

AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT

Second Reading of Ordinance No. 116, 2026 Appropriating Unanticipated Revenue From the Extended Producer Responsibility Program for Recycling Education and Outreach and Curbside Recycling Collection.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on September 1, 2026, appropriate \$5,525,525 in funds from the statewide Extended Producer Responsibility Program to conduct recycling and outreach education activities and offset the cost of residential recycling service.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

FIRST READING BACKGROUND / DISCUSSION

The statewide Extended Producer Responsibility ("EPR") program shifts the responsibility for funding collection, recycling, and end-of-life management for paper and packaging from consumers to the producers. Large companies that make and sell packaged products in Colorado will pay dues to the Circular Action Alliance ("CAA") that fully cover the cost of recycling those products. The dues are then allocated amongst entities that operate recycling programs to offset the cost of recycling for consumers. The program aims to increase statewide recycling rates from 25% to 55% by 2035 and decrease contamination rates through increased access to recycling services and clear education. CAA is rolling out EPR in phases and is providing funding only for residential recycling services until 2028, but municipal services will eventually be eligible for reimbursement. For more information on the timeline of phases please visit <https://circularactionalliance.org/circular-action-alliance-colorado#timeline>.

To participate, the City will enter into a service agreement with CAA that will provide funding for education and outreach, Administrative Cost, and City provided drop-off and curbside recycling services. The agreement will define service standards, allowable expenses and require regular reporting. The agreement outlines the following funding amounts: \$185,525 for education and outreach, \$40,000 City Administrative Cost, \$5,300,000 for curbside recycling collection, and \$172,996 for the Timberline Recycling Center (which will be appropriated through the Streets Department 2027 budget process). The funds being appropriated now will supplement the recycling education and outreach the Environmental Sustainability

Department already conducts and offset the cost of recycling for residents in the City's residential trash and recycling collection program.

Education and outreach funds will go towards resources and activities such as bill inserts, mailers, door-to-door outreach, events, tours, and local partnerships. This funding will allow the Environmental Sustainability Department to scale up recycling education, reaching a total of 54,000-69,000 households, leading to better recycling from residents.

Curbside collection funds will offset the cost of recycling for more than 37,700 residents receiving curbside service through the City's trash and recycling collection program. These funds will be paid by CAA directly to the City's contracted service provider (Republic Services), where they will be used to offset the cost of recycling, decreasing residents' bills.

EPR will support both the City's zero waste goals and the State's goals around providing consistent recycling service and education statewide. The funding considered in this appropriation will expand local recycling efforts and the City's ability to continue providing quality services.

CITY FINANCIAL IMPACTS

The agreement between the City and CAA will appropriate an additional \$185,525 for recycling education and outreach to be spent between October 1, 2026, and December 1, 2027, \$40,000 annually for partial Administrative costs and \$5,300,000 in pass-through funds to offset the cost of curbside recycling services. Pass through funds will be paid to Republic Services, as the City's contracted service provider, who will apply these funds directly as a discount on residents' bills.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS / LINKS

First Reading attachments available in September 1, 2026, agenda materials at the following link: <https://fortcollins-co.municodemeetings.com/>.

1. Ordinance No. 116, 2026