



SHOREWAY OPERATIONS AND CONTRACT MANAGEMENT



STAFF REPORT

To: SBWMA Board Members
From: Hilary Gans, Facility Operations Contracts Manager
 Farouk Fakira, Finance Manager
Date: September 22, 2016 Board of Directors Meeting
Subject: Resolution Approving 2017 South Bay Recycling Compensation Application

Recommendation

Staff recommends the Board approve of Resolution 2017-36 attached hereto authorizing the following action:

- Approval of 2017 South Bay Recycling (SBR) Compensation Application.

Exhibit A contains the SBWMA Final Report - Review of 2017 South Bay Recycling Compensation Application for Board consideration.

Analysis

The recommended 2017 overall compensation adjustment for SBR is **negative 1.8%** which compares favorably to last year's adjustment of 1.3%. The decrease in 2017 is the result of a decrease in fuel cost index and modest increases in labor and other indexes which govern the rate of SBRs' costs adjusted as established in the Operations Agreement.

The SBWMA staff conducted the review of the SBR Compensation Application and worked closely with the company to ensure that questions and concerns were answered and their application was modified as necessary to address any changes. Staff has verified that the SBR Compensation Application is complete and meets the requirements of the Agreement. The recommended rate adjustment are summarized in **Table 1** below.

2016 Payment/Ton vs. 2017 Payment/Ton					
South Bay Recycling	2016		Adjustment	2017	
Operating Cost	Total Cost	Payment/Ton	%	Total Cost	Payment/Ton
Transfer Station	\$ 4,591,437	\$ 12.84	0.7%	\$ 4,621,962	\$ 12.92
Recyclable Materials Processing, net of Residue	\$ 5,903,808	\$ 84.49	1.1%	\$ 5,971,246	\$ 85.39
Transport (<i>cost/ton-mile</i>)	\$ 6,548,766	\$ 1.08	-6.0%	\$ 6,156,049	\$ 1.02
<i>Transport (cost/ton)</i>	-	\$ 18.31	-6.0%	-	\$ 17.21
Total Operating Cost	\$ 17,044,011		-1.7%	\$ 16,749,257	
Contractor Pass-Through Costs					
Total Interest	\$ 164,898		-20.1%	\$ 131,712	
Construction Management	\$ -			\$ -	
Interim Operations	\$ -			\$ -	
Buyback Payments Estimate	\$ 825,000		0.0%	\$ 825,000	
Total Contractor Pass-Through Cost	\$ 989,898		-3.4%	\$ 956,712	
Total Compensation	\$ 18,033,909		-1.8%	\$ 17,705,969	

Note: Buyback payments have been changed to reflect correct payment amount - 2016 total therefore will not tie to last year's Rate Report.

(Note: the total costs shown in the above table are for illustration purposes only. SBR is paid the approved fee per ton on the **actual** tons received at the Shoreway facility).



Background

Each year, the SBR Final Rate Report is brought forward to the Board simultaneously with the Recology San Mateo County (RSMC) Rate Report.

On July 1, 2016 SBR submitted a 2017 Compensation Application report to the SBWMA as required under the Shoreway Operations Agreement in Article 7.12 (which prescribes the process by which this application is reviewed and the company's compensation is approved). The SBWMA staff reviewed the SBR 2017 Compensation Application for completeness, accuracy and consistency and issued a SBWMA Draft Report Review of 2017 South Bay Recycling Compensation Application on August 15th. The SBWMA staff requested that Member Agencies provide input on the Daft Report by August 26th. No comments were received from Board Members or Member Agency staff and no changes were made to the Compensation Application.

It is important to note that the approved compensation for SBR will be part of the calculation to arrive at the 2017 tipping fees to be charged at the Shoreway Facility (The Shoreway tip fees are based on all the SBWMA operating costs - composed of disposal and processing expense, franchise fees to City of San Carlos, SBWMA program budget, debt service payments, less commodity revenue) Disposal and processing expense based on estimated Shoreway tipping fees are included as a pass-through expense in the calculation of each Member Agency's total Revenue Requirement (*shown as "Disposal and Processing Fees" in Table 8, line A4 of the SBWMA Report Reviewing the 2017 Recology San Mateo County Compensation Application*) for setting solid waste collection rates.

