



A g e n d a
EXECUTIVE COMMITTEE
THURSDAY, November 3, 2022
4:00 p.m.

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

Public Participation Via Zoom
Meeting ID No. 827 6404 6976 | Passcode: 421974

Meeting Information

This meeting will be conducted in hybrid in-person/virtual format. While the conference room will be open, to maintain appropriate social distance, space is limited. For details on how to observe the meeting or participate virtually read notice on page 2.

CALL TO ORDER

ROLL CALL

President	Chris Lopez (County of Monterey)
Vice President	Christie Cromeenes (City of Salinas)
Alternate Vice President	Andrew Tipton (City of Greenfield)
Past President	Robert Cullen (City of King)

GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS

COMMITTEE MEMBER COMMENTS

PUBLIC COMMENTS

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

CONSIDERATION ITEMS

1. **Minutes of October 6, 2022 Meeting**
 - A. Committee Discussion
 - B. Public Comment
 - C. Recommended Committee Action – Approval
2. **September 2022 Claims and Financial Reports**
 - A. Receive report from Ray Hendricks, Finance and Administration Manager
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board and Recommend Approval
3. **A Resolution Approving the Allocation of Cash Balances for Fiscal Year 2021-22, and Supplemental Appropriation to Fund Adjustments to the Operating Budget**
 - A. Receive report from Ray Hendricks, Finance and Administration Manager
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Forward to the Board and Recommend Approval
4. **Clarify Guidelines Related to Board Agendas and Supporting Documentation**
 - A. Receive report from Patrick Mathews, General Manager/CAO
 - B. Committee Discussion
 - C. Public Comment
 - D. Recommended Committee Action – Provide Input and Forward to the Board

5. Discussion of Madison Lane Transport Operations

- A. Receive report from Cesar Zuñiga, Assistant General Manager/Operations Manager
- B. Committee Discussion
- C. Public Comment
- D. Recommended Committee Action – Provide Input and Forward to the Board

FUTURE AGENDA ITEMS**6. Future Agenda Items – View Ahead Calendar****CLOSED SESSION**

Receive public comment from audience before entering into closed session:

- 7. Pursuant to **Government Code Section 54957.6** to provide instruction to General Manager/CAO Patrick Mathews, General Counsel Roy C. Santos, and Labor Counsel Colin J. Tanner, to discuss salaries and benefits modifications of Non-management Administration unit, Unrepresented Field Supervisors, and at-will Management Employees.
- 8. Pursuant to **Government Code Section 54957 (b)** to consider the Performance Evaluation of the General Manager/Chief Administrative Officer R. Patrick Mathews for 2022.

RECONVENE**ADJOURNMENT****Meeting Information**

In accordance with AB361 and State, County, and local recommendations on protocols to contain the spread of COVID-19, this meeting will be conducted in hybrid in-person/virtual format. While the conference room will be open, to maintain appropriate social distance, space will be limited to the Committee member and essential staff.

To observe the meeting, go to our YouTube channel at <https://www.youtube.com/user/svswa831>.

To participate virtually during the meeting and make a general comment or comments on a specific agenda item as an item is being heard, join the meeting thru Zoom using the link below. Join with computer audio at: <https://us02web.zoom.us/j/82764046976?pwd=S0libU85aXNqNTZCV2s2aldyZDI5UT09>. When ready to make a public comment, click the Raise Hand icon.

To participate by telephone dial any of the numbers listed below and enter the meeting ID number and passcode:

+1 669 900 9128	+1 253 215 8782	+1 346 248 7799
+1 301 715 8592	+ 1 312 626 6799	+ 1 646 558 8656
Enter Meeting ID: 827 6404 6976 #		Passcode: 421974
To Raise your Hand press *9		To Mute and Unmute yourself press *6

Public comments may also be submitted via e-mail to the Clerk of the Board at comment@svswa.org. Comment must be received **by 2 p.m. on Thursday, November 3, 2022** and should be limited to 250 words or less. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received via e-mail after 5 p.m. will be made part of the record if received prior to the end of the meeting. To assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the item number (i.e., Item No. 10).

This meeting agenda was posted at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, on **Thursday, October 27, 2022**. The Executive Committee will next meet in regular session on **Thursday, December 1, 2022, at 4:00 p.m.** Staff reports for the Authority Executive Committee meetings are available for review at 128 Sun Street, Suite 101, Salinas, California 93901, Phone 831-775-3000 and at www.salinasvalleyrecycles.org. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Erika J. Trujillo, Clerk of the Board, at 831-775-3000. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting (28 CFR Executive Committee to provide direction 35.102-35.104 ADA Title II).

**MINUTES OF MEETING
SALINAS VALLEY SOLID WASTE AUTHORITY
EXECUTIVE COMMITTEE
October 6, 2022**

This meeting was conducted in hybrid in-person/virtual format in accordance with AB 361.
In-person location, 128 Sun Street, Suite 101, Salinas, CA | Virtual participation via Zoom.

CALL TO ORDER

(4:00) President Lopez called the meeting to order at 4:00 p.m.

COMMITTEE MEMBERS PRESENT

County of Monterey	Chris Lopez, <i>President</i>	Virtual
City of Salinas	Christie Cromeenes, <i>Vice President</i>	In-Person
City of Greenfield	Andrew Tipton, <i>Alt. Vice President</i>	Virtual

ABSENT

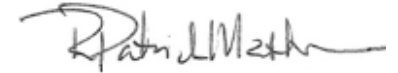
City of King	Robert Cullen	Virtual
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STAFF MEMBERS PRESENT

Patrick Mathews, General Manager/CAO	In-person
Mandy Brooks, Resource Recovery Manager	In-person
Ray Hendricks, Finance and Administration Manager	In-person
Brian Kennedy, Engineering and Compliance Manager	In-person
Roy Santos, General Counsel	Virtual
Rosie Ramirez, Administrative Assistant	In-person
Adrianna Escobar, Administrative Assistant	In-person
Erika J. Trujillo, Clerk of the Board	In-person

ITEM NO. 1

Agenda Item



General Manager/CAO

N/A

Authority General Counsel

GENERAL MANAGER AND DEPARTMENT MANAGER COMMENTS

(4:01) General Manager/CAO Mathews commented on the improvements being made to the Administration building. He indicated that he is expecting all construction to be finalized by January 2023. Finance and Administration Manager Hendricks commented on the expenditures related to the building improvements. He also indicated that staff will be looking to obtain quotes to move forward with the scale house software upgrade previously approved by the Board and the acceptance of a grant will be taken directly to the Board of Directors at its upcoming meeting.

PUBLIC COMMENT

(4:03) None

COMMITTEE COMMENTS

(4:03) President Lopez commented on the ribbon cutting event taking place on October 26 in San Lucas.

PUBLIC COMMENT

(4:04) None

CONSIDERATION ITEMS

(4:04)

1. Minutes of September 1, 2022 Meeting

Committee Discussion: None

Public Comment: None

Committee Action: Vice President Cromeenes made a motion to approve the corrected minutes provided earlier in the day. Alternate Vice President Tipton seconded the motion. The motion passed unanimously: 3-0.

2. August 2022 Claims and Financial Reports

(4:05) Finance and Administration Manager Hendricks provided a report on the Agency's finances, indicating that revenues and expenditures are aligned with the projected budget. He indicated solid waste tonnage, when compared to the prior year, was down 1.1% for the month of August totaling 5.8% year-to-date. He reiterated that an 8% decrease in tonnage was projected within the budget.

Committee Discussion: None

Public Comment: None

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

3. A Resolution Approving Revised Personnel Allocations Effective on August 22, 2022 and October 3, 2022

(4:08) Finance and Administration Manager Hendricks indicated that the personnel allocations are needed after the Board approved the reclassification of two Diversion Workers to Diversion Systems maintenance Workers at its August meeting. In addition, the closure of the Sun Street Transfer Station required the elimination of three currently vacant positions.

Committee Discussion: None

Public Comment: None

Committee Action: Alternate Vice President Tipton made a motion to forward to the Board recommending approval. Vice President Cromeenes seconded the motion. The motion passed unanimously: 3-0.

PRESENTATION

4. Annual Comprehensive financial Report for the Fiscal Year ended June 30, 2022

(4:10) Finance and Administration Manager Hendricks presented a brief report on the annual comprehensive financial report and audit conducted by McGilloway, Ray, Brown & Kaufman. Mr. Hendricks indicated that once again the Authority did not receive a management letter and that the report demonstrated that the Authority continues to improve its positive net position. Mr. Hendricks introduced Jacinto Acosta Bernal, Account Manager with McGilloway, Ray, Brown & Kaufman Accountants and Consultants who reviewed some of the required communications such as areas requiring estimates and sensitive financial disclosures. Mr. Bernal provided a clean opinion of the Authority's finances commending staff for their work. He indicated that there were no difficulties while working with management, and that all accounting standards were met.

Committee Discussion: None

Public Comment: None

Committee Action: None; Informational Only

FUTURE AGENDA ITEMS

5. Future Agenda Items – View Ahead Calendar

(4:25) The Committee discussed the view ahead.

CLOSED SESSION

(4:30) President Lopez invited Public Comment related to closed session item number seven.

- 6.** Pursuant to **Government Code Section 54957.6** to provide instruction to General Manager/CAO Patrick Mathews, General Counsel Roy C. Santos, and Labor Counsel Colin J. Tanner, to negotiate salaries and benefits of Operating Engineers Local Union No. 3, AFL-CIO.
- 7.** Pursuant to **Government Code Section 54957 (b)** to consider the Performance evaluation of the General Manager/Chief Administrative Officer R. Patrick Mathews for 2022.

PUBLIC COMMENT

(4:31) None

(4:31) President Lopez adjourned the meeting into closed session to discuss item numbered seven.

RECONVENE

(4:48) President Lopez reconvened the meeting to open session with no reportable actions taken in closed session.

ADJOURNMENT

(4:49) President Lopez adjourned the meeting.

APPROVED: _____
Christopher M. Lopez, President

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



Report to the Executive Committee

ITEM NO. 2

Finance and Administration
Manager/Controller/Treasurer

General Manager/CAO

N/A

General Counsel

Date: November 03, 2022

From: C. Ray Hendricks, Finance and Administration Manager

Title: September 2022 Claims and Financial Reports

RECOMMENDATIONS

Staff requests that the Executive Committee recommends acceptance of the September 2022 Claims and Financial Reports.

DISCUSSION & ANALYSIS

Please refer to the attached financial reports and checks issued report for the month of September for a summary of the Authority's financial position as of September 30, 2022. The following are highlights of the Authority's financial activity for the month of September.

Results of Operations (Consolidated Statement of Revenues and Expenditures)

For the month of September 2022, operating revenues exceeded expenditures by \$742,829.

Revenues (Consolidated Statement of Revenues and Expenditures)

	September Budget	September Actual	Over/(Under)	
Tipping Fees - Solid Waste	1,160,986	1,277,743	116,757	10.1%
Tipping Fees - Diverted Materials	270,102	279,714	9,612	3.6%
Other Revenues	624,459	485,809	(138,650)	-22.2%
Total Revenue	<u>2,055,547</u>	<u>2,043,266</u>	<u>(12,281)</u>	-0.6%

Solid Waste revenues for September were \$116,757 or 10.1% over budgeted amounts. Diverted Material revenues for September were \$9,612 or 3.6% over budgeted amounts. September total revenue was \$12,281 or 0.6% under budgeted amounts.

	Y-T-D Budget	Y-T-D Actual	Over/(Under)	
Tipping Fees - Solid Waste	3,583,901	3,927,667	343,766	9.6%
Tipping Fees - Diverted Materials	840,593	950,949	110,356	13.1%
Other Revenues	1,699,679	1,566,833	(132,846)	-7.8%
Total Revenue	<u>6,124,173</u>	<u>6,445,449</u>	<u>321,276</u>	5.2%

Solid Waste revenues year to date as of September were \$343,766 or 9.6% over budgeted amounts. Diverted Material revenues year to date as of September were \$110,356 or 13.1% over budgeted amounts. Year to date total revenue as of September was 321,276 or 5.2% over budgeted amounts.

Operating Expenditures (Consolidated Statement of Revenues and Expenditures)

As of September 30, 2022 (25.0% of the fiscal year), year-to-date operating expenditures totaled \$6,913,230. This is 33.2% of the operating budget of \$20,851,000.

Capital Project Expenditures (Consolidated Grant and CIP Expenditures Report)

For the month of September 2022, capital project expenditures totaled \$98,988. \$25,544 was for CH Postclosure Maintenance. \$24,560 was for Administration Office Improvements. \$16,315 was for Emergency Generators. \$12,026 was for JC Module Engineering and Construction. \$11,561 was for LR Postclosure Maintenance.

Claims Checks Issued Report

The Authority's Checks Issued Report for the month of September 2022 is attached for review and acceptance. September disbursements total \$1,696,132.00 of which \$822,863.70 was paid from the payroll checking account for payroll and payroll related benefits.

Following is a list of vendors paid more than \$50,000 during the month of September 2022.

Vendor	Services	Amount
Atlas Organics CU11, LLC	Monthly Organics Processing	\$169,406.22
Southern Counties Lubricants LLC	Monthly Vehicle & Equipment Fuel	\$123,424.75

Cash Balances

The Authority's cash position increased \$1,557,208.11 during September to \$31,142,472.09. Most of the cash balance is restricted, held in trust, committed, or assigned as shown below. Cash for Capital Improvements and post closure funded from operations is transferred at the beginning of the year. Additionally, cash for debt service payments are transferred in September and January. While these transfers and payments leave the balance available for operations with a negative balance, profitable operations should improve the balance to a positive amount by the end of the fiscal year.

