



A Public Agency

SBWMA Technical Advisory Committee (TAC) Meeting

MONDAY, January 13, 2014 at 11:00 a.m.

San Carlos Library
Conference Room A
610 Elm Street, San Carlos, CA 94070

1. Roll Call

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

3. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

A. Adopt the November 13, 2013 TAC Meeting Minutes

4. New Business:

A. Mid-Year Review of FY1314 Annual Operating Budget

B. Discussion on Future Agenda Items

5. TAC Member Comments

6. Adjourn

MEMBER AGENCIES

ATHERTON * BELMONT * BURLINGAME * EAST PALO ALTO * FOSTER CITY * HILLSBOROUGH * MENLO PARK * REDWOOD CITY
* SAN CARLOS * SAN MATEO * COUNTY OF SAN MATEO * WEST BAY SANITARY DISTRICT



A Public Agency

CONSENT CALENDAR

DRAFT MINUTES

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE TECHNICAL ADVISORY COMMITTEE
November 7, 2013 – 2:00 p.m.
San Carlos Library Conference Room B

1. Roll Call

Agency	Present	Absent	Agency	Present	Absent
Atherton	X		Menlo Park	X	
Belmont		X	Redwood City	X	
Burlingame	X		San Carlos	X	
East Palo Alto		X	San Mateo	X	
Foster City	X		County of San Mateo	X	
Hillsborough	X		West Bay Sanitary District	X	

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

None

3. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

A. Adopt the October 10, 2013 TAC Meeting Minutes
Motion/Second: Gibbons/Chan
Voice Vote: All in favor

4. New Business:

A. Discussion on Recycling Permit System to Collect Commercial Recycling Data
Staff Feldman presented the staff report noting that the goal behind the program is to get commercial recycling data for outside the scope of the Franchise Agreements, and the goal for bringing this item to the TAC is to get feedback on the specifics for implementation laid out in the staff report.

Member Galli clarified that she thought it was the TAC's job to decide whether or not to make a recommendation on the project. She noted that Staff Feldman had presented in such a way that the

project was moving forward, as is, and the TAC was just being presented the details. She also explained that she thought the new Board would be relying on the TAC to see if the project was a good idea or not.

Staff Feldman responded that the staff's goal was to have a detailed discussion on the framework, but a discussion on the pros and cons could take place.

Executive Director McCarthy added that the Board requested that the framework presented to them at the last meeting be brought to the TAC, but noted that this information was also shared with the old board.

Member Scott commented that he thought it was the TAC's responsibility to discuss the pros and cons.

Member Porter asked what the end goal should be.

Staff Feldman answered that right now the only commercial recycling data we have, is the tons Recology collects. He added that more is being recycled through 3rd party vendors and finding out how much more is the goal, to find out if designing programs to improve diversion system wide is worth it, and to be prepared if the 75% state goal becomes a local mandate.

Member Porter responded that he wanted to make sure this is the way to reach those goals.

Member Scott asked if the results would be used to get diversion credit or to know if commercial recycling needed to be franchised.

Staff Feldman answered that the current emphasis is on programs and implementation.

Executive Director McCarthy added that it is part of the long range planning process. He noted that service area wide the base line for commercial recycling is not known.

Vice Chair Rodericks asked if the permitting of non-franchised haulers constituted a program.

Member Galli asked if the state will honor these numbers and actual data, she also asked if the driving force behind the permit program was to position our Agencies to collect better data or to create better programs.

Executive Director McCarthy commented that after spending \$120M to update the SBWMA programs, area wide commercial recycling diversion has plateaued. He added that there are several things to consider, one is the closing of the Ox Mountain Landfill, and should the SBWMA spend money to go after more diversion in preparation for that. Two is should we franchise commercial recycling in the future. And three is in preparation for complying with any possible future state mandate.

Member Walter asked if other areas that have implemented similar ordinances have had any trouble collecting data.

Staff Feldman answered that it was fairly predictable and that the first 3-5 years there was a lot of administration of the program.

Member Gibbons noted that he has spoken with Jeff Ira and that Redwood City was in favor of pursuing this.

Member Porter asked how it would be determined who the 3rd party commercial recyclers are and how to get accurate and usable information.

Staff Feldman referred the committee to bullet two in the staff report.

Member Taylor commented that he thought small haulers would not going to get a permit, and asked if there was a way to proceed on a voluntary basis.

Staff Feldman felt that a permit system lends itself to a more organized approach for date collection.

Member Porter asked to make sure there was no impact on rate payers.

Staff Feldman answered that the fee for the permit application would cover the administrative costs of the program, and likely over time those administrative costs would go down.

Member Scott commented that he would like to know who in his area has applied for a permit.

Staff Feldman noted that a permit application wouldn't be reviewed until a valid business was verified.

Member Galli and Member Chan requested checking with the City Attorney's before moving forward.

Executive Director McCarthy noted that the JPA agreement does allow for the SBWMA to issue ordinances. He also added that he sees value in doing it service area wide, and not as much value in doing it 12 different ways.

Member Scott added that the SBSA also issues and enforces permits.

Member Porter asked if the reporting process would be differentiated between the agencies.

Staff Feldman answered that the goal is to get information in aggregate, but that he would like to get it for each city.

Member Augustine asked if a certificate of insurance would be required before issuing the permit.

Staff Feldman answered that the intent is not to restrict commerce the only requirement intended is a business license.

Member Scott commented that he thought there would need to be some kind of enforcement.

Member Galli asked if there would be any incentive to participate.

Staff Feldman noted that there would be a disincentive not to participate.

Member Galli stated that she would like to see a big picture budget report on this item.

Member Chan asked if additional funds would be needed for implementation.

Executive Director McCarthy answered in this fiscal year no, but a small dollar amount would be needed going forward for some enforcement.

Member Chan asked for elaboration on the need for contractors for the project.

Staff Feldman answered that contractors with experience helping similar agencies implement these ordinances would be hired to help in the various steps in the process.

Member Galli suggested outlining the proposed steps to the Board.

Member Taylor added that the Board needs to understand, the reasons for the ordinance, the alternatives, and that this is the most cost effective option.

B. Discussion on Model Uniform Enclosure Standards

Staff Feldman gave an overview of the staff report and noted that there is already a system in place for new development with the contractor through the franchise agreements. The question being raised is should effort be taken to develop uniform enclosure standards agency wide.

Vice Chair Rodericks noted that he thought this was a local land use issue.

Member Galli stated that Foster City worked with the hauler on a case by case basis, and that it would be nice to have a uniform template with minimum requirements.

Gino Gasparini of Recology noted that if it takes longer to service, it could create cost allocation issues.

Staff Feldman noted that the attachment to the staff report is a system Menlo Park has already put in place, and posed the question of a one size fits all approach service area wide.

Member Gibbons commented that he would like to use Menlo Park's guidelines.

Gino Gasparini noted that Recology would like to add some Franchise Agreement specifics to it.

Staff Feldman that staff will have an update on this item at a future meeting.

5. TAC Member Comments

Member Walter asked if there was any kind of labor update.

Executive Director McCarthy answered that he spoke with Mark Arsenault of Recology who said, "very little progress."

Member Scott noted that he has spoken with his Board Member, and that she would like the tipping fee adjustment, floor repair, and compensation applications referred to the TAC.

6. Adjourn 3:24 PM



A Public Agency

NEW BUSINESS



STAFF REPORT

To: SBWMA TAC Members
From: Kevin McCarthy, Executive Director
Marshall Moran, Finance Manager
Date: January 13, 2014 TAC Meeting
Subject: Mid-Year Review of FY1314 Annual Operating Budget

Recommendation

This staff report is for discussion purposes only and no formal action is requested of the Board of Directors. Staff is presenting a draft mid-year budget document for consideration and review with any changes from the Board to be incorporated into a revised and final staff report for the February 27, 2014 Board meeting.

At this point in time, staff is not expected to ask for an increase in the FY1314 adopted program budget. We are pleased to report that the current projection is in total \$25,000 under the approved program budget. Although individual line items may be over or under the approved budget, the total is below the approved budget and therefore no additional Board approval is needed. Staff is also not expecting to ask for any increases in capital spending as projected spending is less than the adopted levels. Finally, staff will be asking for Board approval of revised Shoreway operations expenses noting that these are largely non-discretionary expenses (e.g., SBR operator compensation, disposal and processing expense, debt service and franchise fee payments to San Carlos and partially offset by additional revenue). Most of our operational revenue and costs are variable to tonnage into the Shoreway facility and therefore largely move in the same direction (e.g., higher tons means higher revenue and higher expenses and vice versa).

Analysis

Staff has conducted a thorough analysis of year-to-date revenues and expenditures. As originally budgeted and based on the projections detailed below, staff is not expecting any required Board action for revenue transfers from reserves to meet bond covenant requirements.

Several attachments have been prepared to provide the Board with key budget and related information as follows:

- **Attachment A** contains budget worksheets providing line item detail for all projected revenues and expenditures. Projected cash reserve balances and capital spending are also provided in the budget worksheets.
- **Attachment B** provides a series of worksheets on the programmatic detail, including key projects and work activities within each budget line item.
- **Attachment C** provides a series of tables with critical information used to develop mid-year projections for revenue and Shoreway operations with comparisons to the adopted budget.
- **Attachment D** contains the current organizational chart.

Revenues

Total operating revenues for FY 2014 are projected to be \$492,400 (1.2%) higher than our FY 2014 budget. Higher tipping fee revenue of \$0.47 million (1.4%) is a result of higher public revenue of \$0.97 million (17.4%) partially offset by lower

franchise revenue of \$0.5 million (-1.9%). As shown in **Table 1** below, franchise tonnage is projected to be 2,912 tons lower (-1.0%) than budgeted (lower solid waste and higher organics). Tip fees were also reduced for calendar 2014 from what was budgeted which impacts half of the budget year. Lower tonnage reduces revenue by \$268,000 and lower average rates reduce revenue by \$241,000.

Table 1

TIP FEE REVENUE	FY1314 Adopted Budget	FY1314 Mid- Year Projections	Adopted vs Mid-Year Budget	%
Franchise				
Tons	285,837	282,925	-2,912	-1.0%
Wtd Avg. Tip Fee	\$ 92.84	\$ 92.00	\$ (0.84)	-0.9%
Franchise Revenue	\$ 26,536,840	\$ 26,027,745	\$ (509,095)	-1.9%
Revenue Impact:				
	Volume	Price	Total	
Tonnage Change	-2,912	\$ 92.00	\$ (267,900)	52.6%
Price Change	285,837	\$ (0.84)	\$ (241,195)	47.4%
Total Change			\$ (509,095)	100.0%

As shown in the **Table 2** below, public yards are projected to be 25,419 yards higher (14.5%) than budgeted (higher solid waste and slightly higher green waste). The weighted average public Tip fee is \$0.80 higher than budgeted. Higher volume increases revenue by \$834,000 and higher average rates increase revenue by \$141,000.

