



A Public Agency

COLLECTION AND RECYCLING PROGRAM SUPPORT AND COMPLIANCE



STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: June 27, 2019 Board of Directors Meeting
Subject: Resolution Approving the Proposed Amendment One to the Model Recology Amended and Restated Franchise Agreement

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2019-42 attached hereto authorizing Amendment One to the Model Recology Franchise Agreement from January 1, 2021 to December 31, 2035, which will amend the newly negotiated hauling contract to include changes to the Bulky Item Collection, Illegal Dumping and Abandoned Waste, and Litter Reduction practices to assist in Storm Water Regulation compliance.

An alternate resolution has also been prepared in the event that the SBWMA Board of Directors wishes to approve the amendment with changes only to the Bulky Item Collection and Illegal Abandoned Waste portions of the Franchise Agreement, to allow for additional study on Litter Reduction practices topic, or if the Board chooses to simply omit this item entirely.

Background

On May 24, 2018, the SBWMA Board approved Resolution 2018-20 to implement a workplan in support Member Agency negotiations with Recology regarding Bulky Item Collection, Abandoned Waste Collection, and integrating Litter Reduction Practices into Trash / Recycling Collection services as required by the Municipal Regional Permit (MRP) Stormwater Regulations. This action is known as "Amendment One," and these services will be implemented with the restated and amended Franchise Agreement term of January 1, 2021 – December 31, 2035 or, by mutual agreement, sooner.

The Bulky Item Collection and Illegal Dumping and Abandoned Waste Collection programs are very popular and are heading towards an operational capacity breaking point. Recology has already doubled the resources required in our Franchise Agreement based on the original program stats that they were asked to bid on (at their own expense), which were about 80 collections per day. At Board direction, Staff and the Franchise Agreement Extension Committee (FAX) negotiated with Recology's senior management team to identify and shape cost-effective new program capacity options for Board consideration. Once approved by the SBWMA Board, the recommended program options and their costs will need to be formally approved by a majority of the Member Agencies' elected bodies as an amendment to the re-stated and amended Franchise Agreement that takes effect on January 1, 2021.

Staff is also recommending that the Board incorporate amendments to the Franchise Agreement to address storm water regulations as part of Amendment One. New stormwater regulations went into effect in 2009, with the Water Board including trash reduction requirements in the Municipal Regional Stormwater (MRP) National Pollutant Discharge Elimination System (NPDES) Permit for Phase I communities in the Bay Area. The San Mateo

Countywide Water Pollution Prevention Program (SMCWPP) Litter Work Group is addressing trash load reduction requirements outlined in the MRP, by implementing several control measures designed to significantly reduce trash in local creeks and the Bay. The SMCWPP provided an outline of Best Practices and Recommendations for Litter Management with franchise language that is proposed to be included in the attached Amendment One. The implementation of these litter reduction practices would assist the SBWMA in achieving compliance with trash/litter load reduction regulations in the Municipal Regional Stormwater Permit.

Strong Board interest was expressed for expanding the Bulky Item Collection and Abandoned Waste programs capacities at the Board's May 23, 2019 meeting. However, the Board also asked for more background information regarding the nexus between the current and proposed collection operations services provided by Recology and MRP litter reduction requirements, to which eleven of the member agencies are bound (West Bay Sanitary District is exempt). To provide important technical context to this discussion, staff has invited C/CAG's Countywide Stormwater Program Manager, Matt Fabry, to present a program overview and field program-specific Board Member questions at today's meeting on the litter reduction topic.

The Amendment One language includes seven categories of proposed amendments to the Franchise Agreement, as outlined in the Analysis section below. Items 1 and 2 address the Bulky Item Collection and Abandoned Waste capacity expansion recommendations previously discussed by the Board. Items 3 thru 7 address the litter reduction provisions that were previously recommended by SMCWPP, and to be discussed at today's Board meeting.

Staff has provided two alternate pathways (two resolutions) for the Board's consideration today) to provide decision-making flexibility on how it would like to proceed with a potential Amendment One approval. The first resolution version is recommended by staff, and, if approved, would include all seven categories of amendments identified below in Amendment One. However, if the Board is not prepared to act on the litter reduction items at the conclusion of the discussion at its June 27, 2019 Board meeting, an alternate resolution (2019-47) is provided to allow the Board to approve only categories 1 and 2 (Bulky Item Collection and Abandoned Waste Collection) in this Amendment One modification.

Additional note: During the May 23rd meeting, the Board also asked to see actual BIC/AW program usage statistics to determine the correlation between actual program usage by each member agency vs. the percent of total that each member agency represents to the agency total. As previously noted, these two figures track extremely closely. These statistics can be reviewed in **Attachment C**.

Analysis

Currently, Recology provides up to two Bulky Item Collection services annually without charge to each single-family residence and multi-family property (MFDs require advanced planning for delivery of roll-off containers for collection). This service is provided within 10 business days of the owner or occupant's request, unless Recology's Bulky Item Collection service capacity has been reached. Based on current Franchise Agreement parameters, Recology's service capacity is limited to 150 bulky item collections system-wide per day. Recology currently makes approximately 130 to 140 bulky item collections per day so the program is operating at about 90% capacity. Recology also collects abandoned waste with a cap of 30 pick-ups per day. Operationally speaking, these two services are one program; the same trucks and drivers/crews service both the Bulky Item Collection and abandoned waste collection. Each route includes a box truck and driver for recyclables, and a rear-load truck and driver for the other items. There are currently three routes.

Given that Recology is nearing its maximum service level capacity for the Bulky Item Collection and abandoned waste collection programs, the SBWMA and Recology initiated discussion to develop a joint solution that allows customers to continue to receive Bulky Item Collection and abandoned waste collection services with new capacity in a timely fashion.

The following provides the recommendations included in Amendment One of the Recology Franchise Agreement, which have been agreed upon by the SBWMA and Recology, with feedback from the Member Agencies and FAX committee.

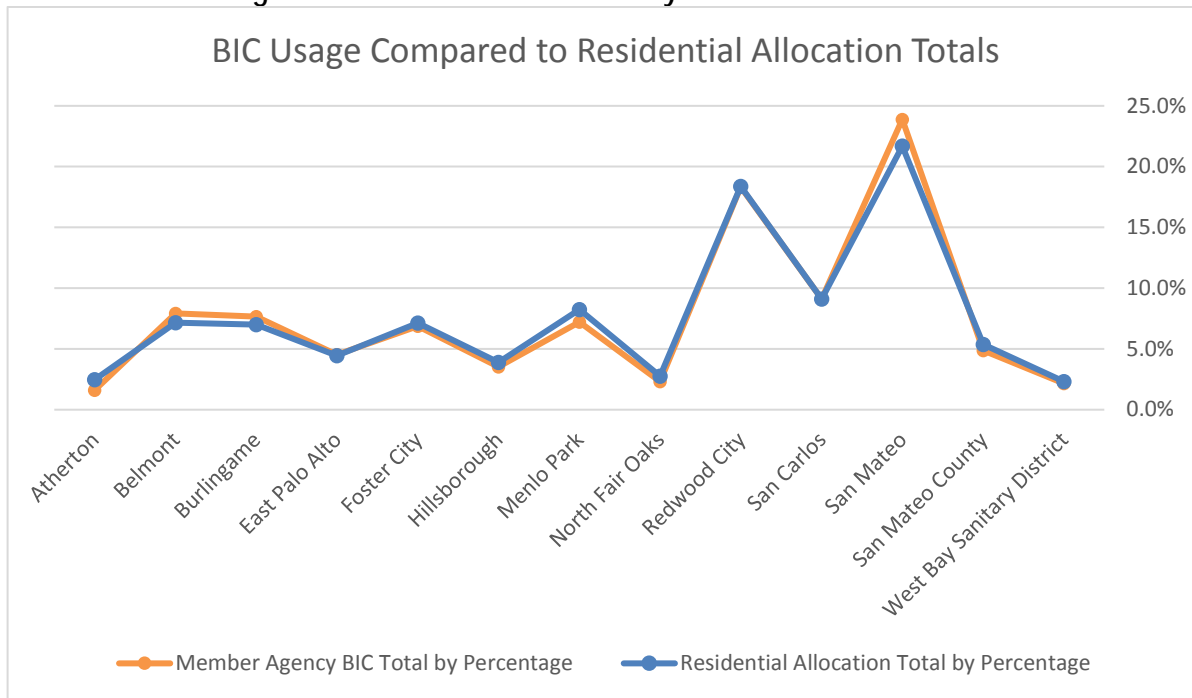
1. **Add a Fourth Bulky Item and Abandoned Waste Collection Route:** In order to provide Bulky Item Collection and Abandoned Waste Collection within the 10-business day timeframe of the Franchise Agreement, a fourth route can be added to the Bulky Item Collection/Abandoned Waste Collection program to expand capacity. This would result in an increase of the service level cap of from 150 Bulky Item Collections to 210 Bulky Item Collections per day. The financial impact would include an approximate cost of \$631,000 in Rate Year 2021 for an additional annual route (covers one box truck and driver for recyclables, and one rear-loader and driver for other items).
2. **Develop a Shoreway Voucher Program for Bulky Item Drop-Off:** Recology will develop a voucher program that offers residents the ability to drop-off of Bulky Item Collection material at the Shoreway Environmental Center (Shoreway). Recology would offer vouchers to residents if a resident does not want to wait for the service date offered by Recology. The financial impact includes \$125,000 up-front costs for the bulky item voucher system and \$233,000 for annual operating costs. Please note: these quotations were provided in late 2018 and are likely to slightly change depending on (if) when this program is actually implemented.
3. **Addition of Solid Waste Collection on Saturday and Sunday:** Add services to Schedule Q for Saturday and Sunday service. It will be provided at no additional charge for customers subscribing to a minimum of three (3) times per week service or at an additional fee for those businesses that have less than three days a week service (an additional service charge of \$55.31 per month for Saturday and \$67.37 per month for Sunday service).
4. **Addition of Litter and Overage Assessment Program Evaluation** – Recology currently documents overages related to collection services. This addition will require Recology to provide a monthly report to the SBWMA. No additional cost.
5. **Requirements for Overage Charges** - Recology currently charges for overages beyond the two allowed events. Recology is requesting that language be added to the amendment that states they “shall impose overage charges”, to allow Recology Customer Service the permission to give a courtesy waive of charges depending on the situation. No additional cost.
6. **Requirements for Photographic Evidence of Overages** – The SBWMA would like to have the option for Recology to research on-board cameras for all collection vehicles, which will be used for monitoring activities, and overage activities. No additional cost unless SBWMA decides to move forward with cameras.
7. **Add Definition of Overage** – A definition of “overage” is necessary to provide direction for Recology when assessing a container. No additional cost.

Fiscal Impact

The costs for Bulky Item and Abandoned Waste Collection is allocated among the Member Agencies according to the number of single-family and commercial accounts in the community. For example, if a Member Agency currently has 18% of the single-family accounts, then it will receive an allocation of 18% of the single-family Bulky Item Collection and Abandoned Waste program costs. If a Member Agency has 10% of the commercial accounts, then it will receive 10% of the multi-family Bulky Item Collection and Abandoned Waste program cost allocation. **Figure 1**, below, shows the Cost allocation for Bulky Item Collection services

for 2015 in comparison to the allocation that is currently used each fiscal year according to the number of residents and commercial businesses per Member Agency. It is recommended that costs be allocated in the same manner, given how closely the Bulky Item Collection and residential percentages track each other.

Figure 1. Cost Allocation for Bulky Item Collection Services in 2015



Costs will increase only if/when a fourth route is added. The financial impact would include an approximate cost of \$630,000 for an additional annual route (covers one new truck and driver for recyclables, and one rear-loader and driver for other items).

The costs for the Bulky Item Voucher Program for Rate Year Eleven (2021) shall be determined in 2020 by the Recology and SBWMA based on agreed design and costs for the Voucher Program, which shall be subject to SBWMA Board approval. The approved costs shall be added to the projected Rate Year Eleven (2021) Contractor's Compensation as specified in Attachment N to the Franchise Agreement. When adding the Voucher Program costs to Attachment N, Recology shall allocate the costs to Member Agencies in the same manner as costs for the Bulky Item Collection Program. The total systemwide financial impact is estimated to include \$125,000 in up-front costs for the Bulky Item Voucher system and \$233,000 in annual operating costs.

