



**MINUTES**

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY  
 MEETING OF THE BOARD OF DIRECTORS  
 September 11, 2014 – 2:00 p.m.  
 RethinkWaste Board Room at the Shoreway Environmental Center

**Call to Order: 2:01 PM**

**1. Roll Call**

| Agency         | Present | Absent | Agency                     | Present                | Absent |
|----------------|---------|--------|----------------------------|------------------------|--------|
| Atherton       |         | X      | Menlo Park                 |                        | X      |
| Belmont        | X       |        | Redwood City               | X(public session only) |        |
| Burlingame     | X       |        | San Carlos                 | X                      |        |
| East Palo Alto |         | X      | San Mateo                  | X                      |        |
| Foster City    |         | X      | County of San Mateo        | X                      |        |
| Hillsborough   | X       |        | West Bay Sanitary District | X                      |        |

Alternate Member Al Royse attended for Hillsborough

**2. Adjourn to Closed Session** – pursuant to Government Code Section (e) 54954.5: PUBLIC EMPLOYEE PERFORMANCE EVALUATION: Executive Director

**Public session was called to order at 2:23 PM**

No report from closed session

**3. 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 July 24, 2014 BOD Meeting Minutes
- B. Approval of Guiding Principles for Development of the Long Range Plan

Member Aguirre made a motion to approve the consent calendar.

Member Stone seconded the motion.

Voice Vote All in favor

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

**4. Old Business:**

- A. Discussion Only on Ordinance Implementing a Recycling Reporting System for Commercial Recycling Haulers

Staff Feldman gave an overview of the staff report and noted that he had spoken with one of the major haulers in Burlingame. He stated that they were generally supportive of the ordinance and that they gave him good feedback on changes to the reporting form to better meet the needs of the haulers. He added that he ensured the business owner that if an ordinance passed, there would be extensive stakeholder engagement to get additional feedback from the haulers.

Member Brownrigg commented that he spent quite a bit of time with the same hauler: Redwood Debris Box who is the largest hauler in San Mateo County. He noted that they take about 16,000 tons to Zanker every year for recycling and less tonnage but about the same weight to Ox Mountain every year. He added that Redwood Debris box can't sort, but Zanker can, so Redwood Debris box could report based on the information Zanker gives them if sorted information was required, and noted that Redwood Debris Box thought the form was unclear on the sorting piece. He also added that he spoke to Redwood Debris Box about the possibility of franchising commercial tons in the future, and that debris boxes in Daly City where there are franchised services cost about 80% more than Redwood Debris box. He added that franchised services have a lot of benefit, but can also lead to significantly higher cost. Lastly, he noted that Redwood Debris box was concerned about the ordinance not requiring a hauler to take items to an approved recycling location, but that a hauler could report that it was recycled when in reality it was all taken to Ox Mountain.

Staff Feldman clarified that sorting is not required, and that Redwood Debris Box's input on the form will be incorporated. Secondly, Staff Feldman noted that by and large each Member Agency's C&D ordinance requires haulers to give receipts from the recycling facility before a recycling deposit will be refunded, so C&D ordinances would solve the problem about haulers actually recycling what they said was being recycled.

Member Brownrigg noted the Redwood Debris Box wasn't referring to C&D, but alleged that the smaller haulers who pick up trash or recycling aren't really recycling.

Member Olbert noted that philosophically he would like to see each Member Agency adopt a SBWMA model ordinance to make the enforcement side cleaner, and suggested some sort of incentive/disincentive system for the agencies to adopt the model ordinance.

Executive Director McCarthy responded that in most cases the JPA follows that approach. He noted that this ordinance is a reporting system to get data, so that staff can evaluate next steps in the long range plan. He noted that the expectations are that there won't be a lot of enforcement, and that it would be simpler for JPA staff to collect the data.

Member Olbert reiterated that he would still like to see this be a model ordinance approach.

Member Brownrigg noted that in general elected officials fight to keep authority at the City level, but can see conceding this item to the SBWMA because there are efficiencies in running it at the multi-Agency level and because no penalties are involved with this ordinance.

Vice Chair Dehn clarified that when this came back to the Board it would be an ordinance without penalties, and with a nominal fee.

