

2018 ANNUAL REPORT



A Public Agency



A Public Agency

2018 Highlights

Rolled out new curbside battery collection program

Largest Earth Day attendance in Shoreway festival event history

Board approval of Organics to Energy pilot to divert more organics from landfill

Franchise agreements formally approved for Member Agencies

A Message from Our Executive Director

We look back at 2018 as a year of action. We displayed great technical and environmental leadership on a wide-variety of issues.

When China decided to radically change the type and quality of paper materials accepted on March 1, 2018, our contractors stepped up and found alternate paper markets in Asia to sell off these materials.



In response to the fire at the Shoreway Materials Recovery Facility (MRF) likely caused by a lithium-ion battery in 2016, RethinkWaste worked with Recology San Mateo County (Recology) and South Bay Recology to change the collection of household batteries at single-family households. We rolled out the program on September 3, 2018 and within the first month, there was a 168% increase in the volume of batteries collected responsibly through this program. As added emphasis on our commitment to make changes in the battery industry, RethinkWaste hired its first legislative and regulatory firm to advocate for the Agency’s priority issues at the state level.

Throughout 2018 we celebrated many successes, including achieving the largest attendance ever at our annual Earth Day at Shoreway event, and Board approval of the Bond Refunding project and the Organics-to-Energy pilot. In addition, we supported Member Agencies in formally approving their individual franchise agreements with Recology and thus satisfying the Joint Powers Agreement.

In the midst of all this activity, RethinkWaste hired a new Senior Finance Manager, Environmental Education Manager and received Board approval to hire a new Management Analyst III.

Our successes and accomplishments would not have been achievable without the work of our dedicated employees, the Board of Directors and Technical Advisory Committee members that represent our Member Agencies and the community we serve. We also want to acknowledge our well-respected and (highly-valued) contractors — Recology and South Bay Recycling. On behalf of all of us, we thank you for your continued support and look forward to bringing you more action in 2019.

Joe La Mariana
Executive Director

OUR MISSION

To cost effectively design, implement and manage innovative waste reduction and recycling programs and facility infrastructure that fulfills our fiduciary responsibilities to our Member Agencies while achieving community environmental and economic goals.

RethinkWaste: Who Are We?

We are a joint powers authority representing 12 local public agencies (Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, County of San Mateo and West Bay Sanitary District) in San Mateo County. We own the 16-acre solid waste facility known as the Shoreway Environmental Center in San Carlos, where all recyclables, organic materials and solid waste are collected, handled, processed and then transported to their final destination.

12

RethinkWaste is an independent, regional government agency made up of 12 local public agencies in San Mateo County



