



BOARD OF DIRECTORS MEETING THURSDAY, FEBRUARY 24, 2011 at 2:00 p.m.

San Carlos Library
Conference Room A/B
610 Elm Street, San Carlos, CA 94070

1. Roll Call

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

3. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

- A. Adopt the January 27, 2011 BOD Meeting Minutes
- B. Approval of Quarterly Investment Report as of 12/31/10
- C. Resolution Approving Updated Conflict of Interest Code

4. New Business:

- A. Resolution Approving Mid-Year Budget Adjustments FY2011
- B. Resolution Approving Change Order for Master Plan Phase 2 and 3 Construction Management Services
- C. Presentation of Video Contest Winners

5. Old Business:

- A. Update on Rollout of New Collection Services Effective 1/1/11
- B. Update on South Bay Recycling Start-Up of Shoreway Facility Operations Effective 1/1/11
- C. Update on Mandatory Commercial Recycling

6. Staff Updates

- a) Shoreway Construction Update
- b) Update on Recology Commercial Recycling Outreach Efforts
- c) Recycling and Outreach Programs Update
- d) Preview of Upcoming Board meetings

7. Board Member Comments

8. Adjourn Next Regular meeting scheduled for March 24, 2011, San Carlos Library at 2 pm

MEMBER AGENCIES

ATHERTON * BELMONT * BURLINGAME * EAST PALO ALTO * FOSTER CITY * HILLSBOROUGH * MENLO PARK * REDWOOD CITY
* SAN CARLOS * SAN MATEO * COUNTY OF SAN MATEO * WEST BAY SANITARY DISTRICT



CONSENT CALENDAR

DRAFT MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
January 27, 2011 – 2:00 p.m.
Shoreway Environmental Center**

1. Roll Call: CTO 2:27 p.m.

2. **Public Comment**

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

3. **Approval of Consent Calendar:**

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

A. Adopt the November 18, 2010 BOD Meeting Minutes

Member Nava: Requested clarification on Item 4A from 11/18/2010 minutes; revised as follows:

New motion. M/S Hardy/LaMariana to accept the Resolution Approving Shoreway Facility Tipping Fee Adjustments Effective 1/1/11 as follows:

	Staff Proposed Rate	Board Approved
Franchised solid waste	\$93.00/ton	\$90.00/ton
Franchised organics	\$79.00/ton	\$79.00/ton
Public C&D materials	\$88.00/ton	\$90.00/ton
Public solid waste	\$40.00/cubic yard	\$40.00/cubic yard
Public plant material	\$29.00/cubic yard	\$29.00/cubic yard
Public C&D	\$28.00/cubic yard	\$29.00/cubic yard

Motion passes 7-2-1-2 (Burlingame, San Mateo)

B Resolution Accepting the Fiscal Year 2009-2010 Annual Financial Statements - Resolution 2011-01

C. Receipt of Allied Monthly Metrics

Nava/Debry approve Consent Calendar, amending November 18, 2010 Meeting Minutes as described above.

Voice Vote: All in Favor

Motion passes 10-0-0-2 (Atherton, San Mateo)

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton				X	Menlo Park	X			
Belmont	X				Redwood City	X			
Burlingame	X				San Carlos	X			
East Palo Alto	X				San Mateo				X
Foster City	X				County of San Mateo	X			
Hillsborough	X				West Bay Sanitary Dist	X			

4. **New Business:**

A. Election of New Officers for 2011

Chair Porter nominates Moura as Chair, second by Member Steffens. All in favor approved 10-0-0-2.

Member Porter nominates Member Steffens as Vice Chair, second by Member Gervais. All in favor approved 10-0-0-2.

B. Mid Year Review of FY2011 Annual Operating Budget

Discussion:

Member Nava questioned if the additional costs incurred by Recology Customer Service during the roll out would impact the budget. Executive Director (ED) McCarthy responded that there wouldn't be any impacts since these costs are not an expense that the Member Agency's are responsible for per the Franchise Agreements.

Member Fotu requested clarification on CIWMB reporting. Staff Feldman indicated that there has been a request from the state for reporting that overlaps and a budget adjustment of \$25k is necessary in order to meet the reporting requirements.

Clarification was requested on deduction of \$75k on Mandatory Commercial Recycling Ordinances, which Staff Feldman responded this was due to a change in policy; not required by state.

Member Nava questioned if reports of Mandatory Recycling Program is more advantageous for JPA to enforce when the new law is in place. Requested Staff to research. Chair Moura responded that education and outreach would be the key. Staff Feldman responded that including bill inserts to give notification of new law meets the state requirements. Chair Moura stated that he believes more is needed. Member Nava recommends a few enforcers JPA wide, not 12 since the goal is to increase Commercial tonnage.

Member Boyd requested clarification on Shoreway Investigation being part of the budget since funds were available through settlement to pay for the remediation. ED McCarthy confirmed that the funds were available elsewhere and that the line item is an indication of how much is anticipated to be spent in this fiscal year; staff will adjust budget

Member Fotu requested clarification on solar system engineering line item. Staff Gans explained that is was related to a Power Purchase Agreement (PPA) that the SBWMA is involved with to install photovoltaic cells at Shoreway. The PPA effort is being led by Santa Clara County.

Member Fotu requested clarification on cuts in green business program. Staff Feldman stated it was due to reduced demand for staff time to conduct business certifications.

C. Discussion on Third Party (i.e., Non-Franchise) Pricing Approach for New MRF Tonnage

Discussion:

Member Nava suggested review of a different model, a lease model; non JPA members should pay full rate since agencies have franchised rates, others have to cover full cost.

Member Gervais requested clarification on the length of the contract. ED McCarthy stated they were short. Member Gervais asked if they were short to see how it would work. Wanted to know if there were any liability concerns taking on additional tonnage from other municipalities. ED McCarthy replied no, that there is a daily allowance of 3000 tons by permit; historically the facility runs 1500 tons.

Staff Gans included that contracts would be a requirement in order to process.

Vice Chair (VC) Steffens questioned if there was enough storage capacity for waste, trucking, etc. ED McCarthy responded that there was plenty of capacity. Tip floor can store 2 full days of waste,

Member Hardy stated that he agrees on Policy with member Nava. No subsidizing rates. Likes the entrepreneur approach for new revenues with such new revenue used for rate reduction. Questioned if we are setting aside funds to replace equipment after its life; wants to make sure we cover any accelerated depreciation ED McCarthy responded that the Board adopted new Reserve policy for equipment depreciation over 12 year schedule with schedule starting two years after bonds sold. .

Member Hardy wanted to know if adding a second shift will shorten the life time of the equipment. ED McCarthy responded that he would confirm with BHS and SBR and respond

Member Nava questioned if SBR had full control of the facility 24/7. ED McCarthy responded there are parameters of operations in the contract.

Member Nava questioned if staff visited lease payment options with SBR.

Chair Moura stated that there needs to be an analysis of both models to see which model would be more advantageous.

Vice Chair Steffens stated that clear record of who brought what in for commercial revenue would be needed.

ED McCarthy stated that the operations agreement is written to show parameters. There would need to be negotiations with SBR on the processing fee and any revenue sharing.

5. Old Business:

A. Update on Rollout of New Collection Services Effective 1/1/11

Member Nava expressed gratitude to Mark, Mario, Gino and Gina for being responsive and handling each complaint. Added that the RFP Contract was written so that driver's with seniority had first choice of routes, doesn't believe the issues with routes were the fault of the company. Displeasure also with the rates increase at the same time, believes that Prop 218 notice in October would have limited complaints.

Vice Chair Steffens requested responsibility clarification on billing issues from SFDs in Menlo Park. Some cases Recology CSRs tell residents to call the City. Mark Arsenault, Recology (RSMC), responded, in no instance. Some residents did believe they were owed refunds, but CSRs shouldn't refer to the City. Will address issue with Customer Service.

Member Hardy wanted to know how improper placement issues were going to be addressed going forward. Mr. Arsenault responded currently drivers are physically moving carts to street. Driver's have tags that they will begin to use by placing on cart advising residents.

Chair Moura stated that he believes that people need to know "why" placement is important. Staff Devincenzi added that the Rethinker newsletter will be addressing this issue. In addition, another mailer will be sent out.

Vice Chair Moura requested adding Cart Return to outreach.

Member Gervais stated that Belmont is changing their street sweeping; request to add this info to outreach.

Member Nava also requested to be added since Burlingame is changing their street sweeping.

Member DeBry stated that the Roll out went well, however back yard service is not being handled and requested RSMC to resolve.

Member Fotu stated that Menlo Park call volumes have lowered; believes issues have been resolved. Requested contact numbers. Requested info on Compost events (SBWMA staff will follow up). Carts on same side instead of opposite side on different days, needs maps.

Chair Moura summarized that upcoming outreach is to include information regarding days of service opposite sides of streets due to efficiency and safety.

B. Update on South Bay Recycling Start-Up of Shoreway Facility Operations Effective 1/1/11

6. Staff Updates

- a) Final Update on Allied Contract Compliance
- b) Shoreway Construction Update
- c) Update on Recology Commercial Recycling Outreach Efforts
- d) Recycling and Outreach Programs Update
- e) Preview of Upcoming Board meetings

7. Board Member Comments

8. Adjourn-4:42pm

Next Regular meeting scheduled for February 24, 2011, San Carlos Library at 2 pm

Audio of this meeting can be found at www.rethinkwaste.org



STAFF REPORT

To: SBWMA Board Members
From: Marshall Moran, Finance Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Quarterly Investment Report for the Quarter Ended December 31, 2010

Recommendation

It is recommended that the SBWMA Board review and accept the Quarterly Investment Report.

Analysis

The primary objective of the Investment Policy for the SBWMA is safety of principal, while meeting the cash flow needs of the JPA, through prudent investment of unexpended cash. As of December 31, 2010, the investment portfolio was in compliance with the Investment Policy. The portfolio contains enough liquidity to meet the next six months of expected expenditures by the Authority as well as by other third parties.

Fiscal Impact

The attached investment report indicates that on December 31, 2010, funds in the amount of \$22,578,570 were invested producing a weighted average yield of 0.40%.

Accrued interest earnings this quarter totaled \$76,503. As shown in the table below, the decrease in interest income is due to the decreased balance of the portfolio as compared with the prior quarter.

Below is a summary of the changes in the portfolio.

	Qtr Ended 12/31/10	Qtr Ended 09/30/10	Increase (Decrease)
Total Portfolio	\$ 22,578,570	\$ 30,918,719	\$ (8,340,149)
Wgtd Avg Yield	0.40%	0.47%	-0.07%
Interest Earnings	\$ 76,503	\$ 91,488	\$ (14,986)

The decrease in the total portfolio of \$8,340,149 is primarily related to payments from the bond proceeds project account related to the capital project costs offset by interest received last quarter.

A table comparison of the portfolio components has been provided below:

	12/31/10 Balance	% of Total	09/30/10 Balance	% of Total	Change over prior qtr
SM County Pool	\$ 2,060,200	9%	\$ 2,053,315	7%	\$ 6,884
LAIF	\$ 6,182,460	27%	\$ 6,174,485	20%	\$ 7,975
Bond Proceeds	\$ 14,335,911	63%	\$ 22,690,918	73%	\$ (8,355,008)
Total Portfolio	\$ 22,578,570	100%	\$ 30,918,719	100%	\$ (8,340,149)

Note: There may be minor differences in totals as individual amounts are rounded to the nearest dollar

The average yield of the portfolio excluding bond proceeds was 0.40%. The Local Agency Investment Fund (LAIF) is used as a benchmark, and the average LAIF yield for the quarter ending December 31, 2010, was 0.46%. The San Mateo County Pool average yield for the quarter was 1.17%.

Due to arbitrage restrictions, bond proceeds investments are not included in our LAIF rate comparison. As of December 31, 2010, the bond proceeds of approximately \$14.3 million were invested with the trustee in LAIF, Federal Home loan securities and other cash and short-term investments.

The Investment Advisory Committee, consisting of Jeff Maltbie, Interim City Manager of San Carlos, Brian Moura, Assistant City Manager of San Carlos, Michael Galvin, City Treasurer for San Carlos, and, Rebecca Mendenhall Acting Administrative Services Director, have reviewed this report before presentation to the Board.