Fiscal Impact

The recommended 2017 overall compensation adjustment for SBR is negative 1.8% which compares favorably to last year's adjustment of 1.3%. Details of SBR compensation can be found in Exhibit A: SBWMA Final Report - Review of 2017 South Bay Recycling Compensation Application.

Attachments:

Resolution 2017-36

Exhibit A - SBWMA Final Report - Review of 2017 South Bay Recycling Compensation Application



RESOLUTION NO. 2016-36
RESOLUTION OF THE SOUTH BAYSIDE WASTE
MANAGEMENT AUTHORITY BOARD OF DIRECTORS
APPROVING 2017 SOUTH BAY RECYCLING COMPENSATION APPLICATION

WHEREAS, The South Bayside Waste Management Authority (SBWMA) prepared and issued to the SBWMA Board of Director's on August 15, 2016 the SBWMA Draft Report on Review of 2017 South Bay Recycling (SBR) Compensation Application (Report); and

WHEREAS, SBWMA staff requested Board Member and Member Agency review of a Draft Report concurrent with review of the Draft Report on 2017 RSMC Compensation Application and requested comments, questions and concerns to be submitted by August 26, 2016; and

WHEREAS, SBWMA revised the Draft Report based on any comments received from Board Members and Member Agencies and additional information provided by SBR and issued the Final Report (**Exhibit A**) to the Board of Directors; and

WHEREAS, the Final Report recommends adjustments to SBR's compensation from its 2016 base costs to 2017.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby approves the SBWMA Final Report on Review of 2017 South Bay Recycling Compensation Application.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 22th day of September, 2016, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist.				

I HEREBY CERTIFY that the foregoing Resolution No. 2016-36 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on September 22, 2016.

 Bob Grassilli, Chairperson of SBWMA

ATTEST:

 Cyndi Urman, Board Secretary



SBWMA REPORT REVIEWING
2017 SOUTH BAY RECYCLING
COMPENSATION APPLICATION

September 8, 2016

TABLE OF CONTENTS

SUMMARY

SECTION 1. SBR Compensation Adjustment and Rate Setting Process

A. Shoreway Operations Agreement Terms 1
B. Calculation of Total Collection Revenue Requirement..... 1
C. Description of SBR’s Fees and Service Elements 3
D. Compensation Adjustment Process 3
E. Commodity Revenue Sharing 4

SECTION 2. South Bay Recycling 2017 Compensation Application

A. Analysis of SBR 2017 Compensation Application..... 5
B. Description of 2017 Compensation Adjustments 5

SECTION 3. Recommended SBR Fees Per Ton for 2017 7

APPENDICES

Appendix A – SBR Cost Adjustment Worksheets

SUMMARY

The 2017 Shoreway Tip Fees are the basis for setting the Shoreway Pass-Through expenses that become part of the Total Collection expense and Revenue Requirement for each Member Agency upon which it sets its solid waste rates for 2017. The compensation paid to South Bay Recycling (SBR) for operations of the Shoreway Facility are a component of the Shoreway Tip Fee. After review of SBR's Compensation Adjustment Application, the Total Compensation for SBR in 2017 is recommended to be \$17,705,969, which is \$327,940 (-1.8%) lower than in 2016.

