TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PUBLIC WORKS

DATE: MARCH 22, 2004

CMR:194:04

SUBJECT: SUNNYVALE MATERIALS RECOVERY AND TRANSFER STATION ANNUAL REPORT

This is an informational report and no Council action is required.

BACKGROUND
On October 7, 1991, Council approved a long-term refuse disposal agreement at Kirby Canyon Landfill with Waste Management, Inc. of California. At the same time, the Council also approved an MOU creating a partnership with the Cities of Mountain View, Palo Alto and Sunnyvale to construct and operate the Sunnyvale Materials Recovery and Transfer (SMaRT®) Station, in Sunnyvale, on a ten-acre site. These two agreements assured future generations of Palo Altans solid waste capacity for 30 years (until September 30, 2021). Per this MOU, the City of Sunnyvale was and is taking the lead in the construction and operation of this station. In October of 1993 the SMaRT Station® began operation on time and within budget. It was designed and is permitted to handle a maximum of 1,500 tons per day of solid waste.

DISCUSSION
The City of Palo Alto delivered approximately 49,205 tons of solid waste in FY 2002/03 to the SMaRT® Station. This is approximately 60 percent of the total waste stream generated within the City. The Palo Alto Sanitation Company/Waste Management delivers the majority of the waste with minimal use from the Palo Alto public self-haul customers. In FY 2002/03 the SMaRT® Station recovered approximately 10,235 tons (or 21 percent) of recyclables from the Palo Alto waste stream delivered.

Each year the SMaRT® Station contract administrator prepares a report to the community about the cooperative venture at the SMaRT® Station. Attached is this report sharing the update of this partnership between the three cities of Mountain View, Sunnyvale and Palo Alto.

In FY 2002/03 the following highlights of achievements include:

- The SMaRT® Station reached a milestone of being ten years in joint operation with the cities of Palo Alto, Mountain View and Sunnyvale.
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- A new record high overall diversion of 33% (compared to the prior years 29%) for total diversion of all materials brought to the facility.

- Diversion of recyclable material from the municipal solid waste delivered to the SMaRT® Station also set a new record high – 21%, up from 17% the prior year.

- The City of Sunnyvale refinanced the 1992 bonds, which produced net present value savings of $1,231,530 for the three partner cities.

- Significant dollar savings on capital investments. Instead of buying a new $1 million compactor, the liner was replaced and the unit kept in service.

- Granted a new, stringent air quality permit from the Bay Area Quality Management District.

- Contingency plans created to address the recent labor contract issues.

Challenges at the SMaRT® Station will continue, including how to handle a variety of increasing electronic waste, an even greater need to monitor in-coming materials, increasingly stringent regulations, and the need for increased public awareness to the public to protect the environment.

The three cities continue to create success through cooperative management that is built on a safe environmentally sound spirit and cost effective waste management and recycling services.

**ATTACHMENT**
Attachment A: "A Report to the Community about the SMaRT® Station cooperative venture 2002-2003"

**PREPARED BY:**

MICHAEL JACKSON  
Deputy Director/PW Operations

**DEPARTMENT HEAD:**

GLENN S. ROBERTS  
Director of Public Works

**CITY MANAGER APPROVAL:**

EMILY HARRISON  
Assistant City Manager