



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of March 12, 2019

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager
Mike Roberts, Public Works Director

SUBJECT: Update on Recycling and Recycling Audits by Republic Services

RECOMMENDED ACTION: Receive Report, Discuss, and Provide Direction, if any.

FISCAL IMPACT OF RECOMMENDATION: None as a result of this item.

DISCUSSION: The City's solid waste collection services, including household waste, recycling, and organics, is provided by Republic Services (aka Richmond Sanitary Services) under a franchise agreement between the City and Republic. Elements of the service as related to recycling and organics is controlled by the West Contra Costa Integrated Waste Management Authority (WCCIWMA) also known as RecycleMore.

The City of Hercules sets rates for the household waste component of services and these rates were most recently approved by the City Council for 2019 on January 8, 2019.

RecycleMore is responsible for setting the recycling and organics rates for the five-city West County Service area. In addition, RecycleMore is responsible for meeting the State mandates in regard to recycling and landfill diversion and does so primarily through the service provider which is Republic in addition to other efforts.

With changes in the market conditions for recyclables, including the refusal of China in the form of what is referred to as the "China Sword," to accept materials with contamination above a certain limit, the market for these materials has collapsed. This change in circumstances has resulted in Republic undertaking additional educational efforts about what materials are acceptable in the blue recycling bins and what is not. Republic has also instituted a series of recycling bin audits in their service area including Hercules. These audits result in cans which have contamination being tagged with the possibility of a contamination charge or fee being levied against the customer. Republic advises that those who are tagged are encouraged to contact Republic for information about the nature of the contamination. Republic also approaches these contacts as an opportunity to further educate their customers.

The City of Hercules is supportive of the need to reduce the level of contamination found in recycling bins and we have been engaged with Republic on the matter since the audits were initiated in 2018. The City has promulgated questions for Republic, including the authority under which they levy the contamination charge or fee as this is not specified in the City's solid waste rate structure resolution. Background information on the issues and audits is addressed by Republic in a letter dated February 6, 2019 (attachment 1).

Given the issues associated with recycling, the General Manager of Republic in our service area, Shawn Moberg, will be in attendance at the City Council meeting to update the City Council and the community on recycling and the recycling audits. Republic has been requested to provide specific information as to when the audits were commenced starting in 2018, the number of audits conducted, and the results of each audit done in Hercules including:

- The number of bins audited;
- The number of bins which were tagged as contaminated;
- The number of customers which contacted Republic;
- The number of those customers who received waiver of the contamination charge or fee; and
- The number who of customers who paid the contamination charge or fee.

Republic has also been asked to provide the specific legal authority for levying a fee or contamination charge against customers in the Hercules service area. Republic will also share their updated educational materials and information on their on-going outreach efforts.

ATTACHMENTS:

1. Republic Letter of February 6, 2019

<i>Financial Impact</i>			
Description:			
Funding Source:			
Budget Recap:			
Total Estimated cost:	\$	New Revenue:	\$
Amount Budgeted:	\$	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change: Yes <input type="checkbox"/> No <input type="checkbox"/>			