

RESOLUTION NO. 2022-83

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING THE REVISED MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT AND THE CITY OF MARINA REGARDING, FOOD WASTE REDUCTION AND ORGANICS RECYCLING REGULATIONS, INCORPORATING COSTS ANTICIPATED FOR FISCL YEAR 2022-2023, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES.

WHEREAS, in September 2016, Governor Edmund Brown Jr. set methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The targets must reduce organic waste disposal 50 percent by 2020 and 75 percent by 2025 and rescue for people to eat at least 20 percent of currently disposed surplus food by 2025; and

WHEREAS, the City of Marina is a Member Agency of the Monterey Regional Waste Management District (MRWMD) Joint Powers Authority responsible for managing solid waste on behalf of the Cities and unincorporated County communities of coastal Monterey County. The City participates on the Technical Advisory Committee (TAC) for SB 1383 led by the District and comprised of staff from each member jurisdiction, the three haulers in the District service area, and MRWMD staff. The District's TAC has been working collaboratively for approximately 2 years planning for SB 1383, California's SLCP regulation. The regulation will have significant impact on each member jurisdiction in meeting the goals set under these regulations. Regulations took effect and local program implementation began January 1, 2022; and

WHEREAS, the Member Agencies of Carmel, Del Rey Oaks, Marina, Monterey, Sand City, Seaside, Pacific Grove, and the Pebble Beach Community Services District (PBCSD) joined the Local Assistance Grant Program effort as a regional collaborative project for the implementation of regulation requirements associated with SB 1383, in coordination with other jurisdictions of the Monterey County region to maximize project impact and cost-effectiveness across the countywide area, consistent with existing cooperative SB 1383 planning, preparation and implementation practices already underway throughout the service territory. This regional grant-funded project will be coordinated through the two local waste management governmental agencies within Monterey County, MRWMD, and the Salinas Valley Solid Waste Authority; and

WHEREAS, the regulation places the program implementation responsibility on the member jurisdictions, the TAC has been collectively analyzing who best should implement each element of the regulation between the member jurisdictions, waste haulers, or District. The TAC determined that many of the requirements are best completed using shared resources. As such, an MOU between the District and each of its member jurisdictions was created to have the District incur the shared costs and bill each member jurisdiction twice annually for reimbursement; and

WHEREAS, the City Council adopted Resolution 2021-93 on August 17th, 2021 approving the MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs; and

WHEREAS, in January 2022, the Department of Resources Recycling and Recovery (CalRecycle), the agency responsible for administering SB 1383, released application guidelines and instructions related to the SB 1383 Local Assistance Grant Program (OWR1: 2021-22) as a one-time grant program meant to provide aid in the implementation of regulations adopted by CalRecycle pursuant to Chapter 395, Statutes of 2016 and SB170 Budget Act of 2021. Funding from CalRecycle will be allocated to each jurisdiction based on grant program estimates according to the Department of Finance's January 2021 population statistics. this non-competitive grant program provides funding to local jurisdictions to assist with the implementation of regulation requirements associated with SB 1383; and

WHEREAS, the City Council approved an amendment to MOU regarding cooperative assistance to comply with Senate Bill 1383, with the estimation of receiving \$29,771 from SB 1383 Local Assistance Grant Program. This amount is increased in the approved application by State to \$31,992.00; and

WHEREAS, to consider the inflation rate, the MRWMD has updated the contribution of all member agencies in the grant funding program for FY 22-23 (**Exhibit E**); and

WHEREAS, **Exhibit A** declares the list of actions that will be done by MRWMD with associated costs, which comes to a total number of \$193,717 for FY22-23. “Exhibit B” states that the City of Marina is responsible for \$37,880 of the mentioned total cost. Also, “Exhibit D” provides the estimated procurement requirements of organic material for all member agencies and the Marina’s share is \$28,484.96. In sum, the City of Marina needs to pay \$66,364.96 for practices and procurements related to SB 1383 under this MOU; and

WHEREAS, the estimated annual cost to the City for FY 2022-2023 will be \$66,364.96. The efforts being carried out under the MOU, as with past solid waste efforts, are funded through franchise fees collected and remitted to the City. Efforts in FY 2022-2023 will be offset by a grant from CalRecycle in the amount of \$31,992.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve the revised Memorandum of Understanding (MOU) between the Monterey Regional Waste Management District and the City of Marina regarding, food waste reduction and organics recycling regulations, incorporating costs anticipated for fiscal year 2022-2023,
2. Authorize the City Manager to execute the amendment subject to final review and approval by the City Attorney, and
3. Authorize the Finance Director to make necessary accounting and budgetary entries.

