

**COUNTY OF MADERA  
BUDGET UNIT EXPENDITURE DETAIL  
BUDGET FOR THE FISCAL YEAR 2015-16**

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

<u>ACCOUNT CLASSIFICATION</u>	ACTUAL EXPENDITURES <u>2013-14</u>	BOARD APPROVED EXPENDITURES <u>2014-15</u>	DEPARTMENT REQUEST <u>2015-16</u>	CAO RECOMMENDED <u>2015-16</u>
<b>BEGINNING FUND BALANCE</b>	<b>1,868,781</b>	<b>1,620,168</b>	<b>350,000 *</b>	<b>350,000 *</b>
<b>REVENUES</b>				
620600 Franchise Fees	0	350,000	0	0
640101 Interest on Cash	9,508	18,000	18,000	18,000
640300 Rents & Concessions	10,825	20,400	20,400	20,400
662100 Sanitation/Landfill Surcharge	0	2,500	4,136,512	4,136,512
662101 Landfill Surcharges	4,020,928	4,969,857	355,459	355,459
680350 Cash Flow Loan	0	0	1,500,000	1,500,000
<b>TOTAL REVENUES</b>	<b>5,910,042</b>	<b>6,980,925</b>	<b>6,380,371</b>	<b>6,380,371</b>
<b>EXPENSES</b>				
710400 Workers' Compensation Insurance	316	266	0	0
720200 Clothing and Personal Supplies	0	1,000	1,000	1,000
720300 Communications	7,098	12,000	12,000	12,000
720600 Insurance	20,000	15,582	15,570	15,570
720601 General Insurance	24,215	24,000	24,000	24,000
720800 Maintenance of Equipment	0	0	10,000	10,000
721100 Memberships	7,075	7,000	7,250	7,250
721300 Office Expense	4,831	10,000	7,000	7,000
721314 Computer Equipment	0	1,500	1,500	1,500
721400 Professional & Specialized Services	2,940,432	4,016,533	3,661,549	3,661,549
721426 Software Maintenance	0	15,000	15,000	15,000
721433 Outside Attorneys & Other Experts	479,582	50,000	500,000	500,000
721500 Publications & Legal Notices	1,436	200	1,000	1,000
721600 Rents & Leases - Equipment	33	3,000	4,950	4,950
721800 Small Tools & Instruments	13	3,000	3,000	3,000
721900 Special Departmental Expense	371,981	363,344	363,344	363,344
722000 Transportation & Travel	8,399	10,000	10,000	10,000
722100 Utilities	14,096	23,640	26,403	26,403
731400 Interfund Expense	0	0	342,766	342,766
731401 Interfund Expense - Cost Plan (A-87)	0	350,000	0	0

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<b>EXPENSES (continued)</b>				
740100 Land	449,645	0	150,000	150,000
740200 Buildings and Improvements	43,018	400,000	1,027,000	1,027,000
750106 Operating Transfers Out - Spec Rev	0	0	55,984	55,984
<b>TOTAL OPERATING EXPENSES</b>	<b>4,372,170</b>	<b>5,306,065</b>	<b>6,239,316</b>	<b>6,239,316</b>
<b>CONTINGENCIES</b>				
780100 Appropriation for Contingency	0	1,674,860	141,055	141,055
<b>TOTAL EXPENSES</b>	<b>4,372,170</b>	<b>6,980,925</b>	<b>6,380,371</b>	<b>6,380,371</b>
INCOME OVER/(UNDER) EXPENSES	1,537,872	0	0	0

\* Represents the Estimated Fund Balance as of June 30, 2015; the balance is subject to change due to expenses that may be accrued to June 30, 2015, which have not yet been processed.

**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 six days per week, 8:00 A.M. to 5:00 P.M., except for 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. 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 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 and Emadco Disposal is the franchisee for waste collected from areas above the 1,000 ft elevation.

