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CALIFORNIA



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BPW-2022-0568

OFFICE OF THE

**BOARD OF PUBLIC WORKS** 

DR. FERNANDO CAMPOS

EXECUTIVE OFFICER
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August 31, 2022

The Honorable City Council Room No. 395 City Hall

The Honorable Mayor Garcetti City Hall – Room 320 Los Angeles, CA 90012 Attn: Heleen Ramirez

# GRANT APPLICATION AND INCREASE APPROPRIATION FUND 586 - USED OIL COLLECTION AND RECYCLING PROGRAMS - FISCAL YEARS 2023-24

As recommended in the accompanying report from the Director of the Bureau of Sanitation, which this Board has adopted, as amended, the Board of Public Works (Board) recommends that the Mayor and City Council:

- 1. AUTHORIZE the Director of the Bureau of Sanitation (BOS), or designee, and the President or two members of the Board of Public Works when appropriate, to apply for, negotiate, accept, execute, and submit all documents, including, but not limited to applications, agreements, payment requests, amendments, etc., subject to the approval of the City Attorney as-to-form, which may be necessary to receive funding from the California Department of Resources Recycling and Recovery's Used Oil Payment Program (OPP) for BOS's Used Oil Collection and Recycling Program;
- 2. ADOPT the accompanying Resolution for authorizing the submission of applications for the OPP by BOS for FY 2023-24 through FY 2027-28; and
- AUTHORIZE the Controller, upon instructions from the Director of BOS, to increase the appropriation up to said amount in the Used Oil Fund 586 or designated front funding source, and, to make any technical corrections as necessary; and

Fiscal Impact:



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There is no impact to the General Fund.

Sincerely,

DR. FERNANDO CAMPOS, Executive Officer, Board of Public Works

FC:lc

AS AMENDED \*\* BPW-2022-0568

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE MAYOR
AUG 3 1 2022

AND REFERRED TO THE CITY COUNCIL

Executive Officer
Board of Public Works

DEPARTMENT OF PUBLIC WORKS BUREAU OF SANITATION BOARD REPORT NO. 4 AUGUST 31, 2022

CD: ALL

AUTHORITY TO APPLY FOR, NEGOTIATE, ACCEPT AND EXECUTE A GRANT FOR LA SANITATION AND ENVIRONMENT'S USED OIL COLLECTION AND RECYCLING PROGRAMS FOR FISCAL YEARS 2023-24 THROUGH 2027-28

#### **RECOMMENDATIONS**

- 1. APPROVE and FORWARD this report, with its transmittal, to the Mayor and Ctiy Council with the recommendation that the City Council, subject to the concurrence of the Mayor, authorize the Director of the Bureau of Sanitation (BOS), or designee, \*AND THE PRESIDENT OR TWO MEMBERS OF THE BOARD OF PUBLIC WORKS WHEN APPROPRIATE, to apply for, negotiate, accept, execute, and submit all documents, including, but not limited to applications, agreements, payment requests, amendments, etc., subject to the approval of the City Attorney as-to-form, which may be necessary to receive funding from the California Department of Resources Recycling and Recovery's Used Oil Payment Program (OPP) for BOS's Used Oil Collection and Recycling Program;
- Request that the City Council, subject to the concurrence of the Mayor, adopt the accompanying Resolution (Transmittal 1) for authorizing the submission of applications for the OPP by LASAN for FY 2023-24 through 2027-28.
- 3. Request the City Council to authorize the Controller, upon instructions from the Director and General Manager of LASAN, to increase the appropriation up to said amount in the Used Oil Fund 586 or designated front funding source, and, to make any technical corrections as necessary.

#### **TRANSMITTALS**

1. Copy of proposed Resolution. (Transmittal No. 1)

#### DISCUSSION

#### **BACKGROUND**

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 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 used oil collection and recycling programs.

### BUREAU OF SANITATION BOARD REPORT NO. 4 AUGUST 31, 2022

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In 2009, State Senate Bill 546 was enacted and made various changes to the Act, including changing the funding from a reimbursable grant program, formerly known as the Used Oil Block Grant Program, to the Used Oil Payment Program (OPP). CalRecycle distributes annual OPP awards to support used oil and oil filter recycling programs, which requires the submission of annual applications. CalRecycle's procedures for administering the OPP encourages local jurisdictions, among other things, to use the open-ended or five (5) year Resolution for the OPP. Funds from the OPP are lump sum and distributed in April of each fiscal year.

