



Bill Halldin, City of Rocklin, Chair

John Reedy, City of Lincoln

Shanti Landon, Placer County

Bruce Houdesheldt, City of Roseville

Bonnie Gore, Placer County

Scott Scholz, General Manager

WESTERN PLACER WASTE MANAGEMENT AUTHORITY MEETING OF THE BOARD OF DIRECTORS

MARCH 12, 2026 5:30 PM

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

The WPWMA Board of Directors MARCH 12, 2026 meeting will be open to in-person attendance. Meetings will be broadcast live on the WPWMA's YouTube channel <https://www.youtube.com/@wpwma>

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 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 Houdesheldt)
3. Roll Call
4. Statement of Meeting Procedures
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. Announcements & Information
 - a. Report from the General Manager (Scott Scholz) ---
 - b. Financial Reports (Stephen Fink) Pg. 3
 - c. Monthly Tonnage Reports (Will Scheffler) Pg. 5
 - d. Operator Update (FCC) ---
 - e. Facility Projects Update (Ryan Schmidt) Pg. 11
7. Action Items
 - a. Minutes of the Board Meeting held February 12, 2026 Pg. 15
Approve as submitted.
 - b. Circular Economy Innovation Competition (Emily Hoffman) Pg. 19
 1. Select up to two WPWMA Board members to serve as representatives on the 2026 Circular Economy Innovation Competition Judging Panel.

2. Determine that the proposed action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
- c. Fiscal Year 2026/27 Budget Framework Pg. 21
 1. Provide direction to staff regarding development of the FY 2026/27 Operating Budget.
 2. Determine the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
8. Reports from Directors
9. Upcoming Agenda Items

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

Western Placer Waste Management Authority - Operations Fund Income Statement
(unaudited/depreciation excluded)

Year-to-Date
January 2026

Revenue	Year to Date					Notes
	Annual Budget	Budget	Actuals	\$ Variance	% Variance	
42005:Fair Market Value Adjustment	-	-	(83,378)	(83,378)		Reversal of FY25 Placer County entry to book FMV. Per County, this is done so that they can easily just book to market at the end of the year.
42010:Investment Income						
Interest / Investment Income	837,480	488,530	680,698	192,168	-39.3%	Placer County Investment Income performing better than budgeted
Interest with Fiscal Agent	290,747	169,602	392,558	222,956	131.5%	Series A Bond 2022 interest performing better than budgeted
42030:Rents and Concessions	508,130	296,409	225,713	(70,696)	-23.9%	Royalties are trending less than originally budgeted.
44270:State Aid - Other Programs	3,997,286		68,733	68,733		No Cal Recycle grant revenue received YTD.
46240:Sanitation Services - Other	28,278		-	-		This will post via a reclass at the end of fiscal year, roads improvements related revenue.
46250:Solid Waste Disposal	50,468,847	28,924,828	29,727,349	802,521	2.8%	Trending slightly better than budgeted
46360:Other Fees and Charges	-	-	174	174		
	50,000	29,167	733,953	704,786	2416.4%	Financing fees and liquidated damages assessment against FCC. 2 significant LDs in December, 262.7k Disincentive 3rd Quarter, 215.5k LD for November MRF delays.
48030:Miscellaneous						
49040:Gain/Loss on Fixed Asset Disposal	-	-	-	-		
49080:Operating Transfers In	-	-	-	-		
Total Revenue	56,180,768	29,908,536	31,745,800	1,837,264	6.1%	
Expenses						
Capital Assets:						
54430:Buildings & Improvements	4,278,954	2,496,056	2,062,965	433,091	17.4%	25th Revenue Bond Disbursement for MRF project
54450:Equipment	1,844,811	461,203	206,814	254,389	55.2%	1.2 million equipment costs expensed in FY2025. Vehicles only purchased in FY2026.
54470:Infrastructure	2,230,000	200,000	-	200,000	100.0%	No charges realized YTD.
54480:Land Improvements	3,274,428	350,000	180,722	169,278	48.4%	Costs predominately related to Module 6 construction and repairs, minimal charges paid YTD.
Operating Expenses:						
51010:Wages and Salaries	3,785,509	2,208,214	2,035,836	172,377	7.8%	3 unfilled positions as of January 2026. USW, Engineer, and Admin positions.
52030:Clothing and Personal	7,950	4,638	3,280	1,357	29.3%	
52040:Communication Services Expense	7,500	4,375	3,855	520	11.9%	
52050:Food	1,000	583	2,889	(2,306)	-395.3%	Drinking water, Lunch and Learn food purchases, BOD food purchases
52060:Household Expense	1,500	875	694	181	20.7%	
	837,300	488,425	567,767	(79,342)	-16.2%	Alliant insurance services higher than projected. In addition, vehicle 6 month policy purchased for 6k. Placer County ISF charges are 136k per quarter, significantly higher than projected.
52140:Parts	1,000	583	2,512	(1,929)	-330.6%	Seat covers and floor mats for new Colorados 1.2k
52160:Maintenance	104,508	60,963	91,930	(30,967)	-50.8%	Timing differences of maintenance needs.
52161:Maintenance - Building	15,000	15,000	19,109	(4,109)	-27.4%	\$17.7k in building work orders during Q2. HVAC, Lighting, Electrical locks preventive maintenance.
52170:Fuels & Lubricants	30,000	17,500	12,410	5,090	29.1%	Anticipated projects not yet started, Parking lot grading, west property berms.
52180:Materials - Buildings & Improvements	10,000	5,833	10,622	(4,788)	-82.1%	Perf Pipe and End Caps for Mod 6 LCRS Expansion, \$5.3k. 2 Generators \$2.6k, Leachate
52220:Laboratory Supplies	12,500	6,250	4,903	1,347	21.6%	
52240:Professional / Membership Dues	12,000	6,000	7,919	(1,919)	-32.0%	Timing of license renewals, not anticipating to exceed budget for year.
52250:Services and Supplies	3,000	1,750	-	1,750	100.0%	
52260:Misc Expense	200	117	530	(413)	-354.3%	
52320:Printing	20,000	11,667	29,669	(18,002)	-154.3%	New Scalehouse ticket vendor charging higher than expected. Reverting back to old vendor.
52330:Other Supplies	32,000	18,667	8,556	10,110	54.2%	Office supplies, paper, toner, other stationary down YTD.
52340:Postage	3,000	1,750	1,859	(109)	-6.2%	
	3,552,546	2,072,319	1,647,475	424,843	20.5%	SCS and Tetra Tech are behind on FY2026 billings related to the Gas System. In addition, credit card fee processing is lower than originally budgeted.
52360:Prof. & Special Svcs - General						
52370:Professional and Special Services - Legal	300,000	175,000	48,076	126,925	72.5%	Legal needs trending lower than budget.
52380:Prof. & Special Svcs - Tech., Eng. & Env.						
SC3140 Building Maintenance Install and Repair Ser	25,000	14,583	10,642	3,941	27.0%	3D technology services removal and replacement of 2 flare tower cameras July \$9k
SC3180 MRF Operations	29,847,543	17,050,495	17,415,814	(365,319)	-2.1%	We are receiving more overall tonnage than originally budgeted. See also favorable Solid Waste Revenue to budget of 2.8%.
SC3190 Landfill Operations	2,958,654	1,725,882	750,904	974,977	56.5%	We budgeted more Landfill Operations expense than necessary.
SC3320 Environmental and Ecological Services	40,000	23,333	20,186	3,148	13.5%	
SC3322 Hazardous Waste	500	292		292	100.0%	
52390:Prof. & Special Svcs - County	138,000	80,500	100,867	(20,367)	-25.3%	County special services charges, actual to budget discrepancies related to timing.
52400:Prof. & Special Svcs - IT	100,000	58,333	91,443	(33,109)	-56.8%	Placer County IT Core Charges and Countwide Systems billings trending far higher than budget.
52440:Rents and Leases - Equipment	100,000	58,333	41,261	17,072	29.3%	Dozer rental, Holt of California. Regrade the surface of landfill for water damage.
52450:Rents and Leases - Buildings & Improvements	100	58		58	100.0%	
52460:Small Tools & Instruments	3,000	1,750	2,322	(572)	-32.7%	
52470:Employee Benefit Systems	20,000	11,667	11,652	15	0.1%	
52480:PC Acquisition	50,000	25,000	1,235	23,765	95.1%	Minimal PC purchases YTD.
52510:Commissioner's Fees	6,000	3,500	1,700	1,800	51.4%	
52540:Signing & Safety Material	15,000	8,750	94	8,656	98.9%	
52560:Small Equipment	10,000	5,833	47,930	(42,096)	-721.6%	McElroy Fusion Welder Accessories, \$9.2k
52570:Advertising	506,635	295,537	188,832	106,706	36.1%	More spending to come later in the year.
52580:Special Department Expense	10,000	2,500	2,056	444	17.8%	
52781:Employee Engagement Expense	2,500	1,458	715	744	51.0%	
52785:Training / Education	15,000	3,750	312	3,438	91.7%	Training/education to be done later in the year.
52790:Transportation and Travel	30,000	17,500	7,196	10,304	58.9%	No fleet costs after July 2025, WPWMA purchased vehicles, annual cost should be closer to 10k.
52800:Utilities	160,000	93,333	66,224	27,109	29.0%	Trending lower than projected YTD, sewer fees are billed annually later in the fiscal year.
52810:Operating Materials	2,000	1,167	310	857	73.4%	
53050:Debt Issuance Costs	-	-	-	-		
53060:Bond Interest	4,360,770	2,180,385	1,795,312	385,073	17.7%	Actual to budget difference is due to Bond Interest Proceeds with Fiscal Agent, being used to offset the debt payments.
53190:Taxes and Assessments	426,602	213,301	165,953	47,348	22.2%	NOV-5953 Accrued at \$170k, Actual Settlement of \$50k. Creating a budget surplus, other taxes are trending higher.
53250:Contributions to Other Agencies	287,895	287,895	287,895	-	0.0%	
53390:Transfer Out A-87 Costs	15,000	8,750	6,539	2,211	25.3%	Favorable variance due to timing of charges from County.
55510:Operating Transfer Out	-	-	-	-		
55561:Interfund/Intrafund Activities Out	-	-	-	-		
59000:Appropriation for Contingencies	-	-	-	-		
Total Expenses	59,614,905	30,781,653	27,967,785	2,813,868	9.1%	
Net Income/(Loss)	(3,434,136)	(873,117)	3,778,015	4,651,132	-532.7%	
Additional non Income Statement Transactions:						
Bond Proceeds	5,373,765	3,307,259	-	3,307,259	100.0%	
Planned use of Reserves	2,850,000	1,662,500	-	1,662,500	100.0%	
Total with Bond Proceeds and Reserves	4,789,629	4,096,642	3,778,015	9,620,891	234.8%	

Notes:

- Budgeted revenues and expenses are prorated equally each month of the fiscal year, whereas actual revenues and expenses reflect those realized as of the date of the report. This may lead to notable reported discrepancies between budgeted and actual amounts.
- Differences in the coding between the budgeted and actual revenues and expenses may result in notable reported discrepancies within the report.
- Additional non income Statement Transactions reflect amounts from WPWMA's Balance Sheet and are shown on this report for tracking and informational purposes only.

