



A G E N D A

Board of Directors

Thursday, March 17, 2011, 6:00 p.m.

Gonzales City Council Chambers
117 Fourth Street, Gonzales, California

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Board Directors

County: Lou Calcagno
County: Fernando Armenta, Vice President
Salinas: Gloria De La Rosa, President
Salinas: Dennis Donohue
Salinas: Jyl Lutes
Gonzales: Liz Silva, Alternate Vice President
Soledad: Richard Perez
Greenfield: Yolanda Teneyuque
King City: Robert Cullen

Alternate Directors

County: Simon Salinas
Salinas: Tony Barrera
Gonzales: TBD
Soledad: TBD
Greenfield: Annie Moreno
King City: Sue Kleber

GENERAL MANAGER/CAO COMMENTS

DEPARTMENT MANAGER COMMENTS

BOARD DIRECTOR COMMENTS

PUBLIC COMMENT

Receive public comment from audience on items which are not on the agenda. Members of the public may comment on scheduled agenda items as the Board considers them. Speakers are limited to three minutes.

RECOGNITIONS

1. [Proclamations Honoring former Conversion Technologies Commissioners Janet Barnes, Richard Ortiz, George Worthy, and Yolanda Teneyuque](#)

CONSENT AGENDA: *All matters listed under the Consent Agenda may be enacted by one motion unless a member of the Board, a citizen, or a staff member requests discussion or a separate vote.*

2. [Minutes of February 24, 2011 Meeting](#)
3. [January 2011 Claims and Financial Reports](#)
4. [A Resolution Authorizing the Release of a Request for Proposals for Hauling and Recycling of Electronic Waste](#)
5. [A Resolution Authorizing the Submittal of a Revised Resolution to the California Department of Resources Recycling and Recovery for All Grants for which the Salinas Valley Solid Waste Authority is Eligible through August 1, 2016](#)

PRESENTATIONS

6. [Sun Street Transfer Station Annual Performance Report](#)
By Assistant General Manager Jose Gamboa

STUDY SESSION

- 7. **Fiscal Year 2011-12 Proposed Strategic Budget**
 - A. Receive a Report from Finance Manager Roberto Moreno
 - B. Public Comment
 - C. Board Discussion
 - D. Board Action – Provide Direction

CONSIDERATION

- 8. **A Resolution Authorizing an Agreement with TWDC Enterprises, Inc. dba Vision Recycling for Organics Processing**
 - A. Receive a Report from Diversion Manager Susan Warner
 - B. Public Comment
 - C. Board Discussion
 - D. Board Action – Consider Resolution Adoption

- 9. **A Resolution Approving a One-Year Agreement with Waste Management, Inc. for Solid Waste Transfer, Handling, Transportation of Republic Services of Salinas Materials at the Madison Lane Transfer Station for an Amount not to Exceed \$393,744**
 - A. Receive a Report from Assistant General Manager Jose Gamboa
 - B. Public Comment
 - C. Board Discussion
 - D. Board Action – Consider Resolution Adoption

- 10. **A Resolution to Approve the Authorization for Authority Personnel and Private Contractors To Construct the Crazy Horse Landfill Closure Project (CIP 9227) and in Connection Therewith, to Approve the Purchase of an Excavator and a Water Truck, and to Approve Equipment Rental with Option to Purchase (Click here to view Plans & Specs)**
 - A. Receive a Report from Authority Engineer Dave Meza
 - B. Public Comment
 - C. Board Discussion
 - D. Board Action – Consider Resolution Adoption

FUTURE AGENDA ITEMS

- 11. **Agenda Items – View Ahead**

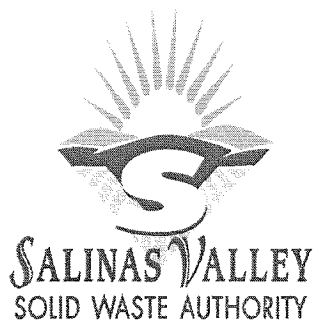
CLOSED SESSION

- 12. Pursuant to **Government Code Section 54957.6** to provide instruction to General Manager/CAO to negotiate salaries and benefits with SVSWA employees.

RECONVENE

ADJOURNMENT

.....
 This agenda was posted at the Administration Office of the Salinas Valley Solid Waste Authority, 128 Sun Street, Suite 101, Salinas, and on the Gonzales Council Chambers Bulletin Board, 117 Fourth Street, Gonzales, **Friday, March 11, 2011**. The Salinas Valley Solid Waste Authority Board will next meet in regular session on **Thursday, April 21, 2011**. Staff reports for the Authority Board meetings are available for review at:
 ▶ Salinas Valley Solid Waste Authority: 128 Sun Street, Ste. 101, Salinas, CA 93901, Phone 831-775-3000
 ▶ Authority Web Site: www.svswwa.org ▶ Public Library Branches in Gonzales, Prunedale and Soledad
 ▶ City Halls of Salinas, Gonzales, Greenfield, King City & Soledad
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Elia Zavala, Clerk of the Board at 831-775-3000. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).



Proclamation

HONORING

Mr. Richard V. Ortiz

Whereas, the Salinas Valley Solid Waste Authority has been studying alternatives to landfilling since February 2005, which led to its decision in October 2005 to focus on exploring non-combustion based technologies. The steam autoclave pilot program at Crazy Horse Landfill was the first step in studying a working technology; and,

Whereas, on March 15, 2007, the Salinas Valley Solid Waste Authority Board authorized the formation of the Conversion Technologies Commission composed of former Board Directors Richard Ortiz from City of Soledad, Janet Barnes from City of Salinas, George Worthy from City of Gonzales, and Yolanda Teneyuque from City of Greenfield, together with Authority General Manager, Operations Manager, and Diversion Manager to study conversion technology methods that would help achieve its goal of 75% diversion from landfills by 2015 and 50 years of sustainable waste processing and disposal capacity; and,

Whereas, on April 12, 2007, the first Conversion Technologies Committee meeting, the Committee identified as its goal: "To identify the best and most effective conversion technology(s) which would be applicable to the Salinas Valley." to process waste, extract the readily recyclable material and convert the organic portion into a usable product; and,

Whereas, the Commission developed an evaluation criteria that was used for all its site visits which would not only help evaluate methods to extend landfill capacity and production of fuels or electricity, but would also reduce the Authority's environmental impact via emissions reduction; and,

Whereas, including attending various workshops and conferences, the Committee, conducted 19 site visits and spend numerous hours evaluating Statements of Qualifications from nine companies interested in the Johnson Canyon Resource Management Park project, which lead to the selection of four vendors invited to submit Requests for Proposals, from which it recommended the Authority Board to commence discussions with the two highest ranked vendors; and,

Whereas, at its closing meeting of January 5, 2011, it made its recommendation to the Authority Board to select 1) steam autoclave and 2) gasification or plasma gasification for study under the California Environmental Quality Act review, which the Board approved at its January 20, 2011, selecting the steam autoclave and plasma gasification for further study; and,

Now Therefore, Be It Proclaimed, that the Salinas Valley Solid Waste Authority hereby recognizes **Mr. Richard V. Ortiz** for his valuable contribution to the Authority's Mission, Vision, and Values, working for a future without landfills, as a dedicated member of the Conversion Technologies Commission since March 2007 through January 2011.

Dated this 17th day of March 2011

R. Patrick Mathews, General Manager/CAO

Gloria De La Rosa, Board President



Proclamation

HONORING

Mr. George Worthy

Whereas, the Salinas Valley Solid Waste Authority has been studying alternatives to landfilling since February 2005, which led to its decision in October 2005 to focus on exploring non-combustion based technologies. The steam autoclave pilot program at Crazy Horse Landfill was the first step in studying a working technology; and,

Whereas, on March 15, 2007, the Salinas Valley Solid Waste Authority Board authorized the formation of the Conversion Technologies Commission composed of former Board Directors Richard Ortiz from City of Soledad, Janet Barnes from City of Salinas, George Worthy from City of Gonzales, and Yolanda Teneyuque from City of Greenfield, together with Authority General Manager, Operations Manager, and Diversion Manager to study conversion technology methods that would help achieve its goal of 75% diversion from landfills by 2015 and 50 years of sustainable waste processing and disposal capacity; and,

Whereas, on April 12, 2007, the first Conversion Technologies Committee meeting, the Committee identified as its goal: "To identify the best and most effective conversion technology(s) which would be applicable to the Salinas Valley." to process waste, extract the readily recyclable material and convert the organic portion into a usable product; and,

Whereas, the Commission developed an evaluation criteria that was used for all its site visits which would not only help evaluate methods to extend landfill capacity and production of fuels or electricity, but would also reduce the Authority's environmental impact via emissions reduction; and,

Whereas, including attending various workshops and conferences, the Committee, conducted 19 site visits and spend numerous hours evaluating Statements of Qualifications from nine companies interested in the Johnson Canyon Resource Management Park project, which lead to the selection of four vendors invited to submit Requests for Proposals, from which it recommended the Authority Board to commence discussions with the two highest ranked vendors; and,

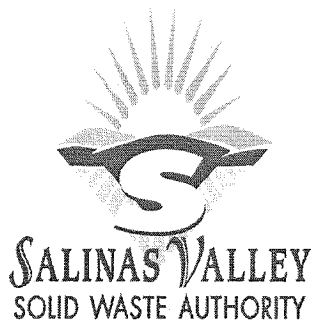
Whereas, at its closing meeting of January 5, 2011, it made its recommendation to the Authority Board to select 1) steam autoclave and 2) gasification or plasma gasification for study under the California Environmental Quality Act review, which the Board approved at its January 20, 2011, selecting the steam autoclave and plasma gasification for further study; and,

Now Therefore, Be It Proclaimed, that the Salinas Valley Solid Waste Authority hereby recognizes **Mr. George Worthy** for his valuable contribution to the Authority's Mission, Vision, and Values, working for a future without landfills, as a dedicated member of the Conversion Technologies Commission since March 2007 through January 2011.

Dated this 17th day of March 2011


R. Patrick Mathews, General Manager/CAO

Gloria De La Rosa, Board President



Proclamation

HONORING

Ms. Janet V. Barnes

Whereas, the Salinas Valley Solid Waste Authority has been studying alternatives to landfilling since February 2005, which led to its decision in October 2005 to focus on exploring non-combustion based technologies. The steam autoclave pilot program at Crazy Horse Landfill was the first step in studying a working technology; and,

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Whereas, on April 12, 2007, the first Conversion Technologies Committee meeting, the Committee identified as its goal: "To identify the best and most effective conversion technology(s) which would be applicable to the Salinas Valley." to process waste, extract the readily recyclable material and convert the organic portion into a usable product; and,

Whereas, the Commission developed an evaluation criteria that was used for all its site visits which would not only help evaluate methods to extend landfill capacity and production of fuels or electricity, but would also reduce the Authority's environmental impact via emissions reduction; and,

Whereas, including attending various workshops and conferences, the Committee, conducted 19 site visits and spend numerous hours evaluating Statements of Qualifications from nine companies interested in the Johnson Canyon Resource Management Park project, which lead to the selection of four vendors invited to submit Requests for Proposals, from which it recommended the Authority Board to commence discussions with the two highest ranked vendors; and,

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Now Therefore, Be It Proclaimed, that the Salinas Valley Solid Waste Authority hereby recognizes *Ms. Janet V. Barnes* for her valuable contribution to the Authority's Mission, Vision, and Values, working for a future without landfills, as a dedicated member of the Conversion Technologies Commission since March 2007 through January 2011.

Dated this 17th day of March 2011

R. Patrick Mathews

R. Patrick Mathews, General Manager/CAO

Gloria De La Rosa, Board President



Proclamation

HONORING
Ms. Yolanda Teneyuque

Whereas, the Salinas Valley Solid Waste Authority has been studying alternatives to landfilling since February 2005, which led to its decision in October 2005 to focus on exploring non-combustion based technologies. The steam autoclave pilot program at Crazy Horse Landfill was the first step in studying a working technology; and,

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Whereas, on April 12, 2007, the first Conversion Technologies Committee meeting, the Committee identified as its goal: "To identify the best and most effective conversion technology(s) which would be applicable to the Salinas Valley." to process waste, extract the readily recyclable material and convert the organic portion into a usable product; and,

Whereas, the Commission developed an evaluation criteria that was used for all its site visits which would not only help evaluate methods to extend landfill capacity and production of fuels or electricity, but would also reduce the Authority's environmental impact via emissions reduction; and,

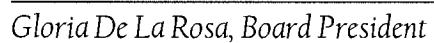
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Whereas, at its closing meeting of January 5, 2011, it made its recommendation to the Authority Board to select 1) steam autoclave and 2) gasification or plasma gasification for study under the California Environmental Quality Act review, which the Board approved at its January 20, 2011, selecting the steam autoclave and plasma gasification for further study; and,

Now Therefore, Be It Proclaimed, that the Salinas Valley Solid Waste Authority hereby recognizes *Ms. Yolanda Teneyuque* for her valuable contribution to the Authority's Mission, Vision, and Values, working for a future without landfills, as a dedicated member of the Conversion Technologies Commission since March 2007 through January 2011.

Dated this 17th day of March 2011


R. Patrick Mathews, General Manager/CAO


Gloria De La Rosa, Board President

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY
BOARD MEETING
FEBRUARY 24, 2011**

Draft

CALL TO ORDER

President De La Rosa called the meeting to order at 6:06 p.m.

PLEDGE OF ALLEGIANCE

The pledge was recited.

ROLL CALL

The following Board Directors were present:

County of Monterey	Fernando Armenta, Vice President
County of Monterey	Louis Calcagno, <i>left at 8:12 p.m.</i>
City of Salinas	Gloria De La Rosa, President
City of Salinas	Dennis Donohue, <i>arrived at 6:14 p.m., left at 8:21 p.m.</i>
City of Salinas	Jyl Lutes
City of Gonzales	Liz Silva, Alternate Vice President
City of Soledad	Richard Perez
City of King	Robert Cullen
City of Greenfield	Yolanda Teneyuque

Staff Members Present:

Patrick Mathews, General Manager/CAO	Elia Zavala, Clerk of the Board
Jose Gamboa, Assist. General Manager	Ernesto Natera, Administrative Assistant II
Roberto Moreno, Finance Manager	Thomas Bruen, General Counsel, <i>arrived at 6:48 p.m.</i>
Rose Gill, Administrative Manager	
Dave Meza, Authority Engineer	

GENERAL MANAGER COMMENTS

General Manager/CAO Mathews commented on the following:

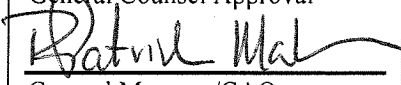
- General Counsel Bruen will be arriving late due to traffic issues near San Jose.
- A bilingual public meeting is scheduled on March 8, 2011 at the Gonzales High School to inform the community on the proposed conversion technology project. Notifications were mailed to all Gonzales residents and emails sent to interested parties and the media. In addition, reminders will be included in the city's utility bills. President De La Rosa and Alternate Vice President Silva, and possibly one other Board Director, might attend the meeting, therefore it will not constitute a Board meeting notice.
- In March, staff will request Board support on SB23, a bill that would increase the purchase requirement of renewable energy to large utility companies, like Pacific Gas and Electric. This would improve the market conditions for those types of projects.
- Staff is continuing to work with several agencies in efforts to secure funding to begin the study and design work on the Johnson Canyon Road improvement project.

DEPARTMENT MANAGER COMMENTS

(6:11) Assistant General Manager Gamboa reported that on March 1, 2011, the Authority will begin to use biofuel from the Gonzales facility.

BOARD DIRECTOR COMMENTS

None

ITEM NO. 2
Agenda Item
<i>T. Bruen by ez</i>
General Counsel Approval

General Manager/CAO

PUBLIC COMMENT (6:12)

Bradley Angel, with Green Action for Health and Environmental Justice, resident of Pacifica, CA, asked the Board to rescind its vote made at the January meeting to move forward with studying a conversion technology project, and to consider allowing both sides of the issue present at the March 8 public meeting in Gonzales. He was concerned that the Board has not been completely informed on issues with Plasco' commercial demonstration plant in Canada.

Margaret Serna Bonetti, resident of Salinas, expressed concerns on the time limit allowed for others to comment on this subject. She stated that the Board should listen to the public on this issue and provide more forums for public input on these projects. She mentioned that the Plasco facility was not in operation and questioned the Board's decision to move forward with this company.

Director Calcagno requested a point of order and have these comments made during Item No. 5. General Manager/CAO Mathews stated that the comments made were more general in nature not specific to the agenda item related to issuing the CEQA consultant request for proposals.

CONSENT AGENDA (6:23)

1. Minutes of January 20, 2011 Meeting
2. December 2010 Claims and Financial Reports
3. Quarter Ended December 31, 2010 Tonnage Report
4. Fiscal Year 2010-11 Mid-Year Operating Budget Adjustments
6. Resolution No. 2011-04 Rejecting All Bids Received for the Crazy Horse Landfill Closure Construction Project and Authorizing Request for Bids for the Revised Crazy Horse Landfill Closure Construction Project (CIP 9227)

Public Comment: None

Board Comments: Vice President Armenta suggested that the Board wait for General Counsel to arrive to discuss Item No. 5.

Motion: Director Calcagno made a motion to approve the consent agenda, deferring Item No. 5 until the arrival of General Counsel. Director Perez seconded the motion.

Vote: Motion carried 6, 3

Ayes: Armenta, Calcagno, De La Rosa, Lutes, Perez, Silva

Noes: Cullen, Donohue, Teneyuque

Abstain: None

Absent: None

PRESENTATIONS

7. QUARTERLY STRATEGIC PLAN UPDATE

(6:24) Department Managers provided a presentation on the highlights and accomplishments on each of the Board's strategic objectives.

Public Comment: None

Board Comments: Vice President Armenta suggested that staff conduct a workshop to bring all Board members to up to date Authority issues.

8. GREEN WASTE DIVERSION PROGRAM

(6:45) Assistant General Manager Gamboa provided a report on the Authority's program.

Public Comment: Matt Gourley, resident of Gonzales, was concerned with the transportation of green waste into the Gonzales agriculture area and questioned whether or not Gonzales was in a quarantine area for certain pests and diseases.

Staff stated that the Monterey County Agricultural Commission has indicated that there are no concerns on this issue at this time and that they have contacted the Ag Commissioner's office on this matter.

OUT OF ORDER

5. Resolution No. 2011-03 Authorizing the Release of a Request for Proposals for California Environmental Quality Act (CEQA) Review of Conversion Technologies

(6:58) Director Lutes informed General Counsel Bruen that there had been public comments related to this item before his arrival. Vice President Armenta stated that these were two separate matters. Previously discussed was the structure of community forums. He asked that staff place an item on the March or April agenda to discuss that.

Public Comment: Bradley Angel, with Green Action, San Francisco, CA asked the Board to reconsider its vote from last month. He was concerned that the Board received incorrect information in January on the Plasco Energy project. He provided two handouts.

Margaret Serna Bonetti was concerned that the public has not been properly informed and was concerned with the Board's decision to move forward with the CEQA study. She asked that both groups be given equal time to present to the public at the March 8 meeting and that the Board not vote on this item at this meeting.

Board Comments: Director Calcagno stated he would like to see the autoclave and gasification as two separate environmental studies. He asked staff to work with County planners, as the project would ultimately require approval from the County. He suggested that the environmental document include an analysis of downstream emissions. He suggested that the funding agreement for the CEQA study with Plasco Energy be presented to the Board before a CEQA consultant is selected. He also suggested that a third independent counsel review the agreement. General Manager/CAO Mathews responded that staff is already working with County staff. General Counsel Bruen stated that separating the two projects is complicated but he will work with CEQA Counsel and report back to the Board.

Director Lutes commented she would like to see different options in the proposal. She expressed support for moving forward and supported that both sides present at the March 8 meeting.

Director Cullen expressed support for moving forward and clarified that the Board is not approving the project or its funding at this time. Concerns with the project will be answered during the CEQA process.

Director Silva asked that at the March 8 meeting, staff educate the public on the CEQA process.

Director Armenta suggested that staff prepare a calendar of the future community meetings and provide a draft of what will be covered at these meetings. He supported a presentation on the different project views.

Motion: Director Donohue made a motion to adopt Resolution No. 2011-03 as presented. Director Cullen seconded the motion.

Vote: Motion carried 9, 0

Ayes: Armenta, Calcagno, Cullen, De La Rosa, Donohue, Lutes, Perez, Silva, Teneyuque

Noes: None

Abstain: None

Absent: None

CONSIDERATION

9. FISCAL YEAR 2011-12 PROPOSED STRATEGIC BUDGET

(7:28) General Manager/CAO Mathews provided an introduction of the proposed transitional strategic budget. (7:42) Finance Manager Moreno provided a report on the details of the proposed 9.2% increase to the operating budget.

Public Comment: Doug Kenyon, with BFI, made comments on the misleading message that recycling is free; these services are paid through the waste hauler fees. He mentioned to the Salinas members that they are looking at about a 35% increase over two years. He suggested that the Board approve a one-year transitional budget and make the necessary adjustments for the following year.

Jay Ramos, with Waste Management, stated that they are working with their respective cities and company staff to see how the change will affect them. As landfill operators, they share the same concerns of the Authority.

John Ramirez, Monterey County Director of Environmental Health, asked the Board to communicate any increases to the public and send out notices.

Abel Moran, Salinas resident, questioned the fee structure for self haulers and what would happen to homes being vacated. He asked the Salinas members to present this item in Salinas. He felt that the new rate model would not be good for businesses. He directed a comment to Director Cullen stating that he believed it would unfair for King City residents to pay the same increase if it only generates 6% of the waste.

Joseph Gemignani Controller of Republic Services, suggested that if the Board was going to approve changing from a tonnage fee to a level of service fee, that the change become effective until next January, as the change would have a big impact on their books for this year.

Margaret Serna Bonetti, Salinas resident, was concerned that the Authority has 36 employees, which according to the employee services budget, averages to \$108,000 per employee. She was

concerned that the agenda did not reflect a discussion on fee increases.

Board Comments: Director Calcagno asked staff to include a separate column to show what the cost of conversion technology would be. He stated he could not support a 12% increase in employee services when the County employees are taking decreases due to budget constraints. General Manager/CAO Mathews stated that there are increased costs that the Authority has no control over..

