#### BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

### AGENDA REPORT

For meeting of: October 19, 2021

**TO:** Honorable Mayor and City Council

VIA: Matthew Chidester, Deputy City Manager

**FROM:** John Doughty, Public Works Director

Jennifer Chong, Public Works Program Manager

TITLE: SENATE BILL 1383 (MANDATORY ORGANICS WASTE DISPOSAL REDUCTION)

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#### **RECOMMENDATION:**

1. Conduct a study session, take public comment, and provide direction to staff on the Mandatory Organics Waste Disposal Reduction ordinance; and

- 2. Continue the public hearing and introduction of the ordinance, adding Title 7, Chapter 22 Mandatory Organics Waste Disposal Reduction, to December 7, 2021; and
- 3. Adopt a resolution authorizing the City Manager to enter into a Memorandum of Understanding (MOU) with the County of San Mateo for the establishment of an Edible Food Recovery Program in Half Moon Bay.

## **FISCAL IMPACT:**

Senate Bill (SB) 1383 is a State law that will require significant financial commitments from all jurisdictions throughout California. The City's Franchise Agreement with Republic Services provides a Monthly Administrative Payment that will continue to help offset the costs of overseeing and implementing solid-waste related programs, including those required by SB 1383, but additional funding will be necessary to reach full compliance with SB 1383.

## STRATEGIC ELEMENT:

This action supports the Infrastructure and Environment and Healthy Communities and Public Safety Element of the Strategic Plan.

# **BACKGROUND:**

In September 2016, Governor Brown signed <u>SB 1383 (Lara, Chapter 395, Statutes of 2016)</u> into law, establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants in various sectors of California's economy. The law codified the California Air Resources Board's <u>Short-Lived Climate Pollutant Strategy</u>, established pursuant to <u>SB 605 (Lara, Chapter 523, Statutes of 2014)</u>, to achieve reductions in the statewide emissions of short-lived climate pollutants.

As it pertains to solid waste, SB 1383 established targets to achieve 50% reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020, and a 75% reduction by 2025. It also established an additional target of recovering not less than 20% of edible food that was currently being disposed for human consumption by 2025.

In November 2020, the Department of Resources Recycling and Recovery (CalRecycle) published the <u>Regulation Text</u> that detailed how the State planned to meet these ambitious targets, which included mandates that local jurisdictions implement, maintain, enforce, and report on a number of programs. These programs are described in detail in the "Discussion" section of this staff report and will be expanded further in the staff presentation to the City Council.

The implementation timeline for SB 1383 is as follows:

- January 1, 2022 Regulations take effect and State enforcement begins
- January 1, 2024 Jurisdictions are required to take enforcement against noncompliant entities
- January 1, 2025 The State must achieve the 75% reduction and 20% food recovery targets

## **DISCUSSION:**

SB 1383 imposes several new mandates on local jurisdictions that are enforceable beginning January 1, 2022. While the State has not provided any funding to support the implementation of these new programs, the City of Half Moon Bay is in a strong position to comply with many of the mandates by the January 1 deadline given its working relationship with San Mateo County and other local cities. Further, the existing Franchise Agreement with Republic Services anticipated many of the rules contained in the CalRecycle Regulation Text.

The following sections summarize the six main mandates put on local jurisdictions by SB 1383. Each section details the requirement and provides a status update for the City's compliance efforts.

## **Mandatory Organics Collection Services**

**Summary:** Arguably the most significant mandate of SB 1383 is the requirement for all local jurisdictions to provide organic waste collection services, including food scraps, to all residents and businesses. Additionally, waste containers used for both curbside programs and indoor waste collection stations must follow a prescribed color scheme of grey/black for trash, green for organic waste, and blue for traditional recyclables. These containers are also subject to labeling and contamination monitoring requirements.

**Status:** The City is already compliant with most of these requirements. The City's Franchise Agreement with Republic Services (Republic) provides all residents and businesses within the City a base level of organics collection service alongside their garbage and recycling. The Franchise Agreement also standardized the colors and labeling of curbside carts and bins.

Staff will work with Republic to educate businesses that are subject to the indoor waste

collection systems requirements to ensure they are compliant with the new mandates.

# **Edible Food Recovery Program**

**Summary:** Jurisdictions are required to establish an edible food recovery program for large surplus food generators to recover as much edible food for human consumption as possible. Implementation of this program is split into two tiers, with Tier One generators having to comply in 2022 and Tier Two generators having until 2024. Tier One generators include supermarkets, large grocery stores, food service providers, food distributors, and wholesale food vendors. Tier Two generators include large restaurants, hotels, health facilities, large venues and events, and state and local education agencies.

**Status:** The City is partnering with the County of San Mateo Office of Sustainability (County) to implement a countywide food recovery program. After conducting an initial analysis of the food recovery programs and capacity in San Mateo County, the County determined one countywide program would be more effective than 20 independent programs. Staff agrees that this approach not only provides economy of scale, but also increases the likelihood that the maximum amount of edible food will be recovered.