Table 2

TIP FEE REVENUE	FY1314 Adopted Budget	FY1314 Mid- Year Projections	Adopted vs Mid-Year Budget	%
Public				
Yards	175,224	200,643	25,419	14.5%
Wtd Avg. Tip Fee	\$ 32.03	\$ 32.83	\$ 0.80	2.5%
Public Revenue	\$ 5,611,560	\$ 6,586,867	\$ 975,308	17.4%
Revenue Impact:				
	Volume	Price	Total	
Tonnage Change	25,419	\$ 32.83	\$ 834,482	85.6%
Price Change	175,224	\$ 0.80	\$ 140,826	14.4%
Total Change			\$ 975,308	100.0%

Attachment C, Tables 1-3 provide further details on revenue, tonnage, and yardage trends.

Commodity revenues are forecast to be slightly lower than budgeted with a mid-year projection of \$10,581,300 vs. an adopted budget of \$10,813,200; a negative variance of \$231,900 or 2.1%. Actual MRF tonnage is higher than expected producing an increase in commodity revenue of approximately \$231,000 but lower commodity prices more than offset this increase. Further detail can be found in **Attachment C**, Tables 4-5.

Expenditures

The SBWMA program expense budget, before collection operations and exclusive of Shoreway operations, is projected at \$24,821 better than budget. Notable variances within the program (category) areas of the budget include:

- **Administrative expenses** (adopted budget of \$1,639,850 vs. mid-year projection of \$1,710,029; negative variance of \$70,179 or 4.3%)

- Board counsel expenses \$52,000 higher than budgeted due to unbudgeted legal expenses associated with labor issues and a contract dispute with Zanker Road, our construction and demolition debris processor.
- D&O insurance expenses \$20,283 higher than budgeted due to a higher than assumed premium of \$7,134 and \$13,149 to meet the policy deductible related to settlement of an employee complaint.
- **Contract Compliance and Support** expenses (*adopted budget of \$300,600 vs. mid-year projection of \$248,600; positive variance of \$52,000 or 17.3%*)
 - Rate review expenses \$23,000 below budget.
 - Quarterly load contamination sampling \$25,000 below budget.
- **AB 939 and AB 341 Compliance** (*adopted budget of \$858,500 vs. mid-year projection of \$815,500; positive variance of \$43,000 or 5%*)
 - Climate change reporting expenses \$8,000 higher due to one-time expenses associated with Climate Registry reporting for the SBR operations.
 - Commercial recycling technical assistance expenses \$20,000 lower due to lower than expected costs for waste characterization work.
 - Other savings from budget cuts in various line items.

Shoreway operations expenses are in total \$666,800 higher (1.9%) than the budgeted amount of \$35,427,100 (largely offset by higher revenue). Notable variances with the Shoreway operations portion of the budget include:

- Higher Shoreway operating expenses of \$536,400 in payments to SBR, the facility operator; \$342,900 due to higher tonnage and \$193,500 from different compensation rates and mix of materials than was originally budgeted in June 2013. SBR's actual 2014 compensation rates were approved in September 2013 by the Board.
- Disposal and processing expenses from higher tonnage was largely offset by lower 2014 rates paid to the vendors than was assumed in June 2013.
- Approximately \$60,000 in unanticipated Shoreway facility maintenance projects in the first six months of the fiscal year has resulted in a revised facility cost expense budget of \$160,000 vs. the adopted budget amount of \$100,000. These unanticipated projects include a repair to site paving (concrete repair) near the maintenance facility, replacement of electrical wiring to truck shop, and replacement of damaged plumbing within the employee break room in the MRF building.
- \$22,200 in higher franchise fee payments to the City of San Carlos due to higher than expected tonnage and tip fee revenue into the Shoreway facility.

Further detail on Shoreway operating expenses can be found in **Attachment C**, Tables 6-7.

Capital Spending

Projected capital spending of \$465,000 is \$105,000 less than the adopted budget amount of \$570,000. This lower amount is due in large part to various facility maintenance projects that were originally expected to be capital projects but were not treated as such per our capital spending policy. Please see **Attachment A** for a worksheet on our capital projects.

Reserve Balances

Table 3 on the following page below captures the reserve balance year end projections for FY 2014 compared to the approved budget reserve balance. The Undesignated Reserve balance is projected to be \$2.5 million higher than budgeted. This is primarily due to higher FY2013 ending reserve balance than projected by \$2.7 million which affects the beginning balance for FY2014. This higher beginning balance is due to higher commodity revenue, timing of spending on the Master Plan capital project, and lower SBWMA program expenses as shown in **Table 4**. Lower operating income of \$0.2 million in FY2014 and changes in capital spending in FY2014 reduced the ending FY2014 reserve balance change to \$2.5 million shown in **Table 3**.

Table 3

	APPROVED BUDGET FY 2014	MID-YEAR BUDGET FY 2014	VARIANCE
	New Policy		
UNRESTRICTED:			
RATE STABILIZATON (10% of expense)	\$ 3,822,605	\$ 3,886,803	\$ 64,198
EMERGENCY RESERVE (10% of total expense)	\$ 3,822,605	\$ 3,886,803	\$ 64,198
EQUIPMENT REPLACEMENT (ANNUAL)	\$ 1,130,726	\$ 1,130,726	\$ -
UNDESIGNATED	\$ 426,571	\$ 2,930,166	\$ 2,503,595
TOTAL UNRESTRICTED GENERAL RESERVES	\$ 9,202,507	\$ 11,834,498	\$ 2,631,990
COMMITTED:			
BOND PRINCIPAL PAYMENT FUND	\$ 1,004,167	\$ 1,004,167	\$ -
TOTAL GENERAL RESERVES	\$ 10,206,674	\$ 12,838,664	\$ 2,631,990

Table 4

HIGHER FY2013 RESERVE BALANCE VS PROJECTION			
1. FY13 Higher Operating Income			
Higher Commodity Revenue	\$ 1,016,141		<i>higher prices and tons</i>
Lower disposal expense	\$ 208,586		
Lower SBWMA Program Expenses	\$ 494,015		
Miscellaneous	\$ 9,337		
FY13 Higher Operating Income		\$ 1,728,079	
2. Spending on Mater Plan Project (timing)		\$ 918,405	
3. Miscellaneous		\$ 70,585	
TOTAL FY2013 RESERVE VARIANCE		\$ 2,717,068	

Background

On June 27, 2013 the South Bayside Waste Management Authority (SBWMA) Board of Directors adopted the FY1314 Annual Operating Budget.

On February 26, 2009, the Board of Directors adopted budget policies related to transfer of funds within the SBWMA's operating budget and capital budget; and staffing authorization. Policy details on the transfer of funds are as follows:

Transfer of funds:

1. The Executive Director is authorized to approve all appropriation transfers within and between the four program areas.
2. Any appropriations in excess of the total expenditures (sum of all four programs areas) included in the adopted budget are subject to Board approval.
3. Any appropriations transfers between capital projects are subject to Board approval. The Executive Director can transfer funds within a specific capital project.

As a matter of background, the SBWMA program budget is organized in four program (category) areas:

- Administrative Expenses
- Contract Compliance & Support
- Recycling & AB 939 Compliance
- Collection Operations

The Collection Operations portion of the budget is for the door-to-door HHW collection program which is treated as a pass through expense which is 100% offset by revenues collected from the Member Agencies for the program. There is also a separate capital projects portion of the budget.

The above budget policy was amended on March 28, 2013 to amend item 2 regarding transfer of funds to read:

“Any appropriations, with the exception of pass through expenses that are 100% offset by revenue from the same source, in excess of the total expenditures (sum of all four programs areas) included in the adopted budget are subject to Board approval. In the case of pass through expenses, the Executive Director shall provide an update at a Board meeting notifying the Board of the planned expenditures.”

Fiscal Impact

Staff is projecting net income of \$2,706,571 which is \$149,579 below our adopted budget net income of \$2,856,150. This negative variance is 0.4% of total revenue and 5.2% below budgeted net income due primarily to the following factors:

- Higher total revenue of \$492,400 offset by slightly higher operating costs.
- Higher Shoreway operating expenses of \$536,400 in payments to SBR, the facility operator; \$342,900 due to higher tonnage and \$193,500 from different compensation rates and mix of materials than was originally budgeted in June 2013. SBR’s actual compensation rates were approved in September 2013 by the Board.

Tables 5-8 represent FY1314 budgeted revenues and expenditures, and year-end projections through June 30, 2014.

Table 5

FY1314 NET INCOME			
<u>Revenues</u>	<u>FY1314 Adopted Budget</u>	<u>FY1314 Year End Projections</u>	<u>Variance</u>
Total Revenues	\$41,579,200	\$42,071,600	\$492,400
Total Expenditures	\$38,723,050	\$39,365,029	\$641,979
Net Income:	\$2,856,150	\$2,706,571	(\$149,579)

Table 6

FY1314 REVENUES			
<u>Revenues</u>	<u>FY1314 Adopted Budget</u>	<u>FY1314 Year End Projections</u>	<u>Variance</u>
Tip Fee Revenues	\$32,148,400	\$32,614,600	\$466,200
Net Commodity Sales Revenues*	\$8,723,100	\$8,593,100	(\$130,000)
Interest Income	\$55,900	\$160,700	\$104,800
HHW and Other Revenue	\$651,800	\$703,200	\$51,400
Total Revenues:	\$41,579,200	\$42,071,600	\$492,400
*Gross commodity sales – 28% revenue share with SBR and buyback payments.			