SECTION 1. SBR Compensation Adjustment and the Rate Setting Process

A. Shoreway Operations Agreement Terms

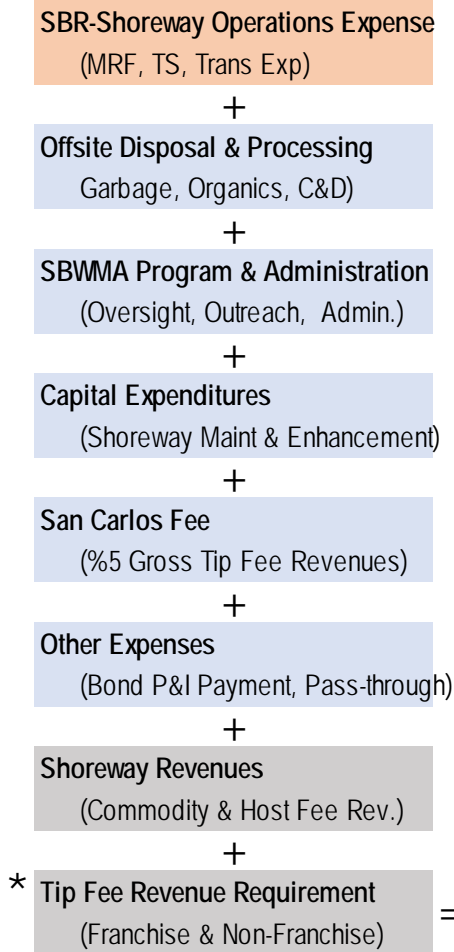
South Bay Recycling, LLC (SBR) was selected as the facility operator on April 23, 2009, and a final Shoreway Operations Agreement ("Agreement") was approved by the Board on July 23, 2009. Article 7 and Attachments 13-A and B of the Agreement prescribe that the SBWMA is responsible for conducting the annual review and analysis of SBR's compensation application due by July 1st each year. The SBWMA is charged with performing a thorough review to ensure the application is complete and follows the prescribed compensation adjustment methodology in the Operations Agreement to arrive at the recommended 2017 fees per ton contained in this report. This rate application provides the basis for adjusting SBR's approved fees (SBR is paid monthly based on the approved fees per ton times the actual number of tons processed and transported at Shoreway).

B. Calculation of Total Collection Revenue Requirement

The approved 2017 compensation for SBR will be bundled with all other SBWMA operating budget expenses (e.g., disposal expense, franchise fees paid to the City of San Carlos, debt service, SBWMA program budget, etc.) to set the 2017 Shoreway Tip Fees. The 2017 Shoreway Tip Fees are the basis for setting the Shoreway Pass-Through expenses that become part of the Collection expense and the total Revenue Requirement for each Member Agency upon which solid waste rates for 2017 are set. (These costs are described in detail in "Other Pass-Through Costs" in the 2017 Recology Draft Rate Report and are the result of the Shoreway tipping fees charged on the solid waste and organics tons delivered to Shoreway throughout the year). The Flow Diagram of SBWMA Budget and Collection Rate Setting Process on the following page shows how the SBR-Shoreway Operations Expense (*tan color*) serves as the starting point for computing the Total Waste System Revenue Requirement that forms the basis for the Member Agency Rate Setting process.

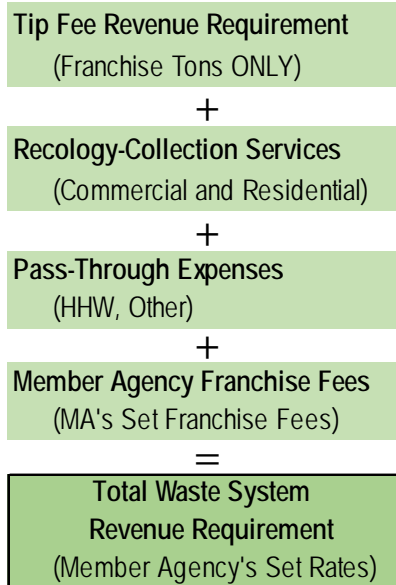
**FLOW DIAGRAM OF SBWMA BUDGET
&
COLLECTION RATE SETTING PROCESS**

SBWMA Agency Budget
(Shoreway Operations, Programs & Admin.)



