



A Public Agency

CONSENT CALENDAR

DRAFT MINUTES

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
October 24, 2013 – 2:00 p.m.
San Carlos Library Conference Room A/B

1. Call to Order: 1:09 PM

Agency	Present	Absent	Agency	Present	Absent
Atherton		X	Menlo Park	X	
Belmont	X		Redwood City	X	
Burlingame	X		San Carlos	X	
East Palo Alto	X		San Mateo	X (Regular Session Only)	
Foster City	X		County of San Mateo	X	
Hillsborough		X	West Bay Sanitary District	X	

2. Adjourn to Closed Session – Pursuant Government Code Section 54956.9(A): Conference with Legal Counsel – anticipated litigation – one case; and pursuant to Government Code Section 54954.5: Public Employee Performance Evaluation: Executive

Regular Session Called to order at 2:05 PM

3. Report from Closed Session

None

4. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

No Public Comment

5. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

A. Adopt the September 26, 2013 BOD Meeting Minutes

- B. Resolution Approving 4th Amendment to Executive Director's Employment Agreement
- C. Resolution Approving Release of Bid Documents for Transfer Station Floor Repair and Authorizing Executive Director to Accept Bids and Enter into a Contract
- D. Receipt of Recology and SBR Monthly Reports

Chair Ira noted that Item 5B was being removed from consent.

M/S: Brownrigg/Frisella
 Voice Vote: All in Favor

Member Olbert noted that he requested item 5B be removed from consent because the number was outside his own city's expectation for the position.

Chair Ira stated that this is based the Executive Director's review that was started by the previous Board, but was not completed, and reiterated that this Board couldn't ask the Executive Director to be judged on different criteria without an opportunity to know what that criteria was.

Member Brownrigg asked how this Board planned to handle compensation going forward, noting that Burlingame is moving away from comparing to other jurisdictions.

Chair Ira suggested putting together a Board subcommittee to develop employee review criteria.

Member Carlton noted that it was an uncomfortable position when she is in a city whose staff has had no raise.

Chair Ira asked for committee volunteers for the staff compensation review.

Member Carlton, Member Gauthier, and Member Dehn volunteered to be on the subcommittee.

Member Frisella made a motion to approve the 4th Amendment to the Executive Director's Employment Agreement.

Member Slocum seconded the motion.

Roll Call Vote: 8-2-0-2

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

6. New Business:

- A. Resolution Approving 2014 Public Education Plan

Staff Devincenzi gave an overview and background of the staff report.

Member Slocum noted that 900 people receiving the newsletter electronically seemed low and would like to see the plan include ways to get that number higher.

Member Dehn added that she would like to see measurement criteria to measure effectiveness of the outreach. She also commented that she'd like to see a transition away from brochures and inserts, noting that it a responsibility of this agency to eliminate paper when possible.

Staff Devincenzi answered that it is in the plan to measure outreach effectiveness and determine how the SBWMA population prefers to receive information. She added that these types of questions were going to be part of the customer satisfaction survey, but due to time and budget they were cut from that survey.

Executive Director McCarthy added that our industry is in a bit of a time warp, not from lack of effort, it's just that the percentage of people signing up for e-newsletters or electronic billings is very low.

Member Dehn questioned that if we have such a small population interested in e-newsletters is it worth the investment in the My Waste App. She added that she thought the Public Education Plan was a good one, but that there needed to be more behind it in terms of measuring effectiveness.

Chair Ira asked Staff Devincenzi to bring back measurement criteria.

Staff Devincenzi added that it takes about three times for a message to sink in, so we are always looking for ways to deliver the message in multiple ways, to reach the largest number of people.

Vice Chair Frisella commented that she didn't think we needed to include reusable bags in the budget, and asked what the bags would be advertising.

Staff Devincenzi it would be depend on the pleasure of the Agencies. She also noted that when this project was added to the budget was just as the bag bans were being put into place, and there was a desire for the bags, if it is determined that this isn't the best use of those dollars the money will be allocated elsewhere.

Member Carlton asked that if the reusable bags move forward they be washable and be used as an education piece and not an advertisement. Member Carlton thanked Staff Mutata and Staff Co for their tour and education.

Member Olbert is now absent.

Member Dehn commented that she would like to see the anti-litter insert renamed.

Motion/Second: Frisella/Wozniak

Roll Call Vote: 9-0-0-3

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton				X	Menlo Park	X			
Belmont	X				Redwood City	X			
Burlingame	X				San Carlos				X

East Palo Alto	X				San Mateo	X			
Foster City	X				County of San Mateo	X			
Hillsborough				X	West Bay Sanitary District	X			

B. Discussion on Roles and Responsibilities for Collection Services Franchise Agreement Contract Administration

Staff Feldman gave an overview of the staff report, and noted that staff is the Board's resource related to the Franchise Agreement Contracts.

