

Agenda Report

January 24, 2022

TO: Honorable Mayor and City Council

THROUGH: Municipal Services Committee (January 11, 2022)

FROM: Department of Public Works

SUBJECT: DIRECT CITY ATTORNEY TO DRAFT AN AMENDMENT TO PASADENA MUNICIPAL CODE CHAPTER 8.60 SOLID WASTE COLLECTION ORDINANCE FOR ORGANICS COLLECTION (SB 1383)

RECOMMENDATION:

It is recommended that the City Council:

- Find that the ordinance amending the Solid Waste ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3) (General Rule) and also under Section 15308 as an action by a regulatory agency (the City of Pasadena) for the protection of the environment; and
- 2. Direct the City Attorney to draft an ordinance within 30 days consistent with the provisions set forth herein.

MUNICIPAL SERVICES COMMITTEE RECOMMENDATION:

On January 11, 2022, staff presented this report to the Municipal Services Committee (MSC). At the meeting, MSC unanimously approved the item and recommended it be forwarded to the full City Council for consideration. Staff has incorporated several items requested by MSC into the staff report.

EXECUTIVE SUMMARY:

SB1383 was signed into law in 2016 to reduce the amount of organic waste entering the landfills in an effort to reduce greenhouse gases. This law requires California cities to establish an organic recycling program that allows for residents and businesses to dispose of their food waste, arrange for edible food recovery, conduct education and outreach, purchase recycled products, monitor for compliance and establish an enforcement program by January 1, 2022.

MEETING OF 01/24/2022

AGENDA ITEM NO. 9

)

Amendments to PMC 8.60 Solid Waste Ordinance January 24, 2022 Page 2 of 7

As of January 1, 2022, City's residential refuse program began collecting organic waste from residential customers and has made significant progress towards all other SB1383 requirements. The next step is for the City Council to adopt an ordinance to formally adopt the program and memorialize the SB1383 requirements as stated herein. If approved, this item will direct the City Attorney to draft an ordinance, which will be presented for City Council consideration in February/March 2022.

BACKGROUND:

Organic waste consist of solid waste containing material originated from living organisms, including food, green material, landscape and pruning waste, lumber, manure and sludge.

In October 2014, AB1826 was signed that required businesses to recycle their organic waste effective April 1, 2016, depending on the amount of waste they generate per week. AB1826 phased in mandatory recycling of commercial organics, requiring businesses that generate four cubic yards or more of commercial solid waste per week to arrange for organic waste recycling services by January 1, 2019.

In 2016, SB1383 was signed to expand organic waste recycling, reduce the amount of organic material going to landfills, and thereby reduce greenhouse gases such as methane that significantly contribute to climate change. SB1383 requires a 50% reduction in organic waste disposal by 2020 and 75% by 2025. Given that statewide disposal of organic waste was not reduced by 50% below the 2014 baseline disposal level in 2020, the organic recycling requirements on businesses were expanded and currently cover businesses that generate two cubic yards or more of commercial solid waste per week. In addition, SB1383 requires that the City provide adequate resources for the implementation of the following programs:

- Organic waste collection service to all residents and businesses;
- Establish edible food recovery and donation programs for Tier I (supermarkets, wholesale food vendors) and Tier 2 (hospitals, large venues, large restaurants) commercial edible food generators;
- Conduct education and outreach to all organic waste generators;
- Procure certain levels of recyclable and recovered organic products; and
- Monitor compliance and, effective January 1, 2024, conduct enforcement.

Final rulemaking under SB1383 was completed in November 2020 with regulations that were to go into effect January 1, 2022. Under the new law, cities in California are required to provide organic waste collection service to all residents and businesses. Cities are required to adopt an ordinance to mandate that organic waste generators, haulers and other entities subject to cities' authority comply with SB1383 regulatory requirements, including residents, businesses, institutions, and food recovery organizations.

Amendments to PMC 8.60 Solid Waste Ordinance January 24, 2022 Page 3 of 7

On October 5, 2021 Governor Newsom signed SB619. This law provides local governments an additional year to meet the climate goals of SB1383. Under this bill, CalRecycle may only impose a penalty on a local jurisdiction and allow a penalty to accrue for a violation of the regulations if the local jurisdiction did not make a reasonable effort, as determined by CalRecycle, to comply with SB1383. At this time, staff believes that City is in very good standing since City has made substantial progress on the program.

