# MOJAVE DESERT AND MOUNTAIN RECYCLING JOINT POWERS AUTHORITY

REGULAR MEETING THURSDAY, MAY 9, 2024 10:30 A.M.

The meeting will be held in-person and by teleconference.

In-person location:
Victorville City Hall
Training Room 1 - upstairs
14343 Civic Drive
Victorville, CA 92392

Teleconference locations:

City of Barstow Council Room 220 E. Mountain View St, Suite A Barstow, CA 92311 City of Big Bear Lake Main Entrance 42480 Fox Farm Rd Big Bear Lake, CA 92315 City of Twentynine Palms
Council Chambers
6136 Adobe Rd
Twentynine Palms, CA 92277

### **TELECONFERENCE NOTICE**

This meeting is being held in accordance with the Brown Act that allows attendance by members of the Board and the public to participate and conduct the meeting by teleconference.

**NOTICE TO THE PUBLIC:** To participate please sign in via the link below.

Join Zoom Meeting

https://us04web.zoom.us/j/79783751454?pwd=kkig9xe9NDb6tbo5dCkbnI57EouZ0n.1

\*\*\*Directions for hyperlink – highlight line above and right click, select open hyperlink and it will take you directly to the meeting. If it requires the ID or Passcode, they are below.

Meeting ID: 797 8375 1454

Passcode: JPA

Questions/Issues call (760) 955-5217.

CALL TO ORDER AND ROLL CALL								
PLEDGE								
CONSENT CALENDAR								

### 1. Request to Approve the Consent Calendar as follows:

- A. Minutes of the Board Meeting held November 16, 2023.
- B. Warrant Ratification for November 1, 2023 through January 31, 2024 and February 1, 2024 though April 30, 2024.

Recommendation: Approve consent calendar.

PUBLIC HEARING ITEMS

None.

DISCUSSION/ACTION ITEMS

### 2. 2023/2024 Budget.

Recommendation: Approve 2023/2024 JPA Budget, including \$40,000 from 2022/2023 marketing funds.

### 3. Bank Signature Authorizations.

Recommendation: Authorize John Davis, Emad Gewaily, Margaret DeMauro, Doug Robertson, and Orlando Acevedo as signatories on the Authority's bank account.

### 4. Organic Products Procurement.

<u>Recommendation:</u> Support AB 2902's procurement exclusions; Support AB 2346 if amended to limit procurement to actual production.

### 5. Glass Beverage Container Recycling Revenue.

<u>Recommendation:</u> Continue efforts to adjust CalRecycle's MRF glass commingled processing rate.

### 6. SB 54: Plastic Pollution Prevention and Packaging Producer Responsibility Act.

No Recommended Action: Updated SB 54 information.

### 7. Legislation Update: Continuing Support.

Recommendation: Continue Authority support of SB 707, AB 660, and AB 863. Support SB 1280 and AB 2761.

### 8. New Legislation Support and Opposition.

Recommendation: Support AB 2, AB 2577, SB 1143, and SB 1175. Oppose SB 1426.

y. Container Contamination Update.								
No Recommended Action: Update on container contamination minimization program.								
10. Edible Food Recovery.								
No Recommended Action: Update on edible food recovery and High Desert Second Chance.								
11. Business Profiles.								
No Recommended Action: Update on Authority business profiles.								
PUBLIC COMMENTS								
12. Public comments on items of interest to the public.								
BOARD MEMBERS COMMENTS								
13. Comments by members of the Board of Directors.								
DATE OF NEXT MEETING								
THURSDAY, AUGUST 8, 2024								

**ADJOURNMENT** 

# MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE **JOINT POWERS AUTHORITY** AGENDA MATTER Consent Calendar **SUMMARY STATEMENT** Request to Approve the Consent Calendar as follows: A. Minutes of Board Meeting held November 16, 2023. B. Warrant Ratification for C. Treasurer's Report. RECOMMENDED ACTION Approve consent calendar PRESENTED BY MEETING DATE ITEM NUMBER May 9, 2024 Melissa Krejckant 1

MOJAVE	DESERT AND MOU JOINT POWER	INTAIN INTEGRATED RS AUTHORITY	WASTE
AGENDA MATTER			
Board Meeting Minutes	3		
SUMMARY STATE	MENT		
	the Board Meeting mine e for any questions or c		
RECOMMENDED A	CTION		
Approve as Part of the PRESENTED BY	consent calendar.	MEETING DATE	ITEM NUMBER
Melissa Kreickant		May 9, 2024	1A

### **MINUTES**

### MOJAVE DESERT AND MOUNTAIN RECYCLING JPA BOARD MEETING

10:30 A.M., THURSDAY, NOVEMBER 16, 2023 VICTOR VALLEY MATERIALS RECOVERY FACILITY (VIRTUAL MEETING) AND IN PERSON AT VICTORVILLE'S CITY HALL, TRAINING ROOM 1

JPA Board Members Present: Larry Cusack (Apple Valley), Debra Jones (Victorville), Jeff

Drozd (Yucca Valley), CJ Porter (1st District), McArthur Wright (29 Palms), Marilyn Kruse (Barstow), Ellen Campbell

(Needles)

Others Present: John Davis (Administrator), Cambria Carroll (Secretary),

Alexis Garcia (Victorville), Dana Armstrong (Victorville), Ivania Esquivel (Victorville), Guy Eisenbrey (Apple Valley), Margaret DeMauro (Apple Valley), Julie Ryan (Apple Valley), Edwin Alonzo (Apple Valley), Frank Forbes, Treasure Trinh (San Bernardino County), Richard Crockett (Burrtec), Katya Meyer (Big Bear City), Seth Cayy (1st

District)

Roll call was conducted. Chair, Debra Jones, called the meeting to order at 10:35 A.M. Board Member CJ Porter led the pledge of allegiance.

- 1. **Consent Calendar**. The Consent Calendar was approved on a roll call vote following a motion from Board Member Ellen Campbell and a second from Board Member Jeff Drozd.
- 2. Public Hearing: Victor Valley Materials Recovery Facility Tip Fee Increase. Board Member CJ Porter asked for the daily tonnage being brought and Board Administrator John Davis clarified that the amount currently ranges between 100 and 150 tons per day. Board Member Porter then asked the percentage of tonnage coming from customers paying this tip fee to which Board Administrator John Davis added was a 40% approximation. Board Co-Chair Larry Cusack asked if when minimum wage increases at the beginning of each year, if this would factor in to increase the \$114 amount being proposed and Board Administrator John Davis confirmed that yes, minimum wage increases would increase this amount. The Public Hearing was closed and passed on a roll call vote following a motion from Board Co-Chair Larry Cusack and a second from Board Member Ellen Campbell.
- Resolution 2023-03. Resolution 2023-03 was approved on a roll call vote following a motion from Board Member Ellen Campbell and a second from Board Co-Chair Larry Cusack.
- 4. **Audit.** The audit was received and filed on a roll call vote following a motion from Board Member Ellen Campbell and a second from Board Member Marilyn Kruse.
- 5. **Bank signature authorizations.** The proposed bank signature authorizing signatures were approved on a roll call vote following a motion from Board Co-Chair Larry Cusack and a second from Board Member McArthur Wright.

- 6. Shark Solutions. Rob Crivello, Head of Sustainability and Corporate Affairs for Shark Solutions, presented an overview of their Victorville windshield recycling operation and their interest in solar panel recycling. Board Member Marilyn Kruse thanked the presenter for the informative presentation and expressed interest in working with this new recycling partner. Board Administrator John Davis added that 2 is currently pending and deals with solar panel recycling, sponsored by California Product Stewardship Council. Mr. Rob Crivello added that the Department of Energy is also adding their contributions to encourage and push through the solar panel market. Board Member Ellen Campbell also thanked the presenter for a fantastic presentation and discussed her recent visit to Copenhagen where she was surprised with the amount of recycling being done and the noticeably cleanliness of the city as a result. Mr. Rob Crivello added that his business chose our location due to the vast amount of space we had available. Board Chair Debra Jones thanked him and expressed her hopes to continue to see great things from his company in the future.
- 7. High Desert Recycling Market Development Zone (RMDZ). No action was needed for this item; Board Administrator John Davis provided an update on the progress RMDZ with clarification that our region is one of 40 areas designated by CalRecycle for focused siting, permitting, financing, feedstock acquisition, and product marketing assistance. Progress with existing marketing being performed was detailed along with future content to be used on the Authority's website.
- 8. **SB 54: Plastic Pollution Prevention and Packaging Producer Responsibility Act.** Board Administrator John Davis provided the Board with an update on SB 54. No action was taken on this item as it was a status update on the progression of this bill.
- 9. Legislation Update. Board Administrator John Davis provided the Board with an update two bills signed by the Governor this year, SB 244 Right to Repair and SB 353 Bottle Bill Expansion, in addition to an update on AB 1548 Greenhouse Gas Reduction Fund grant program and the four Authority-supported bills held for continued consideration; SB 560, SB 707, AB 660, and AB 1290. No action was taken on this item as it was a status update on legislation.
- 10. Public Comment on items of interest to the public. None.
- 11. Board Member Comments. None.

