

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and RESOLUTION relative to authorization to apply for and accept payments for the Used Oil Payment Program (OPP) for Fiscal Years (FY) 2018-22.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Director, Bureau of Sanitation (BOS), or designee, to:
 - a. Submit applications to the California Department of Resources Recycling and Recovery (CalRecycle) for the OPP.
 - b. Accept payments from CalRecycle
 - c. Conduct all negotiations, provide additional information, and execute and submit all document, including but not limited to, applications, agreements, and amendments, subject to the approval of the City Attorney as to form and legality, which may be necessary to secure funding with the respect to the OPP.
2. AUTHORIZE the acceptance of the used oil payment through the OPP, estimated at \$1,000,000 annually, for FYs 2018-19 through 2022-23; and, APPOINT the Director, BOS, or designee, to conduct all negotiations and to submit all documents necessary for maintaining a used oil collection and recycling program.
3. ADOPT the accompanying RESOLUTION authorizing the submittal of applications for the OPP for FY 2018-19 through 2022-23 and to approve the acceptance of the Used Oil Payment through the OPP, estimated at \$1,000,000 annually, for FYs 2018-19 through 2022-23, and appoint the Director, BOS, or designee, to conduct all negotiations and to submit all documents necessary for maintaining a used oil collection and recycling program

Fiscal Impact Statement: The Board of Public Works (BPW) reports that the submittal and receipt of grant funds will maintain the existing used oil and used oil filter collection and recycling program. Failure to request and accept the funds from CalRecycle will eliminate the funding available to the BOS to conduct its used oil and used oil filters collection program. There is no fiscal impact on the General Fund, as all program expenditures are from special funds.

Community Impact Statement: None submitted.

Summary:

On April 17, 2018, your Committee considered a November 6, 2017 BPW report and Resolution relative to authorization to apply for and accept payments for the OPP for FY 2018-22. According to the BPW, since 1987 it has been illegal in California to dispose of used oil in sewers, drainage systems, surface or ground waters, watercourses, or marine waters, by domestic incineration, or onto land or in the trash. In 1991, the California legislature passed the Oil Recycling Enhancement Act (ACT) to address the significant threat to California's environment from illegally dumped used motor oil. The ACT provides funds to cities and

counties for establishing and maintaining local used oil collection and recycling programs.

In 2009, Senate Bill 546 was enacted and made various changes to the California Oil Recycling Enhancement Act, including: changing the funding from a reimbursable grant program (formerly known as the Used Oil Block Grant Program [UBG]) to a payment program. In an effort to streamline the process, CalRecycle changed the administrative procedures to be more efficient and effective. The OPP allows participants flexibility in development and management of their local used oil programs while minimizing their administrative burden. Funding under the OPP is no longer reimbursements. Funds from the OPP are lump sum and distributed in April of each fiscal year.

CalRecycle has been delegated the responsibility for the administration of the program by the State of California and for setting up the necessary procedures governing the operation of the program by the different cities and counties. CalRecycle awards annual Used Oil Payments to support used oil and oil filter recycling programs, which required the submission of annual applications. CalRecycle's procedures for administering the OPP encourage local jurisdictions, among other things, to use the open-ended or 5 year resolution for the OPP.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the November 6, 2017 BPW report and accompanying Resolution. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE



MEMBER	VOTE
MARTINEZ:	YES
KORETZ:	YES
KREKORIAN:	YES
CEDILLO:	ABSENT
O'FARRELL:	YES

ARL
4/17/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-