



2017 ANNUAL REPORT



Submitted February 28, 2018



South Bay Recycling, LLC

February 28, 2018

Joe La Mariana
Executive Director
SBWMA/Rethink Waste
610 Elm Street, Suite 202
San Carlos, CA 94070

Dear Mr. La Mariana:

Enclosed is a copy of the South Bay Recycling's 2017 Annual Report. South Bay Recycling will send electronic copies to each jurisdiction.

In accordance with the requirements of our Operating Agreement, the undersigned hereby certifies, under penalty of perjury, that the report submitted herewith is true and correct to the best knowledge of the undersigned after reasonable inquiry.

If you should have any questions or require additional information, please call me at (650) 802-8355.

Sincerely,

Dwight E Herring

Dwight E Herring
General Manager

cc: Hilary Gans
Marshall Moran

SOUTH BAY RECYCLING

ANNUAL REPORT TO THE SBWMA

**FOR YEAR
2017**

**Submitted
February 28, 2018**

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2017 ANNUAL REPORT

DEFINITIONS

Municipal Solid Waste (MSW) – MSW delivered to the Shoreway Facility is delivered by the following sources: Recology of San Mateo County; Member Agency Vehicles; Public Self-Hauled; Maintenance Facilities from Recology of San Mateo County and South Bay Recycling; and, Contracted Non-Franchised Haulers.

Bulky Item/Reusable/Recoverable Materials – Recyclable materials recovered by Sorters from various waste streams. These items include, but are not limited to: electronic waste, cardboard, mixed rigid plastics, scrap metal, reusable furnishings, appliances, clothing, etc.

Organics Materials – Compostable materials such as food scraps, food-soiled paper fiber, wood and other plant materials collected Recology of San Mateo County from residential, commercial and multi-family complexes and delivered to the Shoreway Facility; and/or wood and other plant materials delivered to the Shoreway Facility by the public.

Inert/C&D Materials – Mixed Dirt, Cement, Rock, and other Construction and Demolition Debris delivered to the Shoreway Facility by the public.

Recycling Materials – Cardboard, Mixed Paper and Bottles and Cans collected by Recology of San Mateo County from residential, commercial and multi-family complexes and delivered to the Materials Recovery Facility for processing; and/or Recyclable materials delivered to the Public Recycling/Drop-Off Center by the public.



2017 ANNUAL REPORT OPERATIONS SUMMARY

Total municipal solid waste tonnage received:	221,940
Total bulky item, reusable, recoverable tonnage received:	1,615
Total organic tonnage received:	122,305
Total inert and C&D tonnage received:	51,094
Total recyclable tonnage received:	80,813
Total tonnage received into Shoreway Facility:	477,768
Total tonnage received into Transfer Station:	396,955
Total tonnage received into MRF:	80,813
Total tonnage disposed:	221,939
Total tonnage diverted:	255,828
Overall Calculated Diversion Rate:	54%



OPERATING STATISTICS

**Schedule 1
Shoreway Facility Inbound Summary Report
2017**

	Q1	Q2	Q3	Q4	YTD
Municipal Solid Waste	46,001.37	45,399.28	45,526.46	45,513.50	182,440.61
Recyclables	19,750.77	18,754.61	18,442.66	19,482.12	76,430.16
Bulky Recyclables	83.38	107.51	88.26	93.62	372.77
Other Franchise Diversion from TS	6.62	13.78	12.62	7.76	40.78
Household Batteries	11.82	12.04	10.86	11.36	46.08
Green/Organics	27,167.45	28,105.79	25,675.66	27,650.76	108,599.66
Inerts/C&D	279.14	283.91	346.07	199.38	1,108.50
Subtotal - Disposed	46,001.37	45,399.28	45,526.46	45,513.50	182,440.61
Subtotal - Diverted	47,299.18	47,277.64	44,576.13	47,445.00	186,597.95
Subtotal - Diversion Percentage	51%	51%	49%	51%	51%
OVERALL TOTAL	93,300.55	92,676.92	90,102.59	92,958.50	369,038.56

MEMBER AGENCY VEHICLES INBOUND TONS

Municipal Solid Waste	197.71	184.62	186.31	220.60	789.24
Recyclables	-	0.56	2.54	-	3.10
Green/Organics	88.58	63.28	65.76	64.95	282.57
Inerts/C&D	336.57	368.49	335.10	596.81	1,636.97
Tires	-	-	-	-	-
Subtotal - Disposed	197.71	184.62	186.31	220.60	789.24
Subtotal - Diverted	425.15	432.33	403.40	661.76	1,922.64
Subtotal - Diversion Percentage	68%	70%	68%	75%	71%
OVERALL TOTAL	622.86	616.95	589.71	882.36	2,711.88

RECOLOGY MAINTENANCE BOX TONS

Municipal Solid Waste	75.75	82.70	87.27	76.06	321.78
Recyclables	7.74	7.30	6.81	9.48	31.33
Green/Organics	14.03	11.40	18.20	14.34	57.97
Inerts/C&D	-	-	-	-	-
Tires	-	-	-	-	-
Subtotal - Disposed	75.75	82.70	87.27	76.06	321.78
Subtotal - Diverted	21.77	18.70	25.01	23.82	89.30
Subtotal - Diversion Percentage	22%	18%	22%	24%	22%
OVERALL TOTAL	97.52	101.40	112.28	99.88	411.08

SUBTOTAL: RECOLOGY FRANCHISE SUMMARY TONS

Municipal Solid Waste	46,274.83	45,666.60	45,800.04	45,810.16	183,551.63
Recyclables	19,841.89	18,869.98	18,540.27	19,585.22	76,837.36
Green/Organics	27,270.06	28,180.47	25,759.62	27,730.05	108,940.20
Inerts/C&D	615.71	652.40	681.17	796.19	2,745.47
Tires	-	-	-	-	-
Subtotal - Disposed	46,274.83	45,666.60	45,800.04	45,810.16	183,551.63
Subtotal - Diverted	47,727.66	47,702.85	44,981.06	48,111.46	188,523.03
Subtotal - Diversion Percentage	51%	51%	50%	51%	51%
OVERALL TOTAL	94,002.49	93,369.45	90,781.10	93,921.62	372,074.66

SELF HAUL TONS

Municipal Solid Waste - Calculated	6,766.87	6,473.75	6,547.96	5,749.96	25,538.54
Recyclables to MRF	14.00	29.10	16.41	11.63	71.14
Self Haul Diversion	243.95	381.33	326.68	249.98	1,201.94
Green/Organics - Calculated	232.36	2,498.78	2,657.48	1,446.69	6,835.31
C&D - Calculated	6,342.39	8,718.28	8,997.01	8,442.64	32,500.32
Inerts	1,964.44	2,723.70	3,357.53	2,407.69	10,453.36
Subtotal - Disposed	6,766.87	6,473.75	6,547.96	5,749.96	25,538.54
Subtotal - Diverted	8,797.14	14,351.19	15,355.11	12,558.63	51,062.07
Subtotal - Diversion Percentage	57%	69%	70%	69%	67%
OVERALL TOTAL	15,564.01	20,824.94	21,903.07	18,308.59	76,600.61

**Schedule 1
Shoreway Facility Inbound Summary Report
2017**

	Q1	Q2	Q3	Q4	YTD
BUYBACK & DROP-OFF TONS					
Purchased CRV Recyclables	174.38	213.00	220.92	187.07	795.37
Purchased Cardboard	-	-	-	-	-
Drop-Off Materials	254.25	270.35	251.06	259.06	1,034.73
OVERALL TOTAL	428.63	483.35	471.99	446.13	1,830.10
SOUTH BAY INTERNAL TONS					
Solid Waste from Facility & Street Cleanup	554.65	9.55	3.42	45.14	612.76
Residual from Recyclables	2,074.86	2,191.59	2,501.07	2,525.24	9,292.76
SBR Shop Box	0.02	0.01	0.01	0.03	0.07
Green/Organics	-	-	-	-	-
Inerts/C&D	-	-	-	-	-
Subtotal - Disposed	2,629.51	2,201.14	2,504.49	2,570.38	9,905.52
Subtotal - Diverted	0.02	0.01	0.01	0.03	0.07
Subtotal - Diversion Percentage	0%	0%	0%	0%	0%
OVERALL TOTAL	2,629.53	2,201.15	2,504.50	2,570.41	9,905.59
SUBTOTAL: SELF HAUL/BUYBACK SBR INTERNAL TC					
Municipal Solid Waste	9,396.38	8,674.89	9,052.45	8,320.34	35,444.06
Recyclables	442.65	512.46	488.41	457.79	1,901.31
Green/Organics	232.36	2,498.78	2,657.48	1,446.69	6,835.31
Inerts/C&D	8,306.83	11,441.98	12,354.54	10,850.33	42,953.68
Subtotal - Disposed	9,396.38	8,674.89	9,052.45	8,320.34	35,444.06
Subtotal - Diverted	8,981.84	14,453.22	15,500.43	12,754.81	51,690.30
Subtotal - Diversion Percentage	49%	62%	63%	61%	59%
OVERALL TOTAL	18,378.22	23,128.11	24,552.88	21,075.15	87,134.36
NON-FRANCHISE TONS					
Municipal Solid Waste	703.74	843.03	767.39	630.02	2,944.18
Third Party Non-Contracted Recyclables	11.53	21.77	19.04	13.16	65.50
Third Party Contracted Recyclables	631.58	376.81	994.76	5.82	2,008.97
Green/Organics	1,082.97	1,682.55	2,057.85	1,705.81	6,529.18
Inerts/C&D	1,024.33	1,223.98	1,418.75	1,728.71	5,395.77
Subtotal - Disposed	703.74	843.03	767.39	630.02	2,944.18
Subtotal - Diverted	2,750.41	3,305.11	4,490.40	3,453.50	13,999.42
Subtotal - Diversion Percentage	66%	66%	75%	73%	70%
OVERALL TOTAL	3,454.15	4,148.14	5,257.79	4,083.52	16,943.60
OVERALL TOTAL FACILITY TONS					
Municipal Solid Waste	56,374.95	55,184.52	55,619.88	54,760.52	221,939.87
Recyclables	20,927.65	19,781.02	20,042.48	20,061.99	80,813.14
Recycling TS (Bulky, Franchise, TS Diversion)	333.95	502.62	427.56	351.36	1,615.49
Green/Organics	28,585.39	32,361.80	30,474.95	30,882.55	122,304.69
Inerts/C&D	9,946.87	13,318.36	14,454.46	13,375.23	51,094.92
Subtotal - Disposed	56,374.95	55,184.52	55,619.88	54,760.52	221,939.87
Subtotal - Diverted	59,793.86	65,963.80	65,399.44	64,671.13	255,828.24
Subtotal - Diversion Percentage	51%	54%	54%	54%	54%
OVERALL TOTAL	116,168.81	121,148.32	121,019.32	119,431.65	477,768.11
TRANSFER STATION & MRF VOLUME SUMMARY					
Total Transfer Station Volume	95,241.16	101,367.30	100,976.85	99,369.66	396,954.97
Total MRF Volume	20,927.65	19,781.02	20,042.48	20,061.99	80,813.14
OVERALL TOTAL	116,168.81	121,148.32	121,019.32	119,431.65	477,768.11

