



For Immediate Release

For Further Information:
Monica Devincenzi, RethinkWaste
Phone: 650-802-3509
Email: mdevincenzi@rethinkwaste.org

2011-12 BUDGET ADOPTED BY RETHINKWASTE BOARD OF DIRECTORS *Lower Operating Costs and Higher Commodity Revenues Produce Strong Financial Results*

SAN CARLOS, CA – June 27, 2011 – The RethinkWaste Board of Directors adopted its 2011-12 fiscal year budget which reflects lower operating costs, higher commodity revenues, and strong financial results over the next twelve months. Annual revenues total \$40,132,600 and expenditures are \$36,490,650, producing a net income of \$3,641,950. The Agency is also meeting all of its debt service obligations and all cash reserve requirements with \$7,910,630 set aside in various cash reserve categories.

The financial results are a significant improvement over the projected results of the 2010-11 fiscal year budget's net income of \$270,000 due to the following factors:

- 10.6% reduction in operating costs for the Shoreway Environmental Center with the new facility operator South Bay Recycling taking over on January 1, 2011 from Allied Waste of San Mateo County.
- Completion of Shoreway master plan construction activities resulting in cessation of interim operations, notably the cost of paying a third-party recyclables processor for offsite shipment ended in April.
- 13.3% reduction in costs for Agency staff and programs due to the elimination of one-time expenses related to the startup of new services in the 12 agency RethinkWaste service area (e.g., the public education outreach campaign for the rollout of the new collection services) and a slight reduction in the RethinkWaste staff.

The RethinkWaste Board of Directors recently voted to provide no cost of living pay increases to Agency staff during the coming fiscal year and to limit merit performance payments to 2%. This is the second year in a row that the Board has taken this action with an eye to keeping expenses down at the Agency in light of the challenging economic times. RethinkWaste also continues to be a non-PERS agency with no long-term pension obligations for its six current employees, though one contract employee has PERS benefits.

610 Elm Street, Suite 202 | P: 650-802-3500 |
San Carlos, CA 94070 | F: 650-802-3501 | RethinkWaste.org

MEMBER AGENCIES: Town of Atherton • City of Belmont • City of Burlingame • City of East Palo Alto • City of Foster City • Town of Hillsborough
City of Menlo Park • City of Redwood City • City of San Carlos • City of San Mateo • County of San Mateo • West Bay Sanitary District

“So far 2011 has been a year of significant milestones and progress at RethinkWaste with the rollout of new solid waste collection and single stream recycling services from Recology San Mateo County resulting in a dramatic increase in recycling and a reduction in garbage going to the Ox Mountain Landfill. We congratulate the Staff at RethinkWaste, Recology San Mateo County and South Bay Recycling, and the residents of the RethinkWaste agencies for this achievement,” said Brian Moura, Chair of the South Bayside Waste Management Authority Board of Directors and Assistant City Manager for the City of San Carlos. “In a few months, the new Shoreway Environmental Center will be completed. I look forward to the long-awaited dedication of this facility and sharing what it can do in terms of delivering even better solid waste and recycling services to our residents and business customers.”

The adopted budget is in alignment with the Agency’s Strategic Plan and funds programs to meet ongoing contract administration and recycling program and operational obligations captured in the 12 Member Agency franchise agreements with Recology San Mateo County, the Shoreway Operations Agreement and the Joint Powers Authority Agreement.

The budget will also fund management of the Shoreway Environmental Education Center tour program. The program will consist of trained staff leading tours, participants engaging with museum quality exhibits with state standard compliant learning activities, and viewing of transfer station and Materials Recovery Facility (MRF) operations, where the recyclables are processed. The program will start in October and is expected to host at least 90 school tours during the school year for approximately 2,700 students.

“This budget reflects the culmination of the five plus year contractor selection process for rollout of new franchised collection services and new Shoreway operations, and final completion of the Shoreway master planning process initiated in 2006,” remarked Kevin McCarthy, Executive Director of RethinkWaste. “Notably, with completion of the Shoreway facility master plan capital improvements, we will now begin to realize the projected cost savings anticipated when the Board approved the sale of bonds in the summer of 2009.”

In a related action, the Board also voted to reduce tipping fees at the Shoreway facility for public customers bringing in trash and green waste. These lower rates are expected to bring in additional customers to the facility. Tipping fees charged for franchise customers (i.e., loads brought to the facility by Recology from Member Agency communities) remain unchanged at this time with a further review of these tipping fees expected in November 2011.

RethinkWaste

Formed in 1982, RethinkWaste is a joint powers authority comprised of 12 Member Agencies (Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, the County of San Mateo and the West Bay Sanitary District) in San Mateo County and is a leader in implementing innovative waste reduction and recycling programs. RethinkWaste also owns and manages the Shoreway Environmental Center in San Carlos that includes a permitted solid waste transfer station and a recycling processing facility. The Agency's legal name is the South Bayside Waste Management Authority (SBWMA.) For more information on RethinkWaste, please visit our website at www.RethinkWaste.org.

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