



# City Council Memorandum

City of Arts & Innovation

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: MARCH 4, 2025**

**FROM: PUBLIC WORKS DEPARTMENT      WARDS: ALL**

**SUBJECT: AMEND RESOLUTION NO. 23537 AUTHORIZING SUBMITTAL OF A CYCLE 6 REGIONAL GRANT APPLICATION FOR CITY OF RIVERSIDE AS LEAD AGENCY FOR TWO YEARS THROUGH APRIL 2027 TO CALIFORNIA DEPARTMENT OF RECYCLING RESOURCES AND RECOVERY (CALRECYCLE) ORGANICS GRANT PROGRAM IN THE AMOUNT OF \$3,000,000**

**ISSUE:**

Adopt a revised resolution amending Resolution No. 23537 authorizing the City of Riverside as Lead Agency to submit a CalRecycle Organic Grant Program Cycle 6 regional grant application to California Department of Recycling Resources and Recovery (CalRecycle) for two years through April 2027, in the amount of \$3,000,000 for the Organics Grant Program, Greenhouse Gas Reduction Program.

**RECOMMENDATION:**

That the City Council adopt the revised resolution authorizing the City Manager, or designee, to execute all grant-related documents, including but not limited to, applications, payment requests, agreements, and amendments necessary to secure grant funds and to implement the approved California Department of Resources Recycling and Recovery (CalRecycle) Organics Grant Program, Cycle 6 for two years through April 2027.

**LEGISLATIVE HISTORY:**

In September 2016, Governor Brown signed into law Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016), establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP) in various sectors of California's economy.

As it pertains to CalRecycle, SB 1383 establishes targets to achieve a 50 percent reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020 and a 75 percent reduction by 2025. The law grants CalRecycle the regulatory authority required to achieve the organic waste disposal reduction targets and establishes an additional target that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025.

Methane emissions resulting from the decomposition of organic waste in landfills are a significant source of greenhouse gas (GHG) emissions contributing to global climate change. Organic

materials--including waste that can be readily prevented, recycled, or composted--account for a significant portion of California's overall waste stream. Food waste alone accounts for approximately 17-18 percent of total landfill disposal. Reducing food waste, encouraging edible food rescue, and expanding the composting and in-vessel digestion of organic waste throughout the state will help reduce methane emissions from organic waste disposed in California's landfills.

The California Air Resources Board (ARB) identifies publicly owned treatment works (POTWs) as key components of the state's strategy to reduce methane emissions. The SLCP Strategy, adopted by ARB on March 23, 2017, outlines ARB's approach to achieve state mandates to reduce emissions of greenhouse gases. ARB outlines its plans to pursue the use of surplus digester capacity at POTWs as a key component in the state's efforts to divert organic waste from landfills.

The SLCP Strategy includes the groundwork for compliance with SB 1383 that mandates a statewide reduction of methane emissions of 40 percent below 2013 levels by 2030. ARB believes that using digester capacity at POTWs to co-digest food waste and fats, oil, and grease (FOG) is a viable pathway to achieving these diversion goals. The methane generated from digestion is captured and beneficially used to create electricity and renewable transportation fuels.

## **BACKGROUND:**

The Public Works Department, Wastewater Division operates the City's Regional Water Quality Control Plant (RWQCP) and manages the Sewer Enterprise Fund. To support the City's Solid Waste Division's compliance with California Department of Recycling Resources and Recovery (CalRecycle) food waste diversion regulations, the RWQCP has pursued grant opportunities to construct projects to receive and process at least 100 tons of City food waste per day. The RWQCP will use the digester gas created from food waste to produce renewable energy such as electricity and renewable natural gas. Burrtec Industries is participating in the grant application to install and operate an organic separator, producing the necessary feed stock that will be processed by the RWQCP digesters.

On October 1, 2019, the City Council adopted a resolution authorizing submission of a grant application to CalRecycle for the Organics Grant Program, Greenhouse Gas Reduction Production for Fiscal Year 2019/20 in the amount of \$3,000,000, authorized the City Manager to execute related documents and approved a supplemental appropriation.

Following the City Council's action on October 1, 2019, CalRecycle, the granting agency, rejected the resolution as adopted and requested that the City adopt CalRecycle's official form resolution designating the City as the Lead Participant. As a result, on January 7, 2020, an amendment was made to Resolution No. 23494, adopting Resolution No. 23537. All other elements of the original grant application and authorization remained unchanged.

The original grant application to CalRecycle was submitted in 2019 and RWQCP was not selected during this initial grant cycle. In 2023, CalRecycle informed the RWQCP that the Digester 5 project was selected for grant funding with a notice to proceed starting April 2023. Procurement of equipment, permitting and construction activities on Digester 5 are underway and Burrtec is under construction of their new building and waiting for delivery of the bio-separator. The almost four-year delay in receiving the notice to proceed and unforeseen delays in procurement, the City of Riverside and Burrtec Industries have mutually agreed to request an extension of the grant term from CalRecycle. The two-year extension will run through April 2027, providing sufficient time to complete the tasks outlined in the CalRecycle grant agreement.

**STRATEGIC PLAN ALIGNMENT:**

This proposal follows **Strategic Priority 4 – Environmental Stewardship and Goal 4.4 – Implement measures and educate the community to responsibly manage goods, products and services throughout their life cycle to achieve waste reduction outcomes, and Strategic Priority 6 – Infrastructure, Mobility & Connectivity and Goal 6.3 – Identify and pursue new and unique funding opportunities to develop, operate, maintain, and renew infrastructure and programs that meet the community’s needs.**

This item aligns with each of the five Cross Cutting Threads as follows:

1. **Community Trust** – The City will serve as the lead agency for this grant application, aiming to advance the public interest, support its diverse communities, and foster community trust through responsible environmental stewardship and sustainable waste management.
2. **Equity** – The proposed grant application will benefit the entire community across the City of Riverside and throughout the region.
3. **Fiscal Responsibility** – The proposed grant application highlights the partnership between the City of Riverside Water Quality Control Plant and Burrtec Industries, demonstrating responsible financial management through the submission of the CalRecycle Organic Grant Program to the California Department of Resources Recycling and Recovery (CalRecycle).
4. **Innovation** – The proposed grant funding enables the city to innovate and reduce greenhouse gas emissions by capturing methane from digestion and repurposing it to generate electricity and renewable transportation fuels.
5. **Sustainability & Resiliency** – Securing grant funds like this enables the City of Riverside to reduce methane emissions from organic waste disposed of in California's landfills.

**FISCAL IMPACT:**

If the grant application is successful, the fiscal impact to the City will be up to \$3,000,000 from the CalRecycle Organics Grant Program, Greenhouse Gas Reduction Program – in Fiscal Year 2025/26. There are no matching funds required. Should City be successful in securing a formal grant award, the Public Works Department will present to City Council the award acceptance, appropriations, and intended projects to be funded by the grant award.

Prepared by: Valerie Espinoza, Senior Administrative Analyst  
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Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. Resolution Amending Resolution No. 23537
  - a. Authorization Letter
2. Resolution No. 23537