Attachments

A – Investment Portfolio Summary for the Quarter Ended December 31, 2010

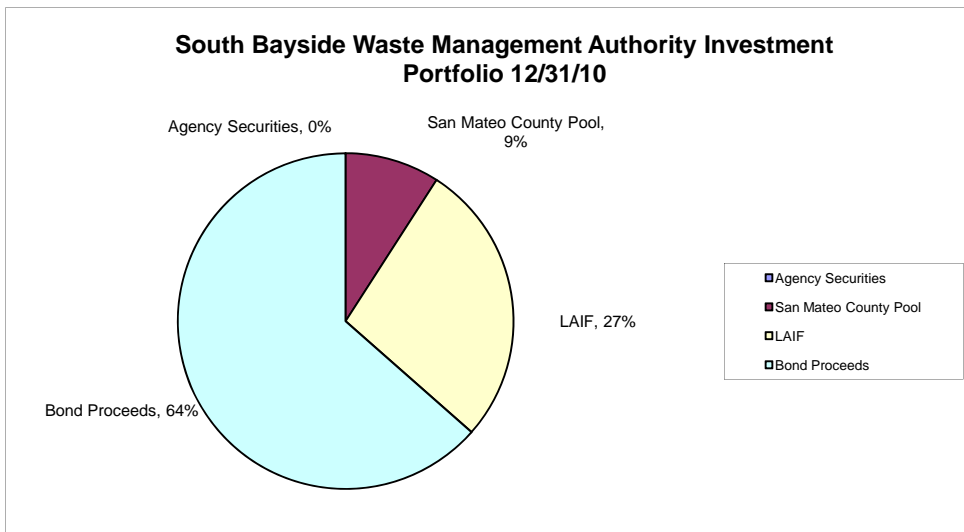
B – Historical Summary of Investment Portfolio

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

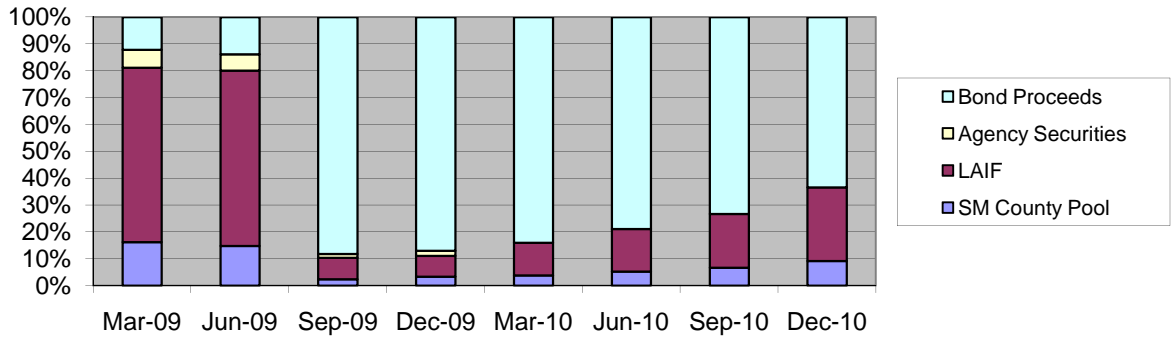
SUMMARY OF ALL INVESTMENTS
For Quarter Ending December 31, 2010

Category	Maturity		Weighted Average Interest Rate	HISTORICAL Book Value	GASB 31 ADJ Market Value
	Days	Months			
Liquid Investments:					
San Mateo County Investment Pool (COPOOL)	2		1.17%	2,060,200	2,060,200
Local Agency Investment Fund (LAIF)	1		0.46%	6,182,460	6,182,460
Total - Investments			0.637%	8,242,659	8,242,659
Bond Proceeds Accounts - Cash with Fiscal Agents					
BNY Western Trust - LAIF 2009 Project Fund Account			0.46%	8,096,976	8,096,976
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009 Project Fund Account			0.01%	425,382	425,382
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Reserve Fund Account			4.32%	4,288,385	4,288,385
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Payment Fund Account			0.87%	1,525,167	1,525,167
Total - Bond Proceeds Accounts			1.645%	14,335,911	14,335,911
GRAND TOTAL OF PORTFOLIO			0.398%	22,578,570	22,578,570

Total Accrued Interest this Quarter	76,503
Total Accrued Interest Fiscal Year to Date	167,991



South Bayside Waste Management Authority Historical Summary of Investment Portfolio



South Bayside Waste Management Authority Portfolio

	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10
SM County Pool	2,410,579	2,422,086	1,685,963	1,690,785	1,694,971	2,048,690	2,053,315	2,060,200
LAIF	9,636,669	10,694,091	5,734,445	4,003,801	5,511,106	6,166,777	6,174,485	6,182,460
Agency Securities	1,001,250	1,001,250	1,001,250	1,001,250	-	-	-	-
Bond Proceeds	1,802,299	2,260,635	63,174,307	44,972,979	38,168,917	30,856,257	22,690,918	14,335,911
Grand Total	\$ 14,850,797	\$ 16,378,061	\$ 71,595,965	\$ 51,668,815	\$ 45,374,995	\$ 39,071,723	\$ 30,918,719	\$ 22,578,570



STAFF REPORT

To: SBWMA Board Members
From: Robert J. Lanzone, General Counsel
Date: February 24, 2011 Board of Director's Meeting
Subject: Resolution Approving Updated Conflict of Interest Code

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2011- 02 attached hereto authorizing the following action:

Update the SBWMA's Conflict of Interest Code.

Analysis

Attached is a copy of the Code adopted by the Board in February 2007. Exhibit A to the Code shows Designated Positions. The form of the Code of Conduct should be familiar to Board Members as it is virtually identical to the Codes each of the SBWMA member agencies have enacted. We have modified the exhibit to show these positions have changed.

Background

The California Political Reform Act requires each California local agency adopt a Conflict of Interest Code. The Board adopted a Conflict of Interest Code for the SBWMA in February 2007. State law requires agencies to update its Code every two years.

Fiscal Impact

There is no fiscal impact associated with this Board action.

Attachments:

Resolution 2011-02



RESOLUTION NO. 2011- 02

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS UPDATING THE CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act of 1974 (California Government Code 81000 et seq.) requires each state or local government agency to adopt a Conflict of Interest Code; and

WHEREAS, the Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Admin. Code 18730) which contains the terms of a standard model code which can be adopted by reference; and

WHEREAS, attached as **Exhibit A** is a Conflict of Interest Code which incorporates FPPC regulations and which reflects changes to the designated positions in the SBWMA; and

WHEREAS, Designated Positions are attached to the Code as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the SBWMA that it hereby adopts the updated Conflict of Interest Code, Exhibit A hereto.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the this 24th day of February, 2011, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist				

I HEREBY CERTIFY that the foregoing Resolution No. 2011-02 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on February 24, 2011.

ATTEST:

Brian Moura, Chairperson of SBWMA

Cathy Hidalgo, Acting Board Secretary

CONFLICT OF INTEREST CODE

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

Section 1. Purpose. Pursuant to the provisions of Government Code Sections 87300, et seq., the South Bayside Waste Management Authority (SBWMA) hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code Section 81000). The provisions of this Code are additional to Government Code Section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Code shall be interpreted in a manner consistent therewith.

Section 2. Designated Positions. The positions listed on **Exhibit A**, attached hereto and by this reference incorporated herein, are Designated Positions. Each officer and employee holding a position listed on Exhibit A is a Designated Employee, and is required to file a disclosure statement (as prescribed hereinafter) on any decision which the said officer or employee may make or in which said officer or employee may participate, that may foreseeably have a material effect on a financial interest. The Executive Director, or his or her designee, may determine in writing on a case by case basis that a particular consultant, although a designated position, is hired to perform a range of duties that is limited in scope and thus does not require compliance, or full compliance with disclosure requirements. Any such written determination shall include a description of the consultant's duties and a statement as to the extent of disclosure requirements. The Executive Director may determine whether a contract consultant constitutes a "consultant" as defined in the Political Reform Act. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Section 3. Disclosure Statement. Designated Positions shall be assigned to one or more of the disclosure categories as contained in the Fair Political Practices Commission (FPPC) Form 700, as set forth on Exhibit A. Each Designated Employee shall file an annual statement disclosing that employee's interest in investments, real property, and income, designated in **Exhibit B**, attached hereto and by this reference incorporated herein, as reportable under the category to which the employee's position is assigned on Exhibit A.

Section 4. Time and Place of Filing.

(a) All designated officers and employees required to submit a statement of financial interests shall file the original with the Clerk of the Board of Directors of SBWMA.

(b) Employees appointed, promoted or transferred to designated positions shall file initial statements within 30 days after date of employment.

(c) Annual statements shall be filed no later than April 1st of each year by all designated officers and employees. Such statements shall cover the period of the preceding calendar year.

(d) A designated officer or employee who leaves an office shall file, within 30 days of leaving office, a leaving office statement.

Section 5. Contents of Disclosure Statements. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the Clerk of the Board of Directors of SBWMA.

Section 6. Disqualifications. Designated officers or employees must disqualify themselves from making or participating in the making of any decisions in which they have a reportable financial interest, when it is reasonably foreseeable that such interest may be materially affected by the decision. No designated officer or employee shall be required to disqualify himself with respect to any matter which could not be legally acted upon or decided without his participation.

*Staff members employed through Regional Government Services (RGS) or Local Government Services (LGS) are intended to be included within the definition of “employee” for purposes of this Conflict of Interest Code.

EXHIBIT A

DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Members of the Board of Directors	1
Executive Director	1
Recycling Programs Manager	1
Facility Operations Contract Manager	1
Finance Manager	1
Recycling Outreach Sustainability Manager	1
Recycling Coordinator	2
Office Manager/Board Clerk	3

EXHIBIT B

Category 1. Persons in this category must disclose all investments in business positions in business entities, doing business in, and sources of income and interests in real property, within the jurisdictional area of the SBWMA.

Category 2. Persons in this category must disclose all investments and business positions in business entities in or doing business within the jurisdictional area of the SBWMA. .

Category 3. Persons in this category must disclose all investments and business positions in business entities and sources of income which provide, manufacture or supply services, supplies, materials, machinery or equipment of the type utilized by or subject to review or approval of the member entities of the SBWMA...



NEW BUSINESS



STAFF REPORT

To: SBWMA Board Members
From: Kevin McCarthy, Executive Director
Marshall Moran, Finance Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Resolution Approving Mid-Year Projections for FY2011

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2011-03 attached hereto authorizing the following action:

- o Approval of revised mid-year revenue and expenditures projections for FY2011

Attachment A contains budget worksheets providing line item detail for all projected revenues and expenditures. Capital spending is not addressed in this mid-year review.

Analysis

Staff has conducted a thorough analysis of year-to-date revenues and expenditures as previously reviewed by the Board at the January 27, 2011 Board meeting. As originally budgeted and based on the projections detailed below, staff is not requesting Board action for any revenue transfers from reserves to meet bond covenant requirements.

Budget Variances

As detailed under "Fiscal Impact" we are projecting net income of \$289,879 which is substantially below our approved budgeted net income of \$577,444. This negative variance of \$287,565 is due primarily to the following factors:

- \$733,800 lower projected tipping fee revenue due to lower inbound volumes (to the transfer station) and the Board's November 18, 2010 action to reduce the budgeted franchise solid waste tipping fee increase from \$9/ton to \$6/ton; this reduced tipping fee revenues by \$283,000.
- \$826,600 increase in interim offsite MRF processing costs (for Smurfit) due to a two-month delay in commencement of onsite MRF operations at Shoreway; this delay was already shared with the Board in prior staff updates and in the November 2010 bond proforma update

These negative variances are offset somewhat from higher projected commodity revenues of \$145,494, lower SBWMA program budget expenses of \$299,900, lower South Bay Recycling (SBR) operating expenses of \$315,600, and lower disposal and processing costs of \$278,800.

These net income projections are improved since the January 27, 2011 Board meeting due to the following adjustments:

January 2011 Projected Net Income	\$160,120	
Adjustments:	\$64,759	E-recycling revenue previously booked by Allied Waste.
	\$86,000	Expense moved from SBWMA program budget to Allied Waste Settlement fund accrual.
	(\$9,000)	Ox. Mountain trailer tipper maintenance expense previously included with Allied Waste Shoreway operations expense.
	(\$12,000)	Higher Shoreway insurance expense for revised replacement values for building and equipment improvements. Only partial increase reflected in this current fiscal year.
February 2011 Projected Net Income	\$289,879	

Background

On June 24, 2010 the South Bayside Waste Management Authority (SBWMA) Board of Directors adopted the FY 2011 Operating Budget.

Fiscal Impact

The following tables represent FY 2011 revenues and expenditures, actual receipts and payments through December 31, 2010, and year-end projections through June 30, 2011.

FY 2011 NET INCOME				
Revenues	FY 2011 Adopted Budget	FY 2011 Year-to-date Totals	FY 2011 Year End Projections	Variance
Total Revenues	\$41,486,600	\$14,853,238	\$41,061,529	(\$425,071)
Total Expenditures	\$40,909,156	\$15,332,372	\$40,771,650	\$137,506
Net Gain/(Loss):	\$577,444	N/A	\$289,879	(\$287,565)

FY 2011 REVENUES				
Revenues	FY 2011 Adopted Budget	FY 2011 Year-to-date Totals	FY 2011 Year End Projections	Variance
Tip Fee Revenues	\$30,177,400	\$11,920,300	\$29,443,600	(\$733,800)
Commodity Sales Revenues	\$10,788,200	\$2,648,180	\$10,933,694	\$145,494
Interest Income	\$200,900	\$91,582	\$223,600	\$22,700
HHW and Other Revenue	\$320,100	\$193,176	\$460,635	\$140,535
Total Revenues:	\$41,486,600	\$14,853,238	\$41,061,529	(\$425,071)

FY 2011 EXPENDITURES

<u>Expenditures</u>	<u>FY 2011 Adopted Budget*</u>	<u>FY 2011 Year-to-date Totals</u>	<u>FY 2011 Year End Projections</u>	<u>Variance</u>
Administrative Expenses	\$1,628,750	\$765,770	\$1,617,850	\$10,900
Contract Compliance & Support	\$1,200,000	\$426,841	\$1,072,000	\$128,000
Recycling & AB 939 Compliance	\$949,000	\$240,701	\$788,000	\$161,000
Collection Operations	\$360,100	\$157,850	\$397,000	(\$36,900)
Total SBWMA Expenses:	\$4,137,850	\$1,591,162	\$3,874,850	\$263,000
Shoreway Operations**:	\$36,771,306	\$13,741,211	\$36,896,800	(\$125,494)
Total Expenses:	\$40,909,156	\$15,332,372	\$40,771,650	\$137,506
*Exclusive of capital project expenses				
** See breakout of expenses below				

FY 2011 EXPENDITURE DETAIL FOR SHOREWAY OPERATIONS

<u>Expenditures</u>	<u>FY 2011 Adopted Budget</u>	<u>FY 2011 Year-to-date Totals</u>	<u>FY 2011 Year End Projections</u>	<u>Variance</u>
Allied Operating Contract	\$13,976,000	\$10,921,374	\$13,899,000	(\$77,000)
SBR Compensation	\$7,813,000	\$0	\$7,497,400	(\$315,600)
Disposal and Processing	\$6,642,700	\$0	\$6,363,900	(\$278,800)
Ox Mtn. Tipper Maintenance	\$0	\$0	\$9,000	\$9,000
Interim Offsite MRF Processing	\$3,543,900	\$1,643,928	\$4,370,500	\$826,600
Insurance Shoreway	\$120,000	(43)	\$132,000	\$12,000
Shoreway Interim Ops.	\$15,806	\$0	\$0	(\$15,806)
Debt Service Bond Interest	\$3,177,900	\$579,644	\$3,177,900	0
Taxes (Sewer)	\$45,000	\$38,893	\$45,000	0
Franchise Fee (San Carlos)	\$1,437,000	\$557,415	\$1,402,100	(\$34,900)
Total Shoreway Operations:	\$36,771,306	\$13,741,211	\$36,896,800	(\$125,494)

The Allied Operating Contract expense includes the SBWMA paying off half or \$671,000 of the 2009 Balancing Account total amount owed to Allied of \$1,342,723 per the HF&H Consultants Operations Rate Report; the remaining portion of the 2009 balancing account will be paid off in the first half (i.e., July-December) of FY 2012. These payments will be made quarterly to Allied Waste.

