



A Public Agency

EXECUTIVE DIRECTOR'S REPORT

STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: January 26, 2023 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)

The recent three weeks of extreme storms had significant impacts on Recology collection operations but, ultimately, all routes were covered. I'd like to acknowledge the entire Recology team for their strong dedication and extensive operational expertise during these extraordinary storms and extreme weather events. The Recology team and management shined brightly during these wet, windy, and relentless storms. Kudos to all.

See Shoreway section for additional site flooding information.

b. South Bay Recycling (SBR) Operations

General Manager Dwight Herring exited the SBR organization on November 23, 2022. In the interim, site coverage responsibilities were handled by Recology General Manager Evan Boyd.

On January 9, 2023, SBR welcomed a new General Manager - Phil Couchee - who will report to Mr. Boyd through the duration of the SBR Operations Agreement contract that expires on December 31, 2023. Mr. Couchee has a distinguished history of operations management with Recology.

2. Administration & Finance:

a. Captive Insurance Program—Technical/Financial Evaluation Continues

At the January 10th SBWMA Finance Committee meeting, the agency's insurance broker, Risk Strategies, gave a detailed follow up presentation on Captive insurance program (Captive) to explore the cost/benefit analysis and feasibility of creating a Captive with the goal of controlling the continued escalation of property insurance costs. This topic has been discussed extensively at previous Finance Committee meetings and direction was provided to Staff during those conversations. The Finance Committee provided guidance to staff to proceed with this item at the Board level. Staff intends to bring this item to the Board for consideration at its February Meeting. A Captive is a form of self-

insurance where a separate entity is created. With a Captive, a reserve fund is established that becomes an agency asset. If necessary, the Captive can provide important recovery funding should a loss incident occur. The Captive entity is an insurance company controlled by the parent organization and an important aspect of being an insurance company is the ability to purchase coverage on the re-insurance market.

b. **Staffing**

On December 4, 2022, Jayden Hanan started as a new Environmental Education Fellow with the agency. She is a recent graduate from UC Berkeley in Society and Environment. On January 6, 2023, Public Spaces Fellow Daphny Pan left the agency for a new position with the City of San Jose. The agency currently has two vacant Fellow positions and we're actively recruiting for both open positions. Please help us spread the word about these positions by referring interested candidates to:

rethinkwaste.org/jobs.

3. **Committee Updates:**

a. **Finance Committee Meeting** (January 10)

The Finance Committee reviewed the SBWMA Investment Policy for 2023, Green Bond status, and Investment Fund. The committee was also given a presentation on creating a Captive Insurance Plan and provided guidance to staff on how to proceed. The next meeting is June 10. With Board acceptance of today's item 7A (*Acceptance of SCS Engineer's Findings and Recommendations in their Shoreway Site Optimization Final Report*), the Finance Committee will, with technical support of KNN Public Finance, be convened to review the financial feasibility of these potential capital improvements on the Shoreway site in the future.

b. **Legislative Committee** (December 5)

The Legislative Committee reviewed and discussed the 2023-2024 Legislative and Regulatory Platform for approval at today's Board meeting. Committee members also discussed 2023 legislative and regulatory priorities. The next meeting is February 6.

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

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

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

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

a. **SB 1383 Update**

Recology and SB 1383

Staff has re-engaged Recology in negotiations to include SB 1383 services that are currently being completed by SCS Engineers. Staff will work with Recology to bring a proposal for cost and scope to the Finance Committee, Technical Advisory Committee, and Board of Directors this Spring for possible integration into the Annual Contractor's Compensation Application process.

Collection Compliance

In 2022, roughly 1,700 generators were brought into compliance with SB 1383 from the collective efforts of the SBWMA, SCS Engineers, Recology, and Member Agencies. Of those 1,700 generators, about 1,100 received a Green Cart/Bin while the remaining generators were approved for a 5-year waiver from services due to physical space constraints and low organic volume generation.