The City of Pasadena and the Los Angeles County Sanitation District (LACSD) have been engaged on two organics recycling projects over recent years. In 2018, City and LACSD conducted a one-year pilot food scraps recycling program to assess the feasibility, effectiveness, and general collection operations. The collected food waste from cities' fire stations was loaded into specialized equipment that removed contaminants such as plastic bags and utensils and then blended the food waste into a slurry. The food waste slurry was fed to a wastewater treatment plant anaerobic digester to create a biogas. Some of the biogas was converted to electricity while the rest was converted to vehicle fuel grade renewable natural gas. In 2020, City and LACSD also worked together to compost the City's residential generated yard waste at the Agromin composting site in Oxnard. Over 36,000 tons of yard waste have been composted through this program to date. Attachment 1 illustrates the residential organic recycling process.

Public Works evaluated several options for recycling organic waste generated by residential customers. Options for recycling organics are limited since there are a lack of organic processing facilities to receive organic waste in Southern California. The following table summarizes the options considered, observations, and recommendations for implementation:

Options	Observations	Conclusion
Add a new collection route for food waste only, adding a fourth collection bin	 Cost prohibitive due to need for additional truck and container purchases, truck operators and program administrators Increased truck traffic 	Not preferred
Co-mingled food waste & yard waste into single bin (without bagging of food waste)	 No local site accepts co-mingled waste Operationally infeasible; trucks reach capacity multiple times per day to complete routes 	Not preferred
Food waste to community composting hubs	 Limited capacity, 75 households per site. Accommodates only 3% of City's generated volume Siting challenges - limited to 750 square feet per composting site Potential nuisance issues (e.g. odors, flies, security and access) Currently non-profit led, requires community involvement 	Feasible, with limited capacity

	 Successfully implemented at Arlington Gardens, condominium complex 	
Bagged food waste into yard waste bin	 Maintain current local Scholl Canyon disposition site Efficient use of existing resources Slight cost increase Least disruptive to existing operations 	Preferred

Based on the analysis of the options, staff determined that the most effective and efficient option/approach to recycling food waste from residents is 1) adding bagged food waste to yard waste residential container and 2) establishing community composting hubs in public spaces.

On January 1, 2022, City refuse staff started collecting food waste from residents using the preferred method above. Since this is a new program, we expect participation to be relatively low in the beginning and ramp up over time as more residents become familiar and comfortable with the new requirements. In addition, City and LACSD continue to work together to recycle the City's residential yard waste and food waste per the process previously outlined. This partnership has helped the City get a head start and put everything in place to start collecting food waste by the implementation date of January 1, 2022, set by CalRecycle.

For community composting hubs, staff will develop a list of potential locations with the goal of adding a community composting hub in each district. Staff will vet the locations with the community and take any recommended actions to City Council, if needed.

In order to formally adopt the program, an ordinance will need to be developed using the model ordinance developed by CalRecycle as a guide to establish the requirements for residential and commercial organic waste generators, food recovery organizations and services, commercial edible food generators, franchise haulers, facility operators and self-haulers. Staff recommends that City Council direct the City Attorney to draft said ordinance for City Council consideration at subsequent City Council meetings. If City Council approves the draft ordinance at that time, the organics recycling program would formally go into effect on April 13, 2022, which is 30 days after the expected adoption date.

For the past six months, staff has been conducting outreach to businesses and residents to prepare them for this program. Staff partnered with the Pasadena Chamber of Commerce, Old Pasadena Management District, Playhouse Village and South Lake Business Association to host a virtual SB 1383 workshop for Pasadena businesses. The webinar was recorded and provided by the Chamber of Commerce to its members. The City also sent a description of the food waste recycling program to our residents using the September-October utility bill insert. Staff is excited and appreciates the efforts of the residents that are already participating in the program and will continue to educate and encourage more participation as SB1383 continues to roll

Amendments to PMC 8.60 Solid Waste Ordinance January 24, 2022 Page 5 of 7

out. There is also a significant amount of information regarding our program on our website at <u>https://www.cityofpasadena.net/public-works/recycling-resources/special-waste-recycling/sb-1383-information-and-resources</u>. Attachment 2 and Attachment 3 are samples of some of available information on our website.

Staff researched the implementation of this program by other cities and found that many jurisdictions in the region are either delaying the rollout of their food waste programs or implementing pilot programs over the next 6 to 12 months. Some cities that use franchise haulers for their solid waste collection have implemented a mixed food waste and yard waste collection program for composting only. Other Southern California cities are requiring residents to bag food waste added to yard waste for anaerobic digestion and/or composting. Staff will track the City's participation on a monthly basis and will compare to other cities as the program moves forward. The goal for the program is to see a steady increase in participation before enforcement begins on January 1, 2024.