Member Olbert is now present.

Executive Director McCarthy added that this was brought up at the August 22, Board Meeting and at the Blue Ribbon Committee, and noted that this is meant to be a resource document for the Board Members.

C. Discussion on Potential JPA Amendments

Executive Director McCarthy noted that at the August 22 Board meeting there was a discussion item on the agenda, the SBWMA staff was directed to come back at a future meeting and discuss the item further.

Member Brownrigg stated that he appreciated staff keeping the item on the agenda, but noted that his ability to parse the JPA has been zero.

Chair Ira noted that if something comes up, this Board can address it individually and make the changes one at a time.

Member Olbert asked when the Board can think about structure and different approach to the renewal of the collections and operations contracts.

Executive Director McCarthy noted that the way each of Franchise Agreements are written there is a prescribed one year period which is 2017 to come to terms or not with the service provider. He noted that advanced planning is locked into the document. He also added that there is a planned agenda item for 2014 to talk about the long range plan.

E. Discussion on Non-Exclusive Franchise Options for Commercial Recycling

Staff Feldman explained that this item was for discussion only and staff would like to get Board feedback on the framework of the project. He added that the eventual goal being that the SBWMA pass an ordinance to be able to capture data from non-franchised commercial haulers to get a better idea of commercial diversion rates.

Executive Director McCarthy noted staff would like to refer this item to TAC, but wanted to give the Board some sense of the issue and where staff would like to go with it.

Member Dehn asked if each city would adopt this ordinance.

Executive Director McCarthy noted that the staff assumption is that it's a benefit to all the agencies and staff thinks it would cost more time and effort if all of the Agencies adopted it individually. He added that our JPA allows for our agency to adopt ordinances.

Vice Chair Frisella asked if each city would individually get credit for the diversion, and recommended this item be reviewed by the TAC.

Staff Feldman answered yes, SBWMA staff would compile the data for each individual Agency as well as in aggregate for the service area.

Chair Ira clarified that the goal is that each Agency would get diversion credit for the items not currently being reported.

Staff Feldman gave the timeline for the process, noting that an ordinance would be presented to the Board in January, at which time the public stakeholder process would commence.

Member Olbert commented that he would like to weigh the cost of SBWMA staff versus City Staff doing the administrative and enforcement work of the ordinance to see if it really is more cost effective for JPA staff to do.

Member Brownrigg noted that he is concerned about protecting business confidential information.

Executive Director McCarthy noted that a model has been built by other agencies that have done this to ensure that the business information is kept confidential, and the data would be kept aggregated.

Staff Feldman also added that this agency could consider franchising commercial recycling, but that a change of that nature would require a 5 year notice.

7. Staff Updates

- a) Update on Recology Commercial Recycling Outreach Efforts
- b) Recycling and Outreach Programs Update
- c) Shoreway Operations and Master Plan Update
- d) Update on 2013/2014 Franchise Rate Setting Process
- e) Preview of Upcoming Board meetings

Executive Director McCarthy noted the need to have an election of new officers at the November meeting, so that there wouldn't be a two month period without Board officers. He also mentioned the November discussion on tipping fees, and reminded Board Members of the invitation to the Holiday lunch at the Shoreway Environmental Center on November 21st, before the Board meeting.

Member Wozniak noted that most cities don't seat their officers until December, and that they may not know at the November meeting who the Board representative would be, and thought it might be best to have an interim chair and vice chair.

8. Board Member Comments

9. Adjourn 4:10 PM

DRAFT MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

October 24, 2013 – 2:00 p.m.
San Carlos Library Conference Room A/B

1. Call to Order 2:05 PM

Agency	Present	Absent	Agency	Present	Absent
Atherton		X	Menlo Park	X	
Belmont	X		Redwood City	X	
Burlingame	X		San Carlos	X	
East Palo Alto	X		San Mateo	X	
Foster City	X		County of San Mateo	X	
Hillsborough		X	West Bay Sanitary District	X	

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

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No general public comment.