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Fiscal Year 2025-2026

Combined Revenue

Month	Budget	Actual	Variance
Jul	\$4,246,987	\$4,390,621	\$143,634
Aug	\$4,106,583	\$4,030,242	(\$76,341)
Sep	\$4,246,501	\$4,091,655	(\$154,846)
Oct	\$4,329,871	\$4,426,425	\$96,554
Nov	\$4,052,986	\$3,973,407	(\$79,579)
Dec	\$4,294,654	\$4,455,941	\$161,287
Jan	\$4,268,591	\$4,453,385	\$184,794
Feb	\$3,843,061	\$3,695,845	(\$147,216)
Mar	\$4,353,120		
Apr	\$4,558,131		
May	\$4,466,077		
Jun	\$4,226,592		
Totals:	\$50,993,154	\$33,517,521	\$128,287

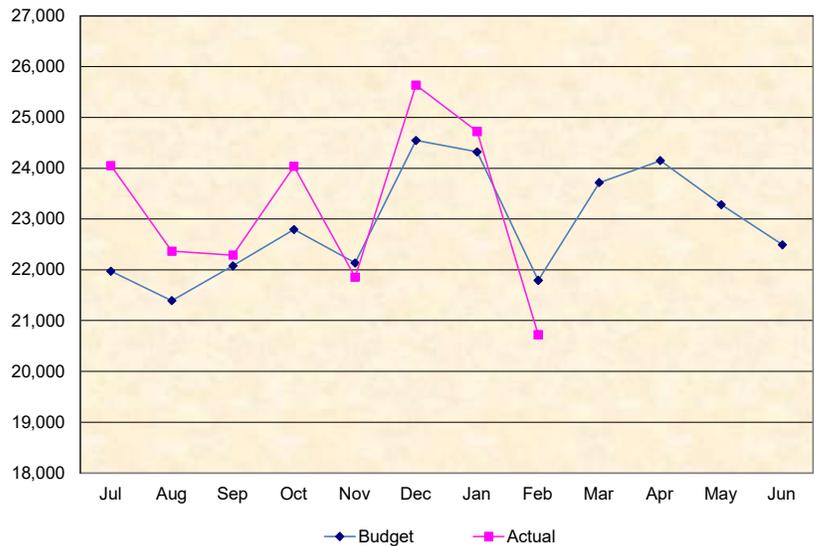


Combined Tipping Fee Revenue Year to Date

Budget	\$33,389,234
Actual:	\$33,517,521
Variance	\$128,287

MSW Tonnage

Month	Budget	Actual	Variance
Jul	21,976	24,053	2,077
Aug	21,395	22,371	975
Sep	22,080	22,289	209
Oct	22,793	24,038	1,244
Nov	22,137	21,854	(283)
Dec	24,550	25,637	1,087
Jan	24,323	24,726	403
Feb	21,795	20,722	(1,074)
Mar	23,720		
Apr	24,151		
May	23,282		
Jun	22,492		
Totals:	274,694	185,689	4,638



MSW Tonnage Year to Date

Budget:	181,050
Actual:	185,689
Variance	4,638

C&D Tonnage

Month	Budget	Actual	Variance
Jul	9,371	8,701	(670)
Aug	8,992	8,205	(787)
Sep	9,114	8,278	(836)
Oct	9,460	9,242	(218)
Nov	7,865	7,116	(750)
Dec	7,418	6,698	(720)
Jan	7,611	7,781	170
Feb	7,258	7,452	194
Mar	8,511		
Apr	8,967		
May	9,385		
Jun	9,228		
Totals:	103,181	63,473	(3,616)

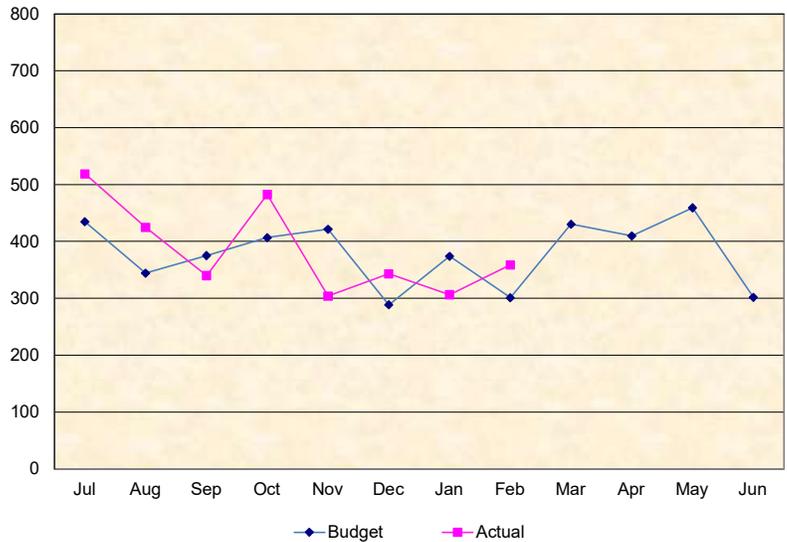


C&D Tonnage Year to Date

Budget:	67,089
Actual:	63,473
Variance	(3,616)

Sludge & Mixed Inerts Tonnage

Month	Budget	Actual	Variance
Jul	435	519	84
Aug	344	425	81
Sep	375	340	(35)
Oct	407	483	76
Nov	422	304	(117)
Dec	289	343	54
Jan	374	306	(68)
Feb	301	359	58
Mar	430		
Apr	410		
May	459		
Jun	302		
Totals:	4,547	3,079	133



Sludge & Mixed Inerts Tonnage Year to Date

Budget:	2,946
Actual:	3,079
Variance	133

Green Waste Tonnage

Month	Budget	Actual	Variance
Jul	4,219	4,685	466
Aug	4,380	3,976	(404)
Sep	4,598	4,475	(123)
Oct	4,950	4,810	(139)
Nov	5,255	5,696	441
Dec	5,683	6,928	1,245
Jan	5,241	6,728	1,487
Feb	4,357	3,968	(389)
Mar	5,435		
Apr	6,469		
May	5,924		
Jun	4,747		
Totals:	61,258	41,266	2,584

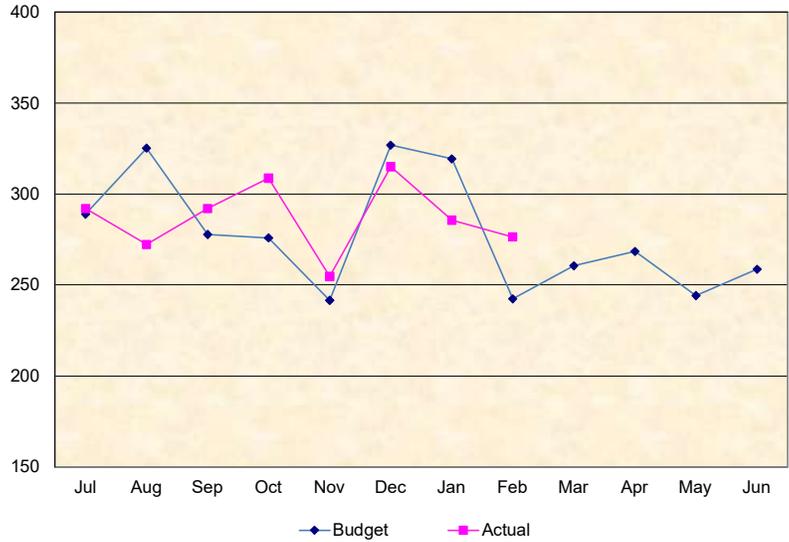


Green Waste Tonnage Year to Date

Budget:	38,682
Actual:	41,266
Variance	2,584

Food Waste Tonnage

Month	Budget	Actual	Variance
Jul	289	292	3
Aug	325	272	(53)
Sep	278	292	14
Oct	276	309	33
Nov	242	255	13
Dec	327	315	(12)
Jan	319	286	(34)
Feb	242	276	34
Mar	261		
Apr	268		
May	244		
Jun	259		
Totals:	3,329	2,296	(1)