PASSES AND ADOPTED, by the City Council of the City of Marina at a regular meeting duly held on the 21st day of June 2022 by the following vote:

AYES, COUNCIL MEMBERS: Medina Dirksen, Burnett, Berkley, Biala, Delgado

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

EXHIBIT E

MEMORANDUM OF UNDERSTANDING

BETWEEN THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT AND ITS MEMBER AGENCIES REGARDING ASSISTANCE WITH COMPLIANCE WITH CALIFORNIA SENATE BILL 1383

This Memorandum of Understanding (“MOU”) is made and entered into as of the date of the signatures set forth below by and between the MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT (“District”, “MRWMD”), a California Garbage and Refuse Disposal District, and its member agencies including the cities of CARMEL-BY-THE-SEA, DEL REY OAKS, MARINA, MONTEREY, PACIFIC GROVE, SAND CITY, and SEASIDE; THE PEBBLE BEACH COMMUNITY SERVICES DISTRICT; and THE COUNTY OF MONTEREY (“Member Agencies”). Collectively these entities shall be known herein as “Parties” or individually as a “Party.”

Recitals

- A. The State of California has passed legislation, known as Senate Bill 1383, California’s Short-Lived Climate Pollutants regulation. The regulation will have significant impact on each Member Agency, with the goal of reducing organic material being landfilled by 75% by 2025, compared to a 2014 basis. The legislation mandates that Member Agencies undertake certain activities around the handling of organic waste materials collected within their jurisdictions. The regulation also requires 20% recovery of edible food by 2025 to direct it to a beneficial use and thus prevent it from entering the waste stream. Regulations take effect, and local program implementation will begin, on January 1, 2022.
- B. The Member Agencies have determined that it is in their best interest to coordinate their activities related to this legislation. This coordination is being facilitated by the District’s Technical Advisory Committee (TAC) comprised of staff from each Member Agency, the three Haulers in the District service area (Haulers), Salinas Valley Recycles (SVR) and MRWMD.
- C. The Member Agencies have further determined that the District has the expertise and resources necessary to implement some of these activities on the Member Agencies’ behalf and have now requested that the District incur costs to provide these activities.
- D. The Member Agencies have agreed to reimburse the District for proportionate shares of certain designated annual costs incurred by the District for these activities.
- E. The form and content of this MOU have been presented to the TAC, and the TAC has recommended it for approval by the Parties

NOW THEREFORE, in consideration of the mutual benefits to be derived by the District and the Member Agencies, and of the promises contained in this MOU, the Parties agree as follows:

Section 1. Recitals: The recitals set forth above are incorporated into this MOU.

Section 2. Purpose: The purpose of this MOU is to provide a structure for the Member Agencies to reimburse the District for SB 1383-related activities it performs on behalf of the Member Agencies.

Section 3. Voluntary: This MOU is voluntarily entered into by the Parties for the purpose of facilitating the implementation of SB 1383.

Section 4. Term: This MOU shall become effective on the last day of its execution by a Party and shall remain in effect until terminated by the Parties.

Section 5. Scope of Work, Costs & Cost Sharing: The scope of work, and associated costs, are set out in Exhibit A, entitled Detailed Activities and Costs, attached hereto and incorporated herein. Allocation of such costs to the Member Agencies is set out in Exhibit B, entitled Member Agencies' Annual Proportionate Shares and Costs, attached hereto and incorporated herein. Exhibit C outlines estimated individual Member Agencies' allocations related to the Department of Resources Recycling and Recovery (CalRecycle) SB 1383 Local Assistance Grant Program (OWR1: 2021-22), attached hereto and incorporated herein. Exhibit D defines the estimated annual procurement requirements of organic material and estimated cost per ton of compost for each Member Agency, attached hereto and incorporated herein.

