



EXECUTIVE COMMITTEE

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Jay Parrish, City of Ferndale
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Agenda

Thursday, April 16, 2015 4:30 PM

Wharfinger Building – Main Conference Room ~~Lower Conference Room~~

1 Marina Way, Eureka, CA 95501

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1. Call to Order and Roll Call at 4:30 PM

2. Oral and Written Communications

This time is provided for people to address the Executive Committee or to submit written communications concerning matters not on this agenda. Executive Committee members may respond to statements, but any request that requires action will be referred to staff for review. Reasonable time limits may be imposed on both the total amount of time allocated for this item, and on the time permitted to each individual speaker. Such time allotment or portion thereof shall not be transferred to other speakers.

3. Select a Chair and Vice Chair for FY15/16

4. Receive and Discuss Draft Fiscal Year 2015-16 Budget

5. Adjourn



Report

DATE: April 10, 2015 For Meeting Of: April 16, 2015

FROM: Jill Duffy, Executive Director
Tyler Egerer, Administrative Services Manager

SUBJECT: Item 4)
Review and Provide Recommendation on Draft FY 2015-2016 Budget.

RECOMMENDED ACTION: Voice vote.
Provide Direction to Staff

DISCUSSION:

The draft budget for Fiscal Year 2015-2016 is presented to the HWMA Executive Committee for discussion and recommendation. This draft budget was presented and discussed by the HWMA Board of Directors at their regular meeting of April 9, with no proposed changes. Staff will present a final budget to the Board at their regular meeting scheduled for May 14, 2015.

The draft budget establishes the goals and priorities to enable management and operation of the HWMA's activities during the fiscal year July 1, 2015 through June 30, 2016. This proposed budget is dynamic as the Board can add goals and revise priorities as necessary.

As shown, the draft budget presents a balanced budget with a projected increase of Net Income of \$20,362. Revenues are projected at \$12,325,977, and total projected expenditures are \$12,305,615, with an undesignated reserve of \$1,450,872.

This staff report contains six areas of discussion that includes the following: 1) FY 2015-16 Operating Budget Assumptions; and 2) Proposed Capital Expenditures for Draft FY 2015-16; and 3) Waste Management Fees Adjustments; and 4) Organizational Chart and Personnel Compensation; 5) Reserve & Trust Fund Accounts; and 6) Other Board Directives for Budget Finalization.

The Executive Committee is requested to review and discuss the report with Authority staff, then provide a recommendation as appropriate to the Authority Board of Directors for their May meeting. The Board will then consider the final budget, any recommendations and approve implementation resolutions.

1. FY 2015-16 Operating Budget Assumptions

HWMA is dependent upon collection of Waste Collection Fees to fund Authority operations, programs and activities. The following assumptions were incorporated into the Draft FY 2015/16 Budget.

Revenue:

- 1) Solid waste disposed will remain at 70,000 tons; comprising 42,000 tons franchised hauler waste at the Hawthorne Street Transfer Station; 15,000 tons self-haul waste to the Hawthorne Street Transfer Station; 5,300 tons franchise waste delivered to satellite facilities (1,900 to Humboldt Sanitation and 3,400 to Eel River Disposal) ; and 7,700 tons of miscellaneous contractor waste self-hauled directly to landfill(s);
- 2) Waste Collection Fees, or “Tip Fees” per ton are proposed to be adjusted by the percentages noted in Table 1. In addition, based upon costs of transportation and disposal, a new Satellite Facility category is proposed for the Humboldt Sanitation facility, as outlined below:

Table 1

	Franchise (Hawthorne Transfer Station)	Self-Haul (Hawthorne Transfer Station)	Satellite Facility Eel River Disposal (Fortuna)	Proposed Satellite Facility Humboldt Sanitation (McKinleyville)
Current	\$126.79	\$154.23	\$97.69	\$126.79
Proposed	129.01	155.82	98.57	98.570
<i>Difference</i>	<i>\$4.48</i>	<i>\$3.47</i>	<i>\$1.42</i>	<i>(\$28.22)</i>
% Adjustment	1.75%	1.00%	0.90%	(22.26%)

Discussion of this item is expanded in *Section 4* of this staff report.

- 3) Revenue decrease of approximately \$270,000 associated with a) implementation of the 2011 agreement between the County, HWMA and Humboldt Sanitation; and b) the tonnage loss from the Redway Transfer Station.
 - a. Overall Franchise solid waste received at Hawthorne Street has decreased since Humboldt Sanitation, a permitted medium transfer facility, has been loading franchise solid waste into the Authority’s designated transportation haulers trucks directly from their McKinleyville facility. Over the past year this has resulted in a revenue loss as the tonnage shift from 1,900 tons received at Hawthorne Street, at the \$126.79/ton rate to the Satellite rate of \$97.69/ton.
 - b. Redway Transfer Station activities are handled under a separate Operations and Maintenance Agreement between Eel River Disposal

and the County of Humboldt. Solid waste of approximately 3,000 tons continues to be hauled by ERD direct to the Anderson Landfill in accordance to that agreement resulting in a decrease of satellite rate revenue; however County Wide Program Fees continue to be collected and submitted to the Authority.

