

**MINUTES**

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS**

April 27, 2023– 3:00 p.m.

San Mateo County Transit District Office, 1250 San Carlos, CA 94070

**Call to Order: 3:02 PM**

**1. Call to Order/Roll Call**

Agency	Present	Absent	Agency	Present	Absent
Belmont	X (3:43)		Redwood City	X	
Burlingame		X	San Carlos	X	
East Palo Alto	X (3:46)		San Mateo	X	
Foster City	X		County of San Mateo		X
Hillsborough	X		West Bay Sanitary District	X	
Menlo Park	X				

**2. Public Comment (Closed Session)**

Persons wishing to address the Board on matters NOT on the posted agenda may do so. Each speaker is limited to three 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. **Speakers may also submit comments via email prior to the meeting by sending those comments to [rethinker@rethinkwaste.org](mailto:rethinker@rethinkwaste.org).**

None

**3. Executive Director's Report**

Executive Director La Mariana welcomed all to the meeting and gave the following updates.

- There were two items in the packet that had updates. Agenda item 4C, the T3 contract that was attached to that staff report, now has a more complete scope of work and the revised contract is available as a handout today. Page 74 of the packet, the quarterly investment report, has the wrong date, it should be 12/31/2022.
- On Saturday, April 28 our staff will be hosting an Earth Day Event at Shoreway. The awards for the trash-to-art contest will be announced, and he invited Board Members and members of the community to join the event.
- The solar panels at Shoreway that are owned as part of a Power Purchase agreement need to be replaced, they are not as efficient as they were when first installed. That replacement project is currently happening at Shoreway, at no cost to the Agency.
- The SVCW piping project on Shoreway that has been going on for the last four years is now completed, there is a small completion project task remaining to repave and restripe part of Shoreway Road. That project is happening at the same time as the Earth Day event, so the roads will be down to one lane.

- The SBI transition continues, they are in discussion with JobTrain to take on the contract work that the VRS workers do currently, as the County is no longer interested in continuing that contract as of January.
- There is a piece of demonstration equipment that looks like a claw, currently being tested at the MRF that may replace the bulldozer, bucket method of moving recycled materials on to the conveyors. This would increase safety by not having bulldozers potentially drive over batteries on the floor and help the structural integrity of the floor last longer. If it does work, we will be asking SBI to include that in their equipment and operations list.
- On May 25<sup>th</sup> the Board Meeting will be the rescheduled retreat at Cañada College at 2PM.

#### 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 the Minutes from the February 23, 2023, Board of Directors Meeting
- Resolution Designating Agent to Act on Authority's Behalf For Applications for Public Assistance from the Federal Emergency Management Agency (FEMA) and the California Governor's Office of Emergency Services (Cal OES) Regarding Disaster and Emergency-Related Costs
- Resolution Approving a Contract with T3 Engineering not to exceed \$35,000 for MRF Phase II Equipment RFP Development
- Resolution Approving One-Year Contract with up to Two Additional Option years for a Not-to-Exceed Total Contract Value of \$120,000 with Ascent Environmental for Preparation of CalRecycle's Electronic Annual Reports for 10 SBWMA Member Agencies
- Adopt Resolution Continuing the Declaration of a Local Emergency Related to the Severe Wind and Rainstorms that Commenced on December 31, 2022
- Approval of Quarterly Investment Report for the Quarter Ended December 30, 2022

Motion/Second: Rak/Royse

Voice Vote: All in favor 7-0-0-4

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

#### 5. Administration and Finance

- Resolution Approving Updated Employee Policies and Benefits Plan

Executive Director La Mariana gave an overview of the staff report, noting there are two categories of amendments: changes in law, and a handful of policy changes.

Member Dehn asked if any holidays were deleted or was the Juneteenth holiday an additional holiday.

Executive Director La Mariana answered that the holiday has been added.

Member Royse asked if the changes caused any financial obligations to the Agency.

Executive Director La Mariana answered there are not material financial obligations associated with these changes.

Member Froomin noted that he would move approval with the addition of adding a due for review date to the document because 9 years was too long. He suggested 4 years as every 3-5 years is typical.

Motion/Second: Froomin/Dehn  
 Voice Vote: All in favor: 7-0-0-4

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

- B. Resolution Approving Appointments of one Board Member to the Legislative Committee, and one Board Member to the Public Education and Outreach Committee to fill 2023 Vacancies

The Board discussed this item at the end of the meeting after agenda item 8A after tabling it when Member Romero was present.

