



**TO BE PRESENTED AT FEBRUARY 24, 2011
BOARD OF DIRECTOR'S MEETING**

- 5A. UPDATE ON ROLLOUT OF NEW COLLECTION SERVICES EFFECTIVE 1/1/11**
- 5B. UPDATE ON SOUTH BAY RECYCLING START-UP OF SHOREWAY FACILITY OPERATIONS EFFECTIVE 1/1/11**



STAFF REPORT

To: SBWMA Board Members
From: Cliff Feldman, Recycling Programs Manager
Date: February 24, 2011 Board of Director's Meeting
Subject: Update on Mandatory Commercial Recycling

Recommendation

This staff report is for discussion purposes only and no formal action is requested of the Board of Directors.

At the request of the Board, staff has prepared this update on state mandates related to commercial recycling and how SBWMA Member Agencies can or should comply with such mandates.

Analysis

The California Global Warming Solutions Act of 2006 (AB 32) required the California Air Resources Board (CARB) to adopt a Scoping Plan which listed over 70 action measures to achieve the targeted greenhouse gas (GHG) emissions reductions. This Scoping Plan was adopted with a mandatory commercial recycling measure specifically designed to achieve a GHG emissions reduction of 5 million metric tons of carbon dioxide Statewide. The State agency charged with developing the mandatory commercial recycling regulation is CalRecycle (formerly the California Integrated Waste Management Board).

A initial draft of CalRecycle's Mandatory Commercial Recycling Regulation was circulated in December 2009 and revised versions issued in mid 2010 and December 2010 based on feedback received from three workshops and written comments. CalRecycle staff held a one-day workshop on January 19, 2011 to field additional comments on the draft regulation. RethinkWaste staff has been engaged in this rulemaking process and submitted comments and facilitated several conversations with CalRecycle staff. Per CalRecycle, CARB is expected to consider adopting the regulation in the spring of 2011 and it will become effective statewide on January 1, 2012. The regulation will apply to businesses that generate four (4) or more cubic yards of solid waste weekly.

It is staff's opinion that per the new Franchise Agreement(s) with Recology and the plans to implement the RethinkWaste Commercial Recycling Communications and Outreach Plan, the Member Agencies are positioned well to comply with the new State Mandatory Commercial Recycling Regulation. The following explanation of the scope of the regulation was published by CalRecycle:

"[The Mandatory Commercial Recycling Regulation] requires each local jurisdiction, regardless of whether the jurisdiction has met its AB939 50% equivalent per capita disposal target, to implement a commercial recycling program by July 1, 2012, that provides education, outreach and monitoring of businesses subject to the Commercial Recycling Regulation. If a jurisdiction already has a commercial recycling program that targets businesses required to comply with the regulation, and if the program includes education, outreach, and monitoring elements, it would not be required to implement a new or expanded program."

This explanation mirrors staff's interpretation of the regulation. In essence, the Member Agencies will comply with this new State regulation due to the following three programmatic components now in place:

1. Through Recology's franchised commercial recycling outreach efforts.

2. Through contract administration of the Recology Franchise Agreement(s) (i.e., managing the tools delineated in the Franchise Agreement(s) to ensure compliance and a concerted focus on diversion from the commercial sector).
3. Execution of the RethinkWaste Commercial Recycling Communications and Outreach Plan.

Background

The cities of San Carlos and San Mateo participated in a pilot program to assist with the development of mandatory commercial recycling ordinances. The City of San Carlos adopted its Mandatory Commercial and Multi-Family Residential Recycling Ordinance on April 26, 2010. This ordinance became effective on January 1, 2011.

The California Air Resources Board Scoping Plan for the California Global Warming Solutions Act of 2006 (AB 32, Núñez, Chapter 488, Statutes of 2006) was adopted with a Mandatory Commercial Recycling Measure (Adobe PDF, 2.79 MB) designed to achieve a reduction in greenhouse gas emissions of 5 million metric tons of carbon dioxide (CO₂) equivalents. In 2008 (the last year Statewide data is available), the commercial sector Statewide generated approximately 68% of all solid waste disposed. Through the third quarter of 2010, the commercial sector in the SBWMA service area disposed of over 100,000 tons of solid waste resulting in a measured diversion rate of 24.2%. Therefore, the voluntary participation in the franchised recycling collection services is resulting in over 75% of the material generated being disposed at the landfill.

While RethinkWaste and the Member Agencies have placed significant emphasis on the importance of commercial recycling, this program has fallen short of expectations in recent years. Reducing the amount of material sent to the Ox Mountain landfill will benefit the Member Agencies both in the short and long term. The short term gains which will continually be accrued are derived from the avoided cost of disposal and the revenue generated from the sale of recyclable commodities. The long term gains are associated with extending the life of the Ox Mountain landfill and preserving local landfill capacity.

Fiscal Impact

There is no fiscal impact as this is a discussion item only.