SCHEDULE 2
Shoreway Facility Outbound Summary Report
2017

	Q1	Q2	Q3	Q4
Ox Mountain Solid Waste	56,334.86	55,125.47	55,513.57	54,708.90
Kettlemen Hills LF (Glass Residue)	40.09	59.05	57.86	51.62
Other Landfill Solid Waste	-	-	48.45	-
TOTAL MSW	56,374.95	55,184.52	55,619.88	54,760.52
INERT MATERIALS (C&D / INERTS) - OUTBOUND TONS				
Zanker Road C&D	9,946.87	13,318.36	14,454.46	13,375.23
Ox Mountain Inert Material	-	-	-	-
TOTAL C&D / INERTS	9,946.87	13,318.36	14,454.46	13,375.23
ORANICS / GREEN WASTE / FOOD WASTE - OUTBOUND TONS				
Recology Grover Food	1,035.83	1,656.61	8,338.23	3,755.79
Recology Grover Green/Organics	14,203.35	18,073.66	9,624.91	17,949.33
Republic Newby Island Food	-	-	-	-
Republic Newby Island Green/Organics	11,994.80	12,363.75	12,511.81	9,177.43
Biofuel Systems Green Waste	1,275.68	267.78	-	-
Zanker Road Green Waste	75.73	-	-	-
Harvest Power Organics	-	-	-	-
TOTAL ORGANICS / GREEN / FOOD WASTE	28,585.39	32,361.80	30,474.95	30,882.55
OTHER DIVERSION - OUTBOUND TONS				
Scrap Metal	165.47	304.56	222.87	172.85
Refrigerators	30.67	43.81	53.33	43.90
Electronic Materials	98.62	107.56	103.49	93.43
Mattresses	32.24	39.07	40.08	33.47
Tires	6.95	7.62	7.79	7.71
Cardboard (outbound from Transfer to MRF)	8.57	15.68	8.15	9.86
Mixed Plastic (outbound from Transfer to MRF)	5.43	13.42	8.26	1.77
Carpet	-	-	-	-
Reusables	-	-	-	-
TOTAL OTHER DIVERSION	347.95	531.72	443.97	362.99
MATERIALS RECOVERY FACILITY & PUBLIC RECYCLING CENTER				
Recyclable Fiber	10,822.54	12,021.07	11,661.36	11,752.83
Recyclable Containers	4,242.01	4,775.67	5,067.18	4,964.50
MRF Residual Third Party	164.12	35.38	143.33	-
MRF Residual Franchise	1,910.74	2,156.21	2,357.74	2,525.24
Drop-Off	51.58	78.26	79.84	66.35
TOTAL MRF & PUBLIC RECYCLING CENER	17,190.99	19,066.59	19,309.45	19,308.92
SHOREWAY FACILITY SUMMARY				
Municipal Solid Waste	56,374.95	55,184.52	55,619.88	54,760.52
MRF Recyclables	17,190.99	19,066.59	19,309.45	19,308.92
MRF/PRC Inventory (+/-)	3,736.66	714.43	733.02	753.07
TS Recyclables	347.95	531.72	443.97	362.99
Green/Organics	28,585.39	32,361.80	30,474.95	30,882.55
Inerts/C&D	9,946.87	13,318.36	14,454.46	13,375.23
OVERALL TOTAL	116,182.81	121,177.42	121,035.73	119,443.28
Total Transfer Station Outbound	95,255.16	101,396.40	100,993.26	99,381.29
Total MRF Outbound	20,927.65	19,781.02	20,042.48	20,061.99
SHOREWAY FACILITY OUTBOUND TOTAL	116,182.81	121,177.42	121,035.73	119,443.28

SCHEDULE 2
Shoreway Facility Outbound Summary Report
2017

	YTD
Ox Mountain Solid Waste	221,682.80
Kettlemen Hills LF (Glass Residue)	208.62
Other Landfill Solid Waste	48.45
TOTAL MSW	221,939.87
 INERT MATERIALS (C&D / INERTS) - OUTBOUND TONS	
Zanker Road C&D	51,094.92
Ox Mountain Inert Material	-
TOTAL C&D / INTERTS	51,094.92
 ORANICS / GREEN WASTE / FOOD WASTE - OUTBOUND TONS	
Recology Grover Food	14,786.46
Recology Grover Green/Organics	59,851.25
Republic Newby Island Food	-
Republic Newby Island Green/Organics	46,047.79
Biofuel Systems Green Waste	1,543.46
Zanker Road Green Waste	75.73
Harvest Power Organics	-
TOTAL ORGANICS / GREEN / FOOD WASTE	122,304.69
 OTHER DIVERSION - OUTBOUND TONS	
Scrap Metal	865.75
Refrigerators	171.71
Electronic Materials	403.10
Mattresses	144.86
Tires	30.07
Cardboard (outbound from Transfer to MRF)	42.26
Mixed Plastic (outbound from Transfer to MRF)	28.88
Carpet	-
Reusables	-
TOTAL OTHER DIVERSION	1,686.63
 MATERIALS RECOVERY FACILITY & PUBLIC RECYCLING CENTER	
Recyclable Fiber	46,257.80
Recyclable Containers	19,049.36
MRF Residual Third Party	342.82
MRF Residual Franchise	8,949.94
Drop-Off	276.04
TOTAL MRF & PUBLIC RECYCLING CENER	74,875.96
 SHOREWAY FACILITY SUMMARY	
Municipal Solid Waste	221,939.87
MRF Recyclables	74,875.96
MRF/PRC Inventory (+/-)	5,937.18
TS Recyclables	1,686.63
Green/Organics	122,304.69
Inerts/C&D	51,094.92
OVERALL TOTAL	477,839.25
 Total Transfer Station Outbound	 397,026.11
Total MRF Outbound	80,813.14
SHOREWAY FACILITY OUTBOUND TOTAL	477,839.25

SCHEDULE 3
Shoreway Facility Mass Balance Summary Report
2017

	Q1	Q2	Q3	Q4	YTD
INBOUND TRANSFER STATION TONS					
Total Inbound Franchise Transfer Tons	73,537.96	73,910.27	71,649.07	73,465.02	292,562.32
Total Inbound Member Agency Transfer Station Tons	622.86	616.39	587.17	882.36	2,708.78
Total Inbound Recology Maintenance Box Tons	89.78	94.10	105.47	90.40	379.75
Total Inbound SBR Maintenance Box Tons-Inert	-	-	-	-	-
Total Inbound SBR Maintenance Box Tons-Organics	-	-	-	-	-
Total Inbound SBR Maintenance Box Tons-MSW	554.65	9.55	3.42	45.14	612.76
Total Inbound South Bay MRF Residue	2,074.86	2,191.59	2,501.07	2,525.24	9,292.76
Total Inbound Self-Haul Inerts Tons	1,964.44	2,723.70	3,357.53	2,407.69	10,453.36
Total Inbound Third Party Tons	2,811.04	3,749.56	4,243.99	4,064.54	14,869.13
TOTAL INBOUND TRANSFER	81,655.59	83,295.16	82,447.72	83,480.39	330,878.86
TOTAL INBOUND CALCULATED SELF-HAUL	13,599.57	18,101.24	18,545.54	15,900.90	66,147.25
TOTAL INBOUND TONS INCLUDING CALCULATED SELF HAUL	95,255.16	101,396.40	100,993.26	99,381.29	397,026.11
TOTAL INBOUND TRANSFER TONS LESS MRF RESIDUE	79,580.73	81,103.57	79,946.65	80,955.15	321,586.10
OUTBOUND TRANSFER STATION TONS					
Outbound Solid Waste Tons	56,374.95	55,184.52	55,619.88	54,760.52	221,939.87
Outbound Green/Organic Tons	28,585.39	32,361.80	30,474.95	30,882.55	122,304.69
Outbound Inerts and C&D Tons	9,946.87	13,318.36	14,454.46	13,375.23	51,094.92
Outbound Transfer Diversion	257.95	410.43	343.09	261.61	1,273.08
Outbound Franchise Transfer Station Diversion	6.62	13.78	12.62	7.76	40.78
Outbound Bulky Item Collection Diversion	83.38	107.51	88.26	93.62	372.77
TOTAL OUTBOUND SEC TRANSFER STATION TONS	95,255.16	101,396.40	100,993.26	99,381.29	397,026.11
TRANSFER STATION MASS BALANCE	-	-	-	-	-
INBOUND MRF / BUY-BACK TONS					
Total Inbound Franchise MRF Tons	19,750.77	18,754.61	18,442.66	19,482.12	76,430.16
Total Inbound Member Agency Vehicles	-	0.56	2.54	-	3.10
Total Inbound Recology Maintenance Boxes	7.74	7.30	6.81	9.48	31.33
Total Inbound SBR Maintenance Recyclables	0.02	0.01	0.01	0.03	0.07
Total Inbound Transfer (OCC & Mixed Plastic) Tons	14.00	29.10	16.41	11.63	71.14
Total Inbound Non-Franchise Recyclable Material Tons	11.53	21.77	19.04	13.16	65.50
Total Inbound Contracted Single Stream Recyclables	631.58	376.81	994.76	5.82	2,008.97
Total Inbound Drop-Off Material Tons	249.45	254.43	230.42	243.35	977.65
Total Inbound Clean OCC <1000 lbs.	-	-	-	-	-
Total Inbound Clean OCC >1000 lbs.	-	-	-	-	-
Total Inbound Buyback Tons	174.39	213.01	220.93	187.07	795.39
TOTAL MRF/BUYBACK/DROP-OFF	20,839.48	19,657.60	19,933.58	19,952.66	80,383.31
TOTAL INBOUND MRF Inventory Variance - Calculated Tons	(3,688.58)	(650.06)	(681.99)	(695.36)	(5,715.98)
TOTAL INBOUND MRF / BUY-BACK TONS	17,150.90	19,007.54	19,251.59	19,257.30	74,667.34
TOTAL INBOUND MRF/PRC TONS LESS TS OCC & MIX PLASTIC & CONTRACTED	20,193.90	19,251.69	18,922.41	19,935.21	78,303.20
OUTBOUND MRF / BUY-BACK TONS					
Total Outbound MRF	15,064.55	16,796.74	16,728.54	16,717.33	65,307.16
Total Outbound Residual	2,034.77	2,132.54	2,443.21	2,473.62	9,084.14
Total Outbound Drop-Off Center Materials	51.58	78.26	79.84	66.35	276.04
TOTAL OUTBOUND SEC MRF/BUYBACK STATION TONS	17,150.90	19,007.54	19,251.59	19,257.30	74,667.34
MRF & BUY-BACK MASS BALANCE	-	-	-	-	-
OVERALL SEC MASS BALANCE					
TOTAL SEC INBOUND TONS	112,406.06	120,403.94	120,244.85	118,638.59	471,693.45
TOTAL SEC OUTBOUND TONS	112,406.06	120,403.94	120,244.85	118,638.59	471,693.45
OVERALL MASS BALANCE	-	-	-	-	-

