



June 22, 2018 Board of Directors Meeting

HIGHLIGHTS

Small Planet News: Planet or Plastic. The Board was proved a presentation highlighting the June issue of *National Geographic* and the epidemic of plastics. World-wide, only 8% of all plastics produced annually are recycled. China's National Sword policy of reducing or eliminating imports of certain plastic commodities for recycling has coincided with increased awareness of the proliferation of plastic packaging and makes a compelling case that the consumption of single use plastic items must be reduced to mitigate the short and long-term impact of plastics in the environment.



Artist in Residence Program. This is the third year that the District and CSUMB, have conducted the "Artist in Residence" program which features student artists who promote the District's mission of "Turning Waste Into Resources" by transforming re-usable materials into art. Ashley Vaughn created "place word here". Using discarded doors and recycled paper to express feelings of confinement as well as protection, and her own experience with PTSD. Richard Sotelo created "Reflections" using discarded mirrors to etch himself and his family members in an attempt to highlight the period in which he and his family had been homeless.

Tipping Fee Increases Effective July 1, 2018. A public hearing was held, and the Board approved the following tipping fee increases:

The increases range will add \$1.2 million to the District revenue for fiscal year 2018/19. For the average residential customer with the smallest refuse bin, recycling and yard waste collection would see a monthly increase of \$0.53 due to these rate changes. Commercial customers with a weekly 3-yard refuse service would average \$5.28 more per month.

- ▲ **Solid Waste (Basic Rate) Landfill Rate, from \$56.00 Per Ton to \$62.00 Per Ton**
- ▲ **Yard Waste Rate From \$32.50 Per Ton to \$40.00 Per Ton**
- ▲ **Food Scraps Rate From \$45.50 Per Ton to 54.00 Per Ton**
- ▲ **Sewage Sludge Rate From 30.00 Per Ton to \$35.00 Per Ton**

Request for Litter Abatement Support. The Board approved a one-time allocation expenditure of \$125,000.00 to support activities of the Monterey County Litter Abatement Program and to hold a collection event within the District boundaries. The County had initially requested the District matching funds with the Salinas Valley Solid Waste Authority of \$100,000 for a total of \$200,000. The District has allocated \$50,000 in the Fiscal Year 2018/19 budget to hold a collection event in Big Sur, so the District Board agreed to provide an additional \$75,000. Staff will discuss recommendations for continuance with the District's Litter Abatement Task Force over the course of the year.

Approval of Fiscal Year 2018/19 Budget. The Board approved the Budget for FY 2018/19, which contained estimated Revenues of \$34,634,000. Operating Expenses are expected to be \$31,917,000, which is an increase of \$6,059,000 from the 2017/18 Budget, mainly due to the improved MRF with increased headcount and operating supplies. Net Income is projected at \$1,916,000. Non-Operating Revenues/Expenses for FY 2018/19 included interest expense on the Revenue Bonds at \$1,189,000, equipment lease interest expense of \$62,000 for 2017 and 2018 equipment lease arrangements, and rental income from the Truck Yard at approximately \$270,000. Capital Outlay is estimated at \$16,328,000, an increase of \$3,421,000 from the FY 2017/18 Budget.

Characterization Study. Staff recommended, and the Board approved, that SCS Engineers conduct a waste characterization study, on time and materials basis, at a cost not-to-exceed \$105,000. The study is needed to develop specific information on the single stream recyclable materials in an effort to improve public outreach activities, increase recycling levels, decrease non-recyclables in the recycling bins, inform the collection companies and their outreach activities, and possibly make changes to the MRF operations required to meet new recycling standards dictated by current market conditions.

Cost of Living Adjustments. The Board approved COLAs for the Management Unit and Operating Engineers Local 3 (OE3) Units, and for Unrepresented, Confidential, and At-Will Employees ranging from 3% to 3.2%