



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 7/9/2009

Agenda Placement: 6D

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors
FROM: Trent Cave - Manager
Napa-Vallejo Waste Management Authority
REPORT BY: Martha Burdick, Management Analyst - 253-4274
SUBJECT: Public Hearing: Rates

RECOMMENDATION

PUBLIC HEARING: RATES

REQUESTED ACTION: Approval of Authority Resolution #09-08, setting disposal rates for the Devlin Road Transfer Station.

EXECUTIVE SUMMARY

Approval of Resolution #09-08 will allow for a rate increase on items (a) through (h) of the Resolution. Non-franchise rates will be effective August 3, 2009 and Franchise rates October 1, 2009. This increase will keep the Authority whole and not fall below the debt ration required by the Bonding requirement. All other rates, items (g) through (l) remain unchanged.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Napa-Vallejo Waste Management Authority
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	If the resolution is not adopted the Authority will spend down its reserves to an unsafe level.

Is the general fund affected? Yes

Future fiscal impact: The proposed resolution would result in additional revenues to the Authority in the current fiscal year and beyond.

Consequences if not approved: If not approved, the Authority may not be able to cover its expenses and meet its debt service ratio requirement.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is exempt from CEQA per State CEQA Guidelines Section 15273 (Rates, Tolls, Fares and Charges) because the proposed fee increases would recover the operating costs associated with providing services.

BACKGROUND AND DISCUSSION

Based on discussions held during the April, May and June Authority Board meetings, Resolution 09-08 has been drafted increasing non-franchise and franchise rates by \$2.00; effective August 3, 2009 and October 1, respectively. Approval of the recommended rate increase will ensure that the Debt Service Coverage Ratio is met, a requirement of the Indenture of Trust for repayment of the Bonds issued by the Authority for the construction of the Transfer facility.

SUPPORTING DOCUMENTS

A . Resolution 09-08

Manager: Approve
Reviewed By: Martha Burdick