**Schedule 4
Shoreway Facility Material Movement Report
2017**

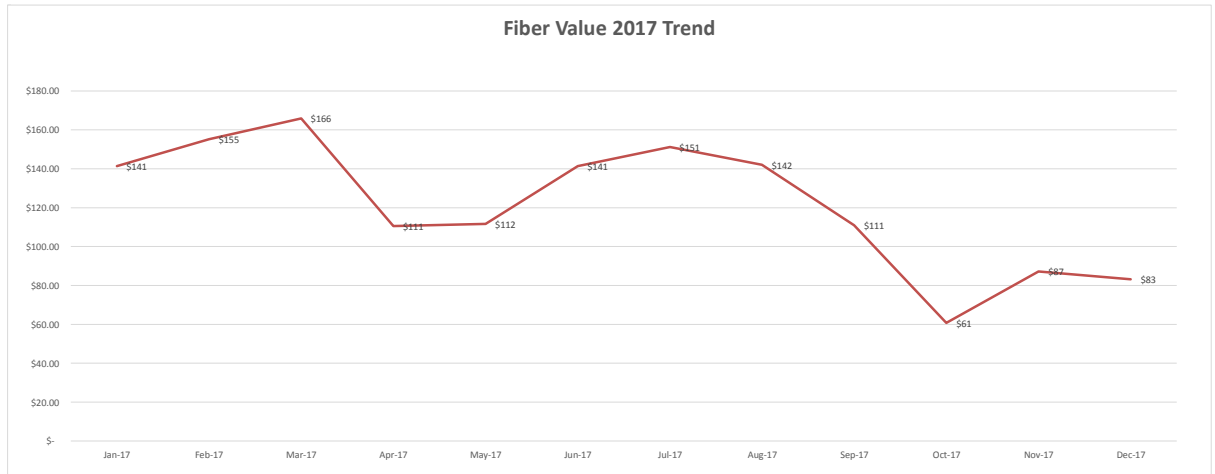
MATERIAL MOVEMENT BETWEEN BUILDINGS	Q1	Q2	Q3	Q4	YTD
Franchise MRF 3 Mix Glass	2,937.51	3,002.67	2,891.41	3,375.68	12,207.27
Franchise Clean Glass	109.58	127.23	125.63	105.60	468.04
Third Party MRF 3 Mix Glass	-	302.01	799.80	173.33	1,275.14
Franchise MRF Residue	1,910.74	2,156.21	2,357.74	2,525.24	8,949.94
Franchise Commingled Recyclables from MRF to Transfer Station due to Excessive Moisture Content	111.03	-	-	-	111.03
Franchise Baled Recyclables from MRF to Transfer Station due to Excessive Moisture Content	85.95	-	-	-	85.95
Third Party MRF Residue	164.12	35.38	143.33	-	342.82
Recyclable Materials from Transfer Station to MRF	14.00	29.10	16.41	11.63	71.14
TOTAL MATERIAL MOVEMENT BETWEEN BUILDINGS	5,332.93	5,652.60	6,334.32	6,191.48	23,511.33

**Schedule 5
Shoreway Facility Diversion Report
2017**

	Q1	Q2	Q3	Q4	YTD
RECOLOGY FRANCHISE SUMMARY TONS					
Subtotal - Disposed	46,274.83	45,666.60	45,800.04	45,810.16	183,551.63
Subtotal - Diverted	47,727.66	47,702.85	44,981.06	48,111.46	188,523.03
Subtotal - Diversion Percentage	51%	51%	50%	51%	51%
OVERALL TOTAL	94,002.49	93,369.45	90,781.10	93,921.62	372,074.66
SELF HAUL/BUYBACK SBR INTERNAL TONS					
Subtotal - Disposed	9,396.38	8,674.89	9,052.45	8,320.34	35,444.06
Subtotal - Diverted	8,981.84	14,453.22	15,500.43	12,754.81	51,690.30
Subtotal - Diversion Percentage	49%	62%	63%	61%	59%
OVERALL TOTAL	18,378.22	23,128.11	24,552.88	21,075.15	87,134.36
NON-FRANCHISE TONS					
Subtotal - Disposed	703.74	843.03	767.39	630.02	2,944.18
Subtotal - Diverted	2,750.41	3,305.11	4,490.40	3,453.50	13,999.42
Subtotal - Diversion Percentage	66%	66%	75%	73%	70%
OVERALL TOTAL	3,454.15	4,148.14	5,257.79	4,083.52	16,943.60
OVERALL TOTAL FACILITY TONS					
Subtotal - Disposed	56,374.95	55,184.52	55,619.88	54,760.52	221,939.87
Subtotal - Diverted	59,793.86	65,963.80	65,399.44	64,671.13	255,828.24
Subtotal - Diversion Percentage	51%	54%	54%	54%	54%
OVERALL TOTAL	116,168.81	121,148.32	121,019.32	119,431.65	477,768.11

**Schedule 6
Commodity Value Trend and Market Report
2017**

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Scrap Value Per Ton												
Fiber	\$ 141.33	\$ 155.25	\$ 165.88	\$ 110.59	\$ 111.60	\$ 141.36	\$ 151.14	\$ 142.00	\$ 110.95	\$ 60.74	\$ 87.19	\$ 83.10
Plastics	\$ 222.80	\$ 296.67	\$ 315.43	\$ 322.45	\$ 297.64	\$ 257.34	\$ 231.15	\$ 209.91	\$ 230.78	\$ 185.15	\$ 158.31	\$ 181.63
Aluminum	\$ -	\$ 1,100.00	\$ 1,100.00	\$ 1,040.00	\$ 980.00	\$ 960.00	\$ 980.00	\$ 960.00	\$ 920.00	\$ 920.00	\$ 900.00	\$ 900.00
Metal	\$ 99.24	\$ 99.21	\$ 106.99	\$ 98.51	\$ 102.98	\$ 95.42	\$ 84.38	\$ 82.71	\$ 110.05	\$ 108.93	\$ 98.29	\$ 108.92
Scrap Value Variance												
Fiber	\$ 141.33	\$ 13.92	\$ 10.63	\$ (55.29)	\$ 1.00	\$ 29.77	\$ 9.78	\$ (9.14)	\$ (31.05)	\$ (50.21)	\$ 26.46	\$ (4.09)
Plastics	\$ 222.80	\$ 73.87	\$ 18.75	\$ 7.02	\$ (24.80)	\$ (40.30)	\$ (26.19)	\$ (21.23)	\$ 20.87	\$ (45.64)	\$ (26.83)	\$ 23.31
Aluminum	\$ -	\$ 1,100.00	\$ -	\$ (60.00)	\$ (60.00)	\$ (20.00)	\$ 20.00	\$ (20.00)	\$ (40.00)	\$ -	\$ (20.00)	\$ (0.00)
Metal	\$ 99.24	\$ (0.03)	\$ 7.78	\$ (8.48)	\$ 4.47	\$ (7.55)	\$ (11.04)	\$ (1.67)	\$ 27.34	\$ (1.12)	\$ (10.64)	\$ 10.63
Percentage Increase/(Decrease)												
Fiber	0%	10%	7%	-33%	1%	27%	7%	-6%	-22%	-45%	30%	-5%
Plastics	0%	33%	6%	2%	-8%	-14%	-10%	-9%	10%	-20%	-17%	13%
Aluminum	0%	0%	0%	-5%	-6%	-2%	2%	-2%	-4%	0%	-2%	0%
Metal	0%	0%	8%	-8%	5%	-7%	-12%	-2%	33%	-1%	-11%	10%
Total Revenue - Containers	\$ 195,546.54	\$ 295,590.22	\$ 302,976.00	\$ 353,625.99	\$ 288,007.36	\$ 286,855.14	\$ 244,348.18	\$ 249,077.99	\$ 217,615.23	\$ 242,760.41	\$ 393,521.50	\$ 413,931.94
Total Revenue - Fiber	\$ 311,442.57	\$ 570,808.73	\$ 797,055.09	\$ 406,924.28	\$ 443,221.88	\$ 526,907.15	\$ 540,640.63	\$ 578,214.06	\$ 368,614.62	\$ 218,981.39	\$ 353,264.97	\$ 323,157.80
Total Revenue	\$ 506,989.11	\$ 866,398.95	\$ 1,100,031.09	\$ 760,550.27	\$ 731,229.24	\$ 813,762.30	\$ 784,988.81	\$ 827,292.05	\$ 586,229.84	\$ 461,741.79	\$ 746,786.47	\$ 737,089.74
Total Tons - Containers	997.04	1,533.28	1,565.83	1,333.89	1,443.26	1,435.69	1,294.15	1,375.14	1,260.97	1,325.86	1,583.05	1,747.51
Total Tons - Fiber	2,196.29	3,677.79	4,805.89	3,695.77	4,066.84	3,701.25	3,579.43	4,194.02	3,412.91	3,673.04	4,056.56	3,891.68
Total Tons	3,193.33	5,211.07	6,371.72	5,029.66	5,510.10	5,136.94	4,873.58	5,569.16	4,673.88	4,998.90	5,639.61	5,639.19
Avg Rate/Ton - Containers	\$ 196.13	\$ 192.78	\$ 193.49	\$ 265.11	\$ 199.55	\$ 199.80	\$ 188.81	\$ 181.13	\$ 172.58	\$ 183.10	\$ 248.58	\$ 236.87
Avg Rate/Ton - Fiber	\$ 141.80	\$ 155.20	\$ 165.85	\$ 110.11	\$ 108.98	\$ 142.36	\$ 151.04	\$ 137.87	\$ 108.01	\$ 59.62	\$ 87.08	\$ 83.04
Total Avg Rate/Ton	\$ 158.76	\$ 166.26	\$ 172.64	\$ 151.21	\$ 132.71	\$ 158.41	\$ 161.07	\$ 148.55	\$ 125.43	\$ 92.37	\$ 132.42	\$ 130.71