Staff Feldman noted that the not to exceed cost is \$150, but thought the cost would end up being about \$100 per business to offset the administrative costs.

Member Brownrigg noted that he was comfortable with the fee as long as there was no penalty.

Staff Feldman noted that the ordinance did have fines in it, but that there was no budget for enforcement and staff sees enforcement if any as years down the line, but enforcement for the foreseeable future would be in the form of a letter that tells a business they are not complying.

Executive Director McCarthy added that the businesses that we've talked to are fearful of a franchised model; they want to stay in business in the service area. He added that the JPA's approach for many years has been to offer a good commercial recycling program through the contracted services, but to keep the free market approach, and that this ordinance fits in with the JPA approach.

Member Olbert asked if any of the Board Members had talked to their individual councils or staff, noting an example of his experience on CGAG.

Executive Director McCarthy noted that this went through the TAC three or four times, so all of the City's staff is fully aware of what is proposed.

Vice Chair Dehn noted that the Board needed to give direction to staff so that action can be taken at the next Board Meeting.

Member Royse asked for follow up on the quarterly versus annual reporting frequency.

Staff Feldman answered that in the near term as staff is preparing the long range plan the information is needed more frequently but down the line frequency could be revisited.

Member Royse noted that he would like to redline that in two years the frequency would be revisited. He also noted that at a previous meeting thresholds were discussed and asked for elaboration on thresholds.

Staff Feldman answered that staff would like weigh in from the stakeholders on this point before adding in thresholds, so right now it's open ended, and will be updated after stakeholder engagement.

Member Ross commented San Mateo uses a preferred vendor list for C&D, and other types of transactions, and suggested a preferred vendor list approach as part of this process.

## **5. New Business:**

### **A. Annual Solid Waste Rate Survey Results**

Staff Feldman gave an overview of the staff report, and noted that six or seven of the member agencies are at or below the 50<sup>th</sup> percentile of rates for the 32 gallon cart size, noting that 65-75% of Recology's customers subscribe to that size. He also added that another 15-20% subscribe to the 20 gallon cart size, so those two cart sizes are the largest source of revenue for the Member Agencies. He commented that due to the progressive rate structure the Member Agencies have historically adopted, the cost to service these carts outweighs the revenue received from the rates associated with those sizes. He added that some Member Agencies have made strides to bridge that gap.

Member Olbert wondered if any Member Agencies other than San Carlos have looked at fees more closely matching costs.

Vice Chair Dehn noted that West Bay is trying to equalize it gradually.

Staff Feldman added that Hillsborough took a flat fee as part of the rate structure and added into their property taxes.

Member Royse noted that Hillsborough added that fee into their tax roll two years ago as a flat fee to cover fixed costs over and above use.

## **6. Staff Updates:**

- a) Update on 2014/15 Franchise Rate Setting Process
- b) Review of Cart Migration and Rates vs. Costs Analysis

Member Brownrigg noted that in the spirit of sharing best practices, Burlingame made the decision to discontinue the 20 gallon cart size, noting that his council was frustrated by relatively small movements requiring rate changes.

Member Aguirre noted that Redwood City wanted to keep the 20 gallon size as an option especially for low income families.

- c) Hiring New Finance Manager in Spring 2015

Vice Chair Dehn asked Executive Director McCarthy to go over the time line for hiring Marshall's replacement.

Executive Director McCarthy noted that he would like to engage two board members on the interview panel, which is still way off, but the goal is to have someone hired next spring. He added that the challenge will be to find someone with industry knowledge and technical experience to meet the JPA's needs.

## **7. Board Member Comments**

Vice Chair Dehn reminded Board Members that the regular meeting will be in two weeks and that the meetings would be moving to the San Carlos library for the foreseeable future.

Member Aguirre asked if the move was permanent.

Executive Director McCarthy answered that there is a short term issue with ADA access in the current building, so it's unknown how long the meetings will move to the San Carlos library.

Vice Chair Dehn asked that a reminder about the location change be sent.

Member Olbert appreciated Executive Director McCarthy and Staff Moran for attending San Carlos' City Council Meeting on Monday night.

## **8. Adjourn 3:01PM**