



## Agenda EXECUTIVE COMMITTEE

Wednesday February 4, 2015  
4:00 p.m.

Conference Room  
128 Sun Street, Suite 101, Salinas, California

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### **CALL TO ORDER**

### **ROLL CALL**

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

### **GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS**

- A. Verbal Update on Landfill Truck Route Improvements - Gloria Road/Iverson Road
- B. Verbal Update on Rossi Street Extension
- C. Verbal Update on Salinas-Area Materials Recovery Center
- D. Verbal Update on Member Agencies Activities
- E. Other Comments

### **COMMITTEE MEMBER COMMENTS**

### **PUBLIC COMMENTS**

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

### **CONSIDERATION ITEMS**

1. **Minutes of November 5, 2014 Meeting**
  - A. Committee Discussion
  - B. Public Comment
  - C. Recommended Committee Action – Approval
2. **December 2014 Claims and Financial Reports**
  - A. Receive a report from Interim Finance Manager Ray Hendricks
  - B. Committee Discussion
  - C. Public Comment
  - D. Recommended Committee Action – Forward to the Board for Approval
3. **Local Agency Formation Commission (LAFCO) Report on Sphere of Influence for Monterey Regional Waste Management District (MRWMD)**
  - A. Receive a report from General Manager/CAO Patrick Mathews
  - B. Committee Discussion
  - C. Public Comment
  - D. Recommended Committee Action – Provide Direction
4. **Fiscal Year 2015-16 Preliminary Budget**
  - A. Receive a report from Interim Finance Manager Ray Hendricks
  - B. Committee Discussion
  - C. Public Comment
  - D. Recommended Committee Action – Forward to the Board

## **FUTURE AGENDA ITEMS**

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

## **CLOSED SESSION**

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

## **RECONVENE**

## **ADJOURNMENT**

This meeting agenda was posted at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, on **Friday, January 30, 2015**. The Executive Committee will next meet on regular session on **Wednesday, March 4, 2015, 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](http://www.salinasvalleyrecycles.org).

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Elia Zavala, Clerk of the Board, at 831-775-3000. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II)

**MINUTES OF MEETING  
SALINAS VALLEY SOLID WASTE AUTHORITY  
EXECUTIVE COMMITTEE MEETING  
November 5, 2014**

draft

**CALL TO ORDER**

Vice President Lutes called the meeting to order at 4:03 p.m.

**Committee Members Present**

Elizabeth Silva	President
Jyl Lutes	Vice President
Simon Salinas	Alternate Vice President
Fernando Armenta	Immediate Past President

**Staff Members Present**

Patrick Mathews, General Manager/CAO (via telephone)	Dave Meza, Authority Engineer
Ray Hendricks, Interim Finance Manager	Elia Zavala, Clerk of the Board
Cesar Zuniga, Operations Manager	Erika Trujillo, Administrative Assistant II
Susan Warner, Diversion Manager	Thomas Bruen, General Counsel (via telephone)

**ITEM NO. 1**

Agenda Item



General Manager/CAO

**T. Bruen by ez**

General Counsel Approval

**GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS**

(4:04) General Manager/CAO Mathews and Department Managers provided the following updates:

- A. Verbal Update on Landfill Truck Route Improvements - Gloria Road/Iverson Road  
Staff is working with the County to develop a memorandum of understanding.
- B. Verbal Update on Rossi Street Extension  
County staff informed that there is no money for the street extension. The City of Salinas is looking for previous plans in connection with the Boronda Community and is looking for funding opportunities for the construction.
- C. Verbal Update on Salinas-Area Materials Recovery Center  
The preferred site plan has been selected and staff will be working with Global Organics Energy for additional input.
- D. Verbal Update on Member Agencies Activities  
The Cities of Gonzales, Soledad, and Greenfield are considering renewing their franchise agreement with Tri-Cities. The City of King had been interested in joining with Tri-Cities but has recently considered extending its contract with Waste Management for another five years.
- E. Other Comments  
In January there will be a meeting with Monterey County School Superintendant Dr. Kotowski to discuss the enhanced school recycling plan. Vice President Lutes and Alternate Vice President Salinas will be invited to the meeting.  
  
Single-use bag bans have been approved within the service area. Staff will be working with the member agencies to distribute reusable bags.  
  
The Sun Street Transfer Station pavement project is coming in under the estimated cost.

**COMMITTEE MEMBER COMMENTS**

(4:09) Past President Armenta stated that he will be absent from the November Board of Directors meeting.

**PUBLIC COMMENT**

(4:09) None

## **CONSIDERATION ITEMS**

### **1. Minutes of October 1, 2014, Meeting**

(4:09)

**Public Comment:** None

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

### **2. September 2014 Claims and Financial Reports**

(4:09) Interim Finance Manager Hendricks provided a report on the current Authority finances, reflecting a slight increase in revenues and 20% reduction in expenses due to the reduction in debt service payments, when compared to the prior year.

**Public Comment:** None

**Committee Discussion:** The Committee discussed the report.

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

### **3. Comprehensive Annual Financial Report for the Year-ended June 30, 2014**

(4:12) Interim Finance Manager Hendricks and Auditor Patricia Kaufman, with McGilloway, Ray, Brown & Kaufman, provided a report, which highlighted the Auditor's unqualified opinion, the best opinion that can be received, and that once again the Authority did not receive a management letter. Ms. Kauffman discussed the net deficit and the changes in accounting reporting, such as GASB68, the pension liability reporting.

**Public Comment:** None

**Committee Discussion:** The Committee discussed the report and commended staff for the detailed report.

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

### **4. Verbal Report on Proposed Change in Sunday Operations**

(4:38) Operations Manager Zuñiga provided a cost comparison report for Sunday operations at Sun Street Transfer Station and Johnson Canyon Landfill. The report showed that the revenue received at the landfill on Sundays does not pay for itself. Staff estimates that changing the Sunday operations to the transfer station will pay for itself and would generate additional revenue.

**Public Comment:** None

**Committee Discussion:** The Committee expressed support for closing the Johnson Canyon Landfill and opening the Sun Street Transfer Station on Sundays.

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

**FUTURE AGENDA ITEMS**

**5. Agenda Items – View Ahead**

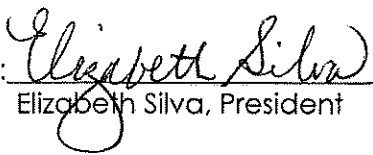
(4:44) The Committee reviewed the future agenda items.

**CLOSED SESSION**

General Manager/CAO Mathews announced that there is nothing to discuss in closed session.

**ADJOURNMENT**

(4:44) President Silva adjourned the meeting.

APPROVED:   
Elizabeth Silva, President

ATTEST: \_\_\_\_\_  
Elia Zavala, Clerk of the Board



**SalinasValleyRecycles.org**  
SALINAS VALLEY SOLID WASTE AUTHORITY

## Report to the Executive Committee

**ITEM NO. 2**

Finance Manager/Controller-Treasurer

N/A

Legal Counsel

General Manager/CAO

**Date:** February 4, 2015

**From:** Ray Hendricks, Interim Finance Manager

**Title:** December 2014 Claims and Financial Reports

### RECOMMENDATION

Staff recommends acceptance of the December 2014 Claims and Financial Reports.

### DISCUSSION & ANALYSIS

Please refer to the attached financial reports and checks issued report for the month of December for a summary of the Authority's financial position as of December 31, 2014. Following are highlights of the Authority's financial activity for the month of December.

#### Results of Operations (Consolidated Statement of Revenues and Expenditures)

For the month of December 2014, FY 2014-15 operating expenditures exceeded revenues by \$440,731. Year to Date operating revenues exceeded expenditures by \$2,115,447.

#### Revenues (Budgetary Comparison Revenue Report)

Revenues for the month of December totaled \$1,365,926. The monthly Tipping Fees totaled \$993,113 and year to date totaled \$5,990,464 or 54.43% of the forecasted total of \$11,005,500. As of December 31, after six months of the fiscal year (50.00% of the fiscal year), revenues total \$8,399,067 or 53.44% of the total annual revenues forecast of \$15,717,700.

#### Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

As of December 31 (50.00% of the fiscal year), year-to-date operating expenditures total \$6,283,620. This is 41.45% of the operating budget of \$15,157,834.

#### Capital Project Expenditures (Consolidated CIP Expenditures Report)

For the month of December 2014, capital project expenditures totaled \$883,239. \$644,205 of the total was for the Johnson Canyon Equipment Lease/Purchase project, and \$200,598 was for Sun Street Transfer Station improvements.

#### Claims Checks Issued Report

The Authority's Checks Issued Report for the month of December 2014 is attached for review and acceptance. The December checks issued total \$1,879,486.70 of which \$389,079.22 was paid from the payroll checking account for payroll and payroll related benefits, and \$177,160.26 was paid from the Equipment Lease/Purchase Escrow Account. Selected major payments to vendors are listed below:

CA STATE BOARD OF EQUALIZATION	826H COMPACTOR USE TAX	31,840.00
CITY OF GONZALES	11/2014 JC HOSTING FEE	20,833.33
	12/2014 JC HOSTING FEE	20,833.33
GRANITE ROCK CO/PAVEX	SSTS PAVEMENT REHABILITATION ROJECT	135,229.50
INTERSTATE MECHANIC TRUCKS LLC	2005 FREIGHTLINER UTIL/SVC TRK - DEPOSIT	59,665.00
MARCEL EQUIPMENT LIMITED	2005 CAT 826H COMPACTOR	375,540.00
SALINAS STEEL BUILDERS INC	SSTS & HHW BUILDING REPAIRS	50,104.00
VISION RECYCLING INC	SSTS FILTREX SOXS	6,393.60
	GREENWASTE PROCESSING PROGRAM	48,745.15
RECOLOGY WASTE SOLUTIONS INC	JC MONTHLY OPERATIONS	167,928.00
	JC MONTHLY DIVERSION SERVICES	8,577.58
	JC WATER TRUCK	4,500.00
VISION RECYCLING INC	C&D GRINDING SERVICES	4,685.36
	GREENWASTE PROCESSING PROGRAM	43,938.45
WASTE MANAGEMENT INC	JR MONTHLY FACILITY OPERATIONS	59,252.78
	REPUBLIC TO MLTS	16,740.57

#### Cash Balances

The Authority's cash position decreased \$575,761.57 during December to \$14,640,645.39. Most of the cash balance is restricted as shown below:

#### Restricted by Legal Agreements:

Crazy Horse Closure Fund	(75,609.39)
Johnson Canyon Closure Fund	3,084,574.23
State & Federal Grants	121,675.14
Equipment Lease Escrow	364,157.96

#### Committed by Board Policy:

Expansion Fund (South Valley Revenues)	8,227,942.08
Salinas Transportation Surcharge	27,320.39
Salinas Rate Stabilization Fund	39,067.73

#### Funds Held in Trust:

Central Coast Media Recycling Coalition	94,433.61
Employee Unreimbursed Medical Claims	1,524.77

#### Assigned and Unassigned

Operations and Capital Projects	2,755,558.87
Total	<u>14,640,645.39</u>

## **ATTACHMENTS**

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



**Salinas Valley Solid Waste Authority**  
**Consolidated Statement of Revenues and Expenditure**  
**For Period Ending December 31, 2014**

DESCRIPTION	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED ENCUMBRANCES
<b>Revenue Summary</b>							
Tipping Fees - Solid Waste	11,005,500	993,113	5,990,464	54.4%	5,015,036	-	5,015,036
Tipping Fees - Surcharge	1,276,800	115,152	677,233	53.0%	599,567	-	599,567
Tipping Fees - Diverted Materials	1,017,700	90,480	565,792	55.6%	451,908	-	451,908
AB939 Service Fee	1,732,000	144,332	865,992	50.0%	866,008	-	866,008
Tipping Fees - South Valley	-	10,209	55,749	0.0%	(55,749)	-	(55,749)
Charges for Services	124,500	-	31,137	25.0%	93,363	-	93,363
Sales of Materials	309,500	10,764	110,941	35.8%	198,559	-	198,559
Gas Royalties	220,000	-	69,770	31.7%	150,230	-	150,230
Investment Earnings	31,700	1,740	15,283	48.2%	16,417	-	16,417
Grants/Contributions	-	-	7,705	0.0%	(7,705)	-	(7,705)
Other Non-Operating Revenue	-	134	9,003	0.0%	(9,003)	-	(9,003)
<b>Total Revenue</b>	<b>15,177,700</b>	<b>1,365,926</b>	<b>8,399,067</b>	<b>53.4%</b>	<b>7,318,633</b>	<b>-</b>	<b>7,318,633</b>
<b>Expense Summary</b>							
Administration	2,394,340	151,630	954,511	39.9%	1,439,829	111,824	1,328,005
AB939 Services	2,059,910	132,930	690,958	33.5%	1,368,952	307,443	1,061,509
Recycling Operations	761,950	112,591	324,272	42.6%	437,678	374,556	63,121
Grants	207,834	5,153	18,206	8.8%	189,627	42,511	147,116
Transfer Stations Operations	2,739,775	220,384	1,351,987	49.3%	1,387,788	557,641	830,148
Landfills Operations	3,066,655	236,798	1,316,203	42.9%	1,750,452	347,468	1,402,984
Postclosure Maintenance	956,970	34,877	334,032	34.9%	622,938	131,244	491,694
Environmental Control Systems	443,700	30,832	116,092	26.2%	327,608	113,130	214,478
Debt Service - Interest	2,025,700	-	826,373	40.8%	1,199,327	-	1,199,327
Debt Service - Principal	315,000	-	315,000	100.0%	-	-	-
Closure Set-Aside	186,000	-	35,986	19.3%	150,014	-	150,014
<b>Total Expense</b>	<b>15,157,834</b>	<b>925,194</b>	<b>6,283,620</b>	<b>41.5%</b>	<b>8,874,214</b>	<b>1,985,818</b>	<b>6,888,396</b>
<b>Revenue Over/(Under) Expenses</b>	<b>559,866</b>	<b>440,731</b>	<b>2,115,447</b>	<b>377.8%</b>	<b>(1,555,581)</b>	<b>(1,985,818)</b>	<b>430,237</b>





**Salinas Valley Solid Waste Authority**  
**Consolidated Statement of Revenues and Expenditure**  
**For Period Ending December 31, 2014**

DESCRIPTION	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED ENCUMBRANCES
Expense Summary	419,660	25,998	167,428	39.9%	252,232	744	251,487
Executive Administration	391,710	35,458	167,554	42.8%	224,156	86,073	138,083
Administrative Support	359,580	22,232	158,708	44.1%	200,872	11,494	189,378
Human Resources Administration	175,490	9,687	75,649	43.1%	99,841	1,944	97,897
Clerk of the Board	665,350	33,843	238,904	35.9%	426,446	3,186	423,259
Finance Administration	382,550	24,411	146,267	38.2%	236,283	8,383	227,900
Operations Administration	716,730	48,714	297,410	41.5%	419,320	26,220	393,101
Resource Recovery	75,000	10,145	21,939	29.3%	53,061	52,811	250
Marketing	188,500	12,399	50,293	26.7%	138,207	46,600	91,607
Public Education	682,880	36,738	248,794	36.4%	434,086	131,433	302,653
Household Hazardous Waste	30,000	4,685	17,923	59.7%	12,077	11,077	1,000
C & D Diversion	587,200	92,866	246,159	41.9%	341,041	334,216	6,825
Organics Diversion	144,750	15,039	60,190	41.6%	84,560	29,264	55,296
Diversion Services	49,895	4,603	10,084	20.2%	39,811	17,950	21,861
Tire Amnesty Grant	157,939	550	8,123	5.1%	149,817	24,561	125,255
Cal Recycle - CCRP	389,110	24,192	177,785	45.7%	211,325	3,555	207,770
Scalehouse Operations	724,300	59,253	296,264	40.9%	428,036	414,769	13,267
JR Transfer Station	150,000	16,741	99,205	66.1%	50,795	39,435	11,360
ML Transfer Station	695,880	77,565	385,510	55.4%	310,370	27,505	282,865
SS Disposal Operations	975,040	54,729	482,116	49.4%	492,924	74,154	418,770
SS Transfer Operations	188,400	23,961	71,548	38.0%	116,852	50,380	66,472
SS Recycling Operations	2,872,100	224,702	1,227,311	42.7%	1,644,789	345,691	1,299,098
JC Landfill Operations	208,400	974	974	0.5%	207,426	-	207,426
JC Recycling Operations	557,000	21,356	156,699	28.1%	400,301	93,102	307,199
Crazy Horse Postclosure Maintenance	225,060	10,202	72,002	32.0%	153,058	32,385	120,672
Lewis Road Postclosure Maintenance	304,100	17,483	80,643	26.5%	223,457	72,050	151,407
Johnson Canyon ECS	174,910	3,319	105,331	60.2%	69,579	5,757	63,822
Jolon Road Postclosure Maintenance	139,600	13,349	35,449	25.4%	104,151	41,080	63,071
Sun Street ECS	2,025,700	-	826,373	40.8%	1,199,327	-	1,199,327
Debt Service - Interest	315,000	-	315,000	100.0%	-	-	-
Debt Service - Principal	186,000	-	35,986	19.3%	150,014	-	150,014
Closure Set-Aside	15,157,834	925,194	6,283,620	41.5%	8,874,214	1,985,818	6,888,396
Total Expense	559,866	440,731	2,115,447	377.8%	(1,555,581)	(1,985,818)	430,237
Revenue Over/(Under) Expenses							

