



#### **BOARD OF DIRECTORS**

Jack Thompson, City of Rio Dell, **Chair**  
Natalie Arroyo, City of Eureka,  
Adelene Jones, City of Blue Lake  
Sofia Pereira, City of Arcata, **Vice Chair**  
Michael Sweeney, City of Ferndale  
Rex Bohn, County of Humboldt

## **Agenda**

**Thursday, February 11, 2016 5:30 PM**

**Eureka City Council Chambers**

**531 K Street, Eureka, CA**

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### **1. Call to Order and Roll Call at 5:30 PM**

### **2. Closed Session: None**

### **3. Consent Calendar**

All matters listed under the Consent Calendar are considered to be routine by the HWMA Board and will be enacted upon by one motion, unless a specific request for review is made by a Board Member or a member of the public. The Consent Calendar will not be read. There will be no separate discussion of these items unless pulled for discussion.

- a. Approve Minutes from the January 14, 2016 HWMA Board of Directors Meeting.
- b. Receive the December Fiscal Year 2015-2016 Financials
- c. Household Hazardous Waste (HHW) Mobile Collection Event Scheduling
- d. Lease/Own Replacement Option for CAT Skidsteer in Eureka Recycling Center

### **4. Oral and Written Communications**

This time is provided for people to address the Board or to submit written communications concerning matters not on this agenda. Board Members may respond to statements, but any request that requires Board action will be referred to staff for review. Reasonable time limits may be imposed on both the total amount of time allocated for this item, and on the time permitted to each individual speaker. Such time allotment or portion thereof shall not be transferred to other speakers.

### **5. Receive Presentation on North Coast Recycling Market Development Zone Activities**

### **6. Board Member Reports**

### **7. Executive Director's Report**

### **8. Adjourn**



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## **Minutes**

**Thursday, January 14, 2015 5:30 PM**  
**Eureka City Council Chambers**  
**531 K Street, Eureka, CA**

Present: Jack Thompson, Natalie Arroyo, Sofia Pereira, Rex Bohn  
Absent: Adelene Jones, Michael Sweeney  
Staff: Jill Duffy, Tyler Egerer, Brent Whitener  
Legal Counsel: Nancy Diamond (absent)

Video of Proceedings: [https://archive.org/details/AH-hwma\\_1-14-16](https://archive.org/details/AH-hwma_1-14-16)

Recordings of the meetings of the HWMA Board of Directors are provided for information only, and should not be considered official records of the HWMA. The Actions of the HWMA Board of Directors are recorded below and, following approval by a majority of the members of the Board, are the official record of the Board's actions for the meeting date noted above.

### **1. Call to Order and Roll Call at 5:30 PM**

**Chairman Thompson** called the meeting to order at 5:30 p.m. A quorum was present and acting.

### **2. Closed Session: No Scheduled Closed Session**

### **3. Consent Calendar**

- a. Approve Minutes from the November 12, 2015 HWMA Board of Directors Meeting.
- b. Receive the October Fiscal Year 2015-2016 Financials
- c. Receive the November Fiscal Year 2015-16 Financials
- d. Approve Scope of Work with Lawrence & Associates for Professional Support and Development of a Cummings Road Landfill Operational and Maintenance Manual
- e. Approve Amendment No. 2 with Solid Wastes of Willits, Inc. for Recyclable Materials Loading, Transportation, Processing and Marketing Services
- f. Approve Recycling Services Pricing Agreement with Lighting Resources, LLC, Ontario, CA
- g. Approve Agreement for PaintCare
- h. Approve Agreement with Mattress Recycling Coalition
- i. Receive NCRMDZ Report – Informational Only
- j. Reject Claim for injury and damages against HWMA filed by Daniel Hogan, and forward to SDRMA

**Chairman Thompson** opened the floor to Public Comment regarding the Consent Calendar. No comment was received.

**Chairman Thompson** closed the floor to Public Comment.

**Motion:** Director Bohn Moved and Director Arroyo Seconded to Approve the Consent Calendar.  
**Action:** Approve Motion as made by Director Bohn and Seconded by Director Arroyo by the following vote:  
**Ayes:** Thompson, Bohn, Pereira, Arroyo  
**Nays:** None  
**Absent:** Jones, Sweeney

#### 4. Oral and Written Communications

**Chairman Thompson** opened the floor to Public Comment regarding matters not on the Agenda. The following individuals provided comment:

**Erika Guevara Blackwell**, Zero Waste Humboldt, regarding Zero Waste Humboldt upcoming events.

**Rick Powell**, Eel River Disposal, regarding closure of ERD's Arcata Site.

**Chairman Thompson** closed the floor to Public Comment.

#### 5. Receive Report on Strategic Plan Status and Implementation

**Chairman Thompson** opened the floor to Public Comment regarding the Strategic Plan presentation. No comment was received.

**Chairman Thompson** closed the floor to Public Comment.

**Action:** No formal action taken. Information and discussion only.

#### 6. Consider Proposed Staff Re-Organization

**Chairman Thompson** opened the floor to Public Comment regarding the proposed reorganization. No comment was received.

**Chairman Thompson** closed the floor to Public Comment.

**Motion:** Director Arroyo Moved and Director Pereira Seconded to Approve 1) Re-Organization Plan; 2) Organization Chart; 3) Pay Plan, and; 4) Job Descriptions.

**Action:** Approve Motion as made by Director Arroyo and Seconded by Director Pereira by the following vote:

**Ayes:** Thompson, Bohn, Pereira, Arroyo

**Nays:** None

**Absent:** Jones, Sweeney

#### 7. Receive Mid-Year Budget Report

**Chairman Thompson** opened the floor to Public Comment regarding the proposed mid-year budget adjustments. No comment was received.

**Chairman Thompson** closed the floor to Public Comment.

**Chairman Thompson** opened the floor to Public Comment regarding a presentation received from Emmett Jones and Gerald Ward, of Solid Waste of Willits. Comments were received from the following members of the public:

**Rick Powell**, Eel River Disposal

**Emmett Jones**, Solid Waste of Willits

**Chairman Thompson** closed the floor to Public Comment.

**Motion:** Director Pereira Moved and Director Bohn Seconded to Receive and File FY 2015-16 Mid-Year Financial Report and Approve Submitted List of Budget Transfers and Adjustments.

**Action:** Approve Motion as made by Director Pereira and Seconded by Director Bohn by the following vote:

**Ayes:** Thompson, Bohn, Pereira, Arroyo

**Nays:** None

**Absent:** Jones, Sweeney

#### **8. Board Member Reports**

**Reports** were received from the following Members of the Board:

**Director Arroyo**, City of Eureka

**Director Pereira**, City of Arcata

#### **9. Executive Director's Report**

**The Board** received the Executive Director's Report, and received further updates via oral presentation.

#### **10. Adjourn**

**Chairman Thompson** adjourned the meeting at 8:18 p.m.

**Next Meeting:** February 11, 2016 at 5:30 p.m. at Eureka City Hall Council Chambers.



## ***Staff Report***

**DATE:** February 11, 2016

**FROM:** Tyler Egerer, Administrative Services Manager

**SUBJECT:** Item 3c)  
Receive December 2015 Financial Reports

**RECOMMENDED ACTION:** Review and Approve  
Review and Approve December 2015 Financial Reports.

### **DISCUSSION:**

Each month, staff presents an update on the Authority's financials based on activity to-date for a period two months prior to the current month. This enables staff to provide a complete presentation of the full financial activity for that period, as financial data will have been recorded and finalized for the reporting period at that point.

Each year, pending the finalization of the Authority's financial audit, these financial reports are presented as *preliminary* financial reports. Once the audit is finalized and staff closes out the prior year, information presented will represent accurate to-date financial activity and will be marked as such.

The December financials represent the most complete current activity for the 2015-16 Fiscal Year. Attachment B, *Preliminary Statement of Operations for Period Ending 12/31/2015* is presented in summary format; detailed analysis of each division of the Authority is available by request for those interested in division performance. Highlights of December activity include:

- a) Very strong performance over initial projections in solid waste disposal, green waste disposal, and salvage revenues are bolstering the Authority's financial well-being. Total revenues are approximately 5.0% above expected performance (Line 18).
- b) Significant spending on Member Agency illegal disposal is expending allocated funds for illegal dumping and cleanups (Line 69, 98.83% of budgeted estimates) well towards its budgeted limits. Staff has brought the issue to the attention of Member Agency staff and will be increasing available limits for illegal disposal through mid-year adjustments approved at the January meeting of the Board of Directors.
- c) The final write-down of the Authority's goodwill on the WSG buyout contract (Line 132) will have a stabilizing effect on the Authority's net assets. At this point, the Authority's assets and liabilities now represent the real value of the Authority's activity.
- d) Staff efforts in all divisions to control costs have resulted in significant savings over initial budget estimates. These cost-saving controls position the Authority to better initiate a Capital Improvement Plan in the coming Fiscal Year, which offsets years of deferred equipment and facility improvements.