Director Perez stated that changes in financial policies should be approved first before discussing the budget. He was concerned that the new rate structure would reduce revenue from the south county cities. He felt that public meetings should be held at each jurisdiction. He suggested approving a status quo budget and stated he could not support the staff increase when the City of Soledad is laying off personnel. General Manager/CAO Mathews stated that the Board had consider changes to the fiscal policies previously and decided not to make any changes until it fully understood the rate implications.

Director Armenta mentioned that a flat service fee would discourage customers from recycling, however felt that the Board has a fiscal and operational responsibility to take care of operations. He suggested having a comprehensive community outreach plan for changing the rate structure and setting a goal for management for budget reductions.

Alternate Vice President Silva expressed the difficulty to explain to residents that because of their good efforts in recycling, they will now have to pay more, and even more for new technology. Staff affirmed that recycling is not free or cheap. As tonnage drops, rates go up regardless of the collection method.

Director Cullen stated that a large part of the increase is due to the opportunity to make changes to the financial policies. He supported a detailed review of the budget to find costs that can be cut, deferred, or combined, such as contract renegotiating.

Director Lutes expressed concerns for the increase to the Salinas residents.

Direction: The Board directed staff to bring back the proposed budget with a breakdown separating discretionary and non-discretionary costs.

FUTURE AGENDA ITEMS

10. AGENDA ITEMS – VIEW AHEAD

This item was not discussed.

CLOSED SESSION

President De La Rosa adjourned the meeting to closed session at 9:06 p.m. to discuss the following:

11. Pursuant to **Government Code Section 54957.6** to provide instruction to General Manager/CAO to negotiate salaries and benefits with SVSWA employees.

RECONVENE

President De La Rosa reconvened the meeting to open session at 9:35 p.m. with no reportable action taken in closed session.

ADJOURN

President De La Rosa adjourned the meeting at 9:35 p.m.

APPROVED: _____
Gloria De La Rosa, President

ATTEST:

Elia Zavala, Clerk of the Board




**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 3


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: Roberto Moreno, Finance Manager
Title: January 2011 Claims and Financial Reports

RECOMMENDATION

Staff and the Executive Committee recommend acceptance of the January 2011 Claims and Financial Reports.

BACKGROUND

The following information is provided so that the Board can review the financial standing of the Authority at the end of January 2011.

Cash Balances

The Authority's cash position increased \$610,014.78 during January to \$24,025,065.80.

\$ 2,820,700.00	bond proceeds reserved for bond debt service until 2031
2,933.15	employee deductions to be used for medical reimbursements
13,085,185.78	tipping fees reserved for landfill closure costs
6,889,532.26	from the sale of outside waste for landfill expansion costs
165,570.03	Salinas Rate Stabilization and Transportation Surcharge fees
1,061,144.58	for operations and capital projects

Cash and Investments

The Authority's cash and investments are summarized as follows:

Investments held in trust by bond issue fiscal agent – Bank of New York

AIG Matched Funding Investment Agreement	5.454%	\$ 2,820,700.00
BNY – JP Morgan Treasury Plus	-	993,757.54

Investments managed by the Authority Treasurer

Local Agency Investment Fund	0.538%	20,231,666.63
Petty Cash	-	1,500.00
Rabobank general checking account	-	(144,642.71)
Rabobank general deposit account	-	108,883.67
Rabobank scalehouse deposit account	-	9,267.52
Rabobank payroll account	-	1,000.00
Rabobank Aflac flexible spending account	-	2,933.15

Total Cash and Investments \$ 24,025,065.80

Results of Operations

For the month of January, operating revenue exceeded expenditures by \$631,697. As of January 31, operating revenue exceeded expenditures by \$1,848,159 (97.81%) of the budgeted surplus of \$1,889,619.

Revenues

For the month of January 2011, the Authority earned \$877,136 in tipping fees. As of January 31, 2011 (58.33% of the fiscal year) the Authority has earned \$7,110,356 (58.55%) of the estimated tipping fees \$12,143,160. This is \$191,634 behind trended projections of 59.64% based on past trends.

Please refer to the attached graphs for a better view of how the Authority's tipping fees have been tracking month by month.

Accounts Receivable

At January 31, the Authority had \$1,116,046.73 in accounts receivable of which \$1,004,256.06 (90.00%) was for December tipping fees.

Operating Expenditures

For the month of January 2011, the Authority's operating expenditures totaled \$854,606. As of January 31, 2011 the Authority has paid out \$7,674,207 (52.56 %) of the operating budget of \$14,601,080.

Capital Project Expenditures

For the month of January 2011, the Authority's capital expenditures totaled \$87,583. \$75,697 was expended on the Crazy Horse Canyon Landfill Closure. As of January 31, 2011 (58.33% of the fiscal year) the Authority has paid \$425,118 (2.49%) of the capital improvements budget of \$17,073,171.

Claims Checks Issued Report

The Authority's Checks Issued report for the month of January 2011 is presented for review and acceptance. The January claims checks issued total \$938,431.79 of which \$305,502.10 was paid from the payroll checking account for payroll and payroll related benefits. Recology, Inc. was paid \$158,758.00 for the December facility fees. The California State Board of Equalization was paid \$88,802.00 for fourth quarter 2010 fees. \$82,941.55 was paid to Waste Management, Inc. for Republic waste delivered to Madison Lane Transfer Station and Jolon Road Transfer Station operations for December 2010. \$70,142.54 was paid to Granite Rock Co. for Crazy Horse Canyon Landfill drainage repairs.

ATTACHMENTS

1. January 2011 Consolidated Statement of Revenues and Expenditures
2. January 2011 Consolidated CIP Expenditures Report
3. January 2011 Checks Issued Report



Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending January 31, 2011

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Revenue Summary							
Tipping Fees	12,143,160	877,136	7,110,355	58.55	5,032,805	0	5,032,805
Tipping Fees - Surcharge	561,600	31,860	268,228	47.76	293,372	0	293,372
Sale of Outside Waste	2,147,600	178,961	1,252,729	58.33	894,871	0	894,871
Charges for Services	80,000	30,031	116,728	145.91	(36,728)	0	(36,728)
Sales of Materials	309,000	82,645	282,057	91.28	26,943	0	26,943
Investment Earnings	450,000	99,855	205,028	45.56	244,972	0	244,972
Grants	123,339	0	45,205	36.65	78,134	0	78,134
Miscellaneous/Other	336,000	185,814	218,885	65.14	117,115	0	117,115
Salinas Rate Stabilization Fee	340,000	0	23,152	6.81	316,848	0	316,848
Total Revenue	16,490,699	1,486,303	9,522,366	57.74	6,968,333	0	6,968,333
Expense Summary							
General Administration	1,157,190	96,923	634,968	54.87	522,222	62,760	459,462
Finance Administration	569,680	57,492	307,283	53.94	262,397	10,316	252,081
Operations Administration	524,880	53,776	359,025	68.40	165,855	25,691	140,164
Resource Recovery	698,760	45,756	337,709	48.33	361,051	79,642	281,409
Public Education	135,000	4,270	43,128	31.95	91,872	36,575	55,297
Household Hazardous Waste	576,820	29,362	279,547	48.46	297,273	81,253	216,020
C & D Diversion	66,200	2,607	45,093	68.12	21,107	18,621	2,486
Organics Diversion	396,700	0	173,650	43.77	223,050	17,141	205,909
Diversion Services	193,500	3,820	81,683	42.21	111,817	71,598	40,219
Scalehouse Operations	332,780	25,419	184,501	55.44	148,279	5,359	142,919
JR Transfer Station	685,580	57,359	363,800	53.06	321,780	324,075	(2,294)
SS Transfer Station	1,868,640	136,696	1,020,076	54.59	848,564	77,339	771,226
CH Landfill Operations	103,180	1,812	65,977	63.94	37,203	0	37,203
JC Landfill Operations	3,301,150	288,371	1,452,082	43.99	1,849,068	1,161,016	688,052



Salinas Valley Solid Waste Authority
Consolidated Statement of Revenues and Expenditure
For Period Ending January 31, 2011

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
Crazy Horse ECS	274,000	29,706	137,263	50.10	136,737	98,548	38,190
Lewis Road ECS	139,090	10,748	81,674	58.72	57,416	35,438	21,978
Johnson Canyon ECS	115,200	9,724	67,484	58.58	47,716	60,161	(12,445)
Jolon Road ECS	28,500	766	10,889	38.21	17,611	13,906	3,705
Debt Service - Interest	2,137,200	0	1,078,840	50.48	1,058,360	141,054	917,306
Debt Service - Principal	1,001,030	0	949,536	94.86	51,495	51,495	0
Closure Set-Aside	296,000	0	0	0.00	296,000	0	296,000
Total Expense	14,601,080	854,606	7,674,207	52.56	6,926,873	2,371,988	4,554,885
Revenue Over/(Under) Expenses	1,889,619	631,697	1,848,159	97.81	41,460	(2,371,988)	2,413,447



Salinas Valley Solid Waste Authority

Consolidated CIP Expenditure Report

For Period Ending January 31, 2011

	CURRENT BUDGET	M-T-D REV/EXP	Y-T-D REV/EXP	% OF BUDGET	REMAINING BALANCE	Y-T-D ENCUMBRANCES	UNENCUMBERED BALANCE
106 9003 CR3 Pilot Project Studies	117,614	652	2,830	2.41	114,784	5,848	108,936
180 9004 Conversion Technology Evaluation	36,749	1,548	23,887	65.00	12,862	20,747	(7,886)
106 9006 Self Haul Serial MRF	249,905	0	0	0.00	249,905	0	249,905
106 9007 D.O.C. Grant	1,422	2,822	27,515	1,934.70	(26,093)	3,300	(29,393)
150 9010 JC Roadway Improvements	2,291,923	0	0	0.00	2,291,923	0	2,291,923
170 9012 Work St Transfer Station	595,723	0	5,260	0.88	590,463	44,304	546,159
150 9013 JC Module 456B Construction	194,431	1,153	42,570	21.89	151,861	0	151,861
150 9018 JC Resource Management Park	37,772	1,719	1,719	4.55	36,053	6,281	29,772
105 9019 Biodiesel Fuel Station	61,339	122	162	0.26	61,177	0	61,177
130 9020 CHL Subsurface Fire	0	0	315	0.00	(315)	0	(315)
170 9199 Sun St. Transfer Station	62,420	3,230	36,511	58.49	25,909	0	25,909
130 9204 CH Groundwater Monitoring	11,372	0	0	0.00	11,372	0	11,372
105 9207 JPA Capital Replacement	8,894	0	0	0.00	8,894	0	8,894
150 9211 JC Groundwater Monitoring	28,680	0	0	0.00	28,680	0	28,680
150 9212 JC Erosion Control	18,060	0	500	2.77	17,560	0	17,560
161 9218 JR Ground Water Monitor	25,343	0	0	0.00	25,343	0	25,343
130 9227 CH Landfill Closure	11,940,012	75,697	186,290	1.56	11,753,723	29,702	11,724,021
130 9249 CH Groundwater Remediation	607,390	0	3,697	0.61	603,693	0	603,693
130 9250 CH Closed Area Maintenance	284,378	0	0	0.00	284,378	0	284,378
150 9255 JC LFG System Improvement	45,246	640	91,145	201.44	(45,899)	12,047	(57,946)
150 9340 JC LFG to Energy	0	0	1,627	0.00	(1,627)	0	(1,627)
106 9518 JC C&D Mat Recovery Fac	120,575	0	56	0.05	120,519	0	120,519
150 9521 JC Entrance Facility	91,908	0	0	0.00	91,908	0	91,908
161 9819 JR Erosion Control	9,389	0	734	7.82	8,655	0	8,655
130 9913 CH LFG to Energy Pilot	16,096	0	301	1.87	15,795	0	15,795
150 9918 JC West Berm Plant Establ	216,528	0	0	0.00	216,528	0	216,528
Total CIP Expenditures	17,073,171	87,583	425,118	2.49	16,648,053	122,229	16,525,824

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
7298	AFLAC SERVICE FEES, DEC 2010 SERVICE FEES, DEC 2010 SERVICE FEES, DEC 2010 SERVICE FEES, DEC 2010	1/12/2011	\$12.00 \$12.00 \$6.00 \$6.00	\$36.00
7299	AIR WATER BIZ Oasis water dispenser for admin office	1/12/2011	\$552.81	\$552.81
7300	AT&T SERVICES INC ADM 8317701023355 PH 11/15/10 - 12/14/10 HHW 8314245520659 PH 11/24/10 - JC 8316752114750 PH 11/19/10 - 12/18/10 LR 8317610775940 PH 11/20/10 - 12/19/10 SC HSE 8314245520659 PH 11/24/10 -	1/12/2011	\$657.14 \$167.30 \$147.94 \$15.89 \$75.00	\$1,063.27
7301	AUTO-AG ELECTRIC SYSTEMS, INC WALLY TRAILER SUPPLIES	1/12/2011	\$393.20	\$393.20
7302	BAKER CORP CH 21 K GAL SAFETY VAPOR TANK	1/12/2011	\$522.50	\$522.50
7303	BECK'S SHOE STORE, INC. SAFETY BOOTS FOR FIELD EMPLOYEES	1/12/2011	\$146.05	\$146.05
7304	CALIFORNIA HIGHWAY ADOPTION CO. Litter Abatement DEC 2010	1/12/2011	\$550.00	\$550.00
7305	CHERRY BEAN COFFEE HOUSE Board Meeting Supplies	1/12/2011	\$30.00	\$30.00
7306	COAST COUNTIES TRUCK & EQUIPMENT C #16094 QUICK VALVE RELEASE, SEAL, 4" TRK 001 F BRACKET	1/12/2011	\$128.27 \$159.92	\$288.19
7307	COSTCO WHOLESALE 2 Hard Drives for Server Backup 2 BACKUP HARD DRIVES RETURNED BD Meeting Supplies 8 Backup Harddrives for Servers Office Supplies Office Supplies	1/12/2011	\$217.43 (\$217.43) \$18.97 \$652.30 \$65.43 \$7.99	\$744.64
7308	DATA FLOW 1,000 AP CHECKS	1/12/2011	\$223.06	\$223.06
7309	FERGUSON ENTERPRISES INC STRUT CLAMPS FOR SS	1/12/2011	\$17.11	\$17.11
7310	FIRST ALARM ADM OFFICE/JC ALARM SYSTEM SERVICE, JAN - MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 ADM OFFICE/JC ALARM SYSTEM SERVICE, JAN - MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011 SS TS, HHW, SCALE HOUSE ALARM SERVICE JAN-MAR 2011	1/12/2011	\$144.00 \$97.17 \$102.00 \$103.62 \$33.36 \$97.17 \$83.55 \$48.57 \$20.01	\$729.45
7311	GEOLOGIC ASSOCIATES, INC. GROUNDWATER MONITORING, THRU NOV LR, CH, JC NR GRDWTR GROUNDWATER MONITORING, THRU NOV LR, CH, JC NR GRDWTR GROUNDWATER MONITORING, THRU NOV	1/12/2011	\$4,369.25 \$8,185.98 \$497.95 \$88.00 \$656.83	

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
	GROUNDWATER MONITORING, THRU NOV LR, CH, JC NR GRDWTR		\$2,219.37 \$82.50	
				\$16,099.88
7312	GOLDEN STATE TRUCK & TRAILER REPAIR 1/12/2011 #001 REPLACED LEFT SIDE LEAF SPRING #16094 REPAIRED RT OUTER TIRE #16096 REPLACED RT SIDE OUTER TIRE #20080 PUT BOLT ON TINK PIN #20080 REPLACED HOSE FROM OIL LEAK & PURGED SYSTEM 40" COILED AIR LINE SET F-150 TOO LEFT SIDE TIRE TO BE REPLACED PIN & LIFT GATE RO001 REPLACED CLUTCH ON TRACTOR TRK #003 PATCHED RT SIDE INNER TIRE TRK 001 SWAPPED RT INNER TIRE FOR TRK 002 REPAIRED LF OUTER TIRE		\$394.08 \$138.25 \$56.75 \$89.00 \$566.00 \$108.53 \$65.00 \$162.19 \$1,590.00 \$88.25 \$75.00 \$78.25	
				\$3,411.30
7313	**Void**	1/12/2011	\$0.00	\$0.00
7314	GRANITE ROCK CO CH LANDFILL DRAINAGE REPAIRS	1/12/2011	\$70,142.54	\$70,142.54
7315	GUERITO JC & SS TS PORTABLE TOILET CLEANING JC & SS TS PORTABLE TOILET CLEANING	1/12/2011	\$110.00 \$220.00	\$330.00
7316	HDR ENGINEERING, INC ENGINEERING CONSULTATION 10.24.10 - ENGINEERING CONSULTATION 10.24.10 - ENGINEERING CONSULTATION 10.24.10 -	1/12/2011	\$1,548.28 \$912.98 \$4,362.62	\$6,823.88
7317	HOPE SERVICES SS TS Diversion/Litter Abatement Laborers, SS TS Diversion/Litter Abatement Laborers, SS TS Diversion/Litter Abatement Laborers, SS TS Diversion/Litter Abatement Laborers,	1/12/2011	\$126.32 \$3,315.53 \$617.54 \$5,420.63	\$9,480.02
7318	HOPKINS & CARLEY - A LAW CORPORATIO REVIEW & PROCESS AUDIT RESPONSE	1/12/2011	\$181.00	\$181.00
7319	JR FENCING SS FENCE REPAIR	1/12/2011	\$300.00	\$300.00
7320	MAINSTAY BUSINESS SOLUTIONS JC & Sun Street Litter Abatement ENDING SS CONTRACT LABORERS WEEK ENDING JC & Sun Street Litter Abatement ENDING	1/12/2011	\$660.00 \$1,369.50 \$660.00	\$2,689.50
7321	MANUEL TINAJERO 07.01.10 - 12.31.10 SS LANDSCAPING	1/12/2011	\$1,380.00	\$1,380.00
7322	MONTEREY BAY OFFICE PRODUCTS Copier Lease 10.01.10 - 12.31.10	1/12/2011	\$235.57	\$235.57
7323	MONTEREY COUNTY AGRICULTURAL COM JC 2011 COMMERCIAL DEVISE SS 2011 COMMERCIAL DEVISE	1/12/2011	\$750.00 \$500.00	\$1,250.00
7324	MONTEREY SANITARY SUPPLY, INC. Janitorial Supplies 12.22.10	1/12/2011	\$210.28	\$210.28
7325	NETPIPE INTERNET SERVICES INTERNET SERVICES, JANUARY 2010	1/12/2011	\$300.00	\$300.00
7326	NEXTEL COMMUNICATIONS Cell Phone Service DEC 2010 Cell Phone Service DEC 2010 Cell Phone Service DEC 2010 Cell Phone Service DEC 2010 Cell Phone Service DEC 2010	1/12/2011	\$45.00 \$45.00 \$31.86 \$63.72 \$249.49	\$435.07
7327	OFFICE DEPOT 1099 TAX FORMS & ENVELOPES	1/12/2011	\$44.23	

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
	Office Supplies		\$122.09	
	Office Supplies		\$118.08	
	Office Supplies & Board Meeting Supplies		\$113.27	
	2 CALENDARS, 10 BOX KLEENIX, PAPER		\$132.35	
	office supplies		\$8.13	
				\$538.15
7328	ONHOLD EXPERIENCE PRODUCTION SERVICES FOR 3 MONTHS	1/12/2011	\$207.00	
				\$207.00
7329	ORCHARD SUPPLY HARDWARE LLC CH CLOSURE SUPPLES SS TS BIRD NETTING SUPPLIES CIP 9199 SS TS MECHANICS WIRE	1/12/2011	\$25.25 \$507.16 \$17.39	
				\$549.80
7330	PACIFIC GAS AND ELECTRIC COMPANY ADM METER OP8966 ELEC SER 11.21.10- CH METER 723R16 & 0306R8 ELEC CH METER 23675T ELECTRIC SERVICE CH METER 6777T1 ELECTRIC SERVICE CH METER 723R16 & 0306R8 ELEC JC METER 02631R ELEC 11.19.10-12.20.10 JC METER 40N955 ELEC 11.19.10 - JC METER 86160T ELECTRIC SERVICE LR METER1003190236 ELEC 11.20.10-	1/12/2011	\$909.88 \$147.75 \$3,615.80 \$16.62 \$26.99 \$2,199.98 \$9.46 \$19.89 \$415.52	
				\$7,361.89
7331	PITNEY BOWES - POSTAGE Postage 12.21.10	1/12/2011	\$500.00	
				\$500.00
7332	PITNEY BOWES GLOBAL POSTAGE METER LEASE, 12.30.10 -	1/12/2011	\$300.56	
				\$300.56
7333	PURE WATER BOTTLING 11 5-GAL WATER BOTTLES DELIVERED 14 5-GAL WATER BOTTLES DELIVERED 5 5-GAL WATER BOTTLES DELIVERED	1/12/2011	\$124.59 \$56.25 \$18.00	
				\$198.84
7334	RBF CONSULTING LANDFILL SURVEYING SERVICE, OCT	1/12/2011	\$5,558.44	
				\$5,558.44
7335	RECOLOGY WASTE SOLUTIONS, INC BASIC FACILITY FEE, EXTENDED HOURS BASIC FACILITY FEE, EXTENDED HOURS	1/12/2011	\$156,166.00 \$2,592.00	
				\$158,758.00
7336	SCS FIELD SERVICES CH GROUNDWATER CAP NOV 2010 CH LEACHATE OP, MAIN & MONITORING CH LFG COLLECTION OP, MAIN & CH NR LFG COLLECTION SYS OP, MAIN & CH QTRLY SURFACE EMISSION JC LEACHATE OP, MAIN & MONITORING JC LFG OP, MAIN & MONITORING, NOV JC NR LFG COLLECTION SYS OP, MAIN & LR LFG OP, MAIN & MONITORING NOV LR NR LFG COLLECTION SYS OP, MAIN &	1/12/2011	\$1,695.33 \$1,279.33 \$3,993.00 \$4,297.91 \$966.25 \$2,051.75 \$2,534.83 \$239.00 \$2,696.16 \$505.80	
				\$20,259.36
7337	SLO PLASTERING, INC REFUND OF CREDIT BALANCE	1/12/2011	\$17.75	
				\$17.75
7338	UNITED RENTALS, INC SS TS EQUIP RENTAL - 37 FT BOOM	1/12/2011	\$1,108.21	
				\$1,108.21
7339	US BANK CORPORATE PAYMENT SYSTEM 4IMPRINT -AS STRATFORD RING BINDER SETS - TRAINING 4Imprint: Departing Board Member Accesline: Phone Conference Services FY ADOBE - UPGRADE ADOBE ACROBAT X Adobe.com: Adobe Acrobat X Standard for BARNES & NOBLE - BOOK MICROSOFT E-Corporate Gifts: BD Retreat Supplies ENVIRO SAFETY - RAIN GEAR FOR SS ENVIRON SAFETTY PRODUCTS - SCALE HOUSE SAFETY SUPP INTERMEDIA - EXCHANGE SERVICE, DEC Sharefile.com: FTP Site for FY 2010-11	1/12/2011	\$400.93 \$195.10 \$75.51 \$139.00 \$139.00 \$38.23 \$463.66 \$216.02 \$369.94 \$228.85 \$32.95	

