO Mathews reminded the Board that the next Strategic Planning Retreat to review the six-month objectives was moved from August 16 to July 19.

President Armenta referred to the letter submitted to the County Board of Supervisors, on behalf of the Authority Board, requesting a joint public meeting. He invited any Board members to attend the next Board of Supervisors meeting during public comment. He mentioned he has submitted a written referral to County Counsel.

CLOSED SESSION

(6:50) President Armenta adjourned the meeting to closed session to discuss the following items:

14. Confer with legal counsel pursuant to Government Code Section 54956.9 (a) on existing litigation: California Sportfishing Protection Alliance v. SVSWA, U.S. District Court for Northern District of California (San Jose Division), Case No. 5:12-cv-04388-EJD.
15. Pursuant to Government Code Section 54956.8 to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Assistant General Manager Jose Gamboa, Finance Manager Roberto Moreno, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of acquisition or lease of APN 003-012-005, APN 003-012-017 and APN 003-012-018, located between Work Street, Work Circle and Elvee Circle, Salinas, California. The Authority's negotiators will negotiate with the City of Salinas and Matthew Ottone and Ottone-Salinas, Inc., the owners of the property.
16. Pursuant to Government Code Section 54956.8 to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Assistant General Manager Jose Gamboa, Finance Manager Roberto Moreno, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of a sale or exchange of APN 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, California. The Authority's negotiators will negotiate with the City of Salinas, Cooley Development and Bristol Alisal Marketplace, LLC, and their affiliates.

RECONVENE

(7:01) President Armenta reconvened the meeting to open session. General Counsel Bruen reported that the Board unanimously voted to approve a settlement agreement with the California Sportsfishing Protection Alliance, relating to Agenda item No. 14.

ADJOURN

(7:02) President Armenta adjourned the meeting.

APPROVED: _____

Fernando Armenta, President

Attest:

Elia Zavala, Clerk of the Board




SalinasValleyRecycles.org
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 2


Finance Manager/Controller-Treasurer


General Manager/CAO


Board President

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: December 2012 Claims and Financial Reports

RECOMMENDATION

The Executive Committee recommends acceptance of the December 2012 Claims and Financial Reports.

DISCUSSION & ANALYSIS

Please refer to the attached financial statements and check register for the month of December for a detail discussion of the Authority's financial position as of December 31, 2012. Following are highlights of the Authority's financial activity for the month of December.

Results of Operations

For the month of December 2012, operating revenues exceeded expenditures by \$63,817. Year to date operating revenues exceed operating expenditures by \$1,009,307.

Revenues

Revenues for the month of December totaled \$1,231,311. As of December 31, after six months (50%) of the fiscal year, revenues total \$8,160,194. This is 51.05% of the estimated revenues of \$15,985,611. Year-to-date solid waste tipping fees are \$5,890,108. This is 53.28% of the estimated \$11,054,500 in solid waste tipping fees.

Following is an explanation of the revenues that are not in line with projections:

- Charges for services 28.55% - we bill quarterly after the fact
- Sales of materials 20.75% - these sales are sporadic when there is sufficient recyclable material to sell
- Investment Earnings 24.14% - reported quarterly after the fact
- Grants 0% - will be adjusted during mid-year budget adjustments
- Miscellaneous 7.94% - amounts will be billed during 1st qtr. of calendar year

Operating Expenditures

Expenditures for the month of December totaled \$767,494. As of December 31, year-to-date operating expenditures total \$7,150,886. This is 45.23% of the operating budget of \$15,811,606.

All operating programs are within trend line projections except for debt service-interest which is paid twice a year and debt service principal which is paid primarily once a year.

Capital Project Expenditures

For the month of December 2012, capital project expenditures totaled \$158,671. The Crazy Horse Landfill closure project accounted for \$146,924.

Claims Checks Issued Report

The Authority's Checks Issued Report for the month of December 2012 is attached for review and acceptance. The December claims checks issued total \$979,064.52 of which \$316,121.31 was paid from the payroll checking account for payroll and payroll related benefits. Major payments to vendors are shown below.

Vendor	Amount	Services
Recology Waste Solutions, Inc.	162,778.00	JC Basic Facility & Extended Hours Nov 2012
	8,762.47	Monthly Diversion & Wood Waste Diversion Oct 2012
SCS Field Services, Inc.	35,027.00	Routine LFG, GRDWTR, LEACHATE NOV 2012
	23,945.21	NR LFG/LEACHATE OM&M NOV 2012
Vision Recycling, Inc.	46,735.28	SS Organics Program 11/2012
	4,205.00	C&D Outside Grinding 11/2012
Waste Management, Inc.	57,210.89	Jolon Road Operations 11/2012
	48,183.23	BFI Waste Delivered To Madison 11/2012

Cash Balances

The Authority's cash position increased \$60,255.66 during December to \$14,403,966.40. Most of the cash balance is restricted as shown below:

Restricted by Legal Agreements:

Crazy Horse Closure Fund	\$ 929,288.10
Johnson Canyon Closure Fund	2,636,730.74
Bond Debt Service Reserve	2,820,700.00
State & Federal Grants	116,502.69

Restricted by Board policy:

Expansion Fund (South Valley Revenues)	6,191,237.28
Salinas Transportation Surcharge	64,828.39
Salinas Rate Stabilization Fund	47,415.03

Funds Held in Trust:

Central Coast Media Recycling Coalition	100,293.04
Employee Unreimbursed Medical Claims	4,702.72

Unrestricted - Assigned

Operations and Capital Projects	1,492,268.41
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\$ 14,403,966.40

ATTACHMENTS

1. December 2012 Consolidated Statement of Revenues and Expenditures
2. December 2012 Consolidated CIP Expenditures Report
3. December 2012 Checks Issued Report



Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending December 31, 2012

	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	11,054,500	874,413	5,890,108	53.28%	5,164,392	0	5,164,392
Tipping Fees - Surcharge	725,600	58,655	373,336	51.45%	352,264	0	352,264
Tipping Fees - Diverted Materials	901,800	66,133	549,957	60.98%	351,843	0	351,843
Tipping Fees - South Valley	2,340,900	195,080	1,170,481	50.00%	1,170,419	0	1,170,419
Charges for Services	117,000	3,750	33,405	28.55%	83,595	0	83,595
Sales of Materials	572,500	26,212	118,778	20.75%	453,722	0	453,722
Investment Earnings	80,200	3,975	19,362	24.14%	60,838	0	60,838
Grants	133,111	0	0	0.00%	133,111	0	133,111
Miscellaneous/Other	60,000	3,093	4,766	7.94%	55,234	0	55,234
Total Revenue	15,985,611	1,231,311	8,160,194	51.05%	7,825,417	0	7,825,417
<u>Expense Summary</u>							
Administration	2,363,160	169,579	1,098,610	46.49%	1,264,550	81,903	1,182,647
Resource Recovery	2,421,196	91,655	934,630	38.60%	1,486,566	725,290	761,277
Scalehouses Operations	342,490	23,604	155,751	45.48%	186,739	6,275	180,464
Transfer Stations Operations	1,151,910	104,911	556,500	48.31%	595,410	394,616	200,794
Landfills Operations	5,183,010	311,703	1,959,415	37.80%	3,223,595	1,645,351	1,578,244
Environmental Control Systems	932,720	66,042	371,142	39.79%	561,578	362,420	199,158
Debt Service - Interest	2,037,120	0	1,031,988	50.66%	1,005,132	1,005,075	57
Debt Service - Principal	1,103,000	0	1,042,850	94.55%	60,150	60,138	12
Closure Set-Aside	277,000	0	0	0.00%	277,000	0	277,000
Total Expense	15,811,606	767,494	7,150,886	45.23%	8,660,720	4,281,067	4,379,653
Revenue Over/(Under) Expenses	174,005	463,817	1,009,307		(835,302)	(4,281,067)	3,445,764



Salinas Valley Solid Waste Authority
Consolidated CIP Expenditure Report
For Period Ending December 31, 2012

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Fund 131 - Crazy Horse Closure Fund							
131 9227 CH Landfill Closure	0	0	0	0.00%	0	0	0
131 9301 CH Closure Preparation	126,958	0	14,356	11.31%	112,602	10	112,592
131 9302 CH PH 1A Leachate Recirculation	47,481	22,298	30,600	64.45%	16,881	2,531	14,350
131 9303 CH PH 1B Site Prep Work	14,537	19	99	0.68%	14,438	4,922	9,516
131 9304 CH PH 1C Bench Preparation	3,775	0	0	0.00%	3,775	0	3,775
131 9305 CH PH 1D Liner Termination	10,774	0	7,918	73.49%	2,856	0	2,856
131 9306 CH PH 1E Liner Placement	1,414,290	54,838	1,045,528	73.93%	368,762	271,933	96,829
131 9307 CH PH 1F Winterization	29,805	4,239	12,078	40.52%	17,727	3,676	14,051
131 9308 CH PH 2A Module 1	612,123	10,737	537,617	87.83%	74,506	36,700	37,806
131 9309 CH PH 2B Lower Access Road	25,326	2,215	2,215	8.75%	23,111	0	23,111
131 9310 CH PH 2C Remaining LF Prep	52,163	0	(12,143)	-23.28%	64,306	0	64,306
131 9311 CH PH 2D Liner Placement	59,768	765	9,524	15.93%	50,244	0	50,244
131 9312 CH PH 2E Complete Liner Work	135,179	15,426	103,949	76.90%	31,229	4,236	26,993
131 9313 CH Closure Equipment Purchases	39,378	6,793	30,911	78.50%	8,467	0	8,467
131 9314 CH Closure Quality Assurance	219,938	29,511	130,272	59.23%	89,666	60,681	28,985
131 9315 CH Closure Contingency	18,284	81	426	2.33%	17,857	589	17,269
Total Fund 131 - Crazy Horse Closure Fund	2,809,778	146,924	1,913,351	68.10%	896,427	385,277	511,150
Fund 180 - Expansion Fund							
180 9003 USDA Autoclave Studies	167,375	0	2,203	1.32%	165,172	0	165,172
180 9021 Autoclave CEQA	241,425	0	0	0.00%	241,425	3,650	237,775
180 9801 Ameresco JCL LFG Equipment	376,000	0	225,600	60.00%	150,400	150,400	0
Total Fund 180 - Expansion Fund	784,800	0	227,803	29.03%	556,997	154,050	402,947
Fund 211 - State Grants							
211 2620 DOC Grant	112,906	550	28,078	24.87%	84,829	17,154	67,674
211 9019 Biodiesel Fuel Station	20,205	8,727	8,727	43.19%	11,478	0	11,478
Total Fund 211 - State Grants	133,111	9,277	36,804	27.65%	96,307	17,154	79,152



Salinas Valley Solid Waste Authority
Consolidated CIP Expenditure Report
For Period Ending December 31, 2012

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Fund 216 - Plasco Reimbursement							
216 9022 Gasifier CEQA	663,195	0	0	0.00%	663,195	472,945	190,250
Total Fund 216 - Plasco Reimbursement	663,195	0	0	0.00%	663,195	472,945	190,250
Fund 800 - Capital Projects Fund							
800 9010 JC Roadway Improvements	0	0	0	0.00%	0	0	0
800 9012 Work St Transfer Station	59,892	2,300	30,015	50.11%	29,877	9,323	20,554
800 9019 Biodiesel Fuel Station	0	0	3,985	0.00%	(3,985)	0	(3,985)
800 9199 Sun Street Transfer Station Expansion	0	170	6,547	0.00%	(6,547)	0	(6,547)
800 9913 CH LFG to Energy Project	5,295	0	0	0.00%	5,295	0	5,295
Total Fund 800 - Capital Projects Fund	65,187	2,470	40,546	62.20%	24,641	9,323	15,318
Total CIP Expenditures	4,456,071	158,671	2,218,505	49.79%	2,237,567	1,038,750	1,198,817

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10383	SALINAS HOLIDAY PARADE OF LIGHTS 2012 Parade of Lights Application	12/12/2012	(50.00)	(50.00)
10520	ALWAYS TOWING & RECOVERY, INC TRANSPORT OF HHW CONTAINER/OIL TO/FR JOLON RD	12/6/2012	437.50	437.50
10521	AT&T SERVICES INC HHW, JC, LR, SS SCLEHOUSE PHONE SERVICE THRU 11.23.12	12/6/2012	413.25	413.25
10522	CALIFORNIA ENERGY EFFICIENT PROGRAM, INC 4 EA PLUG LOAD CONTROL POWER STRIPS	12/6/2012	28.00	28.00
10523	CALIFORNIA HIGHWAY ADOPTION CO. HWY 101 LITTER ABATEMENT NOV 2012	12/6/2012	550.00	550.00
10524	COAST COUNTIES TRUCK & EQUIPMENT CO. TRK001 AIR, FUEL, WATER, OIL/LUBE FILTERS	12/6/2012	208.98	208.98
10525	COAST OIL COMPANY, LLC DIESEL & BIO DIESEL USAGE NOV 2012	12/6/2012	21,266.40	21,266.40
10526	DEMTECH SERVICES, INC V-TECH VACUUM TESTER, SPARK TESTER, LINE & CONNECT	12/6/2012	1,095.54	1,095.54
10527	FERGUSON ENTERPRISES INC #588 15 EA COUPLINGS, BUSHINGS; 6 EA PVC PURP PRIMER	12/6/2012	1,314.13	1,314.13
10528	FORRER SUPPLY CO INC 100 EA 2" KANAFLEX HOSES X 100' COIL	12/6/2012	371.74	371.74
10529	GOLDEN STATE TRUCK & TRAILER REPAIR 17127 X5 LF SIDEOUTER & X5 RT INNER TIRES REPLACED	12/6/2012	262.50	262.50
10530	GREEN RUBBER - KENNEDY AG, LP HOSE BARB, BALL VALVE, TRU-BLUE CLAMPS, ETC	12/6/2012	203.47	203.47
10531	HOME DEPOT CH 1 GAL GLUE, HEX BOLTS, NUTS, CUT OFF BLADES CH 10 EA 9/16 X 1 3/8 X 17" GRADE STAKES SS TS SUPPLIES 24" POLY LEAF RAKE	12/6/2012	187.25 32.00 25.69	478.33
10532	HOPE SERVICES SS MATTRESS/BOX SPRING RECYCLING 11.21.12	12/6/2012	943.75	943.75
10533	INFINITY STAFFING SERVICES, INC. SS TS CONTRACT DRIVERS WK ENDING 11.25.12	12/6/2012	1,100.25	1,100.25
10534	KARL A. HATTENDORF	12/6/2012		

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
	SITE REVIEW, HANDLING CRANE, GASKETS/PARTS		2,786.14	
				2,786.14
10535	PACIFIC GAS AND ELECTRIC COMPANY CH, HHW, SSTS, LR, CIP 9303 ELECTRIC SERVICE THRU 11.20.12	12/6/2012	4,909.01	
				4,909.01
10536	PAPE MATERIAL HANDLING, INC OIL, FUEL, AIR FILTERS & 15W40 OIL	12/6/2012	83.57	
				83.57
10537	RECOLOGY WASTE SOLUTIONS, INC JC BASIC FACILITY & EXTENDED HOURS NOV 2012 Monthly Diversion & Wood Waste Diversion OCT 2012	12/6/2012	162,778.00 8,762.47	
				171,540.47
10538	SALINAS GOLF & COUNTRY CLUB Salinas Golf & Country Club	12/6/2012	308.14	
				308.14
10539	SAN BENITO SUPPLY, CONSTRUCTION, CONCRETE & QUARRY CH CLOSURE PROJECT AS OF 11.27.12	12/6/2012	19,999.92	
				19,999.92
10540	STURDY OIL COMPANY 55 GAL 15-40 GUARDO ECT CJ	12/6/2012	754.50	
				754.50
10541	TRI ENVIRONMENTAL INC CH LINER INTEGRITY SERVICES	12/6/2012	680.00	
				680.00
10542	VISION RECYCLING INC C & D OUTSIDE GRINDING 11.15.12	12/6/2012	3,630.00	
				3,630.00
10543	YP LLC Yellow Page Ads FY 12-13	12/6/2012	1,789.87	
				1,789.87
10544	ADMANOR, INC CCRM MEDIA & MARKETING SERVICES NOV 2012	12/11/2012	14,820.00	
				14,820.00
10545	AMERICAN SUPPLY CO. HHW Janitorial Supplies	12/11/2012	159.36	
				159.36
10546	ANNE MARIE HUNTER RecycleRama THRU 12.15.12	12/11/2012	1,125.00	
				1,125.00
10547	ASSURED AGGREGATES CO., INC CH 24.410 TONS CONCRETE SAND IN-FILL 10.19.12 CH CAD 3 ROCK SLINGER 14.25 HRS 11.27-11.29-12	12/11/2012	358.67 2,351.25	
				2,709.92
10548	BC LABORATORIES, INC SS WATER ANALYSIS SERVICES 11.8.12	12/11/2012	140.00	
				140.00
10549	BECKS SHOE STORE, INC. 1 PAIR OF SAFETY SHOES FOR JC	12/11/2012	215.23	
				215.23

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10550	BRANDY ELLEN ACEVEDO RecycleRama THRU 12.15.12	12/11/2012	1,044.36	1,044.36
10551	BULOS FRANCIS SALIBA RecycleRama THRU 12.15.12	12/11/2012	200.00	200.00
10552	CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD RWQCB CH EMERGENCY PERMIT APPLICATION	12/11/2012	114.00	114.00
10553	COSTCO WHOLESALE Board Meeting & Office Supplies	12/11/2012	111.69	111.69
10554	CSC OF SALINAS/YUMA 1 MALE ORING TO MALE JIC	12/11/2012	15.51	15.51
10555	F.A.S.T. SERVICES Intepreting Services 11.15.12	12/11/2012	180.00	180.00
10556	FORRER SUPPLY CO INC 5 RENTAL EXTRUSION GUNS	12/11/2012	1,023.63	1,023.63
10557	GEOLOGIC ASSOCIATES, INC. CH CLOSURE CONSTRUCTION PROJECT OCT 2012 CH NR GRDWTR MONITORING & REPORTING, OCT 2012	12/11/2012	28,625.00 206.30	28,831.30
10558	GOLDEN STATE TRUCK & TRAILER REPAIR TRK 004 X3 LT SIDE INNER TIRE REPAIR SS TS GREEN FENCE EXPANDED METAL BOTTOM OF FENCE	12/11/2012	3,358.25 3,956.59	7,314.84
10559	**Void**	12/11/2012	-	-
10560	GRAINGER 1 3-PIECE RAINUIT	12/11/2012	26.40	26.40
10561	GREEN RUBBER - KENNEDY AG, LP 1 CAMLOCK FITTING POLY 20F CH LEACHATE TANK CONTROL SWITCH	12/11/2012	5.36 63.62	68.98
10562	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 2 ROLLS OF 6MIL 20'X100' CLEAR POLYFILM	12/11/2012	150.83	150.83
10563	HERTZ EQUIPMENT RENTAL CORPORATION 4 WHEEL CART 11.07.12 12.05.12 LOADER RENTAL 11.01.12 - 11.29.12	12/11/2012	713.21 2,143.93	2,857.14
10564	IVY CONTRERAS Recyclerama THRU 12.15.12	12/11/2012	1,125.00	1,125.00
10565	JOSEPH A. FRAUSTO	12/11/2012		

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
	RecycleRama THRU 12.15.12		297.08	
				297.08
10566	LEE & PIERCE, INC Enginneering Services for SWPPP Improvements	12/11/2012	4,702.50	
				4,702.50
10567	MALLORY CO. INC 5 BOXES POWDER FREE GLOVE NITRILE	12/11/2012	64.21	
				64.21
10568	MANUEL TINAJERO CH CLOSURE45 TREES TRIMED OFF	12/11/2012	975.00	
				975.00
10569	NEXTEL OF CALIFORNIA, INC Cellphone Service NOV 2012	12/11/2012	357.88	
				357.88
10570	OFFICE DEPOT 10 CS PAPER, 7 PKS PENS 12 CUPS PROGRAMMABLE COFFEE 2 BX 2X4 SHIPPING LABELS Board Meeting Supplies 2 PKS OF 25 DVD+R MEMOREX Office Supplies 1 MESH BACK SUPPORT	12/11/2012	435.31 58.82 78.99 21.53 550.76	
				1,145.41
10571	**Void**	12/11/2012	-	
				-
10572	ORCHARD SUPPLY HARDWARE LLC HHW 2 EA MIN & MAX EXPAND SEALANT ADMIN OPEN FRONT TOILET SEAT GLASS RAIN GAUGE CH HEX CAP SCREWS, CAR BOLTS	12/11/2012	20.21 26.93 3.01 69.94	
				120.09
10573	PAPE MATERIAL HANDLING, INC CH GATOR REPAIR SUPPLIES	12/11/2012	372.39	
				372.39
10574	PLACEMENT PROS SS TS 1 CONTRACT LABORER WK ENDING 11.18.12 SS TS 2 CONTRACT LABORERS WK ENDING 11.25.12	12/11/2012	120.72 422.52	
				543.24
10575	PURE WATER BOTTLING ADM, CH, SSTS BOTTLED WATER SERVICE 12.01.12	12/11/2012	165.50	
				165.50
10576	QUINN COMPANY C15 TROUBLE SHOOT & REPAIR EXHAUST SYSTEM C15 TRUCK BOLT C15 TRUCK INJECTOR GP, CORE CHARGE C15 TRUCK LARGE BRUSH & HAND PAD C15 TRUCK RING, HOSES, SEAL O RING, BAND CLAMP TRK002 TROUBLESHOOT & REPAIR EXHAUST SYSTEM	12/11/2012	1,270.78 1.49 807.64 43.55 54.40 400.00	
				2,577.86

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10577	ROBERT B GOMEZ Recyclerama THRU 12.15.12	12/11/2012	200.00	200.00
10578	SAN BENITO SUPPLY, CONSTRUCTION, CONCRETE & QUARRY CH CLOSURE PROJECT AS OF 11.30.12	12/11/2012	6,441.48	6,441.48
10579	SCS FIELD SERVICES CH NR LFG CAP OM&M, JUNE 2012	12/11/2012	1,648.70	1,648.70
10580	STURDY OIL COMPANY SS TS 1 ROTARY DEF POLY PUMP	12/11/2012	95.90	95.90
10581	US BANK CORPORATE PAYMENT SYSTEM AUTOZONE 3 PK ROAD SAFETY FLARES VGS VEGETABLEGROWERS SUPPLY RAIN GEAR CONSTRUCTION MATERIAL RECYCLING ASSOCIATION (CMRA) MIKE'S PIZZA - board meeting supplies MIKE'S PIZZA - board meeting supplies MIKE'S PIZZA - board meeting supplies HAR*HARVARD BUSINESS SCHOOL Ridecharge: Calpers Education Form 2012 RENAISSANCE HOTEL CALPERS ED FORUM 2012 CAL SOCIETY OF MUNI FINANCE OFFICERS APPLEITUNES.COM APPLEITUNES.COM surveymonkey.com: Employee Survey Software Orchard Supply Hand truck cart for RR events Taquitos Mexican Restaurant INTERMEDIA EXCHANGE SERVICE OCT 2012 HUGHESNET.COM 11.11.12 - 12.11.12 Sharefile.com: FTP Monthly Service NOV 2012 NOVEMBER 1 GAAP UPDATE CANCELLATION HomeDepot: Office Supplies OreillyAuto: Vehicles Supplies SEARS ROEBUCK - SAFETY BOOTS FOR CZ SALINAS TOYOTA SERVICE ON TOYOTA PRIUS FREIGHTQUOTE.COM HomeDepot: Surveying Supplies ROCKHURST UNIVERSITY - STAR 12 CAL SOCIETY OF MUNI FINANCE OFFICERS RENAISSANCE CALPERS EDUCATION FORUM 2012 LODGING My Jeep Chrysler: Vehicle Maintenance Salinas Valley Ford: Vehicle Service Salinas Valley Ford: Vehicle Maintenance MICHAEL'S WALLEY TRAILER SUPPLIES, DECOS FOR PARAD RITE AID WALLY TRAILER SUPPLIES FOR SALINAS PARADE South West Airlines WEST COAST CONVERSION TECHNOLO	12/11/2012	6.42 263.97 245.00 56.25 56.25 64.00 28.00 60.76 687.30 110.00 2.99 8.99 72.00 215.49 67.47 239.78 79.99 32.95 (135.00) 23.14 120.67 145.45 330.31 229.00 12.02 199.00 150.00 612.30 99.09 44.97 1,076.22 117.65 6.45 179.60	5,508.48

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10582	**Void**	12/11/2012	-	-
10583	**Void**	12/11/2012	-	-
10584	**Void**	12/11/2012	-	-
10585	US COMPOSTING COUNCIL MEMBERSHIP DUES JG	12/11/2012	250.00	250.00
10586	VALLEY PACIFIC PETROLEUM SERVICES, INC. SS TS DIESEL FUEL USAGE THRU 11.30.12	12/11/2012	426.57	426.57
10587	A & B FIRE PROTECTION & SAFETY, INC SS & HHW SAFETY SUPPLIES	12/27/2012	258.12	258.12
10588	A-1 SWEEPING CSPA EXTRA SWEEP ON 11.20.12 PER REQUEST SWEEP YARD & EXTERIOR STREET @ SUN ST NOV 2012	12/27/2012	90.00 774.00	864.00
10589	ADMANOR, INC BRANDING & RECYCLING OUTREACH/EDUCATION FY 2012-13	12/27/2012	1,185.00	1,185.00
10590	ALWAYS TOWING & RECOVERY, INC 2007 PETE PICK UP/DROP OFF JC TO QUINN	12/27/2012	187.50	187.50
10591	ASSEMBLY SUPPLIES CO LESITER FUSION & TRIAC WELDER - N15	12/27/2012	5,697.16	5,697.16
10592	ASSURED AGGREGATES CO., INC CH 147.57 TONS CONCRETE SAND IN-FILL 10.01.12 CH CAD 3 ROCK SLINGER 7 HRS 11.15.12	12/27/2012	2,073.32 2,928.75	5,002.07
10593	AT&T SERVICES INC CH 6632796173 PH SERVICE THRU 12.10.12	12/27/2012	106.81	106.81
10594	BECKS SHOE STORE, INC. SAFETY SHOES FOR RT	12/27/2012	174.02	174.02
10595	CALIFORNIA WATER SERVICE SS TS WATER SERVICES THRU 12.14.12	12/27/2012	335.32	335.32
10596	CITY CLERKS ASSOCIATION OF CALIFORNIA 2013 CCAC Membership: E. Zavala	12/27/2012	150.00	150.00

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10597	CITY OF GONZALES CITY OF GONZALES HOSTING FEES DEC 2012	12/27/2012	20,833.33	20,833.33
10598	COAST COUNTIES TRUCK & EQUIPMENT CO. 58 QT CRUDE CONT DRN PAN	12/27/2012	955.19	955.19
10599	COAST OIL COMPANY, LLC CH DIESEL FUEL USAGE 12.11.12	12/27/2012	1,507.07	1,507.07
10600	DAVE MEZA 3 EA ABASCO TURBIDITY CURTAINS CH CLOSURE	12/27/2012	3,145.00	3,145.00
10601	DAVE S. DEERING Janitorial Services Administrative Building 12.17. SS TS Janitorial Services THRU 12.17.12	12/27/2012	655.00 495.00	1,150.00
10602	EDWARDS TRUCK CENTER, INC 2 SHOCK HOODS 3 SENSOR KITS	12/27/2012	91.26 109.81	201.07
10603	EMC PLANNING GROUP, INC SS TS CUP CEQA 11.30.12	12/27/2012	202.85	202.85
10604	EXPRESS TRANSFERS REFUND OF CREDIT BALANCE	12/27/2012	279.35	279.35
10605	FEDEX Overnight Shipments	12/27/2012	213.05	213.05
10606	FERGUSON ENTERPRISES INC #588 CH 10 24" FITTINGS RESTRAINT FOR CORR CH CLOSURE SUPPLIES 2 12X4 PVC S40 SXSXS TEES CH 252 2 GALV T&C A53A S40 PIPES	12/27/2012	2,963.13 925.62 1,184.77	5,073.52
10607	FIRST ALARM ADM, JC, SS First Alarm 01.01.13-03.31.13	12/27/2012	758.64	758.64
10608	FORRER SUPPLY CO INC CH CLOSURE SUPPLIES 1000 1 1/4" PIPE X 500' COIL	12/27/2012	802.63	802.63
10609	GOLDEN STATE TRUCK & TRAILER REPAIR 210LE GOES INTO NEUTRAL/CHGD SWITCH ON HANDLE	12/27/2012	6,082.51	6,082.51
10610	**Void**	12/27/2012	-	-

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10611	GRAINGER	12/27/2012		
	CH 2 WAY SOLENOID VALVE		134.47	
	CH MUFFLER EXHAUST, COUPLER/PLUG KIT, CLUPLER PLUG		52.00	
	CH PH CALIBRATION SOL		32.01	
	RETURN OF SOLENOID VALVE, 2 WAY, NCC BRASS, 1/2 IN		(134.47)	
	CH SOLENOID VALVE UNIVERSAL		138.19	
				222.20
10612	GREEN RUBBER - KENNEDY AG, LP	12/27/2012		
	1 EA AERVOE INDUST PAIN YELLOW & WHITE		9.48	
	10 POLY TUBING, BALL VALVE, COIL HOUSE FILTERS, ET		153.80	
				163.28
10613	GREEN VALLEY FLORAL	12/27/2012		
	REFUND OF CREDIT BALANCE		45.60	
				45.60
10614	HERTZ EQUIPMENT RENTAL CORPORATION	12/27/2012		
	CH EQUIPMENT RENTAL 500 GAL WATER TRAILER 12.06.12		3,889.30	
				3,889.30
10615	HOPE SERVICES	12/27/2012		
	SS MATTRESS/BOX SPRING RECYCLING 11.28.12		2,068.75	
	SS TS DIVERSION & LITTER ABATEMENT AUG 2012		5,662.02	
	SS TS DIVERSION & LITTER ABATEMENT AUG 2012		6,024.97	
				13,755.74
10616	KARL A. HATTENDORF	12/27/2012		
	SS TS BIODIESEL TANK SITE VISIT/REVIEW PLUMB/ELEC		5,940.84	
				5,940.84
10617	LUMBERMENS INC	12/27/2012		
	CH 10 EA 36 3/4X 36" STICKER & STAKE, ETC		220.66	
	CH CLOSURE EROSION CONTROL 20X100 VISQUEEN		1,711.71	
				1,932.37
10618	MARK E. FETZER	12/27/2012		
	8 HOUR ANNUAL HAZWOPER		943.00	
				943.00
10619	NETPIPE INTERNET SERVICES	12/27/2012		
	INTERNET SERVICES DEC 2012		300.00	
				300.00
10620	NEXIS PARTNERS, LLC	12/27/2012		
	RENT & COMMON AREAS JAN 2013		8,709.00	
				8,709.00
10621	OFFICE DEPOT	12/27/2012		
	2 RMS OF COPY PAPER		23.99	
	2 6-PKS OF PKG TAPE		209.08	
	2 BX IND BATTERY, 1 PK ALK BATTERY, 2 PK PAPER ROL		95.42	
				328.49
10622	PACIFIC CREST ENGINEERING INC	12/27/2012		
	CH EARTHWORK TESTING SERVICES NOV 2012		761.25	
				761.25
10623	PACIFIC GAS AND ELECTRIC COMPANY	12/27/2012		
	JC, JC ECS, LR ELECTRIC SERVICE THRU 12.16.12		1,868.92	
				1,868.92

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10624	PAPE MATERIAL HANDLING, INC CH CLOSURE SUPPLIES	12/27/2012	38.78	38.78
10625	PITNEY BOWES GLOBAL Postage Machine Lease 12.30.12 - 03.30.13	12/27/2012	297.79	297.79
10626	PURE WATER BOTTLING SS TS BOTTLED WATER SERVICE 12.01.12	12/27/2012	76.75	76.75
10627	QUINN COMPANY 8 CM HOSE BULK C15 SEALS RING & SEAL-O-RINGS	12/27/2012	5.95 38.77	44.72
10628	R. PATRICK MATHEWS PER DIEM WASTE CONVERSION CONGRESS WEST COAST	12/27/2012	87.00	87.00
10629	REPUBLIC SERVICES #471 TRASH CART SERVICE DEC 2012	12/27/2012	60.22	60.22
10630	SALINAS GOLF & COUNTRY CLUB Salinas Golf & Country Club	12/27/2012	12.88	12.88
10631	SALINAS VALLEY CHAMBER OF COMMERCE CHAMBER MEMBERSHIP 01.01.13 - 01.01.14	12/27/2012	235.00	235.00
10632	SAN BENITO SUPPLY, CONSTRUCTION, CONCRETE & QUARRY CH CLOSURE PROJECT AS OF 12.08.12	12/27/2012	8,273.05	8,273.05
10633	SCS FIELD SERVICES CH, JC, LR NR LFG & LEACHATE OM&M NOV 2012 CH, JC, LR ROUTINE LFG, GRDWTR, LEACHATE OMM JUL 2012	12/27/2012	23,945.21 35,027.00	58,972.21
10634	**Void**	12/27/2012	-	-
10635	SOUTH COUNTY NEWSPAPER 2012-13 YELLOW PAGE CONTRACT	12/27/2012	441.91	441.91
10636	STURDY OIL COMPANY 35 GAL 76 MULTIPLEX RED/ 55 GAL DEF EXHST FLUID	12/27/2012	286.93	286.93
10637	THOMAS M BRUEN LEGAL SERVICES RENDERED NOVEMBER 2012	12/27/2012	7,411.75	7,411.75
10638	TOYOTA MATERIAL HANDLING FORKLIFT PM SERVICE 5FBE15 SERIAL 28960	12/27/2012	234.00	234.00

Salinas Valley Solid Waste Authority

Checks Issued Report for 12/1/2012 to 12/31/2012

Check #	Name	Check Date	Amount	Check Total
10639	TRUCKSIS ENTERPRISES INCORPORATED	12/27/2012		
	10 New Transfer Truck Signs		4,129.00	
	New SVSWA-recycling brochure		1,133.78	
				5,262.78
10640	UNITED RENTALS NORTHWEST , INC	12/27/2012		
	CH CLOSURE SUPPLIES		690.24	
	SSTS RENTAL FORLIFT VAR REACH 9000# 12.17, 12.18		746.58	
				1,436.82
10641	VALLEY PACIFIC PETROLEUM SERVICES, INC.	12/27/2012		
	SS TS DIESEL FUEL USAGE THRU 12.15.12		227.14	
				227.14
10642	VERIZON WIRELESS SERVICES, LLC	12/27/2012		
	2012-13 Cellphone Service NOV 2012		119.41	
				119.41
10643	VISION RECYCLING INC	12/27/2012		
	C & D OUTSIDE GRINDING 11.30.12		575.00	
	SS Organics Program NOV 2012		46,735.28	
				47,310.28
10644	WASTE MANAGEMENT INC	12/27/2012		
	28 EACH APPLIANCE FREON CHARGE		483.00	
	BFI WASTE DELIVERED TO MADISON - NOV 2012		48,183.23	
	JOLON ROAD OPERATIONS NOV 2012		56,727.89	
				105,394.12
10645	WESTERN EXTERMINATOR COMPANY	12/27/2012		
	JC SHOP RODENT CONTROL SERVICE NOV 2012		51.00	
	JC STORAGE CONTAINER RODENT CONTROL NOV 2012		53.00	
	SS TS RODENT CONTROL SERVICE NOV 2012		221.00	
				325.00
10646	WHITSON ENGINEERS	12/27/2012		
	CSPA SS TS SURVEY - 2012		7,343.50	
				7,343.50
10647	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION	12/27/2012		
	Fuel Expenses NOV 2012		1,746.03	
				1,746.03
DFT2013388	WAGEWORKS	12/17/2012		
	FSA MONTHLY ADMIN FEES NOV 2012		50.00	
				50.00
	Total:			662,943.21
	Payroll Disbursements			316,121.31
	Total Disbursements			979,064.52



SalinasValleyRecycles.org
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 3

Finance Manager/Controller-Treasurer

N/A
Legal Counsel

General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: Tonnage and Diversion Report for the Quarter Ended December 31, 2012

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

This is a routine information item.

FISCAL IMPACT

For the quarter ended December 31, 2012, the Authority paid Recology \$488,334 for landfilling 43,383 tons of solid waste. This is an average of \$11.26 per ton.

DISCUSSION & ANALYSIS

Total Tons Landfilled

Total tons landfilled increased by 1.9% for the quarter ended December 31, 2012 as shown below:

	<u>4Q 2012</u>	<u>4Q 2011</u>	<u>Change in</u>	
<u>Service Area</u>	<u>Tonnage</u>	<u>Tonnage</u>	<u>Tonnage</u>	<u>% Change</u>
Authority Service Area	43,224	42,368	856	2.0%
South Santa Clara Valley	17,470	17,320	150	0.9%
Out of District	<u>159</u>	<u>7</u>	<u>152</u>	<u>100.0%</u>
Total Landfilled	60,852	59,694	1,158	1.9%

For the quarter ended December 31, 2012, the Authority landfilled 43,224 tons of solid waste generated from the Authority's service area. This is an increase of 2% over the same quarter of the previous year's total of 42,368.

As of December 31, 2012, the Authority landfilled a total of 60,852 tons for the quarter including 17,470 from South Santa Clara Valley. This represents a 1.9% increase over the same period in the previous year's total landfilled tonnage of 59,694.

South Valley Tonnage

The total tonnage delivered from outside of the County by Recology South Valley Disposal and Recycling during this quarter was 17,470 tons or 29% of all landfilled tonnage. This is a 0.9% increase over the same quarter of 2011. The revenue earned for the guaranteed minimum importation of waste from Recology South Valley Disposal during this quarter was \$585,241.

As of December 31, 2012, the Authority has received 34,211 tons or 44% of the guaranteed 78,286 tons for the fiscal year per the agreement with Recology South Valley Disposal & Recycling.

Authority Service Area Tonnage Analysis

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

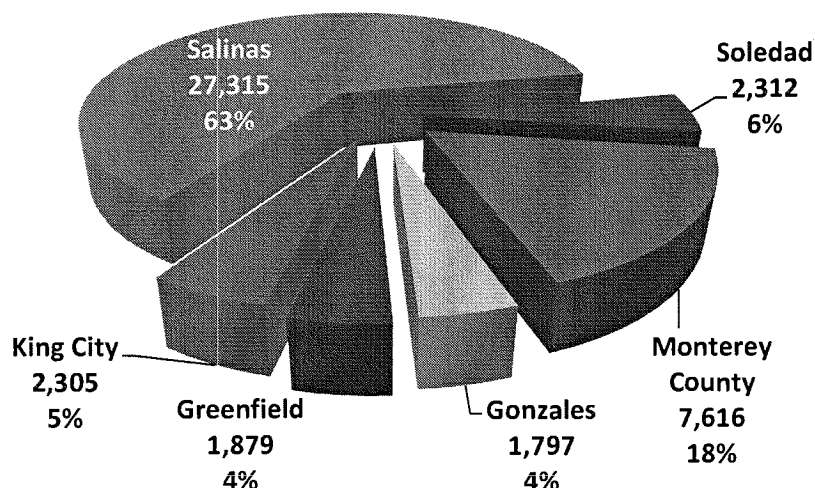
	Oct-Dec 2012		Oct-Dec 2011		Change in	%
	Tonnage	%	Tonnage	%	Tonnage	Change
Total Tons Accepted	52,330	100%	52,479	100%	(149)	-0.3%
<i>Less Diverted Materials</i>	9,106	17%	10,111	19%	(1,005)	-9.9%
Total Landfilled	43,224	83%	42,368	81%	856	2.0%

Compared to the corresponding quarter in 2011, the total tons accepted for the quarter ending December 31, 2012 decreased by 0.3% and diverted material decreased by 9.9%, resulting in a net increase of 2% in tons landfilled. The decrease in diverted materials is due to a one-time occurrence for accepting 2,161 tons of Processed Construction and Demolition material from Randazzo in FY 2011-12, which was used as Alternative Daily Cover. Were it not for this one-time decrease, there would have been a 14.5% increase in diverted materials.

Waste Origin

Of the 43,224 tons landfilled from the Authority's service area, the City of Salinas accounts for 63% of the waste and the County accounts for 18%.

QUARTER ENDED December 31, 2012 AUTHORITY LANDFILLED WASTE ORIGIN- 43,224 TONS



Diverted Materials

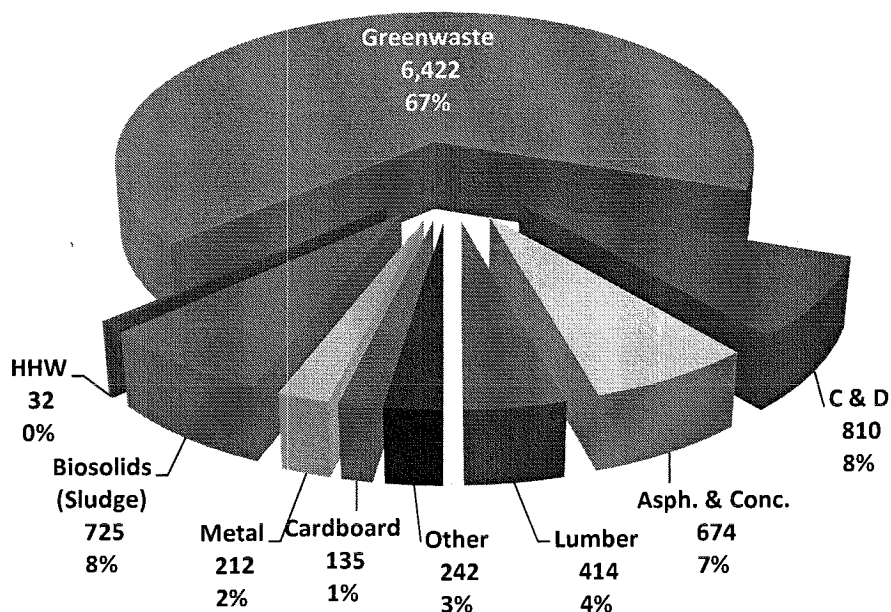
In addition to the 9,106 tons of diverted materials received at Johnson Canyon, as shown in the *Authority Service Area Tonnage* table, the Authority sent 528 tons of recyclable materials to market directly from the Sun Street Transfer Station. The Authority also diverted 32 tons of Household Hazardous Waste (HHW) materials. The Diverted Tonnage chart below shows the Authority received a grand total of 9,666 tons of diverted materials this quarter.

For the comparable period in FY 2011-12, the total diverted materials were 10,451 tons; 9,249 tons of diverted materials received at Johnson Canyon, 310 tons of recyclable materials sent directly to market from the Sun Street Transfer Station, 30 tons of Household Hazardous Waste (HHW) materials and an additional 862 tons from out of district areas.

Total tons of diverted materials for the quarter ended December 31, 2012 has resulted in a net decrease in recycling of 785 tons or 7.5% over the same quarter of the previous year.

QUARTER ENDED December 31, 2012

DIVERTED MATERIALS - 9,666 TONS



ATTACHEMENTS

None



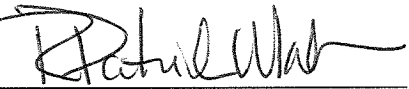
SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 4


Finance Manager/Controller-Treasurer


General Manager/CAO


Board President

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: Mid-Year Budget Adjustments

RECOMMENDATION

The Executive Committee recommends approval of this item.

The budget adjustments will ensure that the budget reflects current activity.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A – Develop and Implement a Sustainable Finance Plan, by ensuring that the budget is balanced.

FISCAL IMPACT

The \$300,000 supplemental appropriations will be funded from a net increase of \$187,094 in estimated revenues and \$112,906 in CalRecycle grant revenue received last fiscal year.

DISCUSSION & ANALYSIS

Based on activity during the first six months staff recommends the following budget adjustments.

- Increase estimated tipping fee revenues by \$300,000
- Decrease estimated grant revenue by \$112,906
- Increase appropriations by \$300,000

Increase estimate tipping fee revenues \$300,000

As the attached tonnage projections shows, based on actual tonnage received through December 31, we estimate an increase of approximately 3,100 tons of additional solid waste above the original budget estimate of 165,400. However, in order to be conservative we recommend increasing the revenue estimate by only \$200,000 instead of the projected \$230,000.

In addition, we are also anticipating an increase of 1,300 tons in green waste, wood waste, and construction and demolition material, which will generate \$88,500 additional revenue of which we are budgeting for only \$80,000. The increased tonnage will cost an additional \$30,000 to process and handle.

We are also expecting an increase in biosolids (sludge) of which we would like to budget \$20,000.

Decrease estimated grant revenues \$112,906

We are also recommending a decrease of \$112,906 in grant revenue. This represents CalRecycle revenue that during the audit process was determined to belong in FY 11-12 (even though it is designated for use in FY 12-13). It was therefore recognized as revenue in last fiscal year. Since the revenue has already been recorded in last year it must be removed from this year. The funds for the CalRecycle grant budget are available and on hand.

Increase appropriations \$280,000

The following appropriation increases are necessary:

\$100,000	Sun Street Improvements to settle CalSPA complaint
\$ 90,000	Legal settlement of CalSPA Complaint
\$ 60,000	Vehicle maintenance due to major repairs on engines and a transfer trailer
\$ 20,000	Higher fuel prices
<u>\$ 30,000</u>	Greenwaste and C&D processing charges for increased tonnage
\$300,000	Total Appropriation Increases

BACKGROUND

When the 2012-13 budget was prepared, all tonnage projections were based on actual activity as of December 2011. At that time, our best estimate was that the decrease in tonnage was leveling off. There was no basis for estimating an increase in tonnage. Now it appears that the economy is improving as we are starting to see a small increase in tonnage and revenue.

ATTACHMENT(S)

1. 2012-13 Tonnage and Revenue Projections
2. Mid-year Budget Adjustments

SALINAS VALLEY SOLID WASTE AUTHORITY
FY 2012-13 Tonnage and Revenue Projections
as of December 31, 2012

Customer	Tons						Revenue					
	Annual Budget	YTD Actual	YTD Over/(Under)	Revised Estimate Projection	Revised Estimate Over/(Under)	Percent	Annual Budget	YTD Actual	YTD Over/(Under)	Revised Projection Projection	Revised Projection Over/(Under)	Percent
Republic Services	90,700	49,771	2,331	95,200	4,500	5.0%	6,076,900	3,308,309	129,833	6,325,100	248,200	4.1%
Rural Dispose-All	25,800	12,863	(477)	24,900	(900)	-3.5%	1,728,600	855,189	(38,624)	1,653,900	(74,700)	-4.3%
Jolon Road	14,100	7,430	127	14,300	200	1.4%	944,700	493,518	4,246	952,900	8,200	0.9%
City of Soledad	6,100	3,285	152	6,400	300	4.9%	408,700	218,463	8,563	425,400	16,700	4.1%
City of Greenfield	5,700	3,029	56	5,800	100	1.8%	381,900	201,430	2,267	386,200	4,300	1.1%
Tri-Cities Disposal	2,400	1,855	618	3,600	1,200	50.0%	160,800	122,228	39,353	237,200	76,400	47.5%
City of Gonzales	2,900	1,538	27	3,000	100	3.4%	194,300	101,524	238	194,800	500	0.3%
Total Franchise Waste	147,700	79,771	2,834	153,200	5,500	3.7%	9,895,900	5,300,662	145,876	10,175,500	279,600	2.8%
Certified Burials/Untarped Loads												
Self-Haul	16,200	7,711	(730)	14,800	(1,400)	-8.6%	-	8,190	8,190	8,190	8,190	
Madison Lane Self Haul	1,200	311	(408)	500	(700)	-58.3%	1,091,700	568,253	(573)	1,090,600	(1,100)	-0.1%
Total Self Haul	17,400	8,022	(1,138)	15,300	(2,100)	-12.1%	44,400	11,038	(15,552)	18,400	(26,000)	-58.6%
							1,136,100	587,482	(7,935)	1,117,190	(18,910)	-1.7%
Field Plastics	300	25	(187)	-	(300)	-100.0%	22,500	1,964	(13,896)	2,800	(19,700)	-87.6%
Total Solid Waste	165,400	87,817	1,509	168,500	3,100	1.9%	11,054,500	5,890,108	124,045	11,556,690	230,090	2.1%
Tipping Fee Surcharge							272,100	124,219	(18,101)	261,200	(10,900)	-4.0%
Mattresses							73,400	33,315	(2,315)	68,600	(4,800)	-6.5%
HHW							58,500	29,267	1,023	60,600	2,100	3.6%
Greenwaste	25,800	13,054	235	26,300	500	1.9%	619,400	334,089	26,346	657,100	37,700	6.1%
Construction & Demolition	1,000	783	269	1,500	500	50.0%	58,000	45,396	15,616	88,400	30,400	52.4%
Sludge		1,741		1,741	1,741		-	48,756		48,756	48,756	
Other Diversion							38,500	22,006	4,284	43,000	4,500	11.7%
Wood Waste	1,500	890	142	1,800	300	20.0%	54,000	37,128	10,187	74,400	20,400	37.8%
Total Diversion Materials	28,300	16,468	646	31,341	3,041		901,800	549,957	55,142	1,040,856	139,056	15.4%
Total Authority	193,700	104,285	2,156	199,841	6,141	3.2%	12,228,400	6,564,284	161,086	12,597,546	369,146	3.0%
South Valley Disposal	78,286	34,209	(6,372)	66,000	(12,286)	-15.7%	2,340,900	1,170,481	31	2,341,000	100	0.0%
Grand Total	271,986	138,494	(4,216)	265,841	(6,145)	-2.3%	14,569,300	7,734,766	161,117	14,938,546	369,246	2.5%
							YTD actual percentage					
							53.09%					
							YTD projected percentage					
							51.98%					



Salinas Valley Solid Waste Authority
Mid-Year Budget Adjustments
Based on December 31, 2012

	CURRENT BUDGET	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Budget Adjustments	Revised Budget
<u>Revenue Summary</u>						
Tipping Fees - Solid Waste	11,054,500	5,890,108	53.3%	5,164,392	200,000	11,254,500
Tipping Fees - Surcharge	725,600	373,336	51.5%	352,264		725,600
Tipping Fees - Diverted Materials	901,800	549,957	61.0%	351,843	100,000	1,001,800
Tipping Fees - South Valley	2,340,900	1,170,481	50.0%	1,170,419		2,340,900
Charges for Services	117,000	33,405	28.6%	83,595		117,000
Sales of Materials	572,500	118,778	20.7%	453,722		572,500
Investment Earnings	80,200	19,362	24.1%	60,838		80,200
Grants	133,111	-	0.0%	133,111	(112,906)	20,205
Miscellaneous/Other	60,000	4,766	7.9%	55,234		60,000
Total Revenue	15,985,611	8,160,194	51.0%	7,825,417	187,094	16,172,705
<u>Expense Summary</u>						
Administration	2,363,160	1,098,610	46.5%	1,264,550	-	2,363,160
Resource Recovery	2,421,196	934,630	38.6%	1,486,566	30,000	2,451,196
Scalehouses Operations	342,490	155,751	45.5%	186,739	-	342,490
Transfer Stations Operations	1,151,910	556,500	48.3%	595,410	80,000	1,231,910
Landfills Operations	5,183,010	1,959,415	37.8%	3,223,595	-	5,183,010
Environmental Control Systems	932,720	371,142	39.8%	561,578	190,000	1,122,720
Debt Service - Interest	2,037,120	1,031,988	50.7%	1,005,132	-	2,037,120
Debt Service - Principal	1,103,000	1,042,850	94.5%	60,150	-	1,103,000
Closure Set-Aside	277,000	-	0.0%	277,000	-	277,000
Total Expense	15,811,606	7,150,886	45.2%	8,660,720	300,000	16,111,606
Revenue Over/(Under) Expenses	174,005	1,009,307		(835,302)	(112,906)	61,099
Funded from Grant Funds on Hand					112,906	



Salinas Valley Solid Waste Authority
Mid-Year Budget Adjustments
Based on December 31, 2012

	CURRENT BUDGET	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Budget Adjustments	Revised Budget
<u>Expense Summary</u>						
Executive Administration	358,270	171,901	48.0%	186,369		358,270
Administrative Support	386,040	184,331	47.7%	201,709		386,040
Human Resources Administration	298,240	121,768	40.8%	176,472		298,240
Clerk of the Board	153,360	69,031	45.0%	84,329		153,360
Finance Administration	620,200	283,476	45.7%	336,724		620,200
Operations Administration	547,050	268,103	49.0%	278,947		547,050
Resource Recovery	648,000	273,462	42.2%	374,538		648,000
Marketing	100,000	6,080	6.1%	93,920		100,000
Public Education	135,000	36,909	27.3%	98,091		135,000
Household Hazardous Waste	645,260	263,546	40.8%	381,714		645,260
C & D Diversion	50,000	30,840	61.7%	19,160	10,000	60,000
Organics Diversion	577,030	251,098	43.5%	325,932	20,000	597,030
Diversion Services	153,000	44,618	29.2%	108,382		153,000
DOC Grant	112,906	28,078	24.9%	84,829		112,906
Scalehouse Operations	342,490	155,751	45.5%	186,739		342,490
JR Transfer Station	701,910	304,190	43.3%	397,720		701,910
ML Transfer Station	450,000	252,311	56.1%	197,689		450,000
SS Disposal Operations	394,202	223,742	56.8%	170,460	20,000	414,202
SS Transfer Operations	852,598	421,572	49.4%	431,026	60,000	912,598
SS Recycling Operations	244,830	45,348	18.5%	199,482		244,830
CH Landfill Operations	122,090	117,878	96.5%	4,212		122,090
JC Landfill Operations	3,569,290	1,150,877	32.2%	2,418,413		3,569,290
Crazy Horse ECS	344,400	101,971	29.6%	242,429		344,400
Lewis Road ECS	160,210	94,178	58.8%	66,032		160,210
Johnson Canyon ECS	248,300	67,377	27.1%	180,923		248,300



Salinas Valley Solid Waste Authority
Mid-Year Budget Adjustments
Based on December 31, 2012

	CURRENT BUDGET	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Budget Adjustments	Revised Budget
Jolon Road ECS	98,670	31,889	32.3%	66,781	190,000	98,670
Sun Street ECS	81,140	75,726	93.3%	5,414		271,140
Debt Service - Interest	2,037,120	1,031,988	50.7%	1,005,132		2,037,120
Debt Service - Principal	1,103,000	1,042,850	94.5%	60,150		1,103,000
Closure Set-Aside	277,000	-	0.0%	277,000		277,000
Total Expense	15,811,606	7,150,886	45.2%	8,660,720	300,000	16,111,606
Revenue Over/(Under) Expenses	174,005	1,009,307	580.0%	(835,302)	(112,906)	61,099



SalinasValleyRecycles.org

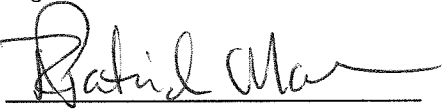
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 5


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: February 21, 2013
From: Patrick Mathews, General Manager/CAO
Title: A Resolution Ratifying the Approval of
Amendment No. 1 to the Ameresco
Johnson Canyon LLC Site Lease
Agreement

RECOMMENDATION

Staff recommends that the Board adopt the resolution. This is an administrative amendment to define the final site lease boundaries as required under the agreement.

STRATEGIC PLAN RELATIONSHIP

This item does not relate to the Board's strategic plan, but does reflect on one of the Authority's core values: "Community Partnerships".

FISCAL IMPACT

There is no fiscal impact with approval of this item.

DISCUSSION & ANALYSIS

The site lease agreement requires that the Authority and Ameresco conduct final surveys of the meets and bounds for the project site and record notice of the lease. The amendment was administratively executed in December to meet financing deadlines for Ameresco.

ATTACHMENT(S)

1. Resolution
2. Amendment No. 1 to Ameresco Johnson Canyon LLC Site Lease Agreement
3. Recorded Memorandum of Lease

RESOLUTION NO. 2013 -

A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY RATIFYING THE APPROVAL OF AMENDMENT NO. 1 TO THE SITE LEASE AGREEMENT WITH AMERESCO JOHNSON CANYON L.L.C. (AMERESCO) FOR THE JOHNSON CANYON LANDFILL GAS POWER PROJECT

WHEREAS, on August 20, 2009, the Authority adopted Resolution No. 2009-49, approving the Landfill Gas Purchase Agreement and a Site Lease Agreement with Ameresco for the Johnson Canyon Landfill Gas Power Project; and,

WHEREAS, the Site Lease Agreement required that the Authority and Ameresco conduct final surveys to define the site lease boundaries and to record notice of the lease; and,

WHEREAS, on December 18, 2012, the Authority administratively executed Amendment No. 1 to the Site Lease Agreement to meet financing deadlines for Ameresco; and,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY that approval of Amendment No. 1 to the Site Lease Agreement with Ameresco Johnson Canyon, LLC for lease of land at the Johnson Canyon Landfill for the Landfill Gas Power Project is hereby ratified, as attached hereto and marked "Exhibit A".

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 21st day of February 2013, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Fernando Armenta, President

ATTEST:

Elia Zavala, Clerk of the Board

**AMENDMENT #1 TO SITE LEASE AGREEMENT
(Johnson Canyon Landfill)**

This Amendment #1 to Site Lease Agreement ("Amendment #1") is dated as of December 18, 2012, by and between **Ameresco Johnson Canyon LLC**, a Delaware limited liability company with a principal place of business at 111 Speen Street, Suite 410, Framingham, MA 01701 ("Lessee") and **Salinas Valley Solid Waste Authority**, a joint powers authority under the laws of the State of California, with an address of 128 Sun Street #101, Salina, CA 98901 ("Lessor").

RECITALS:

Whereas, Lessor and Lessee entered into that certain Site Lease Agreement dated as of August 20, 2009 (as hereby amended, the "**Lease**") pursuant to which Lessee leased of a portion of the landfill located at or near 31400 Johnson Canyon Road, Gonzales, California;

Whereas, Lessor and Lessee desire to amend the Lease as described herein;

NOW THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments.

(a) Section 2.A of the Lease is hereby amended by deleting the terms "*(the "Site")*" and "*(("Site Description"))*".

(b) Section 2.B of the Lease is hereby amended and restated in its entirety as follows:

"Lessor, in consideration of the rents and faithful performance of the covenants set forth herein to be paid and performed by Lessee does hereby demise and lease unto Lessee certain area at the Landfill (such area, the "Site"), which Site is more particularly described in Exhibit A (Rev. 2012) hereto ("Site Description"), for the sole purpose of constructing, owning and operating Lessee's facilities, which consists of Ameresco's Facilities and related facilities for processing and utilizing LFG purchased from Lessor as more fully described in the Landfill Gas Purchase Agreement. The Site is shown as "Lease Area" on Exhibit B-1 (2012) and Exhibit B-2 (2012) hereto."

(c) The Lease is hereby amended by adding (i) a second page to Exhibit A entitled "*Exhibit A (Rev. 2012)*", (ii) a new "*Exhibit B-1 (2012)*" and (iii) a new "*Exhibit B-2 (2012)*", all of which are attached hereto.

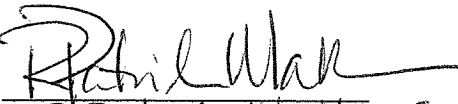
2. Counterparts. This Amendment #1 may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

3. No Other Amendments. Except as expressly set forth herein, the terms of the Lease remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment #1 as of the date first written above.

LESSOR:

Salinas Valley Solid Waste Authority

By: 
Name: R. Patrick Matthews
Title: General Manager / CAO
Hereunto duly authorized

LESSEE:

Ameresco Johnson Canyon LLC

By: Ameresco Asset Holdings IV LLC, its sole member

By Ameresco, Inc., its sole member

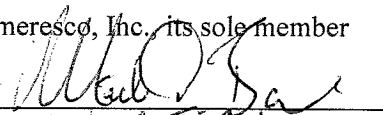
By: 
Name: Michael T. Berkus
Title: Senior Vice President
Hereunto duly authorized

Exhibit A (Rev. 2012)

"EXHIBIT A"
PROPERTY DESCRIPTION

AMERESCO JOHNSON CANYON, LLC
LEASE AREA

Certain real property situate in the Rancho Rincon de la Puente del Monte, County of Monterey, State of California, being a portion of that certain tract of land described under Exhibit "A" in the Corporation Grant Deed from California Land and Cattle Company, to County Of Monterey, a political subdivision of the State of California, dated January 16, 1975 and recorded in Reel 955, at Page 1139 and following, records of said county, and being also a portion of that certain 122.572 acre tract of land shown and so delineated on the map filed June 5, 1975 in Volume 11 of Surveys, at Page 82, records of said county, said portion being more particularly described as follows:

BEGINNING at a point lying 10.00 feet distant (measured at right angles) Southeasterly from the Southeast line of Johnson Canyon Road (a county road 60 feet wide), from which a one-inch diameter iron pipe tagged Mo. Co. DPW, standing at the Northeast corner of the hereinbefore mentioned 122.572 acre tract of land bears North 47° 56' 09" East, 696.38 feet distant; thence running

- 1.) South 34° 48' 12" East, 35.58 feet; thence
- 2.) South 55° 09' 05" West, 15.41 feet; thence
- 3.) South 34° 48' 12" East, 3.45 feet; thence
- 4.) South 55° 11' 31" West, 24.34 feet; thence
- 5.) South 34° 44' 03" East, 38.04 feet; thence
- 6.) South 55° 15' 57" West, 12.04 feet; thence
- 7.) South 37° 21' 55" East, 17.09 feet; thence
- 8.) South 55° 34' 27" West, 17.49 feet; thence
- 9.) North 35° 29' 45" West, 16.69 feet; thence
- 10.) North 53° 22' 05" East, 11.26 feet; thence
- 11.) North 35° 38' 28" West, 40.01 feet; thence
- 12.) South 55° 14' 02" West, 18.61 feet; thence
- 13.) South 34° 58' 27" East, 36.19 feet; thence
- 14.) South 55° 27' 26" West, 16.58 feet; thence
- 15.) North 34° 33' 58" West, 9.77 feet; thence
- 16.) North 55° 34' 29" East, 12.04 feet; thence
- 17.) North 34° 58' 27" West, 26.42 feet; thence
- 18.) South 55° 14' 02" West, 17.15 feet; thence
- 19.) South 35° 21' 54" East, 40.49 feet; thence
- 20.) North 55° 15' 11" East, 10.00 feet; thence
- 21.) South 35° 07' 29" East, 17.73 feet; thence

- 22.) South 67° 02' 34" West, 36.31 feet; thence
- 23.) South 34° 25' 48" East, 20.87 feet; thence
- 24.) South 55° 34' 12" West, 11.60 feet; thence
- 25.) North 34° 25' 48" West, 23.22 feet; thence
- 26.) South 67° 02' 34" West, 7.28 feet; thence
- 27.) North 35° 15' 35" West, 48.22 feet; thence
- 28.) South 55° 21' 41" West, 11.05 feet; thence
- 29.) South 35° 15' 35" East, 45.93 feet; thence
- 30.) South 67° 02' 34" West, 28.17 feet; thence
- 31.) North 34° 02' 12" West, 75.03 feet to a point lying 10.00 feet distant
(measured at right angles) Southeasterly from the Southeast line of
Johnson Canyon Road (a county road 60' wide); thence running parallel
to and 10.00 feet distant from the last mentioned road line
- 32.) North 55° 57' 48" East, 155.48 feet; thence
- 33.) North 48° 45' 31" East, 24.40 feet, to the POINT OF BEGINNING.


Containing an area of 11,487 square feet of land, more or less.

Bearings are based on the California Coordinate System, Zone IV as determined from monuments shown on the hereinbefore mentioned map filed June 5, 1975 in Volume II of Surveys at Page 82, records of Monterey, County, California.

SUBJECT TO HOWEVER, any restrictions, conditions, covenants, rights, rights-of-way, and easements now of record.

Dated: September 27, 2012

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyors Act.


Phillip L. Pearman, L.S. 4448
License expires 9/30/13

END OF DESCRIPTION



Exhibit B-1 (Rev. 2012)

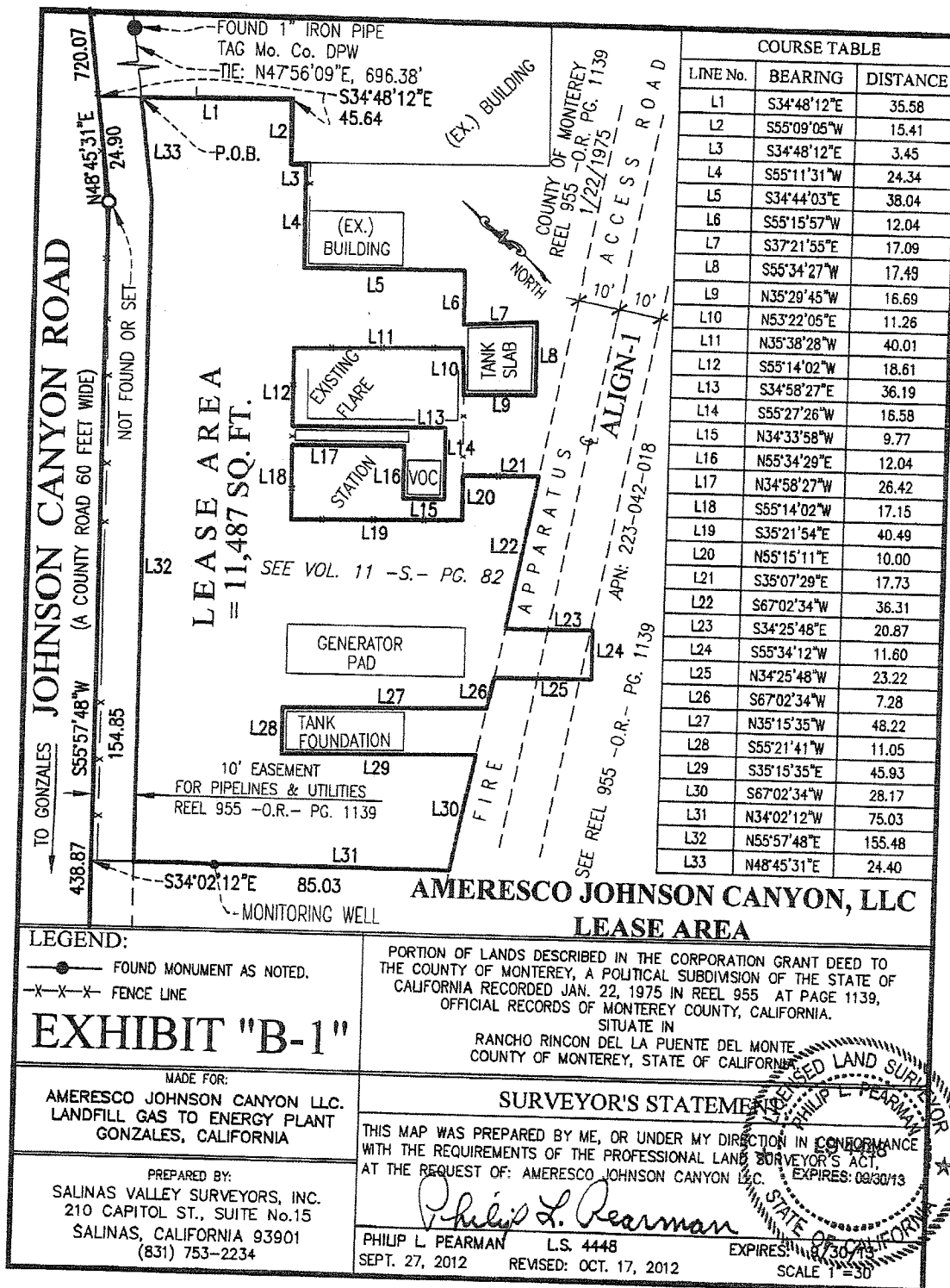
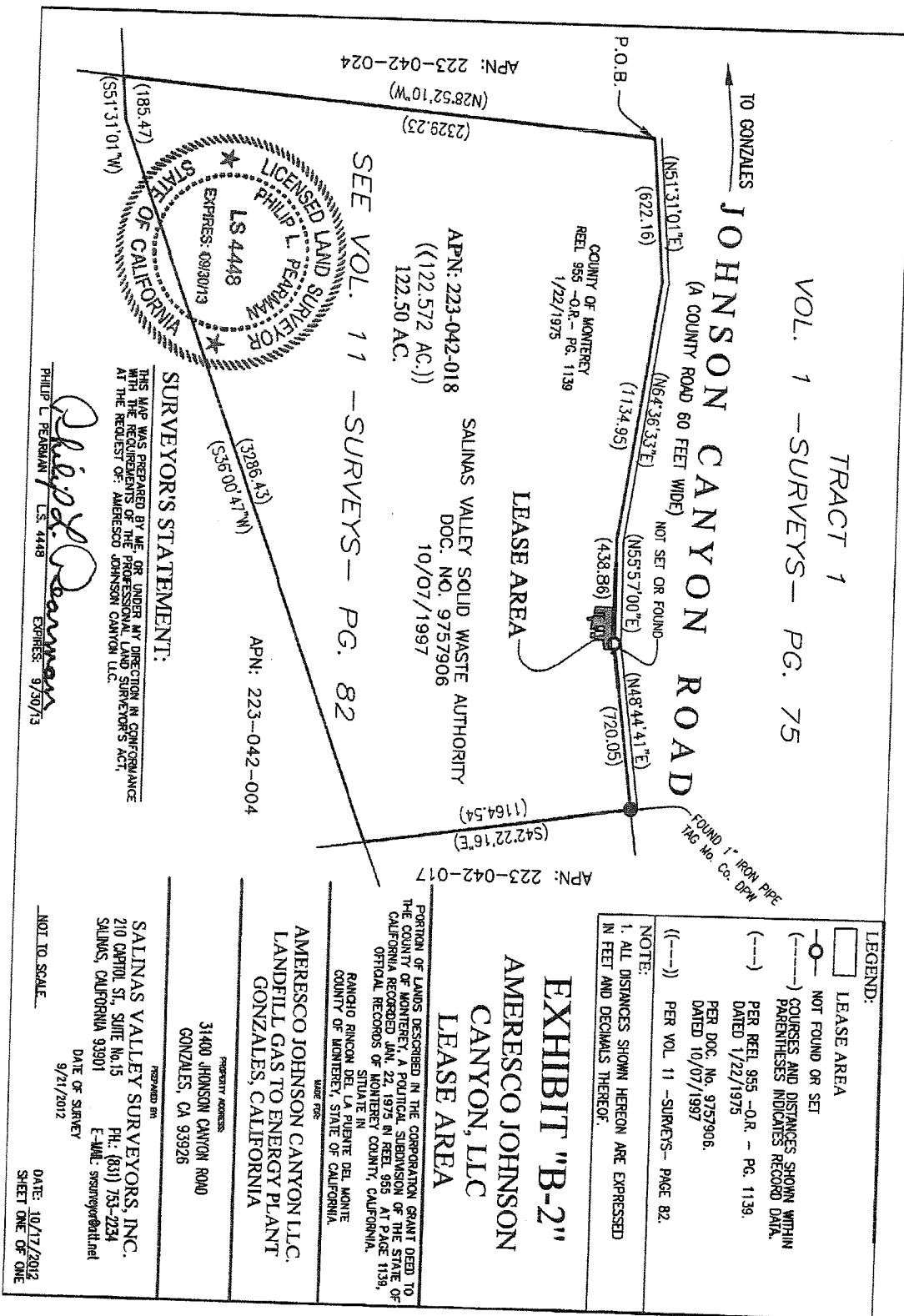


Exhibit B-2 (2012)



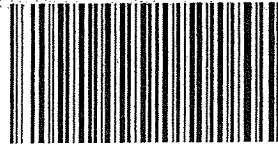
Stephen L. Vagnini
Monterey County Recorder
Recorded at the request of
Filler

CRREBECCA
1/15/2013
13:35:10

PREPARED BY AND RETURN TO:

Ameresco, Inc.
111 Speen Street
Framingham, MA 01701
Attention: General Counsel

DOCUMENT: **2013002499**



Titles: 1/ Pages: 6

Fees...	50.00
Taxes...	
Other...	12.00
AMT PAID	\$62.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

D.T.T. & less than 35 years

MEMORANDUM OF LEASE

This is a Memorandum of Lease by and between **Salinas Valley Solid Waste Authority**, a joint powers authority under the laws of the State of California with an address of 128 Sun Street #101, Salina, CA 93901 (hereinafter called "Lessor"), and **Ameresco Johnson Canyon LLC**, a Delaware limited liability company with an address of 111 Speen Street, Suite 410, Framingham, MA 01701 (hereinafter called "Lessee").