Table 7

FY1314 EXPENDITURES			
<u>Expenditures</u>	<u>FY1314 Adopted Budget*</u>	<u>FY1314 Year End Projections</u>	<u>Variance</u>
Administrative Expenses	\$1,639,850	\$1,710,029	\$70,179
Contract Compliance & Support	\$300,600	\$248,600	(\$52,000)
Recycling & AB 939 Compliance	\$858,500	\$815,500	(\$43,000)
Collection Operations	\$497,000	\$497,000	\$0
Total SBWMA Expenses:	\$3,295,950	\$3,271,129	(\$24,821)
Shoreway Operations:	\$35,427,100	\$36,093,900	\$666,800
Total Expenses:	\$38,723,050	\$39,365,029	\$641,979

Table 8

FY1314 EXPENDITURE DETAIL FOR SHOREWAY OPERATIONS			
<u>Expenditures</u>	<u>FY1314 Adopted Budget</u>	<u>FY1314 Year End Projections</u>	<u>Variance</u>
SBR Compensation*	\$16,274,400	\$16,810,800	\$536,400
Disposal and Processing*	\$14,238,500	\$14,283,800	\$45,300
Insurance Shoreway	\$204,200	\$208,100	\$3,900
Education Center	\$65,000	\$65,000	\$0
Debt Service Bond Interest	\$2,944,400	\$2,944,400	\$0
Other Operating Expenses	\$145,000	\$195,000	\$50,000
Taxes (Sewer)	\$24,700	\$33,700	\$9,000
Franchise Fee (San Carlos)**	\$1,530,900	\$1,553,100	\$22,200
Total Shoreway Operations:	\$35,427,100	\$36,093,900	\$666,800
* Expense projection based on estimated facility tonnage			
** Expense projection based on estimated gate revenue (tipping fees x estimated tons)			

Attachments: A – FY1314 Mid-Year Projections
 B – Programmatic Detail
 C – Financial and Operational Data
 D – Organization Chart

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
RESERVE SUMMARY

FY2014 MID YEAR BUDGET

	ACTUAL FY 2013	APPROVED BUDGET FY 2014	MID-YEAR BUDGET FY 2014	VARIANCE
		New Policy		
UNRESTRICTED:				
OPERATING RESERVE (10% of total expense)				\$ -
RATE STABILIZATON (10% of expense)	\$ 3,716,244	\$ 3,822,605	\$ 3,886,803	\$ 64,198
EMERGENCY RESERVE (10% of total expense)	\$ 3,716,244	\$ 3,822,605	\$ 3,886,803	\$ 64,198
EQUIPMENT REPLACEMENT (ANNUAL) ¹	\$ 1,799,028	\$ 1,130,726	\$ 1,130,726	\$ -
UNDESIGNATED	\$ 1,678,825	\$ 426,571	\$ 2,930,166	\$ 2,503,595
TOTAL UNRESTRICTED GENERAL RESERVES	\$ 10,910,341	\$ 9,202,507	\$ 11,834,498	\$ 2,631,990
COMMITTED:				
MASTER PLAN INTERNAL CAPITAL SPENDING				
BOND PRINCIPAL PAYMENT FUND	\$ 958,333	\$ 1,004,167	\$ 1,004,167	\$ -
BURLINGAME BOND REPAYMENT FUND	\$ 2,918,919			\$ -
TOTAL GENERAL RESERVES	\$ 14,787,593	\$ 10,206,674	\$ 12,838,664	\$ 2,631,990
<i>proof</i>	\$ 14,787,593	\$ 10,206,674	\$ 12,838,664	
Other LT Projects (Fully Funded)				
SHOREWAY REMEDIATION PROJECT	\$ 1,289,283	\$ 1,209,283	\$ 1,209,283	
CASH FLOW TO TOTAL RESERVE BALANCE				
Beginning Balance 7/1	\$ 13,055,019	\$ 12,070,525	\$ 14,787,593	
add - Operating Income	\$ 3,128,370	\$ 2,856,150	\$ 2,706,571	
add - TBT Payment from Recology	\$ 59,519			
less - non-MP capital exp	\$ (157,432)	\$ (570,000)	\$ (465,000)	
less - internal spend on MP capital	\$ (280,900)		\$ (40,500)	
less - debt principal pmt	\$ (1,095,000)	\$ (1,150,000)	\$ (1,150,000)	
less - "B" bond redemption on 8/15/2013		\$ (3,000,000)	\$ (3,000,000)	
Prior Year Adjustments				
adjust to final audited Balance	\$ 78,017	\$ (1)		
Ending Balance 6/30	\$ 14,787,593	\$ 10,206,674	\$ 12,838,664	

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
REVENUE SUMMARY**

FY 2014 MID YEAR BUDGET

	6/27/13				
REVENUE SUMMARY	ACTUAL FY 2013	APPROVED BUDGET FY 2014	YTD SPENT Dec 6, 2013	MID-YEAR PROJECTION FY 2013-2014	Variance to Approved Budget
ADMINISTRATIVE REVENUES					
409100 INVESTMENT INCOME	85,302	55,900	107,487	160,700	104,800
409101 INVESTMENT (GASB 31) MARKET VALUE ADJ	(26,706)				-
409200 INTEREST INCOME	632				-
TOTAL ADMINISTRATIVE	59,228	55,900	107,487	160,700	104,800
OPERATIONS					
480026 TIPPING FEES - Non Franchised	5,362,492	5,611,600	2,695,427	6,586,900	975,300
480027 TIPPING FEES - Franchised	25,773,015	26,536,800	10,933,605	26,027,700	(509,100)
480028 COMMODITY SALES	10,924,829	10,813,200	2,917,666	10,581,300	(231,900)
480029 COMMODITY REVENUE SHARE	(1,376,988)	(1,498,900)	(734,880)	(1,388,700)	110,200
522717 BUYBACK PAYMENTS	(606,159)	(591,200)	(218,005)	(599,500)	(8,300)
480025 E-SCRAP REVENUE	68,464	70,000	1,094	70,000	-
480033 MRF Host Fee - 3RD PARTY TONS	63,987	74,800	41,959	125,900	51,100
480031 HHW DOOR TO DOOR COLLECTION SERVICE	464,567	497,000	287,168	497,000	-
480032 PERFORMANCE INCENTIVE / DISINCENTIVE	8,056	10,000		10,000	-
480008 MISCELLANEOUS REVENUE	10,719		318	300	300
TOTAL OPERATIONS	40,692,982	41,523,300	15,924,352	41,910,900	387,600
TOTAL REVENUE	40,752,210	41,579,200	16,031,839	42,071,600	492,400
NET OPERATING INCOME / <LOSS>	3,128,370	2,856,150	3,329,482	2,706,571	(149,579)
% OF REVENUE	7.7%	6.9%		6.4%	-0.37%

1/9/2014
9:31 AM

REVENUES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
EXPENSE DETAIL BY PROGRAM**

FY 2014 PROPOSED BUDGET

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY						
		ACTUAL FY2013	APPROVED BUDGET FY 2014	YTD SPENT Dec 6, 2013	MID-YEAR PROJECTION FY 2013-2014	Variance to Approved Bud
EXPENDITURE SUMMARY						
ADMINISTRATIVE EXPENSES			<i>June 2013</i>			vs Approved Budget
520305	ADMINISTRATIVE STAFF	496,991	505,300	197,930	505,600	300
520306	AB 939 PROGRAM STAFF	658,878	672,900	308,379	677,300	4,400
520328	EMPLOYEE RECRUITMENT / HR SUPPORT	1,705	2,000	-	-	(2,000)
520337	PEO COST (HR & PR FEES)	18,469	19,000	10,124	19,000	-
520312	BOARD COUNSEL	84,155	70,000	82,592	122,000	52,000
520300	BOARD MEETINGS & RECORDINGS	4,468	7,150	5,640	7,150	-
520310	ACCOUNTING SERVICES (City of San Carlos)	125,083	128,500	64,018	128,500	-
520334	INFORMATION SYSTEMS	18,777	27,000	18,807	27,000	-
520338	WEBSITE	9,161	15,000	9,433	15,000	-
520301	ANNUAL FINANCIAL AUDIT	8,230	9,000	4,176	8,410	(590)
520701	D&O INSURANCE	24,792	23,500	30,634	43,783	20,283
520202	BANK FEES	7,623	7,500	1,996	7,500	-
520203	RENT	54,157	51,500	21,379	51,311	(189)
520204	PRINTING AND POSTAGE	143	150	-	150	-
520107	UTILITIES & PHONE	15,176	17,500	4,986	16,000	(1,500)
520905	OFFICE/TENANT IMPROVEMENTS	557	1,000	395	1,000	-
520201	OFFICE SUPPLIES	17,257	17,000	6,862	17,000	-
520215	OFFICE EQUIPMENT COSTS	24,929	25,500	9,966	25,500	-
520504	PUBLICATIONS & PUBLIC NOTICES	-	2,500	-	1,500	(1,000)
520501	PROFESSIONAL DUES & MEMBERSHIPS	2,210	2,100	1,550	2,100	-
520801	VEHICLE MILEAGE & TOLLS	-	250	-	125	(125)
520105	CELL PHONES	4,715	4,000	1,160	3,600	(400)
520503	CONFERENCE & MEETINGS	11,318	8,000	5,679	8,000	-
520502	TRAINING	787	6,500	1,210	5,500	(1,000)
520511	SPONSORSHIPS & DONATIONS	5,500	9,000	4,500	9,000	-
522706	COMPUTER PURCHASE	6,010	8,000	178	8,000	-
TOTAL ADMINISTRATIVE		\$ 1,601,091	\$ 1,639,850	\$ 791,596	\$ 1,710,029	\$ 70,179
CONTRACT COMPLIANCE AND SUPPORT RATES						
520307	RATE REVIEW	28,756	53,000	23,280	30,000	(23,000)
TOTAL RATE REVIEW		28,756	53,000	23,280	30,000	(23,000)

EXPENDITURES

1/9/2014

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
EXPENSE DETAIL BY PROGRAM**

