



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: March 10, 2021

Approved

Date

3/11/2021

SUBJECT: STUDY SESSION: UPDATES ON SENATE BILL 1383, RESIDENTIAL RECYCLING CONTAMINATION, AND RESIDENTIAL GARBAGE AND RECYCLING RATES

RECOMMENDATION

Set a City Council Study Session entitled “*Updates on Senate Bill 1383, Residential Recycling Contamination, and Residential Garbage and Recycling Rates*” for Monday, April 12, 2021 from 1:30 p.m. – 4:30 p.m. and approve a draft Study Session agenda.

PURPOSE OF STUDY SESSION

To engage the Mayor and Council and provide an overview of three priority solid waste issues: Senate Bill (SB)1383 (short-lived climate pollutants reduction), Single-Family Dwelling (SFD) recycling contamination, and 2021-2022 residential garbage and recycling rates.

OUTCOME

The Study Session aims to develop a common understanding of requirements of SB 1383 regulation implementation, SFD recycling contamination, and anticipated 2021-2022 residential garbage and recycling rates, as well as how City programs are aimed at addressing them. This session will also help Environmental Services Department (ESD) staff receive guidance on these issues from Mayor and Council.

BACKGROUND

SB 1383 (Lara, Chapter 395, Statutes of 2016) is the most significant waste reduction mandate to be adopted in California in the last 30 years. It sets methane emissions reduction targets for California in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP) and includes waste-related targets to reduce statewide disposal of organic waste from 2014 levels. An additional target requires that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025. Local jurisdictions are required to implement

specific actions to help the State meet these targets. The regulations were finalized by the State's Department of Resources Recycling and Recovery (CalRecycle) in November 2020 and will go into effect on January 1, 2022. This has significant policy and legal implications for the State and local governments.

ESD provides recycling and garbage services to all households in San José (more than 331,000 residential households for both single-family and multi-family dwellings) through four contracted service providers. The residential waste stream changed dramatically in 2020 due to changing resident behavior in response to the COVID-19 pandemic. The amount of residential waste generated in 2020 increased as residents worked and schooled from home due to shelter-in-place mandates. Amounts of non-recyclables found in SFD recycling carts also increased dramatically, as evidenced by both increased recycling residue and a recently completed SFD waste characterization study. This increased recycling contamination has significant economic and environmental impacts to the City and its residents.

Residential garbage and recycling rates cover the expenses of providing services to every San José household. Staff regularly reviews Integrated Waste Management fund revenues and expenditures and forecasts the rates necessary to implement and maintain Council-approved services, programs, and activities related to residential garbage and recycling services. On February 23, 2021, staff presented forecasted 2021-2022 residential garbage and recycling rates to City Council. As the COVID-19 financial impacts continue to affect residents in 2021, ESD and Budget Office staff are currently strategizing on reducing the forecasted 2021-2022 rate increases, including considering Council's feedback received at the February 23, 2021 City Council meeting.

ANALYSIS

Implementation of SB 1383 Regulations

Implementation of regulations will begin January 1, 2022, and the City of San José is required to:

- Codify ordinances in place to address local mandatory organic waste disposal reduction needed to comply with SB 1383 regulations for generators, haulers, edible food recovery, penalties, procurement policies, etc.
- Begin monitoring regulated food donors' compliance with SB 1383 edible food recovery requirements through education, recordkeeping and verification of edible food recovery contracts with food recovery organizations.
- Procure a set amount of recovered organic waste products annually where the target is determined by CalRecycle based on a jurisdiction's population; and ensure all paper purchases contain postconsumer recycled content and are recyclable.
- Initiate outreach and education to all affected parties, including generators, haulers, facilities, edible food recovery organizations, and city/county departments.

- Keep and maintain accurate and timely records and report to CalRecycle on SB 1383 implementation and compliance.

ESD staff is engaging in a collaborative approach to comply with SB 1383 regulations. The response includes solid waste program adjustments, interdepartmental and interagency coordination, stakeholder engagement, and public education and outreach. This Study Session will allow staff to update the Mayor and Council on efforts to meet SB 1383 requirements and will include an overview of the regulation by CalRecycle staff.