Executive Director La Mariana noted that there are two committees with vacancies - the Legislative Committee, and the Public Education and Outreach Committee. He noted that he has spoken with Warren Slocum and he has agreed to fill one open position on the Legislative Committee, but has not been successful in connecting with new Board Member Carlos Romero from East Palo Alto for the other open position. Once Carlos Romero was present the Board asked if he would be willing to serve on the Public Education and Outreach Committee.

Member Romero agreed to serve on the Public Education and Outreach Committee.

Motion/Second: Froomin/Romero  
 Voice Vote: All in favor: 7-0-0-4

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

**6. Collection and Recycling Program Support and Compliance**

- A. Resolution Approving Recology’s proposed expanded SB 1383 support services and estimated costs to be integrated into 2024 Contractor’s Compensation Application Process submitted on June 15, 2023

Staff Carter gave background of the SB 1383 requirements, the work SCS Engineers has been doing in support of these requirements for the first two years of these regulations, and the details of the Recology proposal to fulfill these requirements beginning in 2024.

Executive Director La Mariana clarified that the 3 new positions would be on the Recology side and not the SBWMA side. Two of those positions previously existed in the Franchise Agreement, but were removed, and now with the SB 1383 requirements more hands are needed to complete the work need to meet the requirements. Staff asked HF&H consulting to complete some analysis of the proposal and compare it to similar agencies in the state, and staff feels comfortable moving forward with this proposal.

Member Dehn asked overall what responsibilities of SB 1383 fall on the JPA versus the hauler.

Executive Director La Mariana answered that the compliance responsibility to meet the SB 1383 requirements ultimately falls on each individual Member Agencies. Through the planning and work plan implementation process the JPA signed memorandums of understanding with all the Member Agencies to provide them with technical assistance, so each Member Agency didn't have to hire their own SB 1383 staff, which is a very cost-effective outcome for the Member Agencies. The hauler needs additional resources to get the job done, that will keep the Member Agencies in compliance with SB 1383. He added that budget-wise with the addition of the three staff at Recology, it's pretty comparable to the annual cost being paid currently to SCS Engineers.

Staff Carter added that the main requirements of SB 1383 fall on the Member Agencies and then get disbursed to the JPA or Recology, but there is a whole other side of the requirements that the Agency is responsible for because we own the facility, and that is around contamination monitoring.

Member Dehn asked if the JPA would be providing reports on how each Member Agency is doing regarding compliance with SB 1383.

Executive Director La Mariana answered yes, there are many reports that are tracking this information. Recology provides monthly reports, and reports with the annual compensation application.

TJ Carter answered that in addition to the contractor reports CalRecycle requires an Electronic Annual Report by each Member Agency that is an extremely detailed look at how the Member Agencies are doing with SB 1383 compliance. The JPA has hired a consultant to complete the reports on behalf of each of the Member Agencies.

Member Royse noted that this proposal has already been reviewed by the Finance Committee, and he believes the recommendation for the additional staff makes sense. But he wanted to know what the total additional cost would be when routes were added and going forward year after year.

Executive Director La Mariana noted that this recommendation is for an additional 3 non-operational staff positions, but the projection also includes adding 5 additional operational routes going forward to meet SB 1383 requirements. Each projected added route is estimated to be \$432K annually, so if you extrapolate that out it would be about \$2M3 routes have been added already. He clarified that this discussion is specifically to approve the three positions that do not have a method for being included in the compensation application process.

Member Royse asked if the JPA's Member Agencies' costs are comparable to other jurisdictions in San Mateo County.

Executive Director La Mariana answered that he didn't know, but there is a rate survey each year included in the compensation application work and typically the Agency has been in the middle, and staff will continue to watch that rate survey as these SB 1383 costs become known.

Motion/Second: Royse/Froomin

Voice Vote: All in favor: 7-0-0-4

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

## 7. Shoreway Operations and Contract Management

- A. Renewal of License Agreement with Recology San Mateo County for Use of a Portion of SBWMA's Shoreway Environmental Center Property; Finding of California Environmental Quality Act exemption pursuant to Guideline 15301

Executive Director La Mariana gave an overview of the staff report noting that is the agreement that allows Recology to operate on the Shoreway site, the current agreement expires June 30, 2023, and approval would extend that agreement through the term of the Recology Franchise Agreements December 31, 2035.