The Authority’s cash position is comprised of three accounts; 1) the Authority’s checking account, which handles all of the day-to-day expenses; 2) the savings account, which maintains the current cash value of the Authority’s reserve funds; and, 3) the Union Bank Trust Account, which maintains the funds held in trust for the completion of the Cummings Road Landfill Closure Project. Following the completion of the Phase II Closure Construction, Union Bank Trust funds will be released into the Authority’s general funds. The total value of each of these accounts, as of December 2015, is as follows:

HWMA Checking, Umpqua Bank:	\$1,707,031.95
HWMA Savings, Umpqua Bank:	\$397,528.62
HWMA CRLF Trust, Union Bank:	\$1,659,408.04

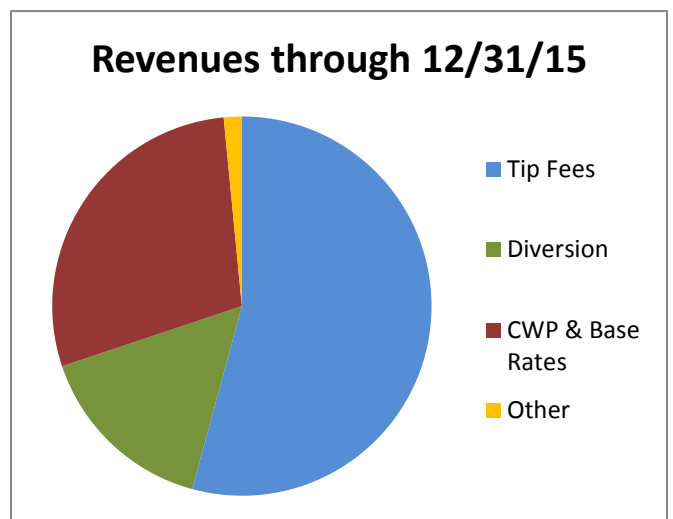
Following the release of closure trust funds in September, the Authority paid in full the most significant portion of the costs associated with Phase II Closure Construction. Retention funds and minor costs for additional construction work remain. Cash on hand in the Authority’s checking account does not reflect final payments to the Authority’s Phase II Closure contractor, Meyers Earthworks, for additional work performed during construction and the 5% retention on the construction contract.

**Authority Financials:**

Attachments A and B contain detailed balance sheet and income statement (*Statement of Operations*) information for the December financial report, for Board review and discussion. An analysis of that information as it relates to revenues and expenses, and current month disbursements to vendors and employees, is provided herein.

**Revenues** for December are performing at 54.85% of budgeted estimates for Fiscal Year 2015-16, approximately 5.0% over projections. These estimates encapsulate all activity throughout the Authority, and may be influenced by future payouts for fees passed through to Member Agencies, revenue shares for salvaged materials sales, and the delayed receipt of grant revenues for grant-based projects.

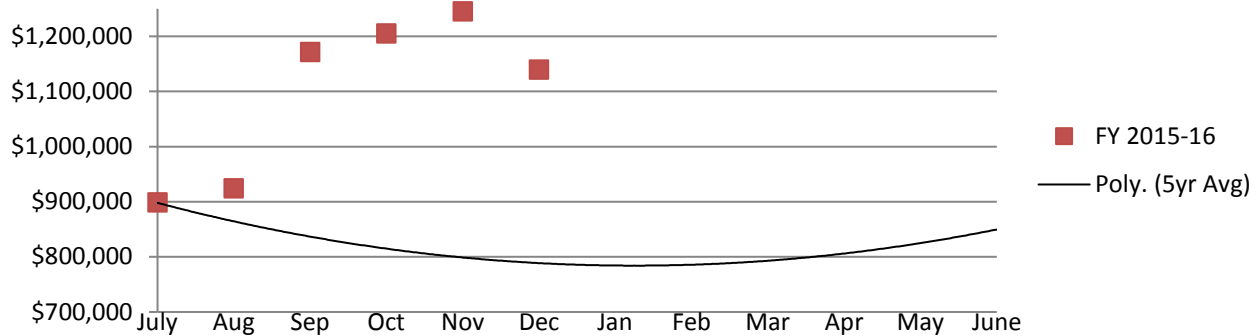
As diversion programs increase, staff is monitoring the success of those programs in terms of not only cost, but self-sustaining viability. At present, all divisions are operating above budgeted estimates, and are fully funded off of self-sustaining revenues or fees passed-through from Self-Haul, Franchise, and Satellite Facility tipping fees.



Based on the above factors, and in an attempt to facilitate long-term planning – relative to the Fiscal Year – to the Board and staff in decision making, the following estimation of growth for total revenues is provided below. The following graph tracks current, aggregate, monthly revenue activity against an annual trend line, generated from the previous five years of financial information. The trend line provides a reasonable estimation of how revenues are expected to be

collected throughout the year, including effects related to weather, seasonal activities, and delayed reimbursements for grants and other projects.

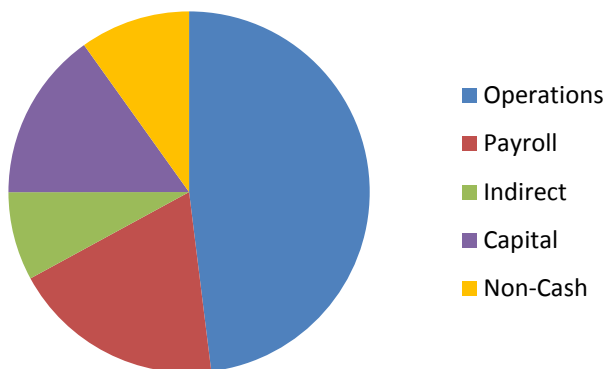
### Revenue: Real Year-to-Date Earnings vs. Five-Year Trend



Revenue projections, overall, are well above estimates through December. Currently, the only underperforming areas are in the Hazardous Waste division, and in miscellaneous self-haul revenues. Hazardous Waste Revenues (Line 13) regularly exhibit underperformance through the first half of the year, as mobile collection events come to a halt for the winter and activity through the permanent facility drops off through the holidays. Staff anticipates that with the onset of the spring and summer months, Hazardous Waste revenues will normalize with budget estimates. Self haul revenues (Line 15) are difficult to estimate, and are often bolstered by the holiday season, in which large amounts of miscellaneous electronics are replaced and recycled. In addition, the Authority incentivizes disposal by keeping customer costs low, and recognizing revenue through the sale of these materials in the scrap market, resulting in higher than anticipated salvage revenues (Line 16).

In addition, the Authority's Eureka Recycling Center has seen a significant increase in participation in its California Redemption Value (CRV) buyback program. As more local private recycling buyback facilities close, due to poor materials markets and increased regulation from CalRecycle aimed at reducing fraudulent CRV reimbursement, traffic grows considerably from month to month. The Authority has seen an approximately 100% increase in CRV activity as compared to prior year activity. Staff continues to monitor and plan for a permanent increase in Recycling Center traffic.

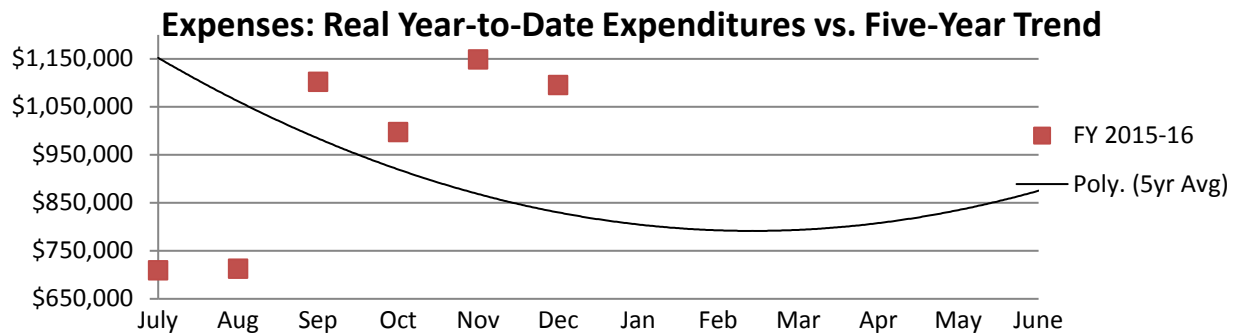
### Expenses through 11/30/15



**Expenses** for December are above budget projections. Total Expenses (Attachment B, Line 125) are at 54.24% of budgeted estimates, approximately 4.0% above expected costs.

Payroll expenditures (Attachment B, Line 62) are approximately 5.0% below estimated totals: employee turnover, delay in filling the Programs positions, and continued examination and development of future uses of the Operations Manager position have contributed to near-term savings on payroll expenses.

Based on the above factors, and in an attempt to provide long-term planning – relative to the Fiscal Year – the Board and staff in decision making, the following estimation of growth for total expenditures is provided below. The following graph tracks current, aggregate, monthly expense activity against an annual trend line, generated from the previous five years of financial information. The trend line provides a reasonable estimation of how expenses are expected influence the Authority’s financials throughout the year, and take into account the effects of those one-time, lump sum payments for certain recurring annual costs.



Staff is in the process of revamping a number of expense reporting methods to better illustrate and make transparent the relationship of expenses to their corresponding activities. To that end, much of the activity for December remains a work-in-progress: as staff corrects minor errors in reporting from previous practices corrections over the coming months will result in minor shifts across expense line items.

However, of chief interest in December are the savings previously mentioned in payroll expenditures; the expected increase in CRV reimbursements due to the increase in customer activity (Attachment B, Line 56, 70.00% of budget); and significant increases in illegal disposal costs (Attachment B, Line 69, 98.83% of budget). Staff will continue to monitor activities in these categories and provide updates in the future regarding their status.