1. Lessor has leased to Lessee certain real property more fully described in Exhibits A and B-1 attached hereto pursuant to the terms and conditions of a Site Lease Agreement (as amended, the "Lease") dated August 20, 2009 (the "Effective Date"). All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. The Term of the Lease commenced on the Effective Date and will continue for a period of twenty (20) years from and after the Effective Date subject to further extension or earlier termination as provided in the Lease and related Landfill Gas Purchase Agreement between Lessor and Lessee dated as of August 20, 2009.

3. The purpose of this Memorandum of Lease is to give record notice of the Lease and of the leasehold, easement and other rights and interests created thereby, all of which are hereby confirmed. Reference is made to the Lease for the full agreement of the parties. In the event of a conflict between this Memorandum and the Lease, the terms of the Lease shall govern and control.

IN WITNESS WHEREOF the parties have executed this Memorandum of Agreement as of the dates set forth in their respective acknowledgments.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LESSOR:

Salinas Valley Solid Waste Authority

By: R. Patrick Mathews

Name: R. Patrick Mathews

Title: General Manager/CEO

STATE OF California

COUNTY OF Monterey

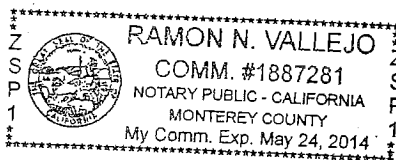
On December 18, 2012 before me, Ramon N. Vallejo, Notary Public, personally appeared R. Patrick Mathews who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ authorized capacity and that by his/~~her~~ signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

(SEAL)

R. Patrick Mathews
(Signature)



LESSEE:

AMERESCO JOHNSON CANYON LLC,
a Delaware limited liability company

By: Ameresco Asset Holdings IV LLC,
Its sole member

By: AMERESCO, INC, its sole member

By: 

Name: Michael I. Bakas

Title: Senior Vice President

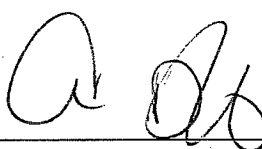
COMMONWEALTH OF MASSACHUSETTS

§
§
§

COUNTY OF MIDDLESEX

On this 20th day of December, 2012 before me, the undersigned notary public,
personally appeared Senior Vice President Michael Bakas, as Senior Vice President of Ameresco, Inc.,
proved to me through satisfactory evidence of identification, which was Massachusetts driver's
license, to be the person whose name is signed on the preceding or attached document in my
presence, and acknowledged to me that he signed it voluntarily for its stated purpose.




Notary Public, Commonwealth of
Massachusetts

My Commission Expires: 11-12-2015

Exhibit A to Memorandum of Lease

"EXHIBIT A"
PROPERTY DESCRIPTION

AMERESCO JOHNSON CANYON, LLC
LEASE AREA

Certain real property situate in the Rancho Rincon de la Puente del Monte, County of Monterey, State of California, being a portion of that certain tract of land described under Exhibit "A" in the Corporation Grant Deed from California Land and Cattle Company, to County Of Monterey, a political subdivision of the State of California, dated January 16, 1975 and recorded in Reel 955, at Page 1139 and following, records of said county, and being also a portion of that certain 122.572 acre tract of land shown and so delineated on the map filed June 5, 1975 in Volume 11 of Surveys, at Page 82, records of said county, said portion being more particularly described as follows:

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- 1.) South 34° 48' 12" East, 35.58 feet; thence
- 2.) South 55° 09' 05" West, 15.41 feet; thence
- 3.) South 34° 48' 12" East, 3.45 feet; thence
- 4.) South 55° 11' 31" West, 24.34 feet; thence
- 5.) South 34° 44' 03" East, 38.04 feet; thence
- 6.) South 55° 15' 57" West, 12.04 feet; thence
- 7.) South 37° 21' 55" East, 17.09 feet; thence
- 8.) South 55° 34' 27" West, 17.49 feet; thence
- 9.) North 35° 29' 45" West, 16.69 feet; thence
- 10.) North 53° 22' 05" East, 11.26 feet; thence
- 11.) North 35° 38' 28" West, 40.01 feet; thence
- 12.) South 55° 14' 02" West, 18.61 feet; thence
- 13.) South 34° 58' 27" East, 36.19 feet; thence
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- 15.) North 34° 33' 58" West, 9.77 feet; thence
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- 19.) South 35° 21' 54" East, 40.49 feet; thence
- 20.) North 55° 15' 11" East, 10.00 feet; thence
- 21.) South 35° 07' 29" East, 17.73 feet; thence

- 22.) South 67° 02' 34" West, 36.31 feet; thence
- 23.) South 34° 25' 48" East, 20.87 feet; thence
- 24.) South 55° 34' 12" West, 11.60 feet; thence
- 25.) North 34° 25' 48" West, 23.22 feet; thence
- 26.) South 67° 02' 34" West, 7.28 feet; thence
- 27.) North 35° 15' 35" West, 48.22 feet; thence
- 28.) South 55° 21' 41" West, 11.05 feet; thence
- 29.) South 35° 15' 35" East, 45.93 feet; thence
- 30.) South 67° 02' 34" West, 28.17 feet; thence
- 31.) North 34° 02' 12" West, 75.03 feet to a point lying 10.00 feet distant (measured at right angles) Southeasterly from the Southeast line of Johnson Canyon Road (a county road 60' wide); thence running parallel to and 10.00 feet distant from the last mentioned road line
- 32.) North 55° 57' 48" East, 155.48 feet; thence
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Containing an area of 11,487 square feet of land, more or less.

Bearings are based on the California Coordinate System, Zone IV as determined from monuments shown on the hereinbefore mentioned map filed June 5, 1975 in Volume II of Surveys at Page 82, records of Monterey, County, California.

SUBJECT TO HOWEVER, any restrictions, conditions, covenants, rights, rights-of-way, and easements now of record.

Dated: September 27, 2012

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyors Act.


Philip L. Pearman, L.S. 4448
License expires 9/30/13

END OF DESCRIPTION

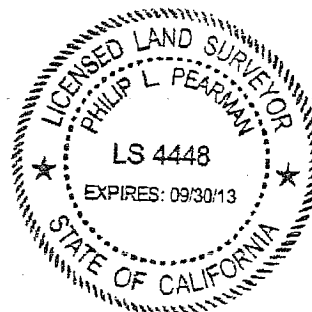
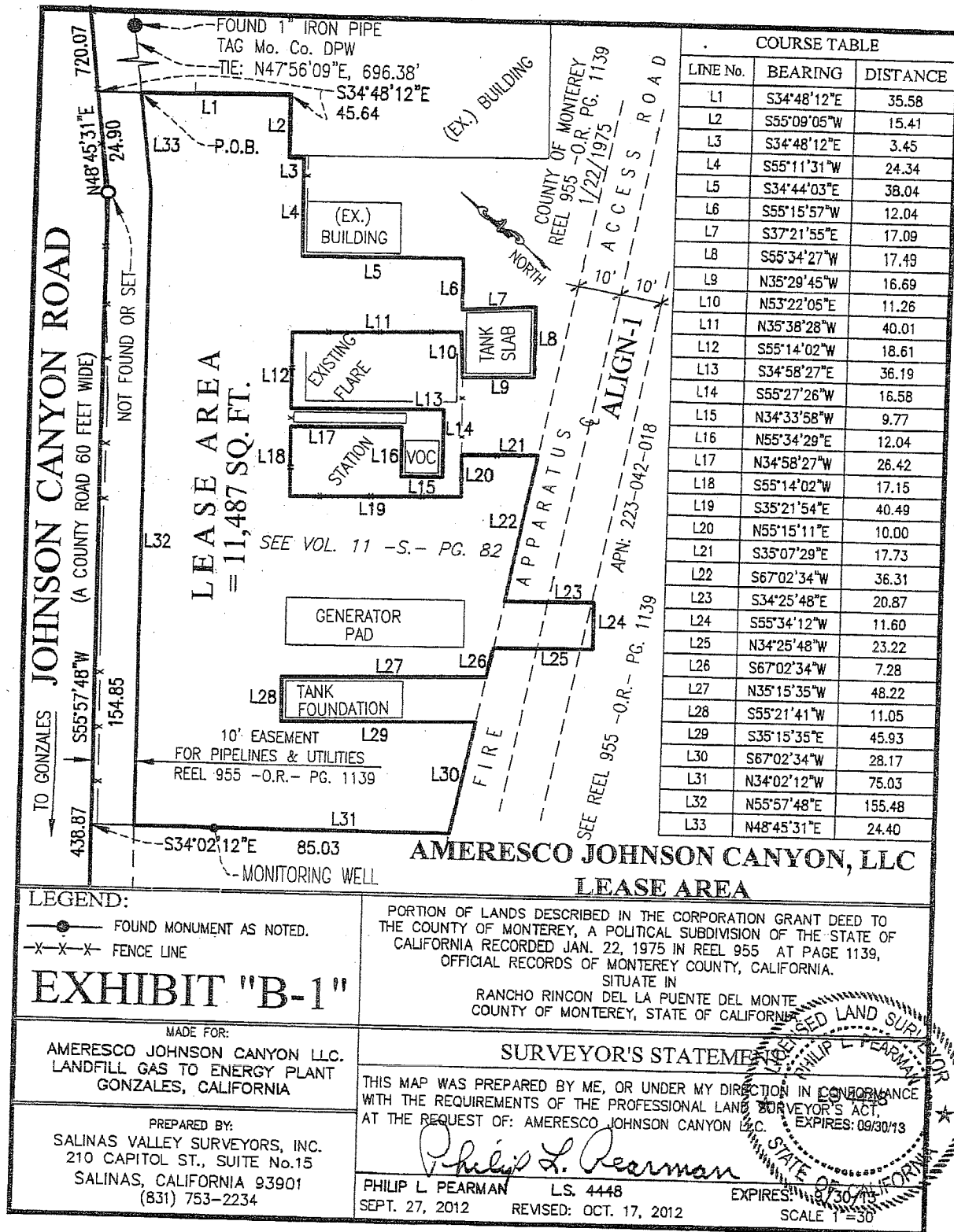


Exhibit B-1 to Memorandum of Lease






SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 6


Finance Manager/Controller-Treasurer

T. Bruen by pm
Legal Counsel


General Manager/CAO

Date: February 21, 2013
From: Patrick Mathews, General Manager/CAO
Title: Resolution Expanding Public Outreach Efforts

RECOMMENDATION

Staff recommends Board adoption of the resolution.

STRATEGIC PLAN RELATIONSHIP

This action will benefit the Authority strategic plan goals to promote the Authority as a Resource Recovery Agency and the enhancement of public facilities, equipment and services. Public input on the Authority activities is critical to development of a sustainable waste management system.

FISCAL IMPACT

The fiscal impact for these actions will be minimal and can be accommodated within the existing staff and budget structure. There will be added staff time to coordinate and run a citizen's advisory committee. Most of the agenda related translation services can be handled internally, but outside services may be necessary for translating the longer and more technical documents related to environmental review projects.

DISCUSSION & ANALYSIS

Public comment and Board discussion was conducted at the January 24, 2013 Board meeting. Staff requested the item be continued to the February meeting to allow added time for CalRecycle input on the resolution. Staff believes that the Authority will benefit by further expansion of our bilingual outreach efforts beyond the minimum requirements of current State law by further engaging the limited or non-English speaking segment of our population through expansion of our bilingual outreach efforts.

BACKGROUND

While the Authority has previously gone beyond minimum State standards for bilingual outreach to our community, staff believes that some simple added measures will increase our ability to reach out to those in our community that have limited English speaking and reading skills.

ATTACHMENT(S)

1. Resolution

RESOLUTION NO. 2013 -

A RESOLUTION TO DECLARE THE POLICY OF THE SALINAS VALLEY SOLID WASTE AUTHORITY FOR OUTREACH TO RESIDENTS OF THE AUTHORITY

WHEREAS, the Board of Directors believes that it is the responsibility of the Authority to effectively communicate to all residents of the Authority, both English and Spanish speakers, the proceedings and proposed actions of the Authority Board; and

WHEREAS, the 2010 Census data reflects that 55.4% of the Monterey County population is of Hispanic or Latino origin and since a portion of these individuals would benefit from the translation of public hearings and documents into Spanish; and

WHEREAS, the Board of Directors has previously adopted a number of bilingual outreach measures beyond minimum State and Federal standards to assist Spanish speaking individuals in understanding Authority Board meetings, including the provision of Spanish interpreters at every Authority Board meeting; and

WHEREAS, the Board of Directors believes that additional measures are important to further communicate the Board's proceedings and decisions to all residents of the Authority service area.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY it shall hereafter be the policy of the Salinas Valley Solid Waste Authority that the following practices and procedures for public outreach to individuals and businesses who require the translation/interpretation of public hearings and documents from English into Spanish, and to further engage the public in discussions regarding major capital projects and program development as follows:

1. All agendas for regular and special meetings of the Authority Board of Directors, the Authority's Executive Committee, or other special committees established by the Board of Directors shall be translated into Spanish and both English and Spanish language agendas shall be posted in the same manner, as required by law;
2. The Authority shall provide Spanish language interpreters at all meetings of the Authority Board of Directors and, upon 24 hour advance request of a member of the public, at meetings of the Authority Executive Committee or Board special committees;
3. For projects requiring analysis under the California Environmental Quality Act, the Authority shall provide summaries of the following documents in Spanish, of approximately one to three pages single spaced: initial studies; negative declarations; and environmental impact reports;

4. For projects requiring analysis under the California Environmental Quality Act, the Authority shall provide at least one public scoping meeting and shall have a Spanish interpreter at the scoping meeting;
5. Upon 24 hour advance request of a member of the public, the Authority shall provide a staff member fluent in Spanish to answer questions regarding proposed agenda items;
6. The Authority shall encourage the formation of a Citizen's Advisory Committee (CAC) containing representatives of the community, for review of proposed major capital projects requiring review through an environmental impact report and other significant Authority activities. Examples of such projects would be the proposed Plasco Gasification Project or the Salinas Work Street Materials Recovery Center. Authority staff shall provide reasonable support for the CAC, including arranging for meeting rooms and providing for the attendance of Authority staff member(s) as appropriate at each meeting of the CAC.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority this 21st day of February 2013 by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ATTEST:

Fernando Armenta, President

Elia Zavala, Clerk of the Board



SalinasValleyRecycles.org
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

Date: February 21, 2013
From: Rose Gill, Administrative Manager
Title: Strategic Plan Monthly Progress Report

ITEM NO. 7

N/A

Finance Manager/Controller-Treasurer

N/A

General Counsel

N/A

General Manager/CAO

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



SalinasValleyRecycles.org
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

Date: February 21, 2013
From: Rose Gill, Administrative Manager
Title: 2012 Employee Survey Results

ITEM NO. 8

N/A

Finance Manager/Controller-Treasurer

N/A

General Counsel

N/A

General Manager/CAO

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



SalinasValleyRecycles.org
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 9

Finance Manager/Controller-Treasurer

Tom Bruen by sw

Legal Counsel

General Manager/CAO

Date: February 21, 2013

From: Roberto Moreno, Finance Manager
Susan Warner, Diversion Manager

Title: Status of County Notice of Intent to Withdraw
from Joint Powers Authority

RECOMMENDATION

Staff recommends that the Board receive this report.

STRATEGIC PLAN RELATIONSHIP

The County's withdrawal from the Authority will have a major impact on the Authority's ability to develop and implement a sustainable finance plan and especially on the ability to refinance the 2002 Revenue Bonds at significantly lower interest rates available in today's market.

FISCAL IMPACT

Withdrawal of the County's tonnage would cause a \$2 million decrease in annual revenue to the Authority. This would be partially offset by a \$280,000 decrease in expenditures associated with the loss of tonnage and an estimated \$300,000 - \$350,000 reimbursement from the County for postclosure maintenance, leaving a net shortfall of \$1.4 million. The shortfall would have to be covered by a \$9 per ton increase to Salinas customers to cover the full cost of transporting waste to Johnson Canyon, and an increase of \$4.50 per ton in disposal costs for all customers.

DISCUSSION & ANALYSIS

At the January Board meeting, Board member Richard Perez asked how it was possible to proceed with budget deliberations when the Authority does not know if the County will be withdrawing from the Authority. This report should address those concerns so staff can proceed with the budget for FY 2013-14.

The County cannot withdraw from the Authority and the County must continue to honor its Waste Delivery Agreement to send all unincorporated area waste generated within the Authority's area to the Authority's facilities until the 2002 Revenue Bonds and the promissory note to the City of Salinas for the Crazy Horse Installment Purchase Agreement (Crazy Horse IPA) are paid in full. At this point there is no proposal for paying off these debts.

The JPA agreement has no provision for allocating the Authority's debt. It does have a provision for allocating postclosure maintenance and site remediation costs. That allocation is to be a fair share based on tonnage. The basis for determining a withdrawing member agency's share of future postclosure and site remediation costs "shall be as

determined by the Authority in its sole discretion and such determination of the Authority shall be binding on the Parties." (Section 19(a)).

Refinancing the 2002 Revenue Bonds

Due to the County's Notice of Intent to Withdraw from the Authority, the Authority is not able to refinance the 2002 Revenue Bonds, causing the Authority to lose out on an estimated annual interest savings of \$210,000, or \$2.8 million in monetized interest that was proposed as part of the Work Street Materials Recovery Center financing plan.

According to the Authority's bond underwriter, the County would need to commit to stay in the Authority and reaffirm its long-term waste commitment to the Authority's facilities (until 8/01/31 which is the final bond payoff date) in order for the Authority to maintain an A+ credit rating and obtain the lowest interest rates to refinance the 2002 bonds. Without the County's tonnage it is unclear whether a refinancing on the remaining 2002 bonds could be done at interest rates that would produce the same level of savings.

Following is a summary of what needs to be paid off in order for the County to withdraw:

SVSWA Debt Service as of January 1, 2013			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002 Revenue Bonds	33,085,000	21,887,426	54,972,426
Installment Purchase Agreement	3,347,726	2,700,330	6,048,056
Total Debt Service	\$ 36,432,726	\$ 24,587,756	\$ 61,020,482

As an alternative, if the County were to remain a member of the SVSWA, they could eliminate the \$14.75 per ton transfer station surcharge paid to Waste Management, by directing waste to the proposed Work Street Materials Recovery Center (WSMRC) where the proposed Autoclave system could recover up to 70% of the incoming materials for beneficial recycling or energy production. Only waste residues (the remaining 30% +/-) from this plant would require landfilling. The cost to move this material to a landfill (Johnson Canyon or Marina) would be covered as an Authority expense as the WSMRC would serve all member agencies equally. This cost would be dramatically reduced since there would be much less waste to transfer. Significant greenhouse gas reduction benefits would also be realized by all member agencies under the WSMRC strategic plan objective and meet the SVSWA's long term goal of 75% diversion by 2015.

BACKGROUND

On July 13, 2012 the County issued a Notice of Intent to Withdraw from the Authority. In the interest of trying to provide a basis for future discussions staff is providing background information. At the request of the Authority Board, on March 1, 2013, a joint meeting will be held with the SVSWA Board of Directors and Board of Supervisors to discuss this issue.

Monterey County Disposal Sites Before the Authority Was Formed

Prior to 1997, the County owned three landfill facilities.

1. Lewis Road landfill near Watsonville since 1947
2. Jolon Road landfill near King City since 1977
3. Johnson Canyon landfill near Gonzales which opened in 1976. Johnson Canyon was designated as the regional landfill site in the 1992 General Plan

In 1993 Monterey County Public Works staff began discussions with the Monterey Regional Waste Management District (District) to expand the District's jurisdiction to encompass unincorporated areas and the South County Cities. A conceptual plan and Memorandum of Intent were approved by the Board of Supervisors in February 1994. An Initial Study and Negative Declaration on the expansion of the District, formation of a Joint Powers Agency, transfer of assets and a services contract were circulated for review in January 1995.

Monterey County's Initial Proposal

The negotiated agreements were not acceptable to the District in April 1995, primarily due to the County's lack of funding for closure and post closure maintenance for the 3 landfills, and the County's limitation on surcharge amounts which could be collected from rate payers to fully fund landfill closures and/or remediation costs.

The District did not want its rate payers to subsidize the projected cost of operations and closure reserves for the expanded area. In summary "Negotiations with the Monterey Regional Waste Management District for the expansion of the district ended when additional County funding was requested". Sources: Report to Monterey County Board of Supervisors 9/12/95 (Attachment 5) and County Disposal Sites budget FY 1995-1996. (Attachment 6).

Formation of the Salinas Valley Solid Waste Authority

During 1995 and 1996 the County began participating in the Task Force to form the Salinas Valley Solid Waste Authority, which had included the City of Salinas and the four Valley cities, assisted by Brown, Vence and Associates. Agreement was reached on the purchase of the Crazy Horse landfill owned by the City of Salinas, and transfer of the County's landfill assets. The agreement forming the Authority, drafted by the Task Force, was approved by the Board of Supervisors and each of the Councils of the cities of Gonzales, Soledad, Greenfield, King and Salinas at the Salinas Valley Cities Summit held in early December 1996. County Counsel's office authored the Salinas Valley Solid Waste Authority Code which was adopted by the Board of Directors on March 6, 1997.

Why the Authority was formed

The SVSWA was formed when the County and the Salinas Valley Cities came together to fulfill a common need and to overcome the following significant challenges:

- Eliminate County's \$1-2 million annual general fund subsidy to the landfills
- Provide disposal capacity for Salinas residents due to the expected closure of the Crazy Horse Landfill
- Give South County cities control over their waste disposal
- Comply with the California Integrated Waste Management Act mandating diversion from landfills, collection of household hazardous waste and implementation of other AB 939 mandates

How the County benefitted from joining the Authority

- 1) Ended the General Fund's escalating subsidy of disposal sites.
FY 1994-95 final budget reflected a net cost (subsidy) of \$913,786.
FY 1995-96 budget noted a net cost (subsidy) of \$1,410,719.
\$1.4 million per year for 15 years (estimated net present value of County general fund savings due to SVSWA formation: \$35-40 million over last 15 years)

The budget reflected no funding for capital improvements, planned future landfill cell development, or environmental control system upgrades. Source: County Disposal Sites 1995-1996 Budget (Attachment 6).

- 2) Relieved of attaining required funding levels for landfill closure costs.
Deficiency of \$227,394 at 6/30/96; FY 1995-96 contribution underfunded \$130,000. The CA Integrated Waste Management Board (now CalRecycle) indicated that "The County's vote to postpone the required deposit of deficient funds until the end of next year, is not acceptable". Sources: Richard E. Castle letter of September 20, 1995, (Attachment 7) and Department of Public Works memorandum dated November 21, 1996. (Attachment 8).
- 3) Allowed eligibility to pledge future landfill revenue for post closure costs.
In addition to fully funding estimated closure costs by June 30 of each year, the State of CA requires post closure funding for a period of not less than 30 years. The State could not approve an agreement with the County to meet this obligation through a pledge of future revenue because the closure cost liabilities were not fully funded. Further referenced: County Disposal Sites 1995-96 budget document, Policy Considerations, Department's Request. (Attachment 6).
- 4) Fulfilled its 1994-95 goal "to transfer the maintenance and operation of the landfills to another entity," and its 1995-96 goal "to enter into an agreement with other interested entities to form a Joint Powers Authority or similar organization to begin transfer of the landfill responsibility".
As stated in the 1994-1995 Goals for County Disposal Sites (Attachment 6), "Although negotiations with the Monterey Regional Waste Management District proved unsuccessful, alternative arrangements to form a Joint Powers Authority were discussed with the Salinas Valley cities. The negotiations will continue into Fiscal year 1995-96. The Department postponed compliance with some State mandates, including payment of landfill closure fees, but did initiate monitoring of methane gas at Lewis Road and expansion studies at Johnson Canyon".
- 5) Ensured a permanent cover would be completed for the Lewis Road landfill.
Public Works requested a budget of \$3.7 million for FY 1995-96. The recommended budget was \$1.8 million. In the Pending Factors section of the County Disposal Sites budget (Attachment 6), the Department states [it] "will delay other mandated requirements, including operation reports, a permanent cover on the Lewis Road landfill, and cleanup of an illegal drug lab, until sufficient increases in tipping or gate fees are approved".

As one example, the actual cost needed to close the Jolon Road (1997) and Lewis Road (2002) landfills exceeded the funds provided by Monterey County by \$4.9 million. Closure of these two sites was anticipated in the County's 1992 General Plan, with Johnson Canyon designated as the Salinas Valley's regional landfill.
- 6) Provided funds for required environmental protection control systems.
The County was well aware of significant deficiencies in environmental control and collection systems which resulted in repeated violations for landfill gas, leachate (rainwater percolated through the landfill), intermediate and permanent landfill cover, drainage and erosion controls, in addition to lack of procedures, site

security, record keeping, and non adherence to terms and conditions of solid waste facility permits.

Violations and Areas of Concern Based on Inspection Reports				
Site	Owner	Year	Violations	Area of Concern
Lewis Road	County	1996	68	29
	Authority	2012	0	0
Jolon Road	County	1996	31	13
	Authority	2012	0	1
Johnson Canyon	County	1996	49	9
	Authority	2012	0	1
All Sites	County	1996	148	51
	Authority	2012	0	2

Source: CalRecycle Solid Waste Inspection Reports 1996 and 2012

The Authority's first bond issue in 1997 of \$9.8 million was consolidated with the second issuance in 2002 of \$30 million for the purpose of creating and improving environmental control systems to ensure compliance with operating permits and to provide funding for planned landfill expansion that was not provided to the Authority at its formation.

7) Ensured long term disposal capacity for residents and businesses.

In 1996 the remaining capacity of the three landfills was 2.8 million tons. The Johnson Canyon Landfill currently has a remaining permitted capacity of 6.3 million tons, enough for 30+ years of landfill disposal at its present rate of fill. Source: Solid Waste Facility Permits on file with the Clerk of the Authority Board.

8) Negated the need for the Board of Supervisors to approve a rate increase.

The preliminary budget for FYs 1995-96 through 1998-99 (Attachment 10) indicated that even with a \$30 per ton increase in tipping fees (to \$44 per ton) the County would still subsidize the Disposal Sites budget up to \$1,514,000.

9) Restored funding for state mandated reports deferred due to lack of funds.

As stated in the Pending Factors section of the County Disposal Sites Budget (Attachment 6), "Under the recommended budget the Department of Public Works will delay other mandated requirements, including operation reports"

10) Ended the need for Public Works staff to administer and support the landfill program and the cost of consultants to obtain, update and maintain solid waste facility permits.

11) Provided for household hazardous waste collection mandated by AB939, the California Integrated Waste Management Act.

12) Shared expense of road repairs.

The designated access route to the Johnson Canyon Landfill was determined in the 2002 Regional Solid Waste Facilities EIR. Both as a mitigation measure associated with the EIR and within a County Use Permit, the Authority was required to contribute its fair share portion toward access road improvements. The cost was estimated in 2007 to be \$7 million of which the County would pay \$4.7 million and the Authority \$2.3 million. The County agreed to take the lead with reconstruction. While SVSWA has set aside \$2.3 million to pay for its share to Monterey County upon project completion, the County has not taken the initiative to reconstruct the truck route. Today (6 years after the County Use Permit was issued), the SVSWA's share of road improvement funding remains in the budget, the truck route is still in disrepair and the SVSWA may have no choice but to use other routes to continue serving the region unless the County commits to the road repairs anticipated when it issued the Use Permit for the Johnson Canyon Landfill.

Basis for Allocation of Liabilities

According to the JPA section 19(a) *"the Party withdrawing...will retain its fair share of financial liability...based on the tons of material it has contributed to the Authority's solid waste system."* Staff is working on calculating the percentage of landfilled tonnage for each member agency since the formation of the Authority on January 1, 1997.

For FY 2011-12 the County's tonnage represented 19.64% of the member agency tons. As we go back in time we anticipate that the County's share will increase beyond 19.64%. Based on records at the time of the formation of the Authority the County was contributing 24% of the tonnage.

Defining tons of material contributed to the Authority's solid waste system

According to the language in the JPA agreement, fair share of financial liabilities is based on the tons of material a member agency has contributed to the Authority's solid waste system. The language does not define if the material contributed to the Authority's solid waste system is based on tonnage received since the Authority was formed on January 1, 1997 or if it is based on total tonnage in the Authority's landfills from the time they were used as landfills.

Section 19(a) of the JPA agreement makes it very clear the determination of fair share of financial responsibility shall be *"as determined by the Authority in its sole discretion and such determination of the Authority shall be binding on the Parties."* Therefore the determination of the County's fair share of postclosure maintenance and site remediation will be a key decision of the Board.

Staff is working on determining the fair share allocation using the a basis other than the 2011-12 tonnage so that the Board can determine what shall be the fair share allocation percentage if the 2002 bonds are paid off early and the County was then to withdraw.

2002 Revenue Bonds and Crazy Horse Installment Purchase Agreement

According to the Joint Powers Agreement, section 19(a), a member agency wishing to withdraw can do so only *"so long as all revenue bonds or other forms of indebtedness ...and the interest thereon, shall have been paid or adequate provision for such payment shall have been made..."* In other words no member can leave while there is debt outstanding unless *"adequate provision for such payment has been made."*

Postclosure Maintenance Liability

According to the JPA Agreement section 19(a) "The Party withdrawing from the Agreement will retain its fair share of financial liability for closure and post-closure and site remediation costs based on the tons of material it has contributed to the Authority's solid waste system..."

Below is an estimate of postclosure maintenance liabilities that a departing member agency would have to contribute towards based on a fair share allocation:

Postclosure Maintenance for FY 2013-14	
Landfill	Annual Cost*
Crazy Horse	641,456
Jolon Road	186,122
Lewis Road	230,909
Total Closed Landfills	\$1,058,487

* Based on 2013-14 Budget Cost of Services.

Corrective Action Contingent Liability

Section 19(a) of the JPA also refers to a member being responsible for their fair share of site remediation, also known as corrective action. The Authority entered into financial assurance agreements for Corrective Action with CalRecycle. The agreements identify specific dollar amounts for which the Authority is liable. Attachment 3 is a copy of the financial assurance agreement for Johnson Canyon.

Below is a table showing the engineer's calculations of the Authority's potential liability for site remediation (corrective action). These amounts represent potential amounts that may need to be paid to remediate a site if there is a release into the groundwater. In the case of a release, the remediation activities would be required and site improvements would have to be made. When site remediation improvements are made, they have to be maintained for the period of years mandated by the appropriate regulatory agency. If there is no release, then there is no liability. Therefore, these amounts represent estimated, contingent liabilities.

Corrective Action Contingent Liability at June 30, 2012				
As of June 30, 2012	Improvements	Maintenance	Contingency	Total
Corrective Action - CHL	2,908,200	6,583,500	-	9,491,700
Corrective Action - JRL		1,302,000	-	1,302,000
Site Remediation - JCL	385,106	377,220	-	762,326
Corrective Action - LRL	122,700	226,000	35,000	383,700
Total Liabilities	\$3,416,006	\$8,488,720	\$35,000	\$11,939,726

If all the sites were to have a release then the worst case scenario is that County would be responsible for their fair share of \$11.9 million.

We know today, that some additional remediation requirements are likely for Crazy Horse Landfill in order to complete de-listing of the landfill as a superfund site. Under the landfill purchase agreement with Salinas, the City still holds a 50% financial responsibility for these pre-existing conditions with the remaining costs borne by the SVSWA. It is important to

note that at the point of landfill transfer to the SVSWA in 1996-97, the County transfers did not include a provision for sharing of responsibility for "pre-existing" landfill conditions that came with the Crazy Horse Landfill transfer.

ATTACHMENT(S)

1. Joint Powers Agreement
2. County of Monterey Waste Delivery Agreement
3. Financial Assurance Agreement – Johnson Canyon Landfill
4. Authority Counsel Memo on County Withdrawal
5. Report to Monterey County Board of Supervisors 9/12/95
6. County Disposal Sites, 1995-96 Recommended Budget
7. California Integrated Waste Management Board letter dated 9/20/95
8. Monterey County Public Works Memorandum dated 11/21/96

Agreement No. A-07261

**JOINT POWERS AGREEMENT BETWEEN THE CITY OF SALINAS,
THE CITY OF GONZALES, THE CITY OF GREENFIELD, THE CITY OF KING, THE
CITY OF SOLEDAD, AND THE COUNTY OF MONTEREY CREATING
THE SALINAS VALLEY SOLID WASTE AUTHORITY**

This Agreement is made and entered into by and between the following public entities:

- (a) CITY OF SALINAS ("Salinas"), a municipal corporation;
- (b) CITY OF GONZALES ("Gonzales"), a municipal corporation;
- (c) CITY OF GREENFIELD ("Greenfield"), a municipal corporation;
- (d) CITY OF KING ("King"), a municipal corporation;
- (e) CITY OF SOLEDAD ("Soledad"), a municipal corporation; and
- (f) COUNTY OF MONTEREY ("County"), a political subdivision of the State of California.

RECITALS:

A. Each of the Parties to this Agreement is a local government entity functioning within the Salinas Valley, in Monterey County, California.

B. Pursuant to Title 1, Division 7, Chapter 5, Article 1 (Section 6500, et seq.) of the Government Code of the State of California, commonly known as the Joint Exercise of Powers Act (the "JPA Act"), two or more public agencies may, by Agreement, jointly exercise any power in common to the contracting Parties.

C. Each of the Parties to this Agreement has the power, in addition to other powers which are common to each of them, to undertake and perform: solid waste planning and program management, including collection services and siting; the development, construction, and operation of solid waste facilities, including materials recovery facilities for the recovery of recyclable and compostable materials; and the transfer and disposal of solid waste generated within each of the Parties' jurisdictional boundaries.

D. The California Integrated Waste Management Act of 1989 (the "Act") requires the preparation of the County Integrated Waste Management Plan which includes: Source Reduction and Recycling Elements and Household Hazardous Waste Elements prepared by each jurisdiction; a Countywide Integration Summary; and a Countywide Siting Element.

E. The Parties find that it would be to their mutual advantage and benefit to work together and share costs to plan and implement source reduction, recycling, composting, public education, household hazardous waste management, and other solid waste management programs, facilities, landfills, and collection services.

F. It is the desire of the Parties to use any power that they have in common which is reasonably necessary and appropriate to aid in the accomplishment of these goals.

AGREEMENT

NOW, THEREFORE, based upon the mutual promises contained in this Agreement, the Parties agree as follows:

1. **PURPOSE:** The purpose of this Agreement is to establish a joint powers authority to be known as the SALINAS VALLEY SOLID WASTE AUTHORITY for the purpose of:

- (a) acquiring and managing the landfill assets of each jurisdiction and ensuring long-term landfill capacity for the region;
- (b) providing a unified and coordinated solid waste management system for the Cities and the County, including efficient facility and program planning and development and comprehensive and cost-effective solid waste management services;
- (c) demonstrating a commitment to, and facilitation of, the development of the most efficient and cost-effective strategies for source reduction, achieving recycling goals, expanding composting and encouraging the establishment of markets for recycled products and recycling industries; and
- (d) exercising all other appropriate powers reasonably necessary to carry out the purpose of this Agreement.

2. **ESTABLISHMENT OF THE AUTHORITY:** There is hereby established pursuant to the JPA Act an Authority which shall be a public entity separate from the Parties to this Agreement. The name of said Authority shall be the SALINAS VALLEY SOLID WASTE AUTHORITY (the "Authority"). The boundaries of the Authority shall be coextensive with the boundaries of the cities of Salinas, Gonzales, Greenfield, King, and Soledad, and the unincorporated areas of Monterey County (excluding those portions of the unincorporated areas that are within the boundaries of the Monterey Regional Waste Management District).

3. **MEMBERSHIP OF THE GOVERNING BOARD:** The Authority shall be governed by a nine member Board of Directors (the "Authority Board") composed of three (3) members of the Salinas City Council, two (2) members of the Monterey County Board of Supervisors and one (1) member from each of the city councils of Gonzales, Greenfield, King, and Soledad. Each of the members appointed from the Monterey County Board of Supervisors shall be supervisors whose districts are at least in part within the service boundaries of the Authority.

4. VOTES: Each Party to this Agreement shall appoint its respective representative or representatives to serve as a member or members on Authority Board. Each member shall have one (1) vote. Five (5) votes shall be required for any action of the Authority Board and one (1) of the five (5) votes must be from a representative from Salinas.

5. QUORUM: Five (5) members of the Authority Board shall constitute a quorum for the transaction of business, except that less than a quorum may vote to adjourn a meeting.

6. TERMS OF OFFICE: The term of office of each member of the Authority Board shall be one year and shall not exceed the term of the elective office which the member holds.

7. ALTERNATES: Each Party may, in addition to their respective regular appointments, appoint one or more elected officials who will serve as alternate appointees and members of the Authority Board and each such alternate appointee and member shall be empowered to cast votes in the absence of a regular appointee and member or in the event of a disqualification to vote because of conflict of interest. Each alternate appointed shall be a member of the governing body of the Party making such appointment.

8. OFFICERS OF THE AUTHORITY BOARD: At its first meeting and thereafter at the first meeting of each calendar year, the Board of Directors shall elect a President, Vice-President, and such other officers as the Authority Board shall find appropriate, to serve the Authority Board for a term of one year unless sooner terminated at the pleasure of the Authority Board. In the event the officer so elected ceases to be a Director, the resulting vacancy shall be filled at the next regular meeting of the Authority Board held following the occurrence of the vacancy. In the absence or inability of the President to act, the Vice-President shall act as President. The President, or in the absence of the President, the Vice-President, shall preside at and conduct all Authority Board meetings.

9. CHIEF ADMINISTRATIVE OFFICER: The Authority Board shall select a chief administrative officer to serve at its pleasure. The chief administrative officer shall be responsible to the Authority Board for the proper and efficient administration of the Authority as is or hereafter may be placed in the chief administrative officer's charge, or under the chief administrative officer's jurisdiction or control, pursuant to the provision of this Agreement, or of any ordinance, resolution, or order of the Authority Board. The chief executive officer shall file an annual bond in an amount specified by the Authority Board. In addition to the other powers and duties provided, the chief administrative officer shall have the power to:

- (a) Plan, organize, and direct all Authority activities under the policy direction of the Authority Board;
- (b) Enforce strict compliance with the approved annual budget and approve only expenditures authorized in the approved budget;

- (c) Hire and manage such staff as necessary to carry out the provisions of this Agreement;
- (d) Make recommendations to and requests of the governing board concerning all of the matters which are to be performed, done, or carried out by the Authority Board; and
- (e) Have charge of, handle, or have access to any property of the Authority, and shall make an inventory of all Authority property.
- (f) Make all books and records of the Authority in the Chief Administrative Officer's hands open to inspection at all reasonable times by members of the Authority Board or their representatives.

10. ADDITIONAL OFFICERS OF THE AUTHORITY:

- (a) Treasurer. The Authority Board shall select a Treasurer to serve at its pleasure. The Treasurer of the Authority shall be the depositor and have custody of all the money of the Authority from whatever source and shall comply strictly with the provisions of the statutes relating to the Treasurer's duties as provided by the JPA Act and shall file an annual bond in an amount specified by the Authority Board. The Treasurer shall ensure that all available cash on hand is at all times fully invested in a cash management program and investment portfolio pertaining thereto and ensure that sufficient liquidity is maintained to meet the Authority's cash disbursement needs.
- (b) Controller. The Authority Board shall appoint a Controller of the Authority to serve at its pleasure. The Controller shall advise the Authority Board in connection with any accounting, budgetary, monetary, or other financial matters relating to the Authority. The Controller shall file an annual bond in an amount specified by the Authority Board. The duties and responsibilities of the Controller include, but are not limited to, those duties set forth in the JPA Act and shall include the following:
 - (1) Establish with Authority Board approval of the annual budget format, accounts, and documentation pertaining to the budget and which most nearly reflect the objectives of the Authority;
 - (2) Establish and maintain the particular funds and accounts as required by generally accepted accounting practices applicable to public entities and which most accurately and appropriately record and report the operations of the Authority as represented by the annual budget document;
 - (3) Enforce strict compliance with the approved annual budget and approve only expenditures authorized in the approved budget;

- (4) Make all books and records of the Authority in the Controller's hands open to inspection at all reasonable times by the members of the Authority Board or their representatives.
 - (c) Clerk. The Authority Board shall appoint a Clerk to serve at the pleasure of the Authority. The Clerk, at the discretion of the Authority Board, may be the Chief Administrative Officer or the Chief Administrative Officer's designee. The Clerk shall give notice of meetings of the Authority Board in accordance with the provisions of the Ralph M. Brown Act; keep minutes of the open meetings of the Authority Board; and otherwise retain, record, and maintain the official records, files, and documents of the Authority Board.
 - (d) Legal Counsel. The Authority Board shall appoint Authority Counsel to serve at the pleasure of the Authority Board. The Authority Board may appoint additional counsel to assist Authority Counsel or provide special services as may be required by the Authority Board. Authority Counsel shall attend meetings of the Authority Board as required to advise the Authority Board in connection with any legal matters relating to the Authority.
11. MEETINGS: The Authority Board shall provide for regular meetings and special meetings in accordance with the Ralph M. Brown Act, Chapter 9, Part 1, Division 2, Title 5, of the Government Code beginning with section 54950, or in accordance with such other regulations as the Authority Board may hereafter provide. The Authority Board may provide for meeting allowances for members or alternates in attendance at meetings. The Authority Board may adopt, from time to time, such rules and regulations, including by-laws, as the Authority Board may deem necessary or appropriate.
12. POWERS AND FUNCTIONS: The Authority shall have any and all powers authorized by law to any of the Parties hereto, and separately to the Authority herein created, relating, but not limited, to the:
- (a) Acquisition, assumption, siting, licensing, construction, financing, disposition, condemnation, use, operation and maintenance of solid waste management facilities, transfer stations, landfills, transformation facilities, materials recovery facilities, composting facilities, and household hazardous waste facilities;
 - (b) Closure planning and construction, post-closure monitoring and maintenance, remediation, and demonstration of closure, post-closure and remediation financial assurance for Authority landfills;
 - (c) Provision of comprehensive solid waste management services, including, but not limited to, collection, transfer, disposal, source reduction, recycling, composting, and household hazardous waste programs;

- (d) Preparation of and implementation of solid waste management plans that meet all the requirements of the applicable regulatory agencies, including responsibility for setting diversion goals and paying fines;
- (e) Provision of public education and market development programs in support of the diversion programs;
- (f) Establishment of rates, fees, charges, or surcharges for collection, transfer, landfill, and materials recovery facilities, and special local fees and collection permittee fees. Rates, fees, charges, and surcharges shall be collected by direct billing at Authority facilities or by such other methods as the Authority Board may deem appropriate;
- (g) Granting of franchises, concessions, permits, licenses, and other rights and entitlements to, and entering into leases and contracts with, any person, firm, or corporation, or agency of any state and/or federal government;
- (h) Exercise of the power of eminent domain;
- (i) Applying for and receiving any available state and/or federal grants;
- (j) Issuing revenue bonds or other obligations as the Authority Board may deem appropriate and which are not debts, liabilities, or obligations of the Parties;
- (k) Review, comment, recommend, and take such action regarding mandatory collection ordinances and land use restrictions as described in Sections 17 and 18 of this Agreement.
- (l) Adopt by-laws.

Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. All powers common to the Parties are specified as powers of the Authority. The Authority Board is hereby authorized to do all acts necessary for the exercise of such powers, including, but not limited to, any or all of the following: to make and enter into contracts and franchises; to issue permits; to employ agents and employees; to lease, acquire, construct, provide for maintenance and operation, or maintain and operate, any buildings, works or improvements, to acquire hold or dispose of property wherever located; to incur debts, liabilities, or obligations; to receive gifts, contributions, and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity; and to sue and be sued in its own name; to sell off assets and accrue revenues; generally to do any and all things necessary or convenient to provide reasonable options for the management of solid waste collection, transfer, disposal and diversion activities.

Without limiting the foregoing generality, the Authority may:

- (m) Acquire and dispose of all kinds of property and utilize the power of eminent domain;
- (n) Issue, or cause to be issued, bonded and other indebtedness, and pledge any property or revenue as security to the extent permitted by law under Article 2, Chapter 5, Division 7, Title 1 (commencing with section 6540) of the Government Code or otherwise including, but not limited to, bonds or other evidences of indebtedness of a nonprofit corporation issued on behalf of the Authority or any of its Parties;
- (o) Obtain in its own name all necessary permits and licenses, opinions, and rulings;
- (p) Exercise flow control, to the extent permitted by law under Title 7, Division 30, Chapter 1, Article 2, (commencing with section 40059) of the Public Resources Code, to deliver or cause to be delivered all of the solid waste collected within and by or under contract to or under permit with the cities of Salinas, Gonzales, Greenfield, King and Soledad, County or Authority, to the landfills, transfer stations, materials recovery facilities, or any other solid waste facilities as directed by the Authority Board. The Authority Board shall exercise flow control such that no Party to this Agreement or franchised or permitted collector shall suffer undue economic hardship where any such Party or collector operates resource recovery facilities in conjunction with its collection operation;
- (q) Perform such services on behalf of the Parties as the Parties, either jointly or severally, may request.

13. **ASSUMPTION OF PROGRAM RESPONSIBILITIES:** The Authority agrees to acquire ownership of and assume exclusive responsibility for managing landfill assets and convenience stations of the Parties, including the Crazy Horse Canyon Landfill, the Johnson Canyon Landfill, the Jolon Road Solid Waste Facility, the Lewis Road Landfill, the San Ardo County Convenience Station, and the Bradley County Convenience Station. The exclusive responsibility for managing landfill assets and convenience stations includes, but is not limited to, the establishment of rates, fees, charges, and surcharges for the use of such facilities, and ongoing and potential liability for site remediation for each landfill asset and convenience station. Each of the Parties owning such landfill assets and convenience facilities agrees to sell such assets and facilities to the Authority and to take such actions as may be necessary or convenient to ensure that the Authority Board has the authority to establish rates, fees, charges, surcharges pursuant to any agreement, license, permit, franchise, ordinance, or resolution as provided pursuant to this Agreement. Acquisition, sale, and purchase of such assets will be consistent with the terms generally described in Exhibit "A" to this Agreement. It is anticipated that a portion or all of the costs of conveyance will be financed through the issuance of debt subject to the powers of this Authority as described in this Agreement. Upon execution of this Agreement, or as soon thereafter as practical, the Parties and the Authority Board shall open an escrow, consistent with the terms described in Exhibit "A", for the transfer of the described assets and facilities. The Parties and the

Authority Board shall diligently pursue, perform, and complete all of the terms and conditions of escrow in order to ensure that escrow closes in a timely manner. Except for the failure of the Authority Board to arrange or otherwise acquire necessary financing to finance the acquisition of the assets and facilities, such assets and facilities shall be conveyed to the Authority. Upon conveyance of the above assets, the Authority will be solely responsible for the processing of all necessary or desirable permits, licenses, rulings, or any other entitlements, including, but not limited to appropriate environmental assessments, related to the operation of the conveyed landfill assets and convenience stations. The Authority will not assume responsibility for the following programs unless assigned by a Party to this Agreement and agreed to by the Authority Board governing board: collection, preparation of annual reports or integrated waste management plans, liability for fines for a jurisdiction's failure to meet its diversion goals, regional diversion projects, public education, household hazardous waste programs, small quantity generator programs, or billing. In the event the Authority Board assumes such responsibility, the Authority shall only be responsible for obligations or liabilities that arise or occur after the Authority Board agrees to such assignment. The Authority will not assume liability for remediation of landfill sites closed or abandoned prior to the execution of this agreement. Upon the request of a Party to this Agreement, however, the Authority will provide a funding mechanism and project management for site remediation for closed or abandoned landfill sites which were closed or abandoned prior to the execution of this Agreement.

14. BUDGETS: Within 90 days after the first meeting of the governing board, and thereafter prior to the commencement of each fiscal year (defined as July 1 through June 30), the governing board shall adopt a Budget for the Authority for the ensuing fiscal year. The tentative first-year budget is included in Exhibit "B".

15. EQUALIZATION OF RATES: The Authority Board shall establish a schedule of uniform and equalized rates that will not differentiate between geographical or jurisdictional areas within the boundaries of the Authority when the earlier of the following events occurs: (a) On the third annual anniversary of the effective date of this Agreement, or (b) the later of the dates on which the State Integrated Waste Management Board approves a facility permit and the Regional Water Quality Control Board approves a discharge permit that allows the Authority Board to create, construct, expand, or make such other improvement of landfill facilities which would provide at least an estimated additional twenty (20) years of capacity. For the purposes of this Agreement, the phrase "estimated additional twenty (20) years of capacity" shall mean twenty years of additional capacity necessary to serve the waste stream of the entire Authority, as determined by the Authority Board, and such additional capacity shall be measured in relation to the capacity estimated in the Work Program at one of the landfill sites under the jurisdiction of the Authority on the effective date of this Agreement. Nothing in this paragraph shall prohibit or inhibit the Authority Board from establishing rates based on the nature or content of solid waste nor shall this paragraph prohibit or inhibit the ability of the Authority to establish different rates for residents or businesses who reside outside of the jurisdiction of the Authority. In addition, this paragraph shall not prohibit or inhibit the ability of the Authority to establish or collect a surcharge or other additional fees relating to the payment of an amortized amount necessary to capitalize acquisition costs identified in the Work Program or under the provisions of this Agreement. For the purposes of this Agreement, the term

"Work Program" means the Work Program prepared by Brown, Vence and Associates and submitted to, and considered by, the Parties concurrently with this Agreement and the term "rates" includes fees, charges, and surcharges.

16. **LIMITATION OF LIABILITY:** The debts, liabilities, or obligations of the Authority do not constitute debts, liabilities, or obligations of the Parties and the Authority shall hold the Parties harmless and shall indemnify the Parties from any claim of loss that may arise as a result of the Authority's ownership or maintenance of the landfill assets and convenience stations described in this Agreement or the Authority's performance of any of its duties or powers described in this Agreement.

17. **MANDATORY COLLECTION:** The Parties shall maintain mandatory solid waste collection requirements in a form and manner at least as strict and inclusive as the requirements in effect on the effective date of this Agreement. The Parties agree that no ordinance or regulation effecting mandatory solid waste collection within their respective jurisdictions, and which is at least as strict and inclusive as regulations in effect on the date of this Agreement, shall be adopted unless the Authority receives thirty (30) days written notice. Each ordinance or regulation which is less strict and less inclusive than that which is in effect at the time the ordinance or regulation is proposed shall not become effective until such ordinance or regulation is approved by the Authority Board. The determination of whether a proposed ordinance or regulation is more or less strict or inclusive pursuant to this provision of this Agreement shall be made by the Authority Board and such decision shall be final and binding on the Parties.

18. **LAND USE RESTRICTIONS:** The Parties acknowledge that landfill facilities may be incompatible with other uses of land on property in the vicinity of each landfill facility. In order to minimize incompatible land uses and conflicts in uses that may arise between a landfill facility and other uses in the vicinity of a landfill facility, the Parties agree that each Party shall adopt and implement certain land use restrictions governing property in the vicinity of each landfill asset. The agreement to adopt and maintain such land use restrictions shall be deemed consistent with and in furtherance of the provisions of Section 1 of this Agreement. Each Party that has jurisdiction of land within two thousand, five hundred feet (2,500') of a landfill shall adopt and maintain appropriate zoning ordinance restrictions that (1) prohibits the issuance of a building permit or any other entitlement for use for any residential building or structure within two thousand, five hundred feet (2,500') of an active landfill. and (2) requires conditional use permit review and approval for any commercial, office, or industrial use to be constructed or developed within two thousand, five hundred feet (2,500') of any landfill and for any residential building or structure within two thousand, five hundred feet (2,500') of any closed landfill. For the purpose of this Agreement, the term "closed landfill" shall mean any landfill facility which is no longer used for on-site disposal of solid waste and does not include a transfer station. Any conditional use permit reviewed pursuant to this Section 18 of the Agreement shall not be approved until the application has been reviewed and considered by the Authority Board. Any conditions of approval recommended by the Authority Board shall be incorporated as conditions of approval of the conditional use permit, unless the governing board of the affected Party unanimously votes to modify or delete any such conditions.

of approval. In the event the Authority Board recommends denial of the conditional use permit, the governing board of the affected Party shall deny the conditional use permit unless the governing board by a unanimous vote approves the conditional use permit. The provisions of this Section 18 of the Agreement and any attendant zoning restrictions shall not apply to buildings or uses existing on the date of this Agreement, nor shall such provisions apply to any replacement, remodel, or expansion of any building existing on the date of this Agreement. In the event a Party fails to adopt the land use restrictions contained in this Section 18 of the Agreement in a timely manner, the Party shall hold the Authority harmless and shall indemnify the Authority for any and all damages the Authority may suffer as a result of any claim or lawsuit initiated by an owner or occupant of property within two thousand, five hundred feet (2,500') of the landfill facility for damages to the property, or for loss of use of such property, due to the operations of the Authority at the landfill facility or the use of the landfill facility for landfill operations.

19. **TERM AND WITHDRAWAL:** This Agreement shall be effective when signed by each Party and shall continue for so long as may be necessary to carry out the purpose of this Agreement or until terminated by mutual consent of the governing bodies of all Parties, whichever is earlier; provided, however, that:

- (a) A Party to this Agreement may not withdraw from the Authority for a period of 15 years after the execution of this Agreement. After the 15-year initial period, a Party hereto may withdraw from this Agreement by a majority vote of the governing body thereof giving to the other Parties one year's written notice of such intention to withdraw, so long as all revenue bonds or other forms of indebtedness issues pursuant hereto, and the interest thereon, shall have been paid or adequate provision for such payment shall have been made in accordance with the resolution (or indenture) adopted by the Authority Board pursuant to the law authorizing the issuance thereof or the approval of the debt. The Party withdrawing from the Agreement will retain its fair share of financial liability for closure and post-closure and site remediation costs based on the tons of material it has contributed to the Authority's solid waste system and as determined by the Authority in its sole discretion and such determination of the Authority shall be binding on the Parties. The Party withdrawing shall be afforded the same rights and ability to use Authority facilities and services as any other governmental jurisdiction which is not a member of the Authority.
- (b) Upon receipt of a Party's one year notice of intention to withdraw, the members who will be remaining in the Authority shall meet and prepare appropriate amendments to this Agreement to reflect the changed membership status. Such amendments shall become effective upon the effective date of the Party's withdrawal.
- (c) This Agreement cannot be amended in any way to the detriment of the holders of any revenue bonds or other forms of indebtedness which are outstanding in accordance

with any resolution (or indenture) adopted by the Authority board pursuant to the law authorizing issuance thereof.

20. **TERMINATION OF THE AUTHORITY:** This Agreement shall remain in effect until terminated by mutual consent of all of the governing bodies of all Parties to this Agreement. The resolution to terminate must be passed by a majority vote of each governing board of each of the Parties to this Agreement.

21. **DISPOSITION OF AUTHORITY ASSETS AND LIABILITIES UPON TERMINATION:**

- (a) In the event of termination of the Authority where there is a successor public entity which will carry on the activities of the Authority and assume its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities of the Authority shall be transferred to the successor public entity.
- (b) If there is no successor public entity which would carry on any of the activities of the Authority or assume any of its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be returned in proportion to the contribution of each Party during the term of this Agreement. If bonds are issued or large capital projects, such as closure construction are initiated during the term of this agreement, then in no event shall the exercise of the powers herein granted be terminated until all bonds so issued and the interest thereon shall have been paid or provision of such payment shall have been made.
- (c) If there is a successor public entity which would undertake some of the functions of the Authority and assume some of its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be allocated by the governing board between the successor public entity and the Parties.

In the event the Authority is terminated under circumstances falling within (b) or (c) above, all decisions of the governing board with regard to determinations of assets or liabilities to be transferred to the Parties or any successor shall be final.

22. **AMENDMENTS:** This Agreement may be amended by the affirmative vote of the governing bodies of each of the Parties.

23. **RESTRICTIONS ON AUTHORITY:** For the purposes of satisfying the requirements of Government Code Section 6509, the restrictions on the power of the City of Salinas shall be applicable to the Authority.

24. DEFINITIONS: For purposes of the furtherance of this Agreement, unless the context otherwise requires, the definitions in the Act, under Title 7 of the Public Resources Codes, Division 30, Part 1, Chapter 2, beginning with section 40100, govern the construction of this Agreement.

25. COUNTERPARTS: This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall be deemed to constitute one and the same instrument.

26. EFFECTIVE DATE: This Agreement shall be deemed effective and in full force and effect on January 1, 1997.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date evidenced below:

ATTEST:

Ann Carrel
CITY CLERK

CITY OF SALINAS

APPROVED AS TO FORM:

1/15/97 Walt Gamm
CITY ATTORNEY

BY:

Alvin D. Lyle
MAYOR

DATE: 1-14-97

ATTEST:

Carla Prew
CITY CLERK

CITY OF GONZALES

APPROVED AS TO FORM:

1/21/97 Walt Gamm
CITY ATTORNEY

BY:

Elizabeth Williams
MAYOR

DATE: 12/19/96

ATTEST:

Ann St. Pierre
CITY CLERK

CITY OF GREENFIELD

APPROVED AS TO FORM:

12/27/96 David Kelly
CITY ATTORNEY

BY:

Leonard Davis
MAYOR

DATE: 12/19/96

ATTEST: Blaine Smialek
12/27/96 CITY CLERK

CITY OF KING

APPROVED AS TO FORM:

BY:

John L. Myers
MAYOR

DATE:

12/19/96

ATTEST:

Blue
CITY CLERK

CITY OF SOLEDAD

APPROVED AS TO FORM:

BY:

Fabian M. Barreto
MAYOR

DATE:

1/10/97

ATTEST:

CLERK OF THE BOARD
OF SUPERVISORS

COUNTY OF MONTEREY

APPROVED AS TO FORM:

BY:

Edith Johnson
CHAIR OF THE BOARD
OF SUPERVISORS

DATE:

12/3/96

COUNTY COUNSEL

11/26/96
A:\SVSWA.JPA

CITY OF SALINAS

LANDFILL TRANSFER OF OWNERSHIP REQUIREMENTS

1 SITE DESCRIPTION

Item 1.1: Address: 350 Crazy Horse Canyon Road

Item 1.2: Parcel Number: Monterey County Assessor Parcel Numbers 125-271-39 & 125-271-58

Item 1.3: Site Map: See attached

2 CRAZY HORSE LANDFILL FUND BALANCES AS OF JANUARY 1, 1997

Item 2.1: Total Enterprise Fund to be transferred to the Authority: \$6,674,047

Item 2.2: Includes Closure Fund to be maintained by the Authority: \$1,982,558

Item 2.3: Includes Article 5 Fund to be maintained by the Authority: \$2,000,000

3 TERMS TO TRANSFER OF OWNERSHIP

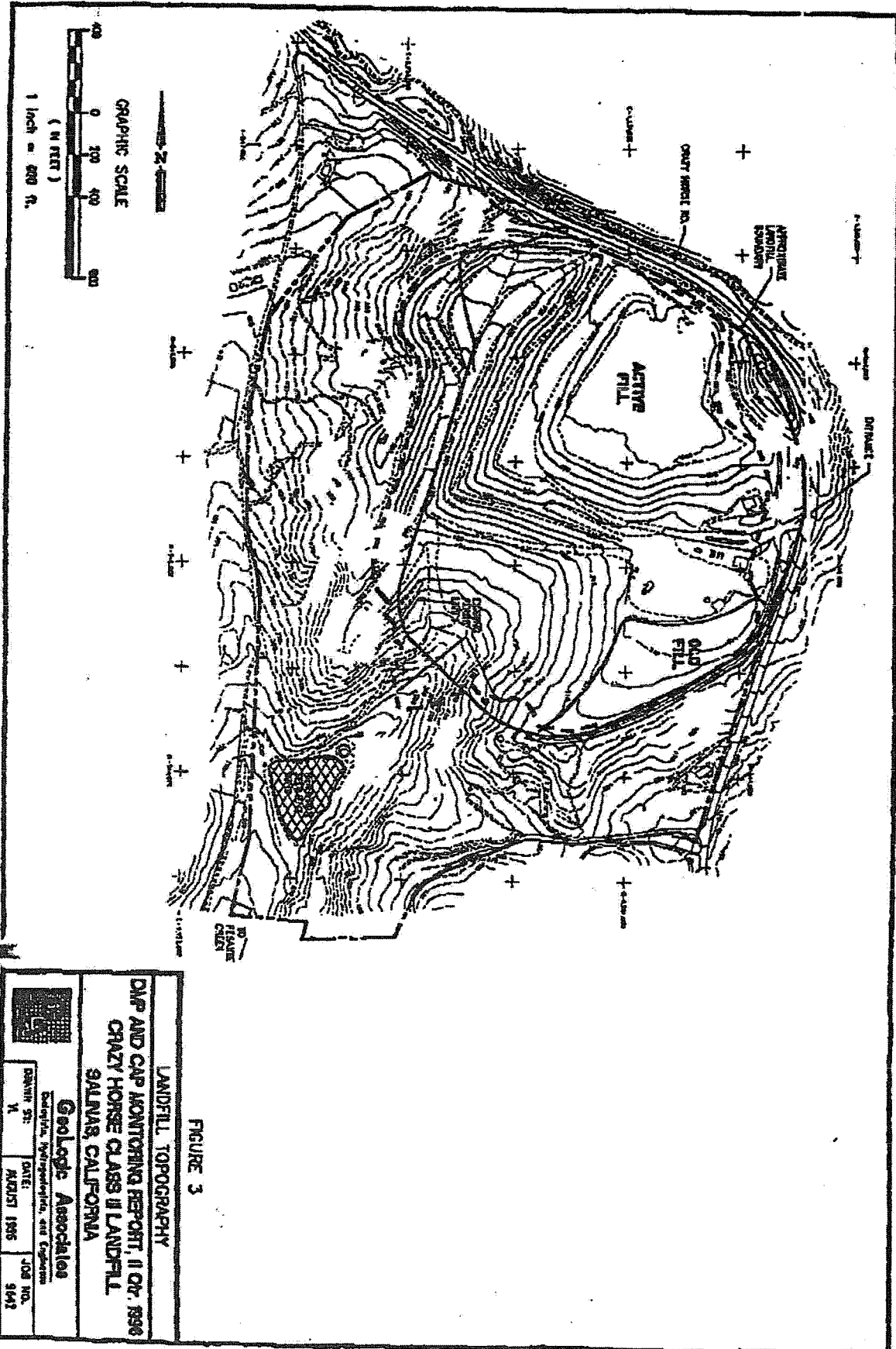
Item 3.1: Closure Fund and Article 5 Fund to be paid in full and transferred to Authority.

Item 3.2: Remaining balance of the Enterprise fund to be transferred to the Authority.

Item 3.3: Salinas is to receive a one-time payment of \$8,000,000 from the Authority for purchase of the Crazy Horse Landfill.