3. New Business:

A. Resolution Approving South Bay Recycling (SBR) Request to Use Subcontractors

Executive Director McCarthy explained the issue, and noted that there is a provision in the SBR Operations agreement that the JPA Board must approve the use of any subcontractors. He noted there is a possibility of a work stoppage given the three collective bargaining agreements that have expired. SBR is requesting to use subcontractors in the event of a work stoppage. He explained that the JPA as the owner of the facility and the holder of the permits cannot allow any impairment to the facility, or the SBWMA would be in violation of those permits. He added that staff is recommending approval of SBR's request to use subcontractors on the explicit condition this approval would be for subcontractors only if there is labor unrest.

Chair Ira asked to hear from SBR.

Dwight Herring of South Bay Recycling noted he had been developing a contingency plan in the unlikely event of a labor disruption for approximately 6 months, and that the initial contingency plan was sent to

the SBWMA on August 30th. He noted that the plan has been revised and updated since then, and continued to give a timeline for the process of how this resolution had come before the Board. He explained that last Thursday, he was told that he needed to submit a more formal request to use subcontractors in accordance with the Operating agreement. He added that they are negotiating in good faith, and they hoped to reach an agreement that was reasonable to both parties, and that their next negotiating meeting was scheduled for Nov. 12. He also added that under our Operations Agreement SBR is obligated to keep the facility running and in order to do that if there was a work stoppage SBR would need to hire subcontractors.

Member Olbert asked what the minimum amount of time would be between letting the subcontractors know SBR is hiring them and when they will show up.

Dwight Herring said 24 hours.

Chair Ira asked when did SBR realize the need for subcontractors in the contingency planning process, and why didn't you bring this request to the Board sooner.

Dwight Herring said that SBR has planned to use subcontractors in the event of a work stoppage throughout the contingency planning process, but thought the conversations with staff was sufficient notice, noting that the contract doesn't stipulate the request needs to be in writing. He added that he was just made aware last week that a more formal request needed to be made.

Member Slocum asked for the process of negotiations thus far to be described.

Dwight Herring noted that the first meeting was on October 1st. Local 350 requested a mediator, a week later the Federal Government was shut down so no mediator was available. We were asked to give them a series of dates that we would be available and the November 12th date is the first mutually available date.

Counsel Lanzone clarified that the contract does state that the request needs to be in writing.

Member Brownrigg and Member Slocum questioned why negotiations weren't started until 3 weeks before the contract expired, why not sooner.

Dwight Herring answered that he was given a set of dates by Local 350, and that was the first mutually available date.

Member Brownrigg asked if SBR has been in discussions with the unions about continuing the no strike/no lockout clause of the contract for some time, now that the contracts have expired.

Dwight Herring noted that he had sent a request for a 30 day contract extension which was refused, but in talking with Local 350 as long as meetings are scheduled and parties are negotiating in good faith there will be no work stoppage.

Member Ross asked how many additional employees would need to be brought on to run the facility.

Dwight Herring noted that it depends on the volume of tonnage that the facility is receiving, but fully staffed would be 63.

Member Ross asked if there was a clause in the state violation regarding strikes, and if there is any case law from organizations that provide a similar service.

Executive Director McCarthy stated that he was not aware of any carve out related to labor unrest, but noted that there is emergency provisions for earthquakes, floods and things of that nature, but nothing related to strikes. He added that research could be done regarding the case law, but that the two strikes of recent memory were going into a private facility, not a publicly owned facility.

Member Ross asked if would be possible to draft a clause to prevent the no strike/no lockout clause from expiring in the future.

Executive Director McCarthy stated that the SBWMA Board is not party to the collective bargaining agreements so we can't negotiate them.

Member Ross noted that there was a comment that there could be additional costs to the rate payer in the event of a strike and asked if there was an estimate of what those costs would be.

Executive Director McCarthy stated there is no estimated cost, because it would depend on how much and for how long, but added that the cost would be considerable if we had to use another facility for disposal.

Member Olbert asked how long the training is before a new employee is considered fully trained, and if the pool of subcontractors is already trained.

Dwight Herring answered that new employees start in the lowest job classification and are trained for 5 to 7 days, adding that the higher the job classification the longer the training up to two weeks. He added that the subcontractors are already trained on the equipment; they would just need to learn our facility.

Member Wozniak asked why negotiations weren't started 6 months ago and why the first meeting wasn't set until 3 weeks before the contracts expired and now there is no protection.

Dwight Herring answered that the CBA stipulates that at a certain point which he believed was 60 or 90 days before the end of the contract, the parties can contact each other to begin negotiations. He noted that in late August SBR received notice from the CBA that they were ready to start negotiations, and the series of dates they were given the first mutually available date was October 1st.

Fran Dehn asked if we were waiving the use of subcontractors for the remainder of the contract.

Counsel Lanzzone stated that it was being waived for the specific set of circumstances in the resolution, not forever.