No later than March 1 of each year, and at such other times as directed by the Parties, the TAC shall meet to consider and, if deemed necessary, modify Exhibits A, B, and/or C, and/or D subject to direction from the governing bodies of each Member Agency to its TAC representative.

Section 6. The District Agrees:

(a) District staff will manage activities as identified in Exhibit A, and C, and D which activities include contracting with third party vendors when reasonably necessary and paying those vendors for contracted costs.

(b) Two times per year, on dates to be determined by the TAC, District will invoice Member Agencies for each Member Agency's proportionate share of costs as shown in Exhibit B with each invoice to be fifty percent (50%) of the Member Agency's share of costs.

(c) Upon award of CalRecycle SB 1383 Local Assistance Grant Program funds, the District will invoice Member Agencies for their full allocation of grant funds as shown in Exhibit C. Four times during the grant term, aligned with dates identified by CalRecycle grant Terms & Conditions, the District shall report to Member Agencies a summary of actual grant expenditures and progress toward grant tasks to date.

(~~d~~e) District will maintain an accounting of activities and expenses and provide reconciliation of payments annually. Material differences between estimated costs and actual

incurred costs will result in either: 1) an adjustment made to the final annual payment for each Member Agency, or 2) such cost difference shall be incorporated into the subsequent year cost allocation.

(ed) In year one only, in recognition of expected continuation of improved recycling revenues for the District from recyclable material sales, the District will off-set \$140,000 of the costs identified in Exhibit A. This off-set is reflected in the cost allocations set out in Exhibit B for FY 2021-22.

Section 7. The Member Agencies Agree:

(a) To reimburse the District for all expenses incurred by the District under this MOU in accordance with each Member Agency's proportionate share as shown on Exhibit B₁ ~~and C₁~~ and D.

(b) To make a full-faith effort to cooperate with one another and with the District to achieve the purposes of this MOU by providing information, reviewing information in a timely manner, and informing their respective administration and governing bodies.

Section 8. Termination. Any Party may terminate its participation in this MOU upon giving written notice to the District no later than April 1 of any calendar year during the term of this MOU. Within ten days following a Party's termination date, such party shall pay District all charges then due and payable and shall pay when determined any additional charges that shall later come due under the MOU, subject to the limits set out in Exhibits A, B₁ ~~and C₁~~ and D.

Section 9. General Provisions.

(a) This MOU is binding and for the benefit of the respective successors, heirs, and assigns of each Party and the District; provided however, no Party may assign its respective rights or obligations under this MOU without the prior written consent of the District.

(b) This MOU is governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California.

(c) If any provision of this MOU is determined by any court to be invalid, illegal, or unenforceable to any extent, then the remainder of this MOU will not be affected, and this MOU will be construed as if the invalid, illegal, or unenforceable provision had never been contained in this MOU.

(d) Waiver by the District or any Party to this MOU of any term, condition, or covenant of this MOU will not constitute a waiver of any other term, condition₁ or covenant. Waiver by the District or any Party of any breach of the provisions of this MOU will not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOU.

(e) This MOU may be executed in any number of counterparts, each of which is an original but all of which taken together will constitute one and the same instrument, provided, however, that such counterparts have been delivered to all parties to this MOU.

(ff) All parties acknowledge they have been represented, or have had the opportunity to be represented, by counsel in the preparation and negotiation of this MOU. Accordingly, this MOU will be construed according to its fair language. Any ambiguities will be resolved in a collaborative manner by the District and the Parties and must be rectified by amending this MOU.

IN WITNESS WHEREOF, the District and the Parties have caused this MOU to be executed by their duly authorized representatives as of the date of their respective signatures.

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF MARINA

By: _____

DATE: _____

APPROVED AS TO FORM:

EXHIBIT A

DETAILED ACTIVITIES & COSTS FY 2022-2023

Scope of Work

The activities related to the implementation of SB 1383 may include contracting and policy development; public education; materials purchasing and distribution; reporting; contamination monitoring; edible food recovery; enforcement; procurement; organics processing; rate setting; cost monitoring; and any other related activities the Parties choose to address.