Route Review

The SBWMA, SCS Engineers, and Blue Strike Environmental, with support from Recology, completed the first annual SB 1383-required contamination monitoring route reviews from 10/30-11/4. Data collected from the route reviews will help inform the SBWMA about contamination issues on specific routes in each Member Agency, including what materials are incorrectly found in each bin. Highlights of the route review report are included in agenda item 9A - SB 1383 Compliance Update Staff Report.

b. Community Outreach and Environmental Education

i. Winter Outreach

A Fall/Winter Rethinker newsletter was mailed to all residents in apartments and condominiums, accounting for over 60,000 households. The Rethinker issue contained information about SB 1383 and how it may affect their household, moving out and food saving tips, and steps for holiday tree collection. For proper holiday tree collection, staff sent out outreach toolkits to Member Agency staff for their media outlets and sent out information through bill inserts to all Member Agencies, including direct mail postcards to Member Agencies that do not get billed through Recology.

ii. In-Schools Program Update

Throughout fall 2022, the Environmental Education team revisited schools to provide refresher waste education to schools that participated in the RethinkWaste In-Schools Program in previous years. The team spent a full week at both Park School Elementary (San Mateo) and Brittan Acres Elementary (San Carlos) supporting bin monitoring during lunch times and are scheduled to assist Heather Elementary's (San Carlos) green team with lunch bin monitoring at the end of January.

Additionally, RethinkWaste staff conducted assemblies at St. Charles School (San Carlos) and helped several San Carlos schools establish and train their green teams.

iii. Public Spaces Program Update

Staff led a presentation at Barrett Community Center in Belmont to discuss the importance of sorting and reducing waste at the community level. The six Barrett Community Center representatives in attendance will disseminate waste reduction methodologies and encourage proper sorting behavior change to more than 600 children in the upcoming months.

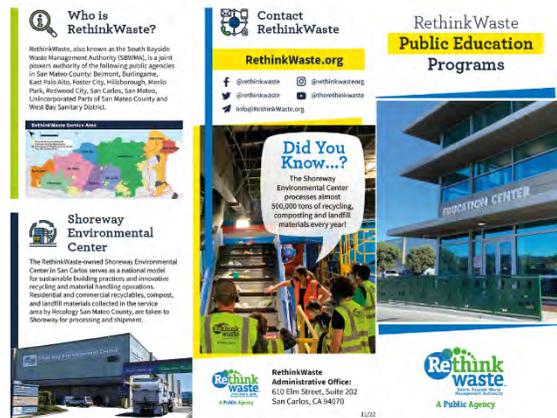
iv. Shoreway Tours

In-person tours for school groups returned in early November. Since this time, the RethinkWaste team has hosted four classes of students from cities including Belmont and San Mateo. Staff had an excellent time inspiring students to spread the message of sustainability and waste reduction!

Virtual and in-person business and organization tours have also continued. In January, staff from the San Mateo County Office of Education Superintendent Office and Recology San Bruno & San Mateo County visited the Shoreway Environmental Center for tours, as well as a special group that includes a former Foster City councilmember. Acterra's Young Professionals Group joined a virtual tour as part of the group's regular evening meetings.

To refresh the outdoor education area at Shoreway, the RethinkWaste team initiated an effort to re-plant the garden beds beginning in the summer. The planting was recently completed before the rainy season commenced and the new native plants are thriving!

- v. **Updated and New Outreach Materials**
Staff continued to refresh outdated outreach materials including the kitchen pail insert, recycling buddy bags and the accompanied insert. Staff also created a new brochure that highlights all of RethinkWaste's outreach and education programs offered to the public (image on right). The public education programs brochure includes information about who RethinkWaste is, tours of the Shoreway Environmental Center, promotion of free compost, and more.