Public Comment:

Robert Morales representing the Teamsters Union spoke in opposition of the resolution.

Member Brownrigg asked if extended the contract with respect to the no strike no lock out clause would make sense to all parties.

Robert Morales stated that the local doesn't believe in signing contract extensions, and as long as the employer is negotiating in good faith we keep negotiating as long as it takes.

Member Gauthier commented that the Board members were disappointed that there has been 90 days to begin the negotiations and yet both parties just began negotiating.

Robert Morales stated that they have been negotiating a lot of contracts, and the federal government shutdown leaving us without a federal mediator, and that is why there haven't been more dates.

Chair Ira asked if there was a strike vote taken with Recology.

Robert Morales said no, the negotiations are progressing.

Chair Ira noted the implications of SBR going on strike even if Recology has negotiated a contract, he added that having a strike vote draws a line in the sand and set a negative tone. He also added that our citizens end up paying the price, and the Boards point of view is we need to protect our citizens. He asked for some kind of assurance that there would not be a strike.

Robert Morales concluded that it is his intention to negotiate in good faith.

Shelly Kessler representing the San Mateo County Labor Council spoke in opposition of the resolution.

Member Wozniak asked why negotiations were started so late.

Shelly Kessler answered that she didn't know, but did know that the unions have been negotiating multiple contracts throughout San Mateo County and they may or may not have had time. She added that in the future when contingency plans are being developed to get in contact with her to begin things on a positive note.

Member Wozniak commented that she would feel a lot better voting no if the contract was extended.

Shelly Kessler reminded the Board that with all the other negotiations there were no contract extensions and there were no strikes.

Member Brownrigg asked if there were strike votes taken in those situations.

Shelly Kessler answered yes.

Member Brownrigg commented that it's difficult for this Board which is not party to the negotiations but is being asked to provide a possible resource, noting that he would feel better about voting no, if there could be a middle ground where notice was given before a strike.

Robert Morales spoke to this saying that a noticed strike is much less effective. He added that he is committed to negotiating in good faith, and committed to keeping the Executive Director abreast of the negotiations.

Member Carlton commented that she is disappointed by the late start, knowing that it takes time for even friendly negotiations to occur.

Vice Chair Frisella asked for clarification on the timing of how long it would take for operations to be functioning with subcontractors.

Dwight Herring answered that SBR would know when a strike is happening when we show up to work that day. It will take 24 hours for subcontractors to be available from Southern California. He added that minimal operations could happen for 1-2 days with subcontractors from Southern California, anything longer term we would need to bring in people from across the country. He also noted that this is a precautionary measure, but SBR has to do whatever it takes to keep the facility running because that is our obligation.

Vice Chair Frisella asked why it was important to vote on this resolution now, if SBR didn't know whether or not they needed subcontractors.

Counsel Lanzone added that a special meeting needs 24 hour notice assuming you can get a quorum together, and added that the resolution doesn't approve blanket subcontracting, only if necessary due to a work stoppage.

Executive Director McCarthy noted that the staff recommendation still holds that he didn't want to have to rely on rounding up a quorum with 24 hours' notice. He added that there is a state requirement to remove solid waste from our facility within 48 hours. If the solid waste cannot be moved there are penalties and fines starting at 48 hours and worst case scenario our permit could be revoked.

Member Olbert asked about the financial ramifications, and if liquidated damages could be enforced in this case.

Executive Director McCarthy answered yes; it is something staff would be monitoring as soon as labor unrest occurs.

Member Ross made a motion to approve SBR's request to use subcontractors.

Vice Chair Frisella seconded the motion.

Discussion:

Member Slocum commented that he would like to take Mr. Morales on his word even though no commitment was made one way or the other. He also added that the timing of a special meeting and the 24 hours it would take for subcontractors to get to the facility, the timing could work.

Member Brownrigg commented that it is a difficult situation but that he is not in support of the motion; he added that he is uncomfortable with the lack of commitment to provide early warning of a strike, and this Board has a responsibility to keep the facility open and he understands the Executive Director's concern on the issue. He suggested delaying the vote on this matter until mid-November to give the parties a chance to have their meeting, and give this Board a chance to reflect on progress.

Member Ross commented that a lack of preparation doesn't constitute an emergency, which was the reason for his motion. He added that after listening to Member Brownrigg's statement would like to withdraw his motion.

Member Brownrigg made a motion to table the decision no later than the November 21st meeting.

Member Slocum seconded the motion.

