



A Public Agency

EXECUTIVE DIRECTOR'S REPORT

STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: September 22, 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. Contractor Updates:

a. Recology San Mateo County (Recology)

Recology resumed their on-site office-based staff operations on Monday, September 12th. Staff continues important discussions to properly scope their projected 1383 collection services that are anticipated for the agency to comply with 1383 mandates. These discussions will progress through this fall and are anticipated to be presented for Board consideration in October or November. Costs for these services during this remaining 18 month rollout (and beyond) will not be an add-on to the current Contractor's Compensation Application ("Comp Apps") process for this year but, with Board approval, these costs will be tucked into the annual Comp App review process in Rate Year 2024 and beyond.

Recology has also requested reimbursement for two categories of COVID-related expenses incurred during the current comp App period that are addressed in agenda #9A.

b. South Bay Recycling (SBR) Operations

SBR has successfully completed two quarters of materials sampling to maintain the agency's mandated 1383 compliance for these services. SBR's team deserves special acknowledgement for their efforts in working w/CalRecycle and our Local Enforcement Agency (LEA), as well as our Recycling and Compliance Manager, Tj Carter. Staff will continue to work closely with SBR to ensure that these services are performed on a quarterly basis in the future, as required by law.

Important note: Staff and SBR are working closely with CalRecycle staff to establish approved 1383 sampling protocols for our Organics-to-Energy operations.

2. Administration & Finance:

a. SBWMA's Administrative Office Lease

The City of San Carlos recently advise Staff that the lease of our administrative office space in the San Carlos library building will be extended through June 30, 2024, but no further. Senior staff and

myself will be working the next year in finding a suitable new location for our administrative offices with a long range goal of siting these services at the Shoreway facility. This will now be a significant planning consideration during the Site Optimization Study and the subsequent future iterations of this Shoreway site planning process.

b. Staffing Update

This September we bid farewell to Environmental Education Fellow Raquel Asi. She has taken a position with Republic Services Fairfield as a Recycling Coordinator. We have all greatly enjoyed working with Raquel the last year and we wish her the best of luck as she progresses in her career. We hope to open an Environmental Education Fellow position this month and on-board a new Fellow later this Fall. Staff is thrilled that the four remaining current fellows have all signed extension letters to remain with our team.

c. Contractor Compensation Application Adjustments

Recology San Mateo County's Rate Year 2023 Contractor's Compensation is \$68,158,392, which is an increase of \$3,011,647 (4.6% increase from prior year). South Bay Recycling's Rate Year 2023 Contractor's Compensation is increasing by 6.5%. Both increases are driven by the contractual indices that are relevant to their operations. As you might imagine, fuel prices were a major factor in these proposed adjustments. All factors have been reviewed in detail by Staff and independently by industry expert RRS. Big shout out to SBWMA Sr. Finance Manager for his extraordinary technical leadership in managing this important process each year!

d. Operations Agreement RFQ Update

Staff and consultants began the Phase 2 parallel negotiations process earlier this summer. Four rounds of negotiation meetings have been completed for each proposer, for a total of eight meetings. Modifications to the Operations Agreement have been made to balance risk and proposers have submitted revised cost proposals reflecting the modifications discussed during the negotiation meetings. Revised cost proposals continue to show a large increase over current costs. Negotiations are still in progress and final costs will be received in October 2022. The Ad Hoc Board Selection Committee Meeting met for the third (and final) time on August 24, 2022 and provided input on the negotiations process and key Operations Agreement modifications. This committee consists of SBWMA Board Members Alicia Aguirre (Chair); Rick Bonilla (Vice Chair); Cecilia Taylor; and Jon Froomin. More under agenda item 10B.

e. Site Optimization Study Update

Since the kick-off meeting on May 16, 2022, the SCS team continued their technical review and evaluation of the site conditions and needs, including seeking input from key stakeholders of the Shoreway Environmental Center, such as Recology and SBR, and leading discussions with the City of San Carlos and County of San Mateo to pursue expanding the operations to adjacent or nearby sites. The SCS team evaluated multiple draft-level site layout options and presented three options to the SBWMA Technical Advisory Committee (TAC) on September 8, 2022. TAC feedback will be factored into a revised presentation to the Board during the FY2023 Budget/CIP study session on October 27th. A final findings and recommendations technical report will be presented for Board acceptance at the November 17th Board meeting.

