



PUBLIC WORKS DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3354 • FAX: (408) 777-3333
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: August 6, 2019

Subject

Authorization of Resolution declaring interest for the participation by the City of Cupertino in the initial planning for potential future use of the Sunnyvale SMaRT Station.

Recommended Action

Adopt Resolution No. 19-XXX Declaring Interest for the Participation by the City of Cupertino in the Initial Planning for Potential Future Use of the Sunnyvale SMaRT Station.

Discussion

The City has an exclusive franchise agreement with Recology to provide solid waste collection services for residential and commercial recycling, organics, and garbage. The agreement for these services expires on January 31, 2021. The City has an agreement for disposal of all municipal solid waste (garbage) with International Disposal Corporation of California, Inc. who owns and operates Newby Island Landfill. The agreement for this service expires on November 20, 2023.

There are three streams of materials collected by Recology under the exclusive franchise agreement: garbage, recyclable materials and organics.

- Garbage is taken directly to Newby Island Landfill without any sorting or processing.
- Separated residential and commercial recyclable materials are taken to GreenWaste Recovery, on Charles St. in San José under a separate agreement between Recology and GreenWaste, outside the exclusive franchise agreement. These materials are Recology's property and are at their discretion to market and sell. The value of recycling commodities (e.g. paper and plastics) has significantly decreased since 2016 and more recently due to Chinese import restrictions. As a result, Recology is now paying to market processed paper and plastics instead of selling the materials as had occurred in years past.
- Separated organic materials are transported to Recology facilities in Vernalis (commercial and multi-family) and Gilroy (single-family residential) for processing. These processed organic materials are Recology's property and are sold by Recology as finished compost. Through the Franchise Agreement,

Recology provides up to 15% of this compost to the City, which in turn is distributed Cupertino residents at no charge, through the City's compost site.

In 2016, following the passage of SB 1383 (Lara), CalRecycle began developing short-lived climate pollutant (SLCP) regulations that require jurisdictions to implement new organics recycling programs to achieve a 75 percent reduction in the level of the statewide disposal of organic waste from the 2014 level. These regulations will become enforceable on January 1, 2022 and give CalRecycle the authority to fine jurisdictions up to \$10,000 per day for non-compliance. To achieve compliance, the City will need to increase diversion of organics away from landfill in excess of current residential and commercial diversion rates. Single-family residential households are currently diverting 65% of their organic waste. Organics diversion rates for multi-family and commercial sectors have not yet been assessed; however, waste characterization studies of these sectors are on the work plan for FY 19-20. Meeting the SB 1383 regulations can in part, be accomplished by processing garbage to remove organics and to a lesser extent, processing of recyclables to remove organics. Per a 2018 single-family residential waste characterization study completed by the City, 52% of the materials placed in the garbage was recoverable for composting and 5% for recycling.

An option to process garbage and recyclables to divert these organics (and recyclable materials) from landfill is available if the City were to take these materials to the SMaRT Station upon expiration of the City's currently agreement Recology and International Disposal Corporation (Newby Island Landfill).

The City of Sunnyvale owns and oversees contract operations of the SMaRT Station located in Sunnyvale. The SMaRT Station has been used by the communities of Sunnyvale, Mountain View, and Palo Alto to recover recyclables and organics since 1993. Sunnyvale invited the City of Cupertino (Attachment B) and other local cities to participate in initial planning discussions on the long-term future use of the SMaRT station. Potential benefits of partnering with the City of Sunnyvale for Cupertino use of the SMaRT Station include:

- Transparent fiscal and operational management
- Proximity that makes refuse collection more efficient and minimizes transport and climate change emissions compared to more distant facilities
- Guaranteed long-term capacity to meet material processing needs including those needed for SB 1383 compliance.

Due to significant infrastructure needs at the SMaRT Station, Sunnyvale is conducting future conceptual facility upgrade planning and has requested that cities interested in participating in the future use discussions of the SMaRT Station provide waste tonnage data to aid with the conceptual planning for integrating new municipal partners to SMaRT. Results of this analysis and planning were anticipated to be completed in December 2018 (Attachment B) and remain in development. A project status meeting was held in April 2019 with the potential partners providing an update and reaffirming

interest. The final planning report is anticipated to be completed in early fall, 2019 and presented to the potential partner cities for consideration.

Sunnyvale has requested the interested cities to adopt a resolution and designate specific staff to represent their jurisdiction in discussions about their long-term disposal processing needs. The City of Santa Clara passed a resolution to this effect on January 29, 2019. Cupertino's subject Resolution designates the Director the Public Works to represent the City in initial planning meetings and to share pertinent information regarding City planning for recyclables, organics services, and solid waste management that includes current and projected tonnages with Sunnyvale staff and other participating jurisdictions.

The Resolution does not bind the City to use the SMaRT Station in the future and staff is evaluating other materials processing options. After completion of the initial planning discussions, the City Council will be provided with a summary of results and recommended next steps.

Sustainability Impact

CalRecycle reports that of the nearly 35 million tons of waste that reach California's landfills each year, approximately 80% could be recoverable through organics and construction and demolition debris collection programs. Processing garbage to remove these and other recoverable materials, support continued efforts to accelerate zero waste targets recommended by Council in the City's Climate Action Plan, which both align with AB32 goals and reflect those adopted by adjacent jurisdictions. Additionally, reducing the distance all three waste streams are transported for disposal and processing, is consistent with the goals in the Climate Action Plan for emission reductions generated by our extended municipal service operations.

Fiscal Impact

There is no fiscal impact to the City other than staff time.

Prepared by: Cheri Donnelly, Environmental Programs Manager
Alex Wykoff, Environmental Specialist

Reviewed by: Roger Lee, Director of Public Works

Approved for Submission by: Deborah Feng, City Manager

Attachments:

- A – Draft Resolution No. 19-XXX Declaring Interest for the Participation by the City of Cupertino in the Initial Planning for Potential Use of the Sunnyvale SMaRT Station.
- B – Letter from Sunnyvale City Manager 10-9-2018 including enclosure documents