



Agenda

EXECUTIVE COMMITTEE

THURSDAY, November 5, 2020

4:00 p.m.

Zoom Meeting ID No. **854 2815 8425**

Passcode: **945801**

Please Read Important Notice on Page 2

CALL TO ORDER

ROLL CALL

President	Robert Cullen (City of King)
Vice President	Gloria De La Rosa (City of Salinas)
Alternate Vice President	Chris Lopez (County of Monterey)

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 at the discretion of the Chair.

CONSIDERATION ITEMS

1. [MINUTES OF OCTOBER 1, 2020 MEETING](#)
 - A. Committee Discussion
 - B. Public Comment
 - C. Recommended Committee Action – Approval
2. [SEPTEMBER 2020 CLAIMS AND FINANCIAL REPORTS](#)
 - A. Receive report from Ray Hendricks, Finance and Administration Manager
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board and Recommend Approval
3. [A RESOLUTION APPROVING THE ALLOCATION OF CASH BALANCES FOR FISCAL YEAR 2019-20, AND SUPPLEMENTAL APPROPRIATION TO FUND A 115 TRUST FOR CALPERS UNFUNDED ACTUARIAL LIABILITY](#)
 - A. Receive Report from Ray Hendricks, Finance and Administration Manager
 - B. Board Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board and Recommend Approval
4. [PRESENTATION ON THE DEMONSTRATION OF THE AGRICULTURE PLASTICS TO TRANSPORTATION FUEL PROJECT](#)
 - A. Receive Report from Patrick Mathews, General Manager/CAO
 - B. Board Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Provide Input and Forward to the Board
5. [UPDATE ON THE SUN STREET TRANSFER STATION RELOCATION PROJECT AND THE CITY OF SALINAS' ONE YEAR NOTICE OF INTENT TO WITHDRAWAL FROM THE JOINT POWERS AGREEMENT WITH THE SALINAS VALLEY SOLID WASTE AUTHORITY](#)
 - A. Receive Report from Rob Cullen, President and Patrick Mathews, General Manager/CAO
 - B. Board Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Provide Input and Direction

FUTURE AGENDA ITEMS**6. FUTURE AGENDA ITEMS – VIEW AHEAD CALENDAR****CLOSED SESSION**

Receive public comment from audience before entering into closed session:

7. Pursuant to **Government Code Section 54956.8** to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Asst. GM/Ops Manager Cesar Zuñiga, Finance and Administration Manager Ray Hendricks, and General Counsel Roy C. Santos, 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: **2)** Republic Services Property, APNs 261-051- 007, located at 1120 Madison Lane, Salinas, California
8. Pursuant to **Government Code Section 54957 (b)** to consider the Performance Evaluation of the General Manager/Chief Administrative Officer Patrick Mathews for 2020.

RECONVENE**ADJOURNMENT****Important Notice**

Due to State, County and local orders and recommendations on protocols to contain the spread of COVID-19, all of the Committee members will be attending remotely from various locations. Members of the public interested in observing the meeting may do so online at <https://svswa.org/live-stream-meetings/> or on our YouTube channel <https://www.youtube.com/user/svswa831>.

To make a general public comment, or comment on a specific item on the agenda, you may do so by submitting your comment via email by 2 p.m. on Thursday, November 5, 2020 to the Clerk of the Board at comment@svswa.org. Comments should be limited to 250 words or less. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received via e-mail after 2 p.m. will be made part of the record if received prior to the end of the meeting. To assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the item number (i.e. Item No. 10).

To make a general comment or to comment on a specific agenda item as it is being heard, you may do so by participating via ZOOM. Join with computer audio at:

<https://us02web.zoom.us/j/85428158425?pwd=WHhFWmUwQ1ZoSEVDUE82aWFxLzJndz09>. When you are ready to make a public comment, please Raise your Hand or

Participate by phone by dialing any of the numbers listed below and entering the meeting ID number and passcode:

+1 669 900 9128	+1 253 215 8782	+1 346 248 7799
+1 301 715 8592	+ 1 312 626 6799	+ 1 646 558 8656
Enter Meeting ID: 854 2815 8425#		Passcode: 945801
To Raise your Hand press *9		To Mute and Unmute yourself press *6

Based on guidance from the California Department of Public Health and the California Governor's Officer, in order to minimize the spread of the COVID 19 virus by maintaining appropriate social distancing with a 6-foot distance between individuals and the limited space available there will be no observation room available for the public.

This meeting agenda was posted at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, on **Thursday, October 29, 2020**. The Executive Committee will next meet in regular session on **Thursday, December 3, 2020, 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 Erika J. Trujillo, 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 Executive Committee to provide direction 35.102-35.104 ADA Title II)

**MINUTES OF MEETING
SALINAS VALLEY SOLID WASTE AUTHORITY
EXECUTIVE COMMITTEE**

October 1, 2020

128 Sun Street, Suite 101, Salinas CA

(All Executive Committee members and several staff attended remotely from various locations)

CALL TO ORDER

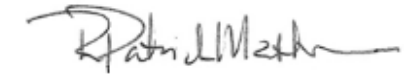
President Cullen called the meeting to order at 4:00 p.m.

COMMITTEE MEMBERS PRESENT *(Via Teleconference)*

Robert Cullen	President
Gloria De La Rosa	Vice President
Chris Lopez	Alternate Vice President

ITEM NO. 1

Agenda Item



General Manager/CAO

Roy Santos by E.T.

General Counsel

STAFF MEMBERS PRESENT *(At location)*

Cesar Zuñiga, Asst. Manager/Operations Manager
Rosie Ramirez, Administrative Assistant
Erikat J. Trujillo, Clerk of the Board

(Via Teleconference)

Patrick Mathews, General Manager/CAO
Ray Hendricks, Finance and Administration Manager
Mandy Brooks, Resource Recovery Manager
Brian Kennedy, Engineering and Environmental Compliance Manager
Roy C. Santos, General Counsel

MEETING COMMENTS

(4:02) President Cullen announced that all public comment can be made by clicking to raise hand if participating via ZOOM or by pressing *9 if participating via telephone.

GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS

(4:02) Resource Recovery Manager Brooks commented on the Tire Amnesty Event currently under way at all three of the facilities and will be taking place until October 31. Finance and Administration Manager Hendricks indicated that with the audit completed the allocation of reserve funds will be presented for approval at the November meetings. He reported that the Authority received a grant from its workers compensation carrier for COVID-19 Relief in the amount of \$10,000 and will be taking the allocation of the funds directly to the Board at its upcoming meeting on October 15.

Asst. General Manager/Operations Manager Zuñiga commented on the accessibility of ordering Personal Protective Equipment.

COMMITTEE COMMENTS

(4:07) Alternate Vice President Lopez thanked staff for their work related to the Gloria/Iverson/Johnson Road Improvement Project.

PUBLIC COMMENT

(4:08) None

CONSIDERATION ITEMS

(4:09)

1. Minutes of September 3, 2020 Meeting

Committee Discussion: None

Public Comment: None

Committee Action: Alternate Vice President Lopez made a motion to approve the minutes as presented. Vice President De La Rosa seconded the motion. The motion passed unanimously: 3-0.

2. August 2020 Claims and Financial Reports

(4:10) Finance and Administration Manager Hendricks provided a report on the Agency's finances. He indicated revenues are down when compared to the prior year but are within the projected budget with expenditures trending well compared to the budget.

Committee Discussion: None

Public Comment: None

Committee Action: Vice President De La Rosa made a motion to forward to the Board recommending approval. Alternate Vice President Lopez seconded the motion. The motion passed unanimously: 3-0.

3. Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020

(4:45) Finance and Administration Manager Hendricks presented a brief report on the annual financial audit conducted by McGilloway, Ray, Brown & Kaufman. He thanked the Finance Team and the Auditors for having made it possible to complete the annual financial audit the earliest it has ever been completed. Mr. Hendricks indicated that once again the Authority did not receive a management letter and that the report demonstrated that the Authority continues to improve its positive net position. Mr. Hendricks introduced Patricia Kaufman, Partner at McGilloway, Ray, Brown & Kaufman Accountants and Consultants. Mrs. Kaufman provided a clean opinion of the Authority's finances commending staff for their work. She indicated that there were no difficulties while working with management, that all accounting standards were met, and that the timelines were met earlier than expected.

Committee Discussion: The Committee discussed the report.

Public Comment: None

Committee Action: Vice President De La Rosa made a motion to forward to the Board recommending approval. Alternate Vice President Lopez seconded the motion. The motion passed unanimously: 3-0.

4. Opportunity for Regional Franchise Procurement Information

(4:45) General Manager/CAO Mathews provided a history of the franchise agreements for the collection of garbage and recyclables for all the Authority's member agencies. He explained that with the alignment of the termination of all the agreements in the next five years and with most franchise agreements being 25 years old, except for the County agreement being 15 years old, this offers a one-time opportunity for benefit from Economies of Scale through a regional agreement, the ability to correct any out of balance rates, adjust all franchise agreements to be uniform and consistent with current laws and legislation, and explore new service ideas. Mr. Mathews reviewed in detail the rates for each waste hauler, and five options for franchise services procurement; consolidated franchise services procurement, collective franchise services procurement, status quo franchise services procurement, option of Municipal Collection Services, and the extension of current franchise agreements. He indicated this presentation will be presented to the City Managers Group on October 6 for discussion and input.

Committee Discussion: The Committee discussed the presentations.

Public Comment: Brian Frus, Senior Civil Engineer for the City of Salinas inquired about the rates and commented on a correction on the commercial recycling services rate and added charges presented on the Sample Rate Comparison 2020 slide that demonstrates a commercial recycling that of 50% of current garbage rates but are now currently at 75%. He stated the change took place within the last six months.

Committee Action: By consensus, the Committee recommended presenting this item to the City Managers Group for input and thereafter forward it to the Board for discussion.

5. Update on the Sun Street Transfer Station Relocation Project and the City of Salinas' One Year Notice of Intent to Withdrawal from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority

(5:22) President Cullen reported on the meeting held on September 25 between the City of Salinas Mayor Pro Temp Cromeenes, Public Works Director David Jacobs, Senior Civil Engineer Brian Frus, Authority President Cullen, Alternate Vice President Lopez, General Manager Patrick Mathews and Assistant General Manager Cesar Zuñiga. He indicated the meeting was productive with the following five topics, in priority order, being the main points of discussion: (1) Negotiations with Republic Services for the potential transfer of the Sun Street Transfer Station to the Madison Lane Transfer Station; (2) Identification of other potential properties for the relocation; (3) Leaving the Sun Street Transfer Station location; (4) The rescinding of the Notice of Intent to Withdraw and (5) Reviewing the Governance of the Authority. A second meeting is scheduled to for Friday, October 2, with potential weekly recurring meetings after that. General Manager/CAO Mathews on the meeting on September 30 with the Interim City Manager of Salinas Jim Pia, Public Works Director Luis Quinones, Republic Services General Manager Luis Quiñonez in which he provided information on the current status of the relocation project and all pertaining matters.

