



## June 17, 2016 Board of Directors Meeting

### HIGHLIGHTS

**Adoption of Preliminary Budget for Fiscal Year (FY) 2016/17.** The Preliminary Budget for FY 2016/17 was adopted by the Board. The Preliminary Budget shows an operating loss of \$128,000 and a net loss of \$1,063,000, projects \$21,610,000 in revenues (with no increase to the landfill tipping fee), operating expenses of \$21,738,000, and non-operating expenses of \$935,000. Capital outlay is projected at \$7,575,000. The 2015 Revenue Bond principal payments are \$895,000. Unrestricted cash reserves are projected to decrease by \$1,243,000, to \$5,483,000 which is in excess of the 20% guideline established by the Board. Cash provided by operations for FY 2016/17 is estimated at \$2,417,000 (Net Loss, Depreciation and Amortization and Closure/Post Closure Costs). The Bond Debt Service Ratio is 1.47 which is in excess of the Bond Covenant of 1.25. The Board also adopted Resolution 2016-04 authorizing expenditure of funds pending the adoption of the Final Budget, which staff anticipates presenting at the July 22, 2016 Board meeting.

**Purchase of New Forklifts.** The Board authorized purchase of a new Caterpillar GP25N forklift from Quinn Caterpillar (Quinn) of Salinas, CA at a cost of \$36,650.42 (including sales tax and freight) for use at the Last Chance Mercantile and the purchase of a new Caterpillar



GPC50N forklift from Quinn at a cost of \$62,478.49

(including sales tax and freight) for use at the Materials

Recovery Facility. Preferential competitive pricing for both forklifts was obtained from National Joint Powers Alliance. The Board also approved converting the forklifts to utilize compressed natural gas at a cost not to exceed \$12,161.74 and \$13,489.68, respectively.



**Salary Schedules Amended to Incorporate Cost of Living Adjustments for FY 2016/17.**

Staff presented, and the Board approved, amended salary schedules for employee bargaining units. Operating Engineers bargaining units will receive a 3% COLA and the management unit will receive a 2.7% COLA, as negotiated, effective July 1, 2016. The Board also approved amended salary schedules to incorporate COLA adjustments for unrepresented employees.

**Authorize Hiring Employee at Higher Step in Salary Range.** Following discussion in closed session, the Board approved hiring the Director of Finance and Administration at Step 4.

**Assembly Bill 1817.** General Manager reported that AB 1817 had been signed by the Governor on June 10, 2016. The new law provides “compensation in an amount not to exceed \$100 per day for each day of attendance at a meeting of the Board or for each day of service rendered as Director by request of the Board. A member of a District Board may receive compensation pursuant to this subdivision for no more than six days in a calendar month.” This new law will become effective January 1, 2017.