

COUNTY OF MADERA
 BUDGET UNIT DETAIL
 BUDGET FOR THE FISCAL YEAR 2022-23

Department: FAIRMEAD
 LINER (11100)
 Function: Liner Fund
 Activity: Refuse
 Fund: Enterprise Fund

	ACTUAL <u>2020-21</u>	BOARD APPROVED <u>2021-22</u>	DEPARTMENT REQUEST <u>2022-23</u>	CAO RECOMMENDED <u>2022-23</u>
BEGINNING FUND BALANCE	4,811,247	4,179,845	3,800,000	
<u>ESTIMATED REVENUES:</u>				
640101 Interest on Cash	24,701	25,210	15,000	
640300 Rents & Concessions	8,210	0	0	
662100 Sanitation/Landfill Surcharge	7,810,626	8,432,400	7,867,564	
662101 Landfill Surcharges	654,297	563,800	660,944	
670300 Miscellaneous Revenue	43,301	2,500	2,500	
<u>TOTAL ESTIMATED REVENUES</u>	<u>8,541,135</u>	<u>9,023,910</u>	<u>8,546,008</u>	<u>0</u>
<u>EXPENDITURES:</u>				
SALARIES & EMPLOYEE BENEFITS				
710102 Permanent Salaries	0	261,740	261,628	
710105 Overtime	0	7,500	7,500	
710200 Retirement	0	103,256	106,247	
710300 Health Insurance	0	69,904	47,916	
710400 Workers' Compensation Insurance	0	0	0	
<u>TOTAL SALARIES & EMPLOYEE BENEFITS</u>	<u>0</u>	<u>442,400</u>	<u>423,291</u>	<u>0</u>
SERVICES & SUPPLIES				
720300 Communications	10,738	14,500	15,000	
720500 Household Expenses	405	1,200	1,200	
720501 Janitorial	2,400	3,000	2,600	
720600 Insurance	70,731	70,731	70,731	
720601 General Insurance	43,170	0	0	
720800 Maintenance of Equipment	265	100	100	
720900 Maintenance of Buildings & Improvements	676	2,500	2,500	
720907 Maintenance of Water System	0	20,000	20,500	
721100 Memberships	0	7,000	5,000	
721300 Office Expense	6,707	7,750	10,000	
721400 Professional & Specialized Services	6,321,089	6,871,037	6,026,964	
721403 Audit/Accounting Services	0	78,500	50,000	
721426 Software Maintenance	4,186	29,890	65,000	

**COUNTY OF MADERA
BUDGET UNIT DETAIL
BUDGET FOR THE FISCAL YEAR 2022-23**

Department: **FAIRMEAD
LINER (11100)**
Function: **Liner Fund**
Activity: **Refuse**
Fund: **Enterprise Fund**

	ACTUAL <u>2020-21</u>	BOARD APPROVED <u>2021-22</u>	DEPARTMENT REQUEST <u>2022-23</u>	CAO RECOMMENDED <u>2022-23</u>
721500 Publications & Legal Notices	0	200	1,000	
721602 Rent/Lease Other Eqpt	2,819	3,000	3,000	
721800 Small Tools & Instruments	0	1,500	5,000	
721900 Special Departmental Expense	331,942	500,000	500,000	
722000 Transportation & Travel	0	3,500	3,500	
722100 Utilities	37,067	46,000	40,000	
TOTAL SERVICES & SUPPLIES	6,832,196	7,660,408	6,822,095	0
OTHER CHARGES				
731400 Interfund Expense	14,188	415,000	250,000	
731401 Interfund Expend-Cost Plan	97,744	113,433	119,842	
TOTAL OTHER CHARGES	111,932	528,433	369,842	0
FIXED ASSETS				
740200 Buildings and Improvements	413,143	3,178,995	3,312,500	
TOTAL FIXED ASSETS	413,143	3,178,995	3,312,500	0
OTHER FINANCING USES				
750100 Operating Transfers Out-Gen Fund	70,000	70,000	70,000	
TOTAL OTHER FINANCING USES	70,000	70,000	70,000	0
770100 Intrafund Transfer	200,000	200,000	550,000	
780100 Appropriation for Contingency	0	1,565,919	1,221,571	
TOTAL EXPENDITURES	7,627,271	13,203,755	12,346,008	0
USE OF FUND BALANCE (REV - EXP)	(913,864)	4,179,845	3,800,000	0