Committee Discussion: The Committee discussed the report.

Public Comment: None

Committee Action: None

FUTURE AGENDA ITEMS

6. Future Agenda Items – View Ahead Calendar

(5:30) The Committee discussed the view ahead.

CLOSED SESSION

(5:35) President Cullen indicated there is no information to discuss under Item No. 7. He indicated only Item No. 8 will be discussed during closed session.

7. Pursuant to ~~Government Code Section 54956.8~~ to confer with legal counsel and real property negotiators General Manager/CAO Patrick Mathews, Asst. GM/Ops Manager Cesar Zuñiga, Finance and Administration Manager Ray Hondricks, and General Counsel Roy C. Santos, 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; 2) Republic Services Property, APNs 261-051-005, 007, and 019, located at 1120 Madison Lane, Salinas, California.~~

8. Pursuant to Government Code Section 54957 (b) to consider the Performance Evaluation of the General Manager/Chief Administrative Officer Patrick Mathews for 2020.

PUBLIC COMMENT

(5:41) None

(5:34) President Cullen adjourned the meeting to closed session to discuss Item No. 8.

RECONVENE

(5:41) President Cullen reconvened the meeting to open session with no reportable actions taken in closed session.

ADJOURNMENT

(5:42) President Cullen adjourned the meeting.

APPROVED: _____
Robert Cullen, President

ATTEST: _____
Erika J. Trujillo, Clerk of the Board



Report to the Executive Committee

ITEM NO. 2

Finance and Administration
Manager/Controller/Treasurer

General Manager/CAO

N/A

General Counsel

Date: November 05, 2020

From: C. Ray Hendricks, Finance and Administration Manager

Title: September 2020 Claims and Financial Reports

RECOMMENDATIONS

Staff requests that the Executive Committee recommends acceptance of the September 2020 Claims and Financial Reports.

DISCUSSION & ANALYSIS

Please refer to the attached financial reports and checks issued report for the month of September for a summary of the Authority's financial position as of September 30, 2020. The following are highlights of the Authority's financial activity for the month of September.

Results of Operations (Consolidated Statement of Revenues and Expenditures)

For the month of September 2020, operating revenues exceeded expenditures by \$1,024,281.

Revenues (Consolidated Statement of Revenues and Expenditures)

	September 2020 Budget	September 2020 Actual	Over/(Under) Budget 2020
Tipping Fees - Solid Waste	1,171,193	1,372,765	201,572
Tipping Fees - Diverted Materials	224,227	409,802	185,575
Total Revenue	1,958,257	2,295,922	337,665

Solid Waste revenues for September were \$201,572 or 17.2% over budgeted amounts. Diverted Material revenues for September were \$185,575 or 82.8% over budgeted amounts. September total revenue was 337,665 or 17.2% over budgeted amounts.

	September 2020 YTD Budget	September 2020 YTD Actual	Over/(Under) YTD Budget
Tipping Fees - Solid Waste	3,602,930	4,144,922	541,992
Tipping Fees - Diverted Materials	676,178	1,048,124	371,946
Total Revenue	5,599,564	6,457,620	858,056

Solid Waste revenues year to date as of September were \$541,992 or 15.0% over budgeted amounts. Diverted Material revenues year to date as of September were \$371,946 or 55.0% over budgeted amounts. Year to date total revenue as of September was 858,056 or 15.3% over budgeted amounts.

Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

As of September 30, 2020 (25.0% of the fiscal year), year-to-date operating expenditures totaled \$5,873,673. This is 30.7% of the operating budget of \$19,137,200.

Capital Project Expenditures (Consolidated Grant and CIP Expenditures Report)

For the month of September 2020, capital project expenditures totaled \$387,045. \$159,395 was for Organics Program. \$110,000 was for JC Roadway Improvements. \$49,891 was for JC LFG System Improvements. \$41,733 was for CH Postclosure Maintenance. \$10,786 was for LR Postclosure Maintenance.

Claims Checks Issued Report

The Authority's Checks Issued Report for the month of September 2020 is attached for review and acceptance. September disbursements total \$1,576,852.46 of which \$713,773.84 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 September 2020.

Vendor	Services	Amount
Vision Recycling	August Greenwaste Processing & C&D Grinding	\$154,997.06
Coast Counties Truck & Equipment	Insulated Truck for Food Bank & All Sites Vehicle Maintenance	\$142,594.27
Mo. Co. Resource Management Agency	Johnson Canyon Roadway Improvements	\$110,000.00
Quinn Company	All Sites Equipment Maintenance	\$52,419.71

Cash Balances

The Authority's cash position increased \$803,495.91 during September to \$30,801,854.32. Most of the cash balance is restricted, held in trust, committed, or assigned as shown below. The debt principal and interest payments totaling \$2,474,619.91 on August 1, 2020 substantially reduced cash available for operations. This will be recovered over the next few months from profitable operations.

Restricted by Legal Agreements:

Johnson Canyon Closure Fund	4,943,559.64
State & Federal Grants	(260,434.71)
BNY - Bond 2014A Payment	-
BNY - Bond 2014B Payment	-

Funds Held in Trust:

Central Coast Media Recycling Coalition	79,177.41
Employee Unreimbursed Medical Claims	10,767.34

Committed by Board Policy:

AB939 Services	66,020.84
Undesignated Reserves	3,871,712.80
Designated for Capital Projects Reserve	4,459,671.56
Designated for Environmental Impairment Reserve	1,651,462.97
Designated for Operating Reserve	1,401,462.97
Expansion Fund (South Valley Revenues)	8,632,489.96

Assigned for Post Closure and Capital Improvements

Crazy Horse Post Closure	972,686.46
Lewis Road Post Closure	245,804.52
Jolon Road Post Closure	146,707.91
Capital Improvement Projects	7,323,319.84

Available for Operations:

(2,742,555.19)

Total

30,801,854.32

ATTACHMENTS

1. September 2020 Consolidated Statement of Revenues and Expenditures
2. September 2020 Consolidated Grant and CIP Expenditures Report
3. September 2020 Checks Issued Report

Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending September 30, 2020

	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	13,700,000	1,372,765	4,144,922	30.3 %	9,555,078	0	9,555,078
Tipping Fees - Surcharge	1,267,200	121,569	404,568	31.9 %	862,632	0	862,632
Tipping Fees - Diverted Materials	2,680,200	409,802	1,048,124	39.1 %	1,632,076	0	1,632,076
AB939 Service Fee	2,815,000	227,750	683,250	24.3 %	2,131,750	0	2,131,750
Charges for Services	131,800	25,863	37,927	28.8 %	93,873	0	93,873
Sales of Materials	360,000	31,828	32,484	9.0 %	327,516	0	327,516
Gas Royalties	290,000	62,275	62,275	21.5 %	227,725	0	227,725
Investment Earnings	400,000	44,070	44,070	11.0 %	355,930	0	355,930
Grants/Contributions	0	0	0	0.0 %	0	0	0
Total Revenue	21,644,200	2,295,923	6,457,622	29.8 %	15,186,578	0	15,186,578
<u>Expense Summary</u>							
Executive Administration	470,000	33,449	85,890	18.3 %	384,110	63,648	320,463
Administrative Support	439,400	36,518	108,382	24.7 %	331,018	112,958	218,060
Human Resources Administration	224,400	15,764	38,665	17.2 %	185,735	7,160	178,575
Clerk of the Board	196,000	21,670	40,442	20.6 %	155,558	2,176	153,382
Finance Administration	781,100	54,542	171,327	21.9 %	609,773	5,661	604,112
Operations Administration	548,400	27,101	77,970	14.2 %	470,430	8,797	461,633
Resource Recovery	972,700	66,062	189,061	19.4 %	783,639	4,241	779,398
Marketing	75,600	5,083	8,171	10.8 %	67,430	59,918	7,512
Public Education	225,300	21,118	49,379	21.9 %	175,921	88,530	87,390
Household Hazardous Waste	837,200	38,778	105,915	12.7 %	731,285	9,209	722,076
C & D Diversion	447,200	26,291	26,291	5.9 %	420,909	0	420,909
Organics Diversion	1,465,500	151,015	175,389	12.0 %	1,290,111	982,378	307,733
Diversion Services	24,000	3,600	9,300	38.8 %	14,700	14,700	0
JR Transfer Station	634,600	33,316	107,763	17.0 %	526,837	81,304	445,534

Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending September 30, 2020

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
JR Recycling Operations	165,100	10,158	29,416	17.8 %	135,684	20	135,664
SS Disposal Operations	1,114,100	74,717	373,904	33.6 %	740,196	143,708	596,489
SS Transfer Operations	1,276,000	121,328	301,100	23.6 %	974,900	426,146	548,754
SS Recycling Operations	790,500	50,313	143,260	18.1 %	647,240	39	647,200
JC Landfill Operations	3,118,100	281,000	793,989	25.5 %	2,324,111	551,613	1,772,499
JC Recycling Operations	434,700	27,384	84,067	19.3 %	350,633	28,546	322,086
Johnson Canyon ECS	306,500	31,150	61,879	20.2 %	244,621	112,687	131,934
Sun Street ECS	134,000	10,415	21,737	16.2 %	112,263	21	112,242
Debt Service - Interest	1,366,800	0	704,620	51.6 %	662,180	0	662,180
Debt Service - Principal	1,770,000	0	1,770,000	100.0 %	0	0	0
Closure Set-Aside	320,000	31,726	95,941	30.0 %	224,059	0	224,059
Cell Construction Set-Aside	1,000,000	99,144	299,816	30.0 %	700,184	0	700,184
Total Expense	19,137,200	1,271,642	5,873,673	30.7 %	13,263,527	2,703,459	10,560,068
Revenue Over/(Under) Expenses	2,507,000	1,024,281	583,949	23.3 %	1,923,051	(2,703,459)	4,626,510

Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report For Period Ending September 30, 2020

