



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Councilmember Johnny Khamis  
Councilmember Sergio Jimenez

**SUBJECT:** SEE BELOW

**DATE:** January 11, 2019

Approved

*Johnny Khamis* (S)

*Sergio Jimenez* Date 01/11/19

**SUBJECT: ACTIONS RELATED TO RECYCLE PLUS RESIDENTIAL SOLID WASTE AGREEMENTS AND CHINA'S POLICY ON IMPORTING RECYCLABLE MATERIAL**

## RECOMMENDATIONS

1. Direct Staff to provide assessment of the potential impact of changes to China's import rules and/or tariffs on any current recycled materials in the San José recycling program and assessment of whether altered contract terms, both in current residential waste contracts and in future contracts, are needed to ensure that contractors are not unfairly penalized for market developments beyond their control.
2. Direct staff to conduct a new, independent waste characterization study as requested by at least one recycling hauler and explore feasibility of cost-sharing with haulers.
3. Direct staff to explore the possibility of eliminating the diversion penalty until a waste characterization study has been completed and its results have been evaluated within the context of the market considerations referenced in Recommendation #2 and in consultation with recycling haulers.

## BACKGROUND

On April 26, 2018, recommended that ESD deliver on items 2, 3, and 4 in the Recommendations section of this memorandum. Unfortunately, those requests were not fulfilled. It is important that the waste characterization study be completed to identify all materials in the waste stream. This will assist in determining the marketability of recycle materials and household diversion rates. This knowledge will inform the setting of rates that accurately reflect the nature and cost of service and minimize the surprise of unexpected increases to City residents for garbage and recyclables collection services.