



A Public Agency

EXECUTIVE DIRECTOR'S REPORT

STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: June 23, 2022 Board of Directors Meeting
Subject: Executive Director's Report

Staff and Agency partners continue to be hard at work supporting numerous projects, programs, and facility initiatives. Here are the highlights:

1. **COVID-19 Status Updates:**

The SBWMA and its primary partners continue to take extreme measures to protect our colleagues while continue to provide high quality services.

a. **Recology San Mateo County**

Staff is working collaboratively with Recology's new senior management team on a variety of priority projects as defined by the Franchise Agreement terms and mandated compliance programs.

Staff and Recology management remain committed to defining the future scope and operational needs required to achieve full SB 1383 compliance for our member agencies. Challenging discussions lie ahead in negotiating costs and the implementation timeline. Staff will provide periodic progress reports at future board meetings.

b. **South Bay Recycling (SBR) Operations**

Staff is working collaboratively with SBR's senior management team on a variety of priority projects as defined by the Operating Agreement terms and mandated compliance programs.

Staff wishes to acknowledge SBR General Manager, Dwight Herring, for his leadership in establishing a new 1383-mandated materials sampling program and technical protocols with strong support from Recology's Chris Gibson and our designated Local Enforcement Agent, Allen Chiu from San Mateo County's Environmental Health Department. Many thanks, folks

c. **SBWMA Administrative Program Staff Ops:**

Staff began hybrid in-person work the week of May 2. Staff continues to work from home most days of the week and when needed, at Shoreway.

2. Administration & Finance:

a. Staffing Update

We welcomed our new Environmental Education Coordinator Reyna Ocegüera on May 27. She has hit the ground running learning all about our Tours and In-Schools Programs. We're really excited to have Reyna on board as a member of the Environmental Education Team.

b. Mid-Year Budget

The Mid-Year Budget for FY2022 shows a net favorable balance of \$1.8 million which is \$.7 million higher than the Approved FY2022 Budget. The variance to the Adopted Budget is mainly due to: 1) \$.4 million revenue increase from the sale of commodity revenue 2) Lower disposal and processing cost of \$176K due to the actual Ox Mountain disposal tonnages being lower than the Adopted Budget projection, 3) SBR compensation is lower by \$128k mainly due lower projected recycling tonnage, and 4) A favorable reassessment of SB 1383 implementation cost of \$232K.

c. Shoreway Property Insurance Renewal

Property insurance renewal premium for the coverage period of July 1, 2022 to June 30, 2023 is anticipated to be approximately \$2.1M, which is a 24% increase over the previous coverage year. The insurance industry continues to experience increased risk in our class of business which has resulted in higher premiums to secure coverage. Many carriers continue declining to quote on our class of business. At Finance Committee direction, staff and SBWMA insurance broker, Risk Strategies, will conduct a cost/benefit analysis to evaluate self-insurance options for future consideration due to serious concern about escalating coverage premiums and limited available carriers.

d. Operations Agreement RFQ Update

Staff and consultants have concluded the Phase 1 proposal evaluation process by conducting site visits of the proposers' facilities, reference and regulatory checks, and clarification meetings with each shortlisted proposer to discuss proposal clarification items and key contract exceptions. The Ad Hoc Board Selection Committee Meeting met again on June 1, 2022 and is comprised of SBWMA Board Chair Aguirre, Vice Chair Bonilla, Board Member Taylor, Board Member Froomin, staff and consultants. The Committee determined that the shortlisted proposers are qualified companies and presented responsive proposals; therefore, both proposers are recommended to advance to Phase 2 parallel negotiations process. More under agenda item 7E.

e. Site Optimization Study Update

The Site Optimization RFP kick-off meeting occurred at the Shoreway Environmental Center on May 16, 2022. There were 20 participants, including staff, consultants, legal counsel (ADCL), South Bay Recycling, Recology, SCS Engineers (SCS) and subconsultants from MBW, Cambridge, RRT, RS, Cambridge. The meeting was led by project lead, consultant Rob Kalkbrenner. The meeting was followed by two days of Shoreway facility site visits to observe operations. Staff provided information and documentation that was requested by the SCS team. The SCS team continues their technical review and evaluation of the site conditions and needs and leading input sessions at the Committee level, including attending the Public Education and Outreach (6/2) and TAC (6/9) Committees.

f. **Update on Hybrid Board Meetings**

Since the April Board Meeting, when direction was given to staff to investigate a robust hybrid meeting solution for the Board and Committee meetings, we have had one virtual and one in-person meeting with an A/V company that can furnish the equipment needed to provide a portable hybrid meeting solution for Board and Committee meetings. They are in the process of providing pricing and equipment options, but due to constraints on availability on the part of both parties and the meeting room space to visualize SBWMA needs, a quote will not be available in time for the Board meeting. Staff will have an update with pricing at the September Board meeting.