Restricted by Legal Agreements:

Johnson Canyon Closure Fund	4,988,849.41
Restricted for Pension Liabilities (115 Trust)	362,363.36
State & Federal Grants	288,298.95
BNY - Bond 2022A Payment	19,423.36

Funds Held in Trust:

Central Coast Media Recycling Coalition	110,424.44
Employee Unreimbursed Medical Claims	9,438.61

Committed by Board Policy:

AB939 Services	(303,081.64)
Undesignated Fund Balance	1,719,573.86
Designated for Capital Projects Reserve	2,702,715.89
Designated for Environmental Impairment Reserve	2,272,084.68
Designated for Operating Reserve	3,078,750.00
Expansion Fund (South Valley Revenues)	4,764,565.88

Assigned for Post Closure and Capital Improvements

Crazy Horse Post Closure	1,178,712.11
Lewis Road Post Closure	368,925.72
Jolon Road Post Closure	195,491.74
Johnson Canyon Post Closure	2,240,234.60
Capital Improvement Projects	11,919,974.21

Available for Operations:

(4,774,273.09)

Total

31,142,472.09

ATTACHMENTS

1. September 2022 Consolidated Statement of Revenues and Expenditures
2. September 2022 Consolidated Grant and CIP Expenditures Report
3. September 2022 Checks Issued Report

Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending September 30, 2022

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
<u>Revenue Summary</u>							
Tipping Fees - Solid Waste	13,532,700	1,277,743	3,927,667	29.0 %	9,605,033	0	9,605,033
Tipping Fees - Surcharge	255,000	34,241	187,155	73.4 %	67,845	0	67,845
Tipping Fees - Diverted Materials	3,287,200	279,714	950,949	28.9 %	2,336,251	0	2,336,251
AB939 Service Fee	3,633,000	302,750	908,250	25.0 %	2,724,750	0	2,724,750
Charges for Services	2,267,000	210,810	513,954	22.7 %	1,753,046	0	1,753,046
Sales of Materials	200,000	48,440	67,906	34.0 %	132,094	0	132,094
Gas Royalties	290,000	0	0	0.0 %	290,000	0	290,000
Investment Earnings	50,000	(110,432)	(110,432)	-220.9 %	160,432	0	160,432
Total Revenue	23,514,900	2,043,265	6,445,449	27.4 %	17,069,451	0	17,069,451
<u>Expense Summary</u>							
Executive Administration	499,100	47,236	108,696	21.8 %	390,404	1,020	389,383
Administrative Support	466,700	31,612	106,813	22.9 %	359,887	2,230	357,657
Human Resources Administration	279,800	22,121	58,761	21.0 %	221,039	2,407	218,632
Clerk of the Board	204,400	23,408	55,437	27.1 %	148,963	20	148,943
Finance Administration	883,000	57,745	211,415	23.9 %	671,585	5,110	666,475
Operations Administration	593,500	49,170	131,014	22.1 %	462,486	6,438	456,048
Resource Recovery	1,250,200	98,830	291,976	23.4 %	958,224	1,876	956,348
Marketing	75,600	0	3,338	4.4 %	72,262	69,500	2,762
Public Education	279,300	6,133	52,795	18.9 %	226,505	76,565	149,940
Household Hazardous Waste	810,700	67,060	126,970	15.7 %	683,730	40,959	642,771
C & D Diversion	390,000	4,155	10,366	2.7 %	379,634	0	379,634
Organics Diversion	2,131,300	64,758	309,047	14.5 %	1,822,253	1,553,974	268,279
Diversion Services	30,000	8,415	10,560	35.2 %	19,440	0	19,440
JR Transfer Station	723,600	58,537	167,713	23.2 %	555,887	8,072	547,815
JR Recycling Operations	186,300	15,372	36,714	19.7 %	149,586	20	149,566

Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending September 30, 2022

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
SS Disposal Operations	125,500	55,946	163,166	130.0 %	(37,666)	5,730	(43,396)
SS Transfer Operations	85,700	45,696	153,513	179.1 %	(67,813)	15,856	(83,669)
SS Recycling Operations	113,200	40,057	113,140	99.9 %	60	0	60
ML Transportation Operations	1,574,200	139,376	398,322	25.3 %	1,175,878	36,582	1,139,296
ML Recycling Operations	679,200	23,725	71,494	10.5 %	607,706	130,869	476,837
JC Landfill Operations	3,590,900	238,337	837,234	23.3 %	2,753,666	286,343	2,467,323
JC Recycling Operations	615,100	40,599	97,556	15.9 %	517,544	8,033	509,511
Johnson Canyon ECS	542,000	26,988	42,652	7.9 %	499,348	97,615	401,732
Sun Street ECS	227,000	3,307	71,307	31.4 %	155,693	41,100	114,593
Debt Service - Interest	415,300	0	182,661	44.0 %	232,639	0	232,639
Debt Service - Principal	2,700,000	0	2,700,000	100.0 %	0	0	0
Closure/Post Closure Set-Aside	334,400	31,964	97,108	29.0 %	237,292	0	237,292
Cell Construction Set-Aside	1,045,000	99,889	303,464	29.0 %	741,536	0	741,536
Total Expense	20,851,000	1,300,436	6,913,230	33.2 %	13,937,770	2,390,322	11,547,448
Revenue Over/(Under) Expenses	2,663,900	742,829	(467,781)	-17.6 %	3,131,681	(2,390,322)	5,522,003

Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report

For Period Ending September 30, 2022

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
<u>Fund 131 - Crazy Horse Post-Closure Fund</u>							
131 9316 CH Corrective Action Program	253,000	0	0	0.0 %	253,000	0	253,000
131 9319 CH LFG System Improvements	146,500	0	0	0.0 %	146,500	0	146,500
131 9321 CH Postclosure Maintenance	918,084	25,544	139,586	15.2 %	778,498	89,662	688,836
Total Fund 131 - Crazy Horse Post-Closure	1,317,584	25,544	139,586	10.6 %	1,177,998	89,662	1,088,336
<u>Fund 141 - Lewis Road Post-Closure Fund</u>							
141 9402 LR LFG Well Replacement	65,000	0	0	0.0 %	65,000	0	65,000
141 9403 LR Postclosure Maintenance	375,990	11,561	72,064	19.2 %	303,926	49,210	254,716
Total Fund 141 - Lewis Road Post-Closure F	440,990	11,561	72,064	16.3 %	368,926	49,210	319,716
<u>Fund 161 - Jolon Road Post-Closure Fund</u>							
161 9604 JR Postclosure Maintenance	398,915	2,624	203,423	51.0 %	195,492	5,197	190,295
Total Fund 161 - Jolon Road Post-Closure F	398,915	2,624	203,423	51.0 %	195,492	5,197	190,295
<u>Fund 211 - Grants</u>							
211 9228 Tire Amnesty 2021-22	38,482	0	0	0.0 %	38,482	0	38,482
211 9230 SB1383 Local Assistance Grant Pr	332,235	0	0	0.0 %	332,235	0	332,235
211 9258 Cal Recycle - 2020-21 CCPP	3,259	1,800	1,800	55.2 %	1,459	0	1,459
211 9261 Cal Recycle - 2021-22 CCPP	21,393	650	650	3.0 %	20,743	0	20,743
Total Fund 211 - Grants	395,369	2,450	2,450	0.6 %	392,919	0	392,919
<u>Fund 800 - Capital Improvement Projects Fu</u>							
800 9105 Concrete Grinding	29,614	0	0	0.0 %	29,614	0	29,614
800 9107 Scale House Software Upgrade	100,000	0	0	0.0 %	100,000	0	100,000
800 9108 Emergency Generators	59,515	16,315	36,217	60.9 %	23,299	0	23,299
800 9109 Organics Infrastructure Upgrades	3,000,000	0	0	0.0 %	3,000,000	0	3,000,000
800 9110 Administration Office Improvements	350,000	24,560	24,560	7.0 %	325,440	0	325,440
800 9214 Organics Program 2016-17	735,733	0	0	0.0 %	735,733	0	735,733
800 9222 Community-Based Social Marketing	50,000	3,046	6,621	13.2 %	43,379	40,000	3,379

Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report

For Period Ending September 30, 2022

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
800 9223 Outdoor Education Center	56,963	383	4,675	8.2 %	52,288	0	52,288
800 9501 JC LFG System Improvements	188,268	479	6,296	3.3 %	181,973	2,500	179,473
800 9505 JC Partial Closure	140,846	0	3,844	2.7 %	137,002	0	137,002
800 9506 JC Litter Control Barrier	79,625	0	0	0.0 %	79,625	0	79,625
800 9507 JC Corrective Action	250,070	0	0	0.0 %	250,070	0	250,070
800 9509 JC Groundwater Well	400,000	0	0	0.0 %	400,000	0	400,000
800 9526 JC Equipment Replacement	2,016,025	0	0	0.0 %	2,016,025	0	2,016,025
800 9527 JC Module Engineering and Constr	2,113,797	12,026	31,038	1.5 %	2,082,759	1,367	2,081,392
800 9528 Roadway Improvements	400,049	0	0	0.0 %	400,049	0	400,049
800 9601 JR Transfer Station Improvements	882,138	0	0	0.0 %	882,138	0	882,138
800 9602 JR Equipment Purchase	360,000	0	182,539	50.7 %	177,461	211	177,250
800 9603 JR Well Replacement	235,622	0	0	0.0 %	235,622	0	235,622
800 9701 MLTS Equipment Replacement	303,100	0	0	0.0 %	303,100	79,224	223,876
800 9703 SSTS Improvements and Cleanup	160,934	0	0	0.0 %	160,934	0	160,934
Total Fund 800 - Capital Improvement Proje	11,912,300	56,809	295,789	2.5 %	11,616,511	123,302	11,493,209
Total CIP Expenditures	14,465,157	98,988	713,311	4.9 %	13,751,845	267,371	13,484,475

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29718	ALESHIRE & WYNDER, LLP Monthly Legal Services	9/1/2022	10,904.50	10,904.50
29719	ARAM AND TAVIT KARABETIAN JC Facility Maintenance	9/1/2022	185.28	185.28
29720	ASBURY ENVIRONMENTAL SERVICES HHW Hauling & Disposal	9/1/2022	95.00	95.00
29721	AT&T SERVICES INC All Sites Telephone Service	9/1/2022	873.45	873.45
29722	ATLAS ORGANICS CU11, LLC Organics Processing	9/1/2022	169,406.22	169,406.22
29723	AUTOMATION DIRECT HHW Facility Maintenance	9/1/2022	759.29	759.29
29724	BLUE STRIKE ENVIRONMENTAL Special Event Recycling	9/1/2022	1,440.00	1,440.00
29725	CALIFORNIA WATER SERVICE JR Water Service	9/1/2022	959.05	959.05
29726	COAST COUNTIES TRUCK & EQUIPMENT CO. JR Vehicle Maintenance	9/1/2022	379.39	379.39
29727	COMCAST HHW Internet Services	9/1/2022	70.50	70.50
29728	CSC OF SALINAS/YUMA JR Equipment Maintenance	9/1/2022	151.43	151.43
29729	CUTTING EDGE SUPPLY JC Equipment Maintenance	9/1/2022	78.12	78.12
29730	EAST BAY TIRE CO. JC Equipment Maintenance	9/1/2022	378.28	378.28
29731	EDGES ELECTRICAL GROUP, LLC ML Special Dept Supplies	9/1/2022	43.71	43.71
29732	F.A.S.T. SERVICES Monthly Board Interpreting Services	9/1/2022	180.00	180.00
29733	FEDEX Ops Adm Overnight Shipments	9/1/2022	19.93	19.93
29734	FULL STEAM STAFFING LLC All Sites Contract Labor	9/1/2022	6,725.46	6,725.46

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29735	GOLDEN STATE TRUCK & TRAILER REPAIR ML Vehicle Maintenance	9/1/2022	144.53	144.53
29736	GONZALES ACE HARDWARE All Sites Facility Maintenance	9/1/2022	88.04	88.04
29737	GREEN RUBBER - KENNEDY AG, LP JC Facility Maintenance	9/1/2022	749.41	749.41
29738	HOPE SERVICES SS Litter Abatement	9/1/2022	13,704.53	13,704.53
29739	INFINITY STAFFING SERVICES, INC. JC Contract Labor	9/1/2022	3,479.25	3,479.25
29740	JT HOSE & FITTINGS All Sites Equipment Maintenance	9/1/2022	2,305.79	2,305.79
29741	MISSION LINEN SUPPLY All Sites Uniforms	9/1/2022	766.27	766.27
29742	MONTEREY AUTO SUPPLY INC JR Equipment Maintenance	9/1/2022	14.67	14.67
29743	MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT Annual Air Board Permit Fees	9/1/2022	26,243.00	26,243.00
29744	ODP BUSINESS SOLUTIONS, LLC All Sites Office Supplies	9/1/2022	306.05	306.05
29745	ONSITE ELECTRONICS RECYCLING, LLC E-Waste Hauling and Recycling Services	9/1/2022	1,945.18	1,945.18
29746	PACE ANALYTICAL SERVICES, LLC All Sites Lab Services	9/1/2022	18,354.48	18,354.48
29747	PENINSULA PLASTICS LIMITED 1200 Food Waste Bins	9/1/2022	8,305.00	8,305.00
29748	PINNACLE MEDICAL GROUP, Inc. A Professional Corporation Pre-Employment Physical	9/1/2022	110.00	110.00
29749	QUINN COMPANY JC Equipment Maintenance	9/1/2022	868.87	868.87
29750	R.D. OFFUTT COMPANY SS & JC Facility & Equipment Maintenance	9/1/2022	61.01	61.01
29751	ROSSI BROS TIRE & AUTO SERVICE JC Equipment Maintenance	9/1/2022	115.00	115.00