4. CRAZY HORSE METHANE FACILITY

Item 4.1: Property and Operation to Remain with the City of Salinas



COUNTY OF MONTEREY

LANDFILL TRANSFER OF OWNERSHIP REQUIREMENTS

1 SITE DESCRIPTIONS *(See attached site maps)*

- Item 1.1: Johnson Canyon Road Landfill - Address, Assessor's Parcel Number, Site Map
- Item 1.2: Jolon Road Landfill - Address, Assessor's Parcel Number, Site Map
- Item 1.3: Lewis Road Landfill - Address, Assessor's Parcel Number, Site Map

2 OWNERSHIP *(Copies of Deeds and Leases available at Monterey County Public Works)*

- Item 2.1: Johnson Canyon Road Landfill - Monterey County
- Item 2.2: Jolon Road Landfill - Lease Monterey County
- Item 2.3: Lewis Road Landfill - Monterey County

3 LANDFILL ENTERPRISE FUND BALANCES AS OF NOVEMBER 20, 1996 *(See attached November 20, 1996 memorandum)*

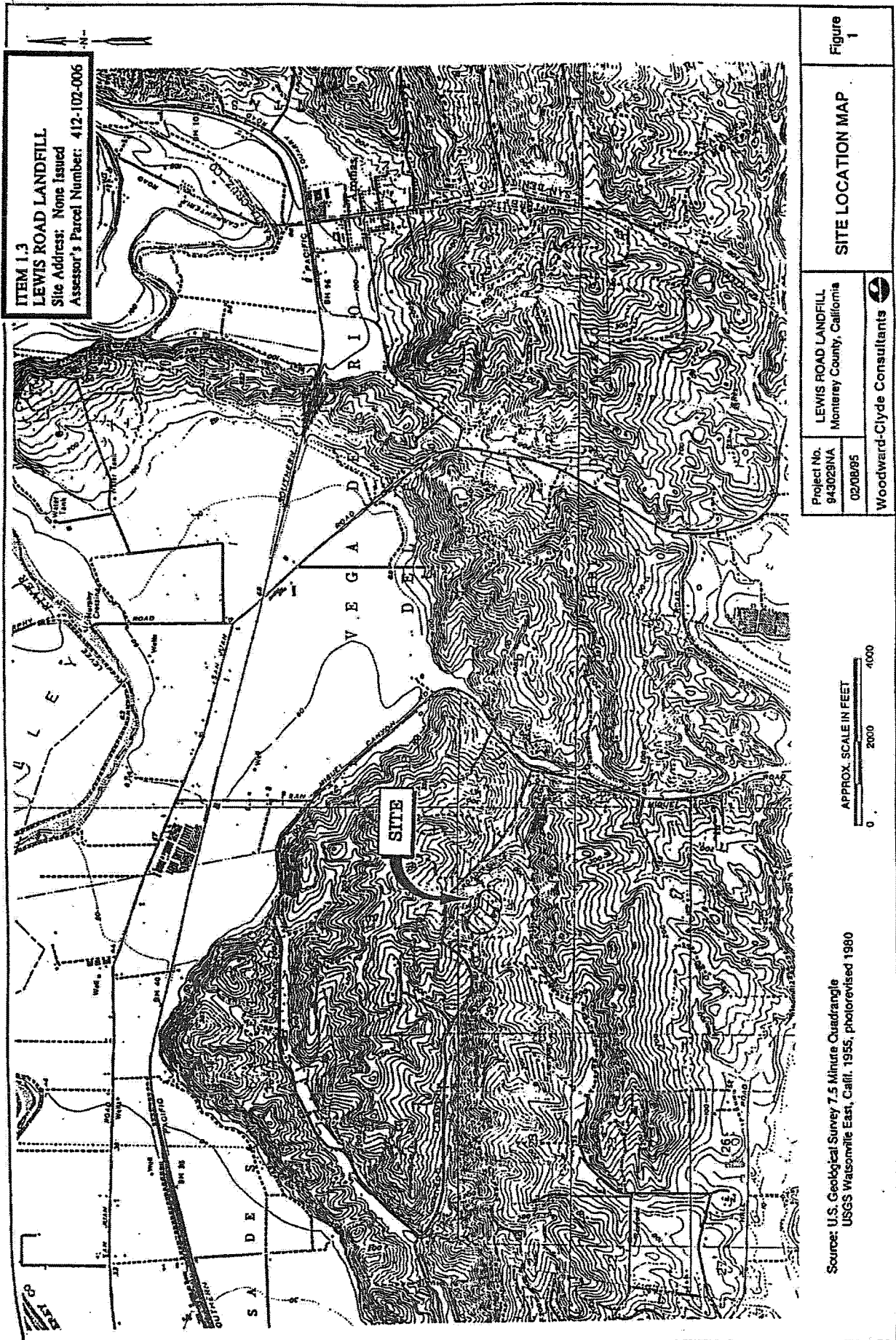
- Item 3.1: Johnson Canyon Road Enterprise Fund
- Item 3.2: Jolon Road Enterprise Fund
- Item 3.3: Lewis Road Enterprise Fund

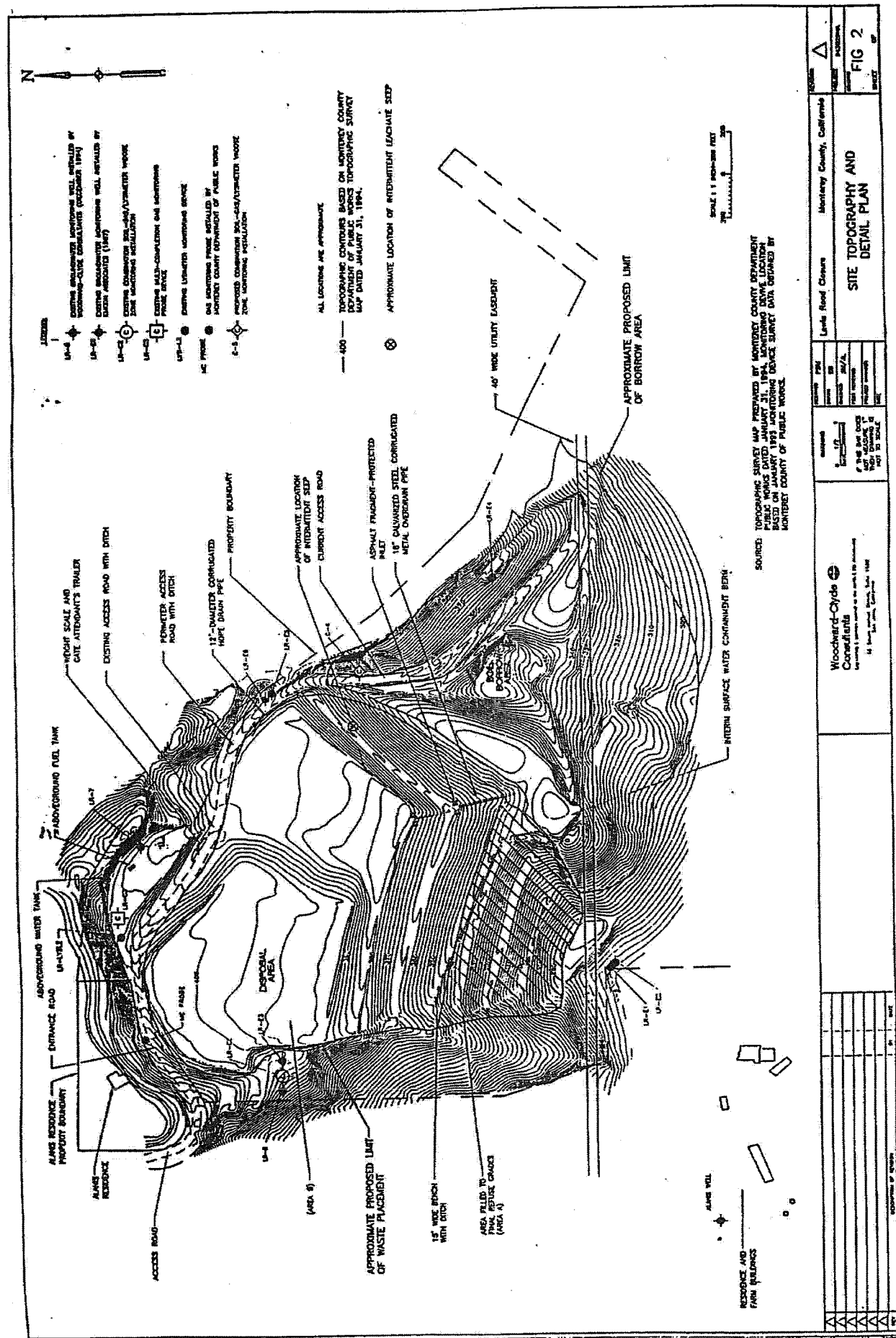
4 LANDFILL BASE CAPACITIES *(See attached May 3, 1996 memorandum)*

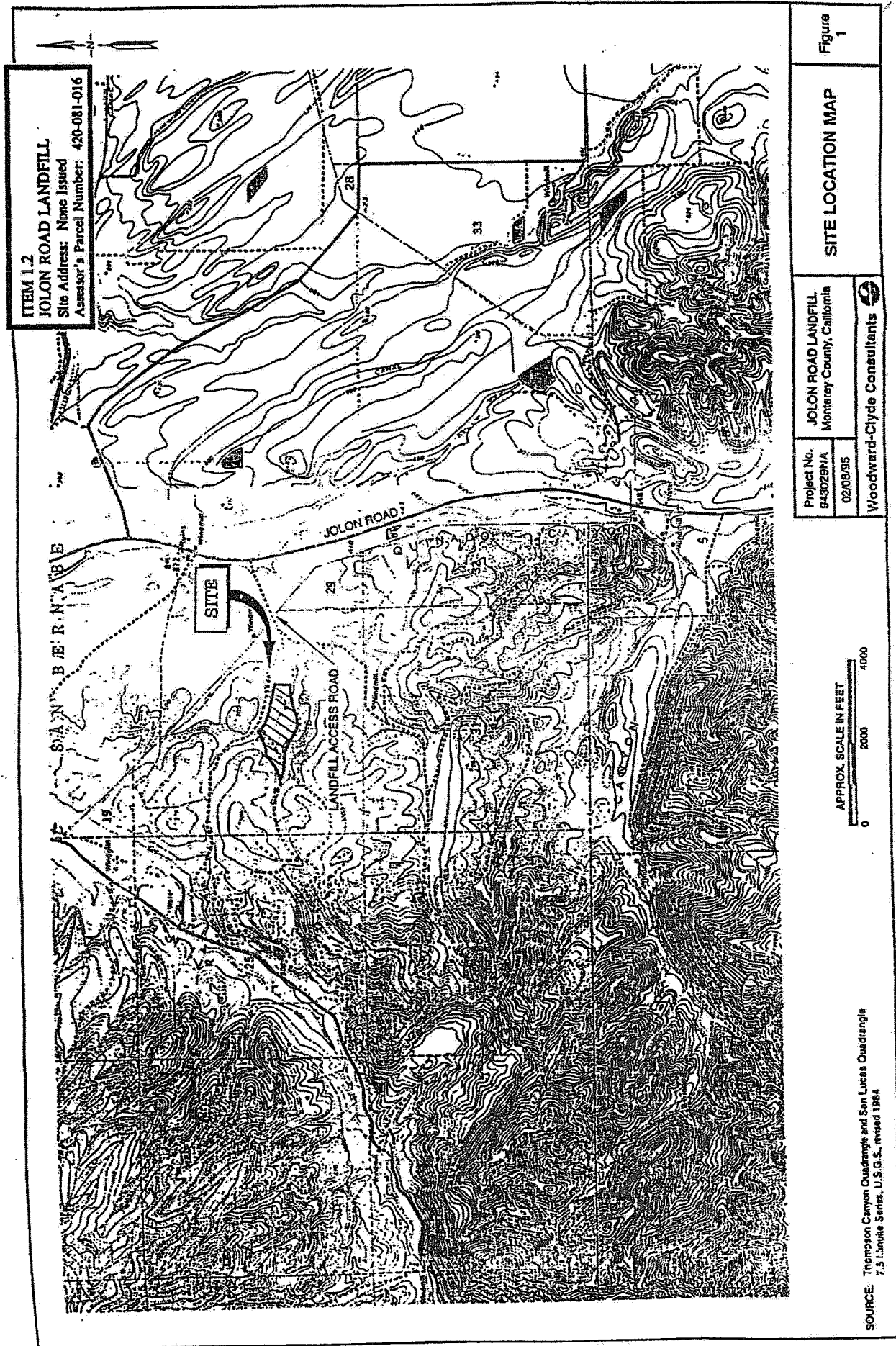
- Item 4.1: Johnson Canyon Road Landfill
- Item 4.2: Jolon Road Landfill
- Item 4.3: Lewis Road Landfill

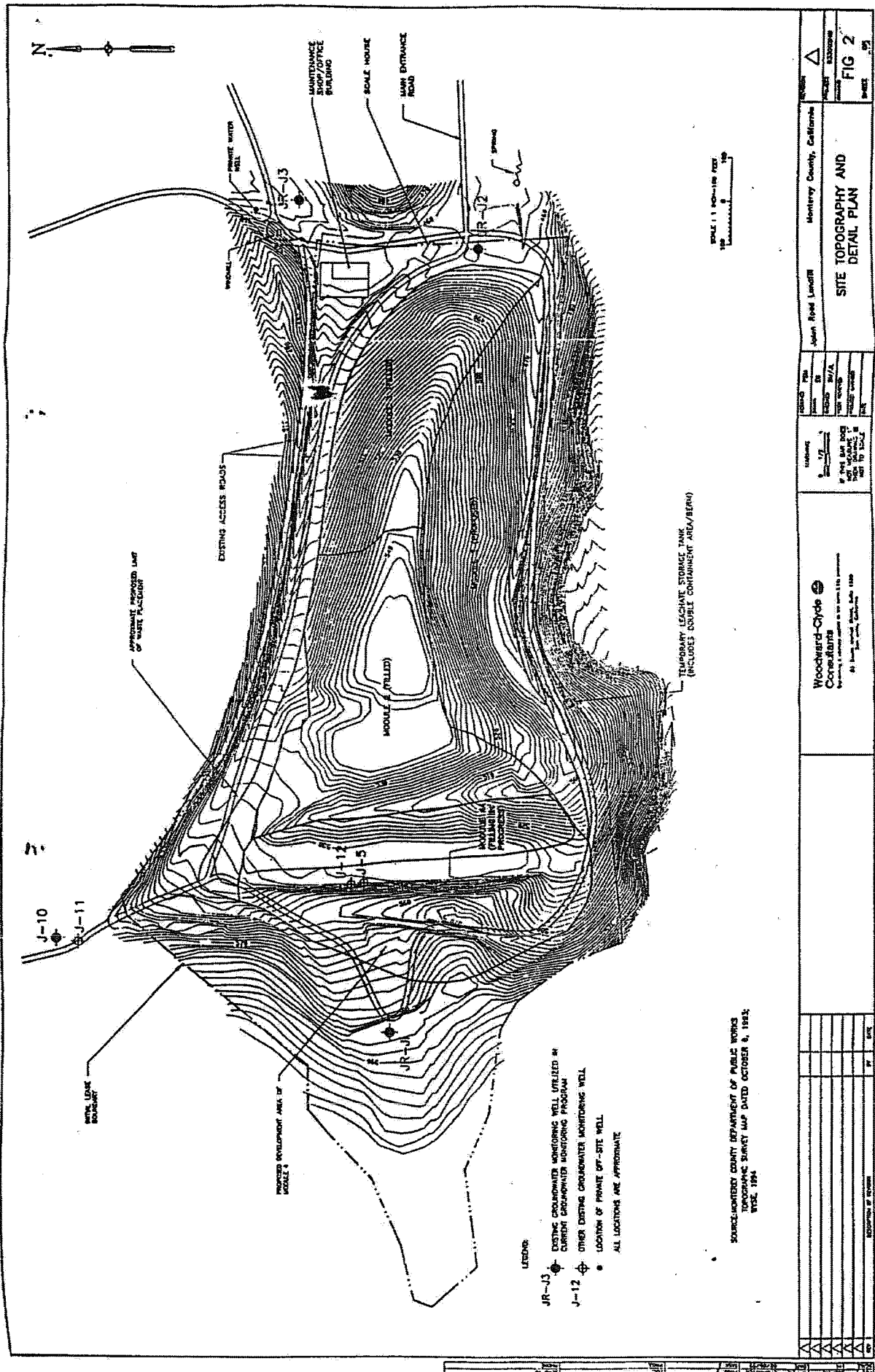
5 TERMS FOR TRANSFER OF OWNERSHIP

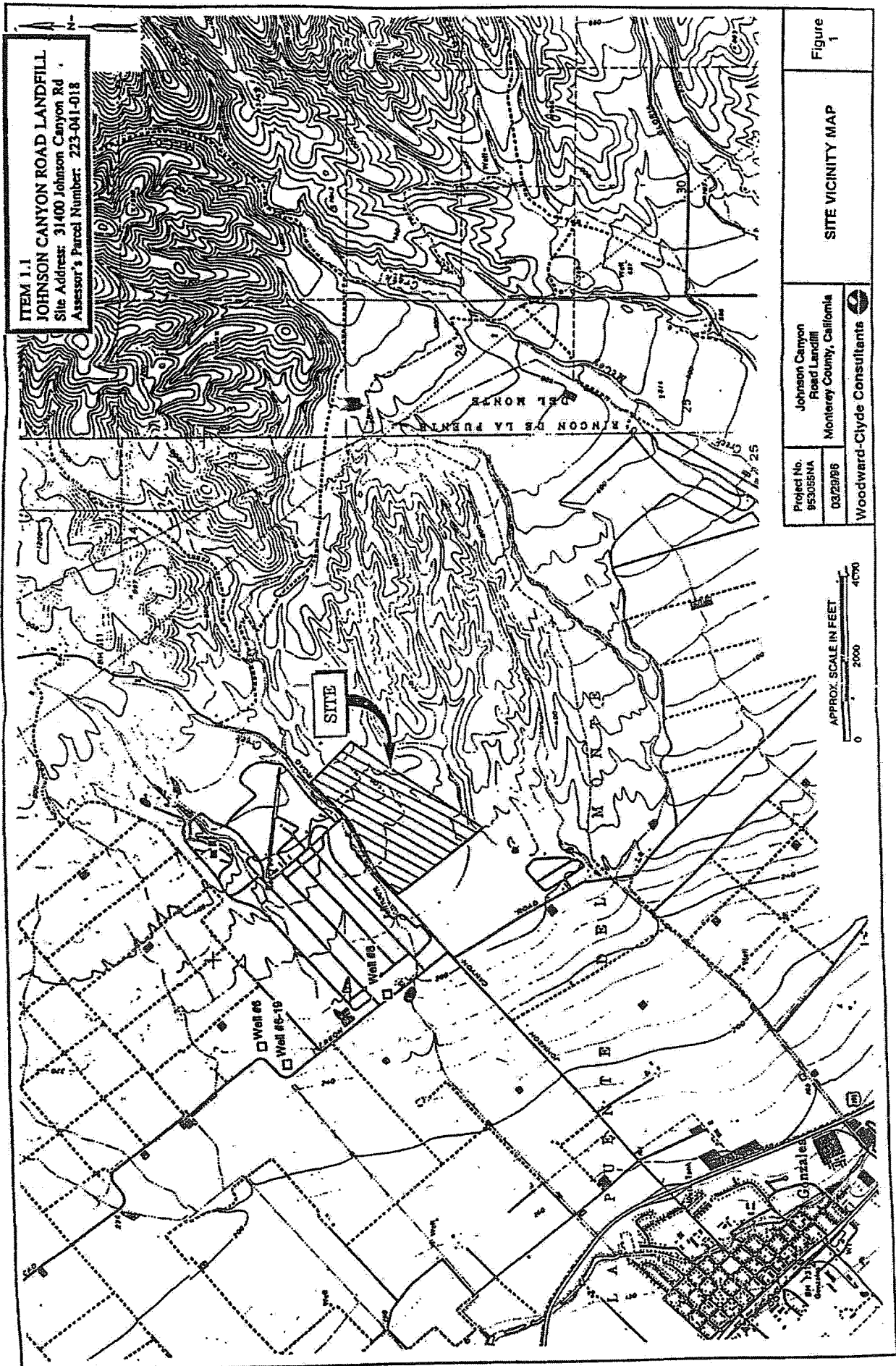
- Item 5.1: Closure Fund Transfers to Authority
- Item 5.2: Lease Agreement and Deeds Transferred
- Item 5.3: Financing Arrangement

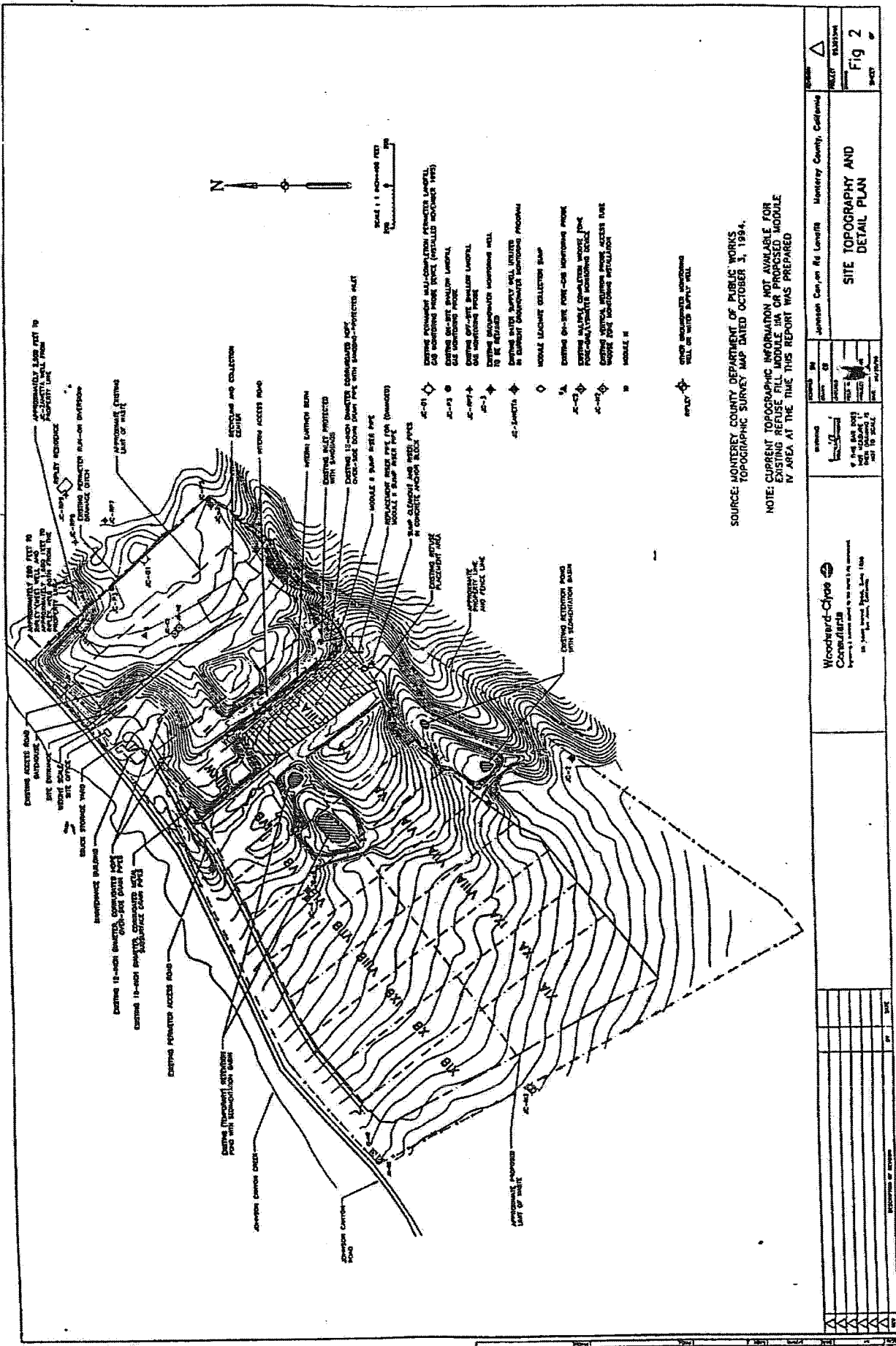












**DEPARTMENT OF PUBLIC WORKS
COUNTY OF MONTEREY**

MEMORANDUM

TO: SALINAS VALLEY SOLID WASTE AUTHORITY TASK FORCE

FROM: RONALD LUNDQUIST, PE
DEPUTY PUBLIC WORKS DIRECTOR - OPERATIONS

SUBJECT: STATUS OF ENTERPRISE ACCOUNTS

DATE: NOVEMBER 21, 1996

The following table summarizes the closure requirements for the three active County Landfills, Account Numbers, and Fund Amounts as of June 30, 1996, October 31, 1996, and June 30, 1997.

Attached are copies of the Integrated Waste Management Board calculation sheets for requirements and copies of the County Auditor's record of account balances.

LANDFILL	ENTERPRISE ACCOUNT NOS.		CLOSURE REQUIREMENTS (6/30/96)	AMOUNTS (6/30/96)	AMOUNTS (10/31/96)	ESTIMATED CLOSURE REQUIREMENTS* (6/30/97)
	Fund	Line				
Lewis Road	089	2792	\$576,289	\$589,429	\$600,190	\$766,013
Johnson Canyon Road	089	2793	\$234,537	\$448,817	\$459,640	\$294,406
Jolon Road	089	2794	\$863,119	\$863,153	\$880,795	\$1,079,291
			\$1,673,945	\$1,901,339	\$1,940,625	\$2,139,710

*Actual required amounts will be calculated by the Integrated Waste Management Board based on actual inflow, 60 days prior to 6/30/97.

RJL:reh

Distribution: Mora/Fair/Michaelis/Pew/Odom/Espinosa/Gromko/Wong/Holland/Brown/Cochran/Ferguson

THE REQUIRED FUND DEPOSIT FOR

1996
Lewis Road
27-AA-0003

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Lewis Road	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0003	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	368,421	368,421	368,421	368,421	368,421	368,421	368,421	
Capacity Filled This Year (Cf).....	24,763	22,276	19,394	20,112	32,258	16,689	26,379	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	249,618	232,929	206,650	
Closure Cost Estimate.....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,480	\$1,644,012	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,480	\$1,644,012	
Min Fund Bal (Prior to Dep).....	\$0	\$38,613	\$75,224	\$108,245	\$143,619	\$328,467	\$419,963	
Min. Calc. Rem. Cost Est.(Er)	\$574,479	\$666,888	\$552,075	\$539,755	\$1,430,381	\$1,277,013	\$1,224,049	
Min. Fund Bal. (After Deposit).....	\$38,613	\$75,224	\$108,245	\$143,619	\$328,467	\$419,963	\$576,289	

Proportion of Capacity Filled

Capacity Filled this Year (Cf)	=	0.0672139	0.0604634	0.0526409	0.0545897			
Total Permitted Capacity (Ct)						0.129229463	0.071648442	0.127712418
			Capacity Filled this Year (Cf)	=				
			Remaining Permitted Capacity (Cr)					

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E)	=							
		\$38,613	\$36,611	\$33,022	\$35,374			
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er)	=					\$184,847	\$91,496	\$156,326

Current Fund Balance

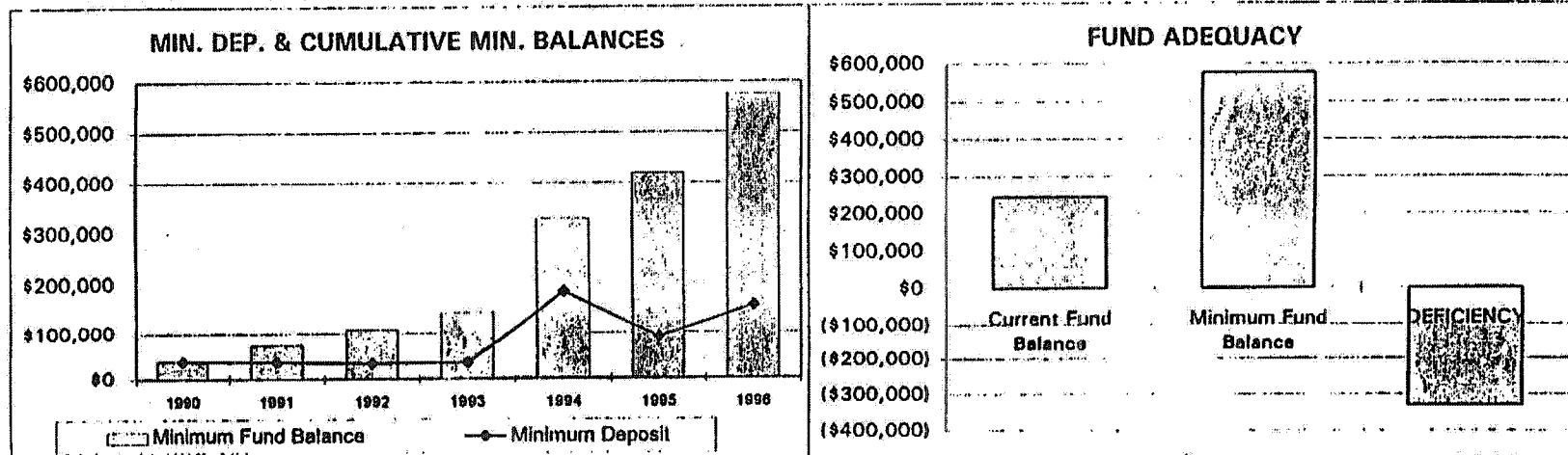
\$245,705

DEFICIENCY

(\$330,584)

PERCENT DEFICIENT

-134.54%



**STATE OF ARIZONA
THE REQUIRED FUND DEPOSIT FOR**

Johnson Canyon
27-AA-0005

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Johnson Canyon	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0005	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	
Capacity Filled This Year (Cf).....	42,623	31,506	29,708	32,457	51,395	14,565	31,085	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	4,212,800	4,198,235	4,167,150	
Closure Cost Estimate.....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474	
Min Fund Bal (Prior to Dep).....	\$0	\$20,869	\$37,129	\$53,012	\$70,938	\$158,324	\$180,801	
Min. Calc. Rem. Cost Est.(Er)	\$2,154,608	\$2,250,087	\$2,315,583	\$2,377,339	\$6,999,062	\$7,055,076	\$7,203,673	
Min. Fund Bal. (After Deposit).....	\$20,869	\$37,129	\$53,012	\$70,938	\$156,324	\$180,801	\$234,537	

Proportion of Capacity Filled

Capacity Filled this Year (Cf) =	0.0096860	0.0071597	0.0067511	0.0073758				
Total Permitted Capacity (Ct)					0.012199725	0.003469316	0.007459535	
					Capacity Filled this Year (Cf)			
					Remaining Permitted Capacity (Cr)			

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =								
	\$20,869	\$16,259	\$15,883	\$17,926				
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =					\$85,387	\$24,476	\$53,736	

Current Fund Balance

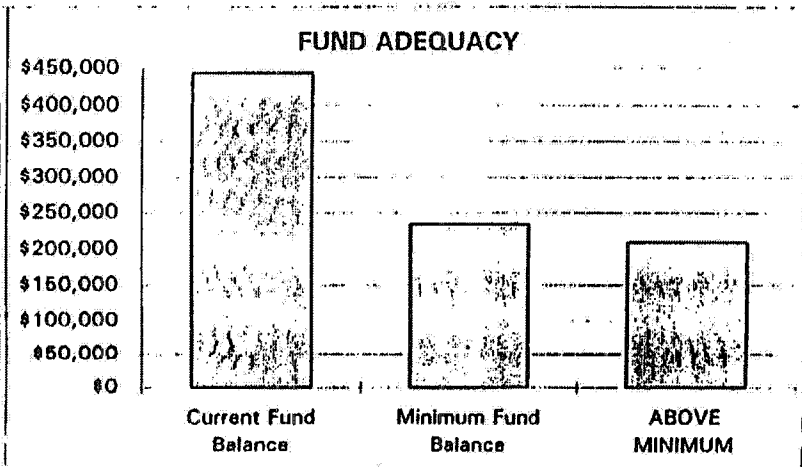
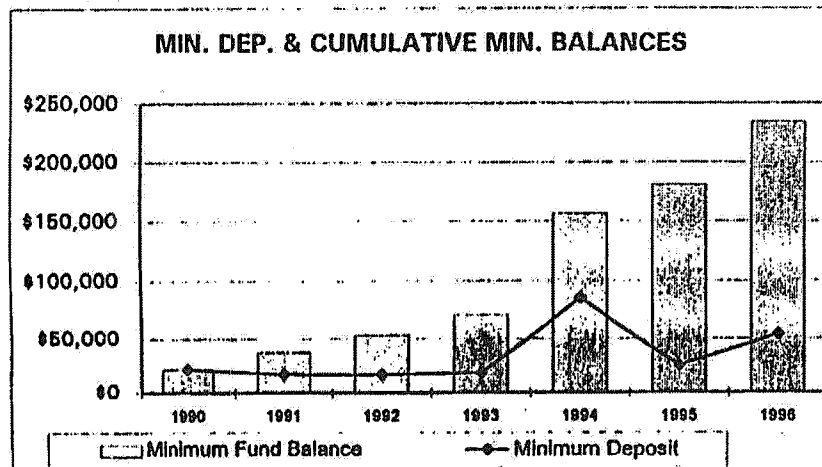
\$443,891

ABOVE MINIMUM

\$209,354

PERCENT ABOVE MINIMUM

47.16%



**SPREADSHEET FOR DETERMINING
THE REQUIRED FUND DEPOSIT FOR**

1996
Jolon Road
27-AA-0006

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Jolon Road	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0006	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	397,833	397,833	397,833	397,833	397,833	397,833	397,833	397,833
Capacity Filled This Year (Cf).....	38,210	26,699	25,288	30,629	37,605	9,822	18,911	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	239,402	229,580	210,669	
Closure Cost Estimate.....	\$591,060	\$622,977	\$645,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$591,060	\$622,977	\$645,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940	
Min Fund Bal (Prior to Dep).....	\$0	\$56,769	\$98,577	\$139,602	\$190,931	\$580,969	\$672,802	
Min. Calc. Rem. Cost Est.(Er)	\$591,060	\$566,209	\$546,827	\$527,101	\$2,483,069	\$2,146,511	\$2,120,138	
Min. Fund Bal. (After Deposit).....	\$56,769	\$98,577	\$139,602	\$190,931	\$580,969	\$672,802	\$863,119	

Proportion of Capacity Filled

Capacity Filled this Year (Cf)	=	0.0960453	0.0671111	0.0635644	0.0769896			
Total Permitted Capacity (Ct)						0.15707888	0.042782472	0.089766411
			Capacity Filled this Year (Cf)	=				
			Remaining Permitted Capacity (Cr)					

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =								
	\$56,769	\$41,809	\$41,025	\$51,329	\$300,038	\$91,833	\$190,317	
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =								

Current Fund Balance

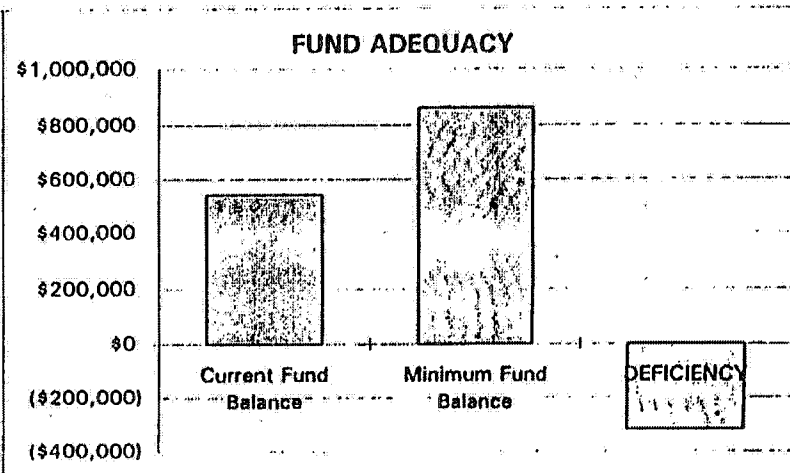
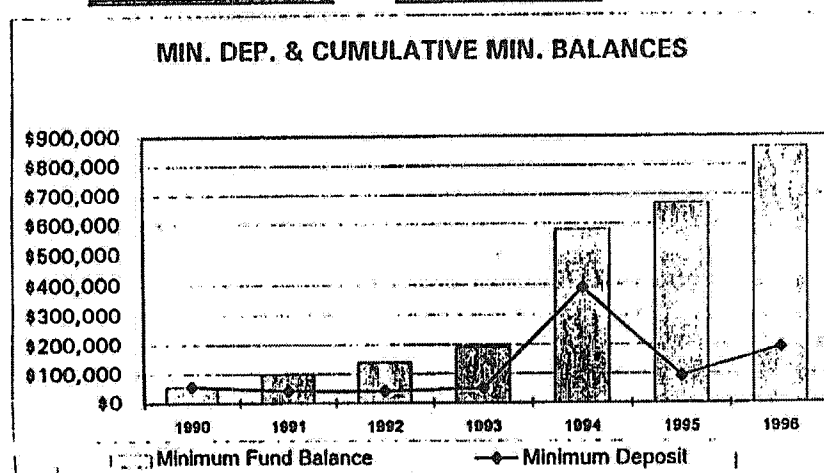
\$543,818

DEFICIENCY

(\$319,301)

PERCENT DEFICIENT

-58.71%



RUN DATE: 09/05/96
REPORT ID: A611Y

MONTEREY COUNTY
TRIAL BALANCE BY ACCOUNTING DISTRIBUTION
YEAR TO DATE THROUGH CLOSING 31, 1996

PAGE: 1,740
(06/96)

EX-95-96

TRANSACTION ID	TRAN DATE	SEPT DATE	DESCRIPTION	DEBITS	CREDITS	BALANCE
ACCT: 1000 CASH IN COUNTY TREASURY ACCT TYPE: 01 ASSETS						
JVREGAL2	07 01 95		REGAL 7/1/95	1,977,357.16		
JVREVAL2	07 01 95				1,977,357.16	
01	07 01 95		SUMMARIZED BS ACCOUNT	1,977,357.16		
JVINT 6/95-1	08 01 95			16,636.29		
JVINT 9/95-1	10 01 95			26,663.56		
JVINT 12/95-1	01 02 96			26,672.02		
JVINT 03/96-1	04 01 96			26,672.02		
JV96-1600	06 17 96		TRAN FR GEN TO LANDFILL	654,298.20		
			TOTAL FOR ACCT: 1000 CASH IN COUNTY TREASURY	4,688,923.09	1,977,357.16	2,711,565.95 M

ACCT: 2792 LEWIS ROAD LANDFILL ACCT TYPE: 02 LIABILITIES						
JVREGAL2	07 01 95		REGAL 7/1/95		239,100.57	
JVREVAL2	07 01 95			239,100.57		
01	07 01 95		SUMMARIZED BS ACCOUNT	239,100.57		
JVINT 6/95-1	08 01 95			1,689.17		
JVINT 9/95-1	10 01 95			2,520.54		
JVINT 12/95-1	01 02 96			2,339.51		
JVINT 03/96-1	04 01 96			2,728.65		
JV96-1600	06 17 96		TRAN FR GEN TO LANDFILL	348,998.20		
			TOTAL FOR ACCT: 2792 LEWIS ROAD LANDFILL	239,100.57	828,530.51	589,429.94- M

ACCT: 2793 JOHNSON CANYON LANDFILL ACCT TYPE: 02 LIABILITIES						
JVREGAL2	07 01 95		REGAL 7/1/95		431,034.73	
JVREVAL2	07 01 95			431,034.73		
01	07 01 95		SUMMARIZED BS ACCOUNT	431,034.73		
JVINT 6/95-1	08 01 95			3,979.57		
JVINT 9/95-1	10 01 95			4,550.36		
JVINT 12/95-1	01 02 96			1,552.17		
JVINT 03/96-1	04 01 96			1,928.77		
			TOTAL FOR ACCT: 2793 JOHNSON CANYON LANDFILL	431,034.73	879,851.83	448,817.10- M

ACCT: 2794 JOLON ROAD LANDFILL ACCT TYPE: 02 LIABILITIES						
JVREGAL2	07 01 95		REGAL 7/1/95		529,155.29	
JVREVAL2	07 01 95			529,155.29		
01	07 01 95		SUMMARIZED BS ACCOUNT	529,155.29		
JVINT 6/95-1	08 01 95			3,703.96		
JVINT 9/95-1	10 01 95			5,578.54		
JVINT 12/95-1	01 02 96			5,300.46		
JVINT 03/96-1	04 01 96			2,025.80		
JV96-1600	06 17 96		TRAN FR GEN TO LANDFILL	323,300.00		
			TOTAL FOR ACCT: 2794 JOLON ROAD LANDFILL	529,155.29	1,392,308.40	863,153.11- M

RUN DATE: 11/09/96
REPORT ID: A611Y

MM MONTEREY COUNTY MM
TRIAL BALANCE BY ACCOUNTING DISTRIBUTION
YEAR TO DATE THROUGH OCTOBER 31, 1996

PAGE: 738
(10/96)

FUND: 009 LANDFILL TRUST

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
MM ACCT:1000 CASH IN COUNTY TREASURY			ACCT TYPE: 01 ASSETS			
JVBEBAL 2	07 01 96			2,711,565.93		
JVBEBAL 2	07 01 96				2,711,565.93	
01	07 01 96		SUMMARIZED BS ACCOUNT		2,711,565.93	
JVINT0696-1	08 01 96			25,618.99		
JVINT 09/96-1	10 01 96			33,142.12		
TOTAL FOR ACCT: 1000 CASH IN COUNTY TREASURY				2,770,327.04		

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
MM ACCT:2792 LEWIS ROAD LANDFILL			ACCT TYPE: 02 LIABILITIES			
JVBEBAL 2	07 01 96				589,429.94	
JVBEBAL 2	07 01 96			589,429.94		
01	07 01 96		SUMMARIZED BS ACCOUNT		589,429.94	
JVINT0696-1	08 01 96				3,572.21	
JVINT 09/96-1	10 01 96				1,898.33	
TOTAL FOR ACCT: 2792 LEWIS ROAD LANDFILL					600,429.37	

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
MM ACCT:2793 JOHNSON CANYON LANDFILL			ACCT TYPE: 02 LIABILITIES			
JVBEBAL 2	07 01 96				448,817.10	
JVBEBAL 2	07 01 96			448,817.10		
01	07 01 96		SUMMARIZED BS ACCOUNT		448,817.10	
JVINT0696-1	08 01 96				8,328.37	
JVINT 09/96-1	10 01 96				8,494.43	
TOTAL FOR ACCT: 2793 JOHNSON CANYON LANDFILL					469,639.90	

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
MM ACCT:2794 JOLON ROAD LANDFILL			ACCT TYPE: 02 LIABILITIES			
JVBEBAL 2	07 01 96				863,153.11	
JVBEBAL 2	07 01 96			863,153.11		
01	07 01 96		SUMMARIZED BS ACCOUNT		863,153.11	
JVINT0696-1	08 01 96				7,160.10	
JVINT 09/96-1	10 01 96				10,541.40	
TOTAL FOR ACCT: 2794 JOLON ROAD LANDFILL					880,754.61	

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
MM ACCT:2795 SAN ANTONIO SO. LANDFILL			ACCT TYPE: 02 LIABILITIES			
JVBEBAL 2	07 01 96				810,165.78	
JVBEBAL 2	07 01 96			810,165.78		
01	07 01 96		SUMMARIZED BS ACCOUNT		810,165.78	
JVINT0696-1	08 01 96				9,618.31	
JVINT 09/96-1	10 01 96				9,918.07	
TOTAL FOR ACCT: 2795 SAN ANTONIO SO. LANDFILL					829,702.16	

TRANSACTION	TRAN	REPT	DESCRIPTION	DEBIT	CREDIT	BALANCE
TOTAL FOR FUND: 009 LANDFILL TRUST				8,193,458.90	8,193,458.90	0.00 MM

Post-It Fax Note	7671	Date	# of pages 3
To: Tom Fulton	From: Anne		
Co/Dept	Co:		
Phone #	Phone # 5093		

**SPREADSHEET FOR DETERMINING
THE REQUIRED FUND DEPOSIT FOR
PROJECTED FOR 1997**

**Johnson Canyon
27-AA-0005**

27-BC-F7.1A

Actual capacity information through end of April (60 days prior to June 30)

CLOSURE ONLY

Facility Name.....	Johnson Canyon	Deposit Calculations for Anniversaries During					Anniversary Date of Fund		
SWIS #.....	27-AA-0005	PROJECTED FOR 1997					30-Jun		PROJECTED
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%		3.00%
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996		1997
Total Permitted Capacity (Cr).....	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489		4,400,489
Capacity Filled This Year (Cf).....	42,823	31,606	29,708	32,457	61,395	14,665	31,085		33,572
Remaining Perm. Capacity (Cr).....	N/A	N/A	N/A	N/A	4,212,800	4,195,235	4,167,150		4,133,578
Closure Cost Estimate.....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474		\$7,506,008
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Total Cost Estimate (E).....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474		\$7,506,008
Min Fund Bal. (Prior to Dep).....	\$0	\$20,869	\$57,129	\$53,012	\$70,938	\$156,324	\$180,801		\$234,537
Min. Calc. Rem. Cost Est.(Er)	\$2,154,608	\$2,250,087	\$2,315,583	\$2,377,339	\$6,999,062	\$7,055,076	\$7,203,673		\$7,371,471
Min. Fund Bal. (After Deposit).....	\$20,869	\$37,129	\$53,012	\$70,938	\$156,324	\$180,801	\$234,537		\$296,406

1997 Inflation Factor PROJECTED at 3.0%, Capacity Filled PROJECTED to increase 8.0%. These PROJECTIONS are at the County's request.

Proportion of Capacity Filled

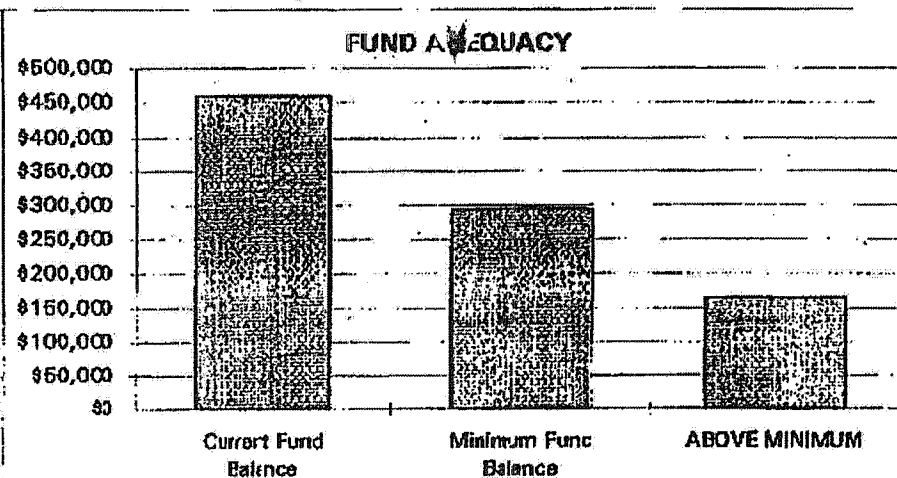
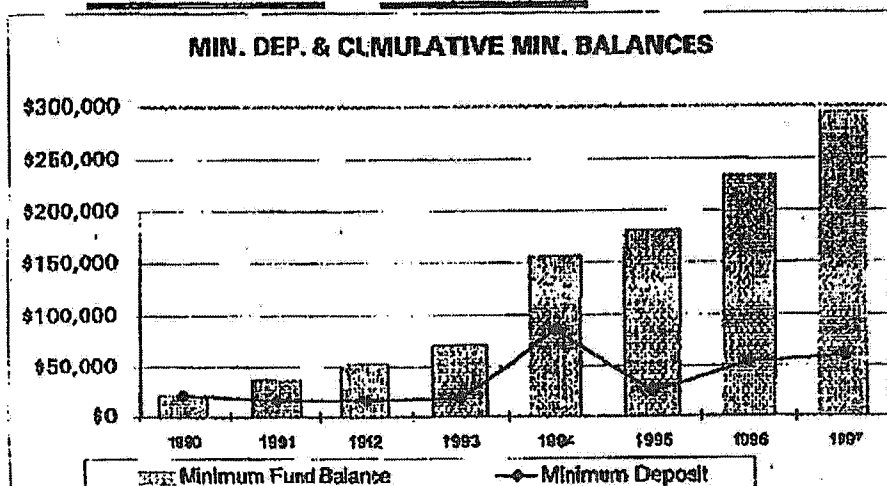
PROJECTIONS ARE NOT BINDING TO MONTEREY OR CDMB.

Capacity Filled this Year (Cf) =	0.0096860	0.0071567	0.0067511	0.0073758					
Total Permitted Capacity (Cr)					0.012199725	0.003469315	0.007459535	0.008121729	
Capacity Filled this Year (Cf) =									
Remaining Permitted Capacity (Cr)									

Minimum fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =									
	\$20,869	\$16,259	\$15,893	\$17,926					
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =					\$65,367	\$24,476	\$13,736	\$56,869	

Current Fund Balance **ABOVE MINIMUM** **PERCENT ABOVE MINIMUM** **36.96%**
\$459,640 **\$165,234**



**SPRINGFIELD FOR DEPOSITING
THE REQUIRED FUND POSIT FOR
PROJECTED FOR 1997
Jolon Road
27-AA-0006**

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Jolon Road	Deposit Calculations for Anniversaries During					Anniversary Date of Fund		
SWIS #.....	27-AA-0006	PROJECTED FOR 1997					30-Jun		PROJECTED
Infl. Factor (prior year)	4.10%	5.40%	3.80%	3.30%	2.60%	2.00%	2.40%		3.00%
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996		1997
Total Permitted Capacity (Ct).....	397,833	397,833	397,833	397,833	397,833	397,833	397,833		397,833
Capacity Filled This Year (Cf).....	38,210	26,699	25,288	30,629	37,606	9,822	18,911		20,424
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	239,402	229,680	210,669		190,245
Closure Cost Estimate.....	\$591,063	\$822,977	\$64E,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940		\$2,876,728
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Total Cost Estimate (E).....	\$591,063	\$822,977	\$64E,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940		\$2,876,728
Min Fund Bal (Prior to Dep).....	\$0	\$56,769	\$9E,577	\$139,602	\$190,931	\$580,969	\$672,802		\$863,119
Min. Calc. Rem. Cost Est.(Er)	\$591,063	\$568,209	\$54E,827	\$527,101	\$2,483,069	\$2,146,511	\$2,120,136		\$2,013,609
Min. Fund Bal. (After Deposit).....	\$56,769	\$98,577	\$139,602	\$190,931	\$580,969	\$672,802	\$863,119		\$1,079,291

1997 Inflation Factor PROJECTED at 3.0%, Capacity Filled PROJECTED to increase 8.0%. These PROJECTIONS are at the County's request.

Proportion of Capacity Filled

PROJECTIONS ARE NOT BINDING ON MONTEREY OR CWMB

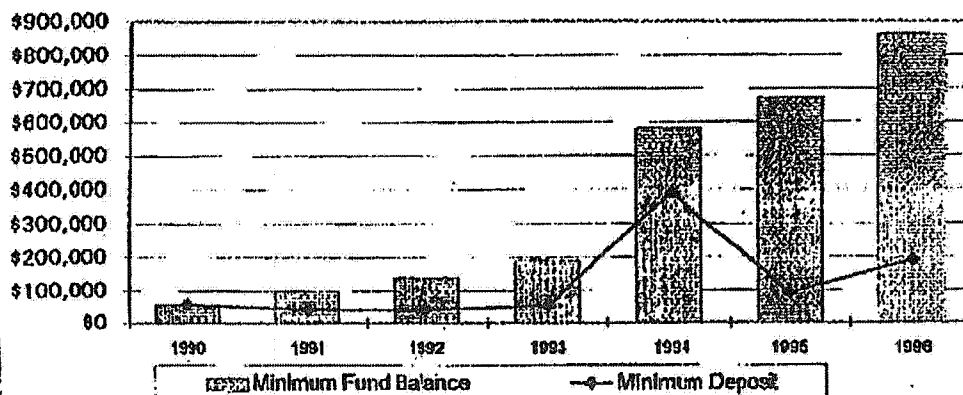
Capacity Filled this Year (Cf)	=	0.0980453	0.0671111	0.0635844	0.0789896				
Total Permitted Capacity (Ct)						0.167078888	0.042782472	0.089768411	0.107356806
			Capacity Filled this Year (Cf)	=					
			Remaining Permitted Capacity (Cr)						

Minimum Fund Deposit

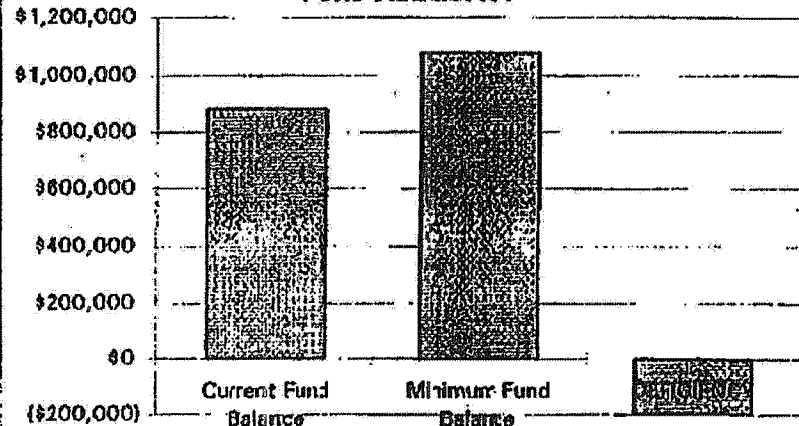
Proportion of Capacity Filled * Cost Estimate (E) =									
		\$56,769	\$41,809	\$41,026	\$51,329				
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =						\$390,038	\$91,833	\$190,317	\$210,172

Current Fund Balance **DEFICIENCY** **PERCENT DEFICIENT** **-22.54%**
\$880,795 **(\$198,496)**

MIN. DEP. & CUMULATIVE MIN. BALANCES



FUND ADEQUACY



**SPREADSHEET FOR DETERMINING
THE REQUIRED FUND DEPOSIT FOR
PROJECTED FOR 1997**

**Lewis Road
27-AA-0003**

Actual capacity information through end of April (60 days prior to June 30)

CLOSURE ONLY

Facility Name.....	Lewis Road	Deposit Calculations for Anniversaries During PROJECTED FOR 1997					Anniversary Date of Fund 30-Jun		PROJECTED
SWIS #.....	27-AA-0003								
infl. Factor (prior year).....	4.10%	5.40%	3.60%	3.30%	2.60%	4.00%	2.40%	3.00%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	1997	
Total Permitted Capacity (Ct).....	368,421	368,421	368,421	368,421	368,421	368,421	368,421	368,421	368,421
Capacity Filled This Year (Cf).....	24,763	22,278	19,394	20,112	32,258	16,689	26,379	28,489	
Remaining Perm. Capacity (Cr).....	N/A	N/A	N/A	N/A	249,318	232,929	206,550	178,061	
Closure Cost Estimate.....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,430	\$1,644,012	\$1,693,332	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,430	\$1,644,012	\$1,693,332	
Min Fund Bal (Prior to Dep).....	\$0	\$38,613	\$75,224	\$108,245	\$143,519	\$328,437	\$419,963	\$576,289	
Min. Calc. Rem. Cost Est. (Er).....	\$574,479	\$666,888	\$652,075	\$639,755	\$1,430,381	\$1,277,013	\$1,224,049	\$1,117,043	
Min. Fund Bal. (After Deposit).....	\$38,613	\$75,224	\$108,245	\$143,519	\$328,467	\$419,893	\$576,289	\$755,013	

1997 Inflation Factor PROJECTED at 3.0%, Capacity Filled PROJECTED to increase 8.0%. These PROJECTIONS are at the County's request.

Proportion of Capacity Filled

PROJECTIONS ARE NOT BINDING TO MONTEPEY OR CWMB

Capacity Filled this Year (Cf) = 0.0672139 0.0604634 0.0526409 0.0545897

Total Permitted Capacity (Ct) Capacity Filled this Year (Cf) = 0.129229463 0.071648442 0.127712418 0.159937616

Remaining Permitted Capacity (Cr)

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =

\$35,613 \$36,611 \$33,022 \$35,374

Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =

\$184,847 \$91,438 \$156,326 \$178,724

Current Fund Balance

\$600,190

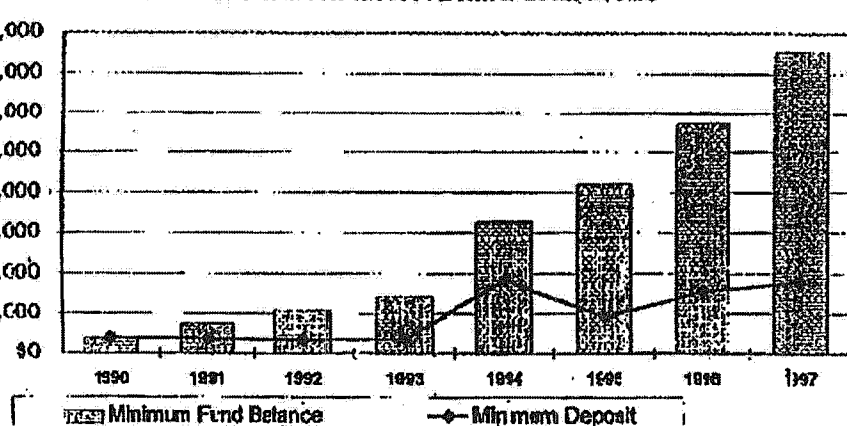
DEFICIENCY

(\$154,823)

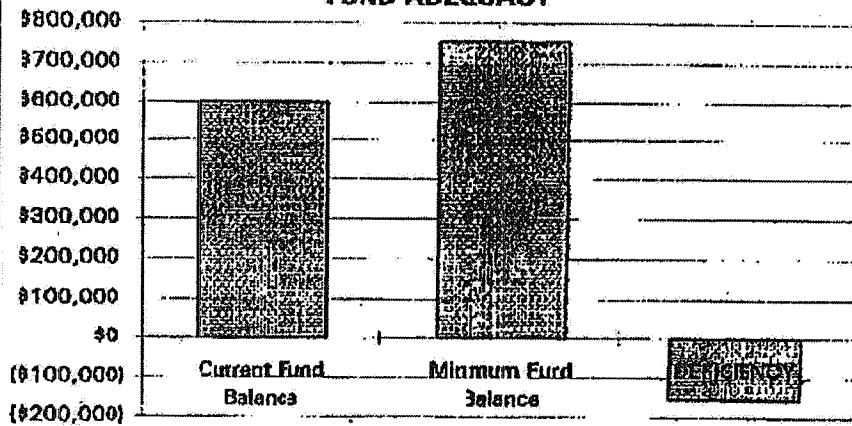
PERCENT DEFICIENT

-25.80%


MIN. DEP. & CUMULATIVE MIN. BALANCES



FUND ADEQUACY



**DEPARTMENT OF PUBLIC WORKS
COUNTY OF MONTEREY****MEMORANDUM**

TO: Ronald Lundquist, PE
FROM: Joseph Cochran, PE
Environmental Services 
SUBJECT: LANDFILL BASE CAPACITIES
DATE: May 3, 1996

Effective July 1, 1996, the remaining capacity in cubic yards at the three County landfills is as follows:

LANDFILL	REMAINING CAPACITY 7/1/96 CURRENT PERMITS (in cubic yards)	REMAINING CAPACITY 7/1/96 NEW PERMITS (in cubic yards)
Lewis	206,993	206,993
Johnson*	4,134,160	4,160,906
Jolon	192,433	192,433

- * The current permit for Johnson allows use of the entire footprint for landfill. The new permit removes several acres to mitigate endangered species as well as deepening remaining cells to makeup for the lost acreage.

JAC:jk

FINANCING ARRANGEMENT

The County agrees to sell its landfill facilities to the Authority for \$2,500,000.00 or such other amount as is prudent or necessary to allow the authority to fund certain obligations of the Authority for no more than three years from the date escrow closes on the sale of the landfills to the Authority. All amounts paid to the County as payment for the purchase of the landfill facilities shall be deposited in an appropriate trust account, approved by the County and the Authority, and all funds therein shall be used solely to pay such obligations or costs of the Authority as the Authority Board may direct.

Attachment 1
Preliminary 18-Month Budget

Sallinas Crazy Horse Landfill

	Jan-Jun 97	FY 97/98
All Funds - January 1997	6,674,047	
Reserve for closure	(1,982,558)	
Reserve for Article 5	(2,000,000)	
Fund balance	2,691,489	1,329,158
Revenues		
Bond proceeds	9,972,000	
Landfill surcharge	1,500,000	3,000,000
Investment earnings	125,000	250,000
Total revenue	11,597,000	3,250,000
Operating Expenses		
Personnel services	(97,100)	(194,200)
Contract services	(288,600)	(577,200)
Taxes and fees	(160,800)	(321,600)
Cover fill	(115,000)	(230,000)
Household hazardous waste	(25,000)	(50,000)
Other operating	(17,150)	(34,300)
Total operating expenses	(703,650)	(1,407,300)
Transfers		
Bond reserve fund	(997,200)	
Closure fund	(150,000)	(300,000)
JPA Administration	(320,000)	(640,000)
JPA special studies	(425,455)	
Total transfers	(1,892,655)	(940,000)
Debt Service	(448,950)	(697,900)
Income before capital projects	8,551,745	4,800
Capital Projects		
Crazy Horse purchase	(8,000,000)	
Cost of bond issuance	(549,345)	
Misc engineering/permits	(3,659)	
Gas collection system	(329,140)	
Well demolition/construction	(158,412)	
East slope liner	(527,811)	
Liner phase 2	(312,209)	
Gas flare	(33,500)	(560,000)
Liner phase 3		
Total capital projects	(9,914,078)	(560,000)
Operating fund balance	1,329,158	773,958
Bond reserve fund	997,200	997,200
Closure fund	2,132,558	2,432,558
Article 5 fund	2,000,000	2,000,000
Total funds	6,458,916	6,203,716

Attachment 1 (cont.)
Preliminary 18-Month Budget

Monterey County Landfills

	Jan-Jun 97	FY 97/98
All Funds - January 1997	1,923,413	
Reserve for Lewis closure	(589,430)	
Reserve for Johnson closure	(448,817)	
Reserve for Jolo closure	(810,188)	
Payment for shortfall	(75,000)	
Fund balance	-	<u>882,565</u>
Revenues		
Bond proceeds	3,148,000	
Tipping fee surcharge	769,500	1,539,000
Investment earnings	50,000	50,000
Total revenue	<u>3,967,500</u>	<u>1,589,000</u>
Operating Expenses		
Personnel services	(164,819)	(100,000)
Professional services	(145,000)	(430,000)
State fees/permits	(57,000)	(120,000)
Storm water analysis	(1,500)	(5,000)
Johnson lease	(12,400)	(12,500)
Transfer stations operations	(30,106)	(80,000)
Contingency	(22,510)	(50,000)
Total operating expenses	<u>(433,435)</u>	<u>(797,500)</u>
Transfers		
Bond reserve fund	(314,800)	
Closure fund	(625,000)	(625,000)
JPA Administration	(120,000)	(240,000)
JPA special studies	(159,545)	
Total transfer	<u>(1,219,345)</u>	<u>(865,000)</u>
Debt Service	<u>(283,500)</u>	<u>(283,500)</u>
Income/deficit before capital projects	<u>2,031,220</u>	<u>(357,000)</u>
Capital Projects		
Cost of bond issuance	(173,655)	
Methane - Lewis	(20,000)	(40,000)
Methane - Johnson	-	(400,000)
Liner - Johnson	(805,000)	-
Monitoring devices	-	(25,000)
Contingency	(150,000)	(50,000)
Total capital projects	<u>(1,148,655)</u>	<u>(515,000)</u>
Operating fund balance	882,565	10,565
Bond reserve fund	314,800	314,800
Closure fund	2,548,413	3,173,413
Total funds	<u>3,745,778</u>	<u>3,498,778</u>

Attachment 1 (cont.) Preliminary 18-Month Budget		
JPA Budget	Jan-Jun 97	FY 97/98
All Funds - January 1997	-	57,700
Fund balance	-	57,700
Revenues		
JPA Administration	440,000	880,000
Bond proceeds - special studies	585,000	
Total revenue	1,025,000	880,000
Operating Expenses		
Authority staff	(290,000)	(400,000)
JPA negotiation	(146,000)	
Contract renewal/renegotiation	(50,000)	
Recruiting	(67,500)	
Legal services	(28,800)	(57,600)
Fiscal agent	(5,000)	(10,000)
Human resources	(5,000)	(10,000)
Insurance	(30,000)	(60,000)
Office expenses	(5,000)	(10,000)
Meeting allowance	(5,000)	(10,000)
Contingency	(50,000)	(100,000)
JPA Administration subtotal	(682,300)	(657,600)
Total operating expenses	(682,300)	(657,600)
Income before capital projects	342,700	222,400
Capital Projects:		
Landfill systems study and engineers report	(85,000)	
Landfill expansion planning, engineering and permitting	(150,000)	(300,000)
Landfill acquisition, eminent domain	(50,000)	
Total capital projects	(285,000)	(300,000)
Operating fund balance	57,700	(19,900)
Total funds	57,700	(19,900)

~~MAYOR ALAN STYLES~~
CITY OF SALINAS

Clerk's copy

file w/
Reso
16062

MONTEREY COUNTY

DEPARTMENT OF PUBLIC WORKS

312 E. ALISAL STREET, SALINAS, CALIFORNIA 93901-4303
TELEPHONE (408) 755-4800 FAX (408) 755-4958

GERALD J. GROMKO, Ph.D.
PUBLIC WORKS DIRECTOR



DECEMBER 16, 1996

RECEIVED
DEC 18 1996
Time
MAYOR

MAYOR AND CITY COUNCIL MEMBERS
CITY OF SALINAS
200 LINCOLN AVE
SALINAS, CA 93901

SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

HONORABLE MAYOR AND CITY COUNCIL MEMBERS:

This is in response to your request at the December 2, 1996 Joint City Council meeting for a confirming letter regarding contract payments made by the Operator of the Johnson Canyon Road and Lewis Road Landfills to the County of Monterey.

A copy of Amendment No. 6 to our operating contract, approved as to form by Monterey County Counsel, signed by the Operator, and executed by the Board of Supervisors, is enclosed. This amendment extends payments made by the Operator under Amendments 2A and 2B from December 1994 through April 15, 1997. I have also enclosed copies of properly-executed prior amendments 2A, 2B, 3, 4, and 5 that require payments of \$18,333 for Johnson Canyon Road and \$8,083 for Lewis Road for the period September 1991 through December 31, 1994. The proposed Interagency Agreement signed by the Board of Supervisors and scheduled for execution by the SVSWA at their first meeting requires that beginning January 1, 1997, the monthly payments shall be transferred to the Authority. I have enclosed a copy of this document for your consideration.

The Amendments are legal obligations agreed to by the Operator and executed by the Board of Supervisors. Operational costs for the landfills were expended from the County General Fund for the period December 31, 1994 through January 1, 1997, for items involving closure fund payments, ground water monitoring, fees, and cell preparation. These activities were completed in anticipation of ultimately receiving the monthly payments. The County is responsible for collecting any overdue amounts through January 1, 1997. Future collections will be the responsibility of the Authority.

Please contact me at (408)755-4929 if there is any other information that I can provide regarding this matter.

Sincerely,

GERALD J. GROMKO, PhD, PE
PUBLIC WORKS DIRECTOR

By

Ronald J. Lundquist

Ronald J. Lundquist, PE
Deputy Public Works Director - Operations

RJL:reh Enclosures

cc: City Managers: Salinas/Gonzales/Soledad/Greenfield/King

County Staff: Doug Holland/Gerald J. Gromko, PhD, PE/Joseph A. Cochran, PE

Master File: SVSWA C:\wp51\wp96\Undf\A6Cities.ltr

ITEM 9 ATTACHMENTS

Page 37 of 108

**INTERAGENCY AGREEMENT
BETWEEN THE COUNTY OF MONTEREY AND THE
SALINAS VALLEY SOLID WASTE AUTHORITY
AGREEMENT NO. A-07262**

THIS AGREEMENT is made and entered into this 3rd day of December, 1996, by and between the County and Monterey (the "COUNTY") a political subdivision of the State of California and the Salinas Valley Solid Waste Authority (the "AUTHORITY"), a joint exercise of powers entity.

RECITALS

WHEREAS, on December 3, 1996, the Monterey County Board of Supervisors adopted a Resolution approving the Joint Powers Agreement (JPA) between the Cities of Gonzales, Greenfield, King, Salinas, and Soledad, and the County of Monterey creating the Salinas Valley Solid Waste Authority; and

WHEREAS, the JPA created a public entity separate and apart from each of the Cities and the COUNTY; and

WHEREAS, the JPA established the name of the separate legal entity as the Salinas Valley Solid Waste Authority; and

WHEREAS, the AUTHORITY lacks the staff to perform the duties and functions required for the purposes set forth in the JPA; and

WHEREAS, the COUNTY and the AUTHORITY desire to enter into an agreement to facilitate the administration, operation, and financing of the AUTHORITY.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the COUNTY and the AUTHORITY hereby agree as follows:

SECTION 1.

The above recitals are true and correct.

SECTION 2. FINANCIAL ARRANGEMENTS

2.1 MONTHLY PAYMENTS.

The COUNTY's existing agreements with its landfill operators provide for monthly payments to be made to the COUNTY for environmental compliance and other landfill management tasks. Beginning January 1, 1997, the COUNTY shall transfer all such payments made by the COUNTY's landfill operators to the AUTHORITY.

SECTION 3. AUTHORITY COUNSEL

The County Counsel of the COUNTY shall serve as the interim Authority Counsel for the AUTHORITY and shall provide all personnel and services required for providing legal services to the AUTHORITY, including but not limited to, preparation of contracts, agreements, deeds, ordinances, and other legal documents, legal opinions, interpretations of local, state, and federal laws, and other related services. The AUTHORITY shall reimburse the COUNTY for direct and indirect costs associated with providing legal services to the AUTHORITY.

SECTION 4. LANDFILL MANAGEMENT AND OPERATIONS

4.1 COUNTY SERVICES

The COUNTY shall provide all personnel and services required to operate, administer, and maintain the Jolon Road, Johnson Canyon Road, and Lewis Road Landfills until such time as the AUTHORITY agrees to take over this responsibility, but no later than July 1, 1997. The AUTHORITY shall reimburse the COUNTY for direct and indirect costs associated with management and operations of Jolon Road, Johnson Canyon Road, and Lewis Road Landfills, up to an amount of \$604,235. The COUNTY shall terminate or transfer all consulting, construction, and any other on-going contracts related to the management of the Jolon Road, Johnson Canyon Road, and Lewis Road Landfills to the AUTHORITY by July 1, 1997, under terms acceptable to the AUTHORITY.

