

- **TO:** Mayor and Councilmembers
- **FROM:** Charles W. Ebeling, Public Works Director
- CONTACT: Melissa Nelson, Environmental Services Coordinator
- **SUBJECT:** County ReSource Center Procurement Benefits Sharing Plan for Anerobic Digestion Facility

RECOMMENDATION:

Approve and authorize the City Manager to execute a Memorandum of Understanding titled the "Santa Barbara County ReSource Center SB 1383 Procurement Benefits Sharing Plan for the Anerobic Digestion Facility" between the County of Santa Barbara and the cities of Buellton, Goleta, Santa Barbara, and Solvang.

BACKGROUND:

On September 19, 2016, then Governor Jerry Brown signed into law Senate Bill 1383. This bill required the State Air Resources Board to approve and implement a comprehensive strategy to reduce emissions of short-lived climate pollutants to achieve a reduction in methane by 40%, hydrofluorocarbon gases by 40%, and anthropogenic black carbon by 50% below 2013 levels by 2030, as specified. The bill also established specified targets for reducing organic waste in landfills across the state.

SB 1383 went into effect on January 1, 2022, and in response the Cooperating Partners including the County of Santa Barbara ("County"), and the cities of Buellton, Santa Barbara, Solvang and Goleta participated in the development of a Memorandum of Understanding (MOU) to implement the Santa Barbara County ReSource Center SB 1383 Procurement Plan for the Anerobic Digestion Facility.

DISCUSSION:

The purpose of this MOU is to establish a procurement plan in accordance with Senate SB 1383 for the Cooperating Partners to share in the benefits of the renewable energy generated by the Anaerobic Digestion Facility (ADF) at the Santa Barbara County ReSource Center and to create a market and supply of renewable resources from recycled organics. SB 1383 mandates jurisdictional targets for procurement of reusable organics (i.e., compost and mulch) and/or renewable energy (i.e. methane gas) generated from organics in an ADF or biomass facility. In sharing the ReSource Center ADF's renewable energy, the City of Goleta will meet most of the procurement requirements

under SB 1383 and supplement the City's overall goal of reducing organics in landfills, and by extension reduce greenhouse gas production statewide. This MOU is in addition to the Materials Delivery Commitment & Processing Services Agreement held individually between the County and each City and dated November 17, 2016.

This MOU allows the County of Santa Barbara and the cities of Buellton, Santa Barbara, Solvang and Goleta to share in the benefits of the renewable energy created by the ReSource Center ADF and to help comply with SB 1383 and the City's strategic goals.

GOLETA STRATEGIC PLAN:

Citywide Strategy: 1. Support Environmental Vitality

Strategic Goal: 1.1 Promote renewable energy, energy conservation and local energy resiliency.

FISCAL IMPACTS:

There is no fiscal impact associated with this item.

ALTERNATIVES:

If the City of Goleta does not benefit from the renewable energy created by the ReSource Center ADF under this MOU, it will be challenging to procure enough recycled organic material (i.e., compost and mulch), or renewable energy from another ADF/biomass facility to meet the goals established by SB 1383.

Without the MOU, the City of Goleta would incur substantial additional costs to enable the procurement of compost, mulch, or other renewable energy needed to obtain compliance. Additionally, regionally there are a limited number of facilities that produce compost, mulch, or other renewable energy in a manner that aligns with the requirements of SB 1383. Therefore, without this agreement, the City will be challenged to meet its procurement targets under SB 1383.

Reviewed By:

Legal Review By:

Approved By:

Kristine Schmidt Assistant City Manager

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Megan Garibaldi City Attorney

Michelle Greene **City Manager**

ATTACHMENTS:

1. Memorandum of Understanding titled the "Santa Barbara County ReSource Center SB 1383 Procurement Benefits Sharing Plan for the Anerobic Digestion Facility"

ATTACHMENT 1

Memorandum of Understanding (MOU) Santa Barbara County ReSource Center Senate Bill 1383 (SB1383) Procurement Benefits Sharing Plan for the Anerobic Digestion Facility

ATTACHMENT A

Memorandum of Understanding (MOU)

Santa Barbara County ReSource Center SB 1383 Procurement Benefits Sharing Plan for the Anerobic Digestion Facility

2022

This Memorandum of Understanding ("MOU") is entered into by and between the County of Santa Barbara ("County") and the cities of Buellton, Goleta, Santa Barbara, and Solvang ("Partner Cities/City" and collectively with the County "Cooperating Partners") to implement the Santa Barbara County ReSource Center SB 1383 Procurement Plan ("Plan") for the Anerobic Digestion Facility.

1. Purpose of this MOU

The purpose of this MOU is to establish a procurement plan in accordance with SB 1383 for the Cooperating Partners to share in the benefits of the Anerobic Digestion Facility ("ADF") and to create a market and supply of renewable resources from recycled organics. This MOU is in addition to the Materials Delivery Agreements between the Cooperating Partners. (The "Materials Delivery Agreements" are the Materials Delivery Commitment & Processing Services Agreement individually between the County and each City dated November 17, 2016.) It is the intention of the Cooperating Partners for this MOU to supplement the overall goal of reducing organics in landfills and by extension reduce greenhouse gas production statewide.

2. <u>Plan Manager</u>

The County will act as the Plan manager and provide overall coordination of the Plan. The County will provide Plan updates and schedule meetings, as necessary, with the Partner Cities.

3. Procurement of Recovered Organic Waste Products

In accordance with California Code of Regulation, Title 14, Section 18993.1(e)(2), and the Materials Delivery Agreements, the County will act as a direct service provider to the Partner Cities and will procure recovered organic waste products, including compost, renewable gas, electricity from biomass conversion, and heat, through operation of the ADF.