Discussion:

Chair Ira commented that the next negotiations are happening on November 12th. He gave the executive Director authorization to call an emergency board meeting as needed. He also reiterated that we would like some assurances related to a cooling off period.

Voice Vote: All in Favor 10-0-0-2

4. Adjourn 3:21 PM



STAFF REPORT

To: SBWMA Board Members
From: Marshall Moran, Finance Manager
Date: November 21, 2013 Board of Directors Meeting
Subject: Approval of Quarterly Investment Report for the Quarter Ended September 30, 2013

Recommendation

It is recommended that the SBWMA Board review and accept the Quarterly Investment Report.

Analysis

The primary objective of the Investment Policy for the SBWMA is safety of principal, while meeting the cash flow needs of the Authority, through prudent investment of unexpended cash. As of September 30, 2013, the investment portfolio was in compliance with the Investment Policy. The portfolio contains enough liquidity to meet the next six months of expected expenditures by the Authority as well as by other third parties.

Fiscal Impact

The attached Investment Portfolio Summary indicates that as of September 30, 2013, funds in the amount of \$17,806,004 were invested producing a weighted average yield of 0.28%. Below is a summary of the changes in the portfolio.

	Qtr Ended 9/30/13	Qtr Ended 6/30/13	Increase (Decrease)
Total Portfolio	\$ 17,806,004	\$ 19,704,575	\$(1,898,571)
Weighted Average Yield	0.28%	0.23%	0.05%
Interest Earnings	\$ 11,505	\$ 12,341	\$ (836)
Lehman Recovery Payment	\$ 95,560	\$ 19,162	\$ 76,398

The overall portfolio balance decreased by \$1.9 million. The decrease is primarily due to the \$3.1 million payment to the bond trustee for an early payoff to the City of Burlingame of the 2009 Series B bond and a \$2.5 million debt service payment for the 2009 Series A bond. Transfers of excess cash into the portfolio during the quarter offset part of the decrease.

In August 2013, the County Treasurer sold the remaining holdings of Lehman interests resulting in a recovery amount of 24.957%. The Authority received a distribution of \$95,560 from this sale, bringing the final total recovery to \$152,525 or 39.8% of the Lehman investment loss of \$382,898 incurred in 2009.

A table comparison of the portfolio components is provided below:

	9/30/2013 Balance	% of Total	6/30/2013 Balance	% of Total	Change over prior qtr
SM County Pool	\$ 2,265,903	13%	\$ 2,167,040	11%	\$ 98,863
LAIF	10,921,027	61%	11,313,693	57%	(392,666)
Bond Account	4,619,074	26%	6,223,842	32%	(1,604,768)
Total Portfolio	\$ 17,806,004	100%	\$ 19,704,575	100%	\$ (1,898,571)

Note: There may be minor differences in totals as individual amounts are rounded to the nearest dollar

The average yield of the portfolio in the quarter excluding the bond proceeds was 0.33%. The Local Agency Investment Fund (LAIF) is used as a benchmark and the average LAIF yield for the quarter ending September 30, 2013, was 0.26%. The San Mateo County Pool average yield for the quarter was 0.67%.

Due to arbitrage restrictions, bond investments are not included in our LAIF rate comparison. As of September 30, 2013, the bond reserve and payment accounts of approximately \$4.6 million were invested with the trustee in short-term investments.

The Investment Advisory Committee, consisting of Jeff Maltbie, City Manager of San Carlos; Michael Galvin, City Treasurer for San Carlos; and Rebecca Mendenhall, Administrative Services Director, have reviewed this report before presentation to the Board.