- * *Tip Fees Revenue Requirement Goals*
- Meet Bond Covenant Tests
 - Meet Board Reserve Balances
 - Rate Stabilization Reserve
 - Emergency Reserve
 - Undesignated Reserve (Capital Projects)

Member Agency Rate Setting



C. Description of SBR Fees and Service Elements

The process for adjusting SBR's compensation are detailed in the Operations Agreement in Article 7.03 and Attachment 13-A of the Agreement,

SBR's compensation includes three core services elements that are paid on a per-ton basis:

- Transfer Station Processing
- Recyclable Materials Processing
- Transportation to Disposal and Processing Sites

The fees for the above service elements are each comprised of distinct cost components:

- A. Labor Costs
- B. Fuel and Power Costs
- C. Depreciation Cost
- D. Other Operating and Maintenance Costs

The above cost components have the following subcomponents:

- A. Labor Costs
 - Wages for CBA labor (*index*)
 - Benefits for CBA labor (*index*)
 - Workers' compensation insurance (CBA labor) (*index*)
 - Payroll taxes (CBA labor) (*non-index*)
 - Outside contracted workers from third-party sources (VRS) (*index*)
- B. Fuel and Power Costs
 - Electricity (*based on actuals/non-index*)
 - Fuel (*index*)
- C. Depreciation Cost (*no adjustment*)
- D. Other Operating and Maintenance Costs (*index*)
 - Wages and benefits for non-CBA employees
 - Wages and benefits for CBA clerical
 - Repair and maintenance expenses
 - Equipment rental expenses
 - Other vehicle-related expenses (e.g. licensing, taxes)
 - Insurance, safety and claims
 - Other general & administrative expense

D. Compensation Adjustment Process

A major goal for the Shoreway Operations Contractor selection process concluded in 2010 to make the contractor's compensation adjustment process more predictable and transparent. This cost adjustment methodology is the basis for SBR's Rate Application submittal and the SBWMA staff's subsequent review to ensure accuracy and consistency with the requirements of the Operations Agreement. The compensation adjustment process uses the approved 2016 fees paid to SBR as the basis for adjustment to the new 2017 fees. As detailed in the Agreement, the adjustment process for the 2016 Fees structure is illustrated in following chart. (Article 7.05 and Attachment 13-A of the Operations Agreement prescribes a detailed cost adjustment methodology that ties most of the cost adjustments to standard indexes (i.e., CPI).

SBWMA - CONTRACTOR COST ADJUSTMENT PROCESS			
BASE COST - 2016		ADJUSTMENT	2017 CONTRACTORS COMPENSATION
CBA: TS/MRF, Mechanics, Drivers, & Clerical (wages and benefits)	+	Index	= Base plus Adjustment
Other Cost	+	Index	= Base plus Adjustment
Power	+	Blend of actual PG&E rate & ISH Solar rate	= Base plus Adjustment
Depreciation	+	No Change	= Last Year's Depreciation
Profit	+	Based on operating ratio in Proposal	= Base plus Adjustment
Pass-Through Cost			
Interest		Interest is fixed on sliding scale based on final capital cost	Annual Interest Expense per Interest Schedule
Other		Actual cost reimbursed (i.e., Buyback payments, new regulatory fees, etc.)	Actual Cost
Total Base Compensation	+	Total of Above	= Total of Above

E. Commodity Revenue Sharing

A portion of SBR's compensation comes from the sale of commodities through the "Commodity Revenue Share" program where the commodity revenues from the recyclable materials processed at the Shoreway MRF are split between SBWMA and SBR: in the Commodity Revenue Share program, SBR receives a minority share of the MRF commodity revenues as an incentive to maintain high recovery and obtain the best commodity sales prices. In year 2016, the Commodity Revenue Share to SBR was 28% and while the SBWMA retained 72% of the commodity sales revenue above the Revenue Guarantee. As a result of SBR's continued good performance in maintaining low MRF residue (the MRF residue rate remained at 7%), SBR is again eligible for a 28% share of commodity sales revenue (see Article 7.07 of the Agreement - Residue-Reduction Incentive Program).

