



A Public Agency

EXECUTIVE DIRECTOR'S REPORT

STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: March 26, 2020 Board of Directors Meeting
Subject: Executive Director's Report

Staff and Agency partners continue to be hard at work supporting numerous critical path projects, programs, and facility initiatives in these changing and unprecedented times. Here are highlights:

1. Administration & Finance:

a. Calendar Year Financials

Sr. Finance Manager, John Mangini, continues to work diligently on a transition plan from our longstanding July 1-June 30 fiscal year format to a traditional calendar year (January 1-December 31) format. Staff will present a transition workplan for Finance Committee review on May 12th. It's anticipated that this plan will be presented for Board approval in May.

2. Committee Updates:

a. Finance Committee Meeting (no meeting held)

The next Finance Committee meeting has been moved from April 14 to May 12 due to COVID-19 health protocols.

b. Legislative/Regulatory Committee (March 10th -- Executive Committee Mtg)

Staff continues to work closely with Agency lobbyists, EEC, on Agency co-sponsored AB 1509 (Mullin) with co-sponsors, the State, and other key stakeholders including industry opposition on finding common ground on the scope of the bill to ensure passage of the bill at its next committee hearing in the State Senate.

At the strong suggestion of our legislative advocate, EEC, staff initiated the creation of a Bay Area Solid Waste Legislative Coalition consisting of eight (8) other regional JPAs/public solid waste agencies. Our strategy is to leverage the Bay Area solid waste industry's regional voice on legislative and regulatory issues of significance. Primary support has been provided by my counterparts at the follow public organizations which collectively represent over 50 communities:

1. StopWaste (Alameda County)
2. Monterey Regional Waste Management District
3. Salinas Valley Solid Waste Authority
4. Sonoma County Waste Management Agency
5. County of Santa Cruz

Additional public agencies are actively considering their participation in this important coalition. I expect to report out on this initiative at future meetings.

Agenda item 9A provides details of legislative activities EEC is currently working on for us and the list of current bills the Agency is tracking.

c. **Pub Ed/Outreach Subcommittee** (March 6th)

The Pub Ed and Outreach Subcommittee met to discuss the content for the 2021-2023 Public Education and Recycling Technical Assistance Plan as required by the Member Agency's Franchise Agreements. Staff will work on a first draft over the next few months in conjunction with Recology and the Subcommittee with the intent of providing a final Plan at the September or November Board meeting for approval.

d. **Technical Advisory Committee** (no meeting held)

e. **Zero Waste Committee** (no meeting held)

3. **Collection and Recycling Program Support and Compliance:**

a. **Town of Atherton**

On March 18, the Town of Atherton (Atherton) approved the "Authorization to Execute a Notice of Intent (NOI) to Withdraw from the SBWMA." letter to the Executive Director. (agenda item #16 - <http://www.ci.atherton.ca.us/Archive.aspx?ADID=3302>). The town's Solid Waste Subcommittee, comprised of Board Member Bill Widmer and Council Member Cary Wiest recommended to their Council that the Town should begin negotiations in earnest simultaneously with Green Waste Recovery (GWR) to obtain the most favorable franchise operational costs and with the SBWMA to quantify their exit costs from the SBWMA Joint Powers Authority. Atherton's current Franchise Agreement with Recology expires on December 31, 2020 and would need to be in contract with GWR prior to this date. Atherton also retains the option to sign the Restated and Amended Recology Franchise Agreement up to December 31, 2035.

This action is not unexpected. In anticipation of this action, the SBWMA's Executive Committee, Staff and Legal team have reviewed possible JPA exit steps necessary for Atherton to fulfil its financial obligations. Final exit cost calculations require a simple majority amongst the member agencies. Atherton also requires a 4/5s vote by the (presumed) remaining 11 member agencies authorizing (or 10 of 11). Upon formal receipt of the Atherton NOI letter, discussion between the SBWMA and Atherton will commence to determine process and timing.

b. **Community Outreach and Environmental Education**

i. **Shoreway Facility Tours**

All Shoreway Facility Tours have been cancelled through April 2020, including the planned Shoreway Tours: Weekend Edition to have been held the first weekend in April.

ii. **Trash to Art Contest Deadline Extended**

SBWMA Staff has extended the deadline for its annual Trash to Art contest to May 8 at Noon.

iii. **CalRecycle's Electronic Annual Reporting: RFQ for Technical Support Services**

In February, Staff released a RFQ for CalRecycle Electronic Annual Reports services on behalf of the Agency's ten cities and towns. This RFQ closed March 6. These reports are required by annually by the state that summarizes each jurisdiction's progress in reducing solid waste as required by California State Law. The SBWMA provides support on behalf of the ten Member Agency cities and towns to prepare and submit EARs to CalRecycle. Staff asked three TAC members and Recology staff to assist in the review of submitted proposals-- Roxanne Murray (San Mateo), Adrian Lee (Redwood City), Tamara Shapero (San Carlos), Mia Rossi (Recology). The final firm selection and contract will be presented for Board consideration at the April meeting.

4. Shoreway Operations and Contract Management

a. SBR Compensations Adjustment Request

On February 12th 2020, SBR senior management presented the SBWMA with the detailed documents to support their initial request made on January 10th, 2020. Led by Sr. Finance Manager, John Mangini, Staff is currently completing our review of this complex and highly nuanced request. The total value of the requested adjustment is \$1.6M including, if approved, a retroactive adjustment going back to XXXX.

b. Organics-to-Energy Project Update

The final punch list of items necessary to begin operation dwindles. With today's Board consideration and approval of two additional processing partner MOUs w/Silicon Valley Clean Water and the City of South San Francisco at today's meeting (item 7A), two items must be completed prior to full operation of the pilot—installation of the fire suppression system and final technical training by Anaergia. The fifth and final planned MOU (The City of Sunnyvale) for this pilot is expected to be presented for Board consideration in April.

c. MRF Upgrades – Phase I

Installation work at the MRF began on March 6th and is planned to be completed in late summer. BHS' technical contractor, Titus, is now on site working from 6pm to 6am Tuesdays through Fridays, and 24 hours a day every Saturday and Sunday. There are several planned dates that we cannot operate the MRF. Our blue cart recyclables will be temporarily redirected to other local MRF's on these dates. An RFP for these services is being managed by Sr. Management Analyst, Grant Ligon. **Please note that Public Works projects are explicitly exempt from the SMC Health Officer's "Shelter-in-place" order.**

d. Recology Fleet transition: Evaluation of Alternative fuels in new fleet

Staff and Recology continue to evaluate renewable diesel, electric, and biogas as viable fueling options for the future fleet of 144 collection vehicles. Currently, the collection fleet is using renewable diesel as its fuel source. With productivity and performance improvements, electric looks extremely promising. More information and analysis to follow.

Respectfully submitted,



Joe La Mariana
Executive Director