



**MINUTES**

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS  
April 28, 2016 – 2:00 p.m.  
San Carlos Library Conference Room A/B**

**Call To Order: 2:13PM**

**1. Roll Call**

Agency	Present	Absent	Agency	Present	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 District	X	

Alternate Member Davina Hurt represented Belmont

**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.

Mike Kelly of Recology handed out copies of Recology's 5 year review.

**3. Adjourn to Closed Session – Pursuant to Government Code Section 54957: Public Employee Appointment - Executive Director**

The Regular session of the meeting was called to order at 2:58PM

**4. Roll Call**

Agency	Present	Absent	Agency	Present	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 District	X	

**5. Report from Closed Session**

None

**6. Interim Executive Director’s Report**

Interim Executive Gans gave an overview of the staff report and went over the bullet points in the report. He noted the May budget workshops and times, and that the budget would be back at the May meeting for approval.

**7. 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.*

Member Widmer commented on item 7F: this contract should have been a competed contract not single sourced as it’s not a contract change order.

Member Benton asked if PG&E was participating in rebates for the LED Lighting and Shoreway.

Interim Executive Director Gans answered yes, and that during the pilot \$40,000 was spent to test the light quality, and energy consumption and \$10,000 was received in rebates on that project.

- A. Adopt the February, 25, 2016 Board of Directors Meeting Minutes
- B. Resolution Approving Calendar Year 2015 Financial Statements
- C. Resolution Approving the Revenue Transfer from Reserves for Calendar Year 2015
- D. Resolution Approving an Agreement with Ascent Environmental, Inc. to Complete the 2015 CalRecycle Electronic Annual Reports in Compliance with AB939
- E. Resolution Approving a Contract with Grainger for LED Lighting for Shoreway
- F. Resolution Approving a Change Order with RC Bensen & Sons for concrete work at Shoreway
- G. Resolution Approving an Agreement with Sloan/Vazquez to Conduct an Operations and Cost Assessment of Recology’s Collection Services

Member Aguirre made a motion to approve the Consent Calendar

Vice Chair Bronitsky seconded the motion.

Voice Vote: All in favor

Member Bonilla abstained from item 7A.

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		7A	
Foster City	X				County of San Mateo				X
Hillsborough	X				West Bay Sanitary Dist.	X			

**8. Administration and Finance**

- A. Status Update on Long Range Plan Projects and Zero Landfill Workgroup (Staff Update)

Interim Executive Director Gans gave a brief overview of the staff report, and an update on the efforts of the Zero Landfill Working Group.

Member Brownrigg as the Chair of the Zero Landfill Working group added that the committee hopes to start offering preliminary conclusions by this summer. As the committee has looked at the goal of getting to zero

Landfill it has become clear that the Agency probably can't get to zero but can do better. He noted that as it relates to the budget, doing better will be a stair step approach, and there won't be a single silver bullet that gets us even close to zero. One of those stair steps is the mixed waste processing system that gets the Agency to 68%. He also added that this Agency spends \$11 million per year putting black bin items at Ox Mountain, and in 10-15 years Ox Mountain will close, at which point rates will go up, so simply put landfills are bad. So the group has been looking at ways to make sure that the 68% that is in the Long Range Plan is held to, and once we get to 68% how do we get to 78 or 88%. He concluded that the committee will be coming to the Board mid to late summer with some of the ideas the committee has been working on.

Interim Executive Director Gans added brief updates on the rest of the items in the long range plan, noting that the Split-Body pilot report has been issued since the staff report went out. He also noted that the Outreach Coordinator has resigned, and as a result some of the outreach work is being postponed or reassessed.

B. Presentation of Preliminary FY16/17 SBWMA Operating Budget (*Staff presentation*)

Interim Executive Director Gans gave a Power Point presentation on the proposed FY16/17 budget.

Member Widmer questioned if the \$35K was for support from the former Finance Manager to come back and support the current Finance Manager, or if it was for the contract approved with the Consent Calendar to assist with the pricing analysis.

Staff Gans answered that it was for both, and that currently the Former Finance Manager is under contract and providing support, and the request is to be able to rely on that support going forward into the next budget year. He also added that rate review is not the former Finance Manager's work that is done by an outside contractor.

Member Widmer pointed out that this year's budget had \$35K in it for support from the Former Finance Manager, as well as a budgeted amount for the overlap of finance managers, so it's over stated by about \$70K.

Interim Executive Director Gans answered that it may not get spent, but if it isn't budgeted then there is no option.

Chair Grassilli advised the Board to come to the workshops on the 11<sup>th</sup> and 12<sup>th</sup>.

Member Benton asked if the franchised and non-franchised material would both be paying the same \$10 increase, and are both paying \$94/ton now.

Interim Executive Director Gans answered yes, the \$10 increase would be for both, and that both are paying about the same now, but public customers are charged by yard, and franchised customers pay by the ton.

