



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 6/8/2017

Agenda Placement: 7D

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 Operating Costs related to increased tonnage.

RECOMMENDATION

FY 2017 BUDGET ADJUSTMENT RELATED TO INCREASED TONNAGE

REQUESTED ACTION: Approval and authorization for the Chair to sign Budget Adjustment No. NVW 003 for FY 2016-17, increasing the Transfer Station and Disposal Operations Professional Services Appropriations by \$350,000 and \$360,000 respectively due to increases in received and transported tonnage, with offsetting Fee for Service Revenues.

EXECUTIVE SUMMARY

The FY 16/17 budget assumed a waste flow to the Devlin Road Transfer Station of 198,000 tons per year. Actual waste flow has been closer to 214,000 tons for the fiscal year. This increased tonnage has increased the Authority's operating expenses for both the transfer station operating contract with Northern Recycling Operations and Waste Services (NROWS) and the disposal contract with Potrero Hills Landfill. A budget adjustment is necessary 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 IMPACT

Is there a Fiscal Impact? No

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 16/17 budget assumed a waste flow to the Devlin Road Transfer Station of 198,000 tons per year. Actual waste flow has been closer to 214,000 tons for the fiscal year. This increased tonnage has increased the Authority's operating expenses for both the transfer station operating contract with Northern Recycling Operations and Waste Services (NROWS) and the disposal contract with Potrero Hills Landfill. A budget adjustment is necessary 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: Richard Luthy