

MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT JOINT POWERS AUTHORITY

Board of Directors Meeting

Thursday, March 24, 2011
MMWD, 220 Nellen Ave.
Corte Madera, CA

9:00 -9:30 AM

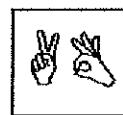
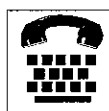
AGENDA

Call to Order.

1. Household Hazardous Waste Facility Budget Adjustment and Reduced Hours of Operation. (Action)
2. Establish Zero Waste Fund Center. (Action)
3. Adjourn.

The full agenda including staff reports can be viewed at
www.marinrecycles.org/mins_agendas.cfm

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Contact the County's Waste Management Division, at 499-6647 for more information

**MARIN COUNTY HAZARDOUS AND SOLID WASTE
MANAGEMENT JOINT POWERS AUTHORITY**

Belvedere:
George Rodericks

Date: March 24, 2011

Corte Madera:
David Bracken

To: JPA Board Members

County of Marin:
Matthew Hymel

From: Michael Frost, Executive Officer
Chris Gray, San Rafael Fire Chief

Fairfax:
Michael Rock

Re: Household Hazardous Waste Facility Budget Adjustment and
Reduced Hours of Operation

Larkspur:
Dan Schwarz

Executive Committee Recommendation

Mill Valley:
Jim McCann

At an urgency meeting held March 18, 2011 the Executive Committee reviewed budget and program options to address a budget shortfall with the Household Hazardous Waste Facility (HHWF) funded by the JPA. The Executive Committee is recommending your Board approve Option B as the best alternative and allow the HHWF to stockpile materials as long as they do not present a public safety concern.

Novato:
Michael Frank

Ross:
Gary Broad

Summary

San Anselmo:
Debbie Stutsman

For the past few years the budget for the HHWF has persistently grown and required use of its budget reserves annually. Past JPA Board direction has been to keep the facility readily available at no cost to the public with convenient hours of operation. This policy reflected a desire of the JPA Board to encourage the public to do the right thing with its hazardous waste, and keep hazardous waste out of the landfill or disposed in another inappropriate manner.

San Rafael:
Jim Schutz

Sausalito:
Adam Politzer

Tiburon:
Margaret Curran

For the current fiscal year, at Board direction, San Rafael Fire Department has been in the process of renegotiating the contract with HHWF management with a goal to reduce costs. With a new contract in mind the HHWF budget was reduced for FY 2010-2011. Unfortunately, the costs of the HHWF have continued to increase and the draft audit staff recently received from John Maher, CPA reveals the HHWF budget ended last fiscal year with a negative \$189,233 fund balance.

The combination of a reduced current year budget, negative carryover and steadily increasing costs has left the HHWF budget depleted. Invoices for February 2011 has not yet been received, but assuming they track the previous seven months, it is estimated the budget will have a estimated negative balance of \$549,212 at the end of the current fiscal year.

The agreements with the City of San Rafael and the corresponding agreement with the HHWF do not specify hours of operation, but do specify a ninety day termination period, and that the member agencies will hold the City of San Rafael harmless for any cost overruns. For example, it is estimated a three day per week operation would cost an additional \$281,284 for the 3 month time period between April 1 and the end of the fiscal year on June 30.

It is recommended you:

1. Approve a \$250,000 dry period loan from the JPA Zero Waste Budget to HHWF Budget to mitigate the immediate cash shortage. The Zero Waste Funds budgeted for the Zero Waste Grant program will not need be distributed until next fiscal year and those funds can be used if needed.
2. Consider the three options below reducing the hours of operation of the HHWF this fiscal year to accommodate a budget shortfall. The Executive Committee reviewed the options at their March 18, 2011 meeting and has recommended option B. The fiscal impact of the following three options are attached for the final 3 months of this fiscal year:
 - A. Reduce the hours of operation from the current six days a week to three days a week.
 - B. Reduce the hours of operation from the current six days a week to three days a week and defer facility disposal and transportation costs until FY 11-12.
 - C. Keep the HHWF operation open six days a week and make no change in operation.

As you can see from the attached spread sheet only option "B" (open three days a week and deferral of costs) can be funded within the various JPA budget resources. Both option "A" (open three days a week) and option "C" (open six days a week) will require a loan this fiscal year from member agencies. All options will require increased tipping fees next year to increase reserves and repay any loan. The current tipping fee for the HHW is \$3.90 per ton. If no change is made to the operation, it is estimated the FY 2011-2012 HHW tipping fee will exceed \$8.00 per ton as revenue requirements will be approximately \$2.8 million.

(EXECUTIVE COMMITTEE RECOMMENDED)

Option A

Open three days per week from 4/1-6/30.

Expenditures	7/1-3/31 est. FY 10-11	Estimated Year End
JPA Contract Staff	\$19,731	\$39,461
City of San Rafael Oversight	\$66,293	\$66,293
Novato Grant	\$0	\$32,463
HHW Facility	\$1,078,869	\$1,360,153
HHW Legal Counsel	\$2,048	\$2,048
Total	\$1,166,940	\$1,500,418

Revenue	7/1-3/31 est. FY 10-11	Estimated Year End
Carry Over	(\$189,233)	(\$189,233)
Interest	\$1,224	\$0
Solid Waste Fees	\$648,653	\$1,297,306
Total	\$460,644	\$1,108,073

Fund Balance (\$706,296) (\$392,344)

Additional Funding Needed
Loan from JPA Zero Waste Grant Program \$250,111
Loan from Member Agencies \$142,233

Cost Cutting Options
Equipment & Supplies
Advertising & Printing
Facility Operating Ratio 3 mo.
Facility staff cost
Sharps Program
Pharmaceutical Program
One West Marin Event
SR oversight 3 mo.