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29752	SCS FIELD SERVICES All Sites Remote Monitoring	9/1/2022	575.00	575.00
29753	SECURITY SHORING & STEEL PLATES, INC. SS Equipment Rental	9/1/2022	153.00	153.00
29754	SOUTHERN COUNTIES LUBRICANTS LLC All Sites Fuels	9/1/2022	26,372.03	26,372.03
29755	SPECIALTY DISTRIBUTORS INC. SS Equipment Maintenance	9/1/2022	439.42	439.42
29756	TODD V. RAMEY JC Engineering Services	9/1/2022	350.00	350.00
29757	UNITED RENTALS (NORTHWEST), INC HHW Facility Maintenance	9/1/2022	669.95	669.95
29758	VALERIO VARELA JR All Sites Equipment Maintenance	9/1/2022	3,150.00	3,150.00
29759	VALLEY FABRICATION, INC. JC & JR Facility Maintenance	9/1/2022	404.80	404.80
29760	Vasquez Fabrication, Inc. ML Vehicle Maintenance	9/1/2022	618.75	618.75
29761	WESTERN EXTERMINATOR COMPANY JC Exterminator Services	9/1/2022	169.55	169.55
29762	ZORO SS Vehicle Maintenance	9/1/2022	3,097.78	3,097.78
29763	US BANK CORPORATE PAYMENT SYSTEM Ubiquiti: 126 Sun St Network Supplies O'Reilly Auto: Admin Vehicle Supplies Alaska Air: CalOSHA Training Northern Tools: Annual Membership Alaska Air: CalOSHA Training CVS Pharmacy: Employee Recognition Amazon: Admin Supplies Hanna Instruments: Ops Admin Supplies Amazon: 126 Sun St Network Supplies Costco: JC Office Supplies Home Depot: ML Supplies Harbor Freight: HHW Supplies Amazon: Admin Office Supplies Etsy: RR Office Supplies 4Imprint: All Sites Safety Supplies CA Special District: HR Training Amazon: Admin Office Supplies Intermedia: Email Exchange	9/7/2022	11,784.49 64.42 278.00 (39.99) 278.00 1,001.15 21.84 33.98 230.34 75.52 418.32 160.32 36.02 131.10 1,205.07 175.00 132.19 427.72	

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
	CRRA: Annual Conference		1,403.79	
	Hotels.com: CalOSHA Training		279.48	
	Hotels.com: CalOSHA Training		279.48	
	Santa Fe: Ops Admin Meetings		43.47	
	SWANA: RR Certification Renewal		250.00	
	Nob Hill: Executive Meeting Supplies		80.18	
	Intermedia: Email Exchange		13.79	
	AT&T: JC Internet Services		113.23	
	Name Tag Wizard: RR Supplies		31.03	
	Amazon: 126 Sun St Network		292.54	
	Zoom: Remote Meetings		146.96	
	Traffic Management: Traffic Sign		3,046.44	
	Indeed: Job Announcements		323.92	
	Indeed: Job Announcements		500.26	
	Amazon: JC Facility Supplies		289.50	
	Amazon: Admin Safety Supplies		137.78	
	Amazon: RR Safety Supplies		132.12	
	Smart & Final: RR Customer Appreciation		286.69	
	Home Depot: ML Facility Supplies		235.25	
	Harbor Freight: JC Facility Maintenance		498.44	
	CarMax: RR Vehicle Supplies		199.00	
	Home Depot: RR Vehicle Supplies		139.79	
				25,136.63
29764	**Void**	9/7/2022	-	
				-
29765	**Void**	9/7/2022	-	
				-
29766	**Void**	9/7/2022	-	
				-
29767	**Void**	9/7/2022	-	
				-
29768	ADMANOR, INC	9/7/2022		
	CCRMC Monthly Media & Marketing Service		7,661.06	
				7,661.06
29769	AON RISK INSURANCE SERVICES WEST, INC .	9/7/2022		
	Insurance - New Vehicles		2,633.00	
				2,633.00
29770	CALIFORNIA WATER SERVICE	9/7/2022		
	Common Area Maintenance		206.13	
	SS Water Service		242.50	
				448.63
29771	COAST COUNTIES TRUCK & EQUIPMENT CO.	9/7/2022		
	ML Vehicle Maintenance		2,796.14	
				2,796.14
29772	COMPUTERSMITHS LLC	9/7/2022		
	DOT BAT		80.00	
				80.00

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29773	CUTTING EDGE SUPPLY JC Equipment Maintenance	9/7/2022	5,232.41	5,232.41
29774	ERNEST BELL D. JR All Sites Janitorial Services	9/7/2022	4,440.00	4,440.00
29775	FULL STEAM STAFFING LLC SS & JC Contract Labor	9/7/2022	1,747.94	1,747.94
29776	GONZALO DE LEON ML Transport: Safety Supplies	9/7/2022	220.00	220.00
29777	KELLY-MOORE PAINT COMPANY INC. HHW Facility Maintenance	9/7/2022	4,085.18	4,085.18
29778	PINNACLE MEDICAL GROUP, Inc. A Professional Corporation Pre-Employment Physical	9/7/2022	220.00	220.00
29779	PRICILLIA RODRIGUEZ SS Hauling Services	9/7/2022	13,543.56	13,543.56
29780	QUINN COMPANY JC & JR Equipment & Vehicle Maintenance	9/7/2022	4,549.73	4,549.73
29781	SAUL CARDENAS-IBARRA 3 Short Video Production	9/7/2022	240.00	240.00
29782	SCS FIELD SERVICES All Sites Remote Monitoring	9/7/2022	350.00	350.00
29783	SOLID WASTE ASSOCIATION OF NORTH AMERICA WASTECON 2022	9/7/2022	599.00	599.00
29784	SOUTHERN COUNTIES LUBRICANTS LLC All Sites Fuel	9/7/2022	3,366.98	3,366.98
29785	TELCO BUSINESS SOLUTIONS Monthly Network Support	9/7/2022	238.07	238.07
29786	VALERIO VARELA JR JR Vehicle Maintenance	9/7/2022	5,625.00	5,625.00
29787	A & G PUMPING, INC JR & JC Org Portable Toilets	9/15/2022	511.13	511.13
29788	A-7 AUSTIN, LTD AP Check Supplies	9/15/2022	279.80	279.80
29789	AGRI-FRAME, INC JC Facility Maintenance	9/15/2022	1,748.70	1,748.70

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29790	AIR TOXICS LTD CH Engineering Services	9/15/2022	830.00	830.00
29791	AMERICAN SUPPLY CO. Adm Janitorial Supplies	9/15/2022	112.91	112.91
29792	ASBURY ENVIRONMENTAL SERVICES HHW Hauling & Disposal	9/15/2022	190.00	190.00
29793	AUTOZONE LLC. All Sites Vehicle & Equipment Supplies	9/15/2022	1,727.72	1,727.72
29794	**Void**	9/15/2022	-	-
29795	COAST COUNTIES TRUCK & EQUIPMENT CO. JR & ML Vehicle Maintenance	9/15/2022	2,939.01	2,939.01
29796	DATAFLOW BUSINESS SYSTEMS INC. Printer Network Support	9/15/2022	12.50	12.50
29797	DLT SOLUTIONS LLC AutoCAD License Renewal	9/15/2022	5,352.00	5,352.00
29798	DOUGLAS NOLAN School Assembly Program	9/15/2022	4,750.00	4,750.00
29799	EAST BAY TIRE CO. JC & SS Equipment Maintenance	9/15/2022	764.09	764.09
29800	Elevator Service Co. of Central California Inc. Common Area Maintenance	9/15/2022	175.00	175.00
29801	FRESNO OXYGEN SS Facility Maintenance	9/15/2022	37.71	37.71
29802	FULL STEAM STAFFING LLC SS & JC Contract Labor	9/15/2022	4,260.80	4,260.80
29803	GLOBAL EQUIPMENT COMPANY INC. SS Facility Maintenance	9/15/2022	7,462.86	7,462.86
29804	GOLDEN STATE TRUCK & TRAILER REPAIR JR & ML Vehicle Maintenance	9/15/2022	382.21	382.21
29805	GONZALES ACE HARDWARE All Sites Facility Maintenance Supplies	9/15/2022	175.12	175.12
29806	GONZALES IRRIGATION SYSTEMS, INC. JC Equipment Maintenance	9/15/2022	29.71	29.71

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29807	GONZALES TIRE & AUTO SUPPLY All Sites Equipment Maintenance	9/15/2022	1,267.03	1,267.03
29808	**Void**	9/15/2022	-	-
29809	INFINITY STAFFING SERVICES, INC. JC Contract Labor	9/15/2022	13,565.39	13,565.39
29810	KING CITY HARDWARE INC. JR Facility Maintenance	9/15/2022	39.77	39.77
29811	LANDSCAPE MAINTENANCE OF AMERICA RR Litter Abatement	9/15/2022	650.00	650.00
29812	LS&G Electrical Contractors, Inc. CH Improvements	9/15/2022	18,769.12	18,769.12
29813	MISSION LINEN SUPPLY All Sites Uniform Maintenance	9/15/2022	481.22	481.22
29814	MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY SS Monthly Sewer Service	9/15/2022	1,775.43	1,775.43
29815	NEXIS PARTNERS, LLC 126-128 Building Common Area Maintenance	9/15/2022	2,696.91	2,696.91
29816	ODP BUSINESS SOLUTIONS, LLC All Sites Office Supplies	9/15/2022	710.07	710.07
29817	PENINSULA MESSENGER LLC All Sites Courier Service	9/15/2022	1,148.00	1,148.00
29818	PITNEY BOWES GLOBAL Adm Postage	9/15/2022	444.91	444.91
29819	PURE WATER BOTTLING All Sites Water Service	9/15/2022	492.55	492.55
29820	QUINN COMPANY JC Equipment Maintenance	9/15/2022	10,382.37	10,382.37
29821	R. PATRICK MATHEWS SWANA WasteCon Conference	9/15/2022	314.00	314.00
29822	REPUBLIC SERVICES #471 Adm Monthly Trash Service	9/15/2022	96.64	96.64
29823	RONNIE G. REHN HHW Facility Maintenance	9/15/2022	155.00	155.00

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29824	SCS ENGINEERS All Sites Non Routine Engineering Services	9/15/2022	5,376.49	5,376.49
29825	SCS FIELD SERVICES All Sites Remote Monitoring	9/15/2022	925.00	925.00
29826	SHARPS SOLUTIONS, LLC HHW Hauling & Disposal	9/15/2022	300.00	300.00
29827	SOCIAL VOCATIONAL SERVICES, INC. JC Litter Abatement	9/15/2022	7,874.22	7,874.22
29828	SOUTHERN COUNTIES LUBRICANTS LLC All Sites Vehicle & Equipment Fuel	9/15/2022	25,493.28	25,493.28
29829	Southern Counties Oil Co., a CA Limited Partnership JR Vehicle & Equipment Fuel	9/15/2022	7,877.21	7,877.21
29830	STERICYCLE, INC Adm Shredding Services	9/15/2022	120.00	120.00
29831	STURDY OIL COMPANY ML Vehicle Maintenance	9/15/2022	152.27	152.27
29832	SUSTAINABLE GOODS CORPORATION RR-Special Dept Supplies Trash bags	9/15/2022	4,935.84	4,935.84
29833	TELCO BUSINESS SOLUTIONS Monthly Network Support	9/15/2022	245.35	245.35
29834	UNITED RENTALS (NORTHWEST), INC CH Maintenance Supplies	9/15/2022	162.48	162.48
29835	VOSTI'S INC All Sites Equipment Maintenance	9/15/2022	2,137.81	2,137.81
29836	**Void**	9/15/2022	-	-
29837	WEST COAST RUBBER RECYCLING, INC SS & JR Tire Diversion	9/15/2022	4,125.00	4,125.00
29838	A-7 AUSTIN, LTD AP Checks	9/22/2022	264.55	264.55
29839	AON RISK INSURANCE SERVICES WEST, INC . Insurance - Business Auto	9/22/2022	1,409.00	1,409.00
29840	AT&T SERVICES INC Ops Adm Telephone Service	9/22/2022	405.78	405.78

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29841	BLUE STRIKE ENVIRONMENTAL RR Consulting Services	9/22/2022	1,303.50	1,303.50
29842	CALIFORNIA MARINE SANCTUARY FOUNDATION Annual Agency Membership	9/22/2022	500.00	500.00
29843	CALIFORNIA WATER SERVICE JR Water Service	9/22/2022	959.05	959.05
29844	CLARK PEST CONTROL, INC Adm Exterminator Services	9/22/2022	100.00	100.00
29845	COAST COUNTIES TRUCK & EQUIPMENT CO. ML Vehicle Maintenance	9/22/2022	1,522.60	1,522.60
29846	COMCAST Monthly Internet Service	9/22/2022	505.44	505.44
29847	CUTTING EDGE SUPPLY JC Equipment Maintenance	9/22/2022	522.67	522.67
29848	DATAFLOW BUSINESS SYSTEMS INC. Adm Equipment Maintenance	9/22/2022	37.52	37.52
29849	EAST BAY TIRE CO. ML Vehicle Maintenance	9/22/2022	325.73	325.73
29850	FERGUSON ENTERPRISES INC #795 JC Maintenance Supplies	9/22/2022	30.42	30.42
29851	FLEETMATICS, USA HOLDINGS, INC. ML Vehicle Equipment Supplies	9/22/2022	420.00	420.00
29852	GONZALES TIRE & AUTO SUPPLY ML Vehicle Maintenance	9/22/2022	157.43	157.43
29853	GREEN RUBBER - KENNEDY AG, LP JC Safety Supplies	9/22/2022	296.76	296.76
29854	HOPE SERVICES SS Litter Abatement	9/22/2022	15,188.46	15,188.46
29855	ICONIX WATERWORK (US) INC. JC Maintenance Supplies	9/22/2022	2,417.16	2,417.16
29856	INTERSTATE BATTERIES JC Equipment Maintenance	9/22/2022	298.87	298.87
29857	Maestro Health Maestro Monthly Fees	9/22/2022	150.00	150.00

