



May 31, 2018

Board of Directors
Ventura Regional Sanitation District
Ventura, California

FISCAL YEAR 2017-18 GOALS UPDATE

RECOMMENDATIONS

Receive and file the staff presentation regarding the VRSD FY2017-18 goals established on June 15, 2017.

FISCAL IMPACT

This action has no fiscal impact.

BACKGROUND/ANALYSIS

On June 15, 2017, the Board established a set of Goals for staff to pursue during the current fiscal year.

In December 2017, District staff suffered a terrible blow to normal productivity during this year due to facility damages from the Thomas Fire, the largest wildfire in California history, and the extraordinary effort required to get the landfill facility repaired and back open for business. Then staff responded quickly and professionally to the emergency needs of CalRecycle and the County of Ventura for emergency disposal of fire debris and concrete. Employees from all corners of the District rose to these challenges resulting in nothing less than a herculean effort to participate as a regional partner in the Thomas Fire recovery. Despite these workload challenges and the loss of months of workhours, staff still made considerable progress on the FY2017-18 Goals (“Goals”), and this will be presented today.

Staff met early in the fiscal year to discuss how best to accomplish the Goals, and a project manager and a project team were chosen to work on each of the Goals. Below is a list of each Goal, the name of the of the project manager who will present the results of the Goal at today’s meeting, and a summary of what will be covered. A PowerPoint presentation will be utilized to provide additional information on each Goal.

Goal 1: Continue evaluation of revenues, expenditures, and budgeting with long-term fiscal sustainability mindset.

Project Manager: Carlos Corrales, Director of Finance

Summary: Fiscal sustainability is a paradigm that staff has embraced for the last two budget cycles, including the use of a 20-year sustainability model that has been used to make financial decisions about funding operations, funding capital improvements, and borrowing money.

Goal 2: Establish a comprehensive list of all District Governing Documents and Policies; establish a schedule for evaluating and updating all pertinent documents.

Project Manager: Melissa Grisales, Human Resources Manager

Summary: Identify, prioritize, and provide a schedule for the revision or creation of important documents to the management of the District.

Goal 3: Pursue the Solid Waste Strategy described more fully below. Each of the 10 Sub-Goals listed within this category has been numbered as a subset of the general Goal 3.

Goal 3.1: Pursue CUP changes through Ventura County Planning 10 year Time Extension 300 Ton Daily Increase

Project Manager: Matt Baumgardner, Director of Operations

Summary: Submit the application to effect the changes to the CUP. The 10-year time extension was subsequently changed by the Board in favor of keeping the Toland Road Landfill open until it is filled to the elevations approved in 1996.

Goal 3.2: Secure an Additional 300 Tons of Municipal Solid Waste for Landfill

City of Oxnard?

E.J. Harrisons & Sons

C.P.I. Adjustment? Put-or-Pay Provisions?

Environmental Fee?

Project Manager: Chris Theisen, General Manager

Summary: Following approval of the CUP modification allowing additional tons to be placed at Toland, it will be necessary to renegotiate contracts with the two transfer stations to maximize utilization of the new allowed capacity.

Goal 3.3: Develop Solid Waste Forecasts Between Related Variables
Tipping Fee—Landfill Fill Rate
Landfill Fill Rate—Date Landfill is Filled
Date Landfill is Filled—Check of Financing & Closure/Post- Closure Requirements

Project Manager: Mike Castro, Senior Management Analyst
Summary: Tipping fee, landfill fill rate, the fill date for the landfill, financing requirements, and post closure funding are all interrelated.

Goal 3.4: Note that 3.1 through 3.3, Above, Require an Iterative Solution

Project Manager: Chris Theisen, General Manager
Summary: The final projections cannot be known with certainty until all of the variables have been decided.

Goal 3.5: Continue Scrutinizing Expense Budget
Solid Waste Programs
Central Administration (and other overhead expenses)

Project Manager: Chris Theisen, General Manager
Summary: Continue to look for any cost savings which could reduce costs in operations or in Central Administration overhead.

Goal 3.6: Examine the Overhead Allocation Methodology

Project Manager: Chris Theisen, General Manager
Summary: Provide information for the Board regarding the amount of Central Administration overhead that is paid by the Solid Waste revenues vs. revenue from other customers and how it is calculated.

Goal 3.7: Present the Solid Waste Rate Analysis to the Board.

Project Manager: Matt Baumgardner, Director of Operations
Summary: Share the results of the consultant's work to determine the viability of an increase to solid waste rates.

Goal 3.8: Study Landfill Gas to Energy Viability
Continue Existing Program
Enhance Existing Program
Explore Other Alternatives

Project Manager: Matt Baumgardner, Director of Operations
Summary: There was not enough time or resources this year to accomplish this Goal, so it will be proposed for completion in next fiscal year's Goals.

Goal 3.9: Revisit Decision to Accept Biosolids or Sewer Sludge at Landfill

Project Manager: Matt Baumgardner, Director of Operations

Summary: Sewer sludge was never intended to be disposed of in the Landfill, but rather utilized in the now-defunct, former drying ovens project as part of a larger business strategy. This item will be covered in a separate board letter in today's meeting.

Goal 3.10: Develop 2027 Plan

Project Manager: Carlos Corrales, Director of Finance

Summary: The 2027 Plan looks at current District operations, capital improvements, debt funding, post closure funding and any other pertinent variables and how they would change if we were unable to obtain the CUP modification and the Landfill was forced to cease operations in 2027, as per the current CUP.

If you should have any questions or need additional information, please contact me at (805) 658-4679 or via email at mattbaumgardner@vrzd.com.

This letter has been reviewed by Legal Counsel as to form.

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

APPROVED FOR AGENDA:



Chris Theisen - General Manager

Attachments: None