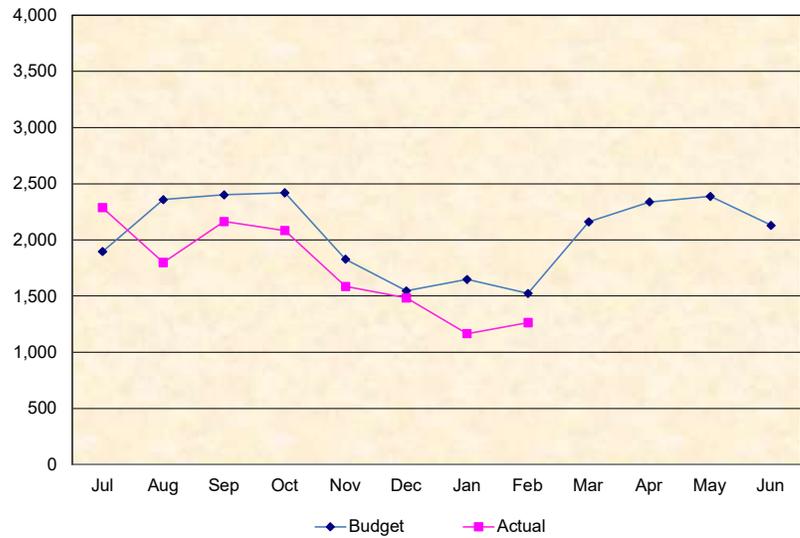


Food Waste Tonnage Year to Date

Budget:	2,298
Actual:	2,296
Variance	(1)

Inerts Tonnage

Month	Budget	Actual	Variance
Jul	1,896	2,287	390
Aug	2,358	1,800	(558)
Sep	2,401	2,163	(238)
Oct	2,419	2,083	(337)
Nov	1,828	1,585	(243)
Dec	1,546	1,483	(63)
Jan	1,648	1,166	(482)
Feb	1,524	1,263	(261)
Mar	2,160		
Apr	2,338		
May	2,387		
Jun	2,129		
Totals:	24,634	13,829	(1,790)

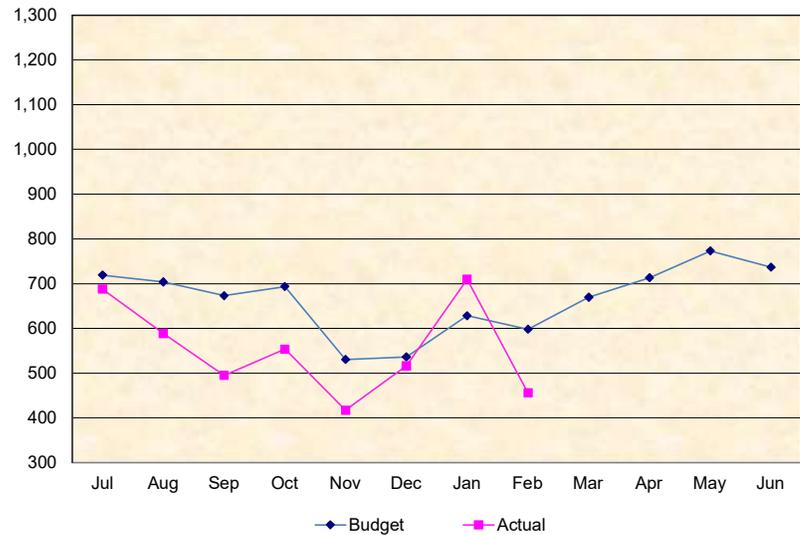


Inerts Tonnage Year to Date

Budget:	15,620
Actual:	13,829
Variance	(1,790)

Wood Tonnage

Month	Budget	Actual	Variance
Jul	719	687	(32)
Aug	704	589	(115)
Sep	673	495	(178)
Oct	694	553	(140)
Nov	531	417	(113)
Dec	536	516	(20)
Jan	628	710	82
Feb	598	456	(142)
Mar	669		
Apr	713		
May	773		
Jun	736		
Totals:	7,974	4,423	(659)

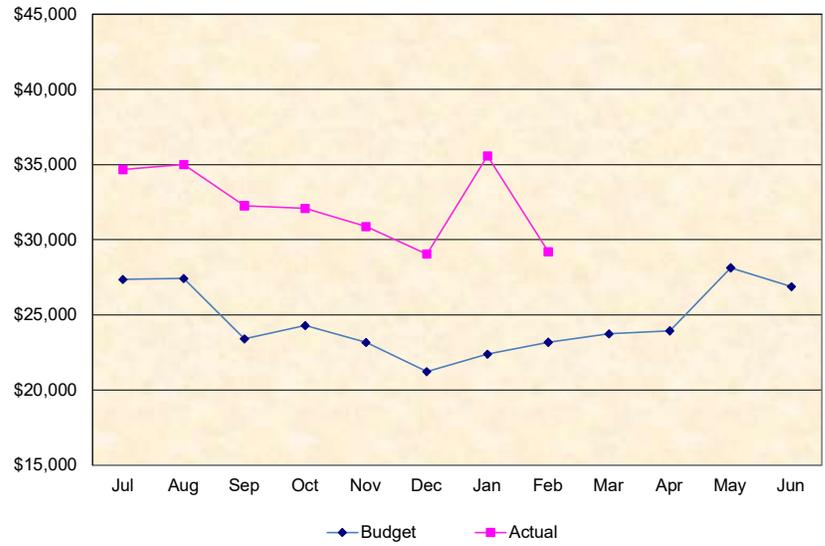


Wood Tonnage Year to Date

Budget:	5,083
Actual:	4,423
Variance	(659)

Miscellaneous Tipping Fee Revenue

Month	Budget	Actual	Variance
Jul	\$27,357	\$34,678	\$7,321
Aug	\$27,422	\$35,012	\$7,589
Sep	\$23,409	\$32,262	\$8,853
Oct	\$24,286	\$32,087	\$7,801
Nov	\$23,166	\$30,887	\$7,720
Dec	\$21,230	\$29,051	\$7,821
Jan	\$22,401	\$35,585	\$13,184
Feb	\$23,180	\$29,201	\$6,021
Mar	\$23,745		
Apr	\$23,947		
May	\$28,137		
Jun	\$26,878		
Totals:	\$295,159	\$258,762	\$66,310



Miscellaneous Tipping Fee Revenue Year to Date

Budget:	\$192,452
Actual:	\$258,762
Variance	\$66,310

Miscellaneous tipping fee revenue reflects tipping fees received from tires, treated wood waste, appliances, and water treatment plant sludges.

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS**
FROM: **SCOTT SCHOLZ / RYAN SCHMIDT** *RS*
SUBJECT: **ITEM 6E: FACILITY PROJECTS UPDATE**

DATE: **MARCH 12, 2026**

RECOMMENDED ACTION:

None. This item is for information purposes only.

BACKGROUND:

This report focuses on ongoing projects across WPWMA's campus including the Materials Recovery Facility (MRF) and Western Regional Sanitary Landfill (WRSL).

MRF Improvements

As the project scope comes to a close, staff are working diligently with FCC to monitor all remaining punch-list items and expect to receive a MRF commissioning plan from FCC in the coming weeks.

FCC added a FireFly system to the shredders in the MSW material receiving area to provide early fire detection at the start of the processing system. The system is expected to be commissioned following the repairs to the shredders.

Van Dyk continues installation of the MRF odor control equipment, with ducting and electrical remaining.

Scale and scale-house construction north of the C&D facility is complete and pending final testing. Staff are working with FCC to determine a scale commissioning and staffing timeline. Card-reader kiosks have been ordered and will be installed upon their arrival which will allow for commercial account customers to quickly pass through the scale without interaction with scalehouse staff.

Liner Investigation

WPWMA staff, in conjunction with the project consultant Geosyntec, completed exploration and investigation of the Module 5/13 Separation Liner and submitted the Repair Plan to the Water Board for approval on December 8, 2025. WPWMA received comments on the plan February 18, 2026 and is reviewing them with Geosyntec and will address them accordingly before proceeding with the repair. Staff expect an initial response draft from Geosyntec on March 13. After review/finalization, WPWMA will submit to the Water Board for final approval.

South Placer Wastewater Authority Compliance Project

An agreement has been finalized for construction of the BioFiltro landfill leachate pretreatment system following your Board's approval at the February meeting. Staff is working with BioFiltro to submit documents for Placer County building permit review prior to construction. The final compliance date is October 26, 2026.

Quarterly Landfill Airspace

Landfilling operations began in Module 6 in August 2025. Since that time, the WPWMA has conducted two quarterly aerial capacity evaluations and has sufficient data to begin comparing and tracking actual airspace consumption rates against planned fill rates. Staff intend to utilize this ongoing data to better understand when the next landfill module will be required, including timelines for design, permitting, and construction.

Using long-term waste stream growth predictions and the minimum material diversion rates required in the MRF Operating Agreement, staff initially determined that Module 6 would have disposal capacity for approximately 13 years.

Based on fill rates since August 2025, staff have forecasted the following scenarios which are depicted on the attached figure:

- 1) If landfill airspace consumption continues at the current rate, Module 6 will be full within 9 years – a 4-year reduction in operational life
- 2) If both the MSW and C&D guaranteed minimum recycling levels are met by the end of calendar year 2026 as suggested by FCC at the February 12, 2026 Board meeting, Module 6 should have capacity for 12 years and 3 months – a 9-month reduction in operational life.

Staff will continue to update this trend analysis after each quarterly aerial survey and provide your Board with updates as appropriate.