Staff

Joe La Mariana

Executive Director

Hilary Gans

Senior Facilities and Contracts Manager

John Mangini

Senior Finance Manager

Julia Au

Recycling Outreach Programs Manager

Emi Hashizume

Environmental Education Manager

Cyndi Urman

Clerk of the Board/Office Manager

Madison Guzman

Environmental Education Coordinator

Adele Halili

Environmental Education Fellow

Shirley Ng

Public Spaces Fellow

Joanna Rosales

Public Spaces Fellow

Dennis Uyat

Environmental Education Fellow

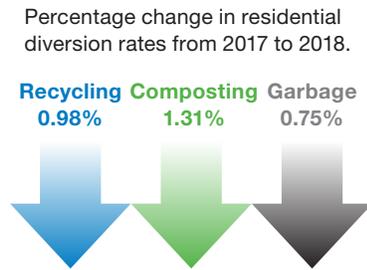


Collection and Diversion

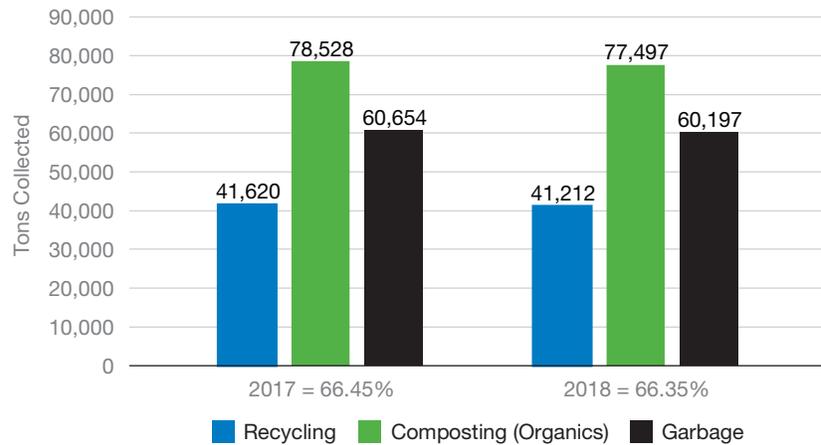
Residential Program Overview

Residents in the RethinkWaste service area continue to strongly embrace the weekly Recycle, Compost and Garbage collection programs. Measured residential diversion rates have leveled off since the inception of this program in 2011. 2018 saw recycling and organics diversion amounts decrease, but so did the amount of waste sent to landfill.

The measured diversion rates are calculated by comparing the amount of materials collected by Recology that were recycled or processed as compost versus those remaining materials sent to the landfill for disposal.



Residential Diversion Rate

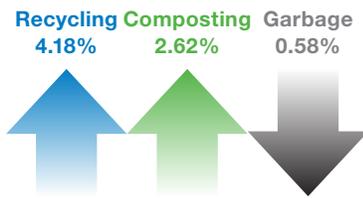


Collection and Diversion

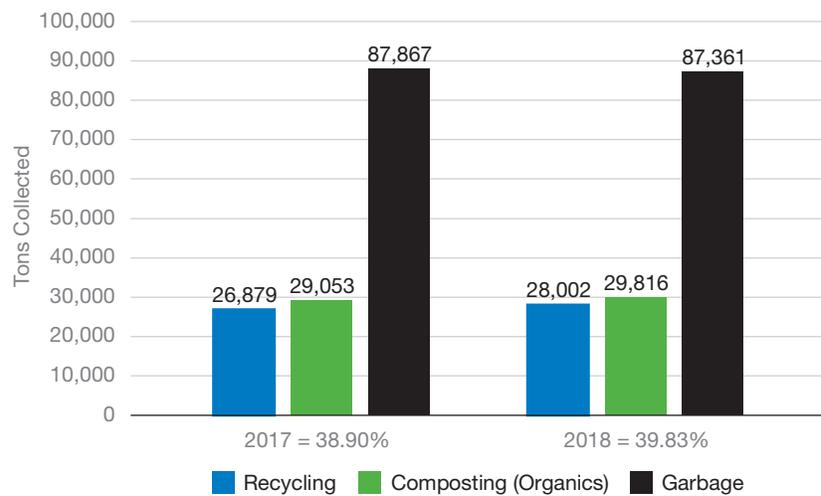
Commercial Overview

Businesses and multi-family complexes in the RethinkWaste service area continue to divert more materials away from landfill incrementally each year. With the passage of AB 341 (Mandatory Commercial Recycling) and AB 1826 (Mandatory Organics Recycling) in full implementation, RethinkWaste continues to work in partnership with its franchised hauling partner Recology to further increase commercial waste diversion. 2018 saw increases in the commercial sector for recycling and organics diversion and decreases in materials sent to landfill.

Percentage change in commercial diversion rates from 2017 to 2018.

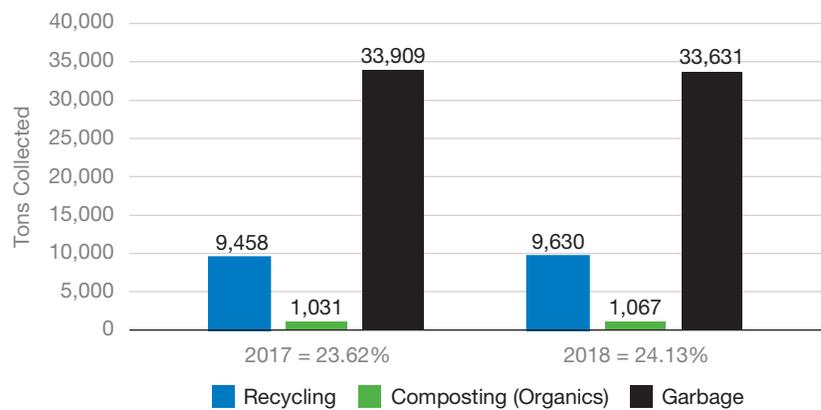
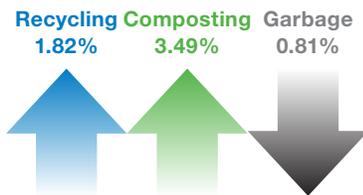


Commercial Diversion Rate



Multi-Family Diversion Rate

Percentage change in multi-family diversion rates from 2017 to 2018.