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29858	NEU-SCAPES, INC. Common Area Maintenance	9/22/2022	2,225.00	2,225.00
29859	ODP BUSINESS SOLUTIONS, LLC Adm & HHW Office Supplies	9/22/2022	639.38	639.38
29860	PACE ANALYTICAL SERVICES, LLC LR Lab Water Analysis	9/22/2022	230.63	230.63
29861	PRICILLIA RODRIGUEZ SS Hauling Services	9/22/2022	12,935.64	12,935.64
29862	PROBUILD COMPANY LLC JC Facility Maintenance	9/22/2022	105.19	105.19
29863	QUINN COMPANY JR Equipment Maintenance Supplies	9/22/2022	2,602.89	2,602.89
29864	R.D. OFFUTT COMPANY JC Equipment Maintenance	9/22/2022	158.39	158.39
29865	SCS FIELD SERVICES All Sites Routine Engineering Services	9/22/2022	40,457.67	40,457.67
29866	**Void**	9/22/2022	-	-
29867	SOUTHERN COUNTIES LUBRICANTS LLC All Sites Fuel	9/22/2022	20,396.36	20,396.36
29868	STEVEN M. POUDRIER HHW Office Supplies	9/22/2022	75.47	75.47
29869	VALERIO VARELA JR All Sites Facility Maintenance	9/22/2022	1,400.00	1,400.00
29870	VERIZON WIRELESS SERVICES HHW Internet Service	9/22/2022	186.37	186.37
29871	WEST COAST RUBBER RECYCLING, INC SS Tire Diversion	9/22/2022	2,145.00	2,145.00
29872	WRIGHT EXPRESS FINANCIAL SERVICES CORPORATION All Sites Vehicle Fuel	9/22/2022	3,116.17	3,116.17
29873	AIR TOXICS LTD JC & CH Engineering Services	9/29/2022	1,015.00	1,015.00
29874	ALESHIRE & WYNDER, LLP Monthly Legal Services	9/29/2022	14,785.60	14,785.60

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29875	AON RISK INSURANCE SERVICES WEST, INC . Insurance - Commercial Auto	9/29/2022	6,183.00	6,183.00
29876	ASBURY ENVIRONMENTAL SERVICES HHW Hauling & Disposal	9/29/2022	95.00	95.00
29877	ASSOCIATION OF ENVIRONMENTAL PROFESSIONALS Ops Adm Association Membership	9/29/2022	150.00	150.00
29878	AT&T SERVICES INC JC Telephone Service	9/29/2022	243.38	243.38
29879	BLUE STRIKE ENVIRONMENTAL Special Event Recycling	9/29/2022	1,120.00	1,120.00
29880	CALIFORNIA WATER SERVICE All Sites Water Service	9/29/2022	1,376.12	1,376.12
29881	CLEAN EARTH ENVIRONMENTAL SOLUTIONS, INC. HHW Disposal Services & Supplies HHW Hauling & Disposal	9/29/2022	2,597.96 12,309.55	14,907.51
29882	COAST COUNTIES TRUCK & EQUIPMENT CO. ML Vehicle Maintenance	9/29/2022	1,378.58	1,378.58
29883	COMCAST Common Area Maintenance HHW Internet Service	9/29/2022	119.02 70.50	189.52
29884	EDGES ELECTRICAL GROUP, LLC ML Special Dept Supplies	9/29/2022	52.52	52.52
29885	ERNEST BELL D. JR Janitorial Services	9/29/2022	3,140.00	3,140.00
29886	ERNESTO NATERA HHW Scalehouse Supplies	9/29/2022	58.86	58.86
29887	ESTELA GUTIERREZ CRRRA Conference	9/29/2022	238.00	238.00
29888	F.A.S.T. SERVICES Board Meeting Interpreting Services	9/29/2022	180.00	180.00
29889	FIRST ALARM All Site Alarm Services	9/29/2022	1,417.91	1,417.91
29890	FULL STEAM STAFFING LLC Temporary Labor	9/29/2022	2,096.22	2,096.22

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29891	GOLDEN STATE TRUCK & TRAILER REPAIR All Sites Equipment Maintenance	9/29/2022	1,560.56	1,560.56
29892	GONZALES ACE HARDWARE JC Facility Maintenance	9/29/2022	45.64	45.64
29893	GREEN MOUNTAIN TECHNOLOGIES, INC. Organic Blower System Repairs	9/29/2022	16,077.06	16,077.06
29894	GREEN RUBBER - KENNEDY AG, LP All Sites Facility Maintenance	9/29/2022	1,472.89	1,472.89
29895	GREEN VALLEY INDUSTRIAL SUPPLY, INC SS Vehicle Maintenance	9/29/2022	223.06	223.06
29896	GUERITO Portable Toilets	9/29/2022	1,199.50	1,199.50
29897	HERC RENTALS INC. HHW Facility Maintenance	9/29/2022	351.12	351.12
29898	INFINITY STAFFING SERVICES, INC. All Sites Contract Labor	9/29/2022	8,208.56	8,208.56
29899	JANNA FAULK CRRRA Conference	9/29/2022	238.00	238.00
29900	JT HOSE & FITTINGS JC Equipment Maintenance	9/29/2022	1,266.70	1,266.70
29901	KING CITY HARDWARE INC. JR Facility Maintenance	9/29/2022	76.08	76.08
29902	KIRBY MFG INC. JC Org Equipment Maintenance	9/29/2022	29,921.65	29,921.65
29903	MISSION LINEN SUPPLY All Sites Uniforms	9/29/2022	518.29	518.29
29904	ONE STOP AUTO CARE/V & S AUTO CARE, INC Adm Equipment Maintenance	9/29/2022	61.00	61.00
29905	PINNACLE MEDICAL GROUP, Inc. A Professional Corporation Pre-employment Physical	9/29/2022	110.00	110.00
29906	PRICILLIA RODRIGUEZ SS Hauling Services	9/29/2022	14,245.44	14,245.44
29907	QUINN COMPANY JC Equipment Maintenance	9/29/2022	847.74	847.74

Salinas Valley Solid Waste Authority
Checks Issued Report for 9/1/2022 to 9/30/2022

Check #	Name	Check Date	Amount	Check Total
29908	ROSSI BROS TIRE & AUTO SERVICE All Sites Equipment Maintenance	9/29/2022	5,760.65	5,760.65
29909	SAFETEQUIP JC Safety Supplies	9/29/2022	271.81	271.81
29910	Sara Papineau-Brandt CRRRA Conference	9/29/2022	238.00	238.00
29911	SOUTHERN COUNTIES LUBRICANTS LLC All Sites Equipment and Vehicle Fuel	9/29/2022	47,796.10	47,796.10
29912	SUPERIOR BAG JC & JR Office Supplies	9/29/2022	384.70	384.70
29913	THE DON CHAPIN COMPANY, INC. HHW Portable Toilets	9/29/2022	483.85	483.85
29914	TOYOTA MATERIAL HANDLING HHW Equipment Maintenance	9/29/2022	2,680.34	2,680.34
29915	VALERIO VARELA JR All Sites Equipment Maintenance	9/29/2022	2,252.50	2,252.50
29916	WEST COAST RUBBER RECYCLING, INC JC Tire Diversion	9/29/2022	2,145.00	2,145.00
29917	ZORO ML Vehicle Maintenance	9/29/2022	1,984.55	1,984.55
23-00139-DFT	PACIFIC GAS AND ELECTRIC COMPANY All Sites Electrical Services	9/1/2022	20,618.09	20,618.09
23-00156-DFT	REPUBLIC SERVICES #471 ML Rent	9/26/2022	16,234.17	16,234.17
Total:				873,268.30
Payroll Disbursements				<u>822,863.70</u>
Grand Total				<u>1,696,132.00</u>



Report to the Executive Committee

ITEM NO. 3

Finance and Administration Manager,
Controller/Treasurer

General Manager/CAO

R. Santos by E.T.

Authority General I Counsel

Date: November 3, 2022

From: C. Ray Hendricks, Finance and Administration Manager

Title: A Resolution Approving the Allocation of Cash Balances for Fiscal Year 2021-22, and Supplemental Appropriation to Fund Adjustments to the Operating Budget

RECOMMENDATION

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

STRATEGIC PLAN RELATIONSHIP

This is a routine annual financial item.

FISCAL IMPACT

This item designates cash balances at year-end June 30, 2022. Supplemental appropriations of \$349,000 will be made to fund the Operations at Sun Street Transfer Station through September 10, 2022, higher organics processing rate, along with higher than budgeted increases in Worker's Comp and Health Insurance Premiums. This supplemental appropriation will be funded using cash balances at June 30, 2022 prior to the allocation to designated reserves in accordance with Board policy.

(continued to next page)

DISCUSSION & ANALYSIS

To determine the surplus cash balance at June 30, 2022, the total of cash and investments at June 30, 2022 was reduced by the funds held by legal agreements, committed by Board policy, held in trust, or previously committed or assigned to Budget by Board direction. Calculations are as follows:

Cash Balance at 06-30-2022	<u>33,214,436.72</u>
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Restricted by Legal Agreement

JC Closure Fund	4,970,641.61
CEPPT Restricted Fund	250,268.48
State Grants	5,762.46

Funds Held in Trust

CCRMC Trust	55,868.71
Employees FSA Trust	8,901.26

Committed by Board Policy

Designated for Capital Projects Reserve	2,702,715.89
Designated for Operations Reserve	3,078,750.00
Designated for Environmental Impairment Reserve	2,272,084.68
Expansion Fund	4,754,133.10

Assigned by Budget

Assigned to Capital Projects	8,988,866.87
Supplemental CIPs Approved by Board	1,135,000.00
Assigned to Crazy Horse Post-Closure	773,731.00
Assigned to Lewis Road Post-Closure	196,426.21
Assigned to Johnson Canyon Post-Closure	2,161,334.09
Assigned to Jolon Road Post-Closure	<u>140,378.50</u>

Total Available for Surplus Allocation at 06-30-2022	<u>1,719,573.86</u>
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Allocating these funds based on the Financial Policies would be as follows:

Capital Projects Reserve (60%)	1,031,744.32
Operations Reserve (20%)	343,914.77
Environmental Impairment Reserve (20%)	<u>343,914.77</u>
Total Surplus Allocation	<u>1,719,573.86</u>

Staff recommends adjusting the surplus allocation as follows:

Total Surplus Allocation	1,719,573.86
Supplemental Appropriations	<u>(495,000.00)</u>
Adjusted Surplus Allocation	<u>1,224,573.86</u>
Capital Projects Reserve (71.7%)	878,409.09
Operations Reserve (8.3%)	101,250.00
Environmental Impairment Reserve (20%)	<u>244,914.77</u>
Total Surplus Allocation	<u>1,224,573.86</u>

Operating Budget Adjustments (\$349,000)

Staff recommends using \$495,000 to fund supplemental appropriations related to Sun Street Operations, Organics Program Operations, Health Insurance Premiums, and Worker's Comp Insurance Premiums. A portion of the total needed to operate Sun Street Budget was previously approved. Therefore, a budget adjustment is only requested for the difference.

	Use of FY 2021-22 Fund Balance	Budget Adjustment
Sun Street Operations	253,000	107,000
Organics Program	160,000	160,000
Health Insurance Premiums	41,100	41,100
Workers Compensation Insurance	<u>40,900</u>	<u>40,900</u>
	<u>495,000</u>	<u>349,000</u>

Sun Street Operations

The FY 2022-23 budget was written with the following key assumption:

- Closure of Sun Street Operations
 - Relocate AB939 programs to Madison Lane effective 07-01-2022
 - Transfer MLTS solid waste effective 07-01-2022
 - Initial Reduction of SS Self Haul Tonnage by 50%, after SSTS closure

The closure of Sun Street did not occur until September 10, 2022, due to permitting issues and construction delays at Madison Lane Transfer Station. On June 16, 2022, the Board approved supplemental appropriations in the amount of **\$146,000** so that Sun Street could operate as a Franchise Waste overflow and Self-Haul facility until mid-August (1.5 months), while also transporting waste for Republic's MLTS beginning July 1, 2022. The cost of operating Sun Street through September 10, 2022 (excluding payroll) was **\$253,000**. Staff recommends using FY 2021-22 fund balance to cover the \$253,000 in unfunded expenses. An additional appropriation of **\$107,000** is also needed to ensure the budget reflects the total amount used. This adjustment is a one-time increase since Sun Street is now closed.

Organics Program

On March 17, 2022, the Board approved a contract with Atlas Organics for the processing of organics materials at Johnson Canyon Landfill beginning on July 1, 2022. The FY 2022-23 budget was written using the \$38.11 processing rate that includes the Authority providing water for the operation. Unfortunately, water has been more difficult to secure than anticipated. The processing rate without water is \$41.66, necessitating a **\$160,000** adjustment to process the estimated 45,000 tons of organics materials for FY 2022-23. Staff is working on securing water for the facility long-term and is hopeful that the water project will be completed before the end of the fiscal year, and that this adjustment is a one-time increase.

Health Insurance Premiums

Health Insurance Premiums will increase by an average of 16% on January 1, 2023. The budget included a contingency for a 10% increase. However, during MOU negotiations, all of the bargaining units agreed to increase their share of health care premiums from 10% to 15% minimizing the overall impact to the Authority. A **\$41,100** adjustment is needed to cover the remaining portion of the increase.

Worker's Comp Insurance Premiums

Worker's Comp Insurance Premiums increased by an average of 40% on July 1, 2022, due in part to an increase to the x-mod and overall rate increase. A **\$40,900** adjustment is needed to cover the increase.