**Schedule 7
Trucking Efficiency Report
2017**

	Q1	Q2	Q3	Q4	YTD
MUNICIPAL SOLID WASTE (MSW)					
Ox Mountain	56,334.86	55,125.47	55,513.57	54,708.90	221,682.80
Loads	2,189.00	2,149.00	2,169.00	2,150.00	8,657.00
Average Tons/Load	25.74	25.65	25.59	25.45	25.61
Other Landfill	-	-	48.45	-	48.45
Loads	-	-	2.00	-	2.00
Average Tons/Load	-	-	24.23	-	24.23
TOTAL MUNICIPAL SOLID WASTE (MSW)					
TONS	56,334.86	55,125.47	55,562.02	54,708.90	221,731.25
LOADS	2,189.00	2,149.00	2,171.00	2,150.00	8,659.00
AVERAGE TONS/LOAD	25.74	25.65	25.59	25.45	25.61
Loads Saved / Month (est. 22 tons/Ld.)	371.68	356.70	354.55	336.77	1,419.69
INERT MATERIALS (C&D / INERTS)					
Zanker Road	9,946.87	13,318.36	14,454.46	13,375.23	51,094.92
Loads	485.00	650.00	713.00	673.00	2,521.00
Average Tons/Load	20.51	20.49	20.27	19.87	20.27
OX Mountain	-	-	-	-	-
Loads	-	-	-	-	-
Average Tons/Load	-	-	-	-	-
TOTAL C&D AND INERTS					
TONS	9,946.87	13,318.36	14,454.46	13,375.23	51,094.92
LOADS	485.00	650.00	713.00	673.00	2,521.00
AVERAGE TONS/LOAD	20.51	20.49	20.27	19.87	20.27
Loads Saved / Month (est. 19 tons/Ld.)	38.52	50.97	47.76	30.96	168.21
GREEN WASTE/ORGANICS					
Recology Grover	15,239.18	19,730.27	17,963.14	21,705.12	74,637.71
Loads	629.00	805.05	734.00	885.00	3,053.05
Average Tons/Load	24.23	24.51	24.47	24.53	24.45
Republic Newby Island	11,994.80	12,363.75	12,511.81	9,177.43	46,047.79
Loads	489.00	503.00	509.00	375.00	1,876.00
Average Tons/Load	24.53	24.58	24.58	24.47	24.55
Zanker Road	75.73	-	-	-	75.73
Loads	9.00	-	-	-	9.00
Average Tons/Load	8.41	-	-	-	8.41
Biofuel Systems	1,275.68	267.78	-	-	1,543.46
Loads	56.00	11.00	-	-	67.00
Average Tons/Load	22.78	24.34	-	-	23.04
Harvest Power	-	-	-	-	-
Loads	-	-	-	-	-
Average Tons/Load	-	-	-	-	-
TOTAL GREEN WASTE/ORGANICS					
TONS	28,585.39	32,361.80	30,474.95	30,882.55	122,304.69
LOADS	1,183.00	1,319.05	1,243.00	1,260.00	5,005.05
AVERAGE TONS/LOAD	24.16	24.53	24.52	24.51	24.44
Loads Saved / Month (est. 20 T/Ld.)	246.27	299.04	280.75	284.13	1,110.18
OVERALL TRUCK TRIP SAVINGS/MONTH COMPARED TO 2010 ESTIMATES					
OVERAL TRUCK TRIP SAV/MTH COMPARED TO EST 2010	716.02	764.98	741.79	709.69	2,932.47
Miles Saved	32,167.00	39,829.96	37,186.40	40,866.67	150,050.04
Gallons of Fuels Saved	8,041.75	9,957.49	9,296.60	10,216.67	37,512.51
Pounds of CO2 savings (22.2 lbs./gal of fuel)	178,526.85	221,056.29	206,384.53	226,810.04	832,777.71
Pounds of Carbon savings (6.12 lbs./gal of fuel)	49,215.51	60,939.84	56,895.19	62,526.01	229,576.56

**Schedule 8
Member Agency Tonnage Report
2017**

Member Agency/Type	Source	Q1 Net Tons Collected	Q2 Net Tons Collected	Q3 Net Tons Collected	YTD Net Tons Collected
1 ATHERTON					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	77.98	50.44	60.32	243.58
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	1.28	-	-	1.28
Self-Haul Green Waste	SBR	(3.92)	32.63	45.53	91.82
Self-Haul Inert / C&D	SBR	114.27	263.13	161.07	695.15
Subtotal - Disposed		77.98	50.44	60.32	243.58
Subtotal - Diverted		111.63	295.76	206.60	788.26
Overall Subtotal		189.61	346.20	266.92	1,031.83
2 BELMONT					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	155.62	135.82	122.87	594.45
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	9.92	8.12	26.80	59.16
Member Agency Inert / C&D	SBR	234.29	163.77	99.32	1,017.21
Subtotal - Disposed		155.62	135.82	122.87	594.45
Subtotal - Diverted		244.21	171.89	126.12	1,076.37
Overall Subtotal		399.83	307.71	248.99	1,670.82
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	422.38	432.05	392.49	1,630.50
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	13.02	-	-	13.02
Self-Haul Green Waste	SBR	2.02	63.71	30.39	121.21
Self-Haul Inert / C&D	SBR	350.27	514.16	652.65	2,079.60
Subtotal - Disposed		422.38	432.05	392.49	1,630.50
Subtotal - Diverted		365.30	577.87	683.04	2,213.83
Overall Subtotal		787.68	1,009.91	1,075.53	3,844.33
3 BURLINGAME					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	23.36	-	23.36
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	23.36	-	23.36
Overall Subtotal		-	23.36	-	23.36
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	192.38	149.03	142.44	640.28
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	7.87	-	-	7.87
Self-Haul Green Waste	SBR	3.58	18.85	14.38	47.46
Self-Haul Inert / C&D	SBR	246.29	253.70	220.41	1,007.77
Subtotal - Disposed		192.38	149.03	142.44	640.28
Subtotal - Diverted		257.73	272.54	234.80	1,063.10
Overall Subtotal		450.11	421.57	377.24	1,703.38

**Schedule 8
Member Agency Tonnage Report
2017**

Member Agency/Type	Source	Q1 Net Tons Collected	Q2 Net Tons Collected	Q3 Net Tons Collected	YTD Net Tons Collected
4 EAST PALO ALTO					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	104.59	108.27	135.91	467.70
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	4.27	-	-	4.27
Self-Haul Green Waste	SBR	(1.02)	19.69	2.70	24.57
Self-Haul Inert / C&D	SBR	174.26	347.06	617.50	1,401.51
Subtotal - Disposed		104.59	108.27	135.91	467.70
Subtotal - Diverted		177.51	366.75	620.19	1,430.35
Overall Subtotal		282.11	475.02	756.10	1,898.05
5 FOSTER CITY					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	5.18	0.42	3.52	9.65
Member Agency Recycling	SBR	-	0.56	2.54	3.10
Member Agency Organics	SBR	31.58	28.51	16.38	103.35
Member Agency Inert / C&D	SBR	91.85	150.49	93.99	404.25
Subtotal - Disposed		5.18	0.42	3.52	9.65
Subtotal - Diverted		123.43	179.56	112.91	510.70
Overall Subtotal		128.61	179.98	116.43	520.35
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	142.79	145.45	128.91	524.68
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	6.26	-	-	6.26
Self-Haul Green Waste	SBR	(7.40)	16.13	7.27	21.45
Self-Haul Inert / C&D	SBR	273.16	441.27	382.40	1,472.16
Subtotal - Disposed		142.79	145.45	128.91	524.68
Subtotal - Diverted		272.02	457.40	389.67	1,499.87
Overall Subtotal		414.81	602.85	518.58	2,024.55
6 HILLSBOROUGH					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	87.99	86.63	72.53	293.46
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	2.65	-	-	2.65
Self-Haul Green Waste	SBR	(6.03)	47.49	26.43	82.80
Self-Haul Inert / C&D	SBR	260.42	533.87	595.82	1,911.97
Subtotal - Disposed		87.99	86.63	72.53	293.46
Subtotal - Diverted		257.04	581.37	622.25	1,997.41
Overall Subtotal		345.03	667.99	694.78	2,290.87

**Schedule 8
Member Agency Tonnage Report
2017**

Member Agency/Type	Source	Q1 Net Tons Collected	Q2 Net Tons Collected	Q3 Net Tons Collected	YTD Net Tons Collected
7 MENLO PARK					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	267.92	267.30	277.00	1,080.86
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	8.67	-	-	8.67
Self-Haul Green Waste	SBR	(91.06)	486.34	513.46	1,226.78
Self-Haul Inert / C&D	SBR	793.57	1,933.24	2,154.62	6,870.29
Subtotal - Disposed		267.92	267.30	277.00	1,080.86
Subtotal - Diverted		711.18	2,419.58	2,668.09	8,105.73
Overall Subtotal		979.09	2,686.88	2,945.09	9,186.60
8 NORTH FAIR OAKS					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	-	-	-	-
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	-	-	-	-
Self-Haul Green Waste	SBR	-	-	-	-
Self-Haul Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
9 REDWOOD CITY					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	2.58	0.87	0.43	5.21
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	47.08	25.33	22.58	118.74
Member Agency Inert / C&D	SBR	1.99	-	-	1.99
Subtotal - Disposed		2.58	0.87	0.43	5.21
Subtotal - Diverted		49.07	25.33	22.58	120.73
Overall Subtotal		51.65	26.20	23.01	125.94
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	2,272.92	2,349.73	2,300.44	8,955.83
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	54.37	-	-	54.37
Self-Haul Green Waste	SBR	106.77	686.80	752.66	1,924.90
Self-Haul Inert / C&D	SBR	1,988.65	1,933.38	2,185.55	8,000.87
Subtotal - Disposed		2,272.92	2,349.73	2,300.44	8,955.83
Subtotal - Diverted		2,149.79	2,620.18	2,938.21	9,980.13
Overall Subtotal		4,422.70	4,969.91	5,238.65	18,935.97

**Schedule 8
Member Agency Tonnage Report
2017**

		Q1	Q2	Q3	YTD
		Net Tons	Net Tons	Net Tons	Net Tons
Member Agency/Type	Source	Collected	Collected	Collected	Collected
10 SAN CARLOS					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	1.32	-	1.32
Member Agency Inert / C&D	SBR	8.19	30.87	141.79	189.91
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		8.19	32.19	141.79	191.23
Overall Subtotal		8.19	32.19	141.79	191.23
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	1,096.73	896.65	1,032.94	3,943.36
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	27.44	-	-	27.44
Self-Haul Green Waste	SBR	179.23	2.17	0.59	183.43
Self-Haul Inert / C&D	SBR	834.96	15.72	11.27	886.23
Subtotal - Disposed		1,096.73	896.65	1,032.94	3,943.36
Subtotal - Diverted		1,041.64	17.89	11.86	1,097.10
Overall Subtotal		2,138.37	914.54	1,044.80	5,040.47
11 SAN MATEO					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	32.38	47.51	59.44	177.91
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		32.38	47.51	59.44	177.91
Subtotal - Diverted		-	-	-	-
Overall Subtotal		32.38	47.51	59.44	177.91
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	1,429.46	1,293.52	1,302.06	5,177.07
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	36.96	-	-	36.96
Self-Haul Green Waste	SBR	25.87	358.48	207.67	706.92
Self-Haul Inert / C&D	SBR	1,787.80	2,868.97	2,911.31	10,239.10
Subtotal - Disposed		1,429.46	1,293.52	1,302.06	5,177.07
Subtotal - Diverted		1,850.62	3,227.45	3,118.98	10,982.98
Overall Subtotal		3,280.08	4,520.97	4,421.05	16,160.05
12 SAN MATEO COUNTY					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	14.22	99.69	93.16	236.64
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	0.19	-	-	0.19
Self-Haul Green Waste	SBR	(4.87)	19.74	9.60	40.91
Self-Haul Inert / C&D	SBR	36.14	85.90	98.50	316.04
Subtotal - Disposed		14.22	99.69	93.16	236.64
Subtotal - Diverted		31.46	105.64	108.10	357.14
Overall Subtotal		45.67	205.33	201.26	593.78