4.2 OPERATIONS

The COUNTY maintains landfill operating agreements with its landfill operators. The COUNTY commits to negotiate in good faith with said operators to transfer these agreements to the AUTHORITY by no later than July 1, 1997 under terms acceptable to the AUTHORITY.

4.3 OWNERSHIP

The COUNTY agrees to transfer ownership of the Jolon Road, Johnson Canyon Road, and Lewis Road Landfills to the AUTHORITY under the terms defined in Exhibit A-E2 to the Joint Powers Agreement creating the Salinas Valley Solid Waste Authority.

SECTION 5. CONTRACTING PROCEDURES

Unless and until independent contracting procedures are established by the AUTHORITY, all contracting shall follow procedures used by the COUNTY. All other contracts shall be submitted to the Board of Directors for approval and execution. All contracts shall be approved as to form by Authority Counsel or use standard formats approved by Authority Counsel. Costs incurred under these contracts shall be paid by the AUTHORITY.

SECTION 6. MUTUAL INDEMNIFICATION

No party to this agreement nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another party to this agreement under or in connection with any work, authority, or jurisdiction delegated to said other party under this agreement. Each party to this agreement shall fully indemnify and hold each party to this agreement harmless from and against all claims, losses, and liabilities occurring by reason of anything done or omitted to be done by said indemnifying party under or in connection with any work, authority, or jurisdiction delegated to said party under this agreement.

SECTION 7. TERMINATION

This agreement shall be terminated on July 1, 1997 unless extended by mutual agreement of the parties.

SECTION 8. NOTICE

Any notice or other communication to be given to either party pursuant to this agreement shall be given by delivering same in writing to the parties at the addresses set forth below:

COUNTY: COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS
ATTN GERALD J. GROMKO, PhD, PE
DIRECTOR OF PUBLIC WORKS
312 EAST ALISAL ST
SALINAS CA 93901-4371

AUTHORITY: SALINAS VALLEY SOLID WASTE AUTHORITY
c/o COUNTY OF MONTEREY
OFFICE OF THE COUNTY COUNSEL
ATTN DOUGLAS C HOLLAND
AUTHORITY COUNSEL
240 CHURCH ST STE 214
SALINAS CA 93902

Such notice shall be deemed given when deposited into the United States mail, postage prepaid, addressed as above. Nothing shall preclude the giving of personal notice.

SECTION 9. LEGAL CHALLENGE-ENFORCEABILITY

COUNTY AND AUTHORITY by establishing the procedures and entering into this agreement, do not warrant this agreement or the resolution, ordinance, or basis for this agreement against legal challenge or warrant its enforceability.

SECTION 10. AMENDMENTS

Amendments or modifications to this agreement shall be in writing and executed by all parties.

SECTION 11. ENTIRE AGREEMENT

This agreement, and any attachments, hereto, constitute the entire agreement and understanding between the COUNTY and the AUTHORITY concerning the subject matter contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first above written.

ATTEST:

COUNTY OF MONTEREY

Pamela Oliver, Deputy
CLERK OF THE BOARD OF SUPERVISORS

Edith Johnson
CHAIR OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

COUNTY COUNSEL

ATTEST:

SALINAS VALLEY SOLID WASTE AUTHORITY

CLERK OF THE AUTHORITY

CHAIR OF THE BOARD OF DIRECTORS

APPROVED AS TO FORM:

COUNSEL OF THE AUTHORITY

AMENDMENT NO. 6 TO AGREEMENT NO. A3517

This Amendment to Agreement No. A3517 is made by and between the County of Monterey (*hereinafter referred to as COUNTY*) and Johnson Canyon Road Landfill, Inc. and Lewis Road Landfill, Inc. (*hereinafter collectively referred to as OPERATORS*) as successors to Rural Garbage and Dispos-All Service. Agreement No. A3517, a contract for the operation of the County-owned landfill sites at Johnson Canyon Road and Lewis Road was entered into in October 1982, and was amended in April 1985, June 1986, July 1991, October 1992, May 1993, and April 1994.

The *COUNTY* and *OPERATORS* now desire to amend their agreement as follows:

- A. Paragraph 7 of the July 1991 Amendment, including any subsequent amendments to that paragraph, is amended to read as follows:

"7. The duration of this Amendment shall be extended from December 1994 through April 15, 1997, or until terminated or further amended by *COUNTY* and *OPERATORS*."

- B. The payment of operating fees to the *COUNTY* for the period starting in December 1994 shall continue as established in Amendments 2A and 2B, dated July 1991.
- C. Refuse from the Jolon Road interim transfer station shall be accepted at the Johnson Canyon Road site at a rate of \$6 a ton, to be paid by the Jolon Road Landfill, Inc., or its successor operator.
- D. Except as provided herein, all remaining terms, conditions, and provisions of Agreement No. A3517 and its amendments are unchanged and unaffected by this Amendment and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto, by their duly-authorized representatives, have executed this Amendment Agreement No. 3517 on the date so indicated below.


COUNTY OF MONTEREY

By 

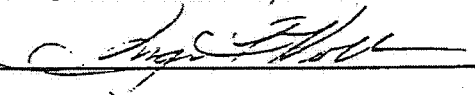
Chair, Monterey County Board of Supervisors

DATE 11/12/96

JOHNSON CANYON ROAD LANDFILL INC.

By DATE 11-12-96

LEWIS ROAD LANDFILL, INC.

By DATE 11-12-96

ATTEST:



Deputy Clerk

DATE 11/12/96

APPROVED AS TO FORM:



Deputy County Counsel

DATE 11/8/96

AMENDMENT NO. 5 TO AGREEMENT NO. A3517

THIS AMENDMENT TO AGREEMENT NO. A3517 is made effective as of July 1, 1993, by and between the County of Monterey (hereinafter "County") and Johnson Canyon Road Disposal Site, Inc. and Lewis Road Disposal Site, Inc. (hereinafter collectively referred to as "Operators") and is intended to extend the terms of the July 1991 amendment for the operation of the Lewis Road and Johnson Canyon Road disposal sites until December 31, 1994.

The County and Operators hereby agree as follows:

1. Agreement No. A3517, a contract for the operation of the county-owned landfill sites at Johnson Canyon Road and Lewis Road, as amended in June 1986, July 1991, October 1992, and May 1993, is hereby amended by revising paragraph 7 of the July 1991 amendment for operation of the respective landfills to read as follows:

"7. The duration of this amendment shall be until December 31, 1994 unless terminated, in writing, by the Parties at an earlier date."

2. Except as provided herein, all remaining terms, conditions, and provisions of Agreement No. A3517 and its amendments are unchanged and unaffected by this amendment and shall continue in full force and effect as set forth.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this agreement on the date so indicated.

County of Monterey

By *Barbara D. Smith*
Chairwoman, Board of Supervisors

Johnson Canyon Road Disposal Site, Inc.

By *R.M. Rossi*
President

ATTEST:

Lewis Road Disposal Site, Inc.

Arise Arii
Deputy Clerk

By *R.M. Rossi*
President

Date: *Apr. 19, 1994*

Date: *April 4, 1994*

Amendment #4 to Agreement A3517

AMENDMENT NO. 4 TO AGREEMENT NO. A3517

THIS AMENDMENT TO AGREEMENT NO. A3517 is made effective as of January 1, 1993, by and between the County of Monterey (hereinafter "County") and Johnson Canyon Road Disposal Site, Inc. and Lewis Road Disposal Site, Inc. (hereinafter collectively referred to as "Operators") and is intended to extend the terms of the July 1991 amendment for the operation of the Lewis Road and Johnson Canyon Road disposal sites until July 1, 1993.

The County and Operators hereby agree as follows:

1. Agreement No. A3517, a contract for the operation of the county-owned landfill sites at Johnson Canyon Road and Lewis Road, as amended in June 1986, July 1991, and October 1992, is hereby amended by revising paragraph 7 of the July 1991 amendment for operation of the respective landfills to read as follows:

"7. The duration of this amendment shall be until July 1, 1993 unless terminated, in writing, by the Parties at an earlier date."

2. Except as provided herein, all remaining terms, conditions, and provisions of Agreement No. A3517 and its amendments are unchanged and unaffected by this amendment and shall continue in full force and effect as set forth.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this agreement on the date so indicated.

County of Monterey

Johnson Canyon Road Disposal Site, Inc.

By Judy J. E. Rycook
Chair, Board of Supervisors

By Rm. Rossi
President

ATTEST:

Lewis Road Disposal Site, Inc.

Nancy Lubarsell
Deputy Clerk

By Rm. Rossi
President

Date: May 25, 1993

Date: Apr 27, 1993

Amendment #3 to Agreement #A 3517

AMENDMENT NO.3 TO AGREEMENT NO. A3517

THIS AMENDMENT TO AGREEMENT NO. A3517 is made effective as of July 11, 1992, by and between the County of Monterey (hereinafter "County") and Johnson Canyon Road Disposal Site, Inc. and Lewis Road Disposal Site, Inc. (hereinafter collectively referred to as "Operators") and is intended to extend the terms of the July 1991 amendments for the operation of the Lewis Road and Johnson Canyon Road disposal sites until January 1, 1993.

The County and Operators hereby agree as follows:

1. Agreement No. A3517, a contract for the operation of the county-owned landfill sites at Johnson Canyon Road and Lewis Road, as amended in June 1986 and July 1991 is hereby amended by revising paragraph 7 of the July 1991 amendment for operation of the respective landfills by revising Paragraph 7 to read as follows:

"7. The duration of this amendment shall be until January 1, 1993 unless terminated in writing by the Parties at an earlier date."

2. Except as provided herein, all remaining terms, conditions, and provisions of Agreement No. A3517 and its amendments are unchanged and unaffected by this amendment and shall continue in full force and effect as set forth.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this agreement on the date so indicated.

County of Monterey

Johnson Canyon Road
Disposal Site, Inc.

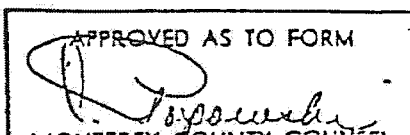
By *Chris Wood* By *R.M. Rowe*
Chair, Board of Supervisors President

ATTEST:

Lewis Road Disposal
Disposal Site, Inc.

Asse Arri By *R.M. Rowe*
Deputy Clerk President

Date: *10/27/92* Date: *10/27/92*



Amendment #24 to Agreement # A 3517

AGREEMENT NO. A-3517
AMENDMENT TO AGREEMENT

This amendment, made and entered into on _____ by and between the COUNTY OF MONTEREY (hereinafter referred to as "County"), and JOHNSON CANYON ROAD DISPOSAL SITE, INC. (hereinafter referred to as "Operator"), is as follows:

RECITALS

The County, through its Public Works Department, has acquired and developed a solid waste landfill disposal site known as the Johnson Canyon Road Disposal Site (hereinafter referred to as the "Site"). The County has heretofore contracted the operation of the site to Operator, or its predecessors, through an agreement entered into on October 5, 1982, and an amendment to that agreement entered into on June 17, 1986.

The parties wish to amend the agreements to provide for increased gate fees to meet the increased operating costs resulting from federal and state laws and regulations.

The parties wish to install computerized truck scales at the site in order to insure an accurate assessment of charges.

NOW THEREFORE, the parties to this amendment agree as follows:

1. All terms, conditions, and provisions of the agreement entered into October 5, 1982, except as modified by this amendment, and the amendment entered into June 17, 1986, are reaffirmed and continue in full force.

2. Operator agrees to purchase, install and maintain a computerized truck scale at the site no later than six months after execution of the agreement. The parties shall mutually agree on the size, kind, type, construction and suitability of the scales to be installed before said installation.

3. Operator agrees to maintain a dual yardage and weight intake reporting system after installation of the scale to be used to convert from a yardage based to a weight based system. All such records shall be submitted to the County on a monthly basis.

4. It is expected that costs for the operation of the site* in the amount of \$220,000 will be incurred, due to state and federal mandates for the following activities during the next year:

- a. Groundwater monitoring;
- b. closure fund payments;
- c. Board of Equalization fees;
- d. cell preparation.

5. Operators total responsibility for these costs* shall be payments of \$18,333 per month to the County beginning October 1, 1991. Payment shall be made to the Monterey County Department of Public Works. Interest in the amount of 1-1/2 percent per month shall be added to and payable on any amount overdue by 30 days or more.

6. In order to achieve these payments the parties agree that the gate fees at the site will be increased beginning September 1, 1991, pursuant to the schedule attached as Exhibit "A".

7. The duration of the amendment is for one year unless terminated in writing by the parties at an earlier date.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this agreement on the date first hereinabove written.

COUNTY OF MONTEREY

JOHNSON CANYON ROAD DISPOSAL
SITE, INC.

By Dan P. Kaur
Chair, Board of Supervisors

By R. M. Popowski
President

ATTEST:

Dan P. Kaur
Deputy Clerk

By John T. Chiea
Secretary

Date: 7/16/91

Date: 7/11/91

APPROVED:

Dan P. Kaur, Deputy
County Counsel

Date: July 9, 1991

*Executed without prejudice as to previous and current interpretation of operating costs, pursuant to letter of 7-3-91 to Deputy County Counsel Popowski.

Amendment #2 B to Agreement # A-3517

AGREEMENT NO. A-3517
AMENDMENT TO AGREEMENT

This amendment, made and entered into on 7/16/91, by and between the COUNTY OF MONTEREY (hereinafter referred to as "County"), and LEWIS ROAD DISPOSAL SITE, INC., a California corporation (hereinafter referred to as "Operator"), is as follows:

RECITALS

The County, through its Public Works Department, has acquired and developed a solid waste landfill disposal site known as the Lewis Road Disposal Site (hereinafter referred to as the "Site"). The County has heretofore contracted the operation of the site to Operator, or its predecessors, through an agreement entered into on October 5, 1982, and an amendment to that agreement entered into on June 17, 1986.

The parties wish to amend the agreements to provide for increased gate fees to meet the increased operating costs resulting from federal and state laws and regulations.

The parties wish to install computerized truck scales at the site in order to insure an accurate assessment of charges.

NOW THEREFORE, the parties to this amendment agree as follows:

1. All terms, conditions, and provisions of the agreement entered into October 5, 1982, except as modified by this amendment, and the amendment entered into June 17, 1986, are reaffirmed and continue in full force.
2. Operator agrees to purchase, install and maintain a computerized truck scale at the site no later than six months after execution of the agreement. The parties shall mutually agree on the size, kind, type, construction and suitability of the scales to be installed before said installation.
3. Operator agrees to maintain a dual yardage and weight intake reporting system after installation of the scale to be used to convert from a yardage based to a weight based system. All such records shall be submitted to the County on a monthly basis.
4. It is expected that costs for the operation of the site* in the amount of \$97,000 will be incurred, due to state and federal mandates for the following activities during the next year:

- a. Groundwater monitoring;
- b. closure fund payments;
- c. Board of Equalization fees.

5. Operators total responsibility for these costs* shall be payments of \$3,083.00 per month to the County beginning October 1, 1991. Payment shall be made to the Monterey County Department of Public Works. Interest in the amount of 1-1/2 percent per month shall be added to and payable on any amount overdue by 30 days or more.

6. In order to achieve these payments the parties agree that the gate fees at the site will be increased beginning September 1, 1991, pursuant to the schedule attached as Exhibit "A".

7. The duration of the amendment is for one year unless terminated in writing by the parties at an earlier date.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this agreement on the date first hereinabove written.

COUNTY OF MONTEREY

LEWIS ROAD DISPOSAL SITE, INC.

By Dan P. Kaur
Chair, Board of Supervisors

By R. M. Rossi
President

ATTEST:

Danella Olivas
Deputy Clerk

By John T. Chiers
Secretary

Date: 7/16/91

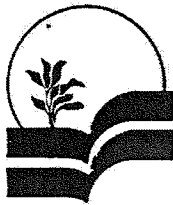
Date: 7/11/91

APPROVED:

David T. Popowski, Deputy
County Counsel

Date: July 9, 1991

*Executed without prejudice as to previous and current interpretation of operating costs, pursuant to letter of 7-3-91 to Deputy County Counsel Popowski.



City of Salinas

OFFICE OF THE CITY CLERK • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7381

December 19, 1996

Monterey County
Board of Supervisors
240 Church Street
Salinas, CA 93901

Attention: Clerk of the Board of Supervisors

SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

Please find attached the signature page of the Joint Powers Agreement creating the Salinas Valley Solid Waste Authority, and which was approved by the participating cities at a Summit meeting of December 2, 1996. Following execution by Monterey County, please return a signed copy to this office.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ann Camel".

Ann Camel
City Clerk

attachment

cc: City Manager



City of Salinas

OFFICE OF THE CITY CLERK • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7381

December 4, 1996

City of Gonzales
P. O. Box 647
Gonzales, CA 93926

Attention: City Clerk's Office

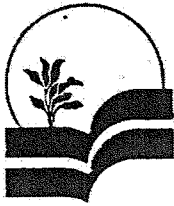
SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

Please find attached the an original signed signature page of the agreement which was approved by Salinas on December 2, 1996 for your records. Following execution of the agreement by the officials of your City, please forward one original signed signature page to this office.

Please call me at 758-7381 if you have any questions.

Sincerely,

Ann Camel
City Clerk



City of Salinas

OFFICE OF THE CITY CLERK • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7381

December 4, 1996

City of Greenfield
P. O. Box 127
Greenfield, CA 93927

Attention: City Clerk's Office

SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

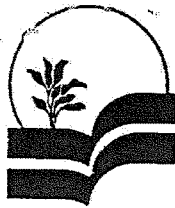
Please find attached the an original signed signature page of the agreement which was approved by Salinas on December 2, 1996 for your records. Following execution of the agreement by the officials of your City, please forward one original signed signature page to this office.

Please call me at 758-7381 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Ann Camel".

Ann Camel
City Clerk



City of Salinas

OFFICE OF THE CITY CLERK • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7381

December 4, 1996

City of King
212 S. Vanderhurst
King City, CA 93930

Attention: City Clerk's Office

SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

Please find attached the an original signed signature page of the agreement which was approved by Salinas on December 2, 1996 for your records. Following execution of the agreement by the officials of your City, please forward one original signed signature page to this office.

Please call me at 758-7381 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Ann Camel".

Ann Camel
City Clerk



City of Salinas

OFFICE OF THE CITY CLERK • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7381

December 4, 1996

City of Soledad
248 Main Street
Soledad, CA 93960

Attention: City Clerk's Office

SUBJECT: SALINAS VALLEY SOLID WASTE AUTHORITY

Please find attached the an original signed signature page of the agreement which was approved by Salinas on December 2, 1996 for your records. Following execution of the agreement by the officials of your City, please forward one original signed signature page to this office.

Please call me at 758-7381 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Ann Camel".

Ann Camel
City Clerk

\$39,845,000
SALINAS VALLEY SOLID WASTE AUTHORITY
REVENUE BONDS, SERIES 2002

CERTIFICATE OF THE COUNTY OF MONTEREY

The undersigned, Sally R. Reed, the County Administrative Officer of the County of Monterey (the "County"), hereby certifies that:

(i) the Joint Exercise of Powers Agreement, dated as of January 1, 1997 (the "JPA Agreement"), by and among the County and the Cities of Salinas, Gonzales, Greenfield, King City and Soledad (a true and correct copy of which is attached hereto as Exhibit A) and the Waste Delivery Agreement (the "Waste Delivery Agreement"), by and between the Salinas Valley Solid Waste Authority (the "Authority") and the County (a true and correct copy of which is attached hereto as Exhibit B) have been validly authorized, executed and delivered by the County and (assuming due authorization, execution and delivery by the other parties thereto) constitute the legal, valid and binding agreements of the County, enforceable against the County in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought; and

(ii) that the resolution attached hereto as Exhibit C is a full, true and correct copy of the Resolution approving the JPA Agreement and authorizing the County Administrative Officer, with the concurrence of the County Counsel, to perform such actions as required pursuant to the Joint Powers Agreement to ensure implementation of the Joint Powers Agreement, adopted at a meeting of the County's Board of Supervisors, of which meeting all of the members of the County's Board of Supervisors had due notice and at which a quorum was present and acting throughout; that said Resolution has not been amended, modified or rescinded since the date of adoption and is now in full force and effect; and that attached hereto is a complete and correct copy of the minutes of the meeting of the County's Board of Supervisors duly called and held and at which said Resolution was adopted.

Dated: May 29, 2002

COUNTY OF MONTEREY

By: _____

Sally R. Reed
 County Administrative Officer

APPROVED AS TO FORM:
 Monterey County Counsel

Leroy W Blankenship

LEROY W BLANKENSHIP
 Assistant County Counsel

ATTACHMENT B

WASTE DELIVERY AGREEMENT

by and between

MONTEREY COUNTY

and

SALINAS VALLEY SOLID WASTE AUTHORITY

WASTE DELIVERY AGREEMENT

THIS WASTE DELIVERY AGREEMENT (this "Agreement") is made and entered into as of the ___ of September, 1997 by and between Monterey County ("County"), a political subdivision of the State of California, and the Salinas Valley Solid Waste Authority ("Authority"), a joint exercise of powers entity.

RECITALS:

The Authority owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the Authority boundaries (the "Disposal System"). The Disposal System includes four landfills and one transfer station.

In December 1996, Monterey County and the cities of Gonzales, Greenfield, King, Salinas and Soledad ("Member Agencies") formed the Authority for the express purpose of managing the Disposal System and ensuring long-term disposal capacity for its Member Agencies.

In the Joint Powers Agreement which created the Authority, the Member Agencies transferred to the Authority the right to exercise flow control of solid waste within the Disposal System.

In order to meet its obligations under the Joint Powers Agreement and in reliance on this agreement, the Authority intends to issue certain long-term revenue bonds.

The County and the Authority hereby agree to enter into this Agreement for the purpose of ensuring that all solid waste controlled by the County may be directed by the Authority to the Disposal System.

NOW, THEREFORE, taking into account the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I **Definitions**

1.1 Definitions. Except as otherwise herein expressly provided, the following terms and phrases shall have the meanings set forth below:

"Acceptable Waste" shall mean all garbage, refuse, rubbish and other materials and substances discarded or rejected as being spent, useless, worthless or in excess to the owners at the time of such discard or rejection and which are normally disposed of by or collected from

residential (singly family and multi-family), commercial, industrial, governmental and institutional establishments which are acceptable at Class III landfills under Applicable Law, and within the jurisdictional limits of the Authority.

"Act" shall mean the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

"Agreement" shall mean the Waste Delivery Agreement, as originally executed and as amended, modified, supplemented or restated from time to time, as the context requires.

"Applicable Law" shall mean the Act; the Monterey County Code; the Authority Code; and Legal Entitlement and any federal or state rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System, the transfer, handling, transportation and disposal of Acceptable Waste or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, mitigation monitoring plans and building codes).

"County Acceptable Waste" shall mean all Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the unincorporated areas of the County, and Residue from the foregoing wherever produced, whether within or outside the unincorporated areas of the County.

"Controllable Waste" shall mean all Acceptable Waste with respect to which the County has the legal or contractual ability to determine the disposal location therefor and which is:

- (1) Non-Recycled County Acceptable Waste;
- (2) not generated from the operations of the Governmental Bodies which, under Applicable Law, have the independent power to arrange for the disposal of the waste they generate; and
- (3) collected and hauled by Franchise or Permitted Haulers.

"Disposal Fees" shall mean the tipping fees or charges imposed by the Authority for acceptance of Acceptable Waste in the Disposal System.

"Disposal System" shall mean the Salinas Valley Solid Waste Authority Waste Disposal System which includes, as of the date of this agreement, solid waste disposal operations at four landfills (Crazy Horse Landfill, Johnson Canyon Landfill, Jolon Road Landfill, and Lewis Road Landfill) and one transfer station (Jolon Road Transfer Station). The Salinas Valley Solid Waste Authority Waste Disposal System shall include such other facilities as the Authority may own, operate or maintain during the term of this Agreement.

"Effective Date" shall mean the date when this Agreement is signed by both parties.

"Franchise or Permitted Hauler" means any hauler or collector who provides Acceptable Waste collection services within the County pursuant to, or under authority granted by a contract, franchise, permit or other agreement within the County. The term Franchise or Permitted Hauler includes the County itself if Acceptable Waste collection and transportation services are provided directly by County crews.

"Governmental Body" shall mean any federal, state, county, city or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any officer thereof acting within the scope of his or her authority.

"Legal Entitlement" shall mean all permits, licenses, approvals, authorizations, consents and entitlements of whatever kind and however described which are required under Applicable Law to be obtained or maintained by any person with respect to the Disposal System or the performance of any obligation under this Agreement.

"Legal Proceeding" shall mean every action, suit, litigation, arbitration, administrative proceeding, and other legal or equitable proceeding having a bearing upon this Agreement.

"Non-Recycled County Acceptable Waste" shall mean all County Acceptable Waste other than Recycled County Acceptable Waste.

"Recycled County Acceptable Waste" shall mean any otherwise Controllable Waste which is separated from Acceptable Waste by the generator thereof or by processing and which is "recycled" within the meaning of Section 40180 of the Public Resources Code.

"Term" shall mean the Term of this Agreement.

1.2 References. All references in this Agreement to particular sections or actions shall, unless expressly otherwise provided, or unless the context otherwise requires, be deemed to refer to the specific sections or articles in this Agreement, and any references to "Exhibit" or "Schedule" shall, unless otherwise specified, refer to one of the exhibits or schedules attached hereto, each of which is hereby incorporated by reference and made a part hereof. The words "herein", "hereof", "hereunder", "hereinafter", "hereinabove" and other words of similar import refer to this Agreement as a whole and not to any particular section, subsection or article hereof. Whenever the words "including", "include" or "includes" are used in this Agreement, they should be interpreted in a non-exclusive manner as though the words "without limitation" immediately followed the same.

1.3 Gender and Number. Words of any gender shall include the other gender and the neutral. Whenever the singular is used, the same include the plural wherever appropriate, and whenever the plural is used, the same shall also include the singular.

ARTICLE II
Delivery and Acceptance of Waste

2.1 Delivery of Waste.

(a) **Waste Disposal Covenant.** Commencing on the Effective Date and throughout the term of this Agreement, the County shall, in accordance with Applicable Law, exercise all legal and contractual power and authority which it may possess from time to time to deliver or cause the delivery of all Controllable Waste to the Disposal System in accordance herewith.

(b) **Recycled County Acceptable Waste.** The parties hereto acknowledge the responsibility of the County to meet the recycling and landfill diversion goals contained in the Act. Nothing in this Agreement is intended or shall be interpreted to prohibit or impair the ability of the County to meet such responsibilities, or to restrict the right of the residents, businesses or organizations in the County to practice source separation, recycling, composting or other materials recovery activities, or to restrict the right of the County to conduct, sponsor, encourage or require such activities in any form. No reduction in the amount of Controllable Waste generated in the County and delivered to the Disposal System by or on behalf of the County which may result from any such source separation diversion or recycling program shall cause the County any liability hereunder and shall not constitute a breach of this Agreement.

(c) **Power to Obligate Waste Disposal and Comply with this Agreement.** On or before the Effective Date, (i) any County franchise, contract, lease, permit or other agreement which is lawfully in effect relating to or affecting Controllable Waste shall provide, or shall have been amended to provide, that the County shall have the right without material restriction on and after the Effective Date to direct the delivery of all Controllable Waste to a disposal location selected by the County and otherwise to comply with its obligations under this Agreement with respect to Controllable Waste and Franchise or Permitted Haulers, and (ii) the County shall designate the Disposal System as the disposal location pursuant to such franchise, contract, lease, permit or other agreement. On and after the Effective Date and throughout the Term of this Agreement the County (a) shall not enter into any franchise, contract, lease, agreement or obligation, issue any permit, license or approval which is materially inconsistent with the requirements of the Waste Disposal Covenant, and (b) shall maintain non-exclusive or exclusive franchises or other contractual arrangements over any County Acceptable Waste which, as of the Effective Date, is subject to non-exclusive or exclusive franchise or contractual arrangements. The County agrees that the Authority shall be a third party beneficiary of the obligation of Franchise or Permitted Haulers to deliver Controllable Waste to the Disposal System, and may directly enforce such obligation through any legal means available. The County shall notify in writing each Franchise or Permitted Hauler of the Authority's third party beneficiary rights.

(d) **Waste Flow Enforcement.** The County, in cooperation with the Authority, shall establish, implement, carry out and enforce a waste flow enforcement program which is sufficient to assure the delivery of all Controllable Waste to the Disposal System pursuant to and

in accordance with the Waste Disposal Covenant for disposal at the times and in the manner provided herein. The waste flow enforcement program shall consist of amending County franchises or permits with Franchise or Permitted Haulers, to the extent required by this Section, and shall include in addition, to the extent necessary and appropriate in the circumstances to assure compliance with the Waste Disposal Covenant, but shall not be limited to: (1) licensing or permitting Franchise or Permitted Haulers, upon the condition of compliance with the Waste Disposal Covenant, and (2) providing for and taking appropriate enforcement action under any such franchise, license or permit, such as but not limited to the suspension, revocation and termination of collection rights and privileges, the imposition of fines or collection of damages, and the exercise of injunctive relief against non-complying Franchise or Permitted Haulers.

(e) Legal Challenges to Franchise System. The County shall use its best efforts to preserve, protect and defend its rights to exercise and comply with the Waste Disposal Covenant against any challenge thereto, legal or otherwise (including any lawsuits against the County or the Authority, whether as plaintiff or defendant), by a Franchise or Permitted Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. At the option of the Authority or at the request of the County, the County may assign its rights and obligations pursuant to this paragraph to the Authority and the Authority shall accept such assignment and the Authority shall defend the County at the Authority's cost and expense and/or indemnify the County for the payment of any costs incurred by the County in defense of any such challenge.

(f) Franchise or Permitted Haulers. The County shall immediately notify the Authority of any changes in the franchise, license or permit with its Franchise or Permitted Haulers which would affect the hauler, the area of collection and transportation, or franchise and permit terms.

(g) Waste Information System. The County shall cooperate with the Authority in collection information and otherwise monitoring Franchise or Permitted Haulers in order to assure compliance with this Agreement. Such information may include, to the extent practicable, data pertaining to Controllable Waste collected, transported, stored, processed and disposed of; Recycled County Acceptable Waste collected, transported, stored, processed and marketed or disposed of; Franchise or Permitted Haulers' franchise, permit or license terms, collection areas, transportation routes and compliance with Applicable Law; and all other information which may reasonably be required by the Authority in connection with this Agreement.

(h) Annexations and Restructuring. It is the intention of the parties that this Agreement and the obligations and rights of the County hereunder, including particularly the Waste Disposal Covenant shall, to the extent permitted by Applicable Law, extend to any territory annexed by the County and shall bind any successor or restructured Governmental Body which shall assume or succeed to the rights of the County under Applicable Law.

2.2 Provision of Disposal Services.

(a) Service Covenant. Commencing on the Effective Date and throughout the term of this Agreement, the Authority shall provide or cause the provision of the service of receiving and disposing of all Controllable Waste at the Disposal System (or other such facilities, including transfer stations, at the Authority may determine to use). The Authority shall do and perform all acts and things which may be necessary or desirable in connection with its covenants in this subsection, including without limitation all planning, development, administration, implementation, construction, operation, maintenance, management, financing and contract work related thereto and undertaken in connection herewith. The Authority shall exercise all reasonable efforts to minimize the costs incurred in complying with the Service Covenant consistent with its responsibilities hereunder and under this Agreement, Applicable Law and prudent solid waste management practice and environmental considerations.

2.3 Charging and Securing Payment of Disposal Fees. The County acknowledges that the Authority shall have the right to charge and collect Disposal Fees for the acceptance and disposal of Controllable Waste delivered to the System. The Disposal Fees shall be calculated and established, and may be modified from time to time at the discretion of the Authority. The Authority shall provide the County thirty (30) days written notice of any proposed Disposal Fee modifications. In addition, the County acknowledges that the Authority shall have the right to establish as part of the operating rules and regulations reasonable measures to secure the payment of all Disposal Fees.

ARTICLE III **Term**

3.1 Effective Date and Term. This Agreement shall be effective when signed by each party and shall continue for so long as may be necessary to carry out the purpose of this Agreement or until terminated by mutual consent of the governing bodies of the parties, whichever is earlier; provided, however, that:

(a) The County may not withdraw from this Agreement so long as it remains a member of the Authority.

(b) Should the County cease to be a member of the Authority, the County may withdraw from this Agreement by a majority vote of the governing body thereof giving to the Authority one year's written notice of such intention to withdraw, so long as all revenue bonds or other forms of indebtedness issues pursuant hereto, and the interest thereon, shall have been paid or adequate provision for such payment shall have been made in accordance with the resolution (or indenture) adopted by the Authority governing board pursuant to the law authorizing the issuance thereof or the approval of the debt.

ARTICLE IV **General Provisions**

4.1 Further Instruments. Each party will, whenever and as often as it shall be reasonably requested so to do by the other, cause to be executed, acknowledged or delivered, any and all such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and, purpose of this Agreement.

4.2 Limitation of Liability. No advisor, trustee, director, supervisor, officer, employee, accountant, attorney, beneficiary, shareholder, partner, participant or agent of or in Authority or County shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter. The limitations of liability provided in this Section are in addition to, and not in limitation of, any limitation on liability applicable to County or Authority, as applicable, provided by law or by any other contract, agreement or instrument.

4.3 Entire Agreement; Amendments; Captions. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior or contemporaneous agreements or understandings, verbal or written, between the parties hereto respecting such matters. This Agreement may be amended by written agreement of amendment executed by both parties hereto, but not otherwise. Section headings shall not be used in construing this Agreement.

4.4 Time of the Essence; Non-Business Days. Subject to the next full sentence, time is of the essence of this Agreement. Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day, then such period or date shall be extended until the immediately following business day. As used herein, "business day" means any day other than Saturday, Sunday or a holiday when the offices of County are closed for business.

4.5 Governing Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California, without regard to the rules governing choice of law.

4.6 Successors and Assigns. Neither Authority nor County may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party (in which event such transferee shall assume in writing all of the transferor's obligations hereunder, but such transferor shall not be released from its obligations hereunder). No consent given by either party hereto to any transfer or assignment of the other party's rights or obligations hereunder shall be construed as a consent to any other transfer or assignment of such other party's rights or obligations hereunder. No transfer or assignment in violation of the provisions hereof shall be valid or enforceable. Subject to the foregoing, this Agreement and

the terms and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties.

4.7 Notices. Any notice which a party is required or may desire to give the other shall be in writing and shall be sent by personal delivery or by either (i) United States registered or certified mail, return receipt requested, postage prepaid, or (ii) Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery, addressed as follows:

To County:
 Monterey County
 240 Church Street
 Salinas, California 93901
 Attention: Chief Administrative Officer

To Authority:
 Salinas Valley Solid Waste Authority
 c/o City of Salinas
 200 Lincoln Avenue
 Salinas, California 93901
 Attention: Chief Administrative Officer

Any notice so given by mail shall be deemed to have been given as of the date of delivery established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be, whether accepted or refused. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given. Any party hereto may designate a different address for itself by notice to the other party in accordance with this Section 4.7. In the event a party is not a natural person, delivery to an officer, director or partner of such party shall be deemed delivery to such party.

4.8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

4.9 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstances, shall be held invalid by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid by such court, shall not be affected thereby.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first above written.

ATTEST:

N/A
CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

[Signature]
COUNTY COUNSEL

MONTEREY COUNTY

[Signature]
~~PRESIDENT OF THE BOARD OF SUPERVISORS~~
COUNTY ADMINISTRATIVE OFFICER

ATTEST:

[Signature]
CLERK OF THE AUTHORITY

APPROVED AS TO FORM:

[Signature]
AUTHORITY COUNSEL

SALINAS VALLEY SOLID WASTE AUTHORITY

[Signature]
PRESIDENT OF THE BOARD OF DIRECTORS

ATTACHMENT C
Before the Board of Supervisors in and of the
County of Monterey, State of California

SOLUTION NO. 96-490)
SOLUTION OF THE MONTEREY COUNTY BOARD OF SUPERVISORS)
IMPLEMENTING VARIOUS ACTIONS RELATED TO THE APPROVAL)
OF THE JOINT POWERS AGREEMENT BETWEEN THE COUNTY AND)
THE CITIES OF SALINAS, GREENFIELD, GONZALES, KING, AND)
SOLEDAD, ESTABLISHING THE SALINAS VALLEY SOLID WASTE)
AUTHORITY)

The Board of Supervisors of Monterey County, California finds:

1. In order to protect the health and safety of the public, the County of Monterey has owned and operated solid waste landfill facilities in the unincorporated areas of the County. These landfill facilities have served the residents of the unincorporated areas of the County and the residents of the Cities of Greenfield, Gonzales, Soledad, and King.
2. The Board of Supervisors of the County and the City Councils of the Cities of Salinas, Greenfield, Gonzales, Soledad, and King have found that it would be the mutual advantage and benefit to work together and share the costs to plan and implement source reduction, recycling, composting, public education, household hazardous waste management; implement other solid waste management programs and landfill services; and own and operate landfill facilities in the county.
3. The public entities described in Recital 2 have authorized the preparation of a Joint Powers Agreement that establishes the Salinas Valley Solid Waste Authority. Pursuant to the Joint Powers Agreement, the newly-established Authority will own and operate landfill facilities in Monterey County for the benefit of the residents residing within the jurisdictional boundaries of the Authority.
4. The Board is prepared to take appropriate action necessary to approve the Joint Powers Authority and perform those actions necessary to satisfy the requirements of the Joint Powers Agreement, including the transfer of County-owned landfill facilities to the Authority.

Now, therefore, be it resolved that:

1. The Board of Supervisors of Monterey County, California find that the approval of the Joint Powers Agreement, the conveyance of the landfill facilities, and the performance of those obligations identified in the Joint Powers Agreement of which are undertaken in furtherance of the Joint Powers Agreement will not have a significant effect on the environment and qualify as statutory or categorical exemptions under the provisions of the California Environmental Quality Act.
2. The Board of Supervisors approves the Joint Powers Agreement between the Cities of Salinas, Gonzales, Greenfield, King, and Soledad and the County of Monterey creating the Salinas Valley Solid Waste Authority in

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substantially the form and contents, presented to the Board on December 3, 1996. The County Administrative Officer and the County Counsel are authorized to approve technical revisions to the Agreement consistent with the Agreement as presented to the Board. (Agreement No. A-07261)

The Board of Supervisors approves the Interagency Agreement between the County of Monterey and the Salinas Valley Solid Waste Authority. (Agreement No. A-07262)

4. The Board of Supervisors approves Amendment No. 5 to Agreement No. A3499 raising tipping fees at the Jolon Road Solid Waste Facility to \$39.00 per ton, effective January 1, 1997.
5. The Board of Supervisors approves Amendment No. 7 to Agreement No. A3517 raising tipping fees at the Lewis Road and Johnson Canyon Road Solid Waste Facilities to \$39.00 per ton, effective January 1, 1997.
6. Hold a public hearing and adopt Ordinance No. ____ requiring mandatory solid waste collection services in areas the Board would specify by resolution. (Ordinance No. 03899)
7. Adopts Resolution No. ⁹⁶⁻⁴⁹¹ 7 establishing residential mandatory collection areas for certain areas in the County.
8. Adopts Interim Ordinance limiting development in portions of the unincorporated County due to the proximity to landfill facilities. (Ordinance No. 03900)
9. Initiates an ordinance establishing land use restriction on development within 2,500 feet of landfills in Monterey County, and refers it to the Planning Commission for a report back to the Board.
10. Authorizes the Chair to execute items Nos. 2 and 3 and authorizes the County Administrative Officer, with the concurrence of the County Counsel, to perform such actions as required pursuant to the Joint Powers Agreement to ensure implementation of the Joint Powers Agreement.

PASSED AND ADOPTED on this 3rd day of December 1996, upon motion of Supervisor Pennycook, seconded by Supervisor Perkins, by the following vote, to-wit:

AYES: Supervisors Salinas, Pennycook, Perkins, Johnsen, Karas

NOES: None

ABSENT: None

I, ERNEST K. MORISHITA, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof at page --- of Minute Book 69, on December 3, 1996.

Dated: December 3, 1996

ATTEST:

ERNEST K. MORISHITA, Clerk of the Board
of Supervisors, County of Monterey,
State of California.

By Pamela Olivas
Deputy

MONTEREY COUNTY



BOARD OF SUPERVISORS

Simon Salinas
Judy Pennycook
Tom Perkins
Edith Johnsen
Sam Karas
Ernest K. Morishita
County Administrative Officer

1st District (Vice Chair)
2nd District
3rd District
4th District (Chair)
5th District

Douglas C. Holland
County Counsel

Nancy Lukenbill
Clerk to the Board
P.O. Box 1728
Salinas, CA 93902

ACTION MINUTES

MONTEREY COUNTY BOARD OF SUPERVISORS AND THE MONTEREY COUNTY REDEVELOPMENT AGENCY

Regular Meeting, Tuesday, December 3, 1996 at 9:30 a.m.
Lunch Break from 11:45 a.m. to 1:45 p.m.

9:30 a.m.

- 2050.000 S-1 Resolution No. 96-464: adopted and presented Resolution commending Elias deLeon, Jr., Sheriff's Sergeant, upon his retirement from the Monterey County Sheriff's Department. (Johnsen)
BOARD ACTION: Upon motion of Supervisor Pennycook, seconded by Supervisor Perkins, and unanimously carried.

9:45 a.m.

- S-2 CONSENT CALENDAR - REGULAR [See Supplementary sheet attached]

APPOINTMENTS:

Upon motion of Supervisor Perkins, seconded by Supervisor Salinas, and unanimously carried, the Board approved the following appointments:

- 0401.650 1. Appointed Judy Morrell, R.N. representing the Hospital Council, replacing Rosemary Bucher, for a term expiring July 1, 1998; and appointed Elizabeth Williams representing the Monterey County Mayors' Select Committee as the alternate representative, replacing Jim Collins, for a term expiring July 1, 1998; on the Emergency Medical Care Committee. (Full Board)

PLANNING & BUILDING INSPECTION:

- 3150.000 2. Considered setting a meeting on Tuesday, December 17, 1996, at 10:00 a.m. or on Tuesday, January 14, 1997 at 2:30 p.m. to hold a public hearing to approve a Combined Development Permit for Canada Woods North (PC965120), including a Vesting Tentative Subdivision Map to allow creation of 34 residential parcels, 8 recreation and Open Space parcels, 2 employee housing parcels, Use Permit to allow a golf course and accessory uses, equestrian center, development on slopes in excess of 30%, tree removal on a vacant 1060 acre parcel on property located south of Highway 68 between Olmstead and York Road, Monterra Ranch, Jacks Peak/Highway 68 area.
BOARD ACTION: Upon motion of Supervisor Karas, seconded by Supervisor Salinas, and carried with Supervisor Pennycook voting "No," the Board called a special meeting on Tuesday, December 17, 1996, and set a public hearing at 2:30 p.m. on the Combined Development Permit for Canada Woods North subdivision.

OTHER BOARD MATTERS:

- 0602.350 3. Resolution Nos. 96-478 through 96-481: adopted Resolutions commending the following upon their retirement from the Monterey County Public Works Department:
- a. 90-478: Fred Nielsen for 38 years of service;
 - b. 90-479: Fred Madison for 34 years of service;
 - c. 90-480: Patricia Nielsen for 22 years of service; &
 - d. 90-481: John Hurd for 34 years of service.

BOARD ACTION: Upon motion of Supervisor Karas, seconded

ITEM 9 ATTACHMENTS

ACTION MINUTES -- PAGE TWO
Other Board Matters, Continued:

TUESDAY, DECEMBER 3, 1996

- 2050.000 4. Resolution No. 96-483: adopted Resolution commending Robert Slimmon, Jr., upon his retirement from Monterey County as Director of Planning and Building Inspection. (Johnsen)
BOARD ACTION: Upon motion of Supervisor Karas, seconded by Supervisor Perkins, and unanimously carried.

SCHEDULED MATTERS

9:50 a.m.

- 2050.000 S-3 PUBLIC COMMENT PERIOD: Joseph Steinfeld addresses the Board concerning Monterey County voting procedures in outlying County areas. The Board referred to the matter to the County Administrative Officer for evaluation and report back to the Board.

10:00 a.m.

- 4000.000 S-4 Quarterly Activity Report of the Planning and Building Inspection Department.
BOARD ACTION: Upon motion of Supervisor Pennycook, seconded by Supervisor Perkins, and unanimously carried, the Board accepts the Quarterly Report, and adds the following language to Attachment "G," as follows:

"Directs staff to report back to the Board on how the TDC concepts can be expanded to include dedications for major transportation facilities." In addition, the motion includes direction to staff to report back on the Chart found in Attachment B-3 for further clarification, and further analysis possibly within sub-areas of regions.

10:45 a.m.

- 1225.000 S-5 1) Accepted the recommended location for a proposed veteran's cemetery at former Fort Ord, as concurred in by the City of Seaside; 2) Requested that the Fort Ord Reuse Authority (FORA) consider the potential environmental impacts, including mitigation potential, of such a cemetery in its Final Environmental Impact Report (FEIR); 3) Requested that FORA revise its Fort Ord Reuse Plan to include a veteran's cemetery at the recommended location; and 4) directed staff to work with the City of Seaside and State and Federal Legislators to obtain approval and funding. Staff Recommendation: Approval.
BOARD ACTION: Upon motion of Supervisor Karas, seconded by Supervisor Perkins, and unanimously carried.

11:00 a.m.

- 0850.000 S-6 Accepted oral report and update on Monterey County's economy by Steve Nukes.
BOARD ACTION: Report accepted.

11:30 a.m.

- 4200.500 S-7 Approved acquisition of scenic conservation easement for property in the critical viewshed of Big Sur - El Sur Ranch (Proposition 70).
BOARD ACTION: Upon motion of Supervisor Karas, seconded by Supervisor Pennycook, and unanimously carried.

1:45 p.m.

- S-8 Closed Session relating to the following items:
- 0950.000 a. Conference with Labor Negotiators regarding labor relations negotiation with unrepresented employees within X, Y & Z Units.
BOARD ACTION: No action taken.
- 0950.000 b. Conference with Labor Negotiators regarding labor relations negotiation with the Prosecutors Association.

ACTION MINUTES -- PAGE THREE
Scheduled Matters, Continued:

TUESDAY, DECEMBER 3, 1996

S-8, continued:

0300.000 c. Conference with Legal Counsel - Claims
 Name of Claimant: Reddy, Dorsani

BOARD ACTION: No action taken.

2:30 P.M.

5800.000 S-9 Adopted the Mitigated Negative Declarations and Mitigation Monitoring Programs relative to the Countywide Integrated Waste Management Summary Plan and Siting Element of the Monterey County Integrated Waste Management Plan, and adopted the Final Countywide Integrated Waste Management Summary Plan and Siting Element of the Monterey County Integrated Waste Management Plan.

BOARD ACTION: Upon motion of Supervisor Perkins, seconded by Supervisor Salinas, and unanimously carried by those members present, with Supervisor Karas absent.

2:45 P.M.

5100.000 S-10 Amended the Implementation Plan for the Boronda Redevelopment Project Area to delete the El Rancho Way Cul-De-Sac Project Concept.

BOARD ACTION: Upon motion of Supervisor Salinas, seconded by Supervisor Pennycook, and unanimously carried.

3:05 P.M.

0125.000 S-11 Resolution No. 96-490: took various actions related to
 2800.000 the approval of the Joint Powers Agreement between the County and the Cities of Salinas, Greenfield, Gonzales, King, and Soledad establishing the Salinas Valley Solid Waste Authority. The requisite actions are as follows:

1. Certified that the approval of the JPA is exempt under CEQA.
- No. A-07261 2. Approved the Joint Powers Agreement.
- No. A-07262 3. Approved the Interagency Agreement between the County and the Authority.
- No. A-03499 4. Approved amendments to the agreements related to the operation of the Jolon Road, Lewis Road, and Johnson Canyon Road Solid Waste Facilities to provide a \$39.00 per ton tipping rate effective on January 1, 1997.
- No. A-03517
- Ord. No. 03899 5. Held a public hearing and adopt an Ordinance providing for mandatory collection of solid waste in specified areas.
- Res No. 96-491 6. Adopted a Resolution establishing mandatory residential collection areas for specified areas in the County.
- Ord. No. 03900 7. Adopted an interim ordinance limiting development in portions of the unincorporated County in the vicinity of landfills.
8. Initiated an Ordinance establishing land use restrictions on development within 2,500 feet of landfills in Monterey County, and referred it to the Planning Commission for a report back to the Board.

BOARD ACTION: Upon motion of Supervisor Pennycook, seconded by Supervisor Perkins, and unanimously carried.

ORDER FOR ADJOURNMENT TO TUESDAY, DECEMBER 10, 1996 AT 9:00 A.M. FOR A RECEPTION TO HONOR "VETERANS OF THE YEAR," TO BE HELD IN THE EAST WING CONFERENCE ROOM, SECOND FLOOR, COURTHOUSE, 240 CHURCH STREET, SALINAS, CALIFORNIA.

ACTION MINUTES -- PAGE FOUR

TUESDAY, DECEMBER 3, 1996

APPROVED:

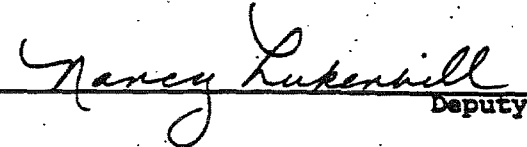


Chair

ATTEST:

ERNEST K. MORISHITA,
Clerk of the Board

By:


Deputy

ACTION MINUTES -- PAGE FIVE
(Supplementary Sheet)

TUESDAY, DECEMBER 3, 1996

CONSENT CALENDAR

Upon motion of Supervisor Perkins, seconded by Supervisor Salinas, and unanimously carried, the Board approved the following actions:

HEALTH & SOCIAL SERVICES:

- 0125.000 5. Agreement No. A-07260: approved and authorized the Director of Health to sign a grant agreement with the State Department of Health Services to receive Small Water System Program financial assistance for FY 1996-97; authorized the Auditor-Controller to increase revenue and appropriations in the Environmental Health Budget Unit 414 in the amount of \$71,941.
- 0601.100 6. Resolution No. 96-484: authorized the Auditor-Controller to increase estimated revenue and appropriations by \$37,658 in Budget Unit 411, Health.

CRIMINAL JUSTICE:

- 1100.000 7. Resolution No. 96-485: amended the County Master Fee Resolution by adding to Article 7, Sheriff/Coroner/Public Administrator fees; approve and authorize adjustment of specified Sheriff fees.
- 0602.500 BOARD ACTION: Upon motion of Supervisor Karas, seconded by Supervisor Perkins, and unanimously carried.

GENERAL GOVERNMENT:

- 6300.000 8. Approved Action Minutes of Tuesday, November 12, 1996, copies having been distributed to each Board member.

PUBLIC WORKS:

- 0525.000 9. Resolution No. 96-486: accepted completion of Contract No. 97001-HM, authorizing execution of Notice of Completion for the Artichoke Road Reconstruction Project, Castroville Area.

RESOLUTION NO. 2010 - 31**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
APPROVING THE PLEDGE OF REVENUE AGREEMENT ESTABLISHING FINANCIAL
ASSURANCE FOR CORRECTIVE ACTION FOR THE JOHNSON CANYON LANDFILL**

WHEREAS, Public Resources Code sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct corrective action activities; and

WHEREAS, sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for financing corrective action costs of a solid waste landfill.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY that:**

1. The General Manager/Chief Administrative Officer is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to execute the Pledge of Revenue Agreement hereto attached and marked "Exhibit A" for an estimated amount up to \$385,106 for corrective action capital improvements and up to \$5,546 per year for operation and maintenance of the corrective action program.
2. The Salinas Valley Solid Waste Authority (Authority) operates the Johnson Canyon Sanitary Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 27-AA-0005 issued by, Monterey County LEA serving as Local Enforcement Agency for the California Department of Resources Recycling & Recovery (CalRecycle).
3. The Authority shall establish a Pledge of Revenue to demonstrate financial responsibility for corrective action of the Johnson Canyon Landfill in accordance with sections 22228 and 22245 of the Regulations.
4. Disbursement of funds for corrective action shall be in accordance with the final plan, as approved by CalRecycle.
5. In the event the CalRecycle determines that the Authority has failed, or is failing, to perform corrective action as required by law, CalRecycle may direct the General Manager/Chief Administrative Officer to pay to the Chief Engineer from the pledged revenues sufficient fund to ensure corrective action, who then shall be obligated to use such funds for corrective action in accordance with the directives of CalRecycle
6. The General Manager/Chief Administrative Officer is directed to produce an annual report for transmittal to CalRecycle, containing, as appropriate, a revised known or reasonable foreseeable release corrective action cost estimate, prepared as specified by section 20380 of the Regulations concerning the Johnson Canyon Sanitary Landfill.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority this 8th day of July 2010 by the following vote:

AYES: BOARD MEMBERS: ARMENTA, BARNES, CALCAGNO, CULLEN,
DE LA ROSA, DONOHUE, MORENO, ORTIZ,
SILVA (Alt.)

NOES: BOARD MEMBERS: NONE

ABSENT: BOARD MEMBERS: GOURLEY

ABSTAIN: BOARD MEMBERS: NONE



Gloria De La Rosa, President

ATTEST:


Elia Zavala, Clerk of the Board

EXHIBIT A

**PLEDGE OF REVENUE AGREEMENT
ESTABLISHING FINANCIAL ASSURANCE FOR CORRECTIVE ACTION FOR THE
JOHNSON CANYON LANDFILL**

This agreement establishes a Pledge of Revenue to assure that adequate funds are available to carry out the Corrective Action for the Johnson Canyon Sanitary Landfill, 27-AA-0005.

This Agreement shall become effective immediately and is made and entered into by and between the Salinas Valley Solid Waste Authority (Authority) and the Department of Resources Recycling & Recovery (CalRecycle).

WHEREAS, on February 27, 1998 the Authority and CalRecycle entered into an agreement establishing the Authority's financial responsibility for postclosure maintenance which remains in effect; and

WHEREAS, Public Resources Code sections 43500 through 43610.1 and sections of Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct corrective action; and

WHEREAS, sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for corrective action of a solid waste landfill; and

WHEREAS, the Authority operates the Johnson Canyon Sanitary Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 27-AA-0005 issued by Monterey County Health Department, serving as Local Enforcement Agency (LEA) for CalRecycle; and

WHEREAS, the Authority operates the solid waste landfill identified above, in conformance with the findings, conditions, prohibitions and requirements contained in Waste Discharge Requirements issued by the Regional Water Quality Control Board (RWQCB); and

WHEREAS, the Authority is pledging revenues from refuse collection and disposal fees; and

WHEREAS, the Authority has determined that projected net revenues from the refuse collection and disposal fees during the thirty (30) year period of postclosure maintenance and during the corrective action period, shall, during each year of this period, be greater than the yearly monitoring and postclosure maintenance costs and corrective action costs contained in the most recent Cost Estimates for the total of the Johnson Canyon Sanitary Landfill, which have been submitted to CalRecycle in accordance with sections 21840 of the Regulations.

NOW THEREFORE, the Authority and CalRecycle do agree as follows:

1. The Authority hereby establishes a pledge of revenue in addition to that agreed to in the February 27, 1998 Pledge Agreement to demonstrate financial responsibility for corrective action of Johnson Canyon Landfill identified above in accordance with sections 22228 and 22245 of the Regulations.
2. The Authority agrees to pledge revenues from the refuse collection and disposal fees as described herein.
3. The amount of the pledged revenue shall be up to \$385,106 for corrective action capital improvements and the operation and maintenance for the capital improvements vary up to \$5,546 per year to the end of the postclosure period for a total of \$712,316 of identified work for corrective action, representing the total of the most recent corrective action cost estimates for the Johnson Canyon Landfill. It is agreed that the amount of this pledge may increase or decrease to match any adjustment to the identified cost estimates, which are mutually agreed to by the Authority and CalRecycle.
4. If the Authority ceases at any time to retain control of its ability to allocate the pledged revenue as identified herein to pay for corrective action costs as specified in this Agreement, the Authority shall notify CalRecycle, RWQCB and the LEA and shall obtain alternate coverage within sixty (60) days after the control of revenues ceases, pursuant to section 22245 of the Regulations.
5. In the event that CalRecycle, RWQCB or LEA staff determines that the Authority has failed, or is failing, to perform corrective action as specified in this Agreement and as required by law, CalRecycle, RWQCB and/or LEA staff shall confer with the Authority and attempt to resolve the alleged violation. If no agreement is reached, the matter shall be presented to CalRecycle which shall give reasonable notice, hold a public hearing, and consider the testimony and documentation submitted by CalRecycle and/or LEA staff, the Authority, and any interested parties, prior to making a determination in the matter. In the event CalRecycle then determines that the Authority has failed, or is failing, to perform corrective action as specified in this Agreement and as required by law, CalRecycle may direct the General Manager/Chief Administrative Officer to pay the Chief Engineer from the pledged revenues sufficient funds to ensure corrective action, who then shall be obligated to use such funds for corrective action in accordance with the directives of the CalRecycle and RWQCB.
6. In the event that a participating member of the Authority withdraws from the Authority, the withdrawing member shall continue to be financially responsible for postclosure maintenance and corrective action for Johnson Canyon Sanitary Landfill when such liability was incurred prior to the withdrawal date. All members of the Authority further agree that postclosure maintenance and/or corrective action activities shall not be delayed in order to determine such proportionate share of the withdrawing member's liability.

7. In the event the Authority is dissolved, all members of the Authority agree to make financial assurances prior to dissolution that will ensure continued payment of each members' respective share of any outstanding indebtedness for postclosure maintenance and corrective action for Johnson Canyon Sanitary Landfill. All members of the Authority agree that postclosure maintenance and corrective action activities shall not be delayed in order to determine the members' proportionate shares of such indebtedness.
8. All members of the Authority hereby agree to accept joint and several liability for postclosure maintenance and corrective actions of Johnson Canyon Sanitary Landfill if withdrawal, dissolution, or any other event results in the inability of the Authority to finance postclosure maintenance and/or corrective actions, as determined by CalRecycle after a noticed public hearing.

IN WITNESS HEREOF, the parties have executed this agreement on the date as set forth below.

By Authority this 8th day of July, 20 10

By CalRecycle this 24th day of August, 20 10

STATE OF CALIFORNIA

SALINAS VALLEY SOLID WASTE
AUTHORITY

California Department of Resources
Recycling and Recovery (CalRecycle)

By [Signature]
Authorized Officer of the CalRecycle

By [Signature]
General Manager/CAO

APPROVED AS TO FORM
AND PROCEDURE

ATTEST

By [Signature]
Authorized Counsel of the CalRecycle

By [Signature]
Elia Zavala, Clerk of the Board

APPROVED AS TO FORM
AND PROCEDURE

By [Signature]
Salinas Valley Solid Waste Authority
Counsel



July 12, 2010

JoAnne Byrne
CalRecycle
WCMP-Financial Assurances Section
1001 I Street, MS10-18A
P. O. Box 4025
Sacramento, CA 95812-4025

RE: Pledge of Revenue Agreement Establishing Financial Assurance for Corrective
Action for the Johnson Canyon Landfill

Dear Ms. Byrne:

The Salinas Valley Solid Waste Authority Board of Directors at its July 8, 2010, meeting adopted Resolution No. 2010-31 approving the above-referenced agreement. Enclosed is the original ~~amendment~~ for your signature. Please sign, make a copy for your records, and return the original to the Authority office.

Thank you and we look forward to working with you. Should you have any questions, please feel free to contact me at (831) 775-3010.

Sincerely,

Elia Zavala
Clerk of the Board

Enclosures

THOMAS M. BRUEN
ERIK A. REINERTSON

LAW OFFICES OF
THOMAS M. BRUEN
A PROFESSIONAL CORPORATION
1990 NORTH CALIFORNIA BOULEVARD
SUITE 820
WALNUT CREEK, CALIFORNIA 94596

TELEPHONE: (925) 295-3137
FACSIMILE: (925) 295-3132
TBRUEN@TBSGLAW.COM

MEMORANDUM

To: SVSWA Board Members

From: Thomas Bruen, Authority General Counsel

Date: July 26, 2012

Re.: County Notice of Intention to Withdraw From SVSWA

This memo discusses the provisions of the Joint Powers Agreement and Waste Delivery Agreements (portions attached) associated with the Authority's 2002 Series Bonds, all of which relate to the County's recent notice of intention to withdraw from the SVSWA.

I. Provisions Of Joint Powers Agreement

- When a Member Can Withdraw. The JPA Agreement (section 19) provides that a party may not withdraw from the JPA until 15 years after signing of the JPA agreement. The agreement was signed by the last party on January 14, 1997 (and by the County on December 3, 1996.)
 - *Thus, the 15 year non-withdrawal period had expired as of January 14, 2012 (19(a)), and the County's letter is within the time period to withdraw.*
- How a Member Gives Notice of Intention to Withdraw. After the 15 year initial period, a party may withdraw from the agreement by a vote of a majority of its governing body, and then by giving 1 year's written notice to the other parties of its intention to withdraw.
 - *It is unclear whether the County Board of Supervisors has formally voted in open session to withdraw from the JPA. We should request a copy of the Board Resolution and associated agenda and agenda packet.*
- Condition to Withdrawal. The notice to withdraw is subject to the following condition: "so long as all revenue bonds or other forms of indebtedness issue[d] pursuant [to the

JPA agreement], and the interest thereon, shall have been paid or adequate provision for such payment shall have been made in accordance with the resolution (or indenture) adopted by the Authority Board pursuant to the law authorizing the issuance thereof or the approval of the debt.” (JPA, §19(a))

- *The Authority’s \$39,845,000 Revenue Bonds, Series 2002 (the “2002 Bonds”) reach maturity in 2031. No member can withdraw until the 2002 Bonds are paid or “adequate provision for such payment has been made” in accordance with the bond indenture. The current principal balance on the bonds is \$34,070,000, which will be paid down \$985,000 on August 1, 2012 when the next annual principal payment is due-- leaving a balance of \$33,085,000.*
- *As of August 1, 2012, the 2002 Bonds can be paid off in full and without penalty.*
- Withdrawing Party’s Retained Liabilities. “The party withdrawing from the agreement will retain its fair share of financial liability for closure and post-closure and site remediation costs based on the tons of material it has contributed to the Authority’s solid waste system and as determined by the Authority in its sole discretion and such determination of the Authority shall be binding on the parties.” (JPA, §19(a))
 - *If the County withdraws, afterwards it will still be liable to the Authority for its fair share of closure, post-closure and remediation costs.*
- Amendment Of JPA Agreement Upon Party’s Withdrawal. “Upon receipt of a party’s one year notice of intention to withdraw, the members who will be remaining in the Authority shall meet and prepare appropriate amendments to the agreement to reflect the changed membership status. Such amendments shall become effective upon the effective date of the party’s withdrawal.” (JPA, §19 (b))
 - *If the County withdraws, the remaining JPA members must agree on an amended JPA agreement.*
- No Amendments To Prejudice Bond Holders. “This agreement cannot be amended in any way to the detriment of the holders of any revenue bonds which are outstanding in accordance with any resolution (or indenture) adopted by Authority board pursuant to the law authorizing issuance thereof.” (JPA, §19(c))

- *The County and remaining JPA members cannot reach an agreement that will increase the risk the bond holders will not be paid.*

II. County's Waste Commitment Covenant.

- The JPA members all signed Waste Delivery Agreements with the Authority in connection with the issuance of the Authority's 1997 bonds, which also apply to the 2002 Bonds. To enable issuance of the 2002 Bonds, the County Board of Supervisors passed a resolution (attached) stating that the County's 1997 Waste Delivery Agreement secures the 2002 Bonds. The County's Waste Delivery Agreement provides that the County commits its municipal solid waste from the unincorporated area in the Authority's boundaries to the Authority's system until the bonds are paid "or adequate provision for such payment has been made."
- *The County's Waste Delivery Agreement terminates under the same conditions applicable to a member agency's withdrawal from the JPA—i.e., all bonds must be repaid.*

III. Practical Considerations and Issues.

- The County may not withdraw from the JPA without honoring its commitments under the JPA agreement and the Waste Delivery Agreement.
- The County's notice to withdraw may affect the Authority's plans to refinance and pay off the 2002 Bonds.
- Considerations for County withdrawal
 - County may still need to commit waste stream to Authority to refinance and pay off bonds.
- Considerations for discussion with Marina WMD
 - Assumption of SVSWA bond obligations a critical issue.
 - There may be legal barriers (Propositions 26 and 218, etc.) to Marina WMD assuming the Authority's bond obligations, or placing the bond obligation on waste streams other than Authority's current waste stream.

Agreement No. A-072261

**JOINT POWERS AGREEMENT BETWEEN THE CITY OF SALINAS,
THE CITY OF GONZALES, THE CITY OF GREENFIELD, THE CITY OF KING, THE
CITY OF SOLEDAD, AND THE COUNTY OF MONTEREY CREATING
THE SALINAS VALLEY SOLID WASTE AUTHORITY**

This Agreement is made and entered into by and between the following public entities:

- (a) CITY OF SALINAS ("Salinas"), a municipal corporation;
- (b) CITY OF GONZALES ("Gonzales"), a municipal corporation;
- (c) CITY OF GREENFIELD ("Greenfield"), a municipal corporation;
- (d) CITY OF KING ("King"), a municipal corporation;
- (e) CITY OF SOLEDAD ("Soledad"), a municipal corporation; and
- (f) COUNTY OF MONTEREY ("County"), a political subdivision of the State of California.

RECITALS:

A. Each of the Parties to this Agreement is a local government entity functioning within the Salinas Valley, in Monterey County, California.

B. Pursuant to Title 1, Division 7, Chapter 5, Article 1 (Section 6500, et seq.) of the Government Code of the State of California, commonly known as the Joint Exercise of Powers Act (the "JPA Act"), two or more public agencies may, by Agreement, jointly exercise any power in common to the contracting Parties.

C. Each of the Parties to this Agreement has the power, in addition to other powers which are common to each of them, to undertake and perform: solid waste planning and program management, including collection services and siting; the development, construction, and operation of solid waste facilities, including materials recovery facilities for the recovery of recyclable and compostable materials; and the transfer and disposal of solid waste generated within each of the Parties' jurisdictional boundaries.

D. The California Integrated Waste Management Act of 1989 (the "Act") requires the preparation of the County Integrated Waste Management Plan which includes: Source Reduction and Recycling Elements and Household Hazardous Waste Elements prepared by each jurisdiction; a Countywide Integration Summary; and a Countywide Siting Element.

E. The Parties find that it would be to their mutual advantage and benefit to work together and share costs to plan and implement source reduction, recycling, composting, public education, household hazardous waste management, and other solid waste management programs, facilities, landfills, and collection services.

JPA AGREEMENT

of approval. In the event the Authority Board recommends denial of the conditional use permit, the governing board of the affected Party shall deny the conditional use permit unless the governing board by a unanimous vote approves the conditional use permit. The provisions of this Section 18 of the Agreement and any attendant zoning restrictions shall not apply to buildings or uses existing on the date of this Agreement, nor shall such provisions apply to any replacement, remodel, or expansion of any building existing on the date of this Agreement. In the event a Party fails to adopt the land use restrictions contained in this Section 18 of the Agreement in a timely manner, the Party shall hold the Authority harmless and shall indemnify the Authority for any and all damages the Authority may suffer as a result of any claim or lawsuit initiated by an owner or occupant of property within two thousand, five hundred feet (2,500') of the landfill facility for damages to the property, or for loss of use of such property, due to the operations of the Authority at the landfill facility or the use of the landfill facility for landfill operations.

19. **TERM AND WITHDRAWAL:** This Agreement shall be effective when signed by each Party and shall continue for so long as may be necessary to carry out the purpose of this Agreement or until terminated by mutual consent of the governing bodies of all Parties, whichever is earlier; provided, however, that:

- (a) A Party to this Agreement may not withdraw from the Authority for a period of 15 years after the execution of this Agreement. After the 15-year initial period, a Party hereto may withdraw from this Agreement by a majority vote of the governing body thereof giving to the other Parties one year's written notice of such intention to withdraw, so long as all revenue bonds or other forms of indebtedness issues pursuant hereto, and the interest thereon, shall have been paid or adequate provision for such payment shall have been made in accordance with the resolution (or indenture) adopted by the Authority Board pursuant to the law authorizing the issuance thereof or the approval of the debt. The Party withdrawing from the Agreement will retain its fair share of financial liability for closure and post-closure and site remediation costs based on the tons of material it has contributed to the Authority's solid waste system and as determined by the Authority in its sole discretion and such determination of the Authority shall be binding on the Parties. The Party withdrawing shall be afforded the same rights and ability to use Authority facilities and services as any other governmental jurisdiction which is not a member of the Authority.
- (b) Upon receipt of a Party's one year notice of intention to withdraw, the members who will be remaining in the Authority shall meet and prepare appropriate amendments to this Agreement to reflect the changed membership status. Such amendments shall become effective upon the effective date of the Party's withdrawal.
- (c) This Agreement cannot be amended in any way to the detriment of the holders of any revenue bonds or other forms of indebtedness which are outstanding in accordance

IPA AGREEMENT

with any resolution (or indenture) adopted by the Authority board pursuant to the law authorizing issuance thereof.