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
<u>Fund 131 - Crazy Horse Closure Fund</u>							
131 9316 CH Corrective Action Program	253,000	0	0	0.0 %	253,000	0	253,000
131 9319 CH LFG System Improvements	146,500	0	0	0.0 %	146,500	0	146,500
131 9321 CH Postclosure Maintenance	715,184	41,733	146,557	20.5 %	568,627	130,294	438,333
Total Fund 131 - Crazy Horse Closure Fund	1,114,684	41,733	146,557	13.1 %	968,127	130,294	837,833
<u>Fund 141 - Lewis Road Closure Fund</u>							
141 9402 LR LFG Well Replacement	35,000	0	0	0.0 %	35,000	0	35,000
141 9403 LR Postclosure Maintenance	275,450	10,786	65,664	23.8 %	209,785	60,406	149,379
Total Fund 141 - Lewis Road Closure Fund	310,450	10,786	65,664	21.2 %	244,785	60,406	184,379
<u>Fund 161 - Jolon Road Closure Fund</u>							
161 9604 JR Postclosure Maintenance	307,019	65	160,311	52.2 %	146,708	19,252	127,456
Total Fund 161 - Jolon Road Closure Fund	307,019	65	160,311	52.2 %	146,708	19,252	127,456
<u>Fund 180 - Expansion Fund</u>							
180 9804 Long Range Facility Needs EIR	335,395	0	0	0.0 %	335,395	0	335,395
180 9806 Long Range Financial Model	28,388	0	0	0.0 %	28,388	0	28,388
180 9807 GOE Autoclave Final Project	100,000	0	0	0.0 %	100,000	0	100,000
Total Fund 180 - Expansion Fund	463,783	0	0	0.0 %	463,783	0	463,783
<u>Fund 211 - Grants</u>							
211 9214 Organics Program 2016-17	52,679	17,184	32,339	61.4 %	20,340	1,457	18,884
211 9220 Tire Amnesty 2019-20	72,084	7,567	7,567	10.5 %	64,516	0	64,516
211 9247 Cal Recycle - CCPP	41,628	0	0	0.0 %	41,628	0	41,628
211 9256 Cal Recycle - 2018-19 CCPP	4,839	0	740	15.3 %	4,099	0	4,099
211 9257 Cal Recycle - 2019-20 CCPP	21,170	550	1,100	5.2 %	20,070	0	20,070
Total Fund 211 - Grants	192,400	25,302	41,746	21.7 %	150,654	1,457	149,197

Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report

For Period Ending September 30, 2020

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
216 9802 Autoclave Demonstration Unit	141,499	0	0	0.0 %	141,499	0	141,499
216 9804 Long Range Facility Needs EIR	180,062	0	0	0.0 %	180,062	0	180,062
Total Fund 216 - Reimbursement Fund	321,560	0	0	0.0 %	321,560	0	321,560
Fund 800 - Capital Improvement Projects Fund							
800 9104 Organics System Expansion Study	55,394	1,495	1,495	2.7 %	53,899	0	53,899
800 9105 Concrete Grinding	45,000	0	0	0.0 %	45,000	0	45,000
800 9107 Scale House Software Upgrade	100,000	0	0	0.0 %	100,000	0	100,000
800 9108 Emergency Generators	200,000	0	0	0.0 %	200,000	0	200,000
800 9214 Organics Program 2016-17	727,767	142,211	158,055	21.7 %	569,712	22,469	547,243
800 9501 JC LFG System Improvements	179,177	49,891	92,083	51.4 %	87,093	1,162	85,932
800 9506 JC Litter Control Barrier	31,971	203	10,702	33.5 %	21,269	0	21,269
800 9507 JC Corrective Action	225,000	0	0	0.0 %	225,000	0	225,000
800 9509 JC Groundwater Well	250,000	0	0	0.0 %	250,000	0	250,000
800 9526 JC Equipment Replacement	1,089,462	0	0	0.0 %	1,089,462	0	1,089,462
800 9527 JC Module Engineering and Constr	1,241,950	5,359	7,319	0.6 %	1,234,631	0	1,234,631
800 9528 JC Roadway Improvements	2,218,937	110,000	110,000	5.0 %	2,108,937	2,113,794	(4,857)
800 9601 JR Transfer Station Improvements	308,399	0	27,736	9.0 %	280,663	0	280,663
800 9602 JR Equipment Purchase	120,000	0	0	0.0 %	120,000	0	120,000
800 9603 JR Well Replacement	150,000	0	0	0.0 %	150,000	0	150,000
800 9701 SSTS Equipment Replacement	464,468	0	0	0.0 %	464,468	0	464,468
800 9703 SSTS Improvements	10,934	0	0	0.0 %	10,934	0	10,934
Total Fund 800 - Capital Improvement Projects	7,418,459	309,159	407,390	5.5 %	7,011,068	2,137,424	4,873,644
Total CIP Expenditures	10,128,355	387,045	821,668	8.1 %	9,306,686	2,348,833	6,957,853

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
21-00097-DFT	JMA EQUIPMENT CO HAMMER FOR EXCAVATOR	9/8/2020	9,000.00	9,000.00
25562	ASSOCIATION OF PUBLIC TREASURERS OF THE UNITED STAT TRAINING	9/2/2020	35.00	35.00
25563	AT&T SERVICES INC ALL SITES TELEPHONE SERVICES	9/2/2020	972.01	972.01
25564	DEPARTMENT OF MOTOR VEHICLES SSTS VEHICLE MAINTENANCE	9/2/2020	10.00	10.00
25565	DON CHAPIN INC JC ORGANICS BLDG FOOTINGS CONCRETE	9/2/2020	9,253.80	9,253.80
25566	EDUARDO ARROYO JC ORGANICS BLDG FOOTINGS	9/2/2020	7,400.00	7,400.00
25567	ERNEST BELL D. JR ALL SITES JANITORIAL SERVICES	9/2/2020	3,140.00	3,140.00
25568	GRANITE CONSTRUCTION COMPANY JC LFG QUARY ROCK	9/2/2020	18,163.01	18,163.01
25569	LIEBERT CASSIDY WHITMORE LEGAL SERVICES	9/2/2020	806.00	806.00
25570	MICROSOFT CORPORATION MICROSOFT: OFFICE365 ANNUAL SUBSCRIPTION	9/2/2020	2,475.00	2,475.00
25571	RODOLFO RAMIREZ AYALA ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/2/2020	3,420.00	3,420.00
25572	VERIZON WIRELESS SERVICES JC, ORGANICS & RR	9/2/2020	114.03	114.03
25573	ADMANOR, INC CCRM - MEDIA CAMPAIGN SVR MARKETING/BRANDING	9/11/2020	13,776.51 5,082.50	18,859.01
25574	ALESHIRE & WYNDER, LLP MONTHLY LEGAL SERVICES	9/11/2020	6,384.00	6,384.00
25575	ASBURY ENVIRONMENTAL SERVICES HHW HAULING & DISPOSAL	9/11/2020	175.00	175.00
25576	AUTOMATION DIRECT LR FACILITY MAINTENANCE	9/11/2020	760.65	760.65
25577	BECKS SHOES AND REPAIR ALL SITES SAFETY SUPPLIES	9/11/2020	1,132.94	1,132.94
25578	BRYAN EQUIPMENT JC VEHICLE MAINTENANCE	9/11/2020	14.94	14.94

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25579	CALIFORNIA HIGHWAY ADOPTION CO. RR LITTER ABATEMENT	9/11/2020	550.00	550.00
25580	CALIFORNIA PRODUCT STEWARDSHIP COUNCIL CA PRODUCT STEWARDSHIP COUNCIL ASSOCIATE FEE	9/11/2020	2,500.00	2,500.00
25581	CINTAS CORPORATION NO.2 SS, JC & ORGANICS SAFETY SUPPLIES	9/11/2020	928.80	928.80
25582	COAST COUNTIES TRUCK & EQUIPMENT CO. 26' INSULATED VAN FOR FOOD BANK OF MONTEREY SSTS VEHICLE MAINTENANCE	9/11/2020	138,574.82 1,259.23	139,834.05
25583	COMPLETE PAPERLESS SOLUTIONS, LLC LASERFICHE ANNUAL SUPPORT	9/11/2020	6,960.00	6,960.00
25584	CSC OF SALINAS/YUMA ALL SITES VEHICLE MAINTENANCE	9/11/2020	642.71	642.71
25585	CUTTING EDGE SUPPLY JC EQUIPMENT MAINTENANCE	9/11/2020	312.80	312.80
25586	DOUGLAS NOLAN SCHOOL ASSEMBLY PROGRAM	9/11/2020	2,950.00	2,950.00
25587	EAST BAY TIRE CO. ALL SITES VEHICLE & EQUIPMENT MAINTENANCE	9/11/2020	273.43	273.43
25588	FLEETMATICS, USA HOLDINGS, INC. ALL SITES VEHICLE EQUIPMENT	9/11/2020	1,369.56	1,369.56
25589	FULL STEAM STAFFING LLC ALL SITES CONTRACT LABOR	9/11/2020	14,896.99	14,896.99
25590	GEOLOGIC ASSOCIATES, INC. ALL SITES GW MONITORING CH & JC NON ROUTINE SERVICES	9/11/2020	31,454.00 1,300.00	32,754.00
25591	GOLDEN STATE TRUCK & TRAILER REPAIR ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/11/2020	8,626.47	8,626.47
25592	GONZALES ACE HARDWARE ALL SITES FACILITY & VEHICLE MAINTENANCE	9/11/2020	262.31	262.31
25593	GREEN RUBBER - KENNEDY AG, LP JC MAINTENANCE SUPPLIES	9/11/2020	1,788.85	1,788.85
25594	GUERITO ALL SITES PORTABLE TOILETS	9/11/2020	1,028.00	1,028.00
25595	HERC RENTALS INC. JC ORGANICS EQUIPMENT RENTAL	9/11/2020	4,618.71	4,618.71
25596	J. J. KELLER & ASSOCIATES, INC SAFETY MEMBERSHIP	9/11/2020	1,295.00	1,295.00

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25597	JT HOSE & FITTINGS SS VEHICLE MAINTENANCE	9/11/2020	22.05	22.05
25598	MONTEREY SIGNS, INC. SIGNS FOR SS - JC OPEN ON SUNDAY	9/11/2020	338.68	338.68
25599	ONE STOP AUTO CARE/V & S AUTO CARE, INC RR VEHICLE MAINTENANCE	9/11/2020	188.21	188.21
25600	PACIFIC GAS AND ELECTRIC COMPANY ALL SITES ELECTRICAL SERVICES CNG VEHICLE FUEL	9/11/2020	15,864.82 5,441.54	21,306.36
25601	PENINSULA MESSENGER LLC ALL SITES COURIER SERVICES	9/11/2020	746.00	746.00
25602	QUINN COMPANY ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/11/2020	9,700.12	9,700.12
25603	RODOLFO RAMIREZ AYALA ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/11/2020	800.00	800.00
25604	ROSSI BROS TIRE & AUTO SERVICE JC EQUIPMENT MAINTENANCE	9/11/2020	5,083.37	5,083.37
25605	SCALES UNLIMITED JC SCALE MAINTENANCE	9/11/2020	1,307.50	1,307.50
25606	SCS ENGINEERS AB1383 PROGRAM PLANNING	9/11/2020	1,495.00	1,495.00
25607	SCS FIELD SERVICES ALL SITES ROUTINE ENGINEERING SERVICES	9/11/2020	19,410.00	19,410.00
25608	SOLEDAD TIRE & WHEEL SERVICE, INC. JC VEHICLE MAINTENANCE	9/11/2020	453.74	453.74
25609	SOUTHERN COUNTIES OIL CO., A CA LIMITED PARTNERSHIP ALL SITES BIODIESEL FUEL	9/11/2020	2,958.80	2,958.80
25610	SPRINT NEXTEL ALL SITES PHONE SERVICES	9/11/2020	330.75	330.75
25611	VALERIO VARELA JR ALL SITES VEHICLE & EQUIPMENT MAINTENANCE	9/11/2020	4,010.00	4,010.00
25612	VALLEY FABRICATION, INC. SS & JC FACILITY MAINTENANCE	9/11/2020	2,753.65	2,753.65
25613	A & G PUMPING, INC ALL SITES PORTABLE TOILETS	9/17/2020	415.13	415.13
25614	AMERICAN SUPPLY CO. ALL SITES JANITORIAL SUPPLIES	9/17/2020	626.32	626.32

