

## KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

### **BOARD OF DIRECTORS MEETING**

December 12, 2019

Agenda Item 8c

By Eileen M. Nottoli

#### Rate Review Methodology for Bay View Rates

In anticipation of new draft state requirements mandating food composting and strong interest from several residents, the District has been in discussions with Bay View Refuse to expand its service to include food with green waste, increase green waste pickup from bi-monthly to weekly, and arrange for more convenient disposal of hazardous waste. Bay View is willing to offer this service at an increase of 7% to current rates and to also supply residential customers with three carts (for landfill wastes, green wastes, and recyclables) as well as a small pail that can be used on kitchen counters for food scraps in exchange for extending the current contract by ten years. In addition, to provide for a more convenient method to dispose of hazardous wastes, Bay View will offer a monthly pickup of hazardous wastes from residents instead of having residents bring hazardous wastes to the Household Hazardous Waste Facility in Richmond at no extra charge to residents.

The current agreement between the District and Bay View expires on August 31, 2023. At that time, the District would conduct a rate review to determine whether the rates are fair to residents and provide reasonable compensation to Bay View based on past operations. We have asked HF&H to propose a methodology that can be used at that time and include factors that can affect rates such as new developments in either the regulatory environment or market factors.

If the Board approves the HF&H proposal, the methodology to review and adjust rates will be made an exhibit to the Bay View contract and submitted to Bay View for approval and to the County to amend the Memorandum of Understanding between the County, District and Bay View.

Recommendation: Approve the HF&H proposal