# Salinas Valley Solid Waste Authority

## Budgetary Comparison Revenue Report

For Period Ending: 12/31/2014

		CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
<b>Tipping Fees - Solid Waste</b>					
150-51250	Tipping Fees - Landfills	4,155,500.00	374,896.91	2,391,631.25	57.55 %
150-51261	Tipping Fees - MTS Adjustments	650,000.00	62,060.48	423,309.92	65.12 %
150-51265	Bad Debt Write Off	0.00	0.00	429.91	0.00 %
170-51252	Tipping Fees - Transfer Station	6,200,000.00	556,155.48	3,175,092.80	51.21 %
	<b>Total Tipping Fees - Solid Waste</b>	<b>11,005,500.00</b>	<b>993,112.87</b>	<b>5,990,463.88</b>	<b>54.43 %</b>
<b>Tipping Fees - Surcharge</b>					
170-51251	Tipping Fees - Surcharge for Operations	1,276,800.00	115,152.38	677,233.48	53.04 %
	<b>Total Tipping Fees - Surcharge</b>	<b>1,276,800.00</b>	<b>115,152.38</b>	<b>677,233.48</b>	<b>53.04 %</b>
<b>Tipping Fees - Diverted Materials</b>					
106-51256	Tipping Fees - HHW	55,000.00	3,904.00	30,270.25	55.04 %
107-51255	Tipping Fees - Mattresses	70,500.00	6,450.00	43,395.00	61.55 %
107-51257	Tipping Fees - Green Waste	624,000.00	57,875.84	330,845.96	53.02 %
107-51258	Tipping Fees - C&D	104,400.00	7,969.20	55,230.21	52.90 %
107-51259	Tipping Fees - Diversion	43,000.00	3,521.32	30,068.20	69.93 %
107-51260	Tipping Fees - Biosolids	56,000.00	6,333.32	35,547.96	63.48 %
107-51262	Tipping Fees - Wood Waste	64,800.00	4,426.80	40,434.72	62.40 %
	<b>Total Tipping Fees - Diverted Materials</b>	<b>1,017,700.00</b>	<b>90,480.48</b>	<b>565,792.30</b>	<b>55.60 %</b>
<b>AB939 Service Fee</b>					
106-51264	AB939 Service Fee	1,732,000.00	144,332.00	865,992.00	50.00 %
	<b>Total AB939 Service Fee</b>	<b>1,732,000.00</b>	<b>144,332.00</b>	<b>865,992.00</b>	<b>50.00 %</b>
<b>Tipping Fees - South Valley</b>					
180-51253	Tipping Fees - South Valley	0.00	10,208.94	55,748.65	0.00 %
	<b>Total Tipping Fees - South Valley</b>	<b>0.00</b>	<b>10,208.94</b>	<b>55,748.65</b>	<b>0.00 %</b>
<b>Charges for Services</b>					
105-52110	Tri-Cities Franchise Administrative	47,200.00	0.00	11,807.64	25.02 %
105-52120	BFI Franchise Administrative	77,300.00	0.00	19,328.97	25.01 %
	<b>Total Charges for Services</b>	<b>124,500.00</b>	<b>0.00</b>	<b>31,136.61</b>	<b>25.01 %</b>
<b>Sales of Materials</b>					
106-53310	Sales - E-Waste	105,000.00	4,120.11	41,935.87	39.94 %
106-53340	Sales - Metal	156,000.00	0.00	40,638.48	26.05 %
106-53350	Sales - Plastic	8,000.00	1,116.00	3,994.80	49.94 %
106-53360	Sales - Cardboard	30,000.00	3,621.60	16,055.50	53.52 %
106-53370	Sales - Mixed Paper	3,500.00	450.00	1,865.60	53.30 %
106-53380	Sales - Mixed Glass	1,000.00	0.00	476.71	47.67 %
106-53390	Sales - HHW Material	6,000.00	1,456.50	5,973.57	99.56 %
	<b>Total Sales of Materials</b>	<b>309,500.00</b>	<b>10,764.21</b>	<b>110,940.53</b>	<b>35.85 %</b>

# Salinas Valley Solid Waste Authority

## Budgetary Comparison Revenue Report

For Period Ending: 12/31/2014

		CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
<b>Gas Royalties</b>					
150-53401	Gas Royalties	220,000.00	0.00	69,769.80	31.71 %
	<b>Total Gas Royalties</b>	<b>220,000.00</b>	<b>0.00</b>	<b>69,769.80</b>	<b>31.71 %</b>
<b>Investment Earnings</b>					
105-54001	Investment Earnings	11,000.00	1,335.80	5,379.57	48.91 %
105-54200	Rental Income	1,000.00	0.00	1,000.00	100.00 %
105-54310	Late Payment Finance Charges	1,000.00	69.53	985.57	98.56 %
131-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
150-54001	Investment Earnings	0.00	0.00	-2,644.18	0.00 %
150-54200	Rental Income	2,000.00	335.00	1,675.00	83.75 %
151-54001	Investment Earnings	3,500.00	0.00	1,258.83	35.97 %
160-54200	Rental Income	5,200.00	0.00	3,516.06	67.62 %
170-54001	Investment Earnings	0.00	0.00	747.33	0.00 %
180-54001	Investment Earnings	8,000.00	0.00	3,364.78	42.06 %
190-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
216-54001	Investment Earnings	0.00	0.00	0.00	0.00 %
	<b>Total Investment Earnings</b>	<b>31,700.00</b>	<b>1,740.33</b>	<b>15,282.96</b>	<b>48.21 %</b>
<b>Grants/Contributions</b>					
211-55252	Dept of Conservation	0.00	0.00	0.00	0.00 %
211-55256	Tire Amnesty	0.00	0.00	7,704.59	0.00 %
211-55257	Biodiesel Fueling Infrastructure Grant	0.00	0.00	0.00	0.00 %
211-55261	Tire Derived Aggregate	0.00	0.00	0.00	0.00 %
211-55262	HHW - Mobile Collection Events	0.00	0.00	0.00	0.00 %
211-55268	In Kind Grant Contribution	0.00	0.00	0.00	0.00 %
221-55265	USDA Grant	0.00	0.00	0.00	0.00 %
	<b>Total Grants/Contributions</b>	<b>0.00</b>	<b>0.00</b>	<b>7,704.59</b>	<b>0.00 %</b>
<b>Other Non-Operating Revenue</b>					
105-57005	Miscellaneous Receipts	0.00	84.38	8,602.92	0.00 %
106-57005	Miscellaneous Receipts	0.00	49.95	399.75	0.00 %
150-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
160-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
170-57005	Miscellaneous Receipts	0.00	0.00	0.00	0.00 %
216-57810	Capital One Purchase/Lease	0.00	0.00	0.00	0.00 %
	<b>Total Other Non-Operating Revenue</b>	<b>0.00</b>	<b>134.33</b>	<b>9,002.67</b>	<b>0.00 %</b>
<b>Totals</b>		<b>15,717,700.00</b>	<b>1,365,925.54</b>	<b>8,399,067.47</b>	<b>53.44 %</b>

# Salinas Valley Solid Waste Authority

## Revenue Type Summary For Period Ending: 12/31/2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Tipping Fees - Solid Waste	11,005,500.00	993,112.87	5,990,463.88	54.43 %
Tipping Fees - Surcharge	1,276,800.00	115,152.38	677,233.48	53.04 %
Tipping Fees - Diverted Materials	1,017,700.00	90,480.48	565,792.30	55.60 %
AB939 Service Fee	1,732,000.00	144,332.00	865,992.00	50.00 %
Tipping Fees - South Valley	0.00	10,208.94	55,748.65	0.00 %
Charges for Services	124,500.00	0.00	31,136.61	25.01 %
Sales of Materials	309,500.00	10,764.21	110,940.53	35.85 %
Gas Royalties	220,000.00	0.00	69,769.80	31.71 %
Investment Earnings	31,700.00	1,740.33	15,282.96	48.21 %
Grants/Contributions	0.00	0.00	7,704.59	0.00 %
Other Non-Operating Revenue	0.00	134.33	9,002.67	0.00 %
Totals	15,717,700.00	1,365,925.54	8,399,067.47	53.44 %

# Salinas Valley Solid Waste Authority

## Fund Summary

For Period Ending: 12/31/2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET
Administration Fund	137,500.00	1,489.71	47,104.67	34.26 %
AB939 Fund	2,096,500.00	159,050.16	1,007,602.53	48.06 %
Recycling Fund	962,700.00	86,576.48	535,522.05	55.63 %
Crazy Horse Closure Fund	0.00	0.00	0.00	0.00 %
Johnson Cyn Project Fund	5,027,500.00	437,292.39	2,884,171.70	57.37 %
Johnson Canyon Closure Fund	3,500.00	0.00	1,258.83	35.97 %
Jolon Road Project Fund	5,200.00	0.00	3,516.06	67.62 %
Transfer Stations Fund	7,476,800.00	671,307.86	3,853,073.61	51.53 %
Expansion Fund	8,000.00	10,208.94	59,113.43	738.92 %
Debt Service	0.00	0.00	0.00	0.00 %
State Grants	0.00	0.00	7,704.59	0.00 %
Reimbursement Fund	0.00	0.00	0.00	0.00 %
USDA Grant	0.00	0.00	0.00	0.00 %
Totals	15,717,700.00	1,365,925.54	8,399,067.47	53.44 %



# Salinas Valley Solid Waste Authority

## Consolidated CIP Expenditure Report

For Period Ending December 31, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
<b>Fund 131 - Crazy Horse Closure Fund</b>							
131 9314 CH Closure Quality Assurance	25,171	0	4,111	16.3 %	21,060	0	21,060
131 9316 CH Corrective Action Program	205,026	788	8,618	4.2 %	196,408	516	195,892
<b>Total Fund 131 - Crazy Horse Closure Fund</b>	<b>230,197</b>	<b>788</b>	<b>12,730</b>	<b>5.5 %</b>	<b>217,468</b>	<b>516</b>	<b>216,952</b>
<b>Fund 180 - Expansion Fund</b>							
180 9003 USDA Autoclave Studies	91,980	1,651	10,935	11.9 %	81,045	14,718	66,327
180 9023 Salinas Area MRC	430,527	25,329	37,023	8.6 %	393,504	43,472	350,032
180 9024 GOE Autoclave Final Project	100,000	0	0	0.0 %	100,000	0	100,000
<b>Total Fund 180 - Expansion Fund</b>	<b>622,507</b>	<b>26,980</b>	<b>47,958</b>	<b>7.7 %</b>	<b>574,549</b>	<b>58,190</b>	<b>516,359</b>
<b>Fund 211 - State Grants</b>							
211 9201 HHW - Mobile Collection Events	48,242	307	4,564	9.5 %	43,677	0	43,677
211 9503 JC Module 1 Horizontal Wells	81,393	0	0	0.0 %	81,393	0	81,393
<b>Total Fund 211 - State Grants</b>	<b>129,634</b>	<b>307</b>	<b>4,564</b>	<b>3.5 %</b>	<b>125,070</b>	<b>0</b>	<b>125,070</b>
<b>Fund 216 - Reimbursement Fund</b>							
216 9525 JC Equipment Lease/Purchase	3,014,405	644,205	2,710,065	89.9 %	304,340	62,485	241,855
216 9802 Autoclave Demonstration Unit	150,000	706	937	0.6 %	149,063	0	149,063
<b>Total Fund 216 - Reimbursement Fund</b>	<b>3,164,405</b>	<b>644,911</b>	<b>2,711,002</b>	<b>85.7 %</b>	<b>453,403</b>	<b>62,485</b>	<b>390,918</b>
<b>Fund 221 - USDA Grant</b>							
221 9003 USDA Autoclave Studies	6,867	0	0	0.0 %	6,867	0	6,867
<b>Total Fund 221 - USDA Grant</b>	<b>6,867</b>	<b>0</b>	<b>0</b>	<b>0.0 %</b>	<b>6,867</b>	<b>0</b>	<b>6,867</b>
<b>Fund 800 - Capital Improvement Projects Fund</b>							
800 9010 JC Roadway Improvements	1,490,241	0	356	0.0 %	1,489,885	0	1,489,885
800 9102 Segunda Vida (Second Life) Start Up	25,000	0	0	0.0 %	25,000	0	25,000
800 9103 Closed Landfill Revenue Study	35,000	0	0	0.0 %	35,000	0	35,000
800 9318 CH 401/404 Improvements	85,745	5,170	91,453	106.7 %	(5,708)	58	(5,766)



# Salinas Valley Solid Waste Authority

## Consolidated CIP Expenditure Report

### For Period Ending December 31, 2014

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
800 9501 JC LFG System Improvements	56,286	0	127	0.2 %	56,159	1,002	55,158
800 9502 JC Flare Station Improvements	292,069	4,022	5,177	1.8 %	286,893	7,700	279,193
800 9503 JC Module 1 Horizontal Wells	118,280	464	2,017	1.7 %	116,263	45,382	70,880
800 9504 JC Module 456B Liner Improvements	10,642	0	461	4.3 %	10,181	0	10,181
800 9506 JC Litter Control Barrier	50,000	0	8,713	17.4 %	41,287	0	41,287
800 9701 SSTS Equipment Replacement	115,000	0	75,576	65.7 %	39,424	37,036	2,388
800 9702 SSTS NPDES Improvements	64,081	49,775	49,775	77.7 %	14,307	0	14,307
800 9703 SSTS Improvements	400,000	150,823	219,064	54.8 %	180,936	139,698	41,238
800 9803 Regional Solid Waste Study	25,000	0	25,000	100.0 %	0	0	0
<b>Total Fund 800 - Capital Improvement Projects</b>	<b>2,767,345</b>	<b>210,254</b>	<b>477,719</b>	<b>17.3 %</b>	<b>2,289,626</b>	<b>230,876</b>	<b>2,058,751</b>
<b>Total CIP Expenditures</b>	<b>6,920,956</b>	<b>883,239</b>	<b>3,253,973</b>	<b>47.0 %</b>	<b>3,666,983</b>	<b>352,067</b>	<b>3,314,916</b>

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13620	4IMPRINT, INC PROMOTIONAL MATERIAL	12/10/2014	1,241.73	1,241.73
13621	ADMANOR, INC BRANDING EDUCATION CAMPAIGN CENTRAL COAST RECYCLING MEDIA COALITION CAMPAIGN TIRE AMNESTY GRANT MARKETING	12/10/2014	4,240.00 3,187.50 2,042.50	9,470.00
13622	AIR TOXICS LTD LFG SAMPLES TESTERS	12/10/2014	1,880.00	1,880.00
13623	ASSURED AGGREGATES CO., INC RIP RAP	12/10/2014	3,340.47	3,340.47
13624	AT&T SERVICES INC TELEPHONE SERVICE MONTHLY ALL SITES	12/10/2014	745.86	745.86
13625	BRANDY ELLEN ACEVEDO RECYCLERAMA PERFORMANCES AND PRODUCTION	12/10/2014	853.79	853.79
13626	CA STATE BOARD OF EQUALIZATION USE TAX FOR 826H COMPACTOR	12/10/2014	31,840.00	31,840.00
13627	CALIFORNIA HIGHWAY ADOPTION CO. LITTER ABATEMENT	12/10/2014	550.00	550.00
13628	CARDLOCK FUELS SYSTEM, INC. SS TS VEHICLE DIESEL FUEL SS TS VEHICLE AND EQUIPMENT FUEL	12/10/2014	7,657.81 1,283.68	8,941.49
13629	CHRISTOPHER GIMINEZ WEBSITE SERVICE	12/10/2014	108.50	108.50
13630	CITY OF GONZALES JC HOSTING FEE	12/10/2014	20,833.33	20,833.33
13631	COAST COUNTIES TRUCK & EQUIPMENT CO. SS TS VEHICLE SUPPLIES	12/10/2014	386.01	386.01
13632	COMCAST MONTHLY INTERNET SERVICE	12/10/2014	155.15	155.15
13633	CSC OF SALINAS/YUMA SS TS EQUIPMENT AND VEHICLE SUPPLIES	12/10/2014	166.44	166.44
13634	DAVE J. DEERING SS & ADMIN JANITORIAL SERVICES	12/10/2014	1,830.00	1,830.00
13635	FEDEX OVERNIGHT SHIPMENTS	12/10/2014	58.04	58.04
13636	GEOLOGIC ASSOCIATES, INC. GROUNDWATER MONITORING SERVICES	12/10/2014	7,017.25	7,017.25
13637	GOLDEN STATE TRUCK & TRAILER REPAIR SS & JC EQUIPMENT MAINTENANCE	12/10/2014	6,971.13	6,971.13
13638	**VOID**	12/10/2014	-	-
13639	**VOID**	12/10/2014	-	-



