



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Countywide AB 939 Fee and Household Hazardous Waste Agreements for FY 2015/16 through 2017/18

BACKGROUND

Household Hazardous Waste (HHW) services are provided to Sunnyvale residents by way of the Countywide HHW Program. Services include regular drop-off events held at a Sunnyvale location as well as events held at other permanent and temporary locations in the County.

As a reminder on a related issue, the current Sunnyvale HHW event location at 164 Carl Road is being displaced to meet the space needs of the Water Pollution Control Plant (WPCP) project. The current Carl Road site will host its final monthly event in June, 2015. Beginning in July, the County will provide quarterly Sunnyvale events at the City's Corporation Yard on Commercial Street temporarily. Residents will continue to be able to dispose of HHW at frequent HHW events held throughout the county at both permanent and temporary locations.

The City's cost for participation in the HHW program is paid from two sources: (1) revenues from the Countywide AB 939 Fee, a fee charged on every ton of Sunnyvale solid waste disposed, and (2) a direct payment from the City for resident use above a baseline level of four percent participation.

The revenue from the fee must be used to implement programs and services designed to meet the requirements of AB 939, the state mandate that local jurisdictions reduce the amount landfilled by 50% (from the baseline year of 1990) and reduce the amount of household hazardous waste that is improperly disposed. The collection, distribution, and use of the fee are governed by an Agency Agreement among the County of Santa Clara and the 15 cities in the county. The term of the current three-year agreement will expire on June 30, 2015.

Staff recommends that Council:

1. Authorize the City Manager to execute the Agreements for the Countywide AB 939 Fee and Countywide Household Hazardous Waste Collection Program for fiscal years 2015/16 through 2017/18 (Attachments 1 and 2).
2. Set an "augmentation amount" of \$232,000 to support anticipated resident participation levels above the four percent baseline service level.
3. Delegate to the City Manager the authority to approve changes to the City's augmentation amount during each year of the three year agreement period and to increase the City's augmentation amount by up to 20 percent as needed to ensure resident access to the service.

DISCUSSION

The two agreements have specific purposes and funding mechanisms:

AB 939 Fee Agreement

The AB 939 Fee is divided into two parts:

- 1) A Program Fee of \$1.50 per ton. Fee revenues are passed back to each jurisdiction to help pay the cost of preparing, adopting, and implementing integrated waste management plans.
- 2) A Household Hazardous Waste (HHW) Fee of \$2.60 per ton, with revenues used to pay for HHW services.

Policy oversight is provided by the Santa Clara County Recycling and Waste Reduction Commission (RWRC). Mayor Griffith represents the SMaRT Station® cities (Mountain View, Palo Alto and Sunnyvale) on the RWRC.

The County has collected the AB 939 Fee on behalf of all jurisdictions within the County since July 1992. No change in the amount of the fee is recommended during the next three fiscal years.

Countywide HHW Program Agreement

The HHW portion of the AB 939 Fee pays for program participation at a baseline level of four percent of households. Cost for participation beyond baseline is augmented by each jurisdiction. The need to possibly change the augmentation amount from year to year and even toward the end of each fiscal year of the agreement arises from a number of variables outside the City's control, including resident participation levels, the amount of garbage generated and disposed (which generates fee revenues for the HHW Program), both within Sunnyvale and countywide, and changes in the HHW Program's costs (e.g. for disposal of wastes collected).

Staff is recommending that Council set the FY 2015/16-2017/18 augmentation amount at \$232,000. That dollar amount anticipates participation by nine percent of households in a particular year, consistent with Sunnyvale's recent history of eight to nine percent participation. Participation by households that have HHW to dispose is presumed to be higher than nine percent, as some residents use the events less frequently than once per year, many participants bring materials from more than one household, and some households do not generate HHW.

For each year of the agreements, County staff will estimate augmentation amounts for each City based on then-current information on participation, garbage disposal quantities and fee revenues, and program operating expenses. Staff is recommending that Council continue to delegate to the City Manager the authority to approve changes up to 20 percent (\$46,400) to the augmentation amount.

EXISTING POLICY

General Plan Chapter 7, Goal EM-15: Environmentally-Sound Disposal - Dispose of solid waste in an environmentally sound, dependable and cost-effective manner.

ENVIRONMENTAL REVIEW

Council approval of the agreements is an administrative act only. No environmental review is required of governmental administrative activities that will not result in any direct or indirect change to the physical environment. (CEQA Guidelines 15061(b)(3); 15378(b)(5).)

FISCAL IMPACT

There is no fiscal impact. The recommended actions maintain the current level of service to Sunnyvale residents and are consistent with the funding level appropriated in the Solid Waste Management program budget. Changes up to 20 percent can be absorbed within the operating program.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the City Manager to execute both the Agency Agreement for Countywide AB 939 Fee and the Agency Agreement for Countywide Household Hazardous Waste Collection Program (with an augmentation amount of \$232,000) and continue to delegate to the City Manager the authority to approve an increase of up to 20 percent (\$46,400) in the City's augmentation amount.

In order to continue to collect the AB 939 fee and distribute its revenues to the cities after June 30, 2015, each city and the County must act to approve the Countywide AB 939 Implementation Fee Agreement (Attachment 1).

Sunnyvale has relied exclusively on the Countywide HHW Program for service to City residents for the past eight years. Customer satisfaction with the service has been high and costs have been lower than the City was able to achieve on its own in the past.

Reviewed by:

John Stufflebean, Director, Environmental Services Department

Prepared by: Karen Gissibl, Recycling Manager

Reviewed by: Grace K. Leung, Finance Director

Reviewed by: Robert A. Walker, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Draft Agency Agreement for Countywide AB 939 Implementation Fee
2. Draft Agency Agreement for Countywide Household Hazardous Waste Collection Program