3. Committee Updates:

a. **Finance Committee Meeting** (June 14)

The Finance Committee met to discuss a number of items, including the audited FY2021 financial statements, the FY2022 Mid-Year Budget Adjustments and Tip Fee Projections and provided guidance on the Policy Year 2022/23 property insurance premium quotes and reviewing future alternatives. The Committee also heard from Recology San Mateo County on their proposed SB 1383 compliance workplan, and its compensation and resources request.

b. **Legislative Committee** (June 6)

The Legislative Committee met to discuss the Agency's three co-sponsored bills – SB 1215 (Newman)/SB 2440 (Irwin) the safe battery disposal bills and AB 1985 (R. Rivas) that will tackle the SB 1383 procurement requirements. A mid-session update will be provided at today's meeting under agenda item 8A.

c. **Pub Ed/Outreach Committee** (June 2)

The Pub Ed and Outreach Committee met to discuss input and feedback on new methods to expand outreach to the general public and at schools through collaboration and new opportunities. The Committee also discussed potential future outreach needs as it relates to the Site Optimization Study with the extended SCS consulting project team.

d. **Technical Advisory Committee** (June 9)

The TAC Committee met to hear and discuss updates to SB 1383 implementation, AB 1826 compliance, and discussed the needs to Committee members as it relates to the Agency's Site Optimization Study with the extended SCS consulting project team.

e. **Zero Waste Committee** (next meeting July 28)

4. Collection and Recycling Program Support and Compliance:

a. **SB 1383 Update**

SCS Engineers launched their SB 1383 Outreach and Education Services to subscribe commercial generators to composting service after developing working protocols in partnership with Recology and SBWMA. In the first month, SCS Engineers have contacted 142 customers and subscribed 70 new generators so far.

Recyclist, the SB 1383 program tracker, has now completed the "jurisdiction level access" feature for the tool. This feature will allow each Member Agency to access their own generator data, SB 1383 compliance status, upload required SB 1383 documentation, and run reports. In June, the SBWMA will host an onboarding training with Recyclist for Member Agency staff.

SBWMA received a Recology San Mateo County SB 1383 Work Plan. The Work Plan details a high-level summary of compensation and resources outlined by Recology and the SBWMA asked Recology to present the Work Plan at the June 14 Finance Committee Meeting.

Staff, SBR, and a subcontractor have also worked during June to complete the second (Q-2) CalRecycle SB1383 sampling.

b. Community Outreach and Environmental Education

i. Environmental Education (EE) Program Update

The EE Team worked with several schools this spring for the In-Schools Program. In April, the team spent a week leading bin monitoring during lunch times at Henry Ford Elementary in Redwood City. After two years, the team was thrilled to host their first in-person assembly with College Park Elementary in San Mateo for their Earth Day celebration!

In addition to the in-person assembly and virtual Earth Day presentations, the EE team was invited to table at two schools during campus Earth Day events. Staff shared information about agency services and programs with students and families, encouraging them to practice waste reduction beyond Earth Month!

In June, custodians and green champions from Foster City, San Mateo, East Palo Alto, and Redwood City were recognized for their essential, daily efforts and work supporting the implementation of the RethinkWaste In-Schools Program.

ii. Public Spaces Program Update

In the last two months, RethinkWaste staff continued waste audits at two Belmont locations. Staff is also working on updating receptacle signage in downtown Redwood City as well as Twin Pines Park and Barrett Community Center in Belmont. Staff has also been planning 'pop-up' tabling events around parks and public areas in the service area to answer sorting questions and draw attention to bin signage in public spaces. The most recent pilot pop up tabling was at Washington Park in Burlingame in May, utilizing interactive posters to engage with park visitors. Additionally, staff provided the Burlingame Parks staff a tour of the Shoreway Environmental Center to give them a hands-on look at what happens at the Transfer Station and MRF and emphasize the importance of proper sorting.

iii. Shoreway Tours

After much preparation and practice, the return of in-person Shoreway tours kicked-off with the first in-person Public Tour on April 7th! New health and safety measures have been implemented to accommodate COVID-19 considerations. Staff plans to slowly introduce more in-person offerings as staff gains experience with in-person tours and the new COVID-related procedures are solidified. Virtual tours of the Shoreway Environmental Center continue to be offered to schools, businesses, and members of the general public on a regular basis.