**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13640	GRANITE ROCK CO/PAVEX SS TS PAVEMENT REHABILITATION PROJECT	12/10/2014	135,229.50	135,229.50
13641	GREENWASTE RECOVERY INC. CARPET DIVERSION PROGRAM	12/10/2014	200.00	200.00
13642	GUERITO MONTHLY PORTABLE TOILET SERVICE	12/10/2014	510.00	510.00
13643	HOME DEPOT FACILITY AND PROJECT SUPPLIES	12/10/2014	1,613.36	1,613.36
13644	HOPE SERVICES MATTRESSES RECYCLING	12/10/2014	4,170.00	4,170.00
13645	INTERSTATE MECHANIC TRUCKS, LLC 2005 FREIGHTLINER TRUCK & TRAILER - DEPOSIT	12/10/2014	59,665.00	59,665.00
13646	IVY CONTRERAS RECYCLERAMA PRODUCTION	12/10/2014	819.64	819.64
13647	JOHN DAVID ACEVEDO II RECYCLERAMA PERFORMANCES	12/10/2014	200.00	200.00
13648	JOSE RAMIRO URIBE SS TS VEHICLE REPAIRS	12/10/2014	219.11	219.11
13649	LAMAR BROS TIRE SERVICE, INC. LAMAR BROS. TIRE SERVICE	12/10/2014	35.00	35.00
13650	MANDY BROOKS OUTREACH EVENT SUPPLIES	12/10/2014	26.46	26.46
13651	MARCEL EQUIPMENT LIMITED 2005 CAT 826H COMPACTOR	12/10/2014	375,540.00	375,540.00
13652	MONTEREY SANITARY SUPPLY, INC. JANITORIAL SUPPLIES	12/10/2014	178.26	178.26
13653	NEXIS PARTNERS, LLC ADM BUILDING MONTHLY RENT	12/10/2014	8,709.00	8,709.00
13654	NEXTEL OF CALIFORNIA, INC CELL PHONE SERVICE	12/10/2014	423.49	423.49
13655	OFFICE DEPOT OFFICE SUPPLIES	12/10/2014	90.10	90.10
13656	ONE STOP AUTO CARE/V & S AUTO CARE, INC VEHICLE SMOG	12/10/2014	89.85	89.85
13657	PACIFIC GAS AND ELECTRIC COMPANY ELECTRICAL SERVICES ALL SITES MONTHLY	12/10/2014	5,702.49	5,702.49
13658	PURE WATER BOTTLING WATER SERVICE	12/10/2014	157.74	157.74
13659	QUINN COMPANY JC EQUIPMENT MAINTENANCE SS TS VEHICLE MAINTENANCE	12/10/2014	903.43 23.93	927.36
13660	ROBERT B GOMEZ RECYCLERAMA PERFORMANCES	12/10/2014	373.17	373.17

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13661	SALINAS STEEL BUILDERS, INC. SS TS & HHW BUILDING REPAIRS	12/10/2014	50,104.00	50,104.00
13662	SMOKEY KEY SERVICE KEY DUPLICATION SERVICES	12/10/2014	528.12	528.12
13663	TAYLOUR MATZ RECYCLERAMA PERFORMANCES	12/10/2014	213.46	213.46
13664	THE OFFSET PROJECT PROFESSIONAL SERVICES	12/10/2014	1,651.00	1,651.00
13665	URS CORPORATION CH CEQA SERVICES	12/10/2014	24,727.52	24,727.52
13666	VISION RECYCLING INC SS TS FILTREX SOXS GREENWASTE PROCESSING PROGRAM	12/10/2014	6,393.60 48,745.15	55,138.75
13667	WEST COAST RUBBER RECYCLING, INC TIRE AMNESTY TIRE RECYCLING SERVICES	12/10/2014	2,700.00	2,700.00
13668	ADMANOR, INC RECYCLING EDUCATION OCT	12/17/2014	2,905.95	2,905.95
13669	BECKS SHOE STORE, INC. SAFETY SUPPLIES	12/17/2014	174.42	174.42
13670	CALIFORNIA DEPARTMENT OF JUSTICE EMPLOYEE FINGERPRINT	12/17/2014	32.00	32.00
13671	CITY OF GONZALES JC HOSTING FEE	12/17/2014	20,833.33	20,833.33
13672	COSTCO WHOLESALE BD MTG REFRESHMENTS 11/20/14 OFFICE SUPPLIES	12/17/2014	49.54 84.47	134.01
13673	DAVE J. DEERING OFFICE CARPET CLEANING SS TS QUARTERLY FLOOR VARNISH	12/17/2014	290.00 350.00	640.00
13674	FERGUSON ENTERPRISES INC #795 PVC SUPPLIES	12/17/2014	3,397.07	3,397.07
13675	GOLDEN STATE TRUCK & TRAILER REPAIR F2200 VEHICLE SERVICE SS EQUIPMENT SERVICE SS TS FACILITY SUPPLIES	12/17/2014	283.50 17,429.28 178.50	17,891.28
13676	**VOID**	12/17/2014	-	-
13677	HERTZ EQUIPMENT RENTAL CORPORATION SS EQUIPMENT RENTAL	12/17/2014	777.60	777.60
13678	INFINITY STAFFING SERVICES, INC. SS TS DRIVER	12/17/2014	3,901.50	3,901.50
13679	JUAN C. RUIZ CH SUPPLIES	12/17/2014	600.00	600.00

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13680	JULIO GIL VEHICLE DECALS	12/17/2014	1,120.84	1,120.84
13681	MANDY BROOKS CLEANUP SUPPLIES	12/17/2014	19.50	19.50
13682	MARTA M. GRANADOS BOARD MEETING INTERPRETING SERVICES	12/17/2014	180.00	180.00
13683	MONTEREY BAY OFFICE PRODUCTS COPIER MACHINE LEASE	12/17/2014	257.90	257.90
13684	NEXIS PARTNERS, LLC ADM BUILDING MONTHLY RENT	12/17/2014	8,709.00	8,709.00
13685	OFFICE DEPOT OFFICE SUPPLIES	12/17/2014	86.95	86.95
13686	PACIFIC CREST ENGINEERING INC JC GEOTECHNICAL INVESTIGATION SS TS REHAB SERVICES	12/17/2014	3,850.00 5,170.40	9,020.40
13687	PAPE MATERIAL HANDLING, INC BOBCAT REPAIR CH EQUIPMENT SUPPLIES	12/17/2014	372.20 59.80	432.00
13688	PERSONAL AWARDS INC EMPLOYEE UNIFORMS	12/17/2014	7,203.75	7,203.75
13689	PINNACLE MEDICAL GROUP EMPLOYEE PHYSICAL	12/17/2014	306.00	306.00
13690	PLACEMENT PROS SS DIVERSION WORKER & CONTRACT LABOR	12/17/2014	3,368.65	3,368.65
13691	PROBUILD COMPANY LLC SS TS DIVERSION SUPPLIES	12/17/2014	35.62	35.62
13692	QUINN COMPANY SS EQUIPMENT SUPPLIES	12/17/2014	2,606.72	2,606.72
13693	RECOLOGY WASTE SOLUTIONS, INC JC WATER TRUCK	12/17/2014	4,500.00	4,500.00
13694	REPUBLIC SERVICES #471 TRASH DISPOSAL SERVICE	12/17/2014	67.81	67.81
13695	SMOKEY KEY SERVICE KEYS FOR WATER TRUCK	12/17/2014	32.40	32.40
13696	SUSAN WARNER WALLY WASTE-NOT COSTUME SUPPLIES	12/17/2014	31.28	31.28
13697	URS CORPORATION STORM WATER POLLUTION PLAN	12/17/2014	556.00	556.00
13698	VERIZON WIRELESS SERVICES, LLC CELL PHONE SERVICE	12/17/2014	119.03	119.03
13699	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION VEHICLE FUEL	12/17/2014	1,473.30	1,473.30

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13700	AT&T SERVICES INC TELEPHONE SERVICE MONTHLY ALL SITES	12/23/2014	315.90	315.90
13701	BANNER CREATIONS INC TABLE COVERS	12/23/2014	704.76	704.76
13702	BC LABORATORIES, INC SS LAB SERVICES	12/23/2014	220.00	220.00
13703	CALIFORNIA WATER SERVICE SS TS WATER SERVICE	12/23/2014	408.99	408.99
13704	CARDLOCK FUELS SYSTEM, INC. SS TS VEHICLE AND EQUIPMENT FUEL	12/23/2014	2,789.94	2,789.94
13705	CDW GOVERNMENT WEBSITE SOFTWARE	12/23/2014	690.00	690.00
13706	COAST COUNTIES TRUCK & EQUIPMENT CO. SS TS VEHICLE SUPPLIES	12/23/2014	1,359.81	1,359.81
13707	CSC OF SALINAS/YUMA JC EQUIPMENT SUPPLIES	12/23/2014	479.21	479.21
13708	CUTTING EDGE SUPPLY SS TS EQUIPMENT SUPPLIES	12/23/2014	234.57	234.57
13709	DBA ELECTRIC INC SS TS ELECTRICAL SERVICES	12/23/2014	4,406.50	4,406.50
13710	DLT SOLUTIONS INC AUTOCAD SUBSCRIPTION	12/23/2014	2,335.90	2,335.90
13711	EDWARDS TRUCK CENTER, INC SS TS VEHICLE MAINTENANCE SUPPLIES	12/23/2014	74.78	74.78
13712	FERGUSON ENTERPRISES INC #795 SS SUPPLIES	12/23/2014	512.03	512.03
13713	GOLDEN STATE TRUCK & TRAILER REPAIR SS & JC MAINTENANCE SERVICE	12/23/2014	5,719.62	5,719.62
13714	**VOID**	12/23/2014	-	-
13715	**VOID**	12/23/2014	-	-
13716	GREEN RUBBER - KENNEDY AG, LP SS TS FACILITY SUPPLIES	12/23/2014	200.82	200.82
13717	GREEN VALLEY INDUSTRIAL SUPPLY, INC SS TS SUPPLIES SS STORMWATER SUPPLIES	12/23/2014	49.25 74.22	123.47
13718	HD SUPPLY CONSTRUCTION SUPPLY, LTD BRANCH #6186 SS TS SUPPLIES	12/23/2014	64.80	64.80
13719	HERTZ EQUIPMENT RENTAL CORPORATION SS TS EQUIPMENT RENTAL	12/23/2014	1,122.39	1,122.39

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
13720	HOPE SERVICES SS TS DIVERSION SERVICES MATTRESSES RECYCLING	12/23/2014	9,470.16 2,274.00	11,744.16
13721	JOSE RAMIRO URIBE SS TS VEHICLE REPAIRS	12/23/2014	109.55	109.55
13722	L. A. HEARNE COMPANY CH WINTERIZATION SUPPLIES	12/23/2014	96.00	96.00
13723	MASKELL PIPE & SUPPLY, INC SS REHAB SUPPLIES	12/23/2014	223.14	223.14
13724	MONTEREY SANITARY SUPPLY, INC. JANITORIAL SUPPLIES	12/23/2014	210.18	210.18
13725	OFFICE DEPOT OFFICE SUPPLIES	12/23/2014	59.49	59.49
13726	PITNEY BOWES - POSTAGE POSTAGE	12/23/2014	1,000.00	1,000.00
13727	PLACEMENT PROS SS TS CONTRACT LABOR ADMIN I LABOR TEMP	12/23/2014	276.81 610.40	887.21
13728	PROBUILD COMPANY LLC SS SUPPLIES	12/23/2014	71.41	71.41
13729	RECOLOGY WASTE SOLUTIONS, INC JC MONTHLY OPERATIONS JC MONTHLY DIVERSION SERVICES	12/23/2014	167,928.00 8,577.58	176,505.58
13730	SALINAS VALLEY CHAMBER OF COMMERCE ANNUAL MEMBERSHIP	12/23/2014	235.00	235.00
13731	SCOTT W GORDON SEPTEMBER LEGAL SERVICES	12/23/2014	1,870.00	1,870.00
13732	SCS FIELD SERVICES ROUTINE ENVIRONMENTAL SERVICES MONITORING DATA ACCESS NON ROUTINE ENVIRONMENTAL SERVICES	12/23/2014	20,474.00 150.00 2,913.06	23,537.06
13733	THOMAS M BRUEN LEGAL SERVICES NOV 2014	12/23/2014	3,039.55	3,039.55
13734	US BANK CORPORATE PAYMENT SYSTEM FEDEX OFFICE - COPIES SERVERSUPPLY.COM - SERVER HARD DRIVE GFOA - WEBINAR REGISTRATION SALINAS TOYOTA - VEHICLE SUPPLIES HERTZ - VEHICLE RENTAL SNOW SIGNS: OUTREACH AND EDUCATION ELECTRICAL DISTRIBUTORS: SS TS SUPPLIES CALPELRA - CONFERENCE REGISTRATION CALPELRA - CONFERENCE REGISTRATION SMART & FINAL: OFFICE SUPPLIES MAINEVENT BUS: SHUTTLE SERVICE PHIL TAX: CONFERENCE TRANSPORT SMART AND FINAL -SUPPLIES NEWPIGCRP:STORMWATER SUPPLIES INTERMEDIA.NET: EMAIL EXCHANGE SERVER SMARTBUSINESSREPORTS.COM: CREDIT REPORT	12/23/2014	468.83 100.00 180.00 271.02 216.95 177.28 90.45 980.00 350.00 10.17 70.00 36.57 22.66 531.07 229.79 49.95	

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

Check #	Name	Check Date	Amount	Check Total
	SMARTBUSINESSREPORTS.COM: CREDIT REPORT		49.95	
	ACME CAR WASH		30.00	
	ORCHARD SUPPLY: HHW SUPPLIES		109.52	
	HYATT PLACE LODGING & PARKING		322.23	
	HYATT PLACE LODGING & PARKING		24.00	
	HUGHESNET.COM: JC INTERNET		91.54	
	MIKE'S PIZZA: BD MTG REFRESHMENTS		38.70	
	LOEWS HOTEL: CONFERENCE LODGING		1,091.50	
	SMART & FINAL: OFFICE SUPPLIES		77.49	
	CALPELRA - PARKING		21.00	
	PORTOLA HOTEL & SPA		38.00	
	COPYMAT: PLAN DUPLICATION		41.58	
	SERVERSUPPLY.COM - SERVER HARD DRIVE		146.12	
	CARRYGREEN.COM - PROMOTIONAL MATERIAL		4,310.00	
	US AIRWAYS: CONFERENCE TRAVEL		150.00	
	STEELTOESHOES.COM:SAFETY SUPPLIES		20.00	
	SALINASBLDMAT: SAND AND GRAVEL		725.69	
	SALINAS BLDMAT - SS TS SUPPLIES		32.36	
	SHARE FILE SUBSCRIPTION		32.95	
	SMART & FINAL: EC MEETING SUPPLIES		25.39	
	SMART & FINAL: OFFICE SUPPLIES		8.25	
	ORCHARD: SS STORMWATER SUPPLIES		86.38	
	ELECTRICALLDISTRIBUTORS: SS TS SUPPLIES		90.45	
	ORCHARD SUPPLY HARDWARE - SS TS SUPPLIES		200.50	
	SS TS LITTER NET REPLACEMENT SUPPLIES		296.05	
	STEEL TOE SHOES - SAFETY BOOTS		116.99	
	BREAKPOINT BOOKS: TRAINING MATERIAL		43.20	
	WALMART: BOARD MEETING SUPPLIES		5.48	
				12,010.06
13735	**VOID**	12/23/2014	-	-
13736	**VOID**	12/23/2014	-	-
13737	**VOID**	12/23/2014	-	-
13738	**VOID**	12/23/2014	-	-
13739	VISION RECYCLING INC	12/23/2014		
	C&D GRINDING SERVICES		4,685.36	
	GREENWASTE PROCESSING PROGRAM		43,938.45	
				48,623.81
13740	WASTE MANAGEMENT INC	12/23/2014		
	JR MONTHLY FACILITY OPERATIONS		59,252.78	
	REPUBLIC TO MADISON LANE WASTE		16,740.57	
				75,993.35
13741	WEST COAST RUBBER RECYCLING, INC	12/23/2014		
	TIRE AMNESTY TIRE RECYCLING SERVICES		1,100.00	
				1,100.00
13742	WESTERN EXTERMINATOR COMPANY	12/23/2014		
	FACILITY VECTOR CONTROL		351.50	
				351.50
13743	ADMANOR, INC	12/30/2014		
	BRANDING EDUCATION CAMPAIGN		5,905.00	
				5,905.00
13744	FIRST ALARM	12/30/2014		
	FACILITY ALARM SERVICE		758.64	
				758.64
13745	MONTEREY SIGNS, INC.	12/30/2014		
	ALUMINUM SIGNS FOR MRC		2,946.00	
				2,946.00
13746	QUINN COMPANY	12/30/2014		
	SS TS EQUIPMENT SUPPLIES		1,660.70	
				1,660.70
13747	TOYOTA MOTOR CREDIT	12/30/2014		
	VEHICLE LEASE		402.53	
				402.53

**Salinas Valley Solid Waste Authority**  
**Checks Issued Report for 12/1/2014 to 12/31/2014**

<b>Check #</b>	<b>Name</b>	<b>Check Date</b>	<b>Amount</b>	<b>Check Total</b>
DFT2015342	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION VEHICLE FUEL	12/1/2014	4,361.93	4,361.93
DFT2015364	WAGEWORKS FSA MONTHLY ADMIN FEES	12/17/2014	36.00	36.00
<b>SUBTOTAL:</b>				<u>1,313,247.22</u>
PAYROLL DISBURSEMENTS				389,079.22
DISBURSEMENTS FROM EQUIPMENT LEASE ESCROW ACCOUNT				177,160.26
<b>GRAND TOTAL</b>				<u><u>1,879,486.70</u></u>



SalinasValleyRecycles.org

SALINAS VALLEY SOLID WASTE AUTHORITY

## Report to the Executive Committee

ITEM NO. 3

Finance Manager/Controller-Treasurer

N/A

Legal Counsel

General Manager/CAO

**Date:** February 4, 2015

**From:** Patrick Mathews, General Manager/CAO  
Tom Bruen, Authority Counsel

**Title:** Local Agency Formation Commission (LAFCO)  
Report on Sphere of Influence for Monterey  
Regional Waste Management District  
(MRWMD)

### RECOMMENDATION

Staff recommends that the Executive Committee consider this report from LAFCO and provide staff with direction on an appropriate response for full Board consideration at its February 2015 regular meeting.

### STRATEGIC PLAN RELATIONSHIP

The recommended action is not directly related to SVR's Strategic Plan, but retains the opportunity for MRWMD to consider annexation in the future. This majority service area of the SVR watershed is critical to compliance with bond covenants and obligations, and waste recovery programs in-place and in-development under SVR's Strategic Plan.

### FISCAL IMPACT

This item has no immediate fiscal impact, but could impact existing and future waste recovery efforts and costs if future annexation efforts were undertaken. At the MRWMD's January 16, 2015, Board of Directors meeting, comments were made that affirmed the District's desire to continue importing wastes from outside their boundaries to support their revenue needs and future programs. North county waste was specifically identified in the LAFCO report as a possible additional wastestream for MRWMD.