Board Chair Debra Jones confirmed the adjourned the meeting 11:32 AM.	e date of the next meeting for Februa	ry 8, 2024,	and
Melissa Krejckant, Secretary	Debra Jones, Chai	 r	

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AGENDA MATTER	JOHN FOWEN	3 AUTHORITI	
Commercial Warrants	Sahadula		
SUMMARY STATEM			
COMMAN OTATEM			
	were issued from Nov 35.08, net of voids cove		
the accuracy and av	mands covered by the railability of funds for e, and the funds were a	payment thereof and	d said claims and/or
RECOMMENDED AC	TION		
Receive ratify and file	e the commercial warra	ants as presented	
PRESENTED BY	and deministration walls	MEETING DATE	ITEM NUMBER

May 9, 2024

Margaret DeMauro

1B

# MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JPA Warrant Listing: November 1, 2023-January 31,2024

0050	44440/0000 L L D L	IDA 6 A IDE A I I O I O O I O OOO	44.400.00
2650	11/18/2023 John Davis	JPA & MRF Admin Services October 2023	14,436.62
2651	11/18/2023 Erin Duckhorn	Marketing Services October 2023, Inv 5110323	2,888.83
2652	11/18/2023 BURRTEC	September 2023 MRF ACTIVITY	196,243.28
2653	11/18/2023 San Bernardino County Dept of Public works	Reimbursement for 2023 CRRA- Treasure and Ari	2,649.32
2654	11/18/2023 High Desert Second Choice	Edible Food Recovery Program October Inv #0047	2,500.00
2655	11/18/2023 FIND Food Bank	Edible Food Recovery Program March Inv #40113	1,250.00
2656	11/28/2023 McArthur Wright	November Board Meeting	75.00
2657	11/28/2023 Debra Jones	November Board Meeting	75.00
2658	11/28/2023 Marilyn Kruse	November Board Meeting	75.00
2659	11/28/2023 Larry Cusack	November Board Meeting	86.79
2660	11/28/2023 Jeff Drozd	November Board Meeting	166.05
2661	11/28/2023 Ellen Campbell	November Board Meeting	306.22
2662	11/28/2023 Cole Huber LLP Attorneys	October Services INV 44119	300.00
2663	12/5/2023 John Davis	JPA & MRF Admin Services November 2023	12,291.39
2664	12/6/2023 Public Entity Risk Management Authority	Q3 FY24 Liability Trust Deposit INV 163	25.00
2665	12/6/2023 Cole Huber LLP Attorneys	August Services INV 43842	409.65
2666	12/6/2023 Erin Duckhorn	Marketing Services November 2023, Inv 5120423	2,888.83
2667	12/20/2023 High Desert Second Choice	Edible Food Recovery Program November Inv #0048	2,500.00
2668	1/4/2024 Recreate Waste Collaborative LLC	Route Review Invoice for City of Big Bear Inv #1168	7,260.00
2669	1/4/2024 Erin Duckhorn	Marketing Services December 2023, Inv 5010224	2,888.83
2670	1/4/2024 John Davis	JPA & MRF Admin Services December 2024	12,636.73
2671	1/24/2024 BURRTEC	November 2023 MRF ACTIVITY	205,332.90
2672	1/24/2024 Victorville	OCTOBER 2023 MRF ACTIVITY	4.035.13
2673	1/24/2024 Town of Apple Valley	OCTOBER 2023 MRF ACTIVITY	19.769.76
2674	1/24/2024 Needles Public Utility Authority	FY 23/24 FOOD RECOVERY PROGRAM INV :10524EFR	5,000.00
2675	1/24/2024 High Desert Second Choice	Edible Food Recovery Program December Inv #0049	2,500.00
2676	1/24/2024 Mobius Intelligent Systems, LLC	OCT, NOV, DEC 2023 SERVICES INV. 2318,2325,2340	3,744.75
	5 · - <b>7</b>		-,

Total

502,335.08

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AGENDA MATTER			
Commercial Warrants	s Schedule		
SUMMARY STATEM	ENT		
	were issued from Feb 34 net of voids covering		
the accuracy and a	mands covered by the vailability of funds for e, and the funds were a	payment thereof and	d said claims and/or
RECOMMENDED AC	CTION		
_	_		
Receive, ratify, and fi	le the commercial warr	ants as presented.  MEETING DATE	ITEM NUMBER
		_	_
Emad Gewaily		May 9, 2024	1B

# MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JPA Warrant Listing: February 1, 2024-April 30,2024

2677	2/7/2024	John Davis	JPA & MRF Admin Services January 2024	12,741.85
2678	2/7/2024	Erin Duckhorn	Marketing Services January 2024, Inv 5020224	2,888.83
2679	2/7/2024	BURRTEC	December 2023 MRF ACTIVITY	164,708.56
2680	2/15/2024	High Desert Second Chance	Edible Food Recovery Program January Inv #0050	2,500.00
2681	2/15/2024	City of Twentynine Palms	Edible Food Recovery Program FY23-24Inv #ERFP2024	5,000.00
2682	2/15/2024	Town of Yucca Valley	Edible Food Recovery Program Inv #758	5,000.00
2683	2/29/2024	Burrtec	January 2024 MRF ACTIVITY	50,841.48
2684	2/29/2024	Mobius Intelligent Systems, LLC	JAN 2024 Services Inv 2481	1,348.25
2685	2/29/2024	City of Victorville	Lighting Assessment FY23-24	947.31
2686	3/5/2024	John Davis	JPA & MRF Admin Services February 2024	12,349.45
2687	3/5/2024	Erin Duckhorn	Marketing Services February 2024, Inv 5030424	2,888.83
2688	3/5/2024	PERMA	Liability Account Trust Deposit Q4 FY23-24	25.00
2689	3/12/2024	City of Victorville	Q4 Rent Disbursement	12,817.17
2690	3/12/2024	Town of Apple Valley	Q4 Rent Disbursement	12,817.17
2691	3/12/2024	High Desert Second Chance	Edible Food Recovery Program February Inv #0051	2,500.00
2692	3/28/2024	PERMA	Liability Assessment Payment 3 of 5 - FY 2023-24 Inv 232	1,909.00
2693	3/28/2024	City of Victorville	Q1 2024 Rent Disbursement	40,310.01
2694	3/28/2024	Town of Apple Valley	Q1 2024 Rent Disbursement	40,310.01
2695	4/5/2024	Burrtec	February 2024 MRF ACTIVITY	178,728.76
2696	4/2/2024	John Davis	JPA & MRF Admin Services February 2024	12,241.29
2697	4/16/2024	Erin Duckhorn	Marketing Services March 2024, Inv 5040124	2,888.83
2698	4/16/2024	High Desert Second Chance	Edible Food Recovery Program March Inv #0052	2,500.00
2699	4/30/2024	Burrtec	March 2024 MRF ACTIVITY	81,050.54

<u>Total</u> 649,312.34

### **AGENDA MATTER**

2023/2024 Budget

### **SUMMARY STATEMENT**

The 2023/2024 Recycling Authority Budget includes expense and revenue adjustments, as shown in the two attached worksheets.

- Two Board-adopted policies guided recent Authority budget preparation. Expense increases are held to 3%; and reserves are set at 20% of budgeted annual expenses using the latest audited year end fund balance. However the Board modified the reserve policy at its February 2023 meeting by excluding new insurance retention requirements, beginning with \$5000 in 2023/2024. The 2023/2024 Budget recommendation includes a one-time exemption to the 3% expense limit, reflecting increased insurance premiums.
- JPA Administration includes general program costs shared by all members; MRF Administration costs are shared by the project's owners Apple Valley and Victorville.
- An two-year agreement with ReCREATE Waste Collaborate to provide container contamination services was approved at the August 2022 Board meeting. Only half of the work was completed, due to delays in organics cart roll-out proceed, leaving \$40,000 in the 2022/2023 budget that should be sequestered for expenditure in 2023/2024.

### Expenses

The total combined Budget expenses are proposed as \$476,747, increasing \$88,397 from 2022/2023. This year's budget includes JPA Administration expenditures of \$431,147, increasing \$84,247 over the prior year. MRF Administration is increased \$4,150 to \$45,600.

The JPA Administration budget includes \$40,000 in marketing expenses to complete curbside cart contamination work carried over from 2022/2023, along with \$80,000 to complete the two year project in 2023/2024. Insurance premiums are expected to increase another \$7,430 for the new year, capping an 86% two-year increase. The insurance costs remain estimates. A one-time \$18,000 marketing increase is recommended to offset the lost program revenue resulting from the insurance increases. This results in an 8% budget increase, exceeding the Board's 3% policy. Contract services cost of living adjustments account for the remaining increases, although professional services was increased to include Find Food Bank's agreement with an offsetting reduction in marketing. MRF insurance and contract services increases also are included.

By using contractors instead of staff, the JPA is able to anticipate and respond to changing dynamics and circumstances, shifting budget resources rather than increasing expenditures. Current emphasis on social media public outreach and edible food recovery

are expected to continue, with SB 1383 support efforts continuing for more projects going forward. The curbside container project is facilitating organics and recycling behavior in advance of the state's monitor requirements beginning 2024.

