



KINGS WASTE & RECYCLING AUTHORITY BOARD OF DIRECTORS REGULAR MEETING

Date: Wednesday, August 29, 2018
Time: 8:00 A.M.
Location: Kings Waste and Recycling Authority
Conference Room
7803 Hanford-Armona Road
Hanford, CA 93230

KWRA
A Joint
Powers Authority



Joe Neves, Chair
County of Kings

David Ayers, Member
City of Hanford

Richard Fagundes, Member
County of Kings

Eddie Neal, Member
City of Lemoore

Sidonio Palmerin, Vice Chair
City of Corcoran

Nicole Riley
Executive Director

AGENDA

<u>Item No.</u>	<u>Description</u>
1.	Call to Order / Pledge of Allegiance
2.	Approval of Minutes: <i>Regular Meeting held on July 25, 2018</i>
3.	Unscheduled Appearances – Public Comment <i>Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Three (3) minutes are allowed for each item.</i>
4.	Monthly Financial Report
5.	Commodity Sales Report
6.	Construction & Demolition Debris Program
7.	Executive Director's Report
8.	Board Member Comments
9.	Future KWRA Board Meetings: <ul style="list-style-type: none">• September 26, 2018 @ 8:00 AM• October 31, 2018 @ 8:00 AM – CANCELLED• November 28, 2018 @ 8:00 AM
10.	Adjournment

KWRA

7803 Hanford-Armona Road
Hanford, California . 93230
559 . 583 . 8829
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Item No. 2

Approval of Minutes

Regular Meeting on July 25, 2018



**KINGS WASTE & RECYCLING AUTHORITY
REGULAR MEETING MINUTES
Wednesday, July 25, 2018**

The Authority Board of Directors met for a Regular Meeting on Wednesday, July 25, 2018 at 8:00 AM in the KWRA Conference Room.

BOARD MEMBERS PRESENT:

David Ayers, City of Hanford
Richard Fagundes, County of Kings
Joe Neves, County of Kings (Chair)
Eddie Neal, City of Lemoore
Sidonio Palmerin, City of Corcoran (Vice Chair)

KWRA STAFF PRESENT:

Nicole Riley, KWRA Executive Director
Danny Gonzales, KWRA Operations Manager
Brenda Griffin, KWRA Fiscal Analyst
Joseph Griffin, KWRA MRF Foreman II

TAC MEMBERS PRESENT:

Lou Camara, City of Hanford - Public Works Director
Joe Faulkner, City of Corcoran - Public Works Director
Kevin McAlister, County of Kings - Public Works Director

OTHERS PRESENT:

Bob Henry, Waste Management
Jeff Martin, American Refuse/Tule Trash
Kindon Meik, City of Corcoran - City Manager
Jerry Robertson, City of Corcoran (Alternate Board Member)
William Schoen, R3 Consulting Group
Joe Sloan, Sloan Vazquez McAfee

Item No. 1 – Call to Order/Pledge of Allegiance

KWRA Chair Joe Neves brought the meeting to order at 8:00 AM.

Item No. 2 – Approval of Minutes

(Fagundes/Neal) It was moved, seconded and carried to approve the minutes from the Regular Meeting held on May 30, 2018. **(5-0)**

Item No. 3 – Unscheduled Appearances/Public Comment

There were no unscheduled appearances.

Item No. 4 – Monthly Financial Report

- a.) Budget Review: Mrs. Griffin reviewed the Income and Expense reports from May and June 2018. She stated that business was primarily as usual in May and June. Mrs.



Griffin noted that there was a payment made to AAA Security Inc. of \$1,146.08 for an overnight fire watch the fire suppression system was non-operable due to a water line repair on May 22. In June, the final CalPERS unfunded liability (UAL) payment was transferred to the reserve account. It is anticipated that this will be the last transfer for the UAL; however, it is unknown until the CalPERS Actuary Report is released.

Board Members Palmerin and Neal inquired about the balance as of May 2018. Mrs. Griffin stated that the Operating Fund Balance as of May 2018 was \$1.1M. As of June 30, 2018, the balance was \$1.24M. As the 13th (final) accounting period has not been completed, it is estimated that an additional \$500,000 in payments are due for FY 2017/18, leaving the Operating Fund Balance at approximately \$741,543. This final number will be reported in the 2017/18 Audit.

b.) Tonnage Summary: Ms. Riley reported that the throughput for Fiscal Year 2017/18 was 114,400 tons; 81,200 tons of municipal solid waste, 21,300 tons of organic (wood/green/food) waste, 6,600 tons of recyclables, 4,800 tons of construction and demolition debris, and 500 tons of misc. recycling materials. This equates to a 3% increase from FY 2016/17.

Board Member Ayers stated that the purpose of KWRA is to achieve a diversion goal and from the Tonnage Comparison report, it does not appear that KWRA is meeting that. Ms. Riley noted that KWRA is achieving and exceeding its target disposal goal of 4.4 pounds/person/day, at 3.9 pounds/person/per day. Ms. Riley indicated that this report is only indicative of the tonnage that flows through KWRA's facility. Due to the lack of flow control over facilities such as schools, NAS Lemoore, the Corcoran Prison(s), and the Santa Rosa Rancheria; as well as the four community service districts of Home Garden, Stratford, Armona, and Kettleman, not all materials are processed at KWRA and would not be reflected in this report.

Item No. 5 – Commodity Sales Report

Ms. Riley reported that gross commodity sales in May were \$39,059.05, with 457.58 tons shipped. Net sales were \$38,829.65. The difference is the \$1,229.40 pay out cost for the OCC. The School Bin Recycling Program collected 25.20 tons in May with 27 schools participating.