Please note that the LAFCO letter and report specifically states that MRWMD is not currently contemplating annexation of SVR service areas within their Sphere of Influence. MRWMD also specifically requested elimination of any consideration of merger with SVR within the scope of services for the ongoing Solid Waste Study being conducted by the City Managers group.

The 2014 bond issuance included affirmation from each of SVR's members to direct their respective wastestreams to an SVR designated site for the term of the bond. This was done to ensure a revenue source sufficient to maintain the required revenue to debt ratio. Loss of revenue from loss of tonnage would jeopardize the ratio, could violate the bond covenants, and the County or any City member would still be responsible for their pro-rata share of the long term bond debt.

### DISCUSSION & ANALYSIS

In summary, the LAFCO letter to President Silva and the Board suggests that merger or annexations are still active objectives. This position by LAFCO relies heavily on the 1981 Solid



Waste Management plan that is no longer a valid planning document and has been replaced several times with the now current Integrated Waste Management Plan, last updated in 2009-10. The subsequent County General Plan in 1992 (excerpt attached) also contemplated consolidation into two major disposal sites, the MRWMD landfill near Marina and SVR's Johnson Canyon Landfill near Gonzales (current structure).

LAFCO's position also relies on the possibility that SVR and MRWMD may in the future enter into contracts for sharing of services, which is a discretionary decision of both Boards and not related to or dependent upon LAFCO's Sphere of Influence determination. Under LAFCO guidelines:

What is a "Sphere of Influence"?

*A Sphere of influence designates an agency's probable future physical boundary and service area. It is territory that a city or special district will annex in the future. It's also the area where local government will build facilities and deliver services sometime in the future.*

SVR retains full control, bond obligations and long term liabilities for all services within MRWMD's 1982 Sphere of Influence determination by LAFCO. It does not appear the LAFCO basis for retaining the MRWMD's Sphere of Influence is consistent with their regulatory guidelines for a Sphere of Influence. This raises the simple question: "Is there still a plan for future annexation of SVR service areas that is not known to SVR?"

## **BACKGROUND**

LAFCO prepares a Municipal Service Review and Sphere of Influence Study for each of its member jurisdictions or special districts every 5 years. With the MRWMD study set for completion in 2014, the SVR Board requested clarification from LAFCO as to the legal basis for maintaining the MRWMD Sphere of Influence within SVR boundaries that have existed for the last 18 years. The MRWMD Sphere of Influence was established in 1982 and includes all of North County and City of Salinas. However, in 1995, MRWMD rejected the County efforts to consider a MRWMD takeover of County solid waste facilities, including north county wasteshed and landfill facilities. A copy of the Board of Supervisors, September 12, 1995, staff report letter to this effect is attached for reference. This action directly resulted in the formation of the Salinas Valley Solid Waste Authority (SVR) in 1997 to assume regional operations of County and City of Salinas solid waste assets and programs for the entire Salinas Valley.

In 2002, MRWMD responded to the SVR Regional Solid Waste Facilities study option to again consider use of the MRWMD landfill for SVR disposal. A copy of the MRWMD letter of April 19, 2002, is included for reference. In that letter, MRWMD expressed opposition and local environmental concerns related to the SVR study option to utilize their landfill for future SVR disposal needs. As a result, this option was eliminated from further consideration and the SVR long range facilities plan was approved and implemented, including issuance of new debt to support the plan, limited expansion of SVR's Johnson Canyon Landfill, and planning to move forward with advanced technologies to eventually replace landfilling.

## **ATTACHMENT(S)**

1. LAFCO 2015 Municipal Service Review and Sphere of Influence Study for MRWMD
2. Excerpt from 1992 County General Plan, "Solid Waste Disposal"
3. Board of Supervisors Report regarding termination of partnering efforts with MRWMD and commitment to form SVR (SVSWA), 9/12/1995
4. MRWMD letter to SVR (SVSWA) commenting on Regional Facilities Study EIR, April 22, 2002

# LAFCO *of Monterey County*

## LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

**2015**

January 9, 2015

**Commissioners**

**Chair**

Steve Snodgrass  
*Special District Member*

**Vice Chair**

Sherwood Darington  
*Public Member*

Fernando Armenta  
*County Member, Alternate*

Louis R. Calcagno  
*County Member*

Matt Gourley  
*Public Member, Alternate*

Joe Gunter  
*Alternate, City Member*

Maria Orozco  
*City Member*

Warren E. Poitras  
*Special District Member, Alternate*

Ralph Rubio  
*City Member*

Simón Salinas  
*County Member*

Graig R. Stephens  
*Special District Member*

**Counsel**

Leslie J. Girard  
*General Counsel*

**Staff**

Kate McKenna, AICP  
*Executive Officer*

132 W. Gabilan Street, #102  
Salinas, CA 93901

P. O. Box 1369  
Salinas, CA 93902

Voice: 831-754-5838  
Fax: 831-754-5831

[www.monterey.lafco.ca.gov](http://www.monterey.lafco.ca.gov)

Elizabeth Silva, President  
Board of Directors  
Salinas Valley Solid Waste Authority  
P.O. Box 2159  
Salinas, CA 93902-2159

Subject: **Public Review Draft – 2015 Municipal Service Review and Sphere of Influence Study for the Monterey Regional Waste Management District**

Dear Board President Silva:

Thank you for your letter of April 17, 2014 providing background information about the Salinas Valley Solid Waste Authority (Authority), and requesting consideration of that information as part of LAFCO's Municipal Service Review and Sphere of Influence update for the Monterey Regional Waste Management District (District). Authority General Manager Patrick Mathews provided additional helpful information at a meeting last month with District General Manager William Merry and me. I appreciate the Authority's early participation in the LAFCO process, and this opportunity for dialogue.

I am pleased to enclose courtesy copies of the recently released draft LAFCO study of the Monterey Regional Waste Management District. Prepared by the staff of the Local Agency Formation Commission, the study is intended to comply with statutes that require periodic reviews and updates of the Spheres of Influence of cities and special districts, and that require a review of municipal services prior to updating an adopted Sphere. One of the identified issues is a partial overlap of the Authority's self-designated service area (1997) with the District's adopted Sphere of Influence (1982). An enclosed map shows the relationship of the District and Authority boundaries. The overlap issue is discussed in several places in the study (*Executive Summary, District History, District Boundaries and Sphere of Influence, and Future Challenges and Opportunities*).

To summarize the discussion, LAFCO staff do not propose or recommend changes to the Monterey Regional Waste Management District's 1982 Sphere of Influence, and no annexation is proposed or under discussion at this time. The study provides historical context and concludes that the District's original Sphere of Influence is still appropriate, even though the Authority now has existing operations and future plans in the North County Area and Greater Salinas Area of the District's Sphere. While the District and LAFCO respect the activities of the Authority, and no annexations are proposed, the overlap does not negate the long-term vision for a single, consolidated regional facility identified in the County of Monterey's 1981 Solid Waste Management Plan, and does not negate LAFCO's 1982 Sphere of Influence action which was based in part on that vision. The landfill facility's size, proximity to waste generation centers, and other advantages were also identified in the 1982 action. The overlap also does not negate the significant investments that the District has made, and is making, to develop and deploy regional facilities, services and programs. Some of the identified steps toward the County's regional vision have taken place, other actions are underway, and others are continuing to evolve.

In addition, it is important to maintain the District's Sphere of Influence to facilitate possible future provision of services to that area whether by contract or annexation, if requested by jurisdictions or citizens of the area. The Sphere of Influence is a flexible mechanism for this purpose. The County's 2012 action to initiate a withdrawal from the Authority's membership (rescinded in 2013) illustrates the potential for changing needs and the practical value of maintaining the status quo.

At this time, the Authority is invited to review and comment on the draft LAFCO study. I would be glad to attend an Authority Board meeting to provide a brief overview and answer any questions. The Local Agency Formation Commission will consider and act on recommendations in the study at its regular meeting on February 23. The meeting will take place at 4:00 p.m. in the Board of Supervisors Chambers, Monterey County Government Center, Salinas. The agenda packet will be available on February 19. Comments received through the close of the public comment period for this agenda item will be given consideration.

Again, thank you for the early participation by the Authority Board of Directors and General Manager in this LAFCO process, and for any comments you may have upon review of the draft study. Please feel welcome to contact me at (831) 754-5838 or 682-0157 at any time.

Sincerely,



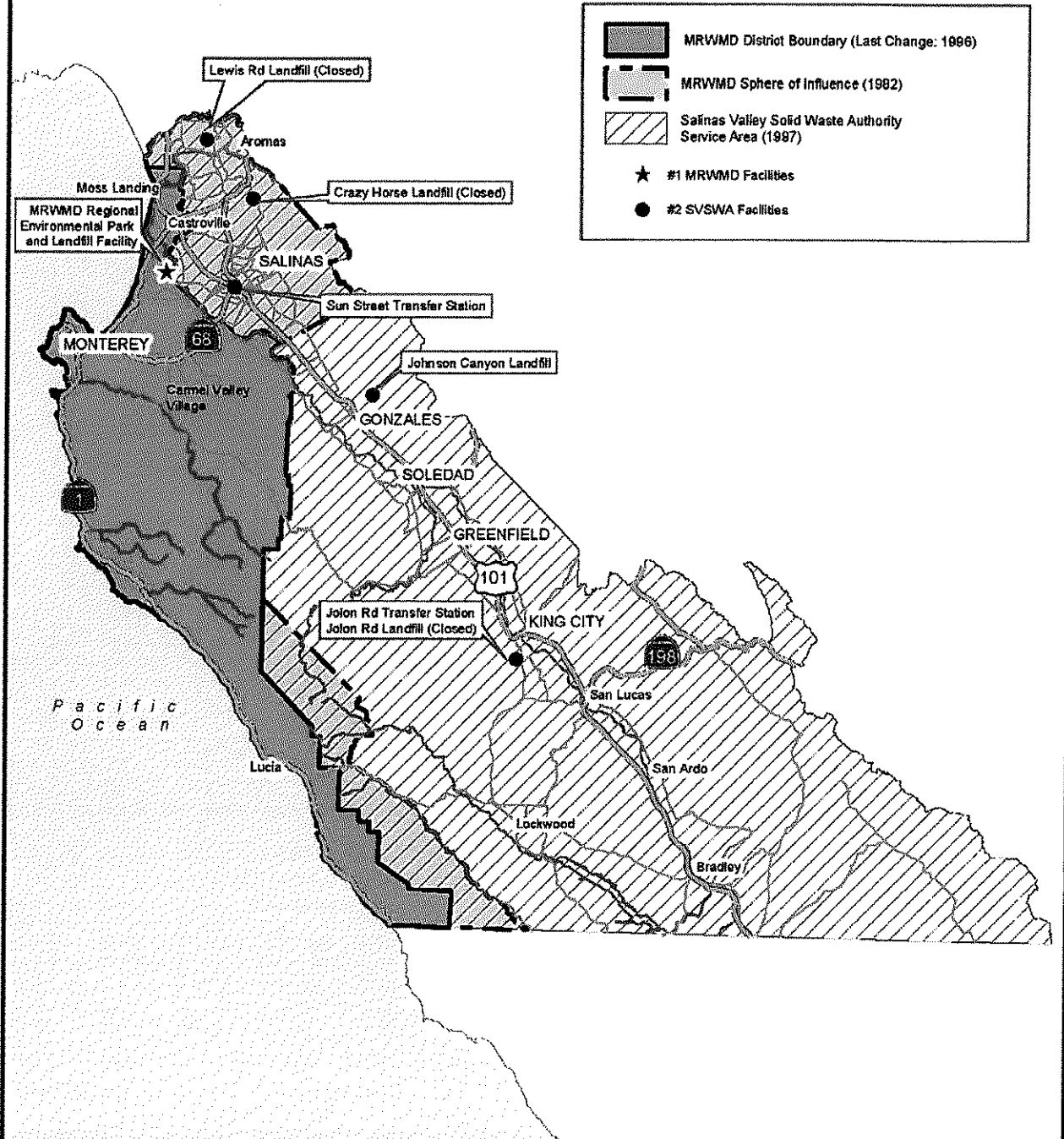
Kate McKenna, AICP  
Executive Officer

Enclosures:

- Map of the Monterey Regional Waste Management District and the Salinas Valley Solid Waste Authority (Figure 2 from the attached 2015 Public Review Draft Study)
- Letter from Elizabeth Silva, President, Salinas Valley Solid Waste Authority
- Public Review Draft – 2015 Municipal Service Review and Sphere of Influence Study for the Monterey Regional Waste Management District, January 9, 2015

cc: William M. Merry, Monterey Regional Waste Management District

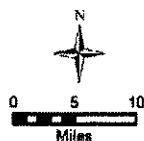
Figure 2: Monterey Regional Waste Management District and Salinas Valley Solid Waste Authority



**LAFCO of Monterey County**  
LOCAL AGENCY FORMATION COMMISSION

P.O. Box 1369  
Salinas, CA 95802  
Telephone (831) 754-5838

152 W. Cabildo St., Suite 102  
Salinas, CA 95901  
FAX (831) 754-5831



**MONTEREY REGIONAL WASTE  
MANAGEMENT DISTRICT &  
SALINAS VALLEY SOLID WASTE  
MANAGEMENT AUTHORITY**

Map Prepared: 8/8/2014



**Mission**

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

**Vision**

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

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

---

April 17, 2014

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Attn: Kate McKenna, Executive Officer

132 W. Gabilan Street, Suite 102

Salinas, CA, 93901

Subject: Sphere of Influence, Monterey Regional Waste Management District

Dear Ms. McKenna,

On behalf of the Salinas Valley Solid Waste Authority (SVSWA) Board of Directors, we are providing the following background information on the Salinas Valley Solid Waste Authority in conjunction with LAFCOs 5-year Municipal Service Review and Sphere of Influence Updates for the Monterey Regional Waste Management District (MRWMD).

The MRWMDs Sphere of influence was last approved in 1982, 15 years prior to the formation off the Authority in 1997. The current MRWMD Sphere of Influence includes several large areas of the Authority's service area including Salinas, North County and a portion of the south County along River road. A map of the MRWMDs current approved Sphere of Influence is included for your reference. Currently within the MRWMDs Sphere of Influence the Authority has many public service assets and operations including: Lewis Road Landfill, Crazy Horse Landfill and Sun Street Transfer Station. These facilities provide public services and/or revenue for SVSWA activities with further potential expansion of services and activities at these facilities under review as part of the Board of Director's Strategic Plan.

It is our understanding under LAFCO's definition of Sphere of Influence that it represents an agency's probable future physical boundary and service area. It is territory that a city or special district will annex in the future. It's also the area where local government will build facilities and deliver services sometime in the future.

As part of our 2014 bond refinancing Master Indenture and Waste Delivery Agreements, the Authority now includes other facilities outside of our service area as part of our "System". This language in the Master Indenture provides the Board with clear discretion to send materials or waste to other facilities under contract and that those facilities may be considered part of our System. However, annexation of portions of the Authority service area and the resulting relinquishment of waste flow control obligations would not be appropriate under our bond covenants.

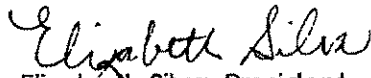
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[www.svswa.org](http://www.svswa.org)

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

We appreciate your consideration of this information as part of the MRWMDs 5-year Municipal Service Review and Sphere of Influence updates. Please feel free to contact our General Manager, Patrick Mathews at (831) 775-3000 if you need further information or assistance with this matter.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth Silva".

Elizabeth Silva, President  
Salinas Valley Solid Waste Authority

Attachment: MRWMD Sphere of Influence Map, 1982

# LAFCO *of Monterey County*

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LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Public Review Draft

## 2015 Municipal Service Review and Sphere of Influence Study:

### Monterey Regional Waste Management District

January 9, 2015

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## 2015 MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE STUDY FOR THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Monterey Regional Waste Management District – At A Glance	
<b>Formation Date</b>	1951, initially as the Monterey Peninsula Garbage and Refuse Disposal District
<b>Legal Authority</b>	Health and Safety Code, Sections 4100-4165
<b>Board of Directors</b>	The nine-member board includes a representative from each of the municipalities within the District boundaries, one to represent unincorporated Monterey County within the District, and a director-at-large. Board members are appointed to four-year terms.
<b>District Area</b>	The District encompasses 760 square miles, including the Cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Monterey, Pacific Grove, Sand City, and Seaside and the unincorporated areas of Big Sur, Carmel, Carmel Highlands, Carmel Valley, Castroville, Corral De Tierra, Laguna Seca, Moss Landing, Pebble Beach, San Benancio, and Toro Park.
<b>Sphere of Influence</b>	405 square miles beyond current District boundaries
<b>Population</b>	Approximately 149,400
<b>Agency Powers</b>	Responsible for the solid waste management, processing, and disposal of garbage and refuse (includes recycling). District may also operate and maintain garbage and refuse disposal sites and generate power.
<b>Budget (FY 2014-15)</b>	\$19,974,000 (operating and non-operating expenses, including long-term debt reduction); \$7,306,000 capital outlay for equipment and facility improvements
<b>Vision Statement</b>	“Turning Waste into Resources”
<b>Mission Statement</b>	“Turning Waste into Resources in the Most Cost-Effective and Environmentally Sound Manner to Benefit the Community”
<b>General Manager</b>	William Merry, P.E., B.C.E.E., General Manager
<b>Contact Information</b>	14201 Del Monte Boulevard, Marina, CA 93933-1670, (831) 384-5313
<b>Web site</b>	<a href="http://www.mrwmd.org">www.mrwmd.org</a>

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## EXECUTIVE SUMMARY AND RECOMMENDATIONS

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### Background and Purpose

This Municipal Service Review and Sphere of Influence Study provides information about the services and boundaries of the Monterey Regional Waste Management District. The report is for use by the Local Agency Formation Commission in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of Spheres of Influence of all cities and districts in Monterey County (Government Code section 56425). State law also requires that, prior to updating an adopted Sphere, LAFCO shall conduct a review of municipal services (Government Code section 56430). In addition, this report informs the general public about the nature, accomplishments and challenges of an entrepreneurial, successfully managed agency of regional importance.