- 4) County Wide Program Fees are proposed to be increased by 1.41%, for an increase of \$0.37/ton.
- 5) Grant funded projects shall be funded only by grant monies rewarded – except in such instances where fund-matching is required and has been approved by the Board as part of the grant process;
- 6) The primary components of the Waste Management Fees are detailed in Attachment B of this report, and detailed as follows:
 - a. Household Hazardous Wastes, Programs, Administrative and Landfill costs are either completely or partially recovered from County-Wide Program Fees. These are the fees collected on all tonnage generated within the jurisdictions of the Authority’s Member Agencies, regardless of how that tonnage is disposed. Remaining costs for the Divisions listed above, in addition to some fees for Recycling programs, are charged to Member Agency Franchise, Self-Haul, and Satellite tonnage.
 - b. Hawthorn Street Transfer Station Operational costs are recovered solely from Franchise and Self-Haul customers received at the Hawthorne Street Transfer Station.
 - c. Satellite Facility Operations fees reflect costs associated with transportation and disposal of the Member Agency Franchise waste disposed of at those facilities. Any other operational costs associated with managing those facilities is charged at the sole discretion of the operators of those facilities, via the franchise agreements established with the Authority’s Member Agencies.

Expenditures:

- 7) Solid waste transportation hauling and landfill disposal costs were adjusted for the Consumer Price Index by an estimated increase of 1.6% , per the respective agreements.
- 8) Payroll expenses are expected to *decrease* by an estimated 1.5% per employee for PERS contributions.
- 9) Medical insurance premiums are expected to increase by 5.0%. This figure may be revised in the final report, depending on increases mandated by compliance with the Affordable Care Act.
- 10) Long-term debt restructure completed March 31, 2015 resulted in annual payment decrease of approximately \$400,000.

11) Proposal to adopt the Compensation Plan and Salary Schedule as presented below, in lieu of a Cost of Living Allowance (COLA).

12) Reduce staffing by one position. Total staffing is proposed to be 37 full-time positions, as detailed in the Authority's Organization Chart.

2. Proposed Capital Improvement for Draft FY 2015-16

In general, the majority of proposed budgeted capital expenditure improvement expenditures are expected to be covered through tip fees, recognizing that other sources of funding may be necessary such as designated funds, future loans or bond issuance.

*At this juncture, staff is not including proposed **Capital Expenditure Improvements** to the draft budget.* In an effort to minimize rate increases, staff recommends deferring this item until either the midyear budget report or FY 2016-2017 Budget depending on funding availability. With the completion of the Tip Floor repair, staff does not anticipate any significant facility repairs or equipment replacement until 2016, and will continue to identify cost saving measures.

Historically, capital improvement expenditures have been planned and funded through the annual budgetary process. This was an adequate approach when the facilities and equipment were 'newer', however over the course of 16-years, an aging facility, nature of heavy equipment operations, and proximity of the marine environment cumulatively taking its toll; necessitating the need for significant capital repairs and replacements.

Development of a multi-year plan that strategically invests and guides the development of capital improvement projects could enable the Board to prioritize current and future needs to fit within the anticipated level of financial resources. In this way an adopted CIP could assist HWMA in adjusting fees, maintaining cash reserves and debt capacity to ensure long-term preservation of the Authority's assets.

With the completion of several significant projects including the Cummings Road Phase 1 Closure, Strategic Plan adoption, Cummings Road Burn Ash site clean up, securing long-term transportation and disposal of municipal solid waste, planned Cummings Road Landfill – Phase 2 Closure activities, and the bond debt restructure, staff is prepared to move forward with the steps necessary to develop and present a CIP to the Board.

Staff proposes to develop a 5- Year Capital Improvement Plan that entails the following key steps, for inclusion with the Fiscal Year 2016-17 Budget:

- 1. Capital Facility Inventory**
- 2. Identified Needed or Proposed Projects**
- 3. Estimated Cost of Each Proposed Projects**
- 4. Funding Source**
- 5. Proposed Project Prioritization & Draft Plan Development**

Proposed Timeline

Step	2015							2016						
	June	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July
Step 1	Green	Green	Green	Green										
Step 2			Orange	Orange	Orange									
Step 3				Blue	Blue	Blue	Blue							
Step 4								Green	Green					
Step 5										Brown	Brown			

The proposed timeline as presented is conservative to enable a thorough review; staff anticipates being able to coordinate development of the CIP for Board approval in the early 2016. This coincides with the anticipated release of CalRecycle retention funds association with landfill closure.

3. Waste Management Fee Adjustments

The Authority annually evaluates and adjusts fees to recover the complete costs associated with providing and operating waste management facilities and programs, including any surcharges imposed by other governmental agencies. The Waste Management Fee, or “Tip Fee”, is comprised of three primary components including a.) Countywide Program Fees; b.) Base Fees; and c) Facility Fees, as well as applicable charges on non-standard waste materials (tires, appliances, bulky items etc), green wastes and household hazardous wastes.