Ms. Riley also reported that gross commodity sales in June were \$33,235.94, with 428.50 tons shipped. Net sales were \$32,038.94. The difference is the \$1,197 pay out cost for the OCC. The School Bin Recycling Program collected 27.53 tons in June with 24 schools participating.

It was reported that the FY 2017/18 commodity sale revenue actuals would be short \$122,000 of the \$800,000 budgeted. The projected revenue of \$678,000 includes an unrecognized CRV payment of \$30,000 that will be received after the close of the Fiscal Year. This is the direct result from the recycling bans imposed by the Chinese government that has been discussed at length over the last year. The commodity sales revenue in FY 2016/17 was \$848,000; showing a year over year decrease of approximately \$170,000. Ms.



Riley stated that KWRA has found domestic outlets, and that due to the quality of the material, has seen prices increase. However, the paper market is still struggling. KWRA was able to secure \$35/ton in July, and \$70/ton in August.

Board member Neal asked why other counties are not getting hit with the decrease in revenue. Ms. Riley clarified that this is a national, if not global, issue and that the entire industry has been impacted.

Board Member Ayers asked how many recyclables are being taken out of county. Ms. Riley stated that currently, approximately 3,000 tons are being removed from Kings County and taken to Mid Valley Disposal.

Board Member Ayers also inquired how the State accounts for personal recycling of materials that don't come through the KWRA system, as it relates to AB 939 diversion. Ms. Riley clarified that the State's diversion calculation is not based on the amount of tonnage actually recycled; it is based on the tonnage of material that is disposed. The calculation is based on a target number of pounds/person/day (PPD) generated. KWRA's PPD is 8.8. KWRA must then divert 50% of that; meaning only 4.4 PPD may be disposed of. KWRA's current PPD disposal is 3.9, meaning they are disposing of less than the 4.4 target. KWRA is exceeding the goal. Board Member Ayers feels that the amount of trash each household generates should be very small.

Board Member Neal asked for the definition of diversion, as he is familiar with the term as it relates to roads/highways. Ms. Riley stated that diversion is the process of removing material from the waste stream and away from landfill disposal.

Item No. 6 – Cost of Service and MRF Assessment Report

Note that this section of the agenda lasted 2 hours and 15 minutes. The report was audio recorded and a copy of the recording can be provided at the reader's request. The minutes will illustrate highlights of the discussion and the action taken by the Board of Directors.

A report was provided by William Schoen of R3 Consulting Group and Joe Sloan of Sloan Vazquez McAfee on the Cost of Service and MRF Assessment study. The purpose of this study is to determine the future of KWRA's MRF and Transfer Station. Once direction has been given, Task 2 Five-Year rate plan and 10-Year financial projection will be completed.

Mr. Schoen reported that the Cost of Service Study focused on four major operational categories; Roll Off, Transfer Station, Material Recovery Facility, and the Landfill Legacy Liabilities. It was found that the MRF shortfall is \$1.23M/year. In order to break even, the tipping fee of \$11.25 would need to be adjusted by 1562%, to \$175/ton. The Transfer Station is generating an approximate \$1.9M/year surplus. The tipping fees for the transfer station are subsidizing the MRF, landfill, and roll off operations, and providing for free programs such as sharps, mattresses, oil, HHW, etc.; however, if the transfer station were to break even, the tipping fee could be adjusted by 26%, from \$75 to \$60/ton. A revenue shortfall of 38% is associated with the Roll Off program; in order to be sustainable; the pull charge would need



to be increased from \$100 to \$155/pull. However, these changes do not take in to account monies needed for future reserves or capital improvements.

Mr. Schoen reported that KWRA's budget is financially in good order and the financial system is well managed. He stated that the Authority has done an excellent job maintaining assets and there is no overall shortfall, the PERS system is funded adequately, and the landfill liability requirements are being absorbed by the operational budget.

Councilman Robertson asked how many tons are leaving Kings County due to \$75 tipping fee. Ms. Riley suggested upwards of 10,000 tons/year. After further examination, that number was 16,000 tons of waste disposed of in other landfills in 2017. None of that waste is under JPA control, but still could be routed through our facility. Ms. Riley stated that the more tons KWRA receives, the more the tipping fee could be lowered as long as there are no additional operational needs.

It was suggested that if KWRA no longer offers services such as HHW, JPA members would need to implement individual programs to meet the requirements of the State. Board Member Ayers stated that these "free" programs are an asset and ensure that illegal dumping is kept to a minimum. Additionally, without the subsidy of the transfer station toward the landfill legacy programs, KWRA would be out of compliance with the Water Board and CalRecycle.

Mr. Sloan presented his MRF analysis and proforma analysis. He began by stating that large volume facilities are the most viable. He stated that the MRF is in remarkable condition, but is at the end of its useful life and becoming costly to repair. He reviewed the proformas below.

Proforma 1 is illustrative of the cost of service tipping fee for the MRF at current processes. Proforma 2 provides for a \$4.5M MRF upgrade at the current tonnage throughput (30 tons/day).

Proforma 3 provides for a \$4.5M MRF upgrade at double tonnage throughput (60 tons/day). Proforma 4 is the estimated cost to cease internal MRF (sorting) operations and transfer recyclables to a third party for processing. This number is a general estimate.

	Proforma 1:	Proforma 2:	Proforma 3:	Proforma 4:
	Current Situation	Mini-MRF Same Tonnage	Mini-MRF Increased Tonnage	Outsourced Processing
Total Expense	\$ 2,356,798	\$ 1,718,895	\$ 1,932,832	\$ 883,151
Surplus/Deficit	\$ (1,607,548)	\$ (790,679)	\$ (127,004)	\$ (312,496)
Savings (Shortfall) vs. Proforma #1	\$ -	\$ 816,869	\$ 1,480,544	\$ 1,295,052
% of Operating Expenses ⁽¹⁾	0.0%	-10.9%	-19.8%	-17.3%
Current Tip Fee	\$ 11.25	\$ 11.25	\$ 11.25	\$ 11.25
Deficit Tip Fee	\$ 214.80	\$ 105.65	\$ 8.72	\$ 41.76
Total COS Tip Fee	\$ 226.05	\$ 116.90	\$ 19.97	\$ 53.01

⁽¹⁾ \$7.478 million FY 17/18 anticipated operating expenses as of March 2018.