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25615	ASBURY ENVIRONMENTAL SERVICES HHW HAULING & DISPOSAL	9/17/2020	175.00	175.00
25616	ASSOCIATION OF ENVIRONMENTAL PROFESSIONALS ANNUAL MEMBERSHIP - CESAR ZUNIGA	9/17/2020	150.00	150.00
25617	AUTOMATION DIRECT CH FACILITY MAINTENANCE	9/17/2020	49.33	49.33
25618	CESAR ZUÑIGA SMART N FINAL: SOUTH COUNTY EMPLOYEE RECOGNITION TURF CLUB: SOUTH COUNTY EMPLOYEE RECOGNITION	9/17/2020	57.31 455.94	513.25
25619	CITY OF GONZALES JC WATER SERVICES	9/17/2020	468.56	468.56
25620	CLARK PEST CONTROL, INC ADMIN PEST CONTROL	9/17/2020	93.00	93.00
25621	COAST COUNTIES TRUCK & EQUIPMENT CO. SSTS VEHICLE MAINTENANCE	9/17/2020	752.85	752.85
25622	COUNTY OF MONTEREY RESOURCE MANAGEMENT AGEN JC ROADWAY IMPROVEMENTS	9/17/2020	110,000.00	110,000.00
25623	DATAFLOW BUSINESS SYSTEMS INC. MONTHLY COPIER MAINTENANCE	9/17/2020	46.58	46.58
25624	DUNCAN DISTRIBUTION CO. LLC. JC ORGANICS BLOWER CONNECTION SYSTEM	9/17/2020	645.30	645.30
25625	EAST BAY TIRE CO. ALL SITES VEHICLE & EQUIPMENT MAINTENANCE	9/17/2020	494.63	494.63
25626	FERGUSON ENTERPRISES INC #795 JC IMPROVEMENTS	9/17/2020	1,118.46	1,118.46
25627	FIRST ALARM ALL SITES SECURITY SERVICES	9/17/2020	175.00	175.00
25628	FULL STEAM STAFFING LLC SS & JC CONTRACT LABOR	9/17/2020	2,840.82	2,840.82
25629	GOLDEN STATE TRUCK & TRAILER REPAIR ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/17/2020	5,690.46	5,690.46
25630	GONZALES ACE HARDWARE ALL SITES FACILITY & VEHICLE MAINTENANCE	9/17/2020	211.61	211.61
25631	GONZALES TIRE & AUTO SUPPLY SS VEHICLE MAINTENANCE	9/17/2020	326.35	326.35
25632	GRAINGER ALL SITES EQUIPMENT MAINTENANCE SUPPLIES	9/17/2020	135.71	135.71

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25633	GREEN RUBBER - KENNEDY AG, LP SS FACILITY MAINTENANCE	9/17/2020	156.33	156.33
25634	GREEN VALLEY INDUSTRIAL SUPPLY, INC SSTS FACILITY MAINTENANCE	9/17/2020	138.12	138.12
25635	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 ALL SITES FACILITY MAINTENANCE	9/17/2020	4,817.79	4,817.79
25636	HERC RENTALS INC. CH FACILITY MAINTENANCE	9/17/2020	162.90	162.90
25637	HOPE SERVICES SSTS LITTER ABATEMENT	9/17/2020	12,526.11	12,526.11
25638	MANUEL PEREA TRUCKING, INC. ALL SITES HAULING SERVICES	9/17/2020	47.50	47.50
25639	MONTEREY REGIONAL WATER POLLUTION CONTROL AGE SS SEWER SERVICE	9/17/2020	2,019.71	2,019.71
25640	PITNEY BOWES GLOBAL ADM POSTAGE MACHINE LEASE	9/17/2020	417.93	417.93
25641	PROBUILD COMPANY LLC ALL SITES FACILITY MAINTENANCE	9/17/2020	4,789.29	4,789.29
25642	PURE WATER BOTTLING ALL SITES WATER SERVICE	9/17/2020	448.60	448.60
25643	REPUBLIC SERVICES #471 TRASH & RECYCLING SERVICES	9/17/2020	78.25	78.25
25644	RODOLFO RAMIREZ AYALA ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/17/2020	1,580.00	1,580.00
25645	STATE WATER RESOURCES CONTROL BOARD CH SWRCB FEES	9/17/2020	1,638.00	1,638.00
25646	TELCO BUSINESS SOLUTIONS MONTHLY NETWORK SUPPORT	9/17/2020	245.35	245.35
25647	TOYOTA MATERIAL HANDLING SS & HHW EQUIPMENT MAINTENANCE	9/17/2020	995.00	995.00
25648	VOSTI'S INC SS EQUIPMENT MAINTENANCE	9/17/2020	353.89	353.89
25649	WESTERN TRAILER COMPANY SS VEHICLE MAINTENANCE	9/17/2020	148.75	148.75
25650	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION ALL SITES FUEL	9/17/2020	2,893.16	2,893.16

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25651	A & G PUMPING, INC JC FACILITY MAINTENANCE	9/25/2020	650.00	650.00
25652	ADMANOR, INC MEDIA - TIRE AMNESTY	9/25/2020	1,791.00	1,791.00
25653	AGRI-FRAME, INC JC EQUIPMENT MAINTENANCE	9/25/2020	30.76	30.76
25654	AUTOZONE LLC. JC & JR VEHICLE SUPPLIES	9/25/2020	204.57	204.57
25655	BARTEL ASSOCIATES, LLC GASB 75 ANNUAL ACTUARIAL	9/25/2020	2,600.00	2,600.00
25656	BC LABORATORIES, INC LAB WATER ANALYSIS	9/25/2020	528.17	528.17
25657	BECKS SHOES AND REPAIR ALL SITES SAFETY SUPPLIES	9/25/2020	855.01	855.01
25658	BRYAN EQUIPMENT JC ORGANICS FACILITY MAINTENANCE	9/25/2020	48.82	48.82
25659	CALIFORNIA LIVE FLOORS, INC, SS VEHICLE MAINTENANCE	9/25/2020	3,202.73	3,202.73
25660	CALIFORNIA WATER SERVICE SS & JRTS WATER SERVICES	9/25/2020	1,227.52	1,227.52
25661	CITY OF GONZALES MONTHLY HOSTING FEE	9/25/2020	20,833.33	20,833.33
25662	COAST COUNTIES TRUCK & EQUIPMENT CO. SS VEHICLE MAINTENANCE	9/25/2020	2,007.37	2,007.37
25663	CSC OF SALINAS/YUMA ALL SITES VEHICLE MAINTENANCE	9/25/2020	1,076.73	1,076.73
25664	CUTTING EDGE SUPPLY JC EQUIPMENT MAINTENANCE	9/25/2020	309.49	309.49
25665	DLT SOLUTIONS LLC AUTOCAD ANNUAL LICENSE RENEWAL	9/25/2020	1,902.70	1,902.70
25666	EAST BAY TIRE CO. ALL SITES VEHICLE & EQUIPMENT	9/25/2020	684.31	684.31
25667	FIRST ALARM ALL SITES ALARM SERVICES	9/25/2020	1,808.70	1,808.70
25668	FULL STEAM STAFFING LLC JC CONTRACT LABOR	9/25/2020	3,257.88	3,257.88

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25669	GOLDEN STATE TRUCK & TRAILER REPAIR ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/25/2020	9,410.95	9,410.95
25670	**VOID**	9/25/2020	-	-
25671	GONZALES ACE HARDWARE ALL SITES FACILITY & VEHICLE MAINTENANCE	9/25/2020	294.79	294.79
25672	GRAINGER SS SAFETY SUPPLIES	9/25/2020	68.84	68.84
25673	GREEN RUBBER - KENNEDY AG, LP ALL SITES FACILITY MAINTENANCE	9/25/2020	2,750.47	2,750.47
25674	GREEN VALLEY INDUSTRIAL SUPPLY, INC JC ORGANICS FACILITY MAINTENANCE SS FACILITY MAINTENANCE	9/25/2020	26.36 901.48	927.84
25675	HERC RENTALS INC. JC EQUIPMENT RENTAL	9/25/2020	658.88	658.88
25676	HOME DEPOT ALL SITES FACILITY MAINTENANCE	9/25/2020	1,271.49	1,271.49
25677	**VOID**	9/25/2020	-	-
25678	ISCO MACHINERY, INC. JC EQUIPMENT RENTAL	9/25/2020	800.00	800.00
25679	KING CITY HARDWARE INC. JR FACILITY MAINTENANCE	9/25/2020	76.94	76.94
25680	MAESTRO HEALTH FSA SERVICE FEES	9/25/2020	150.00	150.00
25681	MISSION LINEN SUPPLY ALL SITES UNIFORMS	9/25/2020	845.00	845.00
25682	**VOID**	9/25/2020	-	-
25683	MONTEREY CITY DISPOSAL SERVICE, INC. MIXED RECYCLING DIVERSION FEES	9/25/2020	103.95	103.95
25684	NEXIS PARTNERS, LLC MONTHLY ADMIN BUILDING RENT	9/25/2020	9,212.00	9,212.00
25685	OFFICE DEPOT ALL SITES OFFICE SUPPLIES	9/25/2020	380.41	380.41
25686	ONE STOP AUTO CARE/V & S AUTO CARE, INC OPS ADM VEHICLE MAINTENANCE	9/25/2020	101.70	101.70
25687	PINNACLE MEDICAL GROUP, INC. A PROFESSIONAL CORP	9/25/2020		

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
	HHW - TYPE III BI-ANNUAL EXAMS		822.00	822.00
25688	QUINN COMPANY ALL SITES EQUIPMENT & VEHICLE MAINTENANCE EQUIPMENT PARTS RETURN	9/25/2020	47,863.00 (5,143.41)	42,719.59
25689	**VOID**	9/25/2020	-	-
25690	**VOID**	9/25/2020	-	-
25691	ROBERT BIXBY ASSOCIATES, INC. SS EQUIPMENT MAINTENANCE	9/25/2020	404.23	404.23
25692	RODOLFO RAMIREZ AYALA ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/25/2020	900.00	900.00
25693	RONNIE G. REHN SS FACILITY MAINTENANCE	9/25/2020	34.96	34.96
25694	ROSSI BROS TIRE & AUTO SERVICE ALL SITES VEHICLE & EQUIPMENT MAINTENANCE	9/25/2020	564.72	564.72
25695	SCOTT JOHNSON JC EQUIPMENT MAINTENANCE	9/25/2020	203.42	203.42
25696	SCS FIELD SERVICES ALL SITES NON-ROUTINE ENVIRONMENTAL SERVICES	9/25/2020	1,323.50	1,323.50
25697	SHARPS SOLUTIONS, LLC HHW HAULING & DISPOSAL	9/25/2020	240.00	240.00
25698	SKINNER EQUIPMENT REPAIR, INC. ALL SITES EQUIPMENT & VEHICLE MAINTENANCE	9/25/2020	2,101.37	2,101.37
25699	SOLEDAD TIRE & WHEEL SERVICE, INC. JC & JR VEHICLE MAINTENANCE	9/25/2020	140.50	140.50
25700	SOLID WASTE ASSOCIATION OF NORTH AMERICA SWANA - MOLO TRAINING	9/25/2020	993.00	993.00
25701	SOUTHERN COUNTIES OIL CO., A CA LIMITED PARTNERSHIP ALL SITES BIODIESEL FUEL	9/25/2020	33,771.90	33,771.90
25702	**VOID**	9/25/2020	-	-
25703	STERICYCLE, INC ADM SHREDDING SERVICES	9/25/2020	85.95	85.95
25704	STEVEN M. POUDRIER SS VEHICLE SUPPLIES	9/25/2020	215.77	215.77