Monthly disbursements to Authority vendors and employees are summarized in Attachment D; for the month of December, no significant disbursements were made for anything other than usual business.

**Division Activities (as Summarized in Attachment C):**

Solid waste tonnage and revenue remain nearly identical to prior year activity; the return of the wet season has had a marginal impact on traffic, with daily traffic numbers continuing to be approximately 3.0% over prior year averages. Staff is pleased to note that tonnage numbers have stabilized, and that total tonnage is on track to meet the 70,000 ton estimate on which the Fiscal Year 2015-16 budget was built.

Hazardous waste activity is up approximately 5.0% over the previous year, with slightly increased participation from residential customers. Overall revenue has decreased comparative to the previous year, which saw significant contribution from commercial customer activity. As with most years, the end of summer often sees a sharp decline in activity to be bolstered significantly with the onset of the following summer and a revival of mobile collection event activity.



**Attachments:**

- A) Authority *Preliminary* Balance Statement, December 2015
- B) Authority *Preliminary* Statement of Operations, December 2015
- C) Activity Report, December 2015
- D) Cash Disbursements, December 2015

**Attachment A**  
**Humboldt Waste Management Authority**  
**Preliminary Statement of Assets and Liabilities**  
**For the Period Ending December 31, 2015**

<b>ASSETS</b>	December 31, 2016	June 30, 2015
Current Assets		
Cash and Cash Equivalents	\$2,119,731.99	\$1,997,851.87
Accounts Receivable	\$969,285.18	\$830,638.07
Prepaid Items	\$63,118.75	\$126,237.55
Total Current Assets	<u>\$3,152,135.92</u>	<u>\$2,954,727.49</u>
Restricted Assets		
Closure and post Closure care Trust Fund	\$1,645,731.87	\$3,788,885.04
Other Assets		
Property, Plant, & Equipment	\$4,583,751.74	\$4,744,597.07
Grants Receivable	(\$34,638.06)	\$2,624.40
SWoW Receivable	\$11,900.00	\$11,900.00
Deferred Revenue	(\$47,807.00)	(\$43,470.00)
Waste Authority Permit	\$221,171.00	\$221,171.00
Goodwill Depreciable - Purchase of WSG	\$0.00	\$311,038.86
Total Other Assets	<u>\$4,734,377.68</u>	<u>\$5,247,861.33</u>
<b>Total Assets</b>	<b>\$9,532,245.47</b>	<b>\$11,991,473.86</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$968,654.48	\$647,256.99
Deferred Revenue - Kernen	\$106,823.42	\$106,823.42
Current Portion of Loan Payable	\$50,000.00	\$50,000.00
Accrued Wages and Payroll taxes payable	\$66,792.49	\$131,918.59
Other Accrued liabilities	\$2,716.73	\$2,100.00
Total Current Liabilities	<u>\$1,194,987.12</u>	<u>\$938,099.00</u>
Long Term Liabilities		
Loans Payable	\$60,655.40	\$60,655.40
Estimated closure and post closure costs	\$10,131,354.82	\$12,500,000.00
Long-Term Debt	\$5,801,175.00	\$6,338,132.00
Total Long Term Liabilities	<u>\$15,993,185.22</u>	<u>\$18,898,787.40</u>
Total Liabilities	\$17,188,172.34	\$19,836,886.40
Net Assets		
Equity Reserved	(\$5,601,130.96)	(\$5,601,130.96)
Unrestricted	(\$20,843.96)	(\$156,436.58)
Investment in Capital Assets	(\$2,087,845.00)	(\$2,087,845.00)
Increase (Decrease) in Net Assets	\$53,893.05	(\$0.00)
Total Net Assets	<u>(\$7,655,926.87)</u>	<u>(\$7,845,412.54)</u>
<b>Total Liabilities and Net Assets</b>	<b>\$9,532,245.47</b>	<b>\$11,991,473.86</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
1	<b>Revenues</b>			
2	<b>Revenues from Operations</b>			
3	Franchise Tip Fees	\$ 5,418,420	\$ 2,754,105	50.83%
4	Self Haul Tip Fees	\$ 2,337,300	\$ 1,293,926	55.36%
5	Satellite Tip Fees	\$ 522,421	\$ 533,618	102.14%
6	Out of Area Self Haul Fees	\$ 203,948	\$ -	0.00%
7	Offset for Program and Base Fees	\$ (2,926,212)	\$ (1,582,237)	54.07%
8	<b>Revenues from Solid Waste</b>	<b>\$ 5,555,877</b>	<b>\$ 2,999,411</b>	<b>53.99%</b>
9	Greenwaste Tip Fees			
10	Franchise	\$ 24,500	\$ 33,622	137.23%
11	Self Haul	\$ 316,200	\$ 140,145	44.32%
12	Diversion Revenue			
13	Hazardous Waste	\$ 100,000	\$ 34,207	34.21%
14	Single-Stream Processing and Loading	\$ 140,000	\$ 71,895	51.35%
15	Self Haul (Appliances, TVs, Tires, Misc. E-waste)	\$ 294,000	\$ 45,620	15.52%
16	Salvage Revenue from Sale of Materials Processed In-House	\$ 570,000	\$ 539,507	94.65%
17	<b>Revenues from Material Diversion Programs</b>	<b>\$ 1,444,700</b>	<b>\$ 864,997</b>	<b>59.87%</b>
18	<b>Total Revenues from Operations</b>	<b>\$ 7,000,577</b>	<b>\$ 3,864,408</b>	<b>55.20%</b>
19				
20	<b>Revenue Generated by Program Fees and Base Rate</b>			
21	County LEA	\$ 186,200	\$ 96,310	51.72%
22	County Rural Container Program	\$ 316,400	\$ 163,655	51.72%
23	County Table Bluff Landfill Maintenance	\$ 65,800	\$ 34,034	51.72%
24	Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 20,638	51.72%
25	Administration (County-Wide Program Fees and Base Rate Combined)	\$ 434,401	\$ 244,034	56.18%
26	Hazardous Waste (County-Wide Program Fee)	\$ 440,073	\$ 227,741	51.75%
27	Cummings Road Landfill (County-Wide Program Fees and Base Rate Combined)	\$ 764,310	\$ 423,257	55.38%
28	Programs (County-Wide Program Fees and Base Rate Combined)	\$ 423,818	\$ 224,120	52.88%
29	Recycling (Base Rate)	\$ 255,310	\$ 148,448	58.14%
30	<b>Total Revenue Generated by Program Fees and Base Rate</b>	<b>\$ 2,926,212</b>	<b>\$ 1,582,237</b>	<b>54.07%</b>
31				
32	<b>Other Revenues</b>			
33	Revenues from Reimbursements for Materials Collection	\$ 9,000	\$ 850	9.44%
34	Interest Income	\$ 30,000	\$ 27,012	90.04%
35	Rental Income	\$ 118,488	\$ 57,192	48.27%
36	<b>Total Other Revenues</b>	<b>\$ 157,488</b>	<b>\$ 85,054</b>	<b>54.01%</b>
37				
38				
39	<b>Total Revenues</b>	<b>\$ 10,084,277</b>	<b>\$ 5,531,699</b>	<b>54.85%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
40	<b>Expenses</b>			
41	<b>Operating Expenses</b>			
42	Solid Waste Hauling			
43	Hawthorne Street TS	\$ 1,918,078	\$ 812,268	42.35%
44	McKinleyville Satellite	\$ 62,060	\$ 160,570	258.73%
45	Fortuna Satellite	\$ 107,942	\$ 102,654	95.10%
46	Solid Waste Disposal			
47	Hawthorne Street TS	\$ 1,262,609	\$ 641,955	50.84%
48	McKinleyville Satellite	\$ 50,212		
49	Fortuna Satellite	\$ 65,406		
50	Diverted Materials Hauling & Disposal			
51	Greenwaste	\$ 279,132	\$ 140,342	50.28%
52	Hazardous Waste	\$ 275,000	\$ 81,311	29.57%
53	Appliances, TVs, Tires, Misc. E-waste	\$ 109,000	\$ 59,654	54.73%
54	Leachate	\$ 100,000	\$ 44,376	44.38%
55	Asbestos	\$ -		
56	CRV Paid Out	\$ 480,000	\$ 336,001	70.00%
57	Contract Services			
58	RMDZ	\$ 10,000	\$ 5,355	53.55%
59	Temporary Employment Services	\$ -	\$ 12,239	
60	<b>Total Operating Expenses</b>	<b>\$ 4,719,439</b>	<b>\$ 2,396,725</b>	<b>50.78%</b>
61				
62	<b>Payroll Expenses</b>	<b>\$ 2,344,300</b>	<b>\$ 1,053,353</b>	<b>44.93%</b>
63				
64	<b>Program Fees Passed-Through to Member Agencies</b>			
65	AB939	\$ 66,420	\$ 17,368	26.15%
66	County LEA	\$ 186,200	\$ 80,413	43.19%
67	County Rural Container Program	\$ 316,400	\$ 136,642	43.19%
68	County Table Bluff Landfill Maintenance	\$ 65,800	\$ 28,417	43.19%
69	Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 39,435	98.83%
70	<b>Total Program Fees and Base Rates Passed Through</b>	<b>\$ 674,720</b>	<b>\$ 302,275</b>	<b>44.80%</b>
71				