### District Boundaries and Sphere of Influence

From its 1951 origins as the Monterey Peninsula Garbage and Refuse Disposal District, the Monterey Regional Waste Management District's boundaries have expanded through annexations to its current 760-square-mile area. The annexed territory covers most of the western side of Monterey County. Another 405 square miles beyond the District's current boundaries are designated as the District's Sphere of Influence, including North Monterey County, the Greater Salinas Area and a portion of the Big Sur Area. Please see Figure 1 for a map of the current District boundaries and Sphere of Influence. No changes are proposed or recommended at this time.

Established by LAFCO in 1982, the District's Sphere of Influence designation was based in part on the County of Monterey's 1981 Solid Waste Management Plan. The plan envisioned developing the Monterey Peninsula (Marina) landfill site into a regional facility that serves North Monterey County and the Greater Salinas Area, as well as the District's then-existing boundaries. This regional vision was based in part on the potential for a single, consolidated facility to develop and implement economies of scale in resource recovery and energy conversion. The landfill facility's size, proximity to waste generation centers, and other advantages were also identified in the Commission's 1982 action.

In establishing the District's Sphere of Influence, LAFCO recognized that evolution of the Monterey Peninsula (Marina) landfill into a single, consolidated facility to serve all or most of the District's Sphere would be a long-term process. Since 1982, some of the initial actions identified as likely steps toward the MRWMD landfill's eventual consolidation into a single facility for North County have occurred, including closure of the Crazy Horse Canyon and Lewis Road facilities. Other actions are underway and are continuing to evolve, such as the District's continuing development of large-scale, state-of-the-art waste reduction/diversion facilities and services at its Marina facility.

Other strengths originally identified in support of a consolidated Marina landfill facility—such as size and proximity to primary population centers, and thus waste-generation areas—remain relevant today. Substantial portions of the original Sphere of Influence have been annexed to the Monterey Regional Waste Management District in 1982 and 1996. Additional annexations and/or contracts to provide service may reasonably be anticipated in the future.

The District's rate of annexation into its northerly Sphere of Influence area may have been slowed by the 1997 formation of the Salinas Valley Solid Waste Authority, a Joint Powers Authority that currently provides solid waste services in northern and eastern Monterey County. The Solid Waste Authority is a voluntary-participation entity whose formation and service area are not subject to LAFCO regulation, but which is subject to Municipal Service Reviews and other informational studies by LAFCO. The Authority's self-designated service area includes areas of North Monterey County and the Greater Salinas Area – areas that are within the District's Sphere of Influence. As a result, formation of the Authority and its service area in 1997 resulted in an overlap with the District's Sphere of Influence.

Figure 2 illustrates the overlap of the Authority's service area (1997) with the District's Sphere of Influence (1982). LAFCO identified this overlap issue in Municipal Service Reviews prepared for the Monterey

Regional Waste Management District (2007) and the Salinas Valley Solid Waste Authority (2006). The issue was also raised in an April 2014 letter from the Solid Waste Authority to the LAFCO Executive Officer. The Authority questions whether the District's 1982 North County Sphere of Influence is still appropriate, given that the Authority now has existing operations and future plans in the same area.

While the District and LAFCO respect the activities of the Authority, and no annexations are proposed at this time, the overlap does not negate the long-term vision of the County's 1981 Solid Waste Management Plan and LAFCO's 1982 Sphere of Influence action, and the significant investments that the District has made—and is making—to develop and deploy regional facilities, services and programs. Future service changes and needs may be identified that will necessitate annexation or contract services in the District's Sphere of Influence. For example, the County of Monterey in 2012 issued a notice of withdrawal from the Authority, and then in 2013 rescinded that notice and decided to remain a conditional member of the Authority. A County condition of continued membership is a requirement for the Authority to participate in an independent study of countywide waste management and opportunities for greater efficiency. That study is now underway. If the County (or other member) withdraws from the voluntary Authority, the Monterey Regional Waste Management District is capable of providing vital solid waste service to affected residents in the 1982 Sphere of Influence area, potentially at a cost equal to or lower than current service costs. Accordingly, it is important to maintain the current Sphere to facilitate possible future provision of services to that area whether by contract or annexation, if requested by the citizens of the area.

### **District Facilities, Services, Capacity and Other Highlights**

The Monterey Regional Waste Management District provides comprehensive, state-of-the-art waste management services. The facility is located two miles northeast of Marina, in the Monterey Regional Environmental Park shared with the Monterey Regional Water Pollution Control Agency. In addition to a landfill with enormous capacity, this site features several important waste-reduction and waste-diversion facilities that implement the District's stated vision of "*Turning Waste into Resources*." These include an indoor materials recovery facility to divert recyclable and reusable materials from the waste stream; systems that use landfill gas to generate electricity, and an innovative, anaerobic digestion food scrap composting project. The District also provides green waste processing and composting, household hazardous waste collection, reusable materials resale and public outreach programs in support of its mission.

Landfill and waste-reduction and diversion components of the District's operations have adequate capacity to meet existing and likely future service needs within existing boundaries and in areas within the District's Sphere of Influence, in the event of annexations or new contracts for service. The District estimates its landfill to have a remaining site life of approximately 150 years. The estimated site life has been increasing in recent years, rather than decreasing, as the District has been implementing waste-reduction technologies and site improvements.

The District partners with the Monterey Regional Water Pollution Control Agency (MRWPCA). Both utilize methane as a biogas fuel to produce electricity. The MRWPCA's gas-generated electrical power is used to process wastewater into a valuable source of irrigation water. The District and the MRWPCA are in discussion about other opportunities for collaboration in the shared utilization of biogas and processing of food scraps. In addition, the District and the MRWPCA actively engage with the community through facility tours, public workshops, and outreach to schools. Both Boards have adopted "shared services" agreements.

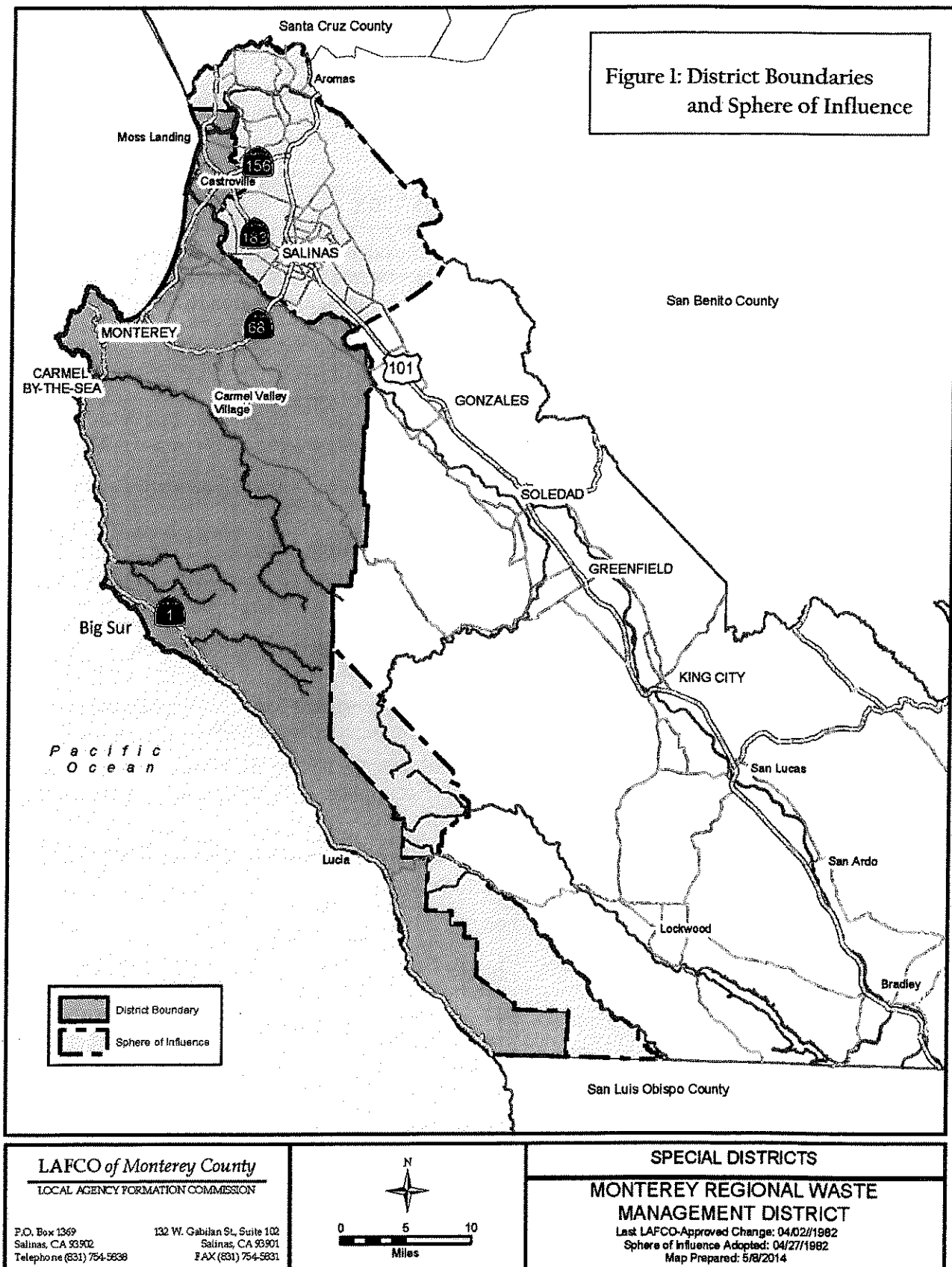
The nine-member Board of Directors of the Monterey Regional Waste Management District broadly represents its constituent communities. The District recently obtained a certification for excellence in meeting the highest standards of accountability, transparency and ethics. The Board and staff are committed to delivery of high quality services in a cost-efficient manner. The District's finances are stable and responsibly managed. It consistently operates in the black and its net assets are stable. The District has accumulated substantial cash reserves to cover operational emergencies and long-term capital improvements. The District is currently debt free, but has indicated that it plans to borrow funds in 2015 to finance planned capital improvements.

The District has the capability to address likely future challenges and state waste reduction mandates. Of the challenges identified and discussed in this study, the most salient is the issue of long-term sustainability of the District's revenue model – revenues rely heavily on landfill tipping fees, while the District's leadership in waste reduction and diversion is achieving the desired result of reducing landfill deposits. The District is exploring alternatives to the current revenue model. In the meantime, District finances remain stable and healthy.

With its past and present investments in comprehensive, state-of-the-art facilities such as the materials recovery facility, the Monterey Regional Waste Management District has the potential to develop a collaborative service delivery arrangement with the Salinas Valley Solid Waste Authority. The District and the Authority are currently participating in a comprehensive independent countywide study of solid waste streams and processes. That study may identify additional opportunities for shared facilities between the two waste management agencies.

### **Recommendations**

Based on determinations presented on pages 25 through 27 of this Municipal Service Review and Sphere of Influence Study, the Executive Officer recommends that the Commission conduct a public hearing and adopt a resolution: (1) finding this study exempt under California Environmental Quality Act Guidelines; (2) approving this study, (3) adopting the MSR and Sphere determinations contained in this report, and (4) affirming the Monterey Regional Waste Management District's currently adopted Sphere of Influence.



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## HOW THIS REPORT IS ORGANIZED

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This report presents a brief history of the District. It discusses the status of the District's boundaries and Sphere of Influence, and describes the District's facilities, services, needs and plans for expansion. It reviews the District's governance, community partnerships and finances. The report examines future challenges facing the District. It concludes with recommended determinations as required by the Cortese-Knox-Hertzberg Act, and with acknowledgements and source references.

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## DISTRICT HISTORY

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The Monterey Regional Waste Management District formed as the Monterey Peninsula Garbage and Refuse Disposal District in 1951. It formed after City leaders from Pacific Grove, Monterey, and Carmel united to petition the Monterey County Board of Supervisors to find a solution to the routine dumping and burning of waste on nearby coastal sand dunes. The District initially served a 75-square-mile area. The Monterey Peninsula Garbage and Refuse Disposal District purchased 570 acres north of Marina in 1966 as the site for the new Monterey Peninsula Landfill and received its first load of waste in 1965. The District changed its name to the Monterey Regional Waste Management District in 1987.

### Summary of Past LAFCO Actions

The following is a summary of past LAFCO actions related to the District's boundaries and Sphere of Influence.

1976: First LAFCO record of annexation of new territory (Marina Area).

1982: LAFCO establishes a Sphere of Influence for the District (Note: the District's Sphere has not changed since 1982).

1982: Annexation of North County and South County service areas, consistent with the District's adopted Sphere of Influence.

1996: Annexation of two separate areas near Castroville, consistent with the District's adopted Sphere of Influence. (No further boundary changes have occurred since 1996.)

2007: Adoption of LAFCO's original Municipal Services Review for the District. The 2007 Review included, on page 149, a brief discussion of the District's Sphere of Influence, and did not identify any recommended changes to the District's Sphere.

Two of these items—the 1982 Sphere of Influence designation and the 2007 Municipal Services Review—are discussed in more detail below.

### District's Sphere of Influence Designation (1982)

A Sphere of Influence is a LAFCO-designated area of territory that is outside a local agency's current boundaries but is planned for the agency's probable future boundaries and service area. LAFCO established the District's Sphere of Influence in March 1982. The District's Sphere of Influence includes the City of Salinas area and other areas in northern Monterey County and the Salinas Valley that are currently served by the Salinas Valley Solid Waste Authority. The District's Sphere also includes a sparsely populated area along the Santa Lucia Mountain Range in the Big Sur region.

In establishing the District's Sphere of Influence in 1982, LAFCO based its decision on the County of Monterey's 1981 Solid Waste Management Plan, which envisioned developing the Marina landfill site into a regional facility serving the greater Salinas area and the rest of North Monterey County as well as the District's then-existing boundaries.

*"The County's Solid Waste Management Plan discusses development of the Marina site into a regional facility. The plan looked at consolidation of the Salinas, Lewis Road and Fort Ord dump sites into the Marina site. This means the Marina site would service the entire North County Area." (1982 LAFCO Sphere of Influence Study, page 25)*



*"[T]he County's ultimate waste management goal... is to provide for a consolidated resource recovery and energy conversion program." (1982 LAFCO Sphere of Influence Study conclusions, page 36)*

This regional vision was based in part on the potential for a single, consolidated facility to develop and implement economies of scale in resource recovery and energy conversion. The Marina landfill facility's size, proximity to waste generation centers, and other advantages were also identified in the Commission's 1982 action.

*"The Marina site was selected as the regional site in the County [1981] Solid Waste Management Plan based on its size, accessibility to area waste generation centers, manageable water pollution problems, accessibility to potential energy markets, acceptable distance from potential materials markets, and favorable economic factors with increased scale of waste input." (1982 LAFCO Resolution 82-5, page 3)*

LAFCO's 1982 designation of the District's Sphere of Influence recognized that consolidation into a single landfill facility for all of North Monterey County would be a long-term process.

*"[T]he likelihood of a change of disposal site status in North Monterey County and thus a change in the district's service area in the next five years is minimal. Change in the district's service area within five to twenty years will most likely be based on the implementation of resource recovery techniques and further advancements in the field of waste disposal." (1982 LAFCO Sphere of Influence Study, page 27)*

#### **District's 2007 Municipal Service Review and Identification of Boundary Issue with the Salinas Valley Solid Waste Authority**

LAFCO's 2007 Municipal Service Review Study discussed the District's services, boundaries, and Sphere of Influence. This Study affirmed the District's infrastructure capacity and capabilities, management efficiencies, and accountability/governance. It identified no deficiencies and recommended maintaining the District's current Sphere of Influence.

The 2007 Study noted that the District's Sphere covers a broader area than the District's service area, and that no annexation proposals were anticipated at that time. It referenced the possibility of the District eventually serving the North Monterey County's waste management needs, particularly upon closure of the Crazy Horse Landfill northeast of Salinas. That landfill closed in 2009.

The 2007 Study also identified that the District's Sphere overlaps with service area of the Salinas Valley Solid Waste Authority, a Joint Powers Authority that serves the Salinas Valley area and northern Monterey County. This overlap, created by the Authority's formation in 1997 without LAFCO regulation or oversight, was identified as an issue. While LAFCO's 2007 Study did not recommend any changes to the District's 1982 Sphere of Influence, it did recommend consulting with the Solid Waste Authority to discuss the overlap issue (2007 Municipal Service Review, page 148). The overlap issue is further discussed in the District Boundaries and Sphere of Influence section, below.

Exercising its authority to study a Joint Powers Authority, LAFCO also prepared a Municipal Service Review for the Salinas Valley Solid Waste Authority in 2006 to understand the nature of the JPA and its relationship to the Monterey Regional Waste Management District. The 2006 study noted that SVSWA was in the process of securing a site for development of long-term capacity expansion, and made several references to future opportunities for sharing resources with the Monterey Regional Waste Management District.

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## DISTRICT BOUNDARIES AND SPHERE OF INFLUENCE

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### Introduction

LAFCO's designation of the District's Sphere of Influence in 1982 recognized that evolution of the District's Marina landfill into a single, consolidated facility to serve all of the District's Sphere would be a long-term process.

