



County of San Mateo

Inter-Departmental Correspondence

Department: OFFICE OF SUSTAINABILITY

File #: 24-024

Board Meeting Date: 1/9/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Carolyn Bloede, Director, Office of Sustainability
Subject: Adoption of the Pescadero Solid Waste Transfer Station Gate Rates

RECOMMENDATION:

Adopt a resolution adopting the Pescadero Solid Waste Transfer Station Gate Rates.

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 residents and businesses of the south coastal area of San Mateo County. The County opened the PTS when the Pescadero Landfill was closed in 1986. The PTS has been operated through contracted services since 1986 and is currently operated by BFI Waste Systems of North America, LLC, DBA Allied Waste Services (AWS) of San Mateo County. AWS was selected through a request for proposal selection process in 2018.

On August 18, 2018, this Board adopted Resolution No. 076251, which approved an agreement with AWS for the operation of the PTS from August 18, 2018 through August 1, 2023.

On January 26, 2016, this Board adopted Resolution No. 074302 which approved an increase in the PTS gate rates, effective on February 1, 2016. On August 1, 2023, this Board adopted Resolution No. 079872, authorizing an amendment with AWS to extend the contract through August 30, 2024.

DISCUSSION:

The agreement with AWS allows for an annual adjustment in the contractor's fee schedule based upon the Consumer Price Index (CPI). The payment for services to AWS is generated from gate rate revenues and a subsidy from the County's existing Solid Waste Trust Fund. The annual operating cost for the PTS in FY 2022-23 was \$274,436. For that fiscal year, revenues from the gate rates charged to customers totaled \$197,405 with the balance of \$77,031 being paid as a subsidy from the County's Solid Waste Trust Fund. The FY 2022-23 revenues and costs provide a projection of revenues and costs to operate the site in FY 2023-24. This information, coupled with the contractual CPI increase, serve as the basis for the proposed gate rate increases included in Exhibit A.

The PTS agreement and proposed amendment were presented to the Pescadero Municipal Advisory Council (PMAC), who represent the primary customers who use the site and a subcommittee

comprised of Pescadero and La Honda residents was formed. In early 2023, at the request of this subcommittee, staff conducted a survey of the customers who use the site to determine hours of operations, type of materials being dropped off, and desired services to help inform what services best meet the community's needs. This last year, OOS staff also met with the subcommittee to establish these proposed gate rates.

The proposed gate rate increases are detailed in Exhibit A of the attached resolution and will be effective on January 15, 2024.

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

FISCAL IMPACT:

There is currently no new Net County Cost associated with this agreement. Increasing gate rates will reduce the amount of subsidy required from the Solid Waste Trust Fund. The proposed gate rates are included in Attachment A.

ATTACHMENTS:

1. Resolution Approving the Pescadero Solid Waste Transfer Station Gate Rates
2. Exhibit A, Attachment to Resolution, Gate Rates for Pescadero Solid Waste Transfer Station, effective: January 15, 2024.