



BILL HALLDIN, ROCKLIN, CHAIR
DAN KARLESKINT, LINCOLN
ROBERT WEYGANDT, PLACER COUNTY
PAULINE ROCCUCCI, ROSEVILLE
BONNIE GORE, PLACER COUNTY
KEN GREHM, EXECUTIVE DIRECTOR

MEETING OF THE BOARD OF DIRECTORS AGENDA

March 11, 2021 5:00 PM

Materials Recovery Facility Administration Building
3013 Fiddymont Road, Roseville, CA 95747

The WPWMA Board of Directors March 11, 2021 meeting will be open to in-person attendance. To remain in compliance with the state's public health guidance, the WPWMA will limit in-person attendance to 25% of the WPWMA Board Meeting Room capacity and will require 6 feet of social distancing inside and outside the meeting room. There will be no standing room in the meeting room. If all seats are occupied, members of the public will be asked to wait outside the meeting room. Due to the reduced capacity, the WPWMA requests that members of the public only enter the meeting room for the item they wish to participate on and then leave promptly thereafter.

Individuals may also participate in the meeting by the following means:

during the meeting via a Zoom webinar at <https://placer-ca-gov.zoom.us/j/94689919649>

or by calling (888) 788-0099 Webinar ID: 946 8991 9649

-OR-

prior to or during the meeting via email at info@WPWMA.ca.gov

Subject: March 11, 2021 WPWMA Meeting Comment

Public comments will be accepted until the adjournment of the meeting, distributed to the Board of Directors, and included in the meeting record.

Individuals or parties who know in advance that they would like to address the Board on a specific topic may pre-register by sending their name, email, phone number and agenda item of interest to the Clerk of the Board at info@WPWMA.ca.gov Subject: March 11, 2021 WPWMA Meeting Comment Registration no later than 5:00 pm PDT on March 10, 2021.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection by emailing the Clerk of the Board at info@WPWMA.ca.gov. The Western Placer Waste Management Authority is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations please contact the Clerk of the Board at (916) 543-3960 or at info@WPWMA.ca.gov. If requested, the agenda shall be provided in appropriate alternative formats to persons with disabilities. All requests must be in writing and must be received by the Clerk three business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated if time permits.

1. Call Meeting to Order
2. Pledge of Allegiance (Director Roccucci)
3. Roll Call
4. Statement of Meeting Procedures (Clerk of the Board)
5. Public Comment

This is a time when persons may address the Board regarding items not on this Agenda. It is requested that comments be brief, since the Board is not permitted to take any action on items addressed under Public Comment.

6. Timed Items

5:05 P.M.

- a. Tipping Fee Increase for FY 2021/22 (Eric Oddo) Pg. 5
After conducting a public hearing:
1. Adopt Resolution 21-03c that increases tipping fees effective July 1, 2021; and
 2. Find this action exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code.

7. Announcements & Information

- a. Reports from Directors ----
- b. Report from the Executive Director (Ken Grehm) ----
- c. Auditor's Report (Becky Correa) Pg. 17
- c. Financial Reports (Eric Oddo) Pg. 73
- d. Monthly Tonnage Reports (Eric Oddo) ----

8. Consent Agenda

- a. Minutes of the Board Meeting held February 11, 2021 Pg. 75
Approve as submitted.
- b. Agreement with Geo-Logic Associates for North Compost Leachate Pond Expansion Design and Construction Quality Assurance Services (Ryan Schmidt) Pg. 77
Authorize the Executive Director or designee, upon review and approval by WPWMA Counsel, to sign an Agreement with Geo-Logic Associates for design and CQA services for the north compost leachate pond expansion project for an amount not to exceed \$251,347.

9. Action Items

- a. First Amendment to the Agreement for Conducting a Temporary HHW Collection Event (Jennifer Snyder) Pg. 87
Authorize the Chair to sign the First Amendment to the HHW Collection Event Services Agreement with Clean Harbors Environmental Services, Inc., authorizing an additional \$17,373 in funding and increasing the not-to-exceed cost of the Agreement to \$92,304.
- b. Sixth Amendment to the Agreement with SCS Engineers for Water Quality Monitoring and Reporting Services (Keith Schmidt) Pg. 93
Authorize the Chair to sign the Sixth Amendment to the Water Quality Monitoring and Reporting Agreement with SCS Engineers, extending services for an additional year and authorizing additional related services, for a total of \$221,575, increasing the total not-to-exceed cost of the Agreement to \$1,239,363.

10. Upcoming Agenda Items

Identification of any items the Board would like staff to address at a future meeting.

11. Adjournment

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS**

DATE: **MARCH 11, 2021**

FROM: **KEN GREHM / ERIC ODDO** 

SUBJECT: **TIPPING FEE INCREASE FOR FY 2021/22**

RECOMMENDED ACTION:

After conducting a public hearing:

1. Adopt Resolution 21-03c that increases tipping fees effective July 1, 2021; and
2. Find this action exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code.

BACKGROUND:

Your Board periodically adjusts the WPWMA's tipping fee structure to reflect current and future financial needs while ensuring that the WPWMA remains competitive in the marketplace. The last time your Board adjusted rates was in February 2020 with the adjusted rates effective July 1, 2020.

To ensure that sufficient funding is available for ongoing operations, annual cost of living adjustments to facility operating contracts, to increase near-term funding to account for anticipated capital expenditures to upgrade the facility following completion of the current MRF and WRSL procurement processes and to provide long-term funding for facility master planning implementation, staff believes it is prudent to implement an increase to the WPWMA's tipping fee structure.

The ongoing MRF and WRSL operating contract procurement process is anticipated to be completed by the end of this calendar year; preliminary review of the proposals suggests significant capital investment in the facility will be required and that facility operating fees will increase as a result of the need to comply with SB 1383 and other solid waste-related regulations. The WPWMA's current tipping fee structure will not provide sufficient revenues to cover these anticipated costs and will therefore necessitate adjustment. To provide your Board maximum flexibility in setting the appropriate rates, staff have developed three different tipping fee schedules and associated Resolutions for your Board's consideration. Staff recommend implementation of Option 3, however, the advertising and agenda were prepared in a such a way to provide your Board the ability to implement any of the options below.

Option 1 – Short Term Cost of Operations Adjustment

Staff developed a proposed tipping fee structure (attached Resolution 210-03a) that reflects the estimated operating costs for Fiscal Year 2021/22 but does not account for anticipated capital costs and increased operational costs associated with future MRF and WRSL operations. Adoption of the Option 1 tipping fee schedule will limit the immediate impact to WPWMA customers while ensuring sufficient funds are available to adequately cover anticipated FY 2021/22 operations. However, since this tipping fee schedule would not provide funding towards future changes to MRF

and WRSL operations resulting from the procurement process, selection of Option 1 would likely result in the need for a substantially larger rate increase prior to FY 2022/23. Tipping fees under Option 1 would increase between 2.50% and 3.13% compared to the current rate structure.

Option 2 – Incremental Adjustment to Tipping Fees

This tipping fee structure option would allow the WPWMA to begin generating additional revenues that would help offset anticipated future operating and capital costs at a more modest rate than Option 3. Additionally, under this option (attached Resolution 12-03b), the WPWMA would maintain a more graduated rate structure for varying material types (e.g.: construction and demolition debris priced at a lower rate than municipal solid waste). Depending on the results of the procurement process, the WPWMA may elect to continue this tiered rate structure to encourage upstream separation and delivery of certain material streams. This option would moderate the impact to customers yet would likely still require a significant future tip fee increase. Tipping fees for core commodities under Option 2 would increase between 9.68% and 33.33% compared to the current rate structure.

Option 3 – Conservative Adjustment to Tipping Fees

The Option 3 tipping fee structure (attached Resolution 12-03c) would allow the WPWMA to generate additional revenues closer to the amounts estimated to be necessary to offset the increase in costs associated with the future MRF and WRSL operations. This option also serves to reduce the differentiation between certain material streams that otherwise require similar levels of processing (e.g.: matching the construction and demolition debris and municipal solid waste rates and matching the green and foodwaste rates). While this option represents a significant increase in core commodity rates, ranging from 25.00% to 72.55%, staff estimate further rate adjustments may still be necessary pending the results of the procurement process albeit smaller than would be required if either Option 1 or Option 2 is selected. Selection of the proposed Option 3 rate structure will also put the WPWMA in a stronger financial position to address additional infrastructure needs associated with facility master planning implementation.

Notice of the public hearing to consider the proposed tipping fee increase was published in the Roseville Press Tribune, Placer Herald, Lincoln News Messenger and Auburn Journal newspapers between March 6th and March 10th. The WPWMA's Public Information consultant (JSR Strategies) posted information related to the proposed rate increase on the WPWMA's social media sites and notified the Public Information Officers for each of the Member Agencies. Notice was also posted at each of the WPWMA's scalehouses, on all customer disposal tickets generated by the WPWMA, on the WPWMA's website and distributed to each of the Participating Agencies administrative offices the week of March 1st.

ENVIRONMENTAL CLEARANCE:

The recommended action is exempt from CEQA under Public Resources Code Section 21080(b) (8), provided your Board adopts findings that the rates are necessary to meet

current and anticipated near-term operating expenses necessary for the maintenance of services.

FISCAL IMPACT:

As noted above, the Option 1 Tipping Fee Structure is anticipated to generate sufficient revenues to cover the costs reasonably estimated to be incurred in FY 2021/22 while Options 2 and 3 are designed to establish additional funds to offset anticipated increases in future operating costs and capital expenditures associated with the WPWMA's ongoing MRF and WRSL procurement efforts. Based on initial review of the proposals, staff believes there is a reasonable relationship between the proposed tipping fee increase in Options 2 and 3 and the anticipated future operating and capital costs. Following conclusion of the procurement processes, staff will reevaluate the tipping fee structure and return to your Board at the appropriate time with any recommended adjustments.

A summary of the proposed tipping fee options, including the relative increase in individual rates and the estimated increase in annual revenues for each option, are attached as Exhibit A.

ATTACHMENT: EXHIBIT A – RATE OPTION SUMMARIES
RESOLUTION 21-03a
RESOLUTION 21-03b
RESOLUTION 21-03c

Option 1
Short Term Cost of Operations Adjustment
2.5% minimum adjustment, Cubic Yard rates rounded up to nearest \$0.25

Category	Current Fee	Proposed Fee	Change	% Change
Municipal Solid Waste (per ton, per cy)	\$73.00	\$74.83	\$1.83	2.51%
	\$16.00	\$16.50	\$0.50	3.13%
Construction and Demolition Debris (per ton, per cy)	\$51.00	\$52.28	\$1.28	2.51%
	\$16.00	\$16.50	\$0.50	3.13%
Sludge and Mixed Inerts (per ton)	\$39.00	\$39.98	\$0.98	2.51%
Commercial Food Waste (per ton)	\$46.50	\$47.67	\$1.17	2.52%
Source Separated Green Waste (per ton, per cy)	\$42.00	\$43.05	\$1.05	2.50%
	\$9.00	\$9.25	\$0.25	2.78%
Source Separated Wood Waste (per ton, per cy)	\$29.00	\$29.73	\$0.73	2.52%
	\$9.00	\$9.25	\$0.25	2.78%
Inert Materials (per ton, per cy)	\$20.00	\$20.50	\$0.50	2.50%
	\$18.00	\$18.50	\$0.50	2.78%
Water treatment plant sludge (per ton)	\$9.00	\$9.23	\$0.23	2.56%
Refrigerated Appliances (each)	\$37.00	\$38.00	\$1.00	2.70%
Non-refrigerated Appliances (each)	\$8.00	\$8.25	\$0.25	3.13%
Car and light truck tires (each)	\$3.50	\$3.75	\$0.25	7.14%
Semi-trailer tires (each)	\$20.00	\$20.50	\$0.50	2.50%
Tractor tires (each)	\$80.00	\$82.00	\$2.00	2.50%
Euclid & Bulk tires (per ton)	\$200.00	\$205.00	\$5.00	2.50%

Estimated Increase in Tipping Fees for FY 2021/22 from noted increase:

\$841,381

**Option 2
Incremental Adjustment to Tipping Fees
Maintain Tiered Rate Schedule for Mixed Waste and Organics, Cubic Yard rates rounded up to nearest \$0.25**

Category	Current Fee	Proposed Fee	Change	% Change
Municipal Solid Waste (per ton, per cy)	\$73.00	\$80.50	\$7.50	10.27%
	\$16.00	\$18.00	\$2.00	12.50%
Construction and Demolition Debris (per ton, per cy)	\$51.00	\$68.00	\$17.00	33.33%
	\$16.00	\$18.00	\$2.00	12.50%
Sludge and Mixed Inerts (per ton)	\$39.00	\$45.00	\$6.00	15.38%
Commercial Food Waste (per ton)	\$46.50	\$51.00	\$4.50	9.68%
Source Separated Green Waste (per ton, per cy)	\$42.00	\$49.00	\$7.00	16.67%
	\$9.00	\$10.50	\$1.50	16.67%
Source Separated Wood Waste (per ton, per cy)	\$29.00	\$34.50	\$5.50	18.97%
	\$9.00	\$10.50	\$1.50	16.67%
Inert Materials (per ton, per cy)	\$20.00	\$22.00	\$2.00	10.00%
	\$18.00	\$20.00	\$2.00	11.11%
Water treatment plant sludge (per ton)	\$9.00	\$9.23	\$0.23	2.56%
Refrigerated Appliances (each)	\$37.00	\$38.00	\$1.00	2.70%
Non-refrigerated Appliances (each)	\$8.00	\$8.25	\$0.25	3.13%
Car and light truck tires (each)	\$3.50	\$3.75	\$0.25	7.14%
Semi-trailer tires (each)	\$20.00	\$20.50	\$0.50	2.50%
Tractor tires (each)	\$80.00	\$82.00	\$2.00	2.50%
Euclid & Bulk tires (per ton)	\$200.00	\$205.00	\$5.00	2.50%

Estimated Increase in Tipping Fees for FY 2021/22 from noted increase:

\$4,904,017

**Option 3
Conservative Adjustment to Tipping Fees
Align Mixed Waste and Organic Material Rates, Cubic Yard rates rounded up to nearest \$0.25**

Category	Current Fee	Proposed Fee	Change	% Change
Municipal Solid Waste (per ton, per cy)	\$73.00	\$88.00	\$15.00	20.55%
	\$16.00	\$20.00	\$4.00	25.00%
Construction and Demolition Debris (per ton, per cy)	\$51.00	\$88.00	\$37.00	72.55%
	\$16.00	\$20.00	\$4.00	25.00%
Sludge and Mixed Inerts (per ton)	\$39.00	\$50.00	\$11.00	28.21%
Commercial Food Waste (per ton)	\$46.50	\$66.00	\$19.50	41.94%
Source Separated Green Waste (per ton, per cy)	\$42.00	\$66.00	\$24.00	57.14%
	\$9.00	\$14.00	\$5.00	55.56%
Source Separated Wood Waste (per ton, per cy)	\$29.00	\$40.00	\$11.00	37.93%
	\$9.00	\$12.50	\$3.50	38.89%
Inert Materials (per ton, per cy)	\$20.00	\$25.00	\$5.00	25.00%
	\$18.00	\$25.00	\$7.00	38.89%
Water treatment plant sludge (per ton)	\$9.00	\$9.23	\$0.23	2.56%
Refrigerated Appliances (each)	\$37.00	\$38.00	\$1.00	2.70%
Non-refrigerated Appliances (each)	\$8.00	\$8.25	\$0.25	3.13%
Car and light truck tires (each)	\$3.50	\$3.75	\$0.25	7.14%
Semi-trailer tires (each)	\$20.00	\$20.50	\$0.50	2.50%
Tractor tires (each)	\$80.00	\$82.00	\$2.00	2.50%
Euclid & Bulk tires (per ton)	\$200.00	\$205.00	\$5.00	2.50%

Estimated Increase in Tipping Fees for FY 2021/22 from noted increase:

\$10,898,086

Before the Board of Directors

Western Placer Waste Management Authority

In the matter of:

Resolution No. 21-03a

REVISION TO THE TIRE TIPPING FEES CHARGED BY THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY

The following **RESOLUTION** was duly passed by the Board of Directors of the Western Placer Waste Management Authority at a regular meeting held March 11, 2021, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Western Placer
Waste Management Authority

Attest:

Clerk of said Board

WHEREAS, the Board of Directors has the duty to establish tipping fees for the Western Placer Waste Management Authority's facilities; and

WHEREAS, tipping fees must cover nearly all the costs of operating these facilities; and

WHEREAS, the proposed tire tipping fees (attached) reasonably correspond to the cost of providing services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Western Placer Waste Management Authority, that this Board approves the tire tipping fees presented in Exhibit A, effective July 1, 2021.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
 TIRE TIPPING FEES EFFECTIVE JULY 1, 2021**

Category	Current Fee	Proposed Fee	Change
Municipal Solid Waste	\$73.00/ton \$16.00/cy	\$74.83/ton \$16.50/cy	\$1.83/ton \$0.50/cy
Construction and Demolition Debris	\$51.00/ton \$16.00/cy	\$52.28/ton \$16.50/cy	\$1.28/ton \$0.50/cy
Sludge and Mixed Inerts ¹	\$39.00/ton	\$39.98/ton	\$0.98/ton
Commercial Food Waste	\$46.50/ton	\$47.67/ton	\$1.17/ton
Source Separated Green Waste	\$42.00/ton \$9.00/cy	\$43.05/ton \$9.25/cy	\$1.05/ton \$0.25/cy
Source Separated Wood Waste ²	\$29.00/ton \$9.00/cy	\$29.73/ton \$9.25/cy	\$0.73/ton \$0.25/cy
Inert Materials ³	\$20.00/ton \$18.00/cy	\$20.50/ton \$18.50/cy	\$0.50/ton \$0.50/cy
Water treatment plant sludge	\$9.00/ton	\$9.23/ton	\$0.23/ton
Refrigerated Appliances	\$37.00 each	\$38.00 each	\$1.00 each
Non-refrigerated Appliances	\$8.00 each	\$8.25 each	\$0.25 each
Car and light truck tires	\$3.50 each	\$3.75 each	\$0.25 each
Semi-trailer tires	\$20.00 each	\$20.50 each	\$0.50 each
Tractor tires	\$80.00 each	\$82.00 each	\$2.00 each
Euclid & Bulk tires	\$200.00/ton	\$205.00/ton	\$5.00/ton

¹ Applies to loads that qualify as Inert Materials but contain the presence of a small amount of contaminants.