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25705	US BANK CORPORATE PAYMENT SYSTEM	9/25/2020		
	US BANK: CHARGE TO BE CREDITED		141.26	
	AMAZON: HHW REPLACEMENT TOOLS		19.65	
	AMAZON: RR CLEAN UP SUPPLIES		786.00	
	ARLO NETGEAR: CH FACILITY MAINTENANCE		19.98	
	AT&T: JC INTERNET		70.00	
	BILLMATRIX: FAULTY TARP FINE		6.80	
	CALPELRA: TRAINING REGISTRATION		275.00	
	CALPELRA: ANNUAL CONFERENCE		520.00	
	CALPELRA: ANNUAL MEMBERSHIP		370.00	
	CALPELRA: ANNUAL CONFERENCE		520.00	
	SOLEDADHARDWARE: CLEARSPAN BUILDING SUPPLIES		530.55	
	ROBERT'S CATERING: SS & JC EMPLOYEE RECOGNITION		700.00	
	CPR/AED COURSE - LUIS AGUILERA		75.00	
	EXPERIAN: CREDIT CHECKS		249.75	
	GILROYMOT. CTR.: DEPOSIT FOR REPLACEMENT ATV		500.00	
	DMV.CA.GOV: REGISTRATION CARDS		67.38	
	EDUWHERE: DOT HAZ WASTE MANIFEST TRAINING		130.00	
	SWANA: WEBINAR REGISTRATION		79.00	
	SMART&FINAL: EMPLOYEE RECOGNITION SUPPLIES		57.31	
	TURFTCLUB: EMPLOYEE RECOGNITION		470.10	
	BILLMATRIX: FAULTY TARP FINE		197.00	
	RDO: FUEL CAP		30.87	
	HARBORFREIGHT: HHW SUPPLIES		69.43	
	HD SUPPLY: OPS ADM OFFICE SUPPLIES		524.40	
	AUTOMOTIVEWORKWEAR: HIGH VISIBILITY JACKETS		153.91	
	HOME DEPOT: SS STORMWATER IMPROVEMENTS		21.17	
	COSTCO.COM: HP LAPTOP		671.41	
	COSTCO.COM: HP LAPTOP		671.41	
	JJ KELLER: JCLF EQUIPMENT MAINTENANCE		100.80	
	MAUREEN KANE & ASSOCIATES: EXEC ADM WEBTRAINING		75.00	
	INTERMEDIA: MONTHLY EXCHANGE SERVER HOSTING		405.86	
	SMART&FINAL: OFFICE SUPPLIES		45.61	
	RR-SPECIAL DEPT REUSABLE COVERALLS/RAIN GEAR		262.19	
	SANTA FE: EMPLOYEE APPRECIATION		34.32	
	SANTA FE: WATER FOR EMPLOYEES		34.93	
	SMART N FINAL: ADMINISTRATION OFFICE SUPPLIES		98.90	
	HARBOR FREIGHT: SS FACILITY MAINTENANCE		19.64	
	UNIVERSITY OF ARKANSAS: EXC ADM WEBINATE TRAINING		50.00	
	AMAZON.COM: USB CABLE		6.54	
	SANTAFE: WATER FOR STAFF		54.81	
	ZOOM: ONLINE MEETINGS		97.08	
				9,213.06
25706	**VOID**	9/25/2020	-	
				-
25707	**VOID**	9/25/2020	-	
				-
25708	**VOID**	9/25/2020	-	
				-
25709	**VOID**	9/25/2020	-	
				-

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2020 to 9/30/2020

Check #	Name	Check Date	Amount	Check Total
25710	VALERIO VARELA JR ALL SITES VEHICLE & EQUIPMENT MAINTENANCE	9/25/2020	4,100.00	4,100.00
25711	**VOID**	9/25/2020	-	-
25712	VALLEY FABRICATION, INC. ALL SITES FACILITY MAINTENANCE	9/25/2020	180.88	180.88
25713	VISION RECYCLING INC JC GRINDING SERVICES MONTHLY JC ORGANICS PROCESSING	9/25/2020	26,291.32 128,705.74	154,997.06
25714	WEST COAST RUBBER RECYCLING, INC ALL SITES TIRE DIVERSION	9/25/2020	5,400.00	5,400.00
25715	WESTERN TRAILER COMPANY SS & JR VEHICLE MAINTENANCE	9/25/2020	1,598.02	1,598.02
	Subtotal			863,078.62
	Payroll Disbursements			713,773.84
	Grand Total			<u>1,576,852.46</u>



Report to the Executive Committee

ITEM NO. 3

Finance and Administration Manager,
Controller/Treasurer

General Manager/CAO

R. Santos by E.T.

General Counsel

Date: November 5, 2020

From: C. Ray Hendricks, Finance and Administration Manager

Title: A Resolution Approving the Allocation of Cash Balances for Fiscal Year 2019-20, and Supplemental Appropriation to Fund a 115 Trust for CalPERS Unfunded Actuarial Liability

RECOMMENDATION

Staff requests that the Executive Committee recommends adoption of the resolution.

STRATEGIC PLAN RELATIONSHIP

This is a routine annual financial item.

FISCAL IMPACT

This item designates cash balances at year-end, 06-30-2020. A supplemental appropriation of \$170,000 will be made to fund a new 115 trust in order to help pay down expected CalPERS Unfunded Actuarial Liability at June 30, 2020. This supplemental appropriation will be funded using cash balances at 06-30-2020 prior to allocation to designated reserves in accordance with Board policy.

(continued to next page)

DISCUSSION & ANALYSIS

To determine the cash balance at 06-30-2020, the total of cash and investments at 06-30-2020 was reduced by the funds held by legal agreements, committed by Board policy, held in trust, or previously assigned by Board direction. Calculations are as follows:

Cash Balance at 06-30-2020	<u>31,560,622.45</u>
<u>Restricted by Legal Agreement</u>	
JC Closure Fund	4,847,618.59
State Grants	(126,268.90)
<u>Funds Held in Trust</u>	
CCRMC Trust	78,091.52
Employees FSA Trust	8,268.24
<u>Committed by Board Policy</u>	
Designated for Capital Projects Reserve	4,459,671.56
Designated for Operations Reserve	1,401,462.97
Designated for Environmental Impairment Reserve	1,651,462.97
Expansion Fund	8,601,995.25
<u>Assigned by Budget</u>	
Assigned to Capital Projects	5,564,043.88
Supplemental CIP Approved 9-17-2020	500,000.00
Assigned to Crazy Horse Post-Closure	569,785.67
Assigned to Lewis Road Post-Closure	81,526.66
Assigned to Jolon Road Post-Closure	<u>51,251.24</u>
Total Available for Surplus Allocation at 06-30-2020	<u>3,871,712.80</u>

Allocating these funds based on the Financial Policies would be as follows:

Capital Projects Reserve (60%)	2,323,027.68
Operations Reserve (20%)	774,342.56
Environmental Impairment Reserve (20%)	<u>774,342.56</u>
Total Surplus Allocation	<u>3,871,712.80</u>

Staff recommends adjusting the surplus allocation as follows:

115 Trust for CalPERS Pension Liabilities	170,000.00
Johnson Canyon Post Closure	1,532,739.00
Operations Reserve	1,469,117.03
Environmental Impairment Reserve	200,000.00
Capital Projects Reserve	499,856.77
Total Surplus Allocation	<u>3,871,712.80</u>

115 Trust for CalPERS Pension Liabilities

CalPERS investment returns for FY 2019-20 were 4.7%. This is 2.3% under the 7% discount rate for our actuarially determined liability. The estimated unfunded liability created by this shortfall is estimated to be \$263,000 but does not include any other changes in assumptions. The Authority budgets \$100,000 to fund this liability annually. Setting aside **\$170,000** in a 115 trust, which will be setup under separate Board action, will help enable the Authority to keep its pension liabilities fully funded when it is first able to pay its 06-30-2020 investments shortfall in October 2021.

Johnson Canyon Post Closure

The five-year review of the Joint Technical Document for Johnson Canyon Landfill has been submitted to CalRecycle and the Regional Water Quality Control Board for review. The five-year review includes changes in design for the closure of the landfill, as well as updated cost estimates for both closure and post-closure. The 30-year estimated post-closure amount is \$5,870,314. At 26.1% filled, the landfill's unfunded liability at 06-30-2020 is **\$1,532,739**. Allocating this amount from surplus funds continues the Authority's practice of finding ways to ensure its liabilities are funded on an accrual basis to reduce long-term obligations. The prior closure estimate was \$15,808,000 and has been funded by a \$1.60/ton set-aside that increases annually by a CPI factor determined by CalRecycle. Once approved by both CalRecycle and the Regional Water Quality Control Board, the updated closure and post-closure amounts combined are \$12,257,502. With this one-time full paydown of the landfill's unfunded liability for post-closure care, both of these liabilities can be funded going forward with the same budget amount previously set aside for closure only.

Operations Reserve

The economy faces continued uncertainties due to the closures related to Covid-19 and normal economic cycles in the near future. The funding goal for the operations reserve is 15% of the operating budget. Staff recommends allocating **\$1,469,117.03** to the operations reserve in order to fully fund it. This will provide the Authority additional flexibility if revenues do not meet projections due to ongoing or future economic downturns. Following is a summary of the operations reserve balance if approved:

Designated for Operations Reserve

Balance at 06-30-2020	1,401,462.97
FY 2019-20 Surplus Allocation	1,469,117.03
Ending Balance	<u>2,870,580.00</u>

Environmental Impairment Reserve

The Authority entered into financial assurance agreements for Corrective Action with CalRecycle. The agreements identify specific dollar amounts for which the Authority is potentially liable. Below is a table showing the engineer's calculations of the Authority's potential liability for site remediation (corrective action).