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
72	<b>Indirect Expenses</b>			
73	Accounting Expense	\$ 16,500	\$ 10,150	61.52%
74	Advertising Expense	\$ 21,100	\$ 9,911	46.97%
75	Alarm/Security Expense	\$ 1,650	\$ 1,692	102.55%
76	Bank Fees Expense	\$ 27,700	\$ 15,988	57.72%
77	Dues/Membership	\$ 4,250	\$ 630	14.82%
78	Employment Expenses (Hiring, Testing, etc.)	\$ 5,200	\$ 3,867	74.37%
79	Engineering & Consulting	\$ 25,000	\$ 294	1.18%
80	Environmental Monitoring	\$ 81,500	\$ 22,976	28.19%
81	CRBAS Five-Year Monitoring	\$ 55,283		
82	Gas/Fuel Expense	\$ 68,900	\$ 20,474	29.72%
83	Insurance Expenses			
84	Environmental	\$ 11,000	\$ 10,259	93.26%
85	General Liability	\$ 42,671	\$ 14,166	33.20%
86	Property	\$ 4,590	\$ 6,566	143.06%
87	Janitorial/Vector Services	\$ 15,300	\$ 9,552	62.43%
88	Legal Expense	\$ 70,000	\$ 29,094	41.56%
89	Leases - Property & Equipment	\$ 42,060	\$ 21,050	50.05%
90	Meeting Expense	\$ 3,200	\$ 425	13.28%
91	Mileage Reimbursement	\$ 3,400	\$ 1,063	31.27%
92	Office Supplies	\$ 16,100	\$ 7,015	43.57%
93	Operating Supplies	\$ 88,600	\$ 18,280	20.63%
94	Outside Printing	\$ 5,150	\$ 2,119	41.15%
95	Permits & Fees	\$ 104,800	\$ 69,575	66.39%
96	Postage	\$ 6,300	\$ 2,153	34.18%
97	Publications	\$ 100		
98	Rental Expense	\$ 798	\$ (69)	-8.60%
99	Repairs & Maintenance Expenses			
100	Facilities	\$ 88,500	\$ 10,750	12.15%
101	Equipment	\$ 110,250	\$ 47,642	43.21%
102	Vehicles	\$ 6,500	\$ 1,986	30.55%
103	Safety Expense	\$ 23,900	\$ 11,837	49.53%
104	Small Tools	\$ 7,500	\$ 541	7.22%
105	Software Expense	\$ 44,400	\$ 17,502	39.42%
106	Telephone Expense	\$ 14,300	\$ 3,735	26.12%
107	Training	\$ 8,700	\$ 1,400	16.09%
108	Travel - Transportation, Meals, Lodging	\$ 7,500	\$ 868	11.57%
109	Uniforms Expense	\$ 16,500	\$ 8,132	49.29%
110	Utilities Expense			
111	Electricity/Heat	\$ 86,350	\$ 37,178	43.06%
112	Water	\$ 4,850	\$ 2,377	49.01%
113	<b>Total Indirect Expenses</b>	<b>\$ 1,140,402</b>	<b>\$ 421,181</b>	<b>36.93%</b>
114				
115	<b>Total Operational and Indirect Expenses</b>	<b>\$ 8,878,861</b>	<b>\$ 4,173,534</b>	<b>47.01%</b>
118				
119	<b>Capital Expenditures</b>			
120	Reserve and Capital Improvement Expenses			
121	Landfill Closure Expenses		\$ 640,533	
122	Long-Term Interest	\$ 111,139	\$ 62,114	55.89%
123	<b>Total Capital Expenditures</b>	<b>\$ 111,139</b>	<b>\$ 702,647</b>	<b>632.22%</b>
124				
125	<b>Total Expenses</b>	<b>\$ 8,990,000</b>	<b>\$ 4,876,181</b>	<b>54.24%</b>
126				
127	<b>Net Income (Loss) from Operating Activites</b>	<b>\$ 1,094,277</b>	<b>\$ 655,518</b>	<b>59.90%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
128				
129	<b>Non-Cash Activities Affecting Net Assets</b>			
130	Depreciation Expense	\$ 397,889	\$ 221,056	55.56%
131	(Gain)/Loss on Sale of Bonds		\$ 1,501	
132	Amortization Expense - WSG Goodwill	\$ 622,078	\$ 311,039	50.00%
133	<b>Total Non-Cash Activities</b>	<b>\$ 1,019,967</b>	<b>\$ 533,596</b>	<b>52.32%</b>
134				
135	<b>Grant Activities</b>			
136	Waste Tire	\$ -	\$ 284	
137	RMDZ	\$ 5,000		
138	OPP	\$ 40,000		
139	HHW HD	\$ 205,214		
140	DoC	\$ 20,000		
141	<b>Revenues from Grant Programs</b>	<b>\$ 270,214</b>	<b>\$ 284</b>	<b>0.10%</b>
142	Waste Tire Grant	\$ -		
143	RMDZ	\$ 5,000	\$ 1,178	23.56%
144	Oil Payment Program	\$ 40,000	\$ 23,727	59.32%
145	HHW HD Grant	\$ 205,214	\$ 32,642	15.91%
146	DoC Grant	\$ 20,000	\$ 10,766	53.83%
147	<b>Expenses Incurred by Grant Programs</b>	<b>\$ 270,214</b>	<b>\$ 68,312</b>	<b>25.28%</b>
148	<b>Total Grant Activities</b>	<b>\$ -</b>	<b>\$ (68,029)</b>	
149				
150	<b>Increase (Decrease) in Net Assets</b>	<b>\$ 74,310</b>	<b>\$ 53,893</b>	<b>72.52%</b>
151				
152	<b>Reserves and Trusts</b>			
153	Funds Replenished from Release of CRLF Trust			
154	Current Cash Value of Designated Reserves		\$ 397,519	
155	HWMA Reserve Policy - 20% of Operating Expenses (Includes Payroll)	\$ 1,750,000	\$ 397,519	22.72%
156	Disbursements from Trust to Cover Phase II Expenses			
157	Disbursements from Trust for Retention			
158	CRLF Closure Trust Fund	\$ 3,769,932	\$ 3,769,932	100.00%
159	<b>Total Reserves and Trust Funds</b>	<b>\$ 5,519,932</b>		

**Attachment C**  
**Activity Report**  
**July 1, 2015 -December 31, 2015**

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	21,381	20,787	102.9%	\$2,738,802	\$2,229,779	122.8%
Self Haul	7,694	7,695	100.0%	\$1,225,568	\$1,216,172	100.8%
<b>Subtotal</b>	29,075	28,482	102.1%	\$3,964,370	\$3,445,951	115.0%
Humboldt Sanitation	1,142	950	120.2%	\$112,565	\$110,065	102.3%
ERD	2,026	2,070	97.9%	\$197,920	\$202,245	97.9%
<b>TOTAL.</b>	32,243	31,503	102.3%	\$4,274,855	\$3,758,261	113.7%

<b>Greenwaste</b>	1,427	1,038	137.4%	\$107,452	\$86,504	124.2%
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**Household Hazardous Waste**

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	162	190	85.3%	\$25,218	\$47,773	52.8%
Residential	1,726	1,644	105.0%	\$8,845	\$10,998	80.4%
Fortuna Residential	46	29	158.6%	\$145	\$195	74.4%
Revenue from Countywide Fee				\$227,743	\$208,492	109.2%
<b>TOTAL.</b>	1,934	1,863	103.8%	\$261,951	\$267,458	97.9%

Traffic Count	Average Daily		Average Daily		% of Prior
	Count FY16	Exceptions	Count FY15	Exceptions	
July	295	None	289	None	102.1%
August	251	None	275	None	91.2%
September	289	None	259	None	111.6%
October	265	None	250	None	106.0%
November	265	None	259	None	102.3%
December	266	None	248	None	107.3%
January		None	278	None	0.0%
February		None	254	None	0.0%
March		None	251	None	0.0%
April		None	272	None	0.0%
May		None	267	None	0.0%
June		None	286	None	0.0%
Year-to-Date Average	272		266		102.3%

