

MINUTES

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
 MEETING OF THE BOARD OF DIRECTORS
 January 25, 2024– 2:00 p.m.
 San Mateo County Transit District Offices
 1250 San Carlos, Ave. San Carlos, CA 94070

Call to Order: 2:05 PM

1. Call to Order/Roll Call

Agency	Present	Absent	Agency	Present	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 District	X	
Menlo Park	X				

Member McCune stated that he had a family emergency and needed to attend via zoom using the provisions set forth in AB 2449

Member Brownrigg made a motion to allow Member McCune’s attendance via Zoom.
 Member Loraine seconded the motion.

Roll Call Vote: 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								

Chair Aguirre welcomed new Board Member Betsy Nash from Menlo Park.

2. Public Comment

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.**

Dan Domonoske, Executive Vice President of Potential Industries, thanked the board and leadership for allowing them to serve the Agency for the last 13 years. He noted that he had a special connection to the facility, the agency and the board, and that it had been his pleasure to serve the agency.

3. Executive Director's Report

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

- At today's meeting we will elect a new board Chair and Vice Chair, and he thanked Chair Aguirre (Redwood City) for serving as chair three times, and all her dedication to the Agency.
- He welcomed Board Member Nash (Menlo Park) to her first meeting.
- He acknowledged the 2023 Mayors and Vice Mayors who served on our board in 2023.
- He spoke extensively about the operator transition at the facility on January 1.
 - He acknowledged SBR who operated the Shoreway Facility and served our ratepayers with distinction for the last 13 years. He thanked the team individually for their dedication, hard work and professionalism and responsiveness during the transition process.
 - He then welcomed South Bayside Industries - the new work group that was awarded this contract. He introduced SBI's management team and noted that the team has a lot of experience that will help SBI shine as the new facility operator.
 - He acknowledged that this was the smoothest operator transition that he had ever been a part of.
 - He noted that the facility looks great, there is a "badger brand" street sweeper cleaning the street regularly, and he has received multiple compliments from our neighbor Lyngso on the cleanliness.
 - There are increased costs that have been discussed extensively at this Board level, but with that increase in costs, the agency gets the Public Recycling Center now open to the public on Sundays, \$1.5 million in storm water funds from SBI, and 100% revenue retention on commodity sales.
- There have been some changes in agency staff.
 - Cyndi Urman has stepped into the Management Analyst role, and an administrative associate position is open.
 - Tj Carter has moved on from the Agency, so we now have a Program Manager II position open for SB 1383 Compliance and Recycling.
 - We are in the process of making an offer for our vacant 5th Fellow position.
- He then invited Carl Mennie of Recology (Group VP) to speak on the data breach that Recology has been dealing with since October.
 - Mr. Mennie noted that there was a background letter addressing the data breach in the Executive Director's report. But the biggest challenge currently is the need to manually input in all the tickets from October to early December from a scale that was inoperable due to the breach into a new data system to complete the backlog of invoicing and reporting that is required by the contract.

Executive Director La Mariana asked if the timing would affect Recology's FY2025 comp app timing.

Mr. Mennie answered that they should be done with the manual input by the end of February, and that leaves a buffer, so he didn't think so.

Mr. Mennie then spoke about customer data; he noted that the CRM system that Recology uses to process billing has been investigated and was not compromised. They've had forensic investigations looking at this whole IT situation and, as of now, there is no SBWMA customer data that's been compromised.

Member Royse asked how the breach was discovered.

Mr. Mennie answered that due to the ongoing legal investigation, he couldn't disclose it at this time.

Member Loraine asked how many rate payers had been notified of the IT issues and is there value in letting customers know.

Mr. Mennie answered that nothing has been sent to the customers because there was no breach of customer information, and they have been going with what the law requires at this point.

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.*

- A. Approval of the Minutes from the November 16, 2023, Board of Directors Meeting
- B. Resolution Approving the Audited Financial Statements for the period ending December 31, 2022
- C. Resolution Approving the SBWMA Investment Policy for 2024
- D. Resolution Authorizing the Executive Director to Execute a Contract with Jask Printing for Printing and Mailing Services in 2024 not to exceed \$188,900, which includes a 10% contingency.
- E. Approval of Quarterly Investment Report for the Quarter Ended September 30, 2023

Motion/Second: Brownrigg/Lorraine

Roll Call 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								

5. Administration and Finance

- A. Election of RethinkWaste Chair and Vice Chair for 2024

Member Brownrigg nominated Adam Rak for Board Chair

Member Royse seconded the motion.

Roll Call 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								

Vice Chair Rak became the new Chair of the Board.

