



**MINUTES**

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY  
 MEETING OF THE TECHNICAL ADVISORY COMMITTEE  
 June 8, 2017 – 2:00PM.  
 San Carlos Library Conference Room A

**Call to Order: 2:06PM**

**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

**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.

None

**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 May 3, 2017 TAC Workshop Minutes

Member Murray made a motion to accept the May 3 Meeting Minutes

Member Tong seconded the motion

Voice Vote: All in favor

**4. Brief Agency Updates (Joe La Mariana/Hilary Gans, RethinkWaste)**

A. FY 17-18 Projects

Executive Director La Mariana noted that the FY17/18 budget was approved at the May Board meeting, and staff will be working on Long Range Plan programs in the coming year. Including, the Public Spaces Project in an effort to get high functioning standard containers in public spaces throughout our service areas. Staff will also be working on expansion of the schools and public outreach program. He also noted the recruitment for the open Public Outreach Manager will be starting as well. Lastly, he noted that the SBWMA office will be going through a refresh, and the finished product will make a sustainability statement.

Chair Oskoui asked what the plan was for engaging Member Agencies for feedback on the public spaces pilot.

Executive Director La Mariana answered that fellows will be involved in engaging Member Agency feedback and working with the agencies on the public spaces program.

Chair Oskoui commented that it would be hard to get consensus among all the Member Agencies.

#### B. Fire Suppression Action Plan---Updates

Staff Gans gave an update on the Shoreway fires, and plans for mitigating fires in the future. He also noted that the fire was likely a lithium ion battery, and that that fires at the MRF are not uncommon. He noted that the battery collection programs will likely be restructured, but first the problem needs to be understood better. There is no mechanical way to get batteries out of the tip floor pile once they end up in the carts, since they are not magnetic. He noted that together with Dwight Herring of SBR they've created a fire mitigation plan, that the Board has reviewed, and RRS an industry leader has been hired to take a deeper dive into the battery issue and help create a plan. He noted that the SBWMA's property insurance is expiring at the end of June, and premiums are going up from \$180K to \$600K and the deductible is going from \$5,000 to at least \$1.5M. He concluded by noting that there will be a fire mitigation plan update at the September Board meeting, so the TAC will be hearing more in the future.

Staff Gans also noted regarding the long range plan projects that the mixed waste processing system would also be picked back up.

Executive Director La Mariana added that additional fire suppression sprinklers have already been added and directed at the equipment.

Member Lorenz requested that there be messaging in the meantime about what goes where and that batteries don't go in any of the carts.

Chair Oskoui asked if the increase in insurance premium was in the FY17/8 budget, or if it would require a budget modification.

Executive Director La Mariana answered that it was already in the budget.

#### C. Expiring Materials Contract Update--Organics; Disposal

Staff Gans noted that staff would be doing an RFP for organics processing. Shoreway has about 100,000 tons of compost, about 15 tractor trailer loads a day, and currently about 7 go to the Recology facility in Vernalis, and 7 go to Republic facility, Newby in San Jose. He noted that the Newby facility is much closer, but it's also a much more expensive tip fee, but when you factor in the transportation cost to Vernalis, the total cost to process is about the same about \$70 per ton. He also noted that composting is not cheap it costs about \$10 more per ton to process organics than it does to take tons to the landfill. He also added that like landfills, there are not many composting facilities. He noted that staff is hoping to get responses from potential composting facilities that can process our organics tons by the end of July and have Board action in September.

Member Murray asked if Newby was still an option.

Staff Gans answered yes, but staff wants to do an RFP, to see what other options there are.

Chair Oskoui asked if the RFP was just for the tip fee, and if there were other players than the two already being used.

Staff Gans answered there are, but there are distance factors, and added distance might mean added capital needs to accommodate for the extra distance. He also noted that the RFP is just for the tip fee, then staff will calculate the additional transportation costs to weigh the options.

Member Tong asked if there was any talk of adding a composting facility in the region.

Executive Director La Mariana answered that he talked to Ox Mountain, and there seems to be no interest, and these type of facilities need flat accessible land that is far away from the population base.

#### **5. Franchise Agreement Negotiations—Process Update (Joe La Mariana)**

- A. Negotiation process—status report
- B. Key remaining milestones
- C. Agency support options available for Member Agencies
- D. Future planning resources & considerations

