

**City of Culver City, California
Agenda Item Report**

Meeting Date: ____		Item Number: <u>A-2</u>	
CITY COUNCIL AGENDA ITEM: FOUR FIFTHS VOTE REQUIREMENT – Approval of a Budget Amendment Related to the Award of a 2008/2009 Department of Conservation Multi Family Beverage Container Recycling Grant.			
Contact Person/Dept.: Catherine Vargas Phone Number: 310.253.6411 Public Works / Environmental Programs and Operations			
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: (E-Mail) Meetings and Agendas – City Council (06/23/10); (E-Mail) Sustainability and Environmental Issues (06/23/10); California Department of Conservation Division of Recycling on 6/12/2010.			
Department Approval: Charles D. Herbertson(06/17/10)		City Attorney Approval: Carol Schwab (by H. Baker) (06/23/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (06/23/10)		City Manager Approval: P. Lamont Ewell (06/23/10)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve a budget amendment for the award of a 2008/2009 Department of Conservation Multi Family Beverage Container Recycling Grant. <u>A BUDGET AMENDMENT REQUIRES A FOUR-FIFTHS VOTE</u> <u>BACKGROUND:</u> The City of Culver City's Environmental Programs and Operations (EPO) Division, a Division of the City's Public Works Department, is responsible for developing and operating a wide variety of environmental programs in Culver City, including residential and commercial refuse collection and recycling, school recycling programs, sewer system management, street sweeping, and stormwater / NPDES program development. In addition, EPO provides community education and environmental outreach. The California Department of Conservation (DOC), Division of Recycling administers the California Beverage Container Recycling and Litter Reduction Act (Act) which governs the recycling of California Redemption Value (CRV) beverage containers. The primary goal of the recycling program is to achieve an 80% recycling rate for all aluminum, glass, plastic and bi-metal beverage containers sold in California. The			

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Department also supports efforts to reduce greenhouse gas emissions, such as those outlined in the California Global Warming Solutions Act of 2006

DISCUSSION:

On December 15, 2008, consistent with the approved Grant Guidelines, the City Manager accepted a grant in the amount of \$777,421 to establish a multi-family recycling program in the Fox Hills neighborhood of the City. For this program, the Fox Hills neighborhood is considered to be the area of Culver City bordered by Slauson Avenue on the north, Canterbury Drive on the east, Centinela Avenue on the south, and Sepulveda Boulevard on the west. Overall, the City has a residential housing stock comprised of approximately 17,000 residential units, 60% of which are multi-family. These units vary from small 4-unit or less complexes to larger apartment and condominium complexes with more than 100 units.

On March 18, 2009, the DOC issued a stop work order prior to commencement of the work plan due to the State's budget constraints.

On May 1, 2010 the DOC issued a letter stating the grant was no longer suspended and could be resumed if desired. On May 26, 2010 staff met with representatives from the DOC to review the grant scope, the reporting requirements, and the reimbursement process. Staff posed several hypothetical questions in relation to the State's current fiscal problem: 1) what happens to outstanding invoices in the event of another stop work order; and 2) will the City be responsible for the completion of the grant scope of work if such a stop work order were issued? According to DOC representatives, all outstanding invoices will be paid in the event of another stop work order and the City will not be responsible for uncompleted grant scope.

Should the City Council approve the proposed budget amendment, the project would start in July 2010. The final grant paperwork documents are required to be submitted to the DOC by November 2011. EPO expects this program to be self sustaining with revenues collected from existing commercial refuse and recycling fees. Implementation of the program would result in increased costs for vehicle amortization and employee and fuel costs for the additional recycling truck. These costs would in turn require a small incremental increase in commercial fees. Refuse and recycling fees are adjusted on an annual basis taking into account all costs (personnel, equipment, fuel, disposal) in order to maintain a balanced operating budget within the Refuse Enterprise operation.

The program includes the following elements:

- Multi-family recycling bins – using a variety of bins, EPO will establish recycling in approximately 50 to 100 apartment and condominium complexes, representing approximately 2,000 individual dwelling units. The program's goal is to establish at least 200 additional recycling bins at multi-family complexes in the Fox Hills neighborhood.

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- Recycling totes – residents of participating multi-family complexes will receive a recycling tote to transport recyclables to centralized recycling bins.
- Education and Outreach materials – The multifamily recycling program will be supported with a variety of educational and outreach materials that will be used to encourage residents to participate in the program and will help residents understand the types of recyclables that are collected in the program.
- Recycling collection vehicles – The City will use a portion of the grant funds to purchase a recycling scout vehicle truck that will be used to pull-out recycling bins from underground parking garages. A front-loading collection vehicle will also be purchased in support of the program.
- Recycling education and outreach support vehicle – EPO will use grant funds to purchase an environmentally friendly vehicle that will be used to market environmental community outreach events and community recycling education seminars throughout the City and the targeted neighborhood.

FISCAL ANALYSIS:

Grant funds would be disbursed on a reimbursement basis. Staff will submit invoices regularly to ensure the City is reimbursed in a timely manner. The grant requires no Culver City matching funds; however, the City will provide in-kind support in the form of staff time for planning, liaison and oversight. An account has been set-up within the Refuse Fund (Fund 202) to track the accounting for this grant. If the budget amendment is approved, funds in the amount of \$777,421 will be appropriated into Business Unit 20267510 – Beverage Container Recycling in the Fiscal Year 2010-2011 budget.

ATTACHMENTS:

Letter from DOC dated May 1, 2010

MOTION:

That the City Council:

- 1) Approve a Budget Amendment related to the award of the 2008/2009 Department of Conservation Multi Family Beverage Container Recycling Grant in the amount of \$777,421.

A BUDGET AMENDMENT REQUIRES A FOUR-FIFTHS VOTE