



A Public Agency

# CONSENT CALENDAR



**DRAFT MINUTES**

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS  
June 27, 2019– 2:00 p.m.  
San Carlos Library Conference Room A/B**

**Call To Order: 2:03PM**

**1. Roll Call**

Agency	Present	Absent	Agency	Present	Absent
Atherton	X		Menlo Park	X	
Belmont	X		Redwood City	X	
Burlingame	X		San Carlos	X	
East Palo Alto		X	San Mateo	X	
Foster City	X		County of San Mateo	X	
Hillsborough	X		West Bay Sanitary District	X	

Alternate Members: Richa Awasthi attended representing Foster City and

**2. Public Comment**

Persons wishing to address the Board on matters NOT on the posted agenda may do so. Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting. If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

None

**3. Executive Director's Report**

Executive Director La Mariana thanked the Board Members for their commitment with the last two Board packets being so large. He noted that the resolution numbers in agenda item 5A and 6A were not correct in the packet that was attached to the email but had been corrected on the online version of the packet. He gave the following updates:

- Agency-sponsored bill AB1509 is currently on the Senate Environmental Quality Committee's agenda, and EQ staff has asked to have some of the language modified, so it will be reactivated for the second year of the two-year session and will move forward at that time. He added that we don't know yet what the language changes will be but nothing too substantive.
- The Administrative Services contract transition is underway, as of next week the City of Redwood City will be providing those services. He thanked the San Carlos team for their years of service and noted that staff is expecting a smooth transition.
- The 2020 Compensation Application has been received from Recology and staff is working on

confirming the calculations. SBR's Compensation Application is due July 5<sup>th</sup>. He went over the rate setting calendar dates. He noted that this year there will be a Service Level Adjustment that is part of the amended and restated Franchise Agreement and that will prepare the Member Agencies for the new calculations and methodology in the contract extensions. This is in response to the growth in our service area since the Recology Contract started.

- A Facilities Project Contract team has been created to manage procurement, grants, contacts, permits and financial draw down of bond proceeds. It includes: Joe La Mariana, Hilary Gans, Grant Ligon, and Rob Kaulkbrenner.
- A \$1M Grant has officially been received by the County of San Mateo towards the purchase of the OREX Press.
- Bonds were sold yesterday. He noted that the current debt service is 4.1, and the debt service yesterday is 3.6 which is half a million dollars of savings a year, and the interest is in the low 3%. Executive Director La Mariana acknowledged the team that worked hard on the bonds. That resulted in \$20M for the agency and lowering the debt service to the agency by \$500,000. The were sold as green bonds. Member Brownrigg noted that he was very pleased that they were designated green bonds, these are the first green bonds in San Mateo County for infrastructure. Executive Director La Mariana passed out a financial summary of the bonds.

#### 4. 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.*

- Approval of Minutes from the May 23, 2019 Board of Directors Meeting
- Resolution Approving an SBWMA Environmentally Preferable Purchasing and Practices Policy
- Resolution Authorizing the Executive Director to Execute a not-to-exceed \$128,620 Contract with Tanner Pacific for Construction Management services at the Shoreway facility for FY19/20
- Resolution Approving Findings of the Annual Financial and Operational Audits
- Resolution Approving a Contract Amendment to the Agreement with Stradling Yocca Carlson & Rauth for Bond and Disclosure Counsel Services for the SBWMA's Issuance of 2019 Solid Waste Revenue Bonds
- Resolution Approving Amendment 1 to the Agreement with Recology for Relocation of Organics Extrusion Recovery System & Purchase of Organics Polishing System
- Resolution Approving Reallocation of Budgeted Mid-Year Reserves
- Resolution Approving a Change in the Deductible Amount to the Shoreway Environmental Center's Property/Fire Insurance Policy for FY19/20

Items 4B, 4C, and 4D were pulled for separate discussion

Items 4A, 4E, 4F, 4G and 4H:

Motion/Second: Brownrigg/Aguirre

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			

Discussion on Item 4B:

Member Widmer commented that he would like the language to be softened where feasible and where it makes climate and economic sense to be added to the policy. He also thought the requirement for suppliers to have electronics recycling was redundant.

Executive Director La Mariana noted that this language was developed by the state, and an Environmentally Preferable Purchasing and Practices Policy is required in order for RethinkWaste to pursue specific grant opportunities through CalRecycle. Staff Ligon added that, while a policy is required, the specific language is not required.

Member Widmer asked to amend the language to say when economically feasible and encourage rather than require.

The Board discussed the policy language. Member Widmer noted that making a vendor do something no matter what the cost is and using public money to pay that cost was not something he supported. Member Bonilla asked about intent of the language in the policy noting that there is a difference between recycling and environmentally sound recycling. Staff Ligon noted that the first part of the policy is to know what the vendors and suppliers are doing, and second part of the policy is extended producer responsibility.

The Board discussed the timing of approving an Environmentally Preferable Purchasing and Practices Policy, and Staff Ligon noted that approving a policy today would be required to apply for grants. Chair Benton suggested approving the policy as written and getting feedback from vendors as the policy was put in place and amend the policy based on vendor feedback.

Executive Director La Mariana noted that staff would report back on vendor feedback.

Motion/Second: Aguirre/Bonilla

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			

Discussion on Item 4C:

Member Widmer commented that there was nothing in the staff report about whether this contract was competitively bid or sole sourced, and \$128,620 is a large contract without justification if it was sole sourced.

Staff Gans noted that Tanner Pacific has been working with the SBWMA for eight years and was the company that worked construction management for the construction of the facility. The original contract for that construction was competitively bid, and this experience gives Tanner Pacific unique knowledge of the facility.

Motion/Second: Brownrigg/Hurt  
 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			

Discussion on Item 4D

Member Widmer asked if the operational recommendations in the report would come back to the Board at a future meeting. He asked for more detail on the 60 additional reason codes.

Staff Managini noted that there was a finding in R3's report and invited the consultant from R3 to further elaborate. Garth Schultz of R3 noted it's a finding not seen in previous audits, so they wanted to bring that to the Board's attention. There will be work in next year's audit to understand more what this finding means. It is at the discretion of the Board if a follow up report is desired. He also noted that the 60 new reason codes vary, and some were similar to other codes, they were new and didn't have a specific indicator, and because they are new from prior years they are little harder to track through the system.

Member Widmer noted that if there were going to be operational changes that those should be brought to the Board.

Motion/Second: Widmer/Hurt  
 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			

## 5. Administration and Finance

### A. Resolution Approving the FY19/20 SBWMA Operating Budget and 5-Year Capital Improvement Plan

Staff Mangini gave a presentation and highlighted the changes since the preliminary budget was first presented to the Board in draft form in May.

The Board discussed the higher deductible and lower premium recommended by the Finance Committee. Chair Benton that the Finance Committee is recommending the higher deductible because there are enough reserves to cover it there is a relatively quick payback, and the \$114,000 in savings would go into reserves. He reminded staff that anytime fire precautions can be brought to the Board, there is motivation to do everything possible to reduce fire risk. Member Carlton noted with the battery issue, she's concerned about more fires and having that much of a liability. Chair Benton noted that the fire happened on the second shift which doesn't exist anymore. Executive Director La Mariana added that since the fire in 2016 there is a lot more fire suppression to give a very fast response to any incidences.

The Board directed staff to track the \$114,000 separately so that is set aside to pay the deductible.

The Board discussed the \$450,000 savings in debt service and where that money would show on the budget. Staff Mangini noted it would automatically go to reserves, and either at the calendar year/tip fee review or at the mid-year budget review the Board could consider where the debt service savings would go, if the Board feels that the reserves are growing too much.