Under the proposed Edible Food Recovery Program Memorandum of Understanding (Exhibit A to the Resolution), the County would operate the edible food recovery program on behalf of the City of Half Moon Bay, which would go into effect January 1, 2022.

# **Capacity Planning**

**Summary:** Jurisdictions must secure access to organics processing and food recovery capacity for the programs identified in SB 1383.

**Status:** The City's Franchise Agreement with Republic Services includes the assurance that the City's diverted organic material will be delivered to a fully permitted organic waste processing facility. Capacity planning for food recovery will happen at the County level as part of the County's edible food recovery program.

# **Education and Outreach**

**Summary:** Jurisdictions must provide linguistically accessible education and outreach to all businesses and residents regarding the mandatory participation in the organics collection service and contamination requirements. Jurisdictions must also educate commercial edible food generators on their edible food donation requirements and available edible food recovery organizations.

**Status:** The City's Franchise Agreement with Republic Services includes an annual education and outreach campaign. At the beginning of each calendar year, staff meets with Republic to outline the campaign for the upcoming year which always includes quarterly mailers to residents, an annual newsletter for businesses, on-site audits and technical assistance for businesses, and community meetings and workshops on the latest developments in the solid waste industry (e.g. incoming legislation).

While the Franchise Agreement will need to be amended in the coming months to reflect the education and outreach requirements specified in SB 1383, the program structure is already in place and will only need slight modifications to be SB 1383 compliant. It's important to note that education and outreach on SB 1383 has already begun with SB 1383 information being included in recent community workshops and the summer/fall newsletter. A City web page dedicated to SB 1383 is also currently under development.

# **Recovered Organic Waste Product Procurement**

**Summary:** Jurisdictions must procure recycled content paper products in addition to an annual quantity of recovered organic waste products based on the City's population. The annual procurement target is assigned by CalRecycle and can be fulfilled by procuring any combination of the following waste products: compost, mulch, renewable energy (transportation fuel, heat, and electricity) from anaerobic digestion and electricity from biomass conversation. The City's estimated target for 2022 is 985 tons.

**Status:** Developing a program that not only meets the City's recovered organic waste product procurement target annually but uses the material properly will be challenging. While the City could enter into a purchasing agreement with Republic Services to procure the required product starting in 2022, the City's target amount far exceeds that which is used and/or needed by the City. Staff is exploring partnership opportunities with the County, the Resource Conservation District (RCD), and others to see how the City can meet its procurement target in an environmentally and fiscally sustainable way.

Meanwhile, staff will be updating the "Sustainable Purchasing and Practices Policy" that was adopted on September 10, 2020 to strengthen the language regarding purchasing recycled content paper products as required by SB 1383 and will be modifying the City's Municipal Code and professional service agreement templates to ensure the City's contractors and vendors also comply with SB 1383.

## **Inspection and Enforcement**

**Summary:** SB 1383 requires local jurisdictions to monitor for compliance and conduct enforcement. Inspection requirements include:

- Annual inspections of both commercial and residential truck routes
- Compliance reviews on all commercial businesses with 2 cubic yards or more of solid waste
- Inspections of Tier One commercial edible food generators and food recovery organizations (to be performed by County)

While jurisdictions must have an enforceable mechanism (e.g. ordinance) in place by January 1, 2022, enforcement is not required until after January 2024. This provides jurisdictions two years to educate generators on the new mandates and bring them into compliance before citations must be issued. This will also provide two years to determine how best to address compliance.

**Status:** Staff is currently working on an ordinance that will not only bring the City into compliance with SB 1383, but amend the chapters related to solid waste to make them more comprehensive and user-friendly. The proposed amendment will be interwoven through several sections of the Municipal Code including, but not limited to, Title 4 – Code Enforcement and Title 7 – Health and Welfare and will be brought before the Council by the end of the year.

Additionally, staff is working with Republic Services to create a more robust inspection and enforcement program, but adding these programs to the Franchise Agreement will require an Amendment. Staff is also working with Republic on pursuing a joint reporting system that will help the City comply with SB 1383's detailed recordkeeping requirements.

# Conclusion

SB 1383 is a significant piece of legislation that sets ambitious targets for organic waste reduction and leans heavily on local jurisdictions for implementation. While the City is in compliance with several of the mandates in SB 1383, there are still many details that need to be worked out in the coming months. Staff will continue to work with the County, Republic, CalRecycle, and other organizations throughout the county to ensure the City moves towards full compliance with SB 1383 in a thoughtful and sustainable way, with the next step being the adoption of a Mandatory Organics Waste Disposal Reduction ordinance.

### **ATTACHMENT:**

Resolution authorizing the City Manager to sign the MOU with the County of San Mateo