² Applies to separated loads of wood, including: lumber, plywood, particleboard, and tree trunks and limbs less than 24 inches in diameter and greater than 1 inch in diameter. Loads can contain no more than 1% of contaminants. Contaminants include treated or painted wood.

³ Applies to separated loads of dirt, rock, asphalt and concrete if free from rebar or mesh and broken into pieces less than 2' x 2' x 4".

Before the Board of Directors

Western Placer Waste Management Authority

In the matter of:

Resolution No. 21-03b

REVISION TO THE TIRE TIPPING FEES CHARGED BY THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY

The following **RESOLUTION** was duly passed by the Board of Directors of the Western Placer Waste Management Authority at a regular meeting held March 11, 2021, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Western Placer
Waste Management Authority

Attest:

Clerk of said Board

WHEREAS, the Board of Directors has the duty to establish tipping fees for the Western Placer Waste Management Authority's facilities; and

WHEREAS, tipping fees must cover nearly all the costs of operating these facilities; and

WHEREAS, the proposed tire tipping fees (attached) reasonably correspond to the cost of providing services and the anticipated near-term capital and operating costs that will be realized by the WPWMA following award of future operating agreements for the Materials Recovery Facility and Western Regional Sanitary Landfill.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Western Placer Waste Management Authority, that this Board approves the tire tipping fees presented in Exhibit A, effective July 1, 2021.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
 TIRE TIPPING FEES EFFECTIVE JULY 1, 2021**

Category	Current Fee	Proposed Fee	Change
Municipal Solid Waste	\$73.00/ton \$16.00/cy	\$80.50/ton \$18.00/cy	\$7.50/ton \$2.00/cy
Construction and Demolition Debris	\$51.00/ton \$16.00/cy	\$68.00/ton \$18.00/cy	\$17.00/ton \$2.00/cy
Sludge and Mixed Inerts ¹	\$39.00/ton	\$45.00/ton	\$6.00/ton
Commercial Food Waste	\$46.50/ton	\$51.00/ton	\$4.50/ton
Source Separated Green Waste	\$42.00/ton \$9.00/cy	\$49.00/ton \$10.50/cy	\$7.00/ton \$1.50/cy
Source Separated Wood Waste ²	\$29.00/ton \$9.00/cy	\$34.50/ton \$10.50/cy	\$5.50/ton \$1.50/cy
Inert Materials ³	\$20.00/ton \$18.00/cy	\$22.00/ton \$20.00/cy	\$2.00/ton \$2.00/cy
Water treatment plant sludge	\$9.00/ton	\$9.23/ton	\$0.23/ton
Refrigerated Appliances	\$37.00 each	\$38.00 each	\$1.00 each
Non-refrigerated Appliances	\$8.00 each	\$8.25 each	\$0.25 each
Car and light truck tires	\$3.50 each	\$3.75 each	\$0.25 each
Semi-trailer tires	\$20.00 each	\$20.50 each	\$0.50 each
Tractor tires	\$80.00 each	\$82.00 each	\$2.00 each
Euclid & Bulk tires	\$200.00/ton	\$205.00/ton	\$5.00/ton

¹ Applies to loads that qualify as Inert Materials but contain the presence of a small amount of contaminants.

² Applies to separated loads of wood, including: lumber, plywood, particleboard, and tree trunks and limbs less than 24 inches in diameter and greater than 1 inch in diameter. Loads can contain no more than 1% of contaminants. Contaminants include treated or painted wood.

³ Applies to separated loads of dirt, rock, asphalt and concrete if free from rebar or mesh and broken into pieces less than 2' x 2' x 4".

Before the Board of Directors

Western Placer Waste Management Authority

In the matter of:

Resolution No. 21-03c

REVISION TO THE TIRE TIPPING FEES CHARGED BY THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY

The following **RESOLUTION** was duly passed by the Board of Directors of the Western Placer Waste Management Authority at a regular meeting held March 11, 2021, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Western Placer
Waste Management Authority

Attest:

Clerk of said Board

WHEREAS, the Board of Directors has the duty to establish tipping fees for the Western Placer Waste Management Authority's facilities; and

WHEREAS, tipping fees must cover nearly all the costs of operating these facilities; and

WHEREAS, the proposed tire tipping fees (attached) reasonably correspond to the cost of providing services and the anticipated near-term capital and operating costs that will be realized by the WPWMA following award of future operating agreements for the Materials Recovery Facility and Western Regional Sanitary Landfill.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Western Placer Waste Management Authority, that this Board approves the tire tipping fees presented in Exhibit A, effective July 1, 2021.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
 TIRE TIPPING FEES EFFECTIVE JULY 1, 2021**

Category	Current Fee	Proposed Fee	Change
Municipal Solid Waste	\$73.00/ton \$16.00/cy	\$88.00/ton \$20.00/cy	\$15.00/ton \$4.00/cy
Construction and Demolition Debris	\$51.00/ton \$16.00/cy	\$88.00/ton \$20.00/cy	\$36.00/ton \$4.00/cy
Sludge and Mixed Inerts ¹	\$39.00/ton	\$50.00/ton	\$11.00/ton
Commercial Food Waste	\$46.50/ton	\$66.00/ton	\$19.50/ton
Source Separated Green Waste	\$42.00/ton \$9.00/cy	\$66.00/ton \$14.00/cy	\$24.00/ton \$5.00/cy
Source Separated Wood Waste ²	\$29.00/ton \$9.00/cy	\$40.00/ton \$12.50/cy	\$11.00/ton \$3.50/cy
Inert Materials ³	\$20.00/ton \$18.00/cy	\$25.00/ton \$25.00/cy	\$5.00/ton \$7.00/cy
Water treatment plant sludge	\$9.00/ton	\$9.23/ton	\$0.23/ton
Refrigerated Appliances	\$37.00 each	\$38.00 each	\$1.00 each
Non-refrigerated Appliances	\$8.00 each	\$8.25 each	\$0.25 each
Car and light truck tires	\$3.50 each	\$3.75 each	\$0.25 each
Semi-trailer tires	\$20.00 each	\$20.50 each	\$0.50 each
Tractor tires	\$80.00 each	\$82.00 each	\$2.00 each
Euclid & Bulk tires	\$200.00/ton	\$205.00/ton	\$5.00/ton

¹ Applies to loads that qualify as Inert Materials but contain the presence of a small amount of contaminants.

² Applies to separated loads of wood, including: lumber, plywood, particleboard, and tree trunks and limbs less than 24 inches in diameter and greater than 1 inch in diameter. Loads can contain no more than 1% of contaminants. Contaminants include treated or painted wood.

³ Applies to separated loads of dirt, rock, asphalt and concrete if free from rebar or mesh and broken into pieces less than 2' x 2' x 4".

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

Roseville, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED
JUNE 30, 2020 AND 2019



PREPARED BY:

Placer County Auditor-Controller's Office

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WESTERN PLACER WASTE MANAGEMENT AUTHORITY

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December 28, 2020

To the Board of Directors and Citizens of Placer County:

The Comprehensive Annual Financial Report (CAFR) of the Western Placer Waste Management Authority (Authority) for the fiscal year ended June 30, 2020 is hereby submitted. This report consists of management's representations concerning the finances of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the costs of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the information contained herein is complete and reliable in all material respects.

The Authority's financial statements have been audited by CliftonLarsonAllen, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Authority's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the report of the independent auditor.

Profile of the Authority

The Authority is a public entity created on October 3, 1978 by a joint exercise of powers agreement between the County of Placer (County) and the Cities of Roseville, Rocklin, and Lincoln. The Authority is a separate and distinct entity from both the County and Cities, formed pursuant to Chapter 5, Division 7, Title 1 of the Government Code of the State of California. Pursuant to the joint powers agreement, the Placer County Treasury is utilized for depositing cash receipts and making cash disbursements and the Placer County Auditor-Controller maintains the accounting records of the Authority.

The Authority was formed to acquire, own, operate and maintain a sanitary landfill site and all related improvements. The Authority owns approximately 960 acres of land located in an unincorporated area of the County between the cities of Roseville and Lincoln, 320 acres of which are permitted for solid waste

operations including landfilling and operation of a Materials Recovery Facility (MRF). The Authority has contracted with Nortech Waste, LLC to operate the MRF and Nortech Landfill, Inc. to operate the landfill.

Economic Outlook and Conditions

Local Economy

The local economy within the Authority's service area (generally the western portion of Placer County stretching from the City of Colfax to the Placer/Sacramento County line) continues to improve modestly despite the continuing impacts of the COVID-19 pandemic. Population growth coupled with continued residential development suggests that material flows and associated revenues received at the Authority's facility will continue to grow at a positive rate in the near term.

Long-term Financial Planning

Authority staff estimates that the increase in residential construction and relatively low interest rates will result in increases of construction related wastes in the coming years as well as sustained, yet modest, growth in the municipal solid waste stream over time. As the Authority currently has sufficient capacity at its landfill and MRF to accept significantly more wastes on a daily basis than it currently receives, the Authority is anticipated to remain in a strong financial position as regional development and growth continue.

Strategic efforts over the last several years by the Board of Directors have positioned the Authority to have sufficient reserve account balances to fund future landfill and other solid-waste related projects and to plan for program and service delivery growth that ensures the Authority's financial well-being.

Major Initiatives and Accomplishments

Accomplishments:

During the second half of the fiscal year ending June 30, 2020, the nation and the world were beginning to respond to the threat of the COVID-19 pandemic. As transmission methods and the associated risk to Authority and Member Agency staff involved in waste management activities was not well known at the time, the Authority took the bold move to implement temporary restrictions on the use of its facilities. These temporary restrictions were first enacted in late March 2020 and were intended to protect Authority and Nortech staff and ensure the uninterrupted acceptance and processing of materials delivered by the Member Agencies and their franchised haulers. The restrictions were developed and implemented by the Authority in a phased approach as noted below with the phases corresponding to the Authority's ability to enact reasonable provisions and precautions to protect the health and safety of both workers and customers. The first phase involved the Authority closing the facility on weekends and restricting access to account customers only (to limit the interaction and exchange between customer and staff). The second phase involved reopening to also accept non-account customers but limiting their payment to credit card or other touchless payments only. Resumption of the acceptance of cash and check occurred in the third phase; restrictions were lifted, and normal facility operations resumed in mid-May 2020. To date, no Authority staff have contracted the COVID-19 virus and no significant disruptions in service have occurred.

One of the Authority's core functions is to divert materials from landfilling so that they may be reintroduced into the global economy to be recycled or reused. This serves to reduce the dependency on the use of virgin materials, limits the landfilling of wastes and ensures its Member Agencies comply with

California recycling mandates. Since the Authority began operation of its MRF in 1996, the percentage of materials the Authority has diverted from landfilling and sold to domestic and international markets has increased nearly 300%. This has not only significantly reduced the amount of landfill space consumed in that time but has also enabled the Member Agencies to meet and far exceed California's 50% diversion mandates and regularly surpass the state-wide average diversion rate.

Furthermore, the Authority has been able to continually update and upgrade its MRF to respond to new and emerging material markets and to increase diversion rates without issuing bonds or raising its rates.

As California is poised to finalize and enact SB 1383 – arguably the state's most significant new solid-waste-related regulation in 30 years – the Authority is well situated to meet the initial material diversion mandate. California's Short-Lived Climate Pollutant Reduction Strategy (commonly referred to as SB 1383) will require reduction in the disposal of organic waste in landfills to reduce the potential for uncontrolled methane emissions. SB 1383 requires that at least 50% of organic material is diverted from landfilling by 2022. Based on the well-established recovery programs of the WPWMA and its Member Agencies, preliminary estimates suggest the WPWMA is currently meeting or exceeding a site-wide 50% organic materials diversion rate.

To ensure the WPWMA is able to maintain its current diversion rates under a reasonable and predictable rate structure, the Authority Board of Directors unanimously elected to exercise its contractual right to extend the current MRF and landfill operating agreements with Nortech Waste for an additional two years through June 2022. To address the anticipated future challenges and opportunities associated with continued growth in the region and the solid waste stream, the requirements of SB 1383, and the impacts of China's National Sword Policy, Nortech submitted a proposal to the Authority to extend the term of the agreement. Nortech's proposal includes making significant investments in, and modifications to, the facility with the intent of dramatically increasing material recovery rates and establishing on-site technologies to utilize materials recovered from the waste stream to produce next-level marketable products. Doing so would reduce reliance on distant and volatile recyclable materials markets. Acknowledging the enormous potential of Nortech's proposal and the significant risks associated with potentially being the first public agency to embrace this untested operating model, the Authority opted to continue evaluating Nortech's proposal while simultaneously developing requests for proposals for future facility operations as part of a public competitive procurement process.

Current Activities:

After conducting a long-term pilot study to evaluate co-composting green waste and other organic materials (predominately food waste) through the use of aerated static pile (ASP) technology, the Authority is currently working with the appropriate regulatory agencies to obtain full-scale operating permits for ASP composting methods. ASP composting involves drawing ambient air through the compostable materials to accelerate the composting process and reduce the potential for emissions (including odors) from the compost pile. Transitioning to a full-scale ASP composting will ensure the Member Agencies have a local outlet for commercially and residentially-generated food waste collected as they work to meet the provisions of SB 1383.

To provide transparency and clarity regarding facility odors to both the regularity community and residents and businesses located near the Authority's facility, the Authority is developing a Site Wide Odor Plan (SWOP) in conjunction with the Placer County Air Pollution Control District. Acknowledging that odors are a natural and unavoidable byproduct of the decomposition of organic materials, the Authority is preparing the SWOP to provide clear, concise information about individual facility odor sources, operational and meteorological conditions that have the potential to exacerbate the perception of odors, and the measures the Authority takes to reduce the potential for facility odors to be perceived by

nearby receptors. The SWOP is intended to be used as a tool by the Authority and its facility operators, contractors, and consultants to consistently and proactively take the appropriate steps to reduce the potential for off-site odors while continuing to ensure that the Authority meets all applicable regulatory obligations while safely and efficiently managing the solid wastes received, processed or landfilled. The SWOP is expected to be completed and considered for approval by all applicable parties during the fiscal year ending June 30, 2021.

To best position itself to meet the needs of its Member Agencies, respond to continued growth in the region, address legislative and regulatory changes and maintain a financially viable operation, the Authority conducted a facility-wide master planning effort intended to identify how best to utilize the Authority's existing infrastructure as well as develop its expansion properties to meet the aforementioned goals. The Authority is currently conducting the necessary environmental review of the master plan consistent with the requirements of the California Environmental Quality Act. The Draft Environmental Impact Report is scheduled for public release in the Spring of 2021.

Financial Information

Management of the Authority is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that accounting data are compiled to allow for the preparation of financial statements in conformity with account principles generally accepted in the United States of America. The internal controls are designed to provide a reasonable, but not absolute, assurance that these objectives are met recognizing that: 1) the cost of control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management.

Relevant Financial Policies:

To achieve the goal of providing outstanding, cost-effective regional public services, the Authority applies sound management practices and policies that enhance the quality of life of its citizens. Such financial management practices have been identified by the Government Finance Officers Association of the United States and Canada and recognized by Fitch Ratings as best practices that promotes financial soundness, efficiency in government and solvency in public finance. The Authority follows the financial policies of the County, where applicable. Those financial policies are administered and overseen by the County's Finance Committee (comprised of County Executive Officer, Auditor-Controller and Treasurer-Tax Collector). All of the County's financial policies are available by request to the Placer County Auditor-Controller, 2970 Richardson Drive, Auburn, CA 95603.

Budgetary Controls:

State law requires the formal adoption of an appropriated budget for governmental enterprise activities. The Authority prepares an annual budget to serve as an approved plan which includes operational and capital expenditures. This budget, approved by the Board of Directors, provides the financial basis for the Authority's operations.