### Revenues

JPA program costs are shared 1/3 equally among the members; and 2/3 based on population using May 2023 California Department of Finance figures (excluding military facilities). The Authority population declined by 4,669 with Adelanto and Victorville showing the only increases.

JPA 2023/2024 member contributions (net of fund balance adjustments) total \$349,841 for JPA Administration and \$28,807 for MRF Administration. The JPA Administration excess fund balance is \$38,306 adjusted for insurance retention and sequestered curbside project funds. MRF Administration excess was \$16,794. Total JPA Administration revenue change is \$10,053, a 2% increase that is within Board guidelines. Apple Valley and Victorville share the MRF increase.

### **RECOMMENDED ACTION**

Approve 2023/2024 JPA Budget including \$40,000 from 2022/2023 marketing funds.

PRESENTED BY	FISCAL IMPACT:	MEETING DATE	ITEM NUMBER			
John Davis	\$476,747 budget	May 9, 2024	2			

# MOJAVE DESERT & MOUNTAIN RECYCLING AUTHORITY BUDGET FY 2024-25 PRELIMINARY

			IIOug	h January 20	J <b>2</b> 4		Proposed 2024-2	2		
TIMATED REVENUES										
min Fund 8510	202	3-24 Budget	F	Received	% Received	Pro	posed 2024-25	Change		
Member Contributions Interest Earnings	\$	349,841 500	\$ \$	147,268 567	42% 113%	\$	358,746 500	\$ \$	8,905 -	
Carry Forward Grants	\$	40,000	Φ	EE 470	00070/	\$	10,000	Φ		
Other (Fund Balance)	\$ \$	2,500 38,306	\$	55,170 \$41,167	2207% 107%	\$ \$	2,500 37,744	\$ \$	- (562)	
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Admin Total	\$	431,147	_\$	244,172	57%	\$	409,490	\$	(21,657)	
F Admin - Fund 8512										
Member Contributions	\$	28,807	\$	10,803	38%	\$	26,937	\$	(1,870)	
Other (Fund Balance)	\$	16,793		\$17,509	104%	\$	16,892	\$	99	
MRF Admin Total	\$	45,600	<u>\$</u>	28,312	62%	\$	43,829	\$	(1,771)	
Combined Revenue Total		\$ 476	,747	\$ 272	,484	57%	\$ 453,	319	\$ (23,	
PROPOSED EXPENDITURES										
			<b>-</b>	Exp. &	0/ 5 0					
Admin Fund 8510	202	3-24 Budget		cumbered	% Exp. & Encumber	Dro	posed 2024-25	(	Change	
7205 Marketing		•		154,184						
7203 Marketing 7208 Board Expenses	\$ \$	125,000 4,000	\$ \$	1,412	123% 35%	\$ \$	125,000 4,000	\$ \$	-	
7229 Training	\$	10,000	\$	9,644	96%		10,000	\$	_	
7235 Insurance	\$	36,480	\$	23,752	65%		24,776	\$	(11,704)	
7241 Meetings and Conferences	\$	2,500	\$	2,086	83%		2,500	\$	-	
7247 Memberships and Dues	\$	2,500	\$	3,000	120%		2,500	\$	-	
7373 Sponsorships	\$	15,000	\$	12,000	80%	\$	15,000	\$	-	
8916 Audit	\$	5,500	\$	5,500	100%	\$	5,500	\$	-	
8940 Contract Services	\$	208,167	\$	101,019	49%		199,214	\$	(8,953)	
8972 Legal	\$	1,000	\$	710	71%		1,000	\$	-	
8982 General & Administrative	\$	21,000	\$	3,338	16%	\$	20,000	\$	(1,000)	
Admin Total	\$	431,147	\$	316,645	73%	\$	409,490	\$	(21,657)	
MRF Admin - Fund 8512								\$ \$	-	
7235 Insurance	\$	9,120	\$	5,926	65%	\$	6,194		(2,926)	
8916 Audit	\$	2,500		2,500	100%		2,500		-	
8940 Contract Services	\$	28,880		14,442	50%		30,035	\$	1,155	
8972 Legal	\$	100	•	,		\$	100	\$	-	
8982 General & Administrative	\$	5,000	\$	-	0%	\$	5,000	\$	-	
MRF Admin Total	\$	45,600	\$	22,868	50%	\$	43,829	\$	(1,771)	
Combined Expenditure Total	\$	476,747	\$	339,513	71%	\$	453,319	\$	(23,428)	
		•						-		

2024-25 JPA Admin	
Member	
Contributions	\$

358,746

												Change		
				Total JPA							as % of			
	Per J	lurisdiction	Population I	Per	Capita	A	dmin Rev	202	3-24 Rev	Cł	nange	Total	Quarterly	
Adelanto	\$	13,287	36,131	\$	21,733	\$	35,020	\$	34,418	\$	601	2%	\$ 8,755	
Apple Valley	\$	13,287	74,322	\$	44,704	\$	57,991	\$	56,865	\$	1,126	2%	\$ 14,498	
Barstow	\$	13,287	24,669	\$	14,838	\$	28,125	\$	27,546	\$	579	2%	\$ 7,031	
Big Bear Lake	\$	13,287	4,958	\$	2,982	\$	16,269	\$	15,834	\$	435	3%	\$ 4,067	
Needles	\$	13,287	4,769	\$	2,869	\$	16,155	\$	15,742	\$	414	3%	\$ 4,039	
San Bernardino Co.	\$	13,287	79,029	\$	47,536	\$	60,823	\$	59,226	\$	1,596	3%	\$ 15,206	
Twentynine Palms	\$	13,287	13,940	\$	8,385	\$	21,672	\$	21,306	\$	365	2%	\$ 5,418	
Victorville	\$	13,287	138,202	\$	83,128	\$	96,415	\$	93,280	\$	3,135	3%	\$ 24,104	
Yucca Valley	\$	13,287	21,594	\$	12,989	\$	26,276	\$	25,624	\$	652	2%	\$ 6,569	
Sub total	\$	119,582	397,614	\$	239,164	\$	358,746	\$	349,841	\$	8,905	2%	\$ 89,687	

2024-25 MRF	
Member	
Contributions	

Contributions	\$	26,937							
	Per J	urisdiction	202	23-24 Rev	Cha	ange	% Change	Quart	erly
Apple Valley	\$	13,469	\$	14,403	\$	(935)	-6%	\$	3,367
Victorville	\$	13,469	\$	14,403	\$	(935)	-6%	\$	3,367
Total	\$	26.937	\$	28.807	\$	(1.870)	-6%	\$	6.734

	Combined JPA Admin, MRF			c	Change from	% Change	Quarterly
2024-25 Totals	Admin	20	23-24 Rev		2023-24	from 2023-24	Amounts
Adelanto	\$ 35,020	\$	34,418	\$	601	2%	\$ 8,755
Apple Valley	\$ 71,460	\$	71,268	\$	191	0%	\$ 17,865
Barstow	\$ 28,125	\$	27,546	\$	579	2%	\$ 7,031
Big Bear Lake	\$ 16,269	\$	15,834	\$	435	3%	\$ 4,067
Needles	\$ 16,155	\$	15,742	\$	414	3%	\$ 4,039
San Bernardino Co.	\$ 60,823	\$	59,226	\$	1,596	3%	\$ 15,206
Twentynine Palms	\$ 21,672	\$	21,306	\$	365	2%	\$ 5,418
Victorville	\$ 109,884	\$	107,683	\$	2,200	2%	\$ 27,471
Yucca Valley	\$ 26,276	\$	25,624	\$	652	2%	\$ 6,569
Total	\$ 385,683	\$	378,648	\$	7,035	2%	\$ 96,421

### AGENDA MATTER

Bank Signature Authorizations

### **SUMMARY STATEMENT**

The Town of Apple Valley provides fiscal services to the Recycling Authority. The Authority keeps a separate account at Desert Community Bank which is now a division of Flagstar Bank. The Authority authorized four signers for the account in November 2023, including the Administrator and three Apple Valley staff. Apple Valley's incumbent Finance Director Emad Gewaily should now be added.

These individuals and positions will be authorized signers.

John Davis, Authority Administrator Emad Gewaily, Town Finance Director Margaret DeMauro, Town Finance Analyst Douglas B. Robertson, Town Manager Orlando Acevedo, Assistant Town Manager

### RECOMMENDED ACTION

Authorize John Davis, Emad Gewaily, Margaret DeMauro, Doug Robertson and Orlando Acevedo as signatories on the Authority's bank account

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
John Davis	None	May 9, 2024	3

### AGENDA MATTER

**Organic Products Procurement** 

### SUMMARY STATEMENT

SB 1013 (2015) required that local jurisdictions implement programs to reduce organic waste landfill disposal. CalRecycle's regulations include procurement requirements for organic waste products that were not included in the legislation. The current local jurisdiction procurement target is .08 tons per capita, which was based on statewide organic waste generation. The goals can be met by procuring combinations of compost, mulch, or renewable energy from anaerobic digestion. Two bills are pending in the Legislature addressing organics procurement issues.

