



Agenda EXECUTIVE COMMITTEE

THURSDAY, June 2, 2016

4:00 p.m.

Conference Room

128 Sun Street, Suite 101, Salinas, California

CALL TO ORDER

ROLL CALL

President	Jyl Lutes (City of Salinas)
Vice President	Simon Salinas (County of Monterey)
Alternate Vice President	Richard Perez (City of Soledad)
Past President	Elizabeth Silva (City of Gonzales)

GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS

COMMITTEE MEMBER COMMENTS

PUBLIC COMMENTS

Receive public communications from audience on items which are not on the agenda. Speakers are limited to three minutes.

CONSIDERATION ITEMS

1. [Minutes of February 4, 2016, Special Meeting](#)
 - A. Committee Discussion
 - B. Public Comment
 - C. Recommended Committee Action – Approval
2. [April 2016 Claims and Financial Reports](#)
 - A. Receive a report from Finance Manager Ray Hendricks
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board for Approval
3. [A Resolution Establishing the Investment Policy](#)
 - A. Receive a report from Finance Manager Ray Hendricks
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board for Approval
4. [Update on Interagency Collaboration with Monterey Regional Waste Management District](#)
 - A. Receive a report from General Manager Patrick Mathews
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Accept Report

FUTURE AGENDA ITEMS

5. [Future Agenda Items – View Ahead Calendar](#)

ADJOURNMENT

This meeting agenda was posted at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, on **Friday, May 27, 2016**. The Executive Committee will next meet in regular session on **Thursday, August 4, 2016, at 4:00 p.m.** Staff reports for the Authority Executive Committee meetings are available for review at 128 Sun Street, Suite 101, Salinas, California 93901, Phone 831-775-3000 and at www.salinasvalleyrecycles.org.

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)

**MINUTES OF SPECIAL MEETING
SALINAS VALLEY SOLID WASTE AUTHORITY
EXECUTIVE COMMITTEE
February 4, 2016**

Draft

CALL TO ORDER

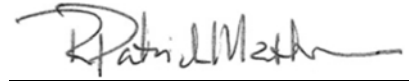
President Lutes called the meeting to order at 4:06 p.m.

Committee Members Present

Jyl Lutes	President
Simon Salinas	Vice President
Richard Perez	Alternate Vice President
Elizabeth Silva	Immediate Past President

ITEM NO. 1

Agenda Item



General Manager/CAO

T. Bruen by ez

General Counsel

Staff Members Present

Patrick Mathews, General Manager/CAO	Dave Meza, Authority Engineer
Susan Warner, Asst. General Manager/ Diversion Manager	Rose Gill, Human Resources/Organizational Development Manager
Ray Hendricks, Finance Manager	Elia Zavala, Clerk of the Board
Cesar Zuniga, Operations Manager	

GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS

General Manager/CAO Mathews commented the following:

- Staff is targeting to have the Fiscal Year 2016-17 Budget approved in March so that the franchise waste haulers meet their April 1st deadline with their respective jurisdictions.
- At the April Board meeting, there will be a presentation on the Community Power Project.

COMMITTEE MEMBER COMMENTS

None

PUBLIC COMMENT

None

CONSIDERATION ITEMS

1. Minutes of January 6, 2016, Meeting

Public Comment: None

Committee Action: Past President Silva made a motion to approve the minutes as presented. Vice President Salinas seconded the motion. The motion passed unanimously.

2. December 2015 Claims and Financial Reports

Finance Manager Hendricks provided a report on the financial activities for the month of December, indicating that there was a slight increase in revenues over expenditures.

Public Comment: None

Committee Discussion: The Committee discussed the report.

Committee Action: Vice President Salinas made a motion to forward the report to the Board for approval. Past President Silva seconded the motion. The motion passed unanimously.

3. Fiscal Year 2015-16 Mid-Year Budget Adjustments

Finance Manager Hendricks presented the proposed budget adjustments indicating that these would be a net increase of \$39,525 to fund balance for the fiscal year.

Public Comment: None

Committee Discussion: The Committee discussed the report and expressed support for the recommended adjustments.

Committee Action: Vice President Salinas made a motion to forward the report to the Board for approval. Past President Silva seconded the motion. The motion passed unanimously.