Operations Reserve

The funding goal for the operations reserve is 15% of the operating budget. The Board authorized fully funding the reserve using FY 2020-21 surpluses. An allocation of **\$101,250** to the operations reserve will keep it fully funded at 15% of the operating budget in accordance with the Board's Financial Policies. The difference will be allocated to the Capital Projects Reserve. Keeping the Operations Reserve fully funded provides the Authority additional flexibility if revenues do not meet projections due to ongoing or future economic downturns, or unanticipated events. Following is a summary of the operations reserve balance if approved:

Designated for Operations Reserve

Balance at 06-30-2022	3,078,750.00
FY 2021-22 Surplus Allocation	101,250.00
Ending Balance (Goal \$3.18M)	<u>3,180,000.00</u>

Environmental Impairment Reserve

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

	Capital			
Landfill-Action	Improvements	Maintenance*	Contingency	Total
Johnson Canyon	\$ 475,462	\$ 405,706	\$ -	\$ 881,168
Crazy Horse	3,713,566	8,406,665	-	12,120,231
Jolon Road	-	1,662,562	-	1,662,562
Lewis Road	140,073	257,998	39,955	438,026
Total Corrective Actions	<u>\$ 4,329,101</u>	<u>\$ 10,732,931</u>	<u>\$ 39,955</u>	<u>\$ 15,101,987</u>

* Maintenance period covers up to 30 years

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

Under the financial assurance agreements with CalRecycle, the Authority has covenanted that it will provide the necessary funding when required. This means that the Authority would increase rates as necessary to cover the above expenses. However, it is highly unlikely that all three sites would need corrective action at the same time. The funding goal is the Capital Improvement costs at Crazy Horse, the highest cost of the three sites. Allocating an additional **\$244,914.77** to this reserve brings the balance to 68.6% of the \$3.71 million capital funding goal for Corrective Action at Crazy Horse. Following is a summary of the balances if approved.

Designated for Environmental Impairment Reserve

Balance at 06-30-2022	2,272,084.68
FY 2021-22 Surplus Allocation	244,914.77
Ending Balance (Goal \$3.71M)	<u>2,516,999.45</u>

Capital Projects Reserve

The remaining **\$878,409.09** is to be allocated to the Capital Projects Reserve. This reserve is to be used for one-time capital needs. Following is a summary of the balances if approved.

Designated for Capital Projects Reserve

Balance at 06-30-2022	2,702,715.89
FY 2021-22 Surplus Allocation	878,409.09
Ending Balance	<u>3,581,124.98</u>

BACKGROUND

On May 19, 2022, the Board approved the updated financial policies. Section 3 (Fund Balance/Reserves) of this document designates how fund balance will be allocated.

After completion of the annual audit, any undesignated cash balance will be first used to pay down any Unfunded Actuarial Liability to the CalPERS retirement accounts. Remaining funds shall be allocated to reserves using the following methodology:

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

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

ATTACHMENT(S)

1. Resolution
2. Exhibit A - Allocation of Cash Balances for FY 2021-22 Sheet
3. Resolution 2022-21, Financial Policies

RESOLUTION NO. 2022 –

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
APPROVING THE ALLOCATION OF CASH BALANCES FOR FISCAL YEAR 2021-22 AND
SUPPLEMENTAL APPROPRIATIONS TO THE CIP AND OPERATING BUDGETS**

WHEREAS, the Board of Directors of the Salinas Valley Solid Waste Authority approved the revised financial policies by adoption of Resolution No. 2022-21; and,

WHEREAS, the Fiscal Year 2021-22 fund balance is to be allocated as follows: Operating Reserves (20%), Capital Projects Reserves (60%), and Environmental Impairment Reserves (20%) unless otherwise approved by the Board; and,

WHEREAS, on June 16, 2022, the Board approved supplemental appropriations in the amount of \$146,000 so that Sun Street could operate as a Franchise Waste overflow and Self-Haul facility until mid-August (1.5 months), while also transporting waste for Republic's MLTS beginning July 1, 2022; and,

WHEREAS, Sun Street Transfer Station did not permanently close until September 10, 2022; and,

WHEREAS, on September 15, 2022, the Board approved \$1,135,000 in new CIPs to be funded from FY 2021-22 fund balance; and,

WHEREAS, using \$495,000 of the remaining fund balance to fund the operations at Sun Street Transfer Station through September 10, 2022, higher organics processing rate, along with higher than budgeted increases in Worker's Comp and Health Insurance Premiums; and,

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Salinas Valley Solid Waste Authority, that the allocation of cash balances for FY 2021-22, attached hereto and marked "Exhibit A" is hereby approved; and,

BE IT FURTHER RESOLVED, that a Supplemental Operating Appropriation of \$349,000 to fund Sun Street Transfer Station operations through September 10, 2022, higher organics processing rate, along with higher than budgeted increases in Worker's Comp and Health Insurance Premiums is hereby approved; and,

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

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 17th day of November 2022, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Chris Lopez, President

ATTEST:

APPROVED AS TO FORM:

Erika J. Trujillo, Clerk of the Board

Roy C. Santos, Authority General Counsel

Exhibit A

ALLOCATION OF FISCAL YEAR 2021-22 CASH BALANCES

Operating Budget Adjustments	495,000.00
Capital Projects Reserve	878,409.09
Environmental Impairment Reserve	244,914.77
Operations Reserve	<u>101,250.00</u>
Total Surplus Allocation	<u><u>1,719,573.86</u></u>

RESOLUTION NO. 2022 – 21

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

WHEREAS, the Board of Directors of the Salinas Valley Solid Waste Authority last approved the financial policies by adoption of Resolution No. 2021-48 on November 18, 2021; and,

WHEREAS, a recent review of the policies found that the capitalization threshold did not match actual practice; and,

WHEREAS, maintaining a fully funded retirement program has been a priority of the agency; and,

WHEREAS, the Authority strives to promote transparency in its fiscal affairs and fiscal accountability; and,

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Salinas Valley Solid Waste Authority, that the Financial Policies attached hereto as Exhibit "A" are hereby approved and adopted.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a regular meeting duly held on the 19th day of May 2022, by the following vote:

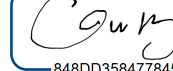
AYES:	BOARD MEMBERS:	CRAIG, CROMEENES, CULLEN, JIMENEZ, LOPEZ, PHILLIPS, ROCHA, SILVA, TIPTON
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NOES:	BOARD MEMBERS:	NONE
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ABSENT:	BOARD MEMBERS:	NONE
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ABSTAIN:	BOARD MEMBERS:	NONE
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Christopher M. Lopez, President

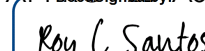
ATTEST, DocuSigned by:



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Erika J. Trujillo, Clerk of the Board

APPROVED AS TO FORM:



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Roy C. Santos, Authority General Counsel

Salinas Valley Solid Waste Authority Financial Policies

SUMMARY

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

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

Salinas Valley Solid Waste Authority Financial Policies

10. Accounting, Auditing and Financial Reporting: The Authority's accounting, auditing and financial reporting shall comply with prevailing local, state, and federal regulations, as well as current professional principles and practices as promulgated by authoritative bodies.
11. Internal Controls: The Authority shall establish and maintain an internal control structure designed to provide reasonable assurance that Authority assets are safeguarded and that the possibilities for material errors in the Authority's financial records are minimized.
12. Operating Budget: The Authority's operating budget will implement the policy decisions of the Board. It will provide a clear picture of the Authority's resources and their use.
13. Capital Assets: The Authority will capitalize all capital assets in accordance with Generally Accepted Accounting Principles so as to maintain proper control of all capital assets.

Salinas Valley Solid Waste Authority Financial Policies

1 - REVENUES

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

A. User Fees

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

B. Tipping Fees

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

C. One Time Revenues

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

D. Revenue Estimates

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

E. Revenue Collection and Administration

The Authority shall pursue to the full extent allowed by state law all delinquent ratepayers and others overdue in payments to the Authority. Since a revenue should not exceed the cost of producing it, the Authority shall strive to control and reduce administrative collection costs.

Salinas Valley Solid Waste Authority Financial Policies

2 - EXPENDITURES

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

A. Current Funding Basis

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

B. Avoidance of Operating Deficits

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

C. Maintenance of Capital Assets

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

D. Periodic Program Reviews

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

E. Purchasing

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

Salinas Valley Solid Waste Authority Financial Policies

3 - FUND BALANCE/RESERVES

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

A. Funding the Reserves

After completion of the annual audit, any undesignated cash balance will be first used to pay down any Unfunded Actuarial Liability to the CalPERS retirement accounts. Remaining funds shall be allocated to reserves using the following methodology:

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

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

B. Operating Reserve

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

C. Use of Operating Reserve

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

D. Capital Projects Reserve

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

Salinas Valley Solid Waste Authority Financial Policies

E. Environmental Impairment Reserve

Due to the potential release of contaminants that exists with all Municipal Solid Waste landfills, the Authority will strive to fund an Environmental Impairment Reserve for the purpose of responding to a release in a timely manner. The funds can also be used for mitigation or corrective action measures required by CalRecycle. It is highly unlikely that all sites would need corrective action at the same time. Therefore, the funding goal is the Capital Improvement costs at the highest of the sites.

F. Annual Review of Reserves

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

Salinas Valley Solid Waste Authority Financial Policies

4 - CAPITAL EXPENDITURES AND IMPROVEMENTS

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

A. Capital Improvement Plan

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

B. Capital Improvement Budget

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

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

CIP funding will be based on the following priorities:

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

C. Capital Expenditure Financing

Projects will be financed using the following preferred order:

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

Salinas Valley Solid Waste Authority Financial Policies

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

D. Capital Projects Reserve Fund

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

E. Capital Projects Management

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

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

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

Salinas Valley Solid Waste Authority Financial Policies

5 - DEBT

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

A. Use of Debt Financing

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

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

B. Conditions for Debt Issuance

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

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

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

C. Debt Structure

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

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

Salinas Valley Solid Waste Authority Financial Policies

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

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

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

D. Call Provisions

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

E. Debt Refunding

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

F. Interest Earnings

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

G. Lease/Purchase Agreements

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

Salinas Valley Solid Waste Authority Financial Policies

H. Post Issuance Administration / Internal Control

Investment of Proceeds

The proceeds of bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of 1) safety, 2) liquidity, and 3) yield, and may be held as cash. The Authority's investment guidelines and bond indentures will govern objectives and criteria for investment of bond proceeds. The Finance and Administration Manager will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.

Use of Proceeds

Bond proceeds will be deposited and recorded in separate accounts to ensure that funds are not comingled with other Authority funds. To ensure proceeds from bond sales are used in accordance with legal requirements, all invoices will be submitted to the Finance and Administration Manager for approval prior to payment. The Finance and Administration Manager will be tasked with monitoring the expenditure of bond proceeds to ensure that they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the Authority will meet one of the spend-down exemptions from arbitrage rebate. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds can reasonably be expected to be expended within the three-year temporary period.

Arbitrage Compliance

The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements. The Finance and Administration Manager shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if a rebate payment is due, such payment is made in a timely manner.

Salinas Valley Solid Waste Authority Financial Policies

6 - INVESTMENTS

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

A. Investment Policy

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

B. Interest Earnings

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

Salinas Valley Solid Waste Authority Financial Policies

7 - GRANTS

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

A. Grant Guidelines

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

B. Indirect Costs

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

C. Grant Review

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

D. Grant Program Termination

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

Salinas Valley Solid Waste Authority Financial Policies

8 - CLOSURE FUNDING

The Authority shall properly fund all closure and post closure costs in accordance with CalRecycle requirements.

A. Closure Funding

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

B. Post closure Funding

In accordance with the Financial Assurances, the Authority shall fund post closure costs from future revenues when those costs are incurred. The Authority has entered into a Pledge of Revenue agreement with CalRecycle for this purpose.

C. Closure Funding Calculations

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

Salinas Valley Solid Waste Authority Financial Policies

9 - FISCAL MONITORING

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

A. Financial Status and Performance Reports

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

B. Five-year Forecast of Revenues and Expenditures

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

C. Status Report on Capital Projects

A summary report on capital projects completed and the status of the Authority's various capital projects will be prepared as part of the monthly financial reports and presented to the Board.

D. Compliance with Board Policy Statements

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

Salinas Valley Solid Waste Authority Financial Policies

10 - ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

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

A. Conformance to Accounting Principles

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

B. Popular Reporting

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

Salinas Valley Solid Waste Authority Financial Policies

11 - INTERNAL CONTROLS

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

A. Proper Authorizations

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

B. Separation of Duties

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

C. Proper Recording

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

D. Access to Assets and Records

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

E. Independent Checks

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

F. Costs and Benefits

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

Salinas Valley Solid Waste Authority Financial Policies

12 - OPERATING BUDGET

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

A. Budget Format

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

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

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

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

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

B. Estimated Revenues

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

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

If appropriate reductions are insufficient, the Board may decide, on an exception basis, to use an appropriate existing reserve.

C. Appropriations

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

1. Essential services, which provide for the health and safety of residents will be funded to maintain current dollar levels.

Salinas Valley Solid Waste Authority Financial Policies

2. The budget will provide for adequate ongoing maintenance of facilities and equipment.
3. Appropriations for program enhancements or reductions will be evaluated on a case-by-case basis rather than across the board.
4. When reductions in personnel are necessary to reduce expenditures, they shall be consistent with the Authority Board's established service level priorities and, when possible, shall be accomplished through normal attrition.
5. Programs, which are self-supported by special revenues or fees, shall be separately evaluated.

