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DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

CITY HALL  
ROOM 207  
915 I STREET  
SACRAMENTO, CA  
95814-2673

OFFICE OF THE DIRECTOR

916-449-5283

June 16, 1992

APPROVED  
BY THE CITY COUNCIL

ADMINISTRATION  
916-449-8747

City Council  
Sacramento, California

JUN 16 1992

FAX 916-449-5573

Honorable Members in Session:

OFFICE OF THE  
CITY CLERK

**SUBJECT: Application to Department of Conservation for Recycling Grant**

**LOCATION AND COUNCIL DISTRICT**

CITY

**SUMMARY**

The Department of Conservation, Division of Recycling (DOC/DOR) grants \$1.5 million to statewide nonprofit and local conservation organizations for recycling activities. Funds for this purpose are set aside pursuant to Section 14581 of the California Beverage Container Recycling and Litter Reduction Act. A grant application will be prepared by Solid Waste Division staff for submittal to the Department of Conservation.

**STAFF RECOMMENDATION**

Staff recommends that Council adopt a Resolution authorizing the City Manager to submit a grant application to the Department of Conservation for costs related to the development of alternative end uses for glass cullet.

**BACKGROUND INFORMATION**

Glass containers collected in the municipal curbside recycling program are becoming increasingly difficult to market. The City of Sacramento is currently paying a negative \$40/ton scrap value to recycle glass cullet collected in its curbside recycling program. Although this cost is partially offset by a payment of \$35/ton in California redemption value, this negative market for glass containers is expected to decline even further. As other municipal

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programs in the area begin collection and as the City of Sacramento's program is expanded to provide for increased diversion, this market will continue to worsen unless new end uses for this product are developed.

The current market for glass will only accommodate a small percentage of mixed cullet. This is due to the strict industrial specifications utilized by the glass container manufacturing industry to produce green, brown and clear glass which meet industry standards.

The City of Sacramento projects the collection of well over 250 tons/month of glass containers when its curbside recycling program is fully implemented in September of 1992. This tonnage represents a negative scrap value of approximately \$10,000/mo. or \$120,000/yr. under our current contract with Smurfit Recycling Company. This is not an acceptable expense in the light of potential viable alternative end uses for glass cullet such as aggregate base.

**FINANCIAL CONSIDERATIONS**

The City of Sacramento has budgeted monies to pay for curbside recycling at all single family residences within the City. If the negative glass scrap value continues to increase due to retrograde market conditions, it is possible that the rate subsidy used to support this program will have to increase. Any monies received from this grant will be applied toward activities to develop alternative end uses for glass cullet such as road aggregate base. The development of such alternative end uses would improve local markets and could increase the City's share of revenue from the sale of glass materials collected in its curbside recycling program.

**POLICY CONSIDERATIONS**

Applications for grant funding to develop markets for recycled feedstock is consistent with Council policy to achieve 70% diversion of the City's solid waste stream by year 1999. Market development activities are consistent with the City's overall recycling strategy. The Solid Waste Division will continue to apply for such funding as it becomes available.

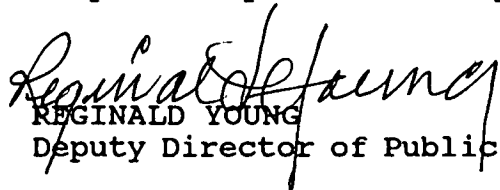
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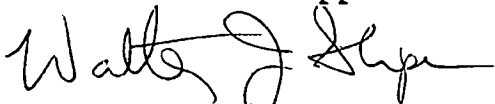
**MBE/WBE**

Since no goods or services are being purchased, M/WBE efforts are not applicable.

Respectfully Submitted By,

  
REGINALD YOUNG  
Deputy Director of Public Works

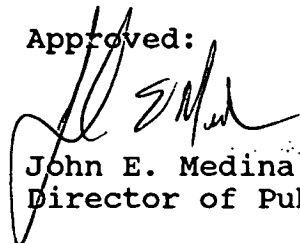
Recommendation Approved:



Walter J. Slipe  
City Manager

Contact Person:  
Gary Van Dorst  
Waste Reduction Coordinator  
264-7561

Approved:



John E. Medina  
Director of Public Works

FOR COUNCIL MEETING OF:  
June 16, 1992

EXHIBITS: Resolution

RESOLUTION NO. 92-425-

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY TO THE CALIFORNIA DEPARTMENT OF CONSERVATION FOR A RECYCLING GRANT FOR MARKET DEVELOPMENT OF ALTERNATIVE END USES FOR GLASS CULLET

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO that grant funding will be sought for market development activities related to alternative end uses for glass cullet by application for grant funding and the City Manager is hereby authorized to apply for said grant.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED  
BY THE CITY COUNCIL  
JUN 16 1992  
OFFICE OF THE  
CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

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