f. **Update on Hybrid Board Meetings**

At the direction of the Board at the April 2022 meeting, staff has been looking at hybrid meeting options. On today's agenda items 8A and 8B the board will discuss options. **Staff recommends the board move all Brown-acted board and committee meetings to a hybrid meeting model beginning on October 27** to accommodate the technical requirements needed to host hybrid meetings. Additionally, **staff recommends moving the location of just the Board meetings to the Silicon Valley Clean Water (SVCW) administrative offices and change the start time to 3 p.m. (to 5 p.m.) rather than our current 2-4 p.m. time slots** to accommodate SVCW operational activities. SVCW's facility is located 3 miles due east of our Shoreway facility off Redwood Shores Road. Remember that Redwood Shores Road is known as Holly Street on the west side of Highway 101. The exact address is at the end of Radio Road in Redwood Shores—please allow extra time the first time your first time to this venue. Staff and stakeholders are strongly encouraged to carpool to provide parking availability for the Board. NOTE: Staff is including an on-site conference room in the Shoreway facility future planning.

Staff would like to recognize SVCW Executive Director Teresa Herrera and her team for their gracious accommodation of our agency's need for meeting space during this transition period.

3. **Committee Updates:**

a. **Finance Committee Meeting** (September 13)

The Finance Committee met to hear and discuss the possibility of creating a Captive property insurance.

b. **Legislative Committee** (August 29)

The Legislative Committee met to discuss the Agency's three co-sponsored bills – SB 1215 (Newman), SB 2440 (Irwin), and AB 1985 (R. Rivas). All three bills are now at the Governor's desk for approval. More legislative updates are under agenda item 12A.

c. **Pub Ed/Outreach Committee** (no meeting held)

d. **Technical Advisory Committee** (September 8)

The TAC Committee met to discuss Recology and SBR's compensation applications and received an update on SB 1383 implementation. The TAC Committee also received a presentation from SCS Engineers on the Site Optimization Study design options.

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

The Zero Waste Committee met to have an input session about the Site Optimization Study, receive an update on the underground fuel storage tank replacement project and discuss the EV Fleet Transition.

4. **Media and Press**

I was recently interviewed for a Wall Street Journal article about the recyclability of polypropylene plastic (commonly known as #5 plastic). You can find the article here:

<https://www.wsj.com/articles/your-yogurt-tub-says-widely-recyclablebut-is-it-being-recycled-11660729184>

Also this summer, Senior Program Manager Julia Au was featured on a Bay Area podcast called “Keeping it Cool” for an episode called “Beyond the Pail” talking about composting. You can listen to the episode here: <http://keepingitcool.libsyn.com/beyond-the-pail>

5. Collection and Recycling Program Support and Compliance:

a. SB 1383 Update

SBWMA staff and SCS Engineers on behalf of SBWMA, and Recology have made substantial progress towards AB 1826 and SB 1383 compliance. **Over 800 new organics accounts have been started since the beginning of the year.** This joint partnership has utilized many outreach strategies including letters, phone calls, and on-site visits to connect with non-compliant generators. Kudos to all that have delivered these terrific results. More hard work follows but this is a commendable effort by all involved!

SB 1383 also requires jurisdictions to conduct annual contamination monitoring of all three containers to keep the organics waste stream clean. SCS Engineers will conduct this review through inspections of randomly selected containers on each collection route for solid waste, recyclable materials, and organic materials. SCS Engineers is set to begin the contamination monitoring process in October 2022. Additionally, SCS Engineers will educate accounts that were identified to have contamination about proper sorting of materials and consequences for future contamination and maintain records pursuant to the reporting requirements of SB 1383 regulations. The SBWMA recognizes that there may be privacy concerns related to monitoring of containers and has identified a number of protocols to increase safety and trust in the community during contamination monitoring. This includes SCS team members wearing vests and name tags and carrying letters detailing the contamination monitoring efforts on behalf of the jurisdiction. SBWMA staff have compiled a list of Member Agency staff to contact ahead of the reviews in that jurisdiction.

As previously noted in this report, SBWMA received Recology San Mateo County’s proposed SB 1383 Work Plan. The Work Plan details a high-level summary of compensation and resources outlined by Recology. The SBWMA is asking Recology to present further compensation details for the Work Plan at the October 18, 2022 Finance Committee Meeting. More detailed information about SB 1383 updates in agenda item 12B.

b. Community Outreach and Environmental Education

i. Environmental Education (EE) Program Update

The EE Team has been hard at work with summer celebrating our Trash to Art winners at city council recognition ceremonies, partnering with the San Mateo Community College District to host custodial training session for three campuses, and presenting at the annual California Resource Recovery Association conference about our school programs.