Odors

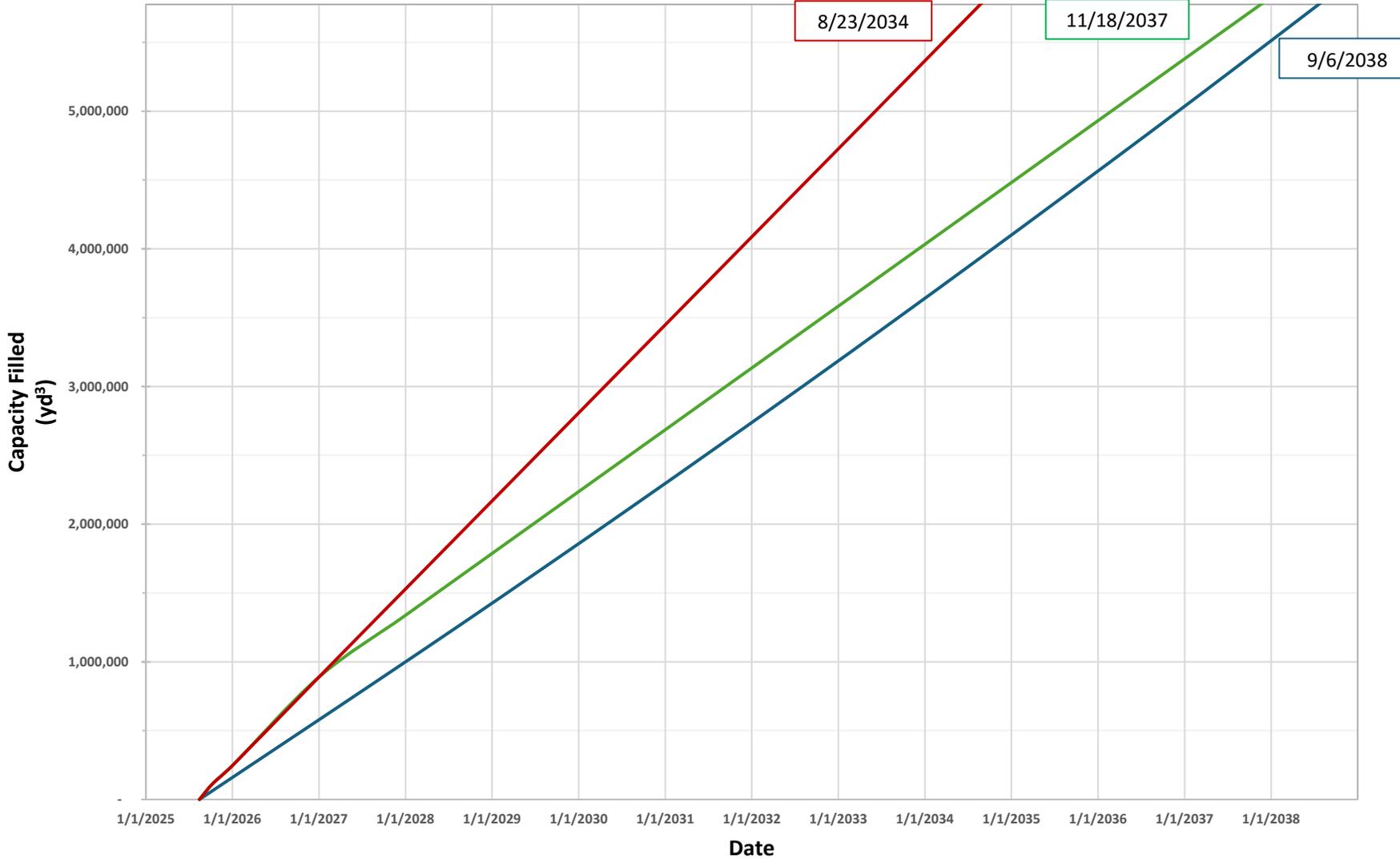
Staff are reevaluating odor mitigation measures and operational responses to periods of high odor risk ensure that effective measures are implemented and properly documented.

Staff continue to work with FCC regarding intermittent odors from the compost and water quality ponds to ensure operational protocols are followed.

Staff are also evaluating the onsite weather station used in odor particle modelling to ensure the data and models are as accurate as possible.

Jacobs Engineering is finalizing the design of additional aeration infrastructure in the south compost pond to reduce odors and staff will provide updates to your Board as this project progresses.

MODULE 6 CAPACITY PROJECTIONS



— Pre-Construction Projection — Full Recovery at 12/31/2026 — No change in Operation

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WESTERN PLACER WASTE MANAGEMENT AUTHORITY

Minutes of February 12, 2026

Meetings of the Western Placer Waste Management Authority Board of Directors are held in the WPWMA Board Chambers at 3013 Fiddymont Road, Roseville, CA.

Directors Present:

Bonnie Gore
Bill Halldin (virtual)
John Reedy
Shanti Landon
Bruce Houdesheldt

Staff Present:

Scott Scholz
Eric Oddo
Stephen Fink
Will Scheffler
Ryan Schmidt
Ethan Walsh, BBK

1. Call Meeting to Order: Chair Gore called the meeting to order at 5:30 PM.
2. Pledge of Allegiance: Director Landon led the Pledge of Allegiance.
3. Roll Call: All directors present; Director Halldin attended virtually.
4. Statement of Meeting Procedures: Eric Oddo read the statement of meeting procedures.
5. Public Comment: None
6. Announcements & Information
 - a. Report from the General Manager

Scott Scholz provided the following updates:

 - January 9 a WPWMA employee slipped and fell while inspecting non-active portions of the landfill, resulting in a broken leg.
 - February 2 the WPWMA hosted a tour for approximately 100 industry professionals as part of the US Composting Council's conference held in Sacramento
 - February 26 at 4:00 pm the WPWMA will host a Renewable Placer Open House
 - March 2 the WPWMA's second non-Placer County employee will start, serving as a Business Operations Specialist and Clerk of the Board
 - b. Auditor's Report

Placer County Auditor-Controller Andy Sisk introduced Berrett Warnick of LSL (outside auditing firm) who summarized the Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2025. Mr. Warnick issued an unmodified opinion on the WPWMA financial statements noting that there were no compliance or internal control issues identified during the audit process. There were no questions from the Board.
 - c. Financial Reports: Stephen Fink summarized the report. Stephen and Eric Oddo answered questions from the Board.
 - d. Monthly Tonnage Reports: Will Scheffler summarized the report. There were no questions from the Board.
 - e. Operator Update and Quarterly Report: Tony Perez and Jesse Stratton of FCC Environmental Services summarized the report and answered questions from the Board. Director Reedy asked when FCC would be in compliance with SB 1383 organics diversion requirements; Mr. Perez responded that FCC is targeting the fourth quarter of 2026.

- f. Facility Projects Update: Ryan Schmidt summarized the report. There were no questions from the Board.

7. Consent Agenda

The Board removed item 7c from the Consent Agenda to allow for additional discussion.

- a. Minutes of the Board Meeting held January 8, 2026
Staff recommended the Board approve the minutes as submitted.
- b. Fourth Amendment to the Lease Agreement with AMOS
Staff recommended the Board:
 - 1. Authorize the Chair to execute the Fourth Amendment to the Lease Agreement with the Associated Modelers of Sacramento extending the term of the lease to June 30, 2030.
 - 2. Determine the recommended action is exempt from environmental review pursuant to California Environmental Quality Act Guidelines Sections 15304 and 15305.

The Chair opened public comment; no comments were received.

MOTION TO APPROVE: Reedy/Landon

The Chair called for a Roll Call vote.

APPROVE: Houdesheldt, Landon, Reedy, Halldin, Gore

OPPOSE: None

- c. 2026 Board Meeting Schedule

Staff recommended the Board:

- 1. Adopt Resolution 26-01 establishing the WPWMA Board meeting dates for calendar year 2026.
- 2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

The Directors noted which meetings they would be unable to attend and that they would coordinate with their alternates to attend if possible.

The Chair opened public comment; no comments were received.

MOTION TO APPROVE: Reedy/ Houdesheldt

The Chair called for a Roll Call vote.

APPROVE: Houdesheldt, Landon, Reedy, Halldin, Gore

OPPOSE: None

8. Action Items

- a. Fourth Amendment to the Agreement with SCS Engineers for Aquifer Testing
Staff recommended the Board:
 - 1. Authorize the General Manager, upon review and approval by WPWMA Counsel, to execute the Fourth Amendment to the Aquifer Pump Test and Feasibility Agreement with SCS Engineers to provide additional professional services related to the WPWMA's groundwater Corrective

Action Plan for an amount not to exceed \$338,000, increasing the total not-to-exceed cost of the Agreement to \$1,216,686.

2. Approve a FY 2025/2026 Budget Amendment to cancel reserves and increase the spending authority in Account 54480 Land Improvements in the amount of \$338,000.
3. Determine that the recommended action is categorically exempt pursuant to California Environmental Quality Act Guidelines Section 15306.

Ryan Schmidt summarized the report. There were no questions from the Board. The Chair opened public comment; no comments were received.

MOTION TO APPROVE: Houdesheldt / Reedy

The Chair called for a Roll Call vote.

APPROVE: Houdesheldt, Landon, Reedy, Halldin, Gore

OPPOSE: None

b. BioFiltro Design/Build Agreement and Operations and Maintenance Agreement

Staff recommended the Board:

1. Approve Resolution No. 26-02, making findings that competitive procurement for the proposed project is not required due to the proprietary technology utilized in the project; authorizing the General Manager, upon review and approval by WPWMA Counsel, to execute the Design/Build Agreement with BioFiltro USA for the construction of a landfill leachate pre-treatment system for a maximum cost of \$1,736,428; and authorizing the General Manager, upon review and approval by WPWMA Counsel, to execute the Operations and Maintenance Agreement with BioFiltro USA for the operation of the landfill leachate pre-treatment system for a maximum cost of \$840,000 over five years.
2. Approve a FY 2025/2026 Budget Amendment to cancel reserves and increase the spending authority in account 54480 Land Improvements in the amount of \$1,736,428.
3. Determine that the recommended action is exempt from further environmental review pursuant to California Environmental Quality Act Guidelines.

Ryan Schmidt summarized the report and answered questions from the Board. The Chair opened public comment; no comments were received.

MOTION TO APPROVE: Landon / Reedy

The Chair called for a Roll Call vote.

APPROVE: Houdesheldt, Landon, Reedy, Halldin, Gore

OPPOSE: None

9. Election of Officers:

The Board elected officers for Calendar Year 2026 as follows:

Chair: Director Halldin

Vice Chair: Director Reedy.

The Chair opened public comment; no comments were received.

MOTION TO APPROVE: Houdesheldt / Landon

The Chair called for a Roll Call vote.

