



CITY COUNCIL AGENDA REPORT

MEETING DATE: JANUARY 5, 2016

ITEM NUMBER: **OB-1**

SUBJECT: SECOND READING OF ORDINANCE 15-16: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING SECTIONS 8-76, 8-77, AND 8-83 OF CHAPTER IV (GARBAGE, RUBBISH, AND WEEDS), OF TITLE 8 (HEALTH AND SANITATION), OF THE COSTA MESA MUNICIPAL CODE, RELATING TO MANDATORY COMMERCIAL WASTE AND ORGANICS RECYCLING

DATE: DECEMBER 17, 2015

FROM: PUBLIC SERVICES DEPARTMENT / ADMINISTRATION

PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: MIKE KOZIEL, MANAGEMENT ANALYST (714) 754-5024

RECOMMENDATION:

City Council consider for second reading Ordinance No.15-16 (Attachment 1) to amend sections 8-76, 8-77, and 8-83 of Chapter IV (Garbage, Rubbish, and Weeds) of Title 8; to be read by title only, and waive further reading, regarding Mandatory Commercial Waste Recycling and new requirements of Mandatory Organics Recycling required by the State of California.

BACKGROUND:

At the December 1, 2015 City Council meeting, City Council considered and approved Ordinance 15-16 for first reading.

Building upon the requirements of AB341 which mandated commercial waste recycling, the State of California has now added mandatory organic recycling. As the result of the signing of AB1826 into law, the new mandatory organics recycling requirements will be phased in over several years and will help the State meet its goal to recycle 75 percent of its waste by 2020. Beginning on April 1, 2016, businesses, including commercial and industrial, and public entities such as schools, hospitals, stores, restaurants, for-profit or nonprofit organizations, and residential dwellings with 5+ units (however "multifamily" dwellings are not required to have a food waste diversion program) must recycle their organic waste over time based on the amount and type of waste the business generates on a weekly basis, with full implementation realized in 2020. The specific implementation timetable and changes to the code are detailed in the City Council Agenda Report and attachments presented with the Ordinance on December 1, 2015 (Attachment 2).

ANALYSIS:

The goal of the mandatory commercial organics recycling law (AB 1826) is to help California achieve aggressive recycling and greenhouse gas emission goals. California landfills take in about 30 million tons of waste each year, of which more than 30% is organic. The State has determined that these organics should be composted or used to produce renewable energy rather than going into landfills. Greenhouse gas emissions resulting from the decomposition of organic waste in landfills have been identified as a significant source of emissions contributing to global climate change.

The City of Costa Mesa has in place an excellent mechanism for implementing this mandate. The City operates under a non-exclusive waste hauling franchise that licenses permitted waste hauling firms to provide solid waste collection and recycling services to commercial and multi-family dwellings. It shall be the responsibility of the City of Costa Mesa authorized Waste Haulers to comply with these new State mandates in order to operate under their annual permits. The proposed amendments to Chapter IV of Title 8 will assure that the haulers comply with these regulations.

ALTERNATIVES CONSIDERED:

An alternative to this City Council action would be to reject the amendments, potentially exposing the City to fines of up to \$10,000 per day for non-compliance. The Council could also consider a separate new franchise system for exclusively processing the organics at an unknown but potentially significant administrative and business cost.

FISCAL REVIEW:

Section 2, Chapter 12.9 of AB1826 Recycling of Organic Waste states that *“no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.”*

The City's authorized waste haulers set their charges based upon the competitive market (a benefit to clients of the non-exclusive franchise system), and therefore their costs of compliance with the program will likely be passed on to their clients. The fiscal impact to the City is additional unknown administrative cost and time of implementing, monitoring, and reporting on the program. Increased costs to the City will be offset by additional revenues from increased gross receipts by the authorized haulers.

LEGAL REVIEW:

The City attorney has reviewed this report and has prepared the attached ordinance as amended.

CONCLUSION:

Assembly Bill 1826 requires that commencing April 1, 2016, the City implement an organic recycling program. Adoption of the proposed ordinance as amended would result in clarifying the language of the current ordinance while, at the same time, ensuring compliance with State law by implementing its requirements. Therefore, staff requests the City Council introduce Ordinance Number 15-16 to amend sections 8-76, 8-77, and 8-83 of Chapter IV (Garbage, Rubbish, and Weeds), of Title 8, for second reading; to be read by title only, and waive further reading, regarding Mandatory Commercial Waste Recycling and new requirements of Mandatory Organics Recycling.

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DISTRIBUTION: Chief Executive Officer
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Staff
File

ATTACHMENTS: 1. [Ordinance No. 15-16](#)
2. [December 1, 2015 Agenda Report](#)