- “[T]he Salinas-Crazy Horse Canyon landfill and the Lewis Road Disposal sites have many years of remaining life. Consolidation of the dump sites will probably not be considered until their lives have been completely utilized.” (1982 LAFCO Sphere of Influence Study, page 26)
- “[T]he likelihood of a change of disposal site status in North Monterey County and thus a change in the district's service area in the next five years is minimal. Change in the district's service area within five to twenty years will most likely be based on the implementation of resource recovery techniques and further advancements in the field of waste disposal.” (1982 LAFCO Sphere of Influence Study, page 27)

Significant progress has been made, and is ongoing, to implement the actions identified in 1982 as likely steps toward the MRWMD's eventual consolidation into a single facility for the entire District including its Sphere of Influence. For instance, the Crazy Horse Canyon and Lewis Road facilities are now closed. Also, the District is continuing to develop and deploy large-scale, state-of-the-art waste reduction/diversion facilities and services at its Marina Site. For example, District operations now include a materials recovery facility, landfill gas to energy, an anaerobic digester, a comprehensive food scrap compost program, and other systems that are discussed in the Facilities, Services and Programs chapter of this Study. Other strengths identified in 1982 in support of a consolidated Marina facility—such as size and proximity to primary population centers (and thus waste-generation areas) — also remain relevant today.

At this time, the District is not proposing to modify its existing Sphere of Influence or boundaries (Figure 1). It believes it is important to maintain the current Sphere to facilitate possible future provision of services to that area whether by contract or annexation, if requested by the citizens of the area.

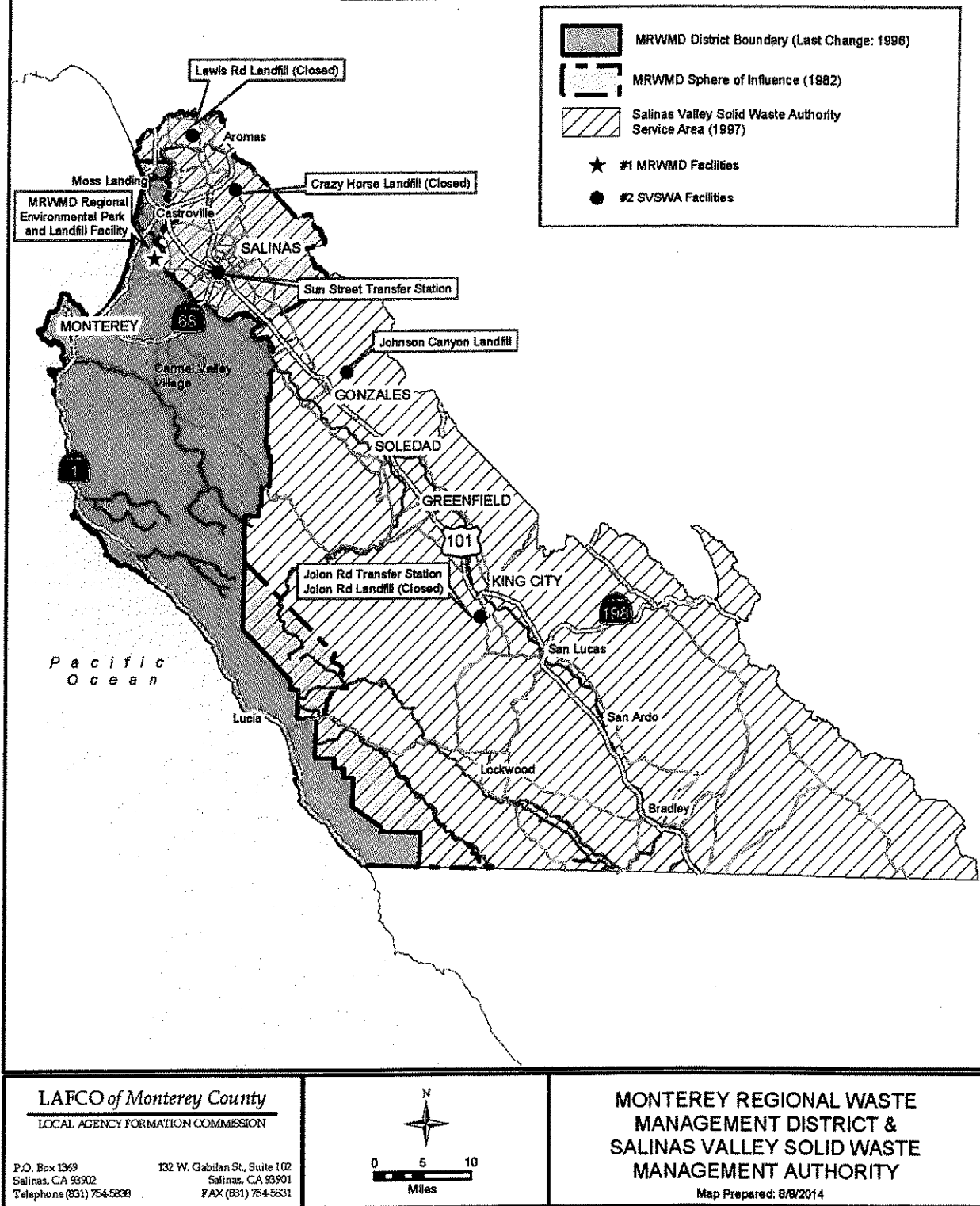
### Discussion of Boundary “Overlap” Issue with the Salinas Valley Solid Waste Authority

Creation of the Salinas Valley Solid Waste Authority was not foreseen in 1982. As a Joint Power Authority formed in 1997 outside of the Cortese-Knox-Hertzberg Act and without LAFCO oversight, the Authority's self-determined service area overlaps with a portion of the District's Sphere of Influence. Please see the illustrative map in Figure 2. This overlap created the potential for conflict. It also creates opportunities for cooperation.

In an April 2014 letter from its Board of Directors to the LAFCO Executive Officer, the Salinas Valley Solid Waste Authority questioned whether the District's North County Sphere of Influence is still appropriate, given that the Authority has existing operations and future plans in the same area. As discussed above, the District's Sphere of Influence predated the Solid Waste Authority's formation by 15 years. The present-day overlap in the Authority's service area and the District's Sphere of Influence was the result of formation of the Joint Powers Authority. The overlap does not negate the long-term vision of the County's 1981 Solid Waste Management Plan, and the significant investments that the District has made, and continues to make, to develop and deploy regional facilities, services and programs.

While the District does not intend to annex the Sphere of Influence area at this time, it may initiate the annexation process in the future. Also, future service changes and needs may be identified that will necessitate annexation or contract services in the District's Sphere of Influence. For example, if the County of Monterey (or other member) withdraws from the voluntary Authority, the Monterey Regional Waste Management District is capable of providing vital solid waste services to affected residents. As noted above, the Solid Waste Authority's formation took place outside the LAFCO process, and resulted in the present-day overlap in the Authority's service area and the District's Sphere of Influence. The District respects the Authority's right to currently serve areas that overlap with the District's Sphere of Influence,

Figure 2: Monterey Regional Waste Management District and Salinas Valley Solid Waste Authority



outside of the District boundaries. However, the District also intends to preserve its Sphere of Influence and its options to annex all or part of the area, or to provide contractual service to all or part of the Sphere area.

In 2014, the Monterey Regional Waste Management District and its member jurisdictions, along with the Salinas Valley Solid Waste Authority and its member jurisdictions, engaged an engineering firm to prepare a comprehensive evaluation of the current countywide solid waste management system and potential service improvements and efficiencies. The consultant's preliminary report is expected in 2015 and is further discussed in the Future Opportunities and Challenges section of this Study (below).

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## POPULATION AND GROWTH

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As of 2015, the current population within the District's annexed boundaries is approximately 149,400. The population in the North County portion of the District's Sphere of Influence is 191,000, most of which is within the City of Salinas. The southern portion of the District's Sphere, on the inland side of the coastal mountains of Big Sur, is almost uninhabited, with a population estimated to be fewer than 20 persons outside of current District boundaries.

Population growth rate is one of several variables affecting the longevity of the District landfill and, consequently, its future ability to serve member agencies. Slower-than-expected rates of actual and projected population growth in the District's current boundaries and Sphere of Influence suggest that solid waste volume growth, as a result of population growth, is not currently a significant challenge to the District's outlook.

The District's current site-life estimate of approximately 150 years includes a population growth factor of 1%. According to the Association of Monterey Bay Area Government's (AMBAG), between 2000 and 2010 the countywide population grew by a total of only 3.3% for the entire decade, equating to a 0.1% compound annual growth rate. In June 2014, AMBAG adopted an update to its Regional Growth Forecast. As of 2014, the currently projected 2010-2035 countywide population increase is 19.3% (a 0.7% compound annual growth rate). The currently projected annual growth rate for the seven incorporated cities within the District's current boundaries is somewhat higher: 21.5%, or approximately 0.8% per year.

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## FACILITIES, SERVICES, AND PROGRAMS

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### Facilities

The District's facility is located about two miles northeast of the City of Marina. The site includes a 315-acre sanitary landfill site, a 126-acre buffer area, and 20 acres for the District's resource recovery facilities, administrative offices, board chambers, and maintenance buildings; see Figure 3. The District's facility is located at the Monterey Regional Environmental Park, where the District shares facilities and services with the Monterey Regional Water Pollution Control Agency.

**Landfill:** The District's landfill has a design capacity of approximately 84 million cubic yards. The remaining landfill waste capacity is approximately 72 million cubic yards, or approximately 86% of the site's capacity remains available. The District estimates its Monterey Peninsula (Marina) landfill to have a projected remaining lifespan of approximately 150 years. With physical site enhancements such as the Module Five landfill cell completed in July 2013, as well as continually increasing diversion rates, the landfill's projected lifespan has steadily increased over the years rather than decreasing. For example, in 1982 its lifespan was estimated to be 40 years. This is the case even after closure of the nearby Crazy Horse Canyon and Lewis Road landfills in the early 2000s, and with the Marina landfill also now receiving additional solid waste streams from outside Monterey County. (The landfill accepts haul loads from Santa Cruz and Santa Clara Counties, in addition to solid waste generated within the District).

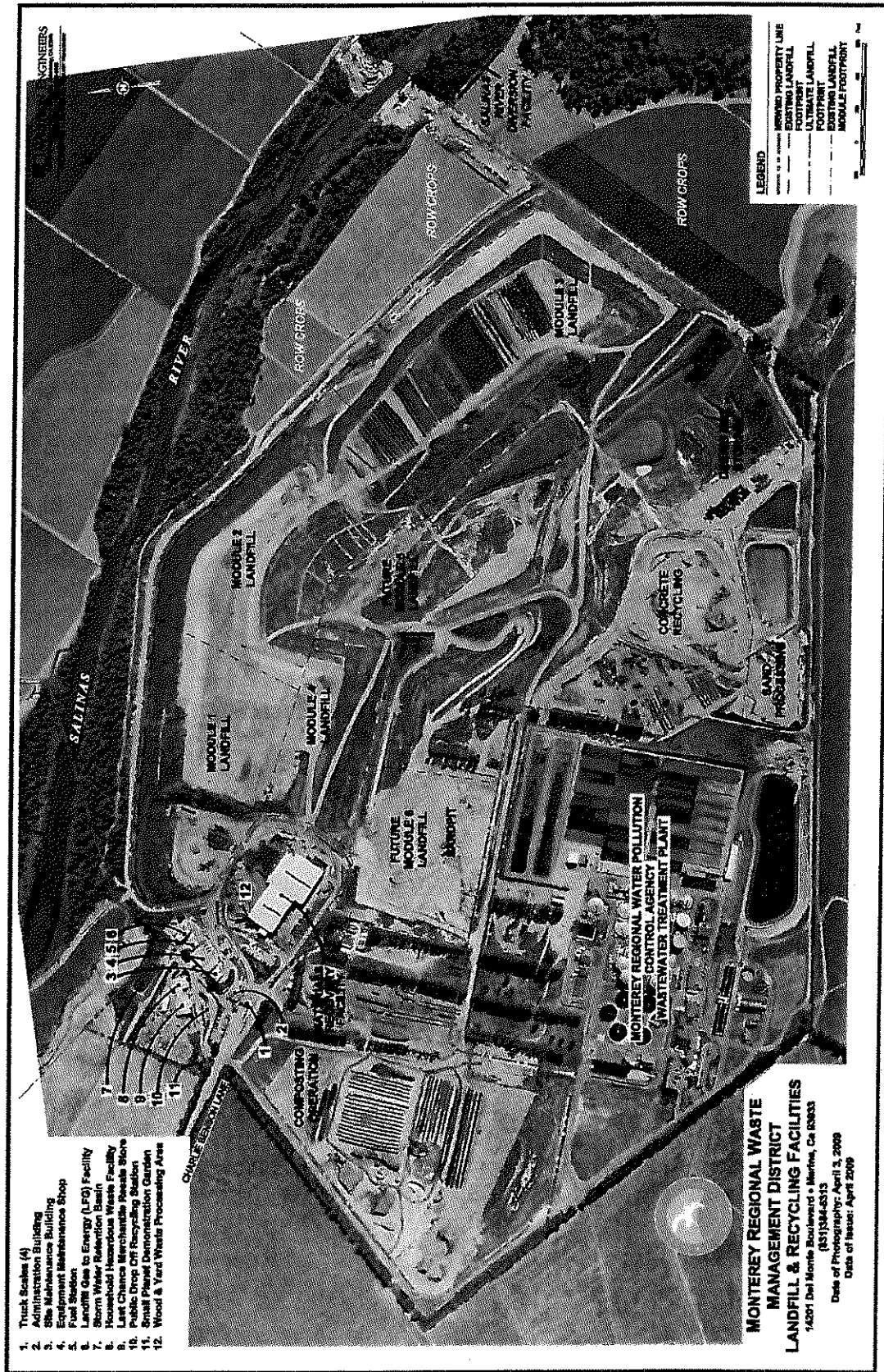
Various factors affect the actual site life of a landfill. As diversion rates rise with the advent of new technologies and legislative requirements, less of the waste stream goes to the landfill, continually increasing its projected lifespan. Other factors are variations in the rate of population growth in the service area, strength of the economy affecting commercial and agricultural waste generation rates, changes in waste generation rates due to fluctuations in source reduction and recycling volumes, and volumes of solid waste accepted from areas beyond Monterey County.

**Resource Recovery Facilities:** A modern, comprehensive solid waste management facility is much more than a landfill disposal site. In keeping with the District's vision statement, "*Turning Waste into Resources*," the District and its facility employ state-of-the-art waste reduction, diversion, and reuse systems and techniques. The District's primary innovative waste management facilities include:

- **Materials Recovery Facility (MRF):** This indoor facility, which opened in 1996, is a specialized plant for community waste processing, recycling and reuse. The MRF processes more than 70,000 tons of "dry mixed waste" each year that arrives in debris boxes, dumpsters, pick-up trucks, and trailers. The MRF also receives clean loads of source-separated green waste and wood scraps, the raw materials for making compost and wood chips. The MRF separates commingled reusable/recyclable materials and prepares them for sale to customers.

The facility's development responded to the 1989 Assembly Bill 939 mandate for California cities and counties to reduce their waste by 50% by the year 2000. As of the end Fiscal Year 2013/14, the District's on-site diversion rate was approximately 29%, with the MRF accounting for approximately 46% of the total diversion achieved by the member agencies of the District. The total diversion achieved by the member agencies of the District as measured by AB 9393 accounting ranged between 65% and 75%. With passage of AB 341 in October 2011, the statewide diversion goal increased to 75% by 2020. To address this new mandate, District staff is preparing for a \$21 million improvement project that will enable its facility to recover 75% or more of the mixed waste stream arriving from self-haul, commercial and multi-family sources, in addition to continuing to process the construction/demolition and self-haul loads it now receives, and is projected to enable the District member agencies to be in full compliance with the State's AB 341 diversion goal of 75% by 2020.

Figure 3: District Landfill and Recycling Facilities



(Source: MRWMD)



- **“Landfill Gas to Energy” Facility:** In 1983, the District developed and began operating one of the nation’s first landfill gas-to-electric energy plants at its facility. The process of capturing methane (“landfill”) gas begins after organic waste deposited into the landfill is digested by anaerobic bacteria. The bacteria produce methane gas, which is recovered via a series of wells placed into the landfill. The wells are connected by a pipe system that creates a vacuum and induces the gas into a compression facility. After further refining, the gas is pumped into internal combustion engines, powering four engine/generators to make electricity.

The District’s four generators now provide approximately five megawatts (MWs) of clean alternative power, meeting all of the District’s own power needs and electrical power equivalent to the needs of 4,000 residences. The carbon savings realized from using this amount of landfill gas for power, rather than fossil fuel-generated power, is equivalent to removing emissions from an estimated 33,760 vehicles. The District sells excess power generated from this project to Pacific Gas and Electric (PG&E) and other power purchasers. Revenues from this project have generally exceeded expenses. In the future, the District intends to process methane gas into compressed natural gas (CNG), some of which may be used to fuel some or all of the collection fleet that hauls solid waste to the District facility.

In July 2014, the District authorized a contract for approximately \$4 million in improvements to expand the Landfill Gas project’s capabilities from 5 to 8 MWs. District staff are also working with PG&E to upgrade the project’s utility connections in preparation for additional Landfill Gas-based power generation.

- **“SmartFerm” Anaerobic Digestion Fermentation System:** In 2013, the District began, on a pilot basis, to operate the first U.S.-based application of SmartFerm anaerobic digestion technology. SmartFerm is a state-of-the-art, trademarked system, comparable in size and appearance to four large shipping containers. The process uses microorganisms in an airtight chamber to harvest the energy value of organic materials (in this case, a 70-30 mix of food scraps and landscape trimmings) over a 21-day cycle, prior to composting. The District obtains food scraps through its Monterey Regional Compost Program, described below.