AB 2902 would require the department to exclude residents included in department-issued low population or elevation waivers from the population in determining a local jurisdiction's organic waste procurement target. Big Bear Lake, Needles and some County areas have received waivers.

AB 2346 would authorize local jurisdictions to be credited for the procurement of recovered organic waste products through an agreement with a direct service, resolving an ambiguity in the regulations limiting the applicability of those agreements. Community and on-farm composting would be added as sources to meet the goals, and credit given for direct facility investment.

CalRecycle's procurement target does not consider local conditions. Authority communities generate far less landscape waste than more populated coastal and valley areas yet are expected to procure the same amounts of organic products. Adelanto, Apple Valley, Barstow, and Victorville are sending nearly 100 tons of compostable material daily to the Victor Valley Compost Facility. This converts to about 50 tons of finished compost and mulch due to moisture loss. The four agencies are expected to procure nearly 80 tons per day.

The Authority should support AB 2346 if it is amended so that local jurisdictions are not required to procure more mulch and compost than is generated through its collection programs. This may include allowance for local organics characterizations to verify actual generation and production.

### RECOMMENDED ACTION

Support AB 2902's procurement exclusions; Support AB 2346 if amended to limit procurement to actual generation.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	Unknow procurement		
John Davis	savings	May 9, 2024	4

### **AGENDA MATTER**

Glass Beverage Container Recycling Revenue

### SUMMARY STATEMENT

The Authority Administrator signed a letter urging CalRecycle to update the Commingled Rate for MRF processed beverage container glass. The rate is used to determine processing payments reflecting the cost of recovering the material (\$.105 per pound) and the percentage of eligible glass from the state's beverage container deposit program. Wine and spirits were included in that program beginning January 2024, increasing the percentage of eligible glass but that increase is not reflected in CalRecycle's payments. The Authority Board supported inclusion of wine and spirits in 2022 (SB 1013).

In December 2023, CalRecycle announced their intent to indefinitely postpone the 2024 rate update, pointing stakeholders to the process for determining the 2025 rate instead. The current rate was determined July 2023 – despite the Department's history of updating this figure every six months – costing reclaimers and curbside programs upwards of \$4 million monthly. CalRecycle's curbside surveys in January and February 2024 show nearly 85% deposit glass with the addition of wine and spirits.

CalRecycle's current glass recovery rate is 35%. The MRF shipped 505 tons of glass in February, with a current deposit value of \$31,815. Shifting the deposit percentage to 85% would increase that value to \$90,143 or approximately \$700,000 additional 2024 revenue. MRF revenues offset processing charges to haulers and communities. The recovered glass percentage likely will fluctuate as more direct consumer redemption occurs, and CalRecycle would adjust its formula accordingly. However, MRF glass requires additional processing to remove contaminants, so receiving less glass would also be financially beneficial.

### RECOMMENDED ACTION

Continue efforts to adjust CalRecycle's MRF glass commingled processing rate.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	Approximately		
John Davis	\$700,000 in 2024	May 9, 2024	5























California Waste Haulers Council









A Public Agency



Berkeley

Recycling























South Tahoe Refuse & Recycling Services



























To: Krystal Acierto, Acting Director
Department of Resources
Recycling and Recovery
1101 | Street |
Sacramento, CA 95814

### RE: ...ensure payment of the most accurate commingled rate feasible

Dear Krystal Acierto,

On behalf of the undersigned local governments, recycling service providers and environmental organizations, we urge the Division of Recycling to exercise its responsibility under Section 14549.5 of the Public Resources Code to "... ensure payment of the most accurate commingled rate feasible..." by updating the commingled rate on beverage container material collected at curbside since January 1, 2024, based on the division's most recent curbside survey.

On January 1, 2024, SB 1013 (Atkins) and SB 353 (Dodd) expanded the scope of CRV-eligible containers covered by the program, adding a projected 1.2 billion containers to the program.

However, the division has thus far failed to update the curbside commingled rate and other critical program rates to reflect this expansion—despite the division's own 2024 survey data showing the significant volume of these new CRV containers in curbside programs.

- All available data clearly demonstrates that the current commingled rate for curbside CRV glass is substantially inaccurate dating back to January 1.
- The continuation of the 35% commingled rate for glass is nearly 50 percentage points lower than the amount of CRV glass consistently identified by the division in their most recent surveys.
- Failure to correct rates means publicly financed curbside programs are being underpaid as much as \$200 per ton for glass alone.
- The shortfall is costing publicly financed collection programs an estimated \$4 million per month, exceeding \$40 million in total under the Division's timeline.
- Further inaction means that roughly 24 million newly

eligible CRV containers **are not being counted as 'recycled'** every month, thereby distorting recycling rates and undermining perception of the program's effectiveness.

We are calling on the Division of Recycling to exercise existing authority to:

- 1) Immediately establish an updated commingled rate based on the division's most recent survey data; and
- 2) Recalculate CRV recycling rates and program payments on all material reported as collected at curbside since January 1, 2024.

Thank you for your attention to this pressing matter.

Sincerely, Mark Murray

Californians Against Waste

Brandi Massengill

**Empire Steel** 

Joe La Mariana RethinkWaste

**Dan Domonoske**Potential Industries, Inc.

Zoe Shoats
Monterey County Waste
Management District

Gary Clifford Athens Services

Michelle Zahraie City of Sunnyvale

**Doug Button**S. San Francisco Scavenger
Co., Inc.

**Patty Garbarino** Marin Sanitary Service

**Greg Kelley**Napa Recycling & Waste Services, LLC

**Jeff Martin**Tule Trash Company

**Ricky Ross** Intermountain Disposal, Inc.

**Cole Burr** Burrtec Waste Disposal

**Joe Ragusa** Strategic Materials, Inc.

C.C.

Veronica Pardo

Resource Recovery Coalition of California

Jennifer Higgins

Tracy Solid Waste Management, Inc.

Catherine Howells
South Lake Tahoe Refuse &
Recycling

Larisa Cespedes
California Waste Haulers Council

**Mike Caprio** Republic Waste Services

Jeff Belchamber Berkeley Recycling

**Chris Hanson**Solid Waste Association of North
America (SWANA)

Shawn Guttersen BLT Enterprises

Robert James Rodriguez II RJR Environmental Professional Services, Inc.

**David Sikich** Atlas Disposal Industries

**Alan Marchant**Turlock Scavenger Company

Joe Kalpakoff Mid Valley Disposal

**Bill Dobert**Specialty Solid Waste & Recycling

John Davis Mojave Desert and Mountain Recycling Authority

Christine Wolfe Waste Management

Charles Moine Wilmington Recyclers

Jason Wu
Capitol City Recycling

**David Fahrion**CA Waste and
Recycling Association

Karla Estupinian Leader Recycling

Garen Kazanjian Recology

**Paul Molinewlli, Jr.**ACES Waste Services, Inc.

Mark Figone

East Bay Sanitary Co., Inc.

Christy Pestoni
Waste Connections, Inc.

**Gene Della Zoppa**Mill Valley Refuse Service

John Snyder EDCO

Chris Cunningham
Palm Springs Disposal
Services & Desert Valley
Disposal

Governor Gavin Newsom Members, California State Legislature

# Bottle Bill Issue Brief: Update Needed to Curbside Commingled Rate for CRV Glass and PET

### **The Problem**

- The 2024 Commingled Rates<sup>1</sup> for CRV Glass and PET collected at curbside require <u>immediate</u> update to reflect the most recent and accurate survey data.
- Failure to correct rates means publicly financed curbside programs are shorted an estimated \$4 million monthly, culminating in a whopping \$40-80 million shortfall.
- Inaction means tens of millions of newly eligible CRV containers are not being counted as 'recycled,' thereby skewing perceptions of the program's effectiveness.
- In December, <u>CalRecycle announced</u> their intent to indefinitely postpone the 2024 rate update, pointing stakeholders to the process for determining the <u>2025</u> rate instead.

### **The Solution**

- CalRecycle must <u>immediately</u> establish an updated (correct) curbside commingled rate based on the Department's latest curbside surveys, which are continuously conducted and updated.
- Curbside program payment claims and 'return rates' for CRV containers collected since January 1, 2024 must be adjusted to retroactively reflect corrected rates.
- CalRecycle must use its existing statutory authority<sup>2</sup> to adjust rates quarterly or as often as needed to maintain accurate payment.

### **Immediately Administratively Solvable**

- CalRecycle has already finalized a reliable 2023 update on Recycling Program Rates survey, which is the basis for adjusting rates back to January 1.
- CalRecycle's year-round curbside surveys provide an even more granular view, providing evidentiary and empirical support for making quarterly adjustments.
- No additional reporting from recyclers or processors: Adjusting payments and recycling rates is purely an administrative change.

### **Background**

On January 1, wine, distilled spirits, and large fruit juice containers were added to the CRV program by <u>SB 1013</u> (Atkins) and SB 353 (Dodd).