The combination of adjustments provides for a balanced budget, maintenance of the Authority’s 20% operating reserve, and sufficiently provides for the cost of all diversion programs. The draft budget for FY 2015-16 recommends 1) a 1.75% increase to Franchise haulers; 2) a 1% increase to Self-Haul, 3) a 0.90 % increase to Eel River Disposal Satellite Facility; and 4) establishment of Humboldt Sanitation Satellite category, with a negative adjustment of 22.26% from the current Franchise rate. In its present form, the draft budget accounts for a Net Income of \$20,362.00

A. Countywide Program Fees

Countywide Program Fees (CWPF) are collected from each ton of solid waste by all Franchise Collectors, Non-Franchise Collectors and Self Haul customers. These funds are collected and fall into two broad categories that are either passed through to Member Agencies or retained for Authority operated programs ([Attachment D](#)).

Staff proposes a 1.41% increase County Wide Pass Through Fees. This increase is in response to a request from Humboldt County Public Works to address 1) increased maintenance and operating fees at the Rural Container Sites (\$0.34/ton); and 2) a decrease of \$0.09/ton to the Table Bluff Landfill Maintenance; and 3) to adjust for Household Hazardous Waste operations costs (\$0.12/ton). The total proposal results in a \$0.37/ton increase, for a total of \$26.51 per ton.

B. Base Fees

Base fees are established for the collection of Authority costs associated with administration, recycling programs, universal programs and Cummings Road Landfill Operations.

C. Facility Fees

Facility Fees reflect costs associated with handling municipal solid wastes associated with Operations (loading transportation and disposal), Indirect costs (day-to-day expenses including repairs & maintenance, fuel expenses, insurance, uniforms, etc.) and Capital Expenditures.

It is important to note that Satellite facilities reflect only transportation and disposal costs. Franchise agreements with the member agencies include operational costs associated with handling and loading of solid waste.

Historically, when fee adjustments were necessary, they have been applied uniformly across Franchise, Self-Haul and Satellite categories. Consequently, and as broadly illustrated below in Table 2, these adjustments contributed to an increasing disparity of fee rates. This has been a topic of discussion between Authority and Member Agency staff, as well as prior members of the Board for the past couple years.

To compare the total effect of these rate adjustments between FY 2000-2001 to FY 2014-2015:

Table 2

	Franchise/Ton	Self- Haul/Ton	Satellite*/Ton
FY 2000-2001	\$76.48	\$76.48	\$54.05
FY 2014-15	\$126.79	\$154.25	\$97.69
Overall Total Adjusted Percent Differential	65.78%	102%**	80%

* The 'lower' Satellite rate represents blended loading and transportation costs only; franchise agreements included facility related Indirect and Capital Improvement costs.

** Established Self-Haul Rate category was adopted in FY 2004/05.

To move towards rate parity, which incorporates recent cost savings, and prepare for development and implementation of a dirty materials recovery facility¹ that is expected to increase diversion from the Hawthorne Street Transfer Station, staff proposes the Board initiate resolution of this disparity by developing 1) percentage rate adjustments to reflect actual costs at the Hawthorne Street Transfer Station; and 2) establish two satellite rates for the ERD and HumSan facilities.

1. Hawthorne Street Transfer Station

When the Authority was formed in 2000, the majority of franchise haulers (exception being franchise material from southern Humboldt which was hauled directly to Eel River Disposal in Fortuna under the 'Satellite' category) and self-haulers disposed of their solid waste at the Hawthorne Street Transfer Station. At that time, curbside collection for all municipalities was voluntary and many residents opted to continue hauling their residential waste directly to the Authority. Customer waiting lines often resulted in traffic backups on W. Hawthorne Street and often onto Broadway Street creating traffic hazards. In July 2005, the Authority adjusted the self-haul rates to encourage residents to take up curbside collection services and better regulate traffic at the facility.

¹ Dirty Materials Recovery Facility, or Dirty MRF, is identified as Authority Strategic Plan Goal 3.1

In the past few years, member agencies have begun implementation of universal franchise waste and recycling collection. Overall tonnage received by the Authority has remained consistent, however there has been a shift of tonnage origin as more customers are using curbside collection services, and the Authority is experiencing a tonnage reduction of materials self-hauled into the facility.

The disparity in the Self-Haul and Franchise rates at the Hawthorne Street Transfer Station was initially rationalized in the 2005 Self Haul established rate to reflect increased costs to handle self-hauled material, including staffing, equipment and additional handling. However, franchise waste now compromises 75% of the received volume, which has resulted in a revenue decrease based on the lower franchise rate.