Attachments

Attachment A – Summary of All Investments for Quarter Ending September 30, 2013

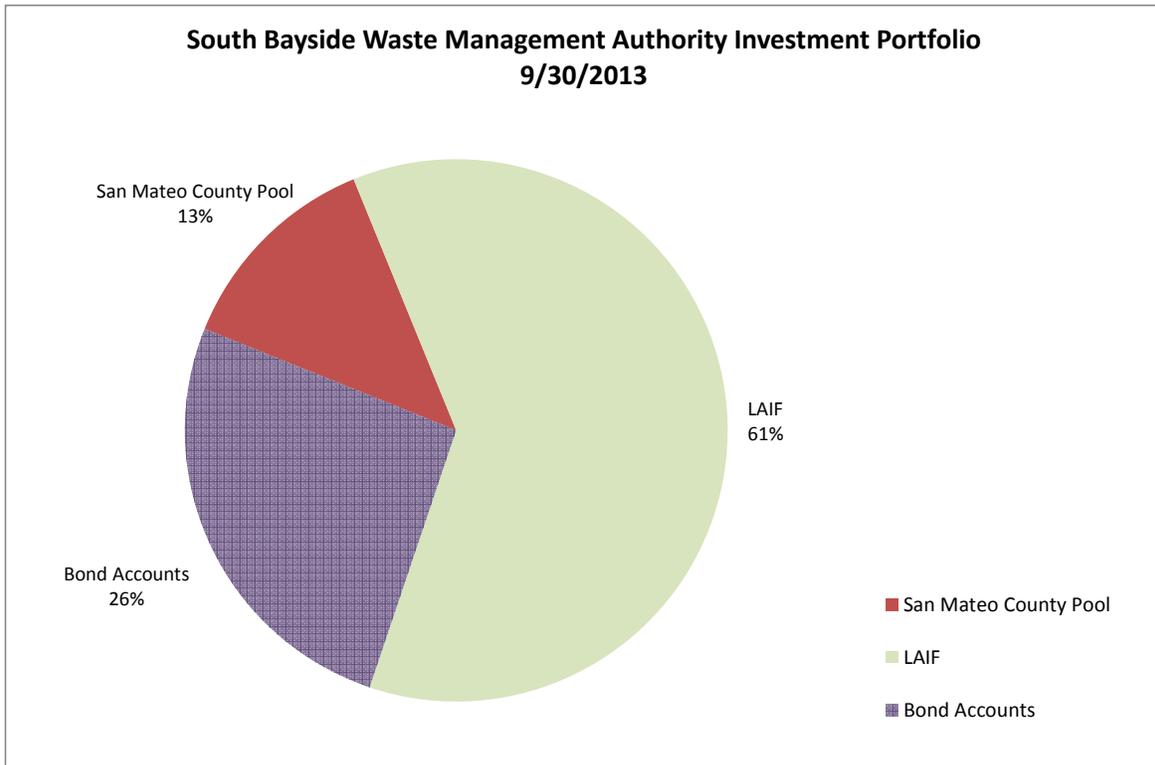
Attachment B – Investment Portfolio 9/30/2013 - Chart

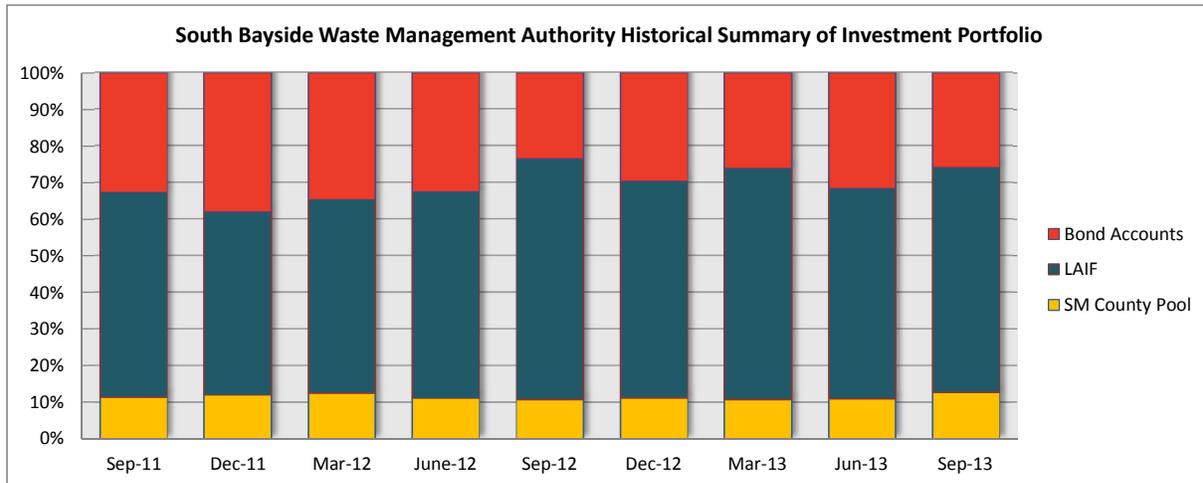
Attachment C – Historical Summary of Investment Portfolio