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

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

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

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

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

Salinas Valley Solid Waste Authority Financial Policies

13 - CAPITAL ASSETS

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

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

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

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

B. Capitalization

Generally, all capital assets with an original cost of \$15,000 or more will be capitalized (recorded as an asset on the balance sheet versus expensing the item). Infrastructure Assets with an original cost of \$150,000 or more will be capitalized. This capitalization policy addresses financial reporting, not control. The Authority follows the GFOA recommended practices for establishing capitalization thresholds. Specific capitalization requirements are described as follows:

1. The asset must cost \$15,000 or more.

Salinas Valley Solid Waste Authority Financial Policies

2. The asset must have a useful life of two (2) or more years.
3. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten items purchased for \$10,000 each will not be capitalized even though the total (\$100,000) exceeds the threshold of \$15,000.
4. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example, a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset functional.
5. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case the repair represents an improvement and is subject to the requirements described number 6 below.
6. Improvements to existing capital assets that extend the useful life of the related capital asset will be subject to capitalization if the cost exceeds \$15,000.
7. Capital projects will be capitalized as "construction in progress" until completed. Personal computers will not be capitalized:

C. Leased Assets

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

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

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

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

Salinas Valley Solid Waste Authority Financial Policies

D. Capital Asset Recording

It is the responsibility of the Finance Division to record, monitor and inventory all fixed assets. Each division will assign appropriate staff members to respond to verification, inventories, and filling out the necessary forms for recording transfers, dispositions, or retired fixed assets.

E. Acquisition of Capital Asset

Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, donations, and gifts. When a capital asset is acquired, the funding source will be identified. If funds are provided by a specific funding source, a record will be made of that specific source such as:

- ❖ Bond Proceeds
- ❖ State Grants

F. Measuring the Cost and/or Value

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

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

G. Establishing Cost in the Absence of Historical Records

According to the GASB 34, an estimate of the original cost is allowable. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. Another recognized method is normal costing wherein an estimate of historical cost is based on current cost of reproduction new indexed by a reciprocal factor of the price increase of a specific item or classification from the appraisal date to the estimated date acquired. When necessary, the Authority will use whichever method gives the most reasonable amount based on available information.

Salinas Valley Solid Waste Authority Financial Policies

H. Recording Costs Incurred After Acquisition

Expenditures/expenses for replacing a component part of an asset are not capitalized. However, expenditures/expenses that either enhance a capital asset's functionality (effectiveness or efficiency), or that extend a capital asset's expected useful life are capitalized. For example, periodically slurry sealing a street would be treated as a repair (the cost would not be capitalized), while an overlay or reconstruction would be capitalized. Adding a new lane constitutes an addition and would therefore also be capitalized.

I. Disposition or Retirement of Fixed Assets

It is the Authority's policy that divisions wishing to dispose of surplus, damaged or inoperative equipment must notify the Finance Division.

The Authority will conduct public auctions, as necessary, for the purpose of disposing of surplus property. Auctions will be conducted by the Finance Division. The original cost less depreciation will then be removed from the Authority's capital asset management system.

J. Transfer of Assets

The transfer of fixed assets between divisions requires notification to the Finance Department.

K. Depreciation

In accordance with GASB Statement No. 34 the Authority will record depreciation expense on all capital assets, except for inexhaustible assets.

The Authority will use straight-line depreciation using the half-year convention or mid-month as appropriate. Depreciation will be calculated for half a year in the year of acquisition and the year of disposition. Depreciation will be calculated over the estimated useful life of the asset.

L. Recommended Lives

The Authority follows GFOA Recommended Practices when establishing recommended lives for capitalized assets. In accordance with GASB 34 the Authority will rely on "general guidelines obtained from professional or industry organizations." In particular the Authority will rely on estimated useful lives published by GFOA. If the life of a particular asset is estimated to be different than these guidelines, it may be changed. The following is a summary for the estimated useful lives:

Salinas Valley Solid Waste Authority Financial Policies

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

M. Control of Assets

In accordance with GFOA Recommended Practice the Authority will exercise control over the non-capitalized tangible capital-type items by establishing and maintaining adequate control procedures at the division level. The Authority's capitalization threshold of \$15,000 meets financial reporting needs and is not designed for nor particularly suited to maintain control over lower cost capital assets. It is the responsibility of each division to maintain inventories of lower-cost capital assets to ensure adequate control and safekeeping of these assets.

N. Maintenance Schedules

The Authority shall develop and implement maintenance and replacement schedules with a goal of maximizing the useful life of all assets. The schedules shall include estimates of annual maintenance and/or replacement funding required for each asset.

O. Maintenance Funding

The Authority shall identify specific sources of funds for the annual maintenance or replacement of each asset. Whenever possible, the maintenance or replacement funding shall be identified from a source other than the Authority General Fund. The Authority shall endeavor to set aside, on an annual basis, one and one-half percent (1½%) of its Operating Budget to provide for on-going maintenance and required replacement of assets that cannot be reasonably funded from other sources.

Q. Inventorying

The Authority will follow the GFOA recommended practice of performing a physical inventory of its capitalized capital assets, either simultaneously or on a rotating basis, so that all capital assets are physically accounted for at least once every five years.

R. Tagging

The Authority will tag only moveable equipment with a value of \$15,000 or higher. Rolling stock items will not be tagged. They will be identified by the VIN number. The Finance department will be responsible for tagging equipment.



Surplus Allocation FY 2021-22 November 3, 2022

1

Available Balance Calculations

Cash Balance at 06-30-2022	<u>33,214,436.72</u>
<u>Restricted by Legal Agreement</u>	
JC Closure Fund	4,970,641.61
CEPPT Restricted Fund	250,268.48
State Grants	5,762.46
<u>Funds Held in Trust</u>	
CCRMC Trust	55,868.71
Employees FSA Trust	8,901.26
<u>Committed by Board Policy</u>	
Designated for Capital Projects Reserve	2,702,715.89
Designated for Operations Reserve	3,078,750.00
Designated for Environmental Impairment Reserve	2,272,084.68
Expansion Fund	4,754,133.10
<u>Assigned by Budget</u>	
Assigned to Capital Projects	8,988,866.87
Supplemental CIPs Approved by Board	1,135,000.00
Assigned to Crazy Horse Post-Closure	773,731.00
Assigned to Lewis Road Post-Closure	196,426.21
Assigned to Johnson Canyon Post-Closure	2,161,334.09
Assigned to Jolon Road Post-Closure	<u>140,378.50</u>
Total Available for Surplus Allocation at 06-30-2022	<u>1,719,573.86</u>

2

Financial Policy

Capital Projects Reserve (60%)	1,031,744.32
Operations Reserve (20%)	343,914.77
Environmental Impairment Reserve (20%)	343,914.77
Total Surplus Allocation	<u>1,719,573.86</u>

3

Recommended Allocation

Total Surplus Allocation	1,719,573.86
Supplemental Appropriations	<u>(495,000.00)</u>
Adjusted Surplus Allocation	<u>1,224,573.86</u>
Capital Projects Reserve (71.7%)	878,409.09
Operations Reserve (8.3%)	101,250.00
Environmental Impairment Reserve (20%)	244,914.77
Total Surplus Allocation	<u>1,224,573.86</u>

4

Supplemental Appropriations

	Use of FY 2021-22 Fund Balance	Budget Adjustment
Sun Street Operations	253,000	107,000
Organics Program	160,000	160,000
Health Insurance Premiums	41,100	41,100
Workers Compensation Insurance	40,900	40,900
	<u>495,000</u>	<u>349,000</u>

5

Reserve Balances on 11-17-2022

Designated for Capital Projects Reserve

Balance at 06-30-2022	2,702,715.89
FY 2021-22 Surplus Allocation	878,409.09
Ending Balance	<u>3,581,124.98</u>

Designated for Environmental Impairment Reserve

Balance at 06-30-2022	2,272,084.68
FY 2021-22 Surplus Allocation	244,914.77
Ending Balance (Goal \$3.71M)	<u>2,516,999.45</u>
	67.8%

Designated for Operations Reserve

Balance at 06-30-2022	3,078,750.00
FY 2021-22 Surplus Allocation	101,250.00
Ending Balance (Goal \$3.18M)	<u>3,180,000.00</u>
	15.0%

6



7



Report to the Executive Committee

Date: November 3, 2022

From: R. Patrick Mathews, General Manager/CAO
Erika Trujillo, Clerk of the Board

Title: Clarify Guidelines Related to Board Agendas and Supporting Documentation

ITEM NO. 4

Finance and Administration Manager/
Controller/Treasurer

General Manager/CAO

R. Santos by E.T.

Authority General Counsel

RECOMMENDATION

Staff requests that the Board accept this report.

STRATEGIC PLAN RELATIONSHIP

This report meets one of the priorities identified within the Strategic Plan Goal A – Governance and collaboration.

FISCAL IMPACT

This item has no immediate fiscal impacts.

DISCUSSION & ANALYSIS

On June 30, 2022, the Board held its Strategic Planning Workshop with the facilitation assistance from Management Partners. During the workshop the Board discussed, and established priorities based on priority themes from individual interviews that were conducted by the facilitators prior to the workshop. On August 18, 2022, the Board adopted a set Board Norms to establish best practices for governance of the Authority, modifications to the existing Authority Mission, Vision and Values, and new Authority goals and FY 2022-23 Priorities.

Goal A - Governance and Collaboration prioritized “Clarify guidelines related to Board agendas and supporting documentation”. Attached you will find information on the Brown Act noticing requirements of regular meetings, as well as the Authority procedures. Authority agenda procedures have been modified over the last 2 years to address feedback from Board members on the process and timelines we follow to prepare and distribute agendas. The attached procedures represent the compilation of the existing and Board requested changes to the agenda preparation and distribution process.

BACKGROUND

The Executive Committee lead the facilitator selection process in the fall of 2021 through issuance of a request for proposals, conducting facilitator interviews and making a final selection. Management Partners was selected from a final list of three top proposers based on skills, approach to facilitation, recommendations from other government agencies, and in-person interviews. On June 30, 2022, the Board held its Strategic Planning Workshop with the facilitation assistance from Management Partners (MP). MP started the process with a kick-off meeting with the General Manager and Clerk of the Board to help define the Strategic Planning Process and get background information on prior workshops

and outcomes. MP then conducted phone interviews with each Board member and Department Manager to help guide their preparation for the workshop. Themes were compiled from the interviews and further used to create new Goals and establish priorities for FY 2022-23, and beyond.

Attachments

- A.** Brown Act Noticing and Agenda Requirements and SVSWA Agenda Preparation/Distribution Procedures
- B.** League of California Cities – Essential Hour: Your First Public Meeting – Brown Act Basis

The Brown Act
Noticing and Agenda Requirements:

- Post agenda (English agenda only) 72 hours prior to the meeting at the location of the agency offices that is freely accessible to the public, and on the agency's internet website.
- The internet posting must be on the agency's primary Internet Website homepage and accessible through a prominent, direct link to the current agenda.
- The agenda must be posted in an open format that allows the agenda to be retrievable, downloadable, indexable, and electronically searchable.
- Must include the time and location of the meeting.
- Must contain a brief general description of each item to be discussed or addressed, including closed-session items.
- Must distribute to those who request copies.
- Agenda packages and other Legislative Body materials must be made available to all legislative body members at the same time (this rule arises from provisions of the California Public Records Act).

SVSWA Agenda Preparation/Distribution Procedures:

- Staff maintains a 6-month Look-Ahead Calendar of expected items for Executive Committee and Board of Directors input and consideration, The Look-Ahead Calendar is reviewed at the end of each Executive Committee and Board meeting for questions and modifications.
- Leadership team staff review the agenda look ahead calendar weekly to check in on progress, resource and legal review needs, timelines for Board consideration, and after-action processes.
- Agenda items that are significant financial or personnel matters are first placed on the agenda with the Executive Committee for discussion and input prior to requesting any Board actions.
- All staff scheduled/proposed agenda items are reviewed internally by the Finance/Administration Manager, Assistant General Manager, General Manager/CAO and General Counsel prior to placing on the agenda.

- Agendas and Agenda Packet are posted the Thursday or Friday before the meeting (approximately one full week or 168 hours before).
- Agenda in English and Spanish) are posted at the Authority's Administration office, and at the Gonzales City Council Chambers where the Board meetings are held.
- Full Agenda Packet is posted on the Authority's website with a direct link on the homepage leading to the current agenda.
- Agenda packet is formatted in Adobe Acrobat (PDF file) making it retrievable, downloadable, indexable, and electronically searchable.
- Agenda includes the time and location of the meeting and contains a brief general description of each item to be discussed or addressed, including closed-session items.
- Agenda Packet includes a fully translated Spanish agenda, a staff report for each item to be discussed, a resolution if applicable, supporting documentation, contracts, reports and/or presentations (except for non-action recognition presentations).
- Direct links to each item's staff report are embedded within the agenda.
- Email notification of the Agenda Packet availability on the website is sent to all Board members, Board member Alternates, Board member assistants and those who have requested copies (one-time and standing requests) of the agenda is distributed at the time the agenda is posted.
- If new information is obtained related to an item on the agenda after distribution of the agenda packet, supplemental material is added to the agenda packet.
- Email notification to those who have requested copies (one-time and standing requests) of the agenda is distributed at the time the agenda is posted and/or when supplemental material is added.



Essential Hour: Your First Public Meeting - Brown Act Basics

Friday, November 5, 2021

Noel Doran, Assistant City Attorney, Thousand Oaks
Thomas Jex, Burke Williams and Sorensen, LLP
Tracy Noonan, City Attorney, Thousand Oaks
Cara Silver, Jorgenson, Siegel, McClure & Flegel

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Summary of the Ralph M. Brown Act

October 10, 2021¹

Introduction

The Ralph M. Brown Act (Brown Act) (codified at Govt C §54950 *et seq.*) requires meetings of “legislative bodies” of local agencies to be open and public.² The Brown Act also has a constitutional component. In 2004, the California Constitution was amended to recognize “[t]he people have the right of access to information concerning the conduct of the people’s business, and, therefore, the meetings of public bodies and the writings of public officials and agencies shall be open to public scrutiny.”³ In 2014, the California Constitution was again amended to require all local agencies to comply with the Brown Act.⁴

What Is a Legislative Body?

The term “legislative body” under the Act includes the following:

- The governing body of a local agency (including those of charter and general law cities) or any other local body created by state or federal statute.
- Any permanent or temporary advisory or decision-making commission, committee, board, or other body created by charter, ordinance, resolution, or formal action of a legislative body.
- Standing committees, regardless of their composition, that have either
 - Continuing subject matter jurisdiction; or
 - A meeting schedule fixed by charter, ordinance, resolution, or other formal action of the legislative body.⁵

What is not a Legislative Body?

