



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/07/2024

DATE: May 1, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute Agreements with the County of Santa Clara for:
a. AB 939 Implementation Fee Collection and Distribution; and
b. Countywide Household Hazardous Waste (HHW) Collection Program to Augment Funding up to an Additional \$94,219 to the Countywide HHW Program During Fiscal Year (FY) 2024/25

RECOMMENDATION:

Authorize the Town Manager to execute Agreements with the County of Santa Clara for:
a. AB 939 Implementation Fee Collection and Distribution (Attachment 1); and
b. Countywide Household Hazardous Waste (HHW) Collection Program (Attachment 2) to augment funding up to an additional \$94,219 to the Countywide HHW Program during Fiscal Year (FY) 2024/25.

BACKGROUND:

Responsible management of solid waste, including Hazardous Household Waste (HHW) is a requirement under Assembly Bill (AB) 939 and the California Integrated Waste Management Act. State law authorizes cities and counties to impose fees in amounts sufficient to support planning and implementation of integrated waste management programs, including HHW elements. The AB939 Agreement approves the Countywide collection of fees to facilitate safe and appropriate disposal or re-purposing of all wastes. Additionally, the Countywide HHW Agreement is designed to reduce and eventually eliminate the residential hazardous waste that is still sent to landfills countywide and to capture some of the hazardous waste that might otherwise be illegally dumped.

PREPARED BY: Dan Keller
Facilities and Environmental Services Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

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BACKGROUND (continued):

The Town, along with 14 other jurisdictions in the County of Santa Clara (County), executes the AB939 agreement (Attachment 1) to define the terms and conditions under which the County will collect and distribute the fee of \$4.10 per ton of waste to be disposed in Fiscal Years 2025, 2026 and 2027. The fee is divided into two parts: \$1.50 per ton assists in funding an integrated Waste Management Plan, and \$2.60 per ton provides funding to implement the Countywide HHW Program.

The County executes the Agreement for Countywide Household Hazardous Waste Collection Program (Attachment 2) with the Town and each jurisdiction individually, which spells out the desire to use the collected \$2.60 per ton fee to fund the Countywide HHW Program. This arrangement provides operational efficiency to jurisdictions as they do not each have to run their own HHW collection programs. The County HHW Program includes two permanent drop-off facilities for HHW as well as temporary events at various locations in the County periodically throughout the year.

Los Gatos residents use this drop-off service for the responsible disposal of unwanted HHW materials. Los Gatos' portion of the fee is based on tons of materials being disposed of that originated in Los Gatos, including both regular accounts and construction and demolition debris. The County keeps track of the tonnage originating in Los Gatos and the fees collected on that tonnage and keeps a record of the jurisdiction of residence of each person who drops materials off at a HHW Program event. The County also tracks and reports on all the associated expenses for the Program. If the cost to serve Los Gatos' participating residents exceeds the funds collected via the per ton disposal fee, Los Gatos is invoiced for the difference.

Each year the County provides its jurisdiction an estimate of the anticipated shortfall between collected fees and participation cost for the next fiscal year, which they call augmented funds. To assure payment of the shortfall from each jurisdiction, the County creates an amendment to the agreement to identify the expected need for augmented funds. After the end of each fiscal year, the County tallies up actual collection and issues an invoice as appropriate.

DISCUSSION:

The County Board of Supervisors has approved reimposing the Countywide AB939 Implementation Fee for Fiscal Years 2025, 2026, and 2027 (July 1, 2024 through June 30, 2027). The HHW Fixed Program Costs as reflected in Attachment B of Attachment 2 have increased from prior years to an amount not exceeding \$5.07 per household.

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DISCUSSION (continued):

The deadline to return the signed Agreement to the County is no later than June 10 in order for County staff to secure Board of Supervisors approval before the beginning of the next Fiscal Year.

CONCLUSION:

If authorized, this action will provide the agreements and resources needed for Los Gatos residents to participate in the County's HHW program. This program is critical to the Town's compliance with the State of California's Solid Waste laws.

FISCAL IMPACT:

The amount of \$94,219 for funding augmentation of the HHW Program is included as an expense in the Proposed FY 2024/25 Operating Budget within the Environmental Services Program. The amount is calculated based on anticipated resident participation from Los Gatos; actual funding augmentation for FY 2024/25 will be based on actual resident participation.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Agreement for Countywide AB939 Implementation Fee
2. Agreement for Countywide Hazardous Household Waste Collection Program