



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: August 8, 2013

Board Meeting Date: September 10, 2013

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: 2012-13 Grand Jury Response- South Bayside Waste Management
Authority Board- Elected Officials or Senior Management Staff

RECOMMENDATION:

Approve the Board of Supervisor's response to the 2012-13 Grand Jury report titled:
South Bayside Waste Management Authority Board- Elected Officials or Senior
Management Staff.

BACKGROUND:

On June 20, 2013, the Grand Jury filed a report titled: South Bayside Waste
Management Authority Board- Elected Officials or Senior Management Staff. The Board
of Supervisors is required to submit comments on the findings and recommendations
pertaining to the matters under control of the County of San Mateo within ninety days.
The County's response to the report is due to Hon. Richard C. Livermore no later than
September 16, 2013.

Acceptance of this report contributes to the Shared Vision 2025 outcome of a
Collaborative Community by ensuring that all Grand Jury findings and recommendations
are thoroughly reviewed by the appropriate County departments and that, when
appropriate, process improvements are made to improve the quality and efficiency of
services provided to the public and other agencies.

DISCUSSION:

Findings:

F1. One reason behind wanting to change the composition of the Board appears to
stem from the public's concern over rate increases and service changes.

Response: Agree

F2. The organizational structure of SBWMA is a complex issue that the public does not well understand.

Response: Agree

F3. The rates and the process of setting them are difficult to understand because so many variables, such as added city fees, come into play.

Response: Agree

F4. Customers would benefit from receiving itemized billing statements that show charges imposed by Recology and additional fees imposed by the relevant Member Agency.

Response: Disagree in part. Although customers will have a better understanding of the breakdown of charges, the overall revenue requirements of agencies will not change.

F5. Elected officials already have sufficient influence in the decision-making process because the governing body of each Member Agency must approve major decisions such as contracts and rate increases.

Response: Disagree in part. Elected officials are fully briefed on the rate setting process and the elements that compose the rates, and have approval authority over the rates imposed. However, elected officials do not set the tipping fees at Shoreway Environmental Center (Shoreway) nor do they approve South Bayside Waste Management's (SBWMA) agency budget.

F6. There is no demonstrable advantage to changing the Board composition from only senior management staff to only elected officials.

Response: Disagree. The Board of Supervisors approved the Second Amendment to the SBWMA Joint Powers Authority Agreement to define the SBWMA's Board of Directors as being comprised of an elected official from each of the member agencies' governing bodies on July 23, 2013. Through this action, the Board of Supervisors affirmed its desire to appoint elected officials to the SBWMA Board of Directors.

Recommendations:

R1. Disseminate more information to the public about SBWMA's operations, the role of its franchisees, and the rate setting process.

Response: This recommendation will not be implemented by San Mateo County. Dissemination of information regarding SBWMA should be the responsibility of the SBWMA organization and not its member agencies.

R2. Request that Recology prepare a detailed billing statement for its customers that shows all charges imposed by Recology and itemizes all fees charged by the Member Agency.

Response: This recommendation will not be implemented because the information is currently being provided to customers through an alternate means. As part of the rate setting process, notices are sent out to all customers in accordance with Proposition 218 requirements outlining the need for the rate increase and how the revenues generated are spent, including the franchise fee charged by the County. In the case of County Service Area No. 8 (North Fair Oaks area) residential accounts, solid waste fees are collected on the tax bills and are not billed by Recology.

R3. Continue to appoint only senior management staff to the Board as stipulated in the 2005 Agreement.

Response: This recommendation will not be implemented. The Second Amended SBWMA JPA has been approved by a super majority of member agencies and took effect on July 26, 2013. The SBWMA Board of Directors is now composed of elected officials.

R4. If the Restated Agreement is amended to provide for a Board composed solely of elected officials, then put in place a technical advisory committee consisting of staff with technical experience in waste management.

Response: This recommendation will not be implemented by San Mateo County. It is the responsibility of the new SBWMA comprised of elected officials to determine whether they feel a Technical Advisory Committee is warranted.

FISCAL IMPACT:

There is no Net County Cost associated with approving this report.