Satellite Category

Humboldt Sanitation's proposed Satellite rate reflects costs associated with transporting and disposing franchise solid waste to the Dry Creek Landfill in Oregon. It is expected that franchise customers should see an overall decrease in curbside rates following the County's annual rate setting adjustment process. The County's 2014/15 current approved rate with Humboldt Sanitation incorporates HWMA's \$126.79/ton Franchise rate. The proposed Satellite rate of \$109.23/ton is a lower cost compared to the proposed Franchise rate of \$131.27 at Hawthorne Street.

4. Organizational Chart and Personnel Compensation

It is a recommended practice to periodically review and update the personnel Organizational Chart and Classifications Pay Plan, adjust compensation rates as appropriate, and provide considerations for cost of living adjustments.

Organizational Chart

The Organization Chart was most recently revised in January 2015. As discussed during the January 8, 2015 meeting, staff presents the following for Board consideration. The Authority has 38 approved positions, 36 of which are filled. Staff recommends the following considerations:

- 1) Elimination of the Administrative Services Assistant position – This full-time position previously provided administrative support to the Administrative Services Manager and the Executive Director. The position has been vacant since May 2014. This reduces payroll expenditures by \$39,000, including PERS and medical benefit cost savings.
- 2) Retain and Perform Assessment of Operations Manager Position Following the January reorganization, the Operations Manager assumed the position of the Organic and Materials Diversion Coordinator position, the Programs Manager temporarily assigned as the Acting Operations Manager, in addition to his regular duties. This temporary assignment enables an evaluation of the job duties, to determine whether the Operations Manager position should be retained, eliminated or possibly consolidated into a single position (Operations and Program managers). The Operations Supervisor handles the majority of day to day activities with the Acting Operations Manager providing with budgeting, planning and project management. At this juncture, staff is still assembling information,

and evaluating the job duties, and may return to the Board at a future date with a recommendation. Salary savings of \$ 6,400 per month at the existing salary rate are realized while the position remains vacant.

The Organization chart (Attachment F) has been revised to reflect the proposed elimination of the Administrative Services Assistant, for a total of 37 FTE positions.

Classification Plan and Salary Schedule

The Authority's Classification Plan was initially adopted in 2000, and while positions have been added and removed as necessary, the overall structural format as presented in Attachment F has remained unchanged. Staff developed the proposed Classification Plan (Attachment G) to address and resolve inherent weakness of the existing Classification Plan, enable transparency, a stable pay structure and address employee equity:

- 1. Restructure the Classification Plan**-The proposed layout enables a transparent and uniform presentation of the proposed Grade, Position groupings and existing five compensation Steps. Compensation is proposed to be presented in hourly, monthly and annual salary rates.
- 2. Establish Grade Reference and Consolidation of Some Classification Groups**
There are ten grade classifications of employees in the existing plan, which currently lack grade category reference. The Proposed Classification Plan groups positions into five grade classifications, provides reference to each Grade, and consolidates Division Managers into a single class.
- 3. Establish internally consistent pay-step spread**
The existing Classification Plan details the five (5) steps for a range of salary compensation for each position. As presented, there are inequities and inconsistencies within the pay-step intervals, and increases may arbitrarily range anywhere between 2.5% and 10% per step.

Staff proposes to resolve these discrepancies by applying a standard 5% step differential to establish uniformity and equity to the steps. Employees are recommended by their Managers for merit advancement following successful annual performance evaluations.

- 4. Consolidate Division Managers into a single Grade Classification**
There are currently three manager classifications. The Proposed Classification Plan consolidates the three classifications into a single classification, with the five pay-step spreads to enable equity between managers. This proposal will result in a minor increase adjustment to Landfill Manager position, and decrease to the Operation's Manager salary range in order to align with other division managers. There will be an expected savings of approximately \$20,000 annually.

Longevity Pay

Staff requests consideration of a Longevity Pay policy for non-management employees, with the following proposed language:

“Upon completion of 10 years of continuous employment with the Authority and subject to the existing merit advancement policy, an employee shall be eligible to receive consideration for an additional two and one-half percent (2.5%) of base salary as longevity pay. Upon completion of 15 years of continuous employment with the Authority and subject to the existing merit advancement policy, an employee shall be eligible to receive an additional five percent (5.0%) of base salary as longevity pay.”

COLA (Cost of Living Adjustment)

Annually the Board considers a providing employees a Cost of Living Adjustment, or COLA, to adjust staff salaries. Typically this amounts to between a 1.5-2.0% increase if approved. For Fiscal Year 2015-16, a 1.5% COLA would result in increased payroll costs of approximately \$23,000.

Staff recommends that in lieu of a COLA, the Board approve the proposed Classification Plan, and the proposed longevity pay provisions. The total associated fiscal impact for the Classification Plan restructure, and establishment of Longevity Pay is approximately \$18,000.

5. Reserve & Trust Fund Accounts.

Authority Reserve Fund

HWMA Policy 3030.1 established an undesignated reserve policy goal to maintain a reserve fund equal to 20% of annual projected operating expenses. Funds would be available for 1) contingencies for unseen or capital needs; 2) economic uncertainties; and/or 3) cash flow requirements. In some years, the reserve fund increased above the 20% threshold, and the Board would direct a reduction. Based on projected FY 2015/16 Operational Expenses, the 20% target reserve is \$1,450,872.

