



To: Zero Waste Advisory Commission
From: Sam Angoori, P.E., Interim Director
Austin Resource Recovery Department
Date: June 14th, 2017
Subject: **Director's Monthly Report to the Zero Waste Advisory Commission**

ARR Master Plan

The Department will begin preparations to develop a Request for Proposals for a consultant to assist ARR with updating the Zero Waste Master Plan. Funding for such a study will be requested in the FY '19 budget. Commissioners and the general public will be given opportunities to provide input to the consultant during the process to ensure that the programs the community feels are important, or lacking, may be addressed. Master Plan program implementation accomplishments as of May, 2017 are listed below.

Universal Recycling Ordinance

- Completed public workshops to develop new rules for Phase 1 of the ordinance.
- Conducted stakeholder meetings on Phase 2 of the ordinance and presented ordinance amendments to City Council.
- Conducted outreach to property managers to inform them of the ordinance requirements and timing; provided training.
- Hired and trained Austin Recycling Ambassadors to provide on-going technical assistance to commercial businesses.

Organics Composting

- Year 1 of organics collection pilot program; conducted research on adding food scraps and compostable paper to yard trimmings collection program; identified neighborhoods for pilot program.
- Year 2 of organics collection pilot program; conducted follow-up stakeholder education; evaluated results; assessed and refined program.
- Contracted and implemented pilot program for food scrap collection at restaurants in cooperation with Greater Austin Restaurant Association members.
- Conducted community-based social marketing to educate participants about organics collection pilot effort.
- Informed residents and businesses about the quality of compost products; provided a composting grading system to encourage "highest and best" use of compost products through support of US Composting Council
- Initiated Master Composter and Junior Composter certification program through support of US Composting Council

- Assessed and refined new composting incentives program; expanded program; developed compost program outreach materials; presented new public education on household and community garden on-site composting.
- Full implementation of organics collection from ARR customers for composting: Organics pilot began in 2013; 14,322 customers are currently participating in the pilot.

Completed Ordinance Processes:

- Construction & Demolition Ordinance
- Hauler Registration Ordinance
- Single-Use Bags Ordinance

Brownfields

- Transferred Brownfields Program and staff to Austin Resource Recovery.
- Facilitated land reuse and redevelopment discussions with economic developers, financiers, manufacturers, government officials, consultants, and other interested parties.
- Provided Brownfield forums to educate developers and Brownfield property owners about potential land reuse opportunities.
- Applied and approved for US EPA Cleanup loan: A Revolving Loan Fund application was submitted December 2015 and was approved by Environmental Protection Agency in May of 2016
- Formed Regional Brownfield Forum with representatives to: educate, strategize solutions, resources, & partnerships.

Improved Services

- Textiles Collection: pilot program launched December 2016.
- Assigned a Storm Debris Management response team; developed and planned for resources necessary to implement a Storm Debris Management Action Plan; implemented plan.
- Added aluminum foil and scrap metal to ARR recycling program.
- Added durable plastic to ARR recycling program.
- Expanded battery take-back program.
- Expanded hours of operation at the HHW Collection Facility.
- Implemented Clean Austin collection program ARR customers.
- Identified appropriate recycling container placement for the public area recycling program.
- Procured first 50% of the recycling containers for public area recycling program; ARR has installed over 100 recycling containers in the downtown area.
- Researched and purchased more climate-friendly equipment: Alley and Street Flushing Services
- Researched and purchased more climate-friendly equipment: Litter Control Services
- Increased Event Recycling and Composting Container inventory for container loan program

Collections Improvements

- Researched and purchased new equipment to better handle larger dead animal collections.

Community Engagement

- Worked with Austin Independent School District in establishing a site for a Teacher Creative Reuse Center
- Participated in development, promotion, and implementation of Green Business Leaders Program
- Provided an information clearing house for Austin businesses to support “waste pairings”
- Developed and contracted for comprehensive Youth Education Program: Keep Austin Beautiful

- Conducted community-based education about City Facility reuse, recycling and composting programs; provided technical assistance to City Departments and City Facilities; ensured City Facility compliance with Universal Recycling and Composting Ordinance.
- Coordinated with Office of Sustainability to form an Inter-Departmental Green Team; meet to identify opportunities for partnerships and provide leadership in Zero Waste.
- Increased training sessions to include community gardens and garden stores on on-site. composting: Approximately 25 classes held per year.
- Established a Zero Waste training program; conducted trainings for new city hires.