**Schedule 8
Member Agency Tonnage Report
2017**

Member Agency/Type	Source	Q1 Net Tons Collected	Q2 Net Tons Collected	Q3 Net Tons Collected	YTD Net Tons Collected
13 WEST BAY					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	-	-	-	-
Member Agency Recycling	SBR	-	-	-	-
Member Agency Organics	SBR	-	-	-	-
Member Agency Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	-	-	-	-
MRF Residue	SBR	-	-	-	-
Transfer Station & Other Recycling	SBR	-	-	-	-
Self-Haul Green Waste	SBR	-	-	-	-
Self-Haul Inert / C&D	SBR	-	-	-	-
Subtotal - Disposed		-	-	-	-
Subtotal - Diverted		-	-	-	-
Overall Subtotal		-	-	-	-
TOTAL SBWMA					
Member Agency Vehicles					
Member Agency Solid Waste	SBR	195.76	184.62	186.26	787.22
Member Agency Recycling	SBR	-	0.56	2.54	3.10
Member Agency Organics	SBR	88.58	63.28	65.76	282.57
Member Agency Inert / C&D	SBR	336.32	368.49	335.10	1,636.72
Subtotal - Disposed		195.76	184.62	186.26	787.22
Subtotal - Diverted		424.90	432.33	403.40	1,922.39
Overall Subtotal		620.66	616.95	589.66	2,709.61
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	6,109.35	5,878.77	5,938.21	23,193.95
MRF Residue		-	-	-	-
Transfer Station & Other Recycling	SBR	162.97	-	-	162.97
Self-Haul Green Waste	SBR	203.17	1,752.03	1,610.68	4,472.25
Self-Haul Inert / C&D	SBR	6,859.78	9,190.39	9,991.10	34,880.71
Subtotal - Disposed		6,109.35	5,878.77	5,938.21	23,193.95
Subtotal - Diverted		7,225.92	10,942.41	11,601.78	39,515.92
Overall Subtotal		13,335.26	16,821.18	17,539.99	62,709.87
NON-SBWMA JURISIDICATIONS					
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	657.52	594.98	609.75	2,344.59
MRF Residue	SBR	123.73	-	-	123.73
Transfer Station & Other Recycling	SBR	60.07	300.65	249.06	789.68
Self-Haul Green Waste	SBR	29.19	746.75	1,046.80	2,363.06
Self-Haul Inert / C&D	SBR	1,447.05	2,251.59	2,363.44	8,072.97
Subtotal - Disposed		781.25	594.98	609.75	2,468.32
Subtotal - Diverted		1,536.31	3,299.00	3,659.30	11,225.72
Overall Subtotal		2,317.56	3,893.98	4,269.05	13,694.04
Transfer Station Diversion Rate		66.29%	84.72%	85.72%	81.98%

**Schedule 8
Member Agency Tonnage Report
2017**

Member Agency/Type	Source	Q1 Net Tons Collected	Q2 Net Tons Collected	Q3 Net Tons Collected	YTD Net Tons Collected
SEC SUMMARY					
Transfer Station & Third Party					
Self-Haul Solid Waste	SBR	6,766.87	6,473.75	6,547.96	25,538.54
MRF Residue	SBR	123.73	-	-	123.73
Transfer Station & Other Recycling	SBR	223.04	300.65	249.06	952.65
Self-Haul Green Waste	SBR	232.36	2,498.78	2,657.48	6,835.31
Self-Haul Inert / C&D	SBR	8,306.83	11,441.98	12,354.54	42,953.68
Subtotal - Disposed		6,890.60	6,473.75	6,547.96	25,662.27
Subtotal - Diverted		8,762.23	14,241.41	15,261.08	50,741.64
Overall Subtotal		15,652.83	20,715.16	21,809.04	76,403.91
Transfer Station Diversion Rate					
OVERAL SEC SUMMARY		55.98%	68.75%	69.98%	66.41%
		15,652.83	20,715.16	21,809.04	76,403.91



ABOUT SOUTH BAY RECYCLING

South Bay Recycling operates the Shoreway Facility Transfer Station, Materials Recovery Facility and Public Recycling Center under an Operating Agreement with the South Bayside Waste Management Authority (Rethink Waste).

South Bay Recycling, LLC, (SBR) is a joint venture between Recology Inc. (Recology) and Potential Industries Inc. (Potential Industries), both of which are experienced operators of mixed waste Material Recovery Facilities (MRFs), commingled residential and commercial recyclables MRFs, and transfer stations. This partnership brings together the strengths of Recology and Potential Industries to achieve Rethink Waste's vision of safe, efficient, and innovative waste reduction and recycling programs which are simple, smart and green!

Recology, Inc., is an employee-owned company dedicated to building exceptional resource ecosystems that protect the environment and sustain communities. With approximately 40 operating subsidiaries, Recology provides collection, hauling, processing, composting, and disposal services to homes and businesses in the Western United States. Recology also manages municipal processes and services, including urban cleaning services, collection, sorting, transfer, recovery, and landfill management. Their commitment to positively impact communities and the environment is driven by their mission to serve communities, the environment, and their employee owners.

Potential Industries, Inc., has evolved from a traditional buyback recycling center to embrace residential commingled processing, and secure additional markets through paper mill development. As such, Potential Industries can optimize recycling, maximize diversion, and guarantee the strongest markets for materials. Potential Industries was founded in Los Angeles as a privately held corporation in 1975. Potential is a full service diversified recycling company that operates four affiliated plants in Southern California. Suppliers of recyclable materials to Potential Industries include: municipalities, waste disposal companies, certified recycling centers, commercial and industrial accounts, and MRFs. The Company processes over 300,000 tons of recyclable material per year.

SBR's technologies and single stream processing methods allow for efficient sorting and recovery of recyclable materials to meet the demands of sustainable communities and State-mandated diversion goals.

FACILITIES, EQUIPMENT AND PERSONNEL



The Shoreway Facility is open to the public and provides residents, businesses, contractors, municipalities, and individuals the ability to bring their trash, yard trimmings, organics, recyclable construction debris or recyclable materials for processing and transfer to permitted landfills, end users, and other processing centers for further separation and marketing of materials.

TRANSFER STATION OPERATIONS

The Transfer Station is open to the public Monday through Friday from 6:00 a.m. to 6:00 p.m. and on Saturday and Sunday from 8:00 a.m. to 5:00 p.m.

Acceptable Materials

Municipal Solid Waste

Recyclable Construction Demolition Debris (C&D)

Inert Materials (Concrete, Asphalt, Rock)

Yard Trimmings

Food Scraps

Refrigerators

Appliances

Mattresses or Box Springs

Sofas

Garage Doors

Tires

Scrap Metal

Unacceptable Materials

Liquid wastes or sludge

Car batteries

Hot ashes

Sealed containers

Animal waste

Dead animals

Oils and solvents

Medical waste

Treated Wood Waste

Radioactive or Reactive Materials



Public customers entering the Shoreway Facility are greeted by our State Certified Weigh Masters, who visually inspect each load, identify the material type, and take accurate volumetric measurements to determine the total number of cubic yards brought in by the customer. The Weigh Master receives the appropriate payment from the customer, which is recorded in SBRs state of the art scale software system. Loads containing unacceptable materials are rejected and reported. SBR management performs regular spot checks to ensure Weigh Masters are utilizing the appropriate methods to accurately measure contents of a load, and are inspecting loads for unacceptable materials.

Public customers are directed to the public side of the Transfer Station where they are greeted by a Spotter who checks each weigh ticket to ensure payment has been received and then directs customers to the appropriate area for offloading. Sorters, trained to identify and recover materials that can be recycled or reused, remove these materials from the various waste streams for further processing. Recovered recyclable materials are stored in designated areas until they can be processed or sold. In some cases, the material is set aside as a specific grade, and in other cases materials are culled or pulled from mixed materials. These materials include:

- | | |
|---------------|----------------------|
| Appliances | Scrap Metal |
| Refrigerators | Lumber |
| Tires | Mixed Rigid Plastics |
| Electronics | Mattresses |
| Cardboard | Sofas |

Franchise and Non-Franchise collection vehicles enter the Shoreway Facility and stop on one of two 70' in-ground state certified scales. Drivers enter equipment route and material information into the Driver Automated Terminal (DAT). The scale software system records each transaction and provides the Driver with a printed weigh ticket. Drivers exit the scale and deliver the contents of their equipment to either the Transfer Station or Materials Recovery Facility (MRF). Materials delivered to the Transfer Station are loaded into trailers and transported to the appropriate disposal site or processing facility. Materials delivered to the MRF are processed and the recovered recyclables are sold to market.

Inbound Volume

The Transfer Station received 395,339 tons of inbound volume, up 4% from prior year. The table below shows the total inbound tons by material type by customer.

Material Type	Franchise	Non-Franchise	Public	Total
Solid Waste	183,552	2,944	35,444	221,940
Organics/Green	108,940	6,529	6,835	122,305
Inert/C&D	2,745	5,396	42,954	51,095



Self-Haul Diversion

SBR is required to divert a minimum of 30,000 tons received from the public. Of the 85,233 tons received from the public, SBR diverted 44,155 tons (not including yard trimmings), resulting in a 52% diversion rate. With the inclusion of yard trimmings, SBR achieved a self-haul diversion rate of 60%. SBR continues to collaborate with the SBWMA to improve diversion to include the inbound franchise material streams, particularly as it relates to the Mixed Waste Processing project which is currently in the evaluation stage.



Compost Giveaway

Customers who reside within the Rethink Waste service area are eligible to receive up to 2, 3-cubic yard bags of compost at no charge. Customers inform the Scale Attendant they would like to pick up compost, show proof of residency (e.g., utility bill, or identification card), and will be directed to the public side of the Transfer Station where customers are provided a shovel and bag(s) to fill with compost provided by Rethink Waste. Customers may pick up free compost twice per week, based on availability.