The Authority has approximately \$400,000 available cash on hand, and following completion of Cummings Road Landfill Phase 2 Closure, will restore the remaining \$1,050,872 from the release of the retention funds currently held by CalRecycle. Release of these funds is anticipated to occur in Winter of 2016.

Cummings Road Landfill Trust Fund

In 2000, the Authority purchased the Cummings Road Landfill from Recology, and included with the purchase was a Closure Trust fund initially valued at roughly \$7,000,000 and held in trust by Cal Recycle (formerly the California Integrated Waste Management Board).

The use of these funds is permissible only for Closure related activities, although once closure is completed the Summer of 2015, approved funds will be released back to the Authority for use in post-closure maintenance of the Landfill and other activities. Until such time, the Trust funds are invested by Union Bank, to ensure adequate funds are on hand to complete closure. As of February 2015, the Trust Fund contains \$3,790,081.

6. Other Board Directives for Budget Finalization

Additionally, staff is seeking Board direction of the following discretionary items to complete the final budget for consideration at the May meeting:

- a. Recycling Marketing Development Zone funding totaling \$15,000 is included for discussion; \$5,000 of this funding is anticipated to come from

grants available from CalRecycle. In the event such grant funding was not available, mid-year adjustments would increase costs for RMDZ activities, if the Board wishes to maintain funding at \$15,000.

- b. Other requests identified by Board members.

ATTACHMENTS:

- A) Draft FY 2015-16 Budget Summary
- B) Draft FY 2015-16 Waste Management Fees
- C) Draft FY 2015-16 AB 939 Allocation
- D) County Wide Programs Fee – Program Overview and Proposed Funding Details
- E) HWMA Organization Chart – Approved January 2015
- F) HWMA Classification Plan – Approved May 2014
- G) HWMA Classification Plan – Proposed April 2015

Attachment A
Draft Fiscal Year 2015 - 2016
Budget Summary

	Total FY15/16 Budget	FY 14/15 Final Budget	% Change from FY14/15	Administration	Tip Floor Operations	Recycling Operations	Compost Operations	Hazardous Waste	Programs	Cummings Road Landfill
1 Revenues										
2 Revenues from Operations										
3 Franchise Tip Fees	\$5,418,420	\$5,325,030	1.75%		\$5,418,420					
4 Self Haul Tip Fees	\$2,337,300	\$2,314,229	1.00%		\$2,337,300					
5 Satellite Tip Fees	\$522,421	\$912,235	-42.73%		\$522,421					
6 Out of Area Self Haul Fees	\$204,116	\$130,707	56.16%		\$204,116					
7 Revenues from Solid Waste	\$8,482,257	\$8,682,201	-2.30%	\$0	\$8,482,257	\$0	\$0	\$0	\$0	\$0
8 Greenwaste Tip Fees										
9 Franchise	\$24,500	\$24,500	0.00%				\$24,500			
10 Self Haul	\$316,200	\$315,500	0.22%				\$316,200			
11 Diversion Revenue										
12 Hazardous Waste	\$100,000	\$100,000	0.00%					\$100,000		
13 Single-Stream Processing and Loading	\$140,000	\$160,000	-12.50%			\$140,000				
14 Self Haul (Appliances, TVs, Tires, Misc. E-waste)	\$294,000	\$360,000	-18.33%		\$9,000	\$271,000			\$14,000	
15 Salvage Revenue from Sale of Materials Processed In-House	\$570,000	\$610,000	-6.56%		\$70,000	\$500,000				
16 Revenues from Material Diversion Programs	\$1,444,700	\$1,230,000	17.46%	\$0	\$79,000	\$911,000	\$340,700	\$100,000	\$14,000	\$0
17 Total Revenues from Operations	\$9,926,957	\$9,926,957	0.00%	\$0	\$8,561,257	\$911,000	\$340,700	\$100,000	\$14,000	\$0
18										
19 Revenue Generated by Program Fees and Base Rate										
20 Administration (County-Wide Program Fees and Base Rate Combined)	\$437,822	\$133,700	227.47%	\$437,822						
21 Hazardous Waste (County-Wide Program Fee)	\$441,602	\$433,300	1.92%					\$441,602		
22 Cummings Road Landfill (County-Wide Program Fees and Base Rate Combined)	\$740,731	\$326,900	126.59%							\$740,731
23 Programs (County-Wide Program Fees and Base Rate Combined)	\$360,659	\$354,401	1.77%						\$360,659	
24 Recycling (Base Rate)	\$260,718	\$0				\$260,718				
25 Total Revenue Generated by Program Fees and Base Rate	\$2,241,532	\$1,248,301	79.57%	\$437,822	\$0	\$260,718	\$0	\$441,602	\$360,659	\$740,731
26										
27 Other Revenues										
28 Revenues from Reimbursements for Materials Collection	\$9,000	\$9,000	0.00%						\$9,000	
29 Income from Trust Accounts	\$30,000	\$60,000	-50.00%							\$30,000
30 Rental Income	\$118,488	\$117,900	0.50%		\$118,488					
31 Total Other Revenues	\$157,488	\$186,900	-15.74%	\$0	\$118,488	\$0	\$0	\$0	\$9,000	\$30,000
32										
33										
34 Total Revenues	\$12,325,977	\$11,362,158	8.48%	\$437,822	\$8,679,745	\$1,171,718	\$340,700	\$541,602	\$383,659	\$770,731