20. **TERMINATION OF THE AUTHORITY:** This Agreement shall remain in effect until terminated by mutual consent of all of the governing bodies of all Parties to this Agreement. The resolution to terminate must be passed by a majority vote of each governing board of each of the Parties to this Agreement.

21. **DISPOSITION OF AUTHORITY ASSETS AND LIABILITIES UPON TERMINATION:**

- (a) In the event of termination of the Authority where there is a successor public entity which will carry on the activities of the Authority and assume its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities of the Authority shall be transferred to the successor public entity.
- (b) If there is no successor public entity which would carry on any of the activities of the Authority or assume any of its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be returned in proportion to the contribution of each Party during the term of this Agreement. If bonds are issued or large capital projects, such as closure construction are initiated during the term of this agreement, then in no event shall the exercise of the powers herein granted be terminated until all bonds so issued and the interest thereon shall have been paid or provision of such payment shall have been made.
- (c) If there is a successor public entity which would undertake some of the functions of the Authority and assume some of its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be allocated by the governing board between the successor public entity and the Parties.

In the event the Authority is terminated under circumstances falling within (b) or (c) above, all decisions of the governing board with regard to determinations of assets or liabilities to be transferred to the Parties or any successor shall be final.

22. **AMENDMENTS:** This Agreement may be amended by the affirmative vote of the governing bodies of each of the Parties.

23. **RESTRICTIONS ON AUTHORITY:** For the purposes of satisfying the requirements of Government Code Section 6509, the restrictions on the power of the City of Salinas shall be applicable to the Authority.

IPA AGREEMENT

\$39,845,000
SALINAS VALLEY SOLID WASTE AUTHORITY
REVENUE BONDS, SERIES 2002

CERTIFICATE OF THE COUNTY OF MONTEREY

The undersigned, Sally R. Reed, the County Administrative Officer of the County of Monterey (the "County"), hereby certifies that:

(i) the Joint Exercise of Powers Agreement, dated as of January 1, 1997 (the "JPA Agreement"), by and among the County and the Cities of Salinas, Gonzales, Greenfield, King City and Soledad (a true and correct copy of which is attached hereto as Exhibit A) and the Waste Delivery Agreement (the "Waste Delivery Agreement"), by and between the Salinas Valley Solid Waste Authority (the "Authority") and the County (a true and correct copy of which is attached hereto as Exhibit B) have been validly authorized, executed and delivered by the County and (assuming due authorization, execution and delivery by the other parties thereto) constitute the legal, valid and binding agreements of the County, enforceable against the County in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought; and

(ii) that the resolution attached hereto as Exhibit C is a full, true and correct copy of the Resolution approving the JPA Agreement and authorizing the County Administrative Officer, with the concurrence of the County Counsel, to perform such actions as required pursuant to the Joint Powers Agreement to ensure implementation of the Joint Powers Agreement, adopted at a meeting of the County's Board of Supervisors, of which meeting all of the members of the County's Board of Supervisors had due notice and at which a quorum was present and acting throughout; that said Resolution has not been amended, modified or rescinded since the date of adoption and is now in full force and effect; and that attached hereto is a complete and correct copy of the minutes of the meeting of the County's Board of Supervisors duly called and held and at which said Resolution was adopted.

Dated: May 29, 2002.

COUNTY OF MONTEREY

By: _____

Sally R. Reed
 County Administrative Officer

APPROVED AS TO FORM:
 Monterey County Counsel

Leroy W Blankenship
 LEROY W BLANKENSHIP
 Assistant County Counsel

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COUNTY RESOLUTION
RE WASTE DELIVERY CONTRACT

ITEM 9 ATTACHMENTS

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ATTACHMENT B

WASTE DELIVERY AGREEMENT

by and between

MONTEREY COUNTY

and

SALINAS VALLEY SOLID WASTE AUTHORITY

COUNTY WASTE DELIVERY
CONTRACT

residential (singly family and multi-family), commercial, industrial, governmental and institutional establishments which are acceptable at Class III landfills under Applicable Law, and within the jurisdictional limits of the Authority.

"Act" shall mean the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

"Agreement" shall mean the Waste Delivery Agreement, as originally executed and as amended, modified, supplemented or restated from time to time, as the context requires.

"Applicable Law" shall mean the Act; the Monterey County Code; the Authority Code; and Legal Entitlement and any federal or state rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System, the transfer, handling, transportation and disposal of Acceptable Waste or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, mitigation monitoring plans and building codes).

"County Acceptable Waste" shall mean all Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the unincorporated areas of the County, and Residue from the foregoing wherever produced, whether within or outside the unincorporated areas of the County.

"Controllable Waste" shall mean all Acceptable Waste with respect to which the County has the legal or contractual ability to determine the disposal location therefor and which is:

- (1) Non-Recycled County Acceptable Waste;
- (2) not generated from the operations of the Governmental Bodies which, under Applicable Law, have the independent power to arrange for the disposal of the waste they generate; and
- (3) collected and hauled by Franchise or Permitted Haulers.

"Disposal Fees" shall mean the tipping fees or charges imposed by the Authority for acceptance of Acceptable Waste in the Disposal System.

"Disposal System" shall mean the Salinas Valley Solid Waste Authority Waste Disposal System which includes, as of the date of this agreement, solid waste disposal operations at four landfills (Crazy Horse Landfill, Johnson Canyon Landfill, Jolon Road Landfill, and Lewis Road Landfill) and one transfer station (Jolon Road Transfer Station). The Salinas Valley Solid Waste Authority Waste Disposal System shall include such other facilities as the Authority may own, operate or maintain during the term of this Agreement.

COUNTY WASTE DELIVERY CONTRACT

ARTICLE II
Delivery and Acceptance of Waste

2.1 Delivery of Waste.

(a) **Waste Disposal Covenant.** Commencing on the Effective Date and throughout the term of this Agreement, the County shall, in accordance with Applicable Law, exercise all legal and contractual power and authority which it may possess from time to time to deliver or cause the delivery of all Controllable Waste to the Disposal System in accordance herewith.

(b) **Recycled County Acceptable Waste.** The parties hereto acknowledge the responsibility of the County to meet the recycling and landfill diversion goals contained in the Act. Nothing in this Agreement is intended or shall be interpreted to prohibit or impair the ability of the County to meet such responsibilities, or to restrict the right of the residents, businesses or organizations in the County to practice source separation, recycling, composting or other materials recovery activities, or to restrict the right of the County to conduct, sponsor, encourage or require such activities in any form. No reduction in the amount of Controllable Waste generated in the County and delivered to the Disposal System by or on behalf of the County which may result from any such source separation diversion or recycling program shall cause the County any liability hereunder and shall not constitute a breach of this Agreement.

(c) **Power to Obligate Waste Disposal and Comply with this Agreement.** On or before the Effective Date, (i) any County franchise, contract, lease, permit or other agreement which is lawfully in effect relating to or affecting Controllable Waste shall provide, or shall have been amended to provide, that the County shall have the right without material restriction on and after the Effective Date to direct the delivery of all Controllable Waste to a disposal location selected by the County and otherwise to comply with its obligations under this Agreement with respect to Controllable Waste and Franchise or Permitted Haulers, and (ii) the County shall designate the Disposal System as the disposal location pursuant to such franchise, contract, lease, permit or other agreement. On and after the Effective Date and throughout the Term of this Agreement the County (a) shall not enter into any franchise, contract, lease, agreement or obligation, issue any permit, license or approval which is materially inconsistent with the requirements of the Waste Disposal Covenant, and (b) shall maintain non-exclusive or exclusive franchises or other contractual arrangements over any County Acceptable Waste which, as of the Effective Date, is subject to non-exclusive or exclusive franchise or contractual arrangements. The County agrees that the Authority shall be a third party beneficiary of the obligation of Franchise or Permitted Haulers to deliver Controllable Waste to the Disposal System, and may directly enforce such obligation through any legal means available. The County shall notify in writing each Franchise or Permitted Hauler of the Authority's third party beneficiary rights.

(d) **Waste Flow Enforcement.** The County, in cooperation with the Authority, shall establish, implement, carry out and enforce a waste flow enforcement program which is sufficient to assure the delivery of all Controllable Waste to the Disposal System pursuant to and

COUNTY WASTE DELIVERY CONTRACT

in accordance with the Waste Disposal Covenant for disposal at the times and in the manner provided herein. The waste flow enforcement program shall consist of amending County franchises or permits with Franchise or Permitted Haulers, to the extent required by this Section, and shall include in addition, to the extent necessary and appropriate in the circumstances to assure compliance with the Waste Disposal Covenant, but shall not be limited to: (1) licensing or permitting Franchise or Permitted Haulers, upon the condition of compliance with the Waste Disposal Covenant, and (2) providing for and taking appropriate enforcement action under any such franchise, license or permit, such as but not limited to the suspension, revocation and termination of collection rights and privileges, the imposition of fines or collection of damages, and the exercise of injunctive relief against non-complying Franchise or Permitted Haulers.

(e) Legal Challenges to Franchise System. The County shall use its best efforts to preserve, protect and defend its rights to exercise and comply with the Waste Disposal Covenant against any challenge thereto, legal or otherwise (including any lawsuits against the County or the Authority, whether as plaintiff or defendant), by a Franchise or Permitted Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. At the option of the Authority or at the request of the County, the County may assign its rights and obligations pursuant to this paragraph to the Authority and the Authority shall accept such assignment and the Authority shall defend the County at the Authority's cost and expense and/or indemnify the County for the payment of any costs incurred by the County in defense of any such challenge.

(f) Franchise or Permitted Haulers. The County shall immediately notify the Authority of any changes in the franchise, license or permit with its Franchise or Permitted Haulers which would affect the hauler, the area of collection and transportation, or franchise and permit terms.

(g) Waste Information System. The County shall cooperate with the Authority in collection information and otherwise monitoring Franchise or Permitted Haulers in order to assure compliance with this Agreement. Such information may include, to the extent practicable, data pertaining to Controllable Waste collected, transported, stored, processed and disposed of; Recycled County Acceptable Waste collected, transported, stored, processed and marketed or disposed of; Franchise or Permitted Haulers' franchise, permit or license terms, collection areas, transportation routes and compliance with Applicable Law; and all other information which may reasonably be required by the Authority in connection with this Agreement.

(h) Annexations and Restructuring. It is the intention of the parties that this Agreement and the obligations and rights of the County hereunder, including particularly the Waste Disposal Covenant shall, to the extent permitted by Applicable Law, extend to any territory annexed by the County and shall bind any successor or restructured Governmental Body which shall assume or succeed to the rights of the County under Applicable Law.

2.2 Provision of Disposal Services.

(a) Service Covenant. Commencing on the Effective Date and throughout the term of this Agreement, the Authority shall provide or cause the provision of the service of receiving and disposing of all Controllable Waste at the Disposal System (or other such facilities, including transfer stations, at the Authority may determine to use). The Authority shall do and perform all acts and things which may be necessary or desirable in connection with its covenants in this subsection, including without limitation all planning, development, administration, implementation, construction, operation, maintenance, management, financing and contract work related thereto and undertaken in connection herewith. The Authority shall exercise all reasonable efforts to minimize the costs incurred in complying with the Service Covenant consistent with its responsibilities hereunder and under this Agreement, Applicable Law and prudent solid waste management practice and environmental considerations.

2.3 Charging and Securing Payment of Disposal Fees. The County acknowledges that the Authority shall have the right to charge and collect Disposal Fees for the acceptance and disposal of Controllable Waste delivered to the System. The Disposal Fees shall be calculated and established, and may be modified from time to time at the discretion of the Authority. The Authority shall provide the County thirty (30) days written notice of any proposed Disposal Fee modifications. In addition, the County acknowledges that the Authority shall have the right to establish as part of the operating rules and regulations reasonable measures to secure the payment of all Disposal Fees.

ARTICLE III Term

3.1 Effective Date and Term. This Agreement shall be effective when signed by each party and shall continue for so long as may be necessary to carry out the purpose of this Agreement or until terminated by mutual consent of the governing bodies of the parties, whichever is earlier; provided, however, that:

(a) The County may not withdraw from this Agreement so long as it remains a member of the Authority.

(b) Should the County cease to be a member of the Authority, the County may withdraw from this Agreement by a majority vote of the governing body thereof giving to the Authority one year's written notice of such intention to withdraw, so long as all revenue bonds or other forms of indebtedness issues pursuant hereto, and the interest thereon, shall have been paid or adequate provision for such payment shall have been made in accordance with the resolution (or indenture) adopted by the Authority governing board pursuant to the law authorizing the issuance thereof or the approval of the debt.

ARTICLE IV General Provisions

COUNTY WASTE DELIVERY CONTRACT

be
Cochran
(revised)

REPORT TO MONTEREY COUNTY BOARD OF SUPERVISORS

SUBJECT		BOARD MEETING DATE	AGENDA NUMBER
ACCEPT PUBLIC WORKS STATUS REPORT ON LANDFILLS, AND DIRECT STAFF TO CONTINUE NEGOTIATIONS WITH THE CITIES OF SALINAS, GONZALES, SOLEDAD, KING, AND GREENFIELD TO CREATE A SVSWA (SALINAS VALLEY SOLID WASTE AUTHORITY) WITH RESPONSIBIL- ITY TO MANAGE EXISTING LANDFILL ASSETS AND TO PROVIDE LONG-TERM CAPACITY FOR MEMBER AGENCIES		9/12/95 10:00 a.m.	
DEPARTMENT	Public Works		

RECOMMENDATION

It is recommended that the Board of Supervisors:

1. Accept the Public Works status report on landfills;
2. Direct the County staff (County Administrative Office, County Counsel, Environmental Health, and Public Works) to continue negotiations with the Cities of Salinas, Gonzales, Soledad, Greenfield, and King to create a SVSWA (Salinas Valley Solid Waste Authority) with responsibility to manage existing landfill assets and to provide long-term capacity for member agencies.

SUMMARY

The recommendation will allow staff to continue negotiations on agreements for the shared landfill, long-term development, financing, operation, and governance.

DISCUSSION

In 1993, staff began negotiations with the MRWMD (Monterey Regional Waste Management District) on expansion of the District to include the County Unincorporated Area and the South County Cities. On February 22, 1994, the Board of Supervisors approved a Conceptual Plan and an MOI (Memorandum of Intent) authorizing staff to continue negotiations. Negotiations culminated in January 1995 with circulation of an Initial Study and Negative Declaration on the expansion that included a Joint Exercise of Powers Agreement, Transfer of Assets Agreement, and Contract for Services Agreement. After reviewing comments submitted on the Negative Declaration and re-evaluating District Board member concerns, Mr. David Myers, General Manager for the MRWMD, rejected the negotiated agreements. Mr. Myers' April 12, 1995 letter is attached for your reference.

PUBLIC WORKS STATUS REPORT ON LANDFILLS
BOARD MEETING DATE 9/12/95 Page 2

Interest in the formation of a SVSWA became a viable option when the City of Salinas expressed an interest. Staffs of the County and City of Salinas, and a South County Cities representative have been meeting regularly since March 1995. A matrix of issues regarding the negotiations is attached. There is general concurrence by staff on most issues. The column on the matrix titled "Agreement" indicates the status of negotiations.

The three primary issues to be resolved between the parties are the governance structure, schedule for rate standardization, and the source of initial operating capital for the Authority. Staff has been working on the development of these issues and there appear to be solutions available that can be negotiated between the parties.


A realistic timetable for the SVSWA would include adopting an agreement by member agencies in December 1995, and the Authority fully managing all assets by July 1, 1996. Full implementation may take financial support by participating agencies for the first few years.

OTHER AGENCY INVOLVEMENT

County staff has met with the other agencies outlined in the discussion. Substantial progress has been made in negotiations on the creation of the SVSWA. Environmental Health, County Administrative Office, County Counsel, Public Works, a South County Cities representative, and the City of Salinas have been actively involved in this effort.

FINANCING

Formation of a SVSWA will eventually result in the development of a cost-effective landfill program that will benefit from economies of scale, flow control, and the most effective use of resources.


 GERALD J. GROMKO, PhD, PE
 PUBLIC WORKS DIRECTOR


 R.J.L.:reh

Attachments: Proposed Board Order; 4/12/95 MRWMD letter; Matrix (Draft 8/18/95)

Distribution: Clerk to the Board (16); Public Works (8); Auditor-Controller; County Counsel; Environmental Health; IGA; King City Manager, Gonzales City Manager, Greenfield City Manager, Soledad City Manager; Al Rossi, Salinas Dispos-All; Jim Carroll, Carmel-Marina Corporation; City of Salinas

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

ACCEPT PUBLIC WORKS STATUS REPORT ON)
 LANDFILLS, AND DIRECT STAFF TO CONTINUE)
 NEGOTIATIONS WITH THE CITIES OF SALINAS,)
 GONZALES, SOLEDAD, GREENFIELD, AND KING)
 TO CREATE A SVSWA (SALINAS VALLEY SOLID)
 WASTE AUTHORITY) WITH RESPONSIBILITY TO)
 MANAGE EXISTING LANDFILL ASSETS AND TO)
 PROVIDE LONG-TERM CAPACITY FOR MEMBER)
 AGENCIES)

Upon motion of Supervisor Johnsen, seconded by Supervisor Pennycook,
 and carried by those members present, the Board of Supervisors:

1. Accepts the Public Works status report on landfills;
2. Directs staff to continue negotiations with the Cities of Salinas, Gonzales, Soledad, Greenfield, and King to create a SVSWA (Salinas Valley Solid Waste Authority) with responsibility to manage existing landfill assets and to provide long-term capacity for member agencies.

PASSED AND ADOPTED this 12th day of September, 1995, by the following vote, to-wit:

AYES: Supervisors Salinas, Pennycook, Perkins, Johnsen and Karas.

NOES: None.

ABSENT: None.

I, ERNEST K. MORISHITA, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof at page -- of Minute Book 68, on September 12, 1995

Dated: September 12, 1995

ATTEST:

ERNEST K. MORISHITA, Clerk of the Board
 of Supervisors, County of Monterey,
 State of California.

By Nancy Lukensill
 Deputy

BOARD OF DIRECTORS

GARY BALES
CHAIRMAN
DAN ALBERT
ELSE WICKHAM
RONDA LEWIS
BARBARA LIVINGSTON
LINDA HORNING
GERT FOREMAN
JACK BARLICH



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of Jonathan Livingston Seagull

April 12, 1995

DAVID ERS
GENERAL MANAGER
WILLIAM MERRY
DISTRICT ENGINEER
RICHARD SHEODEN
SENIOR ENGINEER
RICHARD NORTON
ADMIN. SERVICES MGR.
ROBERT WELLINGTON
COUNSEL

Dr. Gerald Gromko
Director, Monterey County
Public Works Department
312 E. Allsall Street
Salinas, CA 93901

RE: Proposed District Expansion

Dear Gerry:

For nearly two years we have all worked very hard to try to develop a Countywide solid waste system that would be acceptable to all parties involved. After all of this time, I would have hoped that we would have come to a point where we could all be reasonably happy with the compromises that have been negotiated. Unfortunately, our tentative agreements are not universally appreciated. As you know, the City of Marina has a variety of concerns due to their proximity to our landfill site, and the City of Salinas is concerned because they have been left out of the negotiations. In addition, the private contractors, especially Rural Dispos-All, are concerned that the expanded District/JPA will adversely affect their operations and revenue streams.

Prior to the recent questions raised and concerns about the expansion, our District Boardmembers were having some difficulty accepting the expansion as a "good deal" for the existing District. On several occasions, I have presented all of the reasons for the expansion, which still overshadow the reasons against, but Boardmembers have failed to become very enthusiastic about the prospects and they continue to have serious concerns about the problems that must be resolved after the expansion is approved. All of the negative input that we have received in the last month certainly has not helped the situation.

I am sorry to say that I share some of their concerns, especially regarding the financial burden that the expansion may pose on the existing District. I really believe that for a two-thirds majority of our Boardmembers to approve the amendments to the Joint Powers Agreement, changes will have to be made in the agreement to transfer assets and the agreement for services:

- 1) The California Integrated Waste Management Board, upon transfer of the County Solid Waste Facilities Permits to the District will insist that the permits are up to date and the Closure and Post-Closure funds are at adequate levels. This must be accomplished by the County before any transfer of assets and operating responsibilities can take place.
- 2) The County should agree to pay for the closure of the Lewis Road site whenever the County decides it should close.

Dr. Gerald Gromko
 April 12, 1995
 Page 2

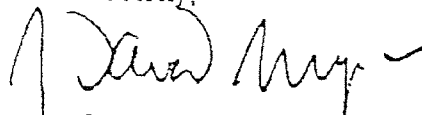
- 3) The limit on the tipping fee surcharges for the expanded area should be eliminated. We would support the imposition of a County surcharge to fund site closure and/or remediation, if necessary. The goal of the expanded District is to have the same tipping fee throughout the County, but financial necessity might dictate otherwise.
- 4) If the Johnson Canyon and Jolon Road landfills are expanded, and State Closure Fund requirements are reduced, I would support the return of Closure Fund balances exceeding what is required to the County at the time expansions are approved.

Throughout our negotiations, our Board has made it perfectly clear to me that they would not agree to subsidize the expanded area of the District. Without changing the agreements as I have suggested above, this subsidy could very well occur. In spite of the fact that we have studied all of the options and potential operating costs very closely, there still is a great deal of uncertainty regarding the renegotiation of the operating contracts and the level of income that will be generated at the existing sites. It is my understanding that Rural Dispos-All is charging \$7.55 per cubic yard at the Johnson Canyon Landfill and \$7.75 per cubic yard at the Lewis Road Landfill. Depending on the level of compaction of the waste, they may be collecting an average of \$40 per ton at Johnson Canyon and perhaps as much as \$60 per ton at Lewis Road. If that is the case, it may be very difficult for the District to charge only \$30 or even \$36 per ton at those sites without subsidy from the Marina operation. If the County is truly willing to turn over its solid waste operations to the District in the future, the County should be able to trust the expanded Board to make fair decisions on disposal rates.

I apologize for suggesting such drastic changes in the structure of our agreements at this late date. However, I thought it best to share these ideas with you prior to you presenting a package to the Board of Supervisors that very likely will not be acceptable to the District/JPA Board. I am not even certain that the District/JPA Board will approve of the expansion with these changes, but I believe there is a much greater chance. The timing of the Board of Supervisors' decision is no longer critical to us, since I do not believe these issues will be completely resolved in time to include County Project Funds in our forthcoming bond issue. Besides, what I am proposing here is that there would be no funds included in this bond issue for County projects.

I would suggest that we schedule another meeting of the staff as soon as possible to discuss these issues. Please call me at 384-5313 to set a date. We would prefer to meet sometime before April 28th when Board packets will be mailed out prior to our May 10, 1995 public hearing on the expansion. I look forward to hearing from you.

Sincerely,



J. David Myers
 General Manager

cc: MRWMD Board of Directors
 Doug Holland
 Walter Wong
 Blaine Michaelis
 Richard Andrews

File: rww/4612m/00000000/expco-005

Ron see my Notes - Joe

COUNTY DISPOSAL SITES

Budget Unit 425

FISCAL SUMMARY

<u>Appropriations</u>	<u>1994-95</u>		<u>1995-96</u>		<u>Recommended Change From 1994-95 Final</u>	<u>Policy Considerations</u>
	<u>Final Budget</u>	<u>Current Year Estimate</u>	<u>Request</u>	<u>Recommend</u>		
Services & Supplies	\$ 1,069,115	\$ 1,101,528	\$ 1,817,132	\$ 1,067,252	\$ (1,863)	\$ 206,000
Other Charges	277,671	277,671	1,873,501	763,567	485,896	130,000
Fixed Assets	0	0	12,900	12,900	12,900	
TOTAL APPROPRIATIONS	\$ 1,346,786	\$ 1,379,199	\$ 3,703,533	\$ 1,843,719	\$ 496,933	\$ 336,000
<u>Revenue</u>						
Fees	\$ 433,000	\$ 431,640	\$ 351,337	\$ 433,000	\$ 0	\$
TOTAL REVENUE	\$ 433,000	\$ 431,640	\$ 351,337	\$ 433,000	\$ 0	\$ 0
NET COUNTY COST	\$ 913,786	\$ 947,559	\$ 3,352,196	\$ 1,410,719	\$ 496,933	\$ 336,000

BUDGET UNIT DESCRIPTION

The County Disposal Sites budget, administered and staffed by the Public Works Department, provides for the administration, operation and maintenance of the County landfills and garbage collection transfer stations. Currently, there are three open landfill sites: Lewis Road in North County; Jolon Road near King City; and Johnson Canyon Road near Gonzales. These sites are maintained and operated by private contractors. The budget also provides for the preparation of consultant contracts for engineering services necessary to comply with air and water quality requirements. The County Solid Waste Program can be divided into the three following components:

Landfill Administration: This component reflects the costs of the Public Works Department necessary to administer and support the landfill program (\$277,841).

Mandated Monitoring and Analysis: This component reflects the costs of performing mandated monitoring and chemical analysis, installing Report of Waste Discharge monitoring devices at the landfills, and obtaining permit renewals (\$742,100). Also included are mandated Closure Fund and State Board of Equalization fee payments (\$763,567).

Transfer Stations: This component includes the expense of contracting for the operation of solid waste transfer stations at San Ardo and Bradley, (\$60,211).

WORK LOAD INFORMATION

The activity of the Solid Waste Program is reflected in the following workload data:

<u>Site</u>	<u>Tonnage FY 93-94</u>	<u>Tonnage FY 94-95</u>
Jolon	19,081	19,511
Johnson Canyon	26,386	26,980
Lewis	13,882	14,195

SUMMARY OF RECOMMENDATION

The recommended budget totals \$1,843,719. Anticipated revenue from landfill operations will create a net County cost of \$1,410,719. The appropriation will finance essential air and water quality monitoring at the landfills, the cost of the Public Works Department for managing the landfill function, and partial payment for landfill closure and fees required by the State Integrated Solid Waste Management Board.

The net County cost has increased from last year by \$496,933 primarily because of mandated landfill closure costs and additional monitoring and reporting requirements.

Ron see my Notes - Joe

COUNTY DISPOSAL SITES

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The net County cost has increased from last year by \$496,933 primarily because of mandated landfill closure costs and additional monitoring and reporting requirements.

COUNTY DISPOSAL SITES

The recommended budget will provide for mandated operations reports at Johnson and Lewis Road landfills, water monitoring and chemical analyses at all landfills, design of a leachate and methane gas control systems at Lewis Road, environmental mitigation plans for the expansion of Johnson Canyon landfill, and design of a cell liner at Johnson Canyon.

SIGNIFICANT CHANGES

	<u>Net Cost</u>
1. Decrease in Services and Supplies reflects anticipated costs related to compliance with State mandates for monitoring and reporting requirements.	(1,863)
2. Increase in Other Charges necessary to provide annual payment to the required Closure Trust Fund, State fees for tonnage received at landfills and yearly operating permit fees.	485,896
3. Increase in Fixed Assets to provide for leachate control systems at Johnson and Lewis Road landfills.	12,900

TOTAL SIGNIFICANT CHANGES	<u>\$496,933</u>
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1994-95 GOALS

The goals of the County Disposal Sites' budget were to:

1. Provide cost-effective management for County landfills.
 2. Meet all regulatory requirements for landfill operations.
 3. Develop a long-range master plan to assist the County in meeting mandated landfill requirements.
 4. Provide professional engineering services for various landfill functions.
 5. Protect the environment by having the landfills operate in the manner prescribed by current regulations.
- The goals were partially met. The Department of Public Works has pursued plans to transfer the maintenance and operation of the landfills to another entity. Although negotiations with the Monterey Regional Waste Management District proved unsuccessful, alternative arrangements to form a Joint Powers Authority were discussed with the Salinas Valley cities. These negotiations will continue into Fiscal Year 1995-96. The Department postponed compliance with some State mandates, including payment of landfill closure fees, but did initiate monitoring of methane gas at Lewis Road and expansion studies at Johnson Canyon.

1995-96 GOALS

The goals of the landfill program are to:

1. Enter into an agreement with other interested entities to form a Joint Powers Authority or similar organization to begin transfer of the landfill responsibility.
2. Meet essential mandatory monitoring and reporting requirements and payment of closure fees.
3. Increase landfill tipping fees to generate additional revenue to support operation and maintenance and meet closure fee requirements.
4. Protect the environment by having the landfill operate with manner prescribed by current regulations.

PENDING FACTORS

The recommended budget provides the funds necessary to operate and monitor the County's landfills under a status quo scenario. Essential mandatory monitoring and reporting requirements will be met. Under the recommended budget the Department of Public Works will delay other mandated requirements, including operation reports, a permanent cover on the Lewis Road landfill, and cleanup of an illegal drug lab, until sufficient increases in tipping or gate fees are approved.

The recommended budget also includes partial payment (\$650,767) of annual State mandated landfill closure costs that would be used to finance ultimate closure of each landfill. After the Department of Public Works prepares a proposal and the Board of Supervisors approves increased tipping fees, closure fund costs can be restored to the current requirement of \$780,767.

In Fiscal Year 1993-94, the Board directed the Department to pursue agreements with interested agencies for transferring the operation and management of the landfills. Negotiations with the Monterey Regional Waste Management District for the expansion of the district ended when additional County funding was requested. Current discussions with the Salinas Valley cities may lead to the formation of a Joint Powers Authority. With appropriate financial provisions, the agreement could reduce the County's contribution and result in fees that will sustain the landfill operation under a separate entity.

COUNTY DISPOSAL SITESPOLICY CONSIDERATIONS

1. Reduction of funds for State mandated reports and improvements.

<u>General Fund</u>	
Expenditure	\$206,000
Revenue	0
Net County Cost	\$206,000

Department's Request:

State mandates require that design operating reports be completed for each of the active landfills this Fiscal year. The budget recommendation eliminates \$60,000 toward the completion of reports on Jolon and Lewis Road sites. These reports are especially critical because of licked issues at Lewis and liquid wastes at Jolon. The portions of the reports that are deferred must be completed next year because they are required by the State for continued operation.

See note
The budget recommendation also eliminates \$146,000 for implementation of a permanent cover at the Lewis Road landfill. This is in violation of the Regional Water Quality Control Boards waste discharge permit. This item must also be completed next year when the operating report is finished.

County Administrative Office Comment:

Although the recommended budget eliminates a total of \$206,000 for the required reports and the Lewis Road landfill cover, the State has indicated that serious penalties will not be imposed. The County has sufficient funds to begin preparation of the reports, and the Lewis Road landfill has an adequate temporary cover. The landfill operation has yet to become a self-sustaining program. Approval of increased tipping fees will provide the needed revenue to meet State mandates. The Department of Public Works has indicated that a proposal will be presented to the Board of Supervisors in October or November of this year. It is recommended that when tipping fees are increased, implementation of these mandates be reconsidered.

2. Reduction of funding for landfill closure costs.

<u>General Fund</u>	
Expenditure	\$130,000
Revenue	0
Net County Cost	\$130,000

Department's Request:

The recommended budget reduces the State mandated landfill closure fund contribution of \$780,767 by \$130,000. This will result in denial of a "Pledge of Revenue" by the State Integrated Waste Management Board (IWMB), and will actually add post-closure costs to the obligation. Ongoing negotiations to form a Joint Powers Authority may be jeopardized since the IWMB will not be able to certify that Monterey County has met the State requirement.

County Administrative Office Comment:

Approval of increased tipping fees will provide the needed revenue to meet this State requirement. The Department of Public Works has indicated that a proposal will be presented to the Board of Supervisors in October or November of this year. It is recommended that when tipping fees are increased, the additional revenue be used to first restore the closure fund to meet State mandates.

ALSO ELIMINATED IN PREVIOUS ROUNDS

- ① 6315 ADMIN - \$20,000 - IMPACT - NOT HIRING HELP FOR TOM
 - ② 6426 STORM H₂O - 6,800 - IMPACT - LESS SAMPLING - ASSORD IN 6315
VIOLATION OF RWQCB
 - ③ 6469 DRUG LAB - 77,000 - IMPACT - DELAYED TILL NEXT YEAR
VIOLATION OF LEA
- ABOVE TOTAL = 103,800*

REDUCTIONS THIS DOCUMENT = 336,000

TOTAL \$439,800

Schedule 9a

BUDGET UNIT EXPENDITURE DETAIL Budget Unit: 425
 PERSONNEL / FIXED ASSETS
 FOR FISCAL YEAR 1995-1996

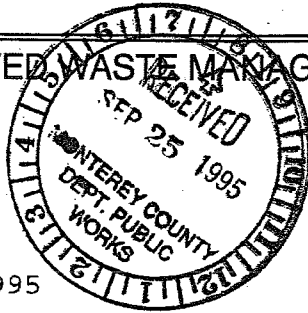
Unit Title: County Disposal Sites

CLASSIFICATION/DESCRIPTION	CODE	ADOPTED BUDGET 1994-1995		REQUESTED BUDGET 1995-1996		RECOMMENDED BUDGET 1995-1996	
		NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
FIXED ASSETS:							
6769	JOHNSON CANYON LAND FILL			1.00	12,900	1.00	12,900
6890	EQUIPMENT						
	FIXED ASSETS TOTAL			1.00	12,900	1.00	12,900

STATE OF CALIFORNIA

Pete Wilson, Governor

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

8800 Cal Center Drive
Sacramento, California 95826

September 20, 1995

Mr. Joseph A. Cochran, P.E.
Environmental Services Manager
Monterey County Department of Public Works
312 East Alisal Street
Salinas, California 93901-4303

RE: Minimum Funding for Closure and Postclosure Maintenance
Costs for; Lewis Road Landfill, Facility No. 27-AA-0003;
Johnson Canyon Landfill, Facility No. 27-AA-0005; Jolon Road
Landfill, Facility No. 27-AA-0006, and; Lake San Antonio
South Shore Landfill, Facility No. 27-AA-0012

Dear Mr. Cochran:

I recently received the Monterey County budget information regarding the County disposal sites. In reviewing this information, it is apparent that the Department of Public Works requested an increase in the budget to increase the value of the financial assurance demonstrations to an acceptable minimum level. However, it is also apparent that the County Administrative Office made official comments to the County Board of Supervisors which unfortunately suggested to the Board of Supervisors that a delay to the closure funds was an appropriate alternative. The County's vote to postpone the required deposit of deficient funds until the end of next year, is not acceptable.

Title 14, California Code of Regulations, Division 7, Chapter 5, Article 3.5, section 18282 specifies the formula for determining the minimum funding level for the closure/postclosure funds. The County's proposal to delay last year's minimum deposit until the end of this year is not an acceptable solution to the shortfall in the closure/postclosure maintenance funds. The deficiency in the funds must be made up at this time.

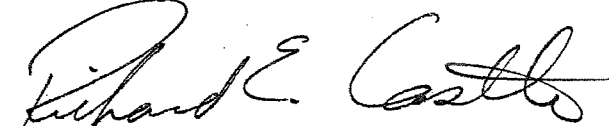
As we have discussed in the past, it is possible for the County to submit a pledge of revenue agreement for the costs of postclosure maintenance. A change such as this will dramatically reduce the funds currently required to be on deposit, but the County must still meet these minimum funding requirements for the costs of closure.

Monterey County
Minimum Fund Balances

Page 2

If you have any questions regarding this letter or any of the financial assurance mechanisms, please call me at (916) 255-4173.

Sincerely,

A handwritten signature in cursive script, reading "Richard E. Castle". The signature is written in dark ink and is positioned above the printed name and title.

Richard E. Castle
Research Analyst
Financial Assurances Section

cc: Mr. Walter Wong, Director
Monterey County Health Department
Division of Environmental Health

**DEPARTMENT OF PUBLIC WORKS
COUNTY OF MONTEREY**

MEMORANDUM

TO: SALINAS VALLEY SOLID WASTE AUTHORITY TASK FORCE

FROM: RONALD LUNDQUIST, PE
DEPUTY PUBLIC WORKS DIRECTOR - OPERATIONS

SUBJECT: STATUS OF ENTERPRISE ACCOUNTS

DATE: NOVEMBER 21, 1996

The following table summarizes the closure requirements for the three active County Landfills, Account Numbers, and Fund Amounts as of June 30, 1996, October 31, 1996, and June 30, 1997.

Attached are copies of the Integrated Waste Management Board calculation sheets for requirements and copies of the County Auditor's record of account balances.

LANDFILL	ENTERPRISE ACCOUNT NOS.		CLOSURE REQUIREMENTS (6/30/96)	AMOUNTS (6/30/96)	AMOUNTS (10/31/96)	ESTIMATED CLOSURE REQUIREMENTS* (6/30/97)
	Fund	Line				
Lewis Road	089	2792	\$576,289	\$589,429	\$600,190	\$766,013
Johnson Canyon Road	089	2793	\$234,537	\$448,817	\$459,640	\$294,406
Jolon Road	089	2794	\$863,119	\$863,153	\$880,795	\$1,079,291
			\$1,673,945	\$1,901,339	\$1,940,625	\$2,139,710

*Actual required amounts will be calculated by the Integrated Waste Management Board based on actual inflow, 60 days prior to 6/30/97.

RJL:reh

Distribution: Mora/Fair/Michaelis/Pew/Odom/Espinosa/Gromko/Wong/Holland/Brown/Cochran/Ferguson

THE REQUIRED FUND DEPOSIT FOR

1996

Lewis Road

27-AA-0003

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Lewis Road	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0003	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	368,421	368,421	368,421	368,421	368,421	368,421	368,421	
Capacity Filled This Year (Cf).....	24,763	22,276	19,394	20,112	32,258	16,689	26,379	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	249,618	232,929	206,550	
Closure Cost Estimate.....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,480	\$1,644,012	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$574,479	\$605,501	\$627,299	\$648,000	\$1,574,000	\$1,605,480	\$1,644,012	
Min Fund Bal (Prior to Dep).....	\$0	\$38,613	\$75,224	\$108,245	\$143,619	\$328,467	\$419,963	
Min. Calc. Rem. Cost Est.(Er)	\$574,479	\$566,888	\$552,075	\$539,755	\$1,430,381	\$1,277,013	\$1,224,049	
Min. Fund Bal. (After Deposit).....	\$38,613	\$75,224	\$108,245	\$143,619	\$328,467	\$419,963	\$576,289	

Proportion of Capacity Filled

Capacity Filled this Year (Cf)	=	0.0672139	0.0604634	0.0526409	0.0545897			
Total Permitted Capacity (Ct)						0.129229463	0.071648442	0.127712418
						Capacity Filled this Year (Cf)		
						Remaining Permitted Capacity (Cr)		

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =								
		\$38,613	\$36,611	\$33,022	\$35,374			
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =						\$184,847	\$91,496	\$156,326

Current Fund Balance

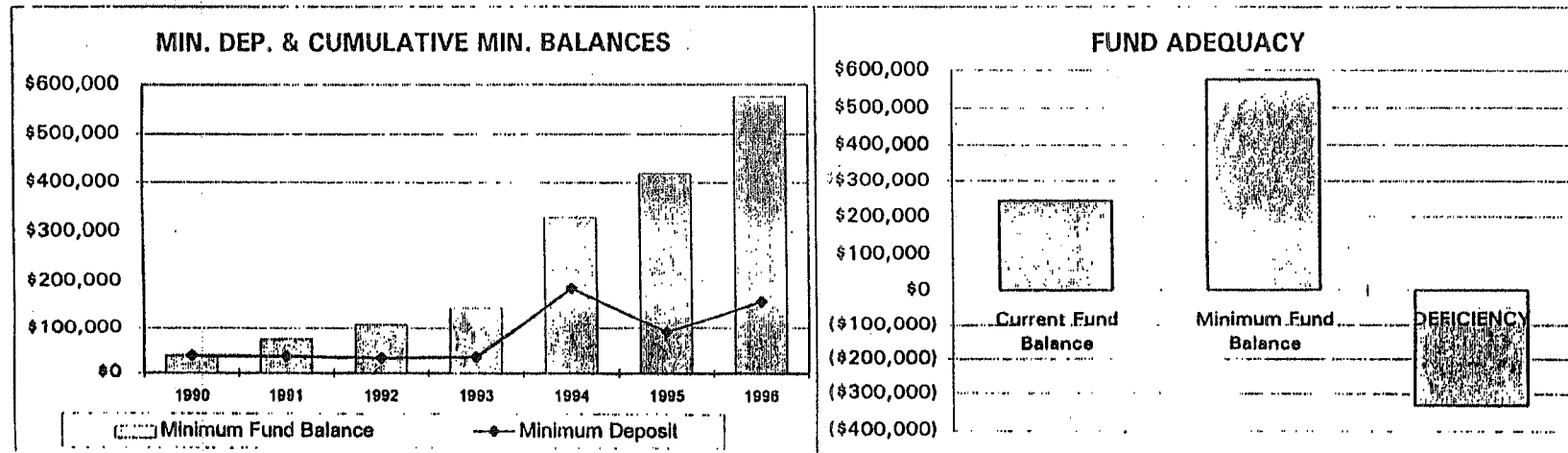
\$245,705

DEFICIENCY

(\$330,584)

PERCENT DEFICIENT

-134.54%



THE REQUIRED FUND DEPOSIT FOR

1996

Johnson Canyon

27-AA-0005

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Johnson Canyon	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0005	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	4,400,489	
Capacity Filled This Year (Cf).....	42,623	31,506	29,708	32,457	51,395	14,565	31,085	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	4,212,800	4,198,235	4,167,150	
Closure Cost Estimate.....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$2,154,608	\$2,270,957	\$2,352,711	\$2,430,351	\$7,070,000	\$7,211,400	\$7,384,474	
Min Fund Bal (Prior to Dep).....	\$0	\$20,869	\$37,129	\$53,012	\$70,938	\$156,324	\$180,801	
Min. Calc. Rem. Cost Est.(Er)	\$2,154,608	\$2,250,087	\$2,315,583	\$2,377,339	\$6,999,062	\$7,055,076	\$7,203,673	
Min. Fund Bal. (After Deposit).....	\$20,869	\$37,129	\$53,012	\$70,938	\$156,324	\$180,801	\$234,537	

Proportion of Capacity Filled

Capacity Filled this Year (Cf)	=	0.0096860	0.0071597	0.0067511	0.0073758			
Total Permitted Capacity (Ct)						0.012199725	0.003469315	0.007459535
						Capacity Filled this Year (Cf)		
						Remaining Permitted Capacity (Cr)		

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =								
		\$20,869	\$16,259	\$15,883	\$17,926			
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =						\$85,387	\$24,476	\$53,736

Current Fund Balance

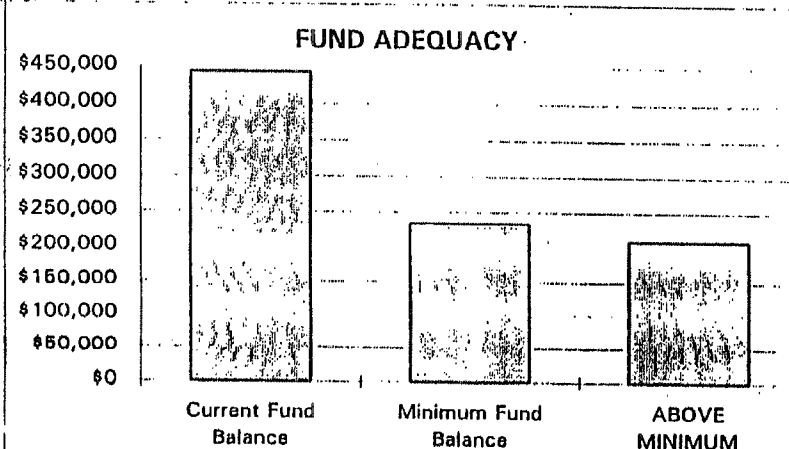
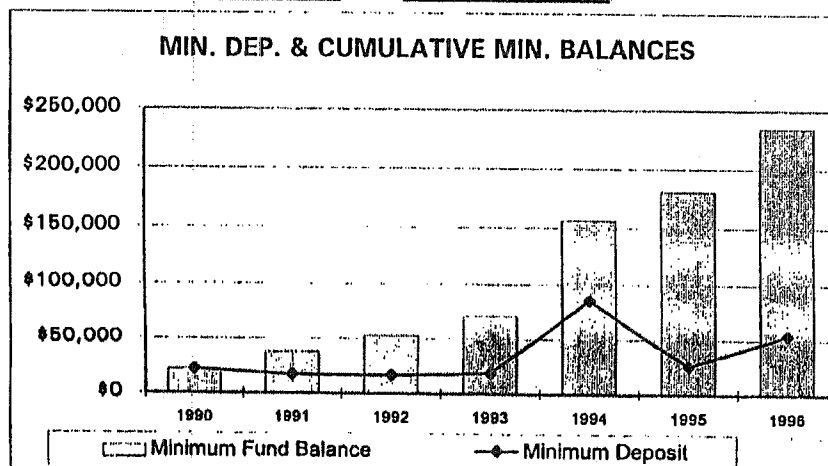
\$443,891

ABOVE MINIMUM

\$209,354

PERCENT ABOVE MINIMUM

47.16%



STREETSHEET FOR DETERMINING
THE REQUIRED FUND DEPOSIT FOR

1996
Jolon Road
27-AA-0006

Actual capacity information through end of April (60 days prior to June 30).

CLOSURE ONLY

Facility Name.....	Jolon Road	Deposit Calculations for Anniversaries During					Anniversary Date of Fund	
SWIS #.....	27-AA-0006	1996					30-Jun	
Infl. Factor (prior year)	4.10%	5.40%	3.60%	3.30%	2.60%	2.00%	2.40%	
Year of Deposit Calculation.....	1990	1991	1992	1993	1994	1995	1996	
Total Permitted Capacity (Ct).....	397,833	397,833	397,833	397,833	397,833	397,833	397,833	
Capacity Filled This Year (Cf).....	38,210	26,699	25,288	30,629	37,605	9,822	18,911	
Remaining Perm. Capacity (Cr)	N/A	N/A	N/A	N/A	239,402	229,580	210,669	
Closure Cost Estimate.....	\$591,060	\$822,977	\$645,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940	
Postclosure Cost Estimate.....	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost Estimate (E).....	\$591,060	\$622,977	\$645,404	\$666,703	\$2,674,000	\$2,727,480	\$2,792,940	
Min Fund Bal (Prior to Dep).....	\$0	\$56,769	\$98,577	\$139,602	\$190,931	\$580,969	\$672,802	
Min. Calc. Rem. Cost Est.(Er)	\$591,060	\$566,209	\$546,827	\$527,101	\$2,483,069	\$2,146,511	\$2,120,138	
Min. Fund Bal. (After Deposit).....	\$56,769	\$98,577	\$139,602	\$190,931	\$580,969	\$672,802	\$863,119	

Proportion of Capacity Filled

Capacity Filled this Year (Cf) =	0.0960453	0.0671111	0.0635644	0.0769896				
Total Permitted Capacity (Ct)					0.15707888	0.042782472	0.089766411	
					Capacity Filled this Year (Cf) =			
					Remaining Permitted Capacity (Cr)			

Minimum Fund Deposit

Proportion of Capacity Filled * Cost Estimate (E) =								
	\$56,769	\$41,809	\$41,025	\$51,329				
Proportion of Remaining Capacity Filled * Remaining Cost Estimate (Er) =					\$390,038	\$91,833	\$190,317	

Current Fund Balance

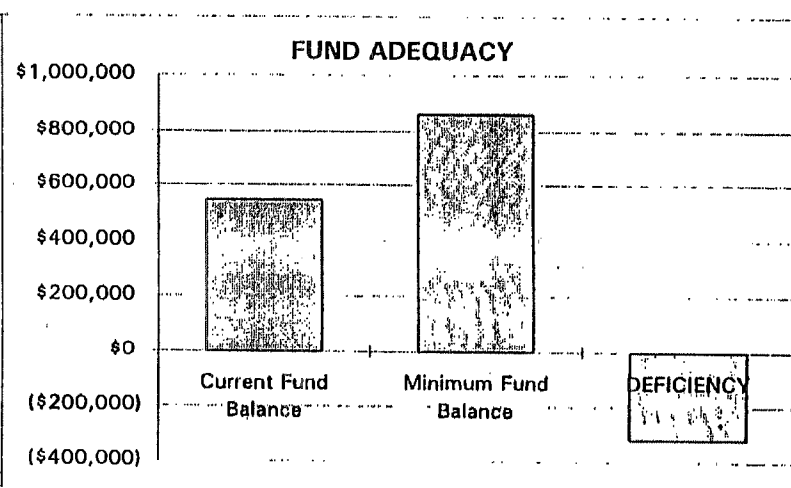
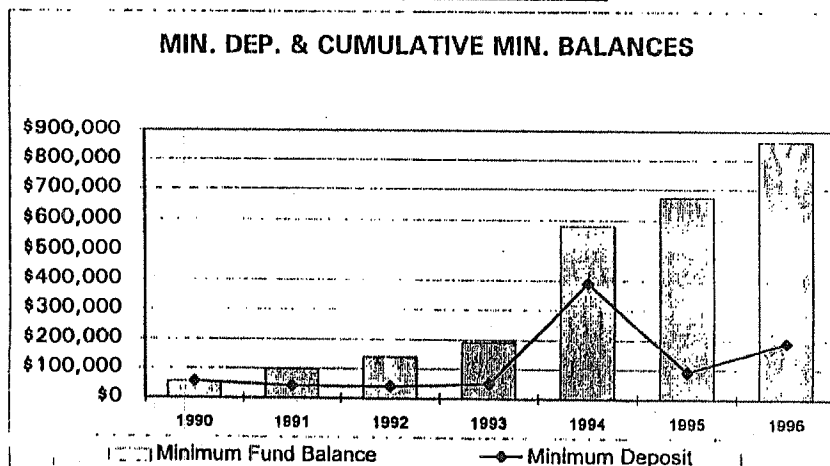
\$543,818

DEFICIENCY

(\$319,301)

PERCENT DEFICIENT

-58.71%





SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 10-A

Finance Manager/Controller-Treasurer

N/A

General Counsel

General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: Financial Policies Review

RECOMMENDATION

The Executive Committee recommends that the Board receive this report for review.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A- Develop and Implement a Sustainable Finance Plan, by providing sound guidance that can be followed by future Boards.

FISCAL IMPACT

This action in itself has no immediate fiscal impact.

DISCUSSION & ANALYSIS

Clearly articulated financial policies provide an essential foundation for effective financial decision-making and in protecting the Authority's fiscal health.

As the FY 2013-14 is brought forth to the Board, it is important to note that the number one financial policy is that "The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services" which is in line with the Authority's top strategic plan "Develop and Implement a Sustainable Finance Plan."

BACKGROUND

The Government Finance Officers' Association (GFOA) recommends that all governmental entities establish financial policies which provide guidelines for operational and strategic decision making related to financial matters. Financial policies identify acceptable and unacceptable courses of action, establish parameters in which the government can operate, and provide a standard against which the government's fiscal performance can be judged. The Authority's financial policies follow the GFOA recommendations.

When the Authority was first formed in 1997, the Authority's finances were handled by the City of Salinas as its fiscal agent. As such the Authority's finances came under the City's financial policies. When the Authority separated from the City in 2006 it developed its own financial policies. These policies were based on the City of Salinas financial policies. The Authority's financial policies were approved by the Board on July 20, 2006.

Financial Policies are:

- The best way to ensure long-term fiscal health
- Help prevent problems from arising in good times
- Help respond to bad times when they do occur
- Provide continuity as elected officials and staff change
- The "north star" guiding preparation of plans
- Help making tough decisions easier by telling you what your values are before they are placed under stress by adverse circumstances
- Looked at by rating agencies as a sign of good management.

ATTACHMENT(S)

1. 2006 Approved Financial Policies
2. Report card on adherence to fiscal policies


RESOLUTION NO. 2006 - 35

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
ADOPTING THE FINANCIAL POLICIES**


**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS
VALLEY SOLID WASTE AUTHORITY**, that the Financial Policies attached hereto as Exhibit
"A" are hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste
Authority at the regular meeting duly held on the 20th day of July 2006 by the following vote:

AYES:	BOARD MEMBERS:	Fernando Armenta, Lou Calcagno, Janet Barnes, Christopher Bourke (Alt.), Gloria De La Rosa, Annie Moreno (Alt.), Roberto Ocampo
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	Josephine Campos, Richard Ortiz, Yolanda Teneyuque, George Worthy
ABSTAIN:	BOARD MEMBERS:	None


Janet Barnes, President

ATTEST:


Elia Zavala, Clerk of the Board

Salinas Valley Solid Waste Authority

Financial Policies

SUMMARY

The SVSWA Board of Directors recognizes their fiduciary responsibility by virtue of their appointment to the Board. In an effort to promote transparency in the fiscal affairs of the Authority and to promote fiscal accountability, it hereby adopts the following financial policies to guide the Authority's finances:

1. Revenues: The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.
2. Expenditures: The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.
3. Fund Balance/Reserves: The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable occurrences or emergencies.
4. Capital Expenditures and Improvements: The Authority shall annually review the state of its capital assets, setting priorities for its replacement and renovation based on needs, funding, alternatives and availability of resources.
5. Debt: The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.
6. Investments: The Authority's cash will be invested in such a manner so as to ensure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield.
7. Grants: The Authority shall seek, apply for and effectively administer federal, state and foundation grants that address the Authority's current priorities and policy objectives.
8. Closure Funding: The Authority shall properly fund all closure and postclosure costs in accordance with California Integrated Waste Management Board (CIWMB) requirements.
9. Fiscal Monitoring: Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.
10. Accounting, Auditing and Financial Reporting: The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

Salinas Valley Solid Waste Authority Financial Policies

11. Internal Controls: The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.
12. Operating Budget: The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.
13. Capital Assets: The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

Salinas Valley Solid Waste Authority

Financial Policies

1 - REVENUES

The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.

A. User Fees

The Authority shall establish and collect fees to recover the costs of handling specific items that benefit only specific users. The Authority Board shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the Authority shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

B. Tipping Fees

Tipping fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. Tipping Fees are not expected to cover depreciation/depletion.

C. One Time Revenues

One-time revenues shall be used only for one-time expenditures.

D. Revenue Estimates

The Authority shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and thus avoid mid-year service reductions.

E. Revenue Collection and Administration

The Authority shall pursue to the full extent allowed by state law all delinquent ratepayers and others overdue in payments to the Authority. Since a revenue should exceed the cost of producing it, the Authority shall strive to control and reduce administrative collection costs.

Salinas Valley Solid Waste Authority

Financial Policies

2 - EXPENDITURES

The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.

A. Current Funding Basis

The Authority shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues.

B. Avoidance of Operating Deficits

The Authority shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of fund balance within the Fund Balance/Reserves Policy. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.

C. Maintenance of Capital Assets

Within the resources available each fiscal year, the Authority shall maintain capital assets and infrastructure at a sufficient level to protect the Authority's investment, to minimize future replacement and maintenance costs, and to continue current service levels.

D. Periodic Program Reviews

The General Manager shall undertake periodic staff and third-party reviews of Authority programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

E. Purchasing

The Authority shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall use competitive bidding whenever possible to attain the best possible price on goods and services.

Salinas Valley Solid Waste Authority

Financial Policies

3 - FUND BALANCE/RESERVES

The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable emergencies.

A. Operating Reserve

The Authority shall strive to maintain an Operating Reserve equal to fifteen percent (15%) of the current year operating expenditures, to provide sufficient reserves for emergencies and revenue shortfalls. Operating expenditures for reserve purposes is defined as the total budget less debt service and capital project expenditures. This reserve will be in addition to the Debt Service Reserve required under the 2002 Bond Indenture.

B. Undesignated Fund Balance

The Authority shall strive to maintain an undesignated fund balance of ten percent (10%) of current year operating budget (maintenance and operation expenditures only). Adequate designations shall be maintained for all known liabilities and insurance retentions. After completion of the annual audit, if the undesignated fund balance exceeds 10%, the excess will be allocated to reserves in the following priority:

1. Insurance Retention Reserves
2. Operating Reserve
3. Capital Projects Reserve.

C. Capital Projects Reserve

Due to the capital intensive nature of the Authority's landfill operations the Authority will strive to develop a Capital Projects Reserve for the purpose of funding future capital projects in accordance with the Capital Improvements Financial Policies. After fulfilling all insurance and operating reserve requirements any undesignated funds above 10% will be allocated to the Capital Projects Reserve.

D. Use of Operating Reserve

The Operating Reserve shall be used only for its designated purpose - emergencies, non-recurring expenditures, or major capital purchases that can not be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective, restoration recommendations will accompany the decision to utilize said balance.

Salinas Valley Solid Waste Authority

Financial Policies

4 - CAPITAL EXPENDITURES AND IMPROVEMENTS

The Authority shall annually review the state of its capital assets, setting priorities for their replacement and renovation based on needs, funding, alternatives and availability of resources.

A. Capital Improvement Plan

The Authority shall prepare a 10-Year Capital Improvement Plan (CIP) which will detail the Authority's capital needs financing requirements. The CIP will be reviewed and approved every two (2) years before discussions of the operating budget take place. It will include budget financing for the first two years. The CAO will develop guidelines for what projects to include in the CIP. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every capital project, all operation, maintenance and replacement costs shall be fully disclosed. The CIP will be in conformance with and support the Authority's major planning documents – the Long Term Waste Management Plan and the Regional Solid Waste Facilities Environmental Impact Report (EIR).

B. Capital Improvement Budget

The CIP will be the basis for which projects will be included in the following year's budget. Appropriations will be approved annually using the following criteria:

1. Linkage with needs identified in the Authority's planning documents.
2. Cost/benefit analysis identifying all economic or financial impacts of the project.
3. Identification of available funding resources.

CIP funding will be based on the following priorities:

1. Projects that comply with regulatory requirements.
2. Projects that maintain health and safety standards.
3. Projects that maintain and preserve existing facilities.
4. Projects that replace existing facilities that can no longer be maintained.
5. Projects that improve operations.

C. Capital Expenditure Financing

Projects will be financed using the following preferred order:

1. Use current revenues;
2. Use the Capital Projects Reserve;
3. Borrow money through debt issuance.

Debt financing includes revenue bonds, certificates of obligation, lease/purchase agreements, and other obligations permitted to be issued or incurred under California law. Guidelines for assuming debt are set forth in the Debt Policy Statements.

Salinas Valley Solid Waste Authority

Financial Policies

D. Capital Projects Reserve Fund

A Capital Projects Reserve Fund shall be established and maintained to accumulate funds transferred from the undesignated fund balance. This fund shall only be used to pay for non-routine and one-time capital expenditures such as land and building purchases or construction and maintenance projects with a 10-year life. Expenditures from this Fund shall be aimed at protecting the health and safety of residents, employees and the environment, and protecting the existing assets of the Authority.

E. Capital Projects Management

The Authority will fund and manage its capital projects in a phased approach. The project phases will become a framework for appropriate decision points and reporting. The phasing will consist of:

1. Conceptual/schematic proposal
2. Preliminary design and cost estimate
3. Engineering and final design
4. Bid administration
5. Acquisition/construction
6. Project closeout

Each project will have a project manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, periodically report project status and track project expenditures.

Salinas Valley Solid Waste Authority

Financial Policies

5 - DEBT

The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.

A. Use of Debt Financing

The issuance of long-term debt will be only for the acquisition of land, capital improvements or equipment.

Debt financing is not considered appropriate for current operations, maintenance expenses, or for any recurring purposes.

B. Conditions for Debt Issuance

The Authority may use long-term debt to finance major equipment acquisition or capital project only if it is established through a cost/benefit analysis that the financial and community benefits of the financing exceed the financing costs. Benefits would include, but not be limited to, the following:

1. Present value benefit: The current cost plus the financing cost is less than the future cost of the project.
2. Maintenance value benefit: The financing cost is less than the maintenance cost of deferring the project.
3. Equity benefit: Financing provides a method of spreading the cost of a facility back to the users of the facility over time.
4. Community benefit: Debt financing of the project enables the Authority to meet an immediate community need.

Debt financing will be used only when project revenues or other identified revenue sources are sufficient to service the debt.

C. Debt Structure

The Authority's preference is to issue fixed-rate, long-term debt with level debt service, but variable rate debt or other debt service structure may be considered if an economic advantage is identified for a particular project.

Bond proceeds, for debt service, will be held by an independent bank acting as trustee or paying agent.

Salinas Valley Solid Waste Authority

Financial Policies

The Authority's minimum bond rating objective for all debt issues is a Moody's and Standard & Poor's rating of A (upper medium grade). Credit enhancements will be used to achieve higher ratings when there is an economic benefit.

The Authority may retain the following contract advisors for the issuance of debt:

1. Financial Advisor - To be selected, when appropriate, by negotiation to provide financial analysis and advice related to the feasibility and structure of the proposed debt.
2. Bond Counsel - To be selected by negotiation for each debt issue.
3. Underwriters - To be selected by negotiation or competitive bid for each bond issue based upon the proposed structure for each issue.

D. Call Provisions

Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the Authority. When possible, all bonds shall be callable only at par.

E. Debt Refunding

Authority staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3.5% of the refunded maturities.

F. Interest Earnings

Interest earnings received on the investment of bond proceeds shall be used to assist in paying the interest due on bond issues, to the extent permitted by law.

G. Lease/Purchase Agreements

Over the lifetime of a lease, the total cost to the Authority will generally be higher than purchasing the asset outright. As a result, the use of lease/purchase agreements and certificates of participation in the acquisition of vehicles, equipment and other capital assets shall generally be avoided, particularly if smaller quantities of the capital asset(s) can be purchased on a "pay-as-you-go" basis.

Salinas Valley Solid Waste Authority

Financial Policies

6 - INVESTMENTS

The Authority's cash will be invested in such a manner so as to insure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield after meeting the first two requirements.

A. Investment Policy

The Authority Treasurer is both authorized and required to promulgate a written Statement of Investment Policy which shall be presented to the Board annually.

B. Interest Earnings

Interest earned from investments shall be distributed to the operating funds from which the money was provided, with the exception that interest earnings received on the investment of bond proceeds shall be attributed and allocated to those debt service funds responsible for paying the principal and interest due on the particular bond issue.

Salinas Valley Solid Waste Authority

Financial Policies

7 - GRANTS

The Authority shall seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the Authority's current priorities and policy objectives.

A. Grant Guidelines

The Authority shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by the Board. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

B. Indirect Costs

The Authority shall recover full indirect costs unless the funding agency does not permit it. The Authority may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

C. Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the Authority's policy objectives. Departments shall seek Board approval prior to submission of a grant application. Should time constraints under the grant program make this impossible, the department shall obtain approval to submit an application from the CAO and then, at the earliest feasible time, seek formal Board approval. If there are cash match requirements, the source of funding shall be identified prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

D. Grant Program Termination

The Authority shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

Salinas Valley Solid Waste Authority

Financial Policies

8 - CLOSURE FUNDING

The Authority shall properly fund all closure and postclosure costs in accordance with CIWMB requirements.

A. Closure Funding

In accordance with CIWMB requirements, the Authority shall annually set aside sufficient funds to fully fund all accrued closure costs liability. These funds will be held in a separate Closure Fund restricted specifically for this purpose.

B. Postclosure Funding

In accordance with the Financial Assurances, the Authority shall fund postclosure costs from future revenues when those costs are incurred. The Authority will not pre-fund postclosure costs in its operating budget. The Authority has entered into Pledge of Revenue with the CIWMB for this purpose.

C. Closure Funding Calculations

The Authority shall, as part of the budget process, annually recalculate the closure costs on a per ton basis. Funds will be transferred on a monthly basis to the Closure funds based on tonnage land-filled. Post closure expense incurred as a result of current fiscal year solid waste disposal will be recorded as an expense on the Authority's financial statements with a corresponding liability.

Salinas Valley Solid Waste Authority

Financial Policies

9 - FISCAL MONITORING

Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.

A. Financial Status and Performance Reports

Monthly reports comparing expenditures and revenues to current budget, noting the status of fund balances, and outlining any remedial actions necessary to maintain the Authority's financial position shall be prepared for review by the Board.

B. Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures, to include a discussion of major trends affecting the Authority's financial position, shall be prepared in anticipation of the annual budget process. The forecast shall also examine critical issues facing the Authority, economic conditions, and the outlook for the upcoming budget year. The document shall provide insight into the Authority's financial position and alert the Board to potential problem areas requiring attention.

C. Semi-Annual Status Report on Capital Projects

A summary report on the contracts awarded, capital projects completed and the status of the Authority's various capital projects will be prepared at least semi-annually and presented to the Board.

D. Compliance with Board Policy Statements

The Financial Policies will be reviewed annually by the Board and updated, revised or refined as deemed necessary. Policy statements adopted by the Board are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

Salinas Valley Solid Waste Authority

Financial Policies

10 - ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

A. Conformance to Accounting Principles

The Authority's accounting practices and financial reporting shall conform to generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

B. Popular Reporting

In addition to issuing a comprehensive annual financial report (CAFR) in conformity with GAAP, the Authority shall supplement its CAFR with a simpler, "popular" report designed to assist those residents who need or desire a less detailed overview of the Authority's financial activities. This report should be issued no later than six months after the close of the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

11 - INTERNAL CONTROLS

The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.

A. Proper Authorizations

Procedures shall be designed, implemented and maintained to ensure that financial transactions and activities are properly reviewed and authorized.

B. Separation of Duties

Job duties will be adequately separated to reduce, to an acceptable level, the opportunities for any person to be in a position to both perpetrate and conceal errors or irregularities in the normal course of assigned duties.

C. Proper Recording

Procedures shall be developed and maintained that will ensure financial transactions and events are properly recorded and that all financial reports may be relied upon as accurate, complete and up-to-date.

D. Access to Assets and Records

Procedures shall be designed and maintained to ensure that adequate safeguards exist over the access to and use of financial assets and records.

E. Independent Checks

Independent checks and audits will be made on staff performance to ensure compliance with established procedures and proper valuation of recorded amounts.

F. Costs and Benefits

Internal control systems and procedures must have an apparent benefit in terms of reducing and/or preventing losses. The cost of implementing and maintaining any control system should be evaluated against the expected benefits to be derived from that system.

Salinas Valley Solid Waste Authority

Financial Policies

12 - OPERATING BUDGET

The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.

A. Budget Format

The budget shall provide a complete financial plan of all Authority funds and activities for the ensuing fiscal year and shall be in such form as the Chief Administrative Officer deems desirable or that the Board may require.

The budget shall begin with a clear general summary of its contents. It shall show in detail all estimated revenues, all carry-over fund balances and reserves, and all proposed expenditures, including debt service, for the ensuing fiscal year.

The total of proposed expenditures shall not exceed the total of estimated revenues plus the un-appropriated fund balance, exclusive of reserves, for any fund.

The budget will be organized on a program/service level format.

The budget development process will include the identification and evaluation of policy options for increasing and decreasing service levels.

B. Estimated Revenues

The Authority will annually update its revenue forecast to enhance the budgetary decision-making process.

In its budget projections, the Authority will attempt to match current expense to current revenue. If it becomes apparent that revenue shortfalls will create a deficit, efforts will be made first to reduce the deficiency through budgetary reductions.

If appropriate reductions are insufficient, the Board may decide, on an exception basis, to use an appropriate existing reserve, which is in excess of minimum reserve requirements.

C. Appropriations

In evaluating the level of appropriations for program enhancements, or reductions, the Authority will apply the following principles in the priority order given:

1. Essential services, which provide for the health and safety of residents will be funded to maintain current dollar levels.
2. The budget will provide for adequate ongoing maintenance of facilities and equipment.
3. Appropriations for program enhancements or reductions will be evaluated on a case-by-case basis rather than across the board.

Salinas Valley Solid Waste Authority

Financial Policies

4. When reductions in personnel are necessary to reduce expenditures, they shall be consistent with the Authority Board's established service level priorities and, when possible, shall be accomplished through normal attrition.
5. Programs, which are self-supported by special revenues or fees, shall be separately evaluated.

Prior to the Authority Board making any supplemental appropriation, the CAO or Finance Manager shall certify that funds in excess of those estimated in the budget are available for appropriation. Any such supplemental appropriations shall be made for the fiscal year by Board action up to the amount of any excess.

