
MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
May 26, 2011 – 2:00 p.m.
San Carlos Library Conference Room A/B**

1. Roll Call: CTO 12:13 p.m.

In attendance: Atherton, Belmont, Burlingame, Foster City, Menlo Park, Redwood City, San Carlos, San Mateo and County of San Mateo.

2. Adjourn to Closed Session - pursuant to Government Code Section Govt. Code Sec. 54956.9 Conference with Labor Negotiator: Unrepresented employees- (All employees); pursuant to Government Code Section 54954.5: Public Employee Performance Evaluation: Executive Director; and pursuant to Government Code Section Govt. Code Sec. 54956.9 Conference with Legal Counsel—anticipated litigation-one case.

3. Report from Closed Session

The board gave the following compensation direction to the Executive Director: No changes in salary ranges, 2% pool for merit increases, 1 time bonus for finance manager position

THE REGULAR PORTION OF THE MEETING CTO 2:13 p.m.

Atherton now absent

4. 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.

None

5. 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 April 28, 2011 BOD Meeting Minutes
- B. Approval of Quarterly Investment Report as of 3/31/10
- C. Receipt of Recology and SBR Monthly Reports

M/S Nava/Porter approve Consent Calendar Items 5A through 5C

Voice Vote: All in Favor

Motion passes 10-0-0-2 (Atherton and East Palo Alto absent)

6. New Business:

- A. Discussion Item: Review of Draft FY 2012 Budget

Executive Director McCarthy gave a PowerPoint presentation

Member Nava asked for clarification on how much each agency was relying on the SBWMA for contract compliance.

Executive Director McCarthy responded that staff is helping, but we don't track support (hours) by Member Agency.

Member Galli, requested clarification on why the commercial organics tipping fees were so much higher than the residential organics.

Staff Gans responded that food waste is harder to process, and commercial organics is all food, but residential organics is a mix of food and yard waste, which is easier to process and therefore costs less.

Executive Director McCarthy stated that our self haul tipping fees have gotten higher than our competitors, OX Mountain and SRDC/FERMA at the Port of Redwood City. Our self haul volumes have dropped significantly, we believe it's due to competitive marketplace.

Member Fil questioned if there was any correlation between roll out and decreased self haul numbers. He would like to discuss the possibility of having more categories of tipping fees, and the advantages and disadvantages. He would be interested in having a discussion about lowering tipping fee rates.

Member Nava commented that many of our agencies have become very sensitive to rate increases, and he encouraged the board members to rethink where we as an agency are headed. He commented on the HHW outreach and commercial technical assistance budget line items. He expressed an opinion that these line items could be reduced, and asked the board to think about the level of programming we want to provide to the jurisdictions in these areas. Member Nava also questioned if we as an agency wanted to be in the Environmental Education business, if that should be a core service for the SBWMA.

Vice Chair Steffens encouraged staff to reduce expenses, but added that the agency could still offer outstanding services. He noted the projecting of a 3.6 million surplus and asked staff to give options weighing in the risk of commodity revenue. He also asked about the staffing plan and benefit cost.

Member Fil also added that he would also like to see a plan for revenue, so that when there is cash we can see where it is going

Executive Director McCarthy noted that the board was at a disadvantage because they didn't have the cash reserve projections in front of them to review; this will be provided at the June Board meeting.

Member Fil commented on the Environmental Education Coordinator, that because it was new, maybe we could fill it on an interim basis, or use volunteers.

Member Boyd, asked, what the obligations of the contractors are in regards to a tour program. He stated he agrees with combining the Administrative Assistant and Office Manager positions, but believes Agency should find educational staff elsewhere.

Staff Feldman answered that their agreements state they have to support a tour program, but it's not in their contract to manage a program.

Chair Moura, added that the County is running a program with interns, and perhaps the SBWMA could try that route first.

Executive Director McCarthy stated that the assumptions were based on a nationally award winning program he started in 1995 at Davis Street Transfer Station in Alameda County.

Member Fil questioned the amounts of the commercial recycling technical assistance and residential public outreach line items.

Staff Devincenzi responded the residential public outreach budget that was used for the roll out has gone away completely. And the residential outreach budget includes things like HHW programs, compost and other events etc.

Staff Feldman added the Commercial Recycling Technical Assist line item is associated with the tonnage that is our revenue source. The investment is to protect tonnage.

Member Nava questioned if putting all the money into it would mean an increase in commercial tons.

Member Masbad questioned if we had evidence that the money we are spending on commercial recycling technical assistance is working.

Staff Feldman clarified that the commercial data supports that tonnage is down

Executive Director McCarthy added that commercial tons have gone down, but we haven't spent any of this money yet, because we won't spend the money until we know where to target it.

Member Nava commented that this is the first time in his history with the SBWMA that the public is hostile about garbage. So he feels he must be critical of the budget, and the agency should go back to core and basic services.

Member Fotu requested clarification on how the newsletter is delivered.

Staff Devincenzi, responded that it is direct mailed, rather than inserted into the bills because, it is going directly to the tenant not the bill payer, if it direct mailed we have a better response. She also noted that due to the billing schedule, if it went with the bills not everyone would get it in a timely manor.

Member Fotu added that she would like to see a more targeted understanding of our demographics, and requested the agency look at alternatives to the newsletter, including social media and targeted campaigns to get our message out. She added that she would like to see a defining of roles in public outreach more clearly between contractors and SBWMA

Chair Moura added that the agency should utilize the Pub Ed subcommittee and asked if member Fotu would like to be on the public outreach committee. Member Fotu agreed

Member Scott asked about the HHW line item, and asked if there was a resolution on the pharmaceuticals.

Staff Feldman responded, that we have two pharmaceutical drop off locations coming to our service area soon, and he is working on a third, but there has been no resolution with the Company in the contract,

- B. Resolution Approving Modification to the Purchase Agreement with Bulk Handling Systems for Materials Recovery Facility Processing Equipment Design, Fabrication, and Installation

Hilary Gans explained the purpose of the resolution, there was no discussion

M/S Nava/ Fil

Roll Call Vote:

Motion passes:

10-0-0-2 (Atherton, East Palo Alto)

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			

C. Discussion on SBWMA Legal Counsel Support Services

Member Fil asked how long the contract was, and Lanzone reported it was a yearly contract. It has not been put out to complete bid in 18 years. Member Nava stated that it is a professional service, and he's not interested in changing legal counsel. Member Porter stated that at the county anytime we have a contractor in place for 18 years we go out to bid as a matter of course. Member Steffens, stated that he doesn't feel the need to go to bid, due to the history he has with the agency. Chair Moura stated we will stay with Mr. Lanzone's services for another year.

Burlingame now absent

7. **Old Business:**

A. RSMC Franchise Agreement Operational and Contract Administration Update

General Manager Mario Puccinelli gave an update, introduced Janette Haskel the new Customer Service Manager and two Waste Zero specialists.

Member Boyd asked about the residential route adjustments that Mario mentioned, and if they would affect the new street sweeping schedule. Mario answered that they will not.

Chair Moura asked if we are seeing more residents migrating down in cart size. Mario answered yes, and also getting larger recycling bins.

B. SBR Shoreway Operations Agreement Update

John Richardson SVP of SBR reported that Duane MacDonald is no longer with SBR, and that David Langer is the new interim General Manager, then David gave an update on SBR shoreway operations

8. **Staff Updates**

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

9. **Board Member Comments**

Member Fotu thanked Recology for their work on Menlo Park's community clean up day event.

10. **Adjourn 3:51pm** Next Regular meeting scheduled for June 23, 2011, Shoreway Environmental Center at 2:00 pm