



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** SUSTAINABILITY

**File #:** 24-587

Board Meeting Date: 6/25/2024

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Carolyn Bloede, Director, Sustainability Department

**Subject:** Amendment to the Agreement with Allied Waste Services for the Operation of the Pescadero Transfer Station

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with BFI Waste Systems of North America, LLC, dba Allied Waste Services of San Mateo County (Republic Services of San Mateo County), for the operation of the Pescadero Solid Waste Transfer Station to extend the term six months through February 28, 2025.

**BACKGROUND:**

The Pescadero Solid Waste Transfer Station (PTS) is owned by the County and provides convenient solid waste disposal and recycling drop off services to the South Coast area of San Mateo County. The County opened the PTS when the Pescadero Landfill was closed in 1986; the PTS has been operated through a contractual agreement since that time.

On August 12, 2008, this Board adopted Resolution No. 069636, which approved an agreement with BFI Waste Systems of North America, LLC, dba Allied Waste Service of San Mateo County (AWS) for the operation of the PTS from August 15, 2008, through August 14, 2015. In subsequent years this Board approved additional agreement extensions with the final extension ending on August 19, 2018.

During FY 2017-18, to identify long-term strategies for operation of the PTS, the County hired a consultant to conduct a study on solid waste and recycling options for the South Coast area. In the spring of 2017, the Sustainability Department presented the findings of the study at two community workshops in La Honda and Pescadero to solicit feedback from the community. The Sustainability Department formed a subcommittee of South Coast community residents to explore options for services which recommended that a request for proposal (RFP) process be run for the operation of the PTS site.

In May of 2018, the Sustainability Department began a competitive RFP process for the operation of the PTS. Sustainability Department staff and the subcommittee made a determination to award the contract to AWS. On November 6, 2018, this Board adopted Resolution No. 076251 which approved

an agreement with AWS for the operation of the PTS with a not to exceed amount of \$300,000 per fiscal year for a five-year term through August 2023, with the option to amend the contract for an additional 36 months. On August 1, 2023, this Board adopted Resolution No. 079872 which amended the agreement for an additional 12 months through August 30, 2024.

The agreement funds the AWS contract for the fully anticipated operating expenses of up to \$300,000 per year, although historically this amount is not spent. Actual costs are partially offset by gate fee revenues, which are generated by charges on waste materials received at PTS. The total operating cost for the site in the FY 2022-23 was \$270,925. The gate fee revenues were \$206,565, leading to a net of \$64,360 being funded from the County’s Solid Waste Fund.

**DISCUSSION:**

Services provided to the community at the PTS include household waste disposal, recycling, and organic waste services. Sustainability Department staff conducted a survey in April 2023 to better understand how the PTS serves the community. Of the 98 PTS customers that were surveyed, 87 percent showed they were disposing of their household waste and that 98 percent of customers were from the South Coast area. In FY 2022-23, AWS processed 573 tons of garbage, 106 tons of recycling, and two tons of organic waste. The overall findings from the survey show that this location provides both convenient and important services to the unincorporated communities on the South Coast.

To continue providing this valuable benefit, the Sustainability Department seeks approval from this Board to approve a second amendment to extend the term through February 28, 2025. The amount of the agreement remains the same with the not to exceed amount of \$300,000 per fiscal year. This amendment will allow for continuous operation of the PTS while the Sustainability Department seeks to secure a vendor via a competitive RFP process to operate the PTS once the amendment term is completed.

The County Attorney has reviewed and approved the resolution and amendment as to form.

**PERFORMANCE MEASURE:**

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of non-hazardous solid waste processed, transferred, and delivered from PTS to the Ox Mountain Sanitary Landfill.	100%	100%

**FISCAL IMPACT:**

While the not to exceed amount of \$300,000 on the contract remains the same, the increased term of the contract will result in additional expenditures. Based on historical expenditures, the budgeted amount for an additional six-month period to operate the PTS is \$150,000. Using historical PTS revenue and cost data, it is anticipated that 76 percent of actual operating costs will be covered by gate fee revenues and that 24 percent will be covered by the County’s Solid Waste Fund. The \$150,000 is included in the 2024-25 FY Recommended Budget. There is no Net County Cost associated with this agreement.

**ATTACHMENTS:**

1. Exhibit A: Amendment Two to the Agreement with Allied Waste for PTS