Board Member Romero now present 3:46PM

Board Member McCune now present 3:43PM

Motion/Second: Loraine/Rak

Voice Vote: All in favor: 9-0-0-2

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

- B. Resolution Approving Bid Documents for the Underground Fuel Storage Tank Removal and Replacement Project

Staff Gans gave an overview of staff report noting that as of 2025 the underground storage tanks at Shoreway will be non-compliant because of a change in regulations. Tanks across the entire state of California need to be double walled and the Shoreway tanks are single walled. He noted that staff is trying to get ahead of this work as everyone in the state tries to commence this same type of work to help the bid situation and hopefully reduce costs. He also noted that an engineer's estimate just to remove the tanks was \$2.5M and there will be additional work associated with completing the project. There is a reserve of \$1.2M earmarked for this project, but it's clear that the project will exceed that reserve amount so the remainder will come out of uncommitted reserves. This item will come back to the board two times, once to approve the contract and award the bid, and then again shortly after to approve the purchase of the tanks.

Member Froomin asked if there is an opportunity to retrofit the existing tanks so that they would meet regulations. Secondly, he asked if the purchase of the tanks is separate, or part of these construction documents.

Staff Gans answered no because it has to be under a vacuum so the tanks could be coated, but it's not possible to create the space needed to create the vacuum. He also answered that he expected the purchase of the tanks to be a part of the contract, so that the liability for them stays with the contractor who installs them, and it would be part of the 20 year warranty the Agency is asking for with the contract.

Member McCune asked if replacing the tanks in the same location would constrain the layout of the site per the site optimization study options.

Staff Gans answered that the areas that have been identified in the site optimization study plan for construction are separate from the area where the tanks are so he didn't think there would an impact.

Executive Director La Mariana noted that this item has been factored into the site optimization plans.

Member Romero asked if it was diesel fuel, and if the collection fleet would eventually be electrified making the tanks obsolete.

Staff Gans answered yes, the collection fleet would eventually be electrified, and staff has been working with Recology to figure this timing out. However, the current fleet needs to be replaced in the next 3 to 5 years, and collection vehicle EV technology isn't duty ready at this time, so that new fleet will be diesel. The next time collection vehicles will be replaced is 15 years from now.

Member Romero asked why the \$1.2M replacement reserve wasn't enough to cover the whole project.

Staff Gans noted that the \$1.2M is the result of settlement of a hazardous clean up between the previous contractor BFI and the Agency. The actual cleanup cost less than the settlement amount at the time, so the remainder has been held in reserves for this project.

Member Rak asked if there is a future plan to remove these new tanks once the fleet is fully electrified in 15 years or should more thought be put in to going through the lengthier process to put them above ground so they could be eliminated more easily when no longer needed. He also asked if all the tanks are needed due to the future fleet being EV.

Staff Gans answered that the site uses a million gallons of diesel fuel a year, so the quantity of tanks is necessary for the facility to function for the 15 years. Above ground tanks would have been the optimal solution, which is why staff looked at that first.

Member Rak commented that he thought it might save more money in the long term to go through the lengthy FAA process to move them above ground. And noted that he would feel more comfortable having the above ground cost estimates before approving this process.

Staff Gans noted that included in the contract will be the cost estimate for the future removal and closure of the tanks when they are no longer needed. He also noted that there probably wouldn't be a significant savings to working our way through the FAA process to move them above ground because the hole already exists so there isn't a lot of earth moving.

Member Froomin asked with the above ground is there an impression that the FAA would not approve it, or was it the FAA process that was the hold up. He also commented that with regard to the Site Optimization study moving the tanks above ground would take up space on a site already space constrained.

Staff Gans answered both, our tanks are three times what their minimum is for above ground, so both process are likely not being approved.

Chair Aguirre asked if the \$2.5M estimate for was one tank.

Staff Gans answered the engineer's estimate was for all three tanks, but now it's looking like that will be a low number, it's likely to be more than that.

Member Royse asked how long the completion process will take, and when does the regulation go into effect, and is there a savings by doing this now.

Staff Gans answered that it has to be completed by January 1, 2025, the construction itself is likely pretty quick, but the tank ordering and arrival and permitting could each take up to six months. And yes, given how many

tanks need to be replaced in California, doing us now gets us into the queue earlier and gives us the most opportunity for savings.