4. <u>Records</u>

The County shall maintain records of all recovered organic waste products that it is able to procure through operation of the ReSource Center and the ADF. Records shall comply with California Code of Regulations Title 14, Section 18993.2(a)(4), and will include procurement of recovered organic waste products made by the County on behalf of each Partner City, including invoices or similar records evidencing procurement. County shall provide said records to the Partner Cities, or make said records available during normal business hours at the request of the Partner Cities.

5. Financial Considerations

Each Cooperating Partner shall be solely responsible for all costs for its own staff time incurred as a result of, related to, in connection with, or arising out of its participation in the MOU. All other costs shall remain as set forth in each Partner City's Materials Delivery Agreement.

6. Indemnify, Defend, and Hold Harmless

Each Cooperating Partner and its agents, employees, and contractors shall act in an independent capacity and not as officers, employees, or agents of any other Cooperating Partner. No Cooperating Partner assumes any liability for the activities of another Cooperating Partner in the performance of this MOU, and each Cooperating Partner (i) is responsible in proportion to its respective fault for all liability, including but not limited to personal injury or property damage that may arise out of this MOU and, (ii) specifically repudiates the division of liability otherwise provided for in Chapter 21 of Part 2 of Division 3.6 of Title 1 of the Government Code, entitled "Tort Liability under Agreements between Public Entitles," section 895 et seq., to the extent applicable. Each Cooperating Partner expressly agrees to defend, indemnify, and hold harmless the other Cooperating Partners and their directors, supervisors, council members, officers, agents and employees from and against any and all loss, liability, expense, claims, suits, and damages, to the extent arising out of or resulting from the negligent acts, errors or omissions, or the intentional or willful misconduct of the

indemnifying Cooperating Partner, its associates, employees, sub-consultants, or other agents, in the operation of and/or performance of this MOU. This provision will survive the expiration or termination of this MOU.

5. <u>Term</u>

This MOU, as an extension of the existing Materials Delivery Agreements, became effective on January 1, 2022, and shall remain in effect for the same term as the Material Delivery Agreement, until December 31, 2038, as may be extended. The County may terminate this MOU effective 30 days after the County gives notice to the Partner Cities. Any Partner City may withdraw from this MOU effective 30 days after giving the County notice, which shall not affect the continuation of this MOU for the remaining Cooperating Partners.

6. Counterparts & Authority to Sign

This MOU may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument. All signatories to this MOU warrant that they have the power and authority to enter into this MOU on behalf of the named Cooperating Partner.

7. Notices

All notices or other official correspondence relating to MOU matters between the Cooperating Partners shall be addressed to:

Carlyle Johnston, Project Leader County of Santa Barbara Resource Recovery and Waste Management Division 130 E. Victoria Street, Suite 100, Santa Barbara, CA 93101 Email: cjohnst@countyofsb.org

Notices to Participating Cities shall be sufficient if delivered to the Clerk of the Partner City, or other person specifically noted in the Partner City's signature block, as may be updated with written notice to all Cooperating Partners.

8. <u>Severability</u>

If any section, paragraph, sentence, clause or provision of this MOU shall, for any reason, be held to be invalid or unenforceable, then the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of this MOU.

9. <u>Amendments</u>

This MOU may only be amended in writing and approved and signed by all Parties.

10. Applicable Law

This MOU shall be governed by and constructed in accordance with the State of California.

In witness whereof, the Cooperating Partners hereto have executed this MOU.

[Note: Each Cooperating Partner has a separate attached signature page.]

SIGNATURE SHEET FOR THE COUNTY OF SANTA BARBARA

ATTEST:	COUNTY OF SANTA BARBARA:		
Mona Miyasato			
County Executive Officer			
Clerk of the Board			
By:	By:		
Deputy Clerk	Joan Hartmann		
1 5	Chair, Board of Supervisors		
	Date:		
RECOMMENDED FOR APPROVAL:	APPROVED AS TO ACCOUNTING FORM: Betsy M. Schaffer, CPA Auditor-Controller		
By:	By:		
Department Head	Deputy		
APPROVED AS TO FORM:	APPROVED AS TO FORM:		
Rachel Van Mullem	Risk Management		
County Counsel	-		
By:	Ву:		
Deputy County Counsel	Risk Management		

SIGNATURE SHEET FOR THE CITY OF BUELLTON

ATTEST:

CITY OF BULLETON:

City Clerk

By:		By:	
	Linda Reid		Scott Wolfe, City Manager
		Date:	
		Address:	
		Notices	
		Attn:	

SIGNATURE SHEET FOR THE CITY OF GOLETA

ATTEST:

CITY OF GOLETA:

By:		By:	
	Deborah Lopez, City Clerk		Michelle Greene, City Manager
		Date:	
		Address:	130 Cremona, Goleta, CA 93117
		Notices	Melissa Nelson,
		Attn:	Environmental Services Coordinator

APPROVED AS TO FORM:

By: _____

Winnie Cai, Assistant City Attorney

SIGNATURE SHEET FOR THE CITY OF SANTA BARBARA

ATTEST:

CITY OF SANTA BARBARA:

Clerk of the Council

By:		By:	
	Deputy Clerk		Rene Eyerly, Interim Assistant City Administrator
		Date:	
		Address:	735 Anacapa St, Santa Barbara 93102
		Notices Attn:	Lorraine Cruz Carpenter, Acting Environmental Services Manager

APPROVED AS TO FORM:

By: _____

Dan Hentschke, Assistant City Attorney

SIGNATURE SHEET FOR THE CITY OF SOLVANG

ATTEST:

CITY OF SOLVANG:

By: _____

By:

Annamarie Porter, City Clerk

Date:

Xenia Bradford, City Manager

Date:

APPROVED AS TO FORM:

By: _____

Dave Fleishman, City Attorney

Date: