



Board Agenda Item 51

DATE: January 23, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Second Amendment to Shaver Lake Transfer Station Agreement 10-390

RECOMMENDED ACTION:

Approve and authorize the Chairman to execute a Second Amendment to Agreement 10-390 with Granite Solid Waste, LLC to continue to operate the Shaver Lake Transfer Station through February 27, 2028.

On July 13, 2010, the County executed Agreement No. 10-390 for the operation of the Shaver Lake Transfer Station (SLTS) with Granite Solid Waste, LLC (Granite), the Exclusive Service Area Program (ESAP) contractor for Areas 11 and 14, for a term concurrent with the ESAP agreement, which is scheduled to expire on February 26, 2018. The SLTS agreement provides the County the discretion to offer Granite one ten year extension. The recommended action requests approval to amend the term of the SLTS agreement through February 27, 2028, to coincide with the extended term of Granite's amended and successor ESAP agreement, as authorized by the Board on October 31, 2017. This item pertains to District 5.

ALTERNATIVE ACTION:

1. The Board may choose not to execute the second amendment to the SLTS agreement, and direct staff to return to the Board with a recommendation to close the SLTS; or
2. The Board may direct staff to issue a Request for Proposals (RFP) to select a new vendor. However, since there is no revenue stream directly associated with operating the SLTS, and there is no guarantee that the current operator will be the successful proposer, the cost of processing an RFP would need to be absorbed within current General Fund appropriations within Org 4360.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. Granite will be compensated solely from tipping fees collected from users of the SLTS. The minimal administrative work associated with this agenda item is budgeted in the Public Works and Planning - Resources Org 9015 FY 2017-18 Adopted Budget and funded by the AB 939 service fees.

DISCUSSION:

The SLTS is located near the Shaver Lake Community on Dinkey Creek Road, one mile east of Highway 168. Solid waste received at the SLTS is hauled to the American Avenue Disposal Site and recycled material is transported to permitted recycling facilities. The SLTS has been in operation since 1973, when it was constructed on Sierra National Forest Service Land. Since 1988, the County has contracted with

private solid waste collection firms to operate and maintain the SLTS. The SLTS is permitted as a Limited Volume Transfer Operation by the Fresno County Department of Public Health, Environmental Health Division, and has a special use permit from the U.S. Department of Agriculture Forest Service for the operation.

There are no County costs at this time because the SLTS agreement requires that Granite pay for all fees and the costs necessary to operate the SLTS. Operating costs for the SLTS include: annual lease fee, Special Use Permit fee, utilities, filing fees for an Enforcement Agency Notification, and all costs associated with the collection of solid waste, recyclables, and costs for compilation of waste data and the preparation of reports to regulatory agencies.

The SLTS tip fees incorporate an annual Consumer Price Index (CPI) adjustment that parallels the CPI adjustments in the ESAP agreement with Granite. The tipping fees are listed below:

Minimum Load (1 trash can or less the ¼ cubic yard of mixed solid waste)	\$3.37
Small Load (more than ¼ cubic yard and less than 1 cubic yard of uncompacted mixed solid waste)	\$8.73
General refuse (per cubic yard of uncompacted Mixed Solid Waste)	\$8.73
Compactor Rate (per cubic yard of compacted mixed solid waste)	\$35.86

The SLTS agreement requires that Granite operate the station for public use to coincide with the approved Enforcement Agency Notification (EAN) issued by the Fresno County Department of Public Health. The current EAN identifies the days and hours of operation as follows:

From May 1st through November 1st

- Friday, from 10:00 a.m. until 3:00 p.m.
- Saturday, from 10:00 a.m. until 3:00 p.m.
- Wednesday, by arrangement to receive waste from commercial haulers and construction related waste from building contractors.

The Agreement will expire on February 26, 2018, however, the County has the discretion to offer Granite a single ten year extension to coincide with the extended term of Granite's amended and successor ESAP agreement. The County also retains the right to terminate the SLTS Agreement without cause upon 30-day advance notification to Granite.

REFERENCE MATERIAL:

BAI # 57 June 7, 2011 - Agt. # 10-390-1
BAI # 71 July 13, 2010 - Agt. # 10-390
BAI # 44, April 24, 2007 - Agt. # 07-135
BAI # 40, June 26, 2007 - Agt. #07-242

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Second Amendment to Agreement 10-390 with Granite Solid Waste, LLC

CAO ANALYST:

John Hays