Facilities

- Evaluated sites and cost involved in constructing and operating a North HHW Collection Facility.
- Re-purposed the Transfer Facility into a Resource Recovery Center.
- Prepare Todd Lane Transfer Facility for bulk collection and drop-off; transfer Resource Recovery program to Todd Lane.

Research

- Researched methane gas recovery systems. Report determined that gas quality was not sufficient for a gas-to-energy system to be profitable
- Researched and implemented more climate-friendly sweeper routes.
- Explored public/private partnerships for storm debris management.
- Participated in national and international Extended Producer Responsibility policy development.
- Researched impact of single-use plastic bag ordinance.

ReUse

- Identified sources of materials that could be made available to secondary materials process.
- Identified the companies, locally and nationally, that use the materials produced by Austin generators, to recruit these businesses to locate in the region.
- Prepared list of local reuse operations, manufacturers and composters using reclaimed and recycled materials; conducted media outreach and developed publications to encourage residents and businesses in Austin to embrace the “Re-Made in Austin” brand
- Prepared list of local Zero Waste businesses and amendd the purchasing policy to provide preference for Zero Waste businesses. ARR and Office of Sustainability created Austin’s Green Business Leader Program; purchasing preferences for sustainability attributes is ongoing
- Supported the development of a “Re-Made in Austin” alliance of manufacturers that use recycled feed-stocks to share resources and promote the recycling and recycled content
- A consultant presented an evaluation of the [Re]Manufacturing Hub to the Zero Waste Advisory Commission in May 2017.

In progress:

- As appropriate, implement weekly recycling and biweekly trash collection among ARR customers when residential diversion reaches 60%. Weekly recycling in the FY18-22 Forecast to be implemented in October 2020 (impacts FY20 and FY21)
- Conduct stakeholder meetings and present Council with Event Recycling ordinance: currently Austin Center for Events is working on ordinance with stakeholders.
- Conduct community-based social marketing on pilot effort for on-call bulk item and brush collection

On hold indefinitely:

Site four locations for Austin Reuse Centers; not financially feasible.
Install improved gas recovery system; not financially feasible.

Office of Performance Management Review

The Office of Performance Management (OPM) Departmental reviews are progressing and ARR has compiled departmental biographical and historic information and data to OPM. Additionally, OPM has recently been tasked with conducting workshops for six strategic outcomes and indicators intended to frame the City's strategic plan with metrics and targets for each indicator, and produce strategies and initiatives to address these challenges. As progress continues on the initiatives and reviews, ARR will provide updates to ZWAC.

[re]Manufacturing Hub Update

Based upon information from the consultant and the high cost, staff will not construct the Remanufacturing Hub at this location. Staff will continue to look at options for economic development opportunities.

Background

In the May discussion on the Austin [re]Manufacturing Hub, Commissioners asked staff for more details about existing infrastructure at 10108 FM 812, the project's expenditures to date, the funding source for economic incentives, and the limitation on project-based incentives.

Uses for 10108 FM 812 As-Is

The southern parcel of approximately 95 acres at 10108 FM 812 is served by a 36-inch water line along FM 973 to the east and a 6- and 8-inch line along FM 812 to the south. Electric service to the property is provided by Bluebonnet Electric Cooperative. There is 3 phase power along FM812 to the south and single phase power on the east side of FM 973. There are no waste water lines adjacent to this parcel. Access to the parcel is via a gravel road from FM 812, and a gravel road rings the perimeter of the property. Any development that would cause an increase in storm water run-off would require detention and water quality facilities which are not currently present on site. The property is subject to other development limitations set by the airport overlay, including a restriction on bird attractants such as putrescible waste (i.e. no composting).

A complete and accurate analysis of the specific types of operations that could be supported by the property under the existing undeveloped conditions would require further study and outside expertise.