Executive Director La Mariana gave a snap shot report on the status of the negotiations similar to the Board report out on the 25<sup>th</sup> of May, and what is remaining in in the process. He noted that since November negotiations with Recology have been in good faith. During the last month the SBWMA team presented to all 12 Member Agencies, a TAC workshop to 45 people, a City Managers meeting at a legal review meeting, and the team was able to get a better understanding of the public decision making process. He also noted the high level questions and comments received during the presentations including; a high level of satisfaction with Recology, and maintaining the current services. He added that there were a lot of questions about future rates, which cannot be answered yet, so staff is providing for on-call consulting services to help the Member Agencies get from rate year 2017 to rate year 2021 as smoothly as possible. Member Agencies would be billed back for those services. He also noted that there were a lot of questions about the 10 year versus the 15 year contract, which is simply a function of the economics of the proposal the 15 year term saves about 4%. He then added that there was a lot of discussion of bulky item collection and abandoned waste issues, and he suggested putting a committee together of the affected agencies and come with a plan and get costing information from Recology. He also noted that the issue for G&A came up very loudly, at three different meetings, and the need for a better deal was strongly expressed. And finally, he added that the last point brought up was the early depreciation roll forward, there we a lot of questions on that. He then went over the next steps in the process, noting that June 22 it will on the Board agenda for consideration and approval, but with the caveat that there is a chance it will roll into the July depending on how the G&A issue gets resolved. He then noted staff is looking at having resources available to Member Agencies to help smooth the rate transition between 2017 and 2021 currently projected at 10.2% with consultant support that is available at an already established pricing structure.

Chair Oskoui reminded the TAC members to look ahead at the calendar of Council decisions.

Executive Director La Mariana noted that the end goal is to have at least 8 signed agreements by the end of 2017, and that it's a two-step process. Once to approve the model agreement, and once to approve

the individual franchise agreement. He also added that this allows for 3 rate years to get to a place of smoothing out the rates before the new contract goes into effect.

Member Murray commented that this was a really tight timeline, and expressed concern that by the end of 2017 would not give the Member Agencies enough time to negotiate individual changes. She then asked for an update on the Bulky Item Collection.

Executive Director La Mariana noted that an abandoned waste and Bulky Item collection subcommittee of 5-6 agencies would be put to together to come up with common language and common pricing for these services.

Member Gibbons asked if the 15 year extension had clearer language about the end of the contract.

Executive Director La Mariana answered that there is a one year and a 5 year extension option written into the contract.

## **6. Annual CalRecycle Reporting (Nanette Hansel, *Ascent Environmental*)**

- A. Brief History:
  - i. IWMP Overview (Joe) + AB 939 Roots (Nanette)
  - ii. Expanded legislation and program priorities (Nanette—rest of section)
- B. CalRecycle's Priorities and Program Emphasis
- C. Annual EAR/Program Planning Considerations
- D. Reporting Process, Observations & Recommendations
- E. Q+A

Nanette Hansel of Assent Environmental gave a power point presentation. She noted that she has worked with the SBWMA for 19 years, and prepared the Cal Recycle reports since 1999. She gave background and history of AB939, noting that the 1991 County source reduction and recycling element (SRRE) is the base line number for the reports, and in 2007 with the passage of SB1016 the measurement went from estimated based on an adjustment method to a per capita disposal target, and a 2-4 year review cycle. She also noted that the next review cycle for the SBWMA cities would be in 2019. She then gave an overview of what she does for each of the Member Agencies, and the steps of the EAR process. She then listed all of the legislation affecting the waste industry, and gave an overview of their effects.

Member Tong asked what the difference is between what Nanette does and what the SBWMA does.

Nanette Hansel answered that she doesn't do the County EAR.

Executive Director La Mariana added that the County has a dual role and does the County Integrated Waste Management plan but not an agency annual report.

## **7. Contractor Program Feedback (*Recology; South Bay Recycling*)**

### **Recology:**

Mike Kelly General Manager of Recology noted that this time of year is business as usual, but they are gearing up for all the summer events.

### **SBR:**

Dwight Herring general manager of SBR noted that next week SBR would be hosting a battery summit with industry leaders and battery recyclers from around the nation. RRS who the SBWMA has contracted with is

an industry expert in the field of batteries will be leading the summit. The second day of the summit will be a stake holders meeting.

Executive Director La Mariana asked if TAC members could come to the summit.

Dwight Herring answered yes, if they would like to.

Chair Oskoui asked to send the summit agenda to the TAC so they could RSVP if they would like to come.

Dwight Herring then noted that the truck shop has been facing challenges for over 6 years. Now, there is a covered area for mechanics as well as a hazardous waste collection area.

Staff Gans noted that the truck canopy project is related to improving storm water quality testing.

Dwight Herring then noted that SBR has recently had two major inspections. The first, Cal OSHA where they received notice that the exit doors need to stay clean. The second, CHP which SBR passed 100%.

Dwight Herring then concluded his presentation by noting that commodity values are increasing.

Executive Director La Mariana asked if values have completely recovered to before the dip.

Dwight Herring answered not yet, but containers are staying flat.

#### **8. Future TAC Meeting topics & Scheduling Considerations (Joe La Mariana/Hilary Gans, *RethinkWaste*)**

Executive Director La Mariana gave a summary of his plan for TAC meetings going forward to maintain great engagement with the TAC. There will be four TAC meetings per year:

- June – Cal Recycle Day and Electronic Annual Reports
- September – Compensation Applications and Public Education plan for the following year
- October – Site/Capital improvement plan, and high level feedback on SBWMA resources
- March – Legislative Overview and priorities

Chair Oskoui summarized the meeting plan noting that all of the TAC meetings would stay on the calendar incase an issue the TAC needed to address, but that four meetings would be planned throughout the year.

#### **9. TAC Member Comments**

#### **10. Adjourn 3:19PM**