



City of Arts & Innovation

Utilities Services/Land Use/Energy Delivery Committee Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 21, 2018

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: TRASH DIVERSION AND RECYCLING UPDATE - DIRECT SUBMITTAL

ISSUES:

Receive an update on state mandated trash diversion and recycling activities and provide input on a waste management and fiscal reserve policy.

RECOMMENDATIONS:

That the Utilities Services/Land Use/Energy Delivery Committee:

1. Receive and file an update on Public Works, Solid Waste Division state mandated trash diversion and recycling activities; and
2. Provide input on a waste management and fiscal reserve policy(s).

LEGISLATIVE HISTORY:

Trash collection is governed by a variety of state and local regulations. The State of California has passed landmark legislation that has guided waste disposal and diversion since 1989's AB939. AB939 was established to guide agencies in implementation of source reduction, recycling, composting, environmentally safe trash disposal and to establish metrics (i.e. % of waste diverted) by which agencies could measure progress. Since that time, the state has passed multiple bills to shape California as a leader in solid waste management and recycling. The following are more recent bills that were created with the goal to reduce greenhouse gas emissions, but that also impact solid waste operations and costs.

- AB 341 requires mandatory commercial recycling,
- AB 1826 requires mandatory commercial organic recycling, and
- AB 1383 aims to reduce emissions of short-lived climate pollutants through a 50 percent reduction in disposal of organic waste by 2020 and a 75 percent reduction in organic waste by 2025. SB 1383 also includes a target to recover 20 percent of edible food waste by 2025, also known as 'food rescue'. *Food rescue or recovery means edible food, such as day old bread or bagged produce past its sell by date but still safe to eat, that would*

normally be thrown away is instead redistributed to those in need. Riverside has received a grant for a Food Rescue program, which is discussed later in this report.

Riverside Municipal Code Title 6, Chapter 6.04 – Solid Waste and Recycling Material and Chapter 6.05 Development Project Areas for Collection and Loading of Recyclable Materials also governs local activities relating to waste management, but is in need of updating.

BACKGROUND:

The Public Works Solid Waste Division has a suite of residential and commercial programs to provide quality service intended to meet the needs of our customers and state mandates.

As stated, the state has certain requirements cities must meet for waste diversion. CalRecycle, the state agency responsible for waste policy development and enforcement, uses a hybrid approach that evaluates programs **and** diversion statistics. The 50% diversion of waste from landfills established in 1989 is still a requirement, but the emphasis is now on program implementation.

The table below compares CalRecycle's established maximum pounds per person, per day trash disposal targets for Riverside households and businesses with the City's actual per capita disposal rates. The City has and continues to meet state mandated targets. As shown below, the City disposes of less trash than CalRecycle's target rate for Riverside. This success is due to a variety of programs and services to promote diversion of trash from the landfill, some of which are outlined below.

Disposal Rate (pounds per person per day) ¹	Residential		Commercial	
	Maximum	Riverside Actual	Maximum	Riverside Actual
	8.6	6.9	19.5	15.4

¹ CalRecycle 2016 verified data – based on 415,150 disposal tons for the City of Riverside.

Residential:

Residential solid waste is collected by both the City and a private hauler, Burrtec Waste Industries (Burrtec). The City currently services 41,253 households and Burrtec services 25,511 households. Burrtec's contract was originally approved by City Council on February 27, 2001, with four authorized amendments and a current expiration date of December 31, 2018.

Standard services include curbside collection (automated and limited manual locations), driveway and backyard service. Most households have three containers: one each for trash, recycling and greenwaste, with two free bulky item pick ups per household.

Commercial:

On January 23, 2001, City Council approved a commercial collection services agreement with three haulers (Athens, Burrtec and CR&R). Their agreements have been amended five times and expire on June 30, 2023. All three haulers have the same contract and provide bin service to businesses and multifamily dwellings for collection of trash, recycling and greenwaste. As a result of AB 1383, the contract haulers will need to establish organics food programs to service restaurants and/or food production facilities.

Processing:

All materials that are collected need to be processed in some manner. Following closure of the Highgrove landfill in 1997, the City had a need for waste transfer and processing services. On December 17, 1996, City Council approved an agreement with Burrtec for transfer services at the facility now known as the Agua Mansa Material Recovery Facility (MRF). On November 13, 2012, City Council authorized an extension of the Transfer Services (MRF) Agreement to 2029. The MRF is a **key partner** in the City's waste diversion success.

DISCUSSION:

Public Works does not have a formal, dedicated Solid Waste Management Policy, but instead has relied upon state policies, the Riverside Municipal Code and the citywide Green Action Plan. The Green Action Plan was developed working with internal and external partners to incorporate citywide activities to improve and preserve the environment. The last Green Action Plan update was in 2014.

In addition to standard curbside recycling services, the Solid Waste Division has many other programs in place to meet current regulatory and policy requirements.

Popular Programs

Clean Up Riverside's Environment (CURE): CURE, an award-winning program, was established over 10 years ago to mitigate illegal dumping, increase access to recycling services and provide outstanding customer service for City residents. CURE offers seven drop off/clean up events throughout the year (see attached flyer for program variety and details). The events offer multi-location bulky item, greenwaste, tire, metals and appliance drop off and recycling of shredding, e-waste, batteries and light bulbs. In 2017, 448.11 tons (the equivalent of approximately 64 elephants) of material was collected as part of CURE.