Motion/Second: Bonilla/Hurt

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			

B. Staff Update and Review of 2020-2024 Long-Range Plan

This item was continued to September and the September Board meeting would go from 2-4:30PM

6. Collection and Recycling Program Support and Compliance

A. Resolution Approving Amendment One Modifications to the Model Amended and Restated Recology Franchise Agreement

Executive Director La Mariana introduced the item and gave background information.

Consultant Rob Hilton gave a presentation giving an overview of the seven proposed changes to the Franchise Agreement extensions.

The Board discussed the proposed allocation method of using accounts. Rob Hilton noted that the feedback was to allocate program costs based on program usage, but their analysis confirmed that the cost difference between costs and usage have historically tracked so closely that it made sense to continue to use the current allocation methodology. Member Widmer asked why 2015-2016 numbers weren't used in the analysis. Rob Hilton answered that those numbers were not yet available when the analysis was done.

Rob Hilton continued the presentation noting the five proposed contract amendments that had to do with storm water compliance noting that these items would be added to the contract language but come at no additional cost to the rate payers. Matt Fabry, C/CAG's Countywide Stormwater Program Manager was introduced, and he gave a presentation on the Municipal Regional Stormwater Permit's requirements for trash load reduction.

Rob Hilton continued his presentation and went over the details of seven items included in the proposed amendment one.

The Board discussed the proposed Bulky Item Collection's alternative-use voucher program. Rob Hilton noted that the intent of the program is to defer the need for an additional Bulky Item Collection route and drivers, but the pilot would determine the demand as well as the type of user that the voucher would be beneficial for. Member Widmer commented that, if the voucher program is approved, we don't know how long it will be before

we have to also pay for an additional route, and it didn't seem smart to him to pay for both. Member Dehn asked for clarification on what jurisdictions would be part of the pilot. Rob Hilton answered that the intent is for it to be multi-jurisdictional, but the approval is for the costs to set up the pilot, that logistics would be considered once the cost is approved. Member Brownrigg noted that he is not sure what the voucher program is trying to solve, it doesn't seem to solve the abandoned waste issue. Rob Hilton noted that the committee talked a lot about this program working well for multi-family and mixed use who have a lot of move in and move out, but the pilot would determine which customers would best benefit from the program. Member Carlton noted concern over incentives when Recology is picking up abandoned items now, there is no incentive to use the voucher. She suggested if a customer uses the voucher possibly giving them a third voucher as an incentive. Member Brownrigg noted that he was fine moving forward with the voucher pilot, but thinks it is limited. Mike Kelly of Recology added that the pilot will be a multi-step process one to see if it alleviates the need for an added bulky item/abandoned waste collection route, and two to see how impacts SBR and traffic on Shoreway Road. Once logistics are worked out, other uses could be discussed, like the incentive or a third free voucher, or selling them to multi-family complexes for move out residents.

The Board discussed the litter and related storm water issue. Member Widmer asked if the SBWMA Board approved the Storm Water amendments if individual Member Agencies could opt out. Executive Director La Mariana noted that Recology has indicated a strong preference for all agencies to adopt the same program language because it would be very hard for them to run 12 separate programs. TAC Chair Oskoui noted that with the storm water requirements, there is no cost to the rate payers associated with the overage issue. There is training of Recology staff on reporting, but the amendment is intended to be for data and education. However, the enforcement would be up to the individual agencies through code enforcement. Member Brownrigg commented that at this time the plan is to monitor overages, but if the plan is to go down the path of fining for overages there has to be photographic evidence, and there has to be education to the public about how full the bins can be so they are aware of what an overage is. Member Rak commented that he could not support charging for overages on the green and blue carts, because he didn't want to charge residents for doing something they've been asked to do. Member Carlton noted if a resident is consistently having overages, they need to be notified to get the right size cart. TAC Chair Oskoui noted that the administrative cost associated with charging for overages is cheaper than the full trash capture devices.

Member Groom noted that she was not ready to move on this item, because she didn't feel ready to explain it to residents and businesses. She wanted to have an education plan ready for both the overage and the voucher program. Member Brownrigg suggested education now before any action is taken on why bins need to be closed.

Member Hurt asked regarding litter if doing nothing was an option. Executive Director La Mariana noted that all Cities have to comply with the regional permit, and there are a number of paths that each Agency can use to comply, but trash collection can lead to litter, and this change will help Agencies comply with the regional permit.

The Board decided to continue the item to September, with a better understanding of the implementation plan.

## **7. Shoreway Operations and Contract Management**

For the public's benefit, Chair Benton noted that items 7A-7C have been thoroughly discussed at 4 previous Board meetings, as well as TAC, Finance and Zero Waste Committee meetings.



- A. Approving a Contract with BHS, Inc. to 1. replace and install optical sorter hardware and software and 2. replace existing sort system electrical controls and software for a not-to-exceed amount of \$770,500

Staff Gans noted that this approval would get the facility ready for the MRF Phase I upgrades that have been discussed by this Board previously.

Motion/Second: Brownrigg/Rak

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			

- B. Resolution Approving a Not-to-Exceed Contract for \$717,950 with BHS, Inc. for the Design & Engineering of Phase I MRF Upgrades Project

Item previously discussed at 4 Board Meetings

Motion/Second: Carlton/Widmer

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			

- C. Resolution approving payment of \$77,420 for MRF Debris Roll Screen replacement and installation

Staff Gans noted this was a repair item for MRF equipment.

Motion/Second: Widmer/Bonilla

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			

- D. Review of TAC direction regarding agency options as they relate to the current (10-year) Shoreway Operations Agreement with South Bay Recycling which expires on December 31, 2020.

Executive Director La Mariana gave background and asked for direction from the Board on whether or not to move towards exercising the extension options and what kind of process would the Board like to see moving forward. He noted that staff will come back with a work plan in the fall, and there are 13 reasons in the staff

report to consider the extension. He noted that the TAC had a straw vote and they provided strong interest in the SBWMA exercising its unilateral extension option through 2023, per the terms of the current agreement.

The Board gave direction that staff would come back in September with a work plan towards moving forward with an extension.

## **8. Public Education and Outreach**

### **A. Staff Update on the Public Spaces Pilot Program – Full Report**

Due to time, the Board was asked to read the full report and give comments back to staff, no discussion was had.

### **B. Presentation by 6<sup>th</sup> Grader Christine Chang on her Metal Straws initiative in San Carlos**

This item was taken before items 7A-7D, and 8A-8B

Member Rak introduced San Carlos' rising 7<sup>th</sup> grader Christine Chang who did an independent study program working with restaurants in San Carlos to get them to have better environmental practices.

Christine Chang gave a presentation on her project.

Vice Chair Aguirre thanked Christine for her presentation and suggested that Christine talk to other children at other schools because there is no greater influence than children.

## **9. Informational Items Only (no action required)**

- A. Legislative Session Update
- B. 2019 Finance and Rate Setting Calendar
- C. Check Register Detail for May 2019
- D. Technical Consulting Contracts March 16 - May 2019
- E. Potential Future Board Agenda Items

## **10. Board Member Comments**

Member Brownrigg reminded staff to start educating residents now about cart overages and their effect on litter

Chair Benton thanked everyone for their patience.

## **11. Adjourn 4:10PM**

## STAFF REPORT

**To:** SBWMA Board Members  
**From:** Julia Au, Outreach and Communications Manager  
**Date:** September 26, 2019 Board of Directors Meeting  
**Subject:** Resolution Authorizing the Executive Director to Execute a Contract with Lahlouh for \$51,672 (not to exceed) for Printing and Postage for the 2020 Service Notice

**Recommendation**

It is recommended that the SBWMA Board of Directors approve Resolution No. 2019-47 attached hereto authorizing the following action: **Authorize the Executive Director to Execute a Contract with Lahlouh for \$51,672 (not to exceed) for Printing and Postage for the 2020 Service Notice .**

**Summary**

The SBWMA is responsible for all program public outreach and education and has used direct mail as an occasional method to reach households. The Annual Service Notice provides a summary of the scope of services available to all residential customers. A Service Notice update was included as part of the Compost Campaign and will be mailed to all single-family residents in February 2020.