Shoreway Environmental Center

The Shoreway Environmental Center is a 16-acre LEED* Gold certified facility that is owned by RethinkWaste. Integral to the success of our collection services, the facility is recognized as a valuable asset to the Member Agencies and surrounding communities. Even with the changes to the commodity markets, the Shoreway Environmental Center continued to move materials. The reduction in materials between 2017 and 2018 appears to be linked to a modest softening in the local construction market.

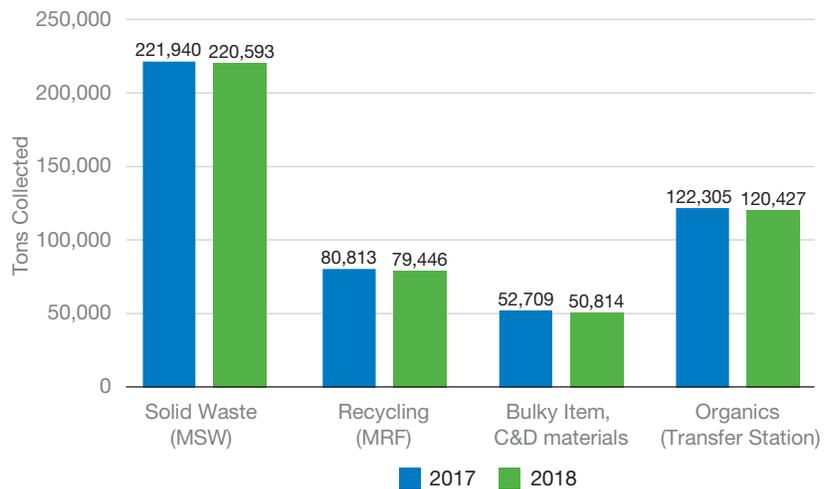
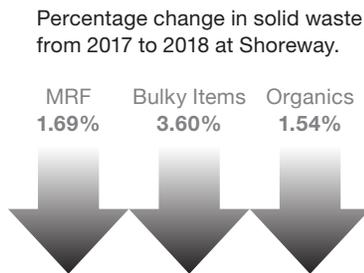


471,280

tons of solid waste materials were handled by the Shoreway facility in 2018

The Shoreway Environmental Center receives all residential and commercial recyclables, organic materials and solid waste collected in the RethinkWaste service area by Recology. The facility is operated by South Bay Recycling on the Agency's behalf.

Shoreway Facility Tons



2018 Environmental
Education Accomplishments

213

school and public tours

5,354

visitors

59

no-cost bus trips for
3rd-5th grade classes

162

cubic yards of free compost
donated to school and
community gardens

Schools & Tours Program

Another year, another 213 tours! Building on RethinkWaste's Tour Program's tradition of excellent service and community engagement, the School Group and Public Tour Program continued to be in high demand during 2018. The Shoreway Environmental Education Center hosted over 5,300 visitors, including 3,722 students and chaperones, as well as 1,244 members of the public (both within and outside the RethinkWaste service area). Of the 124 school tours, nearly half requested and received no-cost bus services to transport students, teachers and chaperones to and from the facility.

Since 2011, the Tour Program has educated almost 40,000 visitors in our community, equipping them with powerful knowledge about resource conservation to empower them to practice waste reduction in their schools and homes every day. The Shoreway facility tours highlight RethinkWaste's firm commitment to waste reduction and recycling programs by offering students and residents the unique, first-hand opportunity to learn what happens to their recyclables, yard waste, food scraps and garbage at an operating MRF and Transfer Station.

To further increase accessibility to environmental education in the RethinkWaste service area, staff conducted 29 classroom presentations and assemblies, reaching an additional 1,168 students at seven schools. The curriculum focused on the 4Rs (Reduce, Reuse, Recycle, and Rot/Composting) and instruction about correct waste sorting habits.