Chair Rak thanked Alicia Aguirre for her leadership and dedication in bringing the agency through difficult times during the pandemic, and noted he is looking forward to working with everyone. He then called for nominations for Vice Chair.

Member Froomin nominated Member Brownrigg for Vice Chair

Member Loraine seconded the motion.

Roll Call 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								

Member Brownrigg became the Vice Chair of the Board and noted that he believes passionately in the mission of the agency and is happy to do what he can to help.

- B. Resolution Approving Contract for the SBWMA Administration Office Tenant Improvement Project with Foundry Construction, Inc with a Not to Exceed (NTE) Amount of \$1,654,500 and establishing a 10% Project Contingency Fund for Change Orders to be Approved by the Executive Director

Executive Director La Mariana gave an overview of the staff report, and highlighted the fact that the response is higher than the Architect’s estimate and budgeted amount, but that overall, the purchase is still a sound investment. He also described the two bid alternates staff is recommending be included in the final architectural plan.

Member Froomin noted that the alternate costs vary widely among the proposals, and he wondered if there was any room to negotiate those costs with the successful bidder.

Executive Director La Mariana answered that staff was also surprised by the variance, but they could bring it up but noted that there wasn’t a lot of leverage given that all the proposers bid on the same specifications in the RFP document.

Member Loraine asked for further information on description of less usable square footage in the staff report.

Executive Director La Mariana answered that the analysis was based on the square footage that was in the marketing brochure when the agency was considering buying the property. However, in the permitting process it has become clear that the usable square footage that we are allowed to build on, is slightly smaller than what was described, so the price per square foot has increased.

Member Loraine asked how these increased costs will affect the overall budget, the capital plans at the Shoreway site, and how much it would cost to consider alternate plans at this stage.

Executive Director La Mariana answered that the dollar amount is a modest amount in relation to the whole scope of the agency’s \$165M operations. He noted that this contractor has agreed to the tight timeline that keeps everyone on track, so staff recommends moving forward.

Member Froomin commented that even though the comparison of “own versus lease” isn’t as positive as it was, at the end of 25 years the agency will own an asset with increasing value.

Motion/Second: Froomin/Royse
 Roll Call 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								

6. Collection and Recycling Programs Support and Compliance

No items

7. Shoreway Operations and Contract Management

A. Facility Operations Update: One Month Operations Update by Staff/SBI
Staff Gans noted that Joe gave a great overview and acknowledged everyone involved.

Executive Director La Mariana thanked Hilary for his leadership during the facility operations agreement transition over the last year.

Chair Rak noted that he was at the facility over the weekend and that he talked to the employees, and they seem happy with the new operator and how things are going. And he's excited to have the public recycling center open on Sundays.

8. Public Education Outreach and Legislation

A. 2023 Public and Environmental Education Annual Program Recap

Staff Au introduced the public education and outreach team, and they collectively gave a presentation on the 2023 public education and outreach activities. This included: ad examples, SB 1383 statistics, updated outreach materials, website and social media outlets, community events, and in schools' programs.

Executive Director La Mariana thanked the team for these presentations. And added that Earth Day is planned at the facility for April 27, 2024. He also thanked the past Board Chair for her steadfast support of these programs.

Member Froomin complimented the team and called out some items in the staff report that weren't mentioned in the presentation that he was impressed with. He added that for outreach for the future he'd like the team to work on MFD design standards to make it easy for residents to get access to the infrastructure they need.

Member Aguirre also complimented the team and asked to make sure there was money in the budget to give school kids swag.

Emi Hashizume answered yes, we have a giveaways budget for community events and tours, but they could talk about age specific items for schools.

Member Loraine also publicly acknowledged the team and thanked them for the opportunity to hear about the work they did in 2023.

Executive Director La Mariana closed the presentation by also thanking Mia Rossi and the Recology Zero Waste team for their efforts in that aspect of the public education program. He also thanked the Public Education and Outreach Committee that is made up of Board and TAC members.

9. Informational Items Only (no action required)

- A. Update on the Status of SB 1383 Implementation and Compliance
- B. 2024 Legislative and Regulatory Update
- C. 2024 Finance and Rate Setting Calendar
- D. Check Register Detail for December 2023
- E. 2024 Meeting Planning Guide

10. Board Member Comments

Next meeting January 25 at 2:00 PM at San Mateo County Transit District Offices

11. Adjourn to Closed Session 3:16PM

- A. Pursuant to Government Code Section 54957-Public Employee Performance Evaluation-Executive Director
- B. Pursuant to Government Code Section 54957.6-Conference with Labor Negotiator-Agency Designated Representative: Jean B. Savaree; Unrepresented Employee: Executive Director

12. Adjourn 4:14PM