Previous Expenditures for the Austin [re]Manufacturing Hub

To date, Austin Resource Recovery has spent approximately \$722,000 on exploring the development of the Austin [re]Manufacturing Hub. This figure includes approximately \$381,000 in engineering services and \$208,000 in payments to other City departments for costs such as project management, drainage fees, and zoning fees. It does not include costs incurred by other departments.

Economic Incentives Funding

Economic development grants (also called "Chapter 380 grants") are awarded to companies expanding in or relocating to Austin with a competitive project that will create jobs and investment; generate a positive return on investment for the City; will meet minimum requirements regarding wages, benefits, and MBE/WBE contracting opportunities; and that score a minimum of 60 points on a Council-approved evaluation matrix. Companies receiving grants enter into an agreement with the City, typically lasting 10

years, and grants are paid on an annual basis once a company's compliance with the agreement in the previous year has been verified by staff and a third-party auditor.

These grants are paid for each year using the Economic Incentives Reserve Fund, which was created in 2007 to hold property tax revenue. The fund currently faces a deficit of \$3.2 million to meet future year obligations. The fund's FY 16-17 ending balance of \$13.6 million is sufficient only to pay for the FY 17-18 requirements of approved grants.

Project-Based Incentives

Council Resolution #20071206-049, approved in 2007, eliminated the project-based incentives element of the City's economic development program. There are currently two approved methods of awarding Chapter 380 economic development funds: the "firm-based matrix" (most recently updated in Resolution #20131024-056) and through the Creative Content Incentive Program (approved in Ordinance #20140515-008). Neither program accommodates funding for infrastructure improvements for an eco-industrial park such as the Austin [re]Manufacturing Hub.

Economic Development staff are currently working on updating the economic development policy. Resolution #20170302-034, passed on March 2, 2017, directs the City Manager to develop recommendations for reforming the economic development incentive policy to result in increased community benefits, including the creation of middle-skill jobs, job training, paid internships or apprenticeships in targeted occupations; increased employment among hard-to-employ populations; and increased availability of affordable commercial space for local small businesses. These benefits align with ARR supporting and attracting remanufacturing businesses to Austin and create an opportunity for this program to further that goal.

Moving Forward

The Austin [re]Manufacturing Hub was intended to make productive use of City-owned land and to support the local growth of the recycling and reuse manufacturing companies that would provide needed living wage jobs and investment in southeast Austin. The results of the EPS report indicate that the current concept to achieve these goals through a large-scale eco-industrial park development on the City's property at 10108 FM 812 would face major hurdles to attracting a private development partner and that more efficient alternatives to further the goal of growing recycling and reuse manufacturing jobs are available.

Staff recommends a two-pronged approach moving forward:

- 1) Repurposing the land at 10108 FM 812 for an appropriate public use. ARR has had preliminary discussions with Austin Energy regarding installing a solar array at the property.
- 2) Developing policy and programmatic recommendations for attracting recycling and reuse manufacturing businesses to locate within Austin within the framework of Council-directed revisions to the economic development policy. Staff will work directly with the Economic Development Department team to include policy and program recommendations that would make real estate in Austin more affordable and attractive to remanufacturers.

Actions Taken by City Council since last ZWAC Meeting

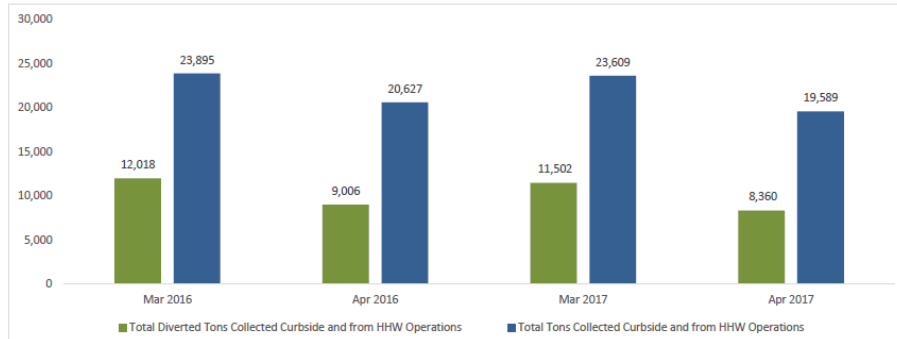
May 18, 2017 Council Agenda: Council authorized negotiation and execution of a contract to provide Outreach Services for Residential Compost Program for the planned expansion of curbside residential compost services. Recommended at May 10th ZWAC meeting.