**Analysis.**

Staff has been working with a contractor on a Compost Campaign that launched September 16. As part of this campaign, there was a need to revise the Annual Service Notice and a need to send it directly to residents to ensure delivery of information. Electronic copies in English, Spanish, and Chinese will be available online.

The notice highlights the full range of program guidelines and participation requirements regarding the services provided by Recology and includes other useful information regarding recycling and proper disposal of household hazardous waste and bulky items.

Due to the scope of this project, quotes were solicited from three (3) local mailing and fulfillment companies. Lahlouh, based in Burlingame, provided the most responsive customer service and turnaround for request of quotes.

	PRECISE		LAHLOUH		COLOR PRINT	
Description	Total Print Costs (without Postage)	Est. Costs (with postage)	Total Print Costs (without Postage)	Est. Costs (with postage)	Total Print Costs (without Postage)	Est. Costs (with postage)
Print 8.5" x 14", postcard and stuff into printed #10 envelope	\$22,655.78	\$70,155.78	\$27,162	<b>\$51,672</b>	\$15,209.34	\$68,599.34

**Background**

The SBWMA has solicited the use of Lahlouh on several other direct mail pieces in the past year, including the Household Battery Collection Notice that included the battery bags and the Rethinker Newsletter.

The Annual Service Notice update is part of the approved calendar years 2019-2020 Public Education and Outreach Plan.

**Fiscal Impact**

The approved FY19/20 Budget includes adequate funding to address these costs.

**Attachments:**

Resolution 2019-47

Exhibit A – Professional Services Agreement



## RESOLUTION NO. 2019-47

### RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH LAHLOUH FOR \$51,672 (NOT TO EXCEED) FOR PRINTING AND POSTAGE FOR THE 2020 SERVICE NOTICE

WHEREAS, in the South Bayside Waste Management Authority (SBWMA) has developed an outreach campaign focused on composting; and

WHEREAS, part of this plan includes updating the annual service notice; and

WHEREAS, the South Bayside Waste Management Authority would like to use the services of Lahlouh for printing and mail fulfillment of a direct mail service notice; and

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby approves the Executive Director to execute the agreement with Lahlouh attached hereto as Exhibit A.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 26<sup>th</sup> day of September 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. 2019-47 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on September 26, 2019.

ATTEST:

\_\_\_\_\_  
Jess E (Jay) Benton, Chairperson of SBWMA

\_\_\_\_\_  
Cyndi Urman, Clerk of the Board



PROFESSIONAL SERVICES AGREEMENT  
FOR  
PRINTING AND MAILING SERVICE NOTICE

This Agreement is made and entered into as of the 30<sup>th</sup> day of September, 2019 by and between the SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY hereinafter called "AUTHORITY" and Lahlouh Inc. hereinafter called "CONSULTANT".

RECITALS

This Agreement is entered into with reference to the following facts and circumstances:

- A. That AUTHORITY desires to engage CONSULTANT to provide professional services;
- B. That CONSULTANT is qualified to provide such services to the AUTHORITY and;
- C. That the AUTHORITY has elected to engage the services of CONSULTANT upon the terms and conditions as hereinafter set forth.

- 1. Services. The services to be performed by CONSULTANT under this Agreement shall include those services set forth in Exhibit A, which is, by this reference, incorporated herein and made a part hereof as though it were fully set forth herein.

Performance of the work specified in said Exhibit A is hereby made an obligation of CONSULTANT under this Agreement, subject to any changes that may be made subsequently hereto upon the mutual written agreement of the said parties.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in Exhibit A.

- 2. Term; Termination.
  - (a) The term of this Agreement shall commence upon the date hereinabove written and shall expire upon completion of performance of services hereunder by CONSULTANT.

(b) Notwithstanding the provisions of (a) above, either party may terminate this Agreement without cause by giving written notice not less than ten (10) days prior to the effective date of termination, which date shall be included in said notice. In the event of such termination, AUTHORITY shall compensate CONSULTANT for services rendered, and reimburse CONSULTANT for costs and expenses incurred, to the date of termination, calculated in accordance with the provisions of paragraph 3. In ascertaining the services actually rendered to the date of termination, consideration shall be given both to completed work and work in process of completion. Nothing



herein contained shall be deemed a limitation upon the right of AUTHORITY to terminate this Agreement for cause, or otherwise to exercise such rights or pursue such remedies as may accrue to AUTHORITY hereunder.

3. Compensation; Expenses; Payment. AUTHORITY shall compensate CONSULTANT for all services performed by CONSULTANT hereunder in an amount based upon CONSULTANT's hourly rates during the time of the performance of said services. A copy of CONSULTANT's hourly rates for which services hereunder shall be performed are set forth in CONSULTANT's fee schedule included in Exhibit A, attached hereto and by this reference incorporated herein.

Notwithstanding the foregoing, the combined total of compensation and reimbursement of costs payable hereunder shall not exceed the sum **fifty one thousand six hundred and seventy two dollars (\$51,672)** unless the performance of services and/or reimbursement of costs and expenses in excess of said amounts have been approved in advance of performing such services or incurring such costs and expenses by AUTHORITY's Executive Director (for contracts less than \$50,000) or AUTHORITY Board (for contracts \$50,000 or more) evidenced by motion duly made and carried.

Compensation and reimbursement of costs and expenses hereunder shall be payable upon monthly billing therefor by CONSULTANT to AUTHORITY, which billing shall include an itemized statement, briefly describing by task and labor category or cost/expense items billed as per Exhibit B.

4. Additional Services. In the event AUTHORITY desires the performance of additional services not otherwise included within the services described in Exhibit A, such services shall be authorized in advance of the performance thereof by AUTHORITY's Executive Director (for contracts less than \$50,000) or AUTHORITY Board (for contracts \$50,000 or more) by motion duly made and carried. Such amendment to this Agreement shall include a description of the services to be performed thereunder, the maximum compensation and reimbursement of costs and expenses payable therefor, the time of performance thereof, and such other matters as the parties deem appropriate for the accomplishment of such services. Except to the extent modified by written amendment, all other terms and conditions of this Agreement shall be deemed incorporated in each such amendment.
5. Records. CONSULTANT shall keep and maintain accurate records of all time expended and costs and expenses incurred relating to services to be performed by CONSULTANT hereunder. Said records shall be available to AUTHORITY for review and copying during regular business hours at CONSULTANT's place of business or as otherwise agreed upon by the parties.
6. Authorization. This Agreement becomes effective when endorsed by both parties in the space provided below.

7. Reliance on Professional Skill of CONSULTANT. CONSULTANT represents that it has the necessary professional skills to perform the services required and the AUTHORITY shall rely on such skills of the CONSULTANT to do and perform the work. In performing services hereunder CONSULTANT shall adhere to the standards generally prevailing for the performance of expert consulting services similar to those to be performed by CONSULTANT hereunder.
8. Documents. All documents, plans, drawings, renderings, and other papers, or copies thereof, as finally rendered, prepared by CONSULTANT pursuant to the terms of this Agreement, shall, upon preparation and delivery to AUTHORITY, become the property of AUTHORITY.
9. Relationship of Parties. It is understood that the relationship of CONSULTANT to the AUTHORITY is that of an independent contractor and all persons working for or under the direction of CONSULTANT are its agents or employees and not agents or employees of the AUTHORITY.
10. Schedule. CONSULTANT shall adhere to the schedule set forth in Exhibit A; provided, that AUTHORITY shall grant reasonable extensions of time for the performance of such services occasioned by governmental reviews of CONSULTANT's work product or other unavoidable delays; provided, further, that such unavoidable delay shall not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, CONSULTANT's officers or employees.

