



## Agenda Report

18-340

Agenda Date: 5/22/2018

### REPORT TO COUNCIL

#### SUBJECT

Consideration of the Countywide AB 939 Implementation Fee Agreement

#### BACKGROUND

The Countywide AB 939 Implementation Fee funds the cost of implementing integrated waste management programs such as curbside recycling, household hazardous waste collection, and other waste reduction efforts. Santa Clara County has collected and distributed the AB 939 Implementation Fee on behalf of all jurisdictions within the County since July 1992. This agreement has been renewed upon expiration ever since. The previous Countywide AB 939 Implementation Fee agreement, effective July 1, 2015 through June 30, 2018, was approved by Council on April 6, 2015.

#### DISCUSSION

The subject agreement authorizes the County of Santa Clara to continue to collect and distribute a landfill disposal fee that is imposed on each ton of waste generated in the County on behalf of the City. Landfills are required by the state to allocate all disposal tonnage to specific jurisdictions. All disposal facilities located within the County and solid waste haulers that transport waste outside of the County for landfill disposal are required to pay the AB 939 Implementation Fee on each ton of waste.

The AB 939 Implementation Fee is to remain flat at \$4.10 per ton of waste disposed, and will be effective July 1, 2018 through June 30, 2021. The \$4.10 per ton AB 939 Implementation Fee is composed of a Household Hazardous Waste (HHW) Fee of \$2.60 per ton and a Program Fee of \$1.50 per ton.

The HHW Fee is kept by the County of Santa Clara to fund the City's annual cost to participate in the Countywide HHW program. The County retains the revenue generated by the HHW Fee to fund the City's participation in the Countywide Household Hazardous Waste Program (CoHHWP). At the end of the year, the County reconciles CoHHWP costs with the HHW fees collected. If the cost to provide service is less than the revenue generated by the HHW Fee, the County forwards the difference to the City.

The Program Fee is distributed to the City on a quarterly basis to fund the weekly curbside residential single-stream recycling program, which qualifies as an AB 939 landfill diversion program. The Recycling and Waste Reduction Commission (RWRC) of Santa Clara County and the RWRC's Technical Advisory Committee have recommended approval of this agreement. Councilmember Watanabe represents the City on the RWRC.

#### ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or as a reasonably foreseeable indirect physical change in the environment.

**FISCAL IMPACT**

The AB 939 Implementation Fee is projected to generate approximately \$683,000 of revenue in fiscal year 2018/19. No change in the amount of the fee is recommended during the next three fiscal years.

**COORDINATION**

This report has been coordinated with the Finance Department and City Attorney’s Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office beginning the Thursday evening before the Tuesday meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

1. Approve the Countywide AB 939 Implementation Fee Agreement; and
2. Authorize the City Manager to execute the Agreement for Countywide AB 939 Implementation Fee with the County of Santa Clara to collect and distribute the AB 939 Implementation Fee in the amount of \$4.10 per ton of waste over a three-year term.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Agreement