- Projected to add more than 1.2 to 1.4 billion new containers, including 700,000 tons of glass.
- Independent MRF surveys suggest that in January alone over 24 million new CRV glass containers were recycled by consumers at curbside, but neither the containers nor their revenue were credited to publicly financed curbside programs. That's a value in excess of \$2.4 million in CRV alone.

<b>Table 1.</b> Most recent (2023) CalRecycle Curbside Data						
CRV – Beer & Soft Drinks	36.1%					
CRV – Wine & Distilled Spirits (new SB 1013 inclusions)	50.3%					
Non-CRV	13.6%					

### The consequences of a 12-month postponement will mean:

- Inaccurate payments and recycling rates for 2024 in violation of legislative intent.
- The false appearance of 10-15 percentage point drop in glass beverage container recycling and a 3-4% drop in the overall container recycling rate.
- Untold financial strain on the State's already fragile recycling infrastructure.

<sup>&</sup>lt;sup>1</sup> **Commingled Rate** refers to the surveyed ratio of CRV material collected at curbside divided by the total collected. Updating this rate is essential for determining accurate program payment levels and recycling rates without having to physically separate CRV and Non-CRV containers of same material type.

<sup>&</sup>lt;sup>2</sup> **CA Public Resources Code 14549.5 reads:** "On or before April 1, 2004, and annually thereafter, *or more frequently* as determined to be necessary by the department, the department shall review and, if necessary in order to *ensure payment of the most accurate commingled rate feasible*, recalculate commingled rates paid for beverage containers and postfilled containers paid to curbside recycling programs and collection programs."

Page 23

### **AGENDA MATTER**

SB 54: Plastic Pollution Prevention and Packaging Producer Responsibility Act

### **SUMMARY STATEMENT**

The law requires producers to ensure that by 2032:

- 100% of single-use packaging and plastic food service ware sold in the state is recyclable or compostable;
- 65% of single-use plastic packaging and food service ware is recycled; and
- 25% less single-use plastic packaging and food service ware is sold.

### Progress to date includes:

- The comment period for SB 54 regulations began on March 8, 2024, with comments due to May 8. Final regulations are due by January 1, 2025.
- The 16-member Advisory Board began meeting in February 2024. Membership
  includes local government; environmental and environmental justice
  organizations; manufacturers, recycling and solid waste enterprises; retail and
  grocery associations; and the producer responsibility organization.
- The Circular Action Alliance was designated as the statewide Producer Responsibility Organization (PRO) charged with creating programs, increasing recycling, cutting trash pollution in disadvantaged communities, enrolling thousands of manufacturers and paying program implementation costs.
- CalRecycle initiated a series of statewide needs assessments covering product design, recycling systems and responsible end markets to inform the PRO plan.
- CalRecycle published a draft SB 54 covered materials list including: glass and ceramic, metal, paper and fiber, plastic, wood and other organics.
- CalRecycle also published a list of recyclable or compostable covered materials.

The Authority Administrator has attended a two-year series of discussions, meetings and workshops; focusing on local government issues including the extent of producer financial support to local collection, processing, outreach, and payments; responsible end markets; enforcement; and the needs assessment. Draft comments as of May 1 are attached with final comments submitted by May 8.

Advisory Board Chair Timothy Burroughs, representing local governments, presented to the San Bernardino County Solid Waste Task Force on April 20 focusing on implications for local government. A copy of PowerPoint is included with the agenda.

### **RECOMMENDED ACTION**

Updated SB 54 information.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER		
	Unknown revenue				
John Davis	offsetting local rates	May 9, 2024	6		

42041(aa) "Recycle" or "Recycling" includes this:

- (3) To be considered recycled, covered material shall be sent to a responsible end market.
- (4) (A) The department may adopt regulations to define guidelines and verification requirements for covered material shipped out of state and exported to other countries for recycling, including processing requirements, and contamination standards, or to otherwise implement this paragraph.

Responsible end markets are defined in PRC section 42041(ad).

"'Responsible end market' means a materials market in which the recycling and recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety. The department may adopt regulations to identify responsible end markets and to establish criteria regarding benefits to the environment and minimizing risks to public health and worker health and safety."

The draft regulations set criteria for compliant and transparent end markets, maximizing environmental benefits, minimizing public health and safety risks, achieving adequate recycling yields, and converting compostable covered materials into organic products.

### Recommendations are italicized

1. Section 18980.4(a)(1) would require compliance with local, state and federal regulatory agencies. "State" and "federal" are too narrow to apply to shipments outside the United States. Adding "sub-national", "national", and "international" would be appropriate as would using "province" if "state" is to remain. "Federal" is one of many different national government forms and so probably is better replaced by "national". "International" is consistent with 42041(aa)(4)(B) covering plastic waste exports and should be included.

The entity shall be compliant, which means the entity operates with all required permits, licenses, and other clearances that may be required by local, sub-national, national, or international regulatory agencies including, but not limited to, local health and local land use authorities.

- 2. Section 18980.4(a)(2)(D) should be modified to be consistent with (B) above.
  - Maintain any relevant records pertaining to any permits, licenses, or other clearances required by local, sub-national, national, or international regulatory agencies.
- Section 18980.4(a)(2)(A) is drafted to require chain of custody documentation of materials from origination to the end market. The term "chain of custody" is not defined in statute or the draft regulations. However, section 18980.1(a)(17) defines an "intermediate supply chain entity" and adapting that term would clarify "chain of custody."
  - Document the chain of custody of materials transported from collection, processing and transfer to the end market.
- 4. Section 18980.4(a)(3) refers to maximizing benefits to the environment and minimizing risks to public health and safety. Worker health and safety should be included to be consistent with the statute and regulation definitions.
  - (3) The entity shall maximize benefits to the environment and minimize risks to public health and worker health and safety, which means:
- 5. Section 18980.4(a)(3)(B)(i) and (ii) set requirements for handling incompatible materials. Documentation of compliance with those requirements should be included.
  - (iii) The entity shall provide documentation to a PRO or Independent Producer that describes how it handles incompatible materials pursuant to (i) and (ii) above.

6. The draft regulations include references to the needs assessment, which should include identification of California's statutory and regulatory requirements addressing environmental benefits and minimizing public health and worker safety risks. This would mean listing the various permit and operating requirements, e.g. air district permits, wastewater discharge, solid waste facility permits, OSHA, Public Health Department microplastic inspections or hazard exposure assessments.

This identification could provide a basis to compare responsible market entities outside California to the state's standards, at least as to the extent of permit and operating requirements. Without that basis the compliance requirements of 18980.4(a)(1) lack comparability and relevance. 189804.4(a)(3)(D) should be added:

The entity shall provide documentation to a PRO or Independent Producer that describes how it operates in comparison to California's statutory and regulatory requirements addressing environmental benefits and minimizing public health and worker safety risks, as identified in the most recent statewide needs assessment.

- 7. The description of "recycling yield" in 18980.4(a)(4)(A)(i) is vague. Please consider the following change.
  - (A) Adequate recycling yield means:
  - (i) An entity shall achieve yields of recycling equal to or greater than the percentage identified in the most recent statewide needs assessment.
- 8. Fully converting compostable covered materials is not practicable. The following revision to 18980.4(a)(4) is appropriate.
  - (i) The entity shall achieve adequate recycling yields for recyclable covered materials, as specified in subparagraph (A), or convert compostable covered materials or covered material made of wood or organic material into a recycled organic product, specified in subparagraph (B):
- 9. This change to 18980.4(a)(4)(B) also should be considered:
  - (B) Convert compostable covered material or covered material made of wood or organic material into a recycled organic product means achieving yields of composting equal to or greater than the percentage identified in the most recent statewide needs assessment, If the end market does not sufficiently convert the covered material into a recycled organic product, the end market shall not be deemed responsible.
- 10. Section 18980.4(b)(4) provides meaning to plastic covered material end markets. The framework differs from other covered material by focusing on new product manufacturers and should be modified by the following suggestion.
  - (4) For covered material made of plastic, the "end market" includes but is not limited to the entity that processes plastic into pellets or flake that are sold to an entity that creates a new product by molding, extruding, or thermoforming processed material.
- 11. The PRO plan is to describe "(h)ow covered material will be collected, processed, and managed, and recycled, remanufactured, or composted, consistent with the goals, standards, and practices required by this chapter, including ensuring covered material collected for recycling will be transferred to viable responsible end markets for processing into new packaging or products, including, but not limited to, how the plan will

enhance or expand viable responsible end markets in California including manufacturing.

Section 18980.4.1(a) addresses end market identification and should include the following:

- (3) <u>Describe efforts to enhance or expand viable responsible end markets in California including manufacturing as required by Public Resources Code Section</u> 42051.1(c)(3)(B)(5).
- 12. End market verification should assure public transparency by including the following revision to Section 18940.4.2:
  - (c) The verification required by this section shall be publicly available and published on the PRO and CalRecycle websites.
- 13. 18980.4.3. End Market Audits and Investigations should set standards for annual audits and investigations and assure public availability except for confidential information.
  - (a) A PRO or Independent Producer shall have annual audits and investigations of at least twenty percent (20%) of responsible end markets conducted and completed to assess performance in accordance with these regulations and the PRO plan. All investigations and audits shall be conducted by an independent third-party, with all financial audits being conducted by an independent public accountant certified in the United States. All investigations and audits shall be publicly available except for confidential information consistent with (e) below.
- 14. 18980.4.4.(a)(2) calls for financial support to assure market viability. The description would be enhanced with the following:
  - (2) Provide financial support to help divert materials from an end market that does not meet the standards specified in section 18980.4(a) including support for collection, transportation, and processing infrastructure.

The Legislature findings and declarations in SB 54 (42040.b) include:

"Local jurisdictions are the backbone of the solid waste management and recycling efforts in California. The new statewide comprehensive circular economy framework established by this chapter is intended to <u>shift the burden of costs to collect, process, and recycle materials from the local jurisdictions</u> to the producers of plastic products.

"It is the intent of the Legislature in enacting this chapter to ensure that local jurisdictions will be made financially whole for any new costs incurred associated with the implementation of this chapter and its implementing regulations.

"It is the intent of the Legislature to establish a producer responsibility program designed to ensure that producers of single-use packaging and food service ware covered by this program take responsibility for the costs associated with the end-of-life management of that material and ensure that the material is recyclable or compostable. This standardization will reduce consumer confusion regarding recycling and composting, reduce costs to ratepayers, and increase system efficiency.

Shifting the burden from local jurisdictions and ensuring that they are made financially whole for new costs are two complementary and fundamental concepts that need to be clarified in the regulations. The statute includes multiple references to specific costs, including:

Section 42060 (a) (1) providing that the PRO is to fully fund plan implementation and the budget, including "costs incurred by a local jurisdiction or a local jurisdiction's recycling service providers to implement this chapter, including, but not limited to, the cost of consumer education and of collection, including the cost of containers where relevant, as well as the processing, storage, and transportation of covered materials."

Section 45051.1(c)(2) requiring that the PRO plan describe how the PRO "will support and achieve, and how the budget will fund, the collection, processing, recycling, or composting of, and the development of viable responsible end markets for, covered materials to meet the requirements of this chapter."

**Recommendation:** In order to avoid confusion and to ensure all statutory requirements are met, Article 8 Section 18980.8 Producer Responsibility Plan should be amended to include a list of all costs to be covered by the PRO plan and budget, as follows:

Pursuant to sections 42051.1 and 42060(a)(1) of the Public Resources Code the plan shall include and the budget shall fully fund costs incurred by a local jurisdiction or a local jurisdiction's recycling service providers to implement this chapter, including, but not limited to:

 Costs to educate ratepayers to improve consumer behavior related to sorting and proper disposal necessary to achieve recycling, reuse and refill rates;

- Costs to improve collection, sorting, decontamination, remanufacturing, and other infrastructure necessary to achieve recycling, reuse and refill rates
- Costs to transport covered materials to a materials recovery facility, broker, and or viable responsible end markets
- Costs of waste stream sampling and reporting required by this chapter for local governments
- Costs to collect, sort, process, store, segregate, break, flake or otherwise process materials to specifications for sale, and transport covered materials through the supply chain to responsible end markets
- Costs for containers or modifications to existing containers where relevant
- Costs related to waste stream sampling and reporting required by this chapter for local governments
- Costs and investments to improve/expand collection, processing and end market infrastructure
- Costs and investment in reuse/refill infrastructure
- Costs for alternative collection programs
- Costs incurred by local jurisdictions to administer and manage recycling programs and services, including indirect, administrative, and overhead costs.

Neither the statute nor the regulations give clarity on how, when, and to whom costs will be reimbursed. At the February 2 CalRecycle workshop, CalRecycle staff stated that existing costs to recycle and compost covered materials would be reimbursed. The regulations must make that clear so that local jurisdictions, service providers, and the PRO are on the same page with what costs will be covered by producers including the date to which those costs will be retroactive, when payments will begin, and to whom payments will be made.

**Recommendation:** Add a definition for the term "costs" to mean existing beginning June 30, 2022, continuing, and new costs associated with the implementation of the chapter and its implementing regulations. Costs should also include indirect costs such as personnel and overhead costs incurred while administering the law.

**Recommendation:** Add specificity to require the PRO plan to include a process for determining and paying the costs that will be incurred by local jurisdictions, recycling service providers, alternative collection systems, and others under this chapter. The process should include a date in which payments shall begin, the frequency for payments moving forward, and an concurrence of costs by the party incurring costs.



# California Senate Bill 54 (Allen, 2022)

An overview of the law and implications for local government

April 17, 2024



1

# Concept Development Early 2023 Formal Rulemaking Early to Late 2024 Mid to Late 2023 Informal Rulemaking Regulations Adopted

### **SB 54**

Plastic Pollution Prevention and Packaging Producer Responsibility Act

- ✓ Reduce the volume of plastic
- ✓ Increase recycling
- ✓ Provide clarity and consistency for consumers
- √ Stimulate investment in reuse and refill systems
- ✓ Shift plastic pollution responsibility to producers
- √ Fund clean up efforts in disadvantaged communities



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### Materials covered by the law

### Single-use packaging

Includes plastic, paper, paperboard, metal, glass, multi-layer materials, etc. (definition is material neutral)

### Plastic single-use food ware

Cups, lids, straws, cutlery, stirrers, lidded containers, trays, plates, clamshells, food wrap, and wrappers

# In California, by 2032:



100% of single-use packaging and plastic single-use food ware will be recyclable or



65% of single-use plastic packaging

30% by 2028 | 40% by



25% of single-use plastic packaging and food ware will be source

10% by 2027 (2% reuse/refill)

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# Requirements for expanded polystyrene food service ware



May not be sold in the state unless the following recycling rates\* are achieved:

- 25% by 2025
- 30% by 2028
- 50% by 2030
- 65% by 2032

\*Current recycling rates estimated to be in the low single digits

# Producer Responsibility Organization (PRO)

- Producers must join PRO
- PRO collects and reports producer data and collects fees to pay for implementation of the law
- Circular Action Alliance (CAA) selected as CA's PRO
- Implementation plan and budget due January 2027



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## SB 54 Advisory Board

- 16 members with pre-defined seats to represent range of perspectives
- Advisory Board reviews the needs assessment and PRO plan and budget





# Recyclability

- Defined by SB 343
- Limits use of chasing arrows and recyclability claims starting July 2025
- Materials must be collected by programs that cover at least 60% of the state's population and sorted into defined streams at facilities that serve at least 60% of CA's recycling programs



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# Compostability

- Defined by AB 1200 & AB 1201
- Must meet ASTM standards for compostability, be free of PFAS, and distinguishable from non-compostable products
- Accepted for use in organic agriculture by January 2026

### Additional language in draft regulations:

 Accepted by 50% of collection programs and facilities now, and 75% starting January 2026













Note: Jurisdictions must collect materials designated recyclable or

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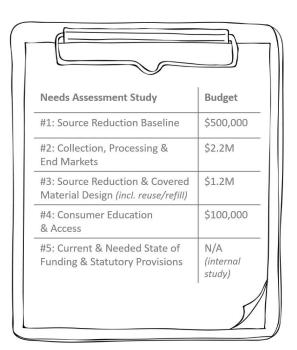
# Responsible end markets

- Recycling is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety
- End market entities must be compliant with all required permits, licenses, and regulations
- Must be transparent, e.g. document chain of custody, maintain records, be willing to be inspected, etc.



### **Needs Assessment**

- Informs the PRO Plan and Budget
- CalRecycle will conduct five studies starting this year
- Proposed budgets shown (subject to change)
- Needs Assessment must be completed before a PRO Plan and Budget can be approved

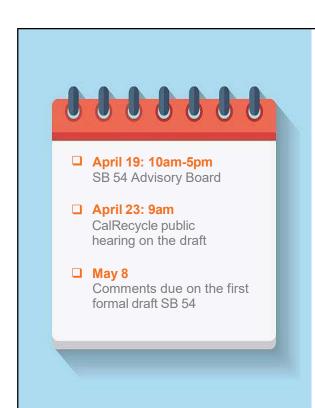


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# Key questions we're tracking



- Role of local governments and haulers/service providers in negotiating costs with PRO
- Effect of SB 54 reimbursements on ratepayers
- How will this impact local businesses
- How to communicate clearly and effectively with the public



## Thank you!

Timothy Burroughs

Executive Director

tburroughs@stopwaste.org



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#### **AGENDA MATTER**

Legislation Update: Continuing Support

#### **SUMMARY STATEMENT**

Five Authority-supported bills were held in 2023 for continued consideration as two-year bills. The bills eliminating problematic plastics (AB 1290) and requiring producer responsibility for gas cylinders (SB 560) were replaced with new legislation. Producer responsibility for textiles (SB 707), date labeling for food containers (AB 660) and carpet stewardship reform (AB 863) remain active.

SB 1280 replaces SB 560 and would require that propane cylinders be reusable or refillable beginning 2028.

AB 2761 is the Reducing Toxics in Packaging Act, which would prohibit use of vinyl plastic (PVC/PVDC) in packaging, as well as prohibiting fluorination of plastic packaging (PFAS). This replaces AB 1290 with a more limited list of the most toxic packaging additives.