FY 2014 PROPOSED BUDGET

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY					
	ACTUAL FY2013	APPROVED BUDGET FY 2014	YTD SPENT Dec 6, 2013	MID-YEAR PROJECTION FY 2013-2014	Variance to Approved Bud
EXPENDITURE SUMMARY					
CONSULTANT SUPPORT					
520308		30,000	-	30,000	-
520309	HCM01	43,231	10,522	68,600	1,000
520309	HCN01		-		-
520309	HCS02	50,028	10,348	95,000	(5,000)
520309	HCS03		-		-
520309	HSHOR		-		-
520329			-		-
520336		53,986	10,000	25,000	(25,000)
TOTAL CONSULTANT		147,245	30,870	218,600	(29,000)
TOTAL CONTRACT COMPLIANCE & SUPPORT		\$ 176,001	\$ 54,150	\$ 248,600	\$ (52,000)
RECYCLING - AB939 AND AB 341 COMPLIANCE					
RECYCLING ADMINISTRATION					
520311		36,500	13,500	25,000	-
520341		2,976	3	5,000	-
520309	HDV01		-	55,000	(5,000)
520604		-	-	1,500	-
TOTAL RECYCLING ADMINISTRATION		39,476	13,503	86,500	(5,000)
LONG RANGE PLAN/DIVERSION PROGRAMS					
520340		31,231	-	80,000	-
520340	MPOTR	207	-	-	-
520344		-	-	-	-
TOTAL LONG RANGE PLAN/DIVERSION PROGRAMS		31,438	-	80,000	-
COMMERCIAL PROGRAMS					
520331		6,455	-	5,000	-
520342			-		-
520608		14,891	2,066	23,000	8,000
520604	COE01	58,262	33,996	120,000	(20,000)
520604	COE02		-	40,000	-
520604	CDRCY	4,314	-	10,000	-
520604	GREEN		-		-
520604	MF001	13,665	-	90,000	(10,000)
TOTAL COMMERCIAL PROGRAMS		97,587	36,062	288,000	(22,000)
RESIDENTIAL PROGRAMS					
520604	QNL01	12,551	1,155	10,000	-
520604	QNLPM	108,421	41,213	110,000	-
520604	RES01	89,129	15,949	160,000	(5,000)
520604	COMPS	1,719	-	1,000	-
520604	HHWUW	64,340	13,074	75,000	(10,000)
520335		3,741	-	4,000	(1,000)
520604	ECE01		-	1,000	-
TOTAL RESIDENTIAL PROGRAMS		279,901	71,391	361,000	(16,000)

EXPENDITURES

1/9/2014

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
EXPENSE DETAIL BY PROGRAM**

FY 2014 PROPOSED BUDGET

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY					
	ACTUAL FY2013	APPROVED BUDGET FY 2014	YTD SPENT Dec 6, 2013	MID-YEAR PROJECTION FY 2013-2014	Variance to Approved Bud
EXPENDITURE SUMMARY					
TOTAL RECYCLING - AB939 AND AB 341 COMPLIANCE	\$ 448,402	\$ 858,500	\$ 120,956	\$ 815,500	\$ (43,000)
SUBTOTAL SBWMA PROGRAM BUDGET	\$ 2,225,494	\$ 2,798,950	\$ 966,703	\$ 2,774,129	\$ (24,821)
COLLECTION OPERATIONS					
522710 HHW DOOR TO DOOR COLLECTION SERVICES	461,401	497,000	122,712	497,000	-
522711 CURBSIDE HOUSEHOLD BATTERY RECYCLING SERVICES					-
TOTAL COLLECTION OPERATIONS	461,401	497,000	122,712	497,000	-
TOTAL SBWMA PROGRAM BUDGET	\$ 2,686,895	\$ 3,295,950	\$ 1,089,415	\$ 3,271,129	\$ (24,821)
SHOREWAY OPERATIONS					
522712 OPERATOR COMPENSATION - SBR	15,839,848	16,274,400	5,515,596	16,810,800	536,400
522713 DISPOSAL & PROCESSING COSTS	13,887,514	14,238,500	4,665,322	14,283,800	45,300
520710 INSURANCE SHOREWAY	191,634	204,200	129,030	208,100	3,900
522714 SHOREWAY FACILITY COST	140,401	100,000	100,680	160,000	60,000
522701 ALLIED WASTE BALANCING ACCOUNT	160,257	-	-	-	-
522718 EDUCATION CENTER OPERATIONS	52,286	65,000	15,900	65,000	-
522716 MAINTENANCE - OX MTN TIPPER	39,998	45,000	9,788	35,000	(10,000)
520901 SHOREWAY MRF EQUIPMENT MAINTENANCE > \$10k					-
520324 TAXES (SEWER)	22,402	24,700	16,270	33,700	9,000
SUBTOTAL SHOREWAY OPERATIONS	\$ 30,334,340	\$ 30,951,800	\$ 10,452,586	\$ 31,596,400	\$ 644,600
SHOREWAY OTHER					
521104 DEBT SERVICE BOND INTEREST	3,124,738	2,944,400	513,852	2,944,400	-
521117 AMORTIZATION OF BOND ISSUANCE		-		-	-
522702 FRANCHISE FEE	1,477,867	1,530,900	646,504	1,553,100	22,200
SUBTOTAL SHOREWAY OTHER	\$ 4,602,605	\$ 4,475,300	\$ 1,160,356	\$ 4,497,500	\$ 22,200
TOTAL SHOREWAY OPERATING EXPENSE	\$ 34,936,945	\$ 35,427,100	\$ 11,612,942	\$ 36,093,900	\$ 666,800
TOTAL OPERATING EXPENSES (SBWMA Program + Shoreway Operations)	\$ 37,623,840	\$ 38,723,050	\$ 12,702,357	\$ 39,365,029	\$ 641,979

EXPENDITURES

1/9/2014

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
CAPITAL BUDGET**

FY 2014 MID-YEAR BUDGET

CAPITAL PROJECTS				
PROJECT DESCRIPTION	ACTUAL FY 2013	BUDGET FY 2014	MID YEAR ACTUAL YTD 12/6/13	MID YEAR PROJECTION FY2014
570300 MISCELLANEOUS				
570300 SF005 TS FLOOR REPAIR				
570300 SF023 TUNNEL DRIVEWAY PAVING AND SCALE				
570300 SF026 TRUCK SHOP-REPLACE 2 AIR COMPRESSORS				
570300 SF028 TRUCK WASH BUILDING--ROOF REPAIR				
570300 SF031 FRONTAGE LANDSCAPING				
570300 SF032 ADMIN BLDG IMPROVE/REPAIRS				
570300 SF039 MAINTENANCE BUILDING RELAMPING				
570300 SF041 SBR MAINTENANCE BAY				
570300 SF042 MRF Equipment repair budget	33,092	-	8,290	
570300 SF043 Solar engineering, install				
570300 SF044 Tipping floor resurfacing		150,000	0	150,000
570300 SF045 Site paving repairs and restriping	8,300			
570300 SF046 Outside lighting construction				
570300 SF047 Site Signage		40,000	0	40,000
570300 SF048 New K-Rail at TS				
570300 SF049 Truck shop building maintenance		25,000	0	20,000
570300 SF050 TS building maintenance	31,829	25,000	0	20,000
570300 SF051 MRF building maintenance		25,000	23,766	25,000
570300 SF052 Admin building maintenance	12,515	40,000	22,540	40,000
570300 SF053 Site maintenance	40,000	25,000	0	25,000
570300 SF054 Onsite parking development				
570300 SF055 Fire suppression		140,000	10,566	60,000
570300 SF056 Repairs to landfill tipper		80,000	0	70,000
570300 SF057 Recycled Water Supply Connection				
570300 SF058 Truck Wash System Replacement	19,540			
570300 SF059 Facility Capital Repair Projects	12,156			
570300 SF060 Education Center Exhibits		20,000	0	15,000
SUBTOTAL CAPITAL PROJECTS	157,432	570,000	65,162	465,000

CAPITAL

1/9/2014
9:41 AM

RethinkWaste FY1314 Adopted Program Budget

ADMINISTRATION

FY1314 Budget: \$1,639,850.

SBWMA Resources: Kevin McCarthy, Executive Director; Marshall Moran, Finance Manager; and Cyndi Urman, Board Secretary/Office Manager.

Description: Provides for overall administrative operations of the agency, including: personnel administration, budget development, financial projections, expense payment processing, fiscal management, Board of Directors administration, customer service, risk management, records retention, and information technology. Budget for these functions is captured under “Administrative Expenses.”

FY1314 Key Projects/Activities

Budget Development

- Prepare the FY1415 budget for Board review and approval.
- Review the FY1314 budget to identify budget variances and plan for a mid-year adjustment if needed.
- Review existing tipping fees and develop recommended 2014 tipping fee adjustments.

Accounting and Fiscal Management

- Develop a recommendation for Board consideration on how to use unspent Shoreway remediation project Settlement funds.
- Complete FY1213 audit and 2013 calendar year financial statements for bond reporting.
- Develop a recommendation for Board consideration on how to use unspent Shoreway masterplan funds.
- Finalize a revised cash reserve policy per Board direction.
- Maximize use of competitive bidding for technical consulting services for scopes of work exceeding \$50,000.
- Meet bond covenants and reporting requirements as specified in the Indenture to ensure compliance including the two debt coverage ratios.
- Monitor SBR’s monthly reporting of tonnage and review their monthly invoice for accuracy and tie all payments to source data.
- Manage monthly cash transfers to/from SBR for commodity revenue, public revenue, and payments for operations as required.
- Manage monthly billing to and payment from Recology for disposal at Shoreway as prescribed in the agreements.
- Ensure all procedures are followed and receipts and payments are supported by proper documentation and made on timely basis such that cash flow is optimized.
- Review the Quarterly Investment Report to the Board prepared by the City of San Carlos.

Board of Directors Administration

- Deliver Board Packets to the Board of Directors accurately and on time.
- Maintain the Board of Directors webpage to ensure accurate and up to date information is readily available.
- Launch an updated website with a Board Member portal feature to house information of interest.
- Maintain accurate and up-to-date records for the SBWMA, including Board meeting minutes, resolutions, ordinances and contracts.
- Update as necessary the Board of Directors JPA and Contracts Resources Binder.

Customer Service

- Provide high quality customer service to members of the public that call the SBWMA, Board Member inquiries and staff needs.

Risk Management and Other Functions

- Renew general insurance policies.
- Manage to compliance with record retention and other Board adopted policies.

RethinkWaste FY1314 Adopted Program Budget

CONTRACT COMPLIANCE AND SUPPORT

SBWMA Resources: Cliff Feldman, Recycling Programs Manager; Marshall Moran, Finance Manager; Monica Devincenzi, Recycling Outreach and Sustainability Manager; and Hilary Gans, Facility Operations and Contracts Manager.

Description: Staff services provided in this area includes:

- Continued oversight and contract administration support for the twelve collection services franchise agreements with Recology San Mateo County (Recology), including follow-up work on audit findings and financial auditing.
- Continued oversight of the South Bay Recycling (SBR) Shoreway operations (**see “Shoreway Operations” budget worksheet**).
- Management of the annual rate review process, including review of the 2014 RSMC and SBR compensation applications, and completion of final rate reports (Recology, SBR and consolidated report) for 2014. Initiate audit work and review of operational data for 2015 compensation applications.