APPROVE: Houdesheldt, Landon, Reedy, Halldin, Gore

OPPOSE: None

10. Reports from Directors:

11. Upcoming Agenda Items: None.

12. Adjournment: Meeting was adjourned at 6:21 PM.

Respectfully Submitted,



Eric Oddo, Secretary

**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **MARCH 12, 2026**
FROM: **SCOTT SCHOLZ / EMILY HOFFMAN** *eh*
SUBJECT: **ITEM 7B: CIRCULAR ECONOMY INNOVATION COMPETITION**

RECOMMENDED ACTION:

1. Select up to two WPWMA Board members to serve as representatives on the 2026 Circular Economy Innovation Competition Judging Panel (Judging Panel).
2. Determine that the proposed action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

At the September 9, 2021 meeting, your Board approved a Master Services Agreement with California State University, Sacramento (CSUS) and the Carlsen Center for Innovation and Entrepreneurship (CCIE) to assist with attracting and mentoring businesses that could beneficially utilize recyclable materials recovered at the WPWMA's facility with the goals of:

- Maximizing recovery of materials thereby reducing landfill disposal
- Reducing costs (including transportation, energy usage, etc.)
- Enhancing revenues
- Creating consistent markets

Since that time, the CCIE has developed, managed, and conducted three circular economy pitch competitions on behalf of the WPWMA resulting in award of four prizes to AgGen, Fiber Global, ECO-BUILDER, and CRDC Materials.

CCIE and WPWMA staff are organizing the fourth annual pitch competition to be held at 11:00 AM on Wednesday, April 29, 2026 at the Roseville Venture Lab located at 316 Vernon Street, Suite 110. In addition to representatives from your Board, CCIE staff are confirming the remainder of the final Judging Panel to include representatives from CSUS and the Growth Factory. This evening, staff request that your Board appoint one or two directors to the final Judging Panel.

ENVIRONMENTAL CLEARANCE:

The recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

FISCAL IMPACT:

There is no direct fiscal impact of this action. Funding for this event is included in the FY 2025/26 Budget.

STRATEGIC PLAN/GOALS:

- GOAL 2 – Enhance economic development and investment in innovation.
- GOAL 3 – Increase material diversion and domestic reuse.

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **MARCH 12, 2026**
FROM: **SCOTT SCHOLZ / ERIC ODDO** 
SUBJECT: **ITEM 8C: FISCAL YEAR 2026/27 BUDGET FRAMEWORK**

RECOMMENDED ACTION:

1. Provide direction to staff regarding development of the FY 2026/27 Operating Budget.
2. Determine the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

Over the coming several months, staff will be developing the WPWMA's FY 2026/27 Operating Budget for your Board's subsequent consideration and approval.

In an effort to engage your Board at the onset of this process and ensure your Board's concurrence on the key tenants of the budget and proposed initiatives for the coming fiscal year, staff have prepared the attached budget framework for review and consideration.

ENVIRONMENTAL CLEARANCE:

The recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

FISCAL IMPACT:

There is no direct fiscal impact to the WPWMA associated with the recommended action.

STRATEGIC PLAN/GOALS:

GOAL 5 – Maintain fiscally responsible systems

ATTACHMENT: FY 2026/27 OPERATING BUDGET FRAMEWORK

WESTERN PLACER WASTE
MANAGEMENT AUTHORITY



FY 2026/27 OPERATING
BUDGET FRAMEWORK

MARCH 12, 2026

INTRODUCTION

This framework is intended to guide a high-level discussion of the main factors and agency initiatives that will influence development of the WPWMA's FY 2026/27 Operating Budget to meet the WPWMA's overarching policy goals as identified by its Board of Directors.

This framework is divided into the following sections, each strongly influencing the makeup of the WPWMA's annual Operating Budget:

1. Material quantity projections
2. Facility processing capacity and available excess capacity
3. Base revenue projections
4. Operational cost projections
5. Capital cost projections
6. Revenue and expense summary
7. Revenue bond obligations
8. Reserves and rate stabilization fund

The WPWMA may also identify short- and long-term initiatives that could influence one or more of the factors identified above. A discussion of potential initiatives is included at the end of this document with brief summaries of their potential impacts on development of the Operating Budget.

1. MATERIAL QUANTITY PROJECTIONS

Until and unless the WPWMA diversifies its revenue portfolio to include a higher proportion of revenues from the sale of generated products (e.g., fuel, electricity, etc.) or rent and royalty revenues from compatible manufacturing and technologies, the dominant source of revenue will be from tip fees on materials received at its facility.

Although the WPWMA’s service area population continues to grow, a review of historical tonnages of the main waste categories (i.e., mixed waste, organics, and wood & inerts) received over the past 10 calendar years indicated a much flatter growth curve.

Mixed Waste

The mixed waste category is comprised of municipal solid waste (MSW) and construction and demolition (C&D) debris. These materials are charged the highest tip fee, require the greatest degree of processing to recover recyclables, and reflect approximately 84% of the WPWMA’s annual gross tipping fee revenue. This category reflects wastes received as part of the WPWMA’s “One Big Bin” system.

Figure 1 below presents historical tonnage of mixed waste received over the past 10 calendar years and suggests that while the WPWMA generally experienced consistent year over year growth in this sector for several years, since 2022 tonnages have leveled with growth effectively flat. Barring any changes in the WPWMA’s customer base, as noted in the Initiatives section of this document, staff anticipate no significant deviations in mixed waste tonnages budgeted for in FY 2026/27 compared to those projected through the remainder of FY 2025/26.

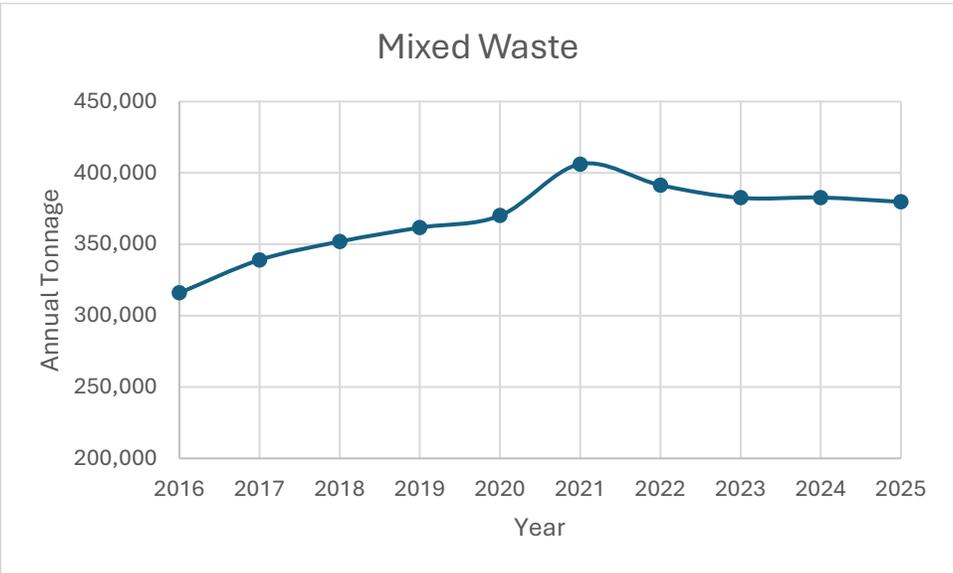


Figure 1

Organics

The organics category is comprised of source-separated greenwaste and commercially generated foodwaste. Of the two, greenwaste currently represents approximately 95% of organics tonnage received. Greenwaste tonnages tend to be strongly influenced by seasonal weather conditions (e.g., long dry periods tend to reduce greenwaste quantities while wetter and windier conditions tend to result in increased greenwaste quantities) while foodwaste tonnages tend to remain relatively consistent over time but can vary with broader economic trends. Organics represent approximately 11% of the WPWMA's annual tipping fee revenue.

Figure 2 below presents historical tonnages of organics received at the facility over the past 10 calendar years. Similar to mixed waste trends, the data suggests a certain level of stability can be expected over the coming year. Barring any changes in the WPWMA's customer base, as noted in the Initiatives section of this document, staff anticipate no significant deviations in mixed waste tonnages budgeted for in FY 2026/27 compared to those projected through the remainder of FY 2025/26.

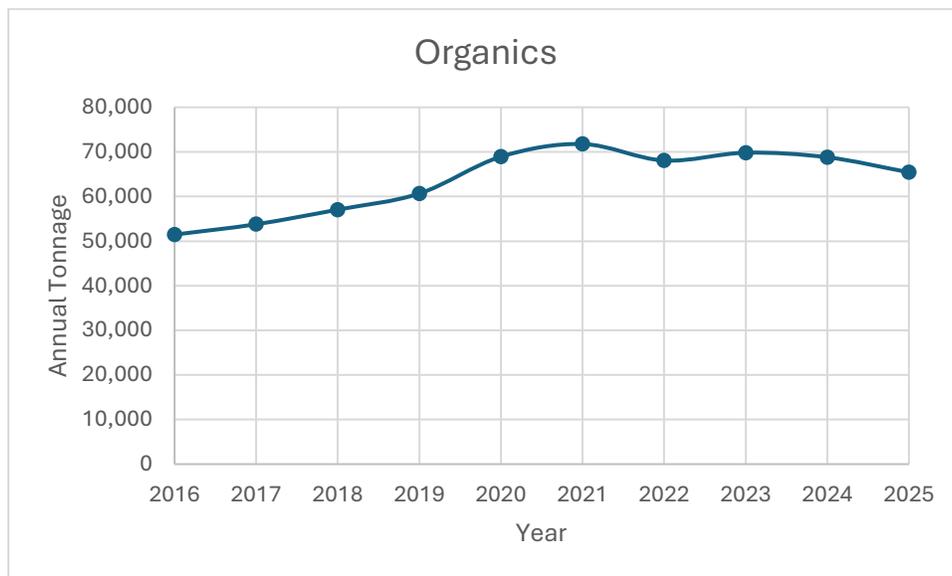


Figure 2

Wood & Inerts

The wood & inerts category is comprised of source-separated woodwaste and inert materials (e.g., concrete, rock, rubble, brick, soil, etc.) and represents approximately 3.5% of total annual tipping fees. This category is relatively small but also very volatile and can be viewed as a secondary indicator (next to C&D) of regional construction activity as well as an indicator of WPWMA's market competitiveness for these materials (i.e., cost v. convenience to use WPWMA's facility).