Note: the actual value of the revenue share is not shown in this report, since it is based on the actual tonnage and commodity revenue for the full-year of 2016. Hence, an estimate is used in the SBWMA Annual Budget and calendar year projections. As a point of reference, the commodity sales revenue share paid to SBR in year 2016 was \$825,285.

SECTION 2. SBR 2017 Compensation Application

A. Analysis of SBR 2017 Compensation Application

SBWMA staff conducted the review of the Compensation Application submitted by SBR and worked closely with the company to ensure that questions and concerns were answered. Their application was modified as necessary to address any changes. Staff has verified that the SBR Compensation Application is complete and meets the requirements of the Operations Agreement. As shown in **Table 1**. below, the Total Compensation for SBR in 2017 is recommended to be \$17,705,969, which is \$327,940 (-1.8%) lower than in 2016.

2016 Payment/Ton vs. 2017 Payment/Ton					
South Bay Recycling	2016		Adjustment	2017	
Operating Cost	Total Cost	Payment/Ton	%	Total Cost	Payment/Ton
Transfer Station	\$ 4,591,437	\$ 12.84	0.7%	\$ 4,621,962	\$ 12.92
Recyclable Materials Processing, net of Residue	\$ 5,903,808	\$ 84.49	1.1%	\$ 5,971,246	\$ 85.39
Transport (cost/ton-mile)	\$ 6,548,766	\$ 1.08	-6.0%	\$ 6,156,049	\$ 1.02
<i>Transport (cost/ton)</i>	-	\$ 18.31	-6.0%	-	\$ 17.21
Total Operating Cost	\$ 17,044,011		-1.7%	\$ 16,749,257	
Contractor Pass-Through Costs					
Total Interest	\$ 164,898		-20.1%	\$ 131,712	
Construction Management	\$ -			\$ -	
Interim Operations	\$ -			\$ -	
Buyback Payments Estimate	\$ 825,000		0.0%	\$ 825,000	
Total Contractor Pass-Through Cost	\$ 989,898		-3.4%	\$ 956,712	
Total Compensation	\$ 18,033,909		-1.8%	\$ 17,705,969	

Note: Buyback payments have been changed to reflect correct payment amount - 2016 total therefore will not tie to last year's Rate Report.

Note: Total Operating Cost shown in the table are estimated since costs are based on actual tons delivered to Shoreway throughout the year.

B. Description of 2017 Compensation Adjustments

Costs in the SBR Compensation Application are adjusted primarily based on changes in indexes. Cost categories are adjusted based on the following criteria:

- Labor Cost (CBA for Operators, Mechanics, Drivers, and Clerical) – adjusted by CPI index
- Power Cost - adjusted based on the actual change in power rates
- Fuel Cost - adjusted by a fuel index
- Other Operating Costs - various indices such as CPI
- Depreciation Cost - not adjusted
- Interest Expense - based on fixed schedule

Labor Cost Adjustment

CBA wage and benefits are adjusted based on changes to the CPI index. The Labor Cost component represents the largest cost component in SBR's compensation. **Table 2**. shows the individual index changes to Labor for 2017.

Pass-Through Costs

Pass-through costs are not subject to profit but are reimbursed to SBR at actual cost. The pass-through costs in the Facility Operations Agreement (Article 7.09) are as follows:

- Payments to buyback customers for purchase of recyclables are a pass-through expense. (Actual buyback payments to public customers will be reimbursed monthly in arrears).
- Changes to regulatory fees qualify as pass-through costs.
- Interest expense on allowed capital (paid to SBR monthly at one-twelfth of the annual interest expense denoted in Attachment 13A, Interest Cost Form 3-M which schedules-out interest expense for the ten-year life of the contract on a sliding scale). The annual interest expense for 2017 is \$131,712, a 20% reduction from 2016.

The results of the index-based cost adjustments for the 2017 rates are summarized in **Table 2**. and summary of the cost adjustments for 2017 by all cost categories is presented in **Table 3**.