None of the 2010 estimated Allied Waste Balancing Account of \$871,555 is included in FY2011 expense since the final amount is unknown and payment will begin after the final amount is approved by the Board in September 2011. As part of adoption of the FY2012 budget, staff will make a recommendation on the repayment schedule for the 2010 Allied Waste balancing account; it is likely to be a quarterly repayment schedule starting in the 2nd quarter of FY 2012.

Attachments:

Resolution 2011- 03

FY2011 Mid Year Projections



RESOLUTION NO. 2011-03

**RESOLUTION OF THE SOUTH BAYSIDE WASTE
MANAGEMENT AUTHORITY BOARD OF DIRECTORS
APPROVING MID YEAR BUDGET ADJUSTMENTS FOR FISCAL YEAR 2010/2011**

WHEREAS, the South Bayside Waste Management Authority proposed budget adjustments as presented is balanced and provided sufficient funds for normal operations.

NOW THEREFORE, BE IT RESOLVED, the South Bayside Waste Management Authority hereby approves the adjustments to the fiscal year 2010/2011 operating budget.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the this 24th day of February, 2011, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist				

I HEREBY CERTIFY that the foregoing Resolution No. 2011-03 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on February 24, 2011.

ATTEST:

Brian Moura, Chairperson of SBWMA

Cathy Hidalgo, Acting Board Secretary

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
REVENUE SUMMARY**

FY 2011 APPROVED BUDGET

REVENUES BY MAJOR CATEGORY					
REVENUE SUMMARY	APPROVED FY 2010-2011	Revenue YTD 12/2010	Mid Year Proj. FY 2010-2011	Variance	Notes
ADMINISTRATIVE REVENUES					
409100 INVESTMENT INCOME	200,900	91,582	223,600	22,700	
409101 INVESTMENT (GASB 31) MARKET VALUE ADJ					
409200 INTEREST INCOME					
TOTAL ADMINISTRATIVE	200,900	91,582	223,600	22,700	
OPERATIONS					
480007 TIPPING FEES	30,177,400	11,920,300	29,443,600	(733,800)	Lower SW Franchise Tip Fees vs. Budget (\$283k); lower tons
480023 COMMODITY SALES	10,788,200	2,648,180	10,933,694	145,494	w/ October '10 actual deduction (NA for FY2011)
480024 COMMODITY REVENUE SHARE - NEW OX MOUNTAIN				-	
480025 E-RECYCLING REVENUE			64,759	64,759	
480031 HHW DOOR TO DOOR COLLECTION SERVICE	320,100	166,300	357,000	36,900	incl: SC, Hills, Bel, CSM, MP, EPA, WB
				-	
480008 MISCELLANEOUS REVENUE		26,876	38,876	38,876	Difference between RSMC & Allied on Comm. Outreach Dept.
TOTAL OPERATIONS	41,285,700	14,761,656	40,837,929	(447,771)	
TOTAL OPERATING REVENUES	41,486,600	14,853,238	41,061,529	(425,071)	
MISCELLANEOUS - EQPT AUCTION					
TOTAL REVENUE	41,486,600	14,853,238	41,061,529	(425,071)	
NET OPERATING INCOME / <LOSS>	577,444		289,879	(287,565)	
PROGRAM SPECIFIC BUDGET					
SHOREWAY REMEDIATION MONITORING	250,000 (250,000)				Funds from Allied Settlement of \$1.5M FY10 Estimated Environmental Costs for FY11
TOTAL PROGRAM SPECIFIC BUDGET	-				

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY							
EXPENDITURE SUMMARY			APPROVED	Spent to Date	Mid Year Proj.	Variance	Notes
			FY 2010-2011	FY 2010-2011	FY 2010-2011		
ADMINISTRATIVE EXPENSES							
520305	520305	ADMINISTRATIVE STAFF	592,600	280,258	585,200	(7,400)	New hire declined medical benefit coverage
520306	520306	AB 939 PROGRAM STAFF	586,900	276,356	599,900	13,000	Unbudgeted PERS benefits added
520328	520328	EMPLOYEE RECRUITMENT/HR SUPPORT	5,000	1,438	5,000	-	
520337	520337	PEO COST (HR & PR FEES)	20,100	14,053	18,600	(1,500)	Reduced LGS fees
520312	520312	BOARD COUNSEL	60,000	11,623	45,000	(15,000)	
520300	520300	BOARD MEETINGS & RECORDINGS	6,000	1,286	5,000	(1,000)	Reduced Millbrae TV fees
520310	520310	ACCOUNTING SERVICES	110,000	50,000	110,000	-	
520334	520334	INFORMATION SYSTEMS	27,000	20,822	32,000	5,000	IT Upgrades (new server)
520338	520338	WEBSITE	10,100	7,582	10,100	-	
520301	520301	ANNUAL AUDIT	15,000	5,683	15,000	-	
520701	520701	D&O INSURANCE	35,000	19,237	35,000	-	
520202	520202	BANK FEES	12,000	4,452	12,000	-	
520203	520203	RENT	50,000	23,722	50,000	-	
520204	520204	PRINTING AND POSTAGE	200	89	200	-	
520107	520107	UTILITIES & PHONE	18,000	6,589	18,000	-	
520905	520905	OFFICE/TENANT IMPROVEMENTS	3,000	2,876	3,000	-	
520201	520201	OFFICE SUPPLIES	18,000	12,338	18,000	-	
520215	520215	OFFICE EQUIPMENT COSTS	17,000	6,464	18,500	1,500	Increase in Ricoh copier lease
520504	520504	PUBLICATIONS & PUBLIC NOTICES	2,000	2,088	2,000	-	
520501	520501	PROFESSIONAL DUES & MEMBERSHIPS	2,000	110	2,000	-	
520801	520801	VEHICLE MILEAGE & TOLLS	350	111	350	-	
520105	520105	CELL PHONES	6,000	2,845	5,500	(500)	
520503	520503	CONFERENCE & MEETINGS	12,000	6,487	11,000	(1,000)	
520502	520502	TRAINING	5,000	1,263	4,000	(1,000)	
520511	520511	SPONSORSHIPS & DONATIONS	12,500	5,000	9,500	(3,000)	
522706	522706	COMPUTER PURCHASE	3,000	3,000	3,000	-	
TOTAL ADMINISTRATIVE			\$ 1,628,750	\$ 765,770	\$ 1,617,850	\$ (10,900)	
CONTRACT COMPLIANCE AND SUPPORT							
RATES							
520307	520307	RATE REVIEW	180,000	130,603	170,000	(10,000)	
TOTAL RATE REVIEW			180,000	130,603	170,000	(10,000)	
CONTRACTOR							
520308	520308	FACILITY IMPROVEMENT OVERSIGHT	40,000	10,913	35,000	(5,000)	David Langer
520309	520309	BUSINESS CONSULTANT/HF&H	-	-	-	-	
520309	520309	HCM01 CONTRACT MANAGEMENT SUPPORT	15,000	600	5,000	(10,000)	
520309	520309	HCN01 CONTRACT NEGOTIATIONS/LEGAL REVIEW	15,000	-	10,000	(5,000)	
520309	520309	HCS02 COLLECTION SERVICES RFP & IMPLEMENTATION	150,000	63,905	140,000	(10,000)	
520309	520309	HCS03 COLLECTION SERVICES PUBLIC EDUCATION FOR ROLLOUT	675,000	220,820	650,000	(25,000)	
520309	520309	HCS1B FACILITY RFP & IMPLEMENTATION	40,000	-	27,000	(13,000)	Joe Sloan
520309	520309	HSR01 SHOREWAY REMEDIATION LEGAL & TECHNICAL	40,000	-	-	(40,000)	Remediation cost charged to Remediation Reserve account
520329	520329	ANNUAL ALLIED PERFORMANCE HEARING	-	-	-	-	
520336	520336	QUARTERLY LOAD CONTAMINATION MONITORING	45,000	-	35,000	(10,000)	
TOTAL CONTRACTOR			1,020,000	296,237	902,000	(118,000)	
TOTAL CONTRACT COMPLIANCE & SUPPORT			\$ 1,200,000	\$ 426,841	\$ 1,072,000	\$ (128,000)	

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY						
EXPENDITURE SUMMARY	APPROVED	Spent to Date	Mid Year Proj.	Variance	Notes	
	FY 2010-2011	FY 2010-2011	FY 2010-2011			
RECYCLING - AB939 COMPLIANCE						
RECYCLING ADMINISTRATION						
520311 520311 CIWMB ANNUAL REPORTS	25,000	15,000	50,000	25,000	Increased \$25,000 for 2010 Annual Reports; work to commence this FY (prior budgeted amount is for review of 2009 Annual Reports).	
520341 520341 SBWMA ANNUAL REPORT	5,000	-	5,000	-		
520309 520309 HDV01 DIVERSION PROGRAM SUPPORT	10,000	-	5,000	(5,000)		
520604 520604 EVENT GIVEAWAYS	15,000	14,500	15,000	-		
TOTAL RECYCLING ADMINISTRATION	55,000	29,500	75,000	20,000		
LONG RANGE PLAN/DIVERSION PROGRAMS						
520340 520340 LONG RANGE PLAN UPDATE	20,000	418	7,500	(12,500)		
520340 520340 OPRFP ORGANICS PROCESSING RFP	7,500	1,746	2,500	(5,000)		
520340 520340 MPOTR MASTER PLAN OUTREACH	25,000	4,155	25,000	-		
520344 520344 SOLAR SYSTEM ENGINEERING AND EVALUATION	25,000	5,682	20,000	(5,000)		
TOTAL LONG RANGE PLAN/DIVERSION PROGRAMS	77,500	17,683	55,000	(22,500)		
COMMERCIAL PROGRAMS						
520331 520331 LARGE EVENT/VENUE CONSULTING	20,000	1,469	20,000	-		
520342 520342 LARGE EVENT/VENUE RECYCLING SERVICES	25,000	7,099	15,000	(10,000)		
520608 520608 CLIMATE CHANGE POLICY OPTIONS	10,000	850	5,000	(5,000)		
520604 520604 COE01 COMMERCIAL RECYCLING TECHNICAL ASSIST	315,000	26,205	225,000	(90,000)	CF: Reduced \$75,000 for mandatory comm recycling ordinance work that won't be pursued.	
520604 520604 CDRCY C&D RECYCLING PROGRAM	55,000	-	30,000	(25,000)	CF: Reduced \$15,000 to focus only on facility certifications.	
520604 520604 GREEN GREEN BUSINESS PROGRAM	10,000	344	5,000	(5,000)		
520604 520604 MF001 MULTI-FAMILY OUTREACH	20,000	1,835	20,000	-		
TOTAL COMMERCIAL PROGRAMS	455,000	37,802	320,000	(135,000)		
RESIDENTIAL PROGRAMS						
520604 520604 QLN01 QUARTERLY NEWSLETTER DESIGN/SETUP	10,000	2,783	10,000	-		
520604 520604 QNLPM QUARTERLY NEWSLETTER PRINTING/MAILING	205,000	129,111	230,000	25,000	Higher postage due to direct mailing SM newsletters	
520604 520604 RES01 RESIDENTIAL OUTREACH PROGRAMS	31,000	-	20,000	(11,000)		
520604 520604 COMPS COMPOST GIVEAWAY	10,000	989	6,000	(4,000)		
520604 520604 HHWUW HHW DOOR TO DOOR COLLECTION OUTREACH	90,000	22,123	60,000	(30,000)		
520335 520335 CURBSIDE HOUSEHOLD BATTERY OUTREACH	8,000	-	8,000	-		
520604 520604 ECE01 ELECTRONIC COLLECTIONS EVENTS	7,500	711	4,000	(3,500)		
TOTAL RESIDENTIAL PROGRAMS	361,500	155,717	338,000	(23,500)		
TOTAL RECYCLING - AB939 COMPLIANCE	\$ 949,000	\$ 240,701	\$ 788,000	\$ (161,000)		
SUBTOTAL SBWMA PROGRAM BUDGET	\$ 3,777,750	\$ 1,433,312	\$ 3,477,850	\$ (299,900)		