Mr. Sloan stated that the COS tip fees are inclusive of debt service and include estimated staff reductions. He stated that the recovery rate for proformas 2 and 3 would increase from 65% to 85%. If KWRA implements zero changes, he suggested purchase a metering bin and selling residual to a third party processor for larger recovery rate. However, his second recommendation is to suspend operations and make arrangements for third party processing, while immediately search for additional tonnage needed to install new MRF equipment.

Board Member Ayers inquired if you are not able to double tonnage, could an upgrade be feasible at 40 tons a day? Mr. Sloan stated that 60 tons/day would be needed in order for the upgrade to be a viable project to operate at full capacity for 40 hours a week.

Mr. Schoen stated that if tonnage leaves the system, it would have a direct impact on tipping fees. Therefore, long term agreements would be needed. An example was given that if Corcoran did leave the JPA, the fixed costs would remain the same, but the revenue would decrease. This would translate to roughly a 10% increase to the other member agencies to absorb that loss.

After the report, Ms. Riley stated that the cities of Corcoran and Lemoore have requested that this report be provided to each member agency's Council or Board prior to action being taken. Board Member Palmerin stated that this report is "Lawyer Talk" and would like to have additional time to review. He asked the TAC members in the audience if they felt that they have had enough time to review the report and were comfortable with the data presented, or need additional time. The consensus was that they did have time to review and that the data was adequate. He received a message from the Corcoran City Manager during the meeting and determined that the report was sufficient and additional time was not needed to review before taking action.

Ms. Riley recommended that the Board allow her to initiate the RPF process and waste characterization study that would be a useful tool to include in the RFP process for third party processing, as well as securing Bonds.

It was suggested and the Board came to a consensus that the KWRA Board of Directors join the City/County Coordinating Meeting for a special session so all elected officials have an opportunity to review the report. Each Council/Board would then determine which Proforma they would like to explore and report back to KWRA. Board Member Ayers stated that he would have his City Manager coordinate that with Ms. Riley.

It was requested that the KWRA Board of Directors:

1. Accept the report as presented by R3 Consulting Group and Sloan Vazquez McAfee
2. Authorize the KWRA Executive Director to complete a waste characterization study
3. Authorize the KWRA Executive Director to issue a RFP for third party processing of recyclables

Or

1. Accept the report as presented by R3 Consulting Group and Sloan Vazquez McAfee
2. Provide direction to KWRA Director to explore other options.

- 1. It was moved by Board Member Ayers, seconded by Board Member Palmerin to accept the report as presented by R3 Consulting Group and Sloan Vazquez McAfee. The motion was passed unanimously with a 5-0 vote.**
- 2. It was moved by Board Member Ayers, seconded by Board Member Fagundes to authorize the KWRA Executive Director to complete a waste characterization study. The motion was passed unanimously with a 5-0 vote.**
- 3. It was moved by Board Member Neal, seconded by Board Member Palmerin to authorize the KWRA Executive Director to issue a RFP for third party processing of recyclables. The motion was passed unanimously with a 5-0 vote.**

Item No. 7 – Executive Director’s Report

Ms. Riley reported on the C&D RFP status. She stated that there was one proposal received out of the seven companies solicited. The proposal was from CARTS for \$75/ton, an increase of \$33.25/ton from the previous agreement. Ms. Riley stated that she would continue to negotiate with CARTS on price, look for ways improve the program to decrease costs, and would research other alternatives to the program.

The next scheduled HHW collection event will be on Saturday, August 4th, 2018 from 9:00 a.m. until 2:00 p.m.

There was a fire at the Corcoran Landfill on June 27th. No major damage noted at this time, but will know for sure during the next sampling event.

City of Corcoran has agreed to wait until the KWRA study is complete to receive the information requested in their notice of intent to withdraw. Ms. Riley stated that she notified the City that if at any time they would like KWRA to move forward, KWRA will oblige.

The CalRecycle Annual Report is due August 1st. Information is needed from member agencies and Ms. Griffin will send out a questionnaire by the end of the week. Annual phone calls will occur July 17-24th and site visits are tentatively scheduled for the week of August 13-17th.

Ms. Riley reported that there are no concerns with regulators at this time, but would find out more after the site visit.

High Speed Rail has notified KWRA that they will issue a Notice of Condemnation for the MRF property that they want to acquire. Ms. Riley stated that KWRA has retained Christine Fitzgerald to work through the legalities of that process and ensure that KWRA’s needs are met.

KWRA has received an invoice for the period of 2012-2018 for the brick lined pit remediation project at the Houston Avenue landfill remediation project. The invoice is \$96,000, and KWRA is responsible for 1/3 of that cost. The project is ongoing and the final project cost is unknown at this time, but the Board will receive periodic updates as more information is provided.



Item No. 8 – Board Member Comments

There were no comments made by Board Members.

Item No. 9 – Future KWRA Meetings

August 29, 2018 @ 8:00 am

September 26, 2018 @ 8:00 am

October 31, 2018 @ 8:00 am

KWRA Administration Building
7803 Hanford Armona Road
Hanford, CA 93230

It was noted by Ms. Riley that there is a need to cancel the October 31, 2018 meeting due to a schedule conflict.

The meeting adjourned to Closed Session at 10:40 am, pursuant to Government Code section 54950 et seq.

