



# EXECUTIVE DIRECTOR'S REPORT



## STAFF REPORT

**To:** SBWMA Board Members  
**From:** Kevin McCarthy, Executive Director  
**Date:** October 22, 2015 Board of Directors Meeting  
**Subject:** Executive Director's Report

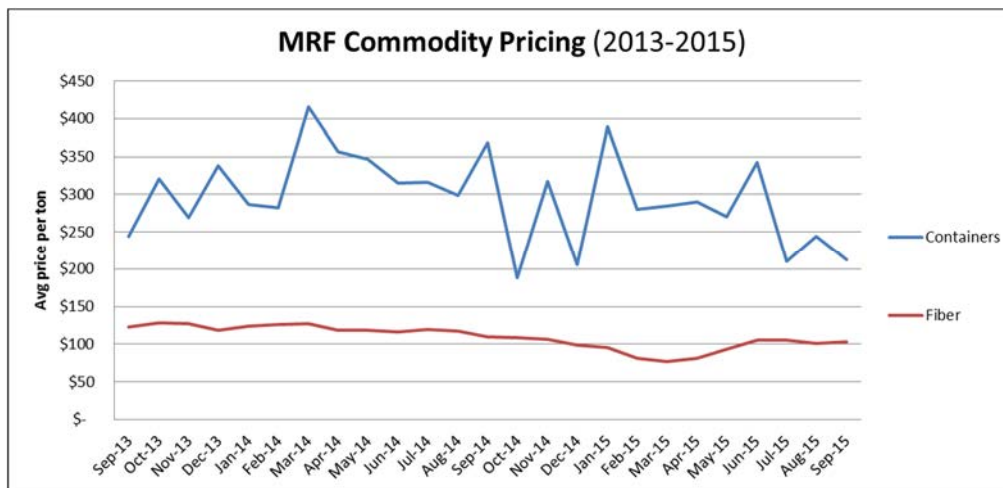
### Key Board Agenda/Package Items

- Consideration of approval of final one-year option to extend contract with our door-to-door HHW vendor. Staff will be working on alternative options as this contract expires at the end of 2016 and will bring back details on options next spring.
- Presentation and discussion on Extended Producer Responsibility (EPR) framework with a guest speaker, Executive Director of the California Product Stewardship Council. Adopting an EPR policy framework was a recommendation in the Board adopted 2015 Long Range Plan.
- Staff update and discussion on changing glass markets and the financial impact on Shoreway operations. Staff will outline the costs impacts associated with future glass shipments changing from San Leandro to Fairfield and some consideration for some operational improvements to partially mitigate higher costs.

### Program and Operational Update

A printed mailer was sent out over the past two months focused on our door-to-door HHW program and with encouraging results on increased participation rates. Outreach results will be sent out soon to Member Agencies.

The MRF commodity price chart below provides a price trend summary of fiber (paper) and containers which are the two primary commodities marketed by South Bay Recycling (SBR) from the Shoreway MRF (the fiber commodity price shown is contractually tied to a fiber market index through the Fiber Price Assurance Mechanism).



While fiber recovered from a slight downtrend and now remains relatively flat at approximately \$100 per ton, container commodity pricing has been trending downwards all year and has dropped from a blended average of \$300

to \$200 per ton. Plastics and aluminum have been partially hard hit as pricing for recycled commodity typically closely follows the cost of energy which has trended downwards over the same period of time. Staff has recently met with and/or discussed solid waste rate alignment issues and approaches with several Member Agencies, including requesting that Member Agencies collaborate on the use of any rate consultants and engage JPA staff to ensure consistency and cost effectiveness.

Bob Lanzone, the JPAs Legal Counsel, copied all Board Members on recent correspondence with Town of Atherton officials regarding franchise agreement and JPA agreement interpretation issues. Franchise agreement issues are likely to be discussed at the November 19<sup>th</sup> Board meeting as part of a broader discussion regarding future franchise agreement negotiations. JPA issues as it related to financial matters and sharing of costs will be addressed at the January 28<sup>th</sup> Board meeting mid-year budget review.

### **Announcements**

Carolina Leonhardt started on October 14<sup>th</sup> as our new Recycling Outreach and Sustainability Manager. She brings fresh ideas and perspectives and is an outstanding addition to our team.

### **News of Interest**

California Adopts Four Laws to Develop Recycling, Composting, Waste Reduction

<http://waste360.com/composting/california-adopts-four-laws-develop-recycling-composting-waste-reduction>