



# EXECUTIVE DIRECTOR'S REPORT



## STAFF REPORT

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**To:** SBWMA Board Members  
**From:** Joe La Mariana, Executive Director  
**Date:** September 22, 2016 Board of Directors Meeting  
**Subject:** Executive Director Report

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It is with great pleasure that I provide this first report on your staff's activities, programs and priorities as we deliver on the mission of our agency. The agencies current top priorities are:

- **Finalize the 2017 Recology and SBR Compensation Adjustment Application**  
*As needed, assist member agency staff and their consultants as each member agency's elected officials consider the approval of the 2017 rates for their ratepayer's garbage and recycling services. To date, staff has worked with Menlo Park, East Palo Alto, City of San Mateo, San Carlos, Hillsborough, County of San Mateo, Foster City, Burlingame and West Bay Sanitary District to support their rate setting needs. Staff is readily available to attend every member agency's elected board meetings and related study sessions during this entire process.*
- **Restore the Shoreway Environmental Center's Facilities to Full Operation**  
*Work with all stakeholders to achieve the timely restoration of the recently fire-damaged equipment and facilities to the Material Recovery Facility (MRF) and Transfer Station during the recent fire incidents. Staff is fully committed to minimize the financial impact to our ratepayers by utilizing the most cost-effective alternative material handling and processing options available, and by working collaboratively with the Hanover Insurance claims team, all restoration contractors and our longstanding program partners, including Recology and South Bay Recycling (SBR), to obtain maximum cost recovery from the insurance claim process. Staff currently estimates that the Material Recovery Facility will be closed until spring 2017. The Transfer Station was minimally affected during the second fire incident. Thanks to the diligent efforts by SBWMA staff and the men and women of SBR/ Recology, our collection programs operated on a "business as usual" basis during the entire post-incident, emergency remediation period of the affected facilities.*
- **Execute the Collection Franchise Agreement Extension**  
*In April, 2016, the SBWMA board approved the formation of an Ad Hoc Committee consisting of representatives from six of its member agencies (Belmont, East Palo Alto, Menlo Park, Redwood City, City of San Mateo and the County of San Mateo) to meet with Recology of San Mateo County (RSMC) with the goal of obtaining mutual agreement on a Universal Solid Waste and Recycling Collection Services Franchise Agreement (agreement) that extends beyond 2020. This committee will determine process, resources, universal terms, agency priorities and timeline. The committee will engage the use of a third party industry expert to support its activities and it will convene in October through February with RSMC to deliver a new agreement to the SBWMA board for its consideration at the March 2017 board meeting. Upon SBWMA board approval of the agreement, RSMC will confer with each member agency to negotiate specific scope of work and pricing terms and obtain approval by their respective elected bodies by October 2017. If the majority of the member agencies do not approve the agreement by November 2017, staff will, with board approval, implement a comprehensive Request for Proposal, contractor*

*selection and service transition process between January 2018 and December 2020 to protect the interests of our ratepayers.*

- **Comprehensive Assessment of Agency Resource Allocation**

*Per board direction, review mandated regulatory and contractual responsibilities and long range plan components to ensure that agency resources and activities are in direct alignment. Report backs to the board will occur during the next few board meetings, and beyond. Delia and Associates has been retained to assist with the review of our organization's structural components and needs, as well as staff's professional development. A detailed update will follow by the November board meeting.*

**Other Agency Highlights:**

Staff has placed a priority on addressing:

1. **Critical operating and material processing contract expiration**, including:

- **House Hazardous Waste Collection** (Dec. 2016--Waste Management)
- **Organics processing** (Dec. 2018--Republic Services; Dec. 2020--Recology)
- **Construction & Demolition** (Jan. 2017--Zanker)
- **Disposal** (Dec. 2019--Republic Services)

Each of these contracts expires during the next three years and staff is diligently evaluating market pricing, service availability and best practice operational alternatives. It is clear that current market pricing for these vital services appears to be above our contractual pricing models. Please note that each of these contracts was originally negotiated during the great recession, and the pricing that we secured reflected the extremely competitive nature of the marketplace during those hard times.

2. **Administrative Support:**

My active engagement in many of the agency's administrative policies and procedures has been both informative and illuminating. I am impressed with the agency's core standard operating procedures. Like any dynamic organization, staff will, of course, always seek better ways to perform our work. Here are some items of note:

- **Staff:** Weekly staff and one-on-one meetings have been implemented which focus on project and program tracking, building staff/team morale, professional development and providing high-quality service delivery. With Executive Committee collaboration, we are recruiting for the agency's vacant *Recycling Outreach and Sustainability Manager* and *Environmental Educational Associate* (EEA) positions. After extensive review and program evaluation, these positions were deemed to be critical to the performance of our agency's core mission and for the safety of our students during our robust environmental education tour program. Despite the MRF's closure, recruitment for the EEA position will proceed to secure a qualified candidate who will be fully on-boarded and trained for the facility re-opening, and to provide pub ed program support in the meantime. Both positions are included in the agency's approved FY16-17 administrative budget.
- **Financial services contract:** Staff met with our financial services provider, City of San Carlos staff, to ensure a smooth bridge during recent significant staff transition. This discussion presented an ideal opportunity to also underscore our agency's service expectations.
- **Legal team engagement:** The agency's legal consultants have been frequently engaged on a variety of contracts, policies, procedures and general agency practices. This excellent collaboration will create a strong foundation for our agency's future projects, programs and operations.

- **Phone System review:** At a board member request, staff conducted a complete phone system review. Usability improvements were made immediately and a major software upgrade is scheduled for the evening of September 28th. Alternative systems remain an option for future.
- **Office equipment:** Some furniture has been replaced or expanded due to meet office functionality and file storage needs, as well as to meet ergonomic standards. Additional improvements may also follow. When available, used furniture has been purchased. The office's carpet were deep-cleaned in August.

Respectfully submitted,



Joe La Mariana  
Executive Director



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**Agenda Item 7A**

**Executive Director and staff Update on Shoreway Environmental Center  
Fire Damage**

**Discussion item only at the September 22, 2016 Board of Directors Meeting**

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Discussion Item Only