4. Fiscal Year 2016-17 Preliminary Budget Overview

Finance Manager Hendricks presented the preliminary budget which includes a 3% increase in landfilled tonnage, 2.9% increase to the AB939 Fees and Tipping Fee, a \$4.00 increase to the Greenwaste Fees, and a recommendation to use the Capital Reserves. Some of the major changes in the operating budget are due to increase in costs of State fees, health insurance premiums, and green waste processing. Staff presented the estimated impact to the residential and commercial customers.

Public Comment: None

Committee Discussion: The Committee discussed the report and suggested that staff include details on the miscellaneous increases in the report to the full Board.

Committee Action: Vice President Salinas made a motion to forward the report to the Board for discussion. Past President Silva seconded the motion. The motion passed unanimously.

FUTURE AGENDA ITEMS

5. Agenda Items – View Ahead

The Committee reviewed the future agenda items.

CLOSED SESSION

President Lutes adjourned the meeting to closed session to discuss the following:

6. Pursuant to **Government Code Section 54956.8** to confer with General Counsel and real property negotiators General Manager/CAO Patrick Mathews, Diversion Manager Susan Warner, and Legal Counsel Tom Bruen, concerning the possible terms and conditions of acquisition, lease, exchange or sale of 1) Salinas Valley Solid Waste Authority Property, APNs 003-051-086 and 003-051-087, located at 135-139 Sun Street, Salinas, CA, and 2) Sale parcel on Harrison Rd & Sala Rd, Salinas, CA 93907, APN 113-091-017

RECONVENE

President Lutes reconvened the meeting to open session with no reportable action taken in closed session.

ADJOURNMENT

(4:52) President Lutes adjourned the meeting.

APPROVED: _____
Jyl Lutes, President

ATTEST: _____
Elia Zavala, Clerk of the Board



Report to the Executive Committee

ITEM NO. 2

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

General Counsel

Date: June 2, 2016
From: Ray Hendricks, Finance Manager
Title: April 2016 Claims and Financial Reports

RECOMMENDATION

Staff recommends acceptance of the April 2016 Claims and Financial Reports.

DISCUSSION & ANALYSIS

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

Results of Operations (Consolidated Statement of Revenues and Expenditures)

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

Revenues (Consolidated Statement of Revenues and Expenditures)

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

Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

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

Capital Project Expenditures (Consolidated Grant and CIP Expenditures Report)

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

Claims Checks Issued Report

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

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

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

Cash Balances

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

Restricted by Legal Agreements:

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

Funds Held in Trust:

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

Committed by Board Policy:

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

Assigned by Budget

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

Available for Operations

1,733,856.05

Total

\$ 17,138,918.57

ATTACHMENTS

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



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending April 30, 2016

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



Salinas Valley Solid Waste Authority

Consolidated Statement of Revenues and Expenditure

For Period Ending April 30, 2016

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



Salinas Valley Solid Waste Authority

Consolidated Grant and CIP Expenditure Report

For Period Ending April 30, 2016

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



Salinas Valley Solid Waste Authority

Consolidated Grant and CIP Expenditure Report

For Period Ending April 30, 2016

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Report to the Executive Committee

ITEM NO. 3

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

General Counsel

Date: June 2, 2016
From: Ray Hendricks, Finance Manager
Title: A Resolution Establishing the Investment Policy

RECOMMENDATION

Staff recommends that the Executive Committee support approval of this item.

STRATEGIC PLAN RELATIONSHIP

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

FISCAL IMPACT

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

DISCUSSION & ANALYSIS

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

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

BACKGROUND

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

ATTACHMENT(S)

1. Resolution
2. Investment Policy

RESOLUTION NO. 2016 -

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

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

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

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

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

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

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

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

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Jyl Lutes, President

ATTEST:

Elia Zavala, Clerk of the Board

SALINAS VALLEY SOLID WASTE AUTHORITY

INVESTMENT POLICY

PURPOSE

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

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

OBJECTIVE

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

SCOPE

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

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

AUTHORIZATION

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

GUIDELINES

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

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

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

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

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

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

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

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

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

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

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

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

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

(h) Investment Trust of California dba CalTRUST

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

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

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

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



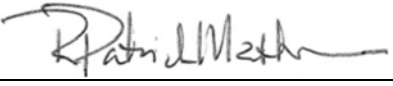
3. An amount of money deemed sufficient to meet one payroll and two weeks claims shall be maintained in highly liquid investment vehicles such as the State Local Agency Investment Fund, or other similar investment instrument
4. The Authority will attempt to obtain the highest yield obtainable when selecting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