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
	GFOA - TWO TRAINING SEMINARS FOR RM IN SAN DIEGO		\$370.00	
	GFOA - TWO TRAINING SEMINARS FOR RM IN SAN DIEGO		\$580.00	
	HOME DEPOT - PLYWOOD FOR		\$36.77	
	HOME DEPOT - SUPPLIES FOR SS		\$95.31	
	HOME DEPOT - WALLY TRAILER		\$54.69	
	HNS HUGHESNET - JC INTERNET		\$79.99	
	LANGEVIN LEARNING SERVICES -		\$329.00	
	The Herald: Newspapers Annual Renewal		\$286.01	
	ONE STOP AUTO CARE - SERVICE F150		\$382.42	
	ORCHARD SUPPLY HARDWARE - SS		\$12.79	
	QUINN RENTALS - 938 CAT LOADER		\$1,337.16	
	SAFETEQUIP - RAING GEAR FOR HOPE		\$46.11	
	ALL CITY EMISSIONS Smog Service for		\$40.75	
	SUTTON AG - S. PRO BIRD GUARD #2		\$705.79	
	SUTTON AG ENTERPRISES - BIRD GARD		\$156.25	
	Home Depot: Replacement Toilet Seat valve		\$12.47	
	MONTEREY TRANSMISSION REPAIR - 99		\$400.00	
				\$7,224.70
7340	**Void**	1/12/2011	\$0.00	\$0.00
7341	**Void**	1/12/2011	\$0.00	\$0.00
7342	VALLEY PACIFIC PETROLEUM SERVICES, I DIESEL FUEL USAGE FOR 12.16.10 -	1/12/2011	\$3,658.78	\$3,658.78
7343	WORKWELL MEDICAL GROUP EMPLOYEE FLU SHOT	1/12/2011	\$27.00	\$27.00
7344	A-1 SWEEPING SS TS & STREET SWEEPING, DEC 2010	1/20/2011	\$824.00	\$824.00
7345	BFI/ALLIED WASTE SERVICES #471 SS ADMIN OFFICE TRASH CART SERVICE,	1/20/2011	\$57.06	\$57.06
7346	CBS OUTDOOR, INC BILLBOARD 01.10.11 - 02.06.11	1/20/2011	\$800.00	\$800.00
7347	CITY OF SOLEDAD City of Soledad 90th Anniversary Sponsorship	1/20/2011	\$3,000.00	\$3,000.00
7348	COAST COUNTIES TRUCK & EQUIPMENT C #16094 2 AXLE SHAFT GASKET, 2 U 4 MUDFLAPS RETURN OF VOYAGER SEAL	1/20/2011	\$160.86 \$88.48 (\$33.83)	\$215.51
7349	COUNTY OF SANTA CRUZ C & D PILOT PROGRAM 12.15, 12.21,	1/20/2011	\$2,607.00	\$2,607.00
7350	CSC OF SALINAS/YUMA HOSE ENDS, HYDRAULIC HOSE, SHIELDS,	1/20/2011	\$140.59	\$140.59
7351	DRUG TESTING UNLIMITED, INC RANDOM DRUG TESTING	1/20/2011	\$75.00	\$75.00
7352	EDWARDS TRUCK CENTER, INC 2 HALF SHROUDS, 2 HALF TOWERS	1/20/2011	\$19.51	\$19.51
7353	ELIZABETH SILVA Governance Seminar	1/20/2011	\$100.00	\$100.00
7354	GLORIA DE LA ROSA Governance Seminar	1/20/2011	\$100.00	\$100.00
7355	GOLDEN STATE TRUCK & TRAILER REPAIR #16094 BIT INSPECTION #16096 BIT INSPECTION #16096 RECHARGED BATTERY, REPAIRED RTO & LTI TIRES STEAL BEAM FOR BIRD NETTING TRK #003 8 BRIDGESTONE TIRES TRK#001 BIT INSPECTION	1/20/2011	\$177.50 \$177.50 \$211.50 \$2,831.73 \$3,770.03 \$177.50	

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
	TRK#002 BIT INSPECTION		\$177.50	
	TRK#003 BIT INSPECTION		\$177.50	
				\$7,700.76
7356	GONZALES CHAMBER OF COMMERCE 2011 ANNUAL MEMBERSHIP DUES	1/20/2011	\$75.00	\$75.00
7357	GREEN RUBBER - KENNEDY AG, LP JC LFG SUPPLIES 2 HEX HEAD FITTINGS	1/20/2011	\$2.85	\$2.85
7358	HDR ENGINEERING, INC ENGINEERING CONSULTATION FY 2010- ENGINEERING CONSULTATION FY 2010- ENGINEERING CONSULTATION FY 2010-	1/20/2011	\$652.13 \$806.12 \$7,714.39	\$9,172.64
7359	LAMAR BROS TIRE SERVICE, INC. CAT 938G REPAIR L/F TIRE FORD 150 L/R AND R/R TIRES REPAIRED	1/20/2011	\$410.10 \$101.49	\$511.59
7360	MAINSTAY BUSINESS SOLUTIONS 2 CONTRACTOR LABORERS ENDING	1/20/2011	\$1,320.00	\$1,320.00
7361	MARY CONSTANCE CLOAK ADULT SCHOOL CLASSROOM	1/20/2011	\$2,750.00	\$2,750.00
7362	MONTEREY AUTO SUPPLY INC TRK 003 F/L TIRE REPAIR TRK 003 F/L/I TIRE REPAIR	1/20/2011	\$30.00 \$39.00	\$69.00
7363	OFFICE DEPOT 2 POSTAL METER INK CARTRIDGES Board Meeting VHS Tapes & Boxes for Board Meeting VHS Tapes & Boxes for 1099 Tax Envelopes	1/20/2011	\$97.77 \$65.69 \$52.59 \$36.78	\$252.83
7364	PACIFIC GAS AND ELECTRIC COMPANY HHW METER 5549R6 ELEC SER 11.25.10- SS TS METER 1009169520 ELEC SER	1/20/2011	\$807.49 \$243.30	\$1,050.79
7365	SCALES UNLIMITED JC QTRLY SCALE HOUSE MAINTENANCE, QTRLY SCALES MAINTENANCE - ALL SS QTRLY SCALE HOUSE MAINTENANCE,	1/20/2011	\$925.00 \$3,722.73 \$935.00	\$5,582.73
7366	SMOKEY KEY SERVICE SS FACILITY KEYS - 15 ORIGINALS/15	1/20/2011	\$97.88	\$97.88
7367	SOUTH COUNTY EXPO Chamber Membership and booth at So. Co.	1/20/2011	\$275.00	\$275.00
7368	STURDY OIL COMPANY SS TS DIESEL FUEL USAGE DEC 2010	1/20/2011	\$11,783.44	\$11,783.44
7369	THOMAS M BRUEN LEGAL SERVICES RENDERED DEC 2010 LEGAL SERVICES RENDERED DEC 2010 LEGAL SERVICES RENDERED DEC 2010 LEGAL SERVICES RENDERED DEC 2010 LEGAL SERVICES RENDERED DEC 2010	1/20/2011	\$100.00 \$2,900.00 \$1,525.00 \$75.00 \$1,450.00	\$6,050.00
7370	TYLER TECHNOLOGIES, INC. - INCODE DIV INCODE SUPPORT JAN 1 - DEC 31, 2011 READJUST MAINTENANCE TO FY RATHER THAN ANNUALLY	1/20/2011	\$9,338.70 (\$4,927.32)	\$4,411.38
7371	WASTE MANAGEMENT INC BFI WASTE DELIVERED TO MADISON LN JR TRANSFER STATION OPERATIONS,	1/20/2011	\$29,305.16 \$53,636.39	\$82,941.55
7372	WESTERN EXTERMINATOR COMPANY JC RODENT CONTROL, DEC 2010 JC SHOP RODENT CONTROL, DEC 2010 SS TS RODENT CONTROL, DEC 2010	1/20/2011	\$48.00 \$46.50 \$202.00	\$296.50
7373	WRIGHT EXPRESS FINANCIAL SERVICES C Wright Express Fuel Expenses, DEC 2010	1/20/2011	\$62.87	

Salinas Valley Solid Waste Authority
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Check #	Name	Check Date	Amount	Check Total
	Wright Express Fuel Expenses, DEC 2010		\$66.86	
	Wright Express Fuel Expenses, DEC 2010		\$729.51	
	Wright Express Fuel Expenses, DEC 2010		\$126.01	
				\$985.25
7374	ADMANOR, INC Television airtime, DEC 2010	1/26/2011	\$4,760.00	\$4,760.00
7375	BECK'S SHOE STORE, INC. SAFETY SHOES FOR FIELD EMPLOYEE SAFETY SHOES FOR FIELD EMPLOYEE	1/26/2011	\$146.09 \$160.41	\$306.50
7376	BLANCA LAGUNAS FY 10-11 TUITION REIMBURSEMENT	1/26/2011	\$167.41	\$167.41
7377	CALIFORNIA WATER SERVICE 135 & 135 SUN ST IRR , 12.15.10 - 01.13. 135 & 135 SUN ST IRR , 12.15.10 - 01.13. GRIFFIN ST, WATER SERVICES, 12.15.10 -	1/26/2011	\$39.64 \$39.64 \$130.96	\$210.24
7378	CITY OF GONZALES JANUARY 2011 HOSTING FEES	1/26/2011	\$20,833.33	\$20,833.33
7379	CLINTON HENDRICKS FY 10-11 TUITION REIMBURSEMENT	1/26/2011	\$409.90	\$409.90
7380	COAST COUNTIES TRUCK & EQUIPMENT C #16094 KIT RANGE #16096 2 BRAKE SHOES, CORES & 1 #16096 SPRING BOLT #16096 VOYAGER UNITIZED SEAL TRK #002 5 GAL RED MARKER TRLR 17 2 VOYAGER SETS & HUBCAP	1/26/2011	\$122.97 \$100.27 \$48.06 \$47.92 \$10.49 \$60.90	\$390.61
7381	CSC OF SALINAS/YUMA #20080 PIPE, HOSE ENDS, HYD HOSES,	1/26/2011	\$174.81	\$174.81
7382	CUTTING EDGE SUPPLY #20080 12 PLOW BOLTS, WASHERS AND	1/26/2011	\$193.29	\$193.29
7383	DAVE S. DEERING Janitorial Services for Admin 01.15.11 Janitorial Services for Transfer Station	1/26/2011	\$495.00 \$495.00	\$990.00
7384	FEDEX Fedex Shipments AS OF 01.21.11 Fedex Shipments AS OF 01.21.11	1/26/2011	\$140.01 \$50.27	\$190.28
7385	FERGUSON ENTERPRISES INC JC MOD 4 LEACHATE TIE INTO MOD B	1/26/2011	\$1,278.60	\$1,278.60
7386	GOLDEN STATE TRUCK & TRAILER REPAIR #16096 AXLE, WHEEL SEAL, BRAKES	1/26/2011	\$1,677.80	\$1,677.80
7387	HERTZ EQUIPMENT RENTAL CORPORATION LR DOZER RENTAL	1/26/2011	\$1,704.30	\$1,704.30
7388	HOPE SERVICES SS TS MAT/BOX SPRG RECYCLING	1/26/2011	\$378.00	\$378.00
7389	HYDROTURF, INC CH CDS REPAIRS & OPS SUPPLIES CH CDS REPAIRS & OPS SUPPLIES	1/26/2011	\$27.29 \$134.02	\$161.31
7390	MCGILLOWAY, RAY, BROWN & KAUFMAN EXTENDED AUDIT PROCEDURES FY 2009- FINAL BILLING OF AUDIT FY 2010	1/26/2011	\$3,602.40 \$1,850.00	\$5,452.40
7391	MONTEREY AUTO SUPPLY INC JOHN DEERE BACKUP OIL, FUEL, AIR	1/26/2011	\$132.03	\$132.03
7392	MONTEREY COUNTY TREASURER/TAX CO CH 125-271-058-000 2ND INSTALLMENT CH 125-271-063-000 PROPERTY TAXES	1/26/2011	\$13.80 \$780.53	

Salinas Valley Solid Waste Authority
Checks Issued Report for 1/1/2011 to 1/31/2011

Check #	Name	Check Date	Amount	Check Total
	2ND INSTALLMENT			
	CH 125-491-012-000 PROPERTY TAXES		\$9.26	
	2ND INSTALLMENT			
	JC 223-042-017-000 PROPERTY TAXES		\$2,524.18	
	2ND INSTALLMENT			
	JC 223-042-018-000 PROPERTY TAXES		\$7,641.38	
	2ND INSTALLMENT			
	JR 420-081-015-000 420-081-015-000 2ND		\$34.50	
	LR 412-102-006-000 PROPERTY TAXES		\$1,081.19	
	2ND INSTALLMENT			
	SS 003-051-086-000 PROPERTY TAX 2ND		\$11.21	
	SS 003-051-087-000 PROPERTY TAXES		\$13.21	
	2ND INSTALLMENT			
				\$12,109.26
7393	MONTEREY SANITARY SUPPLY, INC. Janitorial Supplies 01.18.11	1/26/2011	\$74.75	\$74.75
7394	NEXIS PARTNERS, LLC SS ADM RENT & COMMON AREAS, FY 10- SS ADM RENT & COMMON AREAS, FY 10-	1/26/2011	\$1,515.00 \$6,539.80	\$8,054.80
7395	OFFICE DEPOT OFFICE SUPPLIES	1/26/2011	\$259.42	\$259.42
7396	OLD TOWN DELI 11.30.10 & 12.01.10 EC Meeting Supplies	1/26/2011	\$112.10	\$112.10
7397	PACIFIC MUNICIPAL CONSULTANTS CH CLOSURE CONSTRUCTION PROJECT- CEQA SUPPORT	1/26/2011	\$5,428.75	\$5,428.75
7398	QUINN COMPANY/ALTA LIFT #20080 LUBE, FUEL FILTERS, ELEMENTS	1/26/2011	\$310.57	\$310.57
7399	ROBERTO MORENO GFOA TRAINING	1/26/2011	\$156.80	\$156.80
7400	SALINAS VALLEY CHAMBER OF COMMERC Booth at SV Expo Booth at SV Expo	1/26/2011	\$375.00 \$70.00	\$445.00
7401	STATE WATER RESOURCES CONTROL BO LR ANNUAL PERMIT FEES JC ANNUAL PERMIT FEE LR ANNUAL PERMIT FEE	1/26/2011	\$1,008.00 \$1,008.00 \$1,008.00	\$3,024.00
7402	UNITED RENTALS, INC SS BOOM RENTAL FOR BIRD WIRE	1/26/2011	\$1,108.21	\$1,108.21
7403	VALLEY BLUEPRINT CH Closure Plan Duplication	1/26/2011	\$67.47	\$67.47
7404	VALLEY PACIFIC PETROLEUM SERVICES, I DIESEL FUEL USAGE 01.04.11 - 01.14.11	1/26/2011	\$4,644.09	\$4,644.09
7405	ZAG TECHNICAL SERVICES, INC Network Support Services	1/26/2011	\$820.00	\$820.00
DFT0001220	CA STATE BOARD OF EQUALIZATION SBOE FEES 4TH Q 2010 (OCT - DEC) SBOE FEES 4TH Q 2010 (OCT - DEC)	1/25/2011	\$61,323.71 \$27,478.29	\$88,802.00
	Total:			\$ 632,929.69
	Payroll Disbursements			\$ 305,502.10
	Grand Total			\$ 938,431.79



**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

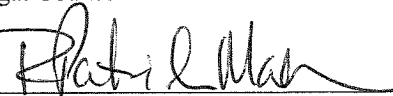
ITEM NO. 4

N/A

Finance Manager/Controller-Treasurer

N/A

Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: Alan Styles, Recycling Coordinator
Title: A Resolution Authorizing the Release of a Request for Proposals for the Hauling and Recycling of Electronic Waste

RECOMMENDATION

Staff recommends that the Board adopt the resolution.

STRATEGIC PLAN RELATIONSHIP

The following objectives are supported with approval of this action: Objective No. 3, Achieve 75% diversion by 2015, and No. 4, Enhance Existing Facilities and Public Services.

FISCAL IMPACT

There is no cost to the Authority. The vendor will pay for the electronic waste collected. The current recycler paid the Authority \$102,328.89 for electronic waste in 2010.

DISCUSSION & ANALYSIS

In June 2008, the Board approved a Professional Services Agreement with ECS Refining for the hauling and recycling of electronic waste. The agreement had (2) two additional (1) one year extensions upon approval of the Authority and ECS. In May 2010, the Board approved the last of the (1) one year extensions which will expire June 30, 2011. Staff would like to see what other companies have to offer.

BACKGROUND

In August of 2001, the California Department of Toxic Substances classified computers and television sets, both containing cathode ray tubes (CRT), as hazardous materials and placed a ban on the land filling of these electronic items. This created an initial situation where there were a limited number of recyclers of CRTs. Since 2001, there now are many more CRT recyclers in the market, which has created more competition.

ATTACHMENT

1. Resolution

RESOLUTION NO. 2011 -

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
AUTHORIZING THE RELEASE OF A REQUEST FOR PROPOSALS FOR HAULING
AND RECYCLING OF ELECTRONIC WASTE**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to issue a Request for Proposals for Hauling and Recycling of Electronic Waste.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at a special meeting duly held on the 17th day of March 2011 by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Gloria De La Rosa, President

ATTEST:

Elia Zavala, Clerk of the Board



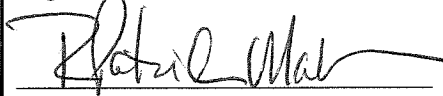
**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 5


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: Mandy Brooks, Contracts and Grants Analyst
Title: A Resolution Authorizing the Submittal of a Revised Resolution to the California Department of Resources Recycling and Recovery for All Grants for which the Salinas Valley Solid Waste Authority is Eligible through August 1, 2016

RECOMMENDATION

Staff recommends that the Board adopt this resolution.

Adopting this resolution will allow the Authority to apply for grants offered through the California Department of Resources Recycling and Recovery (CalRecycle), formerly the California Integrated Waste Management Board (CIWMB), for the next five (5) years. This new streamline resolution template from CalRecycle will allow the Authority to proceed with all regional grant applications and act as the lead on the projects without first having to adopt a grant specific resolution for every project.

STRATEGIC PLAN RELATIONSHIP

The recommended action is consistent with our sustainability Mission and helps support Objective No. 1: Develop a Sustainable Finance Plan, Goal 1.8: Seek Grant Funding.

FISCAL IMPACT

The adoption of this resolution, in and of itself, has no fiscal impact. If it is not approved, however, due to timing, staff will not be able to submit the application for the regional tire amnesty grant, as a resolution authorizing the submittal of this grant application is required. The submission deadline of this specific application will be missed if this action is postponed.

DISCUSSION & ANALYSIS

The Board originally adopted Resolution (No. 2008-36) on August 21, 2008, in order to apply for funding from the CIWMB, newly reorganized as CalRecycle. Staff is currently in the process of submitting a grant through CalRecycle's Local Government Waste Tire Amnesty Event Grant Program. As part of the application process, CalRecycle has informed the Authority that our application will be ineligible to receive funding unless the resolution is updated to specifically authorize the Authority to apply for regional projects and to act as the lead on those projects. Not only will this revised resolution enable us to proceed with this current application but it will make applying for future grants much easier.

The Authority's Resource Recovery Department is currently requesting funds for the purpose of holding tire amnesty events at our three facility locations; Johnson Canyon Landfill, Sun Street Transfer Station and Jolon Road Transfer Station. These events are designed to accept waste tires

from residents at no cost and to educate the public about the need for proper tire disposal and recycling. As required by the application guidelines, each of our member agencies has also submitted a letter of support to continue this program and authorizes the Authority to continue to act as the lead.

Adopting this resolution does not bind the Authority to apply for any type of funding. Once an opportunity is identified, staff will continue to be able to move forward more expediently. The Board will still be notified of any and all grant applications that are being submitted and again upon the award of the grant funds.

BACKGROUND

In 2008, the former CIWMB recognized the difficulty for governmental agencies in obtaining the necessary signed resolutions or documents in a timely manner to meet grant deadlines. As such, the Authority adopted the original resolution to avoid the hardship of having to adopt a resolution of support for each individual grant application applied for through the former CIWMB through August 1, 2013.

CalRecycle has since revised their grant application guidelines and now requires applicants that are submitting regional applications to specify that they are authorized as the regional agency to act as the lead on the projects. We also thought it would be appropriate to revise the resolution to reflect the name change from CIWMB to CalRecycle. The attached resolution has been reviewed by CalRecycle and will be accepted when submitted. This revised resolution will be in effect for five (5) years.

ATTACHMENT(S)

1. Resolution

RESOLUTION NO. 2011 -

A RESOLUTION AUTHORIZING THE SUBMITTAL OF APPLICATIONS TO THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FOR ALL GRANTS FOR WHICH THE SALINAS VALLEY SOLID WASTE AUTHORITY IS ELIGIBLE THROUGH AUGUST 1, 2016

WHEREAS, Public Resources Code sections 40000 et seq. authorize the California Department of Resources Recycling and Recovery (CalRecycle), formerly known as the California Integrated Waste Management Board, to administer various Grant Programs in furtherance of the State of California's (State) efforts to reduce, recycle and reuse solid waste generated in the State, thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle Grant Application procedures require, among other things, an Applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle Grants; and

WHEREAS, if awarded, the Salinas Valley Solid Waste Authority will enter into a Grant Agreement with CalRecycle for implementation of said Grant(s).