SB 707 was recently amended following extensive stakeholder negotiations. The Responsible Textile Recycling Act would require that textile manufacturers form a producer organization by 2030, and fund collection, sorting and recycling, including repair, of post-consumer clothing and textiles. Nonprofit thrift stores are prioritized for collection, sorting, reuse and repair with the PRO covering recycling and disposal costs.

AB 660 would simplify expiration dates by requiring food manufacturers to use uniform terminology when labeling their products with "safety" or "quality" dates and banning the use of consumer-facing "sell-by" dates. The author is preparing amendments to avoid conflicts with national labeling standards. Standardized labels would prevent consumers unnecessarily wasting food.

AB 863 increases the penalties for violations of the state's carpet stewardship law and specifies that a carpet stewardship organization violating the stewardship law three or more times is ineligible to act as the agent for carpet manufacturers in the state. It also would require that up to 10% of the organization's assessments be used for apprentice and journeyman recycling training.

#### **RECOMMENDED ACTION**

Continue Authority support of SB 707, AB 660, and AB 863. Support SB 1280 and AB 2761.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
John Davis	Reduced collection and processing costs	May 9, 2024	7

#### AGENDA MATTER

New Legislation Support and Opposition

#### **SUMMARY STATEMENT**

AB 2 Would expand existing e-waste programs to include consumer photovoltaic solar panels and establish a producer-run program for commercial and leased panels. The Author and sponsor continue meeting with industry groups to strengthen the bill language. AB 2 was mentioned during Shark Solution's November 2023 Authority Board presentation, as its passage would strengthen solar panel recycling initiatives.

AB 2577 Would require CalRecycle to include product labeling requirements that reduce food waste in existing edible food recovery efforts. This bill is considered an alternative to AB 660, which the Authority Board previously supported.

SB 1143 Would establish a producer responsibility organization (PRO) for Household Hazardous Waste, which would be charged with financing, operations, and proper disposal. The bill will shift the cost burden of managing HHW disposal from local jurisdictions and ratepayers to the producers. This comprehensive approach is en lieu of efforts to manage HHW one product at a time. For example, paint, motor oil, batteries, medication, and sharps are covered now; but pesticides, solvents, pool chemicals and gas cylinders are not.

SB 1175 was introduced by Senator Ochoa-Bough and is supported by San Bernardino County and the League of Cities. CalRecycle would be required to consider alternatives to census tracts when deciding boundaries for residential organics collection low-population or elevation waivers for waste reduction targets. Those waivers are based on unincorporated census tracts, which results in communities with differing requirements. This complicates outreach and creates collection inefficiencies.

SB 1426 This bill would undercut local waste franchises by allowing businesses or residents to use non-franchise haulers or services if they offer a different form of diversion or collect materials not collected under the franchise. For instance, a service using anaerobic digestion could begin collecting in a community using composting. Another company could begin charging to collect plastic packaging, household hazardous waste or textiles. SB 1426 failed passage in its first committee.

#### RECOMMENDED ACTION

Support and AB 2, AB 2577, SB 1143, and SB 1175. Oppose SB 1426

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	HHW management		
John Davis	cost savings	May 9, 2024	8

#### AGENDA MATTER

**Container Contamination Update** 

#### **SUMMARY STATEMENT**

ReCreate Waste Collaborative has completed container contamination work in five Authority communities. They are monitoring recycling, organics, and landfill carts by identifying materials placed in the wrong container. They leave cart hangars to inform residents, including those where there is no contamination. Burrtec has engaged ReCreate for similar work in some of the Authority agencies, and that work is coordinated with ours.

ReCreate is offering to provide Geographic Information System (GIS) records, collecting and analyzing data by location. This allows area views that can focus information to specific collection routes or neighborhoods. GIS use is optional for each agency, as it reduces the number of homes that can be visited compared to the standard approach.

Big Bear Lake chose the GIS option and ReCreate recorded 347 homes in November 2023. Adelanto also selected GIS, with 1,409 homes in April 2024. County areas are scheduled beginning May 15, with Victorville in June.

#### **RECOMMENDED ACTION**

Update on container contamination minimization program.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	\$80,000 total		
John Davis	ReCreate contract	May 9, 2024	9

#### **AGENDA MATTER**

Edible Food Recovery

#### **SUMMARY STATEMENT**

At its August 2023 meeting, the Board requested a presentation from High Desert Second Chance as part of its amended agreement with the Authority. Because of an unplanned absence, that presentation will be scheduled for the August 8, 2024 meeting.

High Desert Second Chance continues to work with communities on Tier Two edible food recovery from:

- Restaurants with 250 or more seats, or 5,000 square feet.
- Hotels with an on-site food facility and 200 or more rooms.
- Health facilities with an on-site food facility and 100 or more beds.
- Large venues.
- Large events.
- State agency cafeterias with 250 seats or 5,000 square feet.
- Local education agencies with on-site food facilities.

They assisted Big Bear Lake in establishing food recovery and distribution through its senior center, including sourcing refrigeration. They also assisted Adelanto with refrigeration procurement. Those units enhance food recovery capacity.

San Bernardino County Environmental Health Services is completing the SB 1383 edible food capacity analysis. They met with the Authority Administrator, High Desert Second Chance and CalRecycle staff to clarify the use of local generation data instead of statewide averages, exclusion of data from generators returning food to warehouses, and using food recovery organization service areas instead of physical locations. We also negotiated an approach to education agencies with schools in multiple jurisdictions. The capacity analysis should be completed for the August 8 meeting.

#### RECOMMENDED ACTION

Update on edible food recovery and High Desert Second Chance

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	HDSC \$30,000		
John Davis	annual support	May 9, 2024	10

#### AGENDA MATTER

**Business Profiles** 

#### SUMMARY STATEMENT

Erin Duckhorn has begun preparing case studies highlighting success stories of local businesses demonstrating exceptional waste reduction practices. The case studies include interviews and photos, demonstrating their positive impact on recycling and the local economy. Her work is reimbursed by CalRecycle as part of the High Desert Recycling Market Development Zone.

The initial final draft profiles are 29 Palms Inn in Twentynine Palms, and Barstow's Chiquita Rosita's restaurant. Work is underway on school recycling, edible food donation, retail and office recycling, and manufacturing profiles. The profiles will be shared on social media pages and boosted in the host communities.

29 Palms Inn received the Authority's initial Green Spirit Special Recognition in 2014 and is a model for sustainability. The Inn's Faultline Farm grows and raises food for its restaurant. Food scraps are made into stock, with remainders composted for the biodynamic farm. The complete profile is attached.

Chiquita Rosita's is a fourth-generation spin-off from Rosita's, which closed in 2021. While using washable plates, cups and utensils for dine-in orders, Rosita's repurposes paper bags and reusable containers for take-out. The restaurant is exempted from Barstow's organics collection requirements by donating food scraps to local farmers for animal feed.

Additional suggestions for exemplary business is an ongoing search.

#### RECOMMENDED ACTION

Update on Authority business profiles

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	Reimbursable		
John Davis	from CalRecycle	May 9, 2024	11



# FOUNDED IN 1928, THE PROPERTY ENCOMPASSES 70 ACRES. THE INN COMPRISES 20 ROOMS, 4 HOUSES, AND IS SUPPORTED BY A TEAM OF 31 EMPLOYEES.

Just a few minutes from the entrance to Joshua Tree National Park, the 29 Palms Inn is anchored by the natural spring waters of the Oasis of Mara, the site of life-giving waters for desert animals and humans for thousands of years. The Oasis originally consisted of a series of springs stretching for nearly a mile across a southern portion of Twentynine Palms. Today, the Oasis' last remaining pond is a landmark at the center of the 29 Palms Inn property.

With a deep appreciation for the Oasis and the beauty of the desert, for five generations the Inn's proprietors have demonstrated an enduring dedication to water and resource conservation. Recognizing the limitations and challenges posed by traditional recycling methods, the Inn advocates for proactive measures to minimize waste generation from the outset incorporating sustainability initiatives into daily operations of their Inn, restaurant, and their on site farm and garden.

## REDUCING WASTE AT THE INN

To minimize single-use plastic waste in guest amenities, the Inn provides cleaning soaps (body wash, shampoo, and conditioner) utilizing a reusable 5-gallon bucket system. With refillable wall-hung dispensers in each room, the Inn effectively eliminates the need for small disposable items, reducing plastic consumption and landfill waste.

With the Oasis of Mara at the heart of their property, and grateful for their on site well, the Inn has always been sensitive to water usage and prioritizes conservation of this invaluable desert resource. Embracing the natural desert landscape, the property's landscaping features native vegetation and drought-resistant edible plants.

To share their appreciation for their natural environment and empower both visitors and locals to effect positive environmental change, the Inn offers regular nature walk tours of their property. These weekly, free, educational tours are hosted by the Inn's resident naturalist and provide insights into the region's geology, history, and native flora and fauna.