GENERAL OPERATING EXPENSES BY MAJOR CATEGORY						
EXPENDITURE SUMMARY	APPROVED FY 2010-2011	Spent to Date FY 2010-2011	Mid Year Proj. FY 2010-2011	Variance	Notes	
COLLECTION OPERATIONS				-		
522710 522710 HHW DOOR TO DOOR COLLECTION SERVICES	320,100	133,137	357,000	36,900	incl: SC, Hills, Bel, CSM, MP, EPA, WB	
522711 522711 CURBSIDE HOUSEHOLD BATTERY RECYCLING SERVICES	40,000	24,713	40,000	-		
TOTAL COLLECTION OPERATIONS	360,100	157,850	397,000	36,900		
TOTAL SBWMA PROGRAM BUDGET	\$ 4,137,850	\$ 1,591,162	\$ 3,874,850	\$ (263,000)		
SHOREWAY OPERATIONS						
522701 522701 OPERATING CONTRACT - ALLIED	13,976,000	10,921,374	13,899,000	(77,000)		
522712 522712 OPERATOR COMPENSATION - SBR	7,813,000	-	7,497,400	(315,600)		
522713 522713 DISPOSAL & PROCESSING COSTS	6,642,700	-	6,363,900	(278,800)		
522716 522716 MAINTENANCE - OX MTN TIPPER - NEW 2/11/11			9,000	9,000		
522708 522708 INTERIM OFFSITE MRF OPERATIONS	3,543,900	1,643,928	4,370,500	826,600		
520710 520710 INSURANCE SHOREWAY	120,000	(43)	132,000	12,000	updated property values	
522714 522714 SHOREWAY FACILITY COST	15,806	-	-	(15,806)	SBR trailer rental & Hatcher Press Parking moved to MP capital.	
521104 521104 DEBT SERVICE BOND INTEREST	3,177,900	579,644	3,177,900	-		
521117 521117 AMORTIZATION OF BOND ISSUANCE				-		
521118 521118 Revenue Bond Arbitrage				-		
520320 520320 BOND REFINANCING	-			-		
520324 520324 TAXES (SEWER)	45,000	38,893	45,000	-		
522702 522702 FRANCHISE FEE	1,437,000	557,415	1,402,100	(34,900)		
520327 520327 ARBITRAGE FEES				-		
TOTAL SHOREWAY OPERATIONS	\$ 36,771,306	13,741,210	36,896,800	125,494		
TOTAL OPERATING EXPENSES	\$ 40,909,156	\$ 15,332,372	\$ 40,771,650	\$ (137,506)		



STAFF UPDATE

To: SBWMA Board Members
From: Hilary Gans, Facility Operations Contracts Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Resolution Approving Change Order for Master Plan Phase 2 & 3 Construction Management Services

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2011-04 attached hereto authorizing the following action: Approve contract change order number CM01 totaling \$360,000 for Covello Group for construction management service for Phase 2 and 3 of the Shoreway Master Plan construction.

Analysis

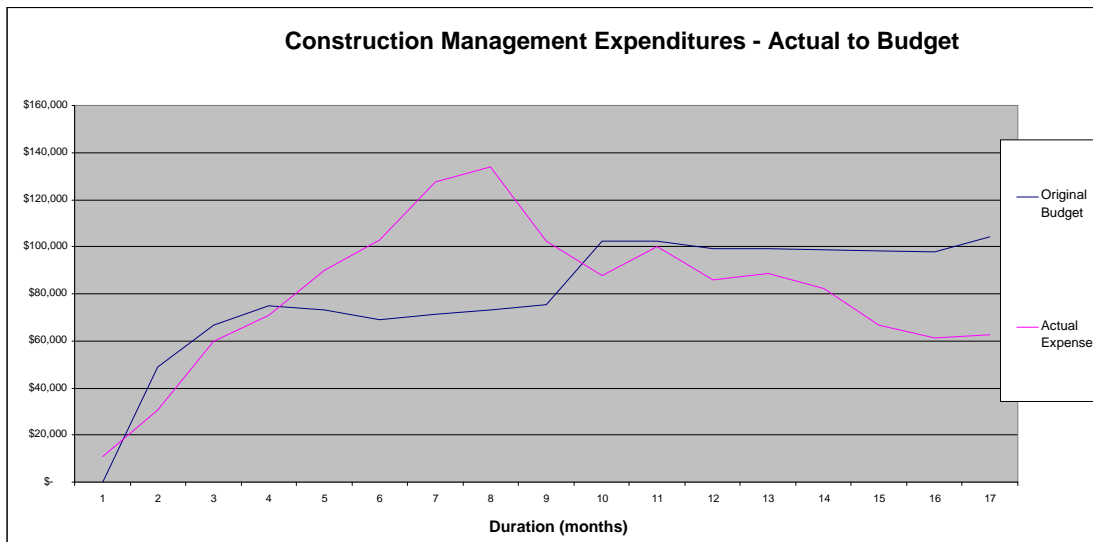
The original budget for Phase II Master Plan construction management (CM) services was created in July 2009 in the amount of \$1,466,000. The budget estimate was based on simple percentage (9%) of the total Phase II construction contract award to S.J. Amoroso in the amount of \$16,209,000. The budget for CM services has been spent and needs to be augmented to provide Covello Group sufficient funds to complete the MRF and transfer station (TS) construction projects.

The original Covello budget was based on a "best-case" forecast of the level of effort estimate for CM services need to complete Phase II of the Master Plan project. The project has proven to be much more complex than predicted and has required a higher level management than the original budget forecast anticipated. There are several factors that have contributed (and in some cases, continue to contribute) to the need for a higher level of construction management services than originally forecasted.

1. *S.J. Amoroso (SJA) Contracting Style* – SJA has required a very high level of detailed direction throughout the construction project. Both Covello and JRMA have been very engaged in responding to the numerous requests for information (RFIs) put forth by SJA (note that a change order was approved (7/22/2010) to in provide additional funds to JRMA for design support services). The total number of RFIs and the level of detail in the explanations that SJA has required far exceeded Covello's and JRMA's expectations (and has been higher than either firm has experienced on comparable projects). For example, to date there have been 480 RFIs (when RFI's with multiple iterations are included the total is 615) and 301 design change notifications (DCNs).
2. *Concurrent Activities* - A requirement of the Master Plan project is that MRF and TS construction not unduly interfere with the daily operations of the Shoreway Center. Managing the demolition and construction around the full-time operations of the Shoreway Center has proven to be very challenging. Covello (and SJA) have done an excellent job of coordinating the daily construction activities around the facility operations so that there have been no operational shutdowns or significant impacts.
3. *Design Changes* – As has been explained in prior construction updates, the MRF foundation required modifications to the original foundation design to accommodate the BHS equipment package designed by South Bay Recycling (the original construction bid documents were prepared prior to the Facility Operator selection award). The change to the MRF foundation required a redesign of the administrative building, the pits, and the electrical supply and had a substantial impact on the construction budget, schedule and the level of CM support required.

4. *Construction Resequencing* – as discussed above there were design changes to the MRF foundation that caused delays to the overall project schedule (at the time the MRF shell was completed (milestone A) the construction schedule showed a delay of roughly 60-days and there were standing delay claims by SJA totaling \$250K). Through the: 1) resequencing of the MRF and TS construction to compress the project schedule, and 2) successful negotiation of a resequencing change order with SJA; Covello was able to rescind the delay claims by SJA on the project. The resequencing effort took a substantial amount of time that was not anticipated in the original CM contract.
5. *Extended Construction Management Services* – the resequencing and resulting construction schedule shifts more of the MRF and TS construction till later in the construction schedule. This shift will require a greater level of construction management and oversight through the end of the construction project than was forecast in the original CM budget.

In the graph below the actual CM expenditures on Phase II of the Master Plan construction project are compared to the original budget. The graph shows a spike in CM expenses in months 5-9 while the MRF foundation was being built and RFIs were coming in from SJA for the entire MRF building (at this peak, there were an average of 100-125 RFIs per month). After month 8, there has been a steady decline in CM expenses as the project has progressed. These cost reductions are the result of direct efforts to reduce project staffing as the demands of the project have receded.



Currently the staff levels are at minimum levels and the current CM cost levels (approximately \$60k per month) will be maintained throughout the balance of the construction project and through project close-out. Currently the CM budget is almost depleted and it is forecasted that a contract change order in the amount of \$360,000 will be sufficient to complete the remaining 6 months of required construction management services. The change order amount plus the original budget amount will bring the CM expense on Phase II to \$1,826,000 or 11% of the project construction cost.

Background

On October 22, 2009 the SBWMA Board approved the contract with Covello Group for construction management services for Phase II of the Master Plan construction project. Covello Group is scheduled to complete CM services approximately the same time as the construction is completed in June 2011.

Covello Group performed construction management services for the SBWMA for Phase I of the Master Plan construction. This project started on July 2009 and had a construction budget of \$2,405,000 and a CM budget

of \$444,300. Phase I was completed on schedule, under budget, and without complication. Based on Covello's performance on Phase I construction the firm was hired to assist the SBWMA with Phase II of the Master Plan construction project. At the beginning of the construction project, Covello Group assisted in the construction contract bidding process, in the creation of the construction contract specification documents, and in the multi-agency permitting process. Since construction "notice to proceed" was issued to S.J. Amoroso (9/14/2009) the Covello Group has had several staff persons onsite actively managing the construction activities and providing onsite coordination to the facility operator.

Since the original budget for Covello Group was established, there have been no changes to the budget. The original budgeted dollars have been spent and need to be augmented in order to pay Covello Group for CM services through the end of the project.

Fiscal Impact

The original CM budget amount of \$1,466,000 was included in the Master Plan Bond proforma. The additional funds for this change order will be taken from the Master Plan - Unallocated Contingency budget line.

The Bond proforma process anticipated the need for contingency funds for occurrences where line-item expenses might exceed their budgets. The overall Master Plan – Unallocated Contingency was established for this purpose and currently has a balance of \$668,100. The Covello change order of \$360,000 will reduce the balance of the Unallocated Contingency to \$308,100.

Attachments:

Resolution 2011-04



RESOLUTION NO. 2011-04

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS APPROVING A CHANGE ORDER FOR MASTER PLAN PHASE 2 AND 3 CONSTRUCTION MANAGEMENT SERVICES

WHEREAS, On October 22, 2009 the SBWMA Board approved a contract with Covello Group for construction management services for Phase II of the Master Plan construction project ; and

WHEREAS, the Master Plan project has proven to be much more complex than expected with some project design changes, construction re-sequencing and other factors requiring a higher level management than the original budget forecast anticipated; and

WHEREAS, it is recommended that the Board approve a change order for construction management services.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby approves a change order of \$360,000 for Covello Group to complete construction management services for the balance of work under the Shoreway Master Plan Phases 2 and 3.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the this 24th day of February, 2011, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist				

I HEREBY CERTIFY that the foregoing Resolution No. 2011-04 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on February 24, 2011.

ATTEST:

Brian Moura, Chairperson of SBWMA

Cathy Hidalgo, Acting Board Secretary



STAFF REPORT

To: SBWMA Board Members
From: Monica Devincenzi, Recycling Outreach Sustainability Manager
Cathy Hidalgo, Recycling Coordinator
Date: February 24, 2011 Board of Director's Meeting
Subject: Presentation of Video Contest Winners

Recommendation

This staff report is for announcement purposes only and no formal action is requested of the Board of Directors.

Background

RethinkWaste, with Recology San Mateo County and South Bay Recycling as sponsors, held a video contest seeking creative minds to help spread the word about the new CartSmart program in our Member Agency communities. The purpose of the contest was to obtain videos that would educate and inspire our residents to change their behaviors and to take advantage of the new services. The winning videos will be played on our website, Facebook and YouTube pages, and/or used for public outreach efforts.

The contest was broken out into the following categories: How CartSmart has increased their recycling, How CartSmart has increased their composting and How CartSmart has made them **Rethink-their-Waste**. The contest was open to Individuals/Families and School Organizations/Student Groups.

Outreach began in November of 2010. The focus was to use social media outlets (Facebook, Twitter), Member Agency website postings, posters in public areas, newspaper ads and press releases. Posters and postcards, along with video applications, were sent to middle schools and high schools, both public and private, along with private K-8/12 schools in the service area.

RethinkWaste received a total of 12 videos by the February 1, 2011 deadline.

The process for selecting the winners was by public voting and review by the Public Outreach Subcommittee comprised of Brian Moura (San Carlos), Laura Galli (Foster City), Lillian Clark (Recycleworks/County), Roxanne Murray (San Mateo) and RethinkWaste Staff. A total of 528 votes was submitted by the public during the voting period. The winning videos are:

Group Category

- First Place: Frisbee Studios (Video #1) – Titled: Remix Waste
- Second Place: Riekes Center (Video #4) – Titled: RethinkWaste PSA

Individual/Family Category

- First Place: Do Your Part (Walikonis) Video # 7
- Second Place: CartSmart We Love You! (Cinquini) Video # 2

Honorable Mention:

- Welcome to CartSMART (Morey) Video # 3
- Rethinking Waste One Interview at a Time (Gillooley) Video # 5
- Recycling Trick Shots (Sandor) Video # 6
- Cart Smart Rules, Sorting Drools (Okad/Waller) Video # 8
- Moments in the Life of a Recycler (Doyle) Video # 9
- Save Our Planet (Breeze) Video # 10
- A Moment with Mother Nature (Rosen) Video # 11
- Way to Rethink Your Waste (Wang) Video # 12

Fiscal Impact

The RethinkWaste/SBWMA Fiscal Year 2011 budget includes \$675,000 for outreach strategy development and implementation for new collection services, of which \$5,200 was allocated for the video contest material development and promotion. South Bay Recycling sponsored the contest by purchasing the iPad and Recology San Mateo County sponsored it by contributing \$2,500 for the cash awards.