Executive Director La Mariana noted that staff is working with Recology to electrify any vehicles that can be in the near term. There are categories of vehicles that are ripe for electrification, like the route supervisor pickup trucks. But there are challenges as far as the site optimization study goes is trying to look at where the fleet might project. Currently the EV collection vehicles cost twice as much as a current vehicle and can carry less tons than the current vehicle and they don't last for a full eight-hour shift. So instead of 150 trucks you need 300 trucks to do the same amount of work, and no one is going to recommend that. There are also going to be supply chain issues with truck replacement.

Member Taylor asked if there a potential for receiving grant funding for those categories of vehicles that will be converted to EV in the near term.

Executive Director La Mariana answered that staff will be working with both PG&E and PCE on grant funding.

Member Loraine asked if green hydrogen has been looked into as an option for the collection fleet given the challenges with converting to EV.

Executive Director La Mariana the focus has been EV, but if that technology comes into the collection vehicle space, staff would be happy to bring that to the Zero Waste Committee for discussion.

Member Romero commented that 1 million gallons of diesel a year produces 22 million gallons of CO2. So the Agency may well be in a position where in six, to eight years, because of the damage that the collection vehicles are doing, these will be sunk costs.

Staff Gans added the process of looking at fuel and trucks has been frustrating, because everyone wants a solution. And, even if the trucks were available PG&E would have to run an enormous amount of power to the facility which is a slow process. So, it will be a long a slow process to make this conversion.

Executive Director La Mariana reminded the Board that the Agency doesn't own these assets the contracting partners do. There is a lot of passion on this topic from our Board and staff to look for options. Staff is striving to find the sweet spot between cost effectiveness and technology and environmental benefits that would allow us to tell a political story to move this technology forward.

Motion/Second: Froomin/Royse

Voice Vote: All in favor: 9-0-0-2

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

C. Resolution Approving Final Emergency Expenditures related to flood damage at the Shoreway Environmental Center

Staff Gans gave an overview of the work that has been completed due to the declaration of emergency after the storms on New Year's Day weekend that damaged the facility and specifically the Recology Administrative Offices building. He noted that the total cost for repairs is \$181,000 which is small in comparison to the half a

million gallons of water that was removed to get the tunnels operable. The repairs are complete, just waiting on some cubicles and office furniture to be delivered. Staff is seeking FEMA payment, and it looks like all but \$11,000 of the \$181,000 could be covered by FEMA and CAOES.

Member Froomin commented that the staff report addressed the availability of additional pumps to help with tunnel flooding in the future but related to the building is there any chance the road could be paved to drain away from the building.

Staff Gans noted that this storm overwhelmed the water collection and storm systems that are in place there were subsequent storms this winter and the water never approached that level again, so it's unknown weather this storm was an anomaly or not.

Motion/Second: Froomin/Lorraine

Voice Vote: All in favor: 9-0-0-2

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
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			
Menlo Park	X								

## 8. Public Education Outreach and Legislation

### A. Presentation of the 2022 RethinkWaste Annual Report

Staff Au gave an overview and highlights of the 2022 RethinkWaste Annual Report.

Member Royse asked how accessible this report is to the public.

Staff Au answered that it is on the website and a few printed copies will be made available, but staff doesn't want to waste paper.

Member Froomin recommended sending the Annual Report to the Member Agencies so that it can be linked on their websites and social media accounts as well as RethinkWaste's website.

Members Froomin and Rak congratulated staff on the well drafted and well laid out report.

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

- A. 2023 Legislative and Regulatory Update
- B. Update on the Status of SB 1383 Implementation and Compliance
- C. 2022/23 Finance and Rate Setting Calendar
- D. Check Register Detail February – March 2023
- E. SBWMA Contracts Issued Q1 2023
- F. 2023 Meeting Planning Guide

## 10. Board Member Comments

Vice Chair Rak would like to have a future meeting agenda item on SB 1383 and promoting composting in public parks.



Member McCune encouraged continued support in Sacramento to adjust public meetings to allow for more accessible participation virtually.

Member Froomin asked for report information from the SB 1383 Route Audits around commonly missed items so Member Agencies and the JPA can learn how to focus outreach.

Staff Au noted that based on information from the route reviews staff is rolling out a proper sorting campaign later this year.

**11. Adjourn to Closed Session 4:33PM**

- A. Pursuant to Government Code (§ 54956.8): Real Property Negotiations 1245 San Carlos Ave. Suite E, San Carlos, CA 94070 Agency Representatives Executive Director Joe La Mariana and Legal Counsel Jean B. Savaree

**12. Adjourn 5:13PM**