FY1314 Key Projects/Activities

Contract Administration

- Support Member Agencies with implementing administrative changes to their franchise agreements.
- Review 2013 Annual Report from Recology.
- Hire contractor to conduct audit of Collection Services and Facility Operations Reports, Tonnage Data and Customer Service Systems. Implement 2012 audit findings as appropriate.
- Hire contractor to conduct audit of Financial Systems of both contractors to verify financial risks to SBWMA. Implement 2012 audit findings as appropriate.
- Prepare 2014 Annual Public Education Plan for franchised collection services and related outreach support, including management of all collateral development and support for tailoring collateral for Member Agencies as appropriate.
- Complete two quarterly load contamination monitoring events.
- Provide prompt response to questions/issues/complaints that are raised by Member Agencies regarding their franchise agreements.
- Manage and set agenda, with input from Recology and Member Agencies, for a standing contractor coordination meeting.
- Develop a Member Agency snapshot report for 2013 and make presentations to Member Agency governing bodies upon request.

Rate Review, Analysis and Projections

- Complete final rate reports (Recology, SBR and consolidated report) for 2014 rate year.
- Continue to support Recology with making changes or improvements to the Compensation Application Report.
- Analyze the very detailed cost adjustments in the Compensation Applications from Recology and SBR. Verify they follow prescribed contractual requirements and approved compensation methodology. Detailed review of any Recology special issues.
- Prepare financial analysis for projected revenue and total collection costs, residual cost impact from prior year, and include pass-through costs (disposal and agency fees) to determine Total Rate Adjustment for each Member Agency.

RethinkWaste FY1314 Adopted Program Budget

- Prepare a variance analysis of 2014 total collection cost vs. 2013 cost by detailed cost categories by agency to aid in understanding collection cost changes.
- Provide ongoing rate analysis support and projections of 2013 rate impacts associated with changes to any assumptions.
- Update 5-year collection cost projection by agency for collection cost components: Recology cost, disposal expense and agency fees.
- Support Member Agencies with analysis of rate issues and attended rate hearings or rate related meetings as requested.
- Review Recology's Revenue Reconciliation Report, develop outside audit of financial risks including SBR's payments to SBWMA.
- Evaluate fixing cost allocations for future rate years to simplify the compensation adjustment process and provide greater rate predictability.

Budget Expense Category	Description of Program	FY14 Adopted	FY14 Mid-Year Projection
Contract Compliance and Support – Consultant Support		\$300,600	\$248,600
Rate Review and Support	<ul style="list-style-type: none"> • Rate analysis and support for Member Agencies, including outside support for accounting temp. 	\$53,000	\$30,000
Facility Improvement Oversight	<ul style="list-style-type: none"> • The current two organics processing contracts expire at the end of 2014 so funds are budgeted to review options, including the potential management of an RFP process (\$15,000). • SBWMA currently does not have a Disaster Management Plan related to its Shoreway facility operations so a preliminary plan will be developed (\$15,000). 	\$30,000	\$30,000
Contract Management Support	<ul style="list-style-type: none"> • Conduct annual Financial Audit of Recology. This audit reviews the distribution of franchise and other fees to Member Agencies, annual revenue reconciliation and other aspects of financial related reporting. 	\$67,600	\$68,600
Collection Services Franchise Administration	<ul style="list-style-type: none"> • SBWMA is required per the franchise agreements to support the Member Agencies with contract compliance issues, including monitoring, and auditing if needed, the companies reporting, systems and customer service functions and ensuring compliance with any previous audit findings and recommendations (\$80,000); and, conducting periodic “dummy” calls to test customer service data self-reported by the company which pertains to calculation of performance incentives/disincentives and liquidated damages (\$20,000). 	\$100,000	\$95,000
Quarterly Contamination Monitoring	<ul style="list-style-type: none"> • The quarterly contamination monitoring will now be done twice per year per the package of negotiated cost savings measures implemented by both Recology and the SBWMA and currently being considered for adoption by the Member Agencies per Board resolution (\$50,000). 	\$50,000	\$25,000
Contract Negotiations/Legal Review	<ul style="list-style-type: none"> • Legal research and support in drafting contract amendments. 	\$0	\$0

RethinkWaste FY1314 Adopted Program Budget

RECYCLING OUTREACH AND PROGRAMS – AB 939 AND AB 341 COMPLIANCE

SBWMA Resources: Cliff Feldman, Recycling Programs Manager; and Monica Devincenzi, Recycling Outreach and Sustainability Manager.

Description: Staff services provided in this area to ensure compliance with state-mandated waste reduction, recycling and reporting requirements per the California Integrated Waste Management Act of 1989 (Assembly Bill (AB) 939) and the more recent legislation pertaining to mandatory commercial recycling (AB 341) include:

- Development and implementation of public education and outreach strategies to promote residential and commercial waste reduction and recycling collection programs and services.
- Oversight of any Recology San Mateo County services under the 12 collection services franchise agreements with the Member Agencies.
- Submission of State-required Annual Reports on behalf of ten participating Member Agencies.

FY1314 Key Projects/Activities

- Implement an SBWMA-wide regulation/ordinance to issue Non-Exclusive Franchises to commercial recycling haulers and develop the outreach strategy to begin collecting diversion data that is currently unavailable.
- Assist the cities of San Carlos and San Mateo with development and implementation of an anti-scavenging ordinance.
- Evaluate a pilot code enforcement effort to support Member Agency's with enforcement of their anti-scavenging ordinances.
- Manage the Systems and Reports Audit of Recology's 2013 performance and compliance.
- Implement convenient Agency-wide mobile app for residential and commercial customer use to request services, get additional program information and other related items.
- Develop, submit and manage the 2014 Annual Public Education Plan in coordination with Recology and the Ad Hoc Public Education Subcommittee, including an evaluation of the most cost-effective ongoing outreach activities and tools.
- Implement a model multi-family diversion program in coordination with Recology, including recommendations for the most cost effective ongoing outreach strategies. Will also include a program evaluation through conducting targeted waste characterization analysis of MFD accounts.
- Conduct targeted waste characterization analysis of commercial accounts to evaluate the effectiveness of the commercial recycling outreach program and make any recommendations as appropriate.
- Develop, implement and manage ongoing AB 341 outreach activities, including brochures, inserts and letters of non-compliance for Member Agency and Recology use; and presentations.
- Expand residential home diversion calculator program to increase residential diversion and participation, including continuing to perform direct research of residential customers carts set-out curbside to provide data needed for home diversion calculator project.

RethinkWaste FY1314 Adopted Program Budget

- Continue to develop outreach strategies to increase participation and customer knowledge of the Door-to-Door HHW Collection program for participating agencies.
- Continue to develop outreach strategies to increase participation and customer knowledge of CartSMART and BizSMART services, including tailoring programs to meet specific community needs.
- Submit 2012 Annual Reports to CalRecycle on behalf of ten Member Agencies.
- Provide outreach and other support to Member Agencies for Compost Giveaways and Shred/E-Scrap Recycling Events.
- Promote residential collection services through three *rethinker* newsletters, five bill inserts and 10 presentations at community groups, organizations and events in collaboration with Recology.
- Prepare a three-year trend analysis of Recology's operations and collection services provided to the Member Agencies.
- Prepare an updated staff report to the Board on future diversion opportunities.

RethinkWaste FY1314 Adopted Program Budget

Budget Expense Category	Description of Program	FY14 Adopted	FY14 Mid-Year Projection
Recycling Outreach and Programs – AB 939 and AB 341 Compliance		\$858,500	\$815,500
CIWMB (CalRecycle) Annual Report	<ul style="list-style-type: none"> The SBWMA annually provides the necessary research and data compilation to draft and submit the State mandated Electronic Annual Reports for ten Member Agencies to comply with the requirements of AB 939 (\$25,000). 	\$25,000	\$25,000
SBWMA Annual Report	<ul style="list-style-type: none"> Staff prepares an annual report that has been well received in prior years by various stakeholders. This annual report provides a snapshot of the key metrics and milestones for the prior year. This budget expense covers design and production costs of this report (\$5,000). 	\$5,000	\$5,000
Diversion Program Support	<ul style="list-style-type: none"> This is to provide consultant(s) support to Staff as needed with developing, designing and producing various outreach materials for diversion programs (\$30,000). Staff plans to develop model Anti-Scavenging Programs in two Member Agencies that have previously expressed an interest in developing an ordinance: San Mateo and San Carlos. This work will entail stakeholder engagement and evaluation of a related pilot Code Enforcement Program per prior direction from the Board (\$30,000). 	\$60,000	\$55,000
Event Giveaways	<ul style="list-style-type: none"> Staff plans to promote the various programs and services at Member Agency community events, primarily held in the spring and summer, and include educational and promotional items as giveaways (\$1,500). 	\$1,500	\$1,500
Long Range Plan Alternatives	<ul style="list-style-type: none"> Staff is undertaking Long Range Planning Activities to assist the Member Agencies with exploring and scoping policies and programs to achieve higher levels of diversion (\$50,000). A specific project will entail developing a model public spaces recycling program through testing different approaches to ensure the public is provided an opportunity to recycle at parks and other public spaces (\$30,000). 	\$80,000	\$80,000
Large Event/Venue Consulting	<ul style="list-style-type: none"> Due to event organizers preferring carts for events in lieu of ClearStream Containers, the two RethinkWastes' Venue and Events trailers are rarely used. Staff is considering repurposing one trailer for collection of niche items (e.g., books) at events or use for emergency relief; update Venue and Events brochure; program tracking (\$5,000). 	\$5,000	\$5,000
Large Event/Venue Recycling Services	<ul style="list-style-type: none"> Use of trailers limited as compared to prior years – expense not anticipated (\$0). 	\$0	\$0

RethinkWaste FY1314 Adopted Program Budget

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
Climate Change Reporting and Policy Options	<ul style="list-style-type: none"> As part of our environmental stewardship, Staff reports GHG emissions for the offices at the San Carlos Library, and is assisting with SBR's annual reporting framework, both through The Climate Registry (\$15,000). 	\$15,000	\$23,000
Commercial Recycling Technical Assistance	<ul style="list-style-type: none"> Staff is working on a project to develop and implement a Non- Exclusive Franchise Permit System for Recycling Haulers, which will include stakeholder engagement and public outreach component to stakeholders, including chambers, grocery stores, recycler companies, and the Member Agencies (\$50,000). Staff plans to conduct targeted Commercial/MFD waste characterization studies to compile data specific to these sectors needed to design cost effective future policies and programs to increase diversion (\$55,000). To comply with the AB 341 mandatory commercial recycling mandate, staff is charged with outreach and education to the commercial/MFD sector and directly making presentations and hosting workshops at Multi-Family Dwelling HOA's and Chambers of Commerce (\$10,000). Funds are budgeted to measure the effectiveness of various outreach materials and strategies and to conduct the annual Business Awards Program (\$25,000). 	\$140,000	\$120,000
Purchase Commercial/MFD Containers for Recology	<ul style="list-style-type: none"> The SBWMA is required per the Franchise Agreements with Recology to purchase various products to facilitate diversion at commercial and multi-family dwelling customers. Specifically, this expense will cover the annual purchase of Slim Jims, desk-side recycling containers and Buddy Bags that the company will distribute to businesses and multi- family customers throughout the SBWMA service area (\$60,000). {This expense was previously budgeted in the Commercial Recycling Assistance and MFD Outreach line items, but is now broken out separately.} 	\$40,000	\$40,000
C&D Recycling Program	<ul style="list-style-type: none"> Assist permit counter staff at the Member Agencies with improving the cost effectiveness and administration of their C&D ordinance(s) and additionally assisting with the transition to adopting an industry sponsored facility diversion certification standard (\$10,000). 	\$10,000	\$10,000