Community Events & Activities

29

student and classroom participants in the 6th annual Trash-to-Art contest

Trash-to-Art Contest

In the spring, RethinkWaste held the 6th annual Trash-to-Art contest for 3rd through 5th graders attending school in the RethinkWaste service area. As in previous years, submissions were accepted in two categories: Class and Individual. The contest challenges students to create art pieces from items that are normally thrown away. Of the 29 entries, six winning pieces were selected and publicly recognized at the RethinkWaste Earth Day event.



1st place: Individual category
3rd grader Jordan R.
(Redwood City) for “Birdhouse”



1st place: Class category
3rd graders from St. Pius School
(Redwood City) for “Heart’ the Earth”

500+

visitors at RethinkWaste Earth Day in 2018

Earth Day @ Shoreway (April 21, 2018)

RethinkWaste’s Earth Day 2018 was a wildly successful event! Over 500 visitors joined the community celebration at Shoreway — almost doubling the attendance from previous years. Participants enjoyed arts and crafts, games and raffle prizes, a petting zoo, tours of the Transfer Station and MRF, informational booths from local vendors and partner organizations, free compost, and lunch.



163

community members
attended Rethink Recycling
Day at the Shoreway facility

Rethink Recycling Day (October 27, 2018)

RethinkWaste put its own twist on America Recycles Day and hosted the very first Rethink Recycling Day in October 2018. Along with the traditional activities, the event included many new offerings, including a popular book and clothing swap, DIY canning and jamming workshops, and a well-attended Q&A session with RethinkWaste’s Executive Director. 163 community members from the RethinkWaste service area (and beyond) came out to Shoreway to participate in the festivities.



Poster Contest

The 5th annual RethinkWaste poster contest had a special winter theme — “Rethink Recycling for the Holidays!” 35 students from 3rd through 5th grade classes submitted colorful, creative posters illustrating the 4Rs themes (Reduce, Reuse, Recycle, and Rot). Three winners and two Honorable Mentions received prizes and were recognized at City Council meetings. The 1st place poster will be featured on the side of a Recology truck with routes through the winning artist’s city.

35

3rd through 5th graders
participated in the the
5th annual poster contest



1st place

5th grader Bhavya R. (Belmont) for “Let’s have a Clean Holiday.”

Long Range Plan: Pilot Programs

In 2018, two components of RethinkWaste’s Long Range Plan were initiated after the hiring of four term-limited fellows in the fall of 2017.

In-School Pilot

The In-School Pilot identified an opportunity to spread awareness of RethinkWaste services and increase school participation in waste diversion programs by directly supporting schools with waste prevention initiatives. The impact of school programs can extend far beyond campus – students and faculty that receive the education and resources to sort correctly at school are able to reinforce efforts to recycle and compost at home.

Through Summer and Fall 2018, Staff laid the groundwork for a pilot program to expand and compliment the education provided during the Tour Programs by increasing waste reduction, recycling, and composting at school sites within the RethinkWaste service area. As directed by the Board, staff began working with schools located in Redwood City.

In Fall 2018, the first two schools participated in the pilot program: Our Lady of Mount Carmel and Redeemer Lutheran. Both schools received new bin infrastructure paired with on-site environmental education. 23 assemblies and classroom presentations were conducted, along with brunch and lunch monitoring of bins.

As a result of the In-School Pilot, Our Lady of Mount Carmel increased its composting services and reduced the amount of waste sent to the landfill. Redeemer Lutheran also increased its diversion rate and went from three 96 gallon organic carts to a 3-cubic yard bin. Staff continues to refine the In-School Pilot procedures and now collects additional metrics for each school that participates in the program.

23

assemblies and
classroom presentations
were conducted at the
two pilot schools



RethinkWaste Staff conducted the following in 2018:

70

park waste audits

50

waste audits in downtowns

50

surveys of downtown and parkgoers

Public Spaces Pilot

RethinkWaste's Public Spaces team focused on increasing diversion from public spaces (parks and active downtown corridors). In 2018, the Public Spaces team coordinated with Member Agency staff to identify the specific public spaces pilot to execute. New outdoor receptacles and signage were voted on by TAC members as the most important issues to tackle and were chosen as the Public Spaces pilot projects. Each pilot had different objectives. The objective of the signage pilot was to find the most effective signage in both parks and downtown areas to increase diversion from the landfill. The objective of the receptacles pilot was to add recycling and organics options in parks, to create uniformity among all member agencies, and to maintain consistency between bins at home and in parks.