COMMENTS

The County of Madera has a contractual agreement with Red Rock Environmental Group, effective November 1, 2012, for the purpose of operating the County's sanitary landfill at Fairmead (Landfill). The Landfill is kept open to the public Monday - Friday 8:00 A.M. to 4:30 P.M. and Saturday from 7:00 A.M. to 2:30P.M., except for designated Holidays. The County also has a contractual agreement with Red Rock Environmental Group for the combined operation of the North Fork Transfer Station, inclusive of hauling waste from the transfer station to the Landfill. The North Fork Transfer Station is open to the public Thursday – Monday from 9:00 A.M. to 5:00 P.M. During 2007-08, a Household Hazardous Waste (HHW) facility was constructed and placed into operation at the Landfill in an effort to divert HHW from being deposited into the Landfill. The HHW facility is open to the public on Saturdays from 9:00 AM to 1:00 PM at no cost to County residents to dispose of household hazardous waste. Madera County has two franchise haulers: Red Rock Environmental Group is the franchisee for waste collected from areas below the 1,000 ft elevation (Valley Franchise) and Emadco Disposal is the franchisee for waste collected from areas above the 1,000 ft elevation (Mountain Franchise).

Solid Waste Flow Control Agreement

On January 19, 2015 Madera County entered into an agreement (MCC-10423-C-2015) with Mid Valley Disposal Inc. (MVD) to bring a specified minimum tonnage amount of non-franchise waste from the City of Madera and the City of Chowchilla to the Fairmead Landfill.. The parties are negotiating a new 5-year agreement with an expected 2022/2023 minimum tipping fee of \$26.00 for Municipal Solid Waste (MSW), \$20.00/ton for Green and Wood Waste. Annual price adjustments of tipping fees under the contract will be based on Consumer Price Index (CPI).

Public Tipping Fee Rates

On June 15, 2021, the Board of Supervisors approved adjustments to the public tipping fees at the Fairmead Landfill (FL) of \$62.85/ton for MSW, \$32.59/ton for Wood Waste, and \$21.73/ton for Green/Yard Waste. These rates became effective July 1, 2021.

The Board also approved adjustments to the public tipping fees at the North Fork Transfer Station as follows: \$113.47/ton for MSW, \$32.59/ton for Wood Waste, and \$21.73/ton for Green/Yard Waste. These rates became effective July 1, 2021.

All rates are adjusted on July 1st of every year and shall be subject to annual CPI adjustment.

On August 21, 2018, the Board of Supervisors increased the tipping fee for Franchise Haulers (Red Rock and Emadco) from \$40 to \$55 per ton.

ESTIMATED REVENUES

This budget is funded by landfill surcharges based on the current tipping fees. The Valley Collection Franchise

**RMA - REFUSE DISPOSAL
Liner Fund**

agreement with Redrock Environmental Group and the Mountain Franchise Agreement with Emadco Disposal have a franchise fee of 6% of gross billings. (Revenues for this budget are reflected on the appropriation request.)

ESTIMATED REVENUES (continued)

- 640101** **Interest on Cash** (\$15,000) is recommended based on Interest earned on balance in Liner fund.
- 662100** **Sanitation/Landfill Surcharge** (\$7,867,564) is recommended for payments received from Contracted partners for monthly charges.
- 662101** **Landfill Surcharge** (\$660,944) is recommended for revenue collected from the North Fork transfer station operation.
- 673000** **Miscellaneous** (\$2,500) is recommended for revenue collected for illegal mattress disposal.

EXPENDITURES

- 710102** **Permanent Salaries** (\$261,628) is recommended based on the cost of recommended staffing.
- 710103** **Extra Help** (\$0) is not recommended.
- 710105** **Overtime** (\$7,500) is recommended based on the cost of recommended staffing and historical costs.
- 710200** **Retirement** (\$106,247) reflects the County's anticipated contribution to Social Security and the Public Employees' Retirement System.
- 710300** **Health Insurance** (\$47,916) is based on the employer's share of health insurance premiums.
- 720300** **Communications** (\$15,000) is recommended increased \$500 for multiple telephone lines, an internet connection for landfill operations, and the alarm system.