RethinkWaste FY1314 Adopted Program Budget

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
Green Business Program	<ul style="list-style-type: none"> Assist Member Agencies with certifications per Board direction (\$0). 	\$0	\$0
Multi-Family Outreach	<ul style="list-style-type: none"> The SBWMA is required per the Franchise Agreements with Recology to provide outreach materials in the form of the toolkit. Staff will be developing a model MFD outreach program, including updating the existing Toolkit and adding supplemental outreach materials. The actual budget is contingent on whether new pieces (e.g., magnets, door hangers, etc.) are used initially on a smaller scale or rolled out service area-wide (\$65,000). Staff will be helping promote subscriptions to Recology MFD batteries/cell phones collection service through targeted outreach pieces and strategies (\$10,000). Funds are budgeted to measure the effectiveness of various outreach materials and strategies and to conduct the annual Multi-Family Awards Program (\$25,000). 	\$100,000	\$90,000
Rethinker Newsletter Design/Set-up	<ul style="list-style-type: none"> The SBWMA is required per the Franchise Agreements with Recology to develop the <i>rethinker</i> newsletter for SFD and MFD residents. Previously this was a quarterly newsletter, however, per the Board approved FY13 budget, it is now published 3 times per year. This is for the development of the newsletter content and layout (\$10,000). 	\$10,000	\$10,000
Rethinker Newsletter Printing/Mailing	<ul style="list-style-type: none"> The SBWMA is required per the Franchise Agreements with Recology to develop and issue the <i>rethinker</i> newsletter to SFD and MFD residents. Previously this was a quarterly newsletter, however, per the Board approved FY13 budget, it is now published 3 times per year. This is for the printing and mailing of the 3 issues (\$110,000). Staff will continue to promote sign-ups for electronic version to reduce costs. 	\$110,000	\$110,000

RethinkWaste FY1314 Adopted Program Budget

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
Residential Outreach Programs	<ul style="list-style-type: none"> • The SBWMA is responsible for all outreach and education efforts, including providing ongoing outreach support/maintenance for existing programs through brochures, posters, flyers and new opportunities such as signs on Recology collection vehicles, and addressing niche issues including illegal dumping, storm water trash, anti-scavenging (\$32,000). • The RethinkWaste website and social media outreach are useful tools in its outreach efforts, and includes maintenance and updates to ensure they stay relevant (\$35,000). • Staff is developing an online Home Diversion Calculator to promote and recognize households with high diversion (\$15,000 promotion, incentives, maintenance of calculator – 2 cart weighing events \$25,000). • The use of a third-party Mobile Phone App, which will cover costs for one-time set-up fee and annual fee for RethinkWaste and all Member Agencies, will make it more convenient for tech-savvy customers to have access to program information and make service requests/report issues (\$33,000). • The SBWMA would like to provide support for Member Agencies’ reusable bag ordinances, including purchase of reusable bags for giveaways (\$10,000). • Funds are budgeted to measure the effectiveness of various outreach materials and strategies (\$15,000). 	\$165,000	\$160,000
Compost Giveaway	<ul style="list-style-type: none"> • The SBWMA is responsible for assisting Member Agencies with promotion of Compost Giveaway events (\$1,000). 	\$1,000	\$1,000

RethinkWaste FY1314 Adopted Program Budget

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
HHW Door-to-Door Collection Outreach	<ul style="list-style-type: none"> • Staff plans to continue ongoing public education activities promoting this program to residences and also commence a “rolling” public education/marketing campaign to further promote these services to participating Member Agencies. Public education directly drives participation in this program as awareness of this service still remains relatively low across the participating Member Agencies. Promotional activities will include direct mail, outdoor and print advertising, and promotion at community events starting July 1, 2013 through June 30, 2014 (\$75,000). • Additionally, staff is discussing with the company the possibility of providing the service to Member Agency facilities and small businesses and if the program can be negotiated in a cost effective manner staff will promote this to the targeted generators (\$10,000). 	\$85,000	\$75,000
Curbside Household Battery Outreach	<ul style="list-style-type: none"> • Staff will continue to promote recycling of household batteries, one of the programs identified in the 2012 Customer Satisfaction Survey as needing additional awareness (\$5,000). 	\$5,000	\$4,000
Electronics Collection Events	<ul style="list-style-type: none"> • The SBWMA is responsible for assisting Member Agencies with promotion of the E-scrap and shred events (\$1,000). 	\$1,000	\$1,000
SBWMA Program Budget (exclusive of Administrative Expenses)		\$1,159,100	\$1,064,100

RethinkWaste Adopted FY1314 Program Budget

COLLECTION OPERATIONS

SBWMA Resources: Cliff Feldman, Recycling Programs Manager; and Monica Devincenzi, Recycling Outreach and Sustainability Manager

Description: Staff services provided in this area is to ensure compliance with state-mandated Universal Waste recycling and disposal regulations through administration of the Door-to-Door Household Hazardous Waste (HHW) collection services with WM Curbside Inc. and oversight of the household batteries and cell phone collection services provided by Recology.

FY1314 Key Projects/Activities (*outreach projects listed below are included in the Recycling – AB 939 and AB 341 Compliance category of our SBWMA program budget*)

- Implement additional public education and outreach to the currently participating ten Member Agencies to increase collection of HHW through the Door-to-Door HHW collection program.
- Provide program roll-out public education and outreach to any Member Agency that begins participating in the program.
- Commence discussions with management at WM Curbside Inc. to expand the HHW collection services to Conditionally Exempt Small Quantity Generators (CESQG) which is the regulatory definition of commercial generators that meet certain criteria. These customers include small businesses and potentially Member Agency facilities such as corporation yards.
- Conduct a pilot project with South Bay Recycling at Shoreway to begin segregating select battery chemistries (from batteries collected through Recology’s curbside recycling program) in an effort to sell rechargeable batteries and reduce recycling/disposal expense.
- Continue and expand public education and outreach to increase participation in Recology’s recycling collection services with specific emphasis on increasing the collection of cell phones and batteries from the Multi-Family Dwelling sector which includes approximately 4,400 customers and 41,000 residential living units.
- Prepare a multi-year trend of WM Curbside’s Door-To-Door HHW collection services to the Member Agencies.
- Prepare an updated staff report to the Board on future HHW and Universal Waste recycling and disposal opportunities.

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
Collection Operations		\$497,000	\$497,000
HHW Door To Door Collection Services	<ul style="list-style-type: none"> • Disposal and processing expenses paid by RethinkWaste to WM Curbside Inc. for operating the Door to Door Collection Services for 10 Member Agencies (Redwood City and Atherton don’t participate). 	\$497,000	\$497,000
Curbside Household Battery Recycling Services	<ul style="list-style-type: none"> • Expense paid by Shoreway facility operator, SBR, and included in Shoreway Disposal and Processing Costs line item. 	\$0	\$0

RethinkWaste FY1314 Adopted Budget Items for Shoreway Operations

SBWMA Resources: Hilary Gans, Facility Operations and Contracts Manager; Marshall Moran, Finance Manager; Faustina Mututa, Environmental Education Coordinator; and Heather Co, Environmental Education Associate.

Description: This includes SBWMA staff directed activities regarding Shoreway operations including: oversight of SBR operations, including contract compliance and review and payment of SBR invoices; Shoreway facility capital repairs and maintenance; education center operations, exclusive of staff wages and benefits which are included in the Administration portion of the SBWMA program budget; management of disposal and processing contracts, including review and payment of invoices; facility insurance; and billing Recology for tons delivered to Shoreway.

FY1314 Key Projects/Activities

- Continued operational oversight and contract compliance of MRF, transfer station, and transportation operations performed by SBR.
- Ongoing management of Shoreway Facility capital and maintenance projects.
- Ongoing management of third party recycling and disposal contracts for solid waste, organics, and C&D.
- Manage Shoreway's ongoing ground water remediation and testing project (budget of \$1.5 M) toward the goal of receiving San Mateo County closure approval in 2013.
- Manage a procurement process for the expiring organics processing contracts for residential and commercial organics.
- Conduct the Shoreway school and public tours program, including developing new partnership opportunities to support the program.
- Completion of the outdoor environmental education area near the Transfer Station
- Installation of an exhibit highlighting the LEED and green features of the Shoreway facility and other enhancements as needed.
- Completion of conceptual designs for a Transfer Station processing system to recover organics materials and other recyclables.
- Continue to identify and pursue new third party tonnage opportunities, including evaluating a sales position for SBR.
- Completion of a performance audit and financial benefit of the Shoreway solar power project that provides enough electricity to self-power the MRF and processing of recyclables.
- Analysis of upgrade options and cost to the Shoreway underground fuel storage tanks and supply system.
- Complete a Disaster and Emergency Management Plan for the Shoreway operations.