The Authority has adopted County controls associated with purchasing and budget management. These controls serve to verify expenses and ensure budgeted amounts are not exceeded. Monthly comparison and actual-to-budgeted revenues and expenses identify any significant variances that may require the Authority to take action.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the fiscal year ended June 30, 2019. The Certificate of Achievement is a prestigious award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards and satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our CAFR continues to meet the Certificate of Achievement Program's requirements and we are applying for the Certificate again this year.

The preparation of the CAFR could not have been accomplished without the commitment and dedication of Authority staff, with special recognition to Eric Oddo and Becky Correa, and the County Auditor-Controller's Office.

Recognition must also be given to the Authority's Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Authority's finances. Without their leadership and support, preparation of this report would not have been possible.

Respectfully submitted,



Ken Grehm
Executive Director

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
BOARD OF DIRECTORS AND MANAGING STAFF**

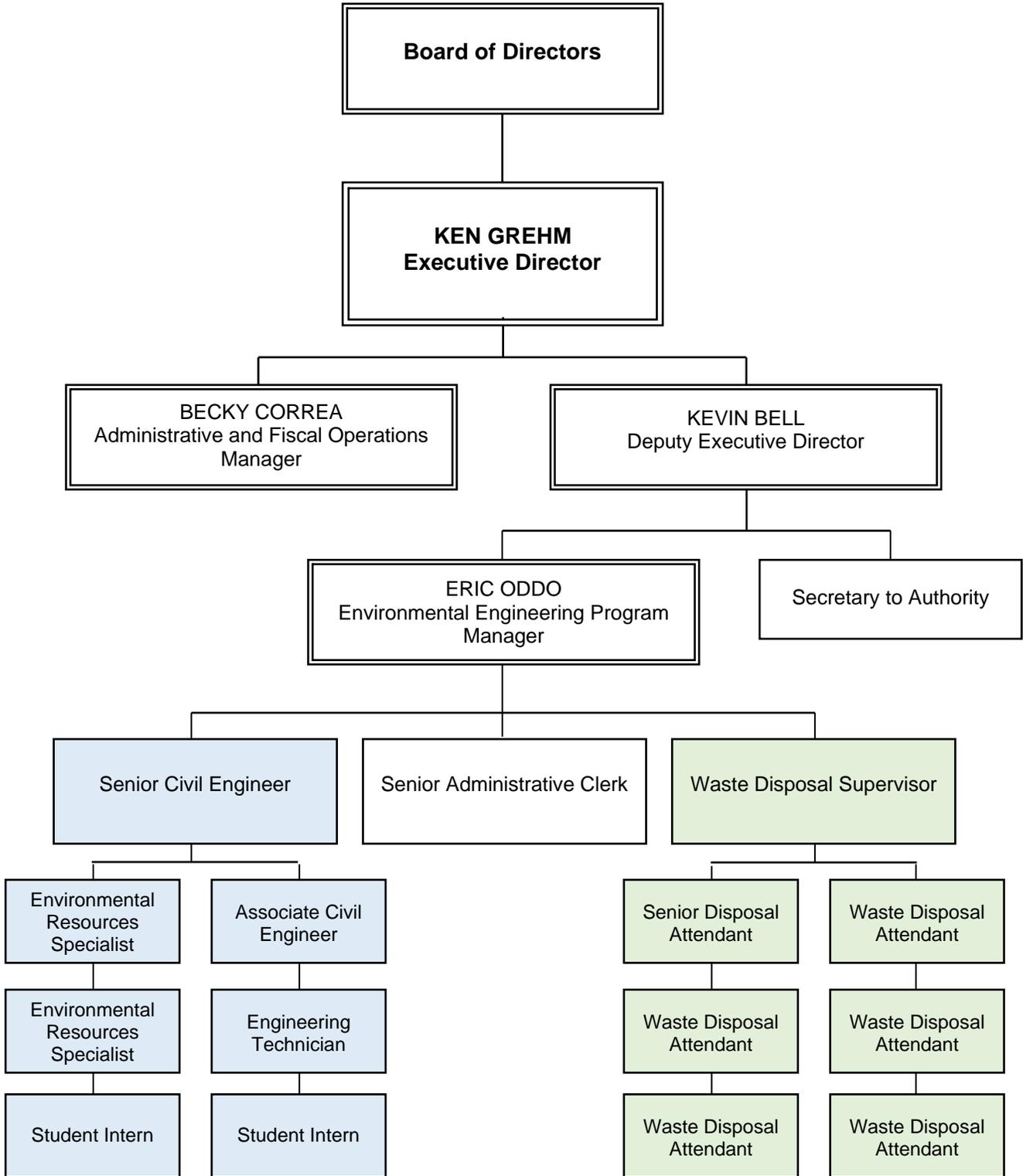
The Western Placer Waste Management Authority is governed by representatives of its member agencies. They are as follows:

Bonnie Gore	County of Placer
Robert M. Weygandt	County of Placer
Bill Halldin	City of Rocklin
Dan Karleskint	City of Lincoln
John Allard	City of Roseville

The Western Placer Waste Management Authority is staffed by Placer County's Department of Public Works and Facilities. The Western Placer Waste Management Authority's managing staff are:

Ken Grehm	Executive Director
Kevin Bell	Deputy Executive Director
Eric Oddo	Environmental Engineering Program Manager
Becky Correa	Administrative and Fiscal Operations Manager

WESTERN PLACER WASTE MANAGEMENT AUTHORITY ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Western Placer Waste Management Authority
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

Board of Directors
Western Placer Waste Management Authority
Roseville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Western Placer Waste Management Authority (the Authority) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2020, and the changes in financial position and, where applicable, cash flows thereof in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The 2019 financial statements of the Authority were audited by other auditors, whose report dated December 18, 2019, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it was derived.

Other Matters

Required Supplementary Information

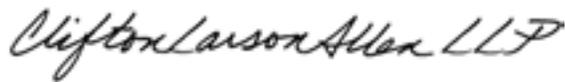
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020, on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
December 28, 2020

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**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

This section of the annual financial report of the Western Placer Waste Management Authority (Authority) presents a discussion and analysis of financial performance during the fiscal years ended June 30, 2020 and June 30, 2019. Please read it in conjunction with the Authority's financial statements and accompanying notes, which follow this section.

FINANCIAL HIGHLIGHTS

- Total assets at June 30, 2020 were approximately \$93 million, a decrease of approximately \$2 million or 2.2% from 2019.
- Total liabilities at June 30, 2020 were approximately \$17.4 million, an increase of approximately \$46 thousand or 0.3% from 2019.
- The Authority's total net position decreased approximately \$2.1 million during the fiscal year ended June 30, 2020, a decrease of 2.7% from 2019.
- Total operating revenues increased approximately \$800 thousand during the fiscal year ended June 30, 2020; an increase of approximately 2.9% over 2019, while operating expenses increased approximately \$3.6 million or 12.7% from 2019.

- Total assets at June 30, 2019 were approximately \$95 million, an increase of approximately \$4 million or 4.4% from 2018.
- Total liabilities at June 30, 2019 were approximately \$17.4 million, an increase of approximately \$2.5 million or 16.6% from 2018.
- The Authority's total net position increased approximately \$1.5 million during the fiscal year ended June 30, 2019, an increase of 2% from 2018.
- Total operating revenues increased approximately \$1.3 million during the fiscal year ended June 30, 2019; an increase of approximately 4.8% over 2018, while operating expenses increased approximately \$3.3 million or 13.1% from 2018.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The discussion and analysis in this section are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three parts: (1) management's discussion and analysis, (2) the basic financial statements, and (3) notes to the basic financial statements.

The basic financial statements provide information about the Authority's overall financial status. The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data.

The Authority's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units on a full accrual basis. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred. All assets and liabilities associated with the operation of the Authority are included in the Statements of Net Position.

The Statements of Net Position presents the financial position of the Authority on a full accrual basis and provides information about the nature and amount of resources and obligations at year-end. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal years ended June 30, 2020 and June 30, 2019. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Statements of Net Position

As noted earlier, net position over time, may serve as a useful indicator of the Authority's financial position. In the case of the Authority, assets exceeded liabilities by \$75.5 million and \$77.6 million as of June 30, 2020 and June 30, 2019 respectively.

As of June 30, 2020, total assets decreased approximately \$2.1 million or 2.2% and liabilities decreased approximately \$46 thousand or 0.3%. Assets decreased primarily due to a decrease in account receivable (\$292 thousand) and note receivable (\$873 thousand) due to paydowns of accounts by customers and a decrease in net capital assets (\$673 thousand) due to annual depreciation of capital assets. The decrease in current liabilities (\$609 thousand) is primarily due to the timing of contractor payments and the increase in noncurrent liabilities (\$655 thousand) is due an increase in the estimated liability for landfill closure and postclosure care costs. The following table summarizes assets, liabilities and net position as of June 30, 2020 and June 30, 2019.

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Current assets	\$ 37,416,496	\$ 39,612,300	-5.5%
Capital assets, net	41,276,688	41,950,168	-1.6%
Other assets	14,225,821	13,439,325	5.9%
Total assets	<u>92,919,005</u>	<u>95,001,793</u>	<u>-2.2%</u>
Current liabilities	3,942,410	4,551,664	-13.4%
Noncurrent liabilities	13,492,678	12,837,405	5.1%
Total liabilities	<u>17,435,088</u>	<u>17,389,069</u>	<u>0.3%</u>
Investment in capital assets	40,371,126	41,950,168	-3.8%
Restricted	14,225,821	13,439,325	5.9%
Unrestricted	20,886,970	22,223,231	-6.0%
Total net position	<u>\$ 75,483,917</u>	<u>\$ 77,612,724</u>	<u>-2.7%</u>

The Authority's restricted net position reflects restrictions imposed by outside parties for closure and postclosure care. The remaining net position represents the unrestricted portion and the Authority's net investment in capital assets. Total net position decreased approximately \$2.1 million or 2.7% from 2019.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

Statements of Net Position (continued)

As of June 30, 2019, total assets increased approximately \$4 million or 4.4% and liabilities increased approximately \$2.5 million or 16.6%. Assets increased primarily due to an increase in cash and investments \$6.3 million offset with decreases to account receivable (\$185 thousand) and note receivable (\$908 thousand). The following table summarizes assets, liabilities and net position as of June 30, 2019 and June 30, 2018.

	<u>2019</u>	<u>2018</u>	<u>Variance</u>
Current assets	\$ 39,612,300	\$ 33,449,547	18.4%
Capital assets, net	41,950,168	43,577,463	-3.7%
Other assets	13,439,325	13,961,782	-3.7%
Total assets	<u>95,001,793</u>	<u>90,988,792</u>	<u>4.4%</u>
Current liabilities	4,551,664	2,874,592	58.3%
Noncurrent liabilities	12,837,405	12,039,753	6.6%
Total liabilities	<u>17,389,069</u>	<u>14,914,345</u>	<u>16.6%</u>
Investment in capital assets	41,950,168	43,577,463	-3.7%
Restricted	13,439,325	13,089,102	2.7%
Unrestricted	22,223,231	19,407,882	14.5%
Total net position	<u>\$ 77,612,724</u>	<u>\$ 76,074,447</u>	<u>2.0%</u>

The Authority's restricted net position reflects restrictions imposed by outside parties for closure and postclosure care. The remaining net position represents the unrestricted portion and the Authority's net investment in capital assets. Total net position increased approximately \$1.5 million or 2% from 2018.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

Changes in Net Position

The following table summarizes the changes in net position for the fiscal years ended June 30, 2020 and June 30, 2019:

	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Operating revenues			
Fees from landfill operations	\$ 28,293,360	\$ 27,556,547	2.7%
Rental	272,784	94,357	189.1%
Miscellaneous	54,471	173,938	-68.7%
Total operating revenues	<u>28,620,615</u>	<u>27,824,842</u>	<u>2.9%</u>
Operating expenses			
Solid waste contractor:			
MRF	17,645,058	15,474,802	14.0%
Landfill	2,613,531	2,245,619	16.4%
Landfill maintenance	-	105,915	100.0%
Closure and postclosure care costs	655,273	797,652	-17.8%
General and administrative	8,605,043	7,575,708	13.6%
Depreciation	2,301,542	2,041,709	13%
Total operating expenses	<u>31,820,447</u>	<u>28,241,405</u>	<u>12.7%</u>
Operating income (loss)	<u>(3,199,832)</u>	<u>(416,563)</u>	<u>668.2%</u>
Nonoperating revenues			
Grant revenue	78,135	77,124	1.3%
Investment earnings	992,890	1,877,716	-47.1%
Total nonoperating revenues	<u>1,071,025</u>	<u>1,954,840</u>	<u>-45.2%</u>
Change in net position	(2,128,807)	1,538,277	-238.4%
Net position, beginning of year	<u>77,612,724</u>	<u>76,074,447</u>	<u>2.0%</u>
Net position, end of year	<u>\$ 75,483,917</u>	<u>\$ 77,612,724</u>	<u>-2.7%</u>

Operating revenues for fiscal year 2020 increased approximately \$800 thousand or 2.9% over the prior year primarily due to an increase in the amount of materials received. Total operating expenses increased approximately \$3.6 million or 12.7% from 2019 primarily due to the increase in the solid waste contractor costs for the Materials Recovery Facility (MRF) (\$2.2 million) and landfill (\$368 thousand), an increase in general and administrative expenses (\$1 million) due to an increase in utility costs along with building repairs costs due to water damage that occurred and an increase in the annual depreciation expenses (\$260 thousand) prior year's increase in depreciable capital assets.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

Changes in Net Position (continued)

The following table summarizes the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018:

	<u>2019</u>	<u>2018</u>	<u>Variance</u>
Operating revenues			
Fees from landfill operations	\$ 27,556,547	\$ 26,139,168	5.4%
Rental	94,357	106,723	-11.6%
Miscellaneous	173,938	314,785	-44.7%
Total operating revenues	<u>27,824,842</u>	<u>26,560,676</u>	<u>4.8%</u>
Operating expenses			
Solid waste contractor:			
MRF	15,474,802	13,919,608	11.2%
Landfill	2,245,619	2,062,336	8.9%
Landfill maintenance	105,915	-	0.0%
Closure and postclosure care costs	797,652	63,483	1156.5%
General and administrative	7,575,708	6,889,998	10.0%
Depreciation	2,041,709	2,041,368	0
Total operating expenses	<u>28,241,405</u>	<u>24,976,793</u>	<u>13.1%</u>
Operating income (loss)	<u>(416,563)</u>	<u>1,583,883</u>	<u>-126.3%</u>
Nonoperating revenues			
Grant revenue	77,124	73,932	4.3%
Investment earnings	1,877,716	374,856	400.9%
Total nonoperating revenues	<u>1,954,840</u>	<u>448,788</u>	<u>335.6%</u>
Change in net position	1,538,277	2,032,671	-24.3%
Net position, beginning of year	<u>76,074,447</u>	<u>74,041,776</u>	<u>2.7%</u>
Net position, end of year	<u>\$ 77,612,724</u>	<u>\$ 76,074,447</u>	<u>2.0%</u>

Operating revenues for fiscal year 2019 increased approximately \$1.3 million or 4.8% over the prior year due to an increase in the amount of materials received. Total operating expenses increased approximately \$3.3 million or 13.1% from 2018 primarily due to the increase in the solid waste construction costs for the Materials Recovery Facility (MRF) (\$1.6 million) and closure and postclosure care costs (\$734 thousand) during the 2019 fiscal year.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

CAPITAL ASSETS

As of June 30, 2020 and June 30, 2019, the Authority's investment in capital assets was approximately \$41 million and \$42 million, respectively (net of accumulated depreciation). During 2020, net capital assets decreased \$673 thousand due to the current year's depreciation expense of \$2.3 million offset with the increase of construction in progress of \$1.6 million. The composition of capital assets is as follows:

	2020	2019	Variance
Land	\$ 13,024,848	\$ 13,024,848	0.0%
Land improvements	13,028,254	13,028,254	0.0%
Buildings and improvements	58,205,566	58,205,566	0.0%
Equipment	636,974	628,395	1.4%
Construction in progress	1,619,483	-	100.0%
Total	<u>86,515,125</u>	<u>84,887,063</u>	1.9%
Less accumulated depreciation	<u>(45,238,437)</u>	<u>(42,936,895)</u>	5.4%
Capital assets – net	<u><u>\$ 41,276,688</u></u>	<u><u>\$ 41,950,168</u></u>	-1.6%

As of June 30, 2019 and June 30, 2018, the Authority's investment in capital assets was approximately \$42 million and \$43.6 million, respectively (net of accumulated depreciation). During the 2019 fiscal year, the Authority completed the Gas Collections & Control System multi-year project and final project costs of \$3.9 million were capitalized to land improvements. The final project costs included \$3.5 million from construction in progress (accumulated project costs from prior years) and \$400 thousand incurred during the year ended June 30, 2019. Additionally, during 2019, net capital assets decreased \$1.6 million due to the current year's depreciation expense of \$2 million offset with the final Gas Collections & Control System project costs of \$400 thousand. The composition of capital assets is as follows:

	2019	2018	Variance
Land	\$ 13,024,848	\$13,024,848	0.0%
Land improvements	13,028,254	9,079,391	43.5%
Buildings and improvements	58,205,566	58,205,566	0.0%
Equipment	628,395	620,946	1.2%
Construction in progress	-	3,541,899	-100%
Total	<u>84,887,063</u>	<u>84,472,650</u>	0.5%
Less accumulated depreciation	<u>(42,936,895)</u>	<u>(40,895,187)</u>	5.0%
Capital assets – net	<u><u>\$ 41,950,168</u></u>	<u><u>\$ 43,577,463</u></u>	-3.7%

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Authority continued to experience a modest increase in waste flows in fiscal year 2020 which provided revenues sufficient to cover expenses. The Authority has maintained a good hold on the waste stream by maintaining competitive tipping fees. A convenient location and reasonable rates have also continued to attract self-haul customers to the facility.