Attachments:

Proposed/Recommended Resolution 2019-42 to include in Amendment One changes to the Bulky Item Collection, Illegal Dumping and Abandoned Waste, and Litter Reduction Practices

Alternate Resolution 2019-42 to include in Amendment One changes to the Bulky Item Collection, Illegal Dumping and Abandoned Waste (exclude Litter Reduction Practices from the amendment)

Attachment A – Proposed Amendment One to the Franchise Agreement

Attachment B – Amendment One Final Findings and Recommendations Report

Attachment C—Bulky Item Collection/Abandoned Waste Program: Actual Usage Statistics



RESOLUTION NO. 2018-42

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS AUTHORIZING AMENDMENT ONE TO THE MODEL RECOLOGY FRANCHISE AGREEMENT FOR THE TERM OF JANUARY 1, 2021 TO DECEMBER 31, 2035, TO INCLUDE CHANGES TO THE BULKY ITEM COLLECTION, ILLEGAL DUMPING, AND ABANDONED WASTE PRGRAMS, AND LITTER REDUCTION PRACTICES TO ASSIST IN STORM WATER COMPLIANCE

WHEREAS, on June 22, 2017, the South Bayside Waste Management Authority (SBWMA) Board of Directors approved a model Franchise Agreement template, as the recommended Franchise Agreement for each Member Agency to individually execute for hauling services to be performed by Recology of San Mateo County for the years 2021 through 2035; and

WHEREAS, eight (8) Member Agencies fully executed Franchise Agreements with Recology of San Mateo County by April 24th, 2018, which satisfied the Joint Powers governance requirement to contractually proceed with Recology of San Mateo’s Franchise Collection services after the expiration of the its existing franchise agreement, which expires on December 31, 2020; and

WHEREAS, the popular Bulky Item Collection and Abandoned Waste Collection programs provided by Recology of San Mater County are near capacity; and

WHEREAS, the SBWMA must take steps to reduce litter entering the stormwater system to meet Municipal Regional Storm Water Permit (MRP) mandates on behalf of the Member Agencies; and

WHEREAS, the attached Amendment One to the model Franchise Agreement will address the need for additional Bulky Item Collection and Abandoned Waste Collection services, incorporate litter reduction practices to assist the SBWMA in meeting storm water permit mandates, and clarify and modify administrative provisions in the model Franchise Agreement.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority Board of Directors authorizes the approval of the attached Amendment One to the model Franchise Agreement for the term of January 1, 2021 to December 31, 2035, which shall require ratification by at least eight (8) Member Agencies for the Amendment One to be adopted.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 27th day of June 2019, 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. 2019-42 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on June 27, 2019.

ATTEST:

Jess E (Jay) Benton, Chairperson of SBWMA

Cyndi Urman, Board Secretary



RESOLUTION NO. 2018-42

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS

AUTHORIZING AMENDMENT ONE TO THE MODEL RECOLOGY FRANCHISE AGREEMENT FOR THE TERM OF JANUARY 1, 2021 TO DECEMBER 31, 2035, TO INCLUDE CHANGES TO THE BULKY ITEM COLLECTION, ILLEGAL DUMPING, AND ABANDONED WASTE PROGRAMS

WHEREAS, on June 22, 2017, the South Bayside Waste Management Authority (SBWMA) Board of Directors approved a model Franchise Agreement template, as the recommended Franchise Agreement for each Member Agency to individually execute for hauling services to be performed by Recology of San Mateo County for the years 2021 through 2035; and

WHEREAS, eight (8) Member Agencies fully executed Franchise Agreements with Recology of San Mateo County by April 2018, which satisfied the Joint Powers governance requirement to contractually proceed with Recology of San Mateo's Franchise Collection services after the expiration of the its existing franchise agreement, which expires on December 31, 2020; and

WHEREAS, the popular Bulky Item Collection and Abandoned Waste Collection programs provided by Recology of San Mater County are near capacity; and

WHEREAS, the attached Amendment One to the model Franchise Agreement will address the need for additional Bulky Item Collection and Abandoned Waste Collection services and clarify and modify administrative provisions in the model Franchise Agreement; and

WHEREAS, the SBWMA Board of Directors discussed additional proposed amendments to the model Franchise Agreement that would include litter reduction practices and determined that such practices should not be included in Amendment One.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority Board or Directors directs the Executive Director to remove all references to Litter Reduction provisions in the attached Amendment One to the model Franchise Agreement for the term of January 1, 2021 to December 31, 2035.

NOW, THEREFORE BE IT FURTHER RESOLVED that the South Bayside Waste Management Authority Board of Directors authorizes the approval of the attached Amendment One, subject to the removal of the Litter Reduction provisions, and such approval shall require ratification by at least eight (8) Member Agencies for the Amendment to be adopted.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 27th day of June 2019, 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. 2019-42 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on June 27, 2019.

ATTEST:

 Jess E (Jay) Benton, Chairperson of SBWMA

 Cyndi Urman, Board Secretary

AMENDMENT ONE
BY _____ {Insert Member Agency name} AND
RECOLOGY SAN MATEO COUNTY
TO THE
AMENDED AND RESTATED FRANCHISE AGREEMENT
BETWEEN _____ {Insert Member Agency name} AND RECOLOGY SAN MATEO COUNTY FOR
RECYCLABLE MATERIALS, ORGANIC MATERIALS, AND SOLID WASTE COLLECTION SERVICES

This first Amendment (“Amendment One”) to the Amended and Restated Franchise Agreement between _____ {insert Member Agency name} and Recology San Mateo County for Recyclable Materials, Organic Materials, and Solid Waste Collection Services (“Agreement”), effective as of _____, _____ {insert date} (“Effective Date”), is made by and between _____ {Insert Member Agency name}, a Municipal Corporation of the State of California (“Agency”), and RECOLOGY SAN MATEO COUNTY, a California corporation (“Contractor”).

RECITALS

- A. **WHEREAS**, Section 5.05 of the Agreement requires Contractor to provide On-Call Bulky Item Collection Service for residents and specifies that Contractor shall schedule a maximum of one hundred fifty (150) On-Call Curbside Bulky Item Collection Service events per service day for the SBWMA Service Area (“daily limit”), and Section 5.09 of the Agreement requires Contractor to provide abandoned waste cleanup Collection service for a maximum of thirty (30) abandoned waste Collection events per service day for the SBWMA Service Area (“daily limit”); and,
- B. **WHEREAS**, Contractor conducts the On-Call Bulky Item Collection Service and abandoned waste cleanup Collection service using the same Collection routes; and, as a result, the total combined daily limit of On-Call Curbside Bulky Item Collection Service events and abandoned waste cleanup Collection service events (collectively, “On-Call Pick-ups”) is one hundred eighty (180) On-Call Pick-Ups per day; and,
- C. **WHEREAS**, anticipating that the combined daily limit would not be sufficient to handle actual demand for On-Call Pick-Ups, the SBWMA and Contractor met and conferred and negotiated a Model Amendment One to the Agreement, which sets forth a strategy to address the problem; and,
- D. **WHEREAS**, SBWMA and Member Agencies agree that reduction of litter related to Generator placement of Discarded Materials in Containers and subsequent Collection by Contractor is important to reduce impacts on watersheds where trash and litter present an aesthetic nuisance, and a serious threat to aquatic life in creeks and the oceans, and Contractor has agreed to litter reduction strategies; and,
- E. **WHEREAS**, Parties identified minor items in the Agreement that warranted clarification or revision; and,
- F. **WHEREAS**; the SBWMA presented the Model Amendment One to the SBWMA’s Board of Directors on _____, 2019; and, the Board took action recommending that each Member Agency enter into Model Amendment One in the form presented to the Board; and,
- G. **WHEREAS**, the Agency and Contractor have agreed to the revisions to the Agreement as stated in this Amendment One.

NOW THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the Agency and Contractor hereby agree to amend the Agreement through this Amendment One as follows:

TERMS OF AMENDMENT ONE

1. DEFINITIONS

1.1 Attachment A, Definitions. The following definitions are hereby added to Attachment A:

- a. **2019 Amendment** means the amendment to the Agreement that the SBWMA Board approved, and recommended that each Member Agency enter into, on _____, 2019.
- b. **On-call Pick-Up** means an On-Call Curbside Bulky Item Collection Service event or an on-call abandoned waste Collection service event.
- c. **Voucher** means a paper or electronic voucher, coupon, or ticket issued by Contractor to a Customer entitling the receiving Person to a one-time delivery of Bulky Items to the Designated Transfer and Processing Facility.

2. BULKY ITEM AND ABANDONED WASTE COLLECTION SERVICES

2.1 Residential On-Call Bulky Item Collection Service. Section 5.05.H shall be amended to read as follows:

H. **Maximum Number of Daily Events**. Contractor shall schedule up to a maximum of one hundred fifty (150) On-Call Curbside Bulky Item Collection Service events per service day for the SBWMA Service Area ("daily limit"). The maximum number of daily events includes On-Call Bulky Item Collection Service events provided to both Single-Family and Multi-Family Residential Complexes, and those events provided at no charge and events paid for by the Customer, Owner, or property manager. Contractor shall schedule On-Call Curbside Bulky Item Collection Service events no more than ten (10) Business Days after the Owner's or Occupant's request up to the maximum number of daily events. Upon reaching the maximum number of daily events, requested On-Call Curbside Bulky Item Collection Service event shall be scheduled on the next available regularly scheduled Solid Waste Collection Day.

SBWMA may adopt an allocation system for On-Call Bulky Item Collection Service events, in order to allocate the "daily limit" for such events among Member Agencies. If adopted, Contractor shall comply with the allocation system. The Agency agrees not to assess Liquidated Damages if Contractor does not meet the ten (10) Business Day requirement if the delay has resulted from (i) the volume of On-Call Bulky Item Collection events being in excess of the "daily limit" for the SBWMA Service Area or Agency, or (ii) the Customer's request to schedule the event on a date more than ten (10) Business Days in the future.

Contractor shall notify the SBWMA when the daily average number of On-Call Pick-Up events reaches one hundred sixty-five (165) events, or any subsequently increased number of events

mutually agreed by the SBWMA Board and Contractor, combined for Residential On-Call Bulky Item Collection service and abandoned waste Collection service, including On-Call Pick-ups provided at no charge and On-Call Pick-ups paid for by Customers, Owners or property managers) for the SBWMA service area. For the purpose of this Section, the daily average number of On-Call Pick-ups shall be calculated on a weekly basis as the total number of On-Call Pick-Ups performed Monday through Friday divided by the number of Collection days in the week (e.g., typically five (5) days, except four (4) days for weeks with a Holiday). When this threshold occurs for four (4) consecutive weeks, Contractor shall provide SBWMA with reports documenting these statistics and, upon confirmation of that fact, SBWMA staff shall notify the SBWMA Board of Directors that the service capacity has been filled and to present options, described in this section. Contractor shall continue to supply monthly reporting of the average service count from the time of the original notice until action is taken by the SBWMA Board of Directors.

Upon a confirmed notice from Contractor, the SBWMA Board may consider options, including, but not limited to: (i) authorizing Contractor to implement and perform on-going operation of an additional Bulky Item and abandoned waste Collection route; (ii) adjustment of the ten (10) Business Day required provision of the On-Call Pick-ups; (iii) reduction in the number of On-Call Bulky Item pick-ups allowed for each Customer each year; and/or, (v) expansion of the Bulky Item Voucher program.

The SBWMA Board is hereby authorized, on behalf of the Agency, to determine if future changes are required for the Residential On-Call Bulky Item Collection services described in Section 5.05 and abandoned waste Collection service described in Section 5.09. Such changes, if any, shall be implemented and incorporated into this Agreement in accordance with Section 15.12, Right of Agency to Make Changes in Services and Service Levels. If the SBWMA elects to implement an additional Bulky Item and abandoned waste Collection route, the route shall include two trucks and two drivers, and the annual cost for the route shall be that specified in Attachment U for Rate Year 2021 (subject to adjustment in accordance with the methodology set forth in Attachment K, if the new route is implemented in a later Rate Year). Each additional route approved by the SBWMA shall provide capacity for sixty (60) additional daily Bulky Item Collection and/or abandoned waste Collection services. In the event that the creation of a new route provides for more capacity than there is demand for the Bulky Item Collection services, Contractor shall permit additional collections of abandoned waste up to the total capacity.

