

EXHIBIT A

Notification of Intent to Comply

CalRecycle is providing this optional form as a convenience to assist jurisdictions (counties, cities, a county and city, or special districts providing solid waste collection services) for purposes of submitting a notification of intent to comply to CalRecycle [see Public Resources Code (PRC) section 42652.5(c)].

A jurisdiction may submit a notification of intent to comply if it is facing continuing violations of the Short-lived Climate Pollutants: Organic Waste Reductions requirements in Title 14 California Code of Regulations (14 CCR). The written notification of intent to comply, adopted by resolution of the jurisdiction's governing body, shall be sent to CalRecycle no later than **March 1, 2022**, to NOIC@CalRecycle.ca.gov.

A jurisdiction shall, at minimum, include the following in its notification:

1. A description, with specificity, of the continuing violations.
2. A detailed explanation of the reasons, supported by documentation, why the local jurisdiction is unable to comply.
3. A description of the impacts of the COVID-19 pandemic on compliance.
4. A description of the proposed actions the local jurisdiction will take to remedy the violations within the timelines established in 14 CCR section 18996.2 with a proposed schedule for doing so. The proposed actions shall be tailored to remedy the violations in a timely manner.

Upon approval by CalRecycle of a jurisdiction's notification and implementation of the intent to comply, a jurisdiction may be eligible for both of the following:

1. Administrative civil penalty relief for the 2022 calendar year pursuant to PRC section 42652.5(d).
2. A corrective action plan pursuant to 14 CCR section 18996.2.
 - a. CalRecycle may address through a corrective action plan any violations disclosed in a jurisdiction's notification that will take more than 180 days to correct. In this situation, the proposed actions and schedule in the jurisdiction's approved notification will be in effect until a corrective action plan is issued.

CalRecycle will respond in writing to a jurisdiction within 45 business days of receiving its notification with an approval, disapproval, request for additional information, or timeline for a decision on approval or disapproval. CalRecycle will include details about why a jurisdiction did not meet the requirements for a Notification of Intent to Comply when disapproving the jurisdiction's notification.

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Please clearly print or type responses. Attach additional pages as necessary.

Jurisdiction Name: City of Napa

County: Napa

Person Completing the Form: Jennifer Arbuckle, Consultant

First Name: Kevin

Last Name: Miller

Title: Materials Diversion Administrator (Recycling Manager)

Mailing Address: City of Napa Utilities
Department, 1700 Second Street, Suite 100

City: Napa

Zip Code: 94559

Email Address: kmiller@cityofnapa.org

Phone Number: 707-257-9291

1. Select using the check boxes below or write in the continuing violations for each applicable regulatory section. For each selection, please describe the specific violations related to the regulatory section.

Use the check box(es) below to write in the continuing violations for any regulatory section(s) not reflected above and describe the specific violations related to the regulatory section.

- (1) 14 CCR section 18984.1 Three-Container Organic Waste Collection Services
 - i. Not implementing mandatory recycling or compostables collection for all residents and commercial accounts.
- (2) 14 CCR section 18992.2 Edible Food Recovery Capacity
 - i. Have not completed edible food capacity planning.
- (3) 14 CCR section 18993.1 Recovered Organic Waste Product Procurement Target
 - i. Not purchasing compost or mulch.

2. A detailed explanation of the reasons why the jurisdiction is unable to comply, supported by documentation, if applicable.

Overview: The main reason that the City of Napa is not able to be in full compliance by January 1, 2022 is our concern for quality and real-world experience in implementing programs. We have worked diligently over the last 6+ years establishing a successful organic collection program and we are not willing to simply give every account a compostable organics cart / bin without providing the needed onboarding training and education to provide maximum potential for success and minimize contamination. To properly expand our program to include all residential and commercial accounts it is imperative that we have adequate time to:

1. Onboard all commercial and/or multi-family accounts using our 6-week onboarding program to assist compliance with proper training, which takes ongoing monitoring and reeducation.
2. Hire additional staff for both the city and our authorized waste/recycling hauler (currently Napa Recycling & Waste Services or NRWS), including a new City Waste Prevention Representative, hauler Recycling Specialist, hauler Customer Service Representative, and hauler Driver.
3. Purchase additional equipment including organic collection carts and new trucks.
4. Establish new collection routes.
5. Develop a new fiscal plan and a new rate structure for all customers, particularly for compostable organics service to commercial and multi-family customers, which we will begin to implement in new rate year of 2023 (which would typically be calendar/contract year for 2023 and beyond).