CONSULTANT acknowledges the importance to AUTHORITY of AUTHORITY's Project schedule and agrees to put forth its best professional efforts to perform its services under this Agreement in a manner consistent with that schedule.

11. Indemnity. To the fullest extent allowed by law, CONSULTANT hereby agrees to defend, indemnify, and save harmless AUTHORITY, its boards, officers, employees and agents, from and against any and all claims, suits, actions liability, loss, damage, expense, cost (including, without limitation, costs and fees of litigation) of every nature, kind or description, which may be brought against, or suffered or sustained by, AUTHORITY, its boards, officers, employees, and agents caused by, or alleged to have been caused by, the negligence, intentional tortuous act or omission, or willful misconduct of CONSULTANT, its officers, employees, subcontractors or agents in the performance of any services or work pursuant to this Agreement.

The duty of CONSULTANT to indemnify and save harmless, as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

CONSULTANT's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law.



The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained within this Agreement.

12. Insurance. CONSULTANT shall acquire and maintain Workers' Compensation, employer's liability, commercial general liability, owned and non-owned and hired automobile liability, and professional liability insurance coverage relating to CONSULTANT's services to be performed hereunder covering AUTHORITY's risks in form subject to the approval of the AUTHORITY Attorney and/or AUTHORITY's Risk Manager. The minimum amounts of coverage corresponding to the aforesaid categories of insurance per insurable event, shall be as follows:

<u>Insurance Category</u>	<u>Minimum Limits</u>
Workers' Compensation	statutory minimum
Employer's Liability	\$1,000,000 per accident for bodily injury or disease
Commercial General Liability	\$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage
Automobile Liability	\$1,000,000 per accident for bodily injury and property damage (coverage required to the extent applicable to CONSULTANT's vehicle usage in performing services hereunder)
<sup>1</sup> Professional Liability	\$1,000,000 per claim and aggregate

It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the AUTHORITY as an Additional Insured. Furthermore, the requirements for coverage and limits shall be the greater of either (1) the minimum coverage and limits specified in this Agreement or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named Insured.

CONSULTANT agrees to include with all subcontractors in their subcontracts the same requirements and provisions of this agreement including the indemnity and insurance requirements to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by

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<sup>1</sup> Note: Professional liability insurance coverage is not required if the CONSULTANT is not providing a service regulated by the state. (Examples of service providers regulated by the state are insurance agents, professional engineers, doctors, certified public accountants, lawyers, etc.) Please check and initial the following if professional liability is **NOT** required for this agreement.  Recommended \_\_\_\_\_ [Project Manager]  Approved \_\_\_\_\_ [Risk Manager]



CONSULTANT shall agree to be bound to CONSULTANT and AUTHORITY in the same manner and to the same extent as CONSULTANT is bound to AUTHORITY under this Agreement and its accompanying documents. Subcontractors shall further agree to include these same provisions with any sub-subcontractors. A copy of the indemnity and insurance provisions of this Agreement will be furnished to the Subcontractor upon request. CONSULTANT shall require all subcontractors to provide a valid certificate of insurance and the required endorsements included in the subcontract agreement and will provide proof of compliance to the AUTHORITY prior to commencement of any work by the subcontractor.

Concurrently with the execution of this Agreement, CONSULTANT shall, on the Insurance Coverage form provided in Exhibit C, or equivalent, furnish AUTHORITY with certificates and copies of information or declaration pages of the insurance required hereunder and, with respect to evidence of commercial general liability and automobile liability insurance coverage, original endorsements:

- (a) Precluding cancellation or reduction in per occurrence limits before the expiration of thirty (30) days (10 days for nonpayment) after AUTHORITY shall have received written notification of cancellation in coverage or reduction in per occurrence limits by first class mail;
- (b) Naming the South Bayside Waste Management Authority, its officers, boards, employees, and agents, as additional insureds; and
- (c) Providing that CONSULTANT's insurance coverage shall be primary insurance with respect to South Bayside Waste Management Authority, its officers, boards, employees, and agents, and any insurance or self-insurance maintained by AUTHORITY for itself, its officers, boards, employees, and agents shall be in excess of CONSULTANT's insurance and not contributory with it. CONSULTANT and its insurer may not seek contribution from AUTHORITY's insurance or self-insurance.

The limits of insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of AUTHORITY, to the extent required by this Agreement, before the AUTHORITY's insurance or self-insurance may be called upon to protect AUTHORITY as a named Insured.

All self-insured retentions (SIR) must be disclosed to AUTHORITY for approval and shall not reduce the limits of liability coverage. Policies containing and SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named CONSULTANT/Named Insured or AUTHORITY.

AUTHORITY reserves the right to obtain a full certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Any and all Subcontractors shall agree to be bound to CONSULTANT and AUTHORITY in the same manner and to the same extent as CONSULTANT is bound to AUTHORITY under this Agreement. Subcontractors shall further agree to include the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, in any agreement with sub-subcontractors to the extent that they apply to the scope of the sub-subcontractor's work. A copy of the indemnity and insurance provisions of this Agreement shall be furnished to any subcontractor upon request.

CONSULTANT shall maintain insurance as required by this Agreement to the fullest amount allowed by law and shall maintain insurance for a minimum of five (5) years following completion of this project or service. In the event CONSULTANT fails to obtain or maintain completed operations coverage as required by this Agreement, the AUTHORITY at its sole discretion may purchase the coverage required and the cost will be paid by CONSULTANT.

13. WORKERS' COMPENSATION. CONSULTANT certifies that he is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and CONSULTANT certifies that he will comply with such provisions before commencing the performance of the work of this agreement.
14. NON-DISCRIMINATION. The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The CONSULTANT will take affirmative action to ensure that applicants are employed and the employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, advancement, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT shall at all times be in compliance with the requirements of the Federal Americans With Disabilities Act (Public Law 101-336) which prohibits discrimination on the basis of disability by public entities. The CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the AUTHORITY setting forth the provisions of this non-discrimination clause.
15. Notice. All notices required by this Agreement shall be given to the AUTHORITY and CONSULTANT in writing, by first class mail, postage prepaid, addressed as follows:

AUTHORITY: Rethink Waste  
610 Elm Street, Suite 202  
San Carlos, CA 94070  
Attention: Julia Au, Outreach & Comms Mnger  
Grant Ligon, Management Analyst III

CONSULTANT: **Lahlouh Inc**  
Matt Burris  
1649 Adrian Road  
Phone: (650) 692-6600  
Email: Matt.Burris@lahlough.com

16. Non-Assignment. This Agreement is not assignable either in whole or in part.
17. Amendments. This Agreement may be amended or modified only by written agreement signed by both parties.
18. Validity. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
19. Governing Law. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in the County of San Mateo, California. In the event of litigation between the parties hereto to enforce any provision of the Agreement, the unsuccessful party will pay the reasonable attorney's fees and expenses of litigation of the successful party.
20. Mediation. Should any dispute arise out of this Agreement, the parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the parties. If a mediated settlement is reached neither party shall be deemed the prevailing party for purposes of the settlement and each party shall bear its own legal costs.
21. Conflict of Interest. VENDOR may serve other clients, but none that would place VENDOR in a "conflict of interest" as that term is defined in State law.
22. Entire Agreement. This Agreement, including Exhibits A, B, and C, comprises the entire Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written by their respective officers duly authorized in that behalf.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