**Solid Waste Flow Control Agreement**

On February 5, 2013, the County and the City of Chowchilla entered into a new Solid Waste Flow Control Agreement. The initial term of the agreement is for five years, expiring on December 31, 2017, with an option for an extension of an additional five years. The agreement contains provisions which ensure all of the City of Chowchilla's solid waste is delivered to Fairmead, and allows the City diversion credits to comply with AB 939, which mandated diversion goals of 50%. The agreement allows for a reduced contractual tipping fee and allows for annual adjustments based on CPI. The projected tipping fees for 2015-16 are \$22.28/ton for Municipal Solid Waste (MSW), \$14.63/ton for Yard Waste and \$16.14/ton for Wood Waste.

In 2012, the City of Madera entered into a contract with a new solid waste vendor (Sunset Disposal), with a contract provision allowing the vendor to haul the City's waste to a landfill of its choosing. Mid Valley Disposal (MVD) has since acquired Sunset Disposal and is now the franchise hauler for the City of Madera. MVD requested that the County consider a flow control agreement and began bringing waste to Fairmead as of January 19, 2015. At the time of this budget submission, a formal agreement between Madera County and MVD to bring a minimum of 20,000 tons per year to the Fairmead Landfill is being developed for Board approval.

**Public Tipping Fee Rates**

On February 26, 2013, the Board of Supervisors approved a public tipping fee of \$45.00/ton for MSW, \$20.00/ton for Yard Waste and \$30.00/ton for Wood Waste and allows for annual adjustments based on CPI (Resolution 2013-033). The current tipping fees for 2014-15 are \$45.58/ton for MSW, \$20.26/ton for Yard Waste and \$30.39/ton for Wood Waste. The projected tipping fees for 2015-16 are \$46.17/ton for MSW, \$20.52/ton for Yard Waste and \$30.78/ton for Wood Waste.

**REFUSE DISPOSAL  
Liner Fund**

**REVENUE**

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

NOTE: During the 2014-15 fiscal year, the County amended MCC# 10125-C-2014 with Tetra Tech-BAS (MCC# 10125A-C-2014) for Capital Improvements at the Fairmead Landfill. Once work began on Phase 1 (budgeted) of the Landfill Gas System Upgrades as part of the Capital Improvements, it became necessary to immediately implement Phase 2 (unanticipated work/expenditure due to surface emissions issues) and Phase 3 (flare station 25% of costs incurred in 2014-15 and 75% of costs to be incurred in 2015-16). This resulted in incurring approximately half of the costs of the three-year capital improvement project in fiscal year 2014-15 and the balance to be incurred in fiscal year 2015-16. By doing so, it is necessary to obtain a cash-flow loan in order to fund the improvements as needed (the full amount of the loan is reflected on the appropriation request; however, it may not be necessary to utilize the full amount if revenues exceed what is projected). The actual amount borrowed will be repaid over five years, beginning in fiscal year 2016-17, utilizing additional revenues generated through the flow control agreement with Mid Valley Disposal, an increase in tipping fees, and from partial mandatory collection which will commence October 1, 2015.

**EXPENSES**

- 720200**      **Clothing and Personal Supplies** (\$1,000) is recommended unchanged to provide rain gear, goggles, hard hats, and vests for protection during landfill inspections and site visits as per OSHA regulations.
- 720300**      **Communications** (\$12,000) is recommended unchanged to provide for cell phone services, phone (landline) and internet services at the scale house, and remote video camera monitoring services.
- 720600**      **Insurance** reflects the Department's contribution to the County's Self-Insured Liability Program.
- 720601**      **General Insurance** (\$24,000) is recommended unchanged to provide for the landfill pollution insurance required for the State permit.
- 720800**      **Maintenance of Equipment** (\$10,000) is recommended increased \$10,000 to provide for maintenance of the security systems, telephone lines, scales, and fire pump house.