**TO BE PRESENTED AT FEBRUARY 24, 2011
BOARD OF DIRECTOR'S MEETING**

- 5A. UPDATE ON ROLLOUT OF NEW COLLECTION SERVICES EFFECTIVE 1/1/11**
- 5B. UPDATE ON SOUTH BAY RECYCLING START-UP OF SHOREWAY FACILITY OPERATIONS EFFECTIVE 1/1/11**



STAFF REPORT

To: SBWMA Board Members
From: Cliff Feldman, Recycling Programs Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Update on Mandatory Commercial Recycling

Recommendation

This staff report is for discussion purposes only and no formal action is requested of the Board of Directors.

At the request of the Board, staff has prepared this update on state mandates related to commercial recycling and how SBWMA Member Agencies can or should comply with such mandates.

Analysis

The California Global Warming Solutions Act of 2006 (AB 32) required the California Air Resources Board (CARB) to adopt a Scoping Plan which listed over 70 action measures to achieve the targeted greenhouse gas (GHG) emissions reductions. This Scoping Plan was adopted with a mandatory commercial recycling measure specifically designed to achieve a GHG emissions reduction of 5 million metric tons of carbon dioxide Statewide. The State agency charged with developing the mandatory commercial recycling regulation is CalRecycle (formerly the California Integrated Waste Management Board).

A initial draft of CalRecycle's Mandatory Commercial Recycling Regulation was circulated in December 2009 and revised versions issued in mid 2010 and December 2010 based on feedback received from three workshops and written comments. CalRecycle staff held a one-day workshop on January 19, 2011 to field additional comments on the draft regulation. RethinkWaste staff has been engaged in this rulemaking process and submitted comments and facilitated several conversations with CalRecycle staff. Per CalRecycle, CARB is expected to consider adopting the regulation in the spring of 2011 and it will become effective statewide on January 1, 2012. The regulation will apply to businesses that generate four (4) or more cubic yards of solid waste weekly.

It is staff's opinion that per the new Franchise Agreement(s) with Recology and the plans to implement the RethinkWaste Commercial Recycling Communications and Outreach Plan, the Member Agencies are positioned well to comply with the new State Mandatory Commercial Recycling Regulation. The following explanation of the scope of the regulation was published by CalRecycle:

"[The Mandatory Commercial Recycling Regulation] requires each local jurisdiction, regardless of whether the jurisdiction has met its AB939 50% equivalent per capita disposal target, to implement a commercial recycling program by July 1, 2012, that provides education, outreach and monitoring of businesses subject to the Commercial Recycling Regulation. If a jurisdiction already has a commercial recycling program that targets businesses required to comply with the regulation, and if the program includes education, outreach, and monitoring elements, it would not be required to implement a new or expanded program."

This explanation mirrors staff's interpretation of the regulation. In essence, the Member Agencies will comply with this new State regulation due to the following three programmatic components now in place:

1. Through Recology's franchised commercial recycling outreach efforts.

2. Through contract administration of the Recology Franchise Agreement(s) (i.e., managing the tools delineated in the Franchise Agreement(s) to ensure compliance and a concerted focus on diversion from the commercial sector).
3. Execution of the RethinkWaste Commercial Recycling Communications and Outreach Plan.

Background

The cities of San Carlos and San Mateo participated in a pilot program to assist with the development of mandatory commercial recycling ordinances. The City of San Carlos adopted its Mandatory Commercial and Multi-Family Residential Recycling Ordinance on April 26, 2010. This ordinance became effective on January 1, 2011.

The California Air Resources Board Scoping Plan for the California Global Warming Solutions Act of 2006 (AB 32, Núñez, Chapter 488, Statutes of 2006) was adopted with a Mandatory Commercial Recycling Measure (Adobe PDF, 2.79 MB) designed to achieve a reduction in greenhouse gas emissions of 5 million metric tons of carbon dioxide (CO₂) equivalents. In 2008 (the last year Statewide data is available), the commercial sector Statewide generated approximately 68% of all solid waste disposed. Through the third quarter of 2010, the commercial sector in the SBWMA service area disposed of over 100,000 tons of solid waste resulting in a measured diversion rate of 24.2%. Therefore, the voluntary participation in the franchised recycling collection services is resulting in over 75% of the material generated being disposed at the landfill.

While RethinkWaste and the Member Agencies have placed significant emphasis on the importance of commercial recycling, this program has fallen short of expectations in recent years. Reducing the amount of material sent to the Ox Mountain landfill will benefit the Member Agencies both in the short and long term. The short term gains which will continually be accrued are derived from the avoided cost of disposal and the revenue generated from the sale of recyclable commodities. The long term gains are associated with extending the life of the Ox Mountain landfill and preserving local landfill capacity.

Fiscal Impact

There is no fiscal impact as this is a discussion item only.



STAFF UPDATES



STAFF UPDATE

To: SBWMA Board Members
From: Hilary Gans, Facility Operations Contracts Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Shoreway Construction Update

Project Update

This is an informational item and no Board action is required.

This project update summarizes the status of the construction of the Shoreway Master Plan Phase II improvements which include the construction of a new Materials Recovery Facility (MRF) building, modifications to the Transfer Station (TS), and various site work; and Phase III improvements which are comprised solely of the purchase and installation of the single stream processing equipment. A contract in the amount of \$16,209,000 was awarded to SJ Amoroso on July 23, 2009 for Phase II of the Master Plan construction work. On October 7, 2009 the Board approved a contract with BHS for \$15,713,180, exclusive of sales tax, for the Phase III work. This report includes a discussion of completed and upcoming construction activities, updates to the construction schedule, and a summary of the project budget.

Construction and Other Project Activities

The following construction activities occurred over the past month:

MRF Building - Administrative area

- o Construction punch list has been completed.
- o Electrical panels inspected and full building power completed.
- o Hard-line phone cable installed by AT&T for emergency needs.
- o Building inspected by City San Carlos – Occupancy permit issued.
- o Fire systems inspected by Fire Department - Occupancy permit issued.
- o Elevator inspected by State – Occupancy Permit issued.
- o SBR starting move-in to the Administrative portion of the MRF building.

Transfer Station (TS)

- o Pile driving has been completed.
- o Foundation excavation is underway.
- o TS exterior cladding on East wall has been completed, north wall in progress.
- o Interior wall cladding installed around employee area.

Equipment Installation and Other Project Activities

- o Mechanical installation completed of the single stream equipment.
- o Balers installed (New IPS fiber baler, Harris baler from old MRF).
- o Hatcher press lot area used for equipment storage cleared.

The following construction activities are expected to occur during the next reporting period:

Transfer Station

- o Replacement of the existing TS siding north wall to be completed, start on west face.
- o TS foundation excavation completed and reinforcing steel installation to start.

Equipment Installation and Other Project Activities

- o System wiring and control system integration installation.
- o Preparation for “live” system testing to start in March.

Issues of Concern

- o Due to Covello’s high level of engagement in managing the design changes and questions from Amoroso - especially at the start of the construction project - Covello’s expenses for Construction Management (CM) services have been tracking ahead of their original budget. SBWMA and Covello have adjusted staffing levels to reduce monthly expenditures by approximately \$25,000 per month over the balance of the construction project; however, additional funds will be required for Covello’s CM services to complete the project. Staff will bring a request for additional CM funds to the Board for consideration at the February Board meeting.

Construction Schedule

Construction Notice to Proceed (NTP) was issued to SJ Amoroso effective September 14, 2009. The established contract duration for Final Completion is 630 calendar days which corresponds to a completion date of June 6, 2011. A summary of the schedule’s major milestones is shown below:

<u>Activity</u>	<u>Contract Baseline Schedule</u>	<u>Schedule Update</u>
Notice to Proceed (NTP)	Sept. 14, 2009	Sept. 14, 2009
MRF Milestone A (MRF process area ready for equipment install)	July 11, 2010	August 21, 2010
MRF Equipment Installation Start Date	June 10, 2010	August 23, 2010
MRF Equipment Start-up	Jan 31, 2010	April 11, 2010
Final Contract Completion	June 6, 2011	June 6, 2011

Fiscal Impact

▪ **Construction Budget (S.J. Amoroso)**

- o Monthly progress payments to SJ Amoroso for the month of January 2011 total \$1,003,573.
- o Cumulative progress payments made to Amoroso through the end of January 2011 total \$13,476,443 on a total contract amount of \$16,209,000 (Amoroso has been paid 83% of their budget for Construction).
- o Construction change order (CCO) numbers 130-147 were approved in January 2011 for a total of \$121,168. The sum total of all CCO approved through January 2011 is \$2,314,437 (See construction Change Order Summary for details on all approved change orders).

- A summary of approved CCOs sorted by the attributable reason for the change are presented in the table below. Attached at the end of this report (see Phase II - Preliminary Construction Change Order) is a complete list of all approved construction change orders.

<u>Reason Category for Construction Change Order</u>	<u>Abbreviation</u>	<u>Total Change Order Cost by Category</u>
Design Revision/Clarification	DR/DC	\$525,753
Differing site conditions	DSC	\$493,785
Equipment required changes	Equipment	\$552,448
Various reasons for the Change	Multiple	\$276,890
Owner requested changes	Owner	\$259,672
Permitting agency changes	Permit	\$205,889

- **Construction Management Budget (Covello)**

- Payments to Covello for the month of January 2011 total \$68,008 on a monthly forecasted amount of \$73,570.
- Cumulative progress payments made to Covello through January 2011 total \$1,432,946 on a budget of \$1,466,000 (Covello has been paid 98% of their budget for Construction Management services).

- **Design Support Services (JRMA)**

- Payments to JRMA for the month of January 2011 total \$6,938 on monthly forecasted amounts of \$6,500.
- Cumulative progress payment made to JRMA for Design Support Services through the end of January 2011 total \$461,924 on a project budget amount of \$597,000 (JRMA has been paid 77% of their budgeted amount for Design Support Services).

- **MRF Processing Equipment and Installation (BHS)**

- Progress payments to Bulk Handling Systems (BHS) for January 2011 total \$3,361,032.
- Cumulative progress payments made to BHS for both equipment manufacture and system installation through the end of January 2011 total \$15,573,980 on a budget of \$16,901,400 (BHS has been paid 92% of the budgeted amount for equipment and installation).

- **Master Plan Project - Bond Funds Status**

- A summary of the Master Plan budget and expenses through January 2011 is presented in the SEC Master Plan Budget table on the next page. Through the end of January 2011, \$37,424,000 has been spent on a total budget amount of \$44,139,800 (which does not include an Unallocated Project Contingency balance of \$668,100).

SHOREWAY ENVIRONMENTAL CENTER MASTER PLAN BUDGET

THROUGH JANUARY 2011

(000's)

	Vendor	Original Project Budget Amount	Allocated Contingency	Spent Amount as of 1/31/11	Remaining Amount as of 1/31/11
PROJECT COST SUMMARY					
Preliminary Costs					
Planning, Design & Engineering	Various	2,404.0	-	(2,389.5)	14.5
Bond Issuance Costs		83.1	-	(83.1)	-
					-
Phase I					
Construction	Rodan	2,405.0	-	(2,283.6)	121.4
Construction Management	Covello	444.3	-	(460.2)	(15.9)
Phase II					
Construction	Amoroso	16,209.0	-	(11,811.3)	4,397.7
Construction Contingency (10%)	Amoroso	1,620.9	1,220.0	(1,954.6)	886.3
Construction Management & Design Support Services	Covello/JRMA	2,376.0	216.0	(2,313.5)	278.5
Construction Soft Costs	Various	786.7	-	(106.0)	680.7
					-
Phase III					
Equipment Installation	BHS	2,462.4	-	(2,217)	245.3
Contingency (10%)	BHS	246.2	-	-	246.2
Camera System, elec.		85.0	-	-	85.0
Supplemental Fire Suppression		75.0	-	-	75.0
Equipment	BHS	14,354.4	-	(13,111.6)	1,242.8
Contingency	BHS	492.8	-	(128.4)	364.4
Construction Management and Soft Costs	Various	95.0	-	-	95.0
TOTAL PROJECT		44,139.8	1,436.0	(36,858.9)	8,716.9
OTHER PROJECT DOLLARS					
Unallocated Contingency		2,104.1		(1,436.0)	668.1
Transfer Station Public Area (SJA Bid Deduction)		728.0	-	-	728.0
TOTAL PROJECT FUNDS		46,971.9			