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

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

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

June 16, 2016

 <p>Report to the Executive Committee</p>	<p align="center">ITEM NO. 4</p>
<p>Date: June 2, 2016</p> <p>From: Patrick Mathews, General Manager/CAO</p> <p>Title: Update on Interagency Collaboration with Monterey Regional Waste Management District</p>	<p align="center">  Finance Manager/Controller-Treasurer </p> <p align="center">  General Manager/CAO </p> <p align="center"> N/A Legal Counsel </p>

RECOMMENDATION

Staff recommends that the Executive Committee accept this status report and forward to the full Board with any additional direction it feels is relevant at this time.

The attached May 20, 2016 letter from the Monterey Regional Waste Management District (District) concurs with this Board's interest (included in SVR's attached April 15, 2016 letter to District General Manager) in considering further discussion with SVR board members through formation of an ad hoc committee.

STRATEGIC PLAN RELATIONSHIP

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

The recommended action further helps support SVR Goals to:

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

FISCAL IMPACT

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

DISCUSSION & ANALYSIS

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

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

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

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

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

BACKGROUND

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

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

ATTACHMENT(S)

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



City of Salinas

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

August 19, 2013

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



RECEIVED

AUG 22 2013

SVSWA

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

Mr. Matthews,

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

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

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

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

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

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

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

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

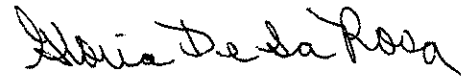
Regards,



Tony Barrera
Council Member District 2



Jyl Lutes
Council Member District 6



Gloria De La Rosa
Council Member District 4

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



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

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

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

BACKGROUND

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

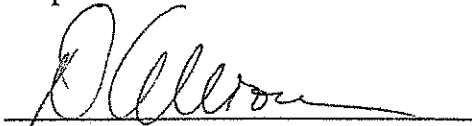
The ad hoc committee members all met for over an hour on May 4th regarding this matter. Staff members in attendance were Tim Flanagan, Chuck Rees, Guy Petraborg, Jeff Lindenthal and Rob Wellington. A draft outline of a proposed response, and the issues and details concerning a response, were discussed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

DISCUSSION

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

CONCLUSION

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


Dennis Allion

BOARD OF DIRECTORS
DENNIS ALLION
CHAIR

IAN OGLESBY
VICE CHAIR

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



TIMOTHY S. FLANAGAN
GENERAL MANAGER

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

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

ROBERT WELLINGTON
COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

May 20, 2016

RECEIVED

MAY 24 2016



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

SVSWA

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

Dear Patrick:

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

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

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

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

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

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

(2) *Contracted Landfill Disposal Only* or

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

Mr. Patrick Mathews

May 20, 2016

Page 2

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

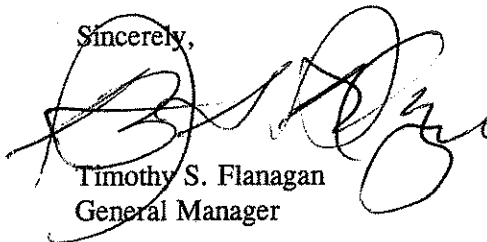
Before we proceed further to review and provide answers to the questions you have posed regarding the above-two services, we have a question of SVR: Is the SVR interested in either or both of such services, and in negotiating with the District regarding same?

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Timothy S. Flanagan', is written over the printed name and title.

Timothy S. Flanagan
General Manager

cc: SVR Board of Directors
District Board of Directors



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Report to the Board of Directors

ITEM NO. 13

N/A

Finance Manager/Controller-Treasurer

General Manager/CAO

N/A

Legal Counsel

Date: April 21, 2016

From: Patrick Mathews, General Manager/CAO

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

RECOMMENDATION

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

STRATEGIC PLAN RELATIONSHIP

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

FISCAL IMPACT

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

DISCUSSION & ANALYSIS

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

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

BACKGROUND

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

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

ATTACHMENT(S)