The District will take the lead producing public education campaigns in concert with the already-provided Hauler and/or Member Agency resources. The Member Agencies will be responsible for production and mailing fees associated with outreach. The District will also contract with a vendor to administer contamination monitoring in the form of curbside lid flipping within each Member Agency, except for the County of Monterey, where the County of Monterey will decide how to proceed. The District will also provide CalRecycle reporting services to the Member Agencies. In addition, funds will be allocated to edible food recovery support.

Costs

SB 1383 Shared Costs MOU - Exhibit A

SB 1383 Fee Category	Detail	FY 22/23 Cost	Notes
HF&H General Support & TAC meetings	Task #5 (SB 1383 general support) & task #6 (monthly TAC meetings) of HF&H CY 2022 proposal	\$ 22,500	
Edible Food Recovery Capacity Building			Joint grant or applicaion process w/ SVR to determine need. SVR also
Edible Food Recovery Program Administration	Assessment Living Document EFR Network Capacity Building (Grant Program) Implementation Schedule CalRecycling Capacity Planning Generation Calculation Tool Refined Survey Tool	\$ 60,000 \$ 47,006	allocating \$60k. MRWMD member agency portion, split with SVR
Public Education		\$ 50,000	Covers creation of materials, but not production or distribution
Recyclist Fees		\$ 11,711	Omits County & City of Monterey
MRWMD Staff Time	TAC/SB 1383 Coordination/CalRecycle Reporting	\$ 20,000	
		\$ 211,217	
Reduction from MRWMD from recycling revenues		\$ (100,000)	
		\$ 111,217	
			Estimate —exact cost based on results from RFP. / Omits County due to WM Smart Truck
Contamination Monitoring (Lid Flipping)	RFP to determine vendor	\$ 15,000	
Total		\$ 126,217	

EXHIBIT A
(Continued)

HF&H Franchise Management Fees

Task #	Detail	CY 2022	
1	Review Contractor's Quarterly Reports	\$	12,500.00
2	Review Contractor's Annual Report	\$	2,500
3	Review Franchise Fee Payments	\$	2,500
4	Review Contractor's Annual Rate Adjustments	\$	50,000
Total		\$	67,500

EXHIBIT B

MEMBER AGENCIES' ANNUAL PROPORTIONATE SHARES & COSTS* FY 2022-2023

Public Education - Shared With County

	Population			
	#	%	Per Agency Cost/Year	With \$2,500 Minimum
Carmel	3,830	2.4%	\$ 1,196	\$ 2,500
DRO	1,525	1.0%	\$ 476	\$ 2,500
Marina	21,981	13.7%	\$ 6,863	\$ 6,048
PG	15,522	9.7%	\$ 4,847	\$ 4,271
PBCSD	4,531	2.8%	\$ 1,415	\$ 1,247
Sand City	310	0.2%	\$ 97	\$ 2,500
Seaside	33,956	21.2%	\$ 10,602	\$ 9,342
Monterey City	28,352	17.7%	\$ 8,853	\$ 7,801
County	50,128	31.3%	\$ 15,652	\$ 13,792
TOTAL	160,135		\$ 50,000	\$ 50,000

96.5% \$ 42,500

Other TAC Costs - Excluding County

	Population			
	#	%	Per Agency	With \$2,500
Carmel	3,830	3.5%	\$ 2,654	\$ 2,500
DRO	1,525	1.4%	\$ 1,057	\$ 2,500
Marina	21,981	20.0%	\$ 15,229	\$ 14,476
PG	15,522	14.1%	\$ 10,754	\$ 10,222
PBCSD	4,531	4.1%	\$ 3,139	\$ 2,984
Sand City	310	0.3%	\$ 215	\$ 2,500
Seaside	33,956	30.9%	\$ 23,526	\$ 22,363
Monterey City	28,352	25.8%	\$ 19,643	\$ 18,672
TOTAL	110,007		\$ 76,217	\$ 76,217

94.9% \$ 68,717

Contract Management

	Population			
	#	%	Per Agency Cost/Year	With \$2,500 Minimum
Carmel	3,830	4.7%	\$ 3,166	\$ 2,500
DRO	1,525	1.9%	\$ 1,261	\$ 2,500
Marina	21,981	26.9%	\$ 18,171	\$ 17,356
PG	15,522	19.0%	\$ 12,831	\$ 12,256
PBCSD	4,531	5.5%	\$ 3,746	\$ 3,578
Sand City	310	0.4%	\$ 256	\$ 2,500
Seaside	33,956	41.6%	\$ 28,070	\$ 26,811
TOTAL	81,655		\$ 67,500	\$ 67,500