Table 2					
Cost Adjustment for Index Changes					
COST CATEGORY					
LABOR COSTS: CBAs Wages & Benefits					
1	<i>Index: U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Service-Producing Industries (seasonally adjusted, total compensation, series no. (cis201s000000000i)</i>				
		2016	2015	2014	2013
	Avg. Index - April	124.78	122.63	119.78	117.55
	% Change	1.75%	2.38%	1.89%	1.93%
(VRS)					
2	<i>Cost Index for Total All workers (not seasonally adjusted, total benefits, series no. CIU2030000000000A).</i>				
		2016	2015	2014	2013
	Avg. Index - April	125.08	123.45	120.50	118.07
	% Change	1.32%	2.45%	2.06%	1.87%
OTHER OPERATING AND MAINTENANCE COSTS					
3	<i>Urban Consumers, U.S. city average (not seasonally adjusted, all items, base period: 1982-84=100, series no. cuur0000sa).</i>				
		2016	2015	2014	2013
	Index (Annual)	237.87	236.66	234.15	230.76
	% Change	0.51%	1.07%	1.47%	1.69%
FUEL COSTS: Fuel					
4	<i>Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels and related products and power, series no. wpu057303).</i>				
		2016	2015	2014	2013
	Index	158.41	256.49	314.87	323.28
	% Change	-38.24%	-18.54%	-2.60%	-0.78%
DEPRECIATION - there is no adjustment to depreciation expense in 2017.					

Table 3			
Results of Cost Adjustments			
Cost Component	Adjustment	Basis	Description
Labor - (all CBAs)			
Wages	1.75%	Index	CBA wages compensation adjustment based on index change.
Benefits	1.75%	Index	CBA benefits compensation adjustment based on index change.
Worker's Comp Insurance	1.32%	Index	Workers compensation adjustment based on index change.
Payroll Tax	1.75%	Wages & tax rate change	The payroll tax rate changes with any changes in federal or state payroll tax rates.
VRS Labor non-CBA	1.32%	Index	Non-CBA (VRS) compensation adjustment based on index change.
Power	5.37%	PG&E & Solar Rates	Power is adjusted by the blend of actual PG&E electricity rates and the Solar Power rate.
Fuel	-38.2%	Index	Fuel expense is adjusted by the actual change in the fuel index.
Depreciation	0.0%	n/a	There is no adjustment to depreciation.
Other O&M	0.51%	Index	Other O&M expense includes non-CBA personnel, maintenance parts, insurance, general office expense, safety, etc. Other O&M expense is adjusted by 80% of an index.
<i>The cost components are adjusted from prior year . For all four CBA contracts and non-CBA costs, various indexes are used to adjust cost.</i>			

SECTION 3. SBR per ton Fee Adjustment for 2017

After review of the SBR Compensation Adjustment Application, staff recommends the following Fees be paid to SBR on a per-ton basis for 2017:

- Transfer Station Processing Fee. The 2017 Transfer Station fee is \$12.92 per Ton.
- MRF Processing Fee. The 2017 MRF Processing fee is \$85.39 per ton (note the Contractor pays for MRF residue transportation and disposal which is deducted from MRF Processing Fee resulting in an *Estimated Net MRF Processing Fee*).
- Transportation Fee. There are multiple transportation fees for each material type (i.e., solid waste, inerts, construction and demolition, and organics) and for each destination. The average 2017 Transportation Fee is \$1.02 per ton mile which is 6% lower than prior year (the transportation rate detail for each material type and destination are presented in the **Appendix A – SBR Compensation Adjustment Application Worksheets**).