EXPENDITURES (continued)

- 720500** **Household Expense** (\$1,200) is recommended unchanged for the purchase of drinking water and other household supplies.
- 720501** **Janitorial** (\$2,600) is recommended reduced \$400 for janitorial services.
- 720600** **Insurance** (\$70,731) is recommended to reflect the Department's contribution to the County's Self-Insured Liability Program.
- 720800** **Maintenance of Equipment** (\$100) is recommended for the maintenance of the County car.
- 720900** **Maintenance of Buildings & Improvements** (\$2,500) is recommended for various repairs to the Landfill office.
- 720907** **Maintenance of Water System** (\$20,500) is recommended increased \$500 for Special Districts' staff time and expenses on repairs on the water system.
- 721100** **Memberships** (\$5,000) is recommended reduced for annual membership fees.
- 721300** **Office Expense** (\$10,000) is recommended increased \$2,250 for the purchase of custom receipt tags and office supplies and postage for monthly statements and information on SB1383.
- 721400** **Professional & Specialized Services** (\$6,026,964) is recommended to provide for the following:
- \$ Operation and services of the Fairmead Landfill by Redrock Environmental Group, and compaction incentives \$3,758,026
 - \$ Operation and services of the North Fork Transfer Station by Redrock Environmental Group \$90,800
 - \$
 - \$ Professional Services for Operation, maintenance, monitoring and reporting of the flare, leachate and landfill gas collection system. These are for routine tasks with Tetra Tech-BAS (TTBAS) 1,733,138
 - \$ Professional services related to solid waste operations and SB 1383 implementation \$270,000
 - \$ Professional services related to regulatory compliance \$25,000
 - \$ Paleontology monitoring \$150,000

EXPENDITURES (continued)

- 721403** **Audit/Accounting Services** (\$50,000) is recommended reduced \$28,500 for the processing and collection of credit card and ACH payments. This cost was previously paid out of 721400-Professional & Specialized Services.
- 721426** **Software Maintenance** (\$65,000) is recommended increased \$35,110 to provide for licenses and maintenance of scale house software systems and SB 1383 record keeping and reporting software.
- 721500** **Publications & Legal Notices** (\$1,000) is recommended increased \$800 for notices published in the local newspaper and printing of notices for SB1383.
- 721602** **Rent/Lease Other Equipment** (\$3,000) is recommended unchanged for the rental of copier equipment.
- 721800** **Small Tools & Instruments** (\$5,000) is recommended increased \$3,500 for landfill gas monitoring devices, security camera system and other tools.
- 721900** **Special Departmental Expense** (\$500,000) is recommended unchanged for the following regulatory and departmental expenses listed below. These expenses are based on tonnages received, hours used for certain types of equipment, etc. Expenses vary year to year.
- Department of Resources Recycling and Recovery, CalRecycle (formerly the California Integrated Waste Management Board) for administrative and regulatory oversight fees.
 - State Regional Water Quality Control Board (RWCQB) for administrative and regulatory oversight fees
 - San Joaquin Valley Air Pollution Control District Permit.
- 722000** **Transportation & Travel** (\$3,500) is recommended for training expenses.
- 722100** **Utilities** (\$40,000) is recommended decreased \$6,000 for payment of utilities for the storage of landfill artifacts, the scale house, and the flare (component of the gas extraction system).

**RMA - REFUSE DISPOSAL
Liner Fund**

731400 **Interfund Expense-Staffing** (\$250,000) is recommended decreased \$165,000 for the use of Public Works staff. Staff who work directly for Solid Waste will be charged to the 11100 Salaries & Benefits.

EXPENDITURES (continued)

731401 **Interfund Expend-Cost Plan** (\$119,842) is recommended to pay for the Liner Funds share of A-87 charges.