5. Shoreway Operations and Contract Management

a. Shoreway Operations Transition Update

On November 17, 2022, the Board of Directors approved the Agreement for the Operation of the Shoreway Environmental Center with South Bayside Industries (SBI) starting January 1, 2024. Staff has confirmed that the conditions to effectiveness of the Agreement were satisfied by the required effective date of December 1, 2022. Staff and SBI met on December 19, 2022 to discuss the procurement of equipment and vehicles. Equipment and vehicles have been ordered and are expected to be delivered 2023 Q4. Staff plans to hold monthly transition planning meetings with SBI, the first one was held on January 5, 2023.

b. Highway 92 closure

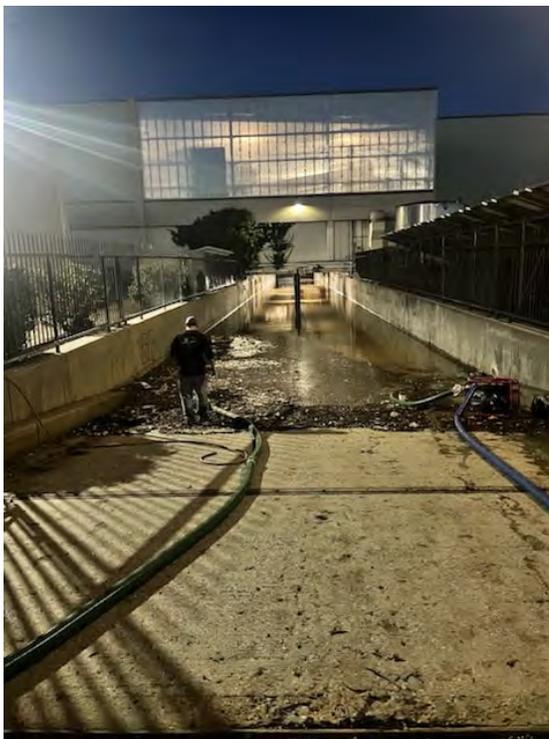
On January 12th the CHP closed Highway 92 between Skyline and Pilarcitos due road failure (sink hole). On Monday January 17th the road opened for one-lane traffic. This is the primary route for the 50 daily big rig loads of garbage hauled from Shoreway to Ox Mountain landfill. This issue has necessitated SBR long haul trucks to Ox Mountain landfill via Pacifica which has doubled the trip-time. The additional trip-time is impacting the ability of SBR to deliver garbage to the landfill and is backing up the Transfer Station to its maximum capacity. SBR has extended driver hours and is attempting to put additional trucks on the road. Staff will update the Board more about this topic at today's meeting.

c. Wet weather and flooding impacting Shoreway site and operations

Extreme flooding on Shoreway Road overflowed into the facility and completely filled the transfer station tunnel (first time in memory - see pics below) on December 31, 2022. This situation rendered the site inoperable, and required pumping with a large-capacity pump loaned to us by the City of Belmont DPW (thank you Belmont!!). Because this occurred over the New Year's weekend and the



Above: Flooding on Shoreway Road going north to the facility.
Below: Flooding leading into the Transfer Station tunnels.



situation was resolved by 15 hours of pumping and the site was fully operational and we were ready for business on Tuesday, January 3rd. As a result of this extraordinary collaboration between agency staff, Recology staff and the City of Belmont on New Year's Day, there were no delays caused to outbound waste transportation. Special thanks to Hilary Gans, Evan Boyd and his incredible team (Mike King, Robert Orique, Maricio, and the security person), TAC member Peter Brown (Belmont DPW Director) and his incredible team (Ryan, Sam and Tim)! It's a great feeling knowing we have such dedicated individuals helping keep our facility running even under the most threatening of circumstances.

During this extreme flooding event, the agency-owned Recology administrative building (located at 225 Shoreway Road) also incurred serious first floor flooding, and is now being restored under an Executive Director emergency status to expedite the repairs and get the Recology staff back to work as soon as possible. This structure also had roof leak damage. Flooring and dry wall repairs at 225 Shoreway are currently being completed.