May 25, 2017 Council Working Group on Waste Management Policy: ZWAC appointed Commissioner Blaine as their representative to this group attended by multiple stakeholders and city staff. Council previously established this working group to examine and provide recommendations on Austin Resource Recovery and Austin Water organics and recycling policies and contracts. The working group is scheduled to return to the full City Council with recommendations no later than July 1, 2017.

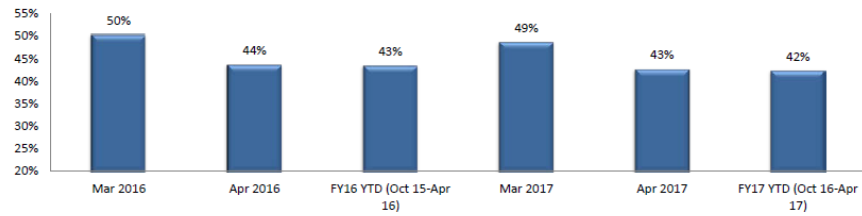
Statistical Reports

Austin Resource Recovery Curbside Collection and HHW Operations									
Description of Services	LAST FISCAL YEAR					CURRENT FISCAL YEAR			
	FY 2015	FY 2016	Mar 2016	Apr 2016	FY16 YTD (Oct 15-Apr 16)	Mar 2017	Apr 2017	FY17 YTD (Oct 16-Apr 17)	FY 2017 Goal
Tons Disposed									
Tons of curbside Trash	130,784	129,266	11,814	10,877	73,501	11,841	10,515	76,589	124,800
Tons of Curbside Bulk Disposed	9,525	11,889	26	701	5,995	219	672	4,974	7,581
HHW Operations Tons Disposed	432	488	37	43	264	47	42	261	380
Total Disposed Tons Collected Curbside and from HHW Operations	140,741	141,603	11,877	11,621	79,760	12,107	11,229	81,824	132,741
Tons Diverted									
Tons of curbside recycling	57,324	58,879	5,073	4,717	34,597	5,139	4,529	34,267	65,825
HHW Operations Tons recycled/reused	311	436	42	34	235	29	40	231	270
Tons of Curbside Yard Trimmings	28,038	32,805	5,874	3,512	22,088	5,477	3,089	21,268	40,407
Tons of Curbside Bulk Recycled	171	276	126	12	202	1	10	69	142
Tons of Curbside Brush Collected	7,776	8,460	903	731	4,255	857	893	4,342	8,000
Total Diverted Tons Collected Curbside and from HHW Operations	93,618	100,656	12,018	9,006	61,375	11,502	8,360	60,204	114,644
Total Tons Collected Curbside and from HHW Operations	234,359	242,259	23,895	20,627	141,134	23,609	19,589	142,029	247,385
Percent of Waste Stream Diverted by Curbside and HHW Operations	39.95%	41.55%	50.30%	43.66%	43.49%	48.72%	42.68%	42.39%	46.34%
Pounds of Trash collected per customer per pickup	25.96	25.83	28.36	26.11	25.23	28.12	24.97	26.06	24.59
Number of Trash customers	191,580	192,478	192,295	192,304	192,095	194,395	194,351	193,789	195,199
Pounds of Recycled materials collected per customer per pickup (every other week)	23.20	23.69	24.54	22.81	23.93	24.57	21.66	23.51	26.39
Pounds of Yard Trimmings collected per customer per week	5.67	6.56	14.20	8.49	7.64	13.09	7.39	7.29	6.21
Number of Recycling and Yard Trimmings customers	190,088	191,156	190,874	190,942	190,652	193,082	192,994	192,425	191,864
Number of PAYT pickups	52	52	4.33	4.33	30.33	4.33	4.33	30.33	52
Total tons of Dead Animals Collected from COA rights-of-way and the animal shelter	62	39	3	3	25	3	4	26	67
Estimated tons of curbside recycling processed by vendors as residual - based on bi-annual sample route audit	8,884	9,556	813	788	5,568	781	889	5,282	N/A
Tons of Curbside Textiles Collected	N/A	N/A	N/A	N/A	N/A	22	21	178	N/A
Tons of Curbside Compost Collected	Pending	4,123	508	428	2,559	747	499	3,481	N/A