740200 **Buildings and Improvements** (\$3,312,500) is recommended increased for payment of infrastructure costs:

- Landfill gas system improvements - \$425,000
- Low NOx Flare - \$1,540,000
- Design of fill plans - \$50,000
- Groundwater improvements - \$50,000
- MRF Apron Repair - \$443,000
- South Road Improvement - \$529,500
- North Fork Transfer Station site improvements - \$225,000
- Automated scale system software - \$50,000

750100 **Operating Transfer Out – General Fund** (\$70,000) is recommended to pay Environmental Health for their regulatory oversight. Local Enforcement Agency (County Environmental Health Department) fees related to the State-mandated oversight of landfill operations; and reimbursements for costs incurred by County Environmental Health Department.

770100 **Intrafund Transfer** (\$550,000) is recommended to transfer money into the Liner Closure Fund.

780100 **Appropriation for Contingency** (\$1,221,571) is the recommended for appropriation for contingencies.

5-Year Solid Waste Financial Projection

Based on current rates

County of Madera, California

	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27
Revenue					
Landfill Services ¹	\$ 8,546,008	\$ 8,973,308	\$ 9,421,974	\$ 9,893,073	\$ 10,387,726
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 8,546,008	\$ 8,973,308	\$ 9,421,974	\$ 9,893,073	\$ 10,387,726
Expenses					
Total Operating Expenses^{1,2}	\$ 7,685,228	\$ 7,838,933	\$ 7,995,711	\$ 8,155,625	\$ 8,318,738
Capital Expenses³	\$ 3,312,500	\$ 2,613,500	\$ 4,419,100	\$ 3,942,500	\$ 732,500
Total Expenses	\$ 10,997,728	\$ 10,452,433	\$ 12,414,811	\$ 12,098,125	\$ 9,051,238
Annual Net Profit (Loss)	(\$2,451,720)	(\$1,479,124)	(\$2,992,837)	(\$2,205,053)	\$1,336,488
Closure Fund Contribution⁴	(\$550,000)	(\$522,937)	(\$522,937)	(\$522,937)	(\$522,937)
Annual Operating Fund Contribution	(\$3,001,720)	(\$2,002,061)	(\$3,515,774)	(\$2,727,990)	\$813,551
Cumulative Operating Balance	(\$1,164,032)	(\$3,166,093)	(\$6,681,868)	(\$9,409,858)	(\$8,596,307)

Operating Reserve Goal (3 Months Expenses)

\$2,749,432

\$2,613,108

\$3,103,703

\$3,024,531

\$2,262,809

Estimated Fund Balance (as of 6/30/2022)

\$ 1,837,688

Notes:

¹ FY 22/23 Revenues and Total Operating Expenses are consistent with County budget. Future years are escalated at 2%.

² Total Operating Expenses do not include the County's Appropriation for Contingency.

³ Capital expenses are based on 5 Year Budgetary Cost Estimate.

⁴ FY 22/23 Closure Fund Contribution is consistent with County budget. Future years are based on closure funding assumptions.

5-Year Solid Waste Financial Projection

Based on proposed FY 22/23 rate increases

County of Madera, California

	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27
Revenue					
Landfill Services ¹	\$ 9,229,033	\$ 9,690,485	\$ 10,175,009	\$ 10,683,760	\$ 11,217,948
Other ⁵	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Total Revenue	\$ 9,479,033	\$ 9,940,485	\$ 10,425,009	\$ 10,933,760	\$ 11,467,948
Expenses					
Total Operating Expenses^{1,2}	\$ 7,685,228	\$ 7,838,933	\$ 7,995,711	\$ 8,155,625	\$ 8,318,738
Capital Expenses³	\$ 3,312,500	\$ 2,613,500	\$ 4,419,100	\$ 3,942,500	\$ 732,500
Total Expenses	\$ 10,997,728	\$ 10,452,433	\$ 12,414,811	\$ 12,098,125	\$ 9,051,238
Annual Net Profit (Loss)	(\$1,518,695)	(\$511,948)	(\$1,989,802)	(\$1,164,366)	\$2,416,710
Closure Fund Contribution⁴	(\$550,000)	(\$522,937)	(\$522,937)	(\$522,937)	(\$522,937)
Annual Operating Fund Contribution	(\$2,068,695)	(\$1,034,885)	(\$2,512,739)	(\$1,687,303)	\$1,893,773
Cumulative Operating Balance	(\$231,007)	(\$1,265,892)	(\$3,778,631)	(\$5,465,934)	(\$3,572,161)

Operating Reserve Goal (3 Months Expenses)

\$2,749,432

\$2,613,108

\$3,103,703

\$3,024,531

\$2,262,809

Estimated Fund Balance (as of 6/30/2022)

\$1,837,688

Notes:

¹ FY 22/23 Revenues and Total Operating Expenses are consistent with County budget. Future years are escalated at 2%.

² Total Operating Expenses do not include the County's Appropriation for Contingency.

³ Capital expenses are based on 5 Year Budgetary Cost Estimate.

⁴ FY 22/23 Closure Fund Contribution is consistent with County budget. Future years are based on closure funding assumptions.

⁵ Other revenue include application of franchise fees to solid waste budget.

Madera County - Fairmead Landfill

5 Year Budgetary Cost Estimate - LFG OMM & Construction, Permitting, Fill Sequencing, Groundwater Monitoring, Leachate Maintenance

Year:	2022/2023	2023/2024	2024/2025 ⁴	2025/2026 ⁴	2026/2027 ⁴	Total 2022/2023-2025/2026
Liner Expansion Design		\$ 250,000				\$ 250,000
CM, CQA and Construction Engineering Support			\$ 325,000	\$ 325,000		\$ 650,000
Non-Routine Landfill Gas Services - Scheduled - Capital Improvements ³	\$ 425,000	\$ 190,000	\$ 901,600	\$ 425,000	\$ 190,000	\$ 2,131,600
Groundwater Monitoring and Reporting ²	\$ 50,000	\$ 50,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 265,000
Solid Waste Engineering ³	\$ 50,000	\$ 50,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 265,000
Liner Construction ¹			\$ 3,000,000	\$ 3,000,000		\$ 6,000,000
Low Nox Flare (Rule 4311) ⁵	\$ 1,540,000	\$ 730,000				\$ 2,270,000
MRF Apron Repair	\$ 443,000					\$ 443,000
Scale and Access Improvements		\$ 739,000				\$ 739,000
South Road Improvements	\$ 529,500	\$ 529,500				\$ 1,059,000
Preliminary Clsoure, Access Roads and Drainage Improvements					\$ 350,000	\$ 350,000
North Fork Transfer Station Tipping Floor Repairs	\$ 225,000					\$ 225,000
Automated scale system	\$ 50,000					\$ 50,000
Additional Capital Improvements ⁴		\$ 75,000	\$ 82,500	\$ 82,500	\$ 82,500	\$ 322,500
Capital Subtotal	\$ 3,312,500	\$ 2,613,500	\$ 4,419,100	\$ 3,942,500	\$ 732,500	\$ 14,697,600

Note 1: Liner construction dates and costs are based on the following assumptions. Airspace is needed two years in advance of consumption of current airspace. Best practice assumes that 20 feet of airspace will be remaining of all constructed airspace until final filling of the landfill. Cell 3A will need to be constructed and permitted by fall of 2026. Based on current consumption rates and the relative size of both 3A and 3B combined, it is recommended that both Cells be constructed at the same time which will provide for approximately 5 years of additional airspace.

Note 2: It is likely due to expansion and the recendting shallow water table that four (4) shallow wells (approximately \$70,000 each) and three (3) regional wells (approximately \$100,000 each) will need to be installed over the next 5 to 10 years to comply with the RWQCB MNRP for the site. A budget of \$50,000 per year has been added to the capital and expense budgets to accrue for these expenses and other expenses.

Note 3: All items are estimates without specific cost backup. Assumed costs are based on discussions with County and experience at site.

Note 4: Years 24/25, 25/26, 26/27, 27/28, and 28/29 have an added 10% escalator from current contracted costs and Years 29/30, 29/30, and 29/30 have an added 10% escalator.

Note 5: San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 4311 requirement for low NOx flare. Timeframe for a low NOx flare is approximately 12-18 months.