Appropriations may be reduced any time during the fiscal year by the Authority Board upon recommendation of the CAO. When appropriation reductions are recommended, the CAO shall provide specific recommendations to the Board, indicating the estimated amount of the reduction, any remedial actions taken, and recommendations as to any other steps to be taken.

The CAO may transfer appropriations between divisions, and division managers may transfer appropriations between programs and accounts within their individual divisions, but only the Board by resolution may appropriate funds from reserves or fund balances.

All appropriations, except for Capital Improvement Program and Grant Programs appropriations, shall lapse at the end of the fiscal year to the extent that they have not been expended or encumbered. An appropriation in the Capital Improvement Program shall continue in force until expended, revised, or cancelled.

The Authority will endeavor to budget an appropriated contingency account in all Divisions operating budget equal to one percent of the total Operating Budget to meet changing operational requirements during the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

13 - CAPITAL ASSETS

The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

A. Overview – The Finance Division will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the Authority in line with these policies.

1. Capital assets are recorded as expenditures in governmental funds at the time the assets are received and the liability is incurred. These assets will be capitalized at cost on the government wide financial statements. Enterprise fixed assets are recorded as assets within the fund when purchased and a liability is incurred.
- i. GASB 34 defines Capital Assets as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.
- ii. GASB 34 defines Infrastructure Assets as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings that are an ancillary part of a network of infrastructure assets are included.

The Authority uses the most current edition of GOVERNMENTAL ACCOUNTING, AUDITING, AND FINANCIAL REPORTING (GAAFR) published by the Government Finance Officers Association (GFOA) as its authoritative guide in setting policy and establishing accounting procedures regarding capital assets.

B. Capitalization – Generally all capital assets with an original cost of \$25,000 or more will be capitalized (recorded as an asset on the balance sheet versus expensing the item). Infrastructure Assets with an original cost of \$150,000 or more will be capitalized. This capitalization policy addresses financial reporting, not control. The Authority follows the GFOA recommended practices for establishing capitalization thresholds. Specific capitalization requirements are described as follows:

1. The asset must cost \$25,000 or more.
2. The asset must have a useful life of two (2) or more years.
3. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten items purchased for \$10,000 each will not be capitalized even though the total (\$100,000) exceeds the threshold of \$25,000.
4. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset

Salinas Valley Solid Waste Authority

Financial Policies

functional.

5. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case the repair represents an improvement and is subject to the requirements described number 6 below.
6. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000.
7. Capital projects will be capitalized as "construction in progress" until completed. Personal computers will not be capitalized:

C. Leased Assets-

Operating leased assets are usually short term and cancelable at anytime. The recording of an operating lease as a fixed asset is not required because the item is not purchased.

Capital leases will be capitalized if one or more of the following criteria are met and the chance of cancellation is low:

- a. Ownership is transferred by the end of the lease term
- b. The lease contains a bargain purchase option
- c. The lease term is greater than or equal to 75 percent of the asset's service life
- d. The present value of the minimum lease payment is greater than or equal to ninety percent (90%) of the fair market value of the asset at the inception of the lease.

Capital lease items are capitalized at the beginning of the lease period, regardless of when the title transfers. Capital leases are recorded at net present value of lease payments.

- D. Capital Asset Recording - It is the responsibility of the Finance Division to record, monitor and inventory all fixed assets. Each division will assign appropriate staff members to respond to verification, inventories, and filling out the necessary forms for recording transfers, dispositions or retired fixed assets.
- E. Acquisition of Capital Assets - Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, donations, and gifts.

When a capital asset is acquired the funding source will be identified.

If funds are provided by a specific funding source, a record will be made of that specific source such as:

- ❖ Bond Proceeds
- ❖ State Grants

- F. Measuring the Cost and/or Value - Capital assets are recorded at their "historical cost", which is the original cost of the assets. Donations accepted by the Authority will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service. Costs could include the following:

Salinas Valley Solid Waste Authority

Financial Policies

Sales Tax
Freight charges
Legal and title fees
Closing costs
Appraisal and negotiation fees
Surveying fees
Land-preparation costs
Demolition costs
Relocation costs
Architect and accounting fees
Insurance premiums and interest costs during construction

- G. Establishing Cost in the Absence of Historical Records - According to the GASB 34, an estimate of the original cost is allowable. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. Another recognized method is normal costing wherein an estimate of historical cost is based on current cost of reproduction new indexed by a reciprocal factor of the price increase of a specific item or classification from the appraisal date to the estimated date acquired. When necessary the Authority will use whichever method gives the most reasonable amount based on available information.
- H. Recording Costs Incurred After Acquisition - Expenditures/expenses for replacing a component part of an asset are not capitalized. However, expenditures/expenses that either enhance a capital asset's functionality (effectiveness or efficiency), or that extend a capital asset's expected useful life are capitalized. For example, periodically slurry sealing a street would be treated as a repair (the cost would not be capitalized), while an overlay or reconstruction would be capitalized. Adding a new lane constitutes an addition and would therefore also be capitalized.
- I. Disposition or Retirement of Fixed Assets - It is the Authority's policy that divisions wishing to dispose of surplus, damaged or inoperative equipment must notify the Finance Division.
- The Authority will conduct public auctions, as necessary, for the purpose of disposing of surplus property. Auctions will be conducted by the Finance Division. The original cost less depreciation will then be removed from the Authority's capital asset management system.
- J. Transfer of Assets - The transfer of fixed assets between divisions requires notification to the Finance Department.
- K. Depreciation - In accordance with GASB Statement No. 34 the Authority will record depreciation expense on all capital assets, except for inexhaustible assets.
- The Authority will use straight-line depreciation using the half-year convention or mid month as appropriate. Depreciation will be calculated for half a year in the year of acquisition and the year of disposition. Depreciation will be calculated over the estimated useful life of the asset.
- L. Recommended Lives - The Authority follows GFOA Recommended Practices when establishing recommended lives for capitalized assets. In accordance with GASB 34 the Authority will rely on "general guidelines obtained from professional or industry organizations." In particular the Authority will rely on estimated useful lives published by GFOA. If the life of a particular asset is estimated to be different than these guidelines, it

Salinas Valley Solid Waste Authority

Financial Policies

may be changed. The following is a summary for the estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	20 to 50 years
Improvements	15 to 45 years
Infrastructure	20 to 50 years
Equipment and Machinery	5 to 20 years

- M. Control of Assets – In accordance with GFOA Recommended Practice the Authority will exercise control over the non-capitalized tangible capital-type items by establishing and maintaining adequate control procedures at the division level. The Authority's capitalization threshold of \$5,000 meets financial reporting needs and is not designed for nor particularly suited to maintain control over lower cost capital assets. It is the responsibility of each division to maintain inventories of lower-cost capital assets to ensure adequate control and safekeeping of these assets.
- N. Maintenance Schedules - The Authority shall develop and implement maintenance and replacement schedules with a goal of maximizing the useful life of all assets. The schedules shall include estimates of annual maintenance and/or replacement funding required for each asset.
- O. Maintenance Funding - The Authority shall identify specific sources of funds for the annual maintenance or replacement of each asset. Whenever possible, the maintenance or replacement funding shall be identified from a source other than the Authority General Fund. The Authority shall endeavor to set aside, on an annual basis, one and one-half percent (1½%) of its Operating Budget to provide for on-going maintenance and required replacement of assets that cannot be reasonably funded from other sources.
- Q. Inventorying – The Authority will follow the GFOA recommended practice of performing a physical inventory of its capitalized capital assets, either simultaneously or on a rotating basis, so that all capital assets are physically accounted for at least once every five years.
- R. Tagging – The Authority will tag only moveable equipment with a value of \$5,000 or higher. Rolling stock items will not be tagged. They will be identified by the VIN number. The Finance department will be responsible for tagging equipment.

SALINAS VALLEY SOLID WASTE AUTHORITY
FINANCE POLICIES REPORT CARD
Based on 2012 Policies

Policy Item	Description	Compliance			Comments
		Yes	No		
1 - REVENUES					
A. User Fees	Recover full direct and indirect costs	<input checked="" type="checkbox"/>			
B. Tipping Fees	For operations, debt and CIP	<input checked="" type="checkbox"/>			Should include depreciation
C. One-Time Revenues	For one-time expenditures	<input checked="" type="checkbox"/>			
D. Revenue Estimates	Conservative analytical approach	<input checked="" type="checkbox"/>			
E. Revenue Collection and Administration	Pursue full extent allowed by law	<input checked="" type="checkbox"/>			
2 - EXPENDITURES					
A. Current Funding Basis	Expenditures budgeted not to exceed revenues	<input checked="" type="checkbox"/>			
B. Avoidance of Operating Deficits	Avoid operating deficits	<input checked="" type="checkbox"/>			
C. Maintenance of Capital Assets	Maintain sufficient levels to protect investments	<input checked="" type="checkbox"/>			
D. Periodic Program Reviews	Periodic reviews of program efficiencies	<input checked="" type="checkbox"/>			
E. Purchasing	Maximize discounts & use competitive bidding	<input checked="" type="checkbox"/>			
3 – FUND BALANCE/RESERVES					
A. Operating Reserve	15% of operating expenditures, less debt		<input checked="" type="checkbox"/>		Should be \$1.8 M
B. Undesignated Fund Balance	Maintain 10% of operating budget		<input checked="" type="checkbox"/>		Should be \$1.2 M
C. Capital Projects Reserve	For future capital projects	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		\$6.5 M in Expansion Fund; \$2.3 M for Johnson Cyn. Road
D. Use of Operating Reserve	For designated purposes only	<input checked="" type="checkbox"/>			
4 – CAPITAL EXPENDITURES AND IMPROVEMENTS					
A. Capital Improvement Plan	Prepare a 10-Year capital needs financial requirement		<input checked="" type="checkbox"/>		Needs to be updated
B. Capital Improvement Budget	Budget based on Financial Policies criteria	<input checked="" type="checkbox"/>			
C. Capital Expenditure Financing	Use current revenue, CIP reserves, borrowing money	<input checked="" type="checkbox"/>			Need to increase current revenue funds
D. Capital Projects Reserve Fund	Accumulate funds for capital expenditures		<input checked="" type="checkbox"/>		
E. Capital Projects Management	Use 6 phasing criteria (See Financial Policies)	<input checked="" type="checkbox"/>			Improve Reporting

SALINAS VALLEY SOLID WASTE AUTHORITY
FINANCE POLICIES REPORT CARD
Based on 2012 Policies

Policy Item	Description	Compliance			Comments
		Yes	No		
5 – DEBT					
A. Use of Debt Financing	Only for acquisition of land, capital improvements or equipment	<input checked="" type="checkbox"/>			
B. Conditions of Debt Issuance	Established through a cost/benefit analysis	<input checked="" type="checkbox"/>			
C. Debt Structure	Prefer fixed-rate, long-term, level debt service	<input checked="" type="checkbox"/>			
D. Call Provisions	As short as possible with lowest interest	<input checked="" type="checkbox"/>			
E. Debt Refunding	Monitor bond market for 3.5% PV savings	<input checked="" type="checkbox"/>			
F. Interest Earnings	Use to pay interest due on bond issues	<input checked="" type="checkbox"/>			
G. Lease/Purchase Agreements	Generally avoided	<input checked="" type="checkbox"/>			
6 – INVESTMENTS					
A. Investment Policy	Presented annually to the Board	<input checked="" type="checkbox"/>			
B. Interest Earnings	Allocated to each fund	<input checked="" type="checkbox"/>			
7 – GRANTS					
A. Grant Guidelines	Apply & facilitate as identified by the Board	<input checked="" type="checkbox"/>			
B. Indirect Costs	Recover unless not permitted	<input checked="" type="checkbox"/>			
C. Grant Review	Grant submittals require analysis of cash match, impact on operating budget, Board objectives	<input checked="" type="checkbox"/>			
D. Grant Program Termination	When funds are no longer available	<input checked="" type="checkbox"/>			
8 – CLOSURE FUNDING					
A. Closure Funding	Fully fund accrued liability	<input checked="" type="checkbox"/>			
B. Postclosure Funding	Fund from future revenues	<input checked="" type="checkbox"/>			Should consider prefunding
C. Closure Funding Calculations	Annually recalculated on a per ton basis	<input checked="" type="checkbox"/>			

SALINAS VALLEY SOLID WASTE AUTHORITY
FINANCE POLICIES REPORT CARD
Based on 2012 Policies

Policy Item	Description	Compliance			Comments
		Yes	No		
9 – FISCAL MONITORING					
A. Financial Status and Performance Reports	Monthly reports comparing expenditures & revenues to budget	✓			
B. Five-year Forecast of Revenues and Expenditures	Examine critical issues, economic conditions & outlook of upcoming budget	✓			Change from annual to biannual
C. Semi-Annual Report on Capital Projects	Report on the contracts awarded, capital projects completed and status		✓		Need to prepare report timely
D. Compliance and Board Policy Statements	Review annually by the Board and updated, revised or refined as necessary		✓		Will become an annual exercise
10 – ACCOUNTING, AUDITING AND FINANCIAL REPORTING					
A. Conformance to Accounting Policies	Follow Generally accepted accounting principles (GAAP) promulgated by Governmental Accounting Standards Board (GASB)	✓			
B. Popular Reporting	Issue a comprehensive annual financial report (CAFR) supplemented by a simpler, “popular” report for detailed overview		✓		Will work on preparing CAFR and Popular Report
11 – INTERNAL CONTROLS					
A. Proper Authorizations	Procedures designed, implemented and maintained	✓			
B. Separation of Duties	Adequate separation of duties	✓			
C. Proper Recording	Procedures to ensure accurate records	✓			
D. Access to Assets and Records	Maintain adequate procedures	✓			
E. Independent Checks	On staff performance to ensure compliance	✓			
F. Costs and Benefits	Cost should not exceed benefit of procedures	✓			
12 – OPERATING BUDGET					
A. Budget Format	Provide a complete and clear financial plan	✓			Working on improving
B. Estimated Revenues	Update projections annually	✓			Reviewed monthly
C. Appropriations	Evaluate based on financial policies	✓			

SALINAS VALLEY SOLID WASTE AUTHORITY
FINANCE POLICIES REPORT CARD
Based on 2012 Policies

Policy Item	Description	Compliance			Comments
		Yes	No		
13 – CAPITAL ASSETS					
A. Overview	Will meet external financial reporting requirements	✓			
B. Capitalization	Original cost \$25,000 or more	✓			
C. Leased Assets	Short-term and cancelable at any time	✓			
D. Capital Asset Recording	Record, monitor and inventory all fixed assets	✓			
E. Acquisition of Capital Assets	Direct purchase, lease-purchase or capital lease, construction, eminent domain, donations and gifts	✓			
F. Measuring the Cost and/or Value	Capital assets recorded at their “historical cost”, donations at fair market value	✓			
G. Establishing Cost in the Absence of Historical Records	According to GASB34 standard costing or normal costing are methods used	✓			
H. Recording Costs Incurred After Acquisitions	Replacing component parts are not capitalized. Enhancement of an asset’s functionality or extends its life are capitalized.	✓			
I. Disposition or Retirement of Fixed Assets	Notify Finance Department. Utilize public auctions	✓			
J. Transfer of Assets	Notification to Finance Department	✓			
K. Depreciation	GASB 34 – record expense on all capital assets, except inexhaustible assets	✓			
L. Recommended Lives	Follow GFOA Recommended Practices	✓			
M. Control of Assets	In accordance with GFOA Recommended Practice	✓			
N. Maintenance Schedules	Develop and maintain schedules to maximize the useful life of all assets	✓			
O. Maintenance Funding	Identify specific source funds for maintenance or replacement of assets	✓			
P. Inventorying	Follow GFOA Recommended Practice	✓			
Q. Tagging	Only moveable equipment valued at \$5,000 or higher	✓			




Report to the Board of Directors

ITEM NO. 10-B


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: Five Year Financial Forecast

RECOMMENDATION

Staff recommends that the Board receive this report.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A - Develop and Implement a Sustainable Finance Plan looking at the Authority's finances in the future.

FISCAL IMPACT

This item has no fiscal impact in itself, but rather provides the Board with an idea of the impact of future decisions.

DISCUSSION & ANALYSIS

A presentation will be made at the Board meeting.

Due to time constraints, the forecast will be delivered on Tuesday.

ATTACHMENT

1. Five-Year Forecast (to be delivered)



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 10-C

Finance Manager/Controller-Treasurer

N/A

Legal Counsel

General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: FY 2013-14 Proposed Operating Budget

RECOMMENDATION

Staff recommends that the Board receive and provide direction on the appropriate rates for funding the FY 2013-14 Budget.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A - Develop and Implement a Sustainable Finance Plan by ending reliance on importing waste to balance the budget.

FISCAL IMPACT

The Proposed \$15,950,000 Operating Budget represents an increase of 1.6% over the current operating budget. The Proposed Operating Budget is balanced with the scheduled \$3.00 per ton increase to the Salinas Transportation Surcharge. However in order to end reliance on importing landfill waste from Recology South Valley to fund operating expenditures the Authority must increase revenues by \$2,000,000.

DISCUSSION & ANALYSIS

\$2,000,000 in new revenue

In order to end reliance on importing outside waste the Authority must make up \$2 million, the amount received from Recology South Valley (RSV) that is used for operations. The RSV contract will come to an end in the near future.

Staff estimates that a typical residential ratepayer will see an increase of anywhere from \$0.81 per month to \$1.42 per month depending on the franchise hauler. Commercial ratepayers can expect an increase of \$3.12 to \$7.09 for a 1 cubic yard bin as a result of the Authority's rate increase. This will be discussed in more detail during the discussion on disposal rates for 2013-14.

\$3.00 Increase in Salinas Transportation Surcharge

Republic Services currently pays an \$8.00 per ton surcharge to partially defray the cost of transporting their waste from Salinas to Johnson Canyon Landfill. The \$8.00 per ton surcharge is used to pay Waste Management for the handling and transporting of Republic Services received at Madison Lane Transfer Station and for some of the Authority's expenses to handle Republic's waste at Sun Street Transfer Station. At the October 2012 Board Retreat, the Board agreed to raise the Salinas Transportation

Surcharge \$3.00 per ton annually until Republic is paying the full cost of transporting their waste to Johnson Canyon landfill.

The \$3.00 increase covers the 1.6% increase in operating expenses for FY 2013-14.

BACKGROUND

Use of Expansion Fund for Operations

The Expansion Fund was established on October 23, 2003, to manage the revenues from importation of Recology South Valley Disposal and Recycling waste. The intended purpose of the revenues was to pay for the "costs associated with developing the new long-term landfill..." along with paying for the costs associated with the importation of South Valley waste.

For FY 2011-12 the Board decided to use the RSV revenues instead of increasing tipping fees. The Proposed Three Year Budget for 2012-13 included reduced dependence on the use of the Expansion Fund before that revenue source ceases. This would have meant gradual rate increases.

The RSV revenues were never meant to offset rate increases. When the agreement with Recology South Valley Disposal and Recycling was put in place in October 2003 it was expected to generate \$15.4 million by June 2014.

Effective July 1, 2010, the Board chose to utilize the entire \$2.2 million of RSV revenues for operations in order to avoid a tipping fee increase.

ATTACHMENT(S)

1. FY 2013-14 Operating Budget (as a separate document)



PROPOSED BUDGET

FY 2013-14

\$15,950,000



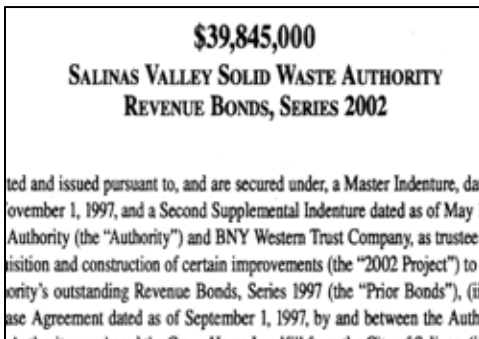
Johnson Canyon Landfill
\$5,364,314



AB939 Programs
\$2,175,980



Recycling Programs
\$932,790



Debt Service
\$3,141,800



Salinas Area Transfer Stations
\$2,390,192



South County Transfer Station



Closed Crazy Horse Landfill
\$641,456



Closed Lewis Road Landfill
\$230,909



Closed Jolon Road Landfill
\$186,122



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SALINAS VALLEY SOLID WASTE AUTHORITY

Proposed Budget

Fiscal Year

2013-2014



Prepared by:
The Authority's Finance Division

Roberto Moreno
Finance Manager/Treasurer

PO Box 2159
128 Sun St., Suite 101
Salinas, CA 93901



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February 21, 2013

Salinas Valley Solid Waste Authority Board Members:

We are pleased to present for your consideration the Proposed Operating Budget for fiscal year 2013-14. The \$15,950,000 operating budget represents a 1.6% increase over the FY 2012-13 budget. This slight increase is covered by the scheduled \$3.00 per ton increase in the Salinas Transportation Surcharge. In order to stop relying on the importation of waste from Recology South Valley to fund operations the Authority must increase revenues by \$2,000,000. This revenue increase amounts to an estimated \$.98 increase in the monthly disposal cost for a Salinas 32 gallon container.

The current Capital Improvement Budget appropriations will carry over to FY 2013-14 per the Authority's financial policies. The proposed capital improvement projects FY 2013-14 will be based on the Five-Year Capital Improvement Plan which is a separate document.

Achieving a Balanced Budget

The Authority has been able to keep rate increases to a minimum for the last two years by using the Recology South Valley (RSV) revenues for operations. The RSV revenues were never intended to be used for operations. They were meant for the development of landfill capacity because they are one-time revenues that could come to an end during FY 2013-14. The Authority must therefore no longer rely on them for operating expenses.

Bringing garbage into the Salinas Valley landfills from South Santa Clara Valley to keep rates down is no longer financially plausible. Develop and implementation of a sustainable finance plan was identified as the top priority in the Authority's Strategic Plan.

In the meantime, due to regulatory requirements, the Authority's expenses for landfill maintenance and compliance of active and closed landfills continue to increase. The Authority has some large capital improvements, such as the Corrective Action Plan, that need to be made at Crazy Horse Landfill as soon as the closure of that landfill is completed.

To achieve a balanced budget this document incorporates the following steps:

- Minimize operating budget increases by making more efficient use of Sun Street Transfer Station. This has allowed the Authority to absorb increased regulatory cost increases.
- Increase the Salinas Transportation Surcharge by \$3.00 per ton to \$11.00. This allows the Authority to slowly get out of subsidizing the transportation of Salinas franchise garbage.
- Stop relying on \$2 million of Recology South Valley revenues for operations.

Beginning on the next page is a summary of the proposed budget followed by a discussion of how it was developed and how it can be funded. Thereafter the budget summaries analyze the budget in various ways.

Salinas Valley Solid Waste Authority				
Two-Year Budget Comparison				
FY 2013-14				
	2012-13 BUDGET	2013-14 PROPOSED	Increase/ (Decrease)	Percent Change
Revenues				
51 - Tipping Fees - Solid Waste	11,054,500	13,141,600	2,087,100	18.9%
51.1 - Tipping Fees - Surcharge	725,600	1,034,000	308,400	42.5%
51.2 - Tipping Fees - Diverted Materials	901,800	956,800	55,000	6.1%
51.7 - Tipping Fees - South Valley	2,340,900	2,318,800	(22,100)	-0.9%
52 - Charges for Services	117,000	117,000	-	0.0%
53 - Sales of Materials	572,500	572,500	-	0.0%
54 - Investment Earnings	80,200	80,200	-	0.0%
57 - Miscellaneous/Other	60,000	-	(60,000)	-100.0%
Total Revenues	15,852,500	18,220,900	2,368,400	14.9%
Expenditures				
1110 - Executive Administration	358,270	410,950	52,680	14.7%
1120 - Administrative Support	386,040	394,300	8,260	2.1%
1130 - Human Resources Administration	298,240	308,300	10,060	3.4%
1140 - Clerk of the Board	153,360	159,850	6,490	4.2%
1200 - Finance Administration	620,200	630,050	9,850	1.6%
1300 - Operations Administration	547,050	387,200	(159,850)	-29.2%
2100 - Resource Recovery	648,000	667,520	19,520	3.0%
2150 - Marketing	100,000	75,000	(25,000)	-25.0%
2200 - Public Education	135,000	160,000	25,000	18.5%
2300 - Household Hazardous Waste	645,260	676,700	31,440	4.9%
2400 - C & D Diversion	50,000	30,000	(20,000)	-40.0%
2500 - Organics Diversion	577,030	587,530	10,500	1.8%
2600 - Diversion Services	153,000	144,750	(8,250)	-5.4%
3100 - Scalehouse Operations	342,490	351,150	8,660	2.5%
3600 - JR Transfer Station	701,910	724,400	22,490	3.2%
3650 - ML Transfer Station	450,000	150,000	(300,000)	-66.7%
3710 - SS Disposal Operations	399,842	608,800	208,958	52.3%
3720 - SS Transfer Operations	855,598	908,800	53,202	6.2%
3730 - SS Recycling Operations	244,830	199,000	(45,830)	-18.7%
4500 - JC Landfill Operations	3,569,290	3,683,200	113,910	3.2%
5300 - Crazy Horse Postclosure	466,490	524,200	57,710	12.4%
5400 - Lewis Road Postclosure	160,210	188,700	28,490	17.8%
5500 - Johnson Canyon ECS	248,300	298,600	50,300	20.3%
5600 - Jolon Road Postclosure	98,670	152,100	53,430	54.2%
5700 - Sun Street ECS	72,500	110,100	37,600	51.9%
6100 - Debt Service - Interest	2,037,120	1,979,200	(57,920)	-2.8%
6200 - Debt Service - Principal	1,103,000	1,162,600	59,600	5.4%
6605 - Closure Set-Aside	277,000	277,000	-	0.0%
Total Expenditures	15,698,700	15,950,000	251,300	1.6%
Net Increase to Fund Balance	153,800	2,270,900		

DEVELOPMENT OF A BALANCED BUDGET

The Proposed Budget

The proposed budget of \$15,950,000 reflects an increase of \$251,300 (1.6%) over the current appropriations.

Development of the Proposed Budget

The budget can no longer be balanced by reducing expenditures. Expenditures have been decreased to a minimum level and still meet all regulatory requirements, meet financial obligations and continue providing necessary services to the public.

Staff was able to keep operating expenses to a modest 1.6% increase by changing waste transportation services in Salinas. The Authority was able to increase the permitted tonnage that can be handled at Sun Street Transfer Station. This allows the handling of larger amounts of waste with minimal cost increases. Prior to this change a large proportion of Salinas waste was being handled by Waste Management at Madison Lane Transfer Station, where the Authority paid a fixed rate on a per ton basis. The incremental cost to handle more tonnage at Sun Street is less than the fixed amount per ton paid for Madison Lane Transfer Station.

Rate increase is needed to end importation of garbage

Without a substantial rate increase the Authority will continue to rely on RSV revenues for operations. This means that no additional funds will be set-aside for developing or expanding the current disposal capacity. When the RSV revenues end the Authority will have to take drastic measures instead of planning in advance of this certainty.

Tonnage decreases appear to be leveling off

It appears that the loss of tonnage due to the economic downturn is leveling off. The 2013-14 Budget is based on the assumption that we will receive 166,500 tons of solid waste to be landfilled, an increase of 0.7% of the estimated 165,400 tons for 2012-2013.

FY 2013-14 is a Transition Year

At this time, the Authority must prepare to finance future obligations out of declining tipping fees. This requires that the Authority make some fundamental changes to its financial policies. The future cannot be funded in the same way as the past.

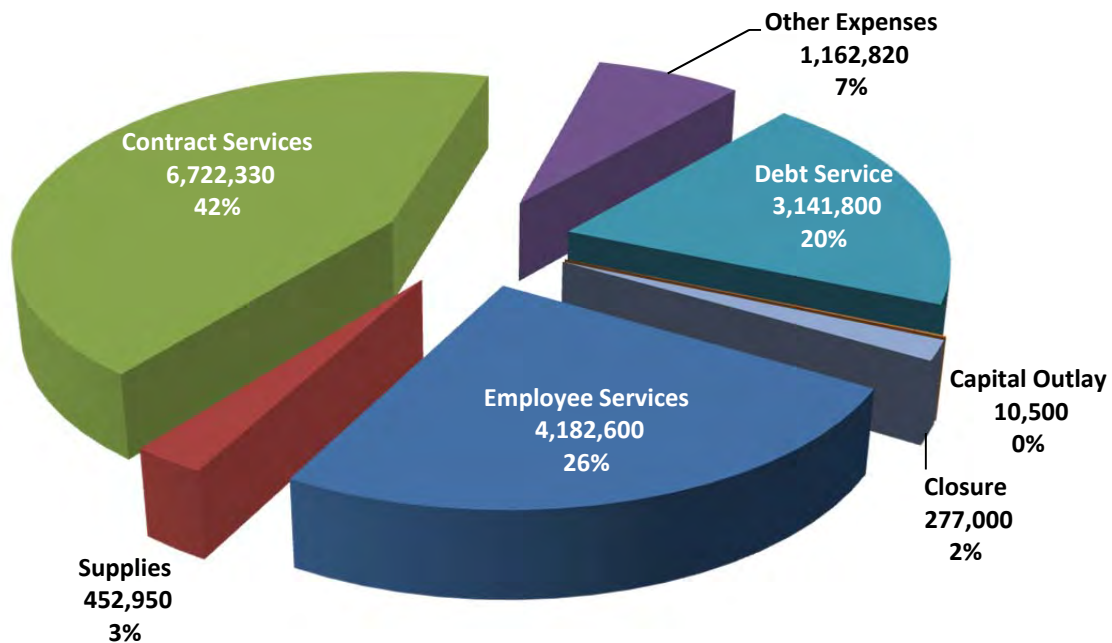
The Authority has no funds available for capital improvements that will be necessary in the near future. Without a rate increase the Authority has inadequate funds for future capital improvements, replacements or repairs.

OPERATING EXPENDITURES BUDGET HIGHLIGHTS

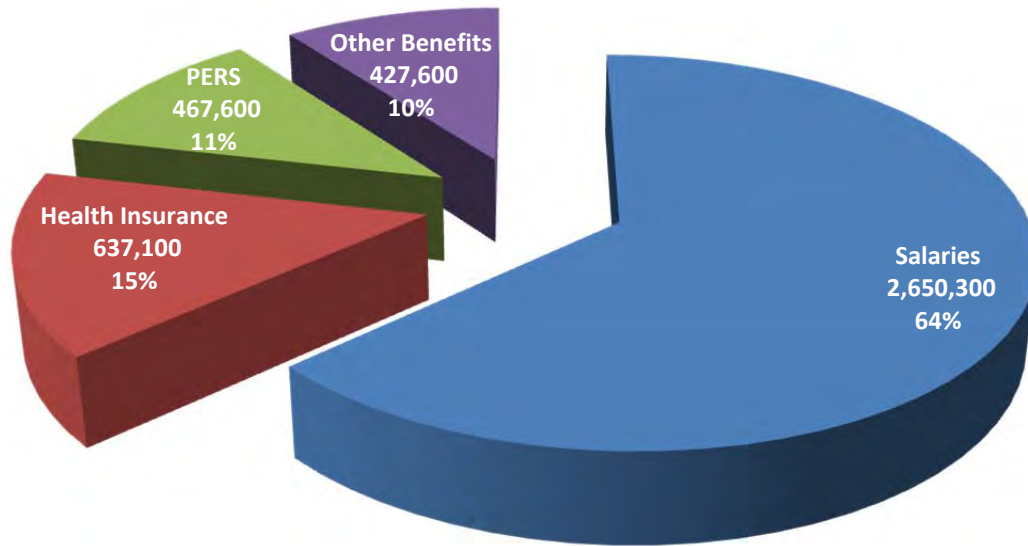
Following is a comparison of the operating budget expenditures by category.

Salinas Valley Solid Waste Authority					
Budget by Category					
FY 2013-14					
Category		2012-13 BUDGET	2013-14 PROPOSED	Increase/ Decrease	% Change
61 - Employee Services		3,856,400	4,182,600	326,200	8.5%
62 - Supplies		417,130	452,950	35,820	8.6%
63 - Contract Services		6,854,320	6,722,330	(131,990)	-1.9%
64 - Other Expenses		1,135,580	1,162,820	27,240	2.4%
65 - Debt Service		3,140,120	3,141,800	1,680	0.1%
66 - Capital Outlay		18,150	10,500	(7,650)	-42.1%
67 - Closure/Postclosure		277,000	277,000	-	0.0%
Grand Total		15,698,700	15,950,000	251,300	1.6%

FY 2013-14 Budget by Category \$15,950,000



FY 2013-14 Proposed Employee Services \$4,182,600



Employee services are budgeted to increase 8.5% (\$326,200) in 2013-14 to \$4,182,600 due to:

1. Salary schedule adjustments for all employees.
2. Reduction in hours worked on CIP's.
3. Higher Health Insurance Premiums
4. State mandated change to Workers Comp code 9424
5. Increase in PERS rates.
6. Increase in overtime at Sun Street Transfer Station

COLA and step increases account for \$101,700 in increased employee costs.

During 2012-13 the Authority used staff to work on the closure of Crazy Horse Landfill. Since Crazy Horse will be closed in 2013-14, there will be less staff time allocated to capital improvement projects in the upcoming fiscal year. This results in a decrease of 51.9% (\$86,400) of employee payroll allocated to capital improvement projects in 2013-14.

Health Insurance Premiums are expected to increase 10.6% (\$61,300) in 2013-14 to \$637,100.

For FY 2013-14 PERS rates are schedule to increase from 10.152% to 10.695%, this will result in a 6.3% (\$27,800) increase in retirement costs.

A review of the Authority's Worker's Comp rates resulted in all transfer station, landfill, and HHW employees being reclassified to Worker's Comp code 9424. This new rate is expected to increase worker's compensation premiums by 43.2% (\$48,500). Due to the Authority's safety record worker's compensation insurance costs are still low compared to industry standards.

Increased tonnage received at Sun Street Transfer Station will require an additional \$20,000 in overtime in order to adequately staff the transfer station to ensure proper safety procedures are followed. The overtime at the transfer station is more than offset by the reduction of expenditures for the use of Madison Lane Transfer Station.

Supplies

Supplies expense will increase \$35,820 (8.6%) primarily due to an increase of \$22,400 in fuel costs for handling additional solid waste and recycling material at Sun Street Transfer Station and transferring them to Johnson Canyon landfill.

Business Partnerships (Contract Services)

Contract Services is the largest expense category. This category pays for landfill operations, transfer station operations, regulatory compliance and environmental monitoring. Contract services will decrease 1.9% to \$6,722,330. Following is a summary of the major expenses in this category.

- The Authority's contract with Norcal Engineering (now Recology) for the Johnson Canyon landfill operations is the single largest contract of the Authority. The total budgeted amount of \$2,710,200 represents an increase of 2.3% for 2013-14. Following are the amounts budgeted for compensating Recology:

Task	FY 2012-13	FY 2013-14	Percent Change
Landfill Operations	\$ 1,991,500	\$ 2,030,300	1.9%
Compaction Incentive	800,000	800,000	0.0%
Tonnage Band Fees Over/(Short)	(152,800)	(130,100)	-14.9%
Out of Scope Work	10,000	10,000	0.0%
Total Landfill Operations	2,648,700	2,710,200	2.3%
Diversion Assistance	98,000	100,000	2.0%
Total Fees	\$ 2,746,700	\$ 2,810,200	2.3%

- Waste Management will be compensated \$700,200 for operating the Jolon Road Transfer Station and delivering the waste to Johnson Canyon Landfill. This contract terminates on September 1, 2016 at which time the Authority will have an opportunity to drastically reduce this expense.
- Waste Management will be compensated \$150,000 for handling and transporting Republic waste delivered to the Madison Lane Transfer Station. This is due to changing the Sun Street Transfer Station permit limit to 400 tons per day of refuse. Waste Management will handle an average 20 tons per day. This is financed using a portion of the budgeted \$11.00 per ton surcharge on Salinas franchise waste for 2013-14.

Debt Service

Debt service will not change much at \$3,141,800. At \$3.1 million it is the third largest expense category. \$2,756,600 is for the debt service on the \$39.8 million 2002 Revenue Bonds which will be paid off in 2032. \$385,200 is for the annual installment to the City of Salinas for the purchase of Crazy Horse landfill which will be paid off in 2028.

Closure/Postclosure Funding

Closure funding will remain the same at \$277,000. Closure funding is on a per ton basis of \$1.15 per ton.

Other Expenses

This category catches everything else not covered in the above categories. There are two major expenses included here that are deserving of more discussion as follows:

California Integrated Waste Management Fees - \$349,100

All landfills are required to pay the State \$1.40 per ton buried at landfills. The expense is partially funded from the South Valley monies for the tonnage delivered.

Monterey County Environmental Health Bureau Regional Fees - \$184,500

The Monterey County Environmental Health Division expects to receive \$496,080 in total from the Authority and MRWMD based proportionally on tonnage landfilled at each site.

Monterey County Local Enforcement Agency (LEA) - \$78,200

The Monterey County Environmental Health Bureau LEA charges permit fees for active and closed landfills.

In total the Authority expects to pay \$262,700 to Monterey County Environmental Health.

DEBT SERVICE

The Authority is committed to annual debt service (principal and interest) payments of \$3.1 million through 2028. Thereafter the annual debt service payments reduce to \$2.75 million through 2032, at which time all current debt will be paid off.

Revenue Bonds, Series 2002

On May 15, 2002 the Authority issued Revenue Bonds, Series 2002 in the amount of \$39,845,000 to finance capital improvements projects, refund the Authority's 1997 Revenue Bonds, payoff a portion of the Crazy Horse installment purchase agreement and provide capitalized interest and debt service reserve fund. Maximum annual debt service is \$2,756,524, including interest at 5.56% for 30 years.

From fiscal year 2002-03 through fiscal year 2006-07 the Authority gradually increased tipping fees \$9.00 per ton in accordance with the financing plan for the 2002 Revenue Bonds. The debt service payments were structured so that rate increases could be done gradually. This was possible because the bond issue included \$3,140,454 in capitalized interest to help make the debt service payments during the initial period so rates could be increased gradually. Debt service (principal and interest) payments on the 2002 Revenue Bonds are leveled at \$2.75 million through FY 2031-32.

Installment Purchase Agreement

The Authority purchased Crazy Horse Sanitary Landfill from the City of Salinas for \$8,000,000. On August 12, 1997, the Authority and the City entered into an Installment Purchase Agreement (IPA). The installment payments to the City were \$701,224 per year, including interest at 7.91% for 30 years.

On August 28, 2002, principal of \$3,470,438 was paid to the City reducing the outstanding balance on the installment purchase agreement to \$4,168,269. The installment payments to the City were reduced to \$385,097 per year, including interest at 7.91% for the remaining 27 years.

Following is a summary of the Authority's debt service requirements through the final payment on the outstanding debt:

Fiscal Year Ended June 30,	IPA		2002 Bonds		Total Debt Service Requirement
	Principal	Interest	Principal	Interest	
2014	127,506	257,591	1,035,000	1,721,524	3,141,621
2015	137,792	247,306	1,085,000	1,667,203	3,137,300
2016	148,907	236,190	1,150,000	1,604,344	3,139,441
2017	160,919	224,178	1,215,000	1,537,828	3,137,925
2018-2022	1,021,567	903,918	7,180,000	6,584,581	15,690,067
2023-2027	1,505,674	419,812	9,315,000	4,449,509	15,689,995
2028-2032	185,223	7,326	12,105,000	1,655,194	13,952,742
Total	3,287,588	2,296,321	33,085,000	19,220,183	57,889,092

For full Debt Service schedules see:

Appendix G for 2002 Revenue Bonds on page 89

Appendix H for Crazy Horse Landfill IPA on page 91

CLOSURE & POSTCLOSURE FUNDING

The calculation of closure and postclosure amounts is based on Governmental Accounting Standards Board Statement No. 18 (GASB 18). GASB 18 states very clearly how the costs of closure and postclosure maintenance are calculated and allocated to accounting periods. The Authority uses GASB 18 methodology to determine the budget amount for closure costs. The funding of liabilities for closure and postclosure are governed by the California Department of Resources Recycling and Recovery (CalRecycle).

Closure Funding Requirement

By the time a landfill stops accepting waste it is required to have set-aside sufficient funds to pay for the closure of the landfill. Closure costs are determined and funded annually based on landfill capacity used. Even though the funds will not be spent until the landfill is closed, the annual required funding amount is considered an expense for the period when the landfill capacity was used. The Authority therefore budgets to set-aside sufficient funds to cover the expense of closure for the fiscal year.

Closure Funding Calculations

The calculation of closure funding is based on a per ton basis. The Johnson Canyon Landfill (JCL) Closure amount is calculated at \$1.15 per ton based on the unfunded liability as of June 30, 2012.

Johnson Canyon Landfill Postclosure Maintenance Requirement

Once a landfill is closed, the State requires that the landfill be monitored for at least the next 30 years. This is called postclosure maintenance. Under GASB 18, the Authority is required to recognize annually an expense for postclosure maintenance for Johnson Canyon Landfill even though the actual expenditure of the funds will not take place until after the landfill is closed. The postclosure maintenance expense is offset by a liability since the Authority does not actually pay for this item at present. Ideally the Authority should be funding this liability from current revenues so that the postclosure maintenance of JCL is paid for by the users of the landfill capacity. However the Authority has chosen instead to enter into a financial assurance agreement with CalRecycle whereby the Authority has agreed to fund the future postclosure maintenance costs out of future revenues.

Johnson Canyon Landfill Postclosure Maintenance Future Funding

If the Authority was to fund JCL postclosure maintenance out of current revenues it would need to set-aside a minimum of \$.48 per ton landfilled or a maximum of \$.79 per ton landfilled. Doing so would ensure that future generations do not have to pay for the postclosure maintenance of JCL as is the case with the three closed landfills.

In an effort to keep rate increases as low as possible staff is not recommending the funding of this future liability at this time. By not doing so, the Postclosure Maintenance Liability will continue to increase until it reaches \$4.9 million upon the future closure of JCL.

Once expenses level off or additional revenue is available staff will bring back a proposal to begin funding the postclosure maintenance of Johnson Canyon Landfill.

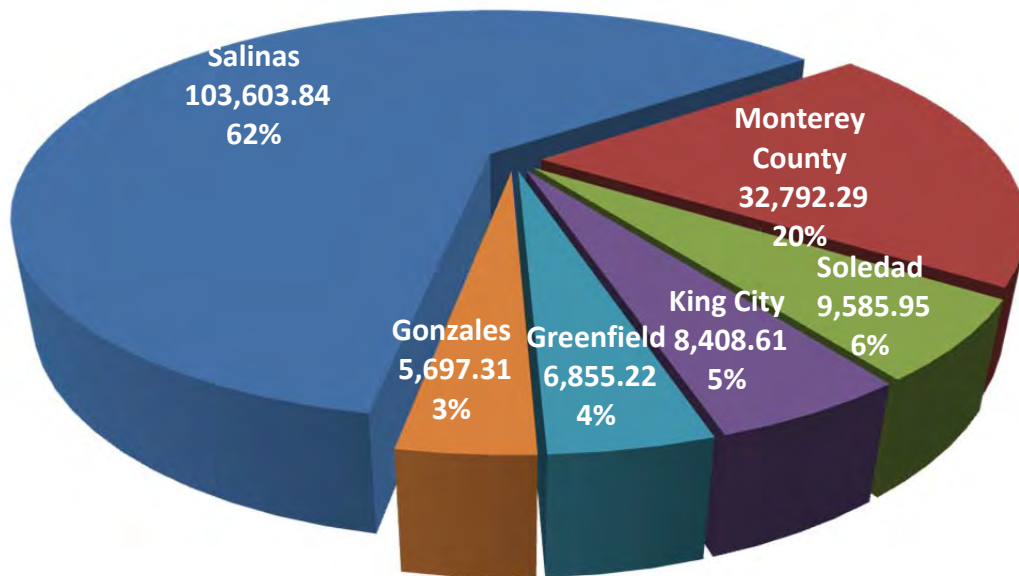
Closure Funding Recommendation

For FY 2013-14 the closure funding rates are recommended to remain the same at \$1.15 per ton.

SOLID WASTE ORIGIN

The chart below shows the origin of the landfilled waste from the Authority service area.

Percentage of Landfilled Waste FY 2011-12



LANDFILL CAPACITY

The Authority has one operating landfill remaining, Johnson Canyon Landfill (JCL) located outside of Gonzales. At June 30, 2012 it had 6.0 million tons of remaining permitted capacity. At the current tonnage disposal rate it has 28 years of capacity left.

Johnson Canyon Landfill Rate of Use

In FY 2011-12 236,248 tons of solid waste were buried at JCL. For FY 2013-14 245,700 tons are expected to be buried (166,500 from the Authority service area and 79,200 from South Santa Clara County).

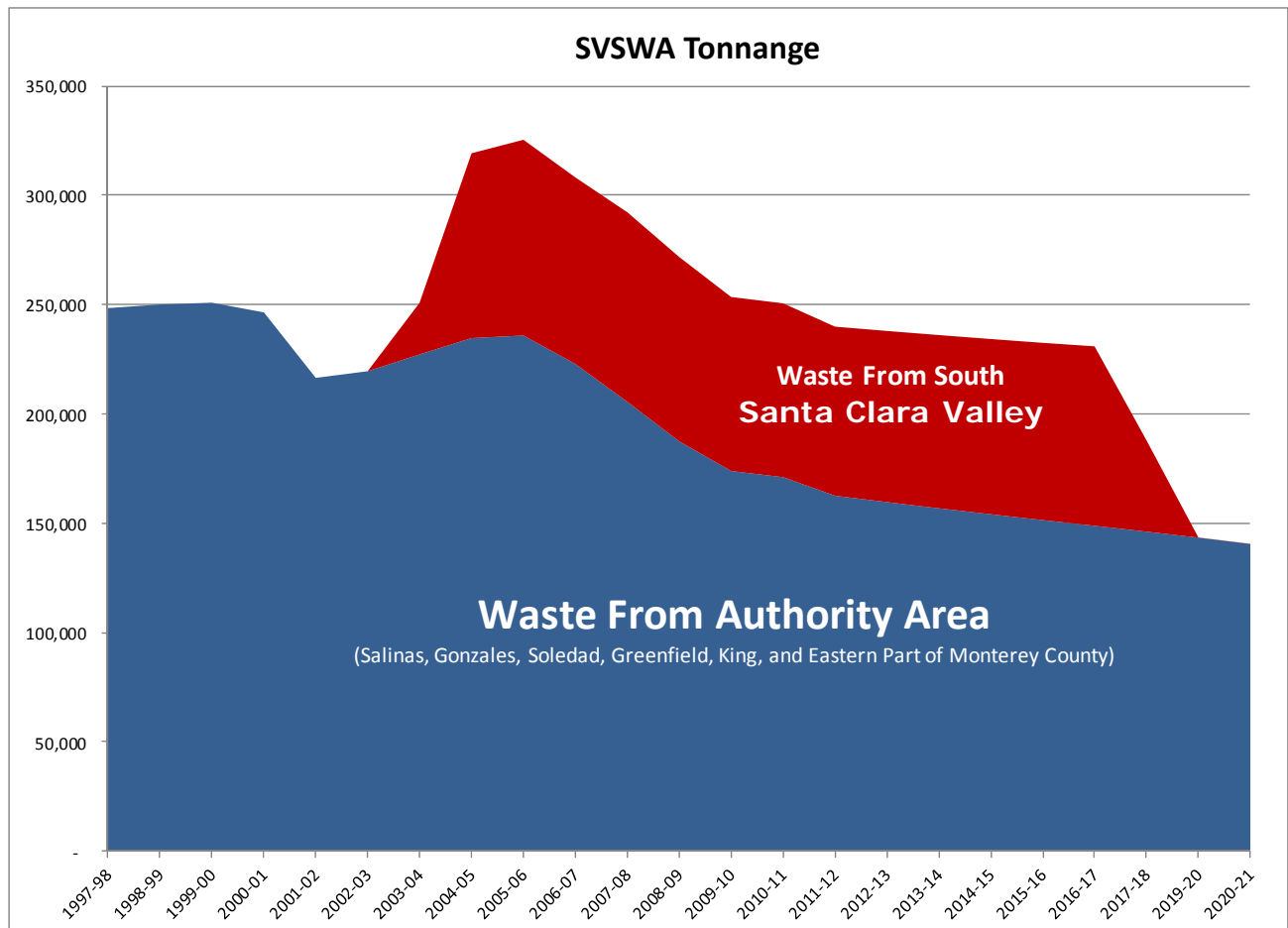
As mandatory recycling begins to take effect in Salinas and other jurisdictions, and as the Authority stops receiving waste from South Santa Clara County landfill tonnage could drop to as low as 131,000 tons per year giving the Authority 46 years of landfill capacity. If conversion technology is implemented it is expected to have a dramatic impact on landfill tonnage, giving the Authority 107 years of landfill capacity.

Johnson Canyon Landfill Capital Improvements

In order to fully utilize the permitted capacity, Johnson Canyon Landfill will require capital improvements totaling \$17,524,800.

Landfilled Tonnage

The following chart shows that as of June 30, 2012 tonnage has decreased 32.8% since the formation of the Authority. The decreased tonnage has been the basis for the Authority's revenue.



REVENUES AND TONNAGE

Below is a summary of the expected landfill tonnage for FY 2013-14. This will be the first year with an anticipated slight increase in tonnage since fiscal year 2005-06. This is followed with a brief discussion of each of the different types of tonnages.

<u>Tonnage Source</u>	<u>2009-10 Actual</u>	<u>2010-11 Actual</u>	<u>2011-12 Actual</u>	<u>2012-13 Budget</u>	<u>2013-14 Budget</u>
Franchise	152,581	147,732	149,048	147,700	150,900
Self-Haul Tons	15,531	15,906	15,330	16,200	15,000
Madison Lane SH	4,519	2,614	1,414	1,200	500
Field Plastic	111	566	299	300	100
Total	172,742	166,818	166,091	165,400	166,500
Percentage change	-7.1%	-3.4%	-0.4%	-0.4%	+0.7%

Franchise Solid Waste Tonnage

<u>Franchise Account</u>	<u>2009-10 Actual</u>	<u>2010-11 Actual</u>	<u>2011-12 Actual</u>	<u>2012-13 Budget</u>	<u>2013-14 Budget</u>
Republic Services	92,553	89,358	91,753	90,700	94,000
Rural Disposal	28,039	26,379	25,660	25,800	24,800
WM-Madison Lane *					
WM-Jolon Road *	15,524	15,267	14,326	14,100	14,200
City of Soledad	6,100	6,275	6,147	6,100	6,200
City of Greenfield	5,596	5,704	5,702	5,700	5,700
Tri-Cities Disposal	1,856	1,835	2,660	2,400	3,200
City of Gonzales	2,913	2,914	2,800	2,900	2,800
Total	152,581	147,732	149,048	147,700	150,900
Percentage change	-0.04%	-3.2%	0.9%	-0.9%	+2.2%

As the above numbers indicate, for FY 2012-13 staff prepared the budget based on 147,700 of franchise waste. Republic Services has shown a slight increase in tonnage during the fiscal year. However, since there are no indications that tonnage will continue to increase, staff believes that 150,900 tons is a conservative estimate for FY 2013-14.

Self-Haul Solid Waste Tonnage

The second largest source of income for the Authority is Self-Haul solid waste. These are customers that bring their own solid waste to Authority landfills. These customers can go wherever they please. Self-haul solid waste is charged at the same rate as franchise waste. The number of self-haul customers has decreased at Sun Street Transfer Station. The table below shows the basis for the Authority estimate of a 7.4% decrease in self-haul tonnage for FY 2013-14.

<u>Self-Haul</u>	2009-10	2010-11	2011-12	2012-13	2013-14
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Self-Haul Tons	15,531	15,906	15,330	16,200	15,000
Percentage change	-28.0%	+2.4%	-3.6%	+5.7%	-7.4%

The closure of Crazy Horse Landfill on May 31, 2009 caused a decrease in self-haul tonnage.

Madison Lane Self-Haul Tonnage

The third largest source of revenue for the Authority is the self-haul tonnage that comes from Madison Lane Transfer Station, which is owned and operated by USA Waste, dba Waste Management. In 2005 the Authority entered into an agreement with Waste Management for the delivery of their self-haul waste to an Authority landfill at a reduced rate. The reduced rate was granted because the Authority does not have to provide the services for this waste that it has to provide to customers of its member agencies. The rate started at \$29.00 per ton and goes up by \$1.00 per year. For FY 2012-13 the rate is \$37.00. In FY 2013-14 the rate will be \$38.00.

Following is a chart depicting the self-haul waste delivered to the Authority from Madison Lane Transfer Station.

Franchise Account	2009-10	2010-11	2011-12	2012-13	2013-14
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Madison Lane SH	4,519	2,614	1,414	1,200	500
Percentage change	-55.9%	-41.5%	-46.5%	-15.1%	-58.3%

Field Plastic Tonnage

As shown below, after the closure of Crazy Horse the Authority lost all field plastic that was being delivered to Crazy Horse. The vast majority of it is now recycled directly in the field by outside recyclers..

Franchise Account	2009-10	2010-11	2011-12	2012-13	2013-14
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Field Plastic	111	566	299	300	100
Percentage change	-92.4%	+409.9%	-47.2%	0.3%	-66.7%

Salinas Transportation Surcharge

The Salinas Transportation Surcharge is used to pay for the handling and transporting of Republic waste to Johnson Canyon Landfill from Madison Lane and Sun Street Transfer Stations. The surcharge was originally \$6.00 per ton in FY 2009-10. It decreased to \$5.00 per ton in FY 2010-11 to offset a \$1.00 per ton tipping fee increase. In FY 2012-13 the surcharge was increased by \$3.00 to \$8.00 per ton in order to help offset some of the cost of transferring Salinas waste from the Sun Street Transfer Station.

In order to eventually pay for the entire cost of transferring Salinas waste through the Republic surcharge, the surcharge is being increased in FY 2013-14 by \$3.00 per ton. The \$11.00 per ton surcharge will result in \$1,034,000 in tipping fees that will be used to cover the cost of using Madison Lane Transfer Station and a portion of Sun Street Transfer Station for the transporting of Republic Services waste from Salinas to Johnson Canyon Landfill in Gonzales.

EXPANSION FUND – (RECOLOGY SOUTH VALLEY TONNAGE)

The Expansion Fund is used to account for revenue from the sale of landfill capacity to Recology South Santa Clara Valley Disposal (Recology South Valley). The Authority is guaranteed to receive \$2,318,135 in FY 2013-14 for landfilling 79,226 tons of solid waste.

While \$1,000,000 annually from these funds was used for operating Crazy Horse Landfill (CHL) until its closure, these funds were not meant to be used to operate Johnson Canyon Landfill. Costs associated with Recology South Valley waste (i.e. closure, CalRecycle fees, County Regional Fees); amounting to \$257,300 will continue to be paid from these funds.

At June 30, 2013 the Expansion Fund is projected to have an available fund balance of \$5,491,121.

At the end of 10 years (June 30, 2014) the Expansion Fund is expected to generate \$7.5 million which, per Board policy, is to be used for developing 50 years of sustainable landfill capacity. If the agreement is kept in place until December 2017, it will generate \$14.9 million.

The following table summarizes the use and eventual balance of these monies.

Salinas Valley Solid Waste Authority Estimated Income and Expenditures for South Valley Disposal & Recycling							
	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18
	Actual	Budget	Projected	Projected	Projected	Projected	Projected
Tons							
Guaranteed Minimum	77,358	78,286	79,226	80,176	81,138	82,112	41,549
Excess Tonnage	(8,143)	-	-	-	-	-	-
Total South Valley Tons	69,215	78,286	79,226	80,176	81,138	82,112	41,549
	89%	100%	100%	100%	100%	100%	100%
Beginning Fund Balance	\$ 7,129,114	\$ 6,566,596	\$ 5,491,121	\$ 7,538,526	\$ 9,518,584	\$ 11,591,249	\$ 13,757,166
Estimated Revenue							
Investment Earnings	21,062	26,400	22,500	23,000	24,500	25,000	25,000
Capacity Sales	2,243,315	2,340,962	2,318,835	2,290,588	2,385,695	2,482,507	1,290,521
Total Estimated Revenue	2,264,377	2,367,362	2,341,335	2,313,588	2,410,195	2,507,507	1,315,521
Operating Expenses							
Less Operating Expense	(2,035,332)	(2,108,232)					
CIWMB Fees	(96,902)	(109,600)	(110,920)	(112,250)	(113,590)	(114,960)	(58,170)
LEA Fees	(56,787)	(59,500)	(60,210)	(60,930)	(61,660)	(62,410)	(31,580)
Transfers To Closure Funds							
Crazy Horse Canyon	-	-	-	-	-	-	-
Johnson Canyon	(75,356)	(90,030)	(122,800)	(160,350)	(162,280)	(164,220)	(83,100)
Transfer To Crazy Horse Operations	-	-	-	-	-	-	-
Total Operating Expenses	(2,264,377)	(2,367,362)	(293,930)	(333,530)	(337,530)	(341,590)	(172,850)
Net Operating Income	-	-	2,047,405	1,980,058	2,072,665	2,165,917	1,142,671
Capital Projects							
Autoclave CEQA	(1,900)	(598,100)					
Sun St. Equipment Replacement	(558,305)	-	-	-	-	-	-
USDA Autoclave Studies	(2,313)	(101,375)	-	-	-	-	-
Total Capital Projects	(562,518)	(1,075,475)	-	-	-	-	-
Net Income	(562,518)	(1,075,475)	2,047,405	1,980,058	2,072,665	2,165,917	1,142,671
Ending Fund Balance	6,566,596	5,491,121	7,538,526	9,518,584	11,591,249	13,757,166	14,899,837

REVENUE BOND RATE COVENANT

Pursuant to the Master Indenture for the 2002 Revenue Bonds the Authority agreed “to fix, prescribe and collect rates, fees and charges and manage the operation of the System for each fiscal year so as to yield Net Revenues during such fiscal year equal to at least one hundred fifteen percent (115%) of the Annual Debt Service in such fiscal year.” After paying for operations the Authority must have available 115% of the amount of debt service. This ensures the bond holders that there is a 15% cushion to make debt service payments in the event changes are necessary during the year which would affect revenues or expenditures. For FY 2013-14 the debt service coverage ratio is 196%.

For the Debt Service Coverage Ratio Calculations refer to Appendix J on page 97.

CONCLUSION

The budget as presented covers all required operating expenditures, debt service payments, and transfers leaving an operating net income of \$2,270,900. During FY 2013-14 the Authority will complete the closure of Crazy Horse Landfill, the single largest project for the Authority.

The budget is a never ending cycle. Staff will continue to work on a new rate structure that is not dependent on incoming tonnage to cover all operating costs. This change needs to be accomplished in an orderly manner.

The Board’s due diligence and staff’s efforts have allowed the Authority to develop a balanced budget for FY 2013-14. Once the budget is adopted the real work will begin as the Authority continues to work at becoming a more efficient operation poised to handle the recycling, resource recovery, and solid waste disposal needs of the Salinas Valley in a “Future Without Landfills”.

