



STAFF REPORT – CITY COUNCIL MEETING

March 20, 2024

TO: Honorable Mayor and City Council Members

FROM: Emily Sinkhorn, Director of Environmental Services

PREPARER: Emily Sinkhorn, Director of Environmental Services

DATE: January 26, 2024

TITLE: **Approve an Amendment to Extend the Agreement with Humboldt Waste Management Authority for Receiving and Processing Green Waste and Authorize the City Manager to Execute All Applicable Documents.**

RECOMMENDATION:

It is recommended that the Council approve an amendment to extend the agreement with Humboldt Waste Management Authority for receiving and processing green waste and authorize the City Manager to execute all applicable documents.

INTRODUCTION:

Through agreements with Humboldt Waste Management Authority (HWMA), residents of Arcata who are customers of the City's solid waste franchise hauler have been diverting green waste from the landfill since 2007. Through this agreement, green waste is received and composted for beneficial use at the Steve Morris Logging Facility located at 1500 Glendale Drive. Green waste received at this location is then composted for beneficial use. The City has the opportunity to extend this existing agreement for an additional year.

BACKGROUND:

In 2007, the City Council approved an agreement with the Humboldt Waste Management Authority (HWMA) to provide a no-charge green waste drop-off service. In 2020, the City Council approved an updated agreement based on current conditions and usage and the agreement was subsequently extended through 2023. In April 2023, Steve Morris Logging bought the Wes Green Company and took over the green waste drop-off and composting agreement with HWMA. City staff continues to work with local partners to advocate for a green waste drop-off location within city limits. Until such a new arrangement can be identified, all Recology Arcata customers will need to drop off their green waste at the Glendale Drive location.

DISCUSSION:

Staff met with HWMA staff to review the green waste drop off agreement and both parties are in mutual agreement to exercise the provision to extend the agreement for an additional year.

Concurrently, City staff continue to work with other Humboldt County jurisdictions to negotiate a new franchise agreement with our solid waste hauler, Recology, which will enable the City to meet SB 1383 mandates for universal organic waste collection. To support compliance with SB 1383, HWMA has taken the lead to secure organic processing out of county until such time we have the infrastructure and capacity locally to compost organics and food waste. Through an RFP process, HWMA secured a contract with Cold Creek Compost for the transportation and processing of organics. Green waste collected through the Recology Arcata curbside pilot program will soon be transferred to the HWMA facility and processed through the Cold Creek Compost contact.

The City recognizes that until such a time that universal organics collection is able to be rolled out to all Arcata customers, green waste drop-off services continue to be a way to divert organic material from the landfill. Steve Morris Logging provides this service locally and the City can continue to ensure this service is available to Arcata residents.

The local green waste industry has changed substantially in recent months. In October 2022, Mad River Hardwoods/Wes Green Company increased their green waste processing fee from \$59/ton to \$94.81/ton to keep pace with rising processing costs. Then in April 2023, Steve Morris Logging bought the Wes Green Company and took over the green waste drop-off and composting agreement with HWMA. Steve Morris Logging changed the green waste drop-off location to 1500 Glendale Drive. Due to the over 60% increase in green waste processing cost, the City chose in May 2023 to reduce the volume of free green waste drop-off by Recology Arcata customers from 24 cubic yards to 11 cubic yards. This contract amendment codifies these recent changes and extends the term by one year.

After this one-year term extension of the green waste contract, the City and HWMA will consider a new green waste contract to ensure continuity of green waste diversion and reflect green waste processing changes precipitated by SB 1383. City staff tentatively anticipate mandatory curbside collection of organics to commence by October 2026.

POLICY IMPLICATIONS:

This agreement allows for continued diversion of green waste for Arcata solid waste/recycling franchise customers who self-haul to Morris Logging. This supports the City's Zero Waste Action Plan and helps the City meet the State of California waste diversion requirements. Extending this green waste drop-off contract allows for continued green waste composting. HWMA, the City, and other local jurisdictions are actively planning for long-term solutions for implementation of SB 1383 which mandates organics recycling including green waste and food waste composting.

BUDGET/FISCAL IMPACT:

Cost for the services under this agreement are covered through the solid waste account 664-60-73-51754 and wastewater account 662-60-67-51754, as the composted materials are used for the City's wastewater bio-solids program. Based on current data, the City self-haul customers and City operations deliver approximately 1,415 tons annually. At the current rate of \$94.81/ton, plus a 5% administrative fee to HWMA, the annual cost will be \$141,000. This amount is covered under the existing budget amount for 2023/24.

ATTACHMENTS:

- A. HWMA Agreement for Green Waste Drop Off Processing 11.12.20 (PDF)
- B. HWMA and City of Arcata Greenwaste Amendment No. 1 January 2022 (PDF)
- C. HWMA and City of Arcata Amendment No. 2 Arcata Greenwaste (PDF)