The SmartFerm facility can convert up to 5,000 tons of waste per year into “digestate” (the organic material), which is then removed and further composted) and methane gas. The methane gas is then combusted to produce enough electricity to power approximately 25 homes. The electricity produced is supplied to the Monterey Regional Water Pollution Control Agency’s regional wastewater treatment plant, providing 10% of the wastewater treatment plant’s power needs.

### Community Partnerships

The District’s **Landfill Gas to Energy Project** and **SmartFerm System** are examples of partnerships with private entities and a local public agency. Each of these projects provides a benefit, in the form of renewable electric energy. The adjacent Monterey Regional Water Pollution Control Agency (MRWPCA) then uses the provided electrical power to process wastewater into an irrigation water source for Castroville-area agriculture.

The District and the MRWPCA have also discussed the possibility of sharing some administrative or other personal services in the future.

The District also partners with other private entities such as Zero Waste Energy, the Keith Day Company, and the Offset Project to develop and carry out District facilities and programs.

In addition, the District actively engages with the community through facility tours, public workshops, and outreach to schools, as discussed in the Public Education subsection, below.

### Services and Programs

Diversion of waste from the landfill has long been a priority of the District board. With the advent of commercial recycling and other innovative programs—several of which have received statewide and national recognition—the District is moving forward toward meeting the AB 341 statewide goal of 75% diversion by 2020. The District’s services and programs include:

- **“Organics to Energy” - The Monterey Regional Compost Program:** The District offers a regional program that diverts food and other compostable organic “waste” from landfill disposal, turning organics into two resources: energy and compost. Through this program, participating businesses and institutions diligently separate food scraps and certified compostable food items and byproducts from their waste streams. These items are picked up by local haulers, inspected for contamination at the District’s Marina site, mixed with mulch, and loaded into an anaerobic digestion unit (see **SmartFerm System** description, above). Inside, biogas (methane) is released and used as fuel to produce electricity. After 21 days, the organic “digestate” is removed and finishes composting for the next 60-90 days in nearby windrows. It is then screened to remove any remaining contaminants and sold to agricultural users such as local vineyards.

In its first year of operation, this program has diverted 3,325 tons of food scraps and 1,425 tons of green waste, and produced more than 500,000 kilowatt-hours of electricity for use by the MRWPCA’s nearby wastewater treatment plant, as well as 4,400 tons of high-quality soil amendment for sale. As of June 2014, 24 large and small food service operations are contributing food scraps to the program. Participants include several major institutions such as the Monterey Bay Aquarium, Community Hospital of the Monterey Peninsula, California State University Monterey Bay, University of California Santa Cruz, and Asilomar Conference Grounds. [www.organicstoenergy.org](http://www.organicstoenergy.org)

Residential food scrap collection is not envisioned in the short term as co-collecting food scraps with green waste would devalue the high grade compost product produced at the MRWMD from green waste. Analysis of residential food scrap programs in other areas has shown that increase in diversion has been negligible following program implementation. Staff recommends that a pilot project be conducted locally in the next 3 years to better evaluate the potential of residential food scrap diversion co-collected with green waste. Finally, the planned MRF Improvements scheduled to be operational by mid-2016 is designed to recover organics from the mixed waste stream.

- **Green Waste (Yard Waste):** Through a contract with the Keith Day Company, the District produces several landscape products for sale to the public including: OMRI (Organic Materials Review Institute) listed organic compost, top soil, potting soil, and wood chips/mulch. The mulch is made using an electric grinder, powered by electricity that the District produces through the landfill gas renewable energy program.
- **Household Hazardous Waste (HHW):** The District receives approximately one million pounds of chemical and solid HHW and electronic waste annually from local residents and small businesses. Sixty percent of the HHW collected, primarily paint, is made available for reuse free of charge to District residents at the Last Chance Mercantile. The facility can receive household batteries, fluorescent bulbs, and “over the counter” medications and medical sharps.
- **Last Chance Mercantile:** This resale store is located in a 7,000-square-foot building and paved two-acre yard at the District’s Marina facility. The store offers convenient and free drop-off for reusable goods as an alternative to landfill disposal. The store also receives more than 800 tons of salvaged reusable goods from the materials recovery facility each year. Free ewaste collection is also offered along with a buyback center for California Redemption Value beverage containers. Financing for the building was included as part of the original financing for the Materials Recovery Facility, landfill gas building, and other site improvements. Builders who donate items to Last Chance Mercantile can receive credit toward meeting CalGreen or LEED waste diversion requirements.
- **Public Education:** The District offers tours of the landfill and Materials Recovery Facility by appointment to members of the public and student groups residing or operating in the District’s service area. The District’s Small Planet School Education Program provides education to thousands of local students, Elementary to postgraduate, on waste reduction, reuse and recycling. The District also offers a variety of free workshops throughout the year to members of the public. Most workshops are focused on green gardening topics, such as home composting. The District sells home composting supplies at the Last Chance Mercantile, the costs of which are subsidized for those living within the District’s service area.



### District Recognition

The District strives to be at the forefront of innovation in waste reduction and recycling. In 1998, the Solid Waste Association of North America recognized the District with its Best Integrated Solid Waste Management System in North America award. In 2014 alone, the District received the following awards:

- Breathe California Central Coast's 2014 Clean Air Award, Technology Category (May 2014),
- California Resource Recovery Association's Dave Hardy Leadership in Organics Award (August 2014),
- Solid Waste Association of North America's Gold Excellence Award in Composting (August 2014),
- California Special District Association. Innovative Program of the Year Award for a Large District (October 2014),
- Solid Waste Association of North America, California Gold Rush Chapter Outstanding Public Agency Award (October 2014),
- Solid Waste Association of North America, California Gold Rush Chapter Municipal Member of Year - Tim Flanagan (October 2014), and
- Special District Leadership Foundation District Transparency Certificate of Excellence Recipient (September 2014).

The District's 2014 awards were based primarily on the District's innovative SmartFerm and Organics-to-Energy programs described above.

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## GOVERNANCE / TRANSPARENCY AND ACCOUNTABILITY

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### Governance

The District is an independent special district and governed by a nine-member Board of Directors. The Board is comprised of a representative from each of the seven cities within the District boundaries, plus one to represent unincorporated areas of the District, and a director-at-large. Board members are appointed to four-year terms. The Board maintains standing Finance and Personnel Committees, plus a Technical Advisory Committee that meets on an as-needed basis.

### Transparency and Accountability

The District conscientiously meets and exceeds compliance with all State requirements for transparency and public accountability. It maintains a comprehensive web site ([www.mrwmd.org](http://www.mrwmd.org)) with links to current and past meeting agendas, agenda packets, meeting minutes, annual budgets, audited financial statements, and annual reports. Regular Board meetings are typically held on the third Friday of the month at 9:30 AM at the District's offices. District personnel post agendas and agenda packets for upcoming meetings on the District's web site and outside the District Office. Each Board meeting has a time on the agenda reserved for public comments. The Board limits closed session discussions to issues allowed by State law.

In September 2014, the Monterey Regional Waste Management District received the prestigious District Transparency Certificate of Excellence from the Special District Leadership Foundation (an independent non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation and other recognition programs). The Certificate of Excellence is intended to promote public transparency in the operations and governance of special districts. The program provides agencies with an opportunity to showcase their achievements in meeting and exceeding minimum legal requirements for governmental transparency.

In order to obtain this certification, the Monterey Regional Waste Management District documented its compliance with current minimum legal requirements related to:

- Current ethics training for all Board members,
- Brown Act compliance,
- Adoption of an expense reimbursement policy,
- Annual disclosure of reimbursements,
- Timely filing of financial transaction reports, including compensation, disclosure, to the State Controller, and
- Conducting of annual audits.

Beyond these minimum requirements, Transparency Certificate recipients have adopted policies about financial reserves, conflicts of interest, ethics, and handling Public Records Act requests. The certificate program also requires an agency's web site to provide specific and detailed current and archival information, and includes other stringent requirements related to outreach and best practices.

## FINANCES

### Operating Revenues and Expenses

The District's adopted Budget for Fiscal Year 2014-15 includes estimated revenues of \$21.1m. Sources of anticipated revenue include tipping fees (81%), landfill gas-to-energy sales (9.5%), other sales<sup>1</sup> (8.6%), and miscellaneous revenues (< 1%).

The District's \$19.4m in operating expenses budgeted for Fiscal Year 2014-15 occur within 20 separate accounts. The District's largest operating expenditure categories include Wages (36.0%), Benefits (17.5%), Amortization/ Depreciation (13.3%), and Repairs/Maintenance (9.3%).

The District's adopted 2014-15 budget projects a 12.6% increase in revenues compared to the 2013-14 budgeted amount, with a 3.2% increase in operating expenses. The increased income is primarily a result of increases in various types of solid waste tonnage coming into the District's landfill, along with increased tipping fees.

### Non-Operating Revenues and Expenses

Non-operating revenues (such as interest income and leases) and expenses (e.g., revenue bond interest payments) represent a small proportion of the District's budget. The District's increased non-operating expenses in the 2014-15 budget, compared to 2013-14, largely reflect reduction of long-term debt; specifically, a \$250,000 revenue bond payment to fund infrastructure improvements.

### Net Income

At the end of Fiscal Year 2013-14, the District's actual operating revenues and expenses were each higher than originally budgeted at the beginning of the fiscal year. However, the 17% increase in actual (vs. budgeted) operating revenues was much higher than the corresponding 1.3% increase in operating expenses, resulting in a much higher than expected FY 2013-14 net income.

The adopted FY 2014-15 budget anticipates a year-end \$1,511,000 net income that is substantial but is less than the 2013-14 actual amount.

Table 1, below, presents an overview of recent and budgeted District revenues, expenses, and net income.

<b>Table 1</b> <b>Monterey Regional Waste Management District:</b> <b>Income Budget Summary</b> <b>Fiscal Years 2012-13 through 2014-15</b>				
	2012-13 (audited)	2013-14 (budgeted)	2013-14 (actual)	2014-15 (budgeted)
<b>Operating Revenues</b>	\$20,634,277	\$18,745,000	\$21,927,743	\$21,100,000
<b>Operating Expenses</b>	(18,922,937)	(18,818,000)	(19,070,481)	(19,424,000)
<b>Non-Operating Revenues (Expenses)</b>	(930,765) <sup>2</sup>	95,000	113,878	(165,000)
<b>NET INCOME</b>	<b>\$780,575</b>	<b>\$22,000</b>	<b>\$2,971,159</b>	<b>\$1,511,000</b>

Source: Monterey Regional Waste Management District

<sup>1</sup> Includes sales of Last Chance Mercantile items, metals, sand, mulch, compost, wood chips, and biomass.

<sup>2</sup> Primarily a result of one-time costs related to voluntary employee separations

## Assets, Liabilities and Reserves

The District conducts annual financial audits, as required by law. An audit includes examining supporting evidence, testing account balances, and assessing the accounting principles used as well as overall financial statement presentation. All recent annual audits have resulted in a "clean opinion" being issued by the independent auditors, indicating that no deficiencies were found.

The District has accumulated sufficient cash reserves to cover current needs and long-term capital improvements. The District's adopted FY 2014-15 budget includes \$7.3m in capital outlay for purchase of equipment and for facility improvements. A major investment in expanding the landfill gas-to-energy facility accounts for most of the anticipated FY 2014-15 capital outlay. After the current fiscal year, lesser capital outlays, averaging \$2.3m per year, are anticipated through FY 2018-19.

The audit for the FY 2013/14 (the most recent period for which final audited figures are available) indicated that the District had over \$34.6m in net assets as of the fiscal year's end. The largest category of the District's assets is its capital assets, which is the value of the District's buildings, equipment, and infrastructure after deducting accumulated depreciation and debt still owed on these assets.

Total assets increased by approximately 3.9% between 2012 and 2014, largely due to increased operations income. In 2013, bond principal payments of \$1.4m were made, fully paying off a 1998 \$15.6m recycling facilities bond. The slight decrease in net assets resulting from bond repayment has been more than offset by a corresponding substantial (33.7%) decrease in total liabilities, resulting in an increase in the District's total net position, as shown in Table 2, below.

The District's total net position (difference between assets and liabilities) has made steady increases through FY 2013/14, an indicator of the District's good overall fiscal health. The District has also proven itself to be a reliable borrower as reflected in its Standard and Poor's bond rating, which improved in 2010 from A to AA-. The District paid off its debt early in 2014 and currently is debt-free.

An overview of assets, liabilities, and total net position is presented in Table 2, below.

Table 2 Monterey Regional Waste Management District: Assets, Liabilities, and Net Position Fiscal Years 2010-11 through 2012-13				
	As of June 30, 2011	As of June 30, 2012	As of June 30, 2013	As of June 30, 2014
<b>ASSETS</b>				
Current Assets <sup>3</sup>	\$10,770,000	\$10,448,000	\$8,940,000	\$11,767,000
Total Assets	39,192,000	38,530,000	37,378,000	40,024,000
<b>LIABILITIES</b>				
Current Liabilities <sup>4</sup>	2,747,000	3,214,000	1,235,000	659,000
Total Liabilities	8,535,000	7,584,000	5,651,000	5,326,000
<b>TOTAL NET POSITION<sup>5</sup></b>	<b>\$30,657,000</b>	<b>\$30,946,000</b>	<b>\$31,727,000</b>	<b>\$34,698,000</b>

Source: Monterey Regional Waste Management District annual audited financial reports

<sup>3</sup> Cash, cash equivalents, accounts receivable, etc.

<sup>4</sup> Accounts payable, payroll obligations, current portions of revenue bonds payable and capital lease obligations, etc.

<sup>5</sup> Total assets, less total liabilities

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## FUTURE CHALLENGES AND OPPORTUNITIES

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### Revenue Model Sustainability

As noted above, the majority of the District's revenue comes from landfill disposal (tipping) fees. Disposal revenue is generated from in-District franchise and self-haul waste and also from long-term contracts for out-of-District waste. Revenue derived from contract waste is used for rate stabilization and to offset the cost of implementing new technologies to divert waste and extend landfill site life. The District has become a leader in implementing progressive waste-reduction techniques and meeting State waste diversion mandates, as discussed in the Facilities, Services, and Programs section, above.

However, as diversion rates increase and less waste goes to the landfill, there is an attendant decrease in tipping-fee revenue. The District is aware that the existing revenue model, which is based largely on landfill tipping fees, could incentivize a reliance on accepting waste from outside the service area, and has the potential to discourage investment in technologies and programs to reduce the waste stream. The District is concerned about the potential long-term impact of this revenue model and is exploring "alternative" revenue models to allow it to maintain and expand its diversion programs without jeopardizing revenue sources. As discussed in the Finances section, above, District income and assets have been consistently stable and healthy.

The District's staff and Board of Directors have adopted a Strategic Plan aimed at developing actionable and measurable goals, strategies, initiatives, and programs, to include the "Pillars of Sustainability" (see Appendix A), to guide the District's future decision making. Development of non-tonnage based revenue was one of six Strategic Plan goals identified in the District's March 14, 2014 Board packet.

### Improving Energy Recovery

Identifying and implementing a conversion technology to extract more energy from waste at a reasonable cost and reduce the amount of residue going to the landfill is a challenge highlighted by District staff. In recent national publications and awards, General Manager William Merry has been quoted on the District's successful operation of the anaerobic digestion process described on page 17 of this report. The District hopes that the anaerobic digestion process will provide a pathway to increasing waste-to-energy conversion in an economically feasible way.

### District's Relationship to Salinas Valley Solid Waste Authority

The District Boundaries and Sphere of Influence section of this report discusses the two-agency solid waste management system—including an overlap between the SVSWA's service area and the District's Sphere of Influence—that currently exists within Monterey County. The existing arrangement represents an opportunity for resource sharing between the two agencies. Two potential near-term opportunities for greater efficiency are outlined below.

#### Opportunity for Shared Services

As with the District, the SVSWA has legal mandates and strategic goals to divert reusable and recyclable materials away from the landfill. Within the SVSWA's service area, solid waste is currently collected at transfer stations and then hauled to the Johnson Canyon Landfill, northeast of Gonzales and approximately 20 miles south of Salinas, for disposal. In recent years, the SVSWA has studied options for relocating its existing Sun Street transfer station's operations to a new site. One likely component of the new site would be a materials recovery facility with functions similar to the Waste Management District's facility, described on page 15, above. Relocation options that the SVSWA has studied include sites on Work Street in the Alisal area of Salinas, Hitchcock Road (off Davis Road, southwest of Salinas), and Madison Lane in the unincorporated Boronda neighborhood.

As part of SVSWA's forthcoming environmental review of the proposed relocation of operations, LAFCO encourages the SVSWA to consider the option to contract with the Monterey Regional Waste Management District to provide materials recovery services at the District's Marina facility. This option

could potentially be a cost-effective alternative. The District's material recovery facility is a significant, existing capital asset for the region, and is currently undergoing a major capacity expansion. The proximity and capacity of the District's existing material recovery facility to North Monterey County, the City of Salinas and portions of the Salinas Valley represent a potential opportunity for the two agencies to enter into a collaborative service delivery arrangement, reaching outside their traditional boundaries to deliver quality services in a cost-efficient and effective manner.

#### 2014-2015 Countywide Solid Waste Management Study

In 2010, citing concerns with "inefficiency" of the existing two-agency solid waste management arrangement (i.e., the Monterey Regional Waste Management District and the Salinas Valley Solid Waste Authority), and other concerns, the County of Monterey directed its staff to evaluate the feasibility of redirecting some or all of the waste generated in unincorporated areas to the Monterey Peninsula (Marina) landfill. County staff recommended that, in order to do this, the County would have to withdraw from the SVSWA joint powers agreement.