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

SUMMARY OF ALL INVESTMENTS
For Quarter Ending September 30, 2013

Category	Weighted Average Interest Rate	HISTORICAL Book Value	GASB 31 ADJ Market Value	Interest Earned
Liquid Investments:				
San Mateo County Investment Pool (COPOOL)	0.67%	2,265,903	2,265,903	3,765
Local Agency Investment Fund (LAIF)	0.26%	10,921,027	10,927,223	7,084
Total - Investments	0.33%	13,186,930	13,193,126	10,849
Bond Proceeds Accounts - Cash with Fiscal Agents				
BNY Western Trust - Certificates of Deposit 2009A Reserve Fund Account	0.31%	1,984,000	1,984,000	656
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Reserve Fund Account	0.00%	2,260,015	2,260,015	-
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Payment Fund Account	0.00%	374,642	374,642	-
BNY Western Trust - Cash Balance 2009B Payment Fund Account	0.00%	417	417	-
Total - Bond Accounts	0.000%	4,619,074	4,619,074	656
GRAND TOTAL OF PORTFOLIO	0.28%	17,806,004	17,812,200	11,505
Total Interest Earned This Quarter			11,505	
Total Interest Earned Fiscal Year-to-Date			11,505	





South Bayside Waste Management Authority Portfolio

	Sep-11	Dec-11	Mar-12	June-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
SM County Pool	2,077,198	2,083,418	2,088,589	2,116,407	2,121,172	2,139,883	2,144,381	2,167,040	2,265,903
LAIF	10,206,329	8,714,239	8,722,866	10,730,281	12,938,094	11,197,175	12,505,898	11,313,693	10,921,027
Bond Accounts	5,940,947	6,611,970	5,733,099	6,193,483	4,615,267	5,645,978	5,190,986	6,223,842	4,619,074
Grand Total	\$ 18,224,474	\$ 17,409,627	\$ 16,544,554	\$ 19,040,171	\$ 19,674,533	\$ 18,983,036	\$ 19,841,265	\$ 19,704,575	\$ 17,806,004



STAFF REPORT

To: SBWMA Board Members
From: Robert J. Lanzone, General Counsel
Date: November 21, 2013 Board of Directors Meeting
Subject: Resolution Approving Updated Conflict of Interest Code

Recommendation

Approve attached Resolution 2013-27 which updates the SBWMA's Conflict of Interest Code.

Background

The California Political Reform Act requires each California local agency to adopt a Conflict of Interest Code. The Board adopted a Conflict of Interest Code for the SBWMA in February 2007. State law requires agencies to update its Code every two years if there are changes needed (e.g., change in designated positions).

Attached is a copy of the Code adopted by the prior Board. **Exhibit A** to the Code, Designated Positions, now includes an update regarding positions. The form of the Code of Conduct should be familiar to Board members as it is virtually identical to the Codes of each of the SBWMA member agencies have enacted.

Fiscal Impact

There is no fiscal impact associated with this Board action.

Attachments:

Resolution 2013-27

Exhibit A - SBWMA Conflict of Interest Code



RESOLUTION NO. 2013-27

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY (SBWMA) UPDATING THE AGENCY'S CONFLICT OF INTEREST CODE

RESOLVED by the Board of Directors of the SBWMA that:

WHEREAS, the Political Reform Act of 1974 (California Government Code 81000 et seq.) requires each state or local government agency to adopt a Conflict of Interest Code; and

WHEREAS, the Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Admin. Code 18730) which contains the terms of a standard model code which can be adopted by reference; and

WHEREAS, attached as **Exhibit A** is a Conflict of Interest Code which incorporates FPPC regulations and which reflects changes to the designated positions in the SBWMA; and

WHEREAS, Designated Positions are attached to the Code as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the SBWMA that it hereby adopts the updated Conflict of Interest Code, Exhibit A hereto.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 21st day of November, 2013, 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 San. District				

I HEREBY CERTIFY that the foregoing Resolution No. 2013 -27 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on November 21, 2013.

ATTEST:

Jeff Ira, Chairperson of SBWMA

Cyndi Urman, Board Secretary

CONFLICT OF INTEREST CODE

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

Section 1. Purpose. Pursuant to the provisions of Government Code Sections 87300, et seq., the South Bayside Waste Management Authority (SBWMA) hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code Section 81000). The provisions of this Code are additional to Government Code Section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Code shall be interpreted in a manner consistent therewith.

Section 2. Designated Positions. The positions listed on **Exhibit A**, attached hereto and by this reference incorporated herein, are Designated Positions. Each officer and employee holding a position listed on Exhibit A is a Designated Employee, and is required to file a disclosure statement (as prescribed hereinafter) on any decision which the said officer or employee may make or in which said officer or employee may participate, that may foreseeably have a material effect on a financial interest. The Executive Director, or his or her designee, may determine in writing on a case by case basis that a particular consultant, although a designated position, is hired to perform a range of duties that is limited in scope and thus does not require compliance, or full compliance with disclosure requirements. Any such written determination shall include a description of the consultant's duties and a statement as to the extent of disclosure requirements. The Executive Director may determine whether a contract consultant constitutes a "consultant" as defined in the Political Reform Act. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Section 3. Disclosure Statement. Designated Positions shall be assigned to one or more of the disclosure categories as contained in the Fair Political Practices Commission (FPPC) Form 700, as set forth on Exhibit A. Each Designated Employee shall file an annual statement disclosing that employee's interest in investments, real property, and income, designated in **Exhibit B**, attached hereto and by this reference incorporated herein, as reportable under the category to which the employee's position is assigned on Exhibit A.