### SCRATCH COOKING AT THE RESTAURANT

Measures to minimize food waste and single-use plastics extend to the Inn's on site restaurant, The Restaurant at 29 Palms Inn

The restaurant takes pride in its commitment to scratch cooking, preparing most of its food, dressings, sauces, bread, and baked goods in-house. Not only does this practice result in superior taste and quality, but it also helps minimize packaging waste associated with prepackaged and processed foods. Whenever possible, staff reuses or repurposes plastic containers and tubs for food storage reduces its reliance on single-use plastics.

Kitchen vegetable scraps are turned into stock and every day 5-to-8 gallons of food scraps are composted to cultivate the Inn's on site garden nourishing a year-round bounty of native and indigenous fruits and vegetables. Chefs at the restaurant then use the harvested produce for farm-to-table meals, completing the cycle of composting and cultivation.

After meals, guests are discouraged from single-use to-go containers and are provided with convenient ceramic cups or washable items to take back to their rooms. Guests are also encouraged to utilize refillable water bottles and morning hot chocolate is offered in glassware from a refillable serving container rather than individual packets.







The restaurant's tented outdoor dining space provides desert views. (top) A beet salad made from Faultline Farm vegetables. (top left) An aspiring chef plates fresh pasta in the kitchen. (top right) Vegetable bounty fresh from the farm and headed to the restaurant. (bottom left)





## **CULTIVATING THE ECOSYSTEM AT THE FARM**

For nearly 50 years, the 29 Palms Inn has meticulously managed organic matter, collecting and composting food waste, diverting it from landfills and using it to nourish the Inn's on site Faultline Farm and garden. They employ a holistic approach to agriculture aspiring to create a closed-loop system where the farm generates everything it needs internally.

Integral to the farm's sustainable practices is the cultivation of a diverse array of crops specifically tailored to the needs of their resident chickens and roosters. Beyond traditional feed sources and vegetable scraps from restaurant, the farm utilizes garden greens, sunflower, and amaranth seeds, alongside foraged wild plants, to provide a nutritious and varied diet for the poultry. This approach not only ensures the health and well-being of the animals but also results in high-quality eggs prized by patrons.











Composting processes at the 29 Palms Inn adhere to bio-intensive methods. By methodically balancing greens and browns, the farm generates nutrient-rich compost essential for sustaining robust vegetable beds. Through the strategic utilization of anaerobic fermentation (composting) and indigenous microbial inoculants (natural microorganisms that control pests), the farm further enhances soil health and vitality, fostering a symbiotic relationship between cultivated crops and the natural ecosystem.

The holistic approach extends beyond the garden, encompassing the farm's livestock management practices. Through the implementation of deep litter methods (layering of wet and dry compost material) and the application of lactic acid bacteria serum, the farm ensures optimal conditions within their thriving chicken coop, minimizing odors and enhancing nutrient cycling. Additionally, by leveraging the presence of earthworms, the farm promotes soil aeration and fertility, further enriching the agricultural landscape.

As a biodynamic farm, their aim is to generate everything the farm needs from the farm itself, making it a self-contained organism. Their commitment to biodynamic principles and innovative agricultural practices converge to create a thriving ecosystem rooted in harmony with nature.





The farm welcomes people and local wildlife to take a tour. (top left) The team uses a low-water hydroponic shipping container to grow heat-sensitive greens that would otherwise suffer in the desert soil. (top right)





Food scraps from the restaurant in the compost pile. (left) Earthworms are used to aid the composting process. (top)

To jump-start compost piles, the team applies homemade lactic acid bacteria serum. (right) It is also sprayed on leafy greens for increased vitality and used in the chicken coop to control odors and assist in the natural fermentation of any food or droppings that fall on the straw-lined floor.





Another nourishing farm practice is Biodynamic Preparation 500, a soil enhancer created by burying cow horns filled with fresh cow manure, allowing it to ferment and become a nutrient-rich, mycologically active substance that is then sprayed onto the soil during winter and spring. (left)







In addition to vegetables such as radish and carrots, the farm provides flowers used to decorate restaurant tables and rooms at the Inn. (above)





In 2023, Anastasia Griego opened Chiquita Rosita's, a 900-square foot Mexican restaurant nestled in downtown Barstow along the iconic Route 66. This cozy, family-owned restaurant, employs 5 people (all family members), and seats up to 35 indoors and out.

Chiquita Rosita's carries forward a rich legacy of familial dedication, entrepreneurship, and community engagement that spans four generations and more than six decades. Anastasia's family operated Barstow's popular Rosita's Mexican restaurant from 1954 to 2021. When Rosita's closed in 2021, it paved the way for the next generation and Chiquita Rosita's was born.

Chiquita Rosita's embodies a tradition of waste reduction passed down through generations. By prioritizing the principles of reduce, reuse, and recycle, Chiquita Rosita's demonstrates how small changes can make a big impact, one plate at a time.

## A FAMILY TRADITION OF WASTE REDUCTION

Anastasia's dedication to eco-friendly practices at Chiquita Rosita's is deeply rooted in her family's entrepreneurial legacy and her own sustainability ethos. This ethos begins with a focus on food conservation, a tradition passed down through generations of her family. Anastasia's great-grandmother, Rosa Griego, originally owned a grocery market before transforming it into Rosita's Mexican restaurant. To ensure freshness and profitability, Rosa became adept at managing food inventory, setting a precedent for minimizing waste. This

commitment to resourcefulness has been ingrained in Anastasia from a young age. "When you grow up in a restaurant and work in generational food service, you are very conscious of food waste and prevention," explains Anastasia. "Not only are you feeding customers as if they're family, overbuying and



Rosa Griego in front of her market on Main St.

eventually throwing out otherwise usable food is both financially and environmentally irresponsible."

The principle of reduce, reuse, and recycle has been ingrained in Chiquita Rosita's family business for generations and is seamlessly integrated into their daily operations.



Just month after opening, Anastasia seized an opportunity to reduce waste by switching from compostable plates and carbonneutral silverware for dine-in guests to using washable plates, cups, and



A dine-in Rellano Burrito plate.

utensils. To-go orders, accounting for about 35% of their business, are packaged in reusable, recyclable, or compostable containers.



To-go chips served in a reused brown bag. Staff urges containers

In the front of the house, Chiquita Rosita's utilizes brown paper bags and boxes from their bulk grocery orders for to-go orders, including their popular flour chips. Customers may occasionally receive orders in Stater Bros bags when the restaurant uses paper bags from personal guests to reuse salsa grocery trips. Anastasia encourages reuse by having her children collect

and reuse cardboard cup holders from their coffee runs. Long-time loyal customers also contribute boxes, paper bags, and cup holders for reuse, and Anastasia actively encourages customers to return bags and boxes for reuse, noting their positive response to reusing items. In addition to paper products, Chiquita Rosita's uses washable and reusable containers for beans, rice, and large salsas encouraging customers to use them for food storage at home. Some regular takeout customers even bring their own bins or bags to pack up their orders, further reducing waste.

In the back of the house, they carefully manage inventory, avoiding overbuying and ensuring proper storage to prevent spoilage. In the unpredictable restaurant industry, they adjust by offering slow-moving items as discounted specials, minimizing waste while maintaining customer satisfaction. They purchase in bulk whenever possible to reduce packaging waste and lower costs for the restaurant.

As for recyclables, all bottles and cans are pulled out of internal recycling containers and given to an employee who recycles them on their own time for their California Redemption Value. All other recyclables that cannot be reused are placed in a shared, locked recycling bin for weekly collection by Burrtec.

## **SELF-HAULING FOOD SCRAPS FOR SB 1383 COMPLIANCE**

In the City of Barstow, food service businesses must compost organics according to California's SB 1383 Short-Lived Climate Pollutant law. While many choose the City's curbside organics collection service, some opt for exemptions, allowing them to self-haul their organic waste. For Anastasia, obtaining an exemption was a deliberate choice inspired by her family's practice of donating restaurant food scraps to local farmers. Dennis, a local farmer who collected food scraps from her family's original restaurant, continues to pick up Chiquita Rosita's scraps to feed his animals.

Food scraps, along with plate scraps from front-ofhouse guests, are collected into lined five-gallon buckets located in the kitchen. Anastasia, typically found in the front of the house during operating hours, ensures every plate is scraped clean. When a compost bucket is full, the liner bag is tied off and the lid securely placed for pick-up.

With the restaurant open four days a week, food waste accumulates to about four or five five-gallon buckets per week. When cleaning the kitchen fryer, old grease is placed back in the original oil buckets for collection along with food scraps. The logistics of transporting compost to the farm are handled seamlessly as Dennis picks up the scraps directly from the restaurant on Friday nights, ensuring waste doesn't linger over the weekend. Regular collection, along with the restaurant's proximity to an animal clinic and the presence of stray cats, act as natural deterrents for pests.

> Would like a picture of plate scraping and/or compost buckets here...



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MOJAVE DESERT AND MOUNTAIN INTEGRATED WASTE JOINT POWERS AUTHORITY			
AGENDA MATTER			
Public Comments.			
SUMMARY STATEMENT			
Comments on items of interest to the Public.			
RECOMMENDED ACTION			
No recommended action.			
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