



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 5/6/2021

Agenda Placement: 7B

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors

FROM: Richard Luthy - Executive Director
Napa-Vallejo Waste Management Authority

REPORT BY: Richard Luthy, Executive Director, Napa-Vallejo Waste Management - 707-299-1314

SUBJECT: Budget Adjustment to increase Appropriations in DRTS and Disposal Services Operating Costs related to increased tonnage.

RECOMMENDATION

FY 2021 BUDGET ADJUSTMENT

REQUESTED ACTION: Approval and authorization for the Executive Director to sign Budget Adjustment No. NVW 002, increasing the Transfer Station and Disposal Operations Professional Services Appropriations by \$600,000 and \$250,000, respectively, due to increases in received and transported tonnage for FY 2020-2021. These increased Appropriations will be offset with the use of available Fund Balance.

EXECUTIVE SUMMARY

The FY 20/21 budget assumed a waste flow to the Devlin Road Transfer Station of 240,000 tons per fiscal year. Actual waste flow has been closer to 250,000 tons. The increase in tonnage has increased the Authority's operating expenses for the Transfer Station operating contract with Northern Recycling Operations and Waste Services (NROWS), and the disposal contract with Potrero Hills Landfill, resulting in a necessary budget adjustment to allow the Authority to pay these contractors for actual services rendered.

Although operating expenses have been higher than anticipated, tipping fees paid by customers have also increased, producing an overall increase in net revenue from operations.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?

No

County Strategic Plan pillar addressed:

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

The FY 20/21 budget assumed a waste flow to the Devlin Road Transfer Station of 240,000 tons per fiscal year. Actual waste flow is projected to be closer to 250,000 tons for the fiscal year. The increase in tonnage has increased the Authority's operating expenses for the operating contract with Northern Recycling Operations and Waste Services (NROWS), and the disposal contract with Potrero Hills Landfill resulting in a necessary budget adjustment to allow the Authority to pay these contractors for actual services rendered.

Although operating expenses have been higher than anticipated, tipping fees paid by customers have also increased, producing an overall increase in net revenue from operations.

SUPPORTING DOCUMENTS

None

Executive Director: Approve
Reviewed By: Martha Burdick