There were no announcements from Closed Session ITEM A - 54957(b)(1) - Public Employee Performance Evaluation: Executive Director



Nicole R. Riley
Executive Director

Item No. 3

Unscheduled Appearances

Unscheduled speakers may address the Board concerning any agenda item or any activity of KWRA at the beginning of the meeting, or may elect to address the Board on any agenda item at the time that the item is called upon by the Chair but before the matter is considered by the Board in the staff report. Unscheduled comments will be limited to **three minutes**.

Item No. 4

Monthly Financial Report

- a) Budget Review
- b) Review of Monthly Warrants
- c) Monthly Tonnage Summary

KWRA
Income and Expense Review
FY 18/19
KWRA BOARD APPROVED 05/30/18
JULY 31, 2018

	APPROVED BUDGET	YTD ACTIVITY	MONTHLY ACTIVITY
Operating Revenue			
Gate Fees	7,565,904	665,734	665,734
Interest Income	25,000	0	0
Rents & Other	14,117	1,125	1,125
Pull Charges	92,700	8,800	8,800
Commodity Sales	650,000	60,297	60,297
Misc. Recycling Revenue	0	107	107
Late Fees	0	0	0
TOTAL	8,347,721	736,063	736,063

Operating Expenditures			
Overhead Expenses	419,677	42,025	42,025
Salaries & Benefits	2,705,183	201,736	201,736
WMI Contract	2,294,082	0	0
JPT Contract	790,200	0	0
State IWM Fund	116,451	0	0
Permits and Health Fees	18,530	0	0
Fuel	87,174	0	0
HHW Program	145,869	0	0
KWRA Recycling Programs	600,994	1,835	1,835
Equipment Maint. & Supplies	212,055	4,165	4,165
Recycle Material Purchase	21,630	0	0
Other Expenses	261,940	3,011	3,011
TOTAL	7,673,785	252,772	252,772

TOTAL OPERATING INCREASE (DECREASE)	673,936	483,291	483,291
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Other Expenditures			
Post Closure Costs	402,846	1,047	1,047

TOTAL INCREASE (DECREASE)	271,090	482,244	482,244
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Fund Balances	Beginning Bal.	Ending Bal.	Change
7700 - Working Capital	1,241,543.12	1,233,734.85	(7,808.27)
7701 - PERS UAL	462,392.35	455,872.93	(6,519.42)
7706 - Equipment	574,690.18	576,875.19	2,185.01
7711 - Reserve Account	1,838,176.62	1,845,122.83	6,946.21
TOTALS	4,116,802.27	4,111,605.80	(5,196.47)



DATE	DESCRIPTION	WARRANT	DEBIT	CREDIT	BALANCE
	BALANCE FORWARD				1,241,543.12
7/2/2018	D000030		8,848.86		1,250,391.98
7/2/2018	ALLIANT INS - TIRE BOND	193283		143.00	1,250,248.98
7/2/2018	ALLIANT INS - PROPERTY & CRIME	193282		25,756.41	1,224,492.57
7/2/2018	ARAMARK UNIFORMS	193284		3,951.71	1,220,540.86
7/2/2018	SONIA ARIT - REFUND	193285		35.75	1,220,505.11
7/2/2018	BC LABS	193291		2,612.00	1,217,893.11
7/2/2018	CALPERS - UAL LUMP PRE PAY	193350		8,055.00	1,209,838.11
7/2/2018	CSAC EXCESS INS. - WORKER COMP	193307		101,199.00	1,108,639.11
7/2/2018	CHEM WASTE MGMT - HHW	E1010759		1,550.50	1,107,088.61
7/2/2018	FLEET PRIDE	193314		21.85	1,107,066.76
7/2/2018	INDEPENDENT SALES	193325		130.93	1,106,935.83
7/2/2018	JOHNSON CONTROLS	193327		2,672.14	1,104,263.69
7/2/2018	KS STATE BANK	193332		121.48	1,104,142.21
7/2/2018	MCI SMALL BUSINESS	193343		883.10	1,103,259.11
7/2/2018	PITNEY BOWES FIN. SERVICES	193351		146.94	1,103,112.17
7/2/2018	FAY WILSON - REFUND	193375		99.20	1,103,012.97
7/2/2018	TERESA YORK - REFUND	193376		164.75	1,102,848.22
7/3/2018	KINGS CO SOFTWARE PURCHASE	192215		331.48	1,102,516.74
7/3/2018	D000068		12,258.47		1,114,775.21
7/5/2018	D000097		2,145.80		1,116,921.01
7/6/2018	DIGITECH INTEGRATION - REFUND	193720		20.00	1,116,901.01
7/6/2018	GAS COMPANY	193788		33.23	1,116,867.78
7/6/2018	JASON PROCTOR TRANSPORT	193739		72,579.97	1,044,287.81
7/6/2018	LEE CENTRAL/HANFORD SENTINEL	193736		529.83	1,043,757.98
7/6/2018	MILLER PACIFIC - REFUND	194019		309.25	1,043,448.73
7/6/2018	RANSTAD/PLACEMENT PROS	193773		1,328.30	1,042,120.43
7/6/2018	TENNENT	E1010798		323.61	1,041,796.82
7/6/2018	U.S. BANK/VISA	193796		1,568.72	1,040,228.10
7/6/2018	D000142		3,507.18		1,043,735.28
7/9/2018	D000194		6,287.35		1,050,022.63
7/10/2018	ADVENTIST HEALTH	193691		136.00	1,049,886.63
7/10/2018	JG BOSWELL	193741		20.50	1,049,866.13
7/10/2018	CANNON MOVING & STORAGE	193709		191.00	1,049,675.13
7/10/2018	LEPRINO WEST	193757		753.00	1,048,922.13
7/10/2018	SALMON FURNITURE	193776		96.50	1,048,825.63
7/10/2018	D000238		13,298.20		1,062,123.83
7/10/2018	ASBURY ENVIRONMENTAL	193964		55.00	1,062,068.83
7/10/2018	BC LABS	193969		2,132.00	1,059,936.83
7/10/2018	CHEM WASTE MGMT - 6/18	E1010798		187,972.33	871,964.50
7/10/2018	DELLAVALLE LABS	193984		62.00	871,902.50
7/10/2018	GRAINGER	193996		259.60	871,642.90
7/10/2018	ALEXANDRA GREESON - REFUND	193997		128.00	871,514.90
7/10/2018	HEALTHWISE SERVICES	194002		1,366.69	870,148.21
7/10/2018	KS STATE BANK	194005		121.48	870,026.73
7/10/2018	LIEBERT CASSIDY WHITMORE 18/19	194014		2,415.50	867,611.23
7/10/2018	THE LAWNMOWER MAN	194038		99.47	867,511.76
7/10/2018	LAWRENCE TRACTOR	194012		34.37	867,477.39
7/10/2018	QUINN COMPANY	E1010827		1,289.39	866,188.00
7/10/2018	PETTY CASH	194008		82.40	866,105.60

