



City Council Memorandum

City of Arts & Innovation

.....

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 3, 2026

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: ADOPT AN AMENDED RESOLUTION AUTHORIZING A GRANT APPLICATION TO EXTEND THE GRANT TIMEFRAME FOR CITY OF RIVERSIDE AS LEAD PARTICIPANT FROM CALIFORNIA DEPARTMENT OF RECYCLING RESOURCES AND RECOVERY (CALRECYCLE) ORGANICS GRANT PROGRAM IN THE AMOUNT OF \$3,000,000

ISSUE:

Adopt an amendment extending the timeframe of Resolution 24228 which authorizes the City of Riverside as Lead Participant in a grant application, authorizes receipt of funding, and authorizes the City Manager to execute grant-related documents from the California Department of Recycling Resources and Recovery (CalRecycle), in the amount of \$3,000,000 for the Organics Grant Program, Greenhouse Gas Reduction Program.

RECOMMENDATION:

That the City Council adopt the amended 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 through April 2027.

LEGISLATIVE HISTORY:

In September 2016, Governor Brown signed 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. 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 (CARB) identifies Publicly Owned Treatment Works (POTWs) as key components of the state's strategy to reduce methane emissions. The SLCP Strategy, adopted by CARB on March 23, 2017, outlines CARB's approach to achieve state mandates to reduce emissions of greenhouse gases. CARB 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. CARB 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. In order to support the City's Solid Waste Division's compliance with CalRecycle food waste diversion regulations, the RWQCP pursues grant opportunities to support projects for receiving and processing 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 for 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.

DISCUSSION

The City's original CalRecycle grant application was submitted for a five-year term and awarded on October 1, 2019. Due to delays in CalRecycle's issuance of the initial grant agreement, the original Resolution No. 23494 expired before the grant was awarded and prior to the commencement of permitting and construction activities for Digester 5.

To address this, Resolution No. 23494 was amended on January 7, 2020, resulting in the adoption of Resolution No. 23537 and a five-year grant term. Staff sought a second, one-year extension to accommodate construction challenges on March 4, 2025, and amended Resolution No. 23537, resulting in the adoption of Resolution No. 24228.

Recently CalRecycle has communicated a requirement that Digester 5 must be operational for a minimum of three months as part of the project's completion phase while the grant remains active. These additional three months of operations during the grant performance period stretch beyond the one-year extension secured in 2025.

As a result, a third resolution is now required to authorize a one-year extension through April

2027. This extension will provide ample time to complete all remaining tasks outlined in the grant agreement, ensuring compliance with CalRecycle's requirements.

FISCAL IMPACT:

There is no fiscal impact associated with the amendment to extend the term of the grant. Per the original grant award, upon reaching the appropriate milestones the City is eligible to reimburse up to \$3,000,000 in grant funds from the Organics Grant Program, Greenhouse Gas Reduction Program - Fiscal Year 2026/2027. Grant funding is budgeted in the Sewer Fund, CalRecycle Organics Grant Program revenue account 9340300-334100 and expenditure account 9340300-440210. There are no matching funds required.

Prepared by: Valerie Espinoza, Senior Administrative Analyst

Approved by: Nathan Mustafa, Interim Public Works Director

Certified as to

availability of funds: Julie Nemes, Interim Finance Director

Approved by: Kris Martinez, Assistant City Manager

Approved as to form: Rebecca McKee-Reibold, Interim City Attorney

Attachments:

1. Resolution No. 24228
2. Authorization Letter