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**SUBJECT:** A Workshop to discuss and provide potential direction to staff related to the Solid Waste Organics diversion project

**DEPARTMENT:** Public Works

**STAFF:** Casey Wichert, Director of Public Works

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### **TITLE/RECOMMENDATION**

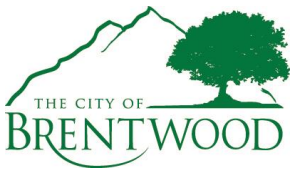
Staff is recommending that the City Council discuss and provide direction on the Solid Waste Organics diversion project and any funding options being considered.

### **DISCUSSION**

As a follow-up to City Council's direction to staff in November 2022, the City entered into an MOU with Anaergia to investigate the technical feasibility and probable cost of implementing a project which would meet the requirements of SB 1383 without placing the burden of compliance on residents. That study is complete, and staff has been working with Anaergia and a construction company to understand and refine the results of the study. Staff is at the point now where it is appropriate to share with Council the results of the study, various options available for additional revenues, the additional forecasted costs of the project, and to solicit time-sensitive direction to move the project forward with eligible tax credits.

To briefly recap, in November 2022, the City Council committed to investigating a project to provide a mechanical means of separating organic material from the garbage waste stream, rather than require residents to sort and separate food waste from other household waste. Other cities that do not provide their own garbage collection service were forced to add additional garbage collection bins, additional collection routes, institute education and enforcement measures, and pay higher transportation and disposal fees to dispose of organic food and yard waste at alternative facilities. These measures all add up to rate increases, sometimes as high as 30% in more in other local cities.

The feasibility study looked at several options to process all the City's garbage in a central location and separate the organic material mechanically. This project envisions installing specialized equipment to process the organic material and make it suitable for use in an anaerobic digester. Anaerobic digestion of organic material



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produces methane gas, which is the primary component of natural gas. The methane that is generated can be used as fuel for generators, which could then provide electrical power, or it could be “polished” and injected back into PG&E’s natural gas pipeline. The advantages and disadvantages of each of these options will be discussed.

While this time-sensitive workshop will be highly technical in nature, the direction given by Council is important because it will directly affect the capital costs of the project, the potential cost impacts to residents, and the magnitude of the new revenue that could be generated by the project.

**ATTACHMENT(S)**

- 1.) Resource Recovery Project Feasibility Study Report