7/10/2018	R3 CONSULTING GROUP	194028		23,710.00	842,395.60
7/10/2018	SC FUELS	194031		1,497.21	840,898.39
7/10/2018	SMART & FINAL	194030		41.39	840,857.00
7/10/2018	SPARKLETTS	194032		636.22	840,220.78
7/10/2018	UNITED PARCEL SERVICE	194047		52.35	840,168.43
7/10/2018	VALLEY OXYGEN INC	194049		439.87	839,728.56
7/10/2018	VAN DYK BALER	194050		1,320.95	838,407.61
7/10/2018	VERIZON	194051		48.78	838,358.83
7/10/2018	D000217 SDI/ALVAREZ/BY AUDITORS		2,404.57		840,763.40
7/11/2018	D000282		3,241.10		844,004.50
7/12/2018	D000318		1,781.20		845,785.70
7/13/2018	D000368		8,669.72		854,455.42
7/16/2018	ADVANCED EMISSION	194278		325.00	854,130.42
7/16/2018	ASBURY ENVIRONMENTAL	194289		60.00	854,070.42
7/16/2018	BC LABS	194310		1,084.00	852,986.42
7/16/2018	CEDAR AVE RECYCLING - 6/18	194321		27,878.31	825,108.11
7/16/2018	CHEM WASTE MGMT - HHW	E1010840		16,789.14	808,318.97
7/16/2018	EXACT STAFF INC	194337		542.30	807,776.67
7/16/2018	FORKLIFT SPECIALTIES	E1010842		251.14	807,525.53
7/16/2018	HANFORD AUTO & TRUCK PARTS	194345		450.22	807,075.31
7/16/2018	KOCHERGEN FARMS COMPOST - 6/18	194360		24,343.94	782,731.37
7/16/2018	TORRES TIRE DISPOSAL	194393		1,600.00	781,131.37
7/16/2018	RANSTAD/PLACEMENT PROS	194376		1,270.17	779,861.20
7/16/2018	D000399-FRANZEN HILL REFUND		95.00		779,956.20
7/16/2018	D000406		5,919.30		785,875.50
7/17/2018	D000459		275,783.02		1,061,658.52
7/18/2018	D000500		2,053.70		1,063,712.22
7/19/2018	D000515 SDI/PONCE/BY AUDITORS		2,991.14		1,066,703.36
7/19/2018	GRANITE FINANCIAL/BY AUDITORS	1194427		2,264.45	1,064,438.91
7/19/2018	D000537		5,811.21		1,070,250.12
7/20/2018	D000573		5,224.85		1,075,474.97
7/23/2018	HOPE BOWERS - REFUND	194703		261.25	1,075,213.72
7/23/2018	PHILIP KRUMPE - REFUND	194742		290.50	1,074,923.22
7/23/2018	KINGS CO EDC - FY 18/19	194737		250.00	1,074,673.22
7/23/2018	ARAMRK UNIFORMS	194681		3,994.92	1,070,678.30
7/23/2018	ADVANCED EMISSION	194675		127.42	1,070,550.88
7/23/2018	BC LABS - HANFORD	194699		1,732.00	1,068,818.88
7/23/2018	BEST BEST KRIEGER, LLP	E1010867		223.13	1,068,595.75
7/23/2018	DELLAVALLE LABS	194715		317.00	1,068,278.75
7/23/2018	EDISON	194774		7,049.63	1,061,229.12
7/23/2018	FRANZEN-HILL	E1010870		95.00	1,061,134.12
7/23/2018	GRAINGER	194725		234.76	1,060,899.36
7/23/2018	HEDGES PEST CONTROL	194731		78.00	1,060,821.36
7/23/2018	PURCHASE POWER	194766		372.31	1,060,449.05
7/23/2018	POWERPLAN	194764		837.19	1,059,611.86
7/23/2018	QUIK ROOTER PLUMBING	194793		950.00	1,058,661.86
7/23/2018	QUINN COMPANY	E1010875		319.00	1,058,342.86

7/23/2018	RANSTAD/PLACEMENT PROS	194767		531.44	1,057,811.42
7/23/2018	STANTON OFFICE MACHINES	194679		19.49	1,057,791.93
7/23/2018	UNWIRED BROADBAND	E1010877		199.99	1,057,591.94
7/23/2018	VAN DYK BALER	194791		73.73	1,057,518.21
7/23/2018	D000632		12,698.40		1,070,216.61
7/24/2018	D000669		151,859.20		1,222,075.81
7/25/2018	D000720		2,224.75		1,224,300.56
7/26/2018	D000759		2,270.72		1,226,571.28
7/27/2018	D000806		1,758.60		1,228,329.88
7/30/2018	D000849		130,077.80		1,358,407.68
7/30/2018	EDD EMP TAX 2ND QTR BY AUDITORS	1194461		163.74	1,358,243.94
7/30/2018	D000895		70,731.36		1,428,975.30
					1,428,975.30
					1,428,975.30