MATERIAL RECOVERY FACILITY OPERATIONS



The Material Recovery Facility accepts residential and commercial single stream recyclables and source separated fiber. Through mechanical and manual processing, this material is separated by commodity type, baled and sold to market. The

processing equipment is performing in a manner consistent with design parameters, achieving production and quality levels that met market material quality standards.

Due to China's implementation of its new material quality standards for cardboard and mixed paper, SBR stationed additional MRF sort laborers at various post-sort quality control stations to remove as much prohibitive materials as possible, in addition, SBR also added quality control personnel to inspect commodities after they have been baled, and remove any prohibitive materials found. This, along with China's ban on post-consumer mixed plastics, have had an impact on the MRF recovery rate of marketable recyclables. While material quality has improved, the amount of residual (prohibitive materials) increased. In 2017, SBR achieved an overall total MRF recovery rate of 88.4% (11.6% of inbound recyclables left the facility as residue), which is down 4.6% from prior year. Though we experienced a year over year decrease, this recovery rate is among the best in the industry. SBR continues to work with Recology of San Mateo County and Rethink Waste to further improve recovery rates by reducing the contamination level of inbound commercial and residential commingled recyclable materials.

Battery Recovery

On September 7, 2016, the Shoreway Facility Materials Recovery Facility experienced a catastrophic fire, causing a 90-day shutdown of MRF operations. The fire began in a news sorter screen, and while the cause could not be officially determined, it is highly suspected that it was started by a Lithium-Ion battery. Three days later, on September 11, 2016, a fire started in the solid waste pile of the self-haul side of the Transfer Station. This fire started over 6 hours of the Facility being closed. Again, while there an official cause could not be determined, the characteristics of this fire was the deterioration of a Lithium-Ion battery.

Recognizing the dangers of introducing Lithium-Ion and NiCad batteries into the waste and recycling stream, at the request of the SBWMA, SBR conducted an eight-week test to determine the amount loose batteries being placed in the recycling cart by residential customers, not using the curbside battery collection program. The results are shown in the table below.

Battery Type	Number of Batteries per Hour through MRF	Average Annual Processing Hours	Potential Number of Batteries per Annum
Lithium-Ion	5.48	2,124	11,639
NiCad	9.36	2,124	19,880
Alkaline	310.51	2,124	659,523
Lead-Acid	0.89	2,124	1,890

Both Lithium-Ion and NiCad batteries present a clear and present danger in both the Materials Recovery Facility and Transfer Station. In the “Environmental Health and Safety Compliance” section of this report shows the number of fires in both the MRF and Transfer Station in 2017, and the cause of each fire if it could be determined.

Following the MRF fire, enhanced fire suppression systems were installed in difficult to reach fiber screens, hose reels were added in various areas of the MRF, and existing fire extinguishers were upgraded to foam cartridge discharge units. SBWMA and SBR continue to explore additional enhanced fire suppression systems, which will be assessed and brought before the Board of Directors for their review and consideration.

Outbound Tons

The Material Recovery Facility (MRF) shipped a total of 64,555 tons of recyclable commodities recovered from processing operations in 2017. The table below shows the total tons shipped by material type by customer.

Commodity	Franchise	Third-Party	Total
Cardboard (OCC)	15,834.39	881.20	16,715.59
Sorted Mixed Paper (SMP)	29,117.08	425.13	29,542.21
PET	1,219.50	214.68	1,434.18
HDPE-N	347.29	154.07	501.36
HDPE-C	368.82	43.61	412.43
Clean Glass (PRC)	468.04	-	468.04
Aluminum	248.79	1.60	250.39
3 Mix MRF Glass	12,207.27	1,275.14	13,482.41
Tin Cans	855.55	-	855.55
Plastics #3-#7	-	-	-
Mixed Rigid Plastics	476.77	162.29	639.06
Mixed Film Plastics	-	-	-
Poly Propylene Plastics	254.57	-	254.57
Scrap Metal	449.06	302.31	751.37

San Mateo County Vocational Rehabilitation Services (VRS)

The County has several public programs whose purpose is to assist people in attaining their maximum potential within a work environment through counseling, work experience, education and vocational testing. One of the County programs currently being used by South Bay Recycling is the VRS program, which is a unique public/private partnership that strives to enhance people's self-esteem and dignity.

As requested by the SBWMA BOD, South Bay Recycling has contracted with San Mateo County, Vocational Rehabilitation Services (VRS) since the start of operations to provide MRF Sort Laborers (Clients) to perform



manual recovery of non-recyclables and staff quality control stations throughout the Materials Recovery Facility during processing operations. VRS Clients are overseen by County provided Production Supervisors assigned to the VRS program.

PUBLIC RECYCLING CENTER

The Public Recycling Center (PRC) is open to the public Monday through Saturday from 8:30 a.m. to 4:00 p.m.

Acceptable Materials

- | | |
|------------------------|---------------------|
| Cardboard | Paint |
| Mixed Paper | Electronics |
| Glass Bottles | Fluorescent Tubes |
| Mixed Containers | Household Batteries |
| Aluminum Cans | Sharps |
| Plastic Containers | Pharmaceuticals |
| Used Motor Oil Filters | Cooking Oil |
| Used Motor Oil | Small Appliances |
| Used Antifreeze | |

Inbound Volume

The Public Recycling Center received 1,830 tons of recyclable materials, down 5% from prior year. SBR will monitor to see if this year over year reduction is a trend. The table below shows the total inbound tons by material type.

Material Type	Total
CRV Containers	795
Drop-Off Recyclables	1,034

As customers arrive at the Public Recycling Center, they are greeted by an Attendant who directs them to the appropriate area where they can return their California Redemption Value (CRV) containers for a refund or drop off various types of recyclable materials. Customers may choose from two options to account for their CRV containers to receive the redemption value; 1) material weight, or 2) material count.

EQUIPMENT



Transportation Operations

South Bay Recycling's transportation fleet consists of 23 tractor-trailers to transport materials from the Transfer Station to various sites for disposal or further processing. SBR operates 22 Kenworth T800 and one Peterbilt 357 tractors. Kenworth tractors are powered by 2010 EPA-compliant CAT engines and the Peterbilt tractor is powered by 2014 EPA-compliant Cummings engine, all of which employ emissions control technology to reduce NOx and Particulate Matter.

SBRs trailers are custom designed, engineered and manufactured to minimize weight and maximize payload, resulting in less equipment on the road which reduces traffic congestion, resource consumption and CO2 emissions.

SBR continually assesses its transportation equipment to improve operational performance and efficiency. SBRs trailers are equipped with on-board weigh scales to ensure maximum payloads and improved productivity. Some trailers are specially designed and manufactured to transport specific types of materials. Three trailers have been outfitted with steel floors to transport construction and demolition debris, and two trailers are designed for the efficient movement and offloading of MRF 3 mix glass.

Apart from construction and demolition debris, average payloads exceed the aggressive targets that SBR identified in its bid documents, which many thought unattainable. In 2015, SBWMA's construction and demolition debris process made significant changes to the types of materials it would accept. This had an impact on SBR's ability to meet the payloads it previously enjoyed. These changes reflect material densities accepted by third party processors based on commercial terms between SBWMA and their third-party processor, and not SBR's ability to meet or exceed payload targets.

Average Payloads by Material Type

Solid Waste	Q1	Q2	Q3	Q4	2017
Tons	56,334.86	55,125.47	55,562.02	54,708.90	221,731.25
Loads	2,189.00	2,149.00	2,171.00	2,150.00	8,659.00
Avg. Tons/Load	25.74	25.65	25.59	25.45	25.61
Organics					
Tons	28,585.39	32,361.80	30,474.95	30,882.55	122,304.69
Loads	1,183.00	1,319.05	1,243.00	1,260.00	5,005.05
Avg. Tons/Load	24.16	24.53	24.52	24.51	24.44
C&D					
Tons	9,946.87	13,318.36	14,454.46	13,375.23	51,094.92
Loads	485.00	650.00	713.00	673.00	2,521.00
Avg. Tons/Load	20.51	20.49	20.27	19.87	20.27

Other Operating Equipment

South Bay Recycling currently operates five 2010 Volvo Wheel Loaders, one 2016 Caterpillar Wheel Loader, one diesel powered Man-Lift, one electric powered Scissor Lift, four electric powered Industrial Trucks, and one diesel powered Industrial Truck.

The Linde Forklifts produce zero emissions and have a battery life that allow for a full 12-hour operation before needing to be recharged.



Equipment Maintenance

SBR maintains its equipment to include, facilities, stationary equipment, processing equipment, and rolling stock. Some repairs are performed by equipment manufacturers or highly specialized equipment repair shops. Equipment is frequently inspected and analyzed to develop and incorporate processes and procedures that result in sustainable equipment performance.



Equipment operated and maintained by South Bay Recycling:

Equipment Description	Quantity	Comments
Power Units	23	22-Kenworth T800 1-Peterbilt 357
Trailers	23	10-Tipper Trailers 11-Walking Floor Trailers 2-End Dump Trailers
Other Vehicles	2	1-Autocar Roll-Off 1-Ford F-150 Truck
Wheel Loaders	7	2-Volvo L110 Loaders 3-Volvo L60 Loaders 1-CAT 950M Loader 1-CAT Excavator
Industrial Equipment	7	4-Linde Electric Industrial Trucks 1-Linde Diesel Industrial Truck 1-Telescoping Boom Lift 1-Scissor Lift
Debris Boxes	12	7-50 Yard Debris Boxes 5-20-Yard Debris Boxes
Storage Containers/Bins	50	11 8 cubic yard bins 18 6 cubic yard bins 2 4 cubic yard bins 2 3 cubic yard bins 2 1.5 cubic yard bins 2 3 cubic yard tilt hoppers 4 6 cubic yard tilt hoppers 4 40' sea containers 4 Universal waste containers
Platform Scales	2	2-70' Inground Certified Scales