Section 4. Time and Place of Filing.

(a) All designated officers and employees required to submit a statement of financial interests shall file the original with the Clerk of the Board of Directors of SBWMA.

(b) Employees appointed, promoted or transferred to designated positions shall file initial statements within 30 days after date of employment.

(c) Annual statements shall be filed no later than April 1st of each year by all designated officers and employees. Such statements shall cover the period of the preceding calendar year.

(d) A designated officer or employee who leaves an office shall file, within 30 days of leaving office, a leaving office statement.

Section 5. Contents of Disclosure Statements. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the Clerk of the Board of Directors of SBWMA.

Section 6. Disqualifications. Designated officers or employees must disqualify themselves from making or participating in the making of any decisions in which they have a reportable financial interest, when it is reasonably foreseeable that such interest may be materially affected by the decision. No designated officer or employee shall be required to disqualify himself with respect to any matter which could not be legally acted upon or decided without his participation.

*Staff member employed through Local Government Services (LGS) is intended to be included within the definition of "employee" for purposes of this Conflict of Interest Code.

EXHIBIT A

DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Members of the Board of Directors	1
Executive Director	1
Recycling Programs Manager*	1
Facility Operations Contract Manager	1
Finance Manager	1
Recycling Outreach Sustainability Manager	1
Recycling Coordinator	2
Office Manager/Board Clerk	3
Environmental Education Coordinator	2
Environmental Education Associate	3

EXHIBIT B

Category 1. Persons in this category must disclose all investments in business positions in business entities, doing business in, and sources of income and interests in real property, within the jurisdictional area of the SBWMA.

Category 2. Persons in this category must disclose all investments and business positions in business entities in or doing business within the jurisdictional area of the SBWMA. .

Category 3. Persons in this category must disclose all investments and business positions in business entities and sources of income which provide, manufacture or supply services, supplies, materials, machinery or equipment of the type utilized by or subject to review or approval of the member entities of the SBWMA..



STAFF REPORT

To: SBWMA Board Members
From: Hilary Gans, Operations Contracts Manager
Cliff Feldman, Recycling Programs Manager
Date: November 21, 2013 Board of Directors Meeting
Subject: Receipt of Recology and SBR Monthly Reports

Recommendation

This is an informational report and no action is necessary.

Analysis

Recology San Mateo County (Recology) and South Bay Recycling (SBR) are required to submit Monthly Reports 15 days after the end of each month. The attached Monthly Reports from Recology and SBR were submitted on time.

It is important to note that the tonnage information presented in Recology's Monthly Report is derived from data compiled by SBR as the Shoreway Environmental Center facility operator. Therefore, regarding the reporting of tonnage, the Recology and SBR reports are redundant. In addition, the SBR report provides details on the transfer station and buy-back center activities and therefore includes more facility tonnage data than the Recology Monthly Report. Recology's report includes collection data, monthly updates on various operations, and call center complaint/inquiry related metrics.

Background

Article 9, section 9.05 of the Member Agencies Franchise Agreement(s) with RSMC require the company to prepare and submit a monthly report. Similarly, Article 8, section 8.07 of the Operations Agreement between the SBWMA and SBR requires the company to submit a monthly report. The guidelines and reporting requirements for each company are specified in their respective Agreements.

Attachments:

- Attachment A - Recology October 2013 Monthly Report
- Attachment B - SBR October 2013 Monthly Report

Agenda Item: 5D

Receipt of Recology and SBR Monthly Reports

- ★ **Attachment A – Recology September 2013 Monthly Report**
- ★ **Attachment B – SBR September 2013 Monthly Report**

★ *Per the contracts, these reports are due on the 15th of the following month. October's monthly contractor reports are due 11/15/13. They will be posted on our website: www.rethinkwaste.org no later than Monday, November 18th, 2013.*

- Attachment A: Recology October 2013 Monthly Report
- Attachment B: SBR October 2013 Monthly Report

Reports POSTED after 11/15/13 at www.rethinkwaste.org