Showeray Master Plan Phase II Change Order Summary
 Updated through 1/10/11

Date	Change Order	Amount	Reason	Description
22-Dec-09	CCO 1 (Thick Pavement Removal)	\$8,939	DSG	Areas demolished at Entrance Driveway 1 contained A/C paving that was thicker than shown on the drawings.
25-Jan-10	CCO 2 (MRF Lime Treatment)	\$58,200	DSG	Negotiated agreement to stabilize the MRF building pad for pile driving activities.
28-Feb-10	CCO 3 (Unfroresen Tanks at MRF)	\$1,175	DSG	Tanks of unknown origin discovered during demolition that required special handling and assistance for environmental remediation.
28-Feb-10	CCO 4 (FO 2 - Unfroresen Conditions at Entrance 1)	\$8,735	DSG	Over-excavation & stabilization at Entrance 1 as directed by the soils engineer.
28-Mar-10	CCO 5 (Delta 4 Operator Revisions - Relocate Elec. Svc.)	\$161,791	EQUIPMENT	Relocate electrical service from 2000A to 2500A for MRF Equipment. Relocate electrical service to accommodate underground secondary feed into the building. Includes
28-Mar-10	CCO 6 (Delta 6 - Revise Elec. Feed to BHS Equipment)	\$74,007	EQUIPMENT	Furnish and install reinforced concrete ductbank from MRF Electrical room to MRF Sort System MCC.
28-Mar-10	CCO 7 (Furnish and Install Additional Piles at MRF)	\$113,850	EQUIPMENT	69 additional piles required by equipment support and pile modifications.
28-Mar-10	CCO 8 (Furnish and Install Drain for Fire Sprinkler)	\$2,256	PERMIT	Furnish & install drain for relocated fire riser in MRF per Belmont San Carlos Fire Department.
28-Mar-10	CCO 9 (Furnish and Install Roof Support for TS Equipment)	\$1,835	OTHER	Furnish and install roof support for roof-mounted Transfer Station mechanical units.
28-Mar-10	CCO 10 (Relocate EMBM Bracing on Grid Line D)	\$1,601	EQUIPMENT	Relocate EMBM bracing to accommodate equipment & planned operations in MRF.
28-Mar-10	CCO 11 (Verify Invert of Existing Storm Drain Manhole 104)	\$785	PERMIT	Furnish invert elevation and as built information to facilitate response to City Review comments.
30-Apr-10	CCO 12 (FO 4 Temp Paving Entrance 1, CPE 42)	\$34,365	DSG	Provide a temporary A/C paved roadway to re-establish Entrance 1 to the existing South Access Road for vehicular traffic from Showeray Road to the new Scale House
30-Apr-10	CCO 13 (Add Reinforcing Steel at MRF)	\$1,600	PERMIT	Additional rebar lies at MRF Education Building foundation per City Building Permit review comments.
30-Apr-10	CCO 14 (FO 5 (MRF Backfill @ DSG))	\$7,051	DSG	Fill the void left by the concrete removal at the east of the MRF building pad adjacent to the scale house at the former "Recycling Area" and use imported quarry fines re
10-May-10	CCO 15 (Miscellaneous A Revisions)	\$0	MULTIPLE	Revise Miscellaneous A and establish new completion date for Miscellaneous A 1 as August 20, 2010.
30-Apr-10	CCO 16 (Delta 6 Revised Conveyor Pits - Excavation, Slabs & Walls)	\$70,467	EQUIPMENT	Revise plan location & configuration of Conveyor Pits per Delta 6 Equipment Modifications - Excavation, concrete placement for walls and slabs ONLY.
30-Apr-10	CCO 17 (Delays Grade Beam at MRF Truck Dock Ramp (R-C10))	\$73,689	DR/DG	Revise lower grade beam configuration at the MRF Truck Dock Ramp, add concrete stem wall with precast cladding and concrete pedestals.
30-Apr-10	CCO 18 (Furnish Wide Flange Beams for Baler Equipment)	\$4,153	EQUIPMENT	Furnish ten (10) W8x21 wide flange beams to be installed by others for the Baler Equipment attachment.
30-Apr-10	CCO 19 (Relocate Floor Drain for Baler Equipment)	\$2,296	EQUIPMENT	Relocate MRF Building process area floor drain so that it is adjacent to the HRB Centrifuge Baler.
30-Apr-10	CCO 20 (Demolish Existing Materials Recycling Facility Conveyor & Other Pits)	\$45,187	DSG	Remove & dispose of concrete and reinforcing for the unfroresen condition of the conveyor pit walls and slab at the existing MRF.
30-Apr-10	CCO 21 (FO 3 (Backfill Existing Materials Recycling Facility Conveyor & Other Pits)	\$48,744	DSG	Backfill the unfroresen condition of the conveyor and other sump pits at the existing MRF with drain rock and onsite fill.
30-Apr-10	CCO 22 (Mix and Re-Use Wet Soil from MRF Excavations)	\$20,970	DSG	Wet soil was encountered at the excavations required for the pits and sumps at the existing MRF during demolition, which was determined to be an unfroresen conditio
30-Apr-10	CCO 23 (MRF Slab Demolition and Removal)	\$20,384	DSG	The existing MRF Building slab was found to have an average thickness of 2'-4" (average) over what was shown in the Contract Drawings.
28-May-10	CCO 24 (Change Wall Type/Add Vapor Barriers)	\$3,382	DR/DG	Revise wall types @ 13, 23 & 24 at MRF & TS to include vapor barrier for conditioned spaces.
28-May-10	CCO 25 (Elevator Structural Steel)	\$4,912	DR/DG	Add and relocate structural steel members required per elevator manufacturer shop drawings.
30-Jun-10	CCO 26 (Truck Dock Bumpers and Levelers)	\$5,275	DR/DG	Contractor cost proposal to increase the depth and carrying capacity of the levelers in accordance with the supplier's & manufacturer's recommendations. Includes the
30-Jun-10	CCO 27 (Str. Revisions to MRF Fin Wall)	\$1,551	DR/DG	Clarify the interaction of the canopies and wing wall on Line A.4 at 12.8 in the MRF Administration Building North elevation. Add structural steel.
30-Jun-10	CCO 28 (Anchors for Stud Wall Support)	\$1,324	DR/DG	Add anchors for stud wall support in accordance with new detail 3/A12.10 per Drawing Change Notice 18 (DCN 18).
30-Jun-10	CCO 29 (Canopy at West Elevation)	\$846	DR/DG	Revise canopy dimensions on west side of MRF admin building. (increase in size).
28-May-10	CCO 30 (Comer Guard Attachment Revisions)	\$10,077	OWNER	Revise installation requirements per shop drawing review comments.
28-May-10	CCO 31 (Shower Stall Modifications)	\$7,048	PERMIT	Revise finish schedule requirement from tile to pre-fabricated shower stalls.
28-May-10	CCO 32 (Metal Panel Attachment Modifications)	\$2,835	DR/DG	Furnish and install metal backing for the attachment of the metal wall panel in accordance with Drawing Change Notice 93 and 94.
28-May-10	CCO 33 (Reinforced Equipment Structural Steel)	\$246	EQUIPMENT	Contractor cost proposal to add wide flange beams for support of new TS roof-mounted equipment.
28-May-10	CCO 34 (Grid Line A/B Bracing Relocation)	\$66,216	DSG	Relocate EMBM bracing to accommodate future equipment conveyor in MRF.
28-May-10	CCO 35 (Concrete and AC Removal)	\$53,171	DSG	Demolish/remove A/C thicker than shown on plans and demogrievor concrete paving and shown on plans.
30-Sep-10	CCO 36 (ECHO Beams for Equipment Support)	\$54,271	EQUIPMENT	Install W8x21 beams per BHS requirements on force account.
28-May-10	CCO 37 (Reserved for Delta 4 Operator Revisions*)	\$97,104	OWNER	Reserve MRF utility head room 2X00 amps per equipment supplier. Relocate & resize MRF secondary utility head and Architectural plan far out to office spa
30-Jun-10	CCO 38 (MRF Parapet Revisions)	\$21,574	DR/DG	Add structural support to MRF Admin parapet walls per City of San Carlos Building Permit review comments.
30-Jun-10	CCO 39 (Dropped Grade Beams)	\$70,117	EQUIPMENT	Added dropped grade beam east of Line 6 along Grid A.
28-May-10	CCO 40 (Delta 6 Reinforcing Steel)	\$70,117	DSG	Reinforce & resize MRF conveyor pits per Equipment supplier requirements. - Furnish and install Rebar only per CCO 40.
30-Jun-10	CCO 41 (Reinforcing Steel/Additional Cost)	\$1,334	EQUIPMENT	Additional cost for rebar at TS & MRF.
30-Jun-10	CCO 42 (Add Swale for Equipment and Maintenance Drain)	\$11,392	DR/DG	Layout, form & finish the drainage swale in the MRF process area per Equipment Supplier & Owner recommendation.
30-Jun-10	CCO 43 (Stabilize Rock Backfill of Existing Pits at MRF)	\$33,009	DR/DG	Provide labor, equipment and materials on Force Account to stabilize excavation through granular material used as backfill via Field Order 3.
30-Jun-10	CCO 44 (Gravel, Sand and Oil Separator Size Revision)	\$3,095	DR/DG	Increase the working capacity of three (3) Gravel, Sand & Oil separators to 1,200 gallons per the Engineer's requirements.
30-Jun-10	CCO 45 (Furnish & Install Support at MRF Roll Up Doors)	\$895	DR/DG	Lengthen eight (8) door posts and add four (4) milled channels at Truck Dock roll up door canisters for support.
30-Jun-10	CCO 46 (MRF Pile Tendon Shoring)	\$19,794	MULTIPLE	Unravel individual prestressing tendon strands at MRF grade beams on T&M.
30-Jun-10	CCO 47 (Housekeeping Pads in MRF Electrical Rooms)	\$3,081	EQUIPMENT	Furnish & install concrete housekeeping pads for electrical equipment.
30-Jun-10	CCO 48 (Precast Panel Forms)	\$14,454	MULTIPLE	Provide additional precast forming beds to reduce procurement time.
30-Jun-10	CCO 49 (Furnish & Install Additional Skylight Panels at TS)	\$51,376	PERMIT	Furnish & install 2,400 sq ft of additional translucent skylight panels at TS.
30-Jun-10	CCO 50 (Delta 6 - Modifications to Equipment Pits)	\$62,789	EQUIPMENT	Revise pit layout to coordinate with Owner-furnished equipment.
30-Jun-10	CCO 51 (Modifications to MRF Building at Wing Wall Line E)	\$15,855	DR/DG	Contractor cost proposal add horizontal structural members to MRF wing wall at west elevation added via DCN.
30-Jun-10	CCO 52 (Elevator Pit Waterprooing)	\$306	DR/DG	Revise elevator pit waterprooing from built up system to Zonepex topical application.
30-Jun-10	CCO 53 (Comminuted Water and Stabilization at Pit 3)	\$8,408	DSG	Furnish poly tank rental for the containment of potentially contaminated water infiltration Pit 3. Tank to be emptied and cleaned by its Environmental. Also construct "a
30-Jun-10	CCO 54 (Metal Decking Storage)	\$2,303	DSG	Material price increase was mitigated by purchasing decking material. Storage fees only.
10-Sep-10	CCO 55 (Finish Sizing Calculations for Washing Agent Tanks)	\$2,727	PERMIT	Licensed subcontractor shall furnish sizing and charge calculations for revised washing agent tanks.
10-Sep-10	CCO 56 (Add MRF Downspout Filters and Roof Drain with Downspout)	\$7,488	PERMIT	Furnish & install Bio Mesh downspout filters.
10-Sep-10	CCO 57 (Concrete Foundation and Wall Revisions at Existing Steel Pit/Transfer Station Sout)	\$12,824	DR/DG	Add stem wall and add precast paneling square footage to accommodate precast installation details at TS Scale Pit.
10-Sep-10	CCO 58 (Furnish & Install Precast Support at MRF Administration Building)	\$6,679	DR/DG	Furnish & install 12 braces for precast panel supports at MRF Admin Building
10-Sep-10	CCO 59 (Delete Overhead Door 54 & 55; Furnish & Install Framing and Liner Panel)	\$0	EQUIPMENT	Delete overhead doors 54 & 55. In their place, furnish & install framing & liner panels.
10-Sep-10	CCO 60 (Increase Size of Window W & X1)	\$1,571	DR/DG	Increase size of MRF stormfront windows to resolve discrepancy between elevation & section.
10-Sep-10	CCO 61 (Coordinate HVAC Duct with MRF Equipment)	\$54,831	EQUIPMENT	Modify HVAC duct layout so as to coordinate with Owner-furnished equipment. Net credit.
30-Sep-10	CCO 62 (SSSA Monitoring Vault)	\$2,238	PERMIT	Add precast structure & "tee" for SSSA testing station.
30-Sep-10	CCO 63 (Site Utilities)	\$107,899	MULTIPLE	Site wet utility revisions required by City of San Carlos Building Permit and Belmont San Carlos Fire Department review/approval. Includes C3 requirements for filling
25-Oct-10	CCO 64 (Trench, Bad & Backfill MRF Gas Service)	\$3,508	PERMIT	Contractor authorization to perform utility trenching and backfill per P&E requirements on Force Account (Field Order 18).
25-Oct-10	CCO 65 (Deployment of Shade Screen for TS Roof Replacement)	\$5,720	PERMIT	LEA requirement to screen openings in TS Roof during replacement performed on Force Account (Field Order 13).
25-Oct-10	CCO 66 (Modify Ceiling Framing at Liner Diffusers)	\$5,142	DR/DG	Contractor authorization to furnish & install longitudinal light gauge framing & hangers for support of liner diffusers on Force Account (Field Order 22).
25-Oct-10	CCO 67 (MRF Office Area Parapet)	\$16,371	PERMIT	Contractor authorization to furnish & install light gauge infill for support of MRF roof parapet liner. Required as a direct result of City Permit Review comments. Work be
25-Oct-10	CCO 68 (TS & MRF Fire Service Revisions)	\$27,403	PERMIT	Revise chemical wetting agent concentration, storage vessel & delivery system at the Transfer Station Expansion and new Material Recovery Facility the riser, all in acc
25-Oct-10	CCO 69 (Add Door 88 to MRF Education Room 411)	\$4,970	OWNER	Add door 88 to Material Recovery Facility Education Room 41. Relocate and resize Window NN to accommodate new door (excludes recovery per Field Order 42)
25-Oct-10	CCO 70 (Stockpile Offhaul Saltdrugs, April 17 - Field Order 8)	\$10,433	DSG	Contract Change Order specifically covers the fee to open Tru-Cities facility in Fremont, CA and the premium on labor for the actual hours worked on Saturday, April 17,
25-Oct-10	CCO 71 (Premium Time Compression, April 30, 2010 through May 8, 2010 - Field Order 1)	\$39,036	MULTIPLE	The Contractor shall extend working hours to ten (10) per day beginning April 30, 2010 through May 8, 2010. This authorization includes standard work hours on Saturday, April 17,
25-Oct-10	CCO 72 (May 11, 2010 through May 22, 2010 Extended Working Hours - Field Order 12)	\$2,856	MULTIPLE	The Contractor shall extend working hours to ten (10) per day beginning May 11, 2010 through May 22, 2010. This authorization includes standard work hours on Satur