This Fall, the EE Team will contact schools participating in the In-Schools Program to offer refresher waste education while continuing to evaluate and revamp educational offerings, including updating educational videos, school bin signage, waste-related games, lesson plans and presentation content.

ii. **Public Spaces Program Update**

In the last two months, the RethinkWaste Public Spaces team wrapped up 40 waste audits in Belmont. In addition, staff updated the receptacle signage for 27 compost, recycling, and garbage enclosures to be placed in upcoming months at Twin Pines Park and Barrett Community Center in Belmont. Staff also designed and printed additional receptacle signage that will be placed on bins missing signage in downtown Redwood City.

iii. **Shoreway Tours**

Virtual and in-person tours of the Shoreway Environmental Center continued to be offered to schools, businesses, and members of the general public over the summer! COVID-19 health and safety measures were updated to match contractor's policies. Since June 2022, staff successfully hosted eight in-person tours and seven virtual tours, including special in-person tours for employees of Impossible Foods and Google. Public tour offerings were increased over the summer months and better aligned with operation hours to ensure participants view the facilities while machinery is running. In-person tour participants have shared great appreciation for the chance to experience our facility in-person.

In-person school tours are currently being reformatted to best accommodate student and staff health and safety with hopes of re-launching this Fall.

iv. **Poster Contest**

The agency's annual Poster Contest for all 3rd through 5th graders in the RethinkWaste service area opened on Thursday, September 1. This year's theme is "Everyday Upcycling," and submissions are due Friday, October 7th, 2022.

[Please visit RethinkWaste.org/PosterContest for more information and help us spread the word in your jurisdiction's news channels!](https://www.rethinkwaste.org/postercontest)

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

The Public Education and Outreach team completed a Compost Campaign focused on proper composting among multi-family residents. Preliminary results showed over 100,000 views of our composting video. That amount is a combined total of the viewed English, Spanish, and Cantonese-translated videos. Additionally, staff collaborated with Recology for the dissemination of over 600 doorhangers across the service area. The ad campaign will continue to run until the end of September.

Multi-Family Service Guide Mailings

Staff in collaboration with Recology recently updated the Multi-Family Service Guide with new SB 1383 messaging. The service guide was mailed out over a five-week period from August to mid-September, with nearly 57,000 service guides reaching the homes of multi-family residents.



Community Events

Staff continued this summer to increase visibility in the community through community in-person tabling events. Since late June, staff conducted six in-person tabling events in the member agencies of Hillsborough, East Palo Alto, Menlo Park, Redwood City, and San Mateo where we spoke to over 350 households about composting, recycling and proper sorting.

Rethink Recycling Days

The agency's annual Rethink Recycling Day is coming up in October, with both in-person and virtual events being offered to the community. Staff is excited to welcome community members at the Shoreway Environmental Center for in-person tours, a kid's workshop held at the San Carlos Library, and a virtual soap-making workshop. For more information, visit rethinkwaste.org/2022rrd.

6. Shoreway Operations and Contract Management

a. Shoreway Maintenance Building Roof Replacement Project

This project was completed on time and under budget. I know that Recology's operational team is looking forward to a dry work environment this winter! Many thanks to Sr. Facility Engineer Matt Southworth for his management of this project.

b. MRF Roof Replacement Project

At the June 23, 2022 Board Meeting, the Board of Directors directed staff to reject all bids for the MRF Roof Replacement Project. At this meeting, an Ad Hoc Subcommittee was formed composed of Vice Chair Bonilla, Board members McCune and Rak, who were asked to work with staff to rebid the project. It was directed that the Ad Hoc Subcommittee review staff's determination regarding the lowest responsive and responsible bidder once the project was rebid and to thereafter authorize a contract with the lowest responsive and responsible bidder so as to complete the repair before the rainy season of 2022. The project was rebid in August 2022 after staff consultation with the Ad Hoc Subcommittee and two bids were received. Staff evaluated the submitted bids and determined the lowest responsive and responsible bidder was Pacific Polymers, Inc. DBA American Foam Experts, for a total bid amount of \$55,610. The Ad Hoc Subcommittee agreed with this staff determination and approved the contract on August 26, 2022. The SBWMA will reserve a 10% contingency in the amount of \$5,561 to be administered by the Executive Director as appropriate.

Respectfully submitted,



Joe La Mariana
Executive Director