



Item Number: 22

City Council / Board of Directors

Consent Calendar

Meeting of: August 20, 2024

Submitted By:

Doug Mathews, Director of Public Works and Water

Subject:

CalRecycle Used Oil Payment Program Grant Cycle OPP 14 Acceptance and Budget Amendment

Recommendation:

That the Honorable City Council adopt Resolution No. 24-081 authorizing acceptance of the CalRecycle Used Oil Payment Program Cycle 14 Grant and amending the City of Victorville FY 2023-24 budget.

Fiscal Impact:

Acceptance of the OPP Cycle 14 Grant will increase the City's FY 2023-24 revenue budget by \$18,867 and increase expense appropriations by an equal amount in the following account numbers:

2707501C-43110-21382 (Revenue – Used Oil Payment Program)	\$18,867
2707501C-52110-21382 (Expense – Supplies)	\$5,000
2707501C-52170-21382 (Expense – Advertising)	\$8,867
2707501C-52300-21382 (Expense – Contract Services)	\$5,000

There is no requirement for the City to provide matching funds. Funds are tracked through City budget Org 2707501C (State Grant Oil Payment Program) and Project 21382 (OPP 14 Used Oil).

Strategic Plan Goal:

Goal F: Communication and Outreach. This state-funded grant program provides funds to educate our community about how to properly recycle used oil and oil filters.

Background:

Since 2014, the City of Victorville has consistently applied for and received Used Oil Payment Program (OPP) grants from the California Department of Resources Recycling and Recovery (CalRecycle).

Grant funding is made available pursuant to California Public Resources Code Section 48600 et seq. which outlines the California Oil Recycling Enhancement Act (Act). The Act is administered by CalRecycle and is funded by a fee paid by oil manufacturers for each gallon of lubricating oil sold in California. The fee has been set at \$0.24/gallon since January 1, 2014. There is also a lower fee of \$0.12/gallon for the sale of re-refined oil in California.

Fees collected are used to fund CalRecycle's Used Oil Recycling Program projects, including the provision of payments to local governments for used oil and oil filter collection and recycling programs. Public Resources Code Section 48653 provides for a maximum of \$11 million per fiscal year for the Used Oil Payment Program. The actual budget amount is determined annually by the State legislature, and payments for each eligible jurisdiction are calculated on a per capita basis.

The City has applied for and received this grant annually for the past nine cycles in the following amounts:

- OPP 5 Cycle: \$33,465
- OPP 6 Cycle: \$33,364
- OPP 7 Cycle: \$33,548
- OPP 8 Cycle: \$33,347
- OPP 9 Cycle: \$34,129
- OPP 10 Cycle: \$34,023
- OPP 11 Cycle: \$14,089
- OPP 12 Cycle: \$17,164
- OPP 13 Cycle: \$20,810

Prior to the OPP 11 (FY 2020/21) grant awards, CalRecycle notified jurisdictions that after fulfilling statutory requirements, the funding amount for the Used Oil Payment Program (OPP) would be reduced due to declining revenues. For this reason, Cycle 11 and subsequent year grant awards to jurisdictions were reduced relative to prior years. This funding reduction from CalRecycle has continued into the OPP 14 grant cycle. The City's OPP 14 grant is slightly less than its OPP 13 award.

The City uses the OPP grant funds for public education and outreach about proper disposal/recycling, to purchase oil filter drain pans and filter buckets for residents, and to cover a portion of the staffing costs associated with accepting used oil and filters at the City's Household Hazardous Waste Collection Center on Loves Lane.

Discussion:

In accordance with the City's grant policy, staff is seeking acceptance of the CalRecycle Oil Payment Program Grant Program (Cycle 14) award and amendment of the City's FY 2023-24 budget to reflect the increased revenues and expenditures in the amount of \$18,867.

On February 18, 2020, the City Council adopted Resolution No. 20-003 which authorized the submittal of applications for any and all payment programs offered by CalRecycle and authorized the City Manager or his designee as a signature authority.

The City submitted the OPP 14 grant application on June 7, 2023, and the check was received in April 2024. Grant funds for the OPP 14 funding cycle must be fully expended by June 30, 2025.

The OPP grant is a major source of funding for the operation and promotion of the City's used oil and filter recycling program. Consistent with the grant awards from prior years, the City will use this grant award to pay for a portion of the costs of staffing the City's Household Hazardous Waste Collection Center and the associated supplies and marketing efforts related to used motor oil and oil filter recycling.

The expenditure plan calls for \$5,000 for supplies, \$8,867 for advertising/public education, and \$5,000 for contract services for Household Hazardous Waste Collection Center staffing costs associated with used oil and filter collection activities.

Staff recommends that the City Council adopt Resolution No. 24-081 to authorize the acceptance of Oil Payment Program Grant Cycle 14 grant funds and amend the City's FY 2023-24 budget to reflect increased revenues and expenditures in the amount of \$18,867.

Staff remains available for any questions Council may have.

Attachments:

- A. Resolution No. 24-081
- B. CalRecycle Oil Payment Program Grant Cycle 14 Guidelines
- C. Copy of OPP 14 Grant Check