93.1% \$ 60,000

Total Costs

	Population			
	#	%	Per Agency Cost/Year	With Minimums
Carmel	3,830	2.4%	\$ 7,015	\$ 7,500
DRO	1,525	1.0%	\$ 2,793	\$ 7,500
Marina	21,981	13.7%	\$ 40,263	\$ 37,880
PG	15,522	9.7%	\$ 28,432	\$ 26,749
PBCSD	4,531	2.8%	\$ 8,300	\$ 7,808
Sand City	310	0.2%	\$ 568	\$ 7,500
Seaside	33,956	21.2%	\$ 62,198	\$ 58,516
Monterey City	28,352	17.7%	\$ 28,496	\$ 26,473
County	50,128	31.3%	\$ 15,652	\$ 13,792
TOTAL	160,135		\$ 193,717	\$ 193,717

*Member Agencies' proportionate costs subject to adjustment annually in accordance with any change in scope and total costs.

EXHIBIT C

MEMBER AGENCIES' ESTIMATED ALLOCATION OF CALRECYCLE LOCAL ASSISTANCE GRANT PROGRAM FUNDING (OWR1: 2021-22)**

The Member Agencies of Carmel, Del Rey Oaks, Marina, Monterey, Sand City, Seaside, Pacific Grove, and the Pebble Beach Community Services District (PBCSD) join the Local Assistance Grant Program as a regional collaborative project for the implementation of regulation requirements associated with SB 1383, in coordination with other jurisdictions of the Monterey County region to maximize project impact and cost-effectiveness across the countywide area. This regional grant-funded project will be coordinated through the two local waste management governmental agencies within Monterey County, Monterey Regional Waste Management (MRWMD), and Salinas Valley Solid Waste Authority (SVSWA).

The Member Agencies, along with each of the MRWMD and SVSWA member agencies are applying individually to this grant program using a unified regional project design, budget and implementation approach. All participating jurisdictions' individual grant funding will be pooled together and expended in a cooperative manner by their agencies' respective waste districts, MRWMD and SVSWA. The County of Monterey is applying separately and will manage its budget and project implementation independently, in coordination with broader regional planning efforts.

Based on current regional needs and findings to date related to SB 1383 in Monterey County, the following four major components will comprise the principal focus areas of program expenditures under the proposed regional project approach:

- 1) Grant Management, Tracking & Reporting
- 2) Agency Procurement Support
- 3) Edible Food Recovery Implementation and Capacity Building
- 4) Organics & Edible Food Recovery Education, Outreach and Technical Assistance

Each element will be informed by regional coordination through the established MRWMD and SVSWA Technical Advisory Committee forums, Capacity Planning Assessments and related studies completed or in process throughout the region, and new data and information obtained through program implementation trials, stakeholder feedback and best practices as identified. All expenditures will be incurred jointly, facilitated through each respective waste agency, and tracked and reported by each jurisdiction, based on the percentage of grant funds received by each agency compared to the full funding received collectively by all participating member agencies. CalRecycle, based on per capita calculations, using the Department of Finance's January 2021 population statistics, estimates jurisdictions' proportionate grant allocations. A summary of individual and collective agency grant allocations is presented below as **Table 1**.

EXHIBIT C
(Continued)