Attachment A
Draft Fiscal Year 2015 - 2016
Budget Summary

	Total FY15/16 Budget	FY 14/15 Final Budget	% Change from FY14/15	Administration	Tip Floor Operations	Recycling Operations	Compost Operations	Hazardous Waste	Programs	Cummings Road Landfill
35										
36	Expenses									
37	Operating Expenses									
38	Solid Waste Hauling									
39		\$1,918,078	\$2,030,843	-5.55%		\$1,918,078				
40		\$62,060	\$54,519	13.83%		\$62,060				
41		\$107,942	\$202,887	-46.80%		\$107,942				
42	Solid Waste Disposal									
43		\$1,262,609	\$1,342,259	-5.93%		\$1,262,609				
44		\$50,212	\$39,495	27.13%		\$50,212				
45		\$65,406	\$123,500	-47.04%		\$65,406				
46	Diverted Materials Hauling & Disposal									
47		\$279,132	\$291,030	-4.09%			\$279,132			
48		\$275,000	\$300,000	-8.33%				\$275,000		
49		\$109,000	\$92,000	18.48%		\$9,000	\$100,000			
50		\$100,000	\$190,000	-47.37%						\$100,000
51		\$0	\$1,200	-100.00%						
52		\$480,000	\$360,000	33.33%			\$480,000			
53	Contract Services									
54		\$10,000	\$15,000	-33.33%					\$10,000	
55		\$0	\$63,000	-100.00%						
56		\$4,719,439	\$5,105,733	-7.57%	\$0	\$3,475,307	\$580,000	\$279,132	\$275,000	\$10,000
57										
58		\$2,369,751	\$2,413,236	-1.80%	\$307,903	\$810,710	\$472,446	\$22,620	\$158,587	\$325,959
59										
60	Program Fees and Base Rate Passed-Through to Member Agencies, Authority Programs									
61		\$437,822	\$133,700	227.47%		\$437,822				
62		\$441,602	\$433,300	1.92%		\$441,602				
63		\$740,731	\$326,900	126.59%		\$740,731				
64		\$260,718	\$0			\$260,718				
65		\$427,079	\$63,136	576.44%		\$427,079				
66		\$186,200	\$186,200	0.00%		\$186,200				
67		\$316,400	\$292,600	8.13%		\$316,400				
68		\$65,800	\$72,100	-8.74%		\$65,800				
69		\$39,900	\$57,000	-30.00%		\$39,900				
70		\$2,916,252	\$1,564,936	86.35%	\$0	\$2,916,252	\$0	\$0	\$0	\$0
71										

Attachment B
Draft Fiscal Year 2015 - 2016
Waste Management Fees

	HWMA Self Haul	HWMA Franchise	ERD Franchise	HumSan Franchise	Out of Area Self Haul	Total Disposal
Tonnage Generated	15,000	42,000	3,400	1,900	7,700	70,000
Countywide Program Fees						
Administration	\$1.91	\$1.91	\$1.91	\$1.91	\$1.91	\$133,700.00
Household Hazardous Waste Program	\$6.31	\$6.31	\$6.31	\$6.31	\$6.31	\$441,601.78
Cummings Road Landfill Maintenance	\$4.67	\$4.67	\$4.67	\$4.67	\$4.67	\$326,900.00
Cleanup/Enforcement Programs	\$0.57	\$0.57	\$0.57	\$0.57	\$0.57	\$39,900.00
Rural Container Program	\$4.52	\$4.52	\$4.52	\$4.52	\$4.52	\$316,400.00
County/Cities AB939 Programs	\$4.93	\$4.93	\$4.93	\$4.93	\$4.93	\$345,100.00
Table Bluff Landfill Maintenance	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$65,800.00
Countywide Enforcement (LEA)	\$2.66	\$2.66	\$2.66	\$2.66	\$2.66	\$186,200.00
Subtotal	\$26.51	\$26.51	\$26.51	\$26.51	\$26.51	\$ 1,855,601.78
HWMA Base Fees						
Administration	\$4.88	\$4.88	\$4.88	\$4.88		\$304,122.12
Universal Waste Programs	\$1.32	\$1.32	\$1.32	\$1.32		\$81,979.08
Recycling Programs	\$4.18	\$4.18	\$4.18	\$4.18		\$260,718.04
Cummings Road Landfill Operations	\$6.64	\$6.64	\$6.64	\$6.64		\$413,830.96
Subtotal	\$17.02	\$17.02	\$17.02	\$17.02		\$ 1,060,650.20
Facility Fees						
Operations (Transportation & Disposal)	\$86.92	\$67.09	\$55.04 *	\$55.04 *		\$4,413,552.42
Indirect	\$6.57	\$5.07				\$311,337.13
Capital Expenditures	\$24.03	\$18.55	*	*		\$1,139,660.52
Subtotal	\$112.29	\$85.48	\$55.04	\$55.04		\$5,566,394.05
Total Proposed Waste Mgmt. Fees	\$155.82	\$129.01	\$98.57	\$98.57	\$26.51	
Waste Mgmt. Fees for FY 2015-16	\$154.28	\$126.79	\$97.69	\$126.79	\$26.14	
Percent Increase (Decrease)	1.00%	1.75%	0.90%	(22.26%)	1.41%	