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



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

Mission

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

Vision

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

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

April 15, 2016

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

Subject: Inter-Agency Collaboration and CEQA Analysis

Dear Tim,

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

Merger and Joint Governance

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

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

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

Shared or Contracted Services

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

www.svswa.org

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

Inter-Agency Collaboration and CEQA Analysis

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

Clean Fiber and Organics Recovery System

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

Contracted Landfill Disposal Only

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

Inter-Agency Collaboration and CEQA Analysis

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

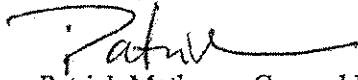
Contracted Waste Processing Services

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

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

Inter-Agency Collaboration and CEQA Analysis

Sincerely,



Patrick Mathews, General Manager/CAO
Salinas Valley Recycles

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

Copy: Citizens Advisory Group
AECOM, Jeff Zimmerman



SalinasValleyRecycles.org

Salinas Valley Solid Waste Authority

Report to the Board of Directors

ITEM NO. 8

N/A

Finance Manager/Controller-Treasurer

Patrick Mathews

General Manager/CAO

N/A

Legal Counsel

Date: January 21, 2016
From: Patrick Mathews, General Manger/CAO
Title: Update on Collaborative Discussions between Salinas Valley Recycles and Monterey Regional Waste Management District (MRWMD)