2.2 Abandoned Waste Clean-Up Collection Service. Section 5.09.A shall be amended to read as follows:

A. **General**. Contractor shall provide abandoned waste cleanup Collection service to Agency as provided herein. Contractor shall schedule up to a maximum of thirty (30) abandoned waste Collection events per service day for the SBWMA Service Area. Contractor shall make every effort to collect abandoned waste within one (1) Business Day of being notified by Agency, SBWMA, Customer, or Contractor's vehicle drivers and route supervisors of the occurrence of abandoned waste or illegal dumping. Upon reaching the maximum thirty (30) events, Collection of abandoned waste event shall be scheduled and performed by Contractor on the next available service day. This service shall require Contractor to Collect abandoned or illegally dumped Solid Waste, Recyclable Materials, and Organic Materials. This service does not include Collection of litter or litter abatement activities.

Section 5.05.H describes a process for notification and consideration of program changes when the daily average number of On-Call Pick-Up events reaches one hundred sixty-five (165) events combined for Residential On-Call Bulky Item Collection service and abandoned waste Collection service, including On-Call Pick-ups provided at no charge and On-Call Pick-ups paid for by Customers, Owners, or property managers).

3. BULKY ITEM VOUCHER PROGRAM

3.1 Bulky Item Voucher Program. New Section 7.14 is hereby added as follows:

7.14 BULKY ITEM VOUCHER PROGRAM

- A. **General.** Contractor shall implement a Bulky Item Voucher program (“Program”) in which Contractor generates and issues Vouchers to Customers who call to request On-Call Bulky Item Collections but whose pick-ups cannot be scheduled within the ten (10) Business Day window contemplated by Section 5.05.H due to the volume of On-Call Bulky Item Collection events being in excess of the “daily limit” for the SBWMA Service Area or Agency. Each Voucher issued would replace one (1) of the On-Call Bulky Item Collection offered to that Customer pursuant to Sections 5.05.A, 5.05.B, and 5.14.E. and allow the Customer to deliver Bulky Items to the Designated Transfer and Processing Facility at no additional charge. A voucher would only be issued if the Customer agreed to accept it. To effectively manage Program utilization, the program shall only be publicized as mutually agreed by SBWMA staff, Contractor and Operator.
- B. **Pilot Program.** As a first step in implementation, a pilot program (“Pilot Program”) shall be offered to all Member Agencies. Contractor has provided estimates of its start-up and operating costs as shown in Attachment T, which shall be further evaluated and refined during the Pilot Program and/or its meet-and-confer process. Contractor, Operator and SBWMA staff shall meet and confer to design the Pilot Program and agree on costs. Contractor shall commence the Pilot Program (i) at the conclusion of the meet and confer process, (ii) six (6) months after the date that the 2019 Amendment becomes effective in accordance with Section 7.4 of such amendment, or (iii) January 1, 2020, whichever occurs last. The Pilot Program costs agreed to by the SBWMA and Contractor shall be included in Contractor’s Total Annual Costs of Operation beginning Rate Year 2020. For Rate Year 2020, these costs will be allocated across Member Agencies in the same manner as costs for the Bulky Item Collection program; for subsequent Rate Years, they will be allocated based on Member Agency usage for the previous 12 months ending March 31.
- C. **Full Program Implementation.** Based on the findings of the Pilot Program, the Contractor, Operator and SBWMA staff will develop recommendations for the design, cost, and implementation schedule of the full Program throughout the Service Area. The SBWMA Board shall review the Program recommendations and provide authorization to Contractor to implement the Program throughout the Service Area (or not implement the Program) no later than January 1, 2021.
- D. **Voucher Software Management System.** The Contractor’s software systems shall be capable of generating Vouchers that include and/or can provide monitoring and reporting for: (i) a unique identification (e.g. serial number, QR code, etc.), (ii) account information, including account number, customer name, service address, billing address, number of Vouchers issued to date per account, (iii) date of issuance and expiration date; and/or (iv)

any other information determined by SBWMA staff and Contractor to be necessary or beneficial through the pilot program.

- E. **Designated Transfer and Processing Facility.** Contractor shall coordinate the implementation and on-going operation of both the Pilot Program and Program with the operator of the Designated Transfer and Processing Facility. Contractor shall provide Pilot Program and Program data to the Designated Transfer and Processing Facility operator and shall receive data from the facility operator on the redemption of Vouchers. The Contractor shall not be required to pay Transfer, Processing, or Disposal costs for the Bulky Items delivered to the Designated Transfer and Processing Facility by Persons redeeming Vouchers.
- F. **Reporting.** As part of the Pilot Program, SBWMA staff and Contractor shall review the reports generated by Contractor's software systems and agree upon the format, and content of reports to be provided by Contractor related to the operation of the Program.
- G. **Conditions.** Notwithstanding any other provision of this Section 7.14, the following conditions shall apply. Contractor shall not be required to implement the Pilot Program or the Program unless (i) the costs thereof have been mutually agreed by SBWMA and Contractor and incorporated into Contractor's Compensation in a mutually agreed manner, and (ii) Operator has consented to such implementation. In addition, Contractor shall not be required to implement the Pilot Program or the Program in any Member Agency that has not approved and entered into the 2019 Amendment.

4. **CONTRACTOR'S COMPENSATION ADJUSTMENTS FOR VOUCHER PROGRAM**

- 4.1 Contractor's Compensation for Rate Year Eleven (2021). Section 11.02.A shall be removed and replaced with the following:

Contractor's Compensation for Rate Year Eleven (2021). Contractor's Compensation for 2021 shall be determined in 2020 by adjusting Contractor's projected 2021 Contractor's Compensation shown on Attachment N to reflect the following factors:

- Change in Customer account and service levels as provided in Attachment K;
- Change in fuel prices as provided in Attachment K; and,
- Addition of Bulky Item Voucher program costs as agreed upon by the Contractor and SBWMA.

- 4.2 Attachment K, Contractor's Compensation and Rate Setting Process. Attachment K shall be amended as follows:

Section 4, Table 1, Contractor's Compensation Adjustment Methodology. In the section of Table 1 labeled "Contractor Pass-Through Costs," a new row shall be added immediately after the "Cap Carry Forward" row, to read as follows:

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
<p>E. Allocated Bulky Item Voucher Program Costs (e.g., costs related to General and Administrative for the Voucher Program)</p> <p>This item only applies if implementation of a Voucher program is agreed by the SBWMA and Contractor and approved by the SBWMA Board.</p> <p>Voucher program costs shall be included in the "Single-family Bulky Item Materials (two On-Call Bulky Collection events)" Line of Business/Service Sector, but shall be reported as a separate line item, and allocated as provided in this row E.</p>	<p>The Allocated Bulky Item Voucher Program Cost amount for Rate Year Eleven (2021) shall be determined in 2020 by the Contractor and SBWMA based on agreed Voucher program costs and final Voucher program design and shall be subject to SBWMA Board approval. The approved amount shall be added to the projected Rate Year Eleven (2021) Contractor's Compensation as specified in Attachment N. When adding the Voucher program costs to Attachment N, Contractor shall allocate the costs to Member Agencies in the same manner as costs for the Bulky Item Collection program.</p>	<ul style="list-style-type: none"> • Step One: Annually adjust previously agreed Allocated Bulky Item Voucher Program Costs by 100% of the Annual Index Change using CPI-U. • Step Two: Annually adjust Allocated Bulky Item Voucher Program Costs to reflect changes in usage, scope or third party costs, as agreed by the SBWMA and Contractor and approved by the SBWMA Board.

5. LITTER REDUCTION

5.1 The following changes shall be made:

5.2 Solid Waste Collection. Section 5.02.B.1 shall be amended to read as follows:

B. Multi-Family Dwellings

1. General. Contractor shall Collect Solid Waste from Multi-Family Dwellings as frequently as scheduled by Customer, but not less than once per week, and shall bill Customers at Agency-approved Rates. Contractor shall provide extra Collection pick-ups of Containers within one (1) Business Day of Customer's request and shall bill Customers at Agency-approved Charges specified in Attachment Q. Collection on Saturday and/or Sunday shall be provided at no additional charge for Customers subscribing to service a minimum of three (3) times per week or at the Rate approved in Schedule Q for Customers subscribing to less than three (3) times per week service.

5.3 Section 5.02.C.1 shall be amended to read as follows:

C. Commercial Premises

1. General. Contractor shall Collect Solid Waste from Commercial Premises as frequently as scheduled by the Customer, but not less than once per week, and shall bill Customers for the service at Agency-approved Rates. Contractor shall provide extra Collection pick-ups of Containers within one (1) Business Day of Customer's request and shall bill Customer at Agency-approved Charges specified in Attachment Q. Collection on Saturday and/or Sunday shall be provided at no additional charge for Customers subscribing to service a minimum of three (3) times per week or at the Rate approved in Schedule Q for Customers subscribing to less than three (3) times per week service.

5.4 Attachment Q, Saturday and Sunday Service. Attachment Q shall be amended to include a new “Saturday Service Surcharge – 1 or 2 times per week service” at [\$55.31] per month and “Sunday Service Surcharge” at [\$67.37] per month for Rate Year Eleven (2021). Such amounts shall be adjusted consistent with the adjustment to other rates in Attachment Q.

5.5 Monthly Reports. New Section 9.05.I is hereby added as follows:

- I. **Overages.** The number of recorded events of Overages, as defined in Section 8.02.G. At the request of a Member Agency, Contractor will separately provide the Member Agency with the names and service addresses of Customers within the Member Agency’s Service Area who were recorded as having an Overage in the previous calendar month. This information will not be included in the Contractor’s standard monthly report, which is shared with all Member Agencies and the SBWMA.

5.6 Collection of Excess Materials (Overages). Section 8.02.G shall be amended to read as follows:

Contractor shall direct its employees to Collect an Overage on two (2) occasions each Rate Year at no additional cost to Customer. Contractor must provide a notice to Customer documenting the Overage in order to count the Overage Collection towards the 2) per Rate Year for each Customer. Customers that place an Overage for Collection for a third and subsequent events shall be assessed an Overage fee by Contractor, but Contractor has discretion to waive this fee if Customer demonstrates to Contractor’s satisfaction that material creating the overage was placed in the container by a third party, or that there is another valid reason that the Customer should not be charged. Prior to assessment of the fee Contractor shall directly contact the Customer via a phone call or voice message to notify them of the Overage Collected. Contractor shall bill Customer for a third and subsequent Overage events at Agency-approved Charges specified in Attachment Q. Contractor shall provide Customers the opportunity to request an Overage Collection service in advance. In such case, Contractor shall bill the Customer at the Agency-approved Charge specified in Attachment Q.

Contractor shall provide Customers the opportunity to subscribe to Overage Collection service, in advance, or purchase Overage tag(s) from the Contractor. Each Overage tag permits the Customer to set out one (1) thirty-two (32) gallon garbage bag of Solid Waste next to their Solid Waste Container on the Customer’s regularly scheduled collection day, for Collection by Contractor. Contractor shall provide Customers the opportunity to purchase Overage tags through its Customer service department or electronically via Contractor’s website. Contractor shall mail or deliver Overage tags to Customers within three (3) Business days of Customer’s request. The Charge for Overage tags is specified in Attachment Q and includes all aspects of purchasing the tags, printing, and distribution (i.e., mailing or direct delivery by Contractor). Customers shall also be provided the opportunity to purchase Overage tags at Contractor’s local office. The quantity of Overage tags per request from Customer shall be limited to five (5) per request.

If the Agency and/or Contractor receive numerous Complaints (as determined by the Agency) from Customers regarding Customer dissatisfaction with the requirement to purchase Overage tags, the Agency reserves the right to require the Contractor to modify its Overage program to better serve its Customers and/or require the Customer to subscribe to additional Collection service.

