



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: OCTOBER 1, 2019**

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

**SUBJECT: RESOLUTION AUTHORIZING A GRANT APPLICATION FOR FISCAL YEAR 2019/20 TO CALIFORNIA DEPARTMENT OF RECYCLING RESOURCES AND RECOVERY ORGANICS GRANT PROGRAM IN THE AMOUNT OF \$3,000,000 – SUPPLEMENTAL APPROPRIATION**

## **ISSUE:**

Adopt a resolution authorizing the submission of a grant application to the California Department of Recycling Resources and Recovery for the Organics Grant Program, Greenhouse Gas Reduction Program for Fiscal Year 2019/20, in the amount of \$3,000,000 and authorize the City Manager to execute all necessary documents to secure grant funds and implement the approved grant project.

## **RECOMMENDATIONS:**

That the City Council:

1. Adopt a Resolution authorizing the submission of a grant application to the California Department of Recycling Resources and Recovery for the Organics Grant Program, Greenhouse Grant Reduction Program;
2. Upon grant award, authorize an increase in estimated revenue in the amount of \$3,000,000 to the Public Works Department Revenue account and appropriate expenditures in the same amount to the Public Works Department Organics Grant Program Expenditure account; and
3. Authorize the City Manager, or his designee, to execute all necessary documents, including but not limited to applications, payment requests, agreements and amendments necessary to secure grant funds and implement the approved grant project, including making minor and non-substantive changes.

## **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 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.

## **DISCUSSION:**

The Public Works Department, Wastewater Division operates the City's Regional Water Quality Control Plant (RWQCP) and manages the Sewer Enterprise Fund. In order to support the City's compliance with CalRecycle food waste diversion regulations, the RWQCP is pursuing grant opportunities to support projects for receiving and processing at least 100 tons of City food waste per day. The CalRecycle grant application is requesting \$3,000,000 to use the digester gas created from food waste to produce renewable energy, such as electricity and renewable natural gas.

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. Increasing food waste prevention, 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 (POTW) facilities 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 POTW facilities 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 POTW facilities 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.

## **FISCAL IMPACT:**

Upon grant award, an increase will be made to Public Works Department Revenue account 93403001-33410000 in the amount of \$3,000,000, and an appropriation will be made in the same amount to the Public Works Department Organics Grant Program Expenditure account 93403001-44021000. There are no matching funds required. Individual projects funded by the grant award will be brought back to City Council for required review and approval.

Prepared by: Kris Martinez, Public Works Director  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Resolution
2. Presentation