Despite some recent declines in waste tonnages delivered to the facility, likely due to the economic impacts associated with the COVID-19 pandemic, the Authority anticipates that waste tonnages will continue to increase at a moderate pace in fiscal 2021 as regional residential and commercial development continue to increase.

In response to recent changes in state law, the Authority has investigated the technical, economic, and environmental feasibility of managing a larger portion of the organic fraction of the waste stream (primarily food waste) by co-composting the food waste with green waste. Over the past several years, a portion of the source separated food waste collected by the jurisdictions has been delivered to the Authority's facility for composting as part of a pilot program designed to evaluate alternative composting methods.

After conducting the pilot study to evaluate co-composting green waste and food waste through the use of aerated static pile (ASP) technology, the Authority began working with the appropriate regulatory agencies to obtain full-scale operating permits for ASP composting methods. ASP composting involves drawing ambient air through the compostable materials to accelerate the composting process and reduce the potential for emissions (including odors) from the compost pile. Transitioning to a full-scale ASP composting will ensure the Member Agencies have a local outlet for commercially and residentially generated food waste collected as they work to meet the provisions of SB 1383.

In July 2017, China registered filings with the World Trade Organization signaling its intent to ban the importation of certain kinds of recyclable commodities and other solid wastes by the end of 2017. As many of the recyclables materials recovered at the Authority's materials recovery facility are exported to China the recycling rate achieved at the Authority's facility has declined somewhat compared to previous years.

Despite this decline, the Authority's materials recovery facility contract operator (Nortech Waste) has continued to meet the minimum material diversion rate standards prescribed in their operating agreement. The reduction in the Authority's recycling rate is not anticipated to have a long-term adverse impact on the Participating Agencies' ability to meet current state recycling mandates, however it has served to increase landfill disposal rates and could have an adverse impact on the State of California's ambitious recycling and climate change goals. China has indicated its intent to ban the import of all recyclable materials in 2021. A full ban could, in the short term, negatively impact the Authority's ability to minimize the amount of materials landfilled. However, the Authority has taken a number of steps, as noted below, to increase its resilience against such market disruptions and to foster development of local recyclables markets.

In July 2015, the Authority began the process of identifying conceptual future operational uses within the footprint of its current facility as well as for its eastern and western expansion properties. In October 2016, after conducting a competitive procurement process, the Authority entered into an agreement with Jacobs Engineering to provide master planning services and to prepare the required environmental review document related to the identified conceptual uses.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)

The main goal of the master planning effort is to maintain the long-term viability of the Authority's facility by: 1) addressing anticipated regional growth, 2) responding to changes in applicable regulations, 3) optimizing material diversion rates, 4) maximizing operational efficiencies to improve customer safety and maintain a stable cost structure, 5) create opportunities for industrial innovation and economic growth, and 6) enhance compatibility between operations and current and future adjacent land uses.

A significant component of the Authority's master plan involves providing space on its properties, infrastructure and material feedstock to established and/or emerging technologies to produce a next level marketable product. By doing so, the Authority envisions creating an environment where recyclables are managed locally and reliance on China and other global markets is substantially reduced. As the transport costs of these products would effectively be eliminated, the Authority believes both the environmental and economic advantages to this concept are significant. The Authority is currently conducting the necessary environmental review of the master plan consistent with the requirements of the California Environmental Quality Act. The Draft Environmental Impact Report is scheduled for public release in the Spring of 2021.

With respect to optimizing diversion rates, the Authority acknowledges that it is in its best interest to provide market development opportunities and assist in the exploration of technologies that will enhance material recovery. To this end, and as part of the master planning effort, the Authority is allocating areas where independent third-party entities can site pilot-level, solid-waste related technology demonstrations. The Authority has already entered into a site use agreement with an entity that plans to use of woody biomass to produce bio-oil.

Construction of this pilot study project is nearly complete; final connection and testing of the system is on hold until COVID-19 foreign travel restrictions are lifted and the fabrication team from Germany is allowed travel to the site.

The Authority has also been engaged with local universities to establish research and development partnerships which could lead to improvements in facility operations and innovations in material recovery and usage. The Authority currently has a Memorandum of Understanding with William Jessup University in Rocklin that allows for student research at the Authority's site. The Authority and representatives from Sacramento State and the Carlsen Center for Innovation and Entrepreneurship are also discussing plans for a partnership to help foster and mentor potential new recycling-focused endeavors at or near the Authority's site.

The Authority's current operating agreements for the MRF and landfill are scheduled to expire on June 30, 2022. As such, the Authority began the development of requests for proposals for future facility operations as part of a public competitive procurement process. The procurement process is expected to take a little over a year to complete with final recommendations to the Authority Board of Directors expected in December 2021. Given this timeline, and the previous assertions by Nortech that pieces of MRF equipment are worn and require replacement, Authority and Nortech staff have initiated discussions regarding select equipment replacement and the sharing of the associated costs. It is expected that the direct cost to the Authority associated with the equipment replacement will necessitate the cancellation of reserves. Authority staff's review of the preliminary cost estimates provided by Nortech indicate sufficient reserves in the Fixed Asset Acquisition Reserve Fund are available to cover the equipment replacement costs.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 and 2019**

CONTACTING AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ken Grehm, Executive Director, 3091 County Center Drive, Ste. 220, Auburn, California 95603 or by phone at (530) 745-7500.

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WESTERN PLACER WASTE MANAGEMENT AUTHORITY

STATEMENTS OF NET POSITION

JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash and investments in Treasury Pool	\$ 34,733,690	\$ 35,722,558
Petty cash	8,600	8,600
Accounts receivable, less allowance for uncollectible accounts of \$15,602 for 2020 and \$6,167 for 2019	2,633,533	2,925,573
Interest receivable	40,673	82,580
Note receivable	-	872,989
Total current assets	37,416,496	39,612,300
Noncurrent assets:		
Restricted cash and investments in Treasury Pool	14,225,821	13,439,325
Non-depreciable capital assets	14,644,331	13,024,848
Depreciable capital assets, net of accumulated depreciation	26,632,357	28,925,320
Total noncurrent assets	55,502,509	55,389,493
Total assets	92,919,005	95,001,793
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	3,942,410	4,551,664
Noncurrent liabilities:		
Landfill closure and postclosure care costs	13,492,678	12,837,405
Total liabilities	17,435,088	17,389,069
NET POSITION		
Investment in capital assets	40,371,126	41,950,168
Restricted for closure and postclosure	14,225,821	13,439,325
Unrestricted	20,886,970	22,223,231
Total net position	\$ 75,483,917	\$ 77,612,724

The notes to the basic financial statements are an integral part of these statements

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:		
Fees from landfill operations	\$ 28,293,360	\$ 27,556,547
Rental	272,784	94,357
Miscellaneous	54,471	173,938
Total operating revenues	28,620,615	27,824,842
OPERATING EXPENSES:		
Solid waste contractor:		
MRF	17,645,058	15,474,802
Landfill	2,613,531	2,245,619
Landfill maintenance	-	105,915
Depreciation	2,301,542	2,041,709
Professional services - county	3,361,743	3,326,174
Landfill closure and postclosure care costs	655,273	797,652
Professional services - purchased	3,424,032	2,654,232
Taxes and special department expenses	20,622	993,079
General liability insurance	132,000	151,504
Utilities	637,408	125,433
Other expenses	1,029,238	325,286
Total operating expenses	31,820,447	28,241,405
Operating income (loss)	(3,199,832)	(416,563)
NONOPERATING REVENUES:		
Grant revenue	78,135	77,124
Investment earnings	992,890	1,877,716
Total nonoperating revenues	1,071,025	1,954,840
Changes in net position	(2,128,807)	1,538,277
Net position, beginning of year	77,612,724	76,074,447
Net position, end of year	\$ 75,483,917	\$ 77,612,724

The notes to the basic financial statements are an integral part of these statements

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

STATEMENTS OF CASH FLOWS FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from customers	\$ 29,458,389	\$ 28,278,779
Cash receipts from other operating activities	327,255	232,378
Cash paid to suppliers for goods and services	(30,378,448)	(23,689,055)
Net cash (used) provided by operating activities	<u>(592,804)</u>	<u>4,822,102</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State grant receipts	<u>78,135</u>	<u>77,124</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	<u>(722,500)</u>	<u>(414,414)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment earnings received	<u>1,034,797</u>	<u>1,861,636</u>
Net change in cash and cash equivalents	(202,372)	6,346,448
Cash and cash equivalents, beginning of year	<u>49,170,483</u>	<u>42,824,035</u>
Cash and cash equivalents, end of year	<u>\$ 48,968,111</u>	<u>\$ 49,170,483</u>
RECONCILIATION TO THE STATEMENTS OF NET POSITION:		
Cash and investments in Treasury Pool	34,733,690	35,722,558
Petty cash	8,600	8,600
Restricted cash and investments in Treasury Pool	<u>14,225,821</u>	<u>13,439,325</u>
Total cash and cash equivalents	<u>\$ 48,968,111</u>	<u>\$ 49,170,483</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating loss	(3,199,832)	(416,563)
Adjustments to reconcile operating loss to net cash (used) provided by operating activities:		
Depreciation	2,301,542	2,041,709
Decrease (Increase) in accounts receivable	292,040	(185,037)
Decrease in notes receivable	872,989	907,269
Increase (decrease) in accounts payable and accrued expenses	(1,514,816)	1,712,989
Increase (decrease) in unearned revenue	-	(35,917)
Decrease in estimated liability for landfill closure and postclosure care costs	<u>655,273</u>	<u>797,652</u>
Net cash (used) provided by operating activities	<u>\$ (592,804)</u>	<u>\$ 4,822,102</u>
NON-CASH FINANCING AND INVESTING ACTIVITIES		
Capital assets acquired in accounts payable at year end	\$ 905,562	\$ -

The notes to the basic financial statements are an integral part of these statements

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**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 1 – ORGANIZATION AND OPERATIONS

Western Placer Waste Management Authority (Authority) is a public entity created on October 3, 1978 by a joint exercise of powers agreement between the County of Placer (County) and the Cities of Roseville, Rocklin, and Lincoln. The Authority is a separate and distinct entity from both the County and Cities, formed pursuant to Chapter 5, Division 7, Title 1 of the Government Code of the State of California. Pursuant to the joint powers agreement, the Placer County Treasury is utilized for depositing cash receipts and making cash disbursements and the Placer County Auditor-Controller maintains the accounting records for the Authority.

The Authority was formed to acquire, own, operate, and maintain a sanitary landfill site and all related improvements. The original disposal site comprises 320 acres and is located in an unincorporated area of the County between the cities of Roseville and Lincoln. An additional 480 acres were purchased on August 10, 1990 which lies to the west of the existing landfill site, separated by Fiddymment Road. Nortech Waste LLC is the landfill site and Materials Recovery Facility (MRF) operator.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements include all of the financial activities of the Authority and have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

Basis of Accounting

The Authority utilizes the accrual basis of accounting in the accompanying financial statements to account for its enterprise activity. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period in which liabilities are incurred.

The Authority uses a proprietary (enterprise) fund to account for its activities. An enterprise fund may be used to report any activity for which a fee is charged to external users for goods or services. Enterprise funds are required for any activity whose principal external revenue sources meet any of the following criteria: (1) issued debt is backed solely by fees and charges, (2) the cost of providing services for any activity (including capital costs such as depreciation or debt service) must be legally recovered through fees or charges, or (3) if the government's policy is to establish activity fees or charges designed to recover the cost of providing services. The Authority distinguishes operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from operating the sanitary landfill. All revenues and expenses that do not meet this definition are reported as nonoperating.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement

The Authority categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority does not have any investments that are measured using Level 3 inputs.

The Authority is a participant in the Placer County Treasurer's Pool (County Pool). The County Pool is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The Placer County Treasurer's Review Panel conducts County Pool oversight. Cash on deposit in the County Pool at June 30, 2020 and June 30, 2019, is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the County Pool, refer to the County of Placer Comprehensive Annual Financial Report.

Budgetary Process

The Authority prepares an annual operating and capital budget, which is approved and adopted by the Board of Directors. The budget serves as an approved plan to facilitate financial control and operational evaluation. California state law does not require formal adoption of appropriated budgets for enterprise funds.

Cash and Cash Equivalents

Cash and cash equivalents represent the Authority's share of the County Treasurer's cash and investment pool. Cash and cash equivalents are considered to be investment with original maturities of 3 months or less. For purposes of the statements of cash flows, the Authority's cash and investment in the County Treasurer's pool is considered cash and cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capital Assets

Additions by the Authority are recorded as capital assets for equipment with a cost of \$5,000 or more and for buildings, improvements and liners with a cost of \$50,000 or more. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of capital assets are recorded by eliminating the original cost and related accumulated depreciation, resulting in the recognition of a gain or loss.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (continued)

Depreciation has been calculated on each class of depreciable property using the straight-line method over the shorter of the following estimated useful lives or the remaining years until the landfill is estimated to be at capacity:

Land Improvements	15-43 years
Buildings and Improvements	10-50 years
Equipment	5-20 years

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 95 – In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The Authority postponed the implementation dates of the GASB’s affected by this standard.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2020 and June 30, 2019 are classified in the accompanying financial statements as follows:

	<u>2020</u>	<u>2019</u>
Cash and investments in Treasury Pool	\$ 34,733,690	\$ 35,722,558
Restricted cash and investments in Treasury Pool	14,225,821	13,439,325
Petty cash	8,600	8,600
Total	\$ 48,968,111	\$ 49,170,483

Investments

The Placer County Treasurer pools all funds that it manages, and on a monthly basis allocates investment earnings and expenses based upon average daily cash balances. The County is restricted by California Government Code in the types of investments it can purchase. Further, the County Treasurer has a written investment policy which is approved by the County Board of Supervisors, and has been adopted by the Authority. The County’s investment policy is more restrictive than California Government Code as to terms of maturity and type of allowable investments. The Treasury Pool is not SEC registered, but is invested in accordance with California Government Code section 53600 et. seq.

The County’s Treasury Review Panel performs regulatory oversight of the Treasury Pool pursuant to California Government Code Section 27134. As of June 30, 2020, the Authority has reported its investment in the Treasury Pool at estimated fair value.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

However, the value of the pool shares in the County which may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Authority's position in the pool.