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Background: Since 2015, the City of Napa has been providing organic collection services (including food scraps and soiled paper) to both residential and commercial accounts. This followed a 2-year residential pilot program and a 5-year commercial pilot collection program. Our process to onboard commercial accounts has been to focus on the largest generators (generally following the AB 1826-tiered approach which stalled a bit with COVID in 2020). To assure a successful program we put all accounts through a 6-week onboarding program to assure all onsite managers, staff, etc., are properly trained and educated. We follow this up by ongoing education, reeducation, and monitoring. It is imperative to us that we do not just drop off carts to every commercial account, but that we properly perform the needed onboarding process to assure the needed understanding and respect for our organics program so that we can continue to achieve success. We have one of the most successful organics collection programs in the state and we believe this is due to our onboarding program and our commitment to quality. We have worked diligently to successfully establish and adopt one of the most robust and comprehensive enclosure standards in CA to further support our organic collection program and assure all commercial accounts have the proper space to support onsite compostable organics collection (Please see attached “Enclosures Standards”). In addition, the city has already invested in RecycleList software to track our compliance with SB 1383.

Commercial Generators: Following AB 1826 guidelines we have spent the last 6 years focusing on large scale generators; currently we have full compliance with 185 accounts on our food scrap compost route and another 215 on our yard trimmings route which equals 55-60 percent of all our commercial accounts that generate food scraps (estimated at about 700 such accounts out of 1,100 total commercial accounts) coming into full compliance. The remaining 1/3 of larger food scrap generator accounts (about 200 accounts) will be our focus over 2022-2023, as they will take the most time, training, and support to assure success. For smaller commercial generators (i.e., auto shops, mom and pop stores, etc.) we will approach reactively providing service to anyone that requests organic services. We plan to start a proactive approach for all small-scale commercial generators starting in 2024.

Multi-Family Generators: Additionally, the City requires time to onboard all our multi-family accounts. These accounts will be the most difficult to set up and train, and we do not currently have the needed staff to perform these duties. We have 120-150 multi-family complexes with approximately 6,000 individual living quarters. Multi-family accounts are notoriously difficult for all jurisdictions, and we are no exception; they have the lowest success rate and the highest contamination of all accounts for single-stream recycling service. Our compostable organics collection system does not have the ability to take contaminants out of the organics stream and thus we need to assure minimum contamination when onboarding multi-family units. We anticipate needing approximately 3 years to properly plan and implement a successful new program for “full spectrum” compostable organics service inclusive of food scraps and soiled paper in addition to yard trimmings for all multi-family accounts. Similar to commercial generators, these accounts require ongoing education and training, and it is impossible to do this effectively if we were to attempt to onboard all accounts at once. It takes a great deal of staff time to provide the care and maintenance needed to successfully onboard new multi-family accounts into the full-spectrum compostable organics program. Even accounts that have been successfully onboarded into the program need ongoing attention due to turnover, whether it be a change in management, employee, or a new tenet, it all requires almost the same time and energy as it does to onboard a new account. Inevitably, running a successful organics collection program is a slow process that takes a substantial amount of time. As touched on above, we will also not have the appropriate rate structure until 2023 (currently we have charged commercial food scraps – 75% of MSW rate – and “no charge” yard trimmings collection for multi-family generators that will have to be combined into a single consolidated collection rate).

Multi-family is and will be our largest gap in reaching full compliance with SB 1383. This includes first getting them fully compliant and successful with participating in our recycling program prior to introducing organics (at least for under-performing properties). Again, this will take time and ongoing adjustments to get

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right. Thus, we must prioritize a phase-in approach to assure success, and we cannot do this without additional time and patience.