During this series of severe storms, many recyclables collected by Recology were saturated and much of this paper does not, therefore, now meet market specifications and has unfortunately been disposed of. Staff is concerned about paper shipments being rejected by Asian paper mills due to excessive moisture; however, most of the fiber shipped from California during this period was in the same unmarketable condition.

d. **Organics-to-Energy Project**

The Organics to Energy project operations has been temporarily paused due to a persistent lack of food waste tonnage being collected by Recology's dedicated food waste routes. Recology is currently collecting less than 60 per ton/day and this volume is increasing at a slower rate than expected. The equipment and operations were planned at the pre-pandemic levels of 90-100 tons/per day throughput. At least 100 tons per day is needed to economically operate the equipment for a full shift. Staff is working with Recology to accelerate our return to these pre-pandemic volumes and resume these operations.

Respectfully submitted,



Joe La Mariana
Executive Director

Attachments:

Attachment A – 2022 Accomplishment Highlights



2022 RethinkWaste Accomplishment Highlights

Legislative

- All three of RethinkWaste's co-sponsored bills were signed into law by Governor Newsom. They are:
 - SB 1215 (Newman) Electronic Waste Recycling Act of 2003: covered battery-embedded products
 - AB 2440 (Irwin) Responsible Battery Recycling Act of 2022
 - AB 1985 (R. Rivas) Organic waste: recovered organic waste product procurement targets

Shoreway Environmental Center

- Completed Shoreway Operations Agreement RFQ process and selected SBI (aka ACI) as new operator of Shoreway starting January 1, 2024.
- Completed Transfer Station and MRF floor repairs and MRF and Maintenance Building roof replacements.
- Initiated the Shoreway underground storage tank replacement project—project scope/pre-planning phase.
- Finished fire permit renewal process and repairs by Walschon Fire Protection to comply with fire code and insurance renewal requirements.
- Refurbished MRF sort system pneumatic conveyance system

Public Education and Outreach

- Completed 22 tabling events in the RethinkWaste service area reaching over 830 households.
- Hosted four RethinkWaste-led events, including a webinar with City of East Palo Alto on proper sorting, a webinar spotlighting a local upcycling artist, Earth Day in-person tours and webinar, and Rethink Recycling Day virtual soap making workshop and in-person kids events. We had over 160 participants.
- Re-launched in-person Shoreway tours and hosted 25 tours for the general public, schools and businesses/organizations.
- Hosted 75 virtual tours of the Shoreway Environmental Center.
- Completed a new compost campaign focused on multi-family residents on how to compost correctly, that included creation of new videos and a poster and door hanger for residents.
- Updated and mailed single-family and multi-family service guides to all residents.
- Created a new Public Education Programs brochure.
- Conducted 40 waste audits in Belmont at the Barrett Community Center and Twin Pines Park.
- Created an informative video for park staff to teach them about proper sorting.
- Updated signage in the city of Burlingame and added signage to receptacles in front of Burlingame City Hall. Updated and printed signage for Belmont parks and ordered additional signage for downtown Redwood City.
- Presented to Burlingame parks staff and Belmont recreation leaders. In Belmont, the recreation leaders will in turn disseminate information to over the 600 children who visit the community center.

SB 1383

- 11 SB 1383 Initial Reports completed on behalf of Member Agencies.

- 10 Electronic Annual Reports/SB 1383 Annual Reports completed on behalf of Member Agencies.
- 3,222 containers inspected for contamination monitoring.
- ~1,700 generators brought into SB 1383 compliance.
- 2,300 generators individually contacted by SCS Engineers for Technical Assistance Outreach for SB 1383.

Environmental Education

- Provided 99 class presentations and assemblies as well as support with lunch bin monitoring at 19 schools in the service area.
- Delivered education and waste training to 5,680 students, custodians, staff, and administrators.
- Supported 5 green teams in the San Carlos School District with training and engagement
- Recognized custodians and green champions from Foster City, San Mateo, East Palo Alto, and Redwood City
- Re-designed and printed school bin signage for the compost, recycling, and landfill bins
- Developed original training videos containing SB 1383 information and education for school custodians and administrators
- Supported school compliance with SB 1383 through waste reduction and organic service level adjustments, including three organics service setups via Recology at three Redwood City School District campuses in Spring 2022