**Attachment D**  
**December 2015 Disbursements**

<b>Paid To</b>	<b>Amount</b>	<b>Paid To</b>	<b>Amount</b>
101Netlink	\$61.00	Mad River Hardwood Co., Inc	\$18,628.48
Advanced Superior Alarms	\$147.00	MAD RIVER HOSPITAL	\$576.00
Airgas USA LLC West Division	\$560.72	Mendes Supply Company	\$133.86
Antich Automotive	\$731.84	Mercury Disposal Systems, Inc	\$208.00
Asbury Environmental Services	\$295.00	Mission Uniform & Linen	\$1,013.50
B & B Portable Toilet Company	\$5,162.31	Nancy Diamond	\$2,225.70
Bank Fees	\$2,212.13	Network Management Services	\$2,701.98
Bettendorf Enterprises, Inc.	\$130,207.05	North Coast Fabricators	\$2,950.20
Blue Shield of California	\$28,441.80	North Coast Journal	\$254.00
Broadway Medical	\$18.43	North Coast Laboratories, Ltd	\$667.00
CA SDU	\$13.00	Northern California Safety Con	\$480.00
Capital One Commercial	\$185.28	Oak Harbor Freight Lines, Inc.	\$1,927.40
Cardmember Service	\$2,571.15	Occupational, Environmental He	\$666.00
Petty Cash	\$289.18	Pacific Gas and Electric	\$7,157.23
Cash for CRV	\$72,459.00	Pacific Paper Co.	\$817.15
City of Eureka	\$4,647.62	Peterson Tractor	\$122.23
Compliance Associates, Inc	\$250.00	Picky Picky Picky Store	\$109.06
Coti Global Sensors	\$1,116.04	Pierson Building Center	\$137.57
Crystal Springs Bottled Water	\$87.00	Schuyler Rubber Co.,Inc	\$1,926.72
East Bay Machine & Hydraulics	\$13.21	Scrapper's Edge	\$27.14
Eco Medical	\$478.64	SETCO	\$1,187.42
Employment Development Departm	\$1,753.27	Solid Waste of Willits, Inc.	\$149,054.30
Englund Marine Supply Co. Inc.	\$83.34	Staples Credit Plan	\$184.86
Eureka Broadcasting Co.,Inc	\$1,500.00	Steve Morris Logging & Contrac	\$3,677.46
Eureka Chamber of Commerce	\$490.00	Suddenlink	\$204.95
FedEx	\$21.59	Thrifty Supply Company	\$116.44
Franchse Tax Board	\$290.80	Thumper's Mechanical Service I	\$1,500.00
Geo-Logic Associates	\$21,534.45	Times Printing Company	\$206.30
Holt of California	\$1,741.16	Times Standard	\$829.31
Humboldt Community Services Di	\$16.30	Uline Shipping Supply Speciali	\$135.78
Humboldt County Sheriff's Offi	\$50.00	UNUM Life Insurance Company of	\$251.22
Humboldt Fire District 1	\$12.00	US Bank Office Equipment Finan	\$467.39
Humboldt Lock and Safe	\$166.39	Verizon Wireless	\$284.42
Humboldt Recycling	\$2,771.60	Zep Manufacturing Company	\$236.63
I-5 Tire, Inc	\$769.60		
Internal Revenue Service	\$108.00	Total Vendor Disbursements	\$497,730.62
L & M Renner, Inc	\$3,229.68		
Lawrence & Associates	\$10,282.50	Total Payroll Disbursements	\$153,302.69
Leggett & Platt	\$1,646.84		
Lost Coast Communications, Inc	\$250.00		
		<b>Total Disbursements</b>	<b><u>\$651,033.31</u></b>





## *Staff Report*

**DATE:** January 25, 2015 For Board Meeting: February 14, 2016

**FROM:** Brent Whitener, Director of Operations and Facilities Management

**SUBJECT:** Item 3c)  
Household Hazardous Waste (HHW) Mobile Collection Event Scheduling

**RECOMMENDED ACTION:** Voice vote.

Direct staff to schedule and organize Mobile Household Hazardous Waste Collection events for Calendar Year 2016 as required and in consideration of currently available resources and the needs of Member Agencies.

**SUMMARY:**

After examination of HHW Mobile Collection Event attendance, staffing and budgetary considerations, staff recommends the Board approve two mobile collection events to be held in the unincorporated communities of McKinleyville and Garberville. Both require the full staffing and funding necessary to accommodate a large turnout and anticipate collection of significant volume of material.

Staff recommends the following::

1. Hold annual collection events in McKinleyville and Garberville in 2016 and 2017
2. Investigate supplementing HWMA trained HAZWOPER staff using member agency personnel that are qualified to handle HAZMAT and carry the current endorsement.
3. Hold “micro-events” to serve small communities and tribes as requested.
4. Conduct major advertising campaigns in both electronic and print media to convey the message that the fixed HHW facility at the Hawthorne Street Transfer Station is available for weekday drop off of residential hazardous waste.
5. Continue to actively support satellite drop off opportunities for paint, batteries, bulbs, used oil, medical sharps, and pharmaceuticals for member agency residents.
6. Re-evaluate residential HHW program utilization and effectiveness in the fall-winter of 2017 and make course adjustments as required.

**DISCUSSION:**

The highly successful residential hazardous waste mobile collection event system is undergoing a series of changes that require both an evaluation of effectiveness and an examination of the need for possible shifts in strategy. The three principal parameters, attendance, cost, and staffing criteria will be used to take a detailed look at the current program and make several recommendations as to possible changes in mobile hazardous waste collection strategies.

**BACKGROUND:**

Residential Household Hazardous Waste (HHW) and business related hazardous waste has been collected and managed at the permanent HHW facility at HWMA’s Hawthorne Street Transfer Station since 2003. In April, 2009 mobile collection events were developed to better meet the needs of communities that were distant from Eureka, affording residents the opportunity for convenient and environmentally responsible handling and disposal of these wastes. There were typically six or eight summertime events per year, ranging from Arcata to Garberville, Weitchpec to Petrolia.

In the beginning, all necessary labor was performed by the Authority’s hazardous waste contractor at significant cost. By the second year, the Authority began staffing (in-house and temporary labor) and managing our own events with appreciable cost savings while still achieving excellent results. A key factor was with the Authority employing locally trained and qualified temporary labor which negated travel and per-diem costs associated with out of area contractors. The local pool of Hazardous Worker Operations, or HAZWOPER workers was provided by a temporary staffing agency in Eureka. Typically, between ten to twelve temporary employees were available to work the one day HHW events, both at the fixed facility “Red Shed” and outlying area mobile events.

Over the years, the qualified temporary labor pool slowly constricted and is now completely exhausted, and there is little likelihood that this resource can be replaced. We must currently staff all HHW events using only HWMA personnel.

Efficiencies of handling and management were developed which helped stabilize cost and predict needs based on the community being served. A basic rule of thumb for planning is that each car served costs about \$100.00, an amount that seems to hold for both large and small events. For example, McKinleyville’s 375 car event comes in at about \$37,500.00, while Blue Lakes’ 75 car Saturday event ran about \$7,600.00.

The most important factor is that people indeed attend and participate. There is significant cost to holding an event that sees an anemic level of participation, one that is far below the predicted outcome based on previous year’s attendance in that community. However, that is just what has occurred in most all the communities served by these mobile events.

The two tables indicate the decline in attendance for each locale and the computed cost for each vehicle attending the event over the history of the program.

**Household Hazardous Waste Mobile Event attendance, years 2009-2015**

Location	2009	10	11	12	13	14	15
<b>Arcata</b>	325	275	240	165	140	125	60
<b>Blue Lake</b>	125	90	60	65	70	---	25
<b>Ferndale</b>	132	125	130	125	120	100	45
<b>Garberville</b>	270	---	135	85	120	100	60
<b>McKinleyville</b>	375	450	265	225	235	275	205
<b>Rio Dell</b>	105	65	75	65	50	---	25
<b>Willow Creek</b>	20	---	---	---	30	---	---
<b>Trinidad</b>	---	55	50	50	55	---	---

--- indicates no event held that year in that community

**Household Hazardous Waste Mobile Event cost per car figures (nearest whole \$\$)**

Location	2009	10	11	12	13	14	15
<b>Arcata</b>	\$108	\$116	\$125	\$128	\$86	\$64	\$132
<b>Blue Lake</b>	\$100	\$115	\$152	\$132	\$79	---	\$90
<b>Ferndale</b>	\$175	\$155	\$90	\$80	\$89	\$77	\$101
<b>Garberville</b>	\$115	---	\$89	\$108	\$80	\$155	\$120
<b>McKinleyville</b>	\$81	\$97	\$97	\$147	\$70	\$142	\$70
<b>Rio Dell</b>	\$185	\$275	\$88	\$90	\$100	---	\$88
<b>Willow Creek</b>	\$200	---	---	---	\$131	---	---
<b>Trinidad</b>	---	\$220	\$170	\$196	\$96	---	---

--- indicates no event held that year in that community

The argument can be made that these events are victims of their own success. The frequent and convenient nature of these events has removed a significant backlog of materials that people have stored in their homes. Over the past six years, we have drawn down the residential hazardous waste stockpile.

There are definitely other factors at play. One is that other alternative HHW and Universal Waste collection programs and opportunities are available to Humboldt County residents, most of which did not exist in 2009. Fluorescent light and household battery drop-offs are now located county-wide through a network of participating retailers, the materials collected bi-weekly by the HHW staff who perform milk runs for collection and processing. The PaintCare California Program, strong in its' forth year, also uses retailers and other sites including HWMA to accept used paint at no cost. On average, paint is about 50% of the HHW waste stream that is processed and shipped each year from our fixed facility "Red Shed". Used oil can be recycled at 22 locations in the county including the HHW building and the Eureka Recycling Center. Medical sharps and medications are also collected using satellite collection locations in addition to our accepting them here at the transfer station and holding dedicated pharmaceutical events. These classes of items alone constitute about 70% of the types of waste that are brought to our fixed facility and mobile collection events.