Residential Recycling Contamination Impacts

Recycling contamination has both financial and waste diversion impacts. Per the 2019 Council-approved Residential Garbage and Recycling Program Agreements, compensation to recycling service providers adjusts based on SFD recycling contamination levels identified by a characterization study. Since the 2020 waste characterization study showed that 51% of material collected was contamination, the recycling service providers will receive additional compensation in 2021-2022 for processing the material. The impact to ratepayers is currently being analyzed by ESD. Additionally, contamination reduces the City's overall recycling rate and compromises meeting its Zero Waste goals. ESD staff is pursuing a multi-pronged approach, including both short term and long-term tactics, to significantly reduce SFD recycling contamination and associated costs. Tactics that will be explored include stakeholder engagement, integrating fall 2020 characterization study data into Recycle Right public outreach, enforcement, policies, re-processing recycling residue, and ways to produce less waste (source reduction). This Study Session will allow staff to update the Mayor and Council on these tactics and will include a presentation of the SFD characterization study results by SCS Engineers, the City's contracted consultant that recently completed the study.

Reductions to Residential Garbage and Recycling Rate Increases

ESD staff is exploring options to reduce forecasted rate increases in 2021-2022 as much as possible. Potential options for reducing rate increases include reducing residential services, such as junk pick-up, delaying SB 1383 implementation, and use of other funding sources such as Operations and Maintenance Reserve or future emergency relief funds. This Study Session will allow staff to update the Mayor and Council on rate reductions strategies and to receive further input on these strategies.

/s/

KERRIE ROMANOW

Director, Environmental Services

For questions, contact Valerie Osmond, Deputy Director, Environmental Services Department, (408) 535-8557.

Attachment: Draft Study Session Agenda

CITY COUNCIL STUDY SESSION AGENDA

UPDATES ON SENATE BILL 1383, RESIDENTIAL RECYCLING CONTAMINATION, AND RESIDENTIAL GARBAGE AND RECYCLING RATES

April 12, 2021
1:30 P.M. to 4:30 P.M.

Purpose: To engage the Mayor and Council in responses to developments related to Senate Bill 1383, residential recycling contamination, and 2021-2022 residential garbage and recycling rates.

Outcome: The Study Session will result in the development of a common understanding of key issues, obligations, and approaches by City Administration.

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Welcome to the San José City Council meeting!

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 6 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://www.sanjoseca.gov/your-government/departments/city-clerk/council-agendas-information/council-agendas>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14th Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or City.Clerk@sanjoseca.gov for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

*** COVID-19 NOTICE ***

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79485 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the City Council meeting will not be physically open to the public and the City Council will be teleconferencing from remote locations.

How to observe the Meeting (no public comment):

- 1) Cable Channel 26,
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

How to submit written Public Comment before the City Council Meeting:

- 1) Use the eComment tab located on the City Council Agenda page. eComments are also directly sent to the ilegislare application used by City Council and staff.
- 2) By email to city.clerk@sanjoseca.gov by 8:00 a.m. the day of the meeting. Those emails will be attached to the Council Item under “Letters from the Public.” Please identify the Agenda Item Number in the subject line of your email.

How to submit written Public Comment during the City Council Meeting:

Email during the meeting to councilmeeting@sanjoseca.gov, identifying the Agenda Item Number in the email subject line. Comments received will be included as a part of the meeting record but will not be read aloud during the meeting.

How to provide spoken Public Comment during the City Council Meeting:

- 1) By phone (888) 475-4499. Webinar ID: 951 9388 9763. Click *9 to raise a hand to speak.
- 2) By online [https://sanjoseca.zoom.us/j/951 9388 9763](https://sanjoseca.zoom.us/j/951_9388_9763).
 - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
 - b. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
 - c. When the Mayor calls for the item on which you wish to speak, click on “raise hand.” Speakers will be notified shortly before they are called to speak.
 - d. When called, please limit your remarks to the time limit allotted.

Call to Order and Roll Call

CITY COUNCIL STUDY SESSION

1:30 p.m. – 4:30 p.m.

1. San José’s Solid Waste Program Overview
 2. Senate Bill 1383 Overview, San José’s Program Alignment, and Next Steps
 3. Residential Recycling Contamination and Next Steps
 4. Residential Garbage and Recycling Rates and Next Steps
- **Public Comments**
 - **Adjourn**