



**Item Number: 3**

**City Council / Board of Directors**

**Consent Calendar**

**Meeting of: May 2, 2023**

**Submitted By:**

Doug Mathews, Director of Public Works and Water

**Subject:**

Used Oil Payment Program Grant Cycle OPP 13 Acceptance and Budget

**Recommendation:**

That the Honorable City Council:

- (1) Adopt Resolution No. 23-028 to authorize acceptance of the Used Oil Payment Program Cycle 13 Grant and authorize the City Manager or his designee to process all documents required for program administration; and
- (2) Ratify the associated expenditure plan.

**Fiscal Impact:**

Acceptance of the Oil Payment Program Cycle 13 Grant will increase the revenue budget by \$20,810 (2707501C-43110-21380) and increase appropriations by an equal amount in the following account numbers:

\$9,810 for Supplies (2707501C-52110-21380)

\$6,000 for Advertising (2707501C-52170-21380)

\$5,000 for Contract Services (2707501C-52300-21380)

There is no requirement for the City to provide matching funds. Funds are tracked through City budget Org 2707501C, State Grant, Oil Payment Program.

**Strategic Plan Goal:**

This item aligns with Goal F of the Strategic Plan, Communication and Outreach. The usage of this state-funded grant program assists with educating our community concerning proper oil and oil filter recycling in addition to providing supplies for residents to help with the proper collection and disposal of these items.

**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). These grants are used to support the City's used oil and oil filter collection and recycling efforts. CalRecycle offers these grants pursuant to California Public Resources Code Section 48653. The City uses these funds for public education and outreach, to purchase oil filter drain pans and filter buckets, 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.

**Discussion:**

In accordance with the City's grant policy and California State Department of Resources Recycling and Recovery (CalRecycle) requirements, staff is seeking acceptance of the grant award and ratification of the associated spending plan for the fiscal year 2022-2023, Cycle 13, Used Oil Payment Program (OPP 13) Grant in the amount of \$20,810. Grant funding is made available pursuant to California Public Resources Code Section 48600 et seq. which outlines the California Oil Recycling Enhancement 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.

In the FY 2020/2021 cycle, CalRecycle notified jurisdictions that after fulfilling statutory requirements, the funding amount for the Used Oil Payment Program Cycle 11 would be reduced. For this reason, Cycle 11 grant awards to jurisdictions were correspondingly reduced.

This funding reduction from CalRecycle has continued into the OPP 13 grant cycle. The City's OPP 13 grant is slightly higher than its OPP 12 award, but it is still significantly less than the amount it has received historically. The City's expenditure plan for the OPP 13 cycle grant has been adjusted to reduce the amount budgeted for supplies and advertising.

The City has applied for and received this grant annually for the past eight 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

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 OPP 13 grant application was submitted in June 2022, and the check was received in April 2023. Grant funds for the OPP 13 funding cycle must be fully expended by June 30, 2024. 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 \$9,810 for supplies, \$6,000 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 ratify the expenditure plan above and approve Resolution No. 23-028 to authorize the acceptance of OPP 13 grant funds and authorize the City Manager or his designee as the signing authority to execute all documents necessary to administer the grant.

Staff remains available for any questions Council may have.

**Attachments:**     A. Resolution No. 23-028  
                              B. CalRecycle Oil Payment Program Grant Cycle 13 Guidelines  
                              C. Copy of check