In 2012, the County submitted a formal notice of intent to withdraw from the Authority. However, in December 2013, the Board of Supervisors rescinded the Notice of Intent and decided to conditionally remain a member of the Authority. The Board's resolution included a condition that the Authority participate in, and help pay for, an independent study examining the most efficient way to handle waste management countywide. The County, the Authority, the District, the incorporated cities in Monterey County, and the Pebble Beach Community Services District entered into an agreement to participate in and fund the study.

The District and its member jurisdictions, along with the County of Monterey and other members of the Salinas Valley Solid Waste Authority, issued a Request for Proposals, conducted interviews, and retained a consultant in April 2014 to carry out a comprehensive evaluation of the current countywide solid waste management system and potential service improvements. The study, which commenced work in April 2014, will "explore alternatives for creating a system for collaborative approach to solid waste management throughout the County, one that can be more responsive to the needs of all Monterey County communities." The study will evaluate both agencies' current service areas, waste-flow control restrictions, the ways in which waste is transported, and the two agencies' differing fee structures.

The report will identify opportunities for providing greater efficiency and provide actionable recommendations for consideration by the decision-making bodies. However, it should be noted that in their 2013 agreement to fund and participate in this study, the District and the Authority specifically set forth that "the objective of this analysis is not to merge the two existing solid waste agencies." This limitation does not extend to the responsibility of LAFCO, under the provisions of the Cortese-Knox-Hertzberg Act, to study the services and boundaries of the two agencies, and to encourage more regional collaboration—a process that may or may not lead to eventual boundary changes or other reorganization.

#### **Long-Term Fire Protection Services**

Solid waste management facilities have needs for fire protection and emergency services related to hazardous materials management, fires caused by hot ashes or other items received in solid waste delivery loads, and other occasional eventualities. The District's Monterey Regional Environmental Park facility is located outside of any fire protection agency's current jurisdictional boundaries or Sphere of Influence, with contractual services currently provided by the City of Marina Fire Department.

The District's facility is located outside, but adjacent to, the North County Fire Protection District's boundaries. The Monterey County Regional Fire Protection District is also in the vicinity. As part of LAFCO's 2012 study of all special districts providing fire protection and emergency services, the Commission designated the Waste Management District facility's site as part of a Future Study Area for the North Monterey County Fire Protection District. LAFCO of Monterey County's adopted Policies and Procedures define a Future Study Area as "territory outside of an adopted Sphere of Influence that may warrant inclusion in the Sphere in future years. Further study would have to be completed prior to inclusion."

The Monterey Regional Environmental Park (including Monterey Regional Waste Management District and Monterey Regional Water Pollution Control Agency facilities) is a 2.5-mile driving distance north of the City of Marina's city limits. The Environmental Park has received fire services from the City of Marina Fire Department by contract since approximately the 1980s. With these long-standing agreements, the City provides fire protection and emergency medical services outside of its boundaries and Sphere of Influence, and the MRWMD and MRWPCA reimburse the City on a "cost recovery for call for service" basis. Through these agreements, the Environmental Park's immediate fire protection and emergency medical services needs are being met. However, annexing the MRWMD and MRWPCA facilities into the North County Fire Protection District would provide a more comprehensive, long-term solution for addressing future fire protection and EMS needs. LAFCO staff is continuing to coordinate with the agencies to work toward this site's annexation into the North County Fire Protection District.

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## MUNICIPAL SERVICE REVIEW DETERMINATIONS

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Based on the recommended determinations in this section, and on the information elsewhere in this report, the Executive Officer recommends that the Commission adopt the District's 2015 Municipal Service Review.

### **1. Growth and Population Projections for the Affected Area**

As discussed in the Population and Growth section of this report, actual recent past and projected future population growth within the District is lower than the 1% growth rate that the District uses in calculating landfill site life. Slower-than-expected population growth within the District's boundaries and Sphere of Influence suggests that population growth-related solid waste volumes are not currently a significant challenge to the District's outlook or its Sphere.

### **2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence**

State law defines Disadvantaged Unincorporated Communities as communities with an annual median household income that is less than 80% of the statewide annual median household income. Census block group data indicate that numerous areas within and adjacent to the District's existing Sphere have incomes below 80% of the statewide median income. These areas are currently being served by either the District or by the Salinas Valley Solid Waste Authority. There are no identified Disadvantaged Unincorporated Communities within or continuous to the District's Sphere that are unserved or underserved with regard to solid waste management.

### **3. Present and Planned Capacity of Public Facilities, Adequacy of Public Services, and Infrastructure Needs or Deficiencies (Including Needs or Deficiencies Related to Sewers, Municipal and Industrial Water, and Structural Fire Protection in any Disadvantaged, Unincorporated Communities within or Contiguous to the Sphere of Influence)**

The District has established itself as a capable provider of solid waste management services. The District's landfill has an estimated remaining lifespan of 150 years. The District has also implemented a variety of facilities and services to reduce waste and meet statewide diversion goals, as discussed in the Facilities and Services section of this report.

### **4. Financial Ability of Agency to Provide Services**

As waste volume generation rates decrease over time due to increased efficiency of waste diversion and recycling, the District has expressed concerns about the potential long-term impact of tonnage-based revenue models. The District is exploring ways to develop non-tonnage based revenue to maintain its fiscal health while also maintaining and expanding its diversion programs. The District has a demonstrated ability to fund comprehensive waste management facilities and services to its constituent communities. The District's finances are stable, with ample reserves and a gradually increasing total net position. The

Finances Section of this report outlines the District's current financial status and assets. Current and previous-year District budgets and audited financial statements are available on the District's web site.

#### **5. Status of, and Opportunities for, Shared Facilities**

The District has a long-standing and productive partnership with the neighboring Monterey Regional Water Pollution Control Agency, as described in the Facilities and Services section of this report. The electricity produced by the District's anaerobic digester is sold to the MRWPCA, which provides 10% of the power used by the wastewater treatment plant. In addition, the District accepts biosolids produced at the regional wastewater treatment facility, which it uses to produce compost, as landfill vegetative cover or is landfilled.

As discussed in this report's Future Challenges section, the Salinas Valley Solid Waste Authority has studied options for relocating its existing Sun Street transfer station's operations and developing a materials recovery facility (MRF) with functions similar to the Waste Management District's facility. A potentially cost-effective alternative would be for the District to provide materials recovery services to the SVSWA, by contractual agreement, at the District's Marina facility. The District and the Salinas Valley Solid Waste Authority are currently participating in a comprehensive independent study to analyze the solid waste management system in Monterey County. This study may identify additional opportunities for shared facilities between the two waste management agencies.

#### **6. Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies**

The District's nine-member appointed Board of Directors represents a broad range of the District's constituent communities. The District maintains an informative web site that is regularly updated with meeting information, agendas, and agenda packet materials. The District meets State law requirements for transparency, accountability, and ethics, as outlined in the Governance and Community Involvement Section of this report. The District has obtained certification for transparency in special district governance.

#### **7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy**

LAFCO has reviewed its local policies and notes no additional pertinent matters.

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### **SPHERE OF INFLUENCE DETERMINATIONS**

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Based on the recommended determinations in this section, and on the preceding information in this report, the Executive Officer recommends that the Commission affirm the currently adopted Sphere of Influence of the Monterey Regional Waste Management District.

#### **1. The Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The District's boundaries encompass the cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Monterey, Pacific Grove, Sand City, and Seaside and the unincorporated areas of Big Sur, Carmel, Carmel Highlands, Carmel Valley, Castroville, Corral De Tierra, Laguna Seca, Moss Landing, Pebble Beach, San Benancio, and Toro Park. Present and planned land uses in these areas are primarily urban land uses with moderate population growth projected in the range of less than 1% per year. Beyond its current boundaries, the District's Sphere of Influence includes both developed areas and important productive farmlands in the Salinas Valley and nearby areas of North Monterey County, as well as significant open-space lands in the Big Sur Area and elsewhere. Affirmation of the District's existing Sphere of Influence will not impact the physical and economic integrity of these agricultural and open-space lands.

#### **2. The Present and Probable Need for Public Facilities and Services in the Area**



The District has landfill site capacity for an estimated 150 years. The District provides comprehensive, state-of-the-art facilities and services at its Monterey Regional Environmental Park to meet and exceed statewide waste-reduction/diversion mandates. Customers within the District's current boundaries do not have any known, unmet needs for additional solid waste management facilities or services. However, solid waste within the District's northern Sphere of Influence, currently served by Salinas Valley Solid Waste Authority, is transported up to 35 miles one-way to the Johnson Canyon Landfill, as discussed in this report's Potential Future Challenges section, above. The District and the Authority are currently participating in a study to seek a more efficient and sustainable long-term solution to the region's waste management needs. For areas of the District's Sphere, the study could recommend consideration of contracting to handle waste materials at District facilities to reduce cost and environmental impacts.

**3. The present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District provides comprehensive and reliable solid waste services to its constituent communities, as described in this report. The District has ample facilities—in terms of both landfill capacity and innovative, state-of-the-art waste reduction/diversion facilities—to expand services to not-yet-annexed areas within its Sphere of Influence, if needed. Such expansion could occur via future annexation proposals, subject to LAFCO approval, or by contract. The District also provides a range of services and programs related to reducing and diverting waste streams and implementing the District's vision of "turning waste into resources."

**4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

The District's existing Sphere of Influence encompasses Salinas and northern Monterey County, as well as the greater Monterey Peninsula and other areas already within District boundaries. With this broad geographical expanse, the District includes a wide distribution of income levels, including areas with high concentrations of lower-income households. However, these areas are currently being served by either the District or by the Salinas Valley Solid Waste Authority (which operates in areas of the County outside District boundaries, including the District's Sphere of Influence). There are no identified communities, within or contiguous to the District's Sphere, that are unserved or underserved with regard to solid waste management.

**5. Functions and Classes of Service (56425(i))**

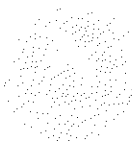
The District provides the following functions and classes of service: Function: Solid Waste Management; Classes of Service: Solid waste processing and disposal; recycling; energy recovery and power generation.

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## **SOURCES & ACKNOWLEDGEMENTS**

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The information in this study was primarily developed in coordination with staff from the Monterey Regional Waste Management District. District representatives met with LAFCO staff to discuss District services, operations, and concerns. LAFCO also reviewed numerous written resources such as audits, budgets, Board agenda packets, and annual reports. These documents, and others, are available at the District's web site, [www.mrwmd.org](http://www.mrwmd.org). Finally, the LAFCO Executive Officer consulted with the General Manager of the Salinas Valley Solid Waste Authority on matters pertinent to both agencies.



## Monterey Regional Waste Management District 2014-2015 Strategic Plan

**Vision and Mission:** *Our mission is to Turn Waste Into Resources in the most cost effective and environmentally sound manner to benefit the community.*

- Goals:**
1. Safety
  2. Waste diversion
  3. Regional refuse tonnage
  4. Cost/ton diverted
  5. Community outreach
  6. Non-tonnage based revenue

**Strategic Initiatives:** (Pillars of Sustainability)

**People:** *An engaged and talent workforce allows us to pursue the District's mission.*

1. Utilize an intentional and mindful process in the recruitment, development, and growth of our people.
2. Build a high performance, safety-oriented culture.
3. Promote the health and well being of our employees.

**Finance:** *Strike a balance between community needs, cost containment, and environmental protection.*

1. Develop a sustainable revenue structure that provides funding for the programs and services we provide to the community.
2. Follow and update the District's alternative funding options.
3. Pursue strategic partnerships that allow for increased efficiencies and revenues, decreased costs, and enhanced environmental benefits.

**Environment:** *The District's environmental stewardship promotes a sustainable community.*

1. Implement the member agency franchise agreements with trash haulers.
2. Construct the MRF improvement project to increase diversion.
3. Promote the beneficial use of biogas.
4. Maximize opportunities to become a carbon-neutral energy producer.

**Community:** *Align District services and programs to be responsive to the unique needs of our community.*

1. Ensure the effectiveness of the District's programs and services.
2. Strengthen the District's identity in the community.
3. Build upon our coordinated education and outreach programs between District and community partners.

**Innovation:** *Early adopters of programs and processes that best serve the needs of the District and the community it serves.*

1. Stay abreast of industry trends through involvement and education, and broaden strategic partnerships.
2. Develop a comprehensive and innovative plan to maximize use of technology internally and externally.

Attachment 2

Excerpt from the Monterey County 1992 General Plan, “Solid Waste Disposal”

The future of solid waste management in Monterey County will involve employing innovative technologies which allow for economical waste processing to create marketable waste byproducts such as fuel and raw materials. By the year 2000 the County will also have established educational and public information programs which emphasize conservation, recycling, and resource recovery. During this period, some of the County disposal sites may close and solid waste may be consolidated into two major disposal sites at the current Marina and Johnson Canyon Road (near Gonzales) disposal sites.

*be  
Cochran  
(revised)*

## REPORT TO MONTEREY COUNTY BOARD OF SUPERVISORS

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

### RECOMMENDATION

It is recommended that the Board of Supervisors:

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

### SUMMARY

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

### DISCUSSION

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

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

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

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


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

**OTHER AGENCY INVOLVEMENT**

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

**FINANCING**

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

By:   
GERALD J. GROMKO, PhD, PE  
PUBLIC WORKS DIRECTOR

  
RIL:reh

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

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

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

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

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

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

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

**AYES:**

**NOES:**

**ABSENT:**

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

Dated:

ATTEST:

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

By \_\_\_\_\_  
Deputy

BOARD OF DIRECTORS  
GARY BALES  
CHAIRMAN  
DAN ALBERT  
ELSE WICKHAM  
RONDA LEWIS  
BARBARA LIVINGSTON  
LINDA HORNIG  
GERT FOREMAN  
JACK BARLICH



# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Handwritten signature: Anne J. Livingston-Smyth*

April 12, 1995

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

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

RE: Proposed District Expansion

Dear Gerry:

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

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

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

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

Dr. Gerald Gromko  
April 12, 1995  
Page 2

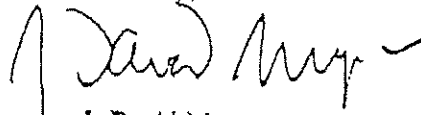
- 3) The limit on the tipping fee surcharges for the expanded area should be eliminated. We would support the imposition of a County surcharge to fund site closure and/or remediation, if necessary. The goal of the expanded District is to have the same tipping fee throughout the County, but financial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

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

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

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

Sincerely,



J. David Myers  
General Manager

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





COPY

## BOARD OF DIRECTORS

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ROBERT WELLINGTON  
COUNSEL

# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Horns of the Last Chance Mercantile*

April 19, 2002

RECEIVED

APR 22 2002

SVSWA

Board of Directors  
Salinas Valley Solid Waste Authority  
337 Melody Lane  
Salinas, CA 93901

RE: Comments on Regional Solid Waste Facilities Project EIR

Dear Boardmembers:

On behalf of the Board of Directors of the Monterey Regional Waste Management District, we would like to offer the following comments in response to your recently issued Solid Waste Facilities Project Environmental Impact Report (EIR):

While the MRWMD applauds your efforts to establish 70 years of disposal capacity for your agency, please be advised that the use of the MRWMD's Monterey Peninsula Landfill as an alternative as described in Section 9.4 of the EIR, may not be viable. It would be impossible at this time for the MRWMD Board of Directors to authorize waste from the SVSWA service area in 2016. That is a decision that will have to be made by a future MRWMD Board of Directors.

As stated in your EIR, there will be issues related to traffic, especially through the City of Marina, and permit issues related to increased tonnage and trips into the disposal site located just north of Marina. The reduction in our site life from 2090 to 2055 will be difficult for any MRWMD Board to accept, unless new waste reduction technologies evolve that are mutually advantageous and the economies of scale provided by the acceptance of your wastestream are compelling enough to offset the loss of capacity.

We look forward to working with you and your staff during the coming years, as we have in the past, to provide the highest level of waste management services throughout Monterey County. Please contact me or David Myers, our General Manager, if you have any questions or if we can be of any help during your landfill expansion process.

Sincerely,

Gary W. Bales  
Chair

cc. MRWMD Board of Directors  
Steve Johnson

file: ba/dm/board/svswaltr 402



**SalinasValleyRecycles.org**  
SALINAS VALLEY SOLID WASTE AUTHORITY

## **Report to the Executive Committee**

**Date:** February 4, 2015  
**From:** Ray Hendricks, Interim Finance Manager  
**Title:** Fiscal Year 2015-16 Preliminary Budget

### **ITEM NO. 4**

N/A

Finance Manager/Controller-Treasurer

N/A

General Counsel

N/A

General Manager/CAO

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

# SVSWA Agenda Items - View Ahead

Item No. 5

2015

	2-Feb	19-Feb	19-Mar	16-Apr	21-May	18-Jun
1	<b>SIX-MONTH STRATEGIC PLANNING RETREAT</b>	Minutes	Minutes	Minutes	Minutes	Minutes
2		Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3		SP Goals Updated 6-Mo. Objectives	Strategic Plan Update	QTE March Cash & Investments	QTE March Tonnage & Diversion Reports	
4		QTE December Tonnage & Diversion Report	Award contract for JC flare replacement	Qtrly Investments Report		
5		Board Member Events Participation Report	Pledge of Revenue Agreement for LR	Funding Report for Closed Landfills Revenue Generation Scope of Work (sp4)		
6		<b>Monterey Bay Economic Partnership Update</b> (sp4)	PTO EE Handbook Change (EC)	<i>Real Property</i>		
7		FY Preliminary Operating & CIP Budget (EC)	<b>Recycling Recognition</b>			
8		LAFCO Sphere of influence study (EC)	Public Hearing FY 15-16 Rates			
9		<i>Real Property</i>	Co. Road Way MOU (EC)			
10			<i>Real Property</i>			

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