Item	Description	Quantity	Unit	Cost	Notes
28-Oct-10	CCO 73 Finish, Pave Entrance 1 - Field Order 24)		W/L/T/P/E	\$22,674	
29-Oct-10	CCO 74 Utilize High Early Mix Design at South Access Road - Field Order 24)		PERMIT	\$5,780	
30-Nov-10	CCO 75 Furnish & Install 2 Domestic Fire Backflow Device)		DR/DC	\$6,648	
30-Nov-10	CCO 76 Site and Building Signage Revisions)		DR/DC	\$17,714	
30-Nov-10	CCO 77 Precast Panel Vertical Joint Sealant)		DR/DC	\$10,142	
30-Nov-10	CCO 78 Precast Panel Carpet Color)		DR/DC	\$5,600	
30-Nov-10	CCO 79 Reverse MRF PEMB Downspouts)		DR/DC	\$3,546	
30-Nov-10	CCO 80 Excavate MRF Truck Dock)		DR/DC	\$4,766	
30-Nov-10	CCO 81 Revisions to Site Grading & Paving - ADA)		PERMIT	\$11,525	
30-Nov-10	CCO 82 Construct MRF Buy Back Pile)		EQUIPMENT	\$19,088	
30-Nov-10	CCO 83 Construct TS Housekeeping Pads)		DR/DC	\$7,288	
30-Nov-10	CCO 84 (Re-Sequencing)		DR/DC	\$0	
30-Nov-10	CCO 85 MRF Education Center Roof Warranty)		DR/DC	\$6,408	
30-Nov-10	CCO 86 Construct Soffit at Room 406 and Room 309 (Stair 6)		DR/DC	\$5,301	
30-Nov-10	CCO 87 Construct Soffit at Room 411)		DR/DC	\$3,759	
30-Nov-10	CCO 88 Additional Header Framing MRF Stairdown)		DR/DC	\$3,329	
30-Nov-10	CCO 89 Additional Truck Dock Canopy Framing)		DR/DC	\$3,719	
30-Nov-10	CCO 90 MRF Admin Reading and Mail Stop Construction Joint Revisions)		EQUIPMENT	\$1,356	
30-Nov-10	CCO 91 Stockpile Offhaul Premium Time April 9, 15, 16, 20/10)		DR/DC	\$594	
30-Nov-10	CCO 92 (Stockpile Offhaul Premium Time April 9, 15, 16, 20/10)		DR/DC	\$4,988	
30-Nov-10	CCO 93 (Buy Back Bulter Proof Glass)		EQUIPMENT	\$1,900	
30-Nov-10	CCO 94 (BHS Access at Helicopter Press)		EQUIPMENT	\$1,270	
30-Nov-10	CCO 95 (BHS Access at Helicopter Press)		EQUIPMENT	\$1,270	
30-Nov-10	CCO 96 (Additional PEMB Column in TS Restroom)		DR/DC	\$1,278	
30-Nov-10	CCO 97 (Relocate TS PEMB X-Bracing)		DR/DC	\$1,164	
30-Nov-10	CCO 98 (South Access Road Construction)		MULTIPLE	\$54,015	
30-Nov-10	CCO 99 (South Access Road Contaminated Soil Off Haul)		DR/DC	\$51,277	
30-Nov-10	CCO 100 (Utilize High Early Mix at MRF NE Quadrant - FO 28)		DR/DC	\$5,476	
30-Nov-10	CCO 101 (Stain Wood Doors to Match Formica Amber Maple)		DR/DC	\$661	
30-Nov-10	CCO 102 (Add Data Port & Repeater - TS Vestibule)		DR/DC	\$1,437	
30-Nov-10	CCO 103 (Beard Blast Existing Floor - TS Room 110 and 112)		DR/DC	\$3,761	
30-Dec-10	CCO 104 Encroachment (City of San Carlos & BA&QMD Permits)		PERMIT	\$2,140	
30-Dec-10	CCO 105 (Addition of Addressable Smoke Detector at FAC2)		PERMIT	\$1,144	
30-Dec-10	CCO 106 (Add Supports for Condensation Unit (H-101) at TS)		DR/DC	\$4,020	
30-Dec-10	CCO 107 (Canopy Revisions at the MRF Admin Bldg)		DR/DC	\$1,518	
30-Dec-10	CCO 108 (Push Wall Demolition on Grid Line 7.0 at TS)		DR/DC	\$13,223	
30-Dec-10	CCO 109 (Addition of Four Knox Boxes for Fire Dept Access to Site)		PERMIT	\$3,006	
30-Dec-10	CCO 113 (Addition of two cast iron downspouts, one roof drain and one overflow drain - TS)		DR/DC	\$4,177	
30-Dec-10	CCO 114 (Doors & Hardware and Finish Drywall Ceiling in Elec. Rm No. 317)		EQUIPMENT	\$1,415	
30-Dec-10	CCO 115 (Relocate & Replace Type V3 Light Fixtures at MRF Bldg)		DR/DC	\$4,437	
30-Dec-10	CCO 117 (Frame Two Openings for Mechanical Louvers at MRF Bldg)		DR/DC	\$2,510	
30-Dec-10	CCO 118 (Repair Work for Damaged Fiber Baler PVC Coated Conduits)		DR/DC	\$1,297	
30-Dec-10	CCO 119 (Addition of two Data Ports & Conduit Routing at Storage Room TS)		DR/DC	\$5,420	
30-Dec-10	CCO 120 (Procurement of Temp Gen & Conns Work for TSSB1 Stairdown)		DR/DC	\$3,812	
30-Dec-10	CCO 121 (Energy Bay Lighting with Temp. Power from Stair House)		DR/DC	\$178,355	
30-Dec-10	CCO 122 (Install Framing for Exterior Paneling & Vertical Shades at TS)		DR/DC	\$154,595	
30-Dec-10	CCO 123 (Delta 4 Transfer Station PEWS Structural Changes & Foundation Mods)		DR/DC	\$5,228	
30-Dec-10	CCO 124 (Contaminated Dirt Off Haul MRF Building Site)		DR/DC	\$4,991	
30-Dec-10	CCO 126 (Lateral Bracing for Light Gauge Framing at Elevator Lobby Walls)		DR/DC	\$2,086	
30-Dec-10	CCO 127 (Modify HSS Beams for Canopy Support at Stair #5 Landing)		DR/DC	\$3,043	
30-Dec-10	CCO 128 (Modifications of Water Line for Missing Equipment at MRF Bldg)		DR/DC	\$3,312	
30-Dec-10	CCO 129 (Modifications to Submerged Material at Entrance 2 Driveway)		DR/DC	\$3,312	
1-Jan-11	CCO 130 (Rough in Work for Canopy Disposal Power Supply in Bedroom)		DR/DC	\$35,441	
1-Jan-11	CCO 131 (Furnish & Install Metal Ladder Panels at TS Push Wall Line 7.0 to 8.5)		DR/DC	\$28,214	
1-Jan-11	CCO 132 (Strapping for Lina Panels MRF)		DR/DC	\$2,918	
1-Jan-11	CCO 133 (Strapping for Lina Panels TS)		DR/DC	\$1,789	
1-Jan-11	CCO 134 (MRF Fire Alarm Existing RPPBP w/rewire 926YD)		PERMIT	\$2,392	
1-Jan-11	CCO 135 (Finish Drywall and Elec. At Door 88 of MRF Bldg)		EQUIPMENT	\$5,185	
1-Jan-11	CCO 136 (Raise Existing Utility & Manholes to Grid at MRF Bldg)		W/L/T/P/E	\$2,183	
1-Jan-11	CCO 137 (Reverse Door Hardware (Door 89) per Master Heating Schedule)		NA	\$0	
1-Jan-11	CCO 138 (PVC Piping & Concentric Vent Kit for Water Heater in MRF Bldg)		DR/DC	\$2,492	
1-Jan-11	CCO 139 (Sidelwalk Trench System at Entry 2 Stairwell)		DR/DC	\$1,960	
1-Jan-11	CCO 140 (Add Data Port & Relocate Receptacles at the MRF)		DR/DC	\$3,415	
1-Jan-11	CCO 141 (Add Data Port & Receptacles in Room 410)		DR/DC	\$2,503	
1-Jan-11	CCO 142 (Furnish & Install Two-Piece Parquet Cap & Backing MRF)		DR/DC	\$4,577	
1-Jan-11	CCO 143 (Relocate Existing Equipment at TS)		DR/DC	\$15,858	
1-Jan-11	CCO 144 (Remove Sheetrock & Framing at Landing 413)		DR/DC	\$497	
1-Jan-11	CCO 145 (Replacement of Shade Screen at TS Exterior)		DR/DC	\$1,899	
1-Jan-11	CCO 146 (Remove Unfinished Concrete in Conflict with Dutchbank)		DR/DC	\$2,888	
1-Jan-11	CCO 147 (Add Backing for Seismic Joint Cover at MRF)		DR/DC	\$11,717	
				\$23,14,437	

MRF Single Stream - Fiber Sort System Installation



MRF Administrative Building Interior





STAFF REPORT

To: SBWMA Board Members
From: Cliff Feldman, Recycling Programs Manager
Date: February 24, 2011 Board of Directors Meeting
Subject: Update on Recology Commercial Recycling Outreach Efforts

Recommendation

This is an informational report and no action is necessary.

Analysis

Recology San Mateo County (RSMC) is no longer required to submit monthly statistics on its commercial recycling activities; however, the company is required to submit a quarterly status report on this program per section 9.06.N of the Franchise Agreement(s). Even though a monthly update is not contractually required, the company has agreed to provide the status of some key commercial recycling metrics each month. Below is an example of the information that Recology plans to submit monthly for this staff report to the Board, and staff will be working with Recology in the near future to determine what other pertinent information should be provided on a monthly basis.

January 2011 Recology Commercial Recycling Outreach Program Highlights

- 20 new customers have subscribed to recycling (6) and organics (14) services
- 148 commercial recycling brochures and posters were distributed.
- 0 Buddy Bags were distributed to multi-family dwelling customers, as inventory is being replenished by RethinkWaste.
- 145 internal recycling containers were distributed.

Tonnage Results of July 1 – December 31, 2010 Recology Commercial Recycling Blitz

SBWMA-wide Commercial Collection Service	3rd & 4th Quarter 2009 Combined	3rd & 4th Quarter 2010 Combined	Percentage change from 2009
Commercial Waste	54,627	53,990	-1.17%
Roll-off (Franchised) Waste Transfer	12,168	12,726	4.59%
Commercial Recycling	12,436	12,261	-1.41%
Commercial Organics	6,730	7,383	9.70%
Commercial Other Diversion	2,444	2,573	5.30%
SUBTOTAL - Disposed	66,794	66,716	-0.12%
SUBTOTAL - Diverted	21,610	22,218	2.81%

Source: Allied Waste/Republic 4th Quarter 2010 MIS Report

The following are highlights of Recology's Commercial Recycling Outreach activities achieved from July through December 2010:

- 977 new customers have subscribed to recycling (886) and organics (111) service.
- 2,314 customers were contacted (a total of 2,314 are targeted for Blitz outreach).
- 2,576 commercial recycling brochures and posters were distributed.
- 7,254 Buddy Bags were distributed to multi-family dwelling customers.
- 2,251 internal recycling containers were distributed.

- 29 community events and 87 presentations (e.g., homeowners associations).

RSMC Recycling Blitz and Maintenance of Existing Accounts New Diversion Results

July - December 2010 Totals Achieved by Recology					
Diversion Results (in cubic yards)	Total Number of New Accounts per the Recycling Blitz	Total Number of Existing Accounts Service Increases	Estimated Tonnage New Accounts	Estimated Tonnage Existing Accounts	Total Estimated New Tonnage
Recycling	2,528	1,874	189.6 ¹	140.55 ¹	330.15 ¹
Organics	76	386	19.0 ²	96.5 ²	115.5 ²
Total New Diversion	2,604	2,260	218.1	285.3	503.4
Garbage (Reduction)	270	333	47.25	58.28	105.53

¹ Recycling Estimated tonnage is based on 150 pounds per cubic yard.

² Organics estimated tonnage is based on 500 pounds per cubic yard.

Staff will be working closely with Recology to ascertain the discrepancies in the July through December 2009 vs. 2010 year-over-year tonnage data provided by Allied and the results of Recology's commercial recycling and outreach efforts during 2010. For example, while over 4,400 new cubic yards of recycling service was attained by Recology during July through December 2010, the tonnage recycling collected by Allied dropped 1.41% from the same time frame in the previous year. In addition, while a combined 4,864 new cubic yards of recycling and organics service was attained by Recology in the second half of 2010, overall commercial diversion increased 2.81%; however, this increase is largely attributable to the 9.7% increase in commercial organics tons which was not a primary focus of Recology Recycling Blitz activities.