Dated: \_\_\_\_\_

\_\_\_\_\_  
Joe La Mariana, Executive Director

ATTEST:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Cyndi Urman, Board Secretary

APPROVED AS TO FORM

Dated: \_\_\_\_\_

\_\_\_\_\_  
Jean Savaree, Legal Counsel

CONSULTANT

Dated: \_\_\_\_\_

\_\_\_\_\_  
Matt Burris, Account Executive





1649 Adrian Road  
 Burlingame CA 94010  
 650-692-6600: T  
 650-692-7272: F  
 Matt.Burris@lahlouh.com  
 August 7, 2019 Est# 176362/176389  
 jau@rethinkwaste.org  
 650-802-3501

**Proposal For: Julia Au, Rethink Waste**

<b>Title</b>	Mailing - August 2019
<b>Description</b>	Print/Mail
<b>Details</b>	
<b>Size</b>	Letter): 8.5" x 14" to 8.5" x 3.5"   Envelope: #10 (no window)   Postcard: 3.25" x 9"
<b>Ink</b>	Letter, Postcard: 4CP   2S <b>Bleeds:</b> Bleeds throughout Envelope: 4CP   1S (envelope face only)
<b>Paper</b>	Letter: 50# Smooth Opaque   Postcard: 100# Smooth Opaque Cover Envelope: 24# White Wove
<b>Proofs</b>	PDF + Epson + Dylux
<b>Furnished</b>	-
<b>Finishing</b>	Trim, score/fold letter, fugitive glue letter, insert letter into #10 envelope with letter and postcard inkjet names/address and prepare for drop to USPS
<b>Packaging</b>	Presort in bins and palletize
<b>Freight</b>	FOB Origin Freight Additional   TBA
<b>Terms</b>	COD. Terms are Net-30 after approval of credit. Total cost of job (net total of print, postage and data) is not to exceed \$100k.

(+/- 0%) <b>Quantity</b>	<b>95,000</b>
Price	\$27,162.00
Each	\$0.2859
Estimated Postage:	\$24,035.00
Data (\$0.005/rec):	\$475.00
<b>TOTAL COST:</b>	<b>\$51,672.00</b>
<b>TOTAL UNIT COST:</b>	<b>\$0.5439</b>

Thank you,

Matt Burris  
 Lahlouh, Inc.

Accepted by: Julia Au for Rethink Waste  \_\_\_\_\_ Date \_\_\_\_\_

Terms of sale: Net 30 The attached terms & conditions are a material part of this quotation and include a limited warranty, disclaimers of warranties, and a limitation of customer's damages and remedies. Acceptance of this offer shall include acceptance of all of the terms & conditions. All applicable taxes will be added to the prices herein. Prices are subject to change based on availability of materials, press time and current price of paper. Record # MB-77318

**EXHIBIT B (Sample Invoice)**

Items highlighted yellow must be included on the invoice for approval format of invoice is just a sample

**INVOICE**

Your Company Name  
Address  
City State Zip  
Phone Number

Date:  
Project Number:  
Invoice Number:

RethinkWaste  
Attn: Project Manager  
610 Elm Street, Suite 202  
San Carlos, CA 94070

SBWMA Project: Project Title Purchase Order Number: PO Number  
Invoice for Professional Services from 1/1/15 to 1/31/15

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**TASK 1 TITLE/Description**

Professional Personnel:	Hours:	Rate:	Amount:
John Doe	1.5	\$200.00	\$300.00
Jane Smith	1.0	\$100.00	\$100.00
<b>TOTALS:</b>	<b>2.0</b>		<b>\$400.00</b>

**TOTAL THIS TASK: \$400**

**TASK 2 TITLE/Description**

Professional Personnel:	Hours:	Rate:	Amount:
John Doe	3.0	\$200.00	\$600.00
<b>TOTALS:</b>	<b>3.0</b>		<b>\$600.00</b>

**TOTAL THIS TASK: \$600.00**

**TOTAL THIS INVOICE \$1,000.00**

**BILLING LIMITS:**

Total Contract Amount		\$10,000.00
Prior Invoices	0%	\$0.00
Current Contract Balance	100%	\$10,000.00
<b>This Invoice</b>	<b>10%</b>	<b>\$1,000.00</b>
Contract Balance	90%	\$9,000.00

## EXHIBIT C

### INSURANCE FORMS

CONSULTANT shall provide, in addition to the Certificates of Insurance, original Endorsement affecting the coverages specified in Section 12 - INSURANCE of the Agreement on the attached form. No substitute form will be accepted.

#### **ATTACHED**

1. Insurance Coverage Form



**This INSURANCE COVERAGE FORM modifies or documents insurance provided under the following:**

Named Insured: \_\_\_\_\_ Effective Work Date(s): \_\_\_\_\_

Description of Work/Locations/Vehicles: \_\_\_\_\_

**ADDITIONAL INSURED:** **South Bayside Waste Management Authority (SBWMA)**  
**610 Elm Street Suite 202, San Carlos, CA 94070**  
**Attention:** \_\_\_\_\_  
**Contract Administrator**

<b>Endorsement and Certificates of Insurance Required</b> The Additional Insured, its elected or appointed officers, officials, employees and volunteers are included as insureds with regard to damages and defense of claims arising from: (Check all that apply)	<b>Insurer</b>	<b>Policy No.</b>
<input type="checkbox"/> <b>General Liability:</b> (a) activities performed by or on behalf of the Named Insured, (b) products and completed operations of the Named Insured, (c) premises owned, leased occupied or used by the Named Insured, and/or (d) permits issued for operations performed by the Named Insured. {Note: MEETS OR EXCEEDS ISO Form # CG 20 10 11 85}		
<input type="checkbox"/> <b>Auto Liability:</b> the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Named Insured, regardless of whether liability is attributable to the Named Insured or a combination of the Named Insured and the Additional Insured, its elected or appointed officers, officials, employees or volunteers.		
<input type="checkbox"/> <b>Other:</b>		
<b>Certificates of Insurance Required (no endorsement needed) (Check all that apply)</b>	<b>Insurer</b>	<b>Policy No.</b>
<input type="checkbox"/> <b>Workers Compensation:</b> work performed by employees of the Named Insured while those employees are engaged in work under the simultaneous directions and control of the Named Insured and the Additional Insured.		
<input type="checkbox"/> <b>Professional Liability:</b>		

**PRIMARY/NON-CONTRIBUTORY:** This insurance is primary and is not additional to or contributing with any other insurance carried by or for the benefit of Additional Insureds.

**SEVERABILITY OF INTEREST:** The insurance afforded by this policy applies separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limit of liability.

**PROVISIONS REGARDING THE INSURED'S DUTIES AFTER ACCIDENT OR LOSS:** Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Additional Insured, its elected or appointed officers, officials, employees, or volunteers.

**CANCELLATION NOTICE.** The insurance afforded by this policy shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice (ten (10) days if canceled due to non-payment) by regular mail return receipt requested has been given to the Additional Insured. Such notice shall be addressed as shown above.

**WAIVER OF SUBROGATION:** The insurer(s) named above agree to waive all rights of subrogation against the CITY, its elected or appointed officers, officials, agents, volunteers and employees for losses paid under the terms of this policy which arise from work performed by the Named Insured for the CITY.

**Nothing herein contained shall vary, alter or extend any provision or condition of the Policy other than as above stated.**

**SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER**

I, \_\_\_\_\_ (print/type name), warrant that I have authority to bind the above-named insurance company and by my signature hereon do so bind this company.