We anticipate providing organics services to multi-family accounts on a reactive basis in 2022 and beginning a proactive approach for the largest generators starting in 2023. We anticipate that we will need a least two new staff members, one being employed by the City and one by our contracted waste hauler Napa Recycling and Waste Services (NRWS). To move forward with new hires, the City must go through the proper budget process and approvals, thus the earliest we anticipate being able to move forward with new hires is March 2022 for NRWS and October 2022 for the City.

Residential Generators: Starting in April of 2015, the City and NRWS implemented a universal outreach campaign to all residential customers informing those with yard trimmings collection carts that they could include food scraps in their carts, and for those without yard trimmings service that organic service was included with their service. The standard compost cart for residential accounts is 95-gallon in size and they could request an additional 95-gallon compost (or recycling) cart to have two compost carts at any time with no additional monthly cost (a third compost or recycling cart is available for a monthly fee). Current gaps in residential organic service includes approximately 900 accounts, 200 accounts for recycling service and 160 accounts without either composting or recycling equipment (out of approximately 22,500 single-family residential accounts, so more than 94% of total are already provided full compost and recycling services). The reasons for lack of service include a variety of special circumstances (i.e., shared accounts, garden services, property space constraints, non-organic generators, etc.). Moving forward, the City and NRWS will work together to reach out to all accounts to review and update any exemptions and provide the needed carts to those accounts that are currently not participating in the program. Residential accounts are where the city will be able to be the closest to full compliance by the end of 2022. Once we hire the needed new NRWS employees (beginning in March of 2022), we will be able to onboard approximately 45-55 accounts each month to reach full compliance by the end of 2023.

Rate-Setting Process: The City of Napa must comply with proposition 218 which requires certain rules and timelines for rate settings that must be followed, which is further based on an extensive 4-to-6-month underlying rate study process. Once this preliminary review process is complete, a rate notice goes out to all property owners for public review for a minimum of 45 days before it can be voted on and/or adopted by City Council. If protest votes against the proposed new rates are received by more than 50% of property owners, the City Council cannot approve an increase. Because of the complexity and time needed to implement and complete the process, we tend to do multi-year rate settings of between 3 and 5 years. This requires 4-6 months of advance work to prepare the underlying rate study and we anticipate this to begin in the last half of 2022 for setting collection rates for 2023 and beyond.

Facility & Processing Improvements: Our City-owned composting and recycling facility (formal name is the City of Napa Materials Diversion Facility or MDF) already has the capacity to handle the additional tonnage that will be coming in over the next 3-4 years as we continue to onboard all accounts. To support new facility requirements and increases in inbound material (particularly compostable organics), we are working to expand onsite sorting and screening equipment to increase efficiency and reduce residuals to the maximum extent possible. The City of Napa appears on the cusp of being awarded a \$1.5 million CalRecycle grant to purchase new screening and processing equipment for compostable organics. Even with the grant help, the City will likely need to invest in additional (and expensive) equipment to convert what was previously sent out as alternative daily cover (ADC) into other beneficial uses such as a coarse mulch for erosion control (which in turn requires removal of inorganic materials like metal and plastics). The City is prepared to expand facility processing equipment to accommodate all SB 1383 requirements and achieve the highest diversion rate possible. New processing equipment will also help us to get additional feed stock to help with our procurement requirements, as all the “finished” compost currently being produced is already successfully marketed and difficult to keep in stock.

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Edible Food Recovery Capacity: The City is working with the County of Napa to complete the needed edible food recovery capacity study. The County (and City via Napa County) has opted to hire an outside consultant to perform the study. Abound Food Care was chosen and sent a contract for services 1/31/22, the County is currently awaiting the signed agreement for work to begin. City of Napa has already completed our review of Tier One Generators and identified our local Food Recovery Organization, their current capacity, and their annual food donation and disposal amounts. Once Abound Food Care finishes the capacity study of additional edible food waste generated, we will work with the County and our local food recovery organizations to develop an implementation plan to increase food recovery infrastructure to meet the determined need. In addition, we are working regionally to pursue a California Volunteers grant to expand workforce development to support our regional food donation/recovery programs.