Background

On April 22, 2010, the Board adopted Resolution No. 2010-14 approving the Commercial Recycling Agreement between RSMC and Allied Waste/Republic Services. This agreement transferred Allied's commercial recycling outreach program to RSMC commencing on July 1, 2010. In addition, RSMC moved its commercial recycling staff into the Shoreway Administration building on this date.

The Member Agencies Franchise Agreements with RSMC required the company to commence the first new program, the Recycling Blitz Commercial Recycling Campaign, also on July 1, 2010. RSMC's Recycling Blitz Plan and the SBWMA Commercial Recycling Communications and Outreach Plans were shared with the Board in May 2010. These plans outline the next steps regarding stepping up efforts to increase diversion from the commercial sector in the near term.

Commencing with Recology's first quarterly report due on April 30, 2011, the company is required to submit with each quarterly report a detailed update on its commercial recycling program outreach efforts. This requirement is prescribed in Franchise Agreement section 9.06.N, as follows:

“N. Commercial Recycling Promotion Program Status Report. Contractor must prepare and submit, both quarterly and annually, to Agency and SBWMA, a Commercial Recycling Program Status Report. The Commercial Recycling Program Status Report shall include, but not be limited to:

1. A summary of training and professional development activities for the Commercial Recycling Promotion and supervisory staff.

2. A description of the strategy and overall approach to attract and retain a high quality and effective Commercial Recycling Promotion Program and supervisory staff.
3. A description and status of meeting the goals and objectives for the Commercial Recycling Promotion team and how these goals and objectives are tied to the compensation incentive plan. (Contractor must explain how the stated goals and objectives will be accomplished if no compensation incentive plan is used.)
4. A description of Contractor's sales strategy for maintaining and/or expanding the existing Commercial Recycling account base and diversion levels.
5. A description of the services provided to the Commercial and Agency Facility sectors.
6. A detailed accounting of diversion statistics for the Commercial and Agency Facility sectors."



STAFF UPDATE

To: SBWMA Board Members
From: Recycling Staff
Date: February 24, 2011 Board of Director's Meeting
Subject: Recycling and Outreach Programs Update

Recommendation

This is an informational report and no action is necessary.

Development of Recology San Mateo County Franchise Agreement(s) Summary Documents

Staff has prepared a binder containing 14 summary documents pertaining to the Member Agencies Franchise Agreements with Recology San Mateo County (RSMC). The goal of this project is to provide Member Agencies with useful tools to facilitate administration of the Franchise Agreements and to assist with educating their staff with the contents and implications of the new contracts with RSMC. Staff conducted three well attended workshops to present the information contained in these summary documents in September in Menlo Park, San Mateo and San Carlos. Extra copies of the binders were also provided to each Board Member and the documents have been posted on our website since November 2010. Staff is in the process of developing a contract compliance checklist that will be shared with Member Agencies.

Recology San Mateo County Contract Compliance Update

Staff is currently developing a standard staff report and contract compliance template that will be included with the monthly Board packet commencing in March. The company submitted its first monthly report on February 15, 2011 on time and staff is working with Recology to further refine how the data is presented. The reporting requirements in the new Franchise Agreement(s) with Recology greatly exceed the requirements prescribed in the Allied/Republic Franchises. However, Allied/Republic did voluntarily report on various metrics for the last couple of years of its contract and this information was useful. Staff is working with Recology to craft a concise monthly (and then quarterly) report that is truly useful to the Board. Our mutual goal is to generate a report that provides the quantitative and qualitative information the Board wants, without being burdened by the plethora of data and information that is required to be compiled and submitted per the Franchise Agreement(s). In addition, staff will be receiving all of the back up data and reports and will regularly report to the Board on the completeness and timeliness of submittal of this contractually required data.

Curbside Inc., Door-to-Door HHW Program

The following seven Member Agencies are now participating in the program: Belmont, East Palo Alto, Hillsborough, Menlo Park, San Carlos, San Mateo, and West Bay Sanitary District. In addition, **Foster City will launch the program on March 1, 2011.**

Mandatory Commercial Recycling Update

The State Air Resources Board and CalRecycle (formerly the California Integrated Waste Management Board) held a workshop in January 2011 soliciting comments on the draft mandatory commercial recycling regulation developed per AB32 – California's Global Warming Solutions Act. While the draft regulation states that it "mandates" commercial recycling statewide, the practical application of it simply results in mandating that agencies promote commercial recycling. The reason for this is that it is left up to each individual jurisdiction across the State to decide whether or not it wants to mandate commercial recycling and the regulation does not

specify that any enforcement actions will be conducted by the State. What this means to our Member Agencies is that we are well positioned to comply with this new State regulation given the scope of the Franchise Agreement with Recology and RethinkWaste's plans to promote commercial recycling. A more detailed staff report was included on this month's agenda.

CartSMART Collection Services Public Education and Outreach

Public education and outreach efforts on the new CartSMART services continue through TV commercials, newsletters and advertising. RethinkWaste staff will continue working with Recology and Member Agencies to tailor messaging and materials based on their input and feedback from customers to help address any issues that arise, such as cart placement or putting carts away after service.

The public education campaign has included outreach materials that were sent or delivered to residents and commercial customers, a media plan and a community engagement plan.

To date, the following items have been produced and/or completed:

- Graphics for residential and commercial carts
- Residential Garbage Cart Selection brochure
- Recology commercial brochure
- Recology "How To" DVDs (single-family, multi-family and commercial)
- Graphics for commercial bins
- Dock signs for commercial accounts
- Summer "rethinker" newsletter
- Theater spot targeting residents to promote single stream recycling and CartSMART
- Direct mail piece for commercial accounts, notifying them of new service provider, services and containers
- Residential starter kit/piece to be delivered with the carts, providing information on new services
- Print ads promoting Community Meetings
- Print ads promoting delivery of new residential carts
- Compost Card piece delivered with the kitchen pails
- Kitchen pail labels
- Bus and train ads
- Fall "rethinker" newsletter
- Talking Carts TV commercial in English
- Talking Carts TV commercial in Spanish
- Commercial bill insert, providing basic BizSMART information, including changes in service provider, new services, containers and benefits of recycling and composting
- Banners for downtown areas
- CartSMART video contest
- Twitter
- Winter "rethinker" newsletter

RethinkWaste launched its CartSMART Video Contest in December 2010, with submissions needing to be postmarked by February 1, 2011 to be included in the contest. A total of 12 videos were received. Please refer to item 4C on the February 24th Board packet for details of the video contest and results.

In addition, the RethinkWaste website has been updated to include information on the residential CartSMART services and BizSMART collection services for multi-family and business customers. RethinkWaste has also

launched its Facebook and Twitter pages to promote program information and new services. To date, the Facebook page has over 90 “fans” and followers of the site are starting to be more interactive on the page by posting questions and feedback. Staff has included a promotion in the winter “rethinker” to generate additional followers of the Facebook and Twitter pages. Our Facebook page can be found at www.facebook.com/rethinkwaste, and the Twitter page is located at www.twitter.com/rethinkwaste.

Household Battery and Cell Phone Curbside Recycling Collection Program

The monthly average of batteries and cell phones collected through the curbside recycling program in 2010 was 4,400 pounds with 3,236 pounds collected in December 2010. A total of 53,000 pounds was collected during 2010, which is slightly less than the 57,000 pounds collected in 2009. In Recology’s first month of collection (January 2011), approximately 6,670 pounds of household batteries and cell phones were collected which equates to a 31% increase over the quantity collected in January 2010.

RethinkWaste Website

The RethinkWaste website continues to be updated with information on the CartSMART residential collection and new BizSMART commercial collection services. Staff’s goal is to make the website the go-to source for information on future collection services.

The site averaged approximately 1000 visits per week since the last Board meeting, of which nearly 61% were new visits. There is a noticeable increase in the number of visitors to the site following the release of the Board packets, residents receiving the rethinker newsletter, or other RethinkWaste outreach promotion (i.e., E-Scrap Events). Staff noticed a significant spike to the number of visitors to the site between February 10 and February 16, 2011 when the public voting on the CartSMART Video Contest was taking place. The most commonly visited sections of the site during this period were “Video Contest,” “Residents” and “CartSMART.”

Shoreway Construction Webcams

The public can view the ongoing demolition and construction of the Shoreway facility through webcams hosted on the RethinkWaste.org website. The cameras have been repositioned to show the construction on the transfer station and inside the MRF to show the equipment installation.

The webcam link can be found at:

<http://www.rethinkwaste.org/shoreway-facility/construction-webcam>.

rethinker Newsletter

The winter 2011 rethinker newsletter was sent to residents in mid-February. The focus of the newsletter is highlighting CartSMART program guidelines, new features and other general information, including cart placement and putting carts away after being serviced. Staff will be working on the spring issue next.

C&D Recycling Update

Staff released a model staff report and recommendations to revise Member Agencies C&D ordinances on February 6, 2009. The goal of the revisions is to set high standards for all of the ordinances in an effort to increase C&D diversion throughout the RethinkWaste service area. Addressing the issue of C&D recycling regionally will likely be the most effective strategy to ensure high levels of diversion, even though Member Agencies are responsible for administering and enforcing their respective C&D ordinances. A variety of recommendations were submitted to Member Agencies; however, one overarching recommendation that has proven to be effective in other communities (e.g., San Jose) is to require contractors to deliver material to certified C&D recycling facilities. Since Member Agencies have recently shown an interest in including this requirement, RethinkWaste has

budgeted funds for FY 2011 to annually publish a list of approved C&D processing facilities that are certified to accept material. Staff anticipates commencing this project in the first quarter of 2011.

Schools Recycling Program Update

Staff has purchased 32 gallon recycling carts for distribution to schools in the RethinkWaste service area. The program is implemented with assistance from RecycleWorks staff who has delivered 154 carts on behalf of RethinkWaste.

Compost Giveaway Events

A total of 150 cubic yards of compost was delivered to Menlo Park on December 3, 2010. There are no other events planned at this time due to weather, although Menlo Park is interested in holding an event in March. Since the system to deliver compost has changed with SBR and Recology taking over operations from Allied in 2011, staff has been negotiating the costs to provide compost for Agency’s events and detailing the program parameters.

Staff has negotiated a price of \$100 for SBR to provide a back-haul delivery of approximately 50 cubic yards of compost to a Member Agency’s Compost Giveaway Event. This would consist of a loose load of compost delivered Monday through Friday during SBR’s regular hours of operation that the transfer trucks are running. If a Member Agency requires a smaller load of compost or a Saturday delivery, those would be delivered by Recology and costs would be based on those prescribed in the Recology Franchise Agreement(s) Attachment Q, as follows:

Additional Compost Material Delivery	Section 5.11	A – \$125.00 B – \$250.00	A – one-way only delivery (compost only left on-site) B – Round-trip delivery (Drop-Box left on-site)
--------------------------------------	--------------	------------------------------	--

Thus, in summary, if an Agency wants a full (or perhaps half full) load delivered loose on Monday through Friday, SBR will back-haul this directly to a Compost Giveaway Event site for \$100 and the Agency will be directly billed by SBR for this service. If an Agency wants a Saturday delivery, or prefers to have the compost contained in a drop-box, then the cost will be \$100 from SBR (billed directly by SBR) plus \$250 from Recology (included in the annual revenue reconciliation with Recology).

Staff will be sending a form via email for Member Agencies to schedule their RethinkWaste spring Compost Giveaway Events.

In addition to the Compost Giveaway Events organized by RethinkWaste, the Member Agencies are reminded that each Agency is entitled to annually organize directly with Recology the distribution of 30 cubic yards of compost in one or two deliveries at no additional cost. The details of these Bring Your Own Bucket Compost Giveaway Events are found in section 5.11 of the Franchise Agreement with Recology.

Approved Operating Agreement Amendments or Recommended Recology Franchise Agreement Administrative Changes

Agreement	Board Approval	Staff Recommendation	Description
Operations Agreement	October 28, 2010	N/A	Amendment No. 1
Franchise Agreement(s)	N/A	Via email on December 9, 2010	Overage "bags" change to "tags"; SBWMA relief from purchasing battery/cell-phone bags; On-call bulky item collection temporary schedule for January 2011.
Franchise Agreement(s)	N/A	Via email on December 13, 2010	Member Agency self haul remittance of payments to SBWMA by Recology.



MARCH - JULY 2011 BOARD AGENDA ITEMS (SUBJECT TO CHANGE)

March 24, 2011

- Receipt of Recology Monthly Metrics
- Update on Bond Proforma Key Financial Metrics and Cash Reserves
- Update on Shoreway Remediation Activities
- Resolution Accepting Calendar Year 2010 Annual Financial Statements
- Review of Electronic Communications Policy for SBWMA Staff

April 28, 2011

- Receipt of Recology Monthly Metrics
- Shoreway Masterplan Update
- Discuss Employee Compensation

May 26, 2011

- Receipt of Recology Monthly Metrics
- Approval of Quarterly Investment Report as of 3/31/10
- Review of Draft FY 2012 Budget
- Executive Director Performance Review

June 23, 2011

- Receipt of Recology Monthly Metrics
- Resolution Approving Power Purchase Agreement with Fresh Air Energy – II, LLC
- Resolution Adopting FY 2012 Budget

July 28, 2011

- Receipt of Recology Monthly Metrics
- Review of Allied Waste 2010 Closeout Rate Application