The term “legislative body” excludes less-than-a-quorum advisory committees composed solely of members of the legislative body, provided they are not standing committees that have continuing subject matter jurisdiction or a meeting schedule fixed by charter, ordinance, resolution, or formal action of a legislative body.⁶ These types of committees are commonly referred to as “ad hoc” committees. To be an ad hoc committee exempt from the Brown Act, the body should have a defined task and be of limited duration.⁷

¹ This paper is a condensed version of Chapter II (Open Meeting Laws) of the California Municipal Law Handbook, 2021 Edition.

² Govt C §54953(a).

³ Cal Const art I, §3(b)(1).

⁴ Cal Const art I, §3(b)(7).

⁵ Govt C §54952(a), (b).

⁶ Govt C §54952(b).

⁷ 79 Ops Cal Atty Gen 69 (1996).

What Constitutes a Covered Meeting?

A meeting is any congregation of a majority of the members of a legislative body at the same time and location (including permitted teleconference locations) to hear, discuss, deliberate or take action on any item that is within the subject matter jurisdiction of the legislative body.⁸

Even though that definition has a physical focus—a congregation of a majority at the same time and place—the Brown Act also prohibits a majority of the members of a legislative body, outside an open and noticed meeting, from using a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take any action on any item of business within the subject matter jurisdiction of the legislative body.⁹

Are there Exemptions to the Brown Act?

1. “Individual Contacts”

Individual contacts or conversations between a member of a legislative body and any other person are permitted, as long as the communications do not result in a serial meeting.¹⁰ Thus, it is clear that a citizen may lobby, one by one, a majority of the members of a legislative body. Further, substantive staff briefings are permitted to answer questions and provide information to individual members of a legislative body if staff does not serve as an intermediary and communicate to members of the body the comments or positions of other members.¹¹

PRACTICE TIP The due-process-based restrictions on ex parte contacts during consideration of quasi-judicial matters exist independently of the Brown Act and may restrict individual contacts on such matters.¹² Many cities have policies or practices that require members of legislative bodies to either avoid ex parte contacts entirely or disclose ex parte contacts with applicants or members of the public before participating in quasi-judicial matters.

2. Conferences and Seminars

Attendance of a majority of the members of a legislative body at a conference or similar gathering is not a meeting subject to the Brown Act if the gathering

- Is open to the public;
- Involves a discussion of issues of general interest to the public or to public agencies of the type represented by the legislative body; and
- A majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specific nature that is within the subject matter jurisdiction of the local agency.¹³

3. Open Community Meetings

The attendance of a majority of the members of a legislative body at an open and publicized meeting organized to address a topic of local community concern by a person or organization

⁸ Govt C §54952.2(a).

⁹ Govt C §54952.2(b)(1).

¹⁰ Govt C §54952.2(c)(1).

¹¹ Govt C §54952.2(b).

¹² See *Petrovich Dev. Co. v. City of Sacramento* (2020) 48 CA5th 963 (review denied).

¹³ Govt C §54952.2(c)(2).

other than the local agency is not a meeting governed by the Brown Act. The exemption applies as long as a majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specific nature that is within the subject matter jurisdiction of the legislative body.¹⁴

4. Meetings of Other Legislative Bodies

The attendance of a majority of the members of a legislative body at an open and noticed meeting of another legislative body of the local agency, or of another local agency, does not become a meeting of the first legislative body. This exemption allows, for example, a majority of a city council to attend a meeting of that city's (or another city's) planning commission. The exemption applies as long as a majority of members of the first legislative body do not discuss among themselves business of a specific nature that is within their subject matter jurisdiction, other than as part of the scheduled meeting of the second legislative body.¹⁵

5. Social or Ceremonial Gatherings

The attendance of a majority of the members of a legislative body at a purely social or ceremonial occasion (such as a wedding, holiday party, or swearing-in ceremony) is not a meeting governed by the Brown Act. The exemption applies as long as a majority of the members do not discuss among themselves business of a specific nature that is within the subject matter jurisdiction of the legislative body.¹⁶

6. Meetings of Standing Committees

The attendance of a majority of the members of a legislative body at an open and noticed meeting of a standing committee of that body is not a meeting of the legislative body, provided that the members of the legislative body who are not members of the standing committee attend only as observers.¹⁷ The phrase "only as observers" means the attending members may be physically present at the committee meeting but may not ask questions, make statements, or sit in their usual places on the dais.¹⁸

Are "Serial" or "Seriatim" Meetings Covered by the Brown Act?

A congregation of a majority of the members of a legislative body outside a properly noticed and duly convened meeting during which they discuss, deliberate, or take action on a matter within their subject matter jurisdiction is prohibited.¹⁹

The Brown Act also prohibits use of a series of communications, of any kind, among a majority of members of a legislative body, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. These are commonly referred to as serial or seriatim meetings.²⁰ Unlawful seriatim meetings can occur through

¹⁴ Govt C §54952.2(c)(3).

¹⁵ See Govt C §54952.2(c)(4).

¹⁶ See Govt C §54952.2(c)(5).

¹⁷ Govt C §54952.2(c)(6).

¹⁸ 81 Ops Cal Atty Gen 156 (1998).

¹⁹ Govt C §54952.2; *Frazer v Dixon Unified Sch. Dist.* (1993) 18 CA4th 781, 795.

²⁰ Govt C §54952.2(b)(1); *Stockton Newspapers, Inc. v Redevelopment Agency* (1985) 171 CA3d 95.

- In-person contacts among a majority of members of a legislative body;
- Technological contacts (such as fax, email, text message, telephone, or social media) among a majority; or
- Contacts with a majority through staff members or others acting on behalf of the body or one of its members.²¹

However, the ban on seriatim meetings does not prevent a staff member from engaging in separate conversations or communications, outside of a meeting, with members of a legislative body to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency, if the staff member does not communicate to members of the legislative body the comments or position of any other member of the legislative body.²²

How Does the Brown Act Apply to Social Media?

Members of a legislative body may use certain internet-based social media platforms to answer questions from the public, provide information to the public, or solicit information from the public regarding a matter within the legislative body's subject matter jurisdiction.²³ The platform must be "open and accessible to the public," which means that "members of the general public have the ability to access and participate, free of charge, in the social media platform without the approval by the social media platform or a person or entity other than the social media platform, including any forum and chatroom, and cannot be blocked from doing so, except when the internet-based social media platform determines that an individual violated its protocols or rules."²⁴

However, a majority of the members of the legislative body may not use any social media platform to "discuss among themselves" official business.²⁵ In the context of social media, "discuss among themselves" means "communications made, posted, or shared on an internet-based platform between members of a legislative body, including comments or use of digital icons [*i.e.*, emojis] that express reactions to communications made by other members of the legislative body."²⁶

A single contact between two public officials (less than a quorum) normally would not constitute a prohibited serial meeting. However, on social media, a member of a legislative body may not "respond directly" to any communication relating to a matter within the subject matter jurisdiction of that agency that is made, posted, or shared by any other member of the legislative body.²⁷

PRACTICE TIP Members of the same legislative body should be advised not to comment on each other's posts.

What Are the Noticing Requirements for Meetings?

²¹ See *Stockton Newspapers*, 171 CA3d at 102; 84 Ops Cal Atty Gen 30 (1998).

²² Govt C §54952.2(b)(2).

²³ Govt C §54952.2(b)(3)(A).

²⁴ Govt C §54952.2(b)(3)(B)(iii).

²⁵ Govt C §54952.2(b)(3)(A).

²⁶ Govt C §54952.2(b)(3)(B)(i).

²⁷ Govt C §54952.2(b)(3)(A).

1. Regular Meetings

Each legislative body except advisory committees and standing committees must take formal action to establish a time and place for holding regular meetings. Meetings of advisory committees or standing committees for which an agenda is posted 72 hours in advance of the meeting are considered to be regular meetings for all purposes under the Brown Act, even if the committee does not have a regular meeting schedule.²⁸

Regular meeting agendas must be posted at least 72 hours before the meeting in a location that is freely accessible to the public. Agendas must also be posted on the local agency's website, if it has one, 72 hours before the meeting.²⁹

2. Special Meetings

A special meeting may be called by the presiding officer of the legislative body (in the case of a city council, the mayor or mayor pro tem) or by a majority of the members of the legislative body, by proper delivery of required written notice and, in certain circumstances, posting on the local agency's website.³⁰

At least 24 hours before a special meeting, a notice that contains the time and place for the meeting, with a statement of the business to be transacted and an opportunity for the public to address the legislative body on that item, must be posted in a location freely accessible to the public.³¹ The notice must be delivered personally or by any other means to all members of the legislative body (unless waived in writing before the meeting) and to any newspaper, radio, or television station that has requested notice in writing, and received at least 24 hours before the time of the meeting. In addition, the special meeting notice must be posted on the local agency's website, if one exists, at least 24 hours before the meeting.³²

3. Emergency Meetings

Emergency meetings may be called in "emergency situations." An "emergency situation" exists when a majority of the members of the legislative body determines a "work stoppage, crippling activity, or other activity" severely impairs the public health or safety, or a "crippling disaster, mass destruction, terrorist act, or threatened terrorist activity" poses imminent and significant peril, endangering the public health or safety.³³ Notice of an emergency meeting is required, but may be waived in certain instances.³⁴

4. Teleconference Meetings (Traditional)

Teleconferencing may be used in connection with meetings, but special agenda requirements apply. "Teleconference" is defined as "a meeting of the legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both."³⁵ The agenda must specify each teleconferencing location and must be posted at each

²⁸ Govt C §54954(a).

²⁹ Govt C §54954.2(a)(1).

³⁰ Govt C §54956(a), (c).

³¹ Govt C §§54954.3(a); 54956(a).

³² Govt C §54956(a).

³³ Govt C §54956.5(a).

³⁴ Govt C §54956.5(b).

³⁵ Govt C §54953(b)(4).

teleconference location. Teleconference meetings must also comply with all of the following requirements:

- The meeting must comply in all other respects with the Brown Act and is in all respects the same as a meeting where the members are all physically present in one location;
- All votes taken during a teleconferenced meeting must be by roll call;
- At least a quorum of the members of the legislative body must participate from within the territory over which the local agency exercises jurisdiction; and
- Each teleconference location must be accessible to the public and the public (including the disabled) must have the same rights to address the body as if physically present.³⁶

5. AB 361 Remote Meeting Emergency Authorization

AB 361 is an urgency bill effective October 1, 2021 and expiring on January 1, 2024. The bill extends the teleconference procedures previously authorized by Executive Order N-29-20 to address the current COVID-19 pandemic and allows future teleconference procedures under limited circumstances defined in the bill. AB 361 applies to meetings during a proclaimed state of emergency and when state or local officials have imposed or recommended measures to promote social distancing. ("State of emergency" is defined as a state of emergency declared by the Governor under Government Code Section 8625.) It also applies to other states of emergency proclaimed by the Governor where holding in person meetings would "present imminent risks to the health or safety of attendees." The legislative body must make an initial finding that meeting in person would "present an imminent risk to the health or safety of attendees".

AB 361 requires several procedural safeguards, such as giving the public the ability to address the legislative body directly, providing information on how to address the body, providing either a call-in or internet-based service option, and requiring the agency to stop the meeting if call-in or internet-based option fails. Public members must be given a reasonable time to register to provide public comment, comments may not be required to be submitted in advance, pre-registrations (except as required by call-in or internet platform) are prohibited and agencies that provide a timed public comment period shall not close the public comment period until that timed period has expired. If the legislative body desires to continue using the teleconference exception, it must confirm the circumstances of the state of emergency 30 days after the first teleconference meeting and every 30 days thereafter.

What Is Required on the Agenda?

1. Agenda Descriptions

The agenda must specify the time and location of the meeting and provide a "brief general description" of each item of business to be transacted or discussed.³⁷ It must also provide an opportunity for the public to address the legislative body on any item of interest to the public within the subject matter jurisdiction of the legislative body, before or during the time the legislative body considers the item.³⁸ The agenda must designate and provide the address of a location where

³⁶ Govt C §54953(b).

³⁷ Govt C §54954.2(a)(1).

³⁸ Govt C §54954.3(a).

members of the public may inspect the agenda and any associated writings, such as staff reports, and where documents delivered after the posting of the agenda may be obtained.³⁹ The agenda must also contain information on how a person may request a disability accommodation to participate in a meeting.⁴⁰

Agenda item descriptions “generally” need not exceed 20 words in length.⁴¹ However, agenda descriptions should give enough information to permit a person to make an informed decision about whether they want to attend or participate in a discussion on an issue.⁴²

2. Items Not on the Agenda

Subject to certain exceptions, no action or discussion may occur on any item not appearing on the posted agenda.⁴³ Limited questions, requests, and responses on matters not appearing on the posted agenda are allowed as follows:

- Brief responses by members of the legislative body and staff to statements or questions posed by the public;
- Questions for clarification;
- References to staff or other resources for factual information;
- Requests to staff to report back on an issue at a subsequent meeting;
- Requests or actions to agendize a matter of business for some future meeting; and
- Brief announcements by members of the body or staff and brief reports on their activities.⁴⁴

3. Closed Session Items

The Brown Act permits legislative bodies to meet privately for very limited purposes such as litigation, labor negotiations, real property negotiations and performance evaluations of direct hires. These “closed sessions” must be agendized in the same manner as regular and special meetings.

After any closed session, the legislative body must reconvene in open session and make a public report of specified actions and the vote or abstention of every member present.⁴⁵

Disclosure of confidential information acquired at a closed session is prohibited, unless the legislative body authorizes disclosure.⁴⁶

³⁹ Govt C §54957.5.

⁴⁰ Govt C §54954.2(a)(1).