RECOMMENDATION

Staff recommends that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

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

FISCAL IMPACT

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

DISCUSSION & ANALYSIS

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

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

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

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

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

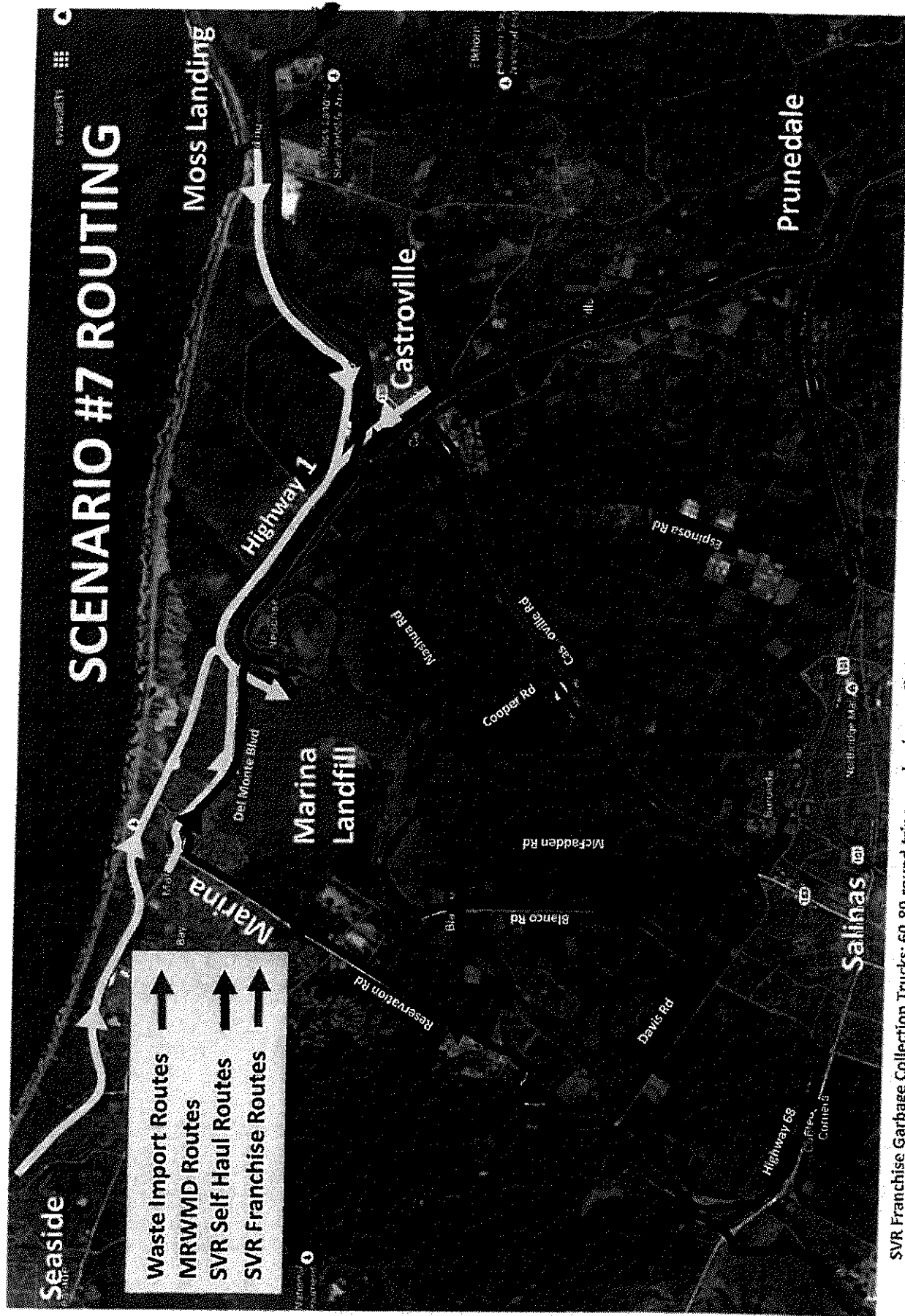
BACKGROUND

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

ATTACHMENT(S)

None

SCENARIO #7 ROUTING



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

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



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

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

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

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

BACKGROUND

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

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

GUIDING PRINCIPLES FOR ACCEPTANCE OF REGIONAL WASTE

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

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

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

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

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

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

NEIGHBORING AGENCY NEED FOR DISPOSAL CAPACITY

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

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

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

ENVIRONMENTAL REVIEW

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

BENEFITS OF ACCEPTING REGIONAL WASTE

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

Value to the MRWMD

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

Value to the Public Agency

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

QUESTIONS AND ANSWERS REGARDING IMPORTATION OF REGIONAL WASTE


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

SOLID WASTE DISPOSAL FEE EVALUATION

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

CONCLUSION

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


Timothy S. Flanagan
Assistant General Manager
Richard D. Shedden, P.E.
Senior Engineer

Attachment



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

QUESTIONS AND ANSWERS

August 2005

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

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

1. What is meant by "Regional Waste"?

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

2. What is the existing MRWMD service area?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SVSWA Agenda Items - View Ahead 2016

Item No. 5

	16-Jun	13-Jul RETREAT	18-Aug	15-Sep	20-Oct	17-Nov	15-Dec
1	Minutes	QTE June Cash & Investments	Minutes	Minutes	Minutes	Minutes	Minutes
2	Claims/Financials (EC)	RETREAT STRATEGIC PLANNING New 3-YEAR GOALS & 6-MONTH OBJECTIVES	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3	Member Agencies Activities Report		Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report	Member Agencies Activities Report
4	Monterey Bay Community Power Project Update		SP Goals Updated 6-Mo. Objectives	Strategic Plan Update	Strategic Plan Update	Strategic Plan Update	Strategic Plan Update
5	Investment Policies (EC)		Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update	Monterey Bay Community Power Project Update
6	Update on Ameresco CH Contract & Install + Power Unit at JC (sp)		QTE June Customer Service Survey	2014-15 SVR Annual Report	QTE Sept. Cash & Investments	QTE Sept Tonnage & Diversion Reports	Annual County Used Oil Report
7	C&D Processing by SVR/MRWMD Cost/Benefit Analysis (sp)		QTE June Tonnage & Diversion Reports	Franchise Customer Rate Itemization	QTE Sept Facilities Customer Survey Results	Reserves Allocation	128 Sun St. Building Lease (exp 12/31/16)
8	PSA for LTFN Financial Analysis & Economic Benefits (sp)		Wally Waste-Not Awards	FY15-16 Grants & CIP Budget	2017 Meetings Calendar	Audit Report (EC)	City of Gonzales Franchise Contract Administration (exp 12/31/16)
9	Update on Solar Projects at Closed Landfills (sp)		Annual Tonnage & Diversion Performance Report		CAG Annual Report	<i>G/M Evaluation</i>	City of Greenfield Franchise Contract Administration (exp 12/31/16)
10	Update on Developing a Wind Turbine at JC (sp)				Annual Franchise Haulers Performance Report		City of Soledad Franchise Contract Administration (exp 12/31/16)
11	Update on Commercial Leases for Cell Towers (sp)						Elections Nominating Committee
12	Process for Selling Excess Property at Closed Landfills (sp)						<i>G/M Evaluation</i>
13	Paintcare Agreement						
14	Award Used Water Truck						
15	Strategic Plan Update						
16	LRFN Public Outreach Plan for Each Location (sp)						
17	Survey Results for SSTs Alternatives (sp)						
18	Collaborative Discussions w/District Update (EC)						

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