Staff has slowly started re-introducing in-person tours of the Shoreway Environmental Center. Since April, staff has successfully hosted nine in-person tours, including special in-person tours for members of the Solid Waste Association of North American (SWANA), San Mateo

Rotary Club, and Burlingame Parks and Recreation Department. The team has also continued to offer tours to businesses and classes virtually.

This summer, staff will plan and prepare for in-person tours for classes in the fall. In the meantime, the team wrapped up the school year with nine virtual school tours in late April through end of May.

iv. **Trash to Art Update**

The agency hosted its 10th annual Trash to Art Contest, which was open to all 3rd through 5th grade students in the RethinkWaste service area. After reviewing the creative submissions, the team selected individual and class winners from Menlo Park, Foster City, San Mateo, Burlingame, San Carlos, and Belmont. Several Board Members joined staff in celebrating the contest winners at a virtual celebration on May 4.

v. **Pub Ed and Outreach Program Update**
Outreach Campaigns

The Public Education and Outreach team is currently in the process of a Compost Campaign focusing on proper composting to multi-family residents. In collaboration with Gigantic Ideas Studio, Recology, and RethinkWaste staff, a poster, doorhanger, and video were created. The video can be viewed on the RethinkWaste YouTube channel, and will run as an ad on YouTube, Facebook, Instagram, and Google Search Ads beginning in mid-June. You can view the video in multiple languages via this link: <https://bit.ly/3Qjr4c6>. Doorhangers and posters will be disseminated to multi-family properties and their residents as well.



Single-Family Guide Mailing

Staff in collaboration with Recology recently updated the Single-Family Service Guide that includes new SB 1383 messaging. The service guide mailings are progressing over a nine-week period and so far, a little over 49,300 service guides have gone out to single-family residents. Staff is currently updating the multi-family service guide, which will begin mailing in July.



Community Events and Upcoming Webinar – June 29 at 5:30 p.m.

Staff continues to increase visibility in the community through community in-person tabling events. Since late April, staff has conducted five in-person tabling events in the member agencies of Belmont, Hillsborough, East Palo Alto, Redwood City, and San Mateo.

The next RethinkWaste virtual webinar is on June 29, in preparation of Plastic Free July. The event will spotlight a local San Mateo creative reuse artist that makes art and jewelry out of

aluminum cans and black plastic. Registration for the event can be accessed via this link: | <https://bit.ly/RethinkerSpotlight062922>

5. Shoreway Operations and Contract Management

a. General Facility Updates

Recology administration staff is planning to return to work in July. During the last 2-years, SBR has been utilizing the administrative staff parking lot (behind the transfer station building) for emergency bale storage when markets or shipping has congested the MRF building storage. After the parking lot is returned to employee parking use, there will be nowhere onsite for emergency bale storage. Inadequate on-site parking and emergency storage are significant planning priorities that are being reviewed and extensively evaluated by the Site Optimization Study contractor, SCS Engineers.

b. Organics-to-Energy (O2E) Project

The O2E System has been running consistently and delivering three-loads per day of food waste slurry local wastewater treatment plants (Silicon Valley Clean Water and Central Marin Sanitary Authority). As additional food waste tons are collected through the 1383 compliance program, the O2E System's operational hours will be expanded to Saturdays.

c. Shoreway Facility Projects

Pending Board approval of the MRF and Recology Truck Shop building roof replacement projects, construction will commence this summer with the goal of project completion prior to the fall rain season. The Shoreway fuel tank replacement project has been conceptually scoped and will now go to engineers for detail design and creation of a bid-set of drawings. Staff hopes to bring this project for bid-release approval at the November 2022 Board meeting.

Respectfully submitted,



Joe La Mariana
Executive Director