Another tremendous influence is availability. Residential and business customers are able to deliver materials to the "Red Shed" during the week, on an appointment basis. Beginning in 2011 and over the past five years, the HHW team has accepted weekday appointments from residents, using an electronic scheduling calendar to insure that we are on-site and are not handling a small business or other client in that time block. Even with efficient calendar scheduling by HWMA clerical and HHW staff, we have many clients we classify as "drive-ups". These are typically a recycling center or tip floor self-haul customer that elects to include a stop at the Red Shed with their other activities while at the transfer station. We have tracked a steady increase in daily appointments, both scheduled and impromptu, to where we routinely have **150** weekday visits each month in addition to the first Saturday collection day. This substantial rise in utilization represents an increasing awareness by residents of Humboldt County who require residential HHW drop-off. It could also prove an essential building block if HWMA chooses to ramp up weekday residential participation by developing a targeted electronic and print media campaign.

## **SITE SELECTION CRITERIA:**

In past years, the HHW mobile event schedule weighed the needs of member agencies, tribal government requests, and grant funding activities when selecting locations. The keystone events held each year since 2009 have been the City of Arcata, McKinleyville Community Services District, City of Ferndale, City of Rio Dell, the community of Garberville, and the Cities of Blue Lake and Trinidad. The schedule was curtailed and modified in January 2014 with Board approval to include McKinleyville, Garberville, Ferndale, and Arcata as annual events, with the smaller jurisdictions conducting their events on a biennial schedule or as requested. The annual mobile events of 2014 and 2015 were completed using this planning format.

Alternately, the Cities of Arcata and Ferndale, equated as requiring annual event service in 2014, have both seen a decrease in levels of participation. In 2015 Arcata had about 20% of their original 2009 turnout, Ferndale about 35% of the 2009 attendance.

## **FISCAL IMPACT:**

The Household Hazardous Waste budget is funded by pass through from County wide fees, currently \$6.13/ton and supplemented with revenue collected from small businesses and residential clients who pay according to the annually approved fee structure. Staff has successfully used a number of cost cutting strategies to control expenses over the past six years. The success of producer responsibility take-it-back programs have added to operational savings as well. The Authority participation in the PaintCare Program, as reported to the Board last month, is an excellent example.

Expenses within the HHW budget directly related to mobile events include operating expenses, waste disposal costs, and salaries. The shift in emphasis is not expected to have a dramatic impact on the current or projected future budget. We would be receiving about the same amounts of materials using the same staff, while just the locale and collection strategy would shift. Budget figures within HHW will be one area of focus during the two year evaluation if this strategy were to be adopted.

**STRATEGIC PLAN GOALS:** The noted Strategic Plan Goals are incorporated:

- 2.2 Re-Use Goals- Re Use paint is collected, processed and distributed at no cost from the locker proximate to the Red Shed. Under the new agreement, PaintCare now pays the Authority \$1.60 per gallon of paint that is placed into the re-use system.
- 2.6 Public Education. All outreach mechanisms will be employed to better educate the public on disposal options for hazardous and Universal Wastes

## **ALTERNATIVES:**

1. Alternatively, the HHW team could maintain the status quo. The 2016 and 2017 event calendar would list the typical six locations insuring comprehensive coverage of member agency jurisdictions. Staff does not recommend this due to low attendance and difficulty maintaining staffing levels with qualified personnel.
2. Board discretion.



***Staff Report***

**DATE:** January 27, 2015 For Board Meeting: February 14, 2016

**FROM:** Brent Whitener, Director of Operations and Facilities Management

**SUBJECT:** Item 3d)  
Lease/Own Replacement Option for CAT Skidsteer in HWMA’s Eureka Recycling Center

**RECOMMENDED ACTION:** Voice vote.

Authorize staff to enter into lease-to-own agreement with equipment vendor as precursor to capital purchase of equipment in Fiscal Year 2016-17

**DISCUSSION:**

The CAT Skidsteer is a diesel powered wheeled vehicle with hydraulic bucket and grapple system in front that is used to lift appliance and other metals for processing and baling in HWMA’s Eureka Recycling Center. The current Skidsteer was purchased with a lease/own agreement, then outright purchase in 2009. The seven year old machine has about 2,700 operating hours and a trade value estimated at \$13,000 if fully operational. This machine suffered a catastrophic engine lubricating pump failure several weeks ago. Repair would require engine replacement at a cost of approximately \$14,000.00. The age and wear of this equipment does not immediately justify this repair expenditure.

The Caterpillar product vendor for this equipment is Holt of California. In order to continue handling and processing activities, temporary placement of a 2015 CAT Skidsteer Model 226B was provided to the Authority while evaluating repair or replacement options. Our special tires and hydraulic grapple were placed on the “new” machine and it was put into service at the recycling center. The lease rate for this machine from Holt is \$2,225.00/month.

**RECOMMENDED ACTIONS:**

Staff recommends entering into a lease-to-own agreement with Holt. Holt is offering an 80% to purchase price /20% lease fee proposal for this agreement with a one year limit. Staff recommends leasing the equipment under this arrangement until July, 2016 then making an outright capital purchase on the balance.

2015 Cat Skidsteer Model 226B (194 operating hours)	value \$35,500.00 + taxes
Lease to own 80% towards purchase, over 6 months	\$10,680 accrued equity
Approximate purchase price (July, 2016)	\$24,820 + taxes

**FISCAL IMPACT:**

The six month lease would have a total cost of about \$13,350 absorbed into the current year budget as recycling equipment repair expenses or lease expense as decided by the Director of Finance. The proposal to purchase, approximately \$25,000.00, would be incorporated as a capital improvement into the 2016-17 fiscal year budget slated for Board approval this Spring.

**ALTERNATIVES:**

1. A request for bid can be issued by the Authority for replacement equipment. If this bid request is for a long term lease or lease to own arrangements, then there is a very limited number of firms that may respond. If the bid request is for outright replacement of equipment, then the full purchase price would have to come from this years' operating budget. It would most likely constitute a reserve expenditure because there is not a provision for replacement of this equipment in the current budget.
2. Board discretion



***Staff Report***

**DATE:** January 19, 2016

**For Meeting Of: February 11, 2016**

**FROM:** Jill K. Duffy, Executive Director

**SUBJECT:** Item 5)  
Presentation on North Coast Recycling Materials Development Zone (NCRMDZ)

**RECOMMENDED ACTION:**

That the Board receive a presentation by North Coast Recycling Materials Development Zone consultant, Ms. Maureen Hart.

**SUMMARY:**

In 1990, the State of California established the California Recycling Market Development Zone (SB 2310) for the purpose of stimulating the recycling of waste materials generated in California. The County of Humboldt is the designated Lead Agency for the North Coast Recycling Market Development Zone (NCRMDZ), and is comprised of communities in unincorporated Humboldt and Del Norte counties, and the cities of Arcata, Blue Lake, Crescent City, Eureka, Ferndale, Fortuna, Rio Dell and Trinidad. Since 2002, the NCRMDZ has been administered through HWMA, who has managed the program via a contract with Maureen Hart for consulting services since 2002.

Ms. Hart will provide an update on activities related to the NCRMDZ and be available to answer Board questions

**FISCAL IMPACT.**

None

**Attachment A**  
**Humboldt Waste Management Authority**  
**Preliminary Statement of Assets and Liabilities**  
**For the Period Ending December 31, 2015**

<b>ASSETS</b>	December 31, 2016	June 30, 2015
Current Assets		
Cash and Cash Equivalents	\$2,119,731.99	\$1,997,851.87
Accounts Receivable	\$969,285.18	\$830,638.07
Prepaid Items	\$63,118.75	\$126,237.55
Total Current Assets	<u>\$3,152,135.92</u>	<u>\$2,954,727.49</u>
Restricted Assets		
Closure and post Closure care Trust Fund	\$1,645,731.87	\$3,788,885.04
Other Assets		
Property, Plant, & Equipment	\$4,583,751.74	\$4,744,597.07
Grants Receivable	(\$34,638.06)	\$2,624.40
SWoW Receivable	\$11,900.00	\$11,900.00
Deferred Revenue	(\$47,807.00)	(\$43,470.00)
Waste Authority Permit	\$221,171.00	\$221,171.00
Goodwill Depreciable - Purchase of WSG	\$0.00	\$311,038.86
Total Other Assets	<u>\$4,734,377.68</u>	<u>\$5,247,861.33</u>
<b>Total Assets</b>	<b>\$9,532,245.47</b>	<b>\$11,991,473.86</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$968,654.48	\$647,256.99
Deferred Revenue - Kernen	\$106,823.42	\$106,823.42
Current Portion of Loan Payable	\$50,000.00	\$50,000.00
Accrued Wages and Payroll taxes payable	\$66,792.49	\$131,918.59
Other Accrued liabilities	\$2,716.73	\$2,100.00
Total Current Liabilities	<u>\$1,194,987.12</u>	<u>\$938,099.00</u>
Long Term Liabilities		
Loans Payable	\$60,655.40	\$60,655.40
Estimated closure and post closure costs	\$10,131,354.82	\$12,500,000.00
Long-Term Debt	\$5,801,175.00	\$6,338,132.00
Total Long Term Liabilities	<u>\$15,993,185.22</u>	<u>\$18,898,787.40</u>
Total Liabilities	\$17,188,172.34	\$19,836,886.40
Net Assets		
Equity Reserved	(\$5,601,130.96)	(\$5,601,130.96)
Unrestricted	(\$20,843.96)	(\$156,436.58)
Investment in Capital Assets	(\$2,087,845.00)	(\$2,087,845.00)
Increase (Decrease) in Net Assets	\$53,893.05	(\$0.00)
Total Net Assets	<u>(\$7,655,926.87)</u>	<u>(\$7,845,412.54)</u>
<b>Total Liabilities and Net Assets</b>	<b>\$9,532,245.47</b>	<b>\$11,991,473.86</b>