Option B

Open three days per week from 4/1-6/30. Deferring \$17k in waste hauling and \$141k in disposal costs until FY 11-12.

Expenditures	7/1-3/31 est. FY 10-11	Estimated Year End
JPA Contract Staff	\$19,731	\$39,461
City of San Rafael Oversight	\$66,293	\$66,293
Novato Grant	\$0	\$32,463
HHW Facility	\$1,078,869	\$1,201,853
HHW Legal Counsel	\$2,048	\$2,048
Total	\$1,166,940	\$1,342,118

Revenue	7/1-3/31 est. FY 10-11	Estimated Year End
Carry Over	(\$189,233)	(\$189,233)
Interest	\$1,224	\$0
Solid Waste Fees	\$648,653	\$1,297,306
Total	\$460,644	\$1,108,073

Fund Balance (\$706,296) (\$234,044)

Additional Funding Needed
Loan from JPA Zero Waste Grant Program \$250,111
Loan from Member Agencies \$0

Cost Cutting Options
Equipment & Supplies
Advertising & Printing
Facility Operating Ratio 3 mo.
Facility staff cost
Sharps Program
Pharmaceutical Program
One West Marin Event
SR oversight 3 mo.
Waste hauling and disposal cost deferred

Option C

Open six days per week; the current operation.

Expenditures	7/1-3/31 est. FY 10-11	Estimated Year End
JPA Contract Staff	\$19,731	\$39,461
City of San Rafael Oversight	\$66,293	\$164,729
Novato Grant	\$0	\$32,463
HHW Facility	\$1,078,869	\$1,418,584
HHW Legal Counsel	\$2,048	\$2,048
Total	\$1,166,940	\$1,657,285

Revenue	7/1-3/31 est. FY 10-11	Estimated Year End
Carry Over	(\$189,233)	(\$189,233)
Interest	\$1,224	\$0
Solid Waste Fees	\$648,653	\$1,297,306
Total	\$460,644	\$1,108,073

Fund Balance (\$706,296) (\$549,212)

Additional Funding Needed
Loan from JPA Zero Waste Grant Program \$250,111
Loan from Member Agencies \$299,101

Cost Cutting Options
None current operation.

MARIN COUNTY HAZARDOUS AND SOLID WASTE MANAGEMENT JOINT POWERS AUTHORITY

Belvedere:
George Rodericks

Date: March 24, 2011

Corte Madera:
David Bracken

To: JPA Board Members

County of Marin:
Matthew Hymel

From: Michael Frost, Executive Director

Fairfax:
Michael Rock

Re: Establish Zero Waste Fund

Larkspur:
Dan Schwarz

At their August 26, 2010 meeting the JPA Executive Committee directed staff to develop a separate budget center for Zero Waste Programs. This action was made to designate Zero Waste Programs as optional 6.2 programs instead of 6.1 programs that are necessary for all member agencies to participate to be compliant with AB939 requirements.

Mill Valley:
Jim McCann

Novato:
Michael Frank

Following Novato's opt out of Zero Waste Programs the development of a separate fund for Zero Waste Programs will clearly distinguish between revenues and expenditures of Administration and Zero Waste Programs. The Department of Finance has directed staff to attain Board approval to establish the new JPA fund.

Ross:
Gary Broad

San Anselmo:
Debbie Stutsman

The attached spreadsheet provides fund details. The spreadsheet includes a preliminary carry-over value from the Draft FY 09/10 Audit and all FY 10/11 Revenues and Expenditures.

San Rafael:
Jim Schutz

Sausalito:
Adam Politzer

It is recommended your Board approve creation of the attached Zero Waste Fund and direct staff to take necessary actions to set up the fund and associated objects.

Tiburon:
Margaret Curran

Attachment.

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JPA ZERO WASTE PROGRAMS
2011 ZERO WASTE BUDGET BY OBJECT COUNTYWIDE WASTE MANAGEMENT JPA

ACCOUNT NAME	OBJECT	10/11		3-25-11 THRU 6-30-11	
		BUDGET	EXP THRU 3/24/2011	BUDGET	BUDGET
Salaries and Wages	5110110	\$168,401	\$84,201	\$84,201	\$84,201
Salaries and Wages Subtotal		\$168,401	\$84,201	\$84,201	\$84,201
Zero Waste Development	5211510	\$100,000	\$40,020	\$59,980	\$175,000
Zero Waste PSA	5211520	\$200,000	\$25,000	\$250,111	\$250,111
Zero Waste Implementation	5211530	\$250,111	\$0	\$250,111	\$485,091
Zero Waste Services Subtotal		\$550,111	\$65,020		
70073 Program Total	Total	\$718,512	\$149,221		\$569,291

2011 ZERO WASTE REVENUE BUDGET BY REVENUE SOURCE COUNTYWIDE WASTE MANAGEMENT JPA

ACCOUNT NAME	REVENUE SOURCE	10/11		REV 3-25-11 THRU 6-30-11	
		BUDGET	REV THRU 3/24/2011	BUDGET	THRU 6-30-11
Interest	4410125	\$500	\$500	\$100	\$100
Other Aid State	4530527	\$0	\$0	\$0	\$0
Solid Waste Man. Fees	4640910	\$535,554	\$248,957	\$248,957	\$248,957
Misc.	4710642	\$0	\$0	\$0	\$0
Carry-Over		\$310,864	\$310,864	\$411,100	\$411,100
Total Revenue		\$846,919	\$560,321		\$660,157