

*"Placerville, a Unique Historical Past Forging into a Golden Future"*



**City Manager's Report**

**November 9, 2021 City Council Meeting**

**Prepared by: Pierre Rivas, Development Services Director**

**Item #: 10.1**

**Subject:**

1. Waive full reading, make any amendments to, and introduce said Ordinance by title:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACERVILLE ADDING CHAPTER 7B (ORGANIC WASTE DISPOSAL REDUCTION) TO TITLE 7 (HEALTH AND SANITATION), ADDING SECTION 4-1-10 (COMPLIANCE WITH CALGREEN RECYCLING REQUIREMENTS) TO CHAPTER 1 (GENERAL REGULATIONS) OF TITLE 4 (CONSTRUCTION REGULATIONS), ADDING SECTION 10-6-19 (COMPOST AND MULCH USE REQUIREMENTS) TO CHAPTER 6 (WATER EFFICIENT LANDSCAPE REGULATIONS) TO TITLE 10 (ZONING) OF THE PLACERVILLE MUNICIPAL CODE; AND MAKING A DETERMINATION OF EXEMPTION UNDER CEQA

2. Direct that the proposed Ordinance, be placed on the agenda for the December 14, 2021, City Council Meeting for adoption.

**Purpose:** To consider the adoption of the Organic Waste Disposal Reduction Ordinance as required by Senate Bill 1383.

**Background:** Senate Bill 1383 (SB 1383) was signed into law on September 19, 2016, to reduce organic waste disposal by 75% and increase edible food recovery by 20%, by 2025. SB 1383 requires all jurisdictions to implement a mandatory organic recycling ordinance by January 1, 2022. This Legislation requires all businesses, residents, and multi-family apartments to have access to recycling programs that capture organic waste materials including food scraps and landscaping waste. A primary purpose of the bill is to reduce greenhouse gas emissions such as methane and address food insecurity in California.

As a result of SB 1383, the California Department of Resources Recycling and Recovery (CalRecycle), which is the state department tasked with administering California's waste and recycling programs, developed prescriptive regulations to achieve the State's outlined organic waste disposal goals by 2025. Over the last two years, CalRecycle conducted informal hearings with local governments and stakeholders to develop regulations to achieve the State's organic waste reduction mandates. In November 2020, CalRecycle released the final regulations for SB 1383.

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SB 1383 is a follow-up to Assembly Bill 1826 (AB 1826), which previously went into effect on April 1, 2016. AB 1826 focuses on organic waste reduction from commercial and multi-family uses; whereby SB 1383 expands the requirements to reduce organic waste materials to include single-family households and requiring greater monitoring, reporting, and enforcement by the local government agency. AB 1826 required any business generating two (2) or more cubic yards of solid organic waste per week, and multi-family properties with five or more units, to recycle their organic waste (under AB 1826, multi-family properties are only required to recycle landscape debris). Additionally, AB 1826 required the City to implement an organic waste recycling program that included identifying non-compliant businesses that are required to recycle organic waste and notifying the businesses of these requirements.

The City has continued to work with its franchise waste hauler, El Dorado Disposal in the implementation of AB 1826 and SB 1383 to meet the compliance requirements of both AB 1826 SB 1383.

### **Analysis:**

#### Requirements of Senate Bill 1383

As a result of SB 1383 and the regulations established by CalRecycle, the City, in coordination with El Dorado Disposal, will have to implement the following practices to be considered compliant:

- Provide organic waste recycling services to all residents and businesses;
- Inspect and enforce compliance with SB 1383 by adopting an enforcement ordinance (Attachment 1);
- Implement an edible food recovery program that recovers edible food from the waste stream (consideration of an MOU with El Dorado County);
- Conduct outreach and education to all affected parties, including generators, haulers, facilities, and edible food recovery organizations;
- Procure recycled organic waste products like compost, mulch, and renewable natural gas; and
- Maintain accurate and timely records of SB 1383 compliance for annual reporting requirements.

On January 1, 2022, CalRecycle's regulations will become enforceable, and will require each jurisdiction to adopt a mandatory recycling ordinance. SB 1383 allows cities to take an educational and non-punitive approach to enforcement for the first two years of the ordinance being in effect (2022 and 2023). Taking an educational approach will allow the City and its franchise waste hauler, El Dorado Disposal, to work with Placerville residents and businesses to inform them of the requirements.

