

1 [Accept and Expend Grant - PaintCare, Inc. - Safe Disposal Options for Household Hazardous
2 Waste - \$718,717]

3 **Resolution retroactively authorizing the Department of the Environment to accept and**
4 **expend a grant in the amount of \$718,717 from PaintCare, Inc., to provide and promote**
5 **safe disposal options for household hazardous waste for the term of October 1, 2015,**
6 **through June 2, 2016.**

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8 WHEREAS, California Public Resources Code, Section 48700, et seq. establishes the
9 California Architectural Paint Recovery Program (the "Program") to require paint
10 manufacturers to develop and implement a program to collect, transport, and process
11 postconsumer paint to reduce the costs and environmental impacts of the disposal of
12 postconsumer paint in this state; and

13 WHEREAS, The paint manufacturing industry established PaintCare, Inc., a non-profit
14 organization, to manage the Program and contract with existing providers of postconsumer
15 paint management services; and

16 WHEREAS, San Francisco, through the Department of the Environment, operates a
17 Household Hazardous Waste ("HHW") Program which has provided, since 1988,
18 management of postconsumer paint generated by San Francisco residents and small
19 businesses; and

20 WHEREAS, PaintCare desires to utilize the existing facilities and services for HHW
21 management which San Francisco has developed in coordination with Recology San
22 Francisco ("Recology") and which Recology operates on behalf of San Francisco under the
23 terms of a written Agreement, most recently revised in June of 2014; and

24 WHEREAS, In June of 2014 San Francisco, through the Department of the
25 Environment, entered into a two-year revenue contract with PaintCare to provide for partial

1 reimbursement of costs incurred in management of postconsumer paint collected through San
2 Francisco's HHW Program; and

3 WHEREAS, The estimated amount of reimbursement revenue to be received by the
4 Department of the Environment under this Contract is \$718,717; and

5 WHEREAS, The City established a 3-year annual Toxics Collection Incentive in the
6 2013 refuse rate adjustment in order to increase the amount of paint, batteries, and mercury-
7 containing lights collected from San Francisco residents by Recology; and

8 WHEREAS, This Incentive is to be paid for solely by, and only to the limit of,
9 reimbursements received by the Department of the Environment under the PaintCare
10 Contract and from other product stewardship organizations, if any; and

11 WHEREAS, The City has been receiving PaintCare reimbursements since August of
12 2014 for the period starting June 4, 2014; and

13 WHEREAS, Recology has not been able to increase the amount of paint, batteries, and
14 lights collected and is, therefore, not eligible for the annual Incentive for Fiscal/Rate Years
15 2013-2014 and 2014-2015, although they may still be eligible for the annual incentive for
16 Fiscal/Rate Year 2015-2016 if specified weight collection goals are met; and

17 WHEREAS, The 2013 refuse rate adjustment process allows for alternate uses of the
18 PaintCare reimbursements if Recology is not eligible for one or more annual Incentives; and

19 WHEREAS, In March of 2015, San Francisco passed the Safe Drug Disposal
20 Stewardship Ordinance which requires drug manufacturers to provide, by December of 2016,
21 a permanent program for the collection and disposal of unwanted pharmaceuticals from San
22 Francisco residents; and

23 WHEREAS, San Francisco, through the Department of the Environment and the San
24 Francisco Police Department, has operated a Pilot Program for the safe disposal of home-
25 generated pharmaceuticals since April of 2012 using funds from a separate grant; and

1 WHEREAS, San Francisco desires to continue to provide safe medicine disposal
2 services to City residents through the Pilot Program until the permanent program required by
3 the Ordinance is active; and

4 WHEREAS, The Department of the Environment will have unbudgeted expenses to
5 implement the Ordinance, including mailings and temporary staff, to engage the responsible
6 parties named in the Ordinance and to review and approve the permanent program required
7 by the Ordinance; and

8 WHEREAS, The grant does not require an Annual Salary Ordinance (ASO)
9 amendment; and

10 WHEREAS, The term of this grant is from October 1, 2015, to June 2, 2016; and

11 WHEREAS, The budget includes indirect costs of \$100,500; now, therefore, be it

12 RESOLVED, That pursuant to Administrative Code section 10.170-1, the Board of
13 Supervisors authorizes the Department of the Environment to accept and expend a grant in
14 the amount of up to \$718,717 from PaintCare, to effectuate the Contract and implement the
15 Toxics Collection Incentive or alternate projects to provide and promote safe disposal options
16 for household hazardous waste, including pharmaceutical and other dangerous wastes, for
17 the benefit of residents of the City and County of San Francisco.

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RECOMMENDED:

APPROVED:

Deborah O. Raphael, Director
Department of the Environment

Office of the Mayor

Office of the Controller