Curbside Appliance and Used Oil Collection/Recycling: City residents may schedule an appointment for curbside collection of large appliances and used oil and oil filters. Appliances are collected and hazardous waste (Freon) is removed. The remaining metals and plastics are then recycled. Used oil and filters are collected for recycling and/or safe disposal.

Holiday Tree Collection/Recycling: Every year, the City collects Holiday Trees which are then processed into mulch.

Public Education: An often overlooked activity to reduce the waste stream and increase recycling is education. The Solid Waste Division has continued to increase outreach to schools and in neighborhoods focusing on grades K-8. Staff has presented at all Riverside Unified School District and Alvord Unified School District locations in the City, (approximately two presentations per week). Presentation topics include the 3 R's (Reduce, Reuse, Recycle), Too Toxic to Trash, and Going Greener.

Staff also partners with Western Riverside Council of Governments on approximately six used oil outreach and education events per year. Additionally, staff has participated in many neighborhood education events such as Earth Day, the Museum's Bug Fair, a variety of Riverside County Volunteer programs, National Night Out, Keep Riverside Clean & Beautiful events, a Neighborhood Engagement Workshop series and presentations to environmental and service clubs.

New Programs

The primary regulatory changes to waste collection and processing are related to organics, which includes greenwaste and food waste. The City has a strong greenwaste collection program which includes most yard waste such as palm fronds, grass clippings, cut tree limbs, and shrubbery. However, the City needs to work on improving processing of greenwaste, finding new markets for use of clean greenwaste and to develop a food waste reduction and recycling program --- all in a cost effective manner.

Food Rescue: In order to address the new organics legislation, the Solid Waste Division working with Community and Economic Development applied for a Food Waste Prevention and Rescue Grant from CalRecycle and was awarded **\$200,000** in January 2018. Program goals are to facilitate food exchange between donors and recipients, implement a Food Waste and Rescue Ambassador Program and expand the Gleaners for Good program. The Gleaners for Good program coordinates volunteers to collect otherwise uneaten home and farm-grown produce for redistribution by local food banks. This grant is a collaboration between the City, GrowRIVERSIDE, Riverside Food Systems Alliance, Riverside Food Co-Op, and the City's contracted waste haulers.

Clean Compost: Another exciting opportunity is a pilot green waste contamination reduction effort in select neighborhoods. The project will focus on education to prevent contamination of greenwaste (i.e. residents placing non-green material in their greenwaste bin), increasing access to CLEAN compost made from local sources, and education on proper use of compost to maintain healthy soils. Project partners include the City, GrowRIVERSIDE, Riverside Public Utilities, Burrtec, UC Cooperative Extension and Riverside Garden Council.

Farm to Food to Fuel: The Public Works Water Quality Control Plant has teamed up with Burrtec on a pilot project to divert and transport food waste to the wastewater treatment plant. The food waste is processed to generate bio-methane that can be used as a fuel for energy production. If the pilot project is successful, the partners will pursue grants to build a permanent food diversion system at the Agua Mansa Material Recovery Facility (MRF). This effort recovers resources to produce energy and reduces the amount of waste sent to landfills.

Challenges and Recommended Actions

Despite Riverside's success in waste diversion to date, a variety of new challenges exist that may impact future compliance and are already resulting in operating impacts (expenditures outpacing revenues).

1. **Increasing service demands.** In the past year, demands for service have increased. Specifically, the city Solid Waste crews have been dedicating a substantial amount of time and resources to homeless camp and railway clean ups. Staff estimates an annual increase in expenditure of \$350,000 to \$450,000, with likely increases in demand and no end in sight. The established rates do not factor in these increases and the additional expenditures are being absorbed by the shrinking Solid Waste fund.
2. **Regulatory demands are increasing.** The state continues to adopt new unfunded mandates, with organics creating the greatest impact on costs.
3. **Equipment Needs.** Refuse does have a vehicle replacement plan in place. However, with increasing state mandates and other operational pressures, the replacement of

vehicles has fallen behind. The result is high maintenance costs and potential air quality compliance impacts.

4. **Recycling Revenue.** Current market forces are creating negative demand for recyclables due to China's recent waste import ban on some materials (select papers and plastics) and price reductions for certain high volume materials (i.e. cardboard). These changes went into effect January 1, 2018 (Waste Dive, October 2017) and will negatively impact revenues and while unknown at this time, diversion compliance may be at risk if no new markets are identified.
5. **No future rate increases.** For 10 years, rates have increased by the Consumer Price Index alone, despite extraordinary external factors impacting operational costs, such as disposal, processing costs, labor costs relating to CalPERS, higher costs for contract services and unfunded mandates. (There was a one-time extraordinary increase for commercial processing during that 10 year period.)

As of June 2018, no future rate increases are approved for residential and commercial services. Flattening revenues will negatively impact the operating fund, and ultimately the ability to respond to legislative mandates and service increases.

The Public Works Department is in the early stages of a Performance Audit. The Audit will look into Solid Waste operations to maximize efficiencies as well review operating expenses and explore revenue opportunities. Upon City Council approval of the Audit report, staff will begin implementation of recommendations where feasible, which may include development of a waste management and fiscal policy.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer
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Attachments:

1. C.U.R.E. 2018 Event Flyer
2. Green Action Plan
3. Presentation