



## Board Report

---

**File #: 18-1014, Version: 1**

---

Approve and authorize the Health Department to use all remaining funds in the Waste Incentive Reserve Account Fund 019, Unit 8113, Appropriation HEA005, BSA 2603, to pay for costs associated with solid waste diversion programs to achieve State diversion mandates, for franchise agreement oversight, and for services related to waste management issues impacting rate payers within unincorporated Monterey County.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Health Department to use all remaining funds in the Waste Incentive Reserve Account Fund 019, Unit 8113, Appropriation HEA005, BSA 2603, to pay for costs associated with solid waste diversion programs to achieve State diversion mandates, for franchise agreement oversight, and for services related to waste management issues impacting rate payers within unincorporated Monterey County.

### SUMMARY:

The Health Department's Environmental Health Bureau is responsible for meeting State of California mandates regarding recycling and solid waste for unincorporated Monterey County. These laws are codified in the following statutes: The California Integrated Waste Management Act of 1989 (AB 939), Mandatory Commercial Recycling (AB 341, 2011, Chesbro. Solid waste: diversion), Mandatory Commercial Organics Recycling (AB 1826, 2014, Chesbro. Solid waste: organic waste), The California Global Warming Solutions Act of 2006 (AB 32), The Short-lived climate pollutants Act (SB1383, 2016, Lara), and other laws which establish certain waste diversion goals for the State of California.

These laws mandate increasing diversion of material over time. Individual materials such as construction and demolition material and organic material have individual targets in addition to the total material diversion target. For construction and demolition material (including lumber, drywall, metals, masonry, and other related material) the current target diversion rate is sixty five percent (65%). As the housing market recovers, more of this material will enter the waste/recycling stream. At present, businesses which generate four cubic yards of just organic material waste must have organics recycling service; by 2019 businesses which generate four cubic yards of any commercial waste (not just organic material) must have this service. By 2025 the target diversion rate is a seventy five percent (75%) reduction of the 2014 organic material levels. In addition, by 2020 the Statewide mandate for all solid waste is a seventy five percent (75%) recycling, composting, or source reduction rate. In practical terms this means only twenty five percent (25%) of waste should be landfilled.

As diversion rates of all material is mandated at higher rates, the County has also lost an avenue for organic material from the agriculture industry. In the past, the agriculture industry used to steer its organic cull material to farms or ranches for use as feed material. This practice is no longer taking place. That material represents a significant amount of organic material that now enters traditional waste/recycling streams. Because this material represents a significant amount of material into the waste/recycling stream the County and its partners must plan for infrastructure and diversion strategies to address this to meet diversion mandates.

These strict mandates and noted developments translate into stricter monitoring and enforcement to achieve target diversion rates. In practical terms, this means more resources and personnel will be needed for

communicating with rate payers, educating businesses and residents about laws, enforcing diversion, and tracking diversion rates. As the State measures both efforts by the County to achieve the target rates, and the actual achieved diversion rates, it is imperative that all available resources are being used to keep the County within compliance.

#### DISCUSSION:

On December 12, 1995, the Board of Supervisors approved the Western Franchise Agreement for collection and disposal services in portions of the unincorporated County. A March 9, 2004 Board order authorized a rate adjustment for the Monterey Regional Waste Management District customers. On June 28, 2005, the Board of supervisors approved a 0.5% rate increase to the Western Franchise Agreement customer rates. The purpose of this increase was to fund a Solid Waste Incentive Reserve Account to be used to pay for Board approved, one time, franchise related expenditures, and to offset illegal dumping abatement and litter prevention costs. On November 9, 2010, the Board approved and authorized the Director of Health to use funds from the Solid Waste Incentive Reserve Account, also known as the Western Franchise Agreement Liability Account No. 019-2603, to pay costs of existing and new solid waste diversion programs, franchise agreement oversight and services related to certain large-scale waste management issues impacting rate payers within unincorporated Monterey County. The current request is that all remaining funds in the Waste Incentive Reserve Account go toward achieving State mandates consistent with the November 9, 2010 Board action.

This activity supports the Monterey County Health Department 2018-2022 Strategic Plan initiative: 1) Empower the community to improve health; 2) Enhance community health and safety through prevention. This activity also supports one of the ten essential public health services, specifically: Develop policies and plans that support individual and community health efforts.

#### OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed this report and concur with this recommendation.

#### FINANCING:

There is no net County contribution of discretionary funds resulting from this Board action because the Solid Waste Incentive Reserve Account/Western Franchise Agreement Liability Account No. 019-2603 is separate from the General Fund. The approved FY 2018-19 budget reflects the funds noted and the only authorization sought is the use of funds within the program to address State mandated activities.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

##### ☐Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

##### ☒Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

##### ☒Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in

collaboration with communities.

☐Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Rob Durham, MA III, 8979

Approved by: Elsa Jimenez, Director of Health, 4526

Attachments:

Board Order effective November 9, 2010, dated November 10, 2010, on file with the Clerk of the Board.

Board Order dated June 28, 2005 on file with the Clerk of the Board.

Western Franchise Agreement on file with the Clerk of the Board.

Board Order dated March 9, 2004 on file with the Clerk of the Board.