Member Widmer commented that the non-franchised customers should always be charged more, the franchised tons should be the most favored customer and the disposal cost is more expensive for non-franchised material because of what is being brought in. He noted that the Board should take a look at this in the future to make sure that the 12 jurisdictions are always lower because franchised material is the bulk of the business.

Interim Executive Director Gans noted that he would like to have a discussion with the Board about the tip fees paid to Zanker for C&D processing, noting that C&D processing is currently \$50/ton and landfill is about \$40/ton. He added that the SBWMA contract with Zanker is expiring at the end of 2016, and the rate is proposed to increase to \$65/ton and that material is almost exclusively self-haul. With Zanker's rates going up 25%, that will have an effect on non-franchised tip fees at Shoreway.

Member Benton reminded the Board that a few months ago there was a conversation with the Board about trying to increase non-franchised tons to try and spread overhead. He noted that he raised the question then, about as tons go up the margin of income for non-franchised tons goes down. He added that he doesn't want to put emphasis in an area where the spread is less.

Interim Executive Director Gans added that there are space concerns and other non-cash related concerns to consider as well.

Chair Grassilli suggested continuing this discussion at the workshop and to bring any proposed changes to the workshop so what needs to be changed can be changed.

C. Resolution to Form an Ad Hoc Committee to Review Franchise Agreement Amendments (*Approval item*)

Staff Feldman gave an update on Member Agency's status in the process. He noted that as of the Board Meeting five Member Agencies have confirmed their commitment to the process, five have scheduled discussion with their councils, and two are pending being scheduled. He also noted that staff's high level review of Recology will be shared with Recology and then at the TAC meeting in May. Finally, he noted that six Member Agency representatives have volunteered to participate on the Ad Hoc Committee to review Franchise Agreement amendments, and noted the recommended members are in the staff report.

Member Widmer asked for the attendance at TAC meetings of the proposed members of the committee.

Staff Feldman gave a brief sentence about each member:

Afshin Oskoui from Belmont is the Chair of the TAC, and attends all of the TAC meetings.

Brenda Olwin is the Finance Manager from East Palo Alto, and East Palo Alto has attended meetings

Heather Abrams is a TAC member and attends all the TAC meetings

The City Manager of Redwood City has never attended a TAC meeting, but Mike Gibbons the City's representative regularly attends the TAC meetings.

Larry Patterson the City Manager of San Mateo hasn't attended a TAC meeting, but was the Chair of this Board when it was a staff Board and was the Board Chair during the last negotiation period, but Roxanne Murray of San Mateo consistently attends those meeting.

Jim Porter with the County of San Mateo regularly attends TAC meetings

Member Widmer questioned if they've never come to a TAC meeting, but an assistant has wouldthe assistant come to the meeting, and if not, will they have enough history to be on the Committee.

Staff Feldman noted that the approved plan and recommended process prescribes that this committee be formed at the Board's recommendation. It also states that it be made up of TAC or staff members from our individual jurisdictions, without mentioning class of staff.

Member Widmer commented that if they've never come to a meeting how they will have enough history to be members of the committee.

Chair Grassilli commented that the committee is made up of two City Managers from our largest cities in the JPA, so he thought it was a good list.

Member Benton asked what the purpose of the committee was.

Staff Feldman answered that the approved plan and recommended process prescribes that the committee assist Member Agencies with negotiating with Recology. It will serve as a sounding board for staff, and to ensure that Member Agency's comments and concerns are brought to the negotiations.

Member Benton asked what role the Board of Directors has in the process.

Staff Feldman answered that at the end of the negotiation the committee being discussed today will bring forward the recommended negotiated amendments to a new uniform Franchise Agreement. The Board will vote if the uniform Franchise Agreements should be moved forward to the individual Member Agency councils.

Member Dehn asked for clarification that this is not a TAC committee but an Ad Hoc committee that reports to the Board.

Staff Feldman staff believes that this committee would report via the TAC to the Board, but it could report directly to the Board, but added that it is not specified in the approved plan and recommended process.

Chair Widmer thought it was a good idea to have the TAC participate, by being the body that this committee reports to, and the TAC will bring it to the Board.

Member Widmer made a motion to approve resolution 2016-21

Member Dehn seconded the motion.

Voice Vote: All in favor

Member Bonilla abstained from item 7A.

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			

Member Mueller and Member Widmer now absent at 3:48 PM

**9. Collection and Recycling Program Support and Compliance**

A. Annual Solid Waste Rate Survey *(Staff update)*

Staff Feldman gave a brief overview of the staff report. He noted that 7 of the SBWMA Member Agencies are below the 50<sup>th</sup> percentile for rates throughout the Bay Area including HHW service, and only two other jurisdictions surveyed have an HHW service.

**10. Shoreway Operations and Contract Management**

No items

- 11. Informational Items Only (no action required)**
  - A. Technical Consulting Contracts for 1<sup>st</sup> Quarter 2016
  - B. 2016 Finance and Rate Setting Calendar
  - C. Check Register Detail
  - D. Potential Future Board Agenda Items
- 13. Board Member Comments**
- 14. Adjourn 3:49PM**