\_\_\_\_\_  
**SIGNATURE OF AUTHORIZED REPRESENTATIVE (original signature required)**

**ORGANIZATION:** \_\_\_\_\_ **TITLE:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**TELEPHONE:** ( ) \_\_\_\_\_ **DATE ISSUED:** \_\_\_\_\_



## STAFF REPORT

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To: SBWMA Board Members  
From: Hilary Gans Senior Facility and Contracts Manger  
Date: September 26, 2019 Board of Directors Meeting  
Subject: Resolution Approving Change Order #1 for \$8,126 to MRF Debris Roll Screen Replacement and Installation Contract with BHS to include Prevailing Wage

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### Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2019-48 attached hereto authorizing the following action: **Resolution Approving Change Order #1 for \$8,126 to MRF Debris Roll Screen Replacement and Installation Contract with BHS to include Prevailing Wage.**

### Summary

In June 27, 2019, the board approved a contract with BHS, Inc. for the supply parts and installation for MRF sort system screen wear parts replacement. The approved contract was quoted at non-prevailing wage. Change order #1 for \$8,126 cover the cost difference between prevailing and non-prevailing wage.

### Analysis

As a public agency, the SBWMA is required to pay Prevailing wage on projects at Shoreway. The cost delta for the project owed to the contractor for completing the work at prevailing wage is \$8,126.

### Background

The Board approved a contract with BHS that was inadvertently priced using non-prevailing wage rates. The board approved a total contract amount of \$87,420 (\$71,198 for parts and a competitive bid for installation from Titus Services \$16,222).

### Fiscal Impact

This cost is a routine replacement part for the MRF sort system and, as such, is eligible to be paid for out of the SBWMA Equipment Replacement Reserve account which has a balance of \$1,397,514.

### Attachments:

Resolution 2019-48



## RESOLUTION NO. 2019-48

### RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS RESOLUTION APPROVING CHANGE ORDER #1 FOR \$8,126 TO MRF DEBRIS ROLL SCREEN REPLACEMENT AND INSTALLATION CONTRACT WITH BHS TO INCLUDE PREVAILING WAGE.

**WHEREAS**, there is a need to repair the glass Debris Roll Screen (DRS) to continue good operation and high performance of the MRF Sort System,

**WHEREAS**, the installation contractor, Titus quoted and was paid at not prevailing wage for the installation but paid prevailing wage to the install workers,

**WHEREAS**, the cost difference between prevailing and non-prevailing wage for the install is \$8,126.

**NOW, THEREFORE BE IT RESOLVED** that the South Bayside Waste Management Authority hereby approves **Resolution Approving Change Order #1 for \$8,126 to MRF Debris Roll Screen Replacement and Installation Contract with BHS to include Prevailing Wage.**

**PASSED AND ADOPTED** by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 26<sup>th</sup> day of September 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. 2019-48 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on September 26, 2019.

ATTEST:

\_\_\_\_\_  
Jess E (Jay) Benton, Chairperson of SBWMA

\_\_\_\_\_  
Cyndi Urman, Clerk of the Board

## STAFF REPORT

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To: SBWMA Board Members  
From: Joe La Mariana, Executive Director  
Date: September 26, 2019 Board of Directors Meeting  
Subject: Resolution Approving Amendment Number One to the Professional Services Agreement with HF&H Consultants for SB1383 Strategic Planning Assistance

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### Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2019-49 attached hereto authorizing the following action: **Approving Amendment Number One to the Professional Services Agreement with HF&H Consultants for SB1383 Strategic Planning Assistance**

### Background

The SBWMA Board approved a Professional Services Agreement with HF&H on April 25, 2019 for SB 1383 compliance planning services for \$49,980. This scope of work included assessing baseline conditions, evaluating potential solutions, and developing and presenting a SB 1383 Action to the SBWMA Board.

### Analysis.

SBWMA Staff and HF&H have been working through the compliance analysis and planning tasks over the past few months. During this time, Staff has concluded that the SB 1383 regulations and anticipated program and policy changes that will be required of the SBWMA and Member Agencies are substantial and warrant engagement with SBWMA committees and additional education of and input from the SBWMA Board. To accomplish this additional engagement, Staff recommends having HF&H prepare meeting materials for four committee meetings (TAC, Zero Waste, Finance, and Public Education committees) and two Board meetings, attend two meetings in person, and participate in three meetings by phone (their attendance is not needed at one meeting).

This additional effort, which was not anticipated in the original scope of work included in HF&H's current Professional Services agreement for this assignment, is estimated to cost \$27,674. Board approval is being requested to amend HF&H's April 23, 2019 Professional Services Agreement for SB 1383 compliance planning to include this additional scope, increasing the current budget amount of \$49,980 to \$77,654.

### Fiscal Impact

The new proposal is for \$77,654. The FY19/20 Budget includes adequate funding to address this amount.

### Attachments:

Resolution 2019-49

Exhibit A: Amendment Number One to the Professional Services Agreement with HF&H Consultants for SB 1383 Strategic Planning Assistance



## RESOLUTION NO. 2019-49

### RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS APPROVING AMENDMENT NUMBER ONE TO THE PROFESSIONAL SERVICES AGREEMENT WITH HF&H CONSULTANTS FOR SB1383 STRATEGIC PLANNING ASSISTANCE

**WHEREAS**, in the South Bayside Waste Management Authority (SBWMA) has contracted with HF&H Consultants to provide an assessment of baseline conditions, evaluation of potential solutions and develop and present a SB 1383 Action Plan; and

**WHEREAS**, HF&H's current contract is \$49,980; and

**WHEREAS**, HF&H has provided a cost estimate for additional services to provide appropriate and necessary meeting materials to in the amount of \$27,674 for 140 hours of time not original planned in the proposal to directly engage SBWMA committees in the mandated SB1383 program requirements; and

**NOW, THEREFORE BE IT RESOLVED** that the South Bayside Waste Management Authority hereby approves a Resolution Approving Amendment Number One with HF&H Consultants for SB 1383 Strategic Planning Assistance for an additional \$27,674 for a total contract amount of \$77,654.

**PASSED AND ADOPTED** by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 26<sup>th</sup> day of September, 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. 2019-49 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on September 26, 2019.

ATTEST:

\_\_\_\_\_  
Jess E (Jay) Benton, Chairperson of SBWMA

\_\_\_\_\_  
Cyndi Urman, Clerk of the Board

**FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY AND HF&H CONSULTANTS**

This document constitutes the first Amendment to the Agreement for Professional Services entered into as of the 26<sup>th</sup> day of April 2019 by and between the South Bayside Waste Management Authority, hereinafter “SBWMA”, and HF&H Consultants, hereinafter “Consultant”.

**RECITALS**

This first Amendment is entered into with reference to the following facts and circumstances:

WHEREAS, on April 26, 2019, SBWMA and Consultant entered into an Agreement for Professional Services to assist with SB1383 Compliance Planning and

WHEREAS, Consultant has indicated that the scope of work needs to be revised as per the additional scope of work enumerated Exhibit A; and

WHEREAS, the Agreement for Professional Services is hereby amended to reflect the additional scope of work.

Based upon the foregoing Recitals SBWMA and Consultant agree to the following terms:

I. Section 1. **Services**, shall be amended to read as follows:

**1. Services**

The services to be performed by Consultant under this Agreement shall include those enumerated in Exhibit A.

II. Section 2. **Compensation**, shall be amended to read as follows:

**3. Compensation**

Payment authorized by this amendment shall not exceed **\$27,674** for a total contract not to exceed amount of **\$77,654**.

C. All other terms and conditions of the Agreement for Professional Services shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this first Amendment to be executed on the date first above written by their respective officers duly authorized in that behalf.