**REFUSE DISPOSAL  
Liner Fund**

**EXPENSES (continued)**

- 721100**      **Memberships** (\$7,250) is recommended increased \$250 for memberships in the Solid Waste Association of North America (\$750) and the Environmental Services Joint Powers Authority (\$6,500).
- 721300**      **Office Expense** (\$7,000) is recommended reduced \$3,000 to provide technical manuals, reproduction, office furniture, and miscellaneous office supplies to operate the scale house.
- 721314**      **Computer Equipment** (\$1,500) is recommended unchanged to provide computers, monitors, printers, and computer related supplies to operate the scale house.
- 721400**      **Professional & Specialized Services** (\$3,661,549) is recommended reduced \$354,984 to provide for the following:
- \$2,692,813      Operation and services of the Fairmead Landfill by Red Rock Environmental Group (\$2,592,813), and compaction incentives (\$100,000).
  - \$402,720      Operation and services of the North Fork Transfer Station by Red Rock Environmental Group.
  - \$92,000      Disposal Cost of HHW Facility and Sharp Kiosks.
  - \$34,016      Paleontology monitoring services at the Landfill. The County contracts with California State University, Fresno for Paleontology cataloging services (\$10,000). The County contracts with the Paleontology Foundation for Paleontological monitoring services, requirements in accordance with the Paleontological Recovery and Monitoring Plan (PRMP), and lease of the Fossil Discover Center Facility (\$80,000, less the fourth payment of five to repay the Tobacco Financing Phase II Pool Fund, as budgeted under Operating Transfers Out, for construction costs of the Paleontology Center – MCC# 9756-C-2012).
  - \$340,000      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).
  - \$100,000      Professional services related to implementing partial mandatory waste collection.
- 721426**      **Software Maintenance** (\$15,000) is recommended unchanged to provide for licenses and maintenance of scale house software: PC Scale and Blue Pay credit card service.
- 721433**      **Outside Attorneys & Other Experts** (\$500,000) is recommended increased \$450,000 to provide for outside attorney services.

**REFUSE DISPOSAL  
Liner Fund**

**EXPENSES (continued)**

- 721500**      **Publications & Legal Notices** (\$1,000) is recommended increased \$800 for publishing Notice to Bidders for well installation and soil borings, notice of increase in tipping fees, notices of public hearings, etc.
- 721600**      **Rents & Leases - Equipment** (\$4,950) is recommended increased \$1,950 for equipment rental cost for anticipated erosion control work at the closed North Fork and Ripperdan dump sites (\$250), use of vehicles from the Central Garage and for copy machine lease agreement.
- 721800**      **Small Tools & Instruments** (\$3,000) is recommended unchanged for landfill gas monitoring devices.
- 721900**      **Special Departmental Expense** (\$363,344) is recommended unchanged for the following regulatory and departmental expenses:
- \$70,000      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.
  - \$225,344      Department of Resources Recycling and Recovery, CalRecycle (formerly the California Integrated Waste Management Board) for administrative and regulatory oversight fees. Fees are currently assessed at \$1.40 per buried ton.
  - \$60,000      State Regional Water Quality Control Board (RWCQB) for administrative and regulatory oversight fees.
  - \$8,000      San Joaquin Valley Air Pollution Control District Permit.
- 722000**      **Transportation & Travel** (\$10,000) is recommended unchanged for staff to attend meetings, workshops, and trainings regarding operation of scale house, landfill gas system, ground water monitoring system, solid waste operations and State-mandated programs.
- 722100**      **Utilities** (\$26,403) is recommended increased (\$2,763) for payment of PG&E, internet, telephone, water, sewer, and garbage associated with the old Engineering Building and the scale house, the flare (component of the gas extraction system), and fire alarm and scale maintenance at the scale house.

**REFUSE DISPOSAL  
Liner Fund**

**EXPENSES (continued)**

- 731401**      **Interfund Expense** (\$342,766) is recommended for reimbursement to Department of Engineering for professional services to operate the scale house, reporting, billing, perform maintenance and operations of the ground water monitoring system, landfill gas extraction, and HHW facility. (This expense was previously budgeted under Professional and Specialized Services).
- 740100**      **Land** (\$150,000) is recommended for the purchase of property adjacent to landfill.
- 740200**      **Buildings and Improvements** (\$1,027,000) is recommended increased \$627,000 for the engineering design services for landfill gas collection system improvements and installation of gas extraction wells, monitoring wells, and a flare station as needed to comply with regulatory requirements.
- 750106**      **Operating Transfers Out – Special Revenue** (\$55,984) is recommended as the fourth payment of five to repay the Tobacco Financing Phase II Pool Fund for construction costs of the Paleontology Center – MCC# 9756-C-2012.
- 780100**      **Appropriation for Contingency** (\$141,055) is the recommended appropriation for contingencies.