Figure 3 below presents historical tonnage of wood & inerts received at the facility over the past 10 calendar years. Unlike mixed waste and organics, the data for wood & inerts suggests significant volatility and a recent downward trend. Of the two, inerts represent approximately 75% of the tonnage received for this group. In response to the higher processing fees paid to FCC for inert materials, the WPWMA raised the tip fee for inerts in FY 2022/23 from \$25/ton to \$60/ton. This increase is the most likely reason behind the significant decline in the receipt of these materials over the past several years. However, given the relatively low market demand for reclaimed inert materials, staff does not recommend pursuing efforts to capture an increased market share of these materials by reducing the inert tipping fee.

Staff anticipate the WPWMA will continue to experience and intend to budget for declines in the tonnages of wood & inerts in FY 2026/27 compared to quantities projected through the remainder of FY 2025/26.

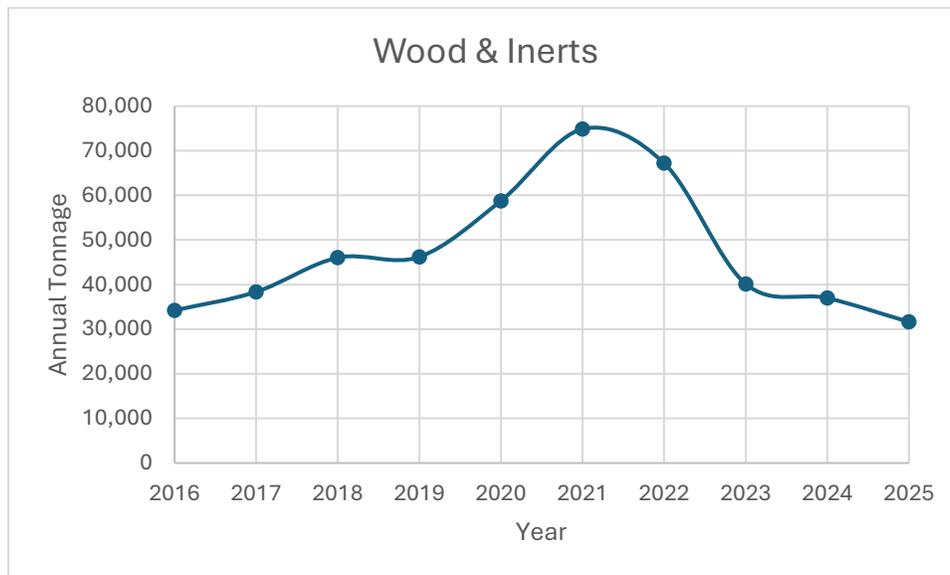


Figure 3

The following table summarizes the anticipated mixed waste, organics, and wood & inerts tonnages the WPWMA will accept through the remainder of FY 2025/26 and the projected/budgeted tonnages in FY 2026/27 assuming no significant changes to the WPWMA’s customer base.

Material Group	FY 2025/26	FY 2026/27	% Change
Mixed Waste	381,296	382,026	0.2%
Organics	67,508	68,183	1.0%
Wood & Inerts	28,581	27,358	(4.3%)
Total	477,385	477,568	0.0%

2. FACILITY PROCESSING CAPACITY AND AVAILABLE EXCESS CAPACITY

Although final testing and commissioning of the WPWMA’s facility upgrades has not yet occurred, theoretical processing capacity figures can be approximated using FCC’s January 11, 2021 and September 24, 2021 proposals as well as from provisions in the MRF Operating Agreement.

The following pie charts estimate the theoretical capacity available to the WPWMA to process additional MSW, C&D, and compostable organics based on actual FY 2025/26 tonnages to date and are intended to provide insight into the potential for growth in these material streams.

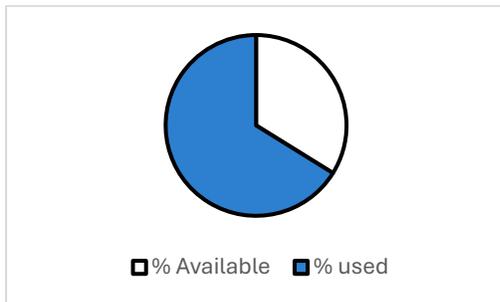


Figure 4 – MSW

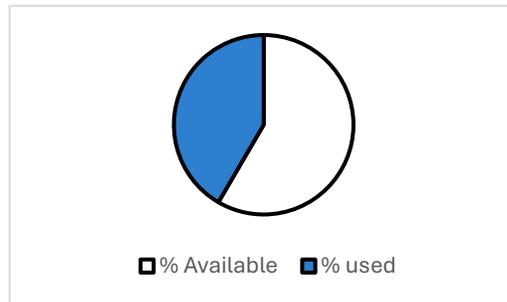


Figure 5 - C&D

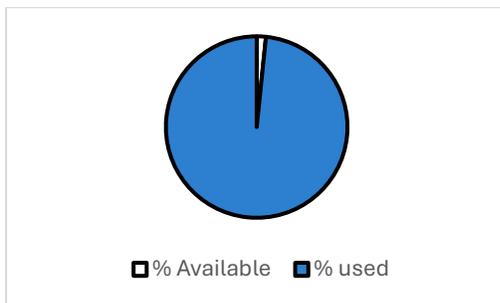


Figure 6 - Organics

These charts suggest that, to the degree the MRF is consistently operated 16 hours per day on weekdays and 8 hours per day on weekends, the greatest potential for additional growth without significant additional cost is in the C&D stream. Similarly, sufficient MSW capacity exists to accommodate a jurisdiction comparable in size to Roseville or Placer County. However, given that a key element of recovery from MSW involves

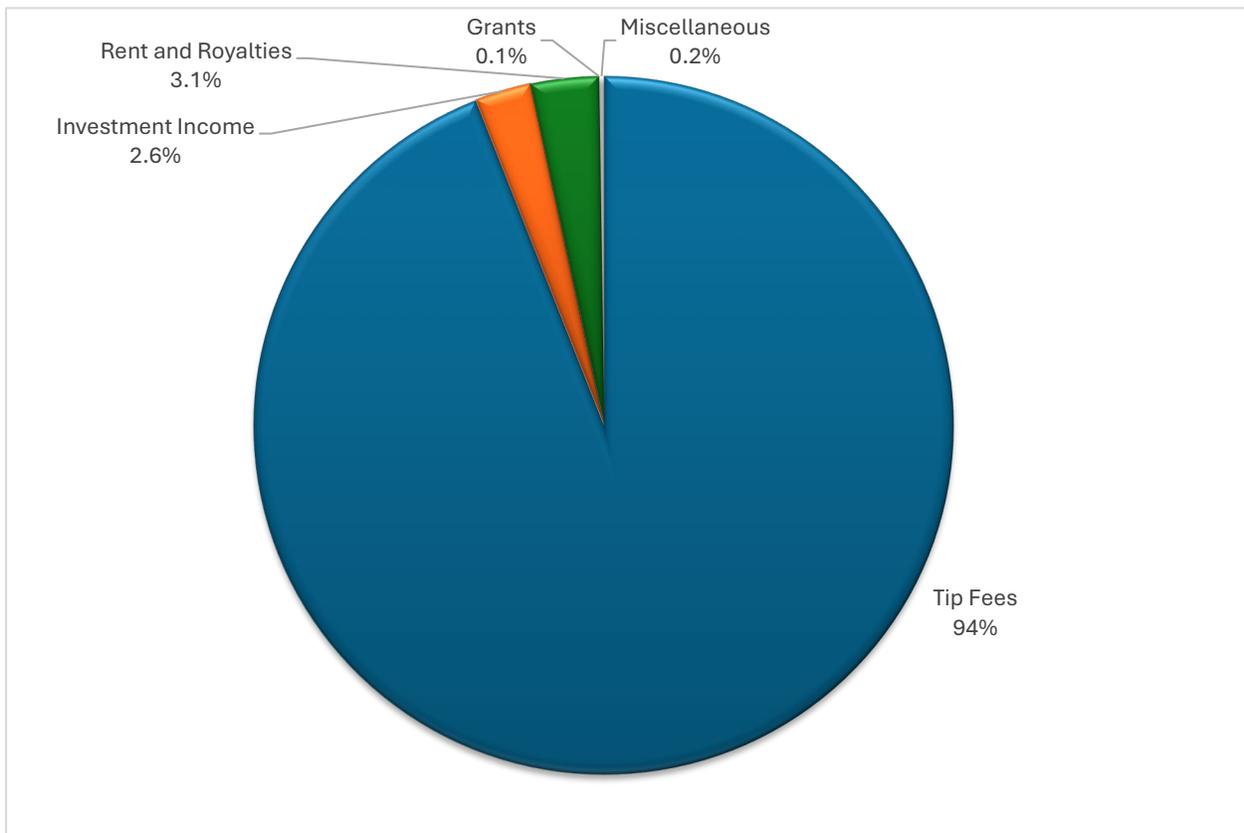
composting organics recovered from this stream, utilizing the available MSW capacity is severely limited by the lack of available organics (composting) capacity. Furthermore, at this time, FCC has been unable to demonstrate its ability to consistently operate the mixed waste processing lines at the rated throughput or for the necessary daily runtimes that would yield the additional marketable capacity suggested by the pie charts.