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Salinas Valley Solid Waste Authority authorizes the submittal of all application(s), including regional application(s), on behalf of itself as Lead Agency and member agencies to CalRecycle for all grants for which the Salinas Valley Solid Waste Authority is eligible; and

BE IT FURTHER RESOLVED that the General Manager/CAO, and/or the Contracts and Grants Analyst, or his/her designee are hereby authorized and empowered to execute in the name of the Salinas Valley Solid Waste Authority all grant documents, including but not limited to: Applications, Payment Requests, Agreements, and Amendments necessary to secure Grant funds and implement the approved grant project; and

BE IT FURTHER RESOLVED that this authorization is effective for five (5) years from the date of adoption of this Resolution through August 1, 2016.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at its regular meeting duly held on the 17th day of March 2011, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Gloria De La Rosa, President

ATTEST:

Elia Zavala, Clerk of the Board



**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 6

N/A
Finance Manager/Controller-Treasurer

N/A
Legal Counsel

N/A
General Manager/CAO

Date: March 17, 2011
From: Jose Gamboa, Assistant General Manager
Title: Sun Street Transfer Station Annual Performance


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



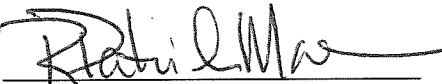
**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 7


Finance Manager/Controller-Treasurer

N/A
Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: Roberto Moreno, Finance Manager
Title: FY 2011-12 Proposed Strategic Budget Study Session

RECOMMENDATION

Staff recommends that the Board review the changes to the Proposed Budget for FY 2011-12 and provide direction on which changes to implement. Additionally staff recommends approval of moving forward with the new service level based rate model. This will be the first step toward a Sustainable Finance Plan in the future.

The Executive Committee received a summary of the changes to the proposed budget and recommended bringing the budget as proposed to the full Board.

STRATEGIC PLAN RELATIONSHIP

The recommended action supports Objective No. 1: Develop a Sustainable Finance Plan, Goal 1.1.3: Prepare Strategic Plan Budget, by implementing a financially sustainable budget that accomplishes the Authority's stated purpose.

FISCAL IMPACT

The \$717,260 (4.9%) increase in the Strategic Budget for FY 2011-12 will require a rate increase. Staff recommends using the proposed service-level based rate model to implement the rates for 2011-12. The impact on the rates has not been finalized since staff just received new customer data from the franchise haulers which is being analyzed. The customer data is the basis for the new rates.

Preliminary rates will be available for the April 21, Board meeting. Staff will have a working model of the new rates so that the rates can be adjusted as the Board makes decisions on the final budget numbers for FY 2011-12.

DISCUSSION & ANALYSIS

The 2011-12 Proposed Operating Budget of \$15,938,590 which was presented to the Board on February 24, has been reduced to \$15,115,340, a reduction of \$823,250 (5.2%). The budget still meets all regulatory requirements and bond covenants. In addition, it covers increased operating costs for the postclosure maintenance of the 3 closed landfills and increased costs for greenwaste processing as a result of the termination of the Recology green waste contract at June 30, 2011. Additionally, it covers unavoidable increases in labor, services and materials, but it does not bring the Authority back to the peak expenditures of 2008-09.

In order to reduce the budget, the Financial Policy Changes totaling \$671,350 have been removed from the operating budget and the budget has been reduced by an additional \$151,900.

The revised FY 2011-12 Proposed Operating Budget does not represent a Sustainable Finance Plan, but it does allow the Authority to meet all its regulatory and contractual obligations for another year. As such staff recommends that the Board take steps toward a Sustainable Finance Plan in the near future.

\$671,350 in Financial Policy Changes Not Implemented

The \$101,350 for prefunding of Postclosure Maintenance for Johnson Canyon Landfill has been pushed out at least one or two years into the future. It is not something that is currently being funded, but rather something that should be funded so that future generations do not have to pay for the postclosure maintenance of this generation's garbage. As this cost gets pushed out into the future it will continue to increase.

The \$225,000 for the replacement of Sun Street Transfer Station equipment has been removed from the operating budget. Staff is recommending that the equipment replacement (the loader) for FY 2011-12 be funded from the Expansion Fund for this one time in order to minimize the rate increase. This amount still needs to be set-aside annually for the replacement of Sun Street Transfer Station equipment in the near future. When the equipment at Sun Street needs to be replaced, the Authority will have the necessary funds on hand and will not have to resort to borrowing, which only increases costs.

The \$345,000 for Capital Improvements Funding has been removed from the operating budget. Staff is recommending that the absolutely necessary capital improvements for FY 2011-12 that have no other funding source be funded from the Expansion Fund this one year. This amount still needs to be set-aside annually for much needed and mandated future capital improvements otherwise the Authority will need to borrow in the near future.

Use of Expansion Fund - \$570,000

As noted above, in order to minimize the rate increase for FY 2011-12 staff is recommending the use of the Expansion Fund for certain one-time capital projects as explained above. The use of the Expansion Fund could be as either outright funding of certain expenditures or could be viewed as a loan from the Expansion Fund, with repayment to take place as the Authority increases rates in the future and has sufficient funds to allow the repayment of the loan. Attached is a Pro-Forma of the Expansion Fund showing that at the end of June 30, 2012 the fund would still have \$8,389,483.

\$151,900 Reduction in Operating Budget

The general operating budget has been reduced by \$151,900, primarily by making adjustments to the employees' salaries and benefits. The reduction of \$183,900 in wages and benefits was offset by an increase of \$32,000 for fuel.

\$\$\$ Further Budget Reduction Options

Per the Board's request, staff will provide additional possible reductions for the Board's consideration at the Board meeting. Most of the possible reductions to be presented require a reduction in programs that currently serve Salinas Valley businesses and residents.

Following are two summary comparisons of the FY 2011-12 Operating Strategic Budget based on the abovementioned reductions to the operating budget. These numbers will most likely change based on the Board's discussion.

Function	2010 - 2011 Budget	2011 - 2012 Strategic Budget	2011 - 2012 Recommended Budget	Recommended Decrease from Strategic	Increase over 2010 - 2011	Percentage Increase
Administration	2,251,750	2,455,900	2,366,500	(89,400)	114,750	5%
Resource Recovery	2,066,980	2,421,830	2,362,030	(59,800)	295,050	14%
Transfer Station Operations	2,352,011	2,557,110	2,565,910	8,800	213,899	9%
Landfill Operations	3,405,980	3,323,000	3,320,500	(2,500)	(85,480)	-3%
Scalehouse Operations	329,989	374,300	362,800	(11,500)	32,811	10%
Environmental Control Systems	554,140	717,600	720,100	2,500	165,960	30%
Debt Service	3,138,230	3,139,800	3,139,800	-	1,570	0%
Closure Set-Aside	296,000	277,700	277,700	-	(18,300)	-6%
Financial Policy Changes	-	671,350	-	(671,350)		
Grand Total	14,395,080	15,938,590	15,115,340	(823,250)	720,260	5%

Category	2010 - 2011 Budget	2011 - 2012 Strategic Budget	2011 - 2012 Recommended Budget	Recommended Decrease from Strategic	Increase over 2010 - 2011	Percentage Increase
Employee Services	3,493,940	3,906,400	3,722,500	(183,900)	228,560	7%
Supplies	306,918	371,500	403,500	32,000	96,582	31%
Contract Services	5,993,085	6,321,480	6,320,980	(500)	327,895	5%
Other Expenses	1,457,645	1,557,910	1,457,060	(100,850)	(585)	0%
Debt Service	3,138,230	3,139,800	3,139,800	-	1,570	0%
Capital Outlay	5,262	641,500	71,500	(570,000)	66,238	1259%
Grand Total	14,395,080	15,938,590	15,115,340	(823,250)	720,260	5%

Even after the possible reductions a rate increase will still most likely be inevitable as many of the Authority's costs cannot be reduced further.

The measures used to balance the FY 2011-12 budget will require a rate increase in FY 2012-13. The budget as presented is not Financially Sustainable.

BACKGROUND

The Proposed Budget for FY 2011-12 was presented to the Board on February 24 along with the proposed new Service Level Rate Model. After considerable discussion and public input, the Board asked staff to bring back options for reducing the budget in an effort to reduce the rate increase for FY 2011-12.

The consensus from the Board and the public input seemed to be that while the recommended increases appeared to be appropriate the timing was not right in view of the economy. As such, staff has reviewed every line item to see what items can be reduced or deferred if not absolutely necessary.

For a more detailed discussion please refer to the Proposed Budget for FY 2011-12.

ATTACHMENT(S)

1. Expansion Fund worksheet

SALINAS VALLEY SOLID WASTE AUTHORITY
Expansion Fund Pro-Forma
FY 2010-11 & 2011-12

06-30-2010 Fund Balance		\$ 5,877,095
2010-11 South Valley Tipping Fees		2,147,536
Less Mo.Co. Regional Fees	(70,400)	
Less SBOE - CIWMB Fees	(107,100)	
Less Closure Set-Aside	(94,100)	
Total 2010-11 Operating Expenditures		(271,600)
Less CIP Budget		(154,363)
06-30-2011 Projected Fund Balance		\$ 7,598,668
2011-12 South Valley Tipping Fees		2,243,315
Less Mo.Co. Regional Fees	(85,100)	
Less SBOE - CIWMB Fees	(108,300)	
Less Closure Set-Aside	(89,100)	
Total 2011-12 Operating Expenditures		(282,500)
Less CIP Expenditures		
Autoclave CEQA	(600,000)	
Sun St. Equipment Replacement	(225,000)	
Other Capital Improvements	(345,000)	
Less 2011-12 CIP Budget		(1,170,000)
06-30-2011 Projected Fund Balance		\$ 8,389,483

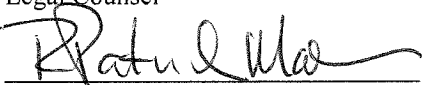


**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 8


Finance Manager/Controller-Treasurer

Tom Bruen by sw
Legal Counsel

General Manager/CAO

Date: March 17, 2011
From: Susan Warner, Diversion Manager
Title: A Resolution Authorizing an Agreement with TWDC Enterprises, Inc. dba Vision Recycling for Organics Processing

RECOMMENDATION

Staff recommends that the Board adopt the resolution authorizing a contract with Vision Recycling for organics processing, product marketing and diversion services, based on cost, experience, marketing approach and reference checks.

STRATEGIC PLAN RELATIONSHIP

The recommended action will assist the Authority in supporting Strategic Plan Objective No. 3, Achieve 75% Diversion by 2015. Specifically Goal 3.3, Enhance the Green Waste Program, Goal 3.4, Expand the Construction and Demolition program, with the possibility of advancing progress on Goal 3.7, Expansion of the Food Waste Program. This contract also ends the past practice of using some of the processed organics as daily landfill cover, which further supports our Vision of a "Future Without Landfills".

FISCAL IMPACT

The annual cost for processing an estimated 26,000 tons of greenwaste at \$20.65 per ton is \$536,900. This expenditure is included in the proposed Fiscal Year 2011-2012 budget. This is an increase of \$131,300 over the current contract rate of \$15.60 which is ending June 30, 2011. Without a change in the greenwaste rates, this represents an increase in the operating budget for 2011-12 which has to be absorbed in the rates for FY 2011-12.

DISCUSSION & ANALYSIS

The current organics processing agreement with Recology expires on June 30, 2011. Under the existing agreement Recology used a combination of screening and grinding to produce three products from the source separated greenwaste material received at Johnson Canyon: 1) fuel for biomass plants, 2) feedstock for third-party compost operations, and 3) the largest pieces, which are referred to as Overs. Overs can be delivered to biomass or cogeneration plants to be used as fuel, however this practice was curtailed when the biomass burn plant in Soledad closed making it more costly to transport to distant markets. Material which could not be marketed could be used as Alternative Daily Cover (ADC) for covering daily waste at the landfill in an amount not to exceed 20% of the annual tonnage received. Over the past four years an average of 8,925 cubic yards were used as Alternative Daily Cover, which in addition to using valuable landfill capacity, resulted in average annual payments to Recology of \$110,250 for exceeding the compaction standard of 1,400 pounds per cubic yard. Organic material can be compressed much more effectively than solid waste which contributed to Recology achieving the standards and eligibility for the compaction incentive.

The Vision contract agreement does not allow for the use of Overs as ADC, therefore the additional payment to Recology due to compaction of Overs will not exist.

The Authority issued Request for Proposals (RFP) which identified that at least three products suitable for use by residents and landscapers should be processed and marketed at the Sun Street transfer station. The contractor was also expected to screen incoming loads, direct customers to appropriate drop off areas and salvage suitable wood waste from construction and demolition materials received at the landfill and transfer station.

The proposers were also encouraged to provide a cost for conducting diversion services which entails directing self haul customers to appropriate drop off locations at the landfill site, such as metal, plastic, construction and demolition, green or wood waste, tires, mattresses or electronic waste areas and educating customers about mandatory recycling and how it can be achieved.

Three very well prepared and thorough proposals were received following release of the RFP and a mandatory site visit to Johnson Canyon. All bidders were invited to an interview to discuss their proposals, qualifications and experience for the services offered. The cost for services is summarized below.

	<u>Agromin</u>	<u>Monterey Regional Waste Mgmt District</u>	<u>Vision Recycling</u>
<u>Material (per ton)</u>	<u>Johnson Canyon/Central Coast Composting</u>	<u>at MRWMD</u>	<u>at Johnson Canyon</u>
Greenwaste	\$35.95 / \$32.95	\$22.50	\$20.65
Woodwaste	\$45.95 / \$42.95	\$22.50	\$20.65
Foodwaste	\$45.95 / \$42.95	\$38.00	\$26.25
Diversion Services (per hour)	\$30.00	\$96.74 ¹ \$47.98 ²	\$ -0-

¹ Includes Operator, Laborer, Loader and Water Truck at Johnson Canyon

² Sun Street Transfer Station

BACKGROUND

Organics received by the Authority includes leaves, grass, brush, tree trimmings, garden debris, and foodwaste. There is also clean wood waste, such as pallets, received in loads of construction and demolition material that can be salvaged. An average of 26,000 tons have been received for the last three years. This is the single largest diversion program operated under the Authority and the new agreement will provide many enhancements and increased recovery over the current program.

ATTACHMENT(S)

1. Resolution
2. Exhibit A – Agreement

RESOLUTION NO. 2011 -

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH
TWDC ENTERPRISES, DBA VISION RECYCLING FOR ORGANICS PROCESSING,
PRODUCT MARKETING, AND DIVERSION SERVICES**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to execute a Professional Services Agreement with TWDC Enterprises, dba Vision Recycling for the processing of organic materials, product marketing and diversion services, as attached hereto and marked "Exhibit A."

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at its regular meeting duly held on the 17th day of March 2011, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Gloria De La Rosa, President

ATTEST:

Elia Zavala, Clerk of the Board



EXHIBIT A

AGREEMENT FOR SERVICES BETWEEN SALINAS VALLEY SOLID WASTE AUTHORITY AND TWDC ENTERPRISES, INC. dba VISION RECYCLING

This agreement, made and entered into this 1st day of July, 2011 by and between the Salinas Valley Solid Waste Authority, a joint powers authority organized under the laws of the State of California (hereinafter "Authority"), and, TWDC Enterprises, Inc. dba Vision Recycling, a California corporation (hereinafter "Contractor").

WHEREAS, Contractor represents that Vision Recycling is specially trained, experienced, and competent to perform the services which will be required by this agreement; and

WHEREAS, Contractor is willing to render such services, as hereinafter defined, on the following terms and conditions,

NOW, THEREFORE, Contractor and Authority agree as follows:

1. Scope of Services

The project contemplated and the Contractor's services are described in Exhibit "B," attached hereto and incorporated herein by reference.

2. Term of Agreement

Contractor shall complete the services described in Exhibit "B" by June 30, 2012, unless extended by the Authority as provided herein. The Authority, at its sole discretion, shall have the option to extend this Agreement for two (2) additional one (1) year increments, for a total possible extension period of two years.

The Authority may exercise either or both of these optional one year extensions by giving the Contractor written notice of the Authority's election to exercise an extension option, which notice shall be delivered by the Authority to Contractor at least sixty calendar (60) days prior to the then current termination date of this Agreement. This Agreement shall be deemed automatically extended for an additional year upon Contractor's receipt of the Authority's extension notice.

3. Compensation

Authority hereby agrees to pay Contractor for services rendered to Authority pursuant to this agreement in an amount not to exceed the amount indicated in the payment schedule in, and in the manner indicated and in accordance with, Exhibit "C".

All wage scales shall be in accordance with applicable determinations made by the Director of the Department of Industrial Relations of the State of California, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with Section 1771. In accordance with Section 1773.2 of said Labor Code, copies of the aforesaid determinations of the Director of the Department of Industrial Relations are to be on file at the Contractor's principal office. It shall be mandatory for any Contractor, or Contractor to whom a contract is awarded, to pay not less than the applicable prevailing wage rate to all workers employed for the execution of the Contract.

4. Billing

Contractor shall submit to Authority an itemized monthly invoice, prepared in a form satisfactory to Authority, describing its services and costs for the period covered by the invoice. Except as specifically authorized by Authority, Contractor shall not bill Authority for duplicate services performed by more than one person. Contractor's bills shall include the following information to which such services or costs pertain:

- A. Brief description of services performed;
- B. The date the services were performed;
- C. The total tons received and processed and/or number of hours spent and by whom;
- D. A brief description of any costs incurred;
- E. The Contractor's signature; and
- F. Reference to Authority's Purchase Order Number

In no event shall Contractor submit any billing for an amount in excess of the maximum amount of compensation provided in Section 3, unless authorized pursuant to Section 5 herein.

All such invoices shall be in full accord with any and all applicable provisions of this agreement.

Authority shall make payment on each such invoice within forty-five (45) days of receipt, provided, however, that if Contractor submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this agreement, Authority shall not be obligated to process any payment to Contractor until forty-five (45) days after a correct and complying invoice has been submitted by Contractor.

5. Additional Services

It is understood by Authority and Contractor that it may be necessary, in connection with the project, for Contractor to perform or secure the performance of consulting and related services other than those set forth in Exhibit "B." Authority has listed those additional consulting services that could be anticipated at the time of the execution of the agreement as shown in Exhibit "B." If said additional services are requested by the Authority, Contractor shall advise Authority in writing of the need for additional services, and the cost of, and estimated time to perform, the services. Contractor shall not proceed to perform any such additional service until Authority has determined that such service is required beyond the scope of the basic services to be provided by the Contractor, and has given its written authorization to perform. If the Authority determines that the cost provided by the Contractor for the additional services is too expensive, the Authority may select another Contractor to provide the additional services. Written approval for performance and compensation for additional services may be granted by the Authority's General Manager/CAO or his designee.

Except as hereinabove stated, any additional service not shown on Exhibit "B" shall require an amendment to this agreement and shall be subject to all of the provisions of this agreement.

6. Additional Copies

If Authority requires additional copies of reports, or any other material which Contractor is required to furnish in limited quantities as part of the services under this agreement, Contractor shall provide such additional copies as are requested, and Authority shall compensate Contractor for the actual costs of duplicating such copies.

7. Responsibility of Contractor

- A. By executing this agreement, Contractor agrees that Contractor is apprised of the scope of work to be performed under this agreement and Contractor agrees that said work can and shall be performed in a fully competent manner. By executing this agreement, Contractor further agrees and warrants to Authority that the Contractor possesses, or shall arrange to secure from others,

all of the necessary capabilities, experience, resources, and facilities necessary to provide the Authority the services contemplated under this agreement and that Authority relies upon the skills and experience of Contractor to do and perform Contractor's work. Contractor further agrees and warrants that Contractor shall follow the current, generally accepted practices of the Contractor's business or trade to make findings, render opinions, prepare factual presentations, and provide advice and recommendations regarding the project for which the services are rendered under this agreement.

- B. Contractor has assigned Mr. Tamotsu Yamamoto to have overall responsibility for the execution of this agreement. Mr. Tamotsu Yamamoto is hereby designated as the Project Manager for Contractor. Any changes of the Project Manager shall be subject to the prior written acceptance and approval of the Authority's General Manager/CAO or designee.

8. Responsibility of Authority

To the extent appropriate to the project contemplated by this agreement, Authority shall:

- A. Make provisions for Contractor to enter upon public property as required by Contractor to perform required services.
- B. Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Contractor, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- C. The Authority authorized designee, shall act as Authority's representative with respect to the work to be performed under this agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret, and define Authority's policies and decisions with respect to the materials, equipment, elements, and systems pertinent to Contractor's services. Authority may unilaterally change its representative upon notice to the Contractor.
- D. Give prompt written notice to Contractor whenever Authority observes or otherwise becomes aware of any defect in the project.
- E. Furnish approvals and permits from all governmental authorities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the project.

9. Acceptance of Work Not a Release

Acceptance by the Authority of the work performed under this agreement does not operate as a release of Contractor from responsibility for the work performed.

10. Indemnification and Hold Harmless

Indemnification - To the fullest extent permitted by law, Contractor shall indemnify and hold harmless and defend Authority, its directors, officers, employees, or authorized volunteers, and each of them from and against:

- a. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including the Authority and/or Contractor, or any directors, officers, employees, or authorized volunteers of the Authority or Contractor, and damages to or destruction of property of any person, including but not limited to, the Authority and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, regardless of any negligence of the Authority or its directors, officers, employees, or authorized volunteers, except the sole negligence or willful misconduct or active negligence of the Authority or its directors, officers, employees, or authorized

volunteers;

- b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor;
- c. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of the Contractor's obligations under the Contract. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the Authority or the Authority's directors, officers, employees, or authorized volunteers.

Contractor shall pay and satisfy any judgment, award, or decree that may be rendered against the Authority or its directors, officers, employees, or authorized volunteers, in any such suit, action or other legal proceeding.

Contractor shall reimburse the Authority or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor agrees to carry insurance for this purpose as set out in the specifications. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Authority, or its directors, officers, employees or authorized volunteers.

11. Insurance

Commercial General Liability and Automobile Liability Insurance - The Contractor shall, throughout the duration of the agreement, provide and maintain the following comprehensive commercial general liability and automobile liability insurance:

Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001)
2. Insurance Services Office Automobile Liability Coverage (Form CA 0001), covering Symbol 1 (any auto)

Limits - The Contractor shall maintain limits no less than the following:

1. General Liability - One million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Authority) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.

Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

1. The Authority, its directors, officers, employees, or authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Authority, its directors, officers, employees, or authorized volunteers.
2. For any claims related to this project, the Contractor's insurance shall be primary insurance as respects the Authority, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the Authority, its directors, officers, employees, or authorized volunteers shall not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Authority, its directors, officers, employees, or authorized volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Authority.

Such liability insurance shall indemnify the Contractor and his/her sub-contractors against loss from liability imposed by law upon, or assumed under Contract by, the Contractor or his/her sub-contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to the Authority.

Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by the Authority. At the option of the Authority, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of a minimum financial strength rating 'A' and a minimum financial size category rating 'VII' or equivalent or as otherwise approved by the Authority. All insurance companies affording coverage to the Contractor shall be insurance organizations authorized by the Insurance Commissioner to transact the business of insurance in the State of California.

Workers' Compensation and Employer's Liability Insurance - By his/her signature hereunder, Contractor certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions

before commencing the performance of the work of this Contract.

The Contractor and all sub-contractors shall insure (or be a qualified self-insured) under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Contractor shall provide employer's liability insurance in the amount of at least \$1,000,000 per accident for bodily injury and disease.

Responsibility for Work - Until the completion and final acceptance by the Authority of all the work under and implied by this Agreement, the work shall be under the Contractor's responsible care and charge. The Contractor shall rebuild, repair, restore, and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

The Contractor shall provide and maintain builder's risk insurance (or installation floater) covering all risks of direct physical loss, damage or destruction to the work in the amount specified in the General Conditions, to insure against such losses until final acceptance of the work by the Authority. Such insurance shall include explosion, collapse, underground excavation, and removal of lateral support. The Authority shall be a named insured on any such policy. The making of progress payments to the Contractor shall not be construed as creating an insurable interest by or for the Authority or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by the Authority. The insurer shall waive all rights of subrogation against the Authority, its directors, officers, employees, or authorized volunteers.

Evidences of Insurance - Prior to execution of the Contract, the Contractor shall file with the Authority a certificate of insurance (Accord Form 25-S or equivalent) signed by the insurer's representative. Such evidence shall include an original copy of the additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 1-5. Contractor shall provide substitute certificate of insurance no later than thirty (30) days prior to the policy expiration date. Failure by the Contractor to provide such a substitution and extend the policy expiration date shall be considered default by Contractor.

The Contractor shall, upon demand of the Authority, deliver to the Authority such policy or policies of insurance and the receipts for payment of premiums thereon.

Sub-Contractors - In the event that the Contractor employs other contractors (sub-contractors) as part of the work covered by this agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above.

12. Performance Bond

No performance or surety bond will be required for this agreement.

13. Safety

The Contractor shall execute and maintain his/her work so as to avoid injury or damage to any person or property. The Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work.

In carrying out his/her work, the Contractor shall at all times, exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable). Safety precautions as

applicable shall include, but shall not be limited to, adequate life protection, and life saving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks; confined space procedures; trenching and shoring; fall protection; and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

The Contractor shall be responsible for the safeguarding of all utilities. At least two (2) working days before beginning work, the Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. The Contractor shall immediately notify the Authority and the utility owner if he/she disturbs, disconnects, or damages any utility.

In accordance with Section 6705 of the California Labor Code, the Contractor shall submit to the Authority specific plans to show details of provisions for worker protection from caving ground during excavations of trenches of five (5) feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by the Authority prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall the Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders. Submission of this plan in no way relieves the Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, the Contractor shall submit his/her permit with the excavation/trench work safety plan to the Authority before work begins.

The names and telephone numbers of at least two (2) medical doctors practicing in the vicinity and the telephone number of the local ambulance service shall be prominently displayed adjacent to telephones.

14. Compliance with Air and Water Acts

This Contract is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. 7401 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 32, as amended from time to time. In compliance with the said regulations, the Contractor shall cause or require to be inserted in full in all Contracts and subcontracts with respect to any non-exempt transaction there under funded with assistance provided under this agreement, the following requirements:

1. A stipulation by the Contractor or sub-contractor that any facility to be utilized in the performance of any non-exempt Contract or sub-contract is not listed on the 15.20 nonprocurement list issued by the General Services Administration (GSA) pursuant to 48 CFR Part 9 Subpart 9.4, unless the EPA has granted an exception under 40 CFR Section 32.215.
2. Agreement by the Contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 7413) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued there under.
3. A stipulation that as a condition for the award of the Contract prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a

facility utilized or to be utilized for the Contract is under consideration to be listed on the GSA's non-procurement list.

4. Agreement by the Contractor that he will include or cause to be included the criteria and requirements in paragraphs (1) through (4) of this section in every non-exempt sub-contract and requiring that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

In no event shall any amount of the assistance provided under this Contract be utilized with respect to a facility, which has given rise to a conviction under Section 113(c)(1) of the Clean Air Act (42 U.S.C. 1413(c)(1)) or Section 309(c) of the Federal Water Pollution Control Act (33 U.S.C. 1319(c)).

15. Access to Records

Contractor shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for Authority under this agreement on file for at least three (3) years following the date of final payment to Contractor by Authority. Any duly authorized representative(s) of Authority shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Contractor's usual and customary business hours. Contractor shall provide proper facilities to Authority's representative(s) for such access and inspection.

16. Assignment

It is recognized by the parties hereto that a substantial inducement to Authority for entering into this agreement was, and is, the reputation and competence of Contractor. This agreement is personal to Contractor and shall not be assigned by it without the prior express written approval of the Authority. If the Contractor is a corporation or other business entity, a change of control (meaning a transfer of more than 20% of the voting stock or equity interest in the entity) shall constitute an assignment requiring the Authority's prior consent.

Authority may assign this agreement, and its assignee shall have all of the rights, and be subject to all of the obligations, of Authority hereunder, and whenever an officer of Authority is referred to in this agreement, then the representative of the assignor exercising similar duties shall be deemed to be the person referred to.

17. Changes to Scope of Work

Authority may at any time and, upon a minimum of ten (10) days written notice, seek to modify the scope of basic services to be provided under this agreement. Contractor shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify Authority in writing. The rate of compensation shall be based upon the per ton rates shown in Exhibit "C" of this agreement. Upon agreement between Authority and Contractor as to the extent of said impacts to time and compensation, an amendment to this agreement shall be prepared describing such changes. Execution of the amendment by Authority and Contractor shall constitute the Contractor's notice to proceed with the changed scope.

18. Compliance with Laws, Rules, and Regulations

Services performed by Contractor pursuant to this agreement shall be performed in accordance and full compliance with all applicable federal, state, and local laws and any rules or regulations promulgated thereunder.

19. Licenses

If a license of any kind, which term is intended to include evidence of registration, is required of Contractor, its employees, agents, or subcontractors by federal or state law, Contractor warrants that such

license has been obtained, is valid and in good standing, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

20. Fiscal Considerations

The parties to this Agreement recognize and acknowledge that Authority is a political subdivision of the entities in which it represents. As such, Authority is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of Authority business, Authority will adopt a proposed budget prior to a given fiscal year.

In addition to the above, should the Authority during the course of a given year for financial reasons reduce, or order a reduction, in the budget for which services were agreed to be performed, pursuant to this paragraph in the sole discretion of the Authority, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

21. Interest of Public Official

No official or employee of Authority who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of Authority have any interest, direct or indirect, in this agreement or the proceeds thereof.

22. Withholding (Form 730)

In accordance with changes in Internal Revenue Law, OASDI (Old Age, Survivors, & Disability Insurance) and income taxes may be withheld from any payments made under terms of this Agreement if Contractor falls under "Contract-Employee" category as determined by Authority prior to execution of Agreement.

23. California Residency (Form 590)

All independent Contractors providing services to the Authority must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of this agreement or Authority shall withhold seven (7) percent of each payment made to the Contractor during the term of this agreement. This requirement applies to any agreement/contract exceeding \$600.

24. Tax Payer Identification Number (Form W-9)

All independent Contractors or Corporations providing services to the Authority must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

25. Independent Contractor

It is expressly understood and agreed by both parties that Contractor, while engaged in carrying out and complying with any of the terms and conditions of this agreement, is an independent contractor and not an employee of the Authority. Contractor expressly warrants not to represent, at any time or in any manner, that Contractor is an employee, agent, or servant of the Authority.

26. Exhibits Incorporated

All exhibits referred to in this agreement and attached to it are hereby incorporated in it by this

reference. In the event there is a conflict between any of the terms of the agreement and any of the terms of any exhibit to the agreement, the terms of the agreement shall control the respective duties and liabilities of the parties.

27. Integration and Amendment

This agreement represents the entire understanding of Authority and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to those matters covered in it. This agreement may not be modified or altered except by amendment in writing signed by both parties.

28. Jurisdiction

This agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this agreement shall be in the State of California in the County of Monterey.

29. Severability

If any part of this agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void in so far as it is in conflict with said laws, but the remainder of the agreement shall continue to be in full force and effect.

30. Notice to Proceed; Progress; Completion

Upon execution of this agreement by both parties, Authority shall give Contractor written notice to proceed with this work. Such notice may authorize Contractor to render all of the services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, Authority shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Contractor shall diligently proceed with the work authorized and complete it within the agreed time period specified in said notice.

31. Ownership of Documents

Title to all documents, drawings, specifications, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials with respect to work performed under this agreement shall vest with Authority at such time as Authority has compensated Contractor, as provided herein, for the services rendered by Contractor in connection with which they were prepared. Authority agrees to hold harmless and indemnify the Contractor against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Contractor.

32. Subcontractors

Contractor shall be entitled, to the extent determined appropriate by Contractor, to subcontract any portion of the work to be performed under this agreement. Contractor shall be responsible to Authority for the actions of persons and firms performing subcontract work. The subcontracting of work by Contractor shall not relieve Contractor, in any manner, of the obligations and requirements imposed upon Contractor by this agreement. All subcontractors shall comply with the insurance requirements in Section 11 as if they were the Contractor.

33. Dispute Resolution

A. MEDIATION

In the event of any dispute, claim, or controversy among the parties arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, the

parties shall submit the dispute to the Judicial Arbitration and Mediation Service (JAMS) for non-binding mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals, and in promptly scheduling the mediation proceedings. The mediation shall take place in Salinas, California. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are and shall be, confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within 30 days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), either party may file a legal proceeding in the Superior Court for Monterey County, which shall be the exclusive venue for litigation of disputes arising under this Agreement. The mediation may continue, if the parties so agree, after the filing of any such legal action. The pendency of mediation shall not preclude a party from seeking provisional remedies from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

B. CLAIMS AGAINST THE AUTHORITY; STATUTE OF LIMITATIONS

Any claims for relief against the Authority shall be subject to the claims requirements of Government Code Section 905 *et seq.* and the Authority's Ordinance Code Article 3.04 and must be filed in Superior Court within the applicable statutes of limitations governing civil actions against local agencies in California, or will otherwise be barred.

34. Termination

- A. In the event that it is determined by the Authority to terminate this agreement, the Authority:
 - 1. Upon written notice to Contractor, the Authority may for lack of performance or breach of contract, terminate this agreement.
- B. Upon termination, Contractor shall be entitled to payment of such amount as fairly compensates Contractor for all work satisfactorily performed up to the date of termination based upon per ton rates shown in Exhibit "C," except that:
 - 1. In the event of termination by the Authority for Contractor's default, Authority shall deduct from the amount due Contractor the total amount of additional expenses incurred by Authority as a result of such default. Such deduction from amounts due Contractor are made to compensate Authority for its actual additional cost incurred in securing satisfactory performance of the terms of this agreement, including but not limited to, costs of engaging other Contractors for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Contractor hereunder, Contractor shall pay Authority the full amount of such expense. In the event that this agreement is terminated by Authority for any reason, Contractor shall:
 - a. Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by Authority; and
 - b. Deliver to Authority all documents, data, reports, summaries, correspondence, photographs, computer software, video, and audiotapes, and any other materials provided to Contractor or prepared by or for Contractor or the Authority in connection with this agreement. Such material is to be delivered to Authority whether in completed form or in process; however, notwithstanding the provisions of Section 23 herein, Authority may condition payment for services rendered to the date of termination upon Contractor's delivery to the Authority of such material.

- C. In the event that this agreement is terminated by Authority for any reason, Authority is hereby expressly permitted to assume this project and complete it by any means, including but not limited to, an agreement with another party.
- D. The rights and remedy of the Authority provided by under this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this agreement.

35. Audit and Examination of Accounts

- A. Contractor shall keep and will cause any assignee or subcontractor under this agreement to keep accurate books of record in account, in accordance with sound accounting principles, which records pertain to services to be performed under this agreement.
- B. Any audit conducted of books and records and accounts shall be in accordance with generally accepted professional standards and guidelines for auditing.
- C. Contractor hereby agrees to disclose and make available any and all information, reports, or books of records or accounts pertaining to this agreement to Authority and any local, State or Federal government that provides support funding for this project.
- D. Contractor hereby agrees to include the requirements of subsection (B) above in any and all contracts with assignees or Contractors under his agreement.
- E. All records provided for in this section are to be maintained and made available throughout the performance of this agreement and for a period of not less than three (3) years after full completion of services hereunder, except that any and all such records which pertain to actual disputes, litigation, appeals, or claims shall be maintained and made available for a period of not less than three (3) years after final resolution of such disputes, litigation, appeals, or claims.

36. Extent of Agreement

This agreement represents the entire integrated agreement between Authority and Contractor and supersedes all prior negotiations, representations, understandings, or agreements between the parties either written or oral.

37. Notices

- A. Written notices to the Authority hereunder shall, until further notice by Authority, be addressed to:

Via Mail
 Salinas Valley Solid Waste Authority
 Attn: Mr. R. Patrick Mathews,
 General Manager/CAO
 P.O. Box 2159
 Salinas, CA 93902-2159

Hand Delivered
 Salinas Valley Solid Waste Authority
 Attn: Mr. R. Patrick Mathews,
 General Manager/CAO
 128 Sun Street, Ste 101
 Salinas, CA 93901

- B. Written notices to the Contractor shall, until further notice by the Contractor, be addressed to:

Vision Recycling
 Mr. Tom Del Conte, President
 41900 Boscell Rd
 Fremont, CA 94538

- C. The execution of any such notices by the General Manager/CAO or designee of the Authority shall be effective as to Contractor as if it were by resolution or order of the Authority Board, and Contractor shall not question the authority of the General Manager/CAO or designee to

execute any such notice.

- D. All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

38. Nondiscrimination

During the performance of this agreement, Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability.

39. Conflict of Interest

Contractor warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this agreement a violation of any applicable state, local, or federal law. Contractor further declares that, in the performance of this agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Contractor shall promptly notify Authority of the existence of such conflict of interest so that Authority may determine whether to terminate this agreement. Contractor further warrants its compliance with the Political Reform Act (Government Code section 81000 *et seq.*) that apply to Contractor as the result of Contractor's performance of the work or services pursuant to the terms of this agreement.

40. Headings

The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this agreement.

41. Multiple Copies of Agreement

Multiple copies of this agreement may be executed but the parties agree that the agreement on file in the office of the Clerk of the Authority Board is the version of the agreement that shall take precedence should any differences exist among counterparts of the documents.

IN WITNESS THEREOF, the parties hereto have made and executed this Agreement on the date first above written.

SALINAS VALLEY SOLID WASTE AUTHORITY:

APPROVED AS TO FORM:

R. Patrick Mathews
General Manager/CAO

Thomas M. Bruen
Authority General Counsel

Dated: _____

Dated: _____

ATTEST:

Elia Zavala, Clerk of the Board
Clerk of the Board

Dated: _____

CONTRACTOR:

TWDC Enterprises, Inc., dba Vision Recycling
Company Name

Dated: _____

Signature

Mr. Tom Del Conte, President
Printed Name & Title

Attachments:

- Exhibit B Scope of Services
- Exhibit C Contractor's Fee Schedule
- Exhibit D Johnson Canyon Landfill Site Map
- Exhibit E Sun Street Transfer Station Site Map

EXHIBIT B

SCOPE OF SERVICES

1. GENERAL

These standards shall govern the operation of the Organics Collection and Processing Facilities located at the Johnson Canyon Landfill and the Sun Street Transfer Station. The Contractor agrees to take delivery of and process Green Waste and Wood Waste received at the Authority's Johnson Canyon Landfill and market finish end-products for retail sale at the Sun Street Transfer Station in the quantity, of the quality, and on the terms and conditions stated herein.

The work to be done by Contractor pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the Services required. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve Contractor of the duty to furnish all others, as may be required, whether enumerated or not.

The work to be done by Contractor pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the Authority's landfill and transfer station facilities are provided with efficient, reliable, courteous, and high-quality operations at all times. The enumeration of, and specification of requirements for, particular aspects of service quality shall not relieve Contractor of the duty of accomplishing all other aspects in the manner provided in this Agreement, whether such other aspects are enumerated or not.

The Contractor's operations at the landfill and/or transfer station shall comply with all Applicable Laws, regulations and ordinances, as now existing or as they may be later adopted, modified or amended, and shall further comply with all approved plans and applicable regulatory permits, including but not limited to, any applicable land use permits, Waste Discharge Requirements, Air Pollution Control Board and Solid Waste Facility Permits. In addition, Contractor shall comply with the provisions, conditions and requirements of all operating plans, permit applications, and all other future permit applications, operating plans and other documents for the landfill and transfer station hereafter approved by the Authority.

2. OBLIGATIONS OF THE PARTIES

A. Authority Obligations:

1. The Authority shall provide to the Contractor exclusive right to the use of a pre-defined, mutually-agreed-upon area for stockpiling and processing of Green Waste and Wood Waste at both the Johnson Canyon Sanitary Landfill and the Sun Street Transfer Station as defined under Exhibits "D" and "E".
2. The Authority agrees to direct incoming source separated Green Waste and Wood Waste entering the Sites available to the Contractor as defined and under restrictions of Section 2. The Authority has complete operational control of all facilities within the landfill/transfer station Sites and may, at its discretion, reject loads from entering the Site.
3. The Authority shall retain records documenting material entering the Sites and provide monthly totals to the Contractor, as required under Section 9, Reporting.

4. The Authority shall maintain a winter accessible access road to the drop off Sites.
5. The Authority shall assume responsibility for all clean-up, removal, disposal, fines and other related costs associated with handling hazardous materials deposited at the Sites, if it is determined that the Contractor made all reasonable and responsible attempts to prevent such materials from being deposited at the Sites.
6. The Authority shall provide a refuse drop box at both Sites for incidental refuse or contaminants removed from Green Waste or Wood Waste in accordance with Section 6. F. and empty as necessary.

B. Contractor's Obligations:

1. The Contractor shall manage operations on Sites in a safe and diligent manner in accordance with Authority, State and Federal ordinances, rules, regulations and policies.
2. The Contractor shall provide all necessary equipment including wood chipper/grinder, screening units, and loader at its own expense, to perform Green Waste and Wood Waste processing.
3. The Contractor shall furnish trained heavy equipment operators at both Authority facilities during all regular hours of public access. The Contractor shall perform load checking duties for all loads of Green Waste and Wood Waste directed to the stockpiling area and maintain representatives at both Authority facilities during all regular hours of public access to perform said duties.
4. Upon termination or expiration of the Agreement, the Authority shall remit all payments and obligations due the Contractor. The Contractor shall process and remove all accumulated Green Waste and Wood Waste, processed or unprocessed, and transfer all waste residues to local vendors and unprocessable materials to the Johnson Canyon Landfill's active dumping face at the current posted gate rate. The Contractor shall remove all operations equipment, and clean work areas to a condition acceptable to the Authority within thirty (30) days of termination or expiration of the Agreement.
5. The Contractor shall assume responsibility for all clean-up, removal, disposal, fines and other related costs associated with handling hazardous materials deposited at the Site, if the Contractor is found to be negligent in its duties to inspect and manage incoming Green Waste and Wood Waste.
6. The Contractor shall provide water for use in dust control during processing and stockpiling operations in accordance with Section 7. B.
7. The Contractor shall provide utility services in accordance with Section 7.C.

3. QUALITY

Green Waste and Wood Waste as used herein is defined as and shall consist of tree and plant trimmings, grass cuttings, dead plants, weeds, leaves, branches, clean recyclable wood waste and residue, consisting of construction wood waste, pallets, brush, cable spools, manufactured

residue, Green Waste and residues, logs, and like materials meeting the following specifications:

- A. Green Waste and Wood Waste provided to the Contractor shall be collected at the Authority's Johnson Canyon Sanitary Landfill, 31400 Johnson Canyon Rd, Gonzales 93926. Green Waste and Wood Waste collected at the Authority's Sun Street Transfer Station, 139 Sun St, Salinas CA 93901, shall be stockpiled by the Contractor and then transported by the Authority to the Johnson Canyon Site for processing by the Contractor.
- B. The Contractor and/or their designated representative is empowered by the Authority under the terms of this Agreement to inspect and prescreen all loads of Green Waste and Wood Waste directed to the Johnson Canyon Landfill and Sun Street Transfer Station stockpiling/ processing areas, hereinafter called the "Sites", and to take appropriate action as necessary to maintain the standards. The Contractor and/or their designated representative may reject all or any portion of a load not meeting the conforming standards set herein, and redirect to the appropriate location at the Sites, but the Contractor shall make a reasonable effort to accept and process the maximum amount of Green Waste and Wood Waste diverted to the Sites. If a load is redirected the Contractor's representative on site will immediately communicate this information to the Authority's scalehouse cashier.
- C. The Contractor is authorized to salvage organic materials (such as wood pallets) from the Construction and Demolition pile, adjacent to the processing areas at the Sites, as part of processing Wood Waste and marketing end-products, in accordance with Section 2.
- D. For the purpose of optimizing marketability and providing Authority specified market end-products the Contractor shall at all times segregate and separate stockpiles of Green Waste and Wood Waste into two grades consisting of:
 - i. Green Waste, Green Waste, brush and small dimensional tree materials.
 - ii. Dimensional lumber, pallets, construction debris, large dimension logs and plywood.
- E. The Authority agrees to transfer each of the stockpiles separately from the Sun Street Transfer Station to the Johnson Canyon Landfill.
- F. The Contractor shall retail all finished end-products for residential and landscaping purposes including wood chips, compost, mulch (natural or colored), and soil amendments at the Sun Street Transfer Station, 139 Sun St, Salinas, CA.
- G. At such time as the Authority's permit allows, and in addition to the Green Waste and Wood Waste processing the Contractor shall also receive and process Food Waste as used herein is defined as all source separated originally acquired for animal or human consumption included but not limited to: vegetable waste, fruit waste, grain waste, dairy waste, meat or fish waste; and non-recyclable paper.