Fair Value Measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2020, the Authority held no individual investments. All funds are invested in the County Pool. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals from the County Pool are made on the basis of \$1 and not fair value. Accordingly, the Authority's proportionate share of cash and investments in the County Pool at June 30, 2020 and June 30, 2019 of \$48,959,511 and \$49,161,883, respectively, is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure – an amendment of GASB Statement No. 3*, requires additional disclosures about a government's deposit and investment risks that include credit risk, custodial credit risk, concentration of credit risk and interest rate risk. The Authority does not have a separate investment policy, or any other policies that address these specific types of risk. The cash and investments held in the County's Pool are available on demand.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The weighted average to maturity of the County's external investment pool as of June 30, 2020 and June 30, 2019 was 339 days and 897 days, respectively.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The credit rating and other information regarding specific investments maintained in the Treasury Pool as of June 30, 2020 and June 30, 2019 are disclosed in the County's Comprehensive Annual Financial Report. The County external investment pool is not rated.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Required disclosure information regarding the categorization of investments and other deposit and investment risk disclosures can be found in the County’s Comprehensive Annual Financial Report which may be obtained by contacting the County Auditor-Controller’s Office at 2970 Richardson Drive, Auburn, California 95603.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

	<u>Balance July 1, 2019</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2020</u>
Capital assets, not being depreciated				
Land	\$ 13,024,848	\$ -	\$ -	\$ 13,024,848
Construction in progress	-	1,619,483	-	1,619,483
Total capital assets not depreciated	<u>13,024,848</u>	<u>1,619,483</u>	<u>-</u>	<u>14,644,331</u>
Capital assets, being depreciated				
Land improvements	13,028,254	-	-	13,028,254
Building and improvements	58,205,566	-	-	58,205,566
Equipment	628,395	8,579	-	636,974
Total capital assets being depreciated	<u>71,862,215</u>	<u>8,579</u>	<u>-</u>	<u>71,870,794</u>
Less accumulated depreciation for:				
Land improvements	(1,380,523)	(528,291)	-	(1,908,814)
Building and improvements	(41,158,132)	(1,717,012)	-	(42,875,144)
Equipment	(398,240)	(56,239)	-	(454,479)
Total accumulated depreciation	<u>(42,936,895)</u>	<u>(2,301,542)</u>	<u>-</u>	<u>(45,238,437)</u>
Total capital assets, being depreciated, net	<u>28,925,320</u>	<u>(2,292,963)</u>	<u>-</u>	<u>26,632,357</u>
Total capital assets, net	<u>\$ 41,950,168</u>	<u>\$ (673,480)</u>	<u>\$ -</u>	<u>\$ 41,276,688</u>

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	<u>Balance July 1, 2018</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2019</u>
Capital assets, not being depreciated				
Land	\$ 13,024,848	\$ -	\$ -	\$ 13,024,848
Construction in progress	3,541,899	427	(3,542,326)	-
Total capital assets not depreciated	<u>16,566,747</u>	<u>427</u>	<u>(3,542,326)</u>	<u>13,024,848</u>
Capital assets, being depreciated				
Land improvements	9,079,390	3,948,864	-	13,028,254
Building and improvements	58,205,566	-	-	58,205,566
Equipment	620,946	7,449	-	628,395
Total capital assets being depreciated	<u>67,905,902</u>	<u>3,956,313</u>	<u>-</u>	<u>71,862,215</u>
Less accumulated depreciation for:				
Land improvements	(1,111,033)	(269,490)	-	(1,380,523)
Building and improvements	(39,441,120)	(1,717,012)	-	(41,158,132)
Equipment	(343,033)	(55,207)	-	(398,240)
Total accumulated depreciation	<u>(40,895,186)</u>	<u>(2,041,709)</u>	<u>-</u>	<u>(42,936,895)</u>
Total capital assets, being depreciated, net	<u>27,010,716</u>	<u>1,914,604</u>	<u>-</u>	<u>28,925,320</u>
Total capital assets, net	<u>\$ 43,577,463</u>	<u>\$ 1,915,031</u>	<u>\$ (3,542,326)</u>	<u>\$ 41,950,168</u>

NOTE 5 – NOTE RECEIVABLE

On September 9, 2010, the Authority entered into a secured non-negotiable promissory note with Nortech Waste LLC for the installation of improvements at the Material Recovery Facility (MRF) for a not to exceed amount of \$6,800,000. On December 1, 2011 the promissory note was converted to a term loan ending on June 30, 2020 with an interest rate of 5%. During the fiscal year, the balance was paid in full.

NOTE 6 – CLOSURE AND POSTCLOSURE CARE COSTS

The Authority accounts for solid waste landfill closure and postclosure costs based on the provisions of GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. This statement is based on state and federal laws and regulations that place specific requirements on the Authority regarding closure and postclosure maintenance and monitoring functions for the Authority's landfill. These postclosure functions are required for 30 years after closure of the landfill site.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 6 – CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)

The \$13,492,678 and \$12,837,405 reported as landfill closure and postclosure care liability as of June 30, 2020 and June 30, 2019 represent the cumulative amount reported to date based on the use of approximately 36.20% and 35.06% of the estimated capacity of the landfill. The Authority will recognize the remaining estimated cost of closure and postclosure care of \$23,778,038 and \$23,774,300 at June 30, 2020 and June 30, 2019 as the remaining estimated capacity is filled. The Authority currently estimates the landfill will reach capacity in fiscal year 2058.

During the fiscal year ended June 30, 2020, the volume of the landfill remained at 36,350,000 yards. As of June 30, 2020, total estimated costs for closure and postclosure increased from \$36,611,705 at June 30, 2019 to \$37,270,716 at June 30, 2020 and the remaining capacity of the landfill decreased from approximately 64.94% to approximately 63.80% at June 30, 2019 and June 30, 2020, respectively. These changes resulted in an adjustment to the landfill closure and postclosure care liability of \$655,273 and \$797,652 for the fiscal year ended June 30, 2020 and June 30, 2019, respectively.

Future closure and postclosure costs are based on what it would cost to perform all closure and postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, changes in permitted capacity and/or changes in regulations. The Authority is required by state and federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. Management has accumulated sufficient assets to finance closure and postclosure costs as required by applicable laws as of June 30, 2020. The Board of Directors established a closure and postclosure fund reserve in accordance with Resolution No. 92-4 to provide financial assurance for the closure and postclosure maintenance costs. Management expects that any change to future closure and postclosure costs (due to changes in technology or applicable laws or regulations, for example) will be paid from charges to future users. As of June 30, 2020 and June 30, 2019, assets set-aside of \$14,225,821 and \$13,439,325, respectively, have been restricted to provide the final cover and postclosure maintenance upon closure of the landfill in accordance with the requirements of Title 14, California Code of Regulations (CCR), Division 7, Chapter 5, Article 3.5, Section 18282.

As the owner and operator of a landfill site, the Authority has potential exposure to environmental liability. The Authority may be required to perform corrective action for contaminate releases at its landfill. The Authority is continually evaluating its potential exposure to remediation liabilities on its landfill site. On the basis of information currently available to management, the Authority's management believes it has sufficient reserves for known and anticipated remediation costs. At June 30, 2020 and June 30, 2019, \$950,864 and \$934,051, respectively, has been accrued for corrective action costs and is included in the total closure and postclosure liability.

NOTE 7 – RISK MANAGEMENT – CLAIMS AND JUDGMENTS

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; pollution; and natural disasters and insurance is one of the tools the Authority uses to mitigate risk.

The Authority has commercial property insurance, through the Alliant Insurance Program, that affords up to \$100,000,000 in coverage per occurrence. The property policy has a \$10,000 per occurrence deductible which applies to losses unless a more specific deductible applies.

**WESTERN PLACER WASTE MANAGEMENT AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 7 – RISK MANAGEMENT – CLAIMS AND JUDGMENTS (CONTINUED)

Property policies have sub-coverages that could have higher or lower deductible than the “all risk” \$10,000 amount. The Commercial General Liability affords up to \$2,000,000 per occurrence and has a \$2,000,000 general aggregate limit. The liability policy has a \$5,000 deductible for the commercial General Liability Coverage part and a \$25,000 deductible for the Third Party Premises Pollution Coverage part.

The Authority has had no settlement amounts exceeding insurance coverage for the last three years.

NOTE 8 – CONCENTRATION OF VOLUME OF BUSINESS

Recology Auburn Placer (formerly Auburn Placer Disposal) and the City of Roseville, a related party, are the major customers of the Authority’s facilities and constitute approximately 80.46% and 82.28% of the accounts receivable balance and 65.13% and 66.89% of total tipping fees from facility operations as of June 30, 2020 and June 30, 2019, respectively.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Authority utilizes employees of the County and uses other County departments for other services, such as risk management, engineering, accounting, etc. Expenses paid to the County during the fiscal year ended June 30, 2020 and June 30, 2019 were \$3,361,743 and \$3,308,000, respectively.

NOTE 10 – CONTINGENCIES

The Authority is involved in various legal proceedings from time to time in the normal course of business. In management’s opinion, the Authority is not involved in any legal proceeding that will have a material adverse effect on financial position or changes in financial position of the Authority.

The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Management believes the Authority is taking appropriate action to mitigate the negative impact; however, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

STATISTICAL SECTION

This part of the Authority's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the Authority's overall financial health.

CONTENTS

Financial Trends	Pages
These schedules contain information to help the reader understand how the Authority's financial performance and well-being have changed over time.	25-32
Revenue Capacity	
These schedules contain information to help the reader assess the Authority's most significant local revenue source.	33-35
Demographic and Economic Information	
These schedules contain demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place and help to make comparisons over time.	36-37
Operating Information	
These schedules contain information about the Authority's operation and resources to help the reader understand how the Authority's financial information relates to the services it provides and the activities it performs.	38-39

Sources:

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

NET POSITION BY COMPONENT Fiscal Years 2010-11 through 2019-20

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Net investment in capital assets	\$ 40,070,723	\$ 47,594,928	\$ 45,109,770	\$ 42,510,194
Restricted	11,133,002	11,274,020	11,310,854	11,525,044
Unrestricted	23,468,064	16,075,361	16,944,640	18,967,793
	<hr/>	<hr/>	<hr/>	<hr/>
Total activities net position	<u>\$ 74,671,789</u>	<u>\$ 74,944,309</u>	<u>\$ 73,365,264</u>	<u>\$ 73,003,031</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

NET POSITION BY COMPONENT Fiscal Years 2010-11 through 2019-20

<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
\$ 46,268,208	\$ 44,155,042	\$ 43,361,967	\$ 43,577,463	\$ 41,950,168	\$ 40,371,126
11,847,607	12,273,871	12,517,773	13,089,102	13,439,325	14,225,821
14,495,770	16,879,390	18,162,036	19,407,882	22,223,231	20,886,970
<u>\$ 72,611,585</u>	<u>\$ 73,308,303</u>	<u>\$ 74,041,776</u>	<u>\$ 76,074,447</u>	<u>\$ 77,612,724</u>	<u>\$ 75,483,917</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

TOTAL ANNUAL REVENUES Fiscal Years 2010-11 through 2019-20

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
OPERATING REVENUES:				
Fees from landfill operations	\$ 20,013,373	\$ 19,756,721	\$ 20,317,631	\$ 20,423,095
Rental	80,059	101,630	102,935	130,691
Miscellaneous	<u>139,557</u>	<u>339,231</u>	<u>334,882</u>	<u>120,851</u>
Total operating revenues	<u>20,232,989</u>	<u>20,197,582</u>	<u>20,755,448</u>	<u>20,674,637</u>
NONOPERATING REVENUES:				
Grant revenue	190,683	145,635	123,333	70,680
Investment earnings	661,534	645,123	382,588	901,928
Gain on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonoperating revenues	<u>852,217</u>	<u>790,758</u>	<u>505,921</u>	<u>972,608</u>
TOTAL REVENUES	<u>\$ 21,085,206</u>	<u>\$ 20,988,340</u>	<u>\$ 21,261,369</u>	<u>\$ 21,647,245</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

TOTAL ANNUAL REVENUES Fiscal Years 2010-11 through 2019-20

<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
\$ 21,482,481	\$ 23,219,364	\$ 24,787,361	\$ 26,139,168	\$ 27,556,547	\$ 28,293,360
136,210	121,259	88,789	106,723	94,357	272,784
70,137	96,017	282,341	314,785	173,938	54,471
<u>21,688,828</u>	<u>23,436,640</u>	<u>25,158,491</u>	<u>26,560,676</u>	<u>27,824,842</u>	<u>28,620,615</u>
70,571	82,122	43,351	73,932	77,124	78,135
614,791	868,222	216,223	374,856	1,877,716	992,890
50	-	-	-	-	-
<u>685,412</u>	<u>950,344</u>	<u>259,574</u>	<u>448,788</u>	<u>1,954,840</u>	<u>1,071,025</u>
<u>\$ 22,374,240</u>	<u>\$ 24,386,984</u>	<u>\$ 25,418,065</u>	<u>\$ 27,009,464</u>	<u>\$ 29,779,682</u>	<u>\$ 29,691,640</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

TOTAL ANNUAL EXPENSES Fiscal Years 2010-11 through 2019-20

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
OPERATING EXPENSES:				
Solid waste contractor:				
MRF	\$ 9,845,590	\$ 10,369,873	\$ 10,779,227	\$ 11,418,618
Landfill	2,260,530	3,047,532	2,401,616	2,559,553
Landfill maintenance	80,452	98,486	665,532	683,615
Depreciation	2,599,853	2,599,854	2,707,394	2,724,347
Professional services - county	2,181,374	2,412,463	2,344,284	2,390,872
Landfill closure and postclosure care costs	(448,907)	379,246	2,222,581	435,621
Professional services - purchased	660,485	938,153	786,218	808,780
Taxes and special department expenses	427,636	440,913	438,300	486,813
Administration ⁽¹⁾	179,302	198,968	234,323	211,344
General liability insurance	86,867	89,021	99,112	108,708
Utilities	66,798	61,813	68,970	82,091
Other expenses	75,036	79,498	92,857	99,116
TOTAL EXPENSES	<u>\$ 18,015,016</u>	<u>\$ 20,715,820</u>	<u>\$ 22,840,414</u>	<u>\$ 22,009,478</u>

Note:

(1) Starting in FY 18/2019, the Administration expenses are now reported under the Professional Services - County.

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

TOTAL ANNUAL EXPENSES Fiscal Years 2010-11 through 2019-20

<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u> ⁽¹⁾	<u>2019-20</u>
\$ 12,357,811	\$ 12,620,183	\$ 13,430,127	\$ 13,919,608	\$ 15,474,802	\$ 17,645,058
2,608,587	2,487,516	2,088,664	2,062,336	2,245,619	2,613,531
-	-	46,746	-	105,915	-
2,736,576	2,895,225	2,112,621	2,041,368	2,041,709	2,301,542
2,324,506	2,759,689	3,135,608	3,308,000	3,326,174	3,361,743
368,306	446,806	519,835	63,483	797,652	655,273
1,290,123	1,480,954	2,182,238	2,298,769	2,654,232	3,424,032
597,467	507,808	616,419	620,306	993,079	20,622
184,833	180,041	212,584	299,587	-	-
113,192	111,169	109,229	109,181	151,504	132,000
86,555	94,166	126,857	134,050	125,433	637,408
97,730	106,709	103,664	120,105	325,286	1,029,238
<u>\$ 22,765,686</u>	<u>\$ 23,690,266</u>	<u>\$ 24,684,592</u>	<u>\$ 24,976,793</u>	<u>\$ 28,241,405</u>	<u>\$ 31,820,447</u>

Note:

(1) Starting in FY18/2019, the Administration expenses are now reported under the Professional Services - County.

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

**CHANGES IN NET POSITION
Fiscal Years 2010-11 through 2019-20**

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Operating Revenues:				
Fees from landfill operations	\$ 20,013,373	\$ 19,756,721	\$ 20,317,631	\$ 20,423,095
Rental	80,059	101,630	102,935	130,691
Miscellaneous	139,557	339,231	334,882	120,851
Total operating revenues	<u>20,232,989</u>	<u>20,197,582</u>	<u>20,755,448</u>	<u>20,674,637</u>
Nonoperating Revenues:				
Grant revenue	190,683	145,635	123,333	70,680
Investment earnings	661,534	645,123	382,588	901,928
Gain on sale of capital assets	-	-	-	-
Total nonoperating revenues	<u>852,217</u>	<u>790,758</u>	<u>505,921</u>	<u>972,608</u>
Total revenues	<u>21,085,206</u>	<u>20,988,340</u>	<u>21,261,369</u>	<u>21,647,245</u>
Total expenses	<u>18,015,016</u>	<u>20,715,820</u>	<u>22,840,414</u>	<u>22,009,478</u>
Change in net position	<u>3,070,190</u>	<u>272,520</u>	<u>(1,579,045)</u>	<u>(362,233)</u>
Net position, beginning of year	<u>71,601,599</u>	<u>74,671,789</u>	<u>74,944,309</u>	<u>73,365,264</u>
Net position, end of year	<u>\$ 74,671,789</u>	<u>\$ 74,944,309</u>	<u>\$ 73,365,264</u>	<u>\$ 73,003,031</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY
CHANGES IN NET POSITION
Fiscal Years 2010-11 through 2019-20

<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
\$ 21,482,481	\$ 23,219,364	\$ 24,787,361	\$ 26,139,168	\$ 27,556,547	\$ 28,293,360
136,210	121,259	88,789	106,723	94,357	272,784
70,137	96,017	282,341	314,785	173,938	54,471
<u>21,688,828</u>	<u>23,436,640</u>	<u>25,158,491</u>	<u>26,560,676</u>	<u>27,824,842</u>	<u>28,620,615</u>
70,571	82,122	43,351	73,932	77,124	78,135
614,791	868,222	216,223	374,856	1,877,716	992,890
50	-	-	-	-	-
<u>685,412</u>	<u>950,344</u>	<u>259,574</u>	<u>448,788</u>	<u>1,954,840</u>	<u>1,071,025</u>
<u>22,374,240</u>	<u>24,386,984</u>	<u>25,418,065</u>	<u>27,009,464</u>	<u>29,779,682</u>	<u>29,691,640</u>
<u>22,765,686</u>	<u>23,690,266</u>	<u>24,684,592</u>	<u>24,976,793</u>	<u>28,241,405</u>	<u>31,820,447</u>
(391,446)	696,718	733,473	2,032,671	1,538,277	(2,128,807)
<u>73,003,031</u>	<u>72,611,585</u>	<u>73,308,303</u>	<u>74,041,776</u>	<u>76,074,447</u>	<u>77,612,724</u>
<u>\$ 72,611,585</u>	<u>\$ 73,308,303</u>	<u>\$ 74,041,776</u>	<u>\$ 76,074,447</u>	<u>\$ 77,612,724</u>	<u>\$ 75,483,917</u>

Source: Audited Financial Statements for Fiscal Years 2010-11 through 2019-20

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

SCHEDULE OF CURRENT TIPPING FEES

Fiscal Year 2019-20

<u>Category</u>	<u>Tipping Fees</u>
Municipal Solid Waste	\$ 70.00 /ton \$ 15.00 /cy
Construction and Demolition Debris	\$ 48.00 /ton \$ 15.00 /cy
Sludge and Mixed Inerts ⁽¹⁾	\$ 35.00 /ton
Commercial Food Waste	\$ 42.00 /ton
Source Separated Green Waste	\$ 38.00 /ton \$ 8.00 /cy
Source Separated Wood Waste ⁽²⁾	\$ 27.00 /ton \$ 8.00 /cy
Inert Materials ⁽³⁾	\$ 18.00 /ton \$ 15.00 /cy
Water Treatment Plant Sludge	\$ 8.00 /ton
Refrigerated Appliances	\$ 32.00 each
Non-refrigerated Appliances	\$ 6.00 each
Car and Light Truck Tires	\$ 3.25 each
Semi-trailer Tires	\$ 19.00 each
Tractor Tires	\$ 76.00 each
Euclid & Bulk Tires	\$ 190.00 /ton

Note:

(1) Applies to loads that qualify as Inert Materials but contain the presence of a small amount of contaminants.

