



Mendocino County

Legislation Text

File #: 21-1123, Version: 1

To: Board of Supervisors

From: Board of Supervisors

Meeting Date: October 26, 2021

Department Contact: Supervisor Gjerde
Department Contact: Supervisor Mulheren

Phone: 463-4221
Phone: 463-4221

Item Type: Regular Agenda

Time Allocated for Item: 30 Minutes

Agenda Title:

Discussion and Possible Action Including Approval of a One-Time Contribution to Mendocino Solid Waste Management Authority in the Amount of \$107,680, to Cover the Increase in Household Hazardous Waste Disposal Costs Due to the COVID-19 Pandemic (Countywide)
(Sponsors: Supervisors Gjerde and Mulheren)

Recommended Action/Motion:

Approve a one-time contribution to Mendocino Solid Waste Management Authority in the amount of \$107,680, to cover the increase in household hazardous waste disposal costs due to the COVID-19 pandemic (Countywide)

Previous Board/Board Committee Actions:

On October 19, 1990, the Board approved Board of Supervisors Agreement Number (No.) 90-310, Joint Powers Agreement between the Cities of Fort Bragg, Ukiah, Willits, and the County of Mendocino Creating the Mendocino Solid Waste Management Authority (MSWMA). On November 19, 2019, the Board approved BOS Agreement No. 19-260, Amended and Restated Joint Powers Agreement among the Cities of Fort Bragg, Ukiah, Willits, and the County of Mendocino Creating the Mendocino Solid Waste Management Authority. By Resolution No. 19-390 (November 19, 2019), the Board approved an increase of the Mendocino Solid Waste Management Authority surcharge fee from \$5.00 per ton to \$6.50 per ton.

Summary of Request:

MSWMA was originally created through a Joint Powers Agreement between the Cities of Fort Bragg, Ukiah, Willits and Mendocino County to provide administrative oversight and program implementation for solid waste and recycling in the County. Each city is represented by one elected Councilmember and the County is represented by one coastal district Supervisor and one inland district Supervisor. MSWMA ensures that local solid waste haulers, including trash, recycling and composting, are providing services according to State and Federal law, including preparation and implementation of a Source Reduction and Recycling Plan. MSWMA is also tasked with making efforts, including education, to increase recycling and diversion of materials from landfills. MSWMA through MendoRecycle operates the household hazardous waste facility in Ukiah and the HazMobile throughout the County, as well as, provides assistance with local cleanup of illegal dumping and removal of graffiti. Additionally, MSWMA operates the Tire Amnesty program which allows for periodic free collection of tires.

The primary funding for MSWMA comes with a \$6.50 per ton surcharge on all solid waste in the County as collected at the transfer stations. The surcharge is passed on to solid waste customers, as part of the solid waste collection fees by haulers and transfer station operators. The MSWMA tipping fee surcharge plus grant revenues provides the funding to cover the costs of services provided by MSWMA. To cover rising costs, in late 2019, the MendoRecycle jurisdictions approved an increase in the tipping fee of \$1.50, effective January 20, 2020, from \$5.00 to \$6.50.

As is true for many jurisdictions, the pandemic's arrival in March 2020 stretched the resources of MSWMA as the quantity of household hazardous waste (HHW) increased dramatically. Disposal costs increased from \$109,000 in Fiscal Year (FY) 18-19 to \$154,000 in FY 19-20 to \$220,000 in FY 20-21. After making cuts to the FY 21-22 budget and using reserves to fill gaps, the MSWMA Board agreed in April that it needed to ask the four member jurisdictions for one-time contributions.

The funding requested from each jurisdiction is as follows, based on the proportion of the 2020 population:

City of Ukiah (pop. 16,061)	\$29,440
City of Ft. Bragg (pop. 7,427)	\$13,600
City of Willits (pop. 5,072)	\$9,280
County of Mendocino (pop. 58,915)	<u>\$107,680</u>
Total	<u>\$160,000</u>

After receiving the one-time funding requests in April 2021, staff from the City of Ukiah, City of Fort Bragg and County of Mendocino voiced concern that the one-time supplemental funding from its respective general funds may not adequately fix the financial challenges of MSWMA. Staff, working with the General Manager (who has since resigned), agreed to form a Technical Advisory Committee (TAC) to review the financials and provide recommendations for a more sustainable financial future for MSWMA.

The TAC has analyzed multiple options, including another surcharge increase and/or making significant changes to MSWMA's operating structure. There has not been a complete consensus among the TAC, the MSWMA Board and the General Manager as to the best option forward; however, all parties acknowledge that operating funds are needed in the immediate term to continue current MSWMA operations while the Board assesses options for the future. One option discussed was to condition any contributions as loans to be paid back over a set period of time, but there was concern among the MSWMA Board as to the ability of MSWMA to repay loans while continuing the current level of operations.

The MSWMA Board requests that the Board of Supervisors approve a one-time contribution of \$107,680. The City Councils of Willits and Fort Bragg have already approved their contributions. If the Board is not inclined to approve the contribution as requested, consideration could also be given to conditioning the payment as a loan to be repaid or approving the payment only contingent on all the member entities contributing their allocated share, to ensure that MSWMA is being subsidized proportionately.

Alternative Action/Motion:

Do not approve the one-time contribution and provide alternative direction to present to the MSWMA Board.

How Does This Item Support the General Plan? This item supports waste diversion from landfills and environmentally responsible hazardous waste management.

Supervisory District: All

vote requirement: Majority

Supplemental Information Available Online At: [<https://mendorecycle.org/>](https://mendorecycle.org/)

Fiscal Details:

source of funding: General Fund

current f/y cost: \$107,680

annual recurring cost: N/A

budget clarification: There is a possibility of receiving higher than anticipated revenues in Budget Unit 4510 (Solid V) which could cover some or all of the cost; however it is too early in the fiscal year to determine this.

Agreement/Resolution/Ordinance Approved by County Counsel: N/A

CEO Liaison: Judy Morris, Deputy CEO

CEO Review: Yes

CEO Comments:

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Executed By: Atlas Pearson, Deputy Clerk II

Date: October 26, 2021

Final Status: **Approved**