*

Values for HWMA Facility Fees related to Satellite Facilities relate to transportation and disposal costs only.
Other fees for facility operation are set via agreement by Member Agencies with their respective facility operators.

Attachment C
Draft Fiscal Year 2015-2016
County Wide Program Fees

		Per Ton (Revenue)			
		HWMA Self Haul	HWMA Franchise	Satellite Franchise	Out of Area Self Haul
Anticipated Waste Disposed	70,000	15,000	42,000	5,300	7,700 (tons/year)

HWMA Operated	Current 14-15	Proposed 15-16	Change	Total
Administration	\$1.91	\$1.91	\$0.00	\$133,700
Household Hazardous Waste Program	\$6.19	\$6.31	\$0.12	\$441,602
Cummings Landfill Road Maintenance	\$4.67	\$4.67	\$0.00	\$326,900
Cleanup/Enforcement Programs	\$0.57	\$0.57	\$0.00	\$39,900
Pass Through				
Rural Container Program	\$4.18	\$4.52	\$0.34	\$316,400
County/Cities AB939 Programs	\$4.93	\$4.93	\$0.00	\$345,100
Table Bluff Landfill Maintenance	\$1.03	\$0.94	(\$0.09)	\$65,800
Countywide Enforcement (LEA)	\$2.66	\$2.66	\$0.00	\$186,200
Subtotal	\$26.14	\$26.51	\$0.37	\$1,855,602

Attachment D
Draft Fiscal Year 2015-16
County Wide Program Fees –
Program Overview and Proposed Funding Details

Administration This revenue covers HWMA's administrative salaries and overhead, legal services and Board expenses.

Projected revenue is approximately **\$133,700**.

The Household Hazardous Waste Program diverts household hazardous waste (i.e. oil, pesticides, pharmaceutical etc) for materials not permitted to be disposed in landfills.

Projected revenue is approximately **\$441,602**.

Cummings Road Landfill Maintenance provides necessary funding to cover the expenses associated with non-closure related expenses of the landfill. When final closure of the landfill is complete, funds will be directed towards post-closure related maintenance expenses.

Projected revenue is approximately **\$326,900**.

Cleanup and Enforcement Programs provides funding for cleanup of illegally dumped waste and the processing of abandoned trailers from member agencies, and provides partial funding for a staff position in the Humboldt County Code Enforcement Unit.

Projected revenue is **\$39,900**.

The Rural Container Program The County is responsible for administering contracts for operation of 12 outlying container drop-off sites in the unincorporated, rural areas of Humboldt County. Because the operations are small and remote, actual costs to staff the facility and haul disposed materials does incur higher cost per ton. If the site operators charged the actual cost in their gate tip fee, few individuals would use the sites and illegal dumping in the surrounding area would likely increase. The cost to operate these sites is an estimated \$226,000 annually.

Projected revenue is **\$316,400**. This is passed directly to Humboldt County Public Works.

County/Cities AB939 Programs This assists in funding waste diversion activities, programs and staffing in HWMA's member cities and the County. At the discretion of the member agency, funds are used to cover the costs of recycling and other waste diversion programs with the intent that the agencies can comply with AB939's waste reduction mandate.

Projected revenue is **\$345,100**. This is distributed to all member agencies according to an allocation formula previous established by the Board.

Table Bluff Landfill is a closed landfill owned by the County of Humboldt and located south of Eureka. The County is responsible for closure related maintenance and activities.

Projected revenue is **\$65,800**. This is passed directly to Humboldt County Public Works.

The Local Enforcement Agency (LEA) provides local enforcement activity on behalf of CalRecycle's (formerly known as the California Integrated Waste management Board) regulation.

Project revenue is **\$186,200**. This is passed directly to County Environmental Health.

