



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Public Works  
Department No.: 054  
For Agenda Of: October 18, 2011  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Scott D. McGolpin, Director of Public Works Department  
Director(s) 568-3010  
Contact Info: Mark Schleich, Deputy Director of Public Works Department  
882-3604

**SUBJECT:** **Approve Agreement for the Processing and Sharing of Revenues and Costs Associated with Commingled Recyclables Delivered to County Facilities Between the City and County of Santa Barbara**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

Approve attached Agreement for the Processing and Sharing of Revenues and Costs Associated with Commingled Recyclables Delivered to County Facilities Between the City and County of Santa Barbara

**Summary Text:**

The County of Santa Barbara currently provides a variety of solid waste program and facility-related services to the City of Santa Barbara. One service the County provides is the processing and marketing of recyclables collected under the commingled recycling collection program offered to area businesses and residents. Depending on the market conditions for the recyclable material collected, the curbside recyclables collection program results in costs or revenue. In 2008, the County entered into separate agreements with the cities of Santa Barbara and Goleta to share either the net revenue or costs associated with the management of the commingled recyclables. The agreement with Santa Barbara expired June 30, 2010 and the purpose of the attached agreement is to continue this arrangement with the City from July 1, 2011 until either party gives a 12 month termination notice.

**Background:**

The County has historically provided an array of solid waste management services to the City of Santa Barbara including community programs and waste management facility services. The County currently provides the community programs including several recycling and hazardous waste management services through an existing Agreement between the County and the City of Santa Barbara. Additionally, the County processes the City's green waste and commingled recyclables, and buries its community's waste.

Specific to the processing of commingled recyclables, in recent years, both the market for scrap materials as well as the contribution made to jurisdictions by the California Department of Conservation associated with the Bottle Bill has increased the overall value of the recyclables collected in the curbside commingled recyclables programs. On the South Coast, commingled recyclables collected in the cities of Goleta and Santa Barbara as well as the unincorporated South Coast are delivered to the South Coast Recycling & Transfer Station where they are loaded and currently transported to a material recovery facility in Ventura to be processed into marketable products. In general, accounting for the County's costs to store and transport the materials to Ventura and the cost for the material to be processed, the program results in a net return for each ton of recyclables delivered. The net return varies depending on the market and the funding provided by the state. In 2008, the County entered into separate agreements with the cities of Santa Barbara and Goleta to share either the net revenue or costs associated with the management of the commingled recyclables.

The original contract with Santa Barbara expired June 30, 2010 and the purpose of the attached agreement is to continue this arrangement with the City from July 1, 2011 until either party gives a 12 month termination notice. The 12-month notice will provide either jurisdiction ample time to make necessary adjustments to affected resource levels.

A provision that has been added to this agreement addresses the green waste processing services provided by the County to the City. The City will be required to provide the County 12 months notice if they no longer choose to use the County's green waste services and if the County does not receive 12 months notice of this termination, the County is not required to provide revenue associated with the City's commingled recyclables.

**Fiscal and Facilities Impacts:**

Budgeted: Yes. The County is fully reimbursed for its costs to store and transport the commingled recyclables under this agreement. The actual costs and revenues per ton associated with the management of the recyclables from the prior fiscal year will be multiplied by the tons of recyclables delivered to the South Coast Recycling & Transfer Station originating from the City of Santa Barbara to determine the amount either due from or owed to the City of Santa Barbara.

In the past three years, there has been significant fluctuation in the market value for recyclables. To level this fluctuation, County staff has offered to average the values over a three year period (FY 10/11, FY 11/12, and FY 12/13) resulting in a net payment from the County to the City of \$269,864 for each of the three years.

**Fiscal Analysis:**

If the attached Agreement is approved, the County will provide \$269,864 for fiscal years 10/11, 11/12, and 12/13.

**Staffing Impacts:** None

**Special Instructions:**

Please provide copies of the Minute Order, and two original Agreements to the Resource Recovery and Waste Management Division, attention Leslie Wells.

**Attachments:**

Agreement for the Processing and Sharing of Revenues and Costs Associated with Commingled Recyclables Delivered to County Facilities Between the City and County of Santa Barbara

**Authored by:**

Leslie Wells, Program Leader, 882-3611