Table 4. below provides the fee paid to SBR in 2016, the adjustment for 2017 and the Fee to be paid to SBR in 2017. The total adjustment to SBR's compensation from year 2016 to year 2017 is negative 1.8%

Table 4			
SBR - 2017 Fee Adjustments to Basic Compensation			
	2016	Adjustment	2017
Cost Components	Fee/Ton	%	Fee/Ton
Transfer Station	\$ 12.84	0.7%	\$ 12.92
Recyclable Materials Processing, gross	\$ 84.49	1.1%	\$ 85.39
Transport Blended Total (cost/ton-mile)	\$ 1.08	-6.0%	\$ 1.02
Total Adjustment		-1.8%	



STAFF REPORT

To: SBWMA Board Members
From: Joe La Mariana, Executive Director
Date: September 22, 2016
Subject: Resolution Authorizing the Executive Director to Execute a Contract with Signal Restoration Services

Recommendation

It is recommended that the SBWMA Board of Directors approve the attached resolution authorizing the Executive Director to execute a contract with Signal Restoration Services.

Summary

Staff requests that the Board approve the attached contract with Signal Restoration Services for cleanup work which must occur before any repairs can be made to the equipment damaged by last week's fire at the Recology Center.

Background

On Wednesday, September 7, 2016, a 4-alarm fire occurred at the Shoreway Environmental Center Materials Recovery Facility located on SBWMA's 16-acre solid waste handling facility in San Carlos. As a result of the fire, operations at the facility have been suspended. On September 8, 2016, a claim was made through SBWMA's broker, Risk Strategies. A claims adjustor was immediately assigned and representatives from SBWMA's insurance carrier have been on site since that time. One of the adjustor's first requests was that Signal Restoration Services be engaged to begin an immediate cleanup of the facility. Pursuant to the Executive Director's authority under SBWMA's Purchasing Policies, Section 3.12.260, Consultants, the Executive Director has executed a purchase order with Signal Restoration Services in an amount not to exceed \$50,000 and cleanup has already begun.

Staff now recommends that the Board of Directors approve the attached contract with Signal Restoration Services because the full scope of cleanup is estimated to be \$500,000.

The contract scope of work is defined as, "Dry ice blast and clean the soot from the building followed by pressure washing and painting as necessary." Signal Restoration Services has extensive experience in this type of cleanup work, is the preferred vendor recommend by SBWMA's insurance carrier and Signal Restoration Services' staff has provided excellent service to date.

Fiscal Impact

The contract with Signal Restoration Services provides for billing on a time and materials basis. (See Exhibit A.) As noted above, the estimated cost of their services is \$500,000. Costs incurred as a result of this contract will be submitted as part of SBWMA's insurance claim. The coverage limits under SBWMA's policy are:

- \$37 Million Buildings
- \$20 Million Personal Property
- \$4.5 Million Business Income

Attachments:

Resolution 2016-37

Exhibit A - Contract with Signal Restoration Services



RESOLUTION NO. 2016-37

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH SIGNAL RESTORATION SERVICES

WHEREAS, the South Bayside Waste Management Authority (SBWMA) Board of Directors has considered entering into a contract with Signal Restoration Services for the purpose of providing the following services at 225 Shoreway Road, San Carlos, California:

Dry ice blast and clean the soot from the building followed by pressure washing and painting as necessary

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby authorizes the Executive Director to execute a contract with Signal Restoration Services, attached hereto as Exhibit A.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 22 day of September, 2016, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist				

I HEREBY CERTIFY that the foregoing Resolution No. 2016-37 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on September 22, 2016.

ATTEST:

Bob Grassilli, Chairperson of SBWMA

Cyndi Urman, Board Secretary



7221 Oranewood Avenue
Garden Grove, CA 92841
Phone#: (714) 763-4153 / Fax : (714) 276-0607
Contractor's License # : 986693

Job #: 0916-025MIST

COMMERCIAL PROJECT AGREEMENT
AND WORK AUTHORIZATION

This Commercial Project Agreement and Work Authorization ("Agreement") is entered into on Monday, September 12, 2016, between Signal Restoration West, LLC, dba Signal Restoration Services, whose address is 7221 Oranewood Avenue, Garden Grove, CA 92841, Contractor's License No. 986693 ("Signal") and South Bayside Waste Management Authority #333 - Hilary Gans ("Customer").