(2) Applies to separated loads of wood, including: lumber, plywood, particleboard, and tree trunks and limbs less than 24 inches in diameter and greater than 1 inch in diameter. Loads can contain no more than 1% of contaminants. Contaminants include treated or painted wood.

(3) Applies to separated loads of dirt, rock, asphalt and concrete if free from rebar or mesh and broken into pieces less than 2' x 2' x 4'.

Source: Western Placer Waste Management Authority

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

TEN LARGEST PRINCIPAL CUSTOMERS

As of June 30, 2020 and June 30, 2011

	June 30, 2020		June 30, 2011	
	Tipping Fees	% of Total Tipping Fee Revenue	Tipping Fees	% of Total Tipping Fee Revenue
Recology	\$ 10,232,934	36.17%	\$ 7,992,335	39.93%
City of Roseville	8,194,395	28.96%	6,850,729	34.23%
Cash Customer	5,285,693	18.68%	2,360,060	11.79%
City of Lincoln	1,933,475	6.83%	1,544,715	7.72%
Atlas Disposal Industries	430,329	1.52%	263,355	1.32%
A Teichert & Sons, Inc.	122,353	0.43%	48,665	0.24%
Waste Management, Inc.	116,404	0.41%	134,745	0.67%
Future Plastering, Inc.	111,589	0.39%	-	0.00%
Robinson Enterprises, Inc.	110,613	0.39%	-	0.00%
Caltrans D-3	93,130	0.34%	49,023	0.24%
Allied Waste Services	-	0.00%	85,534	0.44%
Placer County - Utilities	-	0.00%	55,009	0.28%
Ten Largest Principal Customers	26,630,915	94.12%	19,384,170	96.86%
All Other Customers	1,662,445	5.88%	629,203	3.14%
Total	\$ 28,293,360	100.00%	\$ 20,013,373	100.00%

Source: Western Placer Waste Management Authority

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

CUSTOMER ACCOUNTS Fiscal Years 2010-11 through 2019-20

<u>Fiscal Year</u>	<u>Number of Customer Accounts</u>	<u>Annual % Increase (Decrease)</u>
2010-11	294	-6%
2011-12	278	-5%
2012-13	269	-3%
2013-14	275	2%
2014-15	274	0%
2015-16	272	-1%
2016-17	290	7%
2017-18	298	3%
2018-19	312	5%
2019-20	528	69%

Source: Western Placer Waste Management Authority

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS (Dollars in Thousands)

Calendar Year	Population ^(a) (in thousands)	Personal Income ^(b)	Per Capita Personal Income ^(c)	School Enrollment ^(d)	Unemployment Rate ^(e)
2010	351	16,725,085	48	67,966	11.4%
2011	351	17,932,119	51	68,278	10.7%
2012	355 ^(f)	19,004,105	54	68,813	9.3%
2013	357 ^(f)	20,174,068	57	69,831	7.6%
2014	366 ^(f)	20,228,856	55	70,141	6.0%
2015	374 ^(f)	21,658,527	58	70,496	5.0%
2016	383 ^(f)	22,741,453	59	71,435	4.4%
2017	390 ^(f)	24,527,289	63	72,769	3.8%
2018	397 ^(f)	26,223,081	67	74,927	3.1%
2019 ⁽³⁾	404 ^(f)	27,459,330 ⁽¹⁾	69	75,208	3.1% ⁽²⁾

Note:

- (1) Estimated 5% increase in personal income.
- (2) Unemployment rate is 3.3% as of June 30, 2019.
- (3) 2019 is the most recent information available

Sources:

- (a) *State of California, Department of Finance, E-2 California County Population Estimates Revised as of July 1*
- (b) & (c) *U.S. Department of Commerce: Bureau of Economic Analysis - Local Data*
- (d) *California Department of Education (Dataquest), K-12 Public School Enrollment for the County of Placer*
- (e) *California State Employment Development Department (annual averages, not seasonally adjusted)*
- (f) *State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State as of January 1.*

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

**TEN LARGEST EMPLOYERS
As of June 30, 2020 and June 30, 2011**

2020			2011		
Company or Organization	Number of Employees⁽¹⁾	Percentage of Total Employment	Company or Organization	Number of Employees	Percentage of Total Employment
Kaiser Permanente	6,015	3.71%	Hewlett-Packard Co.	3,500	2.30%
Sutter Health	5,835	3.60%	Kaiser Permanente	3,147	2.06%
County of Placer	2,912 ⁽²⁾	1.80%	County of Placer	2,400	1.58%
Squaw Valley Alpine Meadows	2,600	1.60%	Sutter Health	2,144	1.41%
Thunder Valley Casino Resort	2,500	1.54%	Thunder Valley Casino Resort	2,026	1.34%
Sierra Joint Community College District	2,149	1.32%	Union Pacific Railroad Co. Inc.	2,000	1.32%
PRIDE Industries	1,291	0.80%	Northstar-At-Tahoe	1,850	1.21%
Hewlett-Packard Co.	1,200	0.74%	City of Roseville	1,205	0.80%
City of Roseville	1,162	0.72%	Placer County Office of Education	1,004	0.66%
Safeway Inc.	1,119	0.69%	Raley's	1,000	0.66%

Note:

- (1) Ranked by number of employees in full-time equivalents as of May 2020.
- (2) Fiscal Year 2020-21 Final Budget for Allocated Positions, County of Placer

Sources:

Sacramento Business Journal

State of California, Employment Development Department

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

OPERATING INDICATORS Fiscal Years 2010-11 through 2019-20

<u>Fiscal Year</u>	<u>Tonnage Disposed at Western Regional Sanitary Landfill</u>	<u>Percentage of Diversion Recycled Waste</u>
2010-11	207,159	43%
2011-12	198,499	45%
2012-13	211,417	43%
2013-14	216,266	42%
2014-15	232,072	41%
2015-16	248,748	39%
2016-17	271,416	38%
2017-18	287,292	39%
2018-19	288,828	40%
2019-20	289,731	42%

Source: Western Placer Waste Management Authority

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

SCHEDULE OF ANNUAL REFUSE TONNAGE

Fiscal Years 2010-11 through 2019-20

Fiscal Year	Delivered by				Total Tonnage	Annual % Increase (Decrease)
	Recology	City of Roseville	City of Lincoln	Other Entities		
2010-11	139,499	120,433	25,385	80,165	365,482	-0.89%
2011-12	138,195	118,103	25,414	81,056	362,768	-0.74%
2012-13	140,914	121,390	26,522	83,358	372,184	2.60%
2013-14	142,117	119,435	26,331	83,391	371,274	-0.24%
2014-15	148,698	122,143	26,716	94,390	391,947	5.57%
2015-16	154,341	125,890	27,735	102,393	410,359	4.70%
2016-17	161,238	132,112	30,786	111,362	435,498	6.13%
2017-18	166,167	137,539	30,411	135,540	469,657	7.84%
2018-19	170,163	142,475	30,862	138,782	482,282	2.69%
2019-20	170,997	140,423	31,269	152,393	495,082	2.65%

Source: Western Placer Waste Management Authority



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Western Placer Waste Management Authority
Auburn, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Western Placer Waste Management Authority (Authority), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.

Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

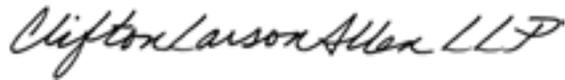
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Roseville, California
December 28, 2020

Western Placer Waste Management
Income Statement
(unaudited/depreciation excluded)
Year-to-Date
February 2021

	Year to Date			Notes
	Annual Budget	Budget	Actuals	
Revenue				
42010:Investment Income	321,554	214,370	90,490	(123,880) Overestimated rate of return
42030:Rents and Concessions	351,607	234,405	289,918	55,513 Energy royalties tracking above projections
46240:Sanitation Services - Other	29,943	19,600	20,396	796
46250:Solid Waste Disposal	29,540,746	19,336,407	21,370,355	2,033,948 Quantity of waste tonnages received at facility exceeding budgeted projections
48030:Miscellaneous	7,500	5,000	18,630	13,630 Variance predominately related to assessment of late fees
Total Revenue	30,251,351	19,809,781	21,789,788	1,980,007
Expenses				
Capital Assets:				
54450:Equipment	200,000	-	66,274	(66,274) Projects not initiated or billed yet. Identified expenditure needs to be moved to Account 52380 SC3180
54470:Infrastructure	1,595,500	-	-	- Projects not initiated or billed yet
54480:Land Improvements	5,869,827	-	-	- Projects not initiated or billed yet
Operating Expenses:				
52030:Clothing and Personal	2,600	1,733	501	1,232
52040:Communication Services Expense	40,000	26,667	18,530	8,137
52050:Food	1,400	933	600	333
52060:Household Expense	1,500	1,000	1,865	(865)
52080:Insurance	184,928	184,928	201,621	(16,693) Annual insurance premiums paid. Did not budget for additional CEO insurance allocation
52140:Parts	3,500	2,333	835	1,489
52160:Maintenance	29,020	14,510	20,578	(6,068)
52161:Maintenance - Building	-	-	14,220	(14,220) Quarterly charges by County Building Maintenance not identified in the Budget
52170:Fuels & Lubricants	50	33	160	(127)
52180:Materials - Buildings & Improvements	200	133	-	133
52240:Professional / Membership Dues	4,000	-	1,106	(1,106)
52250:Services and Supplies	200	133	-	133
52260:Misc Expense	8,000	5,333	67,775	(62,442) Includes \$67,205 in credit card transaction fees that need to be moved to Account 52360
52270:Department Cash Shortage	300	200	200	200
52320:Printing	12,500	8,333	5,502	2,832
52330:Other Supplies	19,000	12,667	11,827	840
52340:Postage	3,000	2,000	1,931	69
52360:Prof. & Special Svcs - General	3,730,222	2,486,815	1,172,338	1,314,476 Need to transfer costs from 52260 and 52380 to this account. Other contracts not initiated or billed yet.
52370:Professional and Special Services - Legal	75,000	50,000	50,000	-
52380:Prof. & Special Svcs - Tech., Eng. & Env.				
SC3140 Building Maintenance Installation and Repair Services	26,010	17,340	2,591	14,749
SC3180 MRF Operations	18,315,744	10,640,296	10,645,882	(5,586) Projected to exceed budget at end of the year due to increased tonnages
SC3190 Landfill Operations	2,595,801	1,514,217	1,491,993	22,224 Projected to be at or below budget at end of the year
SC3320 Environmental and Ecological Services	3,521,860	2,347,907	3,220,648	(872,741) Includes professional service contract costs that need to be moved to Account 52360
SC3322 Hazardous Waste	77,331	-	-	-
52390:Prof. & Special Svcs - County	31,160	20,773	14,689	6,085
52400: Prof. & Special Svcs - IT	150,000	75,000	31,844	43,156 Overbudgeted. Monthly IT costs approximately 30% of FY 19/20 rates
52440:Rents and Leases - Equipment	100	67	-	67
52450:Rents and Leases - Buildings & Improvements	100	100	-	0
52460:Small Tools & Instruments	150	100	4,851	(4,751) Includes purchase of a laser level and a Nasal Ranger odor measurement device; neither identified in the Budget
52480:PC Acquisition	2,000	1,000	992	8
52510:Commissioner's Fees	6,000	4,000	3,500	500 No August meeting.
52540:Signing & Safety Material	200	133	407	(273)
52570:Advertising	40,000	26,667	84,687	(58,021) Includes Public Outreach and Education consultant costs budgeted to 52360
52580:Special Department Expense	2,500	1,667	1,474	193
52785: Training / Education	6,460	3,230	1,525	1,705
52790:Transportation and Travel	10,000	6,667	452	6,215 Budgeted for direct monthly payment for use of County vehicles. Charges no longer directly paid to Fleet Services
52800:Utilities	1,581,735	1,054,490	65,969	988,521 Majority of costs associated with aquifer pump and treat operation - full operation not started
52810:Operating Materials	-	-	621	(621) Line item not specifically identified in the Budget
53190:Taxes and Assessments	496,782	372,587	390,717	(18,130) Increased disposal taxes due to increased tonnage received at the facility
53250:Contributions to Other Agencies	-	-	244,101	(244,101) CFD annual fee that was budgeted to Account 55510
53390:Transfer Out A-87 Costs	97,500	-	211,496	(211,496) Greater than expected costs than budgeted
55510:Operating Transfer Out	351,159	-	-	- Includes CFD annual fee (billed to 53250) and Auditor annual payment. Payment to Auditor not yet realized
59000:Appropriation for Contingencies	50,000	-	-	- Generally not used unless needed near the end of the fiscal year
Total Expenses	39,143,338	18,883,959	18,054,100	829,659
Net Income	(8,891,987)	925,822	3,735,689	2,809,867

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WESTERN PLACER WASTE MANAGEMENT AUTHORITY

Minutes of February 11, 2021

The meeting of the Western Placer Waste Management Authority Board of Directors was called to order at 5:00 PM by Chairman Halldin in the WPWMA Administration Building at the Materials Recovery Facility.

Directors Present:

Bill Halldin
Dan Karleskint
Robert Weygandt
Krista Bernasconi
Bonnie Gore

Staff Present:

Ken Grehm
Kevin Bell
Eric Oddo
Rob Sandman
Becky Correa
Michelle Darling

1. Call Meeting to Order: Chairman Halldin called the meeting to order at 5:04 PM.
2. Pledge of Allegiance: Director Weygandt led the Pledge of Allegiance.
3. Roll Call: All Directors were present.
4. Statement of Meeting Procedures: Michelle Darling read the procedures for in-person and virtual meeting participation.
5. Public Comment: There were no comments.
6. Announcements & Information:
 - a. Reports from Directors: There were no reports from the Directors.
 - b. Report from the Executive Director: None.
 - c. Financial Reports: Eric Oddo summarized the report. There were no questions from the Board.
 - d. Monthly Tonnage Reports: Eric Oddo summarized the report and answered questions from the Board.
 - e. Overview of the WPWMA's Budgetary Structure: Eric Oddo summarized the report and answered questions from the Board.
 - f. Treated Wood Waste Update: Eric Oddo summarized the report. There were no questions from the Board.
 - g. MRF and WRSL Operations Procurement Update: Eric Oddo presented the report with a Power Point presentation and answered questions from the Board.
7. Consent Agenda:
 - a. Minutes of the Board Meeting held January 14, 2021
Staff recommended the Board approve the item as submitted.

b. Sole Source Agreement with Douglas Environmental to Review MRF Operations Proposals:

Staff recommended the Board authorize the Chair to sign a sole source agreement with 3D Datacom for closed circuit television services to upgrade the scalehouse CCTV overlay system and add additional cameras for an amount not to exceed \$35,900.

c. Sole Source Agreement with Douglas Environmental to Review MRF Operations Proposals:

Staff recommended the Board authorize the Chair to sign a sole source agreement with Douglas Environmental to review MRF operations proposals for consistency with the Waste Action Plan Draft Environmental Impact Report for an amount not to exceed \$17,000.

MOTION TO APPROVE CONSENT AGENDA:

Karleskint/Weygandt

Vote: Unanimous

8. Action Items:

a. Seventh Amendment to the MRF Operating Agreement:

Staff recommended the Board authorize the Chair to sign the Seventh Amendment to the Second Restated and Amended Operating Agreement with Nortech Waste, LLC for operation of the Materials Recovery Facility that provides one-time modification to the 2020-21 Operating Year recovery level and incentive/disincentive adjustment calculations.

Eric Oddo summarized the report and answered questions from the Board.