Procurement: All certified organic compost produced at the City's MDF is already 100% successfully marketed. Thus, we will need more time to work with City staff to determine costs, land application needs and material sources. We are currently looking into the possibility of expanding the composting facility to include producing mulch, however this may be dependent on additional/improved processing equipment and capabilities at the City's MDF. Discussions have already begun with the Napa County Resource Conservation District for possible new application of coarse mulch product for local erosion control (such as Napa wineries). Additionally, the City of Napa issued a Request for Qualifications (RFQ) in November of 2021 for a potential wood waste gasification system to be located at the City's MDF. Four companies responded with a Statement of Qualifications (SOQ) in January 2022 and the City and NRWS have a selection committee currently reviewing and evaluating the SOQs to see which responders might be shortlisted for a more formal Request for Proposals (RFP) in 2022. The City sees both a need and benefit to investing in this technology as the markets and options for wood waste become more and more limited and expensive. If the project economics are favorable and approved by the Napa City Council, the hope is that a 3 megawatt (MW) wood waste gasification system would be in place and operating in the next 2-4 years. Among other potential benefits, having such a system in place would satisfy the City's SB 1383 procurement requirements by utilizing local organic-derived feedstock for renewable power generation and creation of a new "biochar" finished product for agricultural and/or water-filtering applications.

A description of the impacts of the COVID-19 pandemic on compliance.

COVID has had a significant impact on the City and NRWS's ability to set up new commercial accounts with the needed 6-week onboarding process. It is imperative to the City and our dedicated staff that we do not provide half-education and/or provide services without the needed training and support, thus we have not been able to provide our normal onsite services and have been limited in our ability to expand our program. While we have done our best, including development of a training video for commercial accounts, there is no substitute for in-person training and follow-up with the training. This is another reason we plan to use 2022 to focus on getting the easier residential accounts in compliance. In addition, COVID has resulted in ongoing processing and shipping delays for manufacturers, current quotes have resulted in new cart orders with a 19-week lead time. Our current orders continue to be delayed, with a current projected delivery time frame is April or May 2022. To support new organics routes, we need to purchase an additional collection truck, which has a current 10-14-month lead time. However, before we can place an order we still need to review and determine a new Council-approved financial plan and rate structure, which will occur in late 2022/early 2023, putting the delivery of the first new collection vehicle out into 2023. There may or may not be a need for a second collection vehicle as the city approaches full compliance for all generators in the future, but this will need to be assessed in 2024 or later.

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3. Provide a description of the proposed actions the jurisdiction will take to remedy the violations with a proposed schedule for completing each action. The proposed actions shall be tailored to remedy the violations in a timely manner. See optional format below.

Regulatory Requirement: (B.i.) 14 CCR section 18984.1 Three-Container Organic Waste Collection Services

Description: Not implementing mandatory residential food waste collection for all residents. Note: City already provides organics collection services to 94% of residential accounts.

| Action | Proposed Schedule |
|---|--|
| <p>TASK 1: Hire additional staff for both the city and our authorized waste/recycling hauler (currently Napa Recycling & Waste Services or NRWS), including a new City Waste Prevention Representative, hauler Recycling Specialist, hauler Customer Service Representative, and Driver(s).</p> | <p>Date to be completed: 12/31/2023 NRWS new Recycling Specialist: 3/31/2022 NRWS new Customer Service Representative (75% allocated to City): 3/31/2022 City Waste Prevention Rep: 10/31/2022 NRWS new commercial/multi-family driver: 1/31/2023 Other potential future positions will be evaluated and determined during City budget and rate review processes.</p> |
| <p>TASK 2: Contact all residential customers not receiving organic and recycling waste services and determine service level needs. Work with hauler to distribute appropriate containers to all residential accounts. The city will obtain monthly reports from the hauler to monitor full distribution of carts.</p> | <p>Date to be completed: 12/31/2023 Schedule: 40-60 accounts per month (10-15 per week) once new NRWS staff is hired starting in March 2022 until we reach full compliance.</p> |

