



## Council Agenda Report

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Item 5k

**Department:** Utilities  
**Cost Center:** 6107  
**For Agenda of:** 11/15/2022  
**Placement:** Consent  
**Estimated Time:** N/A

**FROM:** Aaron Floyd, Utilities Director  
**Prepared By:** Tina Clark, Solid Waste and Recycling Coordinator  
Chris Lehman, Deputy Director Wastewater

**SUBJECT:** APPROVE A GRANT APPLICATION TO THE CALRECYCLE BEVERAGE CONTAINER RECYCLING GRANT PROGRAM

### RECOMMENDATION

Adopt a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, authorizing approval of a Grant Application to the CalRecycle Beverage Container Recycling Grant Program."

### POLICY CONTEXT

In 2016, the City Council adopted Resolution No. 10719<sup>1</sup> authorizing the Utilities Director to apply to the Department of Resources Recycling and Recovery (CalRecycle) for any and all payment programs offered by this agency until rescinded. Though this resolution is still in effect, CalRecycle has determined that the authority accorded by it does not extend to their grant programs. Adopting the proposed Resolution (Attachment A) is consistent with the City of San Luis Obispo's Financial Management Manual, Section 740 Grant Management Policy. This policy states that Council must approve all grant applications in excess of \$5,000 and delegates receipt and contract execution to the City Manager if delegation is allowed by the grantor agency.

### DISCUSSION

#### Background

CalRecycle has issued a grant opportunity through the Beverage Container Recycling Program for a total of \$3,000,000, with \$1,500,000 available for each fiscal year (FY) 2022-23 and 2023-24. The program provides a maximum grant award of up to \$275,000 per applicant. The purpose of the grant program is to "promote increased recycling of beverage containers throughout California and reduce the beverage container litter in the waste stream."

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<sup>1</sup>Resolution No. 10719

<http://opengov.slocity.org/WebLink/DocView.aspx?id=56712&dbid=0&repo=CityClerk>

The Utilities Department, in a joint effort with Public Works, is requesting \$236,531 from the grant program for the purchase and installation of 30 dual-sided Smart Waste Bigbelly collection systems to allow for beverage container recycling and litter reduction in Mission Plaza and adjacent downtown areas including Farmers' Market (Attachment B). This cost also includes \$1,000 for the separate purchase of digital and print ads to promote the program. These receptacles are fully enclosed, theft-proof, and equipped with fullness-sensing software and will replace the existing bins, which have a 32-gallon capacity with limited space for recyclables. The new dual-sided bins will have a 150-gallon capacity with compacting capability for solid waste and a 50-gallon capacity for recyclables. This will greatly reduce the challenges the City currently faces in managing discarded materials in these Downtown public areas including contamination and theft.

The Utilities Department plans to promote the new recycling infrastructure through an ongoing, multi-pronged, outreach campaign designed to educate the public on the importance of beverage container recycling and highlight the new collection bins that includes signage, digital and print ads, as well as partnering with Downtown SLO (host of the weekly Thursday night Farmers' Market) to educate vendors and visitors about recycling and how to properly recycle their beverage containers.

#### **Previous Council or Advisory Body Action**

In 2016, the City Council adopted Resolution No. 10719 authorizing the Utilities Director to apply to the Department of Resources Recycling and Recovery (CalRecycle) for any and all payment programs offered by this agency. Though this resolution is still in effect, CalRecycle has determined that the authority accorded by it does not extend to their grant programs and requires a specific resolution in order for the City to apply for funding.

#### **Public Engagement**

The City has received letters of support from Downtown SLO and SLOCAL for this project (Attachment C).

#### **CONCURRENCE**

The Public Works Deputy Director of Maintenance Operations and the Office of Sustainability concur with staff's recommendation.

#### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA) does not apply to the recommended action described in this report and resolution, because the submittal of a grant application does not constitute a "Project" under State CEQA Guidelines Section 15378. Furthermore, replacement of existing receptacles with improved bins would not result in a significant impact on the environment and qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15302 (Replacement or Reconstruction).

**FISCAL IMPACT**

Budgeted: No  
Funding Identified: Yes

Budget Year: 2023-2024

**Fiscal Analysis:**

<b>Funding Sources</b>	<b>Total Budget Available</b>	<b>Current Funding Request</b>	<b>Remaining Balance</b>	<b>Annual Ongoing Cost</b>
General Fund	\$	\$	\$	\$
State	\$	\$		
Federal				
Fees				
Other:				
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

The recommendation in this staff report is to authorize staff to pursue a grant funding opportunity with CalRecycle for \$236,531 to fund trash and recycling infrastructural improvements. No additional funding is requested at this time. Should this request be approved, appropriate updates to revenue and capital improvement forecasts will be made to Financial Plan 23-25.

**ALTERNATIVES**

***Council could decide to not authorize the application for the Beverage Container Recycling Grant Program.*** Staff does not recommend this alternative, but if Council chooses not to authorize staff to apply for this CalRecycle grant, staff would immediately withdraw the City's grant application. Staff would then continue to seek other funding sources for the acquisition of these type of containers. Council could decide to find alternative funding for them as well.

**ATTACHMENTS**

- A - Draft Resolution authorizing approval of grant application to the CalRecycle Beverage Container Recycling Grant Program
- B - Bigbelly Container Purchase and Installation Cost Quote
- C - Letters of Support from Downtown SLO Association and Visit SLO CAL