MOTION TO APPROVE ITEM 8a:

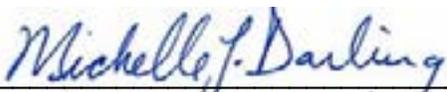
Weygandt/Gore

Vote: Unanimous

11. Upcoming Agenda Items: None.

12. Adjournment: Meeting was adjourned at 6:12 PM.

Respectfully Submitted,



Michelle Darling, Interim Clerk of the Board
Western Placer Waste Management Authority

**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **MARCH 11, 2021**
FROM: **KEN GREHM / RYAN SCHMIDT** *RS*
SUBJECT: **AGREEMENT WITH GEO-LOGIC ASSOCIATES FOR NORTH
COMPOST LEACHATE POND EXPANSION DESIGN AND
CONSTRUCTION QUALITY ASSURANCE SERVICES**

RECOMMENDED ACTION:

Authorize the Executive Director or designee, upon review and approval by WPWMA Counsel, to sign an Agreement with Geo-Logic Associates (Geo-Logic) for design and CQA services for the north compost leachate pond expansion project for an amount not to exceed \$251,347.

BACKGROUND:

The State Composting General Permit, effective August 2015, provided facilities seven years to come into compliance with the new requirements. As discussed at the June and October 2020 Board meetings, the north pond that collects water runoff from the composting system does not meet these new Water Board requirements. Your Board authorized a study in 2014 that identified a potential pathway to compliance and staff recommended delaying the north compost pond improvements to take advantage of siting and size criteria identified in the Waste Action Plan project.

In June 2020, your Board authorized CH2M to revise permits for the composting system and review the compliance alternatives for the north compost pond. CH2M submitted a Compost Leachate Storage Capacity Expansion Evaluation memorandum on January 28, 2021 which included several compliance options: use of temporary compost leachate storage tanks, expansion and lining of the north compost pond, or expansion of the south compost pond and installation of a pump station to allow the transfer of runoff from the northern composting area. The evaluation concluded expanding and lining the north compost pond to be the most cost-effective option to meet compliance requirements. While both plan concepts being evaluated as part of the Waste Action Plan EIR identify the eventual removal of the north compost pond, staff believes improving the existing pond system will ensure continued regulatory compliance and provide the greatest degree of near-term operational flexibility.

Staff solicited pond design and construction quality assurance proposals from pre-qualified solid waste engineering firms and received responses from Geo-Logic, Tetra Tech, and HydroScience. Upon evaluation of the proposals staff identified Geo-Logic as the best suited firm to provide the requested services. Geo-Logic's proposal demonstrated an accurate understanding of the project and their proposed team has the required design experience to design the expansion, lining, aeration, and pumping systems required for the project. Staff are currently negotiating a Scope of Services with Geo-Logic; final Scope of Services is expected to be substantially the same as the attached draft scope.

ENVIRONMENTAL CLEARANCE:

Modification to the north compost pond is categorically exempt from further environmental review under California Environmental Quality Act Guidelines, Article 19, Section 15301 “Existing Facilities”, which includes minor alteration to an existing facility involving negligible or no expansion of the existing use. Although the pond itself will be expanded, the pond use is not expanded.

Staff has prepared the attached Notice of Exemption associated with these proposed modifications.

FISCAL IMPACT:

The total, not-to-exceed cost of the proposed Agreement is \$251,347. Sufficient funding is included in the FY 2020/21 Budget to cover this cost. Although not included in this action, the January 2021 CH2M evaluation estimated the construction at approximately \$1,610,000 which would bring the total project cost to \$1,861,347.

ATTACHMENT: NOTICE OF EXEMPTION
DRAFT SCOPE OF SERVICES

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Placer
2952 Richardson Drive
Auburn, CA 95603

From: (Public Agency): WPWMA
3013 Fiddymment Road
Roseville, CA 95747

(Address)

Project Title: North Compost Leachate Pond Expansion

Project Applicant: Western Placer Waste Management Authority

Project Location - Specific:

3033 Fiddymment Road, Roseville, CA, near the corner of Fiddymment Road and Athens Avenue

Project Location - City: Roseville Project Location - County: Placer

Description of Nature, Purpose and Beneficiaries of Project:

Expansion and lining of the north compost leachate pond to meet capacity and construction materials related compliance requirements of the August 2015 State Composting General Permit. Pond use will not change. The project will better protect groundwater, benefiting the whole of Placer County.

Name of Public Agency Approving Project: Western Placer Waste Management Authority

Name of Person or Agency Carrying Out Project: Western Placer Waste Management Authority

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: 15301 Existing Facilities
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

Pursuant to Section 15301 of the California Environmental Quality Act Guidelines, the proposed project consists of expanding and lining an existing pond, which will not result in a serious or major disturbance to an environmental resource. The project is intended to protect groundwater and comply with regulatory requirements set forth by the State Water Resources Control Board.

Lead Agency

Contact Person: Eric Oddo, PE Area Code/Telephone/Extension: (916) 543-3984

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: _____ Title: Program Manager

Eric Oddo, PE

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

**EXHIBIT A
SCOPE OF SERVICES**

Consultant shall plan, prepare, and execute all items outlined in this Scope of Services for design and construction quality assurance (CQA) of the expansion, lining, and improvements of the North Compost Leachate Pond. The deliverable dates are based on an assumed March 15, 2021 contract execution date.

TASK 1 KICK-OFF MEETING, SITE VISIT, AND PROJECT MANAGEMENT

Consultant shall schedule, prepare an agenda for, and lead a project kickoff meeting with WPWMA staff to solidify project objectives and expectations, familiarize Consultant with the WPWMA’s facilities, and identify any WPWMA documents Consultant believes are necessary as background information for the project.

Consultant shall prepare and submit a meeting summary and minutes and provide a list of documents requested from the WPWMA for review. Consultant shall review and evaluate the requested WPWMA facility documents and examine the current regulatory framework including, but not limited to, the most recent Right of Waste Discharge (ROWD).

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Kickoff Meeting Agenda/Minutes	One (1) week before/after meeting	Word

Consultant shall communicate with WPWMA throughout the lifetime of the project. This communication will limit errors, delays, and reassignment costs and ensure that project goals and objectives are achieved.

TASK 2 COMPOST LEACHATE POND IMPROVEMENTS DESIGN

Consultant shall develop a set of construction bid documents that will be sufficient for WPWMA to solicit competitive contractor bids for the construction of the North Compost Leachate Pond improvements. Consultant shall also prepare and submit a Construction Quality Assurance Plan during this phase of the project.

Task 2.1 Geotechnical Field Investigation

Consultant shall conduct a Geotechnical Field Investigation to identify soils encountered below the current pond depth. Consultant shall advance three borings to an approximate depth of 35 feet below ground surface. Consultant shall collect soil samples from the borings and submit them to a laboratory for testing to aid in determining design parameters for the native soil.

Consultant shall prepare and submit a Soil Investigation Technical Memorandum (TM) that outlines the design and construction recommendations based on the field investigation and borings. The TM shall also indicate what methods Consultant recommends be used to provide adequate construction quality assurance based on its design and construction recommendations.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Technical Memorandum for Soil Investigation	One (1) month after contract execution	PDF

Task 2.2 Compost Leachate Pond Improvements Design

50% Design Level

Consultant shall develop construction documents at the 50% design level for WPWMA review of the proposed North Compost Leachate Pond Improvements. Consultant shall prepare a construction documentation package consisting of the following elements for review and comment by the WPWMA:

- 50% Construction Drawings, cross-sections, plans and profiles, and typical details consisting of:
 - Title Sheet and Vicinity Map
 - Existing Conditions and Site Plan
 - Demolition Plan
 - Geomembrane Subgrade Plan
 - Sump, Lysimeter, and Forebay Plan
 - Pond Equalization Piping Plan
 - North Pond Sections
 - Details
 - Electrical Drawings
- Preliminary bid list and engineer’s probable construction cost estimate
- Technical specification table of contents
- Consultant mark-up of WPWMA general conditions
- Construction schedule including milestones for bidding and construction, weather limitations, etc.
- Calculations as required by regulatory agencies, including but not limited to:
 - Anchor trench calculations
 - Liner design calculations
 - Pond sizing and stormwater quantity calculations
 - Pipe and pump sizing calculations

90% Design Submittal – Issued for Permit

Consultant shall incorporate WPWMA comments on the 50% design submittal and prepare a 90% design level package for submittal and review by the WPWMA and WPWMA submittal to the Water Board for comments.

Final (100%) Design Submittal – Issued for Bidding

Consultant Shall incorporate WPWMA and Water Board comments on the 90% submittal and prepare and submit the following final documents:

- One (1) hard copy of camera-ready General and Technical Specifications, Design Report and calculations
- One (1) complete set of signed and stamped Permit Drawings
- Electronic submittal of Technical Specifications, Permit Drawings, Engineer’s Estimate, and Bid Quantities List

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
50% Design	Four (4) weeks after kickoff meeting	Source Files
50% Review Meeting	Two (2) weeks after 50% Submittal	-
90% Design	Two (2) weeks after 50% Review Meeting	Source Files, PDF
90% Review Meeting	One (1) week after 90% Submittal	-
Final (100%) Design	One (1) week after 90% Review Meeting	Source Files, PDF

Task 2.3 Construction Quality Assurance Plan

Consultant shall also prepare a Construction Quality Assurance Plan that conforms to applicable state regulatory requirements as well as Water Board requirements including but not limited to the following elements:

- General project design information
- Definitions of responsible parties and description of specific materials to be used in construction
- Personnel qualifications, chain of command, and CQA organization
- Project meetings
- Test methods and inspection requirements for materials to be used in the construction of the leachate piping and liner system
- CQA testing interpretation protocols, including data evaluation, pass/fail criteria, and methods for combining different test methods to provide overall confidence in the quality and uniformity of the completed liner/pumping system
- Documentation requirements and formats, including daily records, inspection sheets, photographs, acceptance of completed portions of the project, final documentation (Construction Report of Compliance), and document storage.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Draft CQA Plan	Two (2) weeks after 50% Review Meeting	PDF
Final CQA Plan	One (1) week after Receipt of WPWMA Comments to the Draft Submittal	PDF

Task 2.4 Existing Utility Survey

If so directed by WPWMA Project Manager in writing, Consultant shall complete an existing utility locating survey in the areas surrounding the north compost leachate pond work areas (pond area and along equalization piping alignment) prior to the start of plan preparation. Consultant shall employ the services of a private utility locating company that will perform locating services using a variety of geophysical methods. Once a utility is located, the subcontractor will mark the location, and then locate the utility using global positioning systems (GPS), convert the coordinates to the WRSL’s site specific datum, and provide a CAD drawing with the utility locations.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Existing Utility Survey	Two (2) weeks after kickoff meeting	PDF, .dwg

TASK 3 PERMITTING AND BIDDING ASSISTANCE

Consultant shall provide assistance to the WPWMA during bidding for construction of the North Compost Leachate Pond Improvements to clarify design issues and provide assistance in answering technical questions from the prospective bidders.

Following WPWMA submittal of the liner design documents to the Water Board or other regulatory agencies as required, Consultant shall assist the WPWMA with permitting activities including but not limited to accompanying WPWMA staff to one (1) meeting with regulatory agencies and responding to regulatory comments. Consultant shall provide any additional information or analyses requested to support the information presented in the liner and piping design documents.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Response to regulatory comments	One (1) week after receipt from regulatory agency	Word
Meeting with Regulators	Upon WPWMA request	-
Meeting minutes with regulators	One (1) week after meeting	Word

TASK 4 ENGINEERING SERVICES DURING CONSTRUCTION

Consultant shall provide engineering services for the duration of the north compost leachate pond construction project. This shall include attending an on-site construction kick-off meeting with WPWMA and the selected contractor, attending progress meetings as necessary via conference call, attending a substantial completion job walk at the site, and a final punch list job walk at the site. The Consultant's design team shall also be available to review alternatives and change order requests from the contractor as well as Requests for Information (RFIs). In addition, Consultant shall review and comment on product manufacturer information and contractor submittals if necessary along with the contractors as-built drawings.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Response to Contractor RFI, Change Order Request, Submittals	Within the timeframes noted in the construction contract	PDF
Punch List		Word

TASK 5 CONSTRUCTION QUALITY ASSURANCE

Consultant shall monitor all construction activities and perform all required soils and geosynthetic field and laboratory testing.

Consultant shall coordinate with WPWMA staff and the contractor's representative and shall provide one (1) CQA technician on site full time during construction. Prior to construction, Consultant shall review:

- Design drawings, specification, and CQA Plan
- Contractors construction quality control plans
- Contractor's submittals, supporting test results and compliance schedule

Consultant shall conduct CQA services including: review of site preparation activities; monitoring and testing of subgrade preparation, geosynthetic installation, earthwork associated with subgrade preparation and drainage, and concrete strength parameter testing; and laboratory testing.

Upon construction completion, Consultant shall prepare a Construction Certification Report with record drawings documenting compliance with design plans and specifications for submittal to the Water Board. Consultant shall include all information required to demonstrate compliance with the facility's WDRs and state and federal requirements as well as:

- A description of the project with narrative of the construction process
- Photographic documentation of the construction activities
- The procedures and testing used during construction of the liner system components
- A description of the types and actual number of field and laboratory test performed
- A description of any design changes/modifications
- A list of submittals received
- As-built plans
- Copies of daily logs

- A detailed documentation of the CQA testing presented in the report appendices.

Geoelectric Leak Location Survey

Consultant shall also complete a Geoelectric Leak Location Survey (ELLS) upon completion of the liner installation. Consultant shall complete the ELLS using the water puddle method (ASTM D7002) and/or the dipole method (ASTM D7007) as required by the final design of the north compost leachate pond liner. Consultant shall provide an ELLS report as an appendix to the Construction Completion Report deliverable addressed in Task 5. The report shall detail the method(s) of survey used, the results, and the conclusions derived from the test results. The report shall also include photos and maps of any located areas requiring repair and document the repairs to those locations.

<i>Deliverables</i>	<i>Due</i>	<i>Format</i>
Geoelectric Leak Location Survey	One (1) week after liner construction completion	PDF
Record Drawings	One (1) month after the construction quality assurance testing and monitoring are complete and as-built survey has been received	PDF, .dwg
Construction Certification Report		Word, PDF

TASK 6 ADDITIONAL SERVICES

In addition to the services described above, WPWMA may request Additional Services on an as needed basis subject to the WPWMA's approval of a written scope of work and approval of a cost proposal. In no event shall said Additional Services exceed the cost allocated in Exhibit B. Work on any Additional Services may not proceed until authorized in writing by the WPWMA Project Manager. Any approved Additional Services and costs shall be appended to this Agreement and such work shall be subject to all the provisions of this Agreement.

Said Scope of Work may be amended only with the prior written approval of the Consultant and the WPWMA Project Manager however, in no event shall such amendment create any additional liability to the WPWMA.

EXHIBIT B

PAYMENT FOR SERVICES RENDERED

Payment to Consultant will be made by the WPWMA on an hourly basis in accordance with the schedule attached hereto as Exhibit B-1 and subject to the task budgets listed in Table 1, below.

Consultant shall submit invoices monthly and describe in detail the work and work hours performed, staff performing the work, staff hourly rate, and expenses for which reimbursement is claimed. Consultant shall also include with the monthly invoice a spreadsheet indicating task budgets, charges by task for each invoice, cumulative charges to date by task, and percent of budget remaining by task. Consultant shall state hourly time in increments of no less than one-quarter (1/4) of an hour.

Provided the work has been satisfactorily performed, WPWMA will pay invoices within thirty (30) days after approval of the invoice. Consultant shall provide additional information requested by the WPWMA to verify any of the amounts claimed for payment in any invoice. The total amount payable for all services provided under this Agreement shall not exceed **Two Hundred Fifty One Thousand Three Hundred Forty Seven and no/100 Dollars (\$251,347.00)**.

The WPWMA may, in its sole discretion, withhold up to ten percent (10%) of any payment as security for the completion of the work. Within thirty (30) days after approval of Consultant's final invoice, and provided all services have been satisfactorily completed, WPWMA shall release and pay any withheld retention.

Table 1 – Task Budgets

TASK	DESCRIPTION	BUDGET
1.0	Kickoff Meeting, Site Visit, and Project Management	\$9,609
2.0	Compost Leachate Pond Improvements Design	
2.1	Geotechnical Field Investigation	\$17,861
2.2	Compost Leachate Pond Design Documents	\$58,025
2.3	Construction Quality Assurance Plan	\$4,976
2.4	Existing Utility Survey	\$8,141
3.0	Permitting and Bidding Assistance	\$4,660
4.0	Engineering Assistance During Construction	\$5,916
5.0	Construction Quality Assurance	\$120,159
6.0	Additional Services	\$22,000
TOTAL		\$251,347

HHW COLLECTION EVENT HISTORY

DATE	PARTICIPANTS	HHW COLLECTED (pounds)	E-WASTE COLLECTED (pounds)	TOTAL EVENT COST	COST PER PARTICIPANT
October 21 & 22 2006	1,425	146,277	NA	\$97,680	\$68.55
October 19 & 20 2007	880	124,045	NA	\$92,650	\$105.28
August 23 & 24 2008	763	100,500	NA	\$80,610	\$105.65
October 10 & 11 2009	1,116	88,500	55,800	\$82,833	\$74.22
October 23 & 24 2010	1,231	99,000	40,000	\$85,181	\$69.20
August 13 & 14 2011	1,127	93,000	34,000	\$71,810	\$63.72
October 6 & 7 2012	758	73,000	26,500	\$56,595	\$74.66
September 21 & 22 2013	578	41,000	27,300	\$46,935	\$77.80
November 15 & 16 2014	1,076	77,600	21,300	\$61,733	\$57.37
October 3 & 4 2015	430	36,030	12,448	\$49,893	\$116.03
October 29 & 30 2016	750	42,324	26,400	\$62,068	\$82.75
August 26 & 27 2017	312	28,918	8,520	\$45,758	\$146.66
September 22 & 23 2018	925	38,110	30,000	\$63,248	\$68.38
October 5 & 6 2019	780	54,595	17,114	\$55,878	\$71.64
November 7 & 8 2020	854	78,858	19,719	\$92,304	\$108.08

ADMINISTERING AGENCY: Western Placer Waste Management Authority

AGREEMENT: SCN102746

DESCRIPTION: First Amendment to Agreement for Household Hazardous Waste Collection Event

This FIRST Amendment is made to be effective as of, from and after the day of _____, 2021 and between the **WESTERN PLACER WASTE MANAGEMENT AUTHORITY**, a joint powers authority organized under California law (hereinafter referred to as the "WPWMA"), and Clean Harbors Environmental Services, Inc. a California Corporation (hereinafter referred to as the "Contractor").