Since FY 2009-10, LASAN has applied for and been granted funds to support the used oil program. In the past, awards have been approximately \$1 million annually, but in FY 2020-21, the payment dropped as low as \$413,175. To date, LASAN has received \$11,862,694 from the OPP. These funds have been used to develop and implement a wide range of services and activities designed to facilitate the recycling and re-use of used motor oil and used oil filters. All such activities and programs have come under the general control of the City of Los Angeles' Used Oil and Oil Filter Recycling Program, managed by LASAN's Solid Resources Citywide Recycling Division. Elements of this program with adequate funding include:

- Funding and support of the City's seven Solvent Automotive Flammable Electronics (SAFE) Centers.
- Promotion and maintenance of the City's 14 marina used oil collection sites.
- Conducting mobile used oil collection events annually in communities throughout the City.
- Conducting promotional events annually throughout the City.
- Monitoring of the City's existing 200+ Certified Used Oil Collection Centers (CCC's).
- Recruitment of additional CCC's in underserved areas.
- Promotion of the CCC's as a safe and convenient option for proper disposal of used oil and used oil filters.
- Provision of an environmentally sound opportunity for all residents of the City to dispose
  of used motor oil and used oil filters.
- Education of the public as to the environmental damage caused by the improper disposal of used motor oil and used oil filters.
- Promotion of the use of re-refined motor oil.

In order to continue the Used Oil and Oil Filters Recycling Program, the City must apply for and receive annual OPP funding from CalRecycle. City of Los Angeles policy requires LASAN to receive authority from the City Council and Mayor to submit an application, accept payments, negotiate and execute all agreements. Therefore, in order to apply for CalRecycle OPP funds for FY 2023-24 through 2027-28, an authorizing Resolution must be submitted to CalRecycle demonstrating that the governing body of the eligible entity has approved application to the Used Oil Payment Program (Transmittal No. 1).

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A 5-year resolution for fiscal years 2018-19 through 2022-23 was previously adopted in May 2018 (Council File No. 14-0721) to authorize the submission of applications for the Used Oil Payment Program.

PROGRAM REVIEW COMMITTEE (PRC) APPROVAL/ PROJECT REVIEW BY DIRECTOR (PRD) APPROVAL

The Used Oil Payment Program was approved by the **PRD** on March 31, 2022 for the amount of \$5,000,000.

STATUS OF FINANCING

There is no impact to the General Fund. Upon grant award, front funding up to \$1,000,000 is available from Used Oil Fund 586. Funds from CalRecycle will be deposited in Used Oil Fund 586, Department 50, Department Revenue Source Code 336101 (Other State Grants - Used Oil Block Grant).

Funds and Appropriations for future fiscal years are not yet identified and existing appropriations may change based on the available cash balances. Therefore, future grant front-funding is at the discretion of the Director and General Manager of LASAN or designee. Reimbursements will be deposited into the designated front-funding source.

Respectfully submitted,

**BARBARA ROMERO** 

Director and General Manager

Bureau of Sanitation

REVIEWED AND APPROVED BY:

EVA P. SUNG, Chief Management Analyst

Bureau of Sanitation Date: 8/17/2022

Prepared by:

Paru Proffitt, FMD-CGU, (213) 485-3148 Pablo Hernandez, SRCRD, (213) 440-8245 John Park, SRCRD, (213) 440-8342

#### Oil Payment Program – Individual Jurisdiction

## RESOLUTION AUTHORIZING SUBMITTAL OF APPLICATIONS FOR USED OIL PAYMENT PROGRAM AND RELATED AUTHORIZATIONS

WHEREAS, pursuant to Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the Used Oil Payment Program (OPP).

WHEREAS, the City of Los Angeles (City) recognizes the need to continue to maintain ongoing programs and expand the public education/outreach programs to reach new residents and business owners in Los Angeles; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council, with the concurrence of the Mayor, hereby authorizes the Director and General Manager of the Bureau of Sanitation, or her/his designee, to submit annual applications to CalRecycle for the OPP, and

BE IT FURTHER RESOLVED that the Director of the Bureau of Sanitation, or designee, is hereby authorized to accept the annual payments from CalRecycle, to conduct all negotiations, to provide additional information, and to execute and submit all documents, including, but not limited to, applications, amendments, subject to the approval of the City Attorney as to form and legality, which may be necessary to secure funding with respect to the OPP, and

BE IT FURTHER RESOLVED that this authorization is effective for fiscal years 2023-24, 2024-25, 2025-26, 2026-27, and 2027-28.

Date Adopted	
ATTEST/CERTIFIED	(name(s)