<u>Landfill-Action</u>	<u>Capital</u>		<u>Contingency</u>	<u>Total</u>
	<u>Improvements</u>	<u>Maintenance</u>		
Johnson Canyon	\$ 451,320	\$ 383,469	\$ -	\$ 834,789
Crazy Horse	3,525,007	7,979,809	-	11,504,816
Jolon Road	-	1,578,144	-	1,578,144
Lewis Road	132,960	244,898	37,927	415,785
Total Corrective Actions	<u>\$ 4,109,287</u>	<u>\$ 10,186,320</u>	<u>\$ 37,927</u>	<u>\$ 14,333,534</u>

* Maintenance period covers up to 30 years

The above amounts represent the worst-case scenario if all the sites were to have a release, which is very unlikely.

Under the financial assurance agreements with CalRecycle, the Authority has covenanted that it will provide the necessary funding when required. This means that the Authority would increase rates as necessary to cover the above expenses. However, it is highly unlikely that all three sites would need corrective action at the same time. The funding goal is the Capital Improvement costs at Crazy Horse, the highest of the three sites. Allocating an additional **\$200,000** to this reserve brings the balance to 52.5% of the \$3.52 million capital funding goal for Corrective Action at Crazy Horse. Following is a summary of the balances if approved.

Designated for Environmental Impairment Reserve

Balance at 06-30-2020	1,651,462.97
FY 2019-20 Surplus Allocation	200,000.00
Ending Balance	<u>1,851,462.97</u>

Capital Projects Reserve

The remaining **\$499,856.77** is to be allocated to the Capital Projects Reserve. This reserve is to be used for one-time capital needs. Following is a summary of the balances if approved.

Designated for Capital Projects Reserve

Balance at 06-30-2020	4,459,671.56
FY 2019-20 Surplus Allocation	499,856.77
Ending Balance	<u>4,959,528.33</u>

BACKGROUND

On April 17, 2014, the Board approved the updated financial policies. Section 3 (Fund Balance/Reserves) of this document designates how fund balance will be allocated.

1. Operating Reserves (20%)
2. Capital Projects Reserves (60%)
3. Environmental Impairment Reserves (20%)

Any allocation outside of the prescribed methodology or transfers between reserves must be approved by the Board.

ATTACHMENT(S)

1. Resolution
2. Exhibit A - Allocation of Cash Balances for FY 2019-20 Sheet
3. Resolution 2014-11

RESOLUTION NO. 2020 –

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
APPROVING THE ALLOCATION OF CASH BALANCES FOR FISCAL YEAR 2019-20 AND SUPPLEMENTAL
APPROPRIATION TO FUND A 115 TRUST FOR CALPERS UNFUNDED ACTUARIAL LIABILITY**

WHEREAS, the Board of Directors of the Salinas Valley Solid Waste Authority approved the revised financial policies by adoption of Resolution No. 2014-11; and,

WHEREAS, the Fiscal Year 2018-19 fund balance is to be allocated as follows: Operating Reserves (20%), Capital Projects Reserves (60%), and Environmental Impairment Reserves (20%); and,

WHEREAS, on September 17, 2020, the Board approved \$500,000 in new CIPs to be funded from FY 2019-20 fund balance; and,

WHEREAS, using \$170,000 of the remaining fund balance to fund a 115 trust in order to set aside funds to pay off the Authority's unfunded retirement liability at 06-30-2020 would help ensure that the Authority maintains its fully funded status; and,

WHEREAS, allocating \$1,532,739 to fund Johnson Canyon Post-Closure Liabilities from surplus funds continues the Authority's practice of finding ways to ensure its liabilities are fully funded;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Salinas Valley Solid Waste Authority, that the allocation of cash balances for FY 2019-20, attached hereto and marked "Exhibit A" is hereby approved; and,

BE IT FURTHER RESOLVED, that a Supplemental Appropriation of \$170,000 to fund a 115 trust is hereby approved; and,

BE IT FURTHER RESOLVED, that the General Manager/CAO is hereby authorized and directed by the Salinas Valley Solid Waste Authority to implement the allocation in accordance with the Authority's financial policies.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 19th day of November 2020, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Robert Cullen, President

ATTEST:

APPROVED AS TO FORM:

Erika J. Trujillo, Clerk of the Board

Roy C. Santos, Authority General Counsel

Exhibit A

ALLOCATION OF FISCAL YEAR 2019-20 CASH BALANCES

115 Trust for CalPERS Pension Liabilities	170,000.00
Johnson Canyon Post Closure	1,532,739.00
Operations Reserve	1,469,117.03
Environmental Impairment Reserve	200,000.00
Capital Projects Reserve	499,856.77
Total Surplus Allocation	<u>3,871,712.80</u>

RESOLUTION NO. 2014 - 11

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
ADOPTING THE REVISED FINANCIAL POLICIES**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the Financial Policies attached hereto as Exhibit "A" are hereby adopted.

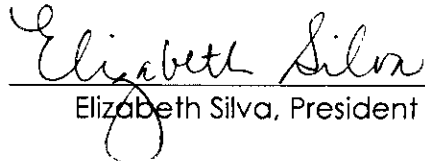
PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at the regular meeting duly held on the 17th day of April 2014 by the following vote:

AYES: BOARD MEMBERS: ARMENTA, BARRERA, CULLEN, DE LA ROSA, LUTES,
PEREZ, RODRIGUEZ, SALINAS, SILVA


NOES: BOARD MEMBERS: NONE

ABSENT: BOARD MEMBERS: MORENO

ABSTAIN: BOARD MEMBERS: NONE


Elizabeth Silva, President

ATTEST:


Elia Zavala, Clerk of the Board

Salinas Valley Solid Waste Authority

Financial Policies

Exhibit A

SUMMARY

The SVSWA Board of Directors recognizes their fiduciary responsibility by virtue of their appointment to the Board. In an effort to promote transparency in the fiscal affairs of the Authority and to promote fiscal accountability, it hereby adopts the following financial policies to guide the Authority's finances:

1. Revenues: The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.
2. Expenditures: The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.
3. Fund Balance/Reserves: The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable occurrences or emergencies.
4. Capital Expenditures and Improvements: The Authority shall annually review the state of its capital assets, setting priorities for its replacement and renovation based on needs, funding, alternatives and availability of resources.
5. Debt: The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.
6. Investments: The Authority's cash will be invested in such a manner so as to ensure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield.
7. Grants: The Authority shall seek, apply for and effectively administer federal, state and foundation grants that address the Authority's current priorities and policy objectives.
8. Closure Funding: The Authority shall properly fund all closure and postclosure costs in accordance with California Integrated Waste Management Board (CIWMB) requirements.
9. Fiscal Monitoring: Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.
10. Accounting, Auditing and Financial Reporting: The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

Salinas Valley Solid Waste Authority Financial Policies

11. Internal Controls: The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.
12. Operating Budget: The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.
13. Capital Assets: The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

Salinas Valley Solid Waste Authority

Financial Policies

1 - REVENUES

The Authority will maintain a revenue system that will assure a reliable, equitable, predictable revenue stream to support Authority services.

A. User Fees

The Authority shall establish and collect fees to recover the costs of handling specific items that benefit only specific users. The Authority Board shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the Authority shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

B. Tipping Fees

Tipping fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. Tipping Fees are not expected to cover depreciation/depletion.

C. One Time Revenues

One-time revenues shall be used only for one-time expenditures.

D. Revenue Estimates

The Authority shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and thus avoid mid-year service reductions.

E. Revenue Collection and Administration

The Authority shall pursue to the full extent allowed by state law all delinquent ratepayers and others overdue in payments to the Authority. Since a revenue should exceed the cost of producing it, the Authority shall strive to control and reduce administrative collection costs.

Salinas Valley Solid Waste Authority

Financial Policies

2 - EXPENDITURES

The Authority shall assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.

A. Current Funding Basis

The Authority shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues.

B. Avoidance of Operating Deficits

The Authority shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of fund balance within the Fund Balance/Reserves Policy. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.

C. Maintenance of Capital Assets

Within the resources available each fiscal year, the Authority shall maintain capital assets and infrastructure at a sufficient level to protect the Authority's investment, to minimize future replacement and maintenance costs, and to continue current service levels.

D. Periodic Program Reviews

The General Manager shall undertake periodic staff and third-party reviews of Authority programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

E. Purchasing

The Authority shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall use competitive bidding whenever possible to attain the best possible price on goods and services.

Salinas Valley Solid Waste Authority

Financial Policies

3 - FUND BALANCE/RESERVES

The Authority shall maintain a fund balance at a level sufficient to protect the Authority's creditworthiness as well as its financial position from unforeseeable emergencies.

A. Operating Reserve

The Authority shall strive to maintain an Operating Reserve equal to fifteen percent (15%) of the current year operating expenditures, to provide sufficient reserves for unforeseen occurrences and revenue shortfalls. Operating expenditures for reserve purposes is defined as the total budget less capital project expenditures.

B. Funding the Reserves

After completion of the annual audit, any undesignated fund balance will be allocated to reserves using the following methodology:

1. Operating Reserve (20%)
2. Capital Projects Reserve (60%)
3. Environmental Impairment Reserve (20%)

Any allocation outside of the prescribed methodology or transfers between reserves must be approved by the Board.

C. Capital Projects Reserve

Due to the capital intensive nature of the Authority's landfill operations the Authority will develop a Capital Projects Reserve for the purpose of funding future capital projects and replacement of existing capital infrastructure in accordance with the Capital Improvements Financial Policies. The target amount of the reserve will be based on the capital needs of the Authority.

E. Use of Operating Reserve

The Operating Reserve shall be used only for its designated purpose - emergencies, non-recurring expenditures, or major capital purchases that can not be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective, restoration recommendations will accompany the decision to utilize said reserve.

F. Environmental Impairment Reserve

Salinas Valley Solid Waste Authority

Financial Policies

Due to the potential release of contaminants that exists with all Municipal Solid Waste landfills, the Authority will strive to fund an Environmental Impairment Reserve for the purpose of responding to a release in a timely manner. The funds can also be used for mitigation or corrective action measures required by CalRecycle.

G. Annual Review of Reserves

As part of the annual budget process, the Authority will review the target amount and the status of each of the reserves. This will be taken into account as part of the budget development. The goal is to reach the Operating and Environmental Impairment Reserve amounts within a five year period but in no case later than 10 years.

Salinas Valley Solid Waste Authority

Financial Policies

4 - CAPITAL EXPENDITURES AND IMPROVEMENTS

The Authority shall annually review the state of its capital assets, setting priorities for their replacement and renovation based on needs, funding, alternatives and availability of resources.

A. Capital Improvement Plan

The Authority shall prepare a 10-Year Capital Improvement Plan (CIP) which will detail the Authority's capital needs financing requirements. The CIP will be reviewed and approved every two (2) years before discussions of the operating budget take place. It will include budget financing for the first two years. The CAO will develop guidelines for what projects to include in the CIP. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every capital project, all operation, maintenance and replacement costs shall be fully disclosed. The CIP will be in conformance with and support the Authority's major planning documents and 3-year Strategic Plans..

