



# Memorandum of Understanding to allow Zero Waste Sonoma to apply for CalRecycle grant funding to establish new CRV drop-off recycling centers in Sonoma County

City Council Meeting  
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# BACKGROUND

- 1986 California Beverage Container Recycling and Litter Reduction Act (Bottle Bill)
  - Enabled creation of CRV facilities
  - Established Convenience Zones (CZ)
- 24 CRV recyclers in Sonoma County 2012, but now only 4 remain
  - 2 locations remain in Santa Rosa
  - Labor cost increases, falling prices of commodities, and the state's payment structure

# BACKGROUND

- SB 458 (Weiner, 2017) authorized CalRecycle to approve up to five (5) pilot projects to provide CRV redemption opportunities
- AB 54 (Ting, 2019) allocates \$5 million to support the pilot projects with up to \$1 million per project

# PROJECT PROPOSAL

- Zero Waste Sonoma and Petaluma Recycling Center (PRC) Partnership
- If awarded would create 10 new CRV collection sites in Sonoma County (3-4 sites in Santa Rosa)
- Unserved convenient zones currently exist in several jurisdictions:
  - Santa Rosa
  - Cloverdale
  - Healdsburg
  - Sonoma
  - Sebastopol
  - Petaluma

# PROJECT PROCESS

Customers create a web account, purchase, and fill bar-coded bags with CRV

Scanning in unlocks the door, where the customer drops in the bag(s) and closes the door

Redemption payment will be issued to customers within two business days from date of pickup

Customers scan full bags into the kiosk, linking their account with the CRV

Once a week, PRC staff will service the kiosk and bring all material to their facility for processing

# PROJECT EXAMPLES



# GRANT APPLICATION

- Gather necessary application materials, project/grant approved by board, jurisdictions authorize project through individual MOUs
  - Confirm kiosk location in designated convenience zones
- Prepare and submit grant materials to CalRecycle asap
- Receive Notice to Proceed from CalRecycle
- Eligible costs:
  - Personnel, equipment or materials related to infrastructure, direct operating expenses for program activities, and educational materials promoting beverage container recycling
- ZWS administrative labor costs and PRC labor and equipment costs during the active grant period would be reimbursed from grant funds

# SANTA ROSA MOU IMPACT

- Zero Waste Sonoma is requesting support, in the form of a memorandum of understanding, from city partners to apply for CalRecycle grant funding.
- PRC would manage the regional program, purchase the necessary equipment, establish and service the drop off locations, sort the material at the PRC, and issue payments to customers through an online accounting system.
- Zero Waste Sonoma and PRC are seeking commitments from the retailers at whose location these recycling centers would be located for the funding gap for at least the three years after grant expiration to continue the program



# SANTA ROSA MOU IMPACT

- Hosting retailer (i.e. supermarket) receives the benefit of avoiding a \$100 per day, or \$36,500 per year, fee payable to CalRecycle for not providing a recycling option to their customers
- Zero Waste Sonoma and City staff believe the retailers will have a strong incentive to fund the project at the \$9,000 per year level and provide their customers a convenient service

# FISCAL ANALYSIS

- If awarded, grant funding covers all expenses for the first two years of this program. After that PRC will need to secure \$9,000 per year per recycling center to cover the expenses of administering and operating this program, which could be provided by the hosting retailer, Zero Waste Sonoma, or the City.
- In the event all parties decide not to fund the recycling center beyond year two, PRC may remove the recycling center and no longer provide service in that location.
- Approval of this MOU does not create a new financial liability to the City.

# RECOMMENDATION

- It is recommended by the Transportation and Public Works Department that the Council, by resolution, approve a Memorandum of Understanding to allow Zero Waste Sonoma to apply for grant funding to establish new drop-off recycling centers and authorize the City Manager to execute the Memorandum of Understanding on behalf of the City.