RethinkWaste FY1314 Adopted Budget Items for Shoreway Operations

<u>Budget Expense Category</u>	<u>Description of Program</u>	<u>FY14 Adopted</u>	<u>FY14 Mid-Year Projection</u>
Shoreway Operations		\$30,951,800	\$31,596,400
Operator Compensation	<ul style="list-style-type: none"> Contractually required payments (per ton and/or per ton mile rates) by RethinkWaste to SBR to operate the MRF and Public Recycling Center, scale house and Transfer Station, and transport materials for disposal and processing. 	\$16,274,400	\$16,810,800
Disposal and Processing Costs	<ul style="list-style-type: none"> Tipping fees paid by RethinkWaste to third party vendors (under contract w/ RethinkWaste) for disposal (Republic Services Ox Mountain landfill), and processing (Zanker Road for C&D, Recology Grover for composting, and Republic Services Newby Island for composting). All such contracts include per ton rates subject to annual CPI adjustments. 	\$14,238,500	\$14,283,800
Insurance Shoreway	<ul style="list-style-type: none"> Annual insurance premiums paid by RethinkWaste for Shoreway property and liability insurance, excluding Director's and Officer's insurance which is shown in a line item under Administrative expense. 	\$204,200	\$208,100
Shoreway Facility Cost	<ul style="list-style-type: none"> Non capital related expenses to maintain the 16-acre Shoreway facility, including nearly 200,000 square feet of building space and \$20 million in equipment owned by RethinkWaste. 	\$100,000	\$160,000
Allied Waste Balancing Account	<ul style="list-style-type: none"> Payments owed to Allied Waste to close out compensation owed to them as the previous Shoreway facility operator. 	\$0	\$0
Education Center Operations	<ul style="list-style-type: none"> Non labor related expenses to manage Shoreway facility school and public visitor tour program. Includes \$20k for busing assistance within our service area, funds for Trash to Art Contest, annual Earth Day event, compost donations to schools, safety equipment and supplies, and outreach materials. 	\$65,000	\$65,000
Maintenance – Ox Mountain Tipper	<ul style="list-style-type: none"> Non capital related expenses associated with maintaining a hydraulic tipper (used to unload transfer trailers at the landfill). The tipper is owned by RethinkWaste, but operated by Republic at their Ox Mountain landfill. 	\$45,000	\$35,000
Taxes (sewer)	<ul style="list-style-type: none"> Sewer fees paid to the City of San Carlos. 	\$24,700	\$33,700
Shoreway Other		\$4,475,300	\$4,497,500
Debt Service Bond Interest	<ul style="list-style-type: none"> Annual interest payments on the 2009A Solid Waste Enterprise Revenue Bonds of \$53.5 million and the 2009B (taxable) bonds of \$3 million. 	\$2,944,400	\$2,944,400
Franchise Fee	<ul style="list-style-type: none"> 5% franchise fee paid by RethinkWaste to City of San Carlos for the Shoreway facility. The fee is collected on gate (tipping) fees, but not on commodity revenues. There is no floor or cap on the fees paid to City of San Carlos. 	\$1,530,900	\$1,553,100
TOTAL SHOREWAY OPERATING EXPENSE		\$35,427,100	\$36,093,900

Attachment C

Back-up Financial and Operational Data

This attachment provides additional supporting data for the 2014 Mid-Year Budget projections in the staff report.

OPERATING REVENUE

- Table 1** provides revenue, tonnage, yardage and weighted average tip fee data for 2014 Budget and Mid-Year Budget.

Table 1

TIP FEE REVENUE		2014 Approved Budget	2014 Mid-Year Budget	2014 Mid-Year vs Budget Variance	%
Franchise					
	Tons	285,837	282,925	-2,912	-1.0%
	Wtd Avg. Tip Fee	\$ 92.84	\$ 92.00	\$ (0.84)	-0.9%
	Franchise Revenue	\$ 26,536,840	\$ 26,027,745	-509,095	-1.9%
Public					
	Yards	175,224	200,643	25,419	14.5%
	Wtd Avg. Tip Fee	\$ 32.03	\$ 32.83	\$ 0.80	2.5%
	Public Revenue	\$ 5,611,560	\$ 6,586,867	975,308	17.4%
Total Tip Fee Revenue		\$ 32,148,400	\$ 32,614,613	\$ 466,213	1.5%

- Table 2** provides historical and projected detail on inbound tonnage and yardage by material type to the Transfer Station (excludes recyclables tonnage to MRF).

Table 2

Total TS Tonnage and Yardage		2011	2012	2013	2014	13 vs 12	14 vs 13
Franchise							
SBWMA Solid Waste	<i>tons</i>	197,601	182,194	181,239	175,298	-0.5%	-3.3%
SBWMA Green Waste	<i>tons</i>	71,046	82,750	95,560	103,238	15.5%	8.0%
SBWMA Food Waste	<i>tons</i>	14,347	13,735	5,134	555	-62.6%	-89.2%
SBWMA Dirt, Inert, C&D	<i>tons</i>	2,641	4,414	3,070	3,384	-30.5%	10.2%
SBWMA Wood	<i>tons</i>	0	73	112	113		
SBWMA Other, BI	<i>tons</i>	0	105	298	337		
sub-total Franchise		285,635	283,271	285,413	282,925	0.8%	-0.9%
Non-SBWMA Weighed Dirt	<i>tons</i>	2,233	3,192	4,014	4,940	25.8%	23.1%
Total Tons		287,868	286,462	289,427	287,865	1.0%	-0.5%
Public							
Public Solid Waste Yards	<i>yards</i>	47,721	31,667	45,244	70,683	42.9%	56.2%
Public Green Waste Yards	<i>yards</i>	41,875	45,215	58,612	62,987	29.6%	7.5%
Public C&D	<i>yards</i>	48,953	62,655	66,531	66,973	6.2%	0.7%
Total Yards		138,548	139,536	170,386	200,643	22.1%	17.8%

3. The following tables chart the change in volume from Table 2.

Table 3a

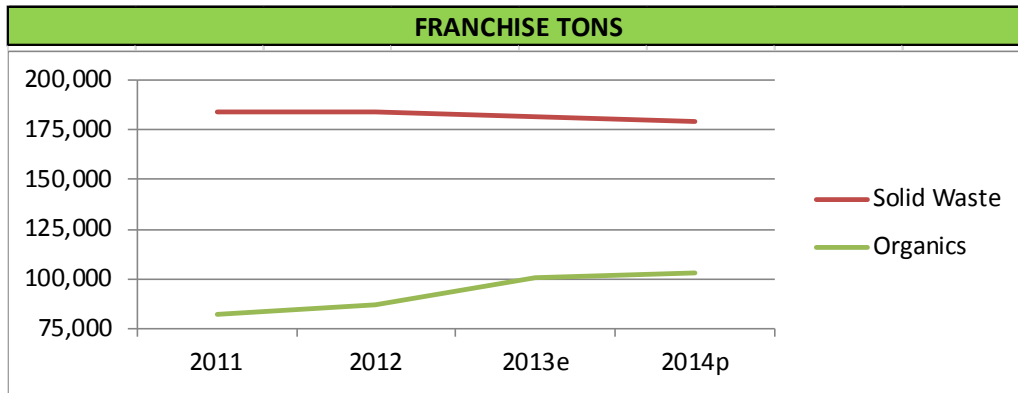
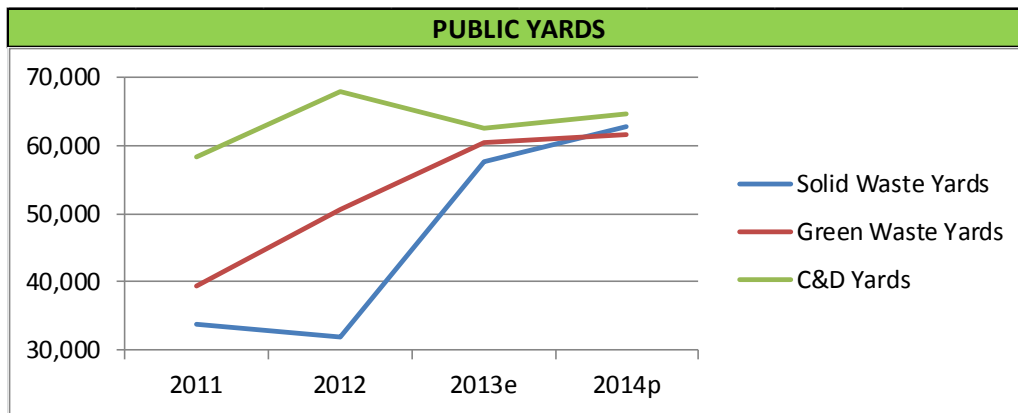


Table 3b



4. **Table 4** provides supporting data on commodity revenue projections.

Table 4

COMMODITY REVENUE		2014 Budget	2014 Mid-Year	14B vs 14P	%
Tons		60,340	61,692	1,352	2.2%
Wtd Avg. Price		\$ 179.20	\$ 171.52	\$ (7.69)	-4.3%
Gross Revenue		\$ 10,813,172	\$ 10,581,344	-231,828	-2.1%
Revenue Share w/ SBR		(1,498,880)	(1,388,725)	110,155	-7.3%
Buyback Payments		(591,229)	(599,532)	-8,303	1.4%
Net Commodity Revenue		\$ 8,723,063	\$ 8,593,087	-129,976	-1.5%
Price / Volume Impact		Volume	Price	Total	
	Tonnage Change	1,352	\$ 171.52	\$ 231,894	
	Price Change	60,340	\$ (7.69)	\$ (463,721)	
	Total Change			\$ (231,828)	

5. The following table provides a history of commodity prices per ton by quarter. The figures shown are the blended average price per ton for all commodities sold in a given quarter.

Table 5

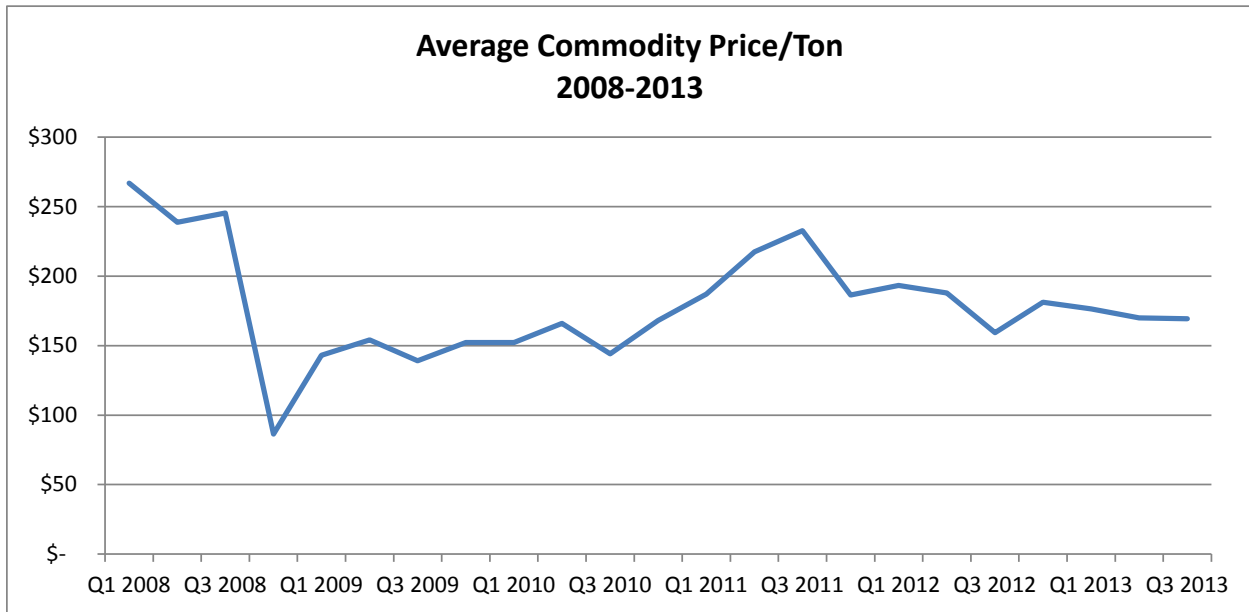


Table 5a shows the actual commodity revenue by commodity type as of September 2013 YTD (nine months).