5.7 General Vehicle Specifications. New Section 8.04.B.4 shall be amended as follows:

All Collection vehicles shall have cameras to monitor loading activities including, at a minimum: (i) back-up cameras mounted at the rear and side of the vehicle; and, (ii) a hopper camera clearly displaying the contents of the hopper prior to compaction. At the time of the review of collection vehicle specifications described in Section 8.04.B.10, SBWMA may request that Contractor present options related to these camera systems to assess potential additional functionality of those systems. The parties acknowledge that any added functionality may require increased costs beyond the cost of the camera systems themselves, such as information technology, customer service, and operational costs, that those costs may be recurring, and that those costs may be uncertain at the time Contractor presents its options. It is understood that in presenting the above options, Contractor may include such other increased costs, and may propose methods to deal with the uncertainty and recurring nature of those costs. In the event that SBWMA or any Member Agency requests that Contractor implement any such added functionality, such a request would be treated as an SBWMA- or Agency-directed Change in Scope under Section 15.12.

6. CLARIFICATION AND ADMINISTRATIVE MODIFICATIONS

6.1 The following changes shall be made to provide clarification and administrative modifications to the Agreement:

6.2 Term. Section 3.02 shall be amended to read as follows:

Notwithstanding any other provision of this Agreement to the contrary, the 2009 Franchise Agreement, this amendment and restatement thereof, and any other amendments mutually agreed by the Parties, shall together constitute a single agreement between the Parties with a single unbroken term (the "Term").

The original Term, set forth in the 2009 Franchise Agreement, began on January 1, 2011 with an initial duration of ten (10) years, ending on December 31, 2020. This amendment and restatement extends the Term for an additional fifteen (15) years, for a total Term of twenty-five (25) years. Upon the Effective Date, the Term shall be extended until midnight on December 31, 2035, unless earlier terminated, or extended as provided in Section 3.03.

Except as provided below in this Section 3.02, the Parties intend for the 2009 Franchise Agreement to govern the rights and obligations of the Parties through December 31, 2020, and for this Agreement to govern the rights and obligations of the Parties from and after January 1, 2021. Thus, to the extent this Agreement amends the 2009 Franchise Agreement, the amendments shall not take effect until January 1, 2021, and shall not be retroactive.

As an exception to the foregoing, (A) upon the Effective Date, (i) the 2009 Franchise Agreement shall be amended to extend the Term to 2035 as provided above, and (ii) the 2009 Franchise Agreement shall be amended to the extent necessary to give effect to Section 11.02.F of this Agreement, and (B) upon the effectiveness of the 2019 Amendment, the 2009 Franchise Agreement shall be amended to the extent necessary to give effect to such amendment.

6.3 Right of Agency to Make Changes in Services and Service Levels. Section 15.12.A shall be amended to read as follows:

A. Agency may, without amending this Agreement, direct Contractor to cease performing one or more types of service described in Articles 5 or 6, or may direct Contractor to modify the scope of one or more such services, may direct Contractor to perform additional Solid Waste, Targeted Recyclable Materials, Organic Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries and Cell Phones or Plant Materials handling services, or may otherwise direct Contractor to modify its performance under any other Section of this Agreement. In addition, SBWMA may, without amendment of this Agreement, direct a change: (i) in the number of Waste Zero Specialists as provided in Section 7.04.A, (ii) in Other Services as provided in Section 7.13, (iii) in the Residential On-Call Bulky Item Collection service described in Section 5.05, (iv) in the abandoned waste Collection service described in Section 5.09, (v) in the Bulky Item Voucher program described in Section 7.14.C, and/or (vi) in Collection Vehicle camera systems and related additional functionality, as provided in Section 8.04.B.4. In the event of an SBWMA-directed change under items (iii), (iv) or (v), the provisions of Section 11.06 shall apply, but with the SBWMA substituted in the place of Agency. In the event of any conflict between an Agency-directed change and an SBWMA-directed change, the SBWMA-directed change shall govern. Agency hereby authorizes the SBWMA, with the approval of the SBWMA Board, to do the following on behalf of Agency: (a) to establish the terms and conditions of any program or service changes under items (iii), (iv) or (v) above, (b) to include any costs associated with an SBWMA-directed change in Contractor's Compensation and/or Pass-Through Costs, (c) to determine Agency's share of such costs and to allocate such share to Agency, and (d) to amend this Agreement as mutually agreed with Contractor to give effect to the foregoing. An SBWMA-directed change shall be deemed to be an Agency-directed change for purposes of this Agreement. Contractor shall promptly and cooperatively comply with such direction.

7. MISCELLANEOUS PROVISIONS

- 7.1 Recitals and Headings. The above recitals are incorporated herein by reference and are made a part of this Amendment One. However, headings in this document are for convenience of reference only and are not to be considered in any interpretation of this Amendment One.
- 7.2 Entire Agreement. This Amendment One contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and commitments with respect thereto. Except as expressly modified by this Amendment One, all other terms and conditions of the Agreement remain in full force and effect, unmodified, and apply to this Amendment One as though fully set forth herein.
- 7.3 Counterparts. This Amendment One may be executed in counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute one and the same instrument.
- 7.4 Effectiveness. It shall be a condition precedent to the effectiveness of this Amendment One that at least eight (8) of the SBWMA's Member Agencies enter into Amendment One.

IN WITNESS WHEREOF, Agency and Contractor have executed this Amendment One as of the day and year first above written.

AGENCY NAME

RECOLOGY SAN MATEO COUNTY

By: _____
XXXX
City Manager

By: _____
Michael J. Sangiacomo
President and CEO

ATTEST: _____
XXXX
City Clerk

By: _____
Cary Chen
Secretary

APPROVED AS TO FORM:

XXXXXX

ATTACHMENT T
CONTRACTOR'S PRELIMINARY ESTIMATES OF VOUCHER PROGRAM
START-UP AND OPERATING COSTS

RECOLOGY SAN MATEO COUNTY				
Voucher Program				
Estimated Costs in 2018 Dollars				
5-YEAR PERIOD				
Up Front				
Items	Company/Individual	Total Cost	5 Year Life Annual Cost	HF&H
Hardware - Scanner, Scanner Software & Tablet	SBR	\$ 2,000.00	\$ 400.00	
Hardware - Scale House Installation	SBR	\$ 1,400.00	\$ 280.00	
Coding - IT Team	Recology	\$ 63,000.00	\$ 12,600.00	
Coding - PC Scales	PC Scales	\$ 28,000.00	\$ 5,600.00	
Coding - Computaris	Computaris	\$ 17,528.83	\$ 3,505.77	
Project Development Cost	Recology	\$ 8,690.77	\$ 1,738.15	
SBR Accounting Modifications	SBR	\$ 4,567.00	\$ 913.40	
Total		\$ 125,186.60	\$ 25,037.32	\$ 25,037.32
Annual Operating - Assuming 15,600 Vouchers per Year				
Items	Company/Individual			
Computaris Operation Fee	Computaris	\$ 28,046.16		\$ 28,046.16
Hardware - Replacement	Recology	\$ 1,500.00		\$ 1,500.00
Hardware - IT OPS Technical Services	Recology	\$ 8,400.00		\$ 8,400.00
PC Scales Maintenance	SBR	\$ 6,000.00		\$ 6,000.00
CSR Hours	Recology	\$ 154,608.75		\$ 123,687.00
Printing	Recology	\$ 1,872.00		\$ 1,497.60
Mailing	Recology	\$ 7,800.00		\$ 6,240.00
Total		\$ 208,226.91	\$ 208,226.91	\$ 175,370.76
TOTAL PROGRAM COST			\$ 233,264.23	\$ 200,408.08
Operating Ratio (90.5%)			\$ 24,486.30	\$ 21,037.31
Total Compensation			\$ 257,750.53	\$ 221,445.39
Additional Analysis of Program Cost for BIC Vouchers + Pilot Programs				
Fixed Cost		\$ 76,224.84		
Variable Cost per Voucher		\$ 11.64		\$ 9.31

ATTACHMENT U
RESIDENTIAL ON-CALL BULKY ITEM COLLECTION SERVICE
AND ABANDONED WASTE COLLECTION SERVICE ROUTE COST

Bulky Item Collection Costs		Additional BIC Route
		2021 Dollars
Annual Cost of Operations		
	Direct Labor-Related Costs	
	Wages for CBAs	\$269,064
	Benefits for CBAs	\$148,795
	Payroll Taxes	\$21,889
	Workers Compensation Insurance	<u>\$27,294</u>
	Total Direct Labor Related-Costs	\$467,042
	Direct Fuel Costs	\$20,748
	Other Direct Costs	\$20,223
	Depreciation	
	- Collection Vehicles	\$51,433
	- Containers	<u>\$0</u>
	Total Depreciation	\$51,433
	Allocated Indirect Costs excluding Depreciation	
	General and Administrative	\$0
	Operations	\$0
	Vehicle Maintenance	\$0
	Container Maintenance	<u>\$0</u>
	Total Allocated Indirect Costs excluding Depreciation	\$0
	Total Allocated Indirect Depreciation Costs	\$0
	Total Annual Cost of Operations	\$559,446
	Profit	\$58,726
	Operating Ratio	90.5%
	Total Operating Costs before Pass-Through Costs	\$618,173
	Contractor Pass-Through Costs	
	Interest Expense	\$13,198
	Total Contractor Pass-Through Costs	\$13,198
	TOTAL BASE CONTRACTOR'S COMPENSATION	<u>\$631,371</u>
Note - Collection Vehicle Depreciation and Interest Expense are flat beginning in the		
of implementation. Purchase price will inflate until the purchase date.		



RECOLOGY COLLECTION CONTRACT
AMENDMENT ONE DISCUSSION
FINAL FINDINGS AND RECOMMENDATIONS REPORT (DRAFT)

610 Elm Street, Suite 202

San Carlos, CA 94070

Updated June 19, 2019

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1. EXECUTIVE SUMMARY

The South Bayside Waste Management Authority (SBWMA dba RethinkWaste) is close to completing a nine-month discussion period with Recology of San Mateo (Recology), to amend their newly negotiated hauling contract to include changes to the Bulky Item Collection (BIC), Illegal Dumping and Abandoned Waste, and Storm Water Regulations.

The BIC and Abandoned Waste Collection programs are very popular, which unfortunately means they are soon heading towards a capacity breaking point. Recology has already doubled the resources required in the Franchise Agreement based on the original program stats that they were asked to bid on, which were about 80 collections per day. At Board direction, Staff and the Franchise Agreement Extension Committee (FAX) negotiated with Recology's senior management team to identify and shape cost-effective new program capacity options for Board consideration. Once approved at the SBWMA Board level, the recommended program options and their costs will need to be formally approved by a majority of the Member Agencies' elected bodies as an amendment to the re-stated and amended Franchise Agreement that take effect on January 1, 2021.

Given an amendment is necessary for BIC and Abandoned Waste, it made the most sense to include any appropriate changes for the storm water regulations at the same time. These regulations began in 2009, with the Water Board including trash reduction requirements in the Municipal Regional Stormwater (MRP) National Pollutant Discharge Elimination System (NPDES) Permit for Phase I communities in the Bay Area. The San Mateo Countywide Water Pollution Prevention Program (SMCWPP) Litter Work Group is addressing trash load reduction requirements outlined in the MRP, by implementing a number of control measures designed to significantly reduce trash in local creeks and the Bay. They provided an outline of Best Practices and Recommendations for Litter Management with franchise language that was considered for Amendment One.

The following provides the recommendations to be included in Amendment One of the Recology Franchise Agreement, which have been agreed upon by the SBWMA and Recology, with feedback from the Member Agencies and FAX committee.