## Non-Compliance

While the City expects to gain compliance from residents and businesses, SB 1383 regulations provide CalRecycle with the ability to engage in enforcement actions of its own against the City if the City does not meet an acceptable level of compliance. These actions may include:

- Conducting more frequent inspections;
- Taking over direct enforcement on non-compliant businesses within the City;
- Establishing a schedule for City compliance and a probationary period, requiring a work plan and that the jurisdiction demonstrates it has sufficient staffing to implement the requirements of the law; and/or
- Seeking administrative penalties against the City of up to \$10,000 per day.

While SB 1383 is an unfunded state mandate from the State, the City, in cooperation with El Dorado Disposal, is in a position to meet the requirements set forth. With the adoption of the Ordinance, the City will be one step closer to becoming SB 1383 compliant.

## Implementation Efforts and Impact to Residents and Businesses

In response to SB 1383 mandates, staff will be reviewing new provisions to be incorporated into an amended Franchise Waste Hauler Agreement with El Dorado Disposal to incorporate new provisions and requirements. On November 1, 2021, El Dorado Disposal (EDD) began implementing the curbside co-collected food waste and green waste program (organics program), which allowed all single-family households to place food scraps into their existing green waste containers (green carts). EDD identified specific areas to conduct a “test run” of the program through provision of outreach literature and food waste “buckets” with the ultimate goal of all households having access to organics recycling service.

EDD and City Staff have been working with the community since 2019 to notify them of the requirements to recycle organic waste. One particular challenge facing the City as a result of SB 1383 is the implementation of organic waste containers at multi-family properties. Recognizing that space is limited in trash enclosures at these locations, different collection containers with smaller “footprints” may be necessary to assist in the collection of waste and to overcome space limitations.

## Cost to Residents and Businesses

Compliance with the state mandates will yield the benefits of the reduction in short-lived climate pollutants (SLCP) and the reduction in landfill disposal materials. However, implementing a recycling program for multi-family properties and businesses will increase City staff time to monitor the programs and will require infrastructure enhancements of the waste hauler to collect and manage the organic materials as a separated waste stream increasing disposal costs. As markets for organic materials open, potential revenues may offset the cost of organic materials collection and reduced landfill costs. Staff and EDD will continue to make every effort to assist residents and businesses in becoming SB 1383 compliant before January 1, 2024, which is

when the State requires the City to begin stricter enforcement via assessment of monetary penalties for non-compliance.

## **California Environmental Quality Act:**

City staff has evaluated proposed Ordinance to determine whether it will have a significant effect on the environment. Staff has determined that the proposed Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15061(b)(3) and 15308 on the grounds that it can be seen with certainty that the enhanced solid waste regulations, as provided for in Ordinance will not have a significant effect on the environment and that the new requirements, which strengthen requirements for the handling of solid waste, represent actions by a regulatory agency (the City) for the protection of the environment.

## **Options:**

1. Adopt the Ordinance as recommended.
2. Do not adopt the Ordinance, however staff does not recommend this, as adoption of an ordinance is a requirement of SB 1383.
3. Direct staff to return with a revised ordinance at a future City Council meeting.

**Cost:** There will be additional cost associated with staff time with implementation of the Ordinance and coordination with El Dorado Disposal. Staff time and costs are anticipated to increase with future monitoring and public education requirements in 2022-2024 time frames and with enforcement requirements to be fully implemented by 2024.

**Budget Impact:** There is no fiscal impact to the City as a result of the adoption of Organic Waste Disposal Reduction Ordinance. The passage of Ordinance will have no direct impact on current solid waste collection rates. The City will be considering rate increases in July 2022. The City also will be renegotiating its franchise agreement with El Dorado Disposal to fully integrate the programmatic requirements of SB 1383 into the franchise agreement.

## **Recommendation:**

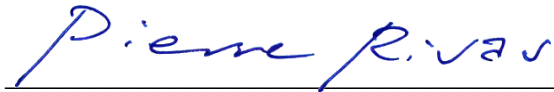
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**M. Cleve Morris, City Manager**



**Pierre Rivas, Development Services Director**

Attachments:

1. Draft Ordinance Organic Waste Disposal Reduction