B. Capital Improvement Budget

The CIP will be the basis for which projects will be included in the following year's budget. Appropriations will be approved annually using the following criteria:

1. Linkage with needs identified in the Authority's planning documents.
2. Cost/benefit analysis identifying all economic or financial impacts of the project.
3. Identification of available funding resources.

CIP funding will be based on the following priorities:

1. Projects that comply with regulatory requirements.
2. Projects that maintain health and safety standards.
3. Projects that maintain and preserve existing facilities.
4. Projects that replace existing facilities that can no longer be maintained.
5. Projects that improve operations.

C. Capital Expenditure Financing

Projects will be financed using the following preferred order:

1. Use current revenues;
2. Use the Capital Projects Reserve;
3. Borrow money through debt issuance.

Debt financing includes revenue bonds, certificates of obligation, lease/purchase agreements, and other obligations permitted to be issued or incurred under California law. Guidelines for assuming debt are set forth in the Debt Policy Statements.

D. Capital Projects Reserve Fund

Salinas Valley Solid Waste Authority

Financial Policies

A Capital Projects Reserve Fund shall be established and maintained to accumulate funds transferred from the undesignated fund balance. This fund shall only be used to pay for non-routine and one-time capital expenditures such as land and building purchases or construction and maintenance projects with a 10-year life. Expenditures from this Fund shall be aimed at protecting the health and safety of residents, employees and the environment, and protecting the existing assets of the Authority.

E. Capital Projects Management

The Authority will fund and manage its capital projects in a phased approach. The project phases will become a framework for appropriate decision points and reporting. The phasing will consist of:

1. Conceptual/schematic proposal
2. Preliminary design and cost estimate
3. Engineering and final design
4. Bid administration
5. Acquisition/construction
6. Project closeout

Each project will have a project manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, periodically report project status and track project expenditures.

Salinas Valley Solid Waste Authority

Financial Policies

5 - DEBT

The Authority shall utilize debt financing only to provide needed capital equipment and improvements while minimizing the impact of debt payments on current revenues.

A. Use of Debt Financing

The issuance of long-term debt will be only for the acquisition of land, capital improvements or equipment.

Debt financing is not considered appropriate for current operations, maintenance expenses, or for any recurring purposes.

B. Conditions for Debt Issuance

The Authority may use long-term debt to finance major equipment acquisition or capital project only if it is established through a cost/benefit analysis that the financial and community benefits of the financing exceed the financing costs. Benefits would include, but not be limited to, the following:

1. Present value benefit: The current cost plus the financing cost is less than the future cost of the project.
2. Maintenance value benefit: The financing cost is less than the maintenance cost of deferring the project.
3. Equity benefit: Financing provides a method of spreading the cost of a facility back to the users of the facility over time.
4. Community benefit: Debt financing of the project enables the Authority to meet an immediate community need.

Debt financing will be used only when project revenues or other identified revenue sources are sufficient to service the debt.

C. Debt Structure

The Authority's preference is to issue fixed-rate, long-term debt with level debt service, but variable rate debt or other debt service structure may be considered if an economic advantage is identified for a particular project.

Bond proceeds, for debt service, will be held by an independent bank acting as trustee or paying agent.

Salinas Valley Solid Waste Authority

Financial Policies

The Authority's minimum bond rating objective for all debt issues is a Moody's and Standard & Poor's rating of A (upper medium grade). Credit enhancements will be used to achieve higher ratings when there is an economic benefit.

The Authority may retain the following contract advisors for the issuance of debt:

1. Financial Advisor - To be selected, when appropriate, by negotiation to provide financial analysis and advice related to the feasibility and structure of the proposed debt.
2. Bond Counsel - To be selected by negotiation for each debt issue.
3. Underwriters - To be selected by negotiation or competitive bid for each bond issue based upon the proposed structure for each issue.

D. Call Provisions

Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the Authority. When possible, all bonds shall be callable only at par.

E. Debt Refunding

Authority staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3.5% of the refunded maturities.

F. Interest Earnings

Interest earnings received on the investment of bond proceeds shall be used to assist in paying the interest due on bond issues, to the extent permitted by law.

G. Lease/Purchase Agreements

Over the lifetime of a lease, the total cost to the Authority will generally be higher than purchasing the asset outright. As a result, the use of lease/purchase agreements and certificates of participation in the acquisition of vehicles, equipment and other capital assets shall generally be avoided, particularly if smaller quantities of the capital asset(s) can be purchased on a "pay-as-you-go" basis.

Salinas Valley Solid Waste Authority

Financial Policies

6 - INVESTMENTS

The Authority's cash will be invested in such a manner so as to insure the absolute safety of principal and interest, meet the liquidity needs of the Authority, and achieve the highest possible yield after meeting the first two requirements.

A. Investment Policy

The Authority Treasurer is both authorized and required to promulgate a written Statement of Investment Policy which shall be presented to the Board annually.

B. Interest Earnings

Interest earned from investments shall be distributed to the operating funds from which the money was provided, with the exception that interest earnings received on the investment of bond proceeds shall be attributed and allocated to those debt service funds responsible for paying the principal and interest due on the particular bond issue.

Salinas Valley Solid Waste Authority

Financial Policies

7 - GRANTS

The Authority shall seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the Authority's current priorities and policy objectives.

A. Grant Guidelines

The Authority shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by the Board. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

B. Indirect Costs

The Authority shall recover full indirect costs unless the funding agency does not permit it. The Authority may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

C. Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the Authority's policy objectives. Departments shall seek Board approval prior to submission of a grant application. Should time constraints under the grant program make this impossible, the department shall obtain approval to submit an application from the CAO and then, at the earliest feasible time, seek formal Board approval. If there are cash match requirements, the source of funding shall be identified prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

D. Grant Program Termination

The Authority shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

Salinas Valley Solid Waste Authority

Financial Policies

8 - CLOSURE FUNDING

The Authority shall properly fund all closure and postclosure costs in accordance with CIWMB requirements.

A. Closure Funding

In accordance with CIWMB requirements, the Authority shall annually set aside sufficient funds to fully fund all accrued closure costs liability. These funds will be held in a separate Closure Fund restricted specifically for this purpose.

B. Postclosure Funding

In accordance with the Financial Assurances, the Authority shall fund postclosure costs from future revenues when those costs are incurred. The Authority will not pre-fund postclosure costs in its operating budget. The Authority has entered into Pledge of Revenue with the CIWMB for this purpose.

C. Closure Funding Calculations

The Authority shall, as part of the budget process, annually recalculate the closure costs on a per ton basis. Funds will be transferred on a monthly basis to the Closure funds based on tonnage land-filled. Post closure expense incurred as a result of current fiscal year solid waste disposal will be recorded as an expense on the Authority's financial statements with a corresponding liability.

Salinas Valley Solid Waste Authority

Financial Policies

9 - FISCAL MONITORING

Authority staff shall prepare and present to the Board regular reports that analyze, evaluate and forecast the Authority's financial performance and economic condition.

A. Financial Status and Performance Reports

Monthly reports comparing expenditures and revenues to current budget, noting the status of fund balances, and outlining any remedial actions necessary to maintain the Authority's financial position shall be prepared for review by the Board.

B. Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures, to include a discussion of major trends affecting the Authority's financial position, shall be prepared in anticipation of the annual budget process. The forecast shall also examine critical issues facing the Authority, economic conditions, and the outlook for the upcoming budget year. The document shall provide insight into the Authority's financial position and alert the Board to potential problem areas requiring attention.

C. Semi-Annual Status Report on Capital Projects

A summary report on the contracts awarded, capital projects completed and the status of the Authority's various capital projects will be prepared at least semi-annually and presented to the Board.

D. Compliance with Board Policy Statements

The Financial Policies will be reviewed annually by the Board and updated, revised or refined as deemed necessary. Policy statements adopted by the Board are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

Salinas Valley Solid Waste Authority

Financial Policies

10 - ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.

A. Conformance to Accounting Principles

The Authority's accounting practices and financial reporting shall conform to generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

B. Popular Reporting

In addition to issuing a comprehensive annual financial report (CAFR) in conformity with GAAP, the Authority shall supplement its CAFR with a simpler, "popular" report designed to assist those residents who need or desire a less detailed overview of the Authority's financial activities. This report should be issued no later than six months after the close of the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

11 - INTERNAL CONTROLS

The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.

A. Proper Authorizations

Procedures shall be designed, implemented and maintained to ensure that financial transactions and activities are properly reviewed and authorized.

B. Separation of Duties

Job duties will be adequately separated to reduce, to an acceptable level, the opportunities for any person to be in a position to both perpetrate and conceal errors or irregularities in the normal course of assigned duties.

C. Proper Recording

Procedures shall be developed and maintained that will ensure financial transactions and events are properly recorded and that all financial reports may be relied upon as accurate, complete and up-to-date.

D. Access to Assets and Records

Procedures shall be designed and maintained to ensure that adequate safeguards exist over the access to and use of financial assets and records.

E. Independent Checks

Independent checks and audits will be made on staff performance to ensure compliance with established procedures and proper valuation of recorded amounts.

F. Costs and Benefits

Internal control systems and procedures must have an apparent benefit in terms of reducing and/or preventing losses. The cost of implementing and maintaining any control system should be evaluated against the expected benefits to be derived from that system.

Salinas Valley Solid Waste Authority

Financial Policies

12 - OPERATING BUDGET

The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.

A. Budget Format

The budget shall provide a complete financial plan of all Authority funds and activities for the ensuing fiscal year and shall be in such form as the Chief Administrative Officer deems desirable or that the Board may require.

The budget shall begin with a clear general summary of its contents. It shall show in detail all estimated revenues, all carry-over fund balances and reserves, and all proposed expenditures, including debt service, for the ensuing fiscal year.

The total of proposed expenditures shall not exceed the total of estimated revenues plus the un-appropriated fund balance, exclusive of reserves, for any fund.

The budget will be organized on a program/service level format.

The budget development process will include the identification and evaluation of policy options for increasing and decreasing service levels.

B. Estimated Revenues

The Authority will annually update its revenue forecast to enhance the budgetary decision-making process.

In its budget projections, the Authority will attempt to match current expense to current revenue. If it becomes apparent that revenue shortfalls will create a deficit, efforts will be made first to reduce the deficiency through budgetary reductions.

If appropriate reductions are insufficient, the Board may decide, on an exception basis, to use an appropriate existing reserve, which is in excess of minimum reserve requirements.

C. Appropriations

In evaluating the level of appropriations for program enhancements, or reductions, the Authority will apply the following principles in the priority order given:

1. Essential services, which provide for the health and safety of residents will be funded to maintain current dollar levels.
2. The budget will provide for adequate ongoing maintenance of facilities and equipment.
3. Appropriations for program enhancements or reductions will be evaluated on a case-by-case basis rather than across the board.

Salinas Valley Solid Waste Authority

Financial Policies

4. When reductions in personnel are necessary to reduce expenditures, they shall be consistent with the Authority Board's established service level priorities and, when possible, shall be accomplished through normal attrition.
5. Programs, which are self-supported by special revenues or fees, shall be separately evaluated.