PERSONNEL

Our Greatest Asset is Our People



SBR Personnel

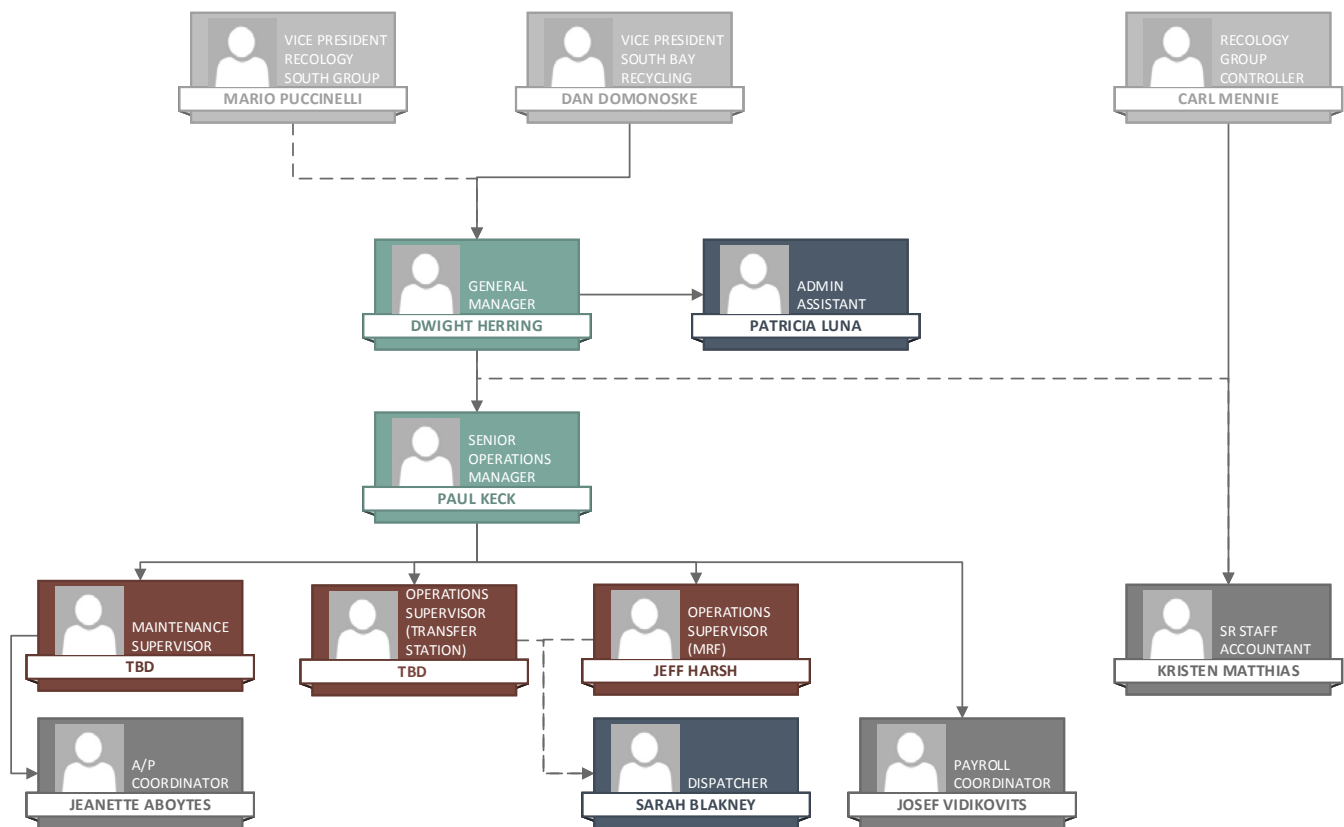
South Bay Recycling employs a total staff of 75 personnel. SBR personnel are made up of the following:

Department	FTE
Management Staff	5.0
Clerical Staff	4.0
Drivers	22.0
Maintenance Staff	6.0
Equipment Operators	14.4
Scale Attendants	2.6
PRC Attendants	3.8
TS & MRF Floor Operators	<u>16.4</u>
Total Personnel	74.2

All hourly employees are represented by Teamsters Local Union No. 350 and are assigned to one of three Collective Bargaining Units, based on their job classification:

- Facility Operations Unit;
- Semi Drivers Unit; or
- Clerical Unit.

South Bay Recycling Organization Chart



SBR Management Team



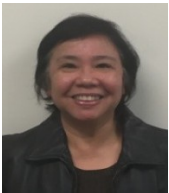
Dwight Herring, General Manager

Dwight Herring has worked for South Bay Recycling since February 2011, and has served as General Manager since November 2011. Mr. Herring has over 28 years' experience in the waste and recycling industry, having served in senior management roles for collection, post-collection and material processing operations in diverse markets throughout the United States.



Paul Keck, Senior Operations Manager

Paul Keck has worked for South Bay Recycling since August 2014, and has served as Senior Operations Manager since December 2016. Mr. Keck has over 36 years' experience in the waste and recycling industry, having served in management roles for post-collection, composting and material processing operations.



Brigget Millare, Office Manager

Brigget Millare has worked for South Bay Recycling since June 2015. Mrs. Millare has over 20 years' experience in accounting and office administration operations, and holds a M.B.A. in Business Administration.



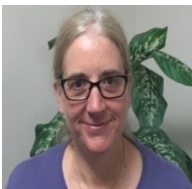
Jeffrey Harsh, Operations Supervisor

Jeff Harsh has served as Operations Supervisor since January 2017. Prior to joining South Bay Recycling, Mr. Harsh served in the United States Navy for 26 years, his last 4 serving in a leadership role as Command Master Chief. He holds a B.S. in Occupational Safety & Health, and a M.B.A. in Business Administration.



Cristobal Luna, Maintenance Supervisor

Cristobal Luna served as Fleet & Equipment Maintenance Supervisor from April 2017 to September 2017. Prior to joining South Bay Recycling, Mr. Luna served in the United States Marine Corp for 24 years.



Kristen Matthias, Senior Accountant

Kristen Matthias has served as Senior Accountant for South Bay Recycling since July 2016. Ms. Matthias has over 34 years' experience in accounting and finance, and holds a B.S. in Accounting, and a M.B.A. in Business Administration.

MATERIAL MARKETING SUMMARY



From January 4, 2017 through December 31, 2017, South Bay Recycling operated the Materials Recovery Facility equipment and processed normal grades of recyclable materials as follows:

- | | |
|----------------------------------|---------------------------|
| Old Corrugated Containers (OCC) | PP Plastic #5 |
| Sorted Mixed Paper (SMP) | Mixed Rigid Plastic (MRP) |
| PET Plastic #1 | Tin Cans |
| HDPE Color Plastic #2 (HDPE-N) | Aluminum Cans |
| HDPE Natural Plastic #2 (HDPE-C) | 3-Mix Glass |
| | Scrap Metal |

SBR transports both Glass Bottles and MRF 3-Mix Glass to Strategic Materials in Fairfield, California. All other materials are sold freight on board (FOB) San Carlos with the buyer planning transportation.

As required under the terms of the Operating Agreement, SBR compiles monthly data for monitoring the prices that OCC and SMP is sold for, and compares them to the Fiber Commodity Price Assurance Average Index Value. The chart below provides a calculation showing the Quarterly Index value compared to the average sale price for each grade of fiber from the MRF, the Price Assurance Index, and the Premium per ton for each grade.

Fiber Commodity Assurance

SBR's expertise in material marketing has provided the SBWMA with a premium value for the recovered fiber during 2017 of **\$13,566.84** (see chart below).

2017	Cardboard	Mixed Paper	TOTAL
Avg. Index Value	\$174.06	\$91.69	
Avg. Price Sold	\$174.57	\$91.87	
Difference (+/-)	\$0.51	\$0.19	
Tons	15,834.39	29,117.08	44,951.47
Premium Value	\$8,147.86	\$5,418.98	\$13,566.84

Selecting Buyers

SBR only conducts business with established brokerage firms that are in good financial standing, and have a good reputation in the industry. A financial background check is conducted on all potential brokers interested in purchasing processed commodities. Brokerage firms who prove to be financially responsible, and have a long-standing reputation to conduct business in an ethical manner, are invited to physically inspect post-processed recyclables to assess material quality. Brokers who are interested in submitting bids to purchase non-fiber commodities are provided the company's Commodity Sales & Shipment Procedure Policy. Brokers are required to periodically reevaluate non-fiber commodities as changes in material composition can impact quality.

Material Bidding and Monthly Revenue

Each month, SBR sends a bid cover sheet to all approved brokers. Brokers submit their pricing for each non-fiber commodity they are interested in purchasing. Bids are reviewed and awarded based on best pricing.

Revenue from commodities consists of two components; scrap value and California Refund Value (CRV). In 2017 the average value of commodities sold was 59% scrap value and 41% CRV value.

The scrap value consists of two primary types of materials, fiber and containers. Fibers include Old Corrugated Containers (OCC), and Sorted Mixed Paper (SMP). Containers include glass, aluminum, plastics and metal. In 2017 the scrap value from fiber (OCC & SMP) made up 91% of total scrap value revenue.

The CRV value is determined by CalRecycle in Sacramento. The CRV program in California has strong bi-partisan support and is well established throughout the State. Over the past several years the program has seen increases in participation rates which have reduced the amount of unclaimed pre-paid deposits (which CalRecycle uses to pay for program operating costs). As such there are budgetary constraints on several "non-core" aspects of the CRV program, such as grants, market development, and community service programs. However, most of the revenue that Member Agencies receive for CRV materials consists of the "core" payments for refund, processing, and administrative payments, and these components remain strong and solvent.

Historical average per ton scrap values for fiber:

<u>Year</u>	<u>Value</u>
2012	\$128
2013	\$125
2014	\$115
2015	\$93
2016	\$99
2017	\$122

In 2017 SBR continued to send fiber to export markets in Asia, primarily China, because the export market is larger and pays better prices than the domestic market.

Fiber Commodity Moisture Monitoring

The moisture testing protocol and test results were submitted to and approved by the Authority in 2011. If excessive moisture is present in fiber materials, SBR will notify the SBWMA who will determine the process for this material based on the following information:

- Daily rainfall records in the local area
- Moisture measured in inbound loose material
- Average bale weights for OCC, & Mix Paper
- Moisture measured in sorted/processed materials

OUTLOOK FOR SALE OF RECYCLABLE MATERIALS



There are two components to the value of recyclable commodities; scrap value and CRV value. The scrap value indicates the dollar amount that end users or intermediate processors are willing to pay for a specific commodity. The CRV value indicates the total dollar amount that CalRecycle establishes for beverage containers that are included in the CRV program.

The overall scrap value outlook for 2018 is unfavorable for fiber, and unstable for other grades. Recyclable materials are commodities, and as such they are subject to local, regional, and international forces of supply and demand. For many years the U.S. recycling industry has generated far more recovered materials than there are domestic markets for, and as such the export market has been an important destination for enormous quantities of post-consumer recyclables, particularly fiber and plastic. For the past twenty years export market has been dominated by China, particularly for CA materials with over 80% of export going to China.

In 2017 the Chinese government announced policies designed to support their domestic recycling industry and improve the quality of recovered materials. Two of the most important developments, which are creating a crisis in the fiber and plastics markets today, are: 1) a ban on imported mixed paper and post-consumer plastics, and 2) a requirement that post-consumer recyclables have not more than 0.5% contamination. The problems related to these developments are: (a) there are very few domestic or export markets for plastics, except for #1PET and #2HDPE, (b) there are no domestic markets for mixed paper and the export market for mixed paper is small and fledgling, and (c) the average contamination level for many MRF generated recyclables is typically in the range of 3% - 8% and it is nearly impossible to reduce that level to 0.5%.

