

COUNTY OF NEVADA COMMUNITY DEVELOPMENT AGENCY DEPARTMENT OF PUBLIC WORKS

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: March 12, 2024

TO: Board of Supervisors

FROM: George Schureck, Interim Director of Public Works

SUBJECT: Resolution Approving Contract with Zero Foodprint (ZFP), a

California Nonprofit Corporation, to Meet 2024 SB1383 Procurement Targets (1,972.8 tons compost) for An Amount Not-To-Exceed \$76,947 and Directing the Auditor Controller to amend the Fiscal Year

2023/24 Budget and Encumber the Contract.

RECOMMENDATION: Approve the attached Resolution.

<u>FUNDING</u>: General fund and a budget amendment is requested for FY 2023/24 in the amount of \$76,947 to cover the full contract expenses to meet this new State requirement under SB 1383.

BACKGROUND: In September 2016, Governor Brown set methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). Effective January 1, 2022, the law mandates that businesses and governments divert organic waste away from landfills and instead use composting, anaerobic digestion, and other methods to recycle organic waste. As part of this effort each Jurisdiction in California is required to procure quantities of Recycled Organic Waste Products (ROWP) based on their population. The per capita procurement target equals 0.08 tons of organic waste per resident per year. Unincorporated Nevada County's population, calculated at 65,414, equates to a ROWP procurement target of 5,233 tons. In September 2022, California passed AB1985, approving temporary adjustments to SB1383, including the targets of ROWP procurement. This Bill provides a step-up approach to 100% of procurement targets, by adjusting the targets as follows: 2023, 30% of the procurement targets; 2024, 65%; and 2025 and beyond, 100% of procurement targets. Compost, one of four acceptable ROWPs, is valued at the highest equivalent—meaning that .58 tons of compost is considered 1 ton of ROWP. Thus, Unincorporated Nevada County's 2024 procurement targets is 3,401.5 tons ROWP or 1,972.8 tons compost.

To evaluate and identify the most cost-effective and practical method for meeting and funding this mandate the County convened an internal working group comprised of members from various County divisions including CEO's Office, Facilities/Purchasing, Environmental Health, County Counsel, Board Office, OES and R3 Consulting Group, Inc., who the County and City of Grass Valley have contracted with to assist with SB1383 implementation. Zero Foodprint (ZFP) was identified as the only viable and most cost-effective short-term option for meeting our goal.

ZFP is a California nonprofit organization with the goal of reducing the carbon footprint of the food industry in California. In response to SB1383, ZFP created the farmer-facing program "Compost Connector." This program matches farms and ranches seeking compost with funding from jurisdictions interested in meeting SB1383 procurement targets, which creates the financial opportunities for additional compost use throughout the State. Under the program farmers enter

into an agreement that allows them to procure SB1383 compliant material from any appropriately permitted transfer/processing facility. Farmers then receive rebates once they provide documentation that they meet the minimum requirements of the program, which are intended encourage proper application and guarantee compliance with SB1383 requirements. In addition to the procurement services, ZFP maintains all records of the compost transaction and use, providing project level details and reporting documentation as required by SB 1383.

In July 2023 the County entered a Contract with ZFP to meet our 2023 procurement target of 910.5 tons of compost at \$39 per ton for a total cost not to exceed \$35,511.00. Staff is recommending that the Board of Supervisors approve a 2024 contract with ZFP to procure 1,972.8 tons compost (2024 target). To increase local participation the County has worked with ZFP to create a program that gives incentives to Nevada County farms, including:

- ZFP will create and host a Nevada County specific website.
- Reduction of the minimum procurement requirements for participating Nevada County farms from the standard 20 tons to 5 tons.
- Increased rebates for Nevada County Farms, i.e., the average incentive for Nevada County Farmers would be approximately \$33 per ton, vs approximately \$20 per ton for farmers outside of the County.
- Open the program early to Nevada County farmers (March-July), before making any remaining funds available for use on farms outside of the County to ensure we meet our minimum procurement targets.
- Staff will be doing community outreach to encourage local participation.

Staff recommends approval of a contract with ZFP for total not to exceed amount of \$76,947 (1973 tons x \$39/tons) to meet our 2024 SB1383 procurement targets. The minimum contract amount would be \$59,190 (986.5 tons x \$39/ton for Nevada County Farmers, or 986.5 tons x \$21/ton for Non-County Farmers if applicable). This cost covers program administration, record keeping and reporting.

Item Initiated by: David Garcia, Solid Waste Program Manager **Approved by:** George Schureck, Interim Public Works Director

Attachments: Standard PSC Zero Foodprint 2024