



RethinkWaste

South Bayside Waste Management Authority

PRESS RELEASE

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For Further Information:

Kevin McCarthy, SBWMA, 650-802-3505 or 650-248-7440, kmccarthy@rethinkwaste.org

Larry Patterson, City of San Mateo, 650-522-7303, lpatterson@cityofsanmateo.org

SBWMA Facility Operations Selection Committee Recommendation Released: South Bay Recycling and Hudson Baylor Recommended to be Short-Listed for Further Negotiations

SAN CARLOS, CA – July 17, 2008 – South Bayside Waste Management Authority (SBWMA) today released its selection committee recommendation related to the future operator of the Shoreway Recycling and Disposal Center (SRDC) facility in San Carlos. The selection committee recommends that two firms, **South Bay Recycling (SBR) and Hudson Baylor Corporation (HBC)**, be short-listed for negotiations to determine the selected facility operations contractor. The SBWMA Board of Directors will vote on this recommendation at its regularly scheduled monthly Board meeting at 2 pm on Thursday, July 24th at the San Carlos library upstairs conference room.

After negotiations are completed with both firms, one firm will be recommended for final approval by the SBWMA Board as the selected operator. Once the SBWMA selects the operator then final negotiations will commence regarding an Operations Agreement. These final negotiations will include the selection of a single stream processing equipment manufacturer or team of manufacturers. The final Operations Agreement will be subject to SBWMA Board approval and approval by two-thirds of its Member Agencies.

“We have had an exhaustive and thorough evaluation process over the past four months to arrive at this recommendation,” remarked Larry Patterson, Chair of the SBWMA Board. “I couldn’t be more pleased with the recommendation as we have two exceptionally qualified firms to choose from.”

On March 4, 2008 the SBWMA received 7 proposals in response to its Request for Proposals released on November 1, 2007 for operation of the SRDC. Allied Waste of San Mateo County currently operates the SRDC under contract with the SBWMA until December 31, 2010. Proposals were received from the following companies:

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- Allied Waste Services of San Mateo County
- Bayside Environmental Services & Transfer (joint venture of Peninsula Sanitary Group, South San Francisco Scavenger Company, Green Waste Recovery and Zanker Road Resource Management)
- Greenstar, LLC
- Hudson Baylor Corp with Waste Solutions Group
- Norcal Waste Systems of San Mateo County
- Republic Services, Inc.
- South Bay Recycling, LLC (joint venture of Community Recycling & Resource Recovery and Potential Industries)

“We had a very talented group of firms to select from representing the best and the brightest in the business,” stated Kevin McCarthy, SBWMA Executive Director. “We are also extremely pleased that both South Bay Recycling and Hudson Baylor Corp. submitted cost proposals that are below the current operating costs of Allied Waste at the SRDC. This is great news for the ratepayers.”

Further details on South Bay Recycling and Hudson Baylor Corp. and the other five proposing firms can be found on our website at www.RethinkWaste.org.

South Bay Recycling

South Bay is a joint venture between Community Recycling & Resource Recovery, Inc., (Community Recycling) and Potential Industries, Inc. with Community Recycling serving as the Managing Partner. Both firms are privately owned and have worked together on various projects for over 25 years. Community Recycling, based in Los Angeles, operates one of the largest transfer operations in California processing over 5,000 tons per day (tpd) of mixed residential and commercial refuse, construction and demolition debris (C&D), and organic waste streams. They also operate a fleet of over sixty transfer trucks, more than twice the size of the current SRDC fleet. They own the largest composting facility in California and two biomass plants producing green power.

Potential Industries was founded in Los Angeles in 1975 and operates four recycling facilities in Southern California including two MRFs. The company processes over 300,000 tons of recyclable material per year at their California locations. Potential has operated the largest single-stream plant in California for over ten years. Their Wilmington plant processes about 17,000 tons per month, more than twice the throughput of the future SRDC facility. Potential also has direct ownership in Chinese newsprint and tissue mills, which helps ensure long-term access to end markets.

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Hudson Baylor Corporation

A privately held company headquartered in New York State since 1983, Hudson Baylor operates 10 MRFs nationwide handling over 475,000 tons of recyclables per year. They operate three single stream MRFs in the Phoenix area. HBC's core business is operation of municipally-owned facilities so they have a keen cultural understanding of municipal customer service, reporting, and operating expectations and contract standards. They have offered the SBWMA an extraordinary base commodity sales revenue guarantee of \$10.1M (\$3.35 million above the SBWMA contractual requirement).

Hudson is teamed with San Francisco based Waste Solutions Group which prepared an innovative transfer station plan to maximize the efficiency of operations while enhancing recycling levels.

SBWMA

Formed in 1982, the SBWMA 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 and San Mateo along with 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. The SBWMA also owns and manages the SRDC consisting of a permitted solid waste transfer station and a materials recovery facility. For more information on the SBWMA please visit our website at www.RethinkWaste.org.

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