The Contractor shall use the Bag System (force air injection) to process the Food Waste combined with Green Waste unless other technologies prove to be more effective or economical. The Contractor shall process the Food Waste in accordance with the Authority's composting permit requirements.

The Contractor may send clean, source separated food waste to an off-site local composter that is permitted to process such a feedstock at no cost to the Authority.

4. QUANTITY

The Contractor shall take delivery of all Green Waste and Wood Waste diverted from disposal at the Johnson Canyon Landfill and Sun Street Transfer Station during the term of this Agreement.

The Contractor shall market and retail all end-products to consumers of the Authority's jurisdiction area. The consumers include, but not limited to: local composters, landscapers, commercial developers, government agencies, and citizens. Only left-over end-product materials or materials without local markets can be marketed outside the Authority's service area.

5. PROCESSING/STOCKPILING SITE AND ACCESS

- A. The Johnson Canyon Organic Processing area was designed with a minimum of 6" of Class II baserock. The area is graded to drain to a channel south of the site along the perimeter access road. As a requirement of the landfill's operational permits the integrity of the Site shall not be compromised by this operation in any manner. Drainage grades from the stockpiling/processing area shall be maintained at all times and no ponding of water can occur anywhere within organics processing pad.

The Sun Street Site has been designed as a 400 ton per day transfer station. An area to the right of the entrance on the Site is for staging of the retail area to sell finished end-product to public. As a requirement of the transfer station permits the integrity of the Site shall not be compromised by this operation in any manner.

No vehicular traffic or stockpiling of processed or unprocessed Green Waste and Wood Waste shall occur outside of the prepared Sites. It will be the Contractor's responsibility to maintain the Agreement operations occurring at the Sites in accordance with the provisions of this Agreement and any and all Federal, State, Local or operationally mandated requirements or regulations in effect during the term of this Agreement.

- B. A perimeter access road encircling the stockpiling/processing area, 15 foot minimum width, shall be maintained by the Contractor for transfer truck and other vehicular return routing to the main access roads. These roads shall not exceed the boundaries of the prepared area. The main public access road shall be maintained at a minimum width of 30 feet to facilitate ingress and egress for offloading Green Waste and Wood Waste by the public in the stockpiling areas. Convenient public access and two-way traffic flow shall be maintained on the main access roads at all times the Sites are receiving Wood Waste. The Authority shall be responsible for providing road dust control on all access and perimeter roads.
- C. The Contractor shall install a temporary 6 foot high litter fence along the outside of the perimeter access roads adjacent to each Site and in any other areas as directed by the Authority requiring additional litter control for each Site.

6. **STOCKPILING AND MAXIMUM ACCUMULATION OF GREEN WASTE AND WOOD WASTE**

- A. The Johnson Canyon Site, as defined in Exhibit "D", shall consist of a designated processing area and up to four (4) stockpiles not to exceed 100 feet in length, 40 feet in width, and 12 feet in height each. Each stockpile shall be separated by a minimum 15 foot wide fire break. Stockpiles of processed and unprocessed Green Waste and Wood Waste shall be arranged in such a way as to provide a minimum offset of 100 feet at all times between the active public drop off area and processing operations.
- B. The Sun Street Site, as defined in Exhibit "E", shall consist of a designated three (3) bunker area for the retail sale of end-product adjacent to the designated area of unprocessed Green Waste and Wood Waste. Each stockpile of end-product shall not exceed the Materials Recovery Center wall height and shall be fully contained in the bunker. Each stockpile shall be separated in the designated individual bunker space. Stockpiles of end-product shall be arranged in such a way as to provide a minimum offset of 50 feet at all times between the active public drop off area for Green Waste and Wood Waste and other processing operations.
- C. The Contractor shall provide a full time spotter at both Sites during all Landfill and Transfer Station operational hours to inspect and manage the stockpiling operations, as provided for under Section 2.C. above, at no additional cost to the Authority. The Contractor shall provide the spotters and the Landfill and Transfer Station gatehouses with two way radios for the purpose of Green Waste and Wood Waste quality control, at no additional cost to the Authority.
- D. The Contractor may install a small office trailer/portable building and portable restrooms for staff use only at both sites.
- E. The Contractor shall provide a loader or other acceptable equipment and a trained operator at the Johnson Canyon Site as needed for the processing operation, at no cost to the Authority. The Contractor shall provide for and perform all operation and maintenance of Contractor's onsite equipment.
- F. The Authority shall arrange and provide for refuse drop boxes for use by the Contractor to remove incidental refuse and contaminants, as defined under Section 2 above, during processing, at no cost to the Contractor. These boxes shall be provided for the Contractor's use only and it shall be the Contractor's responsibility to minimize acceptance of heavily contaminated loads and to deter the public from using the drop boxes for disposal purposes. The Authority shall be responsible for maintenance and transfer of drop boxes when boxes are full. The Authority shall waive disposal fees for contaminants removed by the Contractor up to 5% of total incoming Green Waste and Wood Waste weight.
- G. The Contractor shall make all reasonable efforts to process all Green Waste and Wood Waste stockpiled on the Sites. If after the Contractor's best efforts Green Waste and Wood Waste and/or processing by-products remain that cannot be economically processed to meet specifications and quality criteria contained in Section 2 or alternatively marketed, the Contractor shall immediately notify the Authority and, upon Authority's written approval, may arrange for transport of the unacceptable Green Waste and Wood Waste and/or processing by-products to the Authority's Johnson

Canyon Landfill active face at no cost to Authority. The Contractor shall pay all disposal fees for said materials at the posted gate rate. It shall be the sole responsibility of the Contractor to minimize acceptance of contaminated Green Waste and Wood Waste and to process and manage the Sites in a manner which maximizes marketability and prevents contamination of otherwise acceptable Green Waste and Wood Waste.

7. PROCESSING, GENERAL CONDITIONS

- A. Processing of Green Waste and Wood Waste at the Johnson Canyon Site shall only be permitted Monday through Friday, between the hours of 7:00 a.m. and 4:00 p.m. and Saturday through Sunday, between the hours of 8:00 a.m. and 4:00 p.m. Marketing and managing of Green Waste and Wood Waste at the Sun Street Site shall only be permitted Monday through Saturday 8:00 a.m. and 5:00 p.m. The Sites will be closed five (5) days each year in observance of the following four (4) holidays; New Year's Day, Easter, Independence Day (July 4), Thanksgiving Day, and Christmas Day. Extensions in daily hours of operation or operation on holidays may only be granted upon written approval of the Authority. The Contractor shall be permitted access for equipment maintenance from 6:30 a.m. to 6:30 p.m. and only during daylight hours. Absolutely no heavy equipment operation or excessive noise shall occur before or after the prescribed processing hours.
- B. Water is not available to the Contractor at the Johnson Canyon Site. The Contractor shall be responsible to provide water for the purpose of processing dust control as required by the local Air District. It shall be the Contractor's responsibility to provide adequately sized storage tanks for dust control water.
- C. Utility services are not available to the Contractor at the Johnson Canyon Site. The Contractor shall be responsible for establishing and paying for any utility services needed for Contractor's operations on the Site.
- D. The Contractor shall be allowed reasonable space to store processing equipment needed for operations on the Site at all times during the term of the Agreement. Security for the Contractor's equipment will be the Contractor's sole responsibility.
- E. The Contractor may install above ground double contained temporary fuel tanks or trailers for its own use. Other fuels, oils, fluids or waste products may be temporarily stored on site in a secondarily contained and secured area, not to exceed six (6) 55 gallon drums. The Contractor shall be responsible for obtaining all necessary permits, licenses and documentation relevant to said fuel tank/trailer and other fluids storage. All hazardous materials and/or fluid spills resulting from any operation and/or maintenance of the Contractor's equipment or vehicles shall be the sole responsibility of the Contractor including, but not limited to fines, clean-up, and disposal of clean-up wastes.
- F. The Contractor shall be responsible for obtaining operational permits from the local Air District for all processing equipment, at no cost to the Authority. All other equipment or operations pertaining to these Green Waste and Wood Waste Processing Service Standards requiring permits, authorizations or approvals during the term of the Agreement shall also be the sole responsibility of the Contractor, unless the permits, authorizations or approvals are mandated under the Authority's Operating Permits or Waste Discharge Orders.

- G. All the Contractor's work performed on the Sites shall be by properly qualified and trained employees. Work performed shall be in compliance with all applicable Federal, State and Local regulations in existence during the term of this Agreement including, but not limited to:
- i. Conformance with all operating provisions of Authority's Operating Permits, Discharge Orders and other regulatory permits and authorizations; and
 - ii. Conformance with all applicable local Air District rules, regulations and permit requirements.
- H. All the Contractor's employees and sub-contractors shall be required to wear appropriate safety equipment at all times while operating on Site. The minimum required equipment shall be: steel toed and shanked safety shoes, orange or yellow safety vest, ANSI approved hard hat, safety glasses and heavy duty gloves.
- I. The Contractor shall ensure that best management practices are used to minimize employee and public exposure to *Aspergillus Fumigatus* and other bioaerosols produced by the processing operation, to include, but not be limited to: 1) a general health examination given prior to employing individuals and annual follow-up health examination to screen for susceptible individuals; 2) dust masks for workers potentially exposed to high concentrations of dust of fungal spores; 3) equipment operating in high dust areas fitted with air filtering systems; 4) unpaved areas sprayed with water or the use of other dust suppression agents to minimize dust; 5) use of misting when needed to minimize dust when grinding or screening excessively dry material; 6) health fact sheet or manual covering various health aspects dealing with handling of waste and good hygienic practices; and 7) training session on occupational health and safety in relation to the processing operation.

8. DELIVERY

The Contractor shall arrange for transport of processed Green Waste and Wood Waste at no cost to the Authority. The Contractor shall provide the Authority with proof of insurance from all trucking firms involved in the transport of the Contractor's processed Green Waste and Wood Waste, or shall itself carry such sub-contractor insurance. The Contractor agrees that if a load of processed Green Waste and Wood Waste is rejected as unacceptable by the end user the Contractor shall locate other markets for the processed Green Waste and Wood Waste. Landfilling or use of Green Waste and Wood Waste for Alternative Daily Cover shall be prohibited unless prior written authorization is granted by the Authority. In the event that landfilling is the only viable option, landfilling shall occur at the Authority's Designated Disposal Facility at the then current disposal rates unless otherwise authorized by the Authority.

The Contractor shall be responsible for locating and contracting with local vendors to manage residual wastes, fines, or overs that result from the initial and/or final grinding and screening of the Green Waste and Wood Waste. Landfilling or use of residuals as Alternative Daily Cover is prohibited.

The Authority shall provide one-way, back-haul transportation of end-product materials from Johnson Canyon Site to the Sun Street Site's retail area at no cost to the Contractor. The Contractor shall be responsible for loading and unloading of the materials at each Site.

9. WEIGHTS AND REPORTING

All reporting weights shall be the result of scale tickets produced by the Authority's scales and will be determined in U.S. pounds for individual loads by weighing the loaded truck/truck-trailer or equipment and deducting the tare weight. The resulting weight divided by two thousand (2,000) shall determine the number of tons delivered.

- A. The Authority will provide the following reports based on a calendar month, no later than the 15th of the following month:
- i. Total of all Green Waste, Wood Waste and salvaged construction and demolition materials separated by the Contractor, received at the Sun Street site delivered to the Johnson Canyon Landfill processing area by the Authority based on the Johnson Canyon scale net weight per truck.
 - ii. Total of all Green Waste and Wood Waste received at the Johnson Canyon Landfill, not delivered by the Authority, based on the incoming scale net weight per vehicle.
 - iii. Total of all construction and demolition material received at the Johnson Canyon Landfill salvaged on the Site by the Contractor based on scale net weight per load.
- B. The Contractor shall keep a record of all deliveries by date, load, weight and destination. Contractor shall forward to the Authority a monthly statement setting forth the net delivered weight of all processed material separated by type of product and destination, as follows: biomass fuel, compost feedstock, mulch, soil amendment, recycled wood, erosion control product and any other end use.

The Authority and Contractor scale records shall be compared on a monthly basis with the submittal of the Contractor's monthly statement.

10. ADDITIONAL SERVICES

DIVERSION SERVICES

The Contractor shall assist self-haul customers at both Sites by directing them to the Material Recovery Centers (MRC) or other appropriate locations for source separation of the following common recyclable items:

- Mix Paper
- Cardboard
- Metal
- Electronic and universal waste
- Plastics
- Glass
- Mattresses
- Anti-freeze, oil and paint
- Household hazardous waste
- Construction and demolition material

The Contractor shall be responsible for load checking and diverting those loads brought to the Green Waste and Wood Waste stockpile and process areas that contain any of the materials listed above to the MRC or appropriate locations at no cost to the Authority.

The Authority or designee, shall be responsible for staffing the MRC areas, emptying and replacing the drop boxes, marketing the non-organic recycling materials, and earn the revenue generated from the sale of those materials.

11. SITE CONTROL

The Authority's General Manager or his/her designated representative, as the responsible agent for administration and operation of the Johnson Canyon Sanitary Landfill and Sun Street Transfer Station, shall have complete authority to modify operating procedures of the Contractor at the Sites as it pertains to the efficient operation and safety of the Sites. The decision of the Authority shall be the final decision in any matter of dispute.

12. PERFORMANCE REVIEW

The Authority, at its sole discretion, may require up to two times a "Performance Review" of the Contractor during the Term of the Agreement and optional additional extensions. The Performance Review shall be conducted as set forth below.

The Performance Review shall:

1. Be performed by a qualified firm under contract to the Authority. The qualified firm shall be selected by the Authority with input from the Contractor.
2. The costs to the Authority of the Performance Review shall be reimbursed by the Contractor, provided that such reimbursement shall not exceed \$5,000 per review. However, if the Performance Review finds a material breach or default in the Contractor's performance, the Contractor shall in a timely manner reimburse the Authority the total cost of the Performance Review.
3. Address all appropriate areas which may include, but are not limited to, the following areas and shall provide specific recommendations, as appropriate, for improvement in each area, namely:
 - i. Compliance with the terms of this Agreement and Applicable Laws.
 - ii. Overall organizational structure and management systems and procedures.
 - iii. Efficiency of material processing operations.
 - iv. Staffing practices, including the deployment of management and supervisory personnel.
 - v. Financial management practices, including the Contractor's billing and collection system.

- vi. Employee job and safety training, and management of Hazardous Waste.
- vii. Procedures for receiving and resolving nuisance complaints registered by the public.
- viii. Procedures for the acquisition, maintenance, safety check, and replacement of equipment.
- ix. Utilization and management of facilities, equipment and personnel.

The Contractor shall cooperate fully with the Performance Review, and provide within thirty (30) days of request, all operational, financial and other information deemed reasonable or convenient by Authority or the firm selected by the Authority for purposes of conducting the Performance Review. The Contractor's failure to cooperate or provide all requested information shall be considered an event of Default of this Agreement.

13. LIQUIDATED DAMAGES

A. General. The Parties find that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by the Authority as a result of a breach by Contractor of its obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) damages and penalties may result to the Authority, its member agencies, and members of the public who are denied recycling services or denied quality or reliable service or where Authority permits are violated; (ii) such breaches may cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to the Authority, its member agencies, and individual members of the general public for whose benefit this Agreement exists, which are incapable of measurement in precise monetary terms; (iii) the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the Authority, its member agencies and the public whole for past breaches.

B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards. The Parties further acknowledge that consistent, reliable service is of utmost importance to the Authority and the Authority has considered and relied on Contractor's representations as to its quality of service commitment in awarding the Agreement to it. The Parties recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if Contractor fails to achieve the performance standards, or fails to submit required documents in a timely manner, Authority, its member agencies, and members of the public will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which the Authority and its member agencies will suffer. Therefore, without prejudice to the Authority's right to treat such non-performance as an event of default under this Agreement, the Parties agree that the Liquidated Damages amounts established herein represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date of this Agreement, including the relationship of the sums to the range of

harm to the Authority, its member agencies and the public that reasonably could be anticipated and that proof of actual damages would be costly or impractical.

The Authority may determine the occurrence of events giving rise to Liquidated Damages through the observation of its own employees or third parties.

Before assessing Liquidated Damages, the Authority shall give Contractor written notice of Contractor's alleged breach of this Agreement for which Liquidated Damages might be assessed by the Authority and a reasonable opportunity to cure said breach, in not less than three calendar days, before Contractor's breach may become eligible for the imposition of Liquidated Damages. The notice will include a brief description of the incident(s) and non-performance.

Upon written notice to the Contractor, the Authority may impose the following liquidated damages upon the Contractor, in addition to any other available remedies the Authority may have.

1. Failure to maintain permit or regulatory compliance of all applicable and required State and local permits: \$100.00 per day or the fee imposed by the regulatory agency, whichever is higher.
2. Failure to monitor and document required temperature of materials: \$100 per occurrence; each additional 24-hour working day period: \$100.00.
3. Failure to move or dispose of material within seven (7) days of the material reaching 122 degrees Fahrenheit: \$100.00 per occurrence; each additional 24-hour working day period: \$100.00.
4. Failure to set up litter fences and clean up litter surrounding the contractor area or as a result of Contractor's activities: \$100.00 per occurrence.
5. Failure to divert organics residual materials (Overs or Fines): \$100.00 per occurrence.
6. Failure to maintain or submit documents and reports as required under the terms of this Agreement after ten (10) days notice: \$100.00 per incident per day.



Salinas Valley Waste Authority /Vision Recycling
Organic Waste Processing Services

Cost Proposal Worksheet

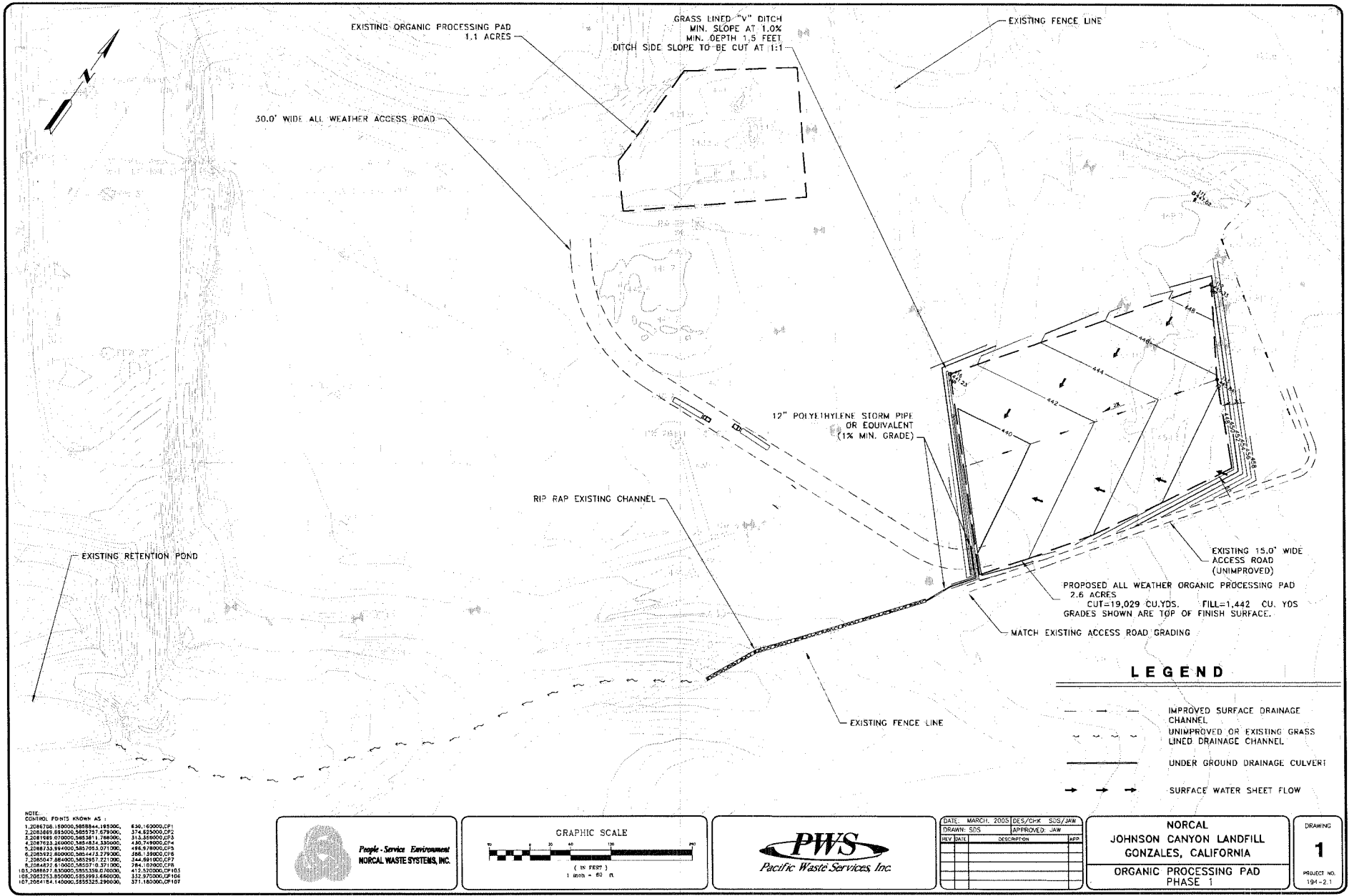
Activity	Feed Stock Material	Unit of measure	Cost
Grinding Screening (4 inch minus)	Yard Waste	Ton	\$20.65
Grinding Screening (4 inch minus)	Wood Waste	Ton	\$20.65
Sorting Grinding Screening (4 inch minus)	C & D	Ton	\$28.65 Price includes sorting and processing
Composting	Food Waste	Ton	\$26.25

Tom Del Conte 8/20/2010

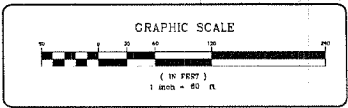
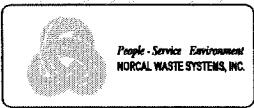
Tom Del Conte Date
 Founder & President
 TWDC Enterprises Inc.
 DBA Vision Recycling

Roberto Aguirre 8/20/2010

Roberto Aguirre Date
 Vice President
 TWDC Enterprises Inc.
 DBA Vision Recycling