Attachment E
Draft Fiscal Year 2015-16
AB939 Payment Allocation

Proposed Payment Schedule FY 2015-16

Entity	Total Due	Retained by HWMA	Quarterly Payment	Ratio
Arcata	22,646.81		5,661.70	6.56%
Blue Lake	7,038.45		1,759.61	2.04%
Eureka	35,714.17	10,000.00	8,928.54	10.35%
Ferndale	7,119.87		1,779.97	2.06%
Rio Dell	8,900.87	5,000.00	2,225.22	2.58%
Trinidad	0.00	0.00	0.00	0.00%
Unincorporated Areas	72,581.09	72,581.09	18,145.27	21.04%
HWMA	191,098.74	191,098.74	47,774.69	55.37%
	<u>345,100.00</u>	<u>278,679.83</u>	<u>86,275.00</u>	<u>100.00%</u>

History of Payments to Members

Entity	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 12-14	FY 14-15
Arcata	23,100.94	23,988.02	22,479.51	20,980.88	21,154.55	21,077.94	21,077.94
Blue Lake	7,179.58	7,455.28	6,986.45	6,520.69	6,574.60	6,550.85	6,550.85
Eureka	36,430.33	37,829.25	35,450.34	33,086.98	33,349.93	33,240.06	33,240.06
Ferndale	7,262.64	7,541.53	7,067.27	6,596.12	6,642.73	6,626.64	6,626.64
Rio Dell	9,079.36	9,428.01	8,835.12	8,246.11	8,311.93	8,284.26	8,284.26
Trinidad	6,181.76	6,419.14	6,015.47	5,614.44	5,654.84	5,640.41	5,640.41
Unincorporated Areas (retained by HWMA)	79,547.19	82,601.80	77,407.33	72,246.84	72,831.62	72,581.09	72,581.09
Retained by HWMA	17,249.30	17,911.67	16,785.28	15,666.26	15,806.30	191,098.74	191,098.74
	<u>186,031.10</u>	<u>193,174.70</u>	<u>181,026.77</u>	<u>168,958.32</u>	<u>170,326.50</u>	<u>345,100.00</u>	<u>345,100.00</u>

Attachment F
 Draft Fiscal Year 2015-16
 HWMA Organization Chart

Humboldt Waste Management Authority Directors
 Jack Thompson, City of Rio Dell – Chair
 Vacant, City of Eureka
 Sophia Pereira, City of Arcata
 Lana Manzanita, City of Blue Lake
 Vacant, City of Ferndale
 Rex Bohn, County of Humboldt

Executive Director
 Jill K. Duffy

General Counsel
 Nancy Diamond

Administrative
 Services Manager

Programs
 Manager

Operations
 Manager

Cummings Landfill Manager

Scale House
 Supervisor (1)

Accountant I/II
 (3)

Administrative Services
 Assistant
 (1)

Senior Hazardous
 Materials Technican
 (1)

Senior/Programs
 Analyst
 (2)

Organics & Materials
 Diversion Coordinator
 (1)

Safety Compliance
 Officer

Operations
 Supervisor
 (1)

Operator Technicians
 (2)

CRV Specialist/
 Scale Attendant
 (1)

(Haz Mat) Utility Worker
 (1)


Recycling Marketing
 Development Zone
 (Contractor)

Lead Operator
 (1)

Scale House
 Attendant (3)

Operator Technicians
 (7)

Utility Worker
 (7)

 Position proposed to be eliminated

Attachment G

Fiscal Year 2014-15

Employee Classification Plan

Position	Step	14/15
		Hourly Wage
Acct Clerk I	A	\$12.45
Admin Asst.	B	\$13.08
Utility Worker	C	\$13.72
Rural Site Attendant	D	\$14.49
	E	\$15.26
Acct Clerk II	A	\$15.58
Scale Attendant	B	\$15.79
	C	\$16.34
	D	\$17.08
	E	\$17.82
Operator Technician	A	\$16.04
	B	\$16.57
	C	\$17.39
	D	\$19.47
	E	\$19.97

Position	Step	14/15
		Hourly Wage
Programs Analyst	A	\$16.29
	B	\$17.10
	C	\$17.95
	D	\$18.85
	E	\$19.91
CRV Specialist/Scale Attendant	A	\$18.66
HHW Sr. Tech	B	\$19.48
Lead Operator	C	\$20.31
	D	\$21.15
	E	\$21.33
Programs Sr. Analyst	A	\$21.80
Operations Sup	B	\$22.39
Compliance Officer	C	\$22.59
Scale Supervisor	D	\$23.71
Organics & Materials Diversion Coordin	E	\$24.67

Salaried-Exempt Semi Monthly Pay Scale

Position	Step	14/15
		Semi-Monthly Wage
Landfill Manager	A	\$1,915.31
Project Manager	B	\$2,010.72
	C	\$2,111.20
	D	\$2,216.76
	E	\$2,327.40
Programs Manager	A	\$2,352.77
Admin Services Mgr	B	\$2,471.53
	C	\$2,594.34
	D	\$2,724.26
	E	\$2,859.26

Position	Step	14/15
		Semi-Monthly Wage
Operations Manager	A	\$3,077.48
	B	\$3,230.75
	C	\$3,392.13
	D	\$3,561.64
	E	\$3,740.28
Executive Director		\$4,041.67

Approved _____

Date _____

