



# City of Culver City

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## Staff Report

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**File #:** 20-654, **Version:** 1

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**CC - Adoption of a Resolution Authorizing the City's Participation in the CalRecycle Beverage Container Recycling Pilot Project (SB 458 - 2017 and AB 54 - 2019) and Authorizing SoCal Recycling to Submit an Application to CalRecycle to Participate in the Pilot Project as the City's Approved Pilot Project Operator.**

**Meeting Date:** February 3, 2020

**Contact Person/Dept:** Catherine Vargas/Public Works

**Phone Number:** (310) 253-6400

**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 (01/28/20)

**Department Approval:** Charles D. Herbertson, PW Director/City Engineer (01/15/20)

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### **RECOMMENDATION**

Staff recommends the City Council adopt a Resolution authorizing the City's participation in the CalRecycle Beverage Container Recycling Pilot Project (Pilot Project) and authorizing SoCal Recycling to submit an application to CalRecycle to participate in the Pilot Project as the City's approved Pilot Project operator.

### **BACKGROUND/DISCUSSION**

California Redemption Value (CRV), also known as California Refund Value, is a regulatory fee paid on recyclable beverage containers in California. The fee was established by the California Beverage Container Recycling and Litter Reduction Act of 1986 (AB 2020, Margolin), and since 2010 the program has been administered by the Cal/EPA California Department of Resources Recycling and Recovery (CalRecycle). (It was previously administered by the California Department of Conservation, Division of Recycling.)

The consumer pays CRV for beverages with aluminum, plastic, glass, and bimetal containers and anyone can receive the same amount in exchange for the container by bringing it to a recycling center. The symbol on beverage containers eligible for reimbursement is "CA CRV". Effective July 1, 2007, CRV is 5¢ for each beverage container less than 24 ounces, and 10¢ for each container 24 ounces or more for beverages sold in aluminum, glass, plastic containers and bimetal containers. When redeeming in quantities up to 50 containers, the consumer has the right to be paid by count on request. In larger quantities, the recycler has discretion. Recyclers have the right to refuse or offer a reduced price for contaminated materials. It is illegal to bring in out of state cans or bottles to California to recoup the CRV and violators can be charged with fraud.

The recycling company rePlanet, LLC operated recycling facilities that allowed residents to redeem CRV items in Culver City. In 2019 rePlanet, LLC closed all operating locations in the United States, including Culver City. Located at [Raintree Plaza <https://www.ralphs.com/stores/details/703/00284>](https://www.ralphs.com/stores/details/703/00284), 10772 Jefferson Blvd, Culver City, CA 90230, rePlanet, LLC was the only facility in Culver City offering CRV recycling opportunities. When rePlanet, LLC ceased operations, residents needed to go to Los Angeles for recycling opportunities. The closest facility to recycle CRV is Ponce Recycling, previously known as Stimson's Recycling, located at 6040 Venice Blvd near the I10 Freeway. Ponce Recycling also recycles other items including cardboard and batteries.

Currently, [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB458](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB458) enate Bill 458 [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB458](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB458) (Wiener, Chapter 648, Statutes of 2017 [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB458](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB458)) legislation authorizes CalRecycle to approve up to five (5) pilot projects proposed by jurisdictions to provide convenient beverage container redemption in both urban and rural areas that do not have enough recycling opportunities.

The pilot project requires that local jurisdictions and recycling center operators work closely together to provide more redemption opportunities for consumers. The jurisdictions need to meet certain eligibility requirements to apply for a pilot project.

To be eligible **to apply**, the jurisdiction must meet at least one of the following criteria as of the effective date of the pilot project application:

1. Have at least 6 unserved convenience zones.
2. Have at least 75 percent of all convenience zones unserved.
3. Is located in a region designated as "rural."

Culver City meets criteria numbers 1 and 2.

To be eligible for consideration by CalRecycle, the **proposed pilot project**, must serve at least one of the following:

1. At least 3 unserved convenience zones.
2. One or more convenience zones impacting at least 30 dealers.
3. A rural region.

Culver City meets criteria numbers 1 and 2.

CalRecycle may approve multiple recyclers or operators to serve each pilot project. In other words, a pilot project in a city/county could include more than one recycling site, company, or approach. These pilot project recyclers will need to work with the approved jurisdictions and become certified by CalRecycle.

Compared to traditional certifications, pilot project recyclers have additional flexibility, including reduced hours of operation. Jurisdictions may propose alternative methods of redemption, such as stationary drop-off locations or mobile collection programs.

Pilot project recyclers need to apply for certification in jurisdictions where there is an approved pilot project. Pilot project recyclers are eligible to receive handling fees for material redeemed and have flexibility to create innovative recycling business models. In addition, consumers will have new and convenient ways to recycle.

On October 12, 2019, Governor Newsom signed Assembly Bill 54 (Ting, Chapter 793, Statutes of 2019) into law. AB 54 made changes to the program to allow for greater flexibility and to provide funding to support pilot projects. In addition to CRV reimbursement, recyclers operating within a pilot project may be eligible for other program payments:

1. Handling fees, paid on a per-container basis, to recycling program operators near large grocery stores.
2. Processing payments, paid on a per-pound basis, to program operators to help cover the costs of collecting and recycling materials that would not otherwise be economic to handle.

Pilot project jurisdictions must apply for one of five allowable pilot projects before the approval deadline of January 1, 2022. The City has determined that there is a need to continue with the CRV program for the community and would like to use SoCal Recycling through the pilot program.

SoCal Recycling is proposing to provide a mobile recycling unit at two locations:

- Raintree Plaza on Overland (in the previous rePlanet location)
- Pavillions on Jefferson Boulevard (mobile unit will be stationed behind the Pavillions store).

SoCal Recycling will provide services on various days of the week at both locations and on Saturdays. If the Pilot Project application is approved, these two locations would be acceptable as meeting the requirements for convenience zones throughout the City. Although, So Cal Recycling would be subject to certain operational requirements under CalRecycle, staff believes it would be beneficial for the City to have more oversight over their operation and recommends the City enter into an agreement directly with So Cal Recycling to ensure their operation meets City standards. The proposed Resolution includes authorization for the City Manager to execute any documents necessary to implement the Pilot Project, including such an agreement, assuming City is approved for the Pilot Project.

If the CalRecycle Pilot Project application is not approved, staff recommends the City still move forward with using SoCal Recycling to provide the CRV required services. However, the City would

need to find one more location to serve as a convenience zone for the stores within the western most boundary of Culver City.

### **FISCAL ANALYSIS**

There is no fiscal impact associated with the adoption of the proposed Resolution.

### **ATTACHMENTS**

1. 2020-02-03\_ATT - Proposed Resolution
2. 2020-02-03\_ATT - CalRecycle Convenience Zone Maps

### **MOTION**

That the City Council:

Adopt a Resolution authorizing the City's Participation in the CalRecycle Beverage Container Recycling Pilot Project (SB 458 - 2017 and AB 54 - 2019) and authorizing SoCal Recycling to submit an application to CalRecycle for the Pilot Project as the City's approved Pilot Project operator.