**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

**Total FY15/16  
Budget**      **Year-to-Date Revenues and  
Expenses as compared to  
50.00% of Total Budget**

**1 Revenues**

2	<b>Revenues from Operations</b>			
3	Franchise Tip Fees	\$ 5,418,420	\$ 2,754,105	50.83%
4	Self Haul Tip Fees	\$ 2,337,300	\$ 1,293,926	55.36%
5	Satellite Tip Fees	\$ 522,421	\$ 533,618	102.14%
6	Out of Area Self Haul Fees	\$ 203,948	\$ -	0.00%
7	Offset for Program and Base Fees	\$ (2,926,212)	\$ (1,582,237)	54.07%
8	<b>Revenues from Solid Waste</b>	<b>\$ 5,555,877</b>	<b>\$ 2,999,411</b>	<b>53.99%</b>
9	Greenwaste Tip Fees			
10	Franchise	\$ 24,500	\$ 33,622	137.23%
11	Self Haul	\$ 316,200	\$ 140,145	44.32%
12	Diversion Revenue			
13	Hazardous Waste	\$ 100,000	\$ 34,207	34.21%
14	Single-Stream Processing and Loading	\$ 140,000	\$ 71,895	51.35%
15	Self Haul (Appliances, TVs, Tires, Misc. E-waste)	\$ 294,000	\$ 45,620	15.52%
16	Salvage Revenue from Sale of Materials Processed In-House	\$ 570,000	\$ 539,507	94.65%
17	<b>Revenues from Material Diversion Programs</b>	<b>\$ 1,444,700</b>	<b>\$ 864,997</b>	<b>59.87%</b>
18	<b>Total Revenues from Operations</b>	<b>\$ 7,000,577</b>	<b>\$ 3,864,408</b>	<b>55.20%</b>
20	<b>Revenue Generated by Program Fees and Base Rate</b>			
21	County LEA	\$ 186,200	\$ 96,310	51.72%
22	County Rural Container Program	\$ 316,400	\$ 163,655	51.72%
23	County Table Bluff Landfill Maintenance	\$ 65,800	\$ 34,034	51.72%
24	Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 20,638	51.72%
25	Administration (County-Wide Program Fees and Base Rate Combined)	\$ 434,401	\$ 244,034	56.18%
26	Hazardous Waste (County-Wide Program Fee)	\$ 440,073	\$ 227,741	51.75%
27	Cummings Road Landfill (County-Wide Program Fees and Base Rate Combined)	\$ 764,310	\$ 423,257	55.38%
28	Programs (County-Wide Program Fees and Base Rate Combined)	\$ 423,818	\$ 224,120	52.88%
29	Recycling (Base Rate)	\$ 255,310	\$ 148,448	58.14%
30	<b>Total Revenue Generated by Program Fees and Base Rate</b>	<b>\$ 2,926,212</b>	<b>\$ 1,582,237</b>	<b>54.07%</b>
32	<b>Other Revenues</b>			
33	Revenues from Reimbursements for Materials Collection	\$ 9,000	\$ 850	9.44%
34	Interest Income	\$ 30,000	\$ 27,012	90.04%
35	Rental Income	\$ 118,488	\$ 57,192	48.27%
36	<b>Total Other Revenues</b>	<b>\$ 157,488</b>	<b>\$ 85,054</b>	<b>54.01%</b>
38	<b>Total Revenues</b>	<b>\$ 10,084,277</b>	<b>\$ 5,531,699</b>	<b>54.85%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
40	<b>Expenses</b>			
41	<b>Operating Expenses</b>			
42	Solid Waste Hauling			
43	Hawthorne Street TS	\$ 1,918,078	\$ 812,268	42.35%
44	McKinleyville Satellite	\$ 62,060	\$ 160,570	258.73%
45	Fortuna Satellite	\$ 107,942	\$ 102,654	95.10%
46	Solid Waste Disposal			
47	Hawthorne Street TS	\$ 1,262,609	\$ 641,955	50.84%
48	McKinleyville Satellite	\$ 50,212		
49	Fortuna Satellite	\$ 65,406		
50	Diverted Materials Hauling & Disposal			
51	Greenwaste	\$ 279,132	\$ 140,342	50.28%
52	Hazardous Waste	\$ 275,000	\$ 81,311	29.57%
53	Appliances, TVs, Tires, Misc. E-waste	\$ 109,000	\$ 59,654	54.73%
54	Leachate	\$ 100,000	\$ 44,376	44.38%
55	Asbestos	\$ -		
56	CRV Paid Out	\$ 480,000	\$ 336,001	70.00%
57	Contract Services			
58	RMDZ	\$ 10,000	\$ 5,355	53.55%
59	Temporary Employment Services	\$ -	\$ 12,239	
60	<b>Total Operating Expenses</b>	<b>\$ 4,719,439</b>	<b>\$ 2,396,725</b>	<b>50.78%</b>
61				
62	<b>Payroll Expenses</b>	<b>\$ 2,344,300</b>	<b>\$ 1,053,353</b>	<b>44.93%</b>
63				
64	<b>Program Fees Passed-Through to Member Agencies</b>			
65	AB939	\$ 66,420	\$ 17,368	26.15%
66	County LEA	\$ 186,200	\$ 80,413	43.19%
67	County Rural Container Program	\$ 316,400	\$ 136,642	43.19%
68	County Table Bluff Landfill Maintenance	\$ 65,800	\$ 28,417	43.19%
69	Illegal Dumping and Cleanup Funds	\$ 39,900	\$ 39,435	98.83%
70	<b>Total Program Fees and Base Rates Passed Through</b>	<b>\$ 674,720</b>	<b>\$ 302,275</b>	<b>44.80%</b>
71				

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
72	<b>Indirect Expenses</b>			
73	Accounting Expense	\$ 16,500	\$ 10,150	61.52%
74	Advertising Expense	\$ 21,100	\$ 9,911	46.97%
75	Alarm/Security Expense	\$ 1,650	\$ 1,692	102.55%
76	Bank Fees Expense	\$ 27,700	\$ 15,988	57.72%
77	Dues/Membership	\$ 4,250	\$ 630	14.82%
78	Employment Expenses (Hiring, Testing, etc.)	\$ 5,200	\$ 3,867	74.37%
79	Engineering & Consulting	\$ 25,000	\$ 294	1.18%
80	Environmental Monitoring	\$ 81,500	\$ 22,976	28.19%
81	CRBAS Five-Year Monitoring	\$ 55,283		
82	Gas/Fuel Expense	\$ 68,900	\$ 20,474	29.72%
83	Insurance Expenses			
84	Environmental	\$ 11,000	\$ 10,259	93.26%
85	General Liability	\$ 42,671	\$ 14,166	33.20%
86	Property	\$ 4,590	\$ 6,566	143.06%
87	Janitorial/Vector Services	\$ 15,300	\$ 9,552	62.43%
88	Legal Expense	\$ 70,000	\$ 29,094	41.56%
89	Leases - Property & Equipment	\$ 42,060	\$ 21,050	50.05%
90	Meeting Expense	\$ 3,200	\$ 425	13.28%
91	Mileage Reimbursement	\$ 3,400	\$ 1,063	31.27%
92	Office Supplies	\$ 16,100	\$ 7,015	43.57%
93	Operating Supplies	\$ 88,600	\$ 18,280	20.63%
94	Outside Printing	\$ 5,150	\$ 2,119	41.15%
95	Permits & Fees	\$ 104,800	\$ 69,575	66.39%
96	Postage	\$ 6,300	\$ 2,153	34.18%
97	Publications	\$ 100		
98	Rental Expense	\$ 798	\$ (69)	-8.60%
99	Repairs & Maintenance Expenses			
100	Facilities	\$ 88,500	\$ 10,750	12.15%
101	Equipment	\$ 110,250	\$ 47,642	43.21%
102	Vehicles	\$ 6,500	\$ 1,986	30.55%
103	Safety Expense	\$ 23,900	\$ 11,837	49.53%
104	Small Tools	\$ 7,500	\$ 541	7.22%
105	Software Expense	\$ 44,400	\$ 17,502	39.42%
106	Telephone Expense	\$ 14,300	\$ 3,735	26.12%
107	Training	\$ 8,700	\$ 1,400	16.09%
108	Travel - Transportation, Meals, Lodging	\$ 7,500	\$ 868	11.57%
109	Uniforms Expense	\$ 16,500	\$ 8,132	49.29%
110	Utilities Expense			
111	Electricity/Heat	\$ 86,350	\$ 37,178	43.06%
112	Water	\$ 4,850	\$ 2,377	49.01%
113	<b>Total Indirect Expenses</b>	<b>\$ 1,140,402</b>	<b>\$ 421,181</b>	<b>36.93%</b>
114				
115	<b>Total Operational and Indirect Expenses</b>	<b>\$ 8,878,861</b>	<b>\$ 4,173,534</b>	<b>47.01%</b>
118				
119	<b>Capital Expenditures</b>			
120	Reserve and Capital Improvement Expenses			
121	Landfill Closure Expenses		\$ 640,533	
122	Long-Term Interest	\$ 111,139	\$ 62,114	55.89%
123	<b>Total Capital Expenditures</b>	<b>\$ 111,139</b>	<b>\$ 702,647</b>	<b>632.22%</b>
124				
125	<b>Total Expenses</b>	<b>\$ 8,990,000</b>	<b>\$ 4,876,181</b>	<b>54.24%</b>
126				
127	<b>Net Income (Loss) from Operating Activites</b>	<b>\$ 1,094,277</b>	<b>\$ 655,518</b>	<b>59.90%</b>