RECITALS

1. WPWMA and Contractor have entered into that certain "Agreement" for a Household Hazardous Waste Collection Event as of June 22, 2020 (hereinafter referred to as the "Agreement").
2. Contractor performed household hazardous waste collection services on behalf of the WPWMA at its annual public drop-off event at the Gold Country Fairgrounds on November 7 and 8, 2020. The Agreement includes a fixed Event Fee for mobilization, demobilization and labor to hold the event, and Disposal Fee and Additional Disposal Fee Contingency task budgets to cover the cost of disposal for collected materials.
3. A total of 78,858 pounds of HHW and 19,719 pounds of e-waste was collected at the event, which exceeded the amount of funding included in the Disposal Fee and delegated Additional Disposal Fee Contingency task budgets in the Agreement.
4. To account for additional disposal costs due to increases in participation and quantities of HHW collected, the Contractor has requested additional funds to cover this increase in disposal costs with a cost not to exceed Ninety Two Thousand Three Hundred Four Dollars (\$92,304).
5. The WPWMA and Contractor desire to amend the Agreement to reflect the revised understanding between the parties as set forth below. All references in this First Amendment to a Section, to an Appendix, or to an Exhibit shall refer to that Section or Exhibit of the Agreement, and all terms defined in the Agreement shall have the same meaning herein.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

a. The last sentence in item 2. **Payment**, shall be replaced with the following sentence:

“The total amount payable for all services provided under this Agreement, including Additional Services, shall not exceed Ninety Two Thousand Three Hundred Four Dollars (\$92,304) without the prior written approval of the WPWMA.”

b. Exhibit B.1 shall be deleted and Exhibit B.2 attached hereto is substituted therefore.

Except as expressly provided in this First Amendment, the Agreement shall remain unchanged and in full force and effect. After this First Amendment is duly executed and delivered by WPWMA and Contractor, this First Amendment shall be and constitute an integral part of the Agreement.

IN WITNESS WHEREOF, the WPWMA and Contractor have executed this First Amendment as of the day and year first above written.

Western Placer Waste Management Authority

By: _____
Chair

Date: _____

Clean Harbors Environmental Services Inc.

By: _____
Marc McReynolds,
Region Senior Vice President

By: _____
Thomas F. Fay III,
District Vice President

APPROVED AS TO FORM:

By: _____
WPWMA Counsel

**EXHIBIT B.2
PAYMENT FOR SERVICES RENDERED**

Payment to Contractor will be made by the WPWMA in accordance with Table 1.2 – Task Budgets attached hereto.

Contractor shall submit an invoice within one month after work is completed. The invoice shall describe in detail the number of vehicles processed, the actual work performed, and the expenses for which reimbursement is requested.

Provided the work has been satisfactorily performed, WPWMA will pay the invoice within thirty (30) days after approval of the invoice. Contractor shall provide such additional information as the WPWMA may request to verify any of the amounts claimed for payment in the invoice. The total amount payable for all services provided under this Agreement shall not exceed ninety two thousand three hundred four and no/100 dollars (\$92,304) over the period of this Agreement; provided, however, upon written request of the Consultant and with written approval of the WPWMA’s Executive Director, the WPWMA may adjust the amount to be paid for any task if the WPWMA deems it necessary and appropriate.

Table 1.2 – Task Budgets

Task	Description	Budget
1	Event Fees (Includes mobilization, demobilization and labor)	\$30,775
2	Disposal Fees	\$37,344
3	Additional Disposal Fee Contingency	\$24,185
Total		\$92,304

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **MARCH 11, 2021**
FROM: **KEN GREHM / KEITH SCHMIDT** 
SUBJECT: **SIXTH AMENDMENT TO THE AGREEMENT WITH SCS ENGINEERS
FOR WATER QUALITY MONITORING AND REPORTING SERVICES**

RECOMMENDED ACTION:

Authorize the Chair to sign the Sixth Amendment to the Water Quality Monitoring and Reporting Agreement (Agreement) with SCS Engineers (SCS), extending services for an additional year and authorizing additional related services, for a total of \$221,575, increasing the total not-to-exceed cost of the Agreement to \$1,239,363.

BACKGROUND:

The WPWMA is required to routinely monitor stormwater and groundwater quality to verify that the facility's activities are sufficiently protective of the environment. The WPWMA has historically contracted with an outside consultant to provide water quality monitoring and reporting services, including routine quarterly sampling; laboratory analysis of water quality data; statistical analysis of water quality trends; and reporting for stormwater, compost leachate, groundwater and water vapor entrained in the soil above the groundwater. After a competitive procurement process, your Board approved a one-year Agreement with SCS on July 13, 2017 and has approved three extensions¹ and additional amendments to include studies requested by the Water Board.

The WPWMA typically follows County of Placer Procurement Policy and Procedures which suggests this work should be released for proposals. Your Board, however, may extend or enter into contracts without additional competitive procurement given the action is in the public best interest or reasonably calculated to meet a business need. Staff recommends this additional one-year extension given SCS's specialized experience with landfills, their experience with the WPWMA facility, their ongoing work related to WPWMA permitting issues, and their capacity to quickly respond to the WPWMA's evolving needs. SCS responded to staff's request for extended services with a proposed budget of \$203,000, slightly lower than their proposed 2017 costs. Some of this cost efficiency comes from their existing onsite presence as part of their contract for operation of the WPWMA landfill gas collection and control system.

Additionally, staff recommends adding to and reallocating task budgets to adequately track additional services and remove services SCS is no longer performing. Specifically, staff recommends the following changes which would add a net \$18,575:

- Add \$25,500 to Task 15 (Leachate Pump Power Design) to include pre-development diagrams, details, analysis and coordination with the Building Department and power utility company.

¹ The request for proposals indicated the contract would be for one year with the potential for three (3) one-year extensions.

- Remove the construction component of Task 3 (Leak Detection and Lysimeter Water Level Transducer Design and Installation) resulting in a \$25,425 decrease to this task. Staff intends to solicit bids for construction of the project later this year.
- Continue the liner performance studies underway for Modules 5, 15 and 16, resulting in an additional \$4,500 total for Tasks 5 and 10.
- Create Task 17 to replace two permanent groundwater sampling pumps and make minor improvements to the monitoring system for ease of use and improved data reliability, for a total of \$14,000.

ENVIRONMENTAL CLEARANCE:

The proposed modifications and repairs to the monitoring system are categorically exempt from further environmental review under California Environmental Quality Act Guidelines, Article 19, Section 15301 "Existing Facilities", which includes minor alteration to an existing facility involving negligible or no expansion of the existing use. The remaining work required under this Agreement is categorically exempt under CEQA Guidelines, Article 19, Section 15306 "Information Collection", which allows for data collection when such activities do not result in a serious or major disturbance to an environmental resource.

FISCAL IMPACT:

The cost of providing the services included in the attached Scope is \$221,575. The proposed Sixth Amendment would increase the total not-to-exceed cost of the Agreement to \$1,239,363. Sufficient funding for these services is included in the FY 2020/21 Budget.

ATTACHMENT: SIXTH AMENDMENT

ADMINISTRATING AGENCY: Western Placer Waste Management Authority

AGREEMENT NO.: 45187

DESCRIPTION: Sixth Amendment to the Water Quality Monitoring Services Agreement

This SIXTH Amendment is made to be effective as of, from and after the day of _____ 2021, and between the **WESTERN PLACER WASTE MANAGEMENT AUTHORITY**, a joint powers authority organized under California law (hereinafter referred to as the "WPWMA"), and **SCS ENGINEERS** (hereinafter referred to as the "Consultant").

RECITALS

1. The WPWMA and Consultant have entered into that certain "Water Quality Monitoring Services Agreement" as of July 13, 2017 which was previously amended by the First Amendment as of May 10, 2018, the Second Amendment as of April 15, 2019, the Third Amendment as of October 10, 2019, the Fourth Amendment as of December 9, 2019, and the Fifth Amendment as of April 1, 2020 (hereinafter referred to as the "Agreement").
2. Consultant has consistently performed water quality monitoring services for the WPWMA through changing conditions and regulations, maintaining a positive working relationship with the WPWMA and its consultants and contractors.
3. In recognition of the importance of these services and the value in maintaining consistency and reliability in how they are provided, the WPWMA has proposed and Consultant has agreed to extend the term of the existing Agreement for an additional one-year period for a cost not to exceed \$203,000.
4. WPWMA staff discussed upcoming facility needs and foreseeable changes to the Agreement. Consultant recommended, and WPWMA agrees to revise the contract and scope budgets for Tasks 3, 5, 10 and 15 to align with current priorities for a net additional cost of \$18,575 to those tasks.
5. WPWMA staff believes Consultant understands the scope of work, has proposed a reasonable budget, and is uniquely suited to effectively complete the work given their current performance of water quality monitoring and leachate collection system operation services for the WPWMA.
6. The WPWMA and Consultant acknowledge that, by providing these additional services, the total cost of the Agreement shall increase by \$221,575 to One Million Two Hundred Thirty Nine Thousand Three Hundred Sixty Three Dollars ().
7. The WPWMA and Consultant desire to amend the Agreement to reflect the revised understanding between the parties as set forth below. All references in this Sixth Amendment to a Section, to an Appendix, or to an Exhibit shall refer to that Section or Exhibit of the Agreement, and all terms defined in the Agreement shall have the same meaning herein.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- a. The last sentence in item 2. **Payment**, shall be replaced with the following sentence:
"The total amount payable for all services provided under this Agreement, including Additional Services, shall not exceed One Million Two Hundred Thirty Nine Thousand

Three Hundred Sixty Three Dollars (). without the prior written approval of the WPWMA.”

- b. Exhibit A, Scope of Services, Task 3 WATER LEVEL PRESSURE TRANSDUCERS shall be replaced entirely as follows:

“Consultant shall design water-level pressure transducers for leachate sumps LS-12, LS-13, LS-14, LS-15, LS-16W, LS-16S; pan lysimeters at LS-5, LS-15, LS-16W, LS-16S; and leak detection sumps at LS-5, LS-15, LS-16W, and LS-16S. Consultant shall prepare and submit the transducer system design to the WPWMA for review together with the draft Task 15 electrical design submittals. Consultant shall revise the design based on WPWMA comments and submit the final design together with the Task 15 final design product.”

- c. Exhibit A, Scope of Services, shall be amended to add the following to the last paragraph to Task 15 as follows:

“Consultant shall coordinate reviews of preliminary design with the County of Placer Building Division and Pacific Gas and Electric Company (power utility), including the following:

- Additional development meetings
- Additional preliminary drawings including
 - Existing Conditions and Demolition
 - Site Diagram
 - Lift station 12 Site Detail
 - Solar Panel Detail suitable for sheep/goat grazing
 - (5) additional wiring diagrams
- Preparation of an Alternatives Analysis for the location of the connection to the utility, the network and the viability of overhead and underground power options.
- Build-ability review that was deemed necessary following discussions with the Building Division as they recommended change in the aerial cables that appeared non-typical and difficult to implement.”

- d. Exhibit A, Scope of Services, shall be amended to add Task 17 - Replacement of MW-19 and MW-20 Pumps, Sounding Tube Installation, with the following text:

TASK 17 – REPLACEMENT OF MW-19 AND MW-20 PUMPS, SOUNDING TUBE INSTALLATION

Consultant shall remove the electric submersible pump from well MW-19 and MW-20 and check for visible damage to wiring, tubing, and exterior of the pumps. If damage is observed that can feasibly and safely be repaired by Consultant’s personnel, Consultant shall repair the pump and verify its proper operation. Otherwise, pump will be delivered to a subcontractor for repair. Once repairs are completed, Consultant shall return the pump to the well, confirm operation of the pump, and proceed with purging and sampling of the wells. Consultant’s charges to perform this scope of work shall be the labor cost plus any additional costs for

replacement parts according to billing procedures of Exhibit B. If necessary, Consultant shall install a replacement pump, including wiring and tubing, not to exceed the task budget.

Additionally, Consultant shall install 1-2" diameter screwed (not glued) PVC pipe risers into the larger diameter (ie. 6-18" diameter) leachate, leak detection and lysimeter pipelines (carrier pipe) at all such sampling locations. The design and construction shall be adequate to: keep the temporary and permanent level sensors from catching on the larger pipe; protect the sensors from being disturbed, blocked or damaged during sampling or pumping; maintain a resealable, air tight connection to the blind flange on the carrier pipe to prevent landfill gas migration; and include a removable cap to access the sounding tube where no tools are required to open it."

e. Exhibit B.5 shall be deleted and Exhibit B.6 attached hereto are substituted therefore.

Except as expressly provided in this Sixth Amendment, the Agreement shall remain unchanged and in full force and effect. After this Sixth Amendment is duly executed and delivered by WPWMA and Consultant, this Sixth Amendment shall be and constitute an integral part of the Agreement.

IN WITNESS WHEREOF, the WPWMA and Contractor have executed this First Amendment as of the day and year first above written.

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

By: _____ Date: _____
Chair

SCS ENGINEERS, CONSULTANT

By: _____ By: _____
E. Wayne Pearce, Vice President Patrick Sullivan, Senior Vice President

Approved as to Form:

By: _____
WPWMA Counsel

EXHIBIT B.6
PAYMENT FOR SERVICES RENDERED

Payment to Consultant shall be made by the WPWMA on an hourly basis in accordance with the schedule attached hereto as Exhibit B-1.6 and subject to the task budgets listed in Table 1.6, below.

Consultant shall submit invoices monthly and describe in detail the work and work hours performed, staff performing the work, staff hourly rate, and expenses for which reimbursement is claimed. Consultant shall also include with the monthly invoice a spreadsheet indicating task budgets, charges by task for each invoice, cumulative charges to date by task, and percent of budget remaining by task. Consultant shall state hourly time in increments of no less than one-quarter (1/4) of an hour. All invoices shall be submitted to the WPWMA electronically via invoices@wpwma.ca.gov.

Provided the work has been satisfactorily performed, WPWMA will pay invoices within thirty (30) days after approval of the invoice. Consultant shall provide additional information requested by the WPWMA to verify any of the amounts claimed for payment in any invoice. The total amount payable for all services provided under this Agreement shall not exceed One Million Two Hundred Thirty Nine Thousand Three Hundred Sixty Three Dollars ().

Table 1.6 – Task Budgets

Task	Description	Existing Budget	6 th Amendment	Total
1	Routine Measurement, Sampling, Analysis & Reporting	\$654,400	\$175,000	\$829,400
2	Compost General Order	\$38,000	\$8,000	\$46,000
3	Water Level Pressure Transducers	\$42,800	(\$25,425)	\$17,375
4	Additional Services	\$25,500	\$10,000	\$35,500
5	Module 15 & 16 Data Evaluation	\$32,132	\$1,500	\$33,632
6	ERA Level 2 Technical Report	\$33,600	\$10,000	\$43,600
7	Water Board Response Report	\$7,500	\$0	\$7,500
8	Engineering Feasibility Study	\$40,000	\$0	\$40,000
9	Corrective Action Program and Report of Waste Discharge	\$20,000	\$0	\$20,000
10	Module 5 Data Evaluation	\$13,378	\$3,000	\$16,378
11	Water Quality Protection Standard	\$15,000	\$0	\$15,000
12	Design of Leachate Sump Riser Repairs	\$47,000	\$0	\$47,000
13	PFAS Sampling and Reporting	\$5,000	\$0	\$5,000
14	PFAS Work Plan Implementation	\$15,200	\$0	\$15,200
15	Electrical Design	\$36,778	\$25,500	\$62,278
16	SCS eTools GW Module/Data Upload	\$5,500	\$0	\$5,500
17	Replacement of MW-19 and MW-20 Pumps, Sounding Tube Installation	\$0	\$14,000	\$829,400
TOTAL CONTRACT AMOUNT		\$1,031,788	\$221,575	\$1,239,363