Austin Resource Recovery Curbside Collection and HHW Operations



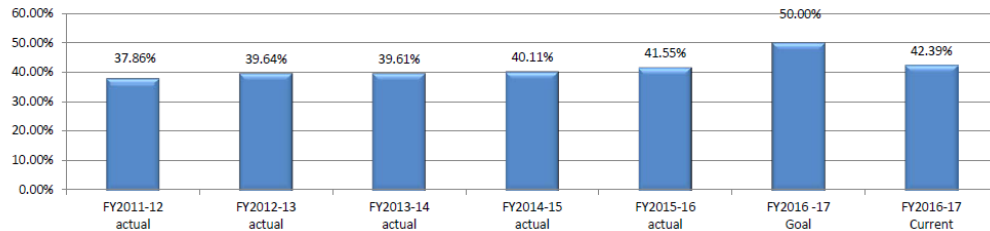
Percent of Waste Stream Diverted from Curbside and HHW Operations



Austin Resource Recovery Curbside Collection and HHW Operations

Reporting Status and Diversion Results for All Categories of Waste Generation							
Category of Waste Generation	FY2011-12 actual	FY2012-13 actual	FY2013-14 actual	FY2014-15 actual	FY2015-16 actual	FY2016-17 Goal	FY2016-17 Current
Residential Waste Diversion (city serviced accounts)	37.86%	39.64%	39.61%	40.11%	41.55%	50.00%	42.39%
Commercial / Industrial Waste Diversion	information not available						
Institutional Waste Diversion	information not available						

Residential Waste Diversion (city serviced accounts)



Zero Waste Advisory Commission - June 14th, 2017								
Single Stream Recycling Statistical Report								
FY17: October 2016 - February 2017								
Texas Disposal Systems (TDS) and Balcones Resources, Inc. (BRI)								
Month and Year	Contractor	Tons Delivered	Contractor Payments			Net Value to the City	Landfill Cost Avoidance	
			Revenue	Processing Cost	Net Amount Due/(Owed)	\$ per ton value	Cost Per Ton	Total
October 2016	TDS	1,938.46	\$97,782	\$175,431	(\$77,649)	(\$40.06)	\$21.55	\$41,774
	BRI	2,560.51	\$80,302	\$191,070	(\$110,768)	(\$43.26)	\$21.55	\$55,179
	Total	4,498.97	\$178,083	\$366,501	(\$188,417)			\$96,953
November 2016	TDS	2,033.25	\$107,888	\$184,009	(\$76,122)	(\$37.44)	\$21.55	\$43,817
	BRI	2,950.92	\$91,498	\$214,105	(\$122,607)	(\$41.55)	\$21.55	\$63,592
	Total	4,984.17	\$199,385	\$398,114	(\$198,728)			\$107,409
December 2016	TDS	1,818.52	\$98,093	\$164,576	(\$66,483)	(\$36.56)	\$21.55	\$39,189
	BRI	3,280.63	\$102,662	\$232,435	(\$129,773)	(\$39.56)	\$21.55	\$70,698
	Total	5,099.15	\$200,755	\$397,011	(\$196,256)			\$109,887
January 2017	TDS	2,740.22	\$154,167	\$247,990	(\$93,823)	(\$34.24)	\$21.55	\$59,052
	BRI	2,757.55	\$92,743	\$202,695	(\$109,952)	(\$39.87)	\$21.55	\$59,425
	Total	5,497.77	\$246,910	\$450,685	(\$203,775)			\$118,477
February 2017	TDS	2,110.15	\$132,112	\$190,969	(\$58,857)	(\$27.89)	\$21.55	\$45,474
	BRI	2,436.68	\$90,979	\$183,764	(\$92,785)	(\$38.08)	\$21.55	\$52,510
	Total	4,546.83	\$223,091	\$374,732	(\$151,641)			\$97,984
FY17 Totals		44,716.09	\$1,048,225	\$2,437,728	(\$1,142,593)			\$649,186