1. **Add a Fourth BIC and Abandoned Waste Collection Route:** In order to provide BIC and abandoned waste collection within the 10-business day timeframe of the Franchise Agreement, a fourth route can be added to the BIC/Abandoned Waste Collection program to expand capacity. This would result in an increase of the service level cap of from 150 BICs to 200 BICs per day. The financial impact would include an approximate cost of \$631,371 for an additional annual route (covers one box truck and driver for recyclables, and one rear-loader and driver for other items).
2. **Develop a Shoreway Voucher Program for Bulky Item Drop-Off:** Recology will develop a voucher program that offers residents the ability to drop-off of BIC material at the Shoreway Environmental Center (Shoreway). Recology would offer vouchers to residents if a resident does not want to wait for the service date offered by Recology. The financial impact includes \$125,000 up-front costs for the bulky item voucher system and \$233,000 for annual operating costs.
3. **Addition of Solid Waste Collection on Saturday and Sunday:** Add services to Schedule Q for Saturday and Sunday service. It will be provided at no additional charge for customers subscribing

to a minimum of three (3) times per week service or at an additional fee for those businesses that have less than three days a week service (an additional service charge of \$55.31 per month for Saturday and \$67.37 per month for Sunday service).

4. **Addition of Litter and Overage Assessment Program Evaluation** – Recology currently documents overages related to collection services. This addition will require Recology to provide a monthly report to the SBWMA. No additional cost.
5. **Requirements for Overage Charges** - Recology currently charges for overages beyond the two allowed events. Recology is requesting that language be added to the amendment that states they “shall impose overage charges”, to allow Recology Customer Service the permission to give a courtesy waive of charges depending on the situation. No additional cost.
6. **Requirements for Photographic Evidence of Overages** – The SBWMA would like to have the option for Recology to research on-board cameras for all collection vehicles, which will be used for monitoring overage activities. No additional cost unless SBWMA decides to move forward with cameras.
7. **Add Definition of Overage** – A definition of “overage” is necessary to provide direction for Recology when assessing a container. No additional cost.

2. BACKGROUND

In 2017, the SBWMA’s Ad Hoc Franchise Agreement Extension (FAX) Committee, staff, and consultants negotiated with Recology of San Mateo County (Recology) representatives to arrive at a mutually agreeable, Amended and Restated Model Franchise Agreement (Franchise Agreement) and cost for Collection Service. This model agreement was approved by the SBWMA Board of Directors during the September 28, 2017 Board of Directors’ meeting, with next steps for the SBWMA staff to assist each member agency to coordinate with Recology to finalize the contract language, specific scope of services and the pricing of additional services for their respective agency. To date, ten of the twelve member agencies are formerly in contract with Recology.

On May 24, 2018, the SBWMA Board approved Resolution 2018-20 to support Member Agency negotiations with Recology regarding Bulky Item Collection, Abandoned Waste Collection, and integrating Litter-Reduction Practices into Trash / Recycling Collection services as required by the Municipal Regional Permit (MRP) Stormwater Regulations. This action is known as “Amendment One”, and these services will be implemented with the restated and amended franchise agreement term of January 1, 2021 – December 31, 2035 or, by mutual agreement, sooner.

This section details the goals of the Recology negotiations and provides background and clarification regarding the plan and recommended process followed.

2.1 Goals of the Amendment One Franchise Agreement Discussions

The primary objective for these discussions were to come to a solution on the three topic areas (bulky item collection, illegal dumping / abandoned waste, and MRP storm water requirements), and to incorporate those solutions and changes into the Franchise Agreement via Amendment One.

2.2 Reason for Amendment One

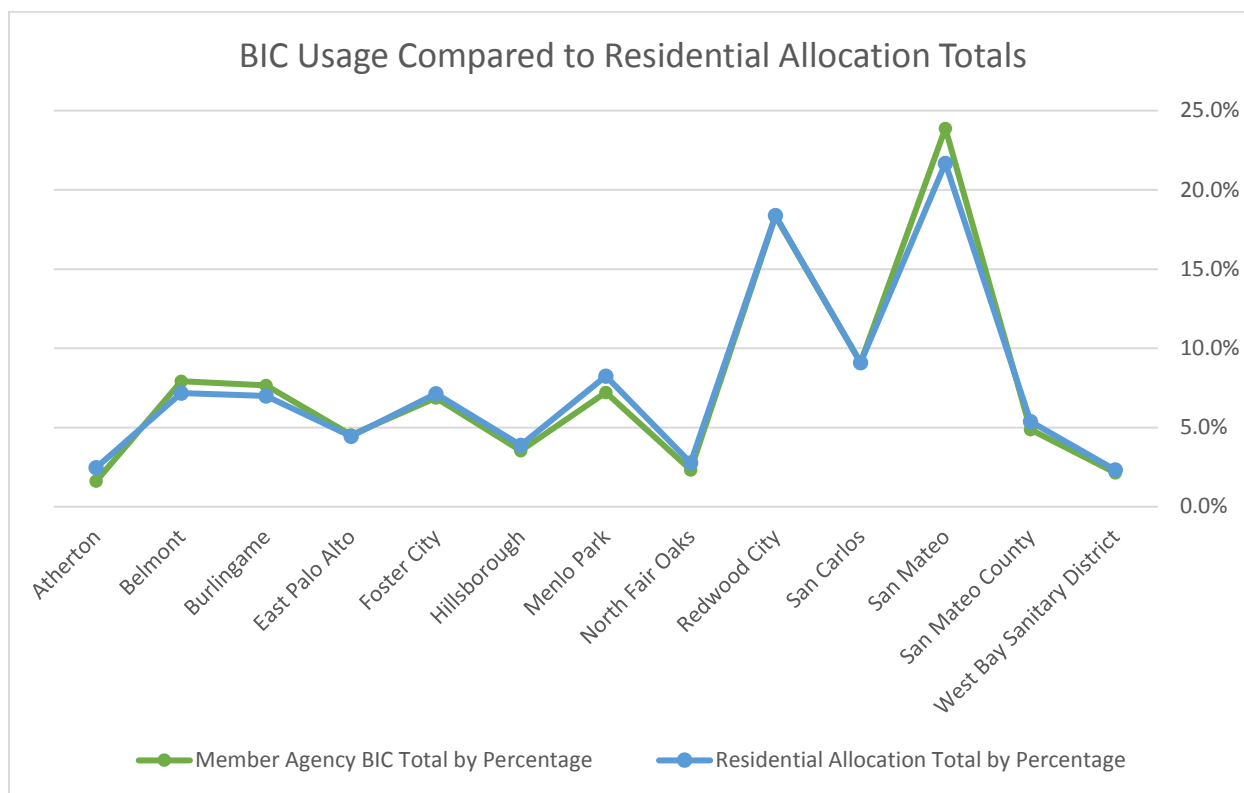
Bulky Item Collection and Abandoned Waste Collection

The Bulky Item Collection (BIC) and Abandoned Waste Collection programs are very popular, which unfortunately means they are soon heading towards a capacity breaking point. Recology has already doubled the resources required in our Franchise Agreement based on the original program stats that they were asked to bid on (at no additional charge), which were about 80 collections per day. At Board direction, Staff and the Franchise Agreement Extension Committee (FAX) negotiated with Recology's senior management team to identify and shape cost-effective new program capacity options for Board consideration. Once approved at the SBWMA Board level, the recommended program options and their costs will need to be formally approved by a majority of the Member Agencies' elected bodies as an amendment to the re-stated and amended Franchise Agreement that take effect on January 1, 2021.

Currently, Recology provides up to two BIC services annually without charge to each single-family residence and multi-family property (MFDs require advanced planning for delivery of roll-off containers for collection). This service is provided within 10 business days of the owner or occupant's request, unless Recology's BIC service capacity has been reached. Based on current Franchise Agreement parameters, Recology's service capacity is limited to 150 bulky item collections system-wide per day. Recology currently makes approximately 130 to 140 bulky item collections per day so the program is operating at about 90% capacity. Recology also collects abandoned waste with a cap of 30 pick-ups per day. Operationally speaking, these two services are one program; the same trucks and drivers/crews service both the BIC and abandoned waste collection. Each route consists of a box truck and driver for recyclables, and a rear-load truck and driver for the other items. There are currently three routes.

Recology manages the bulky item and abandoned waste collections for each Member Agency (MA), with the costs allocated among the MAs according to the number of single-family and commercial accounts in the community. For example, if a MA currently has 18% of the single-family accounts, then they will receive an allocation of 18% of the single-family BIC and abandoned waste program costs. If a MA has 10% of the commercial accounts, then they will receive 10% of the multi-family BIC and abandoned waste program cost allocation. **Based on the previous eight years of actual program data, BIC usage happens to track directly with this allocation formula.** However, the abandoned waste collection services represent about 17% of the total program usage/capacity and costs. Additionally, because abandoned waste is a small percentage of the total capacity and collection, the cost for the 17% is not allocated as noted above, but rather incorporated into the overall BIC collection costs. **Figure 1** shows the Cost allocation for BIC services for 2015 in comparison to the allocation that is currently used each fiscal year according to the number of residents and commercial businesses per Member Agency. It is recommended to continue allocating costs in the same manner given how closely the BIC and residential percentages follow each other.

Figure 1. Cost Allocation for BIC Services in 2015



Given that Recology is nearing its maximum service level capacity for the BIC and abandoned waste collection programs, the SBWMA and Recology have initiated discussion to develop a joint solution that allows customers to continue to receive BIC and abandoned waste collection services with new capacity in a timely fashion.

Municipal Regional Permit (MRP) and storm water requirements

In response to concerns about urban trash impacts on receiving water bodies in the San Francisco Bay area, in 2009 the Water Board included trash reduction requirements in the Municipal Regional Stormwater (MRP) National Pollutant Discharge Elimination System (NPDES) Permit for Phase I communities in the Bay area (Order R2-2009-0074.) These provisions require applicable Bay Area municipalities (Permittees) to reduce trash from their Municipal Separate Storm Sewer Systems (MS4s) by 40 percent before July 1, 2014, 70 percent by 2017, and to a point of “no adverse impacts” to water bodies by 2022. MRP 2.0 (Order R2-2015-0049), adopted on November 19, 2015, continues to require the reductions in trash.

The San Mateo Countywide Water Pollution Prevention Program (SMCWPPP) was established in 1990 to reduce the pollution carried by stormwater into local creeks, the San Francisco Bay, and the Pacific Ocean. The program is a partnership of the City/County Association of Governments (C/CAG), each incorporated city and town in the county, and the County of San Mateo, which share a common municipal stormwater NPDES permit. The SMCWPPP Litter Work Group is addressing trash load reduction requirements outlined in the MRP, by implementing a number of control measures designed to significantly reduce trash in local

creeks and the Bay. They provided an outline of Best Practices and Recommendations for Litter Management with franchise language that can be added to Amendment One of the Recology Franchise Agreement. The implementation of these litter reduction practices can assist the SBWMA with achieving compliance with trash/litter load reduction regulations in the Municipal Regional Stormwater Permit. Given an amendment is necessary for BIC and Abandoned Waste, it made the most sense to include any appropriate changes for the storm water regulations at the same time.

2.4 Amendment One Discussion Process

Following the SBWMA Board approval of Resolution 2018-20 to support Member Agency negotiations with Recology regarding Bulky Item Collection, Abandoned Waste Collection, and integrating Litter-Reduction Practices into Trash / Recycling Collection, the San Mateo County Technical Advisory Committee held a workshop on August 12, 2017 to discuss. It was acknowledged during this meeting that more formal discussions should be held to consider how to manage the BIC and Abandoned Waste services in order to amend the overflow, and identify how the cost impact will be reflected. In order to complete negotiations for Amendment One, three meetings were held between Recology and the negotiation team to discuss options that will support increasing bulky item and abandoned waste collection, and one meeting with the FAX committee to discuss options and make final recommendations. Those four meetings include:

- August 15, 2018 – kick off meeting
- August 29, 2018 – discussions
- October 11, 2018 – finalize discussions
- November 29, 2018 – meeting with the FAX committee

Additional meetings and conference calls were held between HFH Consultants and Recology to complete the cost application for the final options. Recology and SBWMA legal council held additional meetings to finalize language for Amendment One.

By invitation, Mr. La Mariana presented the proposed SBWMA Amendment One recommendations regarding litter-reduction practices a regional SMCWPPP meeting on February 4, 2019, their associated costs, and to confirm the definition of what “overage” means when looking at the trash, recycling and organics containers. There was a general understanding of the agency’s and Recology’s proposed recommendations.