MEMBER AGENCIES' ESTIMATED ALLOCATION OF CALRECYCLE LOCAL
ASSISTANCE GRANT PROGRAM FUNDING (OWR1: 2021-22)**

Table 1. Thirteen Agency Collaborative Approach Budget Summary

Agencies	Estimated Funding	% of District Subtotal	% of Region Total	Waste District
Carmel-by-the-Sea	\$20,000	9%	4%	MRWMD
Del Rey Oaks	\$20,000	9%	4%	MRWMD
Marina	\$29,771	14%	6%	MRWMD
Monterey	\$38,247	18%	7%	MRWMD
Pacific Grove	\$21,398	10%	4%	MRWMD
Sand City	\$20,000	9%	4%	MRWMD
Seaside	\$43,151	20%	8%	MRWMD
Pebble Beach Community Services District	\$20,000	9%	4%	MRWMD
Subtotal (MRWMD):	\$212,566	100%	41%	
Gonzales	\$20,000	6%	4%	SVSWA
Greenfield	\$25,157	8%	5%	SVSWA
King City	\$20,665	7%	4%	SVSWA
Salinas	\$211,143	68%	40%	SVSWA
Soledad	\$33,095	11%	6%	SVSWA
Subtotal (SVSWA):	\$310,060	100%	59%	
TOTAL (13 Agency Regional Approach):	\$522,626		100%	

** Working in coordination with the designated CalRecycle grant manager or other agency representatives as appropriate, the region may adjust these proposed expenditure areas, amounts, or priorities, consistent with grant expenditure eligibility requirements, as needed during the course of the grant term based on the needs of the region.

EXHIBIT D
MEMBER AGENCIES' ESTIMATED PROCURMENT REQUIRMENTS
OF ORGANIC MATERIAL

The list below indicates the annual recovered organic waste product procurement targets for each jurisdiction (city, county, or city and county) that will be in effect from January 1, 2022 through December 31, 2026 per CalRecycle.

Member Jurisdiction	Population (1/1/21 estimate)	% of Population	Annual Procurement Target (Tons of Organic Waste)	Tons of Compost (.58)	Cost /Ton Compost	Cost of Compost
Carmel-by-the-Sea	4,023	1%	322	187	\$ 28.00	\$ 5,229.28
Del Rey Oaks	1,670	0%	134	78	\$ 28.00	\$ 2,176.16
Marina	21,920	7%	1,754	1,017	\$ 28.00	\$ 28,484.96
Monterey	28,382	8%	2,271	1,317	\$ 28.00	\$ 36,881.04
Pacific Grove	15,536	5%	1,243	721	\$ 28.00	\$ 20,186.32
Sand City	385	0%	31	18	\$ 28.00	\$ 503.44
Seaside	32,121	10%	2,570	1,491	\$ 28.00	\$ 41,736.80
Pebble Beach CSD	4531	1%	362	210	\$ 28.00	\$ 5,878.88
Unincorporated County*						\$ -
Total MRWMD	108,568	32%	8,687	5,038		\$ 141,076.88

*Unincorporated County not participating in procurement portion of MOU
All product quoted as unbagged F.O.B MRWMD site.
Transportation costs are not included.

June 13, 2022,

Item No. **8g(3)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 21, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING THE REVISED MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT AND THE CITY OF MARINA REGARDING, FOOD WASTE REDUCTION AND ORGANICS RECYCLING REGULATIONS, INCORPORATING COSTS ANTICIPATED FOR FISCL YEAR 2022-2023, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUGETARY ENTRIES.

REQUEST:

It is requested that the City Council consider adopting Resolution 2022- for the following action:

1. Approving the revised Memorandum of Understanding (MOU) between the Monterey Regional Waste Management District and the City of Marina regarding, food waste reduction and organics recycling regulations, incorporating costs anticipated for fiscal year 2022-2023,
2. Authorizing the City Manager to execute the amendment subject to final review and approval by the City Attorney, and
3. Authorizing the Finance Director to make necessary accounting and budgetary entries.

BACKGROUND:

In September 2016, Governor Edmund Brown Jr. set methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The targets must reduce organic waste disposal 50 percent by 2020 and 75 percent by 2025 and rescue for people to eat at least 20 percent of currently disposed surplus food by 2025.

The City of Marina is a Member Agency of the Monterey Regional Waste Management District (MRWMD) Joints Powers Authority responsible for managing solid waste on behalf of the Cities and unincorporated County communities of coastal Monterey County. The City participates on the Technical Advisory Committee (TAC) for SB 1383 led by the District and comprised of staff from each member jurisdiction, the three haulers in the District service area, and MRWMD staff. The District's TAC has been working collaboratively for approximately 2 years planning for SB 1383, California's SLCP regulation. The regulation will have significant impact on each member jurisdiction in meeting the goals set under these regulations. Regulations took effect and local program implementation began January 1, 2022.