After evaluation of Member Agency interest, opportunity and staff support, the cities of Redwood City and San Carlos were chosen to launch the two pilot projects.

Throughout 2018, staff researched different types of receptacles and chose one that was easy to service by Recology and city staff. In 2018, SBWMA staff conducted almost 70 park waste audits, 50 downtown waste audits and surveyed 50 downtown and parkgoers before and during the installation of the new receptacles and signage. The pilots officially launched in August and September and staff continues to gather and analyze the data collected and looks forward to expanding the pilot to other Member Agencies.



300,000

impressions on social media

Public Outreach and Education

2018 was a year of revitalizing RethinkWaste's many Public Education and Outreach programs.

With Board approval, the Public Education and Outreach Subcommittee was revived. This gave RethinkWaste and Recology staff the opportunity to discuss new outreach and education programs with Board and TAC members.

Some of the public education and outreach highlights include:

Household Battery Collection Program

In conjunction with our partner Recology San Mateo County, RethinkWaste rolled out a new household battery and cell phone collection and safe handling program. Recology also emphasized the installation of battery and cell phone collection buckets at multi-family dwelling properties. 59 new buckets were delivered to multi-family dwellings in 2018.

Rethinker Newsletter

Revitalized the Rethinker Newsletter sent to residents in the RethinkWaste service area. Two editions were created and distributed.

Multi-Family Toolkit

Updated the Multi-Family toolkit information for property owners/managers and residents of multi-family dwellings.

News & Review Publications

Created and electronically distributed two publications with News & Review. One as a general overview piece of programs and services and the other on household batteries.

Social Media

Increased involvement on the electronic and social media realm with over 100,000 visitors to the RethinkWaste website and over 290,000 impressions on our Facebook and Twitter pages combined.



Board of Directors

Our 12-member Board includes an elected official who represents each of our twelve Member Agencies. Each SBWMA Member Agency selects its representative to serve on the Board of Directors.



During my term on the Board I have had the pleasure of working with dedicated, knowledgeable Staff and Board members who have taken leadership roles in the industry for the benefit of our common constituency and our region as a whole. We have successfully mitigated two major unexpected emergencies with little impact on the public that we serve, and we have been leaders in reducing the production of waste that ends up in landfills. Most significantly, we have always remained fiscally responsible to our constituency.

On behalf of those we serve, I want to thank the Staff and Board members who serve RethinkWaste so well and state what an honor it has been for me to serve with you.



— Charlie Bronitsky, 2018
RethinkWaste Board Chair



Bill Widmer
Atherton
Council Member



Davina Hurt
Belmont
Vice Mayor



Michael Brownrigg
Burlingame
Mayor



Donna Rutherford
East Palo Alto
Council Member



**Charlie Bronitsky,
Chair**
Foster City
Council Member



**Jay Benton,
Vice Chair**
Hillsborough
Council Member



Catherine Carlton
Menlo Park
Council Member



Alicia Aguirre
Redwood City
Council Member



Bob Grassilli
San Carlos
Mayor



Rick Bonilla
San Mateo
Mayor



Carole Groom
County of San Mateo
Supervisor



Fran Dehn
West Bay
Sanitary District
Secretary,
Board of Directors

2018 Board Meeting Highlights

January

- Annual Financial Audit completed and mid-year budget was favorable.
- Board approves the reconstitution of the Public Education and Outreach Subcommittee.
- First discussion of battery collection modifications and outreach plans.

March

- Board gives Executive Director authorization to request the Department of Toxics Substances Control's enforcement of AB 1125 (Rechargeable Battery Law) from 2006.
- Board approves a change to the collection Franchise Agreement's Contamination Survey and Disincentive Program.

- Board approves the 2018 legislative and regulatory platform which provides staff and program partners with clear priorities and direction for these activities.

April

- Board approves a one-year extension of Administrative Services contract with the City of San Carlos.

May

- Board approves Franchise Agreement Amendment One discussions work plan.
- Board approves lithium-ion battery collection and community outreach plan.

June

- Board approves the FY 18/19 SWBMA Operations budget and proposed 2019 tip fee adjustment.

September

- Board approves the 2019 Recology San Mateo County and South Bay Recycling Compensation Applications.

- Board approves work plan for Bond Refunding.