2.5 Negotiation Team Personnel

The SBWMA staff utilized the same Negotiations Team that led the negotiations of the Restated and Amended Franchise Agreement negotiation process in 2017. This team was re-established to discuss and make recommendations for Amendment One negotiations, which was taken to the FAX committee for review and input. These members are summarized in Table 1.

Table 1. SBWMA Negotiation Team Members

SBWMA Negotiation Team Members	
Title	Personnel

SBWMA, Executive Director	Joe La Mariana
SBWMA, Sr. Facilities & Major Contracts Mgr.	Hilary Gans
Team Administrative Support	Cyndi Urman, SBWMA Tracie Bills, SCS Engineers
Solid Waste Industry Financial Consultants, Lead Negotiators	Rob Hilton Tracy Swanborn Marva Sheehan (HFH Consultants)
SBWMA Attorney	Jean Savaree, ADLC

At Board direction, the same Franchise Agreement Extension (FAX) Ad Hoc Committee was re-established to assist with Amendment One negotiations. This FAX Committee consists of five members and can be seen in Table 2.

Table 2. FAX Committee Team Members

FAX Committee Team Members	
Title	Personnel
City of Belmont, Public Works Director, <i>TAC Chair</i>	Afshin Oskoui
City of East Palo Alto, Finance Director	Brenda Olwin
City of Redwood City, City Manager, <i>FAX Vice Chair</i>	Melissa Stevenson Diaz
City of San Mateo, City Manager	Larry Patterson
County of San Mateo, Public Works Director, <i>FAX Chair</i>	Jim Porter

The Recology Team consists of six members, and can be seen in Table 3.

Table 3. Recology Team Members

Recology Sr. Management Team Members	
Title	Personnel
General Manager, San Mateo County Division	Mike Kelly
Controller, San Mateo/South Bay Region	Carl Mennie
Administrative Services Manager, San Mateo Division	Tammy Del Bene
Public Affairs Manager, San Mateo Division	Gino Gasparini
Customer Service Manager, San Mateo Division	Jeanette Haskell
Operations Manager, San Mateo Division	Anthony Crescenti

2.6 Member Agency Survey

There were six options for Bulky Item Collection (BIC) and Abandoned Waste Collection developed during the discussions with Recology, which provided the necessary framework to begin analysis for initial

recommendations. To assist with this process, a survey was developed to seek input from Board Members and the Technical Advisory Committee on how they felt about the six options. Feedback from the survey was valuable and provided critical insight and direction to SBWMA staff and its team to help guide the process.

The survey was sent to TAC members on Wednesday, October 3 and finalized on Wednesday, October 10, 2018, with responses from all twelve member agencies. Of the twelve Member Agencies, three responded twice, therefore there were 15 total responses for each question in the survey. The survey results are summarized in **Attachment A**.

3. OPTIONS FOR BIC AND ABANDONED WASTE EXPANSION

Feedback from the Member Agency survey assisted in the second phase of discussions with the FAX committee. The six options for Bulky Item Collection (BIC) and Abandoned Waste collection that is outlined in the survey, including the results from the November 2018 FAX meeting, are highlighted below.

Option 1: Extend Scheduling Timeframe for BIC and Abandoned Waste Service One Additional Week

This option would keep the current service level cap for BIC (150 per day) and Abandoned Waste (30 per day). When the service level cap has been met, this option would allow Recology to schedule BIC and abandoned waste collections beyond the current 10-business day requirement to a 15-business day period following customer request. There is no financial impact. However, the level of responsiveness to customers' needs may be reduced when they are not able to receive services for a few weeks depending on the BIC and abandoned waste activity. Extending the collection out an additional week could potentially increase the abandoned waste generated and add to the number of total collections. Benefits of this option may include no increase in costs. This option may delay a fourth BIC route for some time, but it is anticipated that an additional route may still be necessary (Option 2).

The survey responses were split with seven responders interested and eight not interested in this option. However, the discussion during the FAX Committee was unanimous that the potential delay in service would not provide the customer service desired. **Recommendation: Do not consider as an alternative.**

Option 2: Add BIC and Abandoned Waste Collection Route

In order to provide BIC and abandoned waste collection within the 10-business day timeframe of the Franchise Agreement, a fourth route can be added to the BIC/Abandoned Waste Collection program to expand capacity. This would result in an increase of the service level cap from 150 BICs to 210 BICs per day. The financial impact would include an approximate annual cost of \$630,000 in rate year 2021 for an additional route (covers one box truck and driver for recyclables, and one rear-loader and driver for other items). Each additional route would provide capacity for sixty (60) additional daily Bulky Item Collection services. Benefits of this program option may include increased reuse of bulky items and increased convenience for your residents. This option may still be necessary, even if the SBWMA implements one or more of the other program options. For more details on the costs, see **Attachment B**.

The survey responses were split with seven responders interested and eight responders not interested in this option. However, the discussion during the FAX Committee was unanimous that there may be a time when

it is necessary, even with adding Option 3. **Recommendation: Add language in Amendment One that would provide flexibility should a fourth route be required.**

Option 3: Shoreway Voucher Program for Bulky Item Drop-Off

This option would allow Recology to provide vouchers to residents for drop-off of BIC material at the Shoreway Environmental Center (Shoreway). Recology would offer vouchers to residents if a resident does not want to wait for the service date offered by Recology (this would occur when the 150 BIC service level cap is met and Recology is unable to deliver within the 10-business day requirement). Recology will implement a voucher tracking system that will ensure a voucher is only used once and may include an expiration date on the voucher. The financial impact includes \$125,000 up-front costs for the voucher system and \$233,000 for annual operating costs (based on 2018 cost estimates). Benefits of this option may include increased use of bulky item collection and increased convenience for residents. It is believed that a fourth BIC route would still be necessary (Option 2), even with this bulky item voucher program; although, the voucher program may extend timeframe in which the fourth route is needed. For more details on the costs and how the voucher program would work, see **Attachment C**.

The survey revealed a majority of the responders (thirteen) were interested and two were not interested in this option. The FAX Committee was unanimously in support of a bulky item voucher program. **Recommendation: Add language in Amendment One that would provide a pre-negotiated cost for this service to provide flexibility if the program is successful and more collection is necessary. There would be a trigger in the amendment for capacity numbers subject to SBWMA Board Approval. A pilot is also recommended to test the voucher system and distribution protocol, to confirm the process works properly before utilizing within the rest of the SBWMA area. However, the cost would be the same as an agency-wide implementation due to the initial infrastructure cost.**

Option 4: Corporation Yard Bulky Item Drop-Off Program

Some MA's have space to locate roll-off container(s) for a bulky item drop off program at their Corporation Yards. The idea would be to have residents drop off bulky items at the Corporation Yard, which may alleviate abandoned waste and reduce the demand for Recology's on-call BICs. In addition, or as an alternative to residential drop-off of bulky items, MA crews could pick up abandoned waste and deposit it in the roll-off containers in their Corporation Yards. Any MA can readily implement this option, since Schedule Q in the Recology Franchise Agreement is already set up with fee options to collect roll-off containers at MA Corporation Yards. Benefits of this program option include a potential reduction in demand for Recology's BIC and abandoned waste collection, which might delay the need for the fourth BIC/abandoned waste route; reduce your MA's allocation of BIC/abandoned waste costs (depending on the future allocation method); increase convenience for your residents; and facilitate MA's quick response to abandoned waste.

The survey revealed a majority of the responders (twelve) were not interested and three were interested in this option. The discussion during the FAX Committee was unanimous that they did not believe this was a viable option, however if the MA's want to add this option into their Schedule Q in the Franchise Agreement then can do so at any time. **Recommendation: Interested member agencies can already consider securing these services with Recology through Attachment Q, Do not consider as an alternative.**

Option 5: Public Education to Promote Alternative Bulky Item Handling Option

This option anticipates providing education to residents that promotes strategies for handling bulky items other than Recology's on-call BIC program. The education materials could promote alternatives such as reuse of bulky items through sharing apps (e.g., Facebook, NextDoor, etc.); existing community drop-off events where there is a Goodwill on-site; and other bulky item collection services such as Got Junk. While other collection services may not be free to residents, these collectors can provide immediate service for those residents that have used their two free Recology BIC services or do not want to wait until the service day offered by Recology. Benefits of this program option may include increased reuse of bulky items and increased convenience for your residents. It is believed that a fourth BIC route would still be necessary (Option 2), even with this education program.

The survey responses showed a majority of the responders (thirteen) were interested and two were not interested in this option. The discussion during the FAX Committee was unanimous that this option is not necessary to add to the amendment because Recology is willing to begin immediately including these strategies into the annual outreach plan coordinated with the SBWMA. **Recommendation: Not necessary to add to Amendment One.**

Option 6: Expand Bulky Item Collection Program to Include Reuse

This option envisions expanding the BIC program to include a focus on collecting reusable bulky items. It anticipates engaging with a non-profit organization that would provide a truck and crew that collects the reusable items from residents in front of Recology's BIC route on the day of BIC collection. The benefits of this option include reducing the amount of bulky items collected by Recology, which may expand the capacity of the BIC routes; and increase the amount of material reused. It is uncertain if this option would delay the need for the fourth BIC route (Option 2).

The survey responses showed a majority of the responders (fourteen) were interested and one was not interested in this option. The discussion during the FAX Committee was unanimous that this option is not viable due to the difficulty of managing the reuse aspect by a third party when the BIC program is an on-call basis. **Recommendation: Do not consider as an alternative.**

4. ADDITIONS FOR MRP AND STORM WATER REQUIREMENTS

SMCWPPP member agencies are addressing trash load reduction requirements outlined in the MRP by implementing a number of control measures designed to significantly reduce trash in local creeks and the Bay. The SMCWPPP Litter Work Group has produced a document that outlines Best Practices and Recommendations for Litter Management, which focuses on control measures related to the storage, collection and transportation of municipal solid waste, recyclable and compostable materials, and the franchise agreements that haulers and agencies have established to govern those services.

The recommendations outlined by the Litter Working Group to be considered for inclusion in the Recology Franchise Agreement are placed in groups by seven topic areas (e.g. collections, right size / right-service, outreach and public education, training of franchisee staff, Franchise Fees Providing Funding for Litter Control Programs, Financial Incentives and Disincentives, Liquidated Damages). These recommendations can be found in **Attachment D**, and the summary with actions are highlighted below.

1. **Solid waste collection on Saturday and Sunday** – Recommendation to add language to Schedule Q for Saturday and Sunday service. Currently, Saturday and Sunday collection is provided at no additional charge for customers subscribing to a minimum of three (3) times per week service or at an additional fee for those businesses that have less than three days a week service (an additional service charge of \$55.31 per month for Saturday and \$67.37 per month for Sunday service).
Recommendation: Language should be added to Amendment One.
2. **Litter and Overage Assessment Program Evaluation** – Recology currently documents overages related to collection services, they will provide a monthly report to the SBWMA and/or member agency staff. However, Recology drivers are not trained in litter assessment auditing nor is that their job, therefore, Recology does not want to add a formal audit process to the amendment. Recology will continue to report any overages that occur (as has been done), but will not be actively seeking or auditing while on their route
Recommendation: Language should be added to Amendment One.
3. **Annual Route Assessments** – Recology would document assessments on a monthly basis as noted in #7.
4. **Litter Management Plan** - Per Section 8.02G of the Recology Franchise Agreement, there is a program for addressing litter issues associated with collection services.
Recommendation: No need to add language to Amendment One because it already exists.
5. **Requirements for Overage Charges** - Recology currently charges for overages beyond the two allowed events. Recology is requesting that language be added to the amendment that states they “shall impose overage charges”, to allow Recology Customer Service the permission to give a courtesy waive of charges depending on the situation. If there are frequent offenders, this waiver would not be exercised. Additionally, “Overage” is defined as anything that causes the lid to be open (zero tolerance), this definition should be added to the amendment.
Recommendation: Language should be added to Amendment One.
6. **Requirements for Photographic Evidence of Overages** – Providing all collection vehicles with cameras to monitor driving and loading activities will assist with the monitoring of overage activities. According to Recology, there would be significant capital, labor and maintenance costs to install, utilize, store and administer photographic or video capabilities. Recology recommends use of the monthly reports of customer overages and have Member Agencies dispatch their personnel to take photos of chronically overloaded customers for further action. The SBWMA would like to have the option to explore onboard cameras in the future.
Recommendation: Language should be added to Amendment One to allow Recology to explore options for adding on-board cameras to their trucks.
7. **Reporting Requirements for Overage Data** – Recology would report the addresses of customers with overages on a monthly basis as noted in #2.
Recommendation: No need to add language to Amendment One, it is already done.
8. **Definition of Overage** – Further discussion to revise the definition of “overage” is necessary, however.

Recommendation: Language should be added to Amendment One.

Attachment A

Survey Responses

Attachment B

Residential On-Call Bulky Item Collection and Abandoned Waste Collection Service Route Cost Estimate (Attachment U in FA Amendment)

Bulky Item Collection Costs		Additional BIC Route
		2021 Dollars
Annual Cost of Operations		
Direct Labor-Related Costs		
	Wages for CBAs	\$269,064
	Benefits for CBAs	\$148,795
	Payroll Taxes	\$21,889
	Workers Compensation Insurance	<u>\$27,294</u>
	Total Direct Labor Related-Costs	\$467,042
	Direct Fuel Costs	\$20,748
	Other Direct Costs	\$20,223
	Depreciation	
	- Collection Vehicles	\$51,433
	- Containers	\$0
	Total Depreciation	\$51,433
	Allocated Indirect Costs excluding Depreciation	
	General and Administrative	\$0
	Operations	\$0
	Vehicle Maintenance	\$0
	Container Maintenance	\$0
	Total Allocated Indirect Costs excluding Depreciation	\$0
	Total Allocated Indirect Depreciation Costs	\$0
	Total Annual Cost of Operations	\$559,446
	Profit	\$58,726
	Operating Ratio	90.5%
	Total Operating Costs before Pass-Through Costs	\$618,173
	Contractor Pass-Through Costs	
	Interest Expense	\$13,198
	Total Contractor Pass-Through Costs	\$13,198
	TOTAL BASE CONTRACTOR'S COMPENSATION	<u>\$631,371</u>
Note - Collection Vehicle Depreciation and Interest Expense are flat beginning in the of implementation. Purchase price will inflate until the purchase date.		

Attachment C

Voucher Program Cost Estimates (Attachment T in FA Amendment)

RECOLOGY SAN MATEO COUNTY				
Voucher Program				
Estimated Costs in 2018 Dollars				
5-YEAR PERIOD				
Up Front				
Items	Company/Individual	Total Cost	5 Year Life Annual Cost	HF&H
Hardware - Scanner, Scanner Software & Tablet	SBR	\$ 2,000.00	\$ 400.00	
Hardware - Scale House Installation	SBR	\$ 1,400.00	\$ 280.00	
Coding - IT Team	Recology	\$ 63,000.00	\$ 12,600.00	
Coding - PC Scales	PC Scales	\$ 28,000.00	\$ 5,600.00	
Coding - Computaris	Computaris	\$ 17,528.83	\$ 3,505.77	
Project Development Cost	Recology	\$ 8,690.77	\$ 1,738.15	
SBR Accounting Modifications	SBR	\$ 4,567.00	\$ 913.40	
Total		\$ 125,186.60	\$ 25,037.32	\$ 25,037.32
Annual Operating - Assuming 15,600 Vouchers per Year				
Items	Company/Individual	Total Cost	5 Year Life Annual Cost	HF&H
Computaris Operation Fee	Computaris	\$ 28,046.16		\$ 28,046.16
Hardware - Replacement	Recology	\$ 1,500.00		\$ 1,500.00
Hardware - IT OPS Technical Services	Recology	\$ 8,400.00		\$ 8,400.00
PC Scales Maintenance	SBR	\$ 6,000.00		\$ 6,000.00
CSR Hours	Recology	\$ 154,608.75		\$ 123,687.00
Printing	Recology	\$ 1,872.00		\$ 1,497.60
Mailing	Recology	\$ 7,800.00		\$ 6,240.00
Total		\$ 208,226.91	\$ 208,226.91	\$ 175,370.76
TOTAL PROGRAM COST			\$ 233,264.23	\$ 200,408.08
Operating Ratio (90.5%)			\$ 24,486.30	\$ 21,037.31
Total Compensation			\$ 257,750.53	\$ 221,445.39
Additional Analysis of Program Cost for BIC Vouchers + Pilot Programs				
Fixed Cost		\$ 76,224.84		
Variable Cost per Voucher		\$ 11.64		\$ 9.31

Voucher Program Description

Background

Recology researched different technologies to assist with a voucher system as an alternative to Bulky Item Collection (BIC). This option would allow Recology to provide vouchers to residents for drop-off of BIC material at the Shoreway Environmental Center (Shoreway). Recology would offer vouchers to residents if a resident does not want to wait for the service date offered by Recology (this would occur when the 150 BIC service level cap is met and Recology is unable to deliver within the 10-business day requirement). Recology will implement a voucher tracking system that will ensure a voucher is only used once and may include an expiration date on the voucher.

Quick Response (QR) code has advantages over a barcode because:

- Two-dimensional – carry both horizontal and vertical data unlike barcodes that only carry data in one direction.
- Large information-holding capacity in a smaller space – can carry up to 100x the amount of information of a conventional barcode in 10x smaller space.
- All-direction (360 degree) high-speed reading – size, angle, and outer shape are easily detectable, making it 20x faster to decode than other matrix codes.
- Resistant to distorted symbols – eliminates interference and negative effects from backgrounds.
- Data restoration functionality using error correction margins (approx. 7-30%) – eases scanning if code is dirty/damaged.
- Easy encryption for confidentiality – relationship between the character type and the stored data is unique for specific use.

TECHNOLOGY RESEARCHED

Recology research two companies that provide this technology: VMS and Computaris.

VMS

VMS is a J2EE web-based application that manages the interaction with all voucher vendors, the printing house, the dealers, and any other external applications (such as customer relationship management) that need to use vouchers or to query the status of vouchers. It allows operators to manage in a web interface the voucher lifecycle, dealer catalogue, fraud catalogues, track voucher status, and allocate vouchers to dealers. It also manages the catalogue of tenants, recharges profiles and printing houses, and generates pins to enable security for encrypted data. The solution also comes with built-in reports on voucher definitions and usage by type.

Computaris

The Computaris Voucher Management System (VMS) is a software tool that allows operators to manage the end-to-end lifecycle of prepaid recharge vouchers in either physical or virtual form. They were founded in the UK, but have a U.S.-based office in El Dorado Hills, California. They specialize in offering custom-built services with focus on optimized resource management, CRM and trucking applications, vendor-managed inventory models, customized fleet management, database and data warehousing, quality assurance and testing, integration with ERP and financial systems, documented management systems, 3rd party logistics, shipping logistics, and logistics management for air, sea and land.

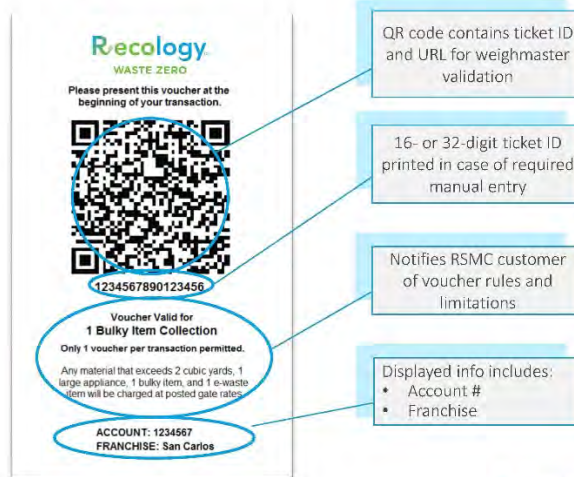
BIC Voucher Process



The Voucher

Portable Document Format (PDF)

- Easily retrievable from vendor and delivered to customer
- Data encrypted QR code ensures data security
- Voucher access requires user authentication for:
 - CSR
 - Weighmaster
 - Administrator



Attachment D

SMCWPP Litter Work Group Best Practices and Recommendations for Litter Management

Attachment A

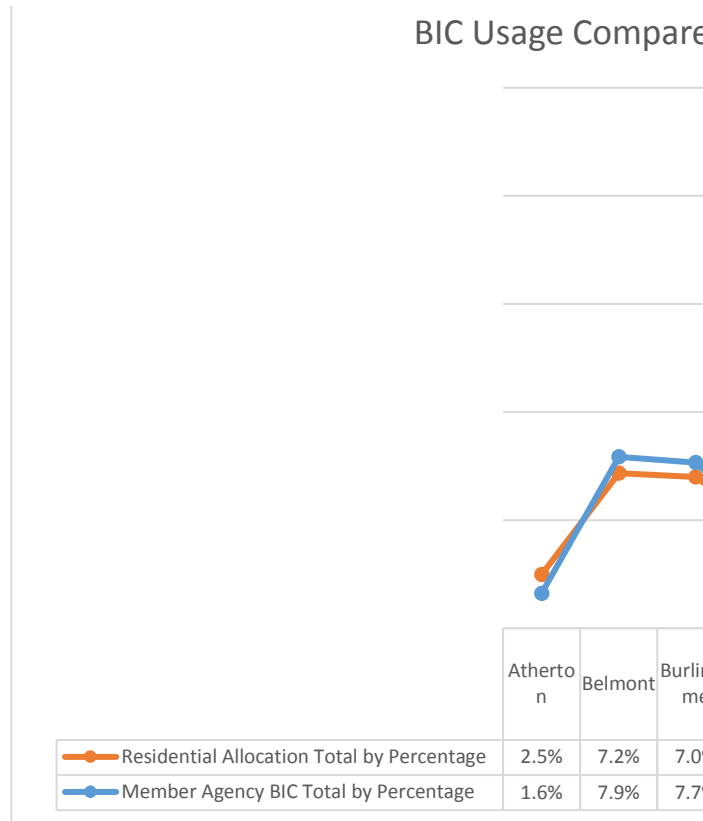
Table 1: BIC Usage Comparison

BIC Usage Compared to Residential Allocation Totals				
Member Agency	2015 Daily Events	2016 Daily Events	2015 Total Events	2016 Total Events
Atherton	1.91	2.10	497	546
Belmont	9.41	10.08	2,446	2,621
Burlingame	9.10	9.71	2,365	2,525
East Palo Alto	5.38	5.68	1,398	1,476
Foster City	8.15	9.12	2,119	2,370
Hillsborough	4.20	4.54	1,092	1,181
Menlo Park	8.57	9.19	2,228	2,389
North Fair Oaks	2.76	3.22	718	837
Redwood City	21.76	22.81	5,657	5,931
San Carlos	10.80	11.79	2,807	3,065
San Mateo	28.35	31.15	7,372	8,099
San Mateo County	5.77	6.48	1,501	1,686
West Bay Sanitary District	2.55	2.54	663	661
Total SBWMA	118.70	128.41	30,863	33,387

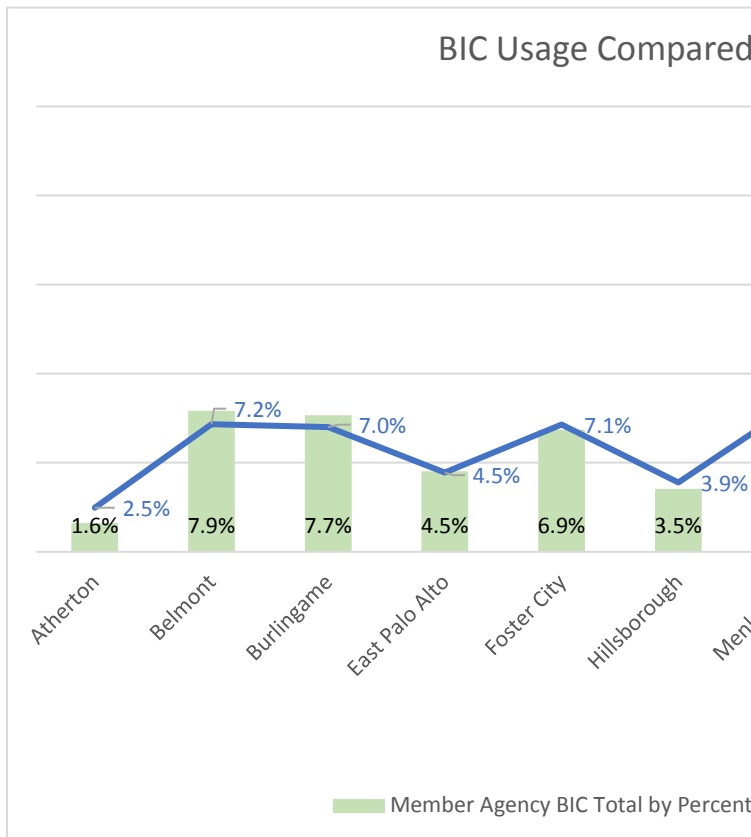
Table 2.