Respectfully submitted,

Patrick Mathews
General Manager/CAO

Roberto Moreno
Finance Manager/Treasurer



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SALINAS VALLEY SOLID WASTE AUTHORITY



List of Principal Officials

Fernando Armenta, County of Monterey
President

Liz Silva, City of Gonzales
Vice President

Jyl Lutes, City of Salinas
Alternate Vice President

Tony Barrera, City of Salinas
Board Member

Lou Calcagno, County of Monterey
Board Member

Robert Cullen, City of King
Board Member

Gloria De La Rosa, City of Salinas
Board Member

Annie Moreno, City of Greenfield
Board Member

Richard Perez, City of Soledad
Board Member

Patrick Mathews
Chief Administrative Officer

Thomas M. Bruen
General Counsel

Jose Gamboa
Assistant General Manager

Rose Gill
Administrative Manager

Dave Meza
Authority Engineer

Roberto Moreno
Finance Manager/Treasurer

Susan Warner
Diversion Manager

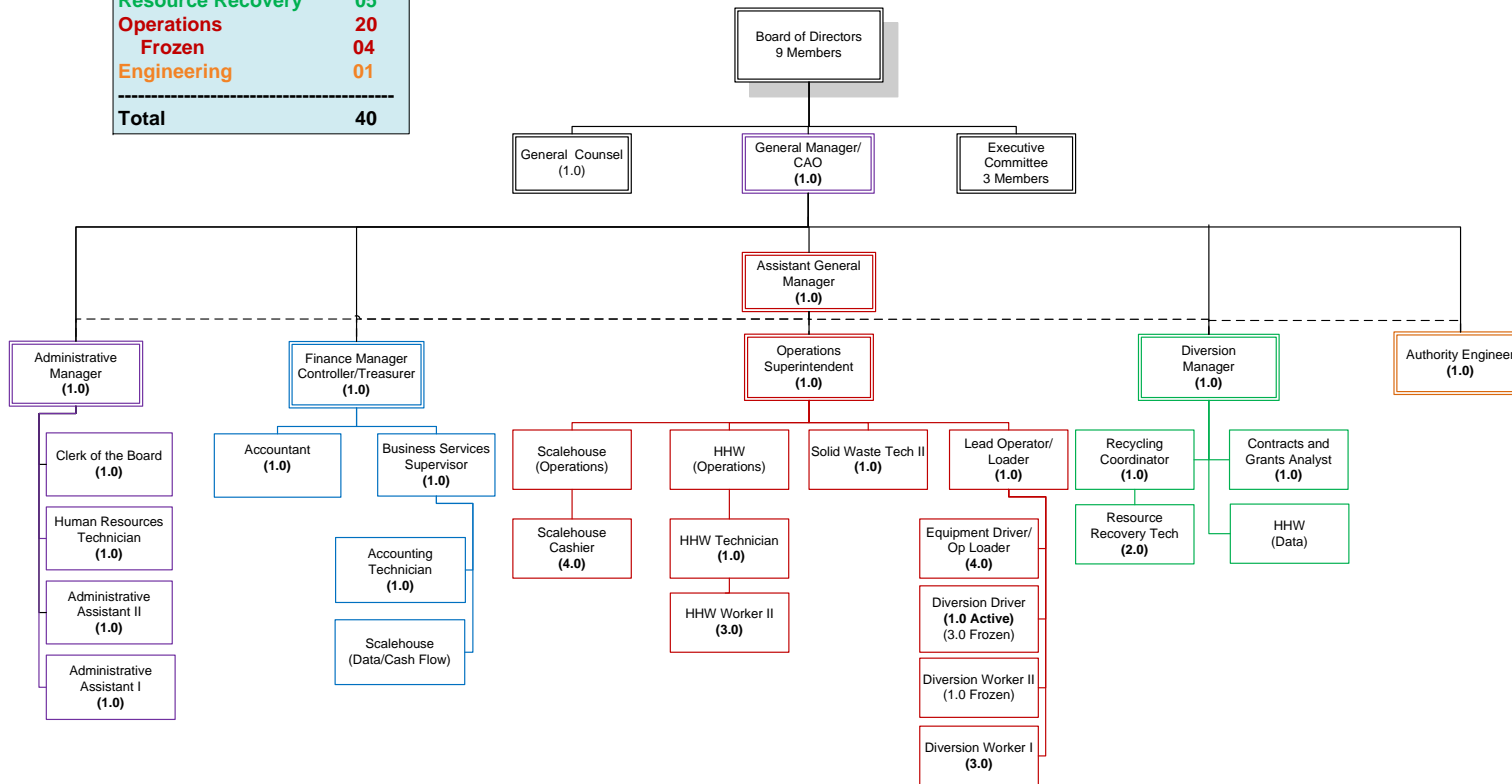


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Salinas Valley Solid Waste Authority Organizational Chart

Effective Date : October 1, 2012

Administration	06
Finance	04
Resource Recovery	05
Operations	20
Frozen	04
Engineering	01
<hr/>	
Total	40





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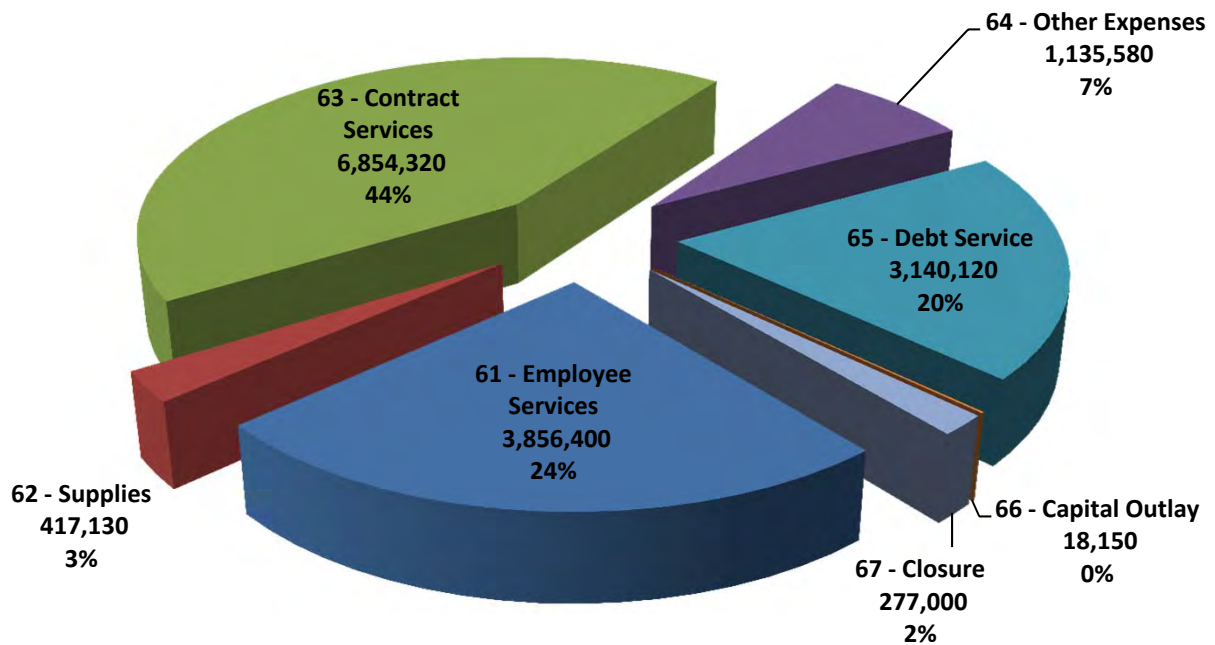
Salinas Valley Solid Waste Authority
Two-Year Budget Comparison
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Increase/ (Decrease)	Percent Change
Revenues				
51 - Tipping Fees - Solid Waste	11,054,500	13,141,600	2,087,100	18.9%
51.1 - Tipping Fees - Surcharge	725,600	1,034,000	308,400	42.5%
51.2 - Tipping Fees - Diverted Materials	901,800	956,800	55,000	6.1%
51.7 - Tipping Fees - South Valley	2,340,900	2,318,800	(22,100)	-0.9%
52 - Charges for Services	117,000	117,000	-	0.0%
53 - Sales of Materials	572,500	572,500	-	0.0%
54 - Investment Earnings	80,200	80,200	-	0.0%
57 - Miscellaneous/Other	60,000	-	(60,000)	-100.0%
Total Revenues	15,852,500	18,220,900	2,368,400	14.9%
Expenditures				
1110 - Executive Administration	358,270	410,950	52,680	14.7%
1120 - Administrative Support	386,040	394,300	8,260	2.1%
1130 - Human Resources Administration	298,240	308,300	10,060	3.4%
1140 - Clerk of the Board	153,360	159,850	6,490	4.2%
1200 - Finance Administration	620,200	630,050	9,850	1.6%
1300 - Operations Administration	547,050	387,200	(159,850)	-29.2%
2100 - Resource Recovery	648,000	667,520	19,520	3.0%
2150 - Marketing	100,000	75,000	(25,000)	-25.0%
2200 - Public Education	135,000	160,000	25,000	18.5%
2300 - Household Hazardous Waste	645,260	676,700	31,440	4.9%
2400 - C & D Diversion	50,000	30,000	(20,000)	-40.0%
2500 - Organics Diversion	577,030	587,530	10,500	1.8%
2600 - Diversion Services	153,000	144,750	(8,250)	-5.4%
3100 - Scalehouse Operations	342,490	351,150	8,660	2.5%
3600 - JR Transfer Station	701,910	724,400	22,490	3.2%
3650 - ML Transfer Station	450,000	150,000	(300,000)	-66.7%
3710 - SS Disposal Operations	399,842	608,800	208,958	52.3%
3720 - SS Transfer Operations	855,598	908,800	53,202	6.2%
3730 - SS Recycling Operations	244,830	199,000	(45,830)	-18.7%
4500 - JC Landfill Operations	3,569,290	3,683,200	113,910	3.2%
5300 - Crazy Horse Postclosure	466,490	524,200	57,710	12.4%
5400 - Lewis Road Postclosure	160,210	188,700	28,490	17.8%
5500 - Johnson Canyon ECS	248,300	298,600	50,300	20.3%
5600 - Jolon Road Postclosure	98,670	152,100	53,430	54.2%
5700 - Sun Street ECS	72,500	110,100	37,600	51.9%
6100 - Debt Service - Interest	2,037,120	1,979,200	(57,920)	-2.8%
6200 - Debt Service - Principal	1,103,000	1,162,600	59,600	5.4%
6605 - Closure Set-Aside	277,000	277,000	-	0.0%
Total Expenditures	15,698,700	15,950,000	251,300	1.6%
Net Increase to Fund Balance	153,800	2,270,900	2,117,100	

**Salinas Valley Solid Waste Authority
Budget by Category
FY 2013-14**

Category	2012-13 BUDGET	2013-14 PROPOSED	Increase/ Decrease	% Change
61 - Employee Services	3,856,400	4,182,600	326,200	8.5%
62 - Supplies	417,130	452,950	35,820	8.6%
63 - Contract Services	6,854,320	6,722,330	(131,990)	-1.9%
64 - Other Expenses	1,135,580	1,162,820	27,240	2.4%
65 - Debt Service	3,140,120	3,141,800	1,680	0.1%
66 - Capital Outlay	18,150	10,500	(7,650)	-42.1%
67 - Closure/Postclosure	277,000	277,000	-	0.0%
Grand Total	15,698,700	15,950,000	251,300	1.6%

**FY 2013-14 Budget by Category
\$15,950,000**



Salinas Valley Solid Waste Authority
Budget by Program
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
1110 - Executive Administration	358,270	410,950	14.7%
1120 - Administrative Support	386,040	394,300	2.1%
1130 - Human Resources Administration	298,240	308,300	3.4%
1140 - Clerk of the Board	153,360	159,850	4.2%
1200 - Finance Administration	620,200	630,050	1.6%
1300 - Operations Administration	547,050	387,200	-29.2%
2100 - Resource Recovery	648,000	667,520	3.0%
2150 - Marketing	100,000	75,000	-25.0%
2200 - Public Education	135,000	160,000	18.5%
2300 - Household Hazardous Waste	645,260	676,700	4.9%
2400 - C & D Diversion	50,000	30,000	-40.0%
2500 - Organics Diversion	577,030	587,530	1.8%
2600 - Diversion Services	153,000	144,750	-5.4%
3100 - Scalehouse Operations	342,490	351,150	2.5%
3600 - JR Transfer Station	701,910	724,400	3.2%
3650 - ML Transfer Station	450,000	150,000	-66.7%
3710 - SS Disposal Operations	399,842	608,800	52.3%
3720 - SS Transfer Operations	855,598	908,800	6.2%
3730 - SS Recycling Operations	244,830	199,000	-18.7%
4500 - JC Landfill Operations	3,569,290	3,683,200	3.2%
5300 - Crazy Horse Postclosure	466,490	524,200	12.4%
5400 - Lewis Road Postclosure	160,210	188,700	17.8%
5500 - Johnson Canyon ECS	248,300	298,600	20.3%
5600 - Jolon Road Postclosure	98,670	152,100	54.2%
5700 - Sun Street ECS	72,500	110,100	51.9%
6100 - Debt Service - Interest	2,037,120	1,979,200	-2.8%
6200 - Debt Service - Principal	1,103,000	1,162,600	5.4%
6605 - Closure Set-Aside	277,000	277,000	0.0%
Grand Total	15,698,700	15,950,000	1.6%

Salinas Valley Solid Waste Authority
Budget by Line Item
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
61110 - Regular Pay	2,593,100	2,633,800	1.6%
61120 - Paid Time Off	87,500	55,600	-36.5%
61300 - Overtime - Regular	76,500	96,500	26.1%
61400 - Education Assistance	2,000	1,000	-50.0%
61410 - Wellness Program	4,000	4,500	12.5%
61700 - Flexible Leave	50,600	49,500	-2.2%
61705 - Management Leave	23,000	27,100	17.8%
61815 - Auto Allowance	30,000	36,000	20.0%
61816 - Cell Phone	11,300	11,300	0.0%
61822 - PERS Employer Contribution	262,800	282,600	7.5%
61823 - PERS EPMC	177,000	185,000	4.5%
61825 - Medicare	37,200	39,200	5.4%
61831 - Health Insurance	575,800	637,100	10.6%
61833 - Long-Term Disability	11,000	12,000	9.1%
61834 - Unemployment	19,900	20,200	1.5%
61836 - Life Insurance	9,800	10,400	6.1%
61837 - Insurance - Workers Compensation	112,300	160,800	43.2%
61998 - ECS/Program Regular Salary Deduct	(61,000)	-	-100.0%
61999 - CIP/Program Regular Salary Deduct	(166,400)	(80,000)	-51.9%
62100 - Office Supplies & Materials	28,950	35,800	23.7%
62120 - Reproduction Costs	124	1,000	708.5%
62130 - Copier/Printer Supplies	10,100	7,100	-29.7%
62140 - Janitorial Supplies	4,700	4,400	-6.4%
62230 - Rolling Stock Supplies	5,500	5,500	0.0%
62230 - Vehicle Supplies	6,200	7,000	12.9%
62290 - Other Repair & Maintenance Supplies	9,700	21,500	121.6%
62330 - Fuel	98,776	112,400	13.8%
62335 - Biodiesel Fuel	176,200	185,000	5.0%
62510 - Uniforms	3,600	4,050	12.5%
62800 - Special Dept Supplies	34,500	34,500	0.0%
62801 - Graffiti Removal Supplies	1,500	2,500	66.7%
62802 - Litter Abatement	2,500	-	-100.0%
62810 - Software/License Renewals	11,000	7,900	-28.2%
62840 - Safety Supplies	6,200	8,300	33.9%
62850 - Small Tools	500	500	0.0%
62910 - Minor Capital Outlay	11,500	11,500	0.0%
62915 - Minor Computer Equipment	5,580	4,000	-28.3%
63116 - Cell Phones	7,250	6,800	-6.2%
63120 - Telephone	15,600	14,600	-6.4%
63121 - Conference Call Services	-	700	#DIV/0!
63125 - Internet Services	9,500	8,300	-12.6%
63126 - Exchange Hosting Services	4,500	3,000	-33.3%
63127 - Network Access	760	800	5.3%
63140 - Postage	5,000	5,000	0.0%
63150 - Overnight Shipments	2,000	2,000	0.0%
63210 - Water	6,900	8,400	21.7%
63220 - Sewer	400	400	0.0%
63230 - Gas & Electricity	108,000	128,200	18.7%
63240 - Portable Toilet	4,100	4,100	0.0%

Salinas Valley Solid Waste Authority
Budget by Line Item
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
63250 - Exterminator Service	4,560	4,600	0.9%
63261 - Vector Control	5,000	5,000	0.0%
63270 - Garbage/Recycling Pickup	700	700	0.0%
63320 - Building Rent	86,400	86,400	0.0%
63322 - Building Maintenance Fees	21,000	21,000	0.0%
63410 - Vehicle Maintenance	104,200	101,200	-2.9%
63416 - Building Alarm Service	5,430	4,950	-8.8%
63430 - Equipment Maintenance	28,250	41,200	45.8%
63431 - Equip Maintenance - Copier	3,500	3,500	0.0%
63440 - Equipment Rental	15,820	21,000	32.7%
63510 - Legal Services	80,000	105,000	31.3%
63520 - Recruitment Services	2,000	-	-100.0%
63522 - HR Investigations, Testing	3,500	2,000	-42.9%
63530 - Audit Services	23,550	24,000	1.9%
63535 - Actuarial Services	10,000	-	-100.0%
63540 - Consulting Engineer	45,000	20,000	-55.6%
63542 - Eng. Services - Surveying	16,000	16,000	0.0%
63543 - Aerial Topography	6,000	6,000	0.0%
63544 - Eng. Services - Leachate	48,000	47,500	-1.0%
63545 - Eng. Services - GW Monitoring	92,000	89,200	-3.0%
63546 - TO-15 Testing	7,600	7,600	0.0%
63548 - Eng. Services - LFG System	148,000	148,000	0.0%
63549 - Eng Services - LFG Surface Monitoring	36,000	36,000	0.0%
63551 - GHG Monitoring (AB32)	35,000	11,000	-68.6%
63553 - Eng. Services - GW Cap - Non Routine	1,170	2,500	113.7%
63554 - Eng. Services - Leachate - Non Routine	10,000	7,200	-28.0%
63555 - Eng. Services - GW Monitoring - Non Routine	10,500	6,000	-42.9%
63558 - Eng. Services - LFG System - Non Routine	53,500	59,900	12.0%
63560 - Custodial Service	16,100	19,600	21.7%
63565 - Records Management Disposal Service	250	250	0.0%
63570 - Bank of NY -1997 Series A Bond	5,100	5,100	0.0%
63580 - Safety Program/Consulting	5,000	5,000	0.0%
63581 - Safety Awards	6,520	7,000	7.4%
63586 - Vehicle Safety Inspection	1,200	-	-100.0%
63587 - Street Sweeping	9,500	3,000	-68.4%
63590 - Other Professional Services	3,000	3,000	0.0%
63592 - Facility Maintenance	30,000	34,000	13.3%
63593 - Landscape Maintenance	4,900	5,500	12.2%
63594 - Credit Card Fees	8,000	8,000	0.0%
63595 - Returned Check Expense	500	500	0.0%
63596 - Bank Fees	7,500	8,500	13.3%
63597 - Litter Abatement	60,000	60,000	0.0%
63598 - FSA Service Fees	930	800	-14.0%
63599 - EAP Service Fee	5,260	5,250	-0.2%
63613 - Contract Labor	61,000	74,000	21.3%
63615 - Hauling Services	1,800	3,500	94.4%
63616 - Madison Lane Transfer Station Services	450,000	150,000	-66.7%
63622 - Diversion Assistance Fee-JC	98,000	100,000	2.0%
63623 - Metal Diversion Fees	2,500	1,500	-40.0%

Salinas Valley Solid Waste Authority
Budget by Line Item
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
63624 - Tires Diversion Fees	5,500	7,500	36.4%
63625 - Wood Waste Diversion Fees	3,600	3,700	2.8%
63628 - Greenwaste Processing Fees	571,930	582,330	1.8%
63630 - C&D Recycling (ST Goal)	50,000	30,000	-40.0%
63631 - Mattresses Diversion Service	35,000	35,750	2.1%
63636 - Diversion Assistance - SS	65,000	75,000	15.4%
63637 - Food Waste Diversion	12,000	-	-100.0%
63651 - HHW Hauling & Disposal	150,000	150,000	0.0%
63653 - ABOP Disposal	5,000	5,000	0.0%
63654 - Freon Removal	2,500	2,500	0.0%
63655 - HHW Disposal Supplies	35,000	35,000	0.0%
63671 - Network Support	13,350	20,000	49.8%
63672 - Laserfiche Support	7,200	7,200	0.0%
63673 - Paradigm Support	17,000	17,000	0.0%
63674 - Plan-It Support	1,000	1,000	0.0%
63675 - Website Hosting Service	840	900	7.1%
63676 - INCODE Off Site Backup	2,000	2,000	0.0%
63677 - INCODE Support	16,500	18,000	9.1%
63679 - Employee Evaluations Software Support	3,000	3,000	0.0%
63700 - Public Media Relations	10,000	10,000	0.0%
63711 - Media Campaign	125,000	100,000	-20.0%
63715 - Give Aways	4,950	5,000	1.0%
63719 - RecycleRama	60,000	60,000	0.0%
63750 - Increased Public Education (ST Goal)	75,000	100,000	33.3%
63810 - Leachate Storage	4,500	13,500	200.0%
63811 - RWQCB Studies	2,000	2,000	0.0%
63812 - Lab Water Analysis	55,000	55,000	0.0%
63813 - Eng. Services - GW Cap	16,130	17,000	5.4%
63815 - Site Grading	11,340	5,000	-55.9%
63850 - Gonzales Host Fees	250,000	250,000	0.0%
63921 - Scale Maintenance & Repair - JC	7,200	7,200	0.0%
63922 - Scale Maintenance & Repair - SS	6,000	6,000	0.0%
63952 - Tonnage Band Fees	(152,800)	(130,100)	-14.9%
63955 - Landfill Operations	1,991,500	2,030,300	1.9%
63956 - Compaction Incentive	800,000	800,000	0.0%
63957 - Transfer Station Operations	679,800	700,200	3.0%
63958 - Out of Scope Work	10,000	10,000	0.0%
63960 - Contingencies	56,680	59,200	4.4%
64100 - Advertising/Public Notices	8,900	10,400	16.9%
64110 - Advertising - Recruitments	3,000	1,500	-50.0%
64200 - Conferences/Meetings	29,750	31,550	6.1%
64201 - Travel Expense - General Manager	4,000	2,000	-50.0%
64210 - Board Meeting Supplies	3,000	3,000	0.0%
64220 - Board Retreat	6,535	6,500	-0.5%
64225 - Confrences/Meetings - Boardmembers	7,465	7,500	0.5%
64240 - Employee Recognition	3,500	4,000	14.3%
64250 - Training	28,000	24,500	-12.5%
64251 - INCODE Student Center	-	1,500	#DIV/0!
64310 - Association Memberships	9,290	11,000	18.4%

Salinas Valley Solid Waste Authority
Budget by Line Item
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
64320 - Publications & Trade Journals	6,500	6,270	-3.5%
64411 - Insurance - Commercial Auto	29,970	34,600	15.4%
64412 - Insurance - Crime	5,190	6,100	17.5%
64413 - Insurance - Environmental Impairment Liability	77,460	89,400	15.4%
64414 - Insurance - General Liability	36,060	41,700	15.6%
64415 - Insurance - Public Officials and Employment Liabil	15,310	18,100	18.2%
64416 - Insurance - Property Damage	22,570	26,200	16.1%
64417 - Insurance - Excess Liability	29,600	34,300	15.9%
64418 - Insurance - Surety Bond	2,750	3,200	16.4%
64700 - Refunds & Reimbursement	1,000	1,000	0.0%
64810 - Board Member Stipends	14,400	14,400	0.0%
64903 - Fees & Permits	8,640	1,000	-88.4%
64904 - Property Taxes	27,700	27,700	0.0%
64905 - Mo.Co. LEA Fees	77,790	78,200	0.5%
64906 - Mo.Co. Regional Fees	184,500	184,500	0.0%
64910 - SBOE - CIWMB Fees	349,100	349,100	0.0%
64920 - MBUAPCD-Air Board Fees	20,600	20,600	0.0%
64925 - SWRCB Fees	122,000	122,000	0.0%
64943 - Fees and Permits	1,000	1,000	0.0%
65110 - 2002 Rev Bonds Interest	1,770,000	1,721,600	-2.7%
65120 - Salinas IPA Interest	267,120	257,600	-3.6%
65210 - 2002 Rev Bonds Principal	985,000	1,035,000	5.1%
65220 - Salinas IPA Principal	118,000	127,600	8.1%
66530 - Office Equipment	2,150	2,500	16.3%
66550 - Rolling Equipment	16,000	8,000	-50.0%
67100 - Closure Expense	277,000	277,000	0.0%
63817 - NPDES - Permitting	-	45,000	#DIV/0!
63603 - NPDES Improvements	-	25,000	#DIV/0!
63571 - Bond Continuing Disclosure Services	1,850	1,900	2.7%
Grand Total	15,698,700	15,950,000	1.6%

Salinas Valley Solid Waste Authority
Budget by Category with Line Item Detail
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
61 - Employee Services			
61110 - Regular Pay	2,593,100	2,633,800	1.6%
61120 - Paid Time Off	87,500	55,600	-36.5%
61300 - Overtime - Regular	76,500	96,500	26.1%
61400 - Education Assistance	2,000	1,000	-50.0%
61410 - Wellness Program	4,000	4,500	12.5%
61700 - Flexible Leave	50,600	49,500	-2.2%
61705 - Management Leave	23,000	27,100	17.8%
61815 - Auto Allowance	30,000	36,000	20.0%
61816 - Cell Phone	11,300	11,300	0.0%
61822 - PERS Employer Contribution	262,800	282,600	7.5%
61823 - PERS EPMC	177,000	185,000	4.5%
61825 - Medicare	37,200	39,200	5.4%
61826 - FICA	-	-	#DIV/0!
61831 - Health Insurance	575,800	637,100	10.6%
61833 - Long-Term Disability	11,000	12,000	9.1%
61834 - Unemployment	19,900	20,200	1.5%
61836 - Life Insurance	9,800	10,400	6.1%
61837 - Insurance - Workers Compensation	112,300	160,800	43.2%
61998 - ECS/Program Regular Salary Deduct	(61,000)	-	-100.0%
61999 - CIP/Program Regular Salary Deduct	(166,400)	(80,000)	-51.9%
61 - Employee Services Total	3,856,400	4,182,600	8.5%
62 - Supplies			
62100 - Office Supplies & Materials	28,950	35,800	23.7%
62120 - Reproduction Costs	124	1,000	708.5%
62130 - Copier/Printer Supplies	10,100	7,100	-29.7%
62140 - Janitorial Supplies	4,700	4,400	-6.4%
62230 - Rolling Stock Supplies	5,500	5,500	0.0%
62230 - Vehicle Supplies	6,200	7,000	12.9%
62290 - Other Repair & Maintenance Supplies	9,700	21,500	121.6%
62330 - Fuel	98,776	112,400	13.8%
62335 - Biodiesel Fuel	176,200	185,000	5.0%
62510 - Uniforms	3,600	4,050	12.5%
62800 - Special Dept Supplies	34,500	34,500	0.0%
62801 - Graffiti Removal Supplies	1,500	2,500	66.7%
62802 - Litter Abatement	2,500	-	-100.0%
62810 - Software/License Renewals	11,000	7,900	-28.2%
62840 - Safety Supplies	6,200	8,300	33.9%
62850 - Small Tools	500	500	0.0%
62910 - Minor Capital Outlay	11,500	11,500	0.0%
62915 - Minor Computer Equipment	5,580	4,000	-28.3%
62 - Supplies Total	417,130	452,950	8.6%
63 - Contract Services			
63116 - Cell Phones	7,250	6,800	-6.2%
63120 - Telephone	15,600	14,600	-6.4%
63121 - Conference Call Services	-	700	#DIV/0!
63125 - Internet Services	9,500	8,300	-12.6%
63126 - Exchange Hosting Services	4,500	3,000	-33.3%
63127 - Network Access	760	800	5.3%
63140 - Postage	5,000	5,000	0.0%
63150 - Overnight Shipments	2,000	2,000	0.0%

Salinas Valley Solid Waste Authority
Budget by Category with Line Item Detail
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
63210 - Water	6,900	8,400	21.7%
63220 - Sewer	400	400	0.0%
63230 - Gas & Electricity	108,000	128,200	18.7%
63240 - Portable Toilet	4,100	4,100	0.0%
63250 - Exterminator Service	4,560	4,600	0.9%
63261 - Vector Control	5,000	5,000	0.0%
63270 - Garbage/Recycling Pickup	700	700	0.0%
63320 - Building Rent	86,400	86,400	0.0%
63322 - Building Maintenance Fees	21,000	21,000	0.0%
63410 - Vehicle Maintenance	104,200	101,200	-2.9%
63416 - Building Alarm Service	5,430	4,950	-8.8%
63430 - Equipment Maintenance	28,250	41,200	45.8%
63431 - Equip Maintenance - Copier	3,500	3,500	0.0%
63440 - Equipment Rental	15,820	21,000	32.7%
63510 - Legal Services	80,000	105,000	31.3%
63520 - Recruitment Services	2,000	-	-100.0%
63522 - HR Investigations, Testing	3,500	2,000	-42.9%
63530 - Audit Services	23,550	24,000	1.9%
63535 - Actuarial Services	10,000	-	-100.0%
63540 - Consulting Engineer	45,000	20,000	-55.6%
63542 - Eng. Services - Surveying	16,000	16,000	0.0%
63543 - Aerial Topography	6,000	6,000	0.0%
63544 - Eng. Services - Leachate	48,000	47,500	-1.0%
63545 - Eng. Services - GW Monitoring	92,000	89,200	-3.0%
63546 - TO-15 Testing	7,600	7,600	0.0%
63548 - Eng. Services - LFG System	148,000	148,000	0.0%
63549 - Eng Services - LFG Surface Monitoring	36,000	36,000	0.0%
63551 - GHG Monitoring (AB32)	35,000	11,000	-68.6%
63553 - Eng. Services - GW Cap - Non Routine	1,170	2,500	113.7%
63554 - Eng. Services - Leachate - Non Routine	10,000	7,200	-28.0%
63555 - Eng. Services - GW Monitoring - Non Routine	10,500	6,000	-42.9%
63558 - Eng. Services - LFG System - Non Routine	53,500	59,900	12.0%
63560 - Custodial Service	16,100	19,600	21.7%
63565 - Records Management Disposal Service	250	250	0.0%
63570 - Bank of NY -1997 Series A Bond	5,100	5,100	0.0%
63580 - Safety Program/Consulting	5,000	5,000	0.0%
63581 - Safety Awards	6,520	7,000	7.4%
63586 - Vehicle Safety Inspection	1,200	-	-100.0%
63587 - Street Sweeping	9,500	3,000	-68.4%
63589 - Cash Over/Short	-	-	#DIV/0!
63590 - Other Professional Services	3,000	3,000	0.0%
63592 - Facility Maintenance	30,000	34,000	13.3%
63593 - Landscape Maintenance	4,900	5,500	12.2%
63594 - Credit Card Fees	8,000	8,000	0.0%
63595 - Returned Check Expense	500	500	0.0%
63596 - Bank Fees	7,500	8,500	13.3%
63597 - Litter Abatement	60,000	60,000	0.0%
63598 - FSA Service Fees	930	800	-14.0%
63599 - EAP Service Fee	5,260	5,250	-0.2%
63613 - Contract Labor	61,000	74,000	21.3%
63615 - Hauling Services	1,800	3,500	94.4%

Salinas Valley Solid Waste Authority
Budget by Category with Line Item Detail
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
63616 - Madison Lane Transfer Station Services	450,000	150,000	-66.7%
63622 - Diversion Assistance Fee-JC	98,000	100,000	2.0%
63623 - Metal Diversion Fees	2,500	1,500	-40.0%
63624 - Tires Diversion Fees	5,500	7,500	36.4%
63625 - Wood Waste Diversion Fees	3,600	3,700	2.8%
63628 - Greenwaste Processing Fees	571,930	582,330	1.8%
63630 - C&D Recycling (ST Goal)	50,000	30,000	-40.0%
63631 - Mattresses Diversion Service	35,000	35,750	2.1%
63636 - Diversion Assistance - SS	65,000	75,000	15.4%
63637 - Food Waste Diversion	12,000	-	-100.0%
63651 - HHW Hauling & Disposal	150,000	150,000	0.0%
63653 - ABOP Disposal	5,000	5,000	0.0%
63654 - Freon Removal	2,500	2,500	0.0%
63655 - HHW Disposal Supplies	35,000	35,000	0.0%
63671 - Network Support	13,350	20,000	49.8%
63672 - Laserfiche Support	7,200	7,200	0.0%
63673 - Paradigm Support	17,000	17,000	0.0%
63674 - Plan-It Support	1,000	1,000	0.0%
63675 - Website Hosting Service	840	900	7.1%
63676 - INCODE Off Site Backup	2,000	2,000	0.0%
63677 - INCODE Support	16,500	18,000	9.1%
63679 - Employee Evaluations Software Support	3,000	3,000	0.0%
63700 - Public Media Relations	10,000	10,000	0.0%
63711 - Media Campaign	125,000	100,000	-20.0%
63715 - Give Aways	4,950	5,000	1.0%
63719 - RecycleRama	60,000	60,000	0.0%
63750 - Increased Public Education (ST Goal)	75,000	100,000	33.3%
63810 - Leachate Storage	4,500	13,500	200.0%
63811 - RWQCB Studies	2,000	2,000	0.0%
63812 - Lab Water Analysis	55,000	55,000	0.0%
63813 - Eng. Services - GW Cap	16,130	17,000	5.4%
63815 - Site Grading	11,340	5,000	-55.9%
63850 - Gonzales Host Fees	250,000	250,000	0.0%
63921 - Scale Maintenance & Repair - JC	7,200	7,200	0.0%
63922 - Scale Maintenance & Repair - SS	6,000	6,000	0.0%
63952 - Tonnage Band Fees	(152,800)	(130,100)	-14.9%
63955 - Landfill Operations	1,991,500	2,030,300	1.9%
63956 - Compaction Incentive	800,000	800,000	0.0%
63957 - Transfer Station Operations	679,800	700,200	3.0%
63958 - Out of Scope Work	10,000	10,000	0.0%
63960 - Contingencies	56,680	59,200	4.4%
63817 - NPDES - Permitting	-	45,000	#DIV/0!
63603 - NPDES Improvements	-	25,000	#DIV/0!
63571 - Bond Continuing Disclosure Services	1,850	1,900	2.7%
63 - Contract Services Total	6,854,320	6,722,330	-1.9%
64 - Other Expenses			
64100 - Advertising/Public Notices	8,900	10,400	16.9%
64110 - Advertising - Recruitments	3,000	1,500	-50.0%
64200 - Conferences/Meetings	29,750	31,550	6.1%
64201 - Travel Expense - General Manager	4,000	2,000	-50.0%
64210 - Board Meeting Supplies	3,000	3,000	0.0%

Salinas Valley Solid Waste Authority
Budget by Category with Line Item Detail
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED	Percent Change
64220 - Board Retreat	6,535	6,500	-0.5%
64225 - Confrences/Meetings - Boardmembers	7,465	7,500	0.5%
64240 - Employee Recognition	3,500	4,000	14.3%
64250 - Training	28,000	24,500	-12.5%
64251 - INCODE Student Center	-	1,500	#DIV/0!
64310 - Association Memberships	9,290	11,000	18.4%
64320 - Publications & Trade Journals	6,500	6,270	-3.5%
64411 - Insurance - Commercial Auto	29,970	34,600	15.4%
64412 - Insurance - Crime	5,190	6,100	17.5%
64413 - Insurance - Environmental Impairment Liability	77,460	89,400	15.4%
64414 - Insurance - General Liability	36,060	41,700	15.6%
64415 - Insurance - Public Officials and Employment Liabil	15,310	18,100	18.2%
64416 - Insurance - Property Damage	22,570	26,200	16.1%
64417 - Insurance - Excess Liability	29,600	34,300	15.9%
64418 - Insurance - Surety Bond	2,750	3,200	16.4%
64610 - Bad Debt Expense	-	-	#DIV/0!
64700 - Refunds & Reimbursement	1,000	1,000	0.0%
64810 - Board Member Stipends	14,400	14,400	0.0%
64903 - Fees & Permits	8,640	1,000	-88.4%
64904 - Property Taxes	27,700	27,700	0.0%
64905 - Mo.Co. LEA Fees	77,790	78,200	0.5%
64906 - Mo.Co. Regional Fees	184,500	184,500	0.0%
64910 - SBOE - CIWMB Fees	349,100	349,100	0.0%
64920 - MBUAPCD-Air Board Fees	20,600	20,600	0.0%
64925 - SWRCB Fees	122,000	122,000	0.0%
64943 - Fees and Permits	1,000	1,000	0.0%
64 - Other Expenses Total	1,135,580	1,162,820	2.4%
65 - Debt Service			
65110 - 2002 Rev Bonds Interest	1,770,000	1,721,600	-2.7%
65120 - Salinas IPA Interest	267,120	257,600	-3.6%
65210 - 2002 Rev Bonds Principal	985,000	1,035,000	5.1%
65220 - Salinas IPA Principal	118,000	127,600	8.1%
65 - Debt Service Total	3,140,120	3,141,800	0.1%
66 - Capital Outlay			
66530 - Office Equipment	2,150	2,500	16.3%
66550 - Rolling Equipment	16,000	8,000	-50.0%
66 - Capital Outlay Total	18,150	10,500	-42.1%
67 - Closure/Postclosure			
67100 - Closure Expense	277,000	277,000	0.0%
67 - Closure/Postclosure Total	277,000	277,000	0.0%
Grand Total	15,698,700	15,950,000	1.6%



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Salinas Valley Solid Waste Authority
Cost of Services
FY 2013-14

	2013-14 PROPOSED	Scalehouse Allocation	Overhead Allocation	Full Cost of Services
1110 - Executive Administration	410,950		(410,950)	-
1120 - Administrative Support	394,300		(394,300)	-
1130 - Human Resources Administration	308,300		(308,300)	-
1140 - Clerk of the Board	159,850		(159,850)	-
1200 - Finance Administration	630,050		(630,050)	-
1300 - Operations Administration	387,200		(387,200)	-
2100 - Resource Recovery	667,520		149,314	816,834
2150 - Marketing	75,000		16,776	91,776
2200 - Public Education	160,000		35,789	195,789
2300 - Household Hazardous Waste	676,700		151,367	828,067
2400 - C & D Diversion	30,000		6,711	36,711
2500 - Organics Diversion	587,530		131,421	718,951
2600 - Diversion Services	144,750		32,378	177,128
3100 - Scalehouse Operations	351,150	(351,150)	-	-
3600 - JR Transfer Station	724,400		162,037	886,437
3650 - ML Transfer Station	150,000		33,553	183,553
3710 - SS Disposal Operations	608,800	175,575	175,452	959,827
3720 - SS Transfer Operations	908,800		203,284	1,112,084
3730 - SS Recycling Operations	199,000		44,513	243,513
4500 - JC Landfill Operations	3,683,200	175,575	863,147	4,721,922
5300 - Crazy Horse Postclosure	524,200		117,255	641,455
5400 - Lewis Road Postclosure	188,700		42,209	230,909
5500 - Johnson Canyon ECS	298,600		66,792	365,392
5600 - Jolon Road Postclosure	152,100		34,022	186,122
5700 - Sun Street ECS	110,100		24,628	134,728
6100 - Debt Service - Interest	1,979,200			1,979,200
6200 - Debt Service - Principal	1,162,600			1,162,600
6605 - Closure Set-Aside	277,000			277,000
Grand Total	15,950,000	-	(0)	15,950,000

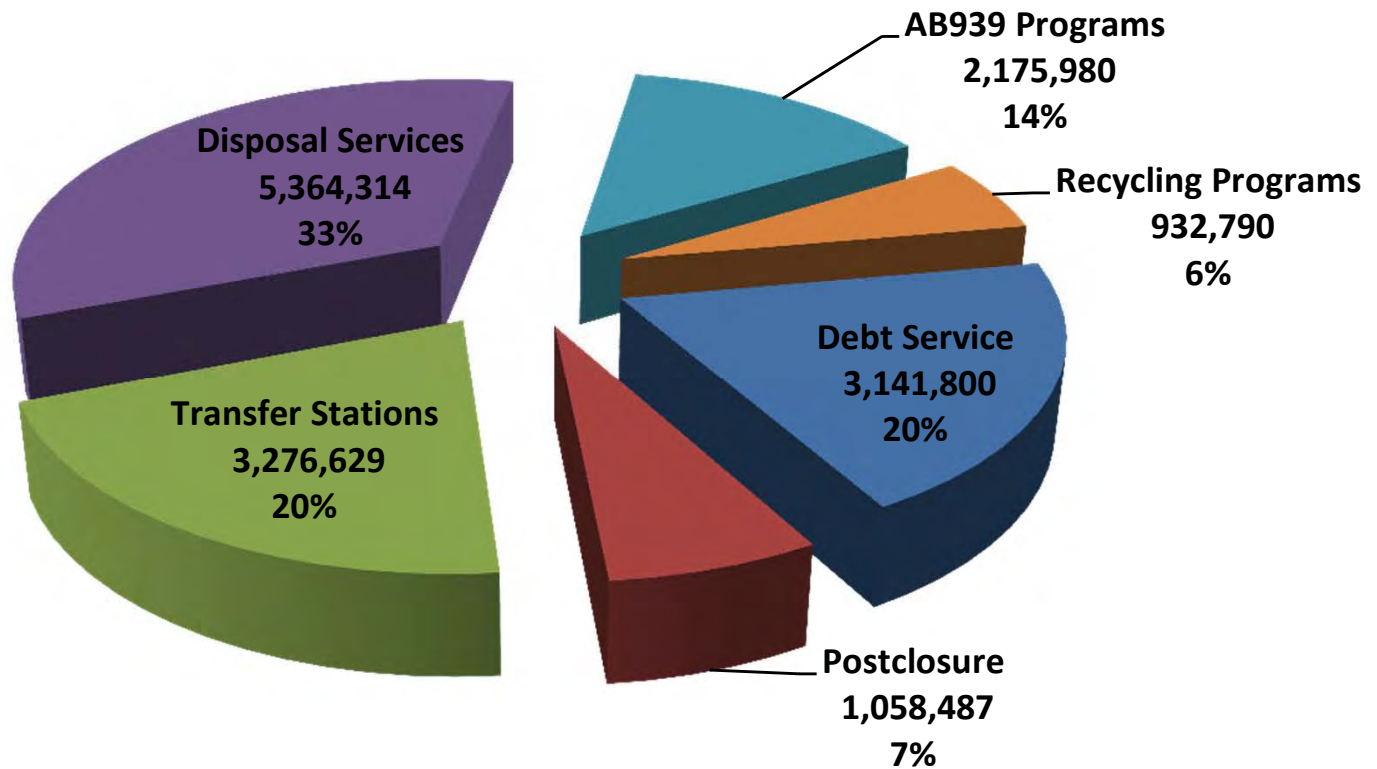


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Salinas Valley Solid Waste Authority
Full Cost of Services by Program

	2012-13 BUDGET	Proposed 2012-13	Increase/ (Decrease)
<u>Debt Service</u>			
6200 - Debt Service - Principal	1,103,000	1,162,600	5.40%
6100 - Debt Service - Interest	2,037,120	1,979,200	-2.84%
Total Debt Service	3,140,120	3,141,800	0.05%
<u>Postclosure</u>			
5300 - Crazy Horse Postclosure	789,682	641,456	-18.77%
5400 - Lewis Road Postclosure	198,382	230,909	16.40%
5600 - Jolon Road Postclosure	122,179	186,122	52.34%
Total Postclosure	1,110,242	1,058,487	-4.66%
<u>Transfer Stations</u>			
3600 - JR Transfer Station	869,147	886,437	1.99%
3650 - ML Transfer Station	557,217	183,553	-67.06%
3710 - SS Disposal Operations	707,154	959,827	35.73%
3720 - SS Transfer Operations	1,059,452	1,112,084	4.97%
5700 - Sun Street ECS	89,774	134,728	50.07%
Total Transfer Stations	3,282,744	3,276,629	-0.19%
<u>Disposal Services</u>			
4500 - JC Landfill Operations	4,419,708	4,721,922	6.84%
5500 - Johnson Canyon ECS	307,460	365,392	18.84%
6605 - Closure Set-Aside	277,000	277,000	0.00%
Total Disposal Services	5,004,168	5,364,314	7.20%
<u>AB939 Programs</u>			
2100 - Resource Recovery	802,392	816,834	1.80%
2150 - Marketing	123,826	91,776	-25.88%
2200 - Public Education	167,165	195,789	17.12%
2300 - Household Hazardous Waste	798,999	828,068	3.64%
3730 - SS Recycling Operations	303,163	243,513	-19.68%
Total AB939 Programs	2,195,546	2,175,980	-0.89%
<u>Recycling Programs</u>			
2400 - C & D Diversion	61,913	36,711	-40.71%
2500 - Organics Diversion	714,513	718,951	0.62%
2600 - Diversion Services	189,454	177,128	-6.51%
Total Recycling Programs	965,880	932,790	-3.43%
Grand Total	15,698,700	15,950,000	1.60%

**Saslinas Valley Solid Waste Authority
Cost of Services FY 2013-14
\$15,950,000**



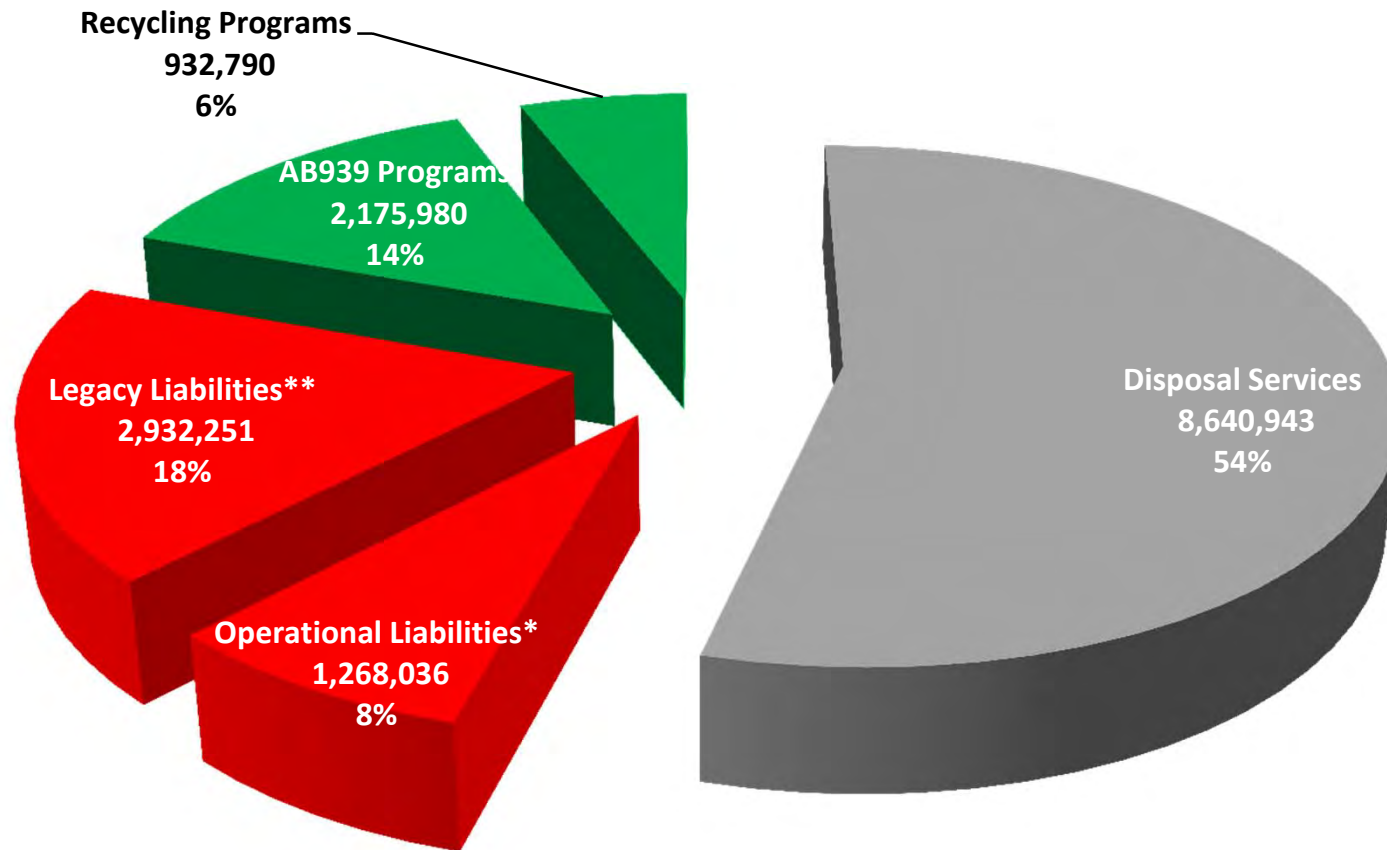
Salinas Valley Solid Waste Authority
Full Cost of Services by Major Categories

	2012-13 BUDGET	Proposed 2012-13
<u>Disposal Services</u>		
3600 - JR Transfer Station	869,147	886,437
3650 - ML Transfer Station	557,217	183,553
3710 - SS Disposal Operations	707,154	959,827
3720 - SS Transfer Operations	1,059,452	1,112,084
4500 - JC Landfill Operations	4,419,708	4,721,922
5500 - Johnson Canyon ECS	307,460	365,392
5700 - Sun Street ECS	89,774	134,728
6605 - Closure Set-Aside	277,000	277,000
Total Disposal Services	8,286,912	8,640,943
<u>Operational Liabilities*</u>		
6200 - Debt Service - Principal	453,100	476,100
6100 - Debt Service - Interest	814,200	791,936
Total Operational Liabilities	1,267,300	1,268,036
<u>Legacy Liabilities**</u>		
5300 - Crazy Horse Postclosure	789,682	641,456
5400 - Lewis Road Postclosure	198,382	230,909
5600 - Jolon Road Postclosure	122,179	186,122
6200 - Debt Service - Principal	649,900	686,500
6100 - Debt Service - Interest	1,222,920	1,187,264
Total Legacy Liabilities	2,983,062	2,932,251
<u>AB939 Programs</u>		
2100 - Resource Recovery	802,392	816,834
2150 - Marketing	123,826	91,776
2200 - Public Education	167,165	195,789
2300 - Household Hazardous Waste	798,999	828,068
3730 - SS Recycling Operations	303,163	243,513
Total AB939 Programs	2,195,546	2,175,980
<u>Recycling Programs</u>		
2400 - C & D Diversion	61,913	36,711
2500 - Organics Diversion	714,513	718,951
2600 - Diversion Services	189,454	177,128
Total Recycling Programs	965,880	932,790
Grand Total	15,698,700	15,950,000

*46% of total bond debt are for Operational Liabilities

*54% of total bond debt are for Legacy Liabilities

Full Cost of Services \$15,950,000



Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
105 - Administration Fund		
1110 - Executive Administration		
61 - Employee Services		
61110 - Regular Pay	178,300	185,100
61120 - Paid Time Off	6,200	10,700
61705 - Management Leave	5,200	5,400
61815 - Auto Allowance	6,000	6,000
61816 - Cell Phone	1,200	1,200
61822 - PERS Employer Contribution	18,600	19,800
61823 - PERS EPMC	12,500	13,000
61825 - Medicare	2,600	2,700
61831 - Health Insurance	20,400	23,400
61833 - Long-Term Disability	800	800
61834 - Unemployment	600	600
61836 - Life Insurance	700	700
61837 - Insurance - Workers Compensation	4,700	1,300
61999 - CIP/Program Regular Salary Deduct	(26,300)	-
61 - Employee Services Total	231,500	270,700
62 - Supplies		
62810 - Software/License Renewals	400	400
62915 - Minor Computer Equipment	1,250	500
62 - Supplies Total	1,650	900
63 - Contract Services		
63116 - Cell Phones	600	600
63510 - Legal Services	75,000	100,000
63540 - Consulting Engineer	20,000	15,000
63590 - Other Professional Services	3,000	3,000
63598 - FSA Service Fees	100	100
63599 - EAP Service Fee	150	150
63960 - Contingencies	4,460	-
63 - Contract Services Total	103,310	118,850
64 - Other Expenses		
64200 - Conferences/Meetings	5,000	5,000
64201 - Travel Expense - General Manager	4,000	2,000
64250 - Training	2,000	2,000
64310 - Association Memberships	5,000	5,000
64320 - Publications & Trade Journals	2,000	2,000
64412 - Insurance - Crime	370	500
64415 - Insurance - Public Officials and Employment Liabil	690	800
64418 - Insurance - Surety Bond	2,750	3,200
64 - Other Expenses Total	21,810	20,500
1110 - Executive Administration Total	358,270	410,950
1120 - Administrative Support		
61 - Employee Services		
61110 - Regular Pay	107,300	111,700

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
61120 - Paid Time Off	3,700	-
61300 - Overtime - Regular	500	500
61410 - Wellness Program	1,000	500
61700 - Flexible Leave	3,100	3,300
61822 - PERS Employer Contribution	11,200	12,000
61823 - PERS EPMC	7,500	7,900
61825 - Medicare	1,600	1,700
61831 - Health Insurance	25,500	29,300
61833 - Long-Term Disability	500	500
61834 - Unemployment	1,100	1,100
61836 - Life Insurance	400	400
61837 - Insurance - Workers Compensation	800	800
61 - Employee Services Total	164,200	169,700
62 - Supplies		
62100 - Office Supplies & Materials	23,000	30,000
62120 - Reproduction Costs	124	1,000
62130 - Copier/Printer Supplies	9,000	6,000
62140 - Janitorial Supplies	3,500	2,000
62230 - Vehicle Supplies	1,200	2,000
62330 - Fuel	2,576	1,200
62800 - Special Dept Supplies	3,000	3,000
62810 - Software/License Renewals	600	600
62910 - Minor Capital Outlay	1,500	1,500
62915 - Minor Computer Equipment	1,000	1,000
62 - Supplies Total	45,500	48,300
63 - Contract Services		
63120 - Telephone	9,000	9,000
63121 - Conference Call Services	-	700
63140 - Postage	5,000	5,000
63150 - Overnight Shipments	800	800
63210 - Water	600	600
63230 - Gas & Electricity	12,000	12,000
63270 - Garbage/Recycling Pickup	700	700
63320 - Building Rent	86,400	86,400
63322 - Building Maintenance Fees	21,000	21,000
63416 - Building Alarm Service	700	700
63430 - Equipment Maintenance	1,000	1,000
63431 - Equip Maintenance - Copier	3,500	3,500
63560 - Custodial Service	9,600	6,600
63598 - FSA Service Fees	200	200
63599 - EAP Service Fee	300	300
63 - Contract Services Total	150,800	148,500
64 - Other Expenses		
64100 - Advertising/Public Notices	5,000	5,000
64200 - Conferences/Meetings	1,000	1,000

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
64250 - Training	2,000	2,000
64411 - Insurance - Commercial Auto	750	300
64412 - Insurance - Crime	220	300
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64414 - Insurance - General Liability	790	900
64415 - Insurance - Public Officials and Employment Liabil	130	200
64416 - Insurance - Property Damage	1,990	2,300
64417 - Insurance - Excess Liability	750	900
64 - Other Expenses Total	25,540	27,800
1120 - Administrative Support Total	386,040	394,300
1130 - Human Resources Administration		
61 - Employee Services		
61110 - Regular Pay	163,100	166,200
61120 - Paid Time Off	5,600	6,400
61300 - Overtime - Regular	500	500
61400 - Education Assistance	1,000	500
61410 - Wellness Program	500	1,000
61700 - Flexible Leave	1,900	1,900
61705 - Management Leave	2,900	3,000
61815 - Auto Allowance	6,000	6,000
61816 - Cell Phone	1,000	1,000
61822 - PERS Employer Contribution	17,000	17,800
61823 - PERS EPMC	11,500	11,700
61825 - Medicare	2,400	2,500
61831 - Health Insurance	32,600	37,400
61833 - Long-Term Disability	800	800
61834 - Unemployment	1,100	1,100
61836 - Life Insurance	600	600
61837 - Insurance - Workers Compensation	1,200	1,200
61 - Employee Services Total	249,700	259,600
62 - Supplies		
62810 - Software/License Renewals	600	600
62915 - Minor Computer Equipment	1,000	1,000
62 - Supplies Total	1,600	1,600
63 - Contract Services		
63116 - Cell Phones	600	600
63510 - Legal Services	5,000	5,000
63520 - Recruitment Services	2,000	-
63522 - HR Investigations, Testing	500	2,000
63580 - Safety Program/Consulting	5,000	5,000
63581 - Safety Awards	6,520	7,000
63599 - EAP Service Fee	300	300
63679 - Employee Evaluations Software Support	3,000	3,000
63 - Contract Services Total	22,920	22,900
64 - Other Expenses		

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	2012-13 BUDGET	2013-14 PROPOSED
64110 - Advertising - Recruitments	3,000	1,500
64200 - Conferences/Meetings	3,000	4,000
64240 - Employee Recognition	3,500	4,000
64250 - Training	10,000	10,000
64310 - Association Memberships	2,000	2,000
64320 - Publications & Trade Journals	2,000	2,000
64412 - Insurance - Crime	330	400
64415 - Insurance - Public Officials and Employment Liabil	190	300
64 - Other Expenses Total	24,020	24,200
1130 - Human Resources Administration Total	298,240	308,300
1140 - Clerk of the Board		
61 - Employee Services		
61110 - Regular Pay	67,700	72,300
61120 - Paid Time Off	2,400	-
61300 - Overtime - Regular	500	500
61700 - Flexible Leave	2,000	2,100
61822 - PERS Employer Contribution	7,100	7,800
61823 - PERS EPMC	4,800	5,100
61825 - Medicare	1,000	1,100
61826 - FICA	-	-
61831 - Health Insurance	18,600	21,300
61833 - Long-Term Disability	300	400
61834 - Unemployment	600	600
61836 - Life Insurance	300	300
61837 - Insurance - Workers Compensation	500	500
61 - Employee Services Total	105,800	112,000
62 - Supplies		
62810 - Software/License Renewals	300	300
62915 - Minor Computer Equipment	480	500
62 - Supplies Total	780	800
63 - Contract Services		
63250 - Exterminator Service	620	650
63565 - Records Management Disposal Service	250	250
63598 - FSA Service Fees	100	100
63599 - EAP Service Fee	150	150
63672 - Laserfiche Support	7,200	7,200
63 - Contract Services Total	8,320	8,350
64 - Other Expenses		
64100 - Advertising/Public Notices	3,900	3,900
64200 - Conferences/Meetings	1,500	1,500
64210 - Board Meeting Supplies	3,000	3,000
64220 - Board Retreat	6,535	6,500
64225 - Confrences/Meetings - Boardmembers	7,465	7,500
64250 - Training	1,000	1,000
64310 - Association Memberships	420	600

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	2012-13 BUDGET	2013-14 PROPOSED
64412 - Insurance - Crime	150	200
64415 - Insurance - Public Officials and Employment Liabil	90	100
64810 - Board Member Stipends	14,400	14,400
64 - Other Expenses Total	38,460	38,700
1140 - Clerk of the Board Total	153,360	159,850
1200 - Finance Administration		
61 - Employee Services		
61110 - Regular Pay	335,100	341,700
61120 - Paid Time Off	11,600	6,700
61300 - Overtime - Regular	2,500	2,500
61400 - Education Assistance	500	500
61410 - Wellness Program	500	500
61700 - Flexible Leave	6,500	6,600
61705 - Management Leave	3,200	3,300
61815 - Auto Allowance	6,000	6,000
61816 - Cell Phone	1,600	1,600
61822 - PERS Employer Contribution	34,900	36,600
61823 - PERS EPMC	23,500	24,000
61825 - Medicare	4,900	5,000
61831 - Health Insurance	69,700	79,900
61833 - Long-Term Disability	1,500	1,600
61834 - Unemployment	2,200	2,200
61836 - Life Insurance	1,200	1,200
61837 - Insurance - Workers Compensation	2,500	2,300
61 - Employee Services Total	507,900	522,200
62 - Supplies		
62100 - Office Supplies & Materials	750	600
62800 - Special Dept Supplies	1,000	1,000
62810 - Software/License Renewals	6,600	3,500
62915 - Minor Computer Equipment	1,850	1,000
62 - Supplies Total	10,200	6,100
63 - Contract Services		
63116 - Cell Phones	600	-
63125 - Internet Services	4,800	3,600
63126 - Exchange Hosting Services	4,500	3,000
63127 - Network Access	760	800
63150 - Overnight Shipments	200	200
63430 - Equipment Maintenance	550	600
63530 - Audit Services	23,550	24,000
63535 - Actuarial Services	10,000	-
63570 - Bank of NY -1997 Series A Bond	5,100	5,100
63595 - Returned Check Expense	500	500
63596 - Bank Fees	3,000	4,000
63598 - FSA Service Fees	200	200
63599 - EAP Service Fee	600	600

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	2012-13 BUDGET	2013-14 PROPOSED
63671 - Network Support	13,350	20,000
63674 - Plan-It Support	1,000	1,000
63675 - Website Hosting Service	840	900
63676 - INCODE Off Site Backup	2,000	2,000
63677 - INCODE Support	16,500	18,000
63571 - Bond Continuing Disclosure Services	1,850	1,900
63 - Contract Services Total	89,900	86,400
64 - Other Expenses		
64200 - Conferences/Meetings	5,000	6,050
64250 - Training	2,500	2,500
64251 - INCODE Student Center	-	1,500
64320 - Publications & Trade Journals	500	500
64412 - Insurance - Crime	670	800
64415 - Insurance - Public Officials and Employment Liabil	380	500
64700 - Refunds & Reimbursement	1,000	1,000
64 - Other Expenses Total	10,050	12,850
66 - Capital Outlay		
66530 - Office Equipment	2,150	2,500
66 - Capital Outlay Total	2,150	2,500
1200 - Finance Administration Total	620,200	630,050
1300 - Operations Administration		
61 - Employee Services		
61110 - Regular Pay	445,000	284,900
61120 - Paid Time Off	15,300	-
61300 - Overtime - Regular	10,000	-
61410 - Wellness Program	500	500
61700 - Flexible Leave	4,900	-
61705 - Management Leave	8,000	8,300
61815 - Auto Allowance	12,000	12,000
61816 - Cell Phone	4,400	4,400
61822 - PERS Employer Contribution	46,300	30,500
61823 - PERS EPMC	31,200	20,000
61825 - Medicare	6,500	4,200
61831 - Health Insurance	53,700	32,200
61833 - Long-Term Disability	1,900	1,300
61834 - Unemployment	2,200	1,100
61836 - Life Insurance	1,600	1,100
61837 - Insurance - Workers Compensation	24,300	2,000
61998 - ECS/Program Regular Salary Deduct	(61,000)	-
61999 - CIP/Program Regular Salary Deduct	(140,100)	(80,000)
61 - Employee Services Total	466,700	322,500
62 - Supplies		
62100 - Office Supplies & Materials	1,200	1,200
62230 - Rolling Stock Supplies	2,000	2,000
62330 - Fuel	12,000	12,000

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	2012-13 BUDGET	2013-14 PROPOSED
62800 - Special Dept Supplies	2,000	2,000
62810 - Software/License Renewals	2,500	2,500
62840 - Safety Supplies	-	1,000
62 - Supplies Total	19,700	20,700
63 - Contract Services		
63116 - Cell Phones	1,000	1,200
63150 - Overnight Shipments	1,000	1,000
63430 - Equipment Maintenance	1,000	5,000
63540 - Consulting Engineer	25,000	5,000
63598 - FSA Service Fees	150	100
63599 - EAP Service Fee	600	600
63700 - Public Media Relations	10,000	10,000
63 - Contract Services Total	38,750	22,900
64 - Other Expenses		
64200 - Conferences/Meetings	6,250	5,000
64250 - Training	6,000	4,000
64310 - Association Memberships	1,470	3,000
64320 - Publications & Trade Journals	1,730	1,500
64411 - Insurance - Commercial Auto	2,110	2,500
64412 - Insurance - Crime	920	1,100
64415 - Insurance - Public Officials and Employment Liabil	3,420	4,000
64920 - MBUAPCD-Air Board Fees	-	-
64 - Other Expenses Total	21,900	21,100
1300 - Operations Administration Total	547,050	387,200
3100 - Scalehouse Operations		
61 - Employee Services		
61110 - Regular Pay	173,800	179,400
61120 - Paid Time Off	7,000	6,300
61300 - Overtime - Regular	7,500	7,500
61700 - Flexible Leave	5,900	6,300
61822 - PERS Employer Contribution	18,100	19,200
61823 - PERS EPMC	12,200	12,600
61825 - Medicare	2,600	2,700
61831 - Health Insurance	47,000	51,800
61833 - Long-Term Disability	700	700
61834 - Unemployment	1,900	1,800
61836 - Life Insurance	700	700
61837 - Insurance - Workers Compensation	4,500	1,300
61 - Employee Services Total	281,900	290,300
62 - Supplies		
62100 - Office Supplies & Materials	1,000	1,000
62130 - Copier/Printer Supplies	500	500
62290 - Other Repair & Maintenance Supplies	1,000	1,000
62510 - Uniforms	1,600	1,600
62800 - Special Dept Supplies	1,000	1,000

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	2012-13 BUDGET	2013-14 PROPOSED
62840 - Safety Supplies	900	900
62910 - Minor Capital Outlay	1,500	1,500
62 - Supplies Total	7,500	7,500
63 - Contract Services		
63116 - Cell Phones	1,000	1,000
63125 - Internet Services	4,700	4,700
63210 - Water	300	300
63240 - Portable Toilet	1,400	1,400
63416 - Building Alarm Service	850	850
63589 - Cash Over/Short	-	-
63594 - Credit Card Fees	8,000	8,000
63596 - Bank Fees	4,500	4,500
63599 - EAP Service Fee	600	600
63673 - Paradigm Support	17,000	17,000
63921 - Scale Maintenance & Repair - JC	7,200	7,200
63922 - Scale Maintenance & Repair - SS	6,000	6,000
63 - Contract Services Total	51,550	51,550
64 - Other Expenses		
64250 - Training	500	500
64412 - Insurance - Crime	360	500
64415 - Insurance - Public Officials and Employment Liabil	680	800
64 - Other Expenses Total	1,540	1,800
3100 - Scalehouse Operations Total	342,490	351,150
105 - Administration Fund Total	2,705,650	2,641,800
106 - Resource Recovery Fund		
2100 - Resource Recovery		
61 - Employee Services		
61110 - Regular Pay	391,200	406,900
61120 - Paid Time Off	13,500	2,800
61300 - Overtime - Regular	5,000	5,000
61400 - Education Assistance	500	-
61410 - Wellness Program	500	500
61700 - Flexible Leave	7,700	8,100
61705 - Management Leave	3,700	3,700
61815 - Auto Allowance	-	6,000
61816 - Cell Phone	2,000	2,000
61822 - PERS Employer Contribution	40,700	43,600
61823 - PERS EPMC	27,400	28,500
61825 - Medicare	5,700	5,900
61831 - Health Insurance	72,200	88,000
61833 - Long-Term Disability	1,700	1,800
61834 - Unemployment	2,700	2,700
61836 - Life Insurance	1,400	1,500
61837 - Insurance - Workers Compensation	8,600	2,800
61 - Employee Services Total	584,500	609,800

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	2012-13 BUDGET	2013-14 PROPOSED
62 - Supplies		
62100 - Office Supplies & Materials	2,500	2,500
62130 - Copier/Printer Supplies	600	600
62230 - Rolling Stock Supplies	500	500
62330 - Fuel	2,000	2,000
62800 - Special Dept Supplies	2,500	2,500
62801 - Graffiti Removal Supplies	1,500	2,500
62802 - Litter Abatement	2,500	-
62910 - Minor Capital Outlay	3,500	3,500
62 - Supplies Total	15,600	14,100
63 - Contract Services		
63116 - Cell Phones	50	-
63430 - Equipment Maintenance	700	700
63598 - FSA Service Fees	100	100
63599 - EAP Service Fee	750	750
63711 - Media Campaign	25,000	25,000
63715 - Give Aways	4,950	5,000
63960 - Contingencies	5,000	-
63 - Contract Services Total	36,550	31,550
64 - Other Expenses		
64200 - Conferences/Meetings	4,500	5,500
64250 - Training	2,000	1,000
64310 - Association Memberships	400	400
64320 - Publications & Trade Journals	270	270
64411 - Insurance - Commercial Auto	2,120	2,900
64412 - Insurance - Crime	780	500
64415 - Insurance - Public Officials and Employment Liabil	1,280	1,500
64 - Other Expenses Total	11,350	12,070
2100 - Resource Recovery Total	648,000	667,520
2150 - Marketing		
63 - Contract Services		
63711 - Media Campaign	100,000	75,000
63 - Contract Services Total	100,000	75,000
2150 - Marketing Total	100,000	75,000
2200 - Public Education		
63 - Contract Services		
63719 - RecycleRama	60,000	60,000
63750 - Increased Public Education (ST Goal)	75,000	100,000
63 - Contract Services Total	135,000	160,000
2200 - Public Education Total	135,000	160,000
2300 - Household Hazardous Waste		
61 - Employee Services		
61110 - Regular Pay	221,500	227,800
61120 - Paid Time Off	7,700	6,000
61300 - Overtime - Regular	10,000	10,000

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	2012-13 BUDGET	2013-14 PROPOSED
61410 - Wellness Program	-	500
61700 - Flexible Leave	6,400	6,600
61816 - Cell Phone	700	700
61822 - PERS Employer Contribution	23,100	24,400
61823 - PERS EPMC	15,500	16,000
61825 - Medicare	3,300	3,400
61831 - Health Insurance	74,100	79,900
61833 - Long-Term Disability	900	1,000
61834 - Unemployment	2,200	2,200
61836 - Life Insurance	900	900
61837 - Insurance - Workers Compensation	22,600	41,000
61 - Employee Services Total	388,900	420,400
62 - Supplies		
62230 - Rolling Stock Supplies	3,000	3,000
62330 - Fuel	2,200	2,200
62800 - Special Dept Supplies	15,000	15,000
62910 - Minor Capital Outlay	5,000	5,000
62 - Supplies Total	25,200	25,200
63 - Contract Services		
63120 - Telephone	2,000	2,000
63230 - Gas & Electricity	10,000	10,000
63416 - Building Alarm Service	700	700
63430 - Equipment Maintenance	3,000	3,500
63522 - HR Investigations, Testing	1,500	-
63589 - Cash Over/Short	-	-
63599 - EAP Service Fee	600	600
63651 - HHW Hauling & Disposal	150,000	150,000
63653 - ABOP Disposal	5,000	5,000
63654 - Freon Removal	2,500	2,500
63655 - HHW Disposal Supplies	35,000	35,000
63 - Contract Services Total	210,300	209,300
64 - Other Expenses		
64200 - Conferences/Meetings	3,500	3,500
64250 - Training	1,500	1,500
64310 - Association Memberships	-	-
64411 - Insurance - Commercial Auto	1,670	2,000
64412 - Insurance - Crime	490	600
64415 - Insurance - Public Officials and Employment Liabil	3,100	3,600
64905 - Mo.Co. LEA Fees	2,600	2,600
64 - Other Expenses Total	12,860	13,800
66 - Capital Outlay		
66550 - Rolling Equipment	8,000	8,000
66 - Capital Outlay Total	8,000	8,000
2300 - Household Hazardous Waste Total	645,260	676,700
2400 - C & D Diversion		

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	2012-13 BUDGET	2013-14 PROPOSED
63 - Contract Services		
63630 - C&D Recycling (ST Goal)	50,000	30,000
63 - Contract Services Total	50,000	30,000
2400 - C & D Diversion Total	50,000	30,000
2500 - Organics Diversion		
63 - Contract Services		
63592 - Facility Maintenance	1,500	1,500
63625 - Wood Waste Diversion Fees	3,600	3,700
63628 - Greenwaste Processing Fees	571,930	582,330
63 - Contract Services Total	577,030	587,530
2500 - Organics Diversion Total	577,030	587,530
2600 - Diversion Services		
63 - Contract Services		
63622 - Diversion Assistance Fee-JC	98,000	100,000
63623 - Metal Diversion Fees	2,500	1,500
63624 - Tires Diversion Fees	5,500	7,500
63631 - Mattresses Diversion Service	35,000	35,750
63637 - Food Waste Diversion	12,000	-
63 - Contract Services Total	153,000	144,750
2600 - Diversion Services Total	153,000	144,750
106 - Resource Recovery Fund Total	2,308,290	2,341,500
130 - Crazy Horse Project Fund		
5300 - Crazy Horse Postclosure		
61 - Employee Services		
61110 - Regular Pay	23,600	32,200
61300 - Overtime - Regular	-	2,000
61822 - PERS Employer Contribution	-	3,500
61823 - PERS EPMC	-	2,300
61825 - Medicare	-	500
61831 - Health Insurance	-	4,800
61833 - Long-Term Disability	-	200
61834 - Unemployment	-	200
61836 - Life Insurance	-	200
61837 - Insurance - Workers Compensation	-	3,600
61 - Employee Services Total	23,600	49,500
62 - Supplies		
62290 - Other Repair & Maintenance Supplies	2,200	2,500
62 - Supplies Total	2,200	2,500
63 - Contract Services		
63120 - Telephone	1,500	500
63230 - Gas & Electricity	45,000	62,000
63416 - Building Alarm Service	500	-
63544 - Eng. Services - Leachate	17,000	17,000
63545 - Eng. Services - GW Monitoring	49,000	49,000
63546 - TO-15 Testing	5,000	5,000

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	2012-13 BUDGET	2013-14 PROPOSED
63548 - Eng. Services - LFG System	57,000	57,000
63549 - Eng Services - LFG Surface Monitoring	16,000	16,000
63551 - GHG Monitoring (AB32)	15,000	10,000
63553 - Eng. Services - GW Cap - Non Routine	1,170	2,500
63554 - Eng. Services - Leachate - Non Routine	6,000	6,200
63555 - Eng. Services - GW Monitoring - Non Routine	5,000	5,000
63558 - Eng. Services - LFG System - Non Routine	14,000	15,000
63592 - Facility Maintenance	5,000	5,000
63810 - Leachate Storage	1,000	10,000
63812 - Lab Water Analysis	40,000	40,000
63813 - Eng. Services - GW Cap	16,130	17,000
63960 - Contingencies	21,300	25,000
63 - Contract Services Total	315,600	342,200
64 - Other Expenses		
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64414 - Insurance - General Liability	8,680	10,000
64416 - Insurance - Property Damage	2,830	3,300
64417 - Insurance - Excess Liability	7,070	8,200
64904 - Property Taxes	1,800	1,800
64905 - Mo.Co. LEA Fees	24,500	24,500
64920 - MBUAPCD-Air Board Fees	12,300	12,300
64925 - SWRCB Fees	55,000	55,000
64 - Other Expenses Total	125,090	130,000
5300 - Crazy Horse Postclosure Total	466,490	524,200
130 - Crazy Horse Project Fund Total	466,490	524,200
141 - Lewis Road Closure Fund		
5400 - Lewis Road Postclosure		
61 - Employee Services		
61110 - Regular Pay	8,400	22,700
61300 - Overtime - Regular	-	1,500
61822 - PERS Employer Contribution	-	2,500
61823 - PERS EPMC	-	1,600
61825 - Medicare	-	400
61831 - Health Insurance	-	3,400
61833 - Long-Term Disability	-	100
61834 - Unemployment	-	200
61836 - Life Insurance	-	100
61837 - Insurance - Workers Compensation	-	2,500
61 - Employee Services Total	8,400	35,000
63 - Contract Services		
63120 - Telephone	300	300
63230 - Gas & Electricity	5,000	5,000
63430 - Equipment Maintenance	5,000	5,400
63440 - Equipment Rental	2,700	3,500
63545 - Eng. Services - GW Monitoring	14,000	13,200

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	2012-13 BUDGET	2013-14 PROPOSED
63546 - TO-15 Testing	2,600	2,600
63548 - Eng. Services - LFG System	45,000	45,000
63555 - Eng. Services - GW Monitoring - Non Routine	2,000	-
63558 - Eng. Services - LFG System - Non Routine	5,000	4,900
63812 - Lab Water Analysis	5,000	5,000
63815 - Site Grading	11,340	5,000
63960 - Contingencies	2,460	9,000
63 - Contract Services Total	100,400	98,900
64 - Other Expenses		
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64414 - Insurance - General Liability	3,930	4,600
64416 - Insurance - Property Damage	800	1,000
64417 - Insurance - Excess Liability	3,270	3,800
64904 - Property Taxes	2,200	2,200
64905 - Mo.Co. LEA Fees	5,000	5,000
64920 - MBUAPCD-Air Board Fees	3,300	3,300
64925 - SWRCB Fees	20,000	20,000
64 - Other Expenses Total	51,410	54,800
5400 - Lewis Road Postclosure Total	160,210	188,700
141 - Lewis Road Closure Fund Total	160,210	188,700
150 - Johnson Cyn Project Fund		
4500 - JC Landfill Operations		
61 - Employee Services		
61110 - Regular Pay	-	19,000
61300 - Overtime - Regular	-	1,000
61822 - PERS Employer Contribution	-	2,100
61823 - PERS EPMC	-	1,400
61825 - Medicare	-	300
61831 - Health Insurance	-	3,000
61833 - Long-Term Disability	-	100
61834 - Unemployment	-	200
61836 - Life Insurance	-	100
61837 - Insurance - Workers Compensation	-	2,300
61 - Employee Services Total	-	29,500
62 - Supplies		
62290 - Other Repair & Maintenance Supplies	3,000	3,000
62 - Supplies Total	3,000	3,000
63 - Contract Services		
63120 - Telephone	1,600	1,600
63230 - Gas & Electricity	1,000	1,200
63250 - Exterminator Service	1,500	1,500
63440 - Equipment Rental	2,500	2,500
63542 - Eng. Services - Surveying	16,000	16,000
63543 - Aerial Topography	6,000	6,000
63592 - Facility Maintenance	-	7,500