DATE	DESCRIPTION	JOURNAL #	DEBIT	CREDIT	BALANCE
	PERIOD 13 ACTIVITY				1,428,975.30
6/30/2018	4TH QTR INTEREST	INT 6/18	4,460.34		1,433,435.64
6/30/2018	KINGS CO DUMP FEES - 6/18	J3929	3,254.50		1,436,690.14
6/30/2018	KINGS CO DATA PROCESSING - 6/18	J3963		88.01	1,436,602.13
6/30/2018	KINGS CO TREASURER FEES - 5/18	J3935		36.00	1,436,566.13
6/30/2018	KINGS CO EHS - SWF 17/18	J3962		11,700.00	1,424,866.13
6/30/2018	SC FUELS AMT CORR 6/26 CK	192168		1,338.23	1,423,527.90
7/6/2018	PAYROLL - PP 14	J00011		93,315.69	1,330,212.21
7/20/2018	PAYROLL - PP 15	J00135		96,681.01	1,233,531.20
7/20/2018	SDI ADJ/ALVAREZ 15/18	J00151	363.07		1,233,894.27
7/31/2018	KC DATA PROCESSING - 7/18	J00357		159.42	1,233,734.85

FUND 7701 PERS UAL FUND

DATE	DESCRIPTION	WARRANT	DEBIT	CREDIT	BALANCE
	BALANCE FORWARD				462,392.35
	PERIOD 13 ACTIVITY				462,392.35
6/30/2018	4TH QTR INTEREST	INT 6/18	1,535.58		463,927.93
					463,927.93
7/2/2018	FY 18/19 ANNUAL UAL	1193350		8,055.00	455,872.93

FUND 7706 EQUIPMENT REPLACEMENT FUND

DATE	DESCRIPTION	WARRANT	DEBIT	CREDIT	BALANCE
	BALANCE FORWARD				574,690.18
	PERIOD 13 ACTIVITY				574,690.18
6/30/2018	4TH QTR INTEREST	INT 6/18	2,185.01		576,875.19

FUND 7711 RESERVE FUND

DATE	DESCRIPTION	WARRANT	DEBIT	CREDIT	BALANCE
	BALANCE FORWARD				1,838,176.62
	PERIOD 13 ACTIVITY				1,838,176.62
6/30/2018	4TH QTR INTEREST	INT 6/18	6,946.21		1,845,122.83



KINGS WASTE AND RECYCLING AUTHORITY
ANNUAL TONNAGE COMPARISON

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	
JUL	10,182	10,767	10,715	10,136	8,925	8,402	7,926	8,221	8,374	8,515	8,880	8,215	8,927	10,185	
AUG	11,218	12,233	11,439	9,381	8,616	8,896	9,214	8,643	8,044	7,956	8,502	9,507	10,622		
SEP	11,100	10,817	10,707	10,039	8,752	8,620	8,503	7,287	7,965	8,299	8,743	8,734	9,434		
OCT	11,036	11,517	11,040	9,775	8,884	8,341	8,885	9,059	8,884	8,983	9,240	8,826	9,399		
NOV	10,385	10,636	10,059	8,376	7,909	8,455	8,292	7,790	7,771	7,797	8,163	9,047	9,367		
DEC	10,952	10,137	9,164	9,628	9,084	9,144	7,891	7,896	7,809	9,367	9,390	8,714	8,762		
JAN	11,240	10,110	8,806	7,537	7,537	8,146	7,926	8,651	7,884	8,213	8,047	8,763	8,752		
FEB	11,106	9,691	7,958	8,145	8,145	8,031	7,766	7,403	7,305	8,422	9,586	8,996	8,273		
MAR	12,686	12,318	10,415	10,378	10,758	9,602	8,496	8,471	8,605	10,131	10,840	10,824	9,730		
APR	12,186	11,213	9,476	8,255	9,074	9,074	8,585	9,064	9,197	9,045	9,559	9,487	10,088		
MAY	13,035	11,898	10,487	8,859	8,859	9,398	9,661	9,410	9,792	8,783	9,939	10,427	10,814		
JUN	12,113	10,856	9,341	9,415	9,086	8,981	8,006	7,596	8,159	8,623	9,405	9,682	9,228		
TOT	137,239	132,194	122,953	112,558	105,820	105,089	101,151	99,492	99,589	104,133	110,295	111,221	114,395	10,185	
	FY AVG.	11,016	FY AVG.	9,380	FY AVG.	8,757	FY AVG.	8,291	FY AVG.	8,678	FY AVG.	9,268	FY AVG.	9,553	FY AVG. MTD
	11,437	10,246	10,246	10,246	8,818	8,757	8,429	8,291	8,299	8,678	9,191	9,268	9,553	10,185	
MSW			MSW	75,884	68,654	69,458	67,444	65,769	67,394	68,290	70,695	77,530	81,172	88,202	
GW			GW	21,534	21,534	20,387	19,354	18,726	18,541	18,956	20,025	19,926	21,270	20,000	
3rd can			3rd can	6,116	6,202	6,198	5,896	6,119	5,959	6,235	6,235	6,441	6,602.59	7,000	
C&D			C&D	4,932	5,654	4,947	5,522	6,059	6,197	8,074	10,496	6,770	4,842	5,000	
Misc.			Misc.	4,092	3,776	4,099	2,935	2,819	1,497	2,723	2,843	555	509	2,020	
Total			Total	112,558	105,820	105,089	101,151	99,492	99,589	104,133	110,295	111,221	114,395	122,222	



Item No. 5

Commodity Sales Report

Gross commodity sales in July were \$119,116.47, with 510.04 tons shipped. Net sales were \$116,437.97. The difference is the \$2,678.50 pay out cost for the OCC. There were no freight costs in July.

