



Monterey Regional Waste Management District

Service, Stewardship, and Sustainability Since 1951

May 15, 2015 Board of Directors Meeting

HIGHLIGHTS

Adoption of Preliminary Budget for FY 2015/16. The Preliminary Budget for FY 2015/16 was adopted by the Board. The Preliminary Budget shows a net loss of \$824,000, projects \$20,280,000 in revenues (with no increase to the landfill tipping fee), operating expenses of \$20,134,000, and non-operating expenses of \$970,000. Capital outlay is projected at \$6,722,000. Unrestricted cash reserves are projected to decrease by \$5,056,000, which results in cash reserves falling below the 20% guideline established by the Board. This is due to infrastructure improvements to support the Materials Recovery Facility (MRF) improvements and the Truck Yard facility. It should be noted that this deficiency is recovered by FY 2017/18 as the MRF Improvements are able to generate positive cash flows and capital expenditures return to historic levels. Cash provided by operations for FY 2015/16 is estimated at \$2,106,000 (Net Loss, Depreciation and Amortization and Closure/Post Closure Costs). The Bond Debt Service Ratio is 1.50 which is in excess of the Bond Covenant of 1.25.

New Classifications. Following staff recommendation, the Board approved two new classifications of Public Education Assistant and Limited Term Human Resources Assistant.

MRF Equipment Contract. The Board approved a contract with Bulk Handling Systems of Eugene, Oregon, in the amount of \$12,894,584 for the purchase, installation, and commissioning of the new MRF equipment. The contract amount is below the original engineer's estimate of \$16,600,000 for the equipment. The Board also amended the contract with JR Miller and Associates in the amount of \$380,000 to complete the design of site and building improvements to retrofit the existing MRF building for installation of the new equipment.

The MRF Improvement project equipment has been designed in close coordination with the local franchise haulers, including GreenWaste Recovery, the new franchise hauler for most of the peninsula cities. The District will issue revenue bonds before the end of May to finance the \$20 million MRF Improvement project, which is anticipated to be completed in late 2016.

Board Member Per Diem. The Board directed staff to pursue State legislation to modify the Public Resources Code with regard to Board member compensation. Board members currently receive \$50 per meeting, not to exceed \$100 per month.

HHW Collection Event. Staff reported on the upcoming Household Hazardous Waste (HHW) collection event, which will be held on Saturday, June 27th, from 9 a.m. to 2 p.m., at the Monterey Peninsula College, Parking Lot A. Materials to be accepted at the event include e-waste, paint, pesticides, household cleaners, motor oil, household and car batteries, and fluorescent tubes and bulbs.