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	2012-13 BUDGET	2013-14 PROPOSED
63593 - Landscape Maintenance	2,500	2,500
63613 - Contract Labor	-	10,000
63850 - Gonzales Host Fees	250,000	250,000
63952 - Tonnage Band Fees	(152,800)	(130,100)
63955 - Landfill Operations	1,991,500	2,030,300
63956 - Compaction Incentive	800,000	800,000
63958 - Out of Scope Work	10,000	10,000
63 - Contract Services Total	2,929,800	3,009,000
64 - Other Expenses		
64411 - Insurance - Commercial Auto	160	200
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64414 - Insurance - General Liability	10,990	12,700
64416 - Insurance - Property Damage	410	500
64417 - Insurance - Excess Liability	8,920	10,300
64610 - Bad Debt Expense	-	-
64904 - Property Taxes	20,500	20,500
64905 - Mo.Co. LEA Fees	25,000	25,000
64906 - Mo.Co. Regional Fees	125,500	125,500
64910 - SBOE - CIWMB Fees	240,800	240,800
64920 - MBUAPCD-Air Board Fees	5,000	5,000
64925 - SWRCB Fees	18,000	18,000
64943 - Fees and Permits	1,000	1,000
64 - Other Expenses Total	469,190	474,400
4500 - JC Landfill Operations Total	3,401,990	3,515,900
5500 - Johnson Canyon ECS		
61 - Employee Services		
61110 - Regular Pay	20,600	28,500
61300 - Overtime - Regular	-	1,500
61822 - PERS Employer Contribution	-	3,100
61823 - PERS EPMC	-	2,000
61825 - Medicare	-	500
61831 - Health Insurance	-	4,400
61833 - Long-Term Disability	-	200
61834 - Unemployment	-	200
61836 - Life Insurance	-	200
61837 - Insurance - Workers Compensation	-	3,500
61 - Employee Services Total	20,600	44,100
62 - Supplies		
62290 - Other Repair & Maintenance Supplies	1,000	5,000
62 - Supplies Total	1,000	5,000
63 - Contract Services		
63120 - Telephone	1,200	1,200
63230 - Gas & Electricity	30,000	33,000
63544 - Eng. Services - Leachate	27,000	27,000
63545 - Eng. Services - GW Monitoring	15,000	13,500

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
63548 - Eng. Services - LFG System	43,000	43,000
63549 - Eng Services - LFG Surface Monitoring	20,000	20,000
63551 - GHG Monitoring (AB32)	20,000	1,000
63554 - Eng. Services - Leachate - Non Routine	4,000	1,000
63555 - Eng. Services - GW Monitoring - Non Routine	3,500	1,000
63558 - Eng. Services - LFG System - Non Routine	34,500	40,000
63810 - Leachate Storage	3,500	3,500
63812 - Lab Water Analysis	6,000	6,000
63960 - Contingencies	19,000	14,300
63817 - NPDES - Permitting	-	45,000
63 - Contract Services Total	226,700	249,500
5500 - Johnson Canyon ECS Total	248,300	298,600
150 - Johnson Cyn Project Fund Total	3,650,290	3,814,500
151 - Johnson Canyon Closure Fund		
6605 - Closure Set-Aside		
67 - Closure/Postclosure		
67100 - Closure Expense	187,000	187,000
67 - Closure/Postclosure Total	187,000	187,000
6605 - Closure Set-Aside Total	187,000	187,000
151 - Johnson Canyon Closure Fund Total	187,000	187,000
160 - Jolon Road Project Fund		
3600 - JR Transfer Station		
63 - Contract Services		
63957 - Transfer Station Operations	679,800	700,200
63 - Contract Services Total	679,800	700,200
64 - Other Expenses		
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64905 - Mo.Co. LEA Fees	9,200	9,300
64 - Other Expenses Total	22,110	24,200
3600 - JR Transfer Station Total	701,910	724,400
160 - Jolon Road Project Fund Total	701,910	724,400
161 - Jolon Road Closure Fund		
5600 - Jolon Road Postclosure		
61 - Employee Services		
61110 - Regular Pay	8,400	22,700
61300 - Overtime - Regular	-	1,500
61822 - PERS Employer Contribution	-	2,500
61823 - PERS EPMC	-	1,600
61825 - Medicare	-	400
61831 - Health Insurance	-	3,400
61833 - Long-Term Disability	-	100
61834 - Unemployment	-	200
61836 - Life Insurance	-	100
61837 - Insurance - Workers Compensation	-	2,500
61 - Employee Services Total	8,400	35,000

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
62 - Supplies		
62290 - Other Repair & Maintenance Supplies	2,500	10,000
62 - Supplies Total	2,500	10,000
63 - Contract Services		
63261 - Vector Control	5,000	5,000
63544 - Eng. Services - Leachate	4,000	3,500
63545 - Eng. Services - GW Monitoring	14,000	13,500
63548 - Eng. Services - LFG System	3,000	3,000
63613 - Contract Labor	-	15,000
63811 - RWQCB Studies	2,000	2,000
63812 - Lab Water Analysis	3,000	3,000
63960 - Contingencies	4,460	7,300
63 - Contract Services Total	35,460	52,300
64 - Other Expenses		
64414 - Insurance - General Liability	10,520	12,100
64417 - Insurance - Excess Liability	8,550	9,900
64904 - Property Taxes	3,000	3,000
64905 - Mo.Co. LEA Fees	3,240	2,800
64925 - SWRCB Fees	27,000	27,000
64 - Other Expenses Total	52,310	54,800
5600 - Jolon Road Postclosure Total	98,670	152,100
161 - Jolon Road Closure Fund Total	98,670	152,100
170 - Salinas Transfer Station		
3710 - SS Disposal Operations		
61 - Employee Services		
61110 - Regular Pay	102,800	202,700
61120 - Paid Time Off	4,400	8,200
61300 - Overtime - Regular	20,000	30,000
61410 - Wellness Program	-	500
61700 - Flexible Leave	3,700	6,800
61705 - Management Leave	-	3,400
61822 - PERS Employer Contribution	10,200	21,700
61823 - PERS EPMC	6,900	14,200
61825 - Medicare	1,500	3,000
61826 - FICA	-	-
61831 - Health Insurance	38,500	58,300
61833 - Long-Term Disability	400	900
61834 - Unemployment	1,200	2,200
61836 - Life Insurance	500	900
61837 - Insurance - Workers Compensation	10,000	33,700
61 - Employee Services Total	200,100	386,500
62 - Supplies		
62100 - Office Supplies & Materials	500	500
62140 - Janitorial Supplies	1,200	2,400
62230 - Vehicle Supplies	1,000	1,000

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
62330 - Fuel	5,000	-
62335 - Biodiesel Fuel	20,000	45,000
62510 - Uniforms	750	1,200
62800 - Special Dept Supplies	5,000	5,000
62840 - Safety Supplies	2,175	1,900
62850 - Small Tools	500	500
62 - Supplies Total	36,125	57,500
63 - Contract Services		
63116 - Cell Phones	1,400	1,400
63210 - Water	6,000	7,500
63220 - Sewer	400	400
63230 - Gas & Electricity	5,000	5,000
63240 - Portable Toilet	2,700	2,700
63250 - Exterminator Service	2,440	2,450
63416 - Building Alarm Service	2,680	2,700
63430 - Equipment Maintenance	17,000	25,000
63440 - Equipment Rental	10,620	15,000
63522 - HR Investigations, Testing	500	-
63560 - Custodial Service	6,500	13,000
63592 - Facility Maintenance	23,500	20,000
63593 - Landscape Maintenance	2,400	3,000
63598 - FSA Service Fees	80	-
63599 - EAP Service Fee	460	450
63613 - Contract Labor	26,417	10,000
63 - Contract Services Total	108,097	108,600
64 - Other Expenses		
64100 - Advertising/Public Notices	-	1,500
64411 - Insurance - Commercial Auto	5,200	6,000
64412 - Insurance - Crime	220	300
64413 - Insurance - Environmental Impairment Liability	12,910	14,900
64414 - Insurance - General Liability	1,150	1,400
64415 - Insurance - Public Officials and Employment Liabil	1,370	1,600
64416 - Insurance - Property Damage	16,540	19,100
64417 - Insurance - Excess Liability	1,040	1,200
64903 - Fees & Permits	8,640	1,000
64904 - Property Taxes	200	200
64905 - Mo.Co. LEA Fees	8,250	9,000
64 - Other Expenses Total	55,520	56,200
3710 - SS Disposal Operations Total	399,842	608,800
3720 - SS Transfer Operations		
61 - Employee Services		
61110 - Regular Pay	255,100	264,300
61120 - Paid Time Off	8,800	8,500
61300 - Overtime - Regular	20,000	30,000
61410 - Wellness Program	1,000	500

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
61700 - Flexible Leave	7,400	7,800
61816 - Cell Phone	400	400
61822 - PERS Employer Contribution	26,600	28,300
61823 - PERS EPMC	17,900	18,500
61825 - Medicare	3,700	3,900
61831 - Health Insurance	88,200	93,900
61833 - Long-Term Disability	1,100	1,100
61834 - Unemployment	2,700	2,700
61836 - Life Insurance	1,000	1,000
61837 - Insurance - Workers Compensation	26,000	47,600
61 - Employee Services Total	459,900	508,500
62 - Supplies		
62230 - Vehicle Supplies	4,000	4,000
62330 - Fuel	75,000	95,000
62335 - Biodiesel Fuel	156,200	140,000
62510 - Uniforms	1,250	1,250
62840 - Safety Supplies	1,625	3,000
62 - Supplies Total	238,075	243,250
63 - Contract Services		
63116 - Cell Phones	2,000	2,000
63410 - Vehicle Maintenance	104,200	101,200
63522 - HR Investigations, Testing	1,000	-
63586 - Vehicle Safety Inspection	1,200	-
63599 - EAP Service Fee	750	750
63613 - Contract Labor	24,583	24,000
63615 - Hauling Services	1,800	3,500
63 - Contract Services Total	135,533	131,450
64 - Other Expenses		
64411 - Insurance - Commercial Auto	17,960	20,700
64412 - Insurance - Crime	560	700
64415 - Insurance - Public Officials and Employment Liabil	3,570	4,200
64 - Other Expenses Total	22,090	25,600
3720 - SS Transfer Operations Total	855,598	908,800
3730 - SS Recycling Operations		
61 - Employee Services		
61110 - Regular Pay	91,200	60,000
61120 - Paid Time Off	1,300	-
61300 - Overtime - Regular	-	2,500
61700 - Flexible Leave	1,100	-
61822 - PERS Employer Contribution	9,000	6,500
61823 - PERS EPMC	6,100	4,200
61825 - Medicare	1,400	900
61831 - Health Insurance	35,300	20,500
61833 - Long-Term Disability	400	300
61834 - Unemployment	1,400	800

Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14

	2012-13 BUDGET	2013-14 PROPOSED
61836 - Life Insurance	500	300
61837 - Insurance - Workers Compensation	6,600	10,800
61 - Employee Services Total	154,300	106,800
62 - Supplies		
62800 - Special Dept Supplies	5,000	5,000
62840 - Safety Supplies	1,500	1,500
62 - Supplies Total	6,500	6,500
63 - Contract Services		
63613 - Contract Labor	10,000	10,000
63636 - Diversion Assistance - SS	65,000	75,000
63 - Contract Services Total	75,000	85,000
64 - Other Expenses		
64250 - Training	500	-
64412 - Insurance - Crime	120	200
64415 - Insurance - Public Officials and Employment Liabil	410	500
64 - Other Expenses Total	1,030	700
66 - Capital Outlay		
66550 - Rolling Equipment	8,000	-
66 - Capital Outlay Total	8,000	-
3730 - SS Recycling Operations Total	244,830	199,000
5700 - Sun Street ECS		
61 - Employee Services		
61110 - Regular Pay	-	5,700
61822 - PERS Employer Contribution	-	700
61823 - PERS EPMC	-	400
61825 - Medicare	-	100
61831 - Health Insurance	-	2,200
61833 - Long-Term Disability	-	100
61834 - Unemployment	-	100
61836 - Life Insurance	-	100
61837 - Insurance - Workers Compensation	-	1,100
61 - Employee Services Total	-	10,500
63 - Contract Services		
63587 - Street Sweeping	9,500	3,000
63597 - Litter Abatement	60,000	60,000
63613 - Contract Labor	-	5,000
63812 - Lab Water Analysis	1,000	1,000
63960 - Contingencies	-	3,600
63603 - NPDES Improvements	-	25,000
63 - Contract Services Total	70,500	97,600
64 - Other Expenses		
64925 - SWRCB Fees	2,000	2,000
64 - Other Expenses Total	2,000	2,000
5700 - Sun Street ECS Total	72,500	110,100
170 - Salinas Transfer Station Total	1,572,770	1,826,700

**Salinas Valley Solid Waste Authority
Proposed Budget Worksheets
FY 2013-14**

	2012-13 BUDGET	2013-14 PROPOSED
175 - Salinas Transportation Surcharge		
3650 - ML Transfer Station		
63 - Contract Services		
63616 - Madison Lane Transfer Station Services	450,000	150,000
63 - Contract Services Total	450,000	150,000
3650 - ML Transfer Station Total	450,000	150,000
175 - Salinas Transportation Surcharge Total	450,000	150,000
180 - Expansion Fund		
4500 - JC Landfill Operations		
64 - Other Expenses		
64906 - Mo.Co. Regional Fees	59,000	59,000
64910 - SBOE - CIWMB Fees	108,300	108,300
64 - Other Expenses Total	167,300	167,300
4500 - JC Landfill Operations Total	167,300	167,300
6605 - Closure Set-Aside		
67 - Closure/Postclosure		
67100 - Closure Expense	90,000	90,000
67 - Closure/Postclosure Total	90,000	90,000
6605 - Closure Set-Aside Total	90,000	90,000
180 - Expansion Fund Total	257,300	257,300
190 - Debt Service		
6100 - Debt Service - Interest		
65 - Debt Service		
65110 - 2002 Rev Bonds Interest	1,770,000	1,721,600
65120 - Salinas IPA Interest	267,120	257,600
65 - Debt Service Total	2,037,120	1,979,200
6100 - Debt Service - Interest Total	2,037,120	1,979,200
6200 - Debt Service - Principal		
65 - Debt Service		
65210 - 2002 Rev Bonds Principal	985,000	1,035,000
65220 - Salinas IPA Principal	118,000	127,600
65 - Debt Service Total	1,103,000	1,162,600
6200 - Debt Service - Principal Total	1,103,000	1,162,600
190 - Debt Service Total	3,140,120	3,141,800
Grand Total	15,698,700	15,950,000


RESOLUTION NO. 2006 - 35

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
ADOPTING THE FINANCIAL POLICIES**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS
VALLEY SOLID WASTE AUTHORITY**, that the Financial Policies attached hereto as Exhibit
"A" are hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste
Authority at the regular meeting duly held on the 20th day of July 2006 by the following vote:

AYES:	BOARD MEMBERS:	Fernando Armenta, Lou Calcagno, Janet Barnes, Christopher Bourke (Alt.), Gloria De La Rosa, Annie Moreno (Alt.), Roberto Ocampo
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	Josephine Campos, Richard Ortiz, Yolanda Teneyuque, George Worthy
ABSTAIN:	BOARD MEMBERS:	None


Janet Barnes, President

ATTEST:


Elia Zavala, Clerk of the Board

Salinas Valley Solid Waste Authority

Financial Policies

SUMMARY

The SVSWA Board of Directors recognizes their fiduciary responsibility by virtue of their appointment to the Board. In an effort to promote transparency in the fiscal affairs of the Authority and to promote fiscal accountability, it hereby adopts the following financial policies to guide the Authority's finances:

1. Revenues: The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.
2. Expenditures: The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.
3. Fund Balance/Reserves: The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable occurrences or emergencies.
4. Capital Expenditures and Improvements: The Authority shall annually review the state of its capital assets, setting priorities for its replacement and renovation based on needs, funding, alternatives and availability of resources.
5. Debt: The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.
6. Investments: The Authority's cash will be invested in such a manner so as to ensure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield.
7. Grants: The Authority shall seek, apply for and effectively administer federal, state and foundation grants that address the Authority's current priorities and policy objectives.
8. Closure Funding: The Authority shall properly fund all closure and postclosure costs in accordance with California Integrated Waste Management Board (CIWMB) requirements.
9. Fiscal Monitoring: Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.
10. Accounting, Auditing and Financial Reporting: The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

Salinas Valley Solid Waste Authority

Financial Policies

11. Internal Controls: The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.
12. Operating Budget: The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.
13. Capital Assets: The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

Salinas Valley Solid Waste Authority

Financial Policies

1 - REVENUES

The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.

A. User Fees

The Authority shall establish and collect fees to recover the costs of handling specific items that benefit only specific users. The Authority Board shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the Authority shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

B. Tipping Fees

Tipping fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. Tipping Fees are not expected to cover depreciation/depletion.

C. One Time Revenues

One-time revenues shall be used only for one-time expenditures.

D. Revenue Estimates

The Authority shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and thus avoid mid-year service reductions.

E. Revenue Collection and Administration

The Authority shall pursue to the full extent allowed by state law all delinquent ratepayers and others overdue in payments to the Authority. Since a revenue should exceed the cost of producing it, the Authority shall strive to control and reduce administrative collection costs.

Salinas Valley Solid Waste Authority

Financial Policies

2 - EXPENDITURES

The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.

A. Current Funding Basis

The Authority shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues.

B. Avoidance of Operating Deficits

The Authority shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of fund balance within the Fund Balance/Reserves Policy. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.

C. Maintenance of Capital Assets

Within the resources available each fiscal year, the Authority shall maintain capital assets and infrastructure at a sufficient level to protect the Authority's investment, to minimize future replacement and maintenance costs, and to continue current service levels.

D. Periodic Program Reviews

The General Manager shall undertake periodic staff and third-party reviews of Authority programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

E. Purchasing

The Authority shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall use competitive bidding whenever possible to attain the best possible price on goods and services.

Salinas Valley Solid Waste Authority

Financial Policies

3 - FUND BALANCE/RESERVES

The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable emergencies.

A. Operating Reserve

The Authority shall strive to maintain an Operating Reserve equal to fifteen percent (15%) of the current year operating expenditures, to provide sufficient reserves for emergencies and revenue shortfalls. Operating expenditures for reserve purposes is defined as the total budget less debt service and capital project expenditures. This reserve will be in addition to the Debt Service Reserve required under the 2002 Bond Indenture.

B. Undesignated Fund Balance

The Authority shall strive to maintain an undesignated fund balance of ten percent (10%) of current year operating budget (maintenance and operation expenditures only). Adequate designations shall be maintained for all known liabilities and insurance retentions. After completion of the annual audit, if the undesignated fund balance exceeds 10%, the excess will be allocated to reserves in the following priority:

1. Insurance Retention Reserves
2. Operating Reserve
3. Capital Projects Reserve.

C. Capital Projects Reserve

Due to the capital intensive nature of the Authority's landfill operations the Authority will strive to develop a Capital Projects Reserve for the purpose of funding future capital projects in accordance with the Capital Improvements Financial Policies. After fulfilling all insurance and operating reserve requirements any undesignated funds above 10% will be allocated to the Capital Projects Reserve.

D. Use of Operating Reserve

The Operating Reserve shall be used only for its designated purpose - emergencies, non-recurring expenditures, or major capital purchases that can not be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective, restoration recommendations will accompany the decision to utilize said balance.

Salinas Valley Solid Waste Authority

Financial Policies

4 - CAPITAL EXPENDITURES AND IMPROVEMENTS

The Authority shall annually review the state of its capital assets, setting priorities for their replacement and renovation based on needs, funding, alternatives and availability of resources.

A. Capital Improvement Plan

The Authority shall prepare a 10-Year Capital Improvement Plan (CIP) which will detail the Authority's capital needs financing requirements. The CIP will be reviewed and approved every two (2) years before discussions of the operating budget take place. It will include budget financing for the first two years. The CAO will develop guidelines for what projects to include in the CIP. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every capital project, all operation, maintenance and replacement costs shall be fully disclosed. The CIP will be in conformance with and support the Authority's major planning documents – the Long Term Waste Management Plan and the Regional Solid Waste Facilities Environmental Impact Report (EIR).

B. Capital Improvement Budget

The CIP will be the basis for which projects will be included in the following year's budget. Appropriations will be approved annually using the following criteria:

1. Linkage with needs identified in the Authority's planning documents.
2. Cost/benefit analysis identifying all economic or financial impacts of the project.
3. Identification of available funding resources.

CIP funding will be based on the following priorities:

1. Projects that comply with regulatory requirements.
2. Projects that maintain health and safety standards.
3. Projects that maintain and preserve existing facilities.
4. Projects that replace existing facilities that can no longer be maintained.
5. Projects that improve operations.

C. Capital Expenditure Financing

Projects will be financed using the following preferred order:

1. Use current revenues;
2. Use the Capital Projects Reserve;
3. Borrow money through debt issuance.

Debt financing includes revenue bonds, certificates of obligation, lease/purchase agreements, and other obligations permitted to be issued or incurred under California law. Guidelines for assuming debt are set forth in the Debt Policy Statements.

Salinas Valley Solid Waste Authority

Financial Policies

D. Capital Projects Reserve Fund

A Capital Projects Reserve Fund shall be established and maintained to accumulate funds transferred from the undesignated fund balance. This fund shall only be used to pay for non-routine and one-time capital expenditures such as land and building purchases or construction and maintenance projects with a 10-year life. Expenditures from this Fund shall be aimed at protecting the health and safety of residents, employees and the environment, and protecting the existing assets of the Authority.

E. Capital Projects Management

The Authority will fund and manage its capital projects in a phased approach. The project phases will become a framework for appropriate decision points and reporting. The phasing will consist of:

1. Conceptual/schematic proposal
2. Preliminary design and cost estimate
3. Engineering and final design
4. Bid administration
5. Acquisition/construction
6. Project closeout

Each project will have a project manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, periodically report project status and track project expenditures.

Salinas Valley Solid Waste Authority

Financial Policies

5 - DEBT

The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.

A. Use of Debt Financing

The issuance of long-term debt will be only for the acquisition of land, capital improvements or equipment.

Debt financing is not considered appropriate for current operations, maintenance expenses, or for any recurring purposes.

B. Conditions for Debt Issuance

The Authority may use long-term debt to finance major equipment acquisition or capital project only if it is established through a cost/benefit analysis that the financial and community benefits of the financing exceed the financing costs. Benefits would include, but not be limited to, the following:

1. Present value benefit: The current cost plus the financing cost is less than the future cost of the project.
2. Maintenance value benefit: The financing cost is less than the maintenance cost of deferring the project.
3. Equity benefit: Financing provides a method of spreading the cost of a facility back to the users of the facility over time.
4. Community benefit: Debt financing of the project enables the Authority to meet an immediate community need.

Debt financing will be used only when project revenues or other identified revenue sources are sufficient to service the debt.

C. Debt Structure

The Authority's preference is to issue fixed-rate, long-term debt with level debt service, but variable rate debt or other debt service structure may be considered if an economic advantage is identified for a particular project.

Bond proceeds, for debt service, will be held by an independent bank acting as trustee or paying agent.

Salinas Valley Solid Waste Authority

Financial Policies

The Authority's minimum bond rating objective for all debt issues is a Moody's and Standard & Poor's rating of A (upper medium grade). Credit enhancements will be used to achieve higher ratings when there is an economic benefit.

The Authority may retain the following contract advisors for the issuance of debt:

1. Financial Advisor - To be selected, when appropriate, by negotiation to provide financial analysis and advice related to the feasibility and structure of the proposed debt.
2. Bond Counsel - To be selected by negotiation for each debt issue.
3. Underwriters - To be selected by negotiation or competitive bid for each bond issue based upon the proposed structure for each issue.

D. Call Provisions

Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the Authority. When possible, all bonds shall be callable only at par.

E. Debt Refunding

Authority staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3.5% of the refunded maturities.

F. Interest Earnings

Interest earnings received on the investment of bond proceeds shall be used to assist in paying the interest due on bond issues, to the extent permitted by law.

G. Lease/Purchase Agreements

Over the lifetime of a lease, the total cost to the Authority will generally be higher than purchasing the asset outright. As a result, the use of lease/purchase agreements and certificates of participation in the acquisition of vehicles, equipment and other capital assets shall generally be avoided, particularly if smaller quantities of the capital asset(s) can be purchased on a "pay-as-you-go" basis.

Salinas Valley Solid Waste Authority

Financial Policies

6 - INVESTMENTS

The Authority's cash will be invested in such a manner so as to insure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield after meeting the first two requirements.

A. Investment Policy

The Authority Treasurer is both authorized and required to promulgate a written Statement of Investment Policy which shall be presented to the Board annually.

B. Interest Earnings

Interest earned from investments shall be distributed to the operating funds from which the money was provided, with the exception that interest earnings received on the investment of bond proceeds shall be attributed and allocated to those debt service funds responsible for paying the principal and interest due on the particular bond issue.

Salinas Valley Solid Waste Authority

Financial Policies

7 - GRANTS

The Authority shall seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the Authority's current priorities and policy objectives.

A. Grant Guidelines

The Authority shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by the Board. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

B. Indirect Costs

The Authority shall recover full indirect costs unless the funding agency does not permit it. The Authority may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

C. Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the Authority's policy objectives. Departments shall seek Board approval prior to submission of a grant application. Should time constraints under the grant program make this impossible, the department shall obtain approval to submit an application from the CAO and then, at the earliest feasible time, seek formal Board approval. If there are cash match requirements, the source of funding shall be identified prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

D. Grant Program Termination

The Authority shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

Salinas Valley Solid Waste Authority

Financial Policies

8 - CLOSURE FUNDING

The Authority shall properly fund all closure and postclosure costs in accordance with CIWMB requirements.

A. Closure Funding

In accordance with CIWMB requirements, the Authority shall annually set aside sufficient funds to fully fund all accrued closure costs liability. These funds will be held in a separate Closure Fund restricted specifically for this purpose.

B. Postclosure Funding

In accordance with the Financial Assurances, the Authority shall fund postclosure costs from future revenues when those costs are incurred. The Authority will not pre-fund postclosure costs in its operating budget. The Authority has entered into Pledge of Revenue with the CIWMB for this purpose.

C. Closure Funding Calculations

The Authority shall, as part of the budget process, annually recalculate the closure costs on a per ton basis. Funds will be transferred on a monthly basis to the Closure funds based on tonnage land-filled. Post closure expense incurred as a result of current fiscal year solid waste disposal will be recorded as an expense on the Authority's financial statements with a corresponding liability.

Salinas Valley Solid Waste Authority

Financial Policies

9 - FISCAL MONITORING

Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.

A. Financial Status and Performance Reports

Monthly reports comparing expenditures and revenues to current budget, noting the status of fund balances, and outlining any remedial actions necessary to maintain the Authority's financial position shall be prepared for review by the Board.

B. Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures, to include a discussion of major trends affecting the Authority's financial position, shall be prepared in anticipation of the annual budget process. The forecast shall also examine critical issues facing the Authority, economic conditions, and the outlook for the upcoming budget year. The document shall provide insight into the Authority's financial position and alert the Board to potential problem areas requiring attention.

C. Semi-Annual Status Report on Capital Projects

A summary report on the contracts awarded, capital projects completed and the status of the Authority's various capital projects will be prepared at least semi-annually and presented to the Board.

D. Compliance with Board Policy Statements

The Financial Policies will be reviewed annually by the Board and updated, revised or refined as deemed necessary. Policy statements adopted by the Board are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

Salinas Valley Solid Waste Authority

Financial Policies

10 - ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

A. Conformance to Accounting Principles

The Authority's accounting practices and financial reporting shall conform to generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

B. Popular Reporting

In addition to issuing a comprehensive annual financial report (CAFR) in conformity with GAAP, the Authority shall supplement its CAFR with a simpler, "popular" report designed to assist those residents who need or desire a less detailed overview of the Authority's financial activities. This report should be issued no later than six months after the close of the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

11 - INTERNAL CONTROLS

The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.

A. Proper Authorizations

Procedures shall be designed, implemented and maintained to ensure that financial transactions and activities are properly reviewed and authorized.

B. Separation of Duties

Job duties will be adequately separated to reduce, to an acceptable level, the opportunities for any person to be in a position to both perpetrate and conceal errors or irregularities in the normal course of assigned duties.

C. Proper Recording

Procedures shall be developed and maintained that will ensure financial transactions and events are properly recorded and that all financial reports may be relied upon as accurate, complete and up-to-date.

D. Access to Assets and Records

Procedures shall be designed and maintained to ensure that adequate safeguards exist over the access to and use of financial assets and records.

E. Independent Checks

Independent checks and audits will be made on staff performance to ensure compliance with established procedures and proper valuation of recorded amounts.

F. Costs and Benefits

Internal control systems and procedures must have an apparent benefit in terms of reducing and/or preventing losses. The cost of implementing and maintaining any control system should be evaluated against the expected benefits to be derived from that system.

Salinas Valley Solid Waste Authority

Financial Policies

12 - OPERATING BUDGET

The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.

A. Budget Format

The budget shall provide a complete financial plan of all Authority funds and activities for the ensuing fiscal year and shall be in such form as the Chief Administrative Officer deems desirable or that the Board may require.

The budget shall begin with a clear general summary of its contents. It shall show in detail all estimated revenues, all carry-over fund balances and reserves, and all proposed expenditures, including debt service, for the ensuing fiscal year.

The total of proposed expenditures shall not exceed the total of estimated revenues plus the un-appropriated fund balance, exclusive of reserves, for any fund.

The budget will be organized on a program/service level format.

The budget development process will include the identification and evaluation of policy options for increasing and decreasing service levels.

B. Estimated Revenues

The Authority will annually update its revenue forecast to enhance the budgetary decision-making process.

In its budget projections, the Authority will attempt to match current expense to current revenue. If it becomes apparent that revenue shortfalls will create a deficit, efforts will be made first to reduce the deficiency through budgetary reductions.

If appropriate reductions are insufficient, the Board may decide, on an exception basis, to use an appropriate existing reserve, which is in excess of minimum reserve requirements.

C. Appropriations

In evaluating the level of appropriations for program enhancements, or reductions, the Authority will apply the following principles in the priority order given:

1. Essential services, which provide for the health and safety of residents will be funded to maintain current dollar levels.
2. The budget will provide for adequate ongoing maintenance of facilities and equipment.
3. Appropriations for program enhancements or reductions will be evaluated on a case-by-case basis rather than across the board.

Salinas Valley Solid Waste Authority

Financial Policies

4. When reductions in personnel are necessary to reduce expenditures, they shall be consistent with the Authority Board's established service level priorities and, when possible, shall be accomplished through normal attrition.
5. Programs, which are self-supported by special revenues or fees, shall be separately evaluated.

Prior to the Authority Board making any supplemental appropriation, the CAO or Finance Manager shall certify that funds in excess of those estimated in the budget are available for appropriation. Any such supplemental appropriations shall be made for the fiscal year by Board action up to the amount of any excess.

Appropriations may be reduced any time during the fiscal year by the Authority Board upon recommendation of the CAO. When appropriation reductions are recommended, the CAO shall provide specific recommendations to the Board, indicating the estimated amount of the reduction, any remedial actions taken, and recommendations as to any other steps to be taken.

The CAO may transfer appropriations between divisions, and division managers may transfer appropriations between programs and accounts within their individual divisions, but only the Board by resolution may appropriate funds from reserves or fund balances.

All appropriations, except for Capital Improvement Program and Grant Programs appropriations, shall lapse at the end of the fiscal year to the extent that they have not been expended or encumbered. An appropriation in the Capital Improvement Program shall continue in force until expended, revised, or cancelled.

The Authority will endeavor to budget an appropriated contingency account in all Divisions operating budget equal to one percent of the total Operating Budget to meet changing operational requirements during the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

13 - CAPITAL ASSETS

The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

A. Overview – The Finance Division will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the Authority in line with these policies.

1. Capital assets are recorded as expenditures in governmental funds at the time the assets are received and the liability is incurred. These assets will be capitalized at cost on the government wide financial statements. Enterprise fixed assets are recorded as assets within the fund when purchased and a liability is incurred.
- i. GASB 34 defines Capital Assets as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.
- ii. GASB 34 defines Infrastructure Assets as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings that are an ancillary part of a network of infrastructure assets are included.

The Authority uses the most current edition of GOVERNMENTAL ACCOUNTING, AUDITING, AND FINANCIAL REPORTING (GAAFR) published by the Government Finance Officers Association (GFOA) as its authoritative guide in setting policy and establishing accounting procedures regarding capital assets.

B. Capitalization – Generally all capital assets with an original cost of \$25,000 or more will be capitalized (recorded as an asset on the balance sheet versus expensing the item). Infrastructure Assets with an original cost of \$150,000 or more will be capitalized. This capitalization policy addresses financial reporting, not control. The Authority follows the GFOA recommended practices for establishing capitalization thresholds. Specific capitalization requirements are described as follows:

1. The asset must cost \$25,000 or more.
2. The asset must have a useful life of two (2) or more years.
3. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten items purchased for \$10,000 each will not be capitalized even though the total (\$100,000) exceeds the threshold of \$25,000.
4. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset

Salinas Valley Solid Waste Authority

Financial Policies

functional.

5. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case the repair represents an improvement and is subject to the requirements described number 6 below.
6. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000.
7. Capital projects will be capitalized as "construction in progress" until completed. Personal computers will not be capitalized:

C. Leased Assets-

Operating leased assets are usually short term and cancelable at anytime. The recording of an operating lease as a fixed asset is not required because the item is not purchased.

Capital leases will be capitalized if one or more of the following criteria are met and the chance of cancellation is low:

- a. Ownership is transferred by the end of the lease term
- b. The lease contains a bargain purchase option
- c. The lease term is greater than or equal to 75 percent of the asset's service life
- d. The present value of the minimum lease payment is greater than or equal to ninety percent (90%) of the fair market value of the asset at the inception of the lease.

Capital lease items are capitalized at the beginning of the lease period, regardless of when the title transfers. Capital leases are recorded at net present value of lease payments.

- D. Capital Asset Recording - It is the responsibility of the Finance Division to record, monitor and inventory all fixed assets. Each division will assign appropriate staff members to respond to verification, inventories, and filling out the necessary forms for recording transfers, dispositions or retired fixed assets.

- E. Acquisition of Capital Assets - Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, donations, and gifts.

When a capital asset is acquired the funding source will be identified.

If funds are provided by a specific funding source, a record will be made of that specific source such as:

- ❖ Bond Proceeds
- ❖ State Grants

- F. Measuring the Cost and/or Value - Capital assets are recorded at their "historical cost", which is the original cost of the assets. Donations accepted by the Authority will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service. Costs could include the following:

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Financial Policies

Sales Tax
Freight charges
Legal and title fees
Closing costs
Appraisal and negotiation fees
Surveying fees
Land-preparation costs
Demolition costs
Relocation costs
Architect and accounting fees
Insurance premiums and interest costs during construction

- G. Establishing Cost in the Absence of Historical Records - According to the GASB 34, an estimate of the original cost is allowable. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. Another recognized method is normal costing wherein an estimate of historical cost is based on current cost of reproduction new indexed by a reciprocal factor of the price increase of a specific item or classification from the appraisal date to the estimated date acquired. When necessary the Authority will use whichever method gives the most reasonable amount based on available information.
- H. Recording Costs Incurred After Acquisition - Expenditures/expenses for replacing a component part of an asset are not capitalized. However, expenditures/expenses that either enhance a capital asset's functionality (effectiveness or efficiency), or that extend a capital asset's expected useful life are capitalized. For example, periodically slurry sealing a street would be treated as a repair (the cost would not be capitalized), while an overlay or reconstruction would be capitalized. Adding a new lane constitutes an addition and would therefore also be capitalized.
- I. Disposition or Retirement of Fixed Assets - It is the Authority's policy that divisions wishing to dispose of surplus, damaged or inoperative equipment must notify the Finance Division.
- The Authority will conduct public auctions, as necessary, for the purpose of disposing of surplus property. Auctions will be conducted by the Finance Division. The original cost less depreciation will then be removed from the Authority's capital asset management system.
- J. Transfer of Assets - The transfer of fixed assets between divisions requires notification to the Finance Department.
- K. Depreciation - In accordance with GASB Statement No. 34 the Authority will record depreciation expense on all capital assets, except for inexhaustible assets.
- The Authority will use straight-line depreciation using the half-year convention or mid month as appropriate. Depreciation will be calculated for half a year in the year of acquisition and the year of disposition. Depreciation will be calculated over the estimated useful life of the asset.
- L. Recommended Lives - The Authority follows GFOA Recommended Practices when establishing recommended lives for capitalized assets. In accordance with GASB 34 the Authority will rely on "general guidelines obtained from professional or industry organizations." In particular the Authority will rely on estimated useful lives published by GFOA. If the life of a particular asset is estimated to be different than these guidelines, it

Salinas Valley Solid Waste Authority

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may be changed. The following is a summary for the estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	20 to 50 years
Improvements	15 to 45 years
Infrastructure	20 to 50 years
Equipment and Machinery	5 to 20 years

- M. Control of Assets – In accordance with GFOA Recommended Practice the Authority will exercise control over the non-capitalized tangible capital-type items by establishing and maintaining adequate control procedures at the division level. The Authority's capitalization threshold of \$5,000 meets financial reporting needs and is not designed for nor particularly suited to maintain control over lower cost capital assets. It is the responsibility of each division to maintain inventories of lower-cost capital assets to ensure adequate control and safekeeping of these assets.
- N. Maintenance Schedules - The Authority shall develop and implement maintenance and replacement schedules with a goal of maximizing the useful life of all assets. The schedules shall include estimates of annual maintenance and/or replacement funding required for each asset.
- O. Maintenance Funding - The Authority shall identify specific sources of funds for the annual maintenance or replacement of each asset. Whenever possible, the maintenance or replacement funding shall be identified from a source other than the Authority General Fund. The Authority shall endeavor to set aside, on an annual basis, one and one-half percent (1½%) of its Operating Budget to provide for on-going maintenance and required replacement of assets that cannot be reasonably funded from other sources.
- Q. Inventorying – The Authority will follow the GFOA recommended practice of performing a physical inventory of its capitalized capital assets, either simultaneously or on a rotating basis, so that all capital assets are physically accounted for at least once every five years.
- R. Tagging – The Authority will tag only moveable equipment with a value of \$5,000 or higher. Rolling stock items will not be tagged. They will be identified by the VIN number. The Finance department will be responsible for tagging equipment.

South Valley Minimum Guarantee Disposal Tons to JOHNSON CANYON LANDFILL South Valley Area W/O County of Santa Clara
EXHIBIT 1F- REVISED

Growth 1.20% CPI 2.08%

Fiscal Year	Guaranteed Minimum Annual Tonnage	Guaranteed Minimum Annual Payment	Guaranteed Minimum Monthly Payment	Surplus Tonnage Per Ton Tipping Fee	Per Ton Transportation Adjustment
2003-04 (6 mo.)	40,000	887,031	\$ 147,838.48	\$ 25.50	2.50
2004-05	80,960	1,869,760	\$ 155,813.36	\$ 26.45	2.55
2005-06	81,932	1,967,391	\$ 163,949.25	\$ 27.39	2.61
2006-07	82,915	2,066,983	\$ 172,248.58	\$ 28.34	2.66
2007-08	83,910	2,168,566	\$ 180,713.82	\$ 29.29	2.71
2008-09	84,917	2,272,169	\$ 189,347.45	\$ 30.23	2.77
2009-10	80,735	2,215,711	\$ 184,642.56	\$ 31.17	2.83
2010-11	76,441	2,147,536	\$ 178,961.33	\$ 32.11	2.89
2011-12	77,358	2,243,315	\$ 186,942.92	\$ 33.05	2.95
2012-13	78,286	2,340,962	\$ 195,080.17	\$ 33.99	3.01
2013-14 (6 mo.)	39,613	1,220,252	\$ 203,375.35	\$ 34.93	3.07

SUBTOTAL 10 yrs. 807,067 \$ 21,399,676

Optional Extension Periods

2013-14 (6 mo.)	39,613	1,098,583	\$ 183,097.09	\$ 34.93	3.07
2014-15	80,176	2,290,588	\$ 190,882.31	\$ 35.86	3.14
2015-16	81,138	2,385,695	\$ 198,807.93	\$ 36.80	3.20
2016-17	82,112	2,482,507	\$ 206,875.57	\$ 37.73	3.27
2017-18 (6 mo.)	41,549	1,290,521	\$ 215,086.82	\$ 38.66	3.34

TOTAL 14 yrs. 1,131,655 \$ 30,947,570

1. Fiscal year is the period July 1 through June 30 consistent with JPA fiscal year.
2. For Fiscal 2003/2004 assumes transfer begins January 1, 2004 in terms of minimum guarantee
3. Fiscal year 2013/2014 is only 6 months with contract ending December 21, 2013
4. Santa Clara Franchise ends September 30, 2009 but was extended until December 31, 2009 so FY 2009/2010 only includes 6 months in Guarantee
5. Four year extension has fiscal year 2013/2014 has second 6 months and 2017/2018 is only 6 months with contract ending December 31, 2017.
6. "Guaranteed Minimum" and "Fee per Ton" accounts for the adjustment in \$'s per ton (reduction to authority payment) for additional mileage costs associated with shifting from Crazy Horse to Johnson Canyon Landfill.



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**ADJUSTED SERVICE RATES
EFFECTIVE JANUARY 1, 2013**

**BASIC FACILITY SERVICE FEES FOR
LANDFILL OPERATIONS**

	Johnson Canyon Road Landfill (7-Day per Week Operation)
	When CHL is inactive
First year Minimum annual tonnage level	214,731
Median tonnage level	238,591
First year Maximum annual tonnage level	262,450
Basic Monthly Service Fee (\$/month)	
Current Rate	\$160,120
Increase Factor	1.0182
Adjusted Rate	\$163,034
Excess Tonnage Fee (Authority pays \$/ton)	
Current Rate	\$7.38
Increase Factor	1.0182
Adjusted Rate	\$7.51
Shortfall Tonnage Payment (Contractor pays \$/ton)	
Current Rate	\$2.65
Increase Factor	1.0182
Adjusted Rate	\$2.70
Extended Hours - Landfill	
Cost per year	\$31,894
Increase Factor	1.0182
Adjusted Rate	\$32,474
Cost per month	\$2,706

**ADJUSTED SERVICE FEES
EFFECTIVE JANUARY 1, 2013**

MATERIAL DIVERSION SERVICE FEES

Material Type	Current Service Fee	Increase Factor	Adjusted Service Fees
Tires under 42" in diameter*	\$18.89 per ton	1.0182	\$19.23 per ton
Truck tires 42" - 50" in diameter*	\$8.86 per unit	1.0182	\$9.02 per unit
Truck tires 51" - 60" in diameter*	\$66.47 per unit	1.0182	\$67.68 per unit
Equipment tires (over 60" in diameter)	\$132.96 per unit	1.0182	\$135.38 per unit
Metal (Including all appliances & white goods)**	\$18.89 per ton	1.0182	\$19.23 per ton
Wood	\$18.89 per ton	1.0182	\$19.23 per ton
Brush and Stumps	\$18.89 per ton	1.0182	\$19.23 per ton

* These fees valid while Pacheco Pass Landfill is able to receive tires in their buttress fill. One (1) year prior to when Pacheco Pass will no longer receive tires in the buttress fill the Contractor and the Authority will negotiate a reasonable price for shipping and disposal.

**Any regulatory requirements such as freon removal, mercury switch removal, oil removal and any other costs shall be billed to the Authority at 100% of Contractors cost with no markup.

DIVERSION ASSISTANCE SERVICE FEES

	Johnson Canyon Road Landfill (when CHL is inactive)
Monthly Fee for one loader and loader operator for diversion service	
Current Service Fee	\$8,008
Increase Factor	1.0182
Adjusted Service Fee	\$8,154

**ADJUSTED SERVICE FEES
EFFECTIVE JANUARY 1, 2013**

SPECIAL SERVICES HOURLY FEES

Equipment / Personnel	Current Service Fee (\$/hour)	Increase Factor	Adjusted Service Fee (\$/hour)
Wheel loader and operator	\$94.53	1.0182	\$96.25
Compactor and operator	\$147.73	1.0182	\$150.42
Transfer tractor and trailer and driver	\$94.53	1.0182	\$96.25
Equipment operator	\$53.18	1.0182	\$54.15
Truck driver	\$47.27	1.0182	\$48.13
Laborer	\$29.53	1.0182	\$30.07
Scraper and operator	\$195.02	1.0182	\$198.57
D4/5 crawler tractor and operator	\$118.18	1.0182	\$120.33
D8/9 crawler tractor and operator	\$147.73	1.0182	\$150.42
Road grader and operator	\$94.53	1.0182	\$96.25
Water truck and operator	\$88.63	1.0182	\$90.24
Skip loader and operator	\$82.73	1.0182	\$84.24



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PERSONNEL ALLOCATION EFFECTIVE DATE: 10/01/12			
Program and Position	11-12	12-13	12-13
		Approved 06/21/12	Approved 09/20/12
Administration			
General Manager/CAO	1	1	1
Administrative Manager	1	1	1
Administrative Support Assistant I	1	1	1
Administrative Support Assistant II	0.5	0.5	0.5
Clerk of the Board	1	1	1
Human Resources Technician	1	1	1
Total Administration	5.5	5.5	5.5
Finance			
Accountant	1	1	1
Accounting Technician	1	1	1
Administrative Support Assistant II	0.5	0.5	0.5
Business Services Supervisor	1	1	1
Finance Manager	1	1	1
Total Finance	4.5	4.5	4.5
Resource Recovery			
Contracts & Grants Analyst	1	1	1
Diversion Manager	1	1	1
Recycling Coordinator	1	1	1
Resource Recovery Technician	2	2	2
Total Resource Recovery	5	5	5
Engineering			
Authority Engineer	1	1	1
Total Engineering	1	1	1
Operations			
Assistant General Manager of Engineering and Operations	1	1	1
Field Operations Supervisor II	1	1	0
Diversion Driver	1	1	1
Diversion Worker I	2	3	3
Equipment Operator/Driver	4	4	4
Equipment Operator/Driver/Lead	1	1	1
HHW Maintenance Worker II	3	3	3
Household Hazardous Waste Technician	1	1	1
Scalehouse Cashier	4	4	4
Solid Waste Technician II	1	1	1
Operations Superintendent			1
Frozen Positions			
Diversion Driver	3	3	3
Diversion Worker I	1	0	0
Diversion Worker II	1	1	1
Total Operations	24	24	24
Total Full Time Equivalents	40	40	40



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SALINAS VALLEY SOLID WASTE AUTHORITY
Revenue Bonds, Series 2002
\$39,845,000 Issued May 2, 2002
Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Year Ended</u>	<u>Fiscal Year Total</u>
08/01/2013	\$ 1,035,000.00	\$ 872,664.38	\$ 1,907,664.38		
02/01/2014		848,859.38	848,859.38	06/30/2014	\$ 2,756,523.75
08/01/2014	1,085,000.00	848,859.38	1,933,859.38		
02/01/2015		818,343.75	818,343.75	06/30/2015	2,752,203.13
08/01/2015	1,150,000.00	818,343.75	1,968,343.75		
02/01/2016		786,000.00	786,000.00	06/30/2016	2,754,343.75
08/01/2016	1,215,000.00	786,000.00	2,001,000.00		
02/01/2017		751,828.13	751,828.13	06/30/2017	2,752,828.13
08/01/2017	1,285,000.00	751,828.13	2,036,828.13		
02/01/2018		715,687.50	715,687.50	06/30/2018	2,752,515.63
08/01/2018	1,360,000.00	715,687.50	2,075,687.50		
02/01/2019		677,437.50	677,437.50	06/30/2019	2,753,125.00
08/01/2019	1,435,000.00	677,437.50	2,112,437.50		
02/01/2020		640,665.63	640,665.63	06/30/2020	2,753,103.13
08/01/2020	1,510,000.00	640,665.63	2,150,665.63		
02/01/2021		601,971.88	601,971.88	06/30/2021	2,752,637.50
08/01/2021	1,590,000.00	601,971.88	2,191,971.88		
02/01/2022		561,228.13	561,228.13	06/30/2022	2,753,200.00
08/01/2022	1,675,000.00	561,228.13	2,236,228.13		
02/01/2023		518,306.25	518,306.25	06/30/2023	2,754,534.38
08/01/2023	1,765,000.00	518,306.25	2,283,306.25		
02/01/2024		471,975.00	471,975.00	06/30/2024	2,755,281.25
08/01/2024	1,860,000.00	471,975.00	2,331,975.00		
02/01/2025		423,150.00	423,150.00	06/30/2025	2,755,125.00
08/01/2025	1,955,000.00	423,150.00	2,378,150.00		
02/01/2026		371,831.25	371,831.25	06/30/2026	2,749,981.25
08/01/2026	2,060,000.00	371,831.25	2,431,831.25		
02/01/2027		317,756.25	317,756.25	06/30/2027	2,749,587.50
08/01/2027	2,175,000.00	317,756.25	2,492,756.25		
02/01/2028		260,662.50	260,662.50	06/30/2028	2,753,418.75
08/01/2028	2,290,000.00	260,662.50	2,550,662.50		
02/01/2029		200,550.00	200,550.00	06/30/2029	2,751,212.50
08/01/2029	2,415,000.00	200,550.00	2,615,550.00		
02/01/2030		137,156.25	137,156.25	06/30/2030	2,752,706.25
08/01/2030	2,545,000.00	137,156.25	2,682,156.25		
02/01/2031		70,350.00	70,350.00	06/30/2031	2,752,506.25
08/01/2031	2,680,000.00	70,350.00	2,750,350.00		
	-	-	-	06/30/2032	2,750,350.00
Totals	<u>\$ 33,085,000.00</u>	<u>\$ 19,220,183.13</u>	<u>\$ 52,305,183.13</u>		<u>\$ 52,305,183.13</u>



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SALINAS VALLEY SOLID WASTE AUTHORITY
Crazy Horse Landfill
Installment Purchase Agreement Payment Schedule

Period Ending	Period			Total Payment at	Period Ending
Date	Beginning	Principal	Interest	Period End	Balance
Balance					
09/01/2013	\$ 3,287,587.54	\$ 62,516.54	\$ 130,032.03	\$ 192,548.57	\$ 3,225,071.00
03/01/2014	3,225,071.00	64,989.22	127,559.35	192,548.57	3,160,081.78
09/01/2014	3,160,081.78	67,559.70	124,988.87	192,548.57	3,092,522.08
03/01/2015	3,092,522.08	70,231.85	122,316.72	192,548.57	3,022,290.23
09/01/2015	3,022,290.23	73,009.69	119,538.88	192,548.57	2,949,280.54
03/01/2016	2,949,280.54	75,897.40	116,651.17	192,548.57	2,873,383.14
09/01/2016	2,873,383.14	78,899.32	113,649.24	192,548.57	2,794,483.82
03/01/2017	2,794,483.82	82,019.98	110,528.58	192,548.57	2,712,463.83
09/01/2017	2,712,463.83	85,264.07	107,284.50	192,548.57	2,627,199.76
03/01/2018	2,627,199.76	88,636.47	103,912.10	192,548.57	2,538,563.29
09/01/2018	2,538,563.29	92,142.26	100,406.31	192,548.57	2,446,421.04
03/01/2019	2,446,421.04	95,786.71	96,761.86	192,548.57	2,350,634.33
09/01/2019	2,350,634.33	99,575.30	92,973.26	192,548.57	2,251,059.03
03/01/2020	2,251,059.03	103,513.75	89,034.82	192,548.57	2,147,545.28
09/01/2020	2,147,545.28	107,607.96	84,940.60	192,548.57	2,039,937.32
03/01/2021	2,039,937.32	111,864.12	80,684.45	192,548.57	1,928,073.20
09/01/2021	1,928,073.20	116,288.61	76,259.95	192,548.57	1,811,784.59
03/01/2022	1,811,784.59	120,888.11	71,660.46	192,548.57	1,690,896.47
09/01/2022	1,690,896.47	125,669.53	66,879.04	192,548.57	1,565,226.95
03/01/2023	1,565,226.95	130,640.06	61,908.51	192,548.57	1,434,586.89
09/01/2023	1,434,586.89	135,807.19	56,741.38	192,548.57	1,298,779.70
03/01/2024	1,298,779.70	141,178.69	51,369.87	192,548.57	1,157,601.01
09/01/2024	1,157,601.01	146,762.65	45,785.92	192,548.57	1,010,838.35
03/01/2025	1,010,838.35	152,567.47	39,981.10	192,548.57	858,270.89
09/01/2025	858,270.89	158,601.88	33,946.69	192,548.57	699,669.01
03/01/2026	699,669.01	164,874.97	27,673.60	192,548.57	534,794.04
09/01/2026	534,794.04	171,396.17	21,152.40	192,548.57	363,397.87
03/01/2027	363,397.87	178,175.30	14,373.26	192,548.57	185,222.57
09/01/2027	185,222.57	185,222.57	7,326.00	192,548.57	-
Totals		<u>\$ 3,287,587.54</u>	<u>\$ 2,296,320.88</u>	<u>\$ 5,583,908.42</u>	



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SALINAS VALLEY SOLID WASTE AUTHORITY
Landfilled Tonnage History

<u>Fiscal Year</u>	<u>Service Area</u>	<u>South Valley</u>	<u>Service Area % Change</u>	<u>Cumulative Change</u>
1997-98	248,415			
1998-99	250,065		0.7%	0.7%
1999-00	250,912		0.3%	1.0%
2000-01	246,489		-1.8%	-0.8%
2001-02	216,524		-12.2%	-12.8%
2002-03	219,583		1.4%	-11.6%
2003-04	227,207	23,622	3.5%	-8.5%
2004-05	234,709	84,571	3.3%	-5.5%
2005-06	235,852	89,536	0.5%	-5.1%
2006-07	222,906	85,327	-5.5%	-10.3%
2007-08	205,534	86,739	-7.8%	-17.3%
2008-09	187,486	84,322	-8.8%	-24.5%
2009-10	173,907	79,615	-7.2%	-30.0%
2010-11	171,082	79,552	-1.6%	-31.1%
2011-12	167,033	69,215	-2.4%	-32.8%

For the 5 years ended June 30, 2012 there has been a 25% decrease in tonnage.

Since the Authority was formed there has been a 32.8% decrease in tonnage.



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SALINAS VALLEY SOLID WASTE AUTHORITY
Projected Landfilled Tonnage

<u>Fiscal Year</u>	<u>Service Area</u>	<u>South Valley</u>	<u>Service Area % Change</u>
2013-14	166,500	79,226	
2014-15	163,200	80,176	-2.0%
2015-16	159,900	81,138	-2.0%
2016-17	156,700	82,112	-2.0%
2017-18	153,600	41,549	-2.0%
2019-20	150,500		-2.0%
2020-21	147,500		-2.0%

Projections reflect a 2% annual decrease for Authority
Service Area



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**Salinas Valley Solid Waste Authority
Debt Service Coverage Ratio Calculations
Budget Year 2013-14**

Revenues	
Operating revenues	18,140,700
Interest not on Project funds	80,200
Revised Revenues	<u>18,220,900</u>
Maintenance & Operations Costs	
Budget Operating Expenses	15,950,000
Less the following items per Master Indenture	
Debt Service	(3,141,800)
Capital Outlay Set-Aside	-
Revised M&O Expenses per MI	<u>12,808,200</u>
Net Revenues	<u>5,412,700</u>
Annual Debt Service	
Debt service on 2002 bonds	2,756,600
Use of capitalized interest	-
Revised Annual Debt Service	<u>2,756,600</u>
Debt Service Coverage Ratio	196%
Debt Service Coverage Required	115%

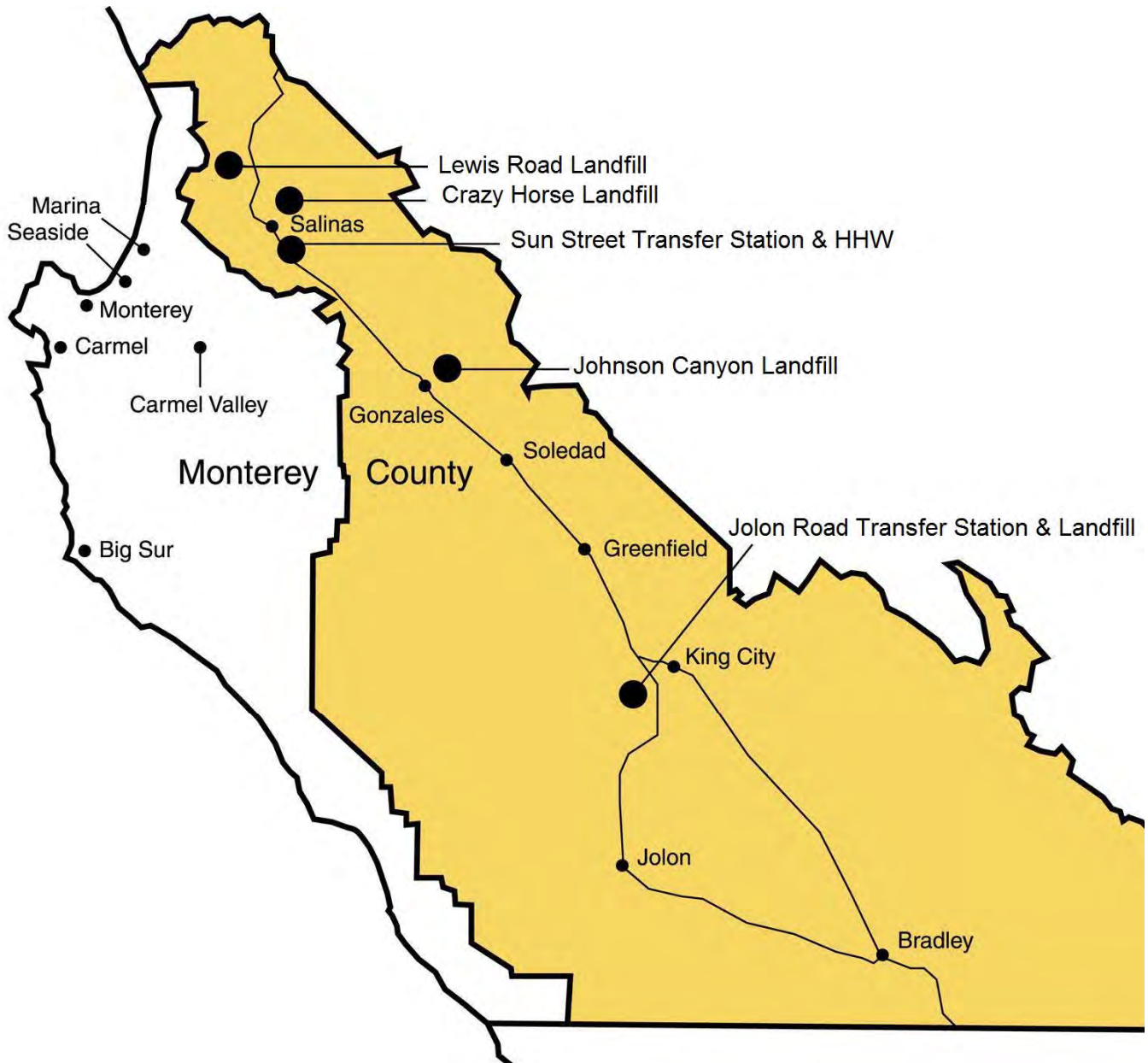


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Service Area



128 Sun Street, Suite 101
Salinas, CA 93901
(831) 775-3000



SalinasValleyRecycles.org

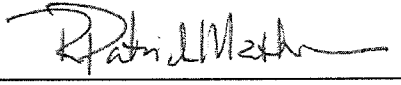
SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 10-D


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: FY 2013-14 Capital Improvements Budget

RECOMMENDATION

Staff recommends that the Board receive this report.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A - Develop and Implement a Sustainable Finance Plan looking at the Authority's finances in the future.

FISCAL IMPACT

This impact of the Capital Improvements Budget will depend on how the Board decides to fund future capital improvement projects.

DISCUSSION & ANALYSIS

A presentation will be made at the Board meeting.

Due to time constraints the Capital Improvements Budget will be delivered on Tuesday.

ATTACHMENT(S)

1. Capital Improvements Budget (to be delivered)



SalinasValleyRecycles.org


SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 10-E


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: February 21, 2013
From: Roberto Moreno, Finance Manager
Title: FY 2013-14 Rate Changes Public Outreach

RECOMMENDATION

Staff recommends that the Board provide direction on how to implement the necessary rate increases for FY 2013-14.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Goal A – Develop and Implement a Sustainable Finance Model by increasing rates to a level needed to sustain operations.

FISCAL IMPACT

The fiscal impact will be based on the rates the Board decides to approve.

DISCUSSION & ANALYSIS

Staff is ready to notify the ratepayers of the proposed rate increase. Once the Board provides direction on the amount of the increase then the next question is how to implement the rate increase. Whether to do it on a per ton tipping fee, as has been the case up to now, or whether to change to a billing method that provides a fixed revenue stream regardless of the amount of tonnage coming to the landfill.

Attached is a flyer that can be used as a direct mailer to notify ratepayer of the proposed rate increase.

BACKGROUND

In order to fund the FY 2013-14 operations the rates for FY 2013-14 need to be approved no later than April. In accordance with Board direction, staff is trying to get the rates approved in March so the franchise haulers have plenty of time to notify their customers.

ATTACHMENT(S)

1. Flyer on Proposed Garbage Disposal increase.

¿Sere afectado por el aumento de tarifa de basura?

All residential and commercial curbside pickup service customers throughout the SVSWA service area will be affected, including Republic Services, Waste Management, Tri-Cities Disposal Service, and King City Disposal customers.

SVSWA SERVICE AREA INCLUDES: Aromas, Bradley, Castroville, Chualar, Gonzales, Greenfield, Jolon, King City, Lockwood, Prunedale, Royal Oaks, Salinas, San Ardo, San Lucas, Soledad and Spreckels.

What is the increase in garbage rate?

Residential customers can expect an increase of \$X.XX to \$X.XX, while businesses can expect an increase of \$XX.XX to \$XXX.XX on their garbage bills.

When will the increase in garbage rate take effect?

If approved, the new garbage rate will be effective July 01, 2013.

How can I reduce my garbage bill?

Many residents and businesses have been able to reduce their garbage bills by increasing recycling and utilizing a smaller garbage cart. For assistance increasing your recycling call SVSWA at (831) 775-3000.

Why is the increase in garbage rate necessary?

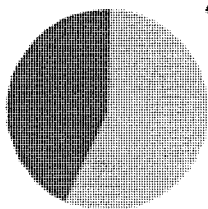
SVSWA currently relies on imported waste from South Santa Clara County to help fund operating expenses. To end this dependence on imported waste, SVSWA must make up \$2 million in revenue.

Operations have been streamlined and expenses have been cut as much as possible. Further cuts are not possible while meeting all regulatory requirements. The garbage rate increase will allow SVSWA to continue providing garbage and recycling services while ensuring environmental health and public safety.

As garbage disposal decreases and recycling increases, revenue from garbage decreases. And while this is consistent with the SVSWA vision for a future without landfills, it requires a change in revenue strategy: From one that relies on landfill rates, to one that generates revenue from recycling and converting garbage into new products or energy. Until this transition in revenue sources is realized, a rate increase will help maintain basic services to the community.

Para mas informacion visite:
www.SalinasValleyRecycles.org/tarifa.cfm

What services does my garbage rate to SVSWA provide?

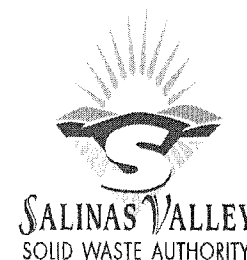


- Operations 58%** Operating the Sun Street Materials Recovery Center, Johnson Canyon Landfill, Household Hazardous Waste Program, Yard Waste Recycling Program, Public Education, Diversion and Administrative Services.
- Legacy Liabilities 76%** Repayment of bonds used to close landfills and perform needed environmental improvements when SVSWA was formed; and maintaining the Crazy Horse, Jolon Road, and Lewis Road closed landfills.
- Transfer 16%** Transferring the Waste received at the Sun Street and Jolon Road Transfer Stations to the Johnson Canyon Landfill.

Proposed Increase to Garbage Rate

Propuesta para Aumento a Tarifa de Basura

Public Hearing • Audiencia Publica
03/21/2013
6:00 PM
117 Fourth St.
Gonzales, CA 93926



Promoting A Future Without Landfills

www.SalinasValleyRecycles.org

Salinas Valley Solid Waste Authority
PO BOX 2159
Salinas, CA 93902

Am I affected by the increase in garbage rate?

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For more info visit:
www.SalinasValleyRecycles.org/rates.cfm

How will I be impacted by the increase in garbage rate? ¿Cómo sere impactado por el aumento en tarifa?

The change in garbage rate will impact the "SVSWA Rate" part of your bill, plus the customer's City or County Rate.

Example: using the typical Republic residential 32-gallon weekly service pickup subscriber's bill indicates an increase of \$X.XX in your monthly bill.

El aumento afectará a la "Tarifa de SVSWA" de su factura, mas un honorario para la ciudad o condado del cliente.

Ejemplo: Utilizando una factura residencial típica de Republic que utiliza semanalmente un contenedor de 32 galloones recibiría un aumento de \$X.XX en su factura mensual.

Sample Ejemplo	Residential Customer Cliente Residencial		Commercial Customer Cliente Comercial	
Level of Service Nivel de Servicio	32 Gallon Weekly Pickup 32 Gallones Cada Semana		1 Cubic Yard Weekly Pickup 1 Yarda Cubica Cada Semana	
Rate Tarifa	Monthly Rate Tarifa Mensual	Increase Aumento	Monthly Rate Tarifa Mensual	Increase Aumento
Garbage Company Rate Tarifa de Empresa de Basura	\$X.XX	N/A ^A	\$X.XX	N/A ^A
SVSWA Rate Tarifa de SVSWA	\$X.XX	+\$X.XX	\$X.XX	+\$X.XX
City or County Rate Tarifa de Ciudad o Condado	\$X.XX	+\$X.XX	\$X.XX	+\$X.XX
Total Monthly Rate Tarifa Mensual	\$XX.XX	+\$X.XX	\$X.XX	+\$XX.XX

Recycling & Garbage Locations Sitios de Reciclaje y Basura

Sun Street Transfer Station

139 Sun Street
Salinas, CA 93902
Mon - Fri 7am - 5pm
Saturday 8am - 4pm

Johnson Canyon Landfill

31400 Johnson Canyon Rd.
Gonzales, CA 93926
Mon - Fri 7am - 4pm
Saturday 8am - 4pm

Jolon Road Transfer Station

52654 Jolon Rd.
King City, CA 93930
Mon - Fri 8am - 4pm
Saturday 8am - 12pm

Subject to adjustments by Garbage Company
A
Sujeto a ajustes de la Empresa de Basura

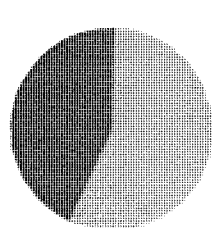
Public Hearing • Audiencia Publica
03/21/2013 6:00 PM
117 Fourth St. Gonzales, CA 93926

How can I comment?

¿Como puedo comentar?

Mail: P.O. Box 2159
Correo: Salinas, CA, 93902
E-mail: publichearing@svswa.org
In Person: Attend Public Hearing
En Persona: Asistiendo a Audiencia Publica

What services does my garbage rate to SVSWA provide?



- Operations 58%** Operating the Sun Street Materials Recovery Center, Johnson Canyon Landfill, Household Hazardous Waste Program, Yard Waste Recycling Program, Public Education, Diversion and Administrative Services.
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- Transfer of waste 16%** Transferring the Waste received at the Sun Street and Jolon Road Transfer Stations to the Johnson Canyon Landfill.

SVSWA Agenda Items - View Ahead

Item No. 11

2013

	1-Mar	21-Mar	18-Apr	16-May	20-Jun	19-Jul Retreat
1	JOINT MEETING w/County BOS County Building, Salinas at 4pm	Minutes	Minutes	Minutes	Minutes	RETREAT STRATEGIC PLAN GOALS & 6-MONTH OBJECTIVES REVIEW
2		Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	
3		Vision Services Amend 1	QTE March Cash & Investments	QTE March Tonnage & Diversion Reports	FY Investment Policy (EC)	
4		Strategic Plan Monthly Progress Report	Strategic Plan Monthly Progress Report	Strategic Plan Monthly Progress Report	Management MOU	
5		Annual SSTS Report			Non-management MOU	
6		Public Hearing to Adopt New Rates & Budget			Strategic Plan Monthly Progress Report	

Consent
Presentation
Consideration
Closed Session

[Other] (Public Hearing, Recognition, Informational, etc.)

(EC) Executive Committee