



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 5/5/2005

Agenda Placement: 5B

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors
FROM: Trent Cave - Manager
Napa-Vallejo Waste Management Authority
REPORT BY: Jill Pahl, Asst Dir of Environmental Management, 253-4410
SUBJECT: Public Hearing: 2005/2006 Fiscal Year Budget.

RECOMMENDATION

PUBLIC HEARING: 2005/2006 FISCAL YEAR BUDGET.

REQUESTED ACTION: Approval of Authority Resolution #05-05 adopting the final fiscal year 2005/2006 recommended debt service and operations budgets.

EXECUTIVE SUMMARY

These are the final proposed operations and debt service budgets. The changes from the prior year are discussed below.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Operating Revenues
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	This is the operations and debt service budget.
Consequences if not approved:	Can not operate in fiscal year 2005-2006.

Additional Information: None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

This year's operating and debt service budgets are based on a increase in the the current tip rate at Devlin Road Transfer Station. The self haul gate fee will be increase from \$54/ton to \$56/per ton. Member franchise hauler's rate will remain the same at \$54/ton. Also the budget reflects the savings as a result of the refinancing of the Authority's 1994 Revenue Bonds in 2004. This year the Authority will again be utilizing cash reserves to stabilize the rate and provide adequate debt service coverage. In addition some adjustments have been made as a result of actual expenditures and experience with our costs and increases in the amount of waste delivered to the Devlin Road Transfer Station.

Revenues Transfer/Disposal Fees

This revenue source has been increased to reflect a minor increase in tonnage processed by the Authority and the proposed rate increase. Revenues are insufficient to cover the required 1.25 coverage ratio per the bond indenture, therefore it is necessary to utilize \$900,000 in reserves for rate stabilization.

Expenses

Expenses have increased due to inflation adjustments and increases in volumes of waste processed by the Authority for transfer and disposal. Increases in Professional Services-Other are for increased monitoring for compliance with regulations relating to air and groundwater monitoring. The budget does not include construction costs associated with the closure of American Canyon Sanitary Landfill. The cost associated with the closure will be covered by the Closure Fund and will be included in the Capitol Improvement Budget scheduled for discussion later on the agenda .

SUPPORTING DOCUMENTS

- A . Resolution
- B . Budget Information

Manager: Approve
Reviewed By: Trent Cave