



January 12, 2017

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVAL OF VRSD CONTRACT 16-024 WITH THE CITY OF SANTA PAULA FOR BIOSOLIDS DISPOSAL AT THE TOLAND ROAD LANDFILL

RECOMMENDATION

Approve, and Authorize the Board Chair to sign, VRSD Contract 16-024 with the City of Santa Paula for Biosolids Disposal between Ventura Regional Sanitation District and City of Santa Paula.

FISCAL IMPACT

Under the terms of the proposed Contract 16-024, the City of Santa Paula will pay VRSD \$50 per wet ton of Class A biosolids delivered to the Toland Road Municipal Solid Waste Landfill for disposal, which equates to estimated annual revenue for the District of approximately \$163,200, based on average monthly deliveries from Santa Paula in 2016.

BACKGROUND/ANALYSIS

VRSD owned and operated a one-of-its-kind biosolids drying facility at the Toland Road Landfill, which started operation in the autumn of 2009. VRSD began accepting biosolids from the City of Santa Paula in August 2010 for processing and disposal.

On October 1, 2015, the District Board of Directors placed the biosolids drying facility in non-operational status due to certain technical/mechanical, regulatory compliance, and economic concerns that affected the on-going and long-term viability of the facility. The Board also took this action to focus on immediate landfill capital projects work and to prepare for extending the permit life of the landfill. VRSD continues to provide biosolids disposal service to Santa Paula and other cities in the County, with the biosolids going directly into the landfill.

In May 2016, the Board approved a new contract with the City of Oxnard for biosolids disposal service. In light of reduced operational costs resulting from the shut-down of the drying facility and coupled with the need to continue covering the costs of the debt service of the biosolids facility, the Board approved a reduction in Oxnard's biosolids

disposal fee from \$64 to \$50 per wet ton. Subsequently, the Board determined that the \$50 per wet ton rate should be offered to the other cities for which biosolids disposal service is provided, including the City of Santa Paula, which is currently paying \$62.70 per wet ton.

Using the new contract with the City of Oxnard as a model, VRSD staff prepared the attached agreement for the City of Santa Paula. The Santa Paula City Council approved the agreement at its meeting on December 19, 2016. The agreement and this letter have been reviewed by VRSD legal counsel.

If you have any questions or need additional information, please contact me by phone at (805) 658-4600 or via email at christheisen@vrsd.com.

APPROVED FOR BUDGET IMPACT:



Vickie Dragan, Director of Finance

APPROVED FOR JANUARY 12, 2017 AGENDA



Chris Theisen - General Manager

Attachment: VRSD Contract 16-024