1. Description/Scope of Work. Customer is the property owner, manager, tenant and/or responsible representative who hereby authorize Signal to provide the services listed:

Dry ice blast and clean the soot from the building followed by pressure washing and painting as necessary.

Signal may hire or engage subcontractors to perform and complete all or any portion of the work. Signal is not required to perform to a state-of-the-art standard, but rather shall be required to conform to the state-of-practice standard.

2. Payment for Services. Customer agrees to pay Signal for all labor, materials, and equipment utilized to mobilize, demobilize, commence, perform the work described above and invoiced in accordance with Signal's T&M Rate Schedule dated January 1, 2016.

3. Limitation of Liability. Neither the Customer nor Signal shall be liable for any special, indirect, or consequential damages. This limitation includes, but is not limited to, all claims for personal injuries, damage to property, and lost profits.

4. List of Documents to be Incorporated into the Agreement. The Standard Commercial Project Terms and Conditions of Signal in effect as of the date of this agreement (which have been provided to Customer and Customer has acknowledged receipt) are hereby incorporated by reference as though set forth at length.

5. Authorization to Enter Into Agreement. The person or persons whose signature appears on this Agreement represents and warrants, both personally and on behalf of the owner, that such person is duly authorized to execute this Agreement.

6. Attorney's Fees and Costs. The parties agree that in an action for a breach of this Agreement, that the Prevailing Party will be entitled to Reasonable Attorneys' Fees, costs and expert witness fees in addition to any other relief to which that party may be entitled.

Customer

Signal

Signal Restoration West, LLC, dba Signal Restoration Services

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____



7221 Oranewood Avenue
Garden Grove, CA 92841
Phone#: (714) 763-4153 / Fax : (714) 276-0607
Contractor's License # : 986693

Job #: 0916-030MIST

COMMERCIAL PROJECT AGREEMENT
AND WORK AUTHORIZATION

This Commercial Project Agreement and Work Authorization ("Agreement") is entered into on Monday, September 12, 2016, between Signal Restoration West, LLC, dba Signal Restoration Services, whose address is 7221 Oranewood Avenue, Garden Grove, CA 92841, Contractor's License No. 986693 ("Signal") and South Bayside Waste Management Authority #225 - Hilary Gans ("Customer").

1. Description/Scope of Work. Customer is the property owner, manager, tenant and/or responsible representative who hereby authorize Signal to provide the services listed:

Dry ice blast and clean the soot from the building followed by pressure washing and painting as necessary.

Signal may hire or engage subcontractors to perform and complete all or any portion of the work. Signal is not required to perform to a state-of-the-art standard, but rather shall be required to conform to the state-of-practice standard.

2. Payment for Services. Customer agrees to pay Signal for all labor, materials, and equipment utilized to mobilize, demobilize, commence, perform the work described above and invoiced in accordance with Signal's T&M Rate Schedule dated January 1, 2016.

3. Limitation of Liability. Neither the Customer nor Signal shall be liable for any special, indirect, or consequential damages. This limitation includes, but is not limited to, all claims for personal injuries, damage to property, and lost profits.

4. List of Documents to be Incorporated into the Agreement. The Standard Commercial Project Terms and Conditions of Signal in effect as of the date of this agreement (which have been provided to Customer and Customer has acknowledged receipt) are hereby incorporated by reference as though set forth at length.

5. Authorization to Enter Into Agreement. The person or persons whose signature appears on this Agreement represents and warrants, both personally and on behalf of the owner, that such person is duly authorized to execute this Agreement.

6. Attorney's Fees and Costs. The parties agree that in an action for a breach of this Agreement, that the Prevailing Party will be entitled to Reasonable Attorneys' Fees, costs and expert witness fees in addition to any other relief to which that party may be entitled.

Customer

Signal

Signal Restoration West, LLC, dba Signal Restoration Services

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____