Approximately 72% of the recyclable materials recovered in the MRF are fiber: Cardboard (OCC) and Mixed Paper. Demand for all fiber grades dropped in Q4 2017 as both domestic and export paper mills were taking advantage of the crisis caused by China. It is economically impractical to make ONP, and as such the paper generated by MRFs in CA is typically sold as Mixed Paper. In early 2018 the value of Mixed Paper has plummeted to nearly zero, and many MRFs in CA have begun sending some of their Mixed Paper to landfills. Fiber pricing is projected to remain weak in the first part of 2018, and there is a great deal of uncertainty regarding where the markets will be in the second half of the year. In the past the average fiber value was over \$100 per ton, but today it is less than \$50 per ton. If markets do not improve the impact to SBWMA will be \$2-\$3 million dollars

less revenue from fiber sales. In addition, the agency is at considerable risk to fiber claims and shipment rejections because the MRF equipment, just like all other MRF equipment installed in the US in the last twenty years, is not designed nor capable of producing recovered fiber with less than ½% contamination.

The scrap values for other recyclable commodities are expected to fluctuate in ranges slightly lower than the past years. SBR finds no reason to think that 2018 levels for non-fiber scrap pricing will be materially different than the recent past.

CRV values are subject to funding received by CalRecycle, budgetary actions at the State level, changes to refund & processing payments, and regulatory changes which are sometimes driven by special interest groups. Although CalRecycle no longer reports a “structural deficit”, there is a plan to change the way MRF material is paid CRV payments, and this may slightly reduce the 2018 CRV revenue.

ENVIRONMENTAL HEALTH & SAFETY COMPLIANCE

Creating a Culture of Safety

A safety culture exists within an organization when each individual employee, regardless of their position, assumes an active role in error prevention and that role is supported by the organization.

At SBR, we recognize that an ideal safety culture is the ‘engine’ that drives the system towards the goal of sustaining the maximum resistance towards its operational hazards. This goal is achieved irrespective of the organization's leader or current commercial concerns. What drives our safety program is a constant level of respect for anything that may bypass organizational safety systems. In other words, we are constantly looking for what can go wrong. It is very dangerous to think that an organization is safe because no information is saying otherwise. The culture we are creating requires safety management to be aware of the numerous factors that have an impact on the safety systems (i.e. human, technical, organizational, and environmental). SBRs safety culture is reflected and promoted by the following four factors:

- Senior management commitment to safety;
- Shared care and concern for hazards and a solicitude for their impacts on people;
- Realistic and flexible norms and rules about hazards; and
- Continual reflection upon practice through monitoring.

Preventative Measures

SBR makes every effort to ensure it is in full compliance of the General Operating Standards and Services required under the Operating Agreement. SBRs approach is preventative versus reactive. To this regard, management works collaboratively with its employees, the SBWMA and other regulatory agencies to develop and implement preventative measures that will reduce the risk of injury to our employees and the public we serve.

Since the start of operations, SBR and the SBWMA identified the need to install an additional fire suppression systems, including those inside each of the fiber storage bunkers located in the Materials Recovery Facility (MRF). Over the years’ improvements were made to enhance the fire protection capabilities.

To ensure the operation is compliant with Cal-OSHA standards, SBR contacted Cal-OSHA's Consulting Division and requested a post-operating review of the operation and its safe workplace practices program. Prior to startup of MRF operations, a representative of Cal-OSHA conducted a comprehensive inspection of the MRF and Transfer Station operations, and reviewed its safety programs, policies, procedures, and training regimen. As a result, Cal-OSHA identified areas of concern and made recommendations to its established programs. SBR has since corrected all areas of concern and have updated its safety program to include the recommended changes and trained staff and employees on the updated procedures.

2017 Accidents/Injuries

Date of Occurrence	Job Classification	Location	Injury
1/2017	Supervisor	Unknown	Knee strain-Repetitive Motion
2/2017	PRC Attendant	Public Recycling Center	Shoulder Strain-Repetitive Lifting
6/2017	Driver	Cab Interior	Elbow struck driver side window
8/2017	Utility Person	Property	Sprain back/neck/shoulder

2017 Facility Fire Incidents

Date	Time	Location	Cause
02/08/17	11:00 AM	MRF	Unknown
03/01/17	2:30 PM	MRF	Lithium Battery
03/16/17	12:13 PM	TS	Crushed Prius Battery
04/27/17	2:09 PM	MRF	Unknown
06/06/17	4:30 AM	TS	Crushed Lithium Battery
7/3/2017	2:18 PM	MRF	Crushed Lithium Battery
07/18/17	1:00 PM	TS	Strike Match Box
7/28/2017	8:30 AM	MRF	Lithium Battery
07/31/17	5:30 PM	MRF	Lithium Battery
08/02/17	9:30 AM	MRF	Lithium Battery
08/02/17	10:05 AM	MRF	Lithium Battery
08/25/17	10:45 AM	MRF	Unknown
09/08/17	3:32 PM	MRF	Propane Tank
09/11/17	12:00 PM	MRF	Lithium Battery
09/25/17	9:45 AM	MRF	Lithium Battery
09/29/17	9:40 AM	MRF	Unknown
10/10/17	3:52 PM	MRF	Lithium Battery
12/08/17	4:12 PM	MRF	Unknown
12/19/17	3:15 AM	TS	Lithium Battery

Other General Operating Standards and Services in place include, but are not limited to:

Litter Control

SBR has dedicated employees' who are assigned to collect and properly dispose of any litter or debris that may be on or adjacent to Shoreway Road between Ralston and Holly. These employees are also responsible for collecting and removing any debris found throughout the property at the Shoreway Facility. SBR has contracted with a commercial sweeping company who is required to sweep all areas within the Shoreway Facility and on Shoreway Road between Ralston and Holly twice per day.

Vector Control

SBR conducts its operations in such a manner as to ensure that conditions are unfavorable for production of rodents, insects and seagulls. To this regard, SBR ensures that all solid waste, organics and construction and demolition debris that enters the Transfer Station is loaded and transported to the disposal site or processing facilities within 48 hours of receipt. SBR contracts with a pest control services company to provide vector control

throughout the Shoreway Facility. Bird control measures have been installed throughout the Facility to reduce the presence of seagulls and crows.

Odor, Dust and Noise Control

Odor, noise and dust are always a concern when operating a Transfer Station, Materials Recovery Facility and Transportation operation. Dust and odor control systems have been installed and are in good working condition at the Transfer Station and Materials Recovery Facility.

Regulatory Compliance

SBRs management team conducts monthly facility and equipment inspections to ensure the facility and equipment are in good working condition and are compliant with DOT and OSHA regulations, and facility Operating Permits. Any deficiencies or areas of concern are documented and corrected prior to the next inspection. SBR utilizes EEAP (Safety Consultant) to conduct quarterly, comprehensive facility inspections, and reviews their findings with the management team.

In late 2016, SBR received an unscheduled inspection from CAL-OSHA, following a complaint stating excessive dust in the Transfer Station. Several months prior to this inspection, SBR employed the services of an Industrial Hygienist to determine if the company needed to implement a respirator fit program. The results of this test determined that dust particles were well below the threshold to implement this type of program. CAL-OSHA's inspection resulted in no findings. During the initial inspection, two small boxes were blocking a man-door, which were immediately removed in the presence of the Inspector. SBR received a Notice Only for this violation.

On March 7, 2017, CHP conducted a Basic Inspection of Terminals (BIT) of SBRs tractor-trailers and equipment maintenance files, following a complaint filed by a former employee. 50% of SBRs fleet was visually inspected, and equipment maintenance files were reviewed to determine SBRs compliance with state and DOT rules and regulations. SBR was provided a satisfactory rating.

The inspector San Mateo County Local Enforcement Agency (LEA) conducts monthly inspections to ensure the facility is operating in compliance with the Solid Waste Facilities Permit. SBR received no Areas of Concern (AOC) or Notices of Violation (NOV) from the LEA in 2017.

Employee Training

SBRs management team conducts safety meetings each month with its employees. The training topics are listed below.

- | | |
|-------------------------------------|--|
| Bloodborne Pathogens | Fire Prevention & Suppression |
| Confined Space Entry | Hazard Communication |
| Driver Qualification and Inspection | Hearing Conservation |
| Emergency Response | Lock Out/Tag Out |
| Employee Observation | Personal Protective Equipment |
| Ergonomics | Seat Belt Use |
| Fall Protection | Spill Prevention Control & Containment |

FUTURE OPTIONS UNDER CONSIDERATION

SBR is intent on identifying opportunities to expand the diversion efforts at the Shoreway Facility. Our plan is to work directly with the SBWMA staff on the use of mechanical technologies and appropriate staffing levels to expand recycling efforts. Throughout 2017 SBR will work cooperatively with SBWMA and Recology to identify materials in the Transfer Station that can be recycled or diverted for beneficial use. Space constraints are the biggest obstacle, both in the Transfer Station and the MRF. SBR continues to participate in the Long-Range Planning process, which includes, evaluating markets that will bring new opportunities to enhance diversion.

MRF Equipment Upgrades

SBR and SBWMA staff have been working on several alternatives to improve the quality of recovered materials. Adding new tasks (such as picking contamination off the outside of bales) and staffing (more sorters pulling contamination from loose material on conveyor belts) has not improved material quality to a sufficient level. Many options have been explored, such as re-sorting materials and running the sort system at half speed, but until now none of them have achieved acceptable results. SBR believes the only way to produce acceptable quality fiber is for the agency to invest in a major equipment upgrade.

Mixed Waste Processing

SBR is working with SBWMA and their consultants to identify inbound source separated organics for testing to determine the amount of wet fraction that can be culled from this material for further processing into a renewable energy.

Carpet Recovery & Recycling

SBR is a member of Carpet America Recovery Effort (CARE), which administers the California Carpet Stewardship Program. Under this program, SBR recovers carpet from various waste streams which are transported to a State Certified Carpet Recycler for further processing.

CIVIC ENGAGEMENT

South Bay Recycling recognizes that our business is unique; touching nearly every resident and business in the communities we serve. Ours is truly a public-private partnership. We also recognize the importance of community involvement, from civic and charitable endeavors to business and government participation.

South Bay Recycling has developed a Civic Engagement Plan with the intent for this to become as much a part of our culture as providing world-class service to our customers. We want to continue and be a visible and valued organization focused on making a real impact on what's most important for those communities we serve.

Earth Day and America Recycles Day

SBR participates in each of these events hosted by the SBWMA at the Shoreway Facility. SBR employees staff a booth and provide educational materials and information on the importance of recycling. Each year, SBR places a bale of cans or bottles adjacent to our booth and visitors are encouraged to estimate the number of cans or bottles in the bale. The person making the closest guess without going over, wins a 15-speed road touring bicycle.

Relay for Life

Relay for Life is a team fundraising event where team members take turns walking or running around a track or designated path, to raise funds for Cancer treatment. This is the American Cancer Society's signature fundraising event, and South Bay Recycling was proud to participate for the second year. Relay is staffed and coordinated by volunteers in more than 5,200 communities and 20 countries. Volunteers give of their time and effort because they believe it's time to take action against Cancer.