We sold 284.61 tons of fiber commodities with a gross value of \$25,211.30. The average price per ton for fiber products was \$88.58.

We also sold 93.74 tons of containers valued at \$83,293.93. The average price per ton for containers was \$888.56, including CRV.

Including the additional 131.69 tons of miscellaneous recyclables, the combined average net price per ton for all recyclables sold in July was \$228.29

The School Bin Recycling Program collected 16.49 tons with 24 schools participating.

	July 2017			January 2018			February 2018			March 2018			April 2018			May 2018			June 2018			Jul-18		
	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL	TONS	PRICE / TON	TOTAL
#NEWS	151.67	\$200.37	\$30,397.82	22.14	\$156.00	\$3,453.70	22.77	\$165.00	\$3,767.55	21.86	\$162.33	\$3,548.98	22.27	\$144.67	\$3,221.90	22.38	\$144.37	\$3,240.00	22.38	\$144.37	\$3,240.00	22.38	\$144.37	\$3,240.00
MIXED PAPER	66.52	\$116.00	\$7,716.32	146.91	\$136.06	\$19,982.39	147.64	\$105.00	\$15,502.20	217.04	\$81.43	\$17,823.33	217.04	\$81.43	\$17,823.33	217.04	\$81.43	\$17,823.33	107.78	\$85.00	\$9,168.30	107.78	\$85.00	\$9,168.30
FIBER SUBTOTAL	218.19	\$174.88	\$38,090.92	169.05	\$137.66	\$23,274.00	147.64	\$105.00	\$15,502.20	238.31	\$85.55	\$20,286.88	238.31	\$85.55	\$20,286.88	238.31	\$85.55	\$20,286.88	302.99	\$79.97	\$24,229.95	302.99	\$79.97	\$24,229.95
FLINT GLASS	4.05	\$11.83	\$47.90	5.07	\$154.69	\$789.07	5.00	\$138.71	\$693.57	5.53	\$132.30	\$734.62	4.34	\$135.41	\$587.69	4.89	\$137.13	\$670.59	5.04	\$129.92	\$654.81	5.04	\$129.92	\$654.81
ALUMINUM	6.18	\$3.96	\$24.56	8.60	\$133.27	\$1,146.09	7.40	\$124.51	\$921.40	8.61	\$84,635.20	\$1,001,140.00	4.30	\$132.90	\$571.18	6.22	\$121.25	\$754.18	5.90	\$4,023.12	\$18,440.00	5.90	\$4,023.12	\$18,440.00
HDPPE - WAT	20.78	\$480.00	\$10,000.00	21.10	\$795.96	\$16,794.69	22.88	\$655.96	\$15,026.69	22.88	\$655.96	\$15,026.69	16.74	\$310.00	\$5,199.40	20.56	\$740.00	\$15,214.00	20.56	\$740.00	\$15,214.00	20.56	\$740.00	\$15,214.00
HDPPE - COLORS	20.52	\$240.00	\$4,924.80	22.88	\$655.96	\$15,026.69	22.88	\$655.96	\$15,026.69	22.88	\$655.96	\$15,026.69	16.74	\$310.00	\$5,199.40	20.56	\$740.00	\$15,214.00	20.56	\$740.00	\$15,214.00	20.56	\$740.00	\$15,214.00
PET (BOTTLES)	19.16	\$2,074.37	\$39,745.00	23.48	\$145.00	\$3,404.76	23.48	\$145.00	\$3,404.76	23.48	\$145.00	\$3,404.76	16.74	\$310.00	\$5,199.40	20.56	\$740.00	\$15,214.00	17.16	\$2,134.88	\$36,656.22	17.16	\$2,134.88	\$36,656.22
CONTAINER SUBTOTAL	70.69	\$907.70	\$64,165.44	13.67	\$140.10	\$1,915.16	74.41	\$422.50	\$31,551.13	16.55	\$1,093.20	\$17,895.19	25.98	\$247.43	\$6,423.26	11.11	\$128.24	\$1,424.71	0.00	#DIV/0!	\$0.00	0.00	#DIV/0!	\$0.00
MIX RIGID PLASTICS	66.28	\$101.71	\$6,748.50	72.93	\$66.68	\$4,862.11	163.26	\$19.65	\$3,207.45	201.81	\$45.00	\$9,081.45	201.81	\$45.00	\$9,081.45	201.81	\$45.00	\$9,081.45	22.45	\$120.00	\$2,694.00	22.45	\$120.00	\$2,694.00
OTHER HDPE	29.46	\$201.40	\$5,932.40	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00
HDPE - PH LANCES	29.46	\$201.40	\$5,932.40	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00	29.46	\$176.48	\$5,200.00
RTS - FLAT SCREENS	12.28	\$182.15	\$2,240.00	13.55	\$112.04	\$1,518.18	9.73	\$118.66	\$1,154.59	18.75	\$107.39	\$2,013.53	14.53	\$162.29	\$2,368.74	26.57	\$150.39	\$3,996.74	13.00	\$130.32	\$1,694.22	13.00	\$130.32	\$1,694.22
E-WASTE/WIRE	0.31	\$295.16	\$91.50	0.41	\$392.20	\$160.80	0.49	\$302.76	\$148.35	0.45	\$188.00	\$85.10	0.45	\$188.00	\$85.10	0.51	\$200.00	\$102.10	0.53	\$299.72	\$159.85	0.63	\$170.32	\$107.30
E-WASTE	117.44	\$90.90	\$10,678.08	110.72	\$76.48	\$8,467.97	108.35	\$87.29	\$9,467.97	125.31	\$65.56	\$8,215.53	132.72	\$75.78	\$10,057.73	228.45	\$78.75	\$17,831.94	125.51	\$70.02	\$8,786.32	125.51	\$70.02	\$8,786.32
OTHER SUBTOTAL	406.32	\$277.82	\$112,884.44	203.44	\$114.70	\$23,365.13	335.40	\$168.02	\$56,358.13	381.17	\$127.97	\$48,777.60	561.83	\$59.26	\$33,282.66	457.58	\$85.36	\$39,089.05	428.50	\$77.06	\$33,018.27	428.50	\$77.06	\$33,018.27
LESS FREIGHT			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00
LESS PAYOUT			\$4,186.18			\$2,114.78			\$969.69			\$1,176.75			\$850.51			\$1,229.40			\$1,197.00			\$1,197.00
NET SOLD	406.32	\$267.52	\$106,698.26	203.44	\$107.49	\$21,542.35	335.40	\$165.13	\$55,388.45	381.17	\$124.88	\$47,600.85	561.83	\$57.74	\$32,442.15	457.58	\$82.67	\$37,829.65	428.50	\$74.26	\$31,821.27	428.50	\$74.26	\$31,821.27