SOUTH BAYSIDE WASTE MANAGEMENT  
AUTHORITY:

\_\_\_\_\_  
Joe La Mariana, Executive Director

DATED: \_\_\_\_\_, 2019

APPROVED AS TO FORM:

\_\_\_\_\_  
Jean B. Savaree, SBWMA Attorney

DATED: \_\_\_\_\_, 2019

CONSULTANT:

By: \_\_\_\_\_  
Rob Hilton, CMC President

DATED: \_\_\_\_\_, 2019

NOTICE TO PROCEED

By: \_\_\_\_\_  
Cyndi Urman, Board Secretary

DATED: \_\_\_\_\_, 2019





EXHIBIT A (Scope of work)

**SBWMA SB 1383 Action Plan  
Estimated Cost for Committee Meetings**

Task	Description					Total Hours	Proposed Cost
		R Hilton \$290	T Swanborn \$250	A Griffith \$130	K Erwin \$120		
<b>1</b>	<b>Board Meeting - Information item only (target September 2019)</b>						
A	Prepare information item only (2-4 pages)	1	12	2	0	15	\$ 3,550
	Subtotal	1	12	2	0	15	\$ 3,550
<b>2</b>	<b>TAC Committee (target November 2019)</b>						
A	Prepare presentation	2	9	16	2	29	\$ 5,150
B	Attend meeting	6	0	0	0	6	\$ 1,740
C	Travel expenses (mileage + toll)						\$ 62
	Subtotal	8	9	16	2	35	\$ 6,952
<b>3</b>	<b>Board Meeting - Interim Action Plan Update (target November 2019)</b>						
A	Prepare presentation	2	9	16	2	29	\$ 5,150
B	Attend meeting	2	0	0	0	2	\$ 580
C	Travel expenses (mileage + toll) - Not applicable						\$ 62
	Subtotal	4	9	16	2	31	\$ 5,792
<b>4</b>	<b>Finance Committee (target January 2019)</b>						
A	Prepare presentation	2	7	12	2	23	\$ 4,130
B	Participate in meeting by phone	2	0	0	0	2	\$ 580
	Subtotal	4	7	12	2	25	\$ 4,710
<b>5</b>	<b>ZW Committee (TBD)</b>						
A	Prepare presentation	1	7	8	2	18	\$ 3,320
B	Participate in meeting by phone	2	0	0	0	2	\$ 580
	Subtotal	3	7	8	2	20	\$ 3,900
<b>6</b>	<b>Education and Outreach Committee (TBD)</b>						
A	Prepare presentation	1	4	6	1	12	\$ 2,190
B	Participate in meeting by phone	2	0	0	0	2	\$ 580
	Subtotal	3	4	6	1	14	\$ 2,770
<b>Total</b>	<b>Total for All Tasks</b>	<b>23</b>	<b>48</b>	<b>60</b>	<b>9</b>	<b>140</b>	<b>\$ 27,674</b>

Notes:

- 1 If meetings can be scheduled on the same day or on the day of a Board meeting being attended by HF&H, actual costs will be less.
- 2 Budget anticipates some customization of the presentations for each committee meeting, with much reliance on the presentation developed for the first meeting (TAC meeting). If the presentations are materially the same, actual costs will be less than shown.
- 3 If SBWMA does not request a presentation for the TAC meeting, the costs associated with preparation of presentations for one of the other committee meetings may be higher than shown.
- 4 If the SBWMA does not approve the contract amendment that covers the above Board meeting targeted for September 2019, HF&H will reallocate the budget in Task 3c of HF&H's April 26, 2019 Professional Services Agreement to this effort. If the amendment is approved, HF&H will adjust the Task 3c budget after approval of the additional Board meeting covered under Item 1 above.



## STAFF REPORT

**To:** SBWMA Board Members  
**From:** John Mangini, Senior Finance Manager  
**Date:** September 26, 2019 Board of Directors Meeting  
**Subject:** Approval of Quarterly Investment Report for the Quarter Ended June 30, 2019

### Recommendation

It is recommended that the SBWMA Board review and accept the Quarterly Investment Report.

### Analysis

The primary objective of the Investment Policy for the SBWMA is safety of principal, while meeting the cash flow needs of the Authority, through prudent investment of unexpended cash. As of June 30, 2019, the investment portfolio was in compliance with the Investment Policy. The portfolio contains sufficient liquidity to meet the next six months of expected expenditures by the Authority as well as by other third parties.

### Fiscal Impact

The attached Investment Portfolio Summary indicates that as of June 30, 2019, funds in the amount of \$23,495,590 were invested, producing a weighted average yield of 1.95%.

Below is a summary of the changes from the last quarter.

	<b>Qtr Ended 6/30/19</b>	<b>Qtr Ended 3/31/19</b>	<b>Increase (Decrease)</b>
Total Portfolio	\$ 23,495,590	\$ 21,331,305	\$ 2,164,285
Weighted Average Return	1.95%	1.98%	-0.03%
Interest/Dividends Earnings	\$ 132,361	\$ 133,096	\$ (735)

The total quarter-end portfolio balance increased by \$2,164,285 when compared with the previous quarter. The increase was primarily due to transfers of excess operating cash into the investment portfolio and transfers of the required monthly debt service amounts into the bond accounts. Total interest and dividend earnings were almost the same as the previous quarter.

A table comparison of the portfolio components is provided below:

	<b>6/30/2019 Balance</b>	<b>% of Total</b>	<b>3/31/2019 Balance</b>	<b>% of Total</b>	<b>Change over Prior Quarter</b>
SM County Pool	\$ 5,261,667	22%	\$ 5,230,212	25%	\$ 31,455
LAIF	11,623,054	50%	10,553,938	49%	1,069,116
Bond Accounts	6,610,869	28%	5,547,155	26%	1,063,714
<b>Total Portfolio</b>	<b>\$ 23,495,590</b>	<b>100%</b>	<b>\$ 21,331,305</b>	<b>100%</b>	<b>\$ 2,164,285</b>

Note: There may be minor differences in totals as individual amounts are rounded to the nearest dollar

Due to arbitrage restrictions, bond investments are not included in our LAIF rate or investment pool comparison. As of June 30, 2019, the bond reserve and payment accounts of approximately \$6.6 million were invested with the trustee in short-term investments.

As of June 30, 2019, investments in the County Investment Pool totaled 31% of SBWMA's funds available for investment pools (see Attachment 1). The percentage is within the range specified by the SBWMA Board.

The average yield of the portfolio in the quarter excluding the bond proceeds was 2.51%. LAIF is used as a benchmark and the average LAIF yield for the quarter ending June 30, 2019, was 2.57%. The San Mateo County Pool average yield for the quarter was 2.38%.

The Investment Advisory Committee, consisting of Jeff Maltbie, City Manager of San Carlos; Michael Galvin, City Treasurer for San Carlos; and Rebecca Mendenhall, Administrative Services Director of San Carlos, have reviewed this report before presentation to the Board. NOTE: This is the City San Carlos' final investment quarterly report for these services. Effective July 1<sup>st</sup>, 2019, these services have transitioned to the City of Redwood City's Finance department.

