



## Agenda Report

19-1488

Agenda Date: 1/29/2019

### REPORT TO COUNCIL

#### SUBJECT

Action on a Resolution for the City of Santa Clara to Participate in the Initial Planning for Potential Future Use of the Sunnyvale Materials Recovery and Transfer (SMaRT) Station

#### BACKGROUND

The City has exclusive franchise agreements in place with Recology and Mission Trail Waste Systems (MTWS) to provide solid waste collection services. The agreement with Recology to provide residential recycling services will expire on January 10, 2020. In a separate action at tonight's Council Meeting, staff recommends to extend the Recology Agreement to December 31, 2021. The agreement with MTWS to provide residential garbage and organics services, and commercial garbage and recycling services at all other properties not zoned for "Industrial" use will expire on December 31, 2021. As directed by Council, staff is also in the process of negotiation with service providers for successor agreements for both of these services, and if not successful, will issue a Request for Proposal for these services in May 2019. The recycling services covered under both agreements enable the City to comply with AB 939 and AB 341, which mandate a 50% landfill diversion rate and commercial recycling, respectively.

The residential and commercial recyclable materials collected under both agreements become the service provider's property to market at their discretion. The value of recycling commodities has decreased by over 50% since 2013 due to recent overseas import restrictions. As a result, it has become a challenging environment to secure recyclables processing services.

Following the 2016 passage of SB 1383 (Lara), CalRecycle is developing short-lived climate pollutant (SLCP) regulations that will require jurisdictions to implement new organics recycling programs to achieve a 75 percent reduction in the level of the statewide disposal of organic waste from the 2014 level. The regulations will become enforceable on January 1, 2022 and give CalRecycle the authority to fine jurisdictions up to \$10,000 per day for non-compliance.

One option to meet the SLCP requirements is to provide a separate container for organics recycling, and send the material collected to a facility for composting, anaerobic digestion, or conversion into animal feed. A more convenient option for multi-family dwellings and commercial businesses with limited solid waste enclosure space is to process the contents of the garbage container at a mixed waste processing facility to capture the organic waste for recycling purposes. Neither the City nor the current exclusive franchise service providers have agreements with a mixed waste processing facility to handle the City's organic waste.

#### DISCUSSION

The City of Sunnyvale owns and oversees contract operations of the SMaRT Station located at 301 Carl Road in Sunnyvale. The SMaRT Station has been used by the communities of Sunnyvale,

Mountain View, and Palo Alto to recover recyclables and organics since 1993. Sunnyvale invited the City of Santa Clara and other local cities to participate in initial planning discussions on the future use of the SMaRT Station, beginning in 2021. Sunnyvale is conducting initial conceptual planning for the future facility by identifying tonnage ranges and planning cost levels for multiple options. The City could potentially become a SMaRT Station partner and secure the processing of solid waste, organics, and recyclables for the long-term.

Sunnyvale has requested that cities interested in participating in the future use discussions of the SMaRT Station adopt a resolution to designate specific staff to be assigned to represent Santa Clara to discuss how the SMaRT Station can best meet the City's future processing needs. The subject Resolution designates Dave Staub, Deputy Director of Public Works, to represent the City in initial planning meetings, and to share pertinent information regarding City planning for recyclables, organics services, and solid waste management that includes current and projected tonnages with Sunnyvale staff and other participating jurisdictions.

The Resolution does not bind the City to use the SMaRT Station in the future. The City is able to pursue other materials processing options concurrently. After completion of the initial planning discussions, staff will provide the City Council with a summary of results and recommended next steps.

#### **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 a reasonably foreseeable indirect physical change in the environment.

#### **FISCAL IMPACT**

There is no fiscal impact to the City other than staff time.

#### **COORDINATION**

This report has been coordinated with the City Attorney's Office and City Manager'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 at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special 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**

Adopt a Resolution for the City of Santa Clara to Participate in the Initial Planning for Potential Future Use of the Sunnyvale Materials Recovery and Transfer (SMaRT) Station.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Resolution