⁴¹ Govt C §54954.2(a)(1).

⁴² See *San Diegans for Open Gov't v City of Oceanside* (2016) 4 CA5th 637, 643.

⁴³ Govt C §54954.2(a)(3).

⁴⁴ Govt C §54954.2(a)(3).

⁴⁵ Govt C §54957.7(b).

⁴⁶ Govt C §54963(a).

Does the Public Have a Right to Comment?

Members of the public have a right to address the city council or other legislative body at regular and special meetings.⁴⁷ Agendas for regular meetings must provide an opportunity for the public to address the council on any item of interest to the public within the subject matter jurisdiction of the council, before or during the time the council considers the item.⁴⁸ Special meeting agendas must provide the public an opportunity to address the council concerning only those items addressed in the notice of special meeting before or during consideration of such item.⁴⁹

A legislative body may limit public comment to matters that serve the purpose for which the council holds meetings.⁵⁰

Members of the public cannot be required to provide their name, address, or other information as a condition to participating in a meeting.⁵¹

Any person may record a meeting by audio or videotape, or by still or motion picture camera, unless the legislative body makes a reasonable finding the recording cannot continue because noise, illumination, or disruption of a view constitutes or would constitute persistent disruption of the proceedings.⁵²

What Are the Remedies for Violating the Brown Act?

1. Criminal Prosecution of Member of the Legislative Body

A member who attends a meeting of their legislative body when a violation of the Brown Act occurs is guilty of a misdemeanor if the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under the Brown Act.⁵³

2. Civil Actions

Most actions taken in violation of the Brown Act are voidable. The district attorney or any interested person may commence an action by mandamus or injunction to obtain a judicial determination that an action taken in violation of specified sections is null and void.⁵⁴ The party who alleges a violation must make a written demand to the legislative body to cure or correct the violation within 90 days from the date the action was taken, unless the action was taken in an open session but in violation of §54954.2 (regular meeting agenda posting requirement), in which case the written demand must be made within 30 days from the date the action was taken.⁵⁵ The legislative body may still cure or correct the defect and have the action dismissed with prejudice.⁵⁶ One common approach to cure and correct a challenged action, is for a city council to consider the challenged action in a subsequent, duly agendized open-session meeting.

⁴⁷ Govt C §54954.3(a).

⁴⁸ Govt C §54954.3(a).

⁴⁹ Govt C §54954.3(a).

⁵⁰ 78 Ops Cal Atty Gen 224, 226 (1995).

⁵¹ Govt C §54953.3.

⁵² Govt C §54953.5.

⁵³ Govt C §54959.

⁵⁴ Govt C §54960.1.

⁵⁵ Govt C §54960.1(b), (c)(1).

⁵⁶ Govt C §54960.1(e).

The district attorney or any interested person may also bring a civil action to ascertain the applicability of the Brown Act to past, ongoing, or threatened actions of a legislative body and to obtain injunctive relief to enjoin future violations.⁵⁷

3. Costs and Attorney Fees Awarded Unless Unjust

A court may award a plaintiff court costs and reasonable attorney fees in an action brought under Govt C §54960, §54960.1, or §54960.2 when it finds a violation of the Brown Act.⁵⁸ The court has discretion to deny fees only if the defendant shows special circumstances exist that would make such an award unjust.

⁵⁷ Govt C §§54960, 54960.2.

⁵⁸ See Govt C §54960.5.



Report to the Executive Committee

Date: November 3, 2022

From: Cesar Zuñiga, Assistant General Manager / Operations Manager

Title: Discussion Regarding Madison Lane Transport Operations

ITEM NO. 5

Finance and Administration
Manager/Controller-Treasurer

General Manager/CAO

N/A

General Legal Counsel

RECOMMENDATION

Staff recommends the Executive Committee discuss this item, provide input and a recommended actions to the Board of Directors.

STRATEGIC PLAN RELATIONSHIP

The MLTS serves as the consolidation point for Republic Services who services the City of Salinas, Waste Management who services the northeast unincorporated area of Monterey County and residents who use the facility. Efficient operation of our transfer operations for Republic Services are important to the Strategic Plan Goal; **Financial Sustainability** as this agreement is designed to be a stand-alone and self-funded contract using only fees assessed for transport services, and not require subsidy from landfill operations revenues.

FISCAL IMPACT

To maintain financially sustainable transport operations, the Authority has historically used outside trucking to fill gaps created by unexpected leaves of absence, vacations, operational delays at the Transfer Station and other unexpected issues that create a back log of waste or temporary shortage of staff and/or transfer trucks. This is the most cost-effective approach until such time as we have enough work to fully fund (from transport fees) a full-time driver and truck to address growing service demands. In Fiscal Year 2021-22, we only required outside trucking for 43 transfer loads, or approximately 11 days of work. This is not adequate demand to financially support increasing our fleet.

The fiscal challenge remains that when all current drivers and trucks are operating, we do not have the demand for an extra full-time driver, and this will be further exacerbated during the upcoming winter months when seasonal tonnage declines. At this time an extra truck and driver do not fully pay for themselves, requiring that funding come from landfill operations. General landfill revenues are down slightly, as predicted, due to the combined closure of the Sun Street Transfer Station and early stages of a recession. We do not have enough revenue data under the new system structure to project the long-term impacts of this decision and are concerned about prematurely hiring another driver this early in our transition, post Sun Street Transfer Station closure.

As stated in the attached request to Republic Services (September 29, 2022), this issue could have been cost-effectively resolved with a simple approval (allowed under the Transportation Master Agreement) of our sub-contact hauler who has been providing on-call waste transfer services for the Authority during unanticipated staffing shortages.

Absent Republic Services reconsidering their denial of our sub-contracting request, our only other option is to hire an additional Equipment Loader / Driver position which would add a \$67,000 cost for half a year of employment during FY 2022/23 and approximately \$140,000 for FY 2023/24. Only a small portion of this added position would be covered from transfer fees, with the balance coming from landfill operations.

DISCUSSION & ANALYSIS

The closure of the Sun Street Transfer Station in September 2022 consolidated all franchise waste collected in Salinas and Northeast Unincorporated Monterey County at MLTS. The facility is also the only facility in Salinas and serves self-haul customers. The consolidation of all waste into one facility produces between 500-650 tons of waste on average a day that requires transport to the Johnson Canyon Landfill. The current SVSWA fleet is made up of six drivers and tractor-trailers to move waste six days a week. Staff have been successful in keeping up with demand, but occasionally run into issues with unexpected staff shortages, equipment breakdowns, and increases in waste that are unexpected and disruptive to transport operations.

Staff made a request to Republic Services to use a contract hauler as needed to ensure we keep up with the transportation of waste when such unforeseen staff shortages, operational delays at the transfer station or increases of waste occur. However, Republic has denied the request and indicated in their attached response (October 10, 2022) that the City of Salinas has requested they use their own haulers to fill in when we have a driver shortage.

Absent Republic Service's reconsideration of our request to approve supplemental contract hauling, our only other option is to consider the addition of one additional Equipment Operator/Driver to assist with hauling services, when needed. The additional Driver/Operator allocation will reduce overtime, provide coverage for employees on paid time off (PTO), leave, unexpected absences, and spikes in garbage collected which is a seasonal issue in the Salinas Valley. When not needed for Madison Lane Transfer Operations the additional Equipment Operator / Driver would be reassigned to the Jolon Road Transfer Station and assist with on-going facility maintenance at the closed SVSWA landfills.

BACKGROUND

The Salinas Valley Solid Waste Authority assumed the contract to transport waste from the MLTS on July 1, 2022. The Sun Street Transfer Station ceased operations on September 12, 2022, and all waste delivered to that facility from the franchise hauler was redirected to MLTS. The MLTS is the only facility in the Salinas Area and serves as the consolidation point for Republic Services and Waste Management, while also receiving self-haul customers from within and around the Salinas Area.

Attachments:

Exhibit 1 – SVSWA Letter to Republic Services

Exhibit 2 – Republics Response to SVSWA Letter



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.

September 29, 2022

VIA ELECTRONIC MAIL ONLY

Claudia Warkentin
General Manager
5501 N Golden State Blvd
Fresno, CA 93722

Re: Request to Utilize Subcontractor for Unforeseen Staff Shortage

Dear Mrs. Warkentin,

We would like to request authorization to utilize a subcontractor occasionally as needed to backfill any staff shortages to our transportation fleet associated with paid time off (PTO), call offs, illness, extended leaves, vacations, breakdowns and/or seasonal increases in waste flow attributed to the agriculture economy in the Salinas Valley which runs from April to October.

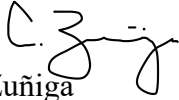
Pursuit to our Master Transportation Agreement:

16.1 Contractor may not assign (whether by operation of law or otherwise), in whole or in part, its rights or delegate its duties pursuant to this Agreement or any Statement of Work without Republic's prior written consent, which Republic may grant or withhold in its sole and absolute discretion. Contractor may not subcontract, in whole or in part, its rights or delegate its duties pursuant to this Agreement or any Statement of Work without Republic's prior written consent, which Republic shall not unreasonably withhold; provided, however, in the event that Republic consents to such subcontracting, Contractor shall (a) cause any and all subcontractors to be bound by all the terms and conditions set forth in this Agreement and any Statement of Work (and provide evidence of such to Republic), and (b) remain liable to Republic for any breaches of, and obligations set forth in, this Agreement and any Statement of Work.

Base on the above language cited from the Master Transportation Agreement between Republic Services and SVSWA, the Authority would like to formally request approval to use Ritchie's Trucking to provide assistances with hauling solid waste from Madison Lane Transfer Station to the Johnson Canyon Landfill. Our proposed hauler has experience in hauling MSW and currently hauls for other Solid Waste Companies such as Green Waste Recovery (Charles Street Facility) and Recology (South Valley Disposal Single Stream Recycling).

The approval of the above request will provide us assistance as needed to address any unanticipated shortages and/or increases in demand, as well as coverage during employee time off. Adding Ritchie's Trucking as a subcontractor will ensure the Authority remains efficient and promptly removes waste from Madison Lane. We look forward to your written consent to the Authority adding Ritchie Trucking as a subcontractor.

Sincerely,



Cesar Zuniga

Assistant General Manager / Operations Manager

Cc: R. Patrick Mathews

Roy C. Santos



5501 N Golden State Blvd
Fresno, CA 93722
o: 559-277-4048

October 10, 2022

Dear Cesar,

I am writing in response to your request that N Leasing (Republic) consent to the SVSWA's request to allow the SVSWA to subcontract transportation services under our Master Transportation Agreement to Ritchie's Trucking.

As you will recall, Republic agreed, at the request of the City of Salinas, to contract with the SVSWA for the transportation of Salinas waste to Johnson Canyon to ensure that the SVSWA's transfer van drivers would remain employed after the closure of Sun Street. The price Republic agreed to pay the SVSWA for its transfer services was much higher than could be obtained by Republic using its existing subcontractors. This was done to enable the SVSWA to meet the salary and benefit costs of the SVSWA's drivers, who are members of the Operating Engineer's union. In return, the City agreed to reimburse Republic for its higher transportation costs for Salinas waste.

We understand that the Operating Engineers local has objected to the SVSWA's plan to subcontract transportation services rather than employ additional Operating Engineers members to haul waste from Madison Lane to Johnson Canyon.

We are concerned that if we grant the SVSWA's subcontracting request, which will involve having the work performed by Ritchie's Trucking, a non-union company, Madison Lane may become embroiled in a labor dispute between the Operating Engineers and SVSWA. Republic may even be subject to secondary picketing at Madison Lane.

Furthermore, the City of Salinas has requested that Republic perform any needed waste transportation from Madison Lane to Johnson Canyon that the SVSWA cannot handle, using Republic's existing and previously qualified subcontractors. The City has asked us to report on these loads handled by Republic's subcontractor, so the City can make appropriate adjustments in the rates it authorizes Republic to collect from the City for disposal of City of Salinas waste.

Therefore, at this time, we are not willing to agree to your subcontracting request. If you would like to discuss this matter further, please give me a call.

Sincerely,

Claudia Warkentin
General Manager

Cc: Patrick Mathews, Roy Santos

SVR Agenda Item - View Ahead 2022						Item No. 6
####	Nov	Dec	Jan	Feb	Mar	Apr
A			Election of Officers			
1	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes
2	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)	Claims/Financials (EC)
3	Member Agencies Activities Report	Member Agencies Activities Report	December 31 Cash & Investments Report	Member Agencies Activities Report	Member Agencies Activities Report	March 31 Cash & Investments Report
4	3rd Qtr. Tonnage & Diversion Report	Reinstate Adopting AB 361	Member Agencies Activities Report	4th Qtr. Tonnage & Diversion Report	Public Hearing: Rate & Fee Sched (EC)	Public Hearing: Rate & Fee Sched
5	Reinstate Adopting AB 361	GM Evaluation (EC)	Annual County Used Oil Report	Any/All Grants Application Authorization	FY 21-22 Proposed Budget (EC)	FY 21-22 Proposed Budget
6	Salaries and Benefits Field Operations Supervisors		Mid Year Budget Adjustment (EC)	Atlas Organics Update		
7	Fund Balance Reserves (EC)		Annual Employee Survey Results (EC)	FY 22-23 Preliminary Budget (EC)		
8	Water Delivery Agreement for JCLF		FY 22-23 Budget Direction (EC)			
9	Scalehouse Software Upgrade					
10	Agenda Procedures (EC)					
11	Personnel Allocation for Madison Lane Transport Operations (EC)					
12	Recycling Recognition Awards					
13	Regional Franchise Procurement (EC)					
14	EFR Grant Awards					
15	New Officers Nominating Committee					
16	GM Evaluation (EC)					

Consent
Presentation
Consideration
Closed Session

[Other] (Public Hearing, Recognition, Informational, etc.)
 (EC) Executive Committee
 (sp) Strategic Plan Item