Prior to the Authority Board making any supplemental appropriation, the CAO or Finance Manager shall certify that funds in excess of those estimated in the budget are available for appropriation. Any such supplemental appropriations shall be made for the fiscal year by Board action up to the amount of any excess.

Appropriations may be reduced any time during the fiscal year by the Authority Board upon recommendation of the CAO. When appropriation reductions are recommended, the CAO shall provide specific recommendations to the Board, indicating the estimated amount of the reduction, any remedial actions taken, and recommendations as to any other steps to be taken.

The CAO may transfer appropriations between divisions, and division managers may transfer appropriations between programs and accounts within their individual divisions, but only the Board by resolution may appropriate funds from reserves or fund balances.

All appropriations, except for Capital Improvement Program and Grant Programs appropriations, shall lapse at the end of the fiscal year to the extent that they have not been expended or encumbered. An appropriation in the Capital Improvement Program shall continue in force until expended, revised, or cancelled.

The Authority will endeavor to budget an appropriated contingency account in all Divisions operating budget equal to one percent of the total Operating Budget to meet changing operational requirements during the fiscal year.

Salinas Valley Solid Waste Authority

Financial Policies

13 - CAPITAL ASSETS

The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

A. Overview – The Finance Division will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the Authority in line with these policies.

1. Capital assets are recorded as expenditures in governmental funds at the time the assets are received and the liability is incurred. These assets will be capitalized at cost on the government wide financial statements. Enterprise fixed assets are recorded as assets within the fund when purchased and a liability is incurred.
- i. GASB 34 defines Capital Assets as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.
- ii. GASB 34 defines Infrastructure Assets as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings that are an ancillary part of a network of infrastructure assets are included.

The Authority uses the most current edition of GOVERNMENTAL ACCOUNTING, AUDITING, AND FINANCIAL REPORTING (GAAFR) published by the Government Finance Officers Association (GFOA) as its authoritative guide in setting policy and establishing accounting procedures regarding capital assets.

B. Capitalization – Generally all capital assets with an original cost of \$25,000 or more will be capitalized (recorded as an asset on the balance sheet versus expensing the item). Infrastructure Assets with an original cost of \$150,000 or more will be capitalized. This capitalization policy addresses financial reporting, not control. The Authority follows the GFOA recommended practices for establishing capitalization thresholds. Specific capitalization requirements are described as follows:

1. The asset must cost \$25,000 or more.
2. The asset must have a useful life of two (2) or more years.
3. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten items purchased for \$10,000 each will not be capitalized even though the total (\$100,000) exceeds the threshold of \$25,000.
4. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset

Salinas Valley Solid Waste Authority

Financial Policies

functional.

5. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case the repair represents an improvement and is subject to the requirements described number 6 below.
6. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000.
7. Capital projects will be capitalized as "construction in progress" until completed. Personal computers will not be capitalized:

C. Leased Assets-

Operating leased assets are usually short term and cancelable at anytime. The recording of an operating lease as a fixed asset is not required because the item is not purchased.

Capital leases will be capitalized if one or more of the following criteria are met and the chance of cancellation is low:

- a. Ownership is transferred by the end of the lease term
- b. The lease contains a bargain purchase option
- c. The lease term is greater than or equal to 75 percent of the asset's service life
- d. The present value of the minimum lease payment is greater than or equal to ninety percent (90%) of the fair market value of the asset at the inception of the lease.

Capital lease items are capitalized at the beginning of the lease period, regardless of when the title transfers. Capital leases are recorded at net present value of lease payments.

- D. Capital Asset Recording - It is the responsibility of the Finance Division to record, monitor and inventory all fixed assets. Each division will assign appropriate staff members to respond to verification, inventories, and filling out the necessary forms for recording transfers, dispositions or retired fixed assets.
- E. Acquisition of Capital Assets - Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, donations, and gifts.

When a capital asset is acquired the funding source will be identified.

If funds are provided by a specific funding source, a record will be made of that specific source such as:

- ❖ Bond Proceeds
- ❖ State Grants

- F. Measuring the Cost and/or Value - Capital assets are recorded at their "historical cost", which is the original cost of the assets. Donations accepted by the Authority will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service. Costs could include the following:

Salinas Valley Solid Waste Authority

Financial Policies

Sales Tax
Freight charges
Legal and title fees
Closing costs
Appraisal and negotiation fees
Surveying fees
Land-preparation costs
Demolition costs
Relocation costs
Architect and accounting fees
Insurance premiums and interest costs during construction

- G. Establishing Cost in the Absence of Historical Records - According to the GASB 34, an estimate of the original cost is allowable. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. Another recognized method is normal costing wherein an estimate of historical cost is based on current cost of reproduction new indexed by a reciprocal factor of the price increase of a specific item or classification from the appraisal date to the estimated date acquired. When necessary the Authority will use whichever method gives the most reasonable amount based on available information.
- H. Recording Costs Incurred After Acquisition - Expenditures/expenses for replacing a component part of an asset are not capitalized. However, expenditures/expenses that either enhance a capital asset's functionality (effectiveness or efficiency), or that extend a capital asset's expected useful life are capitalized. For example, periodically slurry sealing a street would be treated as a repair (the cost would not be capitalized), while an overlay or reconstruction would be capitalized. Adding a new lane constitutes an addition and would therefore also be capitalized.
- I. Disposition or Retirement of Fixed Assets - It is the Authority's policy that divisions wishing to dispose of surplus, damaged or inoperative equipment must notify the Finance Division.
- The Authority will conduct public auctions, as necessary, for the purpose of disposing of surplus property. Auctions will be conducted by the Finance Division. The original cost less depreciation will then be removed from the Authority's capital asset management system.
- J. Transfer of Assets - The transfer of fixed assets between divisions requires notification to the Finance Department.
- K. Depreciation - In accordance with GASB Statement No. 34 the Authority will record depreciation expense on all capital assets, except for inexhaustible assets.
- The Authority will use straight-line depreciation using the half-year convention or mid month as appropriate. Depreciation will be calculated for half a year in the year of acquisition and the year of disposition. Depreciation will be calculated over the estimated useful life of the asset.
- L. Recommended Lives - The Authority follows GFOA Recommended Practices when establishing recommended lives for capitalized assets. In accordance with GASB 34 the Authority will rely on "general guidelines obtained from professional or industry organizations." In particular the Authority will rely on estimated useful lives published by GFOA. If the life of a particular asset is estimated to be different than these guidelines, it

Salinas Valley Solid Waste Authority

Financial Policies

may be changed. The following is a summary for the estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	20 to 50 years
Improvements	15 to 45 years
Infrastructure	20 to 50 years
Equipment and Machinery	5 to 20 years

- M. Control of Assets – In accordance with GFOA Recommended Practice the Authority will exercise control over the non-capitalized tangible capital-type items by establishing and maintaining adequate control procedures at the division level. The Authority's capitalization threshold of \$5,000 meets financial reporting needs and is not designed for nor particularly suited to maintain control over lower cost capital assets. It is the responsibility of each division to maintain inventories of lower-cost capital assets to ensure adequate control and safekeeping of these assets.
- N. Maintenance Schedules - The Authority shall develop and implement maintenance and replacement schedules with a goal of maximizing the useful life of all assets. The schedules shall include estimates of annual maintenance and/or replacement funding required for each asset.
- O. Maintenance Funding - The Authority shall identify specific sources of funds for the annual maintenance or replacement of each asset. Whenever possible, the maintenance or replacement funding shall be identified from a source other than the Authority General Fund. The Authority shall endeavor to set aside, on an annual basis, one and one-half percent (1½%) of its Operating Budget to provide for on-going maintenance and required replacement of assets that cannot be reasonably funded from other sources.
- Q. Inventorying – The Authority will follow the GFOA recommended practice of performing a physical inventory of its capitalized capital assets, either simultaneously or on a rotating basis, so that all capital assets are physically accounted for at least once every five years.
- R. Tagging – The Authority will tag only moveable equipment with a value of \$5,000 or higher. Rolling stock items will not be tagged. They will be identified by the VIN number. The Finance department will be responsible for tagging equipment.



Report to the Executive Committee

Date: November 5, 2020

From: Robert Cullen, President and Patrick Mathews,
General Manager/CAO

Title: Presentation on the Demonstration of the
Agriculture Plastics to Transportation Fuel
Project

ITEM NO. 4

N/A

Finance and Administration
Manager/Controller-Treasurer

N/A

General Manager/CAO

N/A

Authority General Counsel

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



Report to the Executive Committee

Date: November 5, 2020

From: Robert Cullen, President and Patrick Mathews,
General Manager/CAO

Title: Update on the Sun Street Transfer Station
Relocation Project and the City of Salinas'
One Year Notice of Intent to Withdrawal from
the Joint Powers Agreement with the Salinas
Valley Solid Waste Authority

ITEM NO. 5

N/A

Finance and Administration
Manager/Controller-Treasurer

N/A

General Manager/CAO

N/A

Authority General Counsel

**AN UPDATE WILL BE GIVEN
AT THE MEETING**

SVR Agenda Item - View Ahead 2020-21

Item No. 6

	Nov	Dec	Jan	Feb	Mar	Apr
A	Proclamations		Election of Officers		New Hire	
1	Minutes	MEETINGS TENTATIVE	Minutes	Minutes	Minutes	Minutes
2	Claims/Financials (EC)		Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3	Member Agencies Activities Report		December 31 Cash & Investments Report	Member Agencies Activities Report	Member Agencies Activities Report	March 31 Cash & Investments Report
4	3rd Qtr. Tonnage & Diversion Report		Member Agencies Activities Report	4th Qtr. Tonnage & Diversion Report	Public Hearing: Rate & Fee Sched (EC)	Member Agencies Activities Report
5	Fund Balance Reserves (EC)		4th Qtr. Facilities Customer Survey	Mid-Year Budget Adjustments (EC)	FY 19-20 Proposed Budget (EC)	Wally-Waste-Not Awards
6	Annual County Used Oil Report		Annual County Used Oil Report	FY 19-20 Preliminary Budget (EC)		
7	Purchase of Caterpillar Scraper		Annual Employee Survey Results (EC)			
8	Surplus Property		Board Policy Updates (EC)			
9	Demonstration of Agriculture Plastics to Transportation Fuel Project (EC)		FY 19-20 Budget Direction (EC)			
10	Recycling Recognition		Sun St. Transfer Station Relocation Project update (EC)			
11	Update on Gloria/Iverson Rd. Project		Update on the City of Salinas Notice of Withdrawal (EC)			
12	SB 1383 Program Planning and Composting Marketing Plan Report		<i>Real Property Negotiations</i>			
13	New Officers Nominating Committee					
14	Update on Sun St. Transfer Station Relocation Project & the City of Salinas Notice of Withdrawal (EC)					
15	<i>GM Evaluation (EC)</i>					
16	<i>Real Property Negotiations</i>					
17						

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