October

- Joint Board of Directors and TAC meeting to discuss Shoreway Environmental Center Capital Improvement Plan and Organics to Energy Pilot.

November

- Board gives Executive Director authorization to execute a contract for Municipal Finance Advisor Services to manage the 2019 Bond Refunding process.
- Board approves Organics to Energy pilot project.
- Board approves glass loadout and Public Recycling Center modifications project.
- Board approves funding for an unbudgeted Management Analyst III position.



Financials

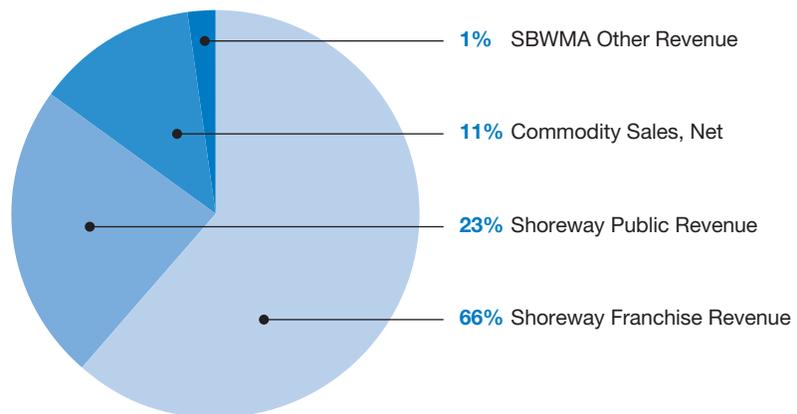
Each year, the RethinkWaste Board of Directors approves an agency-wide operating budget which includes the careful review and evaluation of revenues, expenditures and budget reserves. Sources of revenue include tipping fees charged at the Shoreway Environmental Center, the sale of recyclable commodities and investment income. These revenue sources fund program expenditures related to administration, franchise contract compliance and support, recycling programs, Shoreway operations (includes our contractor's operating budget) and capital improvements. The adopted, revised mid-year FY 18/19 budget was for \$52.8 million in revenues and expenditures of \$49.5 million; these figures are exclusive of capital expenditures. Combined, RethinkWaste manages a total system that is valued at \$130 million per year.

RethinkWaste continues to be a non-PERs agency, with no long-term pension obligations. This results in the cost-effective delivery of the agency's services using a quasi public/private business model.

SBWMA Fiscal Year 2019 Mid-Year Budget Revenue

\$52.8 Million in Revenues

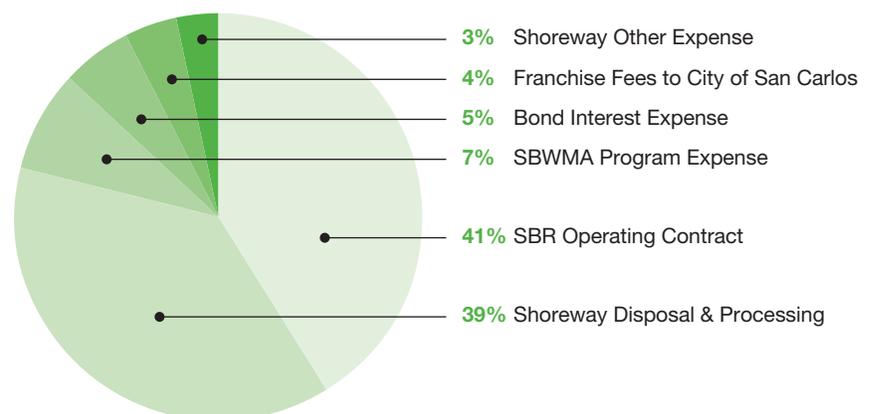
Shoreway Franchise Revenue	\$34.6 Million
Shoreway Public Revenue	\$12.0 Million
Commodity Sales, Net	\$5.7 Million
SBWMA Other Revenue	\$0.5 Million



SBWMA Fiscal Year 2019 Mid-Year Budget Expense

\$49.5 Million in Expenses

Shoreway Disposal & Processing	\$20.5 Million
SBR Operating Contract	\$19.2 Million
SBWMA Program Expense	\$3.4 Million
Bond Interest Expense	\$2.6 Million
Franchise Fees to City of San Carlos	\$2.2 Million
Shoreway Other Expense	\$1.5 Million





A Public Agency

RethinkWaste.org