Member Agency	Member Agency BIC Total by Percentage	Residential Allocation Total by Percentage
Atherton	1.6%	2.5%
Belmont	7.9%	7.2%
Burlingame	7.7%	7.0%
East Palo Alto	4.5%	4.5%
Foster City	6.9%	7.1%
Hillsborough	3.5%	3.9%
Menlo Park	7.2%	8.3%
North Fair Oaks	2.3%	2.8%
Redwood City	18.3%	18.4%
San Carlos	9.1%	9.1%
San Mateo	23.9%	21.7%
San Mateo County	4.9%	5.4%
West Bay Sanitary District	2.1%	2.3%
Total SBWMA	100%	100%

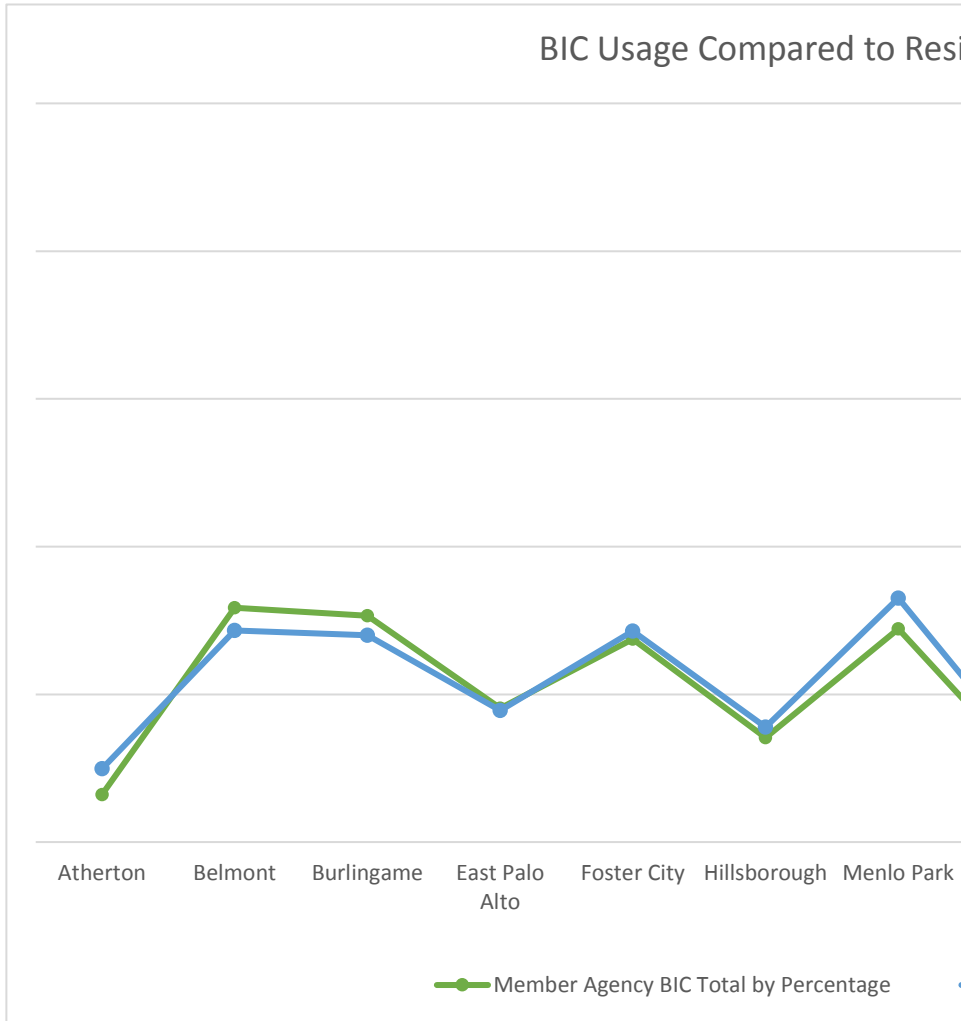
BIC Usage Compare



BIC Usage Compared



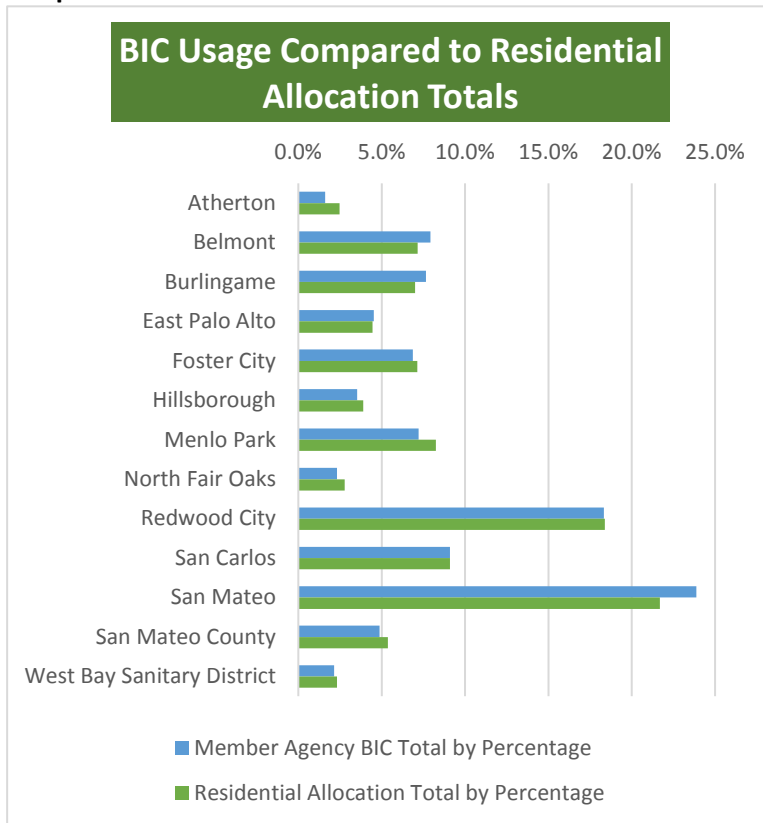
BIC Usage Compared to Resi



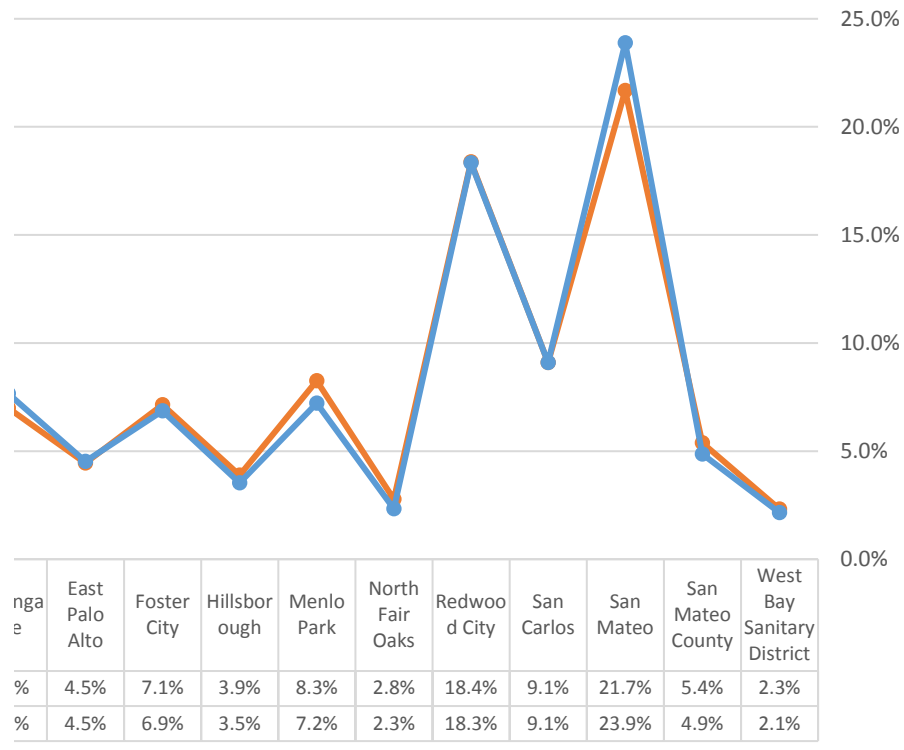
red to Residential Allocation Totals

Member Agency BIC Total by Percentage	House Count 07.25.17	Residential Allocation Total by Percentage
1.6%	2344	2.5%
7.9%	6778	7.2%
7.7%	6617	7.0%
4.5%	4210	4.5%
6.9%	6753	7.1%
3.5%	3681	3.9%
7.2%	7805	8.3%
2.3%	2621	2.8%
18.3%	17392	18.4%
9.1%	8604	9.1%
23.9%	20509	21.7%
4.9%	5088	5.4%
2.1%	2193	2.3%
100.0%	94595	100.0%

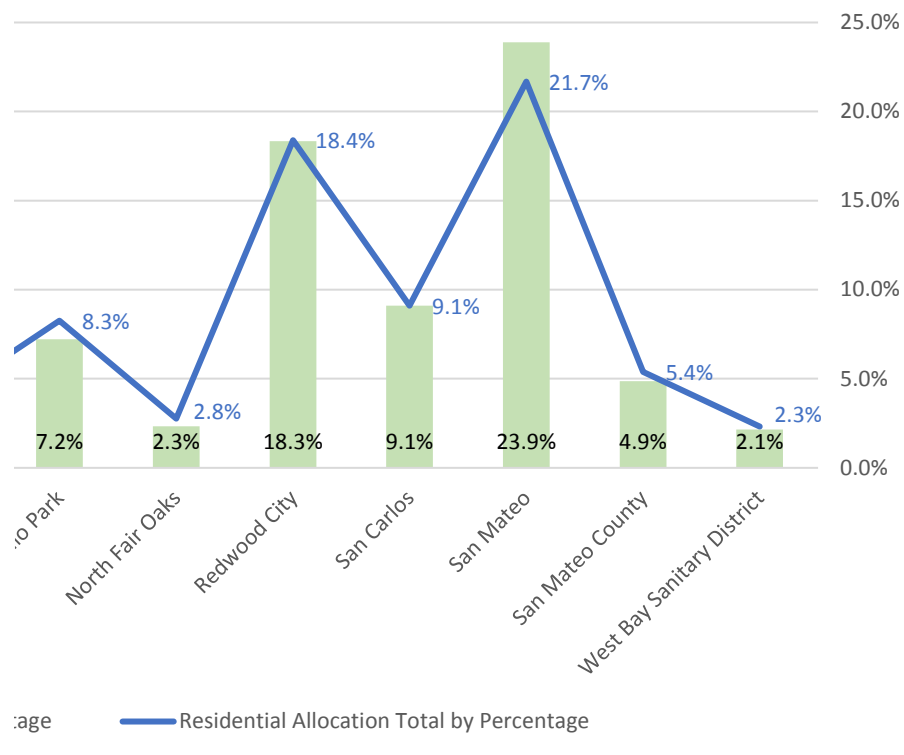
Graph 1.



ed to Residential Allocation Totals



l to Residential Allocation Totals



idential Allocation Totals

