

COUNTY OF MADERA
 BUDGET UNIT DETAIL
 BUDGET FOR THE FISCAL YEAR 2018-19

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

	ACTUAL <u>2016-17</u>	BOARD APPROVED <u>2017-18</u>	DEPARTMENT REQUEST <u>2018-19</u>	CAO RECOMMENDED <u>2018-19</u>
BEGINNING FUND BALANCE	722,962	0	0	0
<u>ESTIMATED REVENUES:</u>				
640101 Interest on Cash	14,346	2,500	9,549	9,549
640300 Rents & Concessions	19,488	20,400	20,300	20,300
662100 Sanitation/Landfill Surcharge	5,201,315	5,699,051	5,201,315	5,201,315
662101 Landfill Surcharges	375,149	342,283	448,580	448,580
670300 Miscellaneous Revenue	3,620	0	0	0
<u>TOTAL ESTIMATED REVENUES</u>	<u>6,336,880</u>	<u>6,064,234</u>	<u>5,679,744</u>	<u>5,679,744</u>
<u>EXPENDITURES:</u>				
SERVICES & SUPPLIES				
720200 Clothing and Personal Supplies	0	1,000	500	500
720300 Communications	13,714	0	0	0
720500 Household Expenses	1,908	0	425	425
720501 Janitorial	0	0	1,908	1,908
720600 Insurance	52,309	28,309	59,414	59,414
720601 General Insurance	0	24,000	24,250	24,250
720800 Maintenance of Equipment	160	5,000	2,000	2,000
721100 Memberships	6,481	0	0	0
721300 Office Expense	9,871	0	0	0
721314 Computer Equipment	0	0	0	0
721302 Postage	0	0	0	0
721400 Professional & Specialized Services	3,883,057	3,592,549	3,592,549	3,592,549
721426 Software Maintenance	0	8,000	8,000	8,000
721500 Publications & Legal Notices	306	0	0	0
721600 Rents & Leases - Equipment	0	4,000	3,000	3,000
721602 Rent/Lease Other Eqpt	0	0	1,200	1,200
721800 Small Tools & Instruments	1,214	1,500	1,500	1,500
721900 Special Departmental Expense	358,042	403,000	403,000	403,000
722000 Transportation & Travel	5,895	0	0	0
722100 Utilities	24,169	36,000	26,000	26,000
<u>TOTAL SERVICES & SUPPLIES</u>	<u>4,357,126</u>	<u>4,103,358</u>	<u>4,123,746</u>	<u>4,123,746</u>

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	<u>ACTUAL</u> <u>2016-17</u>	<u>BOARD</u> <u>APPROVED</u> <u>2017-18</u>	<u>DEPARTMENT</u> <u>REQUEST</u> <u>2018-19</u>	<u>CAO</u> <u>RECOMMENDED</u> <u>2018-19</u>
OTHER CHARGES				
730700 Judgments and Damages	38,000	0	0	0
731400 Interfund Expense	385,927	408,526	479,309	479,309
731401 Interfund Expend-Cost Plan	0	0	63,540	63,540
TOTAL OTHER CHARGES	423,927	408,526	542,849	542,849
FIXED ASSETS				
740100 Land	755	0	0	0
740200 Buildings and Improvements	70,549	714,158	845,062	845,062
740300 Equipment/Furniture	8,743	0	0	0
TOTAL FIXED ASSETS	80,047	714,158	845,062	845,062
OTHER FINANCING USES				
750100 Operating Transfers Out-Gen Fund	70,000	55,984	70,000	70,000
Payment of Loans	0	761,484	0	0
TOTAL OTHER FINANCING USES	70,000	817,468	70,000	70,000
770100 Intrafund Transfer	0	0	79,442	79,442
780100 Appropriation for Contingency	0	20,724	18,645	18,645
LOANS				
790500 Cah Flow Loan	1,300,000	20,724	0	0
<u>TOTAL EXPENDITURES</u>	<u>6,231,100</u>	<u>6,064,234</u>	<u>5,679,744</u>	<u>5,679,744</u>
<u>USE OF FUND BALANCE (REV - EXP)</u>	<u>105,780</u>	<u>0</u>	<u>0</u>	<u>0</u>

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 2017-18 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. A formal agreement between Madera County and MVD to bring a minimum of 20,000 tons per year to the Fairmead Landfill was approved by the Board of Supervisors.

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). On December 6, 2016 the Board of Supervisors increased the tipping fee for Franchise Haulers to \$40 per ton at Fairmead Landfill and for non-contract hauler to \$67.12 at North fork Transfer Station. The projected tipping fees for 2017-2018 are \$45.58/ton for MSW, \$20.26/ton for Yard Waste and \$30.39/ton for Wood Waste.

**RMA - REFUSE DISPOSAL
Liner Fund**

ESTIMATED REVENUES

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 collection which commenced October 1, 2015.

- 640101** **Interest on Cash** (\$9,549) is recommended increased \$7,049 based on Interest earned on balance in Liner fund.

- 640300** **Rents & Concessions** (\$20,300) is recommended reduced \$100 for rents collected from (2) rental properties owned by the County, which are located on Landfill property.