Item No. 6

Construction & Demolition Debris Program

The agreement for C&D processing was entered into on July 31, 2013 at \$31.75/ton for five (year) term. In February 2017, CARTS successfully negotiated a price increase of \$10/ton, and on March 1, 2017, the price increased to \$41.75/ton.

The current agreement with CARTS allows for an automatic renewal for one (1) year, unless either party submits a notice of non-renewal ninety days prior to the end of the original term of the agreement. CARTS has exercised this option. Due to ongoing labor increases, declining markets, and increased fuel costs, their current rate of \$41.75/ton is not sustainable and they are unable to continue processing at that rate. CARTS felt that it was unethical to request a second rate increase during the term of their agreement, and provided their notice of non-renewal, which your Board accepted on May 30, 2018.

KWRA mailed out RFP packets to approximately seven vendors in the surrounding counties of Kings, Kern, Tulare, and Fresno on May 31, 2018. Mid Valley Disposal visited KWRA to view the material, but did not respond to the RFP formally, but verbally gave a quote of \$100/ton. This was not considered and is only provided for comparison. The only formal proposal received was from CARTS. Their proposal was \$75/ton plus a fuel surcharge.

Depending on the condition of the material, KWRA charges customers \$45 for clean C&D or \$75 for dirty (contaminated) C&D. A large majority of the material is charged as dirty C&D, meaning that the proposal of \$75/ton plus the fuel surcharge would immediately result in a program deficit, without including overhead costs. Initial negotiations with CARTS to decrease their processing rate have failed.

Alternatively, the Tulare County Visalia Landfill has a chip and grind program for their C&D material which is producing Alternative Daily Cover for their landfill. It is anticipated that there would be 75%-90% diversion. The rate would be \$39/ton, plus transportation costs of \$9.50/ton with a fuel surcharge added. This would be approximately \$50/ton and would not require KWRA to sign a long term agreement, as we would be nothing more than a regular customer to the facility.

VENDOR	Est. Exp. (5,000 tons)	FY 2018/19 Program Budget \$233,000
CARTS Current (\$41.75)	\$208,750	
CARTS (\$75/ton)	\$375,000	FY 2018/19 Anticipated Revenue \$375,000
Tulare County Landfill (\$48.50/ton)	\$242,500	

As KWRA is in the middle of a study and working diligently to ensure that programs are not operating at a deficit, it is recommended that the KWRA Board reject the proposal from CARTS and authorize the KWRA Director to deliver material to the Visalia Landfill, while continuing to improve the C&D program to make it more appealing to processing facilities. At any time, KWRA is able to suspend delivery of material to the landfill, and issue an RFP. It is



not recommended that KWRA suspend C&D operations, as it is a necessity for construction/demolition companies to recycle their materials and for KWRA to meet diversion requirements.

It is requested that the KWRA Board of Directors:

Option 1: Reject the proposal from CARTS

Option 2: Authorize the KWRA Director to deliver material to the Visalia Landfill

Option 3: Authorize the KWRA Director to enter in to an agreement with CARTS for the purpose of processing C&D material for the term of 36 month, with an option of one (1) 12 month mutually agreed upon extension.

Option 4: Discontinue the C&D collection program at KWRA

Option 5: Provide alternate direction to the KWRA Executive Director

Item No. 7

Executive Director's Report

The KWRA Executive Director will provide a report on various KWRA activities including regulatory and operational updates, upcoming activities, and future agenda items.

Topics will include, but not limited to:

- CalRecycle Annual Phone Calls and Site Visits
 - AB 341 and 1826 compliance
- City/County Coordinating Meeting Joint Session with KWRA Board of Directors
 - August 29, 6:00 pm
 - History of budget, salary, staffing levels, and tonnages to be provided
- Legislative Update
- Operations Update
- Regulatory Update

Item No. 8

Board Member Comments

On their own initiative, Board Members may make a brief announcement or a brief report on their own activities. They may ask questions for clarification, make a referral to staff, or take action to have staff place a matter of business on a future agenda.
(Government Code Section 54954.2[a].)

Item No. 9

Future KWRA Board Meetings

Wednesday, September 26, 2018 @ 8:00 AM
Wednesday, October 31, 2018 @ 8:00 AM – Cancelled
Wednesday, November 28, 2018 @ 8:00 AM
KWRA Administration Building
7803 Hanford Armona Road
Hanford, CA 93230

Item No. 10

Adjournment