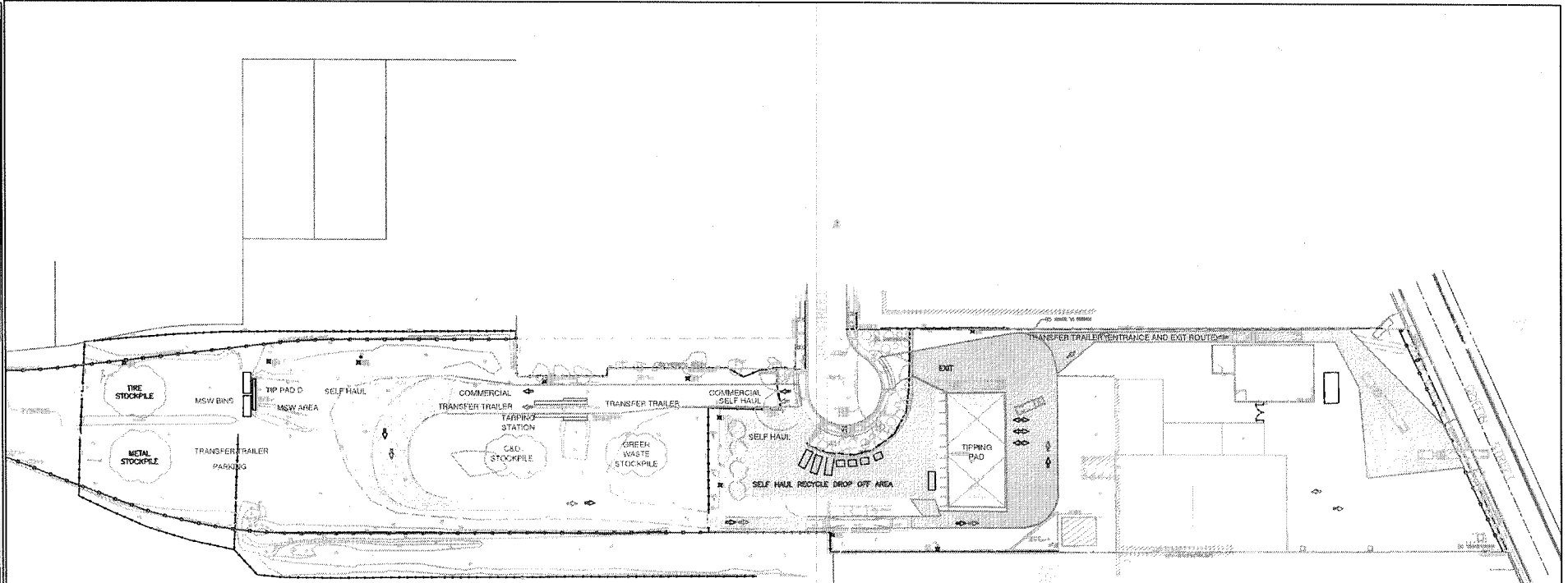
E:\DWC\NOTICAL\kanyon\2005\pad\compast.acd-1-ph1.dwg 4/19/2005 9:43:51 AM P01



DATE:	MARCH, 2005	DES/CHK:	SDS/JAW
DRAWN:	SDS	APPROVED:	JAW
REV DATE:		DESCRIPTION:	

NORCAL
JOHNSON CANYON LANDFILL
GONZALES, CALIFORNIA
ORGANIC PROCESSING PAD
PHASE 1

DRAWING
1
PROJECT NO.
194-2.1



PLAN
1"=50'
SCALE IN FEET

LEGEND:

SALINAS VALLEY SOLID WASTE AUTHORITY
PO BOX 2159
SALINAS, CALIFORNIA 93902-2159
(831) 775-3000 FAX: (831) 755-1322

DESIGNED BY:

JOSE CAMERON
SWSA

DATE	NO.	REVISION DESCRIPTION	BY:



SALINAS VALLEY SOLID WASTE AUTHORITY
SUN STREET TRANSFER STATION

DRAWN BY :	DATE :	FIGURE
CHECKED BY :	DATE :	
APPROVED BY :	DATE :	



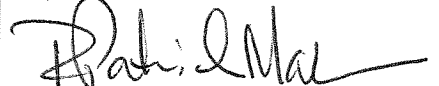
**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 9


Finance Manager/Controller-Treasurer

T. Bruen by JG
Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: Jose Gamboa, Assistant General Manager
Title: A Resolution Approving a One-Year Agreement with Waste Management, Inc. for Solid Waste Transfer, Handling, Transportation of Republic Services of Salinas Materials at the Madison Lane Transfer Station for an Amount not to Exceed \$393,744

RECOMMENDATION

Staff encourages the Board of Directors to accept the recommendation from the Executive Committee to approve a resolution approving a one year agreement with Waste Management, Inc. for solid waste transfer of Republic Services at Madison Lane Transfer Station and transporting the solid waste to Johnson Canyon Landfill in Gonzales, California.

STRATEGIC PLAN RELATIONSHIP

This program supports Goal 1.9 Revise Contract Agreements to improve financial condition, Action 1.91 Revise Madison Lane Transfer Station Agreement. This goal helps reduce traffic near Gonzales while creating a partnership with the two largest companies in the waste industry and a public agency.

FISCAL IMPACT

Republic Services pays a \$5.00 per ton surcharge to the Authority on franchise waste to cover the cost charged by Waste Management for use of the Madison Lane Transfer Station. The surcharge is expected to generate \$451,000. Sufficient funds remain in the budget to pay for this service.

Waste Management is proposing a one year contract with two possible one-year extensions. Once the contract is approved by the Board, the Authority will continue to pay Waste Management (WM) on a per ton for collection, low-level materials recovery including construction and demolition sorting, and transfer of Republic Services (Republic) waste received at their Madison Lane Transfer Station delivered to Johnson Canyon Landfill.

DISCUSSION & ANALYSIS

Staff and Waste Management managers have solved key aspects of the longer term contract agreement. A second amendment was approved by the Board on at the January 20, 2011 meeting in order to finalize the agreement. The amendment covered services through February 21 2011.

During the initial 3 month trial period, staff has learned that utilization of permitted capacity at both the Sun Street Transfer Station and WM's Madison Lane Transfer Station has allowed for more efficient collection and transfer of all of Republic's waste and WM's north county waste. This

project has reduced transportation impacts, while creating a more efficient system-wide program within the Salinas/north county area through a three-way collaborative partnership. Furthermore, a long term agreement with Waste Management can positively influence the future design of a new transfer station in the City of Salinas as a result of the Board's commitment to relocate the Sun Street Transfer Station per Resolution No. 2008-46.

Both Waste Management and Republic Services have collaborated very well and have made this pilot project very successful due to effective coordination and communication between both companies and the Authority. This collaboration was so successful that only a very small number of Republic's trash trucks are traveling to Johnson Canyon Landfill, resulting in a significant reduction of traffic near Gonzales.

BACKGROUND

On July 8 of 2010 the Board approved a three-month pilot project contract between the Authority and Waste Management. The project allowed Republic to drop off 80-100 tons of refuse collected from the City of Salinas to Waste Management at the Madison Lane Transfer Station. Waste Management, in turn, transfers the waste in large trucks consolidating three to four Republic loads into a single vehicle therefore reducing traffic to Johnson Canyon Landfill near the City of Gonzales.

A future multi-year contract with Waste Management will ensure the continuation of this successful partnership project.

ATTACHMENT(S)

1. Resolution
2. Exhibit A - Agreement

RESOLUTION NO. 2011 -

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
APPROVING A ONE YEAR AGREEMENT WITH WASTE MANAGEMENT, INC.
FOR SOLID WASTE TRANSFER, HANDLING, TRANSPORTATION AND DISPOSAL
OF REPUBLIC SERVICES OF SALINAS (FORMERLY BFI) MATERIALS
AT THE MADISON LANE TRANSFER STATION
FOR AN AMOUNT NOT TO EXCEED \$393,744**

WHEREAS, on July 8, 2010, the Board of Directors adopted Resolution No. 2010-32 approving a 90-day Agreement with Waste Management, Inc. for Solid Waste Transfer, Handling, Transportation and Disposal of Republic Services of Salinas (Republic-formerly BFI) waste at the Madison Lane Transfer Station, due to expire October 11, 2010; and,

WHEREAS, on October 21, 2010, the Board of Directors after determining the success of the project, adopted Resolution No. 2010-43 authorizing an extension of the Agreement through November 19, 2010, to allow the parties time to develop a long-term agreement; and,

WHEREAS, on January 20, 2011, the Board of Directors adopted Resolution No. 2011-01 approving Amendment No. 2 extending the agreement through February 21, 2011, to further allow the parties to develop a long-term agreement,

WHEREAS, the Authority and Waste Management, Inc. have developed, and hereby wish to enter into, a one-year Agreement through February 21, 2012, with two optional one-year extensions; and,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to execute an Agreement with Waste Management Inc., for receiving and transporting Republic Services of Salinas materials at Madison Lane Transfer Station to Johnson Canyon Landfill in Gonzales, California, as attached hereto and marked "Exhibit A".

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority at its regular meeting duly held on the 17th of March 2011 by the following vote:

AYES: BOARD MEMBER:

NOES: BOARD MEMBER:

ABSENT: BOARD MEMBER:

ABSTAIN: BOARD MEMBER:

Gloria De La Rosa, President

ATTEST:

Elia Zavala, Clerk of the Board

**SOLID WASTE TRANSFER, HANDLING, TRANSPORTATION AND
DISPOSAL AGREEMENT**

THIS SOLID WASTE TRANSFER, HANDLING, TRANSPORTATION AND DISPOSAL AGREEMENT (the "Agreement") is made and dated this 19 day of November, 2010 by and between the Salinas Valley Solid Waste Authority, a Joint Powers Authority organized under California law, and whose members consist of the County of Monterey and the cities of Gonzales, Greenfield, King City, Salinas and Soledad ("SVSWA"), and USA Waste of California, Inc., a Delaware corporation, a Waste Management company, dba Salinas Disposal Transfer Station & Recycle Center ("Waste Management" and collectively with SVSWA, the "Parties" or each a "Party").

RECITALS

WHEREAS, The City of Salinas, a member agency of SVSWA, through its franchised Collector, currently engages in the collection of Acceptable Waste in the City of Salinas, California; and

WHEREAS, Waste Management owns and operates the Salinas Disposal Transfer Station & Recycle Center in Salinas, California; and

WHEREAS, SVSWA owns and operates the Johnson Canyon Landfill in Gonzalez, California;

WHEREAS, on or about July 12, 2010, the Parties executed a Solid Waste Transfer, Handling, Transportation and Disposal Agreement and thereafter amended such agreement on October 12, 2010 with an Amendment to Solid Waste Transfer, Handling, Transportation and Disposal Agreement; and

WHEREAS, the Parties now wish to enter into this Agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, SVSWA and Waste Management agree as follows:

1. DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.
 - 1.1. "Acceptable Waste" means garbage, refuse, rubbish, construction and demolition and other materials and substances discarded or rejected as being spent, useless, worthless, or in excess to the owners at the time of such discard or rejection and which are normally disposed of, or collected from residential (single family or multi-family), commercial, industrial, governmental and institutional establishments, and which are acceptable for transfer and handling at the Salinas Disposal Transfer Station & Recycle Center and for disposal at the Johnson Canyon Landfill under Applicable Law.

- 1.2. "Agreement" means this Solid Waste Transfer, Handling, Transportation and Disposal Agreement between SVSWA and Waste Management, as it may be amended or modified from time to time.
- 1.3. "Applicable Law" means the Monterey County Code, the California Public Resources Code, RCRA, CEQA, any Legal Entitlement and any other rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, management, operation or maintenance of facilities used for the transfer, handling, transportation and disposal of Acceptable Waste, or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, labor relations, mitigation monitoring plans, building codes, non-discrimination and the payment of minimum wages).
- 1.4. "City" means the City of Salinas, California.
- 1.5. "Collector" means Allied Waste Services of North America, LLC, dba Republic Services of Salinas, a Delaware limited liability company.
- 1.6. "Johnson Canyon Landfill" means that certain Class III disposal facility owned and operated by SVSWA and located at 31400 Johnson Canyon Road, Gonzalez, CA 93926.
- 1.7. "Operating Day" means Mondays through Fridays, and includes all Legal Holidays except for Thanksgiving, Christmas, New Year's, Easter, Memorial Day and Labor Day
- 1.8. "Salinas Disposal Transfer Station & Recycle Center" means that certain permitted large volume transfer/processing facility owned and operated by Waste Management and located at 1120 Madison Lane, Salinas, CA 93907.
- 1.9. "Special Waste" shall mean Solid Waste that is bulky or may require special handling at the Salinas Disposal Transfer Station & Recycle Center or the Johnson Canyon Landfill, including, without limitation, designated waste (as defined by Applicable Law), liquid waste, sewage sludge, treated medical waste, tires, white goods, appliances, and batteries.
- 1.10. "Unacceptable Waste" means waste that: (i) is prohibited from receipt at the Salinas Disposal Transfer Station & Recycle Center or the Johnson Canyon Landfill by Applicable Law; (ii) is or contains Hazardous Waste as defined under Applicable Law; (iii) SVSWA or Waste Management,

respectively, reasonably believes would, upon disposal, result in a violation of Applicable Law; (iv) in SVSWA's or Waste Management's reasonable judgment, would present a significant risk to human health or the environment, cause a nuisance or otherwise create, or expose them to potential liability, or (v) is Special Waste.

2. TERM OF AGREEMENT

2.1. The term of this Agreement commences on February 21, 2011 (the "Effective Date"), and shall expire at the close of business on February 21, 2012 (the "Term"), unless extended by the SVSWA as provided herein.

2.1.1. The SVSWA, at its sole discretion, shall have the option to extend the Term of this Agreement in two increments of one year each, for a total possible extension period of two years. The SVSWA may exercise either or both of these optional one year extensions by giving Waste Management written notice of the SVSWA's election to exercise an extension option, which notice shall be delivered by the SVSWA to Waste Management at least sixty calendar (60) days prior to the then current termination date of this Agreement. This Agreement shall be deemed automatically extended for an additional year upon Waste Management's receipt of the SVSWA's extension notice.

2.2. Either Party shall have the right to terminate this Agreement upon giving the other Party written notice if the other Party (i) fails to make any payment required hereunder within ten (10) days after receiving notice of nonpayment from the non-defaulting Party, or (ii) fails to comply with Applicable Law within ten (10) days of receiving notice of any alleged violation of Applicable Law, or (iii) defaults in the performance of any other obligation under this Agreement and fails to cure such default within thirty (30) days after receiving written notice thereof from the non-defaulting Party, provided, that, with regard to defaults identified in (ii) and (iii) above, in the event the defaulting Party shows cause why it should be entitled to reasonable additional time to cure the default, the non-defaulting Party shall allow such additional time.

2.3. Notwithstanding the above, either Party may terminate this Agreement upon ten (10) days written notice, without opportunity to cure, in the event that the other Party becomes insolvent, unable or unwilling to pay its debts, files a bankruptcy petition, has a receiver appointed to manage its assets, or takes steps to liquidate its assets.

2.4. The provisions of Sections 7, 9 and 10 herein will survive the termination or expiration of this Agreement, however brought about.

3. DELIVERY OF ACCEPTABLE WASTE.

3.1. Commencing on the Effective Date, SVSWA shall cause Collector to deliver, and Waste Management agrees to accept at the Salinas Disposal Transfer Station & Recycle Center, between 80 – 150 tons of Acceptable Waste collected by Collector in the City on each Operating Day. SVSWA shall not be in breach of this Agreement so long as it causes Collector to deliver at least 80 - 100 tons of Acceptable Waste to the Salinas Disposal Transfer Station & Recycle Center on each Operating Day, but Waste Management shall be obligated to accept up to 150 tons of Acceptable Waste delivered by Collector on each Operating Day if such tonnage is delivered by Collector. Further, if Collector does not deliver the quantities required in this Agreement, Waste Management's sole remedy will be to assess the charge for shortfall tonnage described in section 5.5 Collector may deliver more than 150 tons of Acceptable Waste on any Operating Day upon prior approval by Waste Management.

3.2. Waste Management hereby grants SVSWA and Collector a non-exclusive license to enter the Salinas Disposal Transfer Station & Recycle Center for the sole purpose of delivering Acceptable Waste at an area designated, and in the manner directed, by Waste Management. SVSWA agrees comply with, and to cause Collector to comply with, all rules and regulations of the Salinas Disposal Transfer Station & Recycle Center, including those relating to the use and operation of the Salinas Disposal Transfer Station & Recycle Center and the conduct of persons on the premises of the Salinas Disposal Transfer Station & Recycle Center, as the same may be amended by Waste Management from time to time, which are provided in writing to SVSWA. Waste Management may reject SVSWA's or Collector's entry into the Salinas Disposal Transfer Station & Recycle Center in the event of SVSWA's or Collector's failure to follow rules and regulations which are provided to them in writing.

3.3. Collector may deliver Acceptable Waste to the Salinas Disposal Transfer Station & Recycle Center during normal business hours of operation established from time to time by Waste Management.

3.4. SVSWA agrees to cause Collector to furnish Waste Management jurisdictional information regarding the origin of the Acceptable Waste delivered to the Salinas Disposal Transfer Station & Recycle Center, as required for purposes of compliance with Applicable Law.

4. TRANSFER, HANDLING, TRANSPORTATION AND DISPOSAL OF ACCEPTABLE WASTE

4.1. Waste Management agrees to accept, handle, and transfer the Acceptable Waste delivered by Collector, in accordance with Section 3.1, and

transport it to the Johnson Canyon Landfill for disposal. Waste Management will provide the foregoing work using its own personnel and equipment. Waste Management agrees to receive, weigh, provide for unloading, and inspect Acceptable Waste delivered by Collector and its other customers on a first-come, first-served basis, unless different procedures are reasonably required with respect to Acceptable Waste delivered by Collector and are provided to SVSWA in writing. Waste Management will provide Collector with an adequate sized tipping area separate from the tipping area used by self-haul customers and the public and shall keep this area reasonably free of accumulated solid waste so as to avoid delays in unloading and to reduce the risk of damage to Collector's vehicles. Waste Management shall also provide Collector with a holiday operating days and hours schedule

- 4.2. For purposes of Section 5.2, the tonnage of Acceptable Waste delivered by Waste Management to the Johnson Canyon Landfill under this Agreement shall be deemed to be equivalent to the tonnage of Acceptable Waste delivered by SVSWA, through Collector, to the Salinas Disposal Transfer Station & Recycle Center.
- 4.3. Waste Management may commingle Acceptable Waste delivered by SVSWA, through Collector, with other Acceptable Waste delivered to the Salinas Disposal Transfer Station & Recycle Center.
- 4.4. All Acceptable Waste must be delivered to the Johnson Canyon Landfill in transfer trailers. All transfer trailers must be equipped with a tarping system to completely cover the trailer during transport of Acceptable Waste from the Salinas Disposal Transfer Station & Recycle Center to the Johnson Canyon Landfill.
- 4.5. SVSWA hereby grants Waste Management a non-exclusive license to enter the Johnson Canyon Landfill for the sole purpose of off-loading Acceptable Waste at an area designated, and in the manner directed, by SVSWA. Waste Management agrees to comply with all rules and regulations of the Johnson Canyon Landfill, including those relating to the use and operation of the Johnson Canyon Landfill and the conduct of persons on the premises of the Johnson Canyon Landfill, as the same may be amended by SVSWA from time to time, which are provided in writing to Waste Management. SVSWA may reject Waste Management's entry into the Johnson Canyon Landfill in the event of Waste Management's failure to follow rules and regulations which are provided to it in writing.
- 4.6. WASTE MANAGEMENT may deliver Acceptable Waste to the Johnson Canyon Landfill during normal business hours of operation established from time to time by SVSWA.

- 4.7. Waste Management agrees to furnish the SVSWA jurisdictional information regarding the origin of the Acceptable Waste delivered to the Johnson Canyon Landfill, as required for purposes of compliance with Applicable Law.

5. RATE FOR SERVICES.

- 5.1. Waste Management shall charge SVSWA, and SVSWA agrees to pay or cause the Collector to pay, for transfer, handling, and transportation services the rate of \$18.93 per ton for Acceptable Waste delivered to the Salinas Disposal Transfer Station & Recycle Center by Collector (the "Transfer Station Rate").
- 5.2. SVSWA or Collector shall be solely responsible for payment of disposal charges at the Johnson Canyon Landfill for Acceptable Waste delivered to the Salinas Disposal Transfer Station & Recycle Center under this Agreement.

This will be a one year contract commencing from the Term of this Agreement as specified in Article 2.1, unless extended as provided herein. Year 2 19.40 if extended Year 3 19.89 if extended

- 5.3. The Transfer Station Rate shall also be adjusted (increased or decreased) by any changes in the total amount of Governmental Fees assessed on Acceptable Waste delivered by Collector to the Salinas Disposal Transfer Station & Recycle Center, but only to the extent that such Governmental Fees are assessed on a per ton basis and are not based on disposal but rather on the transfer of waste. As used herein, "Governmental Fees" means and includes any per ton taxes or fees assessed by the State Board of Equalization or any other State agency, any per ton fee assessed by the Local Enforcement Agency of Monterey County or CalRecycle, and any per ton fees uniformly assessed by Monterey County on all transfer stations or material recovery facilities located in the County. Either Party may request a Transfer Station Rate adjustment based on a change in the amount of total Governmental Fees assessed on Acceptable Waste delivered by the Collector, which adjustment shall become effective ninety (90) days after the written request for such adjustment is delivered to the other Party or when the total amount of Governmental Fees changes, whichever comes later.
- 5.4. In the event Collector fails to deliver a weekly average of at least 80 tons of Acceptable Waste to the Salinas Disposal Transfer Station & Recycle Center each Operating Day, SVSWA or the Collector shall pay Waste Management, in addition to the Transfer Station Rate for each ton of Acceptable Waste delivered by Collector during the period of the contract, an additional amount as follows: (a) the number of tons by which

Collector's deliveries fall below the required minimum annual delivery requirement (which is the number of Operating Days during the calendar week multiplied by 80 tons); (b) multiplied by the Shortfall Rate, which shall be thirty seven and a half percent (37.5) of the Transfer Station Rate net of Governmental Fees. For purposes of illustration, if Collector delivers an average of 50 tons of Acceptable Waste to the Salinas Disposal Transfer Station & Recycle Center each Operating Day during a given contract period, , and the current Transfer Station Rate net of Governmental Fees is \$18.00 then 30 will be multiplied by \$6.75 (37.5% of \$18) times the number of days of that contract period

- 5.5. In the event that Waste Management cannot accept a minimum of 80 tons of Acceptable Waste from the Collector on any given Operating Day, Waste Management will pay directly to the Collector any additional costs of Collector associated with the transportation of Collector's vehicles from the centroid of the City of Salinas to the Johnson Canyon Landfill.
- 5.6. Waste Management's compensation in this Article 5 represents the sole compensation that Waste Management is entitled to receive for performing all services required under this Agreement.

