

**MINUTES OF MEETING
SALINAS VALLEY SOLID WASTE AUTHORITY
EXECUTIVE COMMITTEE
FEBRUARY 2, 2017**

CALL TO ORDER

President Salinas called the meeting to order at 4:02 p.m.

Committee Members Present

Simón Salinas	President
Robert Cullen	Vice President
Gloria De La Rosa	Alternate Vice President.

Staff Members Present

Patrick Mathews, General Manager/CAO	Brian Kennedy, Engineering and Environmental Compliance Manager
Cesar Zuniga, Asst. General Manager/ Operations Manager	Rose Gill, Human Resources/Organizational Development Manager
Ray Hendricks, Finance Manager	Erika J. Trujillo, Clerk of the Board
Mandy Brooks, Resource Recovery Manager	

DEPARTMENT MANAGER COMMENTS

(4:03) General Manager Mathews presented to the committee an industry article entitled "Landfill Costs Continue to Rise in 2016" which compares how our rates compare to the western States. Finance Manager Hendricks presented to the committee the "Circular Letter" from CALPERS which has the breakdown of normal cost and unfunded liability. Engineering and Environmental Compliance Manager Kennedy informed the committee that after nine years of hard work the Crazy Horse Landfill is now certified closed making post-closure care liability funds available and permit fees reduced.

BOARD COMMENTS

Director Cullen commented about his attendance to the Farm Day event in King City and commended Estella Gutierrez and Guillermina Gutierrez, Resource Recovery Technicians for the way they presented worm composting to the children. He went on to explain that he also attended the Rava Ranch event in which SVR also had a booth and will be attending the Salinas Valley Fair in May. Director De La Rosa reported there will be a district meeting tonight at Oscar Loya School in which she will be distributing SVR reusable bags and in March she will be attending the Hebron Heights community event as well as the April 8th clean up event. Director Salinas informed the group he will be attending the April 28th community event in Greenfield.

PUBLIC COMMENT

Doug Kenyon, General Manager of Republic Services informed the Committee that the yearly community clean up event calendar for Salinas was finalized and distributed.

CONSIDERATION ITEMS

1. Minutes of January 5, 2017, Meeting

(4:13)

Public Comment: None

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

2. December 2016 Claims and Financial Reports

(4:13) Finance Manager Hendricks provided a report to the Committee reflecting operating revenues exceeding expenditures. Year to Date Revenues totaling 58.2%, and expenditures at 45.9% of the projected budget. Mr. Hendricks informed the committee the first half of the principal payment was made and will reflect in the February financial report.

Public Comment: None

Committee Discussion: The Committee discussed the report.

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

3. Fiscal Year 2017-18 Preliminary Budget Direction

(4:15) Finance Manager Hendricks provided a report to the committee providing updated options on potential increases for the fiscal year 2017-18 budget. He explained the budget changes identified and the potential effect of the different increase options. Mr. Hendricks explained that the feedback provided by the Board of Directors at the January Board meeting was considered in these options. He reviewed the information regarding the payroll increases, the need for a new Construction and Demolition Driver and Diversion Worker I due to the increase in Construction and Demolition material being brought into the Salinas Transfer Station, and the increase in customers being served at that facility.

Public Comment: Doug Kenyon, General Manager of Republic Services informed the Committee that the Fourth Quarter report for Republic Services shows recycling is up 34%, with the biggest contributors being industrial packers. He also mentioned construction in the area is on a rise and expected to continue.

Committee Discussion: The Committee discussed the report inquiring about the legacy liability the Authority acquired upon formation and the possibility of increasing the projected tonnage for fiscal year 2017-18 in an effort to reduce the rate increases. Staff further explained the Authority has expenses other agencies don't have such as legacy liabilities. Staff also explained the projected tonnage amount is conservative and will review current year estimates in order to see if increasing the budgeted amount is possible in order to minimize the impact on the potential rate increases.

Committee Action: By consensus the Committee recommended forwarding the Preliminary Budget for fiscal year 2017-18 with the projected tonnage increase reflecting on the potential rate increases.

FUTURE AGENDA ITEMS

4. Agenda Items – View Ahead

The Committee reviewed the future agenda items.

ADJOURNMENT

(4:50) President Salinas adjourned the meeting.

ATTEST: 
Erika J. Trujillo, Clerk of the Board

APPROVED: 
Simón Salinas, President