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While the regulation places the program implementation responsibility on the member jurisdictions, the TAC has been collectively analyzing who best should implement each element of the regulation between the member jurisdictions, waste haulers, or District. The TAC determined that many of the requirements are best completed using shared resources. As such, an MOU between the District and each of its member jurisdictions was created to have the District incur the shared costs and bill each member jurisdiction twice annually for reimbursement. The City Council adopted Resolution 2021-93 on August 17th, 2021 approving the MOU between MRWMD and Member Jurisdictions for SB 1383 Shared Costs.

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On February 15, 2022, the City Council approved an amendment to MOU regarding cooperative assistance to comply with Senate Bill 1383, with the estimation of receiving \$29,771 from SB 1383 Local Assistance Grant Program. This amount is increased in the approved application by State to \$31,992.00.

ANALYSIS:

To consider the inflation rate, the MRWMD has updated the contribution of all member agencies in the grant funding program for FY 22-23. In the proposed memorandum **“EXHIBIT E”** from MRWMD it's been requested from member agencies to approve the updated version of Exhibits A, B, and D.

- **“Exhibit A” – Detailed Activities and Costs:** Contains the scope of work, and associated costs related to general SB 1383 activities. (Enacted June 2021, updated annually)
- **“Exhibit B” – Member Agencies’ Annual Proportionate Shares and Costs:** Allocation of such costs to the Member Agencies. (Enacted June 2021, updated annually.)
- **“Exhibit C” – Member Agencies’ Estimated Allocation of CalRecycle Local Assistance Grant Program Funding:** Details proposed programs funded by the CalRecycle Local Assistance Grant Program. (Enacted February 2022, to be updated if additional funding becomes available.)
- **“Exhibit D” – Member Agencies’ Estimated Procurement Requirements of Organic Material:** The addition of Exhibit D which includes details about organic material (compost or mulch) procurement requirements and costs for each Member Agency. (Enacted with this approval, to be updated in 2026)

“EXHIBIT A” declares the list of actions that will be done by MRWMD with associated costs, which comes to a total number of \$193,717 for FY22-23. **“EXHIBIT B”** states that the City of Marina is responsible for \$37,880 of the mentioned total cost. Also, **“EXHIBIT D”** provides the estimated procurement requirements of organic material for all member agencies and the Marina's share is \$28,484.96. In sum, the City of Marina needs to pay \$66,364.96 for practices and procurements related to SB 1383 under this MOU.

On the other hand, the City of Marina will receive \$31,992.00 for SB 1383 Local Assistance Grant Program from the State of California. Below table shows how assistance grant funding allocated to the City of Marina will be spent:

Item	Amount
Project coordination through participation in Technical Advisory Committee meetings, coordination of grant activities, expenditure tracking, reporting and related activities.	\$10,708.00
Development of compost procurement incentives and demand generation for large-scale use through Zero Foodprint or similar services and small-scale use through localized coupon, voucher, or similar program.	\$9,930.00
Capacity building planning and coordination, education, outreach & technical assistance program design, planning and implementation, stakeholder engagement and technical assistance for businesses, residents, multifamily facilities, food rescue organizations and services, and other stakeholders in support of organics collection, compost/product procurement and demand generation, and edible food recovery program planning and design, and implementation.	\$10,429.00
Kitchen and/or cooking and food preservation supplies for edible food recovery programs and capacity building activities related to Task 3. Grant funds are also allocated to fund kitchen pails or similar materials to be distributed to residents or businesses to encourage and promote food scrap composting	\$855.00
Total	\$31,992.00

In conclusion the difference of total costs and the assistance grant funding program from the State will be \$34,354.96, which the City needs to consider in the annual budget plan.

FISCAL IMPACT:

The estimated annual cost to the City for FY 2022-2023 will be \$66,364.96. The efforts being carried out under the MOU, as with past solid waste efforts, are funded through franchise fees collected and remitted to the City. Efforts in FY 2022-2023 will be offset by a grant from CalRecycle in the amount of \$31,992.

CONCLUSION:

This request is submitted for City Council consideration and action.

Respectfully submitted,

Saber Messhenas
Assistant Civil Engineer
City of Marina

REVIEWED/CONCUR:

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

Layne Long
City Manager
City of Marina