6. PAYMENT FOR SERVICES.

- 6.1. Waste Management shall invoice SVSWA and Collector monthly, by the 15th day of the following month, with respect to amounts set forth in Article 5 and Acceptable Waste delivered to the Salinas Disposal Transfer Station & Recycle Center for transfer, handling, and transportation services under this Agreement during the prior calendar month, at the rates set forth in Article 5, as adjusted. Payment will be due and payable within forty-five (45) days of receipt of the invoice. Late payments shall be subject to a late fee of one and one-half percent (1 ½%) per month, or the highest rate of interest allowed under Applicable Law, whichever is less. If there is a dispute as to payment of an invoice, payment shall be made within ten (10) of resolution of the dispute

7. UNACCEPTABLE WASTE.

- 7.1. Salinas Disposal Transfer Station & Recycle Center. In the event that Collector, delivers Unacceptable Waste to the Salinas Disposal Transfer Station & Recycle Center, SVSWA shall cause the Collector, upon written or verbal notification thereof by Waste Management (which must be given not later than the end of the third business day following the date on which the delivery of Unacceptable Waste is made), shall take immediate measures to remove the Unacceptable Waste for proper handling and disposal at its own expense. If the Unacceptable Waste is not removed

within twenty-four (24) hours (not counting the period from 5 pm Friday thru 8 am Monday) from receipt of notice, Waste Management shall have the right and authority to remove, handle and dispose of the Unacceptable Waste, and SVSWA agrees to reimburse or to cause Collector to reimburse Waste Management for its reasonable costs related to the delivery of Unacceptable Waste. SVSWA shall indemnify and hold Waste Management harmless from and against any and all loss, cost, damage, suit, liability, claim, settlement cost and expense (including, but not limited to, reasonable investigation and legal expenses) as incurred arising, caused by, or resulting from SVSWA's or Collector's delivery of or failure to remove Unacceptable Waste.

7.2. Johnson Canyon Landfill. In the event that Waste Management delivers Unacceptable Waste to the Johnson Canyon Landfill; Waste Management, upon written or verbal notification thereof by SVSWA (which must be given not later than the end of the third business day following the date on which the delivery of Unacceptable Waste is made), shall take immediate measures to remove the Unacceptable Waste for proper handling and disposal at its own expense. If the Unacceptable Waste is not removed within twenty-four (24) hours (not counting the period from 5 pm Friday thru 8 am Monday) from receipt of notice, SVSWA shall have the right and authority to remove, handle and dispose of the Unacceptable Waste, and Waste Management agrees to reimburse SVSWA for its reasonable costs related to the delivery of Unacceptable Waste. Waste Management shall indemnify and hold SVSWA harmless from and against any and all loss, cost, damage, suit, liability, claim, settlement cost and expense (including, but not limited to, reasonable investigation and legal expenses) as incurred arising, caused by, or resulting from Waste Management's delivery of or failure to remove Unacceptable Waste.

8. REGULATORY COMPLIANCE. Both parties agree to comply with Applicable Law and maintain all required permits at all times throughout the term of this Agreement; and shall obtain and maintain any permits, licenses, or approvals which are required for the performance of their respective obligations under this Agreement.

9. INDEMNITY

9.1. Waste Management hereby agrees to defend, indemnify and hold SVSWA harmless from and against any and all loss, cost, damage, suit, liability, claim, settlement cost and expense (including, but not limited to, reasonable investigation and legal expenses) to the extent arising, caused by, or resulting from any negligent or willful act or omission, violation of Applicable Law, or breach of this Agreement, by Waste Management, or its agents, employees or subcontractors, in the course of performing its

obligations pursuant to this Agreement, and shall, at the option of SVSWA, defend SVSWA at Waste Management's sole expense.

9.2. SVSWA hereby agrees to defend, indemnify and hold Waste Management harmless from and against any and all loss, cost, damage, suit, liability, claim, settlement cost and expense (including, but not limited to, reasonable investigation and legal expenses) to the extent arising, caused by, or resulting from any negligent or willful act or omission, violation of Applicable Law, or breach of this Agreement, by SVSWA, the City, Collector or their agents, employees or subcontractors, in the course of performing their respective obligations pursuant to this Agreement, and shall, at the option of Waste Management, defend Waste Management at SVSWA's sole expense.

10. INSURANCE.

10.1. Both parties agree to furnish to the other, upon request, certificates attesting to the existence of the following insurance:

<u>Coverages</u>	<u>Limits of Liability</u>
Workmen's Compensation	Statutory
Employer's Liability	\$1,000,000 Each Occurrence
General Liability, Including Bodily Injury, Property Damage and Contractual Liability	\$5,000,000 Combined Single Limit, Each Occurrence; \$10,000,000 Aggregate
Automobile Liability, Including Bodily Injury and Property Damage	\$1,000,000 Combined Single Limit, Each Occurrence

10.2. Each such certificate shall contain a statement of the insurer's obligation to notify the Party to whom the certificate is addressed at least thirty (30) days (ten (10) days in the event of cancellation due to non-payment) prior to cancellation of any policy covered thereunder.

11. GENERAL CONDITIONS

11.1. Force Majeure. If either Party is prevented from or delayed in performing its obligations under this Agreement by circumstances beyond its reasonable control, whether or not foreseeable, including, without limitation; acts of terrorism; acts of God; landslides, lightning, forest fires, storms, floods, severe weather, freezing, earthquakes, other natural

disasters, pandemics, or quarantines, or threat of same; civil disturbances; acts of the public enemy; wars; blockades; public riots; strikes, lockouts, or other labor disturbances; acts of government or governmental restraint; or other causes; whether of the kind enumerated or otherwise, and whether foreseeable or unforeseeable, then the affected Party shall be excused from performance hereunder during the period of such disability. However, should an event of Force Majeure prevent either Party from performing any of its obligation hereunder for more than five Operating Days, the other Party may, at its option, elect to immediately terminate this Agreement.

- 11.2. Independent Contractor. The work and labor herein provided for shall be performed and furnished by the parties as independent contractors and under the sole supervision, management, direction and control of each Party in accordance with the terms and conditions of this Agreement. This Agreement shall not be construed to create a partnership or joint venture relationship between the parties.
- 11.3. Assignment of Agreement. This Agreement may not be assigned by either Party without the written consent of the other, which shall not be withheld unreasonably. Notwithstanding the above, SVSWA's approval is not required with respect to an assignment by Waste Management to an affiliate that operates the Salinas Disposal Transfer Station & Recycle Center.
- 11.4. Headings. The headings in this Agreement are intended for convenience and identification only, are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof and shall be disregarded in the construction and enforcement of this Agreement.
- 11.5. Construction. Each Party hereto agrees and acknowledges that each Party has reviewed and has had the opportunity to revise this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed to the interpretation of this Agreement or any amendment or exhibit hereto.
- 11.6. Severability. Every provision of this Agreement is intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder hereof.
- 11.7. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto with respect to the services herein described and correctly sets forth the obligations of each Party. Any representations

or agreements not specifically contained herein, written or oral, are null and void.

- 11.8. Amendment. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.
- 11.9. Nonwaiver. Failure to insist upon strict compliance with any provision hereof shall not be deemed a waiver of such provision or any other provision hereof.
- 11.10. Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either Party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to other rights the parties may have by law, statute, ordinance or otherwise.
- 11.11. Law to Govern. This Agreement shall be construed according to, and the obligations of the parties hereunder governed by, the laws of the State of California.
- 11.12. Notices. Any notice required or permitted by this Agreement shall be in writing and sufficiently given if delivered in person, delivered via facsimile, or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth in this Agreement. Changes in the respective addressees to which such notices may be directed may be made from time to time by any Party by notice to the other Party. The present addresses of the parties are:

SVSWA: Salinas Valley Solid Waste Authority
128 Sun Street, Suite 101
Salinas, CA 93902-2159
Attn: Patrick Mathews
Telephone: (831) 775-3000
Facsimile: (831) 755-1322

Waste Management: Salinas Disposal Transfer Station & Recycle
Center
11240 Commercial Parkway
Castroville, CA 95012
Attn: Jay X. Ramos
Telephone: (831) 633-7878 x 104
Facsimile: (831) 633-7882

With a Copy To:

Group General Counsel
Waste Management – Western Group
7025 N. Scottsdale Road
Suite 200
Scottsdale, AZ 85253
Telephone: (408) 624-8473
Facsimile: (832) 668-3141

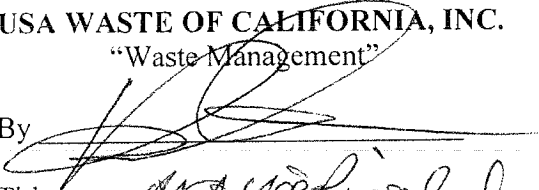
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SALINAS VALLEY SOLID WASTE AUTHORITY
"SVSWA"

By _____

Title: _____

USA WASTE OF CALIFORNIA, INC.
"Waste Management"

By 

Title: VP of operations



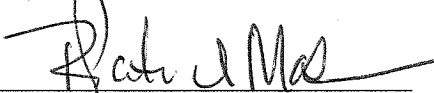
**SALINAS VALLEY
SOLID WASTE AUTHORITY**

Report to the Board of Directors

ITEM NO. 10


Finance Manager/Controller-Treasurer

TBruen by DM
Legal Counsel


General Manager/CAO

Date: March 17, 2011
From: David B. Meza, P.E., Authority Engineer
Title: A Resolution to Approve the Authorization for Authority Personnel and Private Contractors To Construct the Crazy Horse Landfill Closure Project (CIP 9227) and in Connection Therewith, to Approve the Purchase of an Excavator and a Water Truck, and to Approve Equipment Rental with Option to Purchase

RECOMMENDATION

Staff recommends approval of this item so that construction work on the Crazy Horse Landfill Closure Project can begin during the Spring of 2011 and proceed this coming Summer, in order to comply with regulatory requirements for closure of the Crazy Horse Landfill by the end of the 2012 construction season, and for the use of Authority personnel to perform grading and foundation work this Spring and Summer to significantly reduce the total costs of the closure construction project.

STRATEGIC PLAN RELATIONSHIP

The recommended action helps support Strategic Objective No. 4.3 – Crazy Horse Closure and Postclosure, Goal 4.3.1: Start Crazy Horse Closure Construction, by assuring the construction costs will fall within the construction budget.

FISCAL IMPACT

Funding for this item is included in the Crazy Horse Landfill Closure Construction Project (CIP 9227). The \$10.6 million budget pays for Construction Quality Assurance services at an estimated cost of \$675,000 and a ten percent construction contingency of \$1,070,000. This leaves about \$8,865,000 remaining to complete the construction work.

DISCUSSION & ANALYSIS

The Authority is under a directive of the Regional Water Quality Control Board to complete closure of the Crazy Horse Landfill by the end of the 2012 construction season. Recently, the Authority Board accepted staff's recommendation to reject all bids for this Closure Project because in the judgment of staff they were too high and exceeded the Authority's budget for this work. In order to comply with this regulatory schedule, and to complete the Closure Project within the available funding of \$8,865,000, staff recommends that the Board authorize the use of Authority personnel along with private contractors to construct this project. Section 3.02.050 of the Authority Code allows the Board to declare that the project can be performed in whole or in part more economically by Authority personnel by means of a four-fifth's vote. Following is a discussion explaining why it is more timely and economical to use Authority personnel.

Time Constraints

The original plan was to award a bid during the February 2011 Board meeting and then to start construction work by March 2011. However, with the need to redesign the project, the bid advertisement period would start April 2011 and conclude by July 2011, allowing construction to start by August 2011. With the additional time to order the liner material and the five to six months to install the liner system, it would not be practical to start this work prior to the rain season. Therefore, rebidding all elements of the Project would prohibit significant construction from taking place during the 2011 construction season, making it unlikely that the Project could be completed within the regulatory time constraints.

Given this time constraint, staff had no choice but to find another way to start work sooner. The only alternative left is to perform the work starting April/May 2011 with Authority employees.

Cost Comparison

On February 4, 2011, the Authority received bids for the Closure Project ranging from \$12.7 to \$14.6 million. Since the Authority has only \$8,865,000 for this construction work, staff and its consultants, in collaboration with the regulatory agencies, worked to redesign the project that resulted in a change to the access road work, the drainage pipe and landfill gas system.

While the redesign changed part of the project, much of the project remains unchanged. The unchanged bid items were used to compare the cost between the bidders and the Authority. For the 48 unchanged bid items, the low bidder provided a cost of \$10,118,698.00 and the average of the bidders cost is \$10,943,708.51. By comparison, the Authority cost for bringing this work in-house is \$8,844,953.71. This provides an Authority savings of between \$1,273,744.29 (13% if the low bid is considered) and \$2,098,754.80 (19% if the average bid is considered).

How Cost Savings Are Achieved

Given the budget constraints, staff had no choice but to find a way to complete the project while remaining in compliance with State Law. Since the Authority could not pay the contractors cost to perform the work of the unchanged bid items, staff completed an analysis to perform the work using a combination of Authority employees and contractors. The analysis is based on the fact that the Salinas Valley Solid Waste Authority has qualified operators and personnel to perform this work. Authority staff has performed earthwork operations for landfill covers, drainage, and access roads for its facilities. Prior to that, staff has a significant amount of experience operating equipment in the landfill environment. The Authority staff is prepared to complete this project.

Authority personnel will, with the Board's authorization, be performing the clear and grub, foundation layer, earthwork, drainage, sedimentation basin, leachate, landfill gas collection system work, demolition, winterization, and will provide contractor support as needed. Private contractors will be used for the other items, including the liner installation, sand infill placement, pavement, surveying, landfill gas extraction well placement and other LFG and leachate system support. The regulatory agencies agree with this manner of work that will be performed.

Following is the revised budget for Authority employees and Contractors to complete the work. Without using Authority staff, the construction cost would likely be significantly higher because other work in addition to the 48 unchanged bid items. The budget is separated into 2011 construction phase and the 2012 construction phase.

The 2011 Budget (\$6,895,115.12) and the 2012 Budget (\$1,949,838.58) for a total of \$8,844,953.70 is outlined below.

2011 Budget Schedule

<u>Item</u>	<u>Cost</u>
Labor	\$468,648.77
Equipment	\$398,236.28
Material (Artificial Turf, LFG system, Shredded Tire, Gravel, Sand, Backfill, Pipe, Drainage)	\$2,863,297.00
Private Contractors (Liner, Sand Infill, Pavement, Haul Dirt, Process/Haul Sand, Concrete, Drainage, Survey)	\$2,956,433.07
Excavator	\$125,000.00
Water Truck	\$65,000.00
HDPE Welder	\$7,500.00
Geotextile Fastening Machine	\$1,000.00
Survey Equipment	\$10,000.00
2011 Budget Total	\$6,895,115.12

2012 Budget Schedule

<u>Item</u>	<u>Cost</u>
Labor	\$408,391.12
Equipment	\$352,038.63
Material	\$346,268.83
Subcontractor	\$843,140.00
2012 Budget Total	\$1,949,838.58

Equipment Acquisitions

The purchase of equipment for this project enables the Authority to complete other work, providing additional benefits. For example, the excavator could be used to demolish buildings which have to be demolished at the Sun Street Transfer Station and at the Crazy Horse Landfill. The net revenue from the sales of metal from these building is estimated to be about \$30,000. The excavator could also be used to significantly reduce the Authority's cost on diversion activities. For example, at the Sun Street Transfer Station and at the Johnson Canyon Landfill, the excavator could be used to sort and load out metals and construction and demolition material. And more importantly, it can support mission critical activities such as loading out waste if the loader were to fail.

To assist with facilitating the procurement of services and purchase of materials, staff recommends that the General Manager's approval be increased from \$50,000 to \$100,000 for this project only.

Staff and its consultants worked to redesign the cover system during February 2011. After several conference calls and meetings, the redesign was approved by the Regional Water Quality Control Board on March 2, 2011. The project, if started by April 2011 is scheduled to be complete by December 2012. Without this approval, there will be several months delay because of the time for the advertisement period and to select the low bidder. The low bidder will be facing a few dry months prior to the rain season, thereby requiring the need to postpone work during the rainy season which results in higher construction costs.

Competitive Bidding Schedule

Given the time constraints for work to be completed this year, staff will be issuing request for bids from private contractors for a variety of items. For the 2012 construction phase, staff is prepared to bid out that work. If the bids exceed the Authority budget, then staff is prepared to complete the work.

BACKGROUND

The Crazy Horse Landfill has served the Salinas Valley since 1934. With this construction project, it will be closed in accordance with State regulations. Milestones achieved are the completion of the Revised 2010 Final Closure Plan and Post Closure Maintenance Plan, the certification of the 2010 Updated Initial Study/Mitigated Negative Declaration approving the project, and the completion of the construction documents needed to solicit bids for closure construction and landfill final cover. In the meantime, the Authority has a Construction Management and Construction Quality Assurance consultant on contract to oversee the construction work.

ATTACHMENT(S)

1. Resolution

RESOLUTION NO. 2011-

**A RESOLUTION OF THE SALINAS VALLEY SOLID WASTE AUTHORITY
AUTHORIZING AUTHORITY PERSONNEL AND PRIVATE CONTRACTORS TO CONSTRUCT
THE CRAZY HORSE LANDFILL CLOSURE PROJECT (CIP 9227) AND IN CONNECTION
THEREWITH, TO APPROVE THE PURCHASE OF AN EXCAVATOR AND A WATER TRUCK,
AND TO APPROVE EQUIPMENT RENTAL WITH OPTION TO PURCHASE**

WHEREAS, the Authority is required under State law to construction a closure cap and related improvements to permanently close the Crazy Horse Landfill; and

WHEREAS, the Authority received bids for construction of the Crazy Horse Closure Project that were higher than the amount in the Authority budget; and,

WHEREAS, the Board of Directors rejected all bids for this project on February 24, 2011; and

WHEREAS, in order to construct the closure of the Landfill as required by State law by the end of the 2012 construction season, and to bring the costs of the Closure Project within the Authority's budget for the closure, the Authority Board finds that further competitive bidding of the entire Closure Project is both impractical and uneconomical for the reasons stated in the Staff report, and the Board further finds that the Authority has personnel who can economically and expeditiously construct elements of the Closure Project that must be constructed for the 2011 construction phase.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINAS VALLEY SOLID WASTE AUTHORITY that certain elements of the project described in the Staff report can be performed more economically by Authority personnel.

BE IT FURTHER RESOLVED, that the revised plans and specifications, as attached in Exhibit A, are approved; and,

BE IT FURTHER RESOLVED, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to proceed with the project to use Authority personnel and contractors for the 2011 construction phase for those elements described in the Staff Report, attached hereto as Exhibit B; and,

BE IT FURTHER RESOLVED, that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to purchase an used excavator for a cost not to exceed \$125,000, a new/used water truck not to exceed \$65,000, and to enter into a rent agreement/operating lease for equipment with option to purchase for an amount not to exceed \$398,000; and,

BE IT FURTHER RESOLVED that the General Manager/CAO is hereby authorized and directed for, and on behalf of, the Salinas Valley Solid Waste Authority to procure professional services, contracting services or purchase materials not to exceed \$100,000 per occurrence for this project and to carry out all that is necessary to give effect to that direction.

PASSED AND ADOPTED by the Board of Directors of the Salinas Valley Solid Waste Authority this 17th day of March 2011 by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ATTEST:



Gloria De La Rosa, President

Elia Zavala, Clerk of the Board



A complete copy of the
**CRAZY HORSE LANDFILL CLOSURE
PROJECT
PLANS & SPECIFICATIONS
Re: Item No 10**

is available at the following locations:






- SVSWA website( [Click here to view PDF version](#))
( [Click here for Good Reader version for Ipad](#))
- SVSWA Clerk of the Board..... 128 Sun Street, Ste. 101
Salinas Ca 93901
(831) 775-3010
- Public Libraries..... 851 Fifth Street
Gonzales, Ca 93926

17822 Moro Rd
Prunedale, Ca 93907
- SVSWA Board Meeting 117 Fourth Street
Thursday, June 17, 2010 Gonzales, Ca 93926

SVSWA Agenda Items - View Ahead

Item No. 11

2011						
	April 21	May 19	June 16	July	Aug	Sep
1	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes
2	<i>Claims/Financials (EC)</i>	<i>Claims/Financials (EC)</i>	<i>Claims/Financials (EC)</i>	<i>Claims/Financials (EC)</i>	<i>Claims/Financials (EC)</i>	<i>Claims/Financials (EC)</i>
3	QTE March Cash & Investments	QTE March Tonnage & Diversion Report	Approved Budget Document	QTE June Cash & Investments	Authority Annual Report	
4	21 Century Agmt- HHW 1-Yr Ext	Salinas Area Transfer Station (URS Study)	Agmt for E-Waste Handling	Qtr Strategic Plan Updates		
5	Hope Services Agmt- Mattress Recycling Amend 2	Adopt Revised Financial Policies	Jolon Rd Phytoremediation	Bio-Fuel Grant Update		
6	Agmt w/HOPE for Litter Abatement Services		Adopt Budget			
7	<i>Personnel Allocation-Diversion/Operations (EC)</i>		Award Conversion Tech CEQA Contract			
8	<i>Pay Board Stipends thru Payroll (EC)</i>					
9	<i>Public Hearing & Adopt Rates for FY 2011-12 (EC)</i>					
10	Plastic Bag/Polystyrene Ban					
11	Solid Waste Economic Benefit Report					
12	<i>Amendment w/Recology: Diversion Program (EC)</i>					
13	Future Agenda Items					
14	<i>MOUs Employee/Mgmt</i>					

-  Consent
 -  Presentation
 -  Consideration
 -  Closed Session
 -  Other (Public Hearing, Recognition, Informational, etc.)
- (EC) Executive Committee