Regulatory Requirement: (B.ii.) 14 CCR section 18984.1 Three-Container Organic Waste Collection Services

Description: Not implementing mandatory commercial organics collection for all businesses under 2 cubic yards. Note: City does have an established 3 cart organic waste collection service in place. City already provides organics collection to 55-60% of food-generating commercial accounts.

| Action | Proposed Schedule |
|---|---|
| <p>TASK 1: Hire additional staff for both the city and our authorized waste/recycling hauler (currently Napa Recycling & Waste Services or NRWS), including a new City Waste Prevention Representative, hauler Recycling Specialist, hauler Customer Service Representative, and Driver(s).</p> | <p>Date to be completed: 12/31/2023 NRWS new Recycling Specialist: 3/31/2022 NRWS new Customer Service Representative (75% allocated to City): 3/31/2022 City Waste Prevention Rep: 10/31/2022 NRWS new commercial/multi-family driver: 1/31/2023</p> |

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| | Other potential future positions will be evaluated and determined during City budget and rate review processes. |
| <p>TASK 2: Perform site assessment to each business and Multi-Family (MF) accounts not receiving compostable organic waste services to determine service level needs and provide them with the proper carts/bins, training and education needed to begin service. Work with hauler to distribute appropriate containers to all commercial and MF accounts. The City will obtain monthly reports from the hauler to monitor full distribution of carts.</p> | <p>Date to be completed: Commercial & MF accounts: 12/31/2025 Schedule: Once new staff is hired, we anticipate onboarding about 10 large generator accounts per month and then up to 25 per month once we move on to smaller generators.</p> |
| <p>TASK 3: Finalize rate review and confirm new rate adjustments with contracted waste hauler and facility operator (NRWS). Develop a new budget plan and a modified rate structure for all customers, particularly for compostable organics service to commercial and multi-family customers</p> | <p>Date to be completed: 6/31/2023 Schedule: New rate study beginning in late 2022 and anticipate take 4-6 months after to complete rate-setting process with new rates being adopted by June 2023.</p> |
| <p>TASK 4: Purchase additional equipment including carts and new collection trucks</p> | <p>Date to be completed 12/31/2023 Schedule: first new shipment of carts has been ordered and is anticipated to be delivered March or April 2022. New commercial organics collection truck anticipated to be delivered by first quarter of 2023. Once rate review is completed, we may determine the need for additional trucks that would be pushed out to 2024 or later.</p> |
| <p>TASK 5: Establish new collection routes: As new accounts are onboarded to the collection route NRWS will work to establish efficiency and determine needed changes and/or additions to the routes depending on locations and collection volumes etc.</p> | <p>12/31/2024: Schedule: ongoing adjustments until all accounts are added.</p> |
| <p>Regulatory Requirement: (B.iii.) 14 CCR section 18992.2 Edible Food Recovery Capacity Description: Have not completed food recovery capacity planning. City has identified all Tier one and Tier Two generators in the city limits.</p> | |
| <p>Action</p> | <p>Proposed Schedule</p> |
| <p>TASK 1: Work with Napa County to identify all Tier One and Tier Two generators and assess food recovery capacity. City will confirm collection amounts from generators and confirm capacity of established donation programs.</p> | <p>Date to be completed: 12/31/2022 Schedule: All Tier 1&2 generators identified, and donation facilities vetted starting 4/30/22 with Countywide edible food capacity study to be submitted to CalRecycle by August 1, 2022.</p> |

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Regulatory Requirement: (B.iv.) 14 CCR section 18993.1 Recovered Organic Waste Product Procurement Target

Description: We have not determined the costs of procuring the needed compost and / or mulch and have not yet determine use and/or application methods.

Action

Proposed Schedule

TASK 1: Work with City staff to determine costs, land application needs and material sources. May be dependent on additional/improved processing equipment and capabilities at City MDF. Discussions have already begun with the Napa County Resource Conservation District for possible new application of coarse mulch product for local erosion control (such as Napa wineries).

Date to be completed:
6/31/2023

I hereby certify under penalty of perjury that the information provided herein is true and correct to the best of my knowledge.

Signature

Printed Name

Title

Date