

May 26, 2020

Rich Luthy
Executive Director
Napa-Vallejo Waste Management Authority
1195 Third Street, Suite 101
Napa, CA 94559

RE: City of Napa Request to NVWMA for Deferral of Member Jurisdiction Disposal Fee Increase

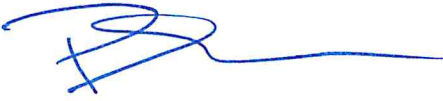
Dear Mr. Luthy,

This letter is to document the desire of the City of Napa, as a member jurisdiction of the Napa-Vallejo Waste Management Authority (NVWMA), to defer the \$1.00 per ton increase in member jurisdiction disposal fees that would otherwise take effect October 1, 2020 per NVWMA Resolution #2011-08. The City of Napa has no objection to the increase of the non-franchise (aka “public self-haul”) disposal fees on July 1, 2020 as these do not directly impact City of Napa solid waste/recycling rate payers.

The City of Napa has never requested a deferral of the member jurisdiction disposal fees but the unprecedented impact of the COVID-19 virus necessitate this request. As presented to the Napa City Council on May 19, 2020 the revenue loss impacts from COVID-19 shelter-in-place orders are projected at approximately \$690,000 for the final quarter of the City’s 2019/20 fiscal year and \$1.5 million for FY2020/21 to the City’s Solid Waste/Recycling Fund. The City also projects a significant impact from delinquent/delayed payment for collection services at approximately \$1.2 million for FY2020/21. While freezing member jurisdiction disposal fees at the current \$69 per ton will only have a modest cost savings for the City of Napa (approximately \$52,000 based on calendar year 2019 disposal totals), City staff has been tasked by our City Council and City Manager to pursue any and all potential mitigation steps to help alleviate the virus-prompted revenue loss impacts.

While this specific request is being made by the City of Napa, all member jurisdictions (and presumably their respective rate payers) will be negatively impacted by the COVID-19 virus economic impacts and would thus benefit from a one-time deferral of member jurisdiction disposal fee increases. Thank you for your consideration of this request. I am reachable by email at pbrun@cityofnapa.org or by phone at (707) 257-9316 if you have questions or would like to further discuss this request.

Sincerely,



Phil Brun
Utilities Director

CC (via email): Scott Sedgley, Board Member, NVWMA / City of Napa Councilmember
Mary Luros, Alternate Board Member, NVWMA / City of Napa Councilmember
Steve Potter, City Manager
Frances Robustelli, Assistant City Manager
Bret Prebula, Finance Director
Kevin Miller, Materials Diversion Administrator
Chris Shoop, Management Analyst II (Recycling Coordinator)
Greg Kelley, General Manager/Managing Member NRWS/NCRWS
Mike Murray, Chief Financial Officer, NRWS/NCRWS