**Attachment B**  
**Fiscal Year 2015 - 2016**  
*Preliminary Statement of Operations for Period Ending 12/31/2015*

		Total FY15/16 Budget	Year-to-Date Revenues and Expenses as compared to 50.00% of Total Budget	
128				
129	<b>Non-Cash Activities Affecting Net Assets</b>			
130	Depreciation Expense	\$ 397,889	\$ 221,056	55.56%
131	(Gain)/Loss on Sale of Bonds		\$ 1,501	
132	Amortization Expense - WSG Goodwill	\$ 622,078	\$ 311,039	50.00%
133	<b>Total Non-Cash Activities</b>	<b>\$ 1,019,967</b>	<b>\$ 533,596</b>	<b>52.32%</b>

134				
135	<b>Grant Activities</b>			
136	Waste Tire	\$ -	\$ 284	
137	RMDZ	\$ 5,000		
138	OPP	\$ 40,000		
139	HHW HD	\$ 205,214		
140	DoC	\$ 20,000		
141	<b>Revenues from Grant Programs</b>	<b>\$ 270,214</b>	<b>\$ 284</b>	<b>0.10%</b>
142	Waste Tire Grant	\$ -		
143	RMDZ	\$ 5,000	\$ 1,178	23.56%
144	Oil Payment Program	\$ 40,000	\$ 23,727	59.32%
145	HHW HD Grant	\$ 205,214	\$ 32,642	15.91%
146	DoC Grant	\$ 20,000	\$ 10,766	53.83%
147	<b>Expenses Incurred by Grant Programs</b>	<b>\$ 270,214</b>	<b>\$ 68,312</b>	<b>25.28%</b>
148	<b>Total Grant Activities</b>	<b>\$ -</b>	<b>\$ (68,029)</b>	

149				
150	<b>Increase (Decrease) in Net Assets</b>	<b>\$ 74,310</b>	<b>\$ 53,893</b>	<b>72.52%</b>
151				

152	<b>Reserves and Trusts</b>			
153	Funds Replenished from Release of CRLF Trust			
154	Current Cash Value of Designated Reserves		\$ 397,519	
155	HWMA Reserve Policy - 20% of Operating Expenses (Includes Payroll)	\$ 1,750,000	\$ 397,519	22.72%
156	Disbursements from Trust to Cover Phase II Expenses			
157	Disbursements from Trust for Retention			
158	CRLF Closure Trust Fund	\$ 3,769,932	\$ 3,769,932	100.00%
159	<b>Total Reserves and Trust Funds</b>	<b>\$ 5,519,932</b>		

**Attachment C**  
**Activity Report**  
**July 1, 2015 -December 31, 2015**

Waste Tonnage	Tonnage			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Hawthorne						
Franchise	21,381	20,787	102.9%	\$2,738,802	\$2,229,779	122.8%
Self Haul	<u>7,694</u>	<u>7,695</u>	100.0%	<u>\$1,225,568</u>	<u>\$1,216,172</u>	100.8%
<b>Subtotal</b>	29,075	28,482	102.1%	\$3,964,370	\$3,445,951	115.0%
Humboldt Sanitation	1,142	950	120.2%	\$112,565	\$110,065	102.3%
ERD	<u>2,026</u>	<u>2,070</u>	97.9%	<u>\$197,920</u>	<u>\$202,245</u>	97.9%
<b>TOTAL.</b>	<u><u>32,243</u></u>	<u><u>31,503</u></u>	102.3%	<u><u>\$4,274,855</u></u>	<u><u>\$3,758,261</u></u>	113.7%

<b>Greenwaste</b>	<u><u>1,427</u></u>	<u><u>1,038</u></u>	137.4%	<u><u>\$107,452</u></u>	<u><u>\$86,504</u></u>	124.2%
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**Household Hazardous Waste**

	Customers			Revenue		
	Year to Date	Prior YTD	% of Prior	Year to Date	Prior YTD	% of Prior
Commercial	162	190	85.3%	\$25,218	\$47,773	52.8%
Residential	1,726	1,644	105.0%	\$8,845	\$10,998	80.4%
Fortuna Residential	46	29	158.6%	\$145	\$195	74.4%
Revenue from Countywide Fee				\$227,743	\$208,492	109.2%
<b>TOTAL.</b>	<u><u>1,934</u></u>	<u><u>1,863</u></u>	103.8%	<u><u>\$261,951</u></u>	<u><u>\$267,458</u></u>	97.9%

Traffic Count	Average Daily		Average Daily		% of Prior
	Count FY16	Exceptions	Count FY15	Exceptions	
July	295	None	289	None	102.1%
August	251	None	275	None	91.2%
September	289	None	259	None	111.6%
October	265	None	250	None	106.0%
November	265	None	259	None	102.3%
December	266	None	248	None	107.3%
January		None	278	None	0.0%
February		None	254	None	0.0%
March		None	251	None	0.0%
April		None	272	None	0.0%
May		None	267	None	0.0%
June		None	<u>286</u>	None	0.0%
Year-to-Date Average	272		266		102.3%

**Attachment D**  
**December 2015 Disbursements**

<b>Paid To</b>	<b>Amount</b>	<b>Paid To</b>	<b>Amount</b>
101Netlink	\$61.00	Mad River Hardwood Co., Inc	\$18,628.48
Advanced Superior Alarms	\$147.00	MAD RIVER HOSPITAL	\$576.00
Airgas USA LLC West Division	\$560.72	Mendes Supply Company	\$133.86
Antich Automotive	\$731.84	Mercury Disposal Systems, Inc	\$208.00
Asbury Environmental Services	\$295.00	Mission Uniform & Linen	\$1,013.50
B & B Portable Toilet Company	\$5,162.31	Nancy Diamond	\$2,225.70
Bank Fees	\$2,212.13	Network Management Services	\$2,701.98
Bettendorf Enterprises, Inc.	\$130,207.05	North Coast Fabricators	\$2,950.20
Blue Shield of California	\$28,441.80	North Coast Journal	\$254.00
Broadway Medical	\$18.43	North Coast Laboratories, Ltd	\$667.00
CA SDU	\$13.00	Northern California Safety Con	\$480.00
Capital One Commercial	\$185.28	Oak Harbor Freight Lines, Inc.	\$1,927.40
Cardmember Service	\$2,571.15	Occupational, Environmental He	\$666.00
Petty Cash	\$289.18	Pacific Gas and Electric	\$7,157.23
Cash for CRV	\$72,459.00	Pacific Paper Co.	\$817.15
City of Eureka	\$4,647.62	Peterson Tractor	\$122.23
Compliance Associates, Inc	\$250.00	Picky Picky Picky Store	\$109.06
Coti Global Sensors	\$1,116.04	Pierson Building Center	\$137.57
Crystal Springs Bottled Water	\$87.00	Schuyler Rubber Co.,Inc	\$1,926.72
East Bay Machine & Hydraulics	\$13.21	Scrapper's Edge	\$27.14
Eco Medical	\$478.64	SETCO	\$1,187.42
Employment Development Departm	\$1,753.27	Solid Waste of Willits, Inc.	\$149,054.30
Englund Marine Supply Co. Inc.	\$83.34	Staples Credit Plan	\$184.86
Eureka Broadcasting Co.,Inc	\$1,500.00	Steve Morris Logging & Contrac	\$3,677.46
Eureka Chamber of Commerce	\$490.00	Suddenlink	\$204.95
FedEx	\$21.59	Thrifty Supply Company	\$116.44
Franchse Tax Board	\$290.80	Thumper's Mechanical Service I	\$1,500.00
Geo-Logic Associates	\$21,534.45	Times Printing Company	\$206.30
Holt of California	\$1,741.16	Times Standard	\$829.31
Humboldt Community Services Di	\$16.30	Uline Shipping Supply Speciali	\$135.78
Humboldt County Sheriff's Offi	\$50.00	UNUM Life Insurance Company of	\$251.22
Humboldt Fire District 1	\$12.00	US Bank Office Equipment Finan	\$467.39
Humboldt Lock and Safe	\$166.39	Verizon Wireless	\$284.42
Humboldt Recycling	\$2,771.60	Zep Manufacturing Company	\$236.63
I-5 Tire, Inc	\$769.60		
Internal Revenue Service	\$108.00	Total Vendor Disbursements	\$497,730.62
L & M Renner, Inc	\$3,229.68		
Lawrence & Associates	\$10,282.50	Total Payroll Disbursements	\$153,302.69
Leggett & Platt	\$1,646.84		
Lost Coast Communications, Inc	\$250.00		
		<b>Total Disbursements</b>	<b><u>\$651,033.31</u></b>