3. BASE REVENUE PROJECTIONS

The following table summarizes the WPWMA’s major revenue sources as currently projected through the remainder of FY 2025/26 and as currently forecasted for the FY 2026/27 Operating Budget *assuming no change to the current tipping fee structure.*

Revenue Source	FY 2025/26 Projected Revenue	FY 2026/27 Budgeted Revenue	FY 2026/27 % of Total Revenue
Tip Fees	\$51,031,527	\$51,164,113	94.0%
Investment Income	\$1,439,933	\$1,418,682	2.6%
Rent & Royalties	\$508,130	\$1,701,092	3.1%
Grant Funds	\$3,997,286	\$30,000	0.1%
Miscellaneous	\$300,000	\$100,000	0.2%
Total	\$57,276,845	\$54,413,887	100%

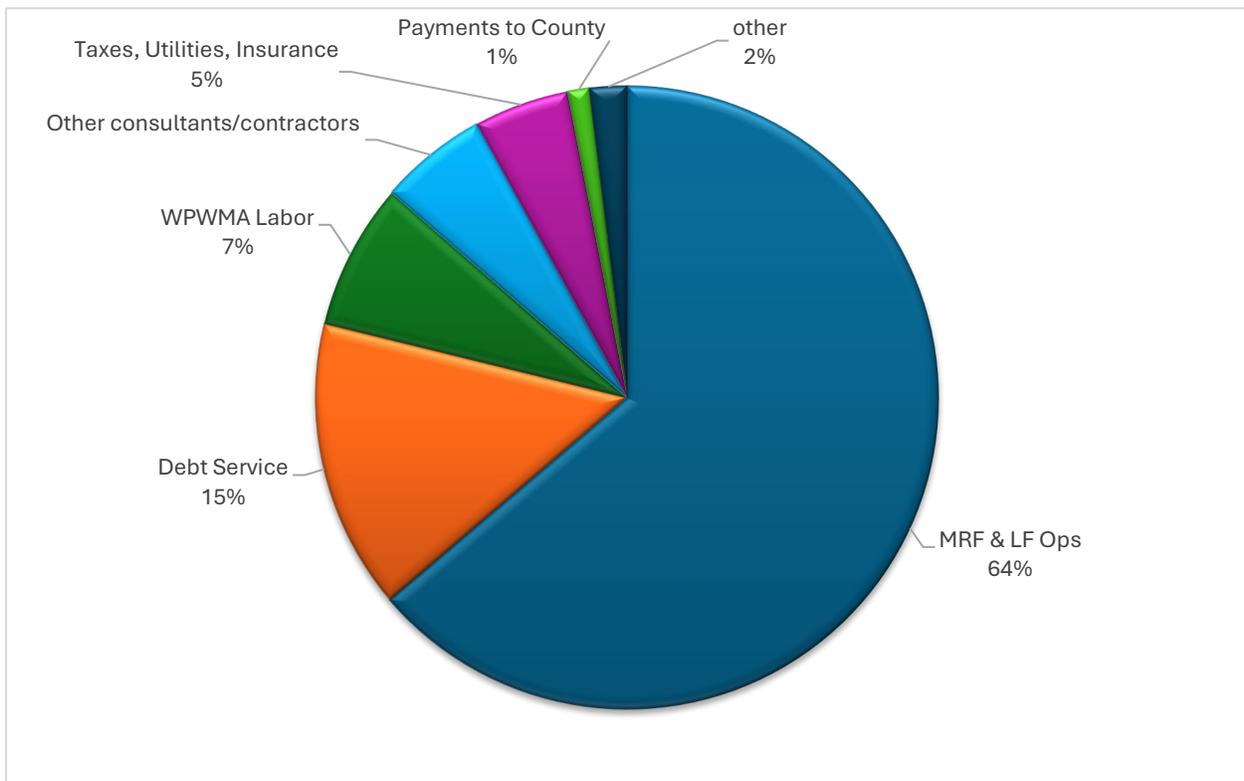
The following chart provides a visual representation of the relative contribution from each major revenue source as currently forecasted for the FY 2026/27 Operating Budget.



4. OPERATIONAL COST PROJECTIONS

The following table and chart summarize the WPWMA's major cost centers and estimated actual expenses for the FY 2025/26 Operating Budget.

Cost Center	Budgeted Expense	% of Total Expense
MRF & LF Ops (FCC)	\$32,980,029	63.6%
Debt Service	\$7,748,750	14.9%
WPWMA Labor	\$3,901,641	7.5%
Other consultants & contractors	\$2,985,508	5.8%
Taxes, Utilities & Insurance	\$2,634,275	5.1%
Payments to Placer County	\$592,614	1.1%
Other	\$1,028,834	2.0%
Total	\$51,871,651	100%



In FY 2026/27, MRF and landfill operator unit processing fees are expected to increase by approximately 2% based on the Cost of Living Adjustment provisions in the respective operating agreements. With MRF construction expected to be complete and fewer materials directed straight to landfill, overall MRF costs in FY 2026/27 are budgeted to be approximately 3.7% greater than those projected in FY 2025/26 while landfill related costs during the same period are expected to decline by approximately 3.5% as a result of decreased disposal.

Due to the structured nature of the bonds, debt service costs will remain stable year to year. Annual debt service could decrease by approximately 10% as soon as FY 2027/28 should your Board elect to retire the Series B (landfill) bonds at the earliest call date in July 2027.

WPWMA labor costs are budgeted to increase in FY 2026/27 by approximately 10.4% compared to the FY 2025/26 projected costs due to the cost-of-living adjustment for County workers assigned to the WPWMA and the planned hiring of 3 additional non-County WPWMA staff.

As a result of the changes noted above, overall annual operational costs are anticipated to increase by approximately \$780,000 (~1.5%) in FY 2026/27 as shown below.

Cost Center	Budgeted Expense	
	FY 2025/26	FY 2026/27
MRF & LF Ops (FCC)	\$32,980,029	\$33,529,335
Debt Service	\$7,748,750	\$7,751,750
WPWMA Labor	\$3,901,641	\$4,308,183
Other consultants & contractors	\$2,985,508	\$2,846,712
Taxes, Utilities & Insurance	\$2,634,275	\$2,669,726
Payments to Placer County	\$592,614	\$709,385
Other	\$1,028,834	\$836,310
Total	\$51,871,651	\$52,651,402

5. CAPITAL COST PROJECTIONS

After several years of larger construction projects (e.g., MRF upgrades, Module 6 construction, etc.), staff recommend the WPWMA conduct a series of relatively smaller capital projects aimed at improving operations and potentially increasing revenues or reducing operational costs. These projects would predominately be paid for using reserves or Rate Stabilization funds. Following is brief summary of the projects staff recommends the WPWMA undertake in FY 2026/27 or continue from FY 2025/26:

a. Expand LFG system by adding additional collection wells

To maintain regulatory compliance and potentially generate increased LFG-to-energy royalties, staff recommend the installation of up to an additional ten (10) LFG extraction wells. To reduce costs where possible, staff will prepare the design documents and perform as much of the construction as possible. Staff's preliminary estimate for adding the 10 wells is \$200,000, which is approximately 50% of amount budgeted in previous years for the same level of well expansion. Any potential increase in royalties will be subject to the final agreement with Ameresco and the total quantity of LFG the WPWMA is able to recover on a consistent basis.

b. Leachate force main and electrical power extension & leachate pump upgrade

The WPWMA's existing landfill leachate collection and conveyance system is comprised of a partial loop system that begins near the southwest corner of the WRSL in between

Modules 5 and 6 and extends along the southern and eastern edge of the WRSL before terminating at the sewer manhole near the LFG blower flare station in the northern portion of the site. Connected to the force main are a series of landfill leachate pumps; two (2) of the pumps are connected to PG&E power, two (2) are connected to solar power, and the remaining four (4) utilize portable gas-powered generators.

To improve operational functionality and resiliency, staff have designed and recommend the following improvements to the system: 1) extend the existing force main along the western edge of the facility to fully complete the piping loop, 2) extend electrical power to convert two (2) of the generator-powered sump pumps to line power, and 3) replace older pumps with newer, higher efficiency electric pumps. The total estimated cost of these efforts is approximately \$350,000.

c. BioFiltro leachate pretreatment system construction

At the February 12, 2026 meeting, your Board approved an agreement with BioFiltro to construct a landfill leachate pre-treatment system for a maximum cost of \$1,736,428. While construction of the project will most likely start in FY 2025/26, staff anticipate a majority of the construction costs will be realized by the WPWMA in FY 2026/27.

d. Module 5/13 liner system modifications

As noted in the Projects Update report provided to your Board at the February 12, 2026 meeting, staff submitted a repair and modification plan to the Water Board in December 2025 for the liner tie-in area between Modules 5 and 13 to address sub-liner water buildup. Since that time, staff have received approval from the Water Board and anticipates the liner modifications noted in the plan will be constructed in FY 2026/27. Preliminary cost estimates for this work, including the necessary third-party construction quality assurance services, is approximately \$750,000.

e. Western property planning and development

In December 2023, your Board entered into an agreement with Jacobs Engineering to assist with the planning and permitting of the western property for future landfill operations.

While these efforts continue, the WPWMA is rapidly approaching a point in time where significant costs will be required to allow development to continue and ensure disposal capacity is available when it is necessary. The first of these costs is related to working with the Placer Conservation Authority to mitigate for the loss of open grassland (including agricultural space) as well as the loss of biologically sensitive areas. Preliminary estimates suggest the required mitigation costs could be approximately \$5 million and would cover the approximately 150 acres north of the high voltage PG&E powerlines to the driveway immediately west of the Athens-Fiddymont intersection. Paying for this required mitigation cost sooner rather than later is expected to provide the WPWMA with a better opportunity to market soils from the site thereby reducing or eliminating future costs to excavate landfill modules.

Subsequent costs include construction of a new groundwater monitoring network on the property as well as a berm and tree line along a portion of the property perimeter. These improvements will likely be constructed in subsequent fiscal years.

f. Corp Yard lease area improvements

Over the past several months, staff have been in discussions with Recology Auburn Placer regarding leasing a portion of the western property, including the existing residence and shop space, for use as a corporation yard. In discussions with Recology, staff understand that several improvements will be necessary on the property to facilitate the full uses planned by Recology, including an upgrade to the electrical service at the shop. If the WPWMA constructs the improvements, it may be able to do so for cheaper than Recology could perform the work and would realize a greater lease rate in return. Staff estimate the improvements, utilizing internal labor where possible, could cost approximately \$100,000.