- 662100** **Sanitation/Landfill Surcharge** (\$5,201,315) is recommended reduced \$497,736 for payments received from Contracted partners for monthly charges.

- 662101** **Landfill Surcharge** (\$448,580) is recommended increased for franchise fees collected from Caglia, & Emadco.

- 670300** **Miscellaneous Revenue** (\$0) is recommended to remain at zero.

EXPENDITURES

- 720200** **Clothing and Personal Supplies** (\$500) is recommended reduced by \$500 to provide rain gear, goggles, hard hats, and vests for protection during landfill inspections and site visits as per OSHA regulations.

**RMA - REFUSE DISPOSAL
Liner Fund**

EXPENDITURES (continued)

- 720300** **Communications** (\$0) is recommended unchanged for telephone, & answering service costs, as they are now paid for out of 01300 Public Works then reimbursed.
- 720500** **Household Expense** (\$425) is recommended increased \$425 for the purchase of drinking water.
- 720501** **Janitorial** (\$1,908) is recommended increased \$1,908 for janitorial services .
- 720600** **Insurance** (\$59,414) is recommended increased \$31,105 to reflect the Department's contribution to the County's Self-Insured Liability Program.
- 720601** **General Insurance** (\$24,250) is recommended increased \$250 to provide for the landfill pollution insurance required for the State permit.
- 720800** **Maintenance of Equipment** (\$2,000) is recommended reduced \$3,000 to provide for maintenance of the security systems, telephone lines, scales, and fire pump house.
- 721100** **Memberships** (\$0) zero is recommended unchanged for annual membership fees as they will now be paid for out of 01300 Public Works then reimbursed.
- 721300** **Office Expense** (\$0) zero is recommended unchanged for office expenses as they will now be paid for out of 01300 Public Works, then reimbursed.
- 721302** **Postage** (\$0) zero is recommended unchanged for postage fees incurred during the monthly billing as they will now be paid for out of 01300 Public Works, then reimbursed.
- 721400** **Professional & Specialized Services** (\$3,592,549) is recommended unchanged to provide for the following:
- \$2,692,813 Operation and services of the Fairmead Landfill by Redrock Environmental Group (\$2,592,813), and compaction incentives (\$100,000).
 - \$402,720 Operation and services of the North Fork Transfer Station by Redrock Environmental Group.
 - \$92,000 Disposal Cost of HHW Facility and Sharp Kiosks.

**RMA - REFUSE DISPOSAL
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EXPENDITURES (continued)

721400 **Professional & Specialized Services** (continued)

 \$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 fifth 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).(\$20,000 is for Cen Cal for drinking water sampling and regulatory compliance.)

 \$31,000 Professional services related to implementing partial mandatory waste collection.

721426 **Software Maintenance** (\$8,000) is recommended unchanged to provide for licenses and maintenance of scale house software. PC Scale and Blue Pay credit card service.

721500 **Publications & Legal Notices** (\$0) zero is recommended unchanged for the advertisement of household hazardous waste events, as this will now be paid for out of 01300 Public Works.

721600 **Rents & Leases - Equipment** (\$3,000) is recommended reduced by \$1,000 for equipment rental cost for anticipated erosion control work at the closed North Fork and Ripperdan dump sites (\$250), and for use of vehicles from the Central Garage (\$2,750) and for copy machine lease agreement.

721602 **Rent/Lease Other Eqpt** (\$1,200) is recommended increased by \$1,200 for the rental of copier equipment.

721800 **Small Tools & Instruments** (\$1,500) is recommended unchanged for landfill gas monitoring devices.

721900 **Special Departmental Expense** (\$403,000) 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.

EXPENDITURES (continued)

721900 **Special Departmental Expense** (continued)

- \$265,000 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** (\$0) is recommended unchanged as these expenses are now paid out of 01300 Public Works then reimbursed.

722100 **Utilities** (\$26,000) is recommended reduced \$10,000 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), fire alarm and scale maintenance at the scale house.

731400 **Interfund Expense-Staffing** (\$479,309) is recommended increased \$70,783 for the use of Public Works staff.

731401 **Interfund Expend-Cost Plan** (\$63,540) is recommended increased \$63,540 to pay for the Liner Funds share of A-87 charges.

740200 **Buildings and Improvements** (\$845,062) is recommended increased \$130,904 for payment of infrastructure costs:

- \$845,062 Landfill gas collection system expansion and upgrades and annual non-routine repairs, as needed to comply with regulatory requirements.
 - Landfill gas collection system expansion and upgrades - \$533,062
 - Well Extentions - \$74,000
 - Aerial Mapping - \$13,000
 - Permitting support / Fill Sequencing Plans - \$50,000
 - Non-routine emergency funding - \$175,000

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EXPENDITURES (continued)

- 750100** **Operating Transfer Out – General Fund** (\$70,000) is recommended to pay back a cash flow loan from the General Fund.
- 770100** **Intrafund Transfer** (\$79,442) is recommended increased for the transfer of costs for extra help staff, as well as operating expenses back to our new Public Works Admin.
- 780100** **Appropriation for Contingency** (\$18,645) is the recommended appropriation for contingencies.