PROPOSED ORDINANCE:

As mentioned, the City must adopt an ordinance to formally implement the program. The following sections briefly describe the elements of the proposed ordinance that are tailored to meet the City's unique residential and commercial environment:

Residential Organics Recycling Requirements:

The proposed ordinance will require residential customers to be automatically enrolled to participate in the City's organic recycling program.

Commercial Organics Recycling Requirements:

The proposed ordinance will require commercial businesses, including multi-family residential complexes (five units or more) to subscribe to the City's franchise waste hauler organics recycling service or self-haul. The service may be provided through a three, three plus, two or one container collection service. The type of service depends on the services offered by the franchise hauler, availability of space for containers and customer preference.

Edible Food Recovery:

SB1383 requires the City to strengthen existing infrastructure for edible food recovery and food distribution. The proposed ordinance will establish record keeping requirements for the generators and inspection tasks that will need to be implemented by the City.

Education and Outreach:

Amendments to PMC 8.60 Solid Waste Ordinance January 24, 2022 Page 6 of 7

As mentioned, the City has developed a SB1383 webpage,

<u>https://www.cityofpasadena.net/public-works/recycling-resources/special-waste-recycling/sb-1383-information-and-resources/</u>, that includes information and tools to help Pasadena residents and businesses achieve compliance with the requirements. To increase awareness of the new requirements, the Department of Public Works will continue to mail residents informative bill inserts, issue press releases, partner with local media outlets and post relevant information on social media. In addition, staff is working on a video that will show residents specifically what they need to do to conform with SB1383 requirements.

Procurement of Recycled Organic Products:

SB1383 establishes a minimum procurement target for California cities based on population. Based on CalRecycle's procurement calculator, the City is required to procure 11,760 tons of recycled organic waste products. The City already meets the procurement requirement through its purchase of energy derived from biomass conversion and renewable natural gas.

Compliance and Enforcement:

Enforcement of SB1383 begins January 1, 2024. For the next two years, Public Works will focus on identifying businesses in violation and providing education materials to those generators. The goal is for every generator to have the opportunity to fully comply before enforcement begins. The regulation allows for two years of education and outreach.

COUNCIL POLICY CONSIDERATION:

This proposed ordinance is consistent with the City Council's goal of increasing conservation and sustainability, and supports the City's General Plan goal number 10, which is to establish Pasadena as a leader on environmental stewardship efforts. The proposed ordinance supports the Zero Waste Strategic Plan adopted by Council in October 2014. Implementation of Organics Recycling Programs are three of the 19 program initiatives in the Zero Waste Strategic Plan.

The ordinance also supports the City's adopted Organics City Action Plan goals of reducing the volume of landfill waste, reducing the use of disposable product category, protecting the watershed, and helping to promote a clean and sustainable environment. It also supports the United Nations Urban Environmental Accords of 2005 Action 4 of achieving zero waste to landfills and incinerators by 2040.

ENVIRONMENTAL ANALYSIS:

The adoption of this ordinance amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3) (General

Amendments to PMC 8.60 Solid Waste Ordinance January 24, 2022 Page 7 of 7

Rule) and also under Section 15308 as an action by a regulatory agency (the City of Pasadena) for the protection of the environment.

FISCAL IMPACT:

With this action, the fiscal impact to the City's Refuse Fund is anticipated to be about \$400,000 per year. Currently, there are sufficient funds in the refuse fund account 40622088 to absorb these costs through the next fiscal year. A comprehensive rate study will be performed in 2022 to determine the overall cost of providing service and corresponding rate adjustments to cover continued operating costs and reserves as required. The last solid waste rate study was performed in 2010, with rates last updated in 2012. Staff will utilize the existing budget to provide technical assistance to impacted businesses and conduct community outreach and educate the public via print ads publicizing the new ordinance and new program best practices.

Respectfully submitted,

TÓNY OLMOS, P.E. Director of Public Works

Prepared by:

That

Thanos Gauthier, Administrator Resource Recovery & Recycling Division

Approved by:

YNTHIA J

Interim City Manager

Attachments:

Attachment 1 - SB 1383 Organic Recycling Process Attachment 2 - SB 1383 Residential Organics Recycling Guide Attachment 3 - SB 1383 Commercial Organics Recycling Guide