Table 5a

Outbound Commodity Tons & Revenue						
Commodity	Tons	Price / Ton	Revenue	% Tons	% Revenue	
OCC (cardboard)	10,335	\$ 157	\$ 1,626,401	22.8%	20.9%	
ONP #8 (newspaper)	11,460	\$ 116	\$ 1,333,727	25.3%	17.1%	
Mixed Paper	11,219	\$ 105	\$ 1,178,718	24.7%	15.1%	
PET	954	\$ 1,568	\$ 1,495,424	2.1%	19.2%	
HDPE Natural	280	\$ 736	\$ 206,359	0.6%	2.6%	
HDPE Color	304	\$ 517	\$ 157,306	0.7%	2.0%	
Glass (Clean)	316	\$ 144	\$ 45,362	0.7%	0.6%	
Aluminum	158	\$ 4,436	\$ 702,248	0.3%	9.0%	
Glass (Mix)	8,735	\$ 96	\$ 839,941	19.3%	10.8%	
Tin	735	\$ 173	\$ 126,986	1.6%	1.6%	
Plastic 3-7	224	\$ 53	\$ 11,834	0.5%	0.2%	
Mixed Rigid Plastic	335	\$ 97	\$ 32,569	0.7%	0.4%	
Mixed Film Plastic	20	\$ 10	\$ 200	0.0%	0.0%	
Bi Metal	285	\$ 126	\$ 35,902	0.6%	0.5%	
Poly Prop. Plastic #5	17	\$ 40	\$ 678	0.0%	0.0%	
Total	45,376	\$ 172	\$ 7,793,657	100.0%	100.0%	
Total Fibers	33,013	\$ 125	\$ 4,138,847	72.8%	53.1%	
Total Containers	12,363	\$ 296	\$ 3,654,810	27.2%	46.9%	
Total	45,376	\$ 172	\$ 7,793,657	100.0%	100.0%	

OPERATING EXPENSES

6. Table 6a provides supporting data for SBR's operating expense.

Table 6a

SBR OPERATING EXPENSE				
a. Summary	2014 Budget	2014 Mid-Year	14B vs 14P	%
MRF	\$ 4,303,844	\$ 4,401,890	\$ 98,046	2.3%
Transfer Station	\$ 5,108,802	\$ 5,237,726	\$ 128,924	2.5%
Transportation	\$ 6,620,915	\$ 6,930,386	\$ 309,471	4.7%
Other	\$ 240,791	\$ 240,791	\$ -	0.0%
TOTAL SBR EXPENSE	\$ 16,274,352	\$ 16,810,794	\$ 536,442	3.3%
b. Detail	2014 Budget	2014 Mid-Year	14B vs 14P	%
MRF				
Tons, net	60,340	61,692	1,352	2.2%
Rate	\$ 71.33	\$ 71.35	\$ 0.03	0.0%
Expense	\$ 4,303,844	\$ 4,401,890	\$ 98,046	2.3%
Transfer Station				
Tons	357,281	364,666	7,385	2.1%
Rate	\$ 14.30	\$ 14.36	\$ 0.06	0.4%
Expense	\$ 5,108,802	\$ 5,237,726	\$ 128,924	2.5%
Transportation				
Tons	357,281	364,666	7,385	2.1%
Rate	\$ 18.53	\$ 19.00	\$ 0.47	2.6%
Expense	\$ 6,620,915	\$ 6,930,386	\$ 309,471	4.7%
Other	\$ 240,791	\$ 240,791	\$ -	0.0%
TOTAL SBR EXPENSE	\$ 16,274,352	\$ 16,810,794	\$ 536,442	3.3%

Table 6B breaks out SBR's operating expense variance between volume and rate changes.

Table 6b

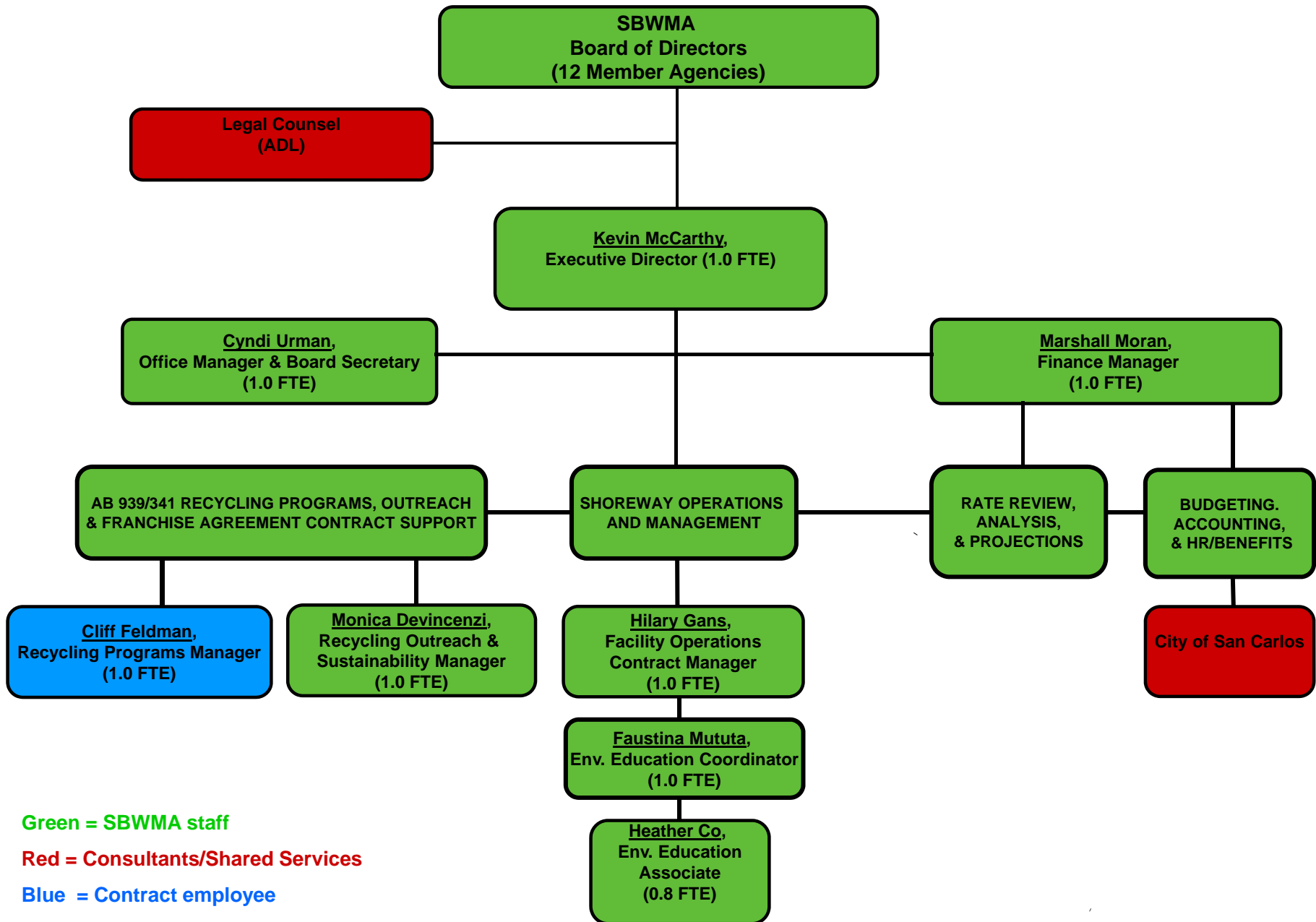
SBR Price / Volume	Volume	Price	Total	%
MRF				
Revenue Impact:				
Tonnage Change	1,352	\$ 71.35	\$ 96,469	98.4%
Rate Change	60,340	\$ 0.03	\$ 1,577	1.6%
Total Change			\$ 98,046	100.0%
Transfer Station				
Revenue Impact:				
Tonnage Change	7,385	\$ 14.36	\$ 106,077	82.3%
Rate Change	357,281	\$ 0.06	\$ 22,847	17.7%
Total Change			\$ 128,924	100.0%
Transportation				
Revenue Impact:				
Tonnage Change	7,385	\$ 19.00	\$ 140,358	45.4%
Rate Change	357,281	\$ 0.47	\$ 169,114	54.6%
Total Change			\$ 309,471	100.0%
SUMMARY				
Revenue Impact:				
Tonnage Change			\$ 342,904	63.9%
Rate Change			\$ 193,538	36.1%
Total Change			\$ 536,442	100.0%

7. Table 7 provides supporting data for the disposal and processing expense.

Table 7

DISPOSAL & PROCESSING EXPENSE				
	FY 2014 Bud	FY 2014 Mid-Yr	14B vs 14P	%
Summary				
TS Tons	357,281	364,666	7,385	2.1%
Wtd Avg. Rate	\$ 39.85	\$ 39.17	\$ (0.68)	-1.7%
Disposal Expense	\$ 14,238,468	\$ 14,283,775	45,307	0.3%
Detail - 2014 Mid-Year				
	Tons	Rate	Expense	
Ox Mountain MSW	206,090	\$ 38.74	\$ 7,983,645	
Ox Mountain Aggregates	1,248	\$ 25.25	\$ 31,514	
Organics	121,106	\$ 37.01	\$ 4,482,570	
Food	274	\$ 60.17	\$ 16,478	
C&D	35,949	\$ 49.56	\$ 1,781,579	
Other			\$ (12,010)	
TOTAL - 2014	364,666	\$ 39.17	\$ 14,283,775	

SBWMA Organization Chart (January 2014)





Discussion Item:

Discussion on Future Agenda Items

Agenda Item 4B

Discussion on Future Agenda Items