6. REVENUE AND EXPENSE SUMMARY

The following summarizes the revenues and cost projections identified in Sections 3-5 above.

Budget Component	FY 2026/27
Revenue	\$54,413,887
Operational Cost	\$52,651,402
Net Revenue prior to Capital Costs	\$1,762,486
Capital Cost	\$8,136,428
Use of Reserves/Rate Stabilization Funds	\$6,373,942

7. REVENUE BOND OBLIGATIONS

In September 2022, the WPWMA issued \$97,441,500 in revenue bonds. Of this amount, \$88,830,000 was used to fund major renovations to the MRF to meet SB 1383 (Series A) and \$8,615,000 was used to fund a portion of the construction of Module 6 at the WRSL (Series B).

As noted in Section 3, the average debt service on the bonds (principal and interest) is approximately \$7.75 million. This annual debt service is based on a 20-year loan period; however, the bonds were structured to allow for early retirement of the Series B bonds beginning July 2027 and the Series A bonds beginning July 2032.

As they relate to the budgeting process and setting of tipping fees, the two main elements to which the WPWMA must adhere for compliance with the bond rate covenants are:

- Generate sufficient gross revenue, without use of Rate Stabilization funds, to cover 100% of the annual operating expenses including debt service; and
- Generate sufficient net revenue, which can include the use of Rate Stabilization funds, equal to at least 25% of the annual debt service amount (coverage ratio).

Based on these two provisions, for FY 2026/27, the WPWMA must generate at least **\$52,651,402** in gross revenues and demonstrate at least **\$1,937,938** in net revenues after making all debt service payments and before taking capital costs into account.

As shown in the revenue and expense summary in Section 6:

- 1) Sufficient gross revenues are expected to be generated to meet 100% of the anticipated annual operating costs. Therefore, bond covenant provision #1 can be met without raising tipping fees.
- 2) Insufficient net revenues are projected to meet the minimum coverage ratio. Your Board could either raise tipping fees by approximately **0.25%** or transfer at least **\$175,452** (i.e., \$1,937,938 - \$1,762,486) from the Rate Stabilization fund to the Operating Budget to meet this requirement.

8. RESERVES AND THE RATE STABILIZATION FUND

The WPWMA maintains three separate discretionary reserve funds within the Operating Budget as described below:

- 1) Fixed Asset Acquisition – typically utilized for improvements to the MRF
- 2) Contingencies – typically used for liner and cover construction at the WRSL
- 3) Rate Stabilization – typically used to ensure a sufficient bond coverage ratio and historically intended to enable retirement of the bonds at the earliest date.

The estimated balances of these three reserve funds at the beginning of FY 2026/27 are presented in the following table:

Fixed Asset Acquisition	\$369,125
Contingencies	\$7,480,000
Rate Stabilization	\$25,125,834
Total	\$32,974,959

As noted in Section 6, if your Board ultimately approves an Operating Budget that includes the identified capital projects, the total reserve funds could be reduced by approximately \$6.4 million by the end of FY 2026/27.

POTENTIAL WPWMA INITIATIVES

The following potential initiatives for consideration by your Board could influence development of the FY 2026/27 Budget:

1. MAINTAIN CURRENT TIP FEE STRUCTURE

The current primary financial drivers that influence the need to increase tipping fees are requirements of the WPWMA's bond covenants:

- Generate sufficient gross revenue, without the use of Rate Stabilization funds, to cover 100% of the annual operating expenses including debt service; and
- Generate sufficient net revenue, which can include the use of Rate Stabilization funds, equal to at least 25% of the annual debt service amount.

Based on current projections of tipping fee revenue and operational expenses for FY 2026/27, both requirements can be met without raising tipping fees.

However, maintaining the current tip fee structure will result in the WPWMA relying more heavily on reserves or the Rate Stabilization fund to cover costs associated with capital projects.

2. ESTABLISH TIERED RATE STRUCTURE

Your Board has previously expressed interest in exploring the concept of establishing a tiered rate structure where a reduced tip fee could be offered to any of the Participating Agencies delivering tonnages above a defined threshold.

A tiered structure would presumably result in lower overall tip fee revenue but would not result in a commensurate operating cost reduction. As a result, implementation of a tiered structure would most likely require a tip fee increase to ensure continued compliance with the WPWMA's bond covenants.

Should your Board wish to explore this concept further, staff will develop potential tiered structure options and necessary tip fee adjustments for your Board's consideration which could be implemented later in FY 2026/27 or at the beginning of FY 2027/28.

3. RETIRE BONDS AT EARLIEST POSSIBLE DATE

In September 2022, the WPWMA issued bonds to pay for the MRF upgrades and construction of the Module 6 liner system. The bonds were structured to allow for early retirement of the Series B bonds beginning July 2027 and the Series A bonds beginning July 2032.

In July 2027, the balance of the Series B bonds is estimated to be \$6,895,000 and the WPWMA is currently on track to have sufficient monies in the Rate Stabilization fund to retire the Series B bonds at this first call date. Early retirement of Series B bonds would save the WPWMA approximately \$2.8 million in interest payments.

In July 2032, the balance of the Series A bonds is estimated to be \$55,520,000. The WPWMA is currently projected to have approximately \$20 million in the Rate Stabilization fund at that time. Although the WPWMA could save approximately \$19 million by retiring the Series A bonds at their earliest call date, unless the WPWMA can generate significant additional net revenues without dramatically

increasing tip fees, it may not be feasible or advisable to plan on full retirement of these bonds in 2032. If your Board is interested in paying down the Series A bonds as much as possible at this first call date, staff will model future tip fee increases accordingly in an effort to balance long-term savings with near term cost impacts to customers.

4. ATTRACT OUTSIDE FLOWS

Based on a preliminary analysis of the available excess C&D processing capacity, the WPWMA could accept significantly more material without significant infrastructure upgrades. However, before the WPWMA could realize notable financial benefit from marketing this excess capacity, the following would need to occur:

- Demonstrate the C&D recovery rate is consistently at or above 65%. This would enable customers to comply with the CalGreen recovery requirements without the need to develop separate, job-specific recycling plans that rely on source separation of materials. For FY 2025/26, FCC's annualized C&D diversion rate is approximately 48.3%.
- Determine the maximum material storage capability of the C&D receiving floor in relation to the maximum daily processing rate to better understand practical limitations on the ability to accept additional materials without jeopardizing customer and operator safety, causing significant customer delays, or resulting in regulatory or environmental concerns.
- Conduct a regional market survey to evaluate competition for this material stream and determine a reasonable and attractive cost model that maximizes revenue to the WPWMA while remaining competitive in the marketplace.

Similar to C&D, preliminary analysis suggests the WPWMA has available processing capacity to accept additional MSW. As the MRF is designed to remove organics from the MSW stream to achieve compliance with SB 1383, marketing this excess capacity may be easier than marketing excess C&D capacity. For communities struggling with achieving compliance from commercial and/or multifamily sectors, the opportunity to deliver mixed wastes to a certified High Diversion Organic Processing Facility may be very attractive. Before the WPWMA could consider marketing this excess MSW capacity, it would need to:

- Demonstrate the MSW organics recovery rate is consistently above 75% to meet the High Diversion Organic Processing Facility standard. To date this metric has not been achieved. FCC anticipates compliance beginning in the first half of FY 2026/27.
- Additional composting capacity will need to be constructed on currently permitted and undeveloped landfill space which could cost between \$8 and \$10 million.

5. PURSUE EARLY DEVELOPMENT OF WESTERN LANDFILL EXPANSION

At the December 14, 2023 meeting, your Board approved an agreement with Jacobs Engineering to prepare the necessary technical studies, preliminary designs, and permitting documents for future landfilling operations on the WPWMA's western property. Jacobs estimated that it could take 5-7 years (i.e., early 2031) before landfilling operations could start on the property; staff estimates the available capacity in Module 6 should last between 10 and 15 years depending on the success of MRF recovery operations and waste stream growth.

As discussed at the June 12, 2025 Board meeting, the WPWMA has the opportunity to significantly reduce the costs associated with (or possibly generate revenue from) future landfill module soil excavation on the western property if it is able to initiate this effort several years in advance of when the excavation would otherwise be required. Based on the recent costs associated with excavation of Module 6, the WPWMA could save \$8 million or more by leasing the area to a contractor/soil broker as a borrow pit for regional construction projects (e.g., Placer Parkway, etc.). However, before any excavation operations can commence, an agreement with the Placer Conservation Authority and payment of environmental mitigation fees will be required, which is anticipated to cost approximately \$5 million. It is important to note that the mitigation fees will be required regardless of whether the WPWMA pursues early development of the property; this initiative revolves around early payment of mitigation fees with the possibility of realizing offsetting revenues v. deferring required costs as long as practical. The WPWMA could utilize Rate Stabilization funds to pay for this cost.

6. INTERNALIZE SELECT OPERATIONS

In November 2024, the WPWMA hired its first Utility Service Worker (USW) with the express intent of being able to self-perform many of the field-related and heavy equipment operations historically contracted to third parties.

Since that time, the WPWMA has been able to perform routine maintenance aspects of the landfill gas system and non-routine repairs at the WRSL in less time and for a fraction of the price than third party consultants or contractors.

Staff believe there are additional opportunities to internalize other non-specialized operations as well as utilize in-house engineering staff to prepare design packages for projects such as landfill gas system expansions. To take advantage of these opportunities, additional staffing will be required. Staff estimate that the current, fully burdened cost for USW and entry level engineering staff ranges between approximately \$125,000 and \$175,000 per person per year. Preliminary estimates suggest that the WPWMA would realize consistent savings by adding an entry-level engineering position and an additional USW position.