#### Attachments

- A. Summary of All Investments for Quarter Ending June 30, 2019
- B. Investment Portfolio 6/30/2019 - Chart
- C. Historical Summary of Investment Portfolio

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY**

**SUMMARY OF ALL INVESTMENTS**

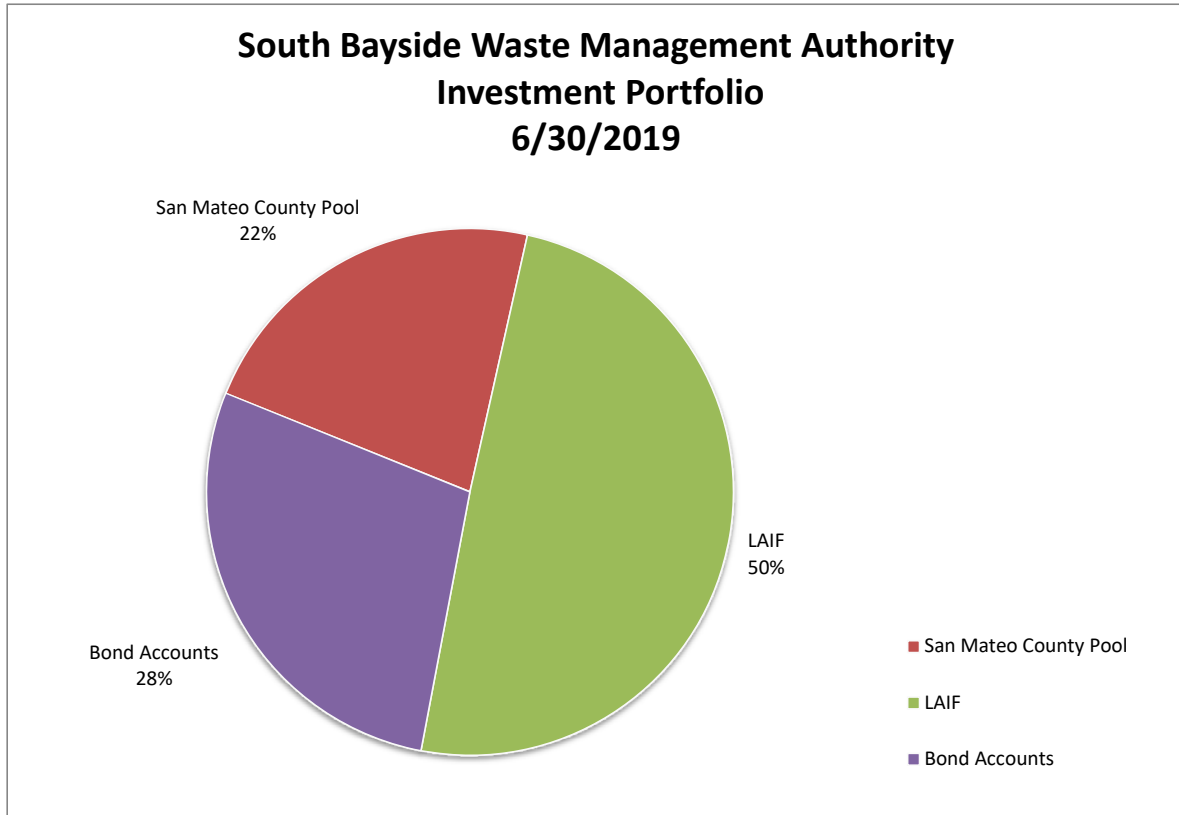
For Quarter Ending June 30, 2019

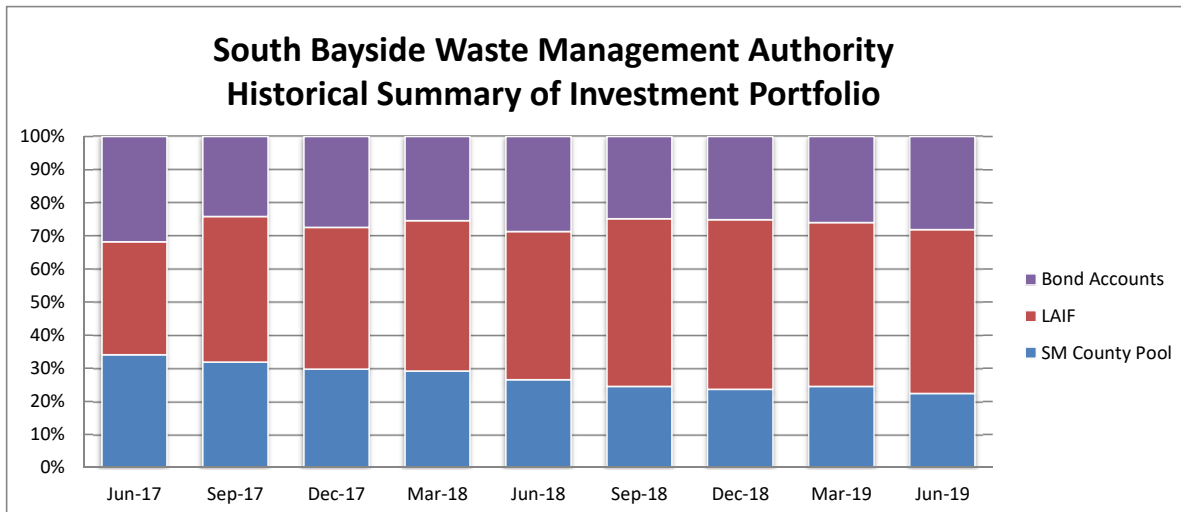
Category	Weighted Average Return	Historical Book Value	% of Portfolio	GASB 31 ADJ Market Value*	Interest/ Dividend Earned
<b>Liquid Investments:</b>					
San Mateo County Investment Pool (COPOOL)	2.38%	\$ 5,261,667	31%	\$ 5,275,348	\$ 31,280
Local Agency Investment Fund (LAIF)	2.57%	11,623,054	69%	11,642,950	68,491
<b>Total - Investments</b>	<b>2.51%</b>	<b>16,884,721</b>	<b>100.00%</b>	<b>16,918,298</b>	<b>99,771</b>
<b>Bond Accounts - Cash with Fiscal Agents</b>					
BNY Western Trust - Blackrock Treasury Trust Instl 62 2009A Reserve Fund Account	0.57%	4,216,279		4,216,279	24,115
BNY Western Trust - Blackrock Treasury Trust Instl 62 2009A Payment Fund Account	0.41%	2,394,590		2,394,590	8,475
<b>Total - Bond Accounts</b>	<b>0.51%</b>	<b>6,610,869</b>		<b>6,610,869</b>	<b>32,590</b>
<b>GRAND TOTAL OF PORTFOLIO</b>	<b>1.95%</b>	<b>\$ 23,495,590</b>		<b>\$ 23,529,167</b>	<b>\$ 132,361</b>
<b>Total Interest/ Dividend Earned This Quarter</b>				<b>132,361</b>	
<b>Total Interest/ Dividend Earned Fiscal Year-to-Date</b>				<b>492,298</b>	

**Note: SBWMA Board approved the following investment mix at its January 22, 2015 meeting:**

LAIF - 50% to 70%  
COPOOL - 30% to 50%

\*Difference in value between Historical Value and Market Value may be due to timing of purchase. Investments in the investment pools may have been purchased when interest rates were lower or higher than the end date of this report. As interest rates increase or decrease, the value of the investment pools will decrease or increase accordingly. However, interest rate fluctuations does not have any impact to SBWMA's balance in the investment pools. The market values are presented as a reference only.





**South Bayside Waste Management Authority Portfolio**

	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
SM County Pool	6,821,606	6,141,927	6,160,258	6,178,931	5,950,328	4,677,171	5,453,401	5,230,212	5,261,667
LAIF	6,843,909	8,458,145	8,882,011	9,657,438	10,043,712	9,683,992	11,840,565	10,553,938	11,623,054
Bond Accounts	6,364,259	4,663,531	5,704,703	5,401,411	6,452,737	4,742,350	5,798,255	5,547,155	6,610,869
<b>Grand Total</b>	<b>\$ 20,029,774</b>	<b>\$ 19,263,603</b>	<b>\$ 20,746,972</b>	<b>\$ 21,237,780</b>	<b>\$ 22,446,777</b>	<b>\$ 19,103,513</b>	<b>\$ 23,092,221</b>	<b>\$ 21,331,305</b>	<b>\$ 23,495,590</b>