

REQUEST FOR APPROVAL

To: **Howard Levenson**
Deputy Director, Materials Management and Local Assistance Division

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: June 17, 2015

Decision Subject: Awards for the Used Oil Competitive Grant Program (Used Oil Recycling Fund, FY 2015–16)

Action By: July 21, 2015

Summary of Request: Staff requests approval of grant awards for the Used Oil Competitive (UOC) Grant Program for Fiscal Year (FY) 2015–16. CalRecycle received 19 grant applications requesting a total of \$2,612,009 for this competitive grant program. Two applicants withdrew before scoring commenced and six applications were disqualified because they did not receive a passing score. This request seeks approval for 11 grant awards for the passing applicants, totaling \$1,838,223.

Recommendation:
Staff recommends approval of 11 grant awards for FY 2015–16, as listed in Table 1 below, in the amount of \$1,838,223.

Table 1. Used Oil Competitive Grant Program FY 2015–16 Recommended Award List

Applicant	Award Amount
The California Channel	\$244,985
San Francisco Region, Sports Car Club of America, Inc.	\$250,000
San Diego County	\$90,253
City of Lancaster	\$83,712
City of Gardena	\$100,000
City of Hawthorne	\$99,550
City of Bakersfield	\$30,800
Solano County	\$224,924
Community Services & Employment Training, Inc.	\$249,999
Fresno County	\$250,000
City of Antioch	\$214,000
Total:	\$1,838,223

Funding: The California Used Oil Recycling Fund Three-Year Spending Plan (FY 2013–14 through FY 2015–16) allocates \$2 million for the UOC Grant Program.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
Used Oil Recycling Fund (FY 2015–16)	\$2,000,000	\$1,838,223	\$161,777	State Operations
Total	\$2,000,000	\$1,838,223	\$161,777	

Deputy Director Action: On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby conditionally approve the grant awards for the UOC Grant Program as listed in Table 1. Each proposed grantee's award is conditional upon:

1. The full payment within 60 (sixty) days of the date of this grant award of all outstanding debt(s) or scheduled payment(s) owed by the proposed grantee to CalRecycle.
2. The return by the proposed grantee of a completed and executed Grant Agreement within 60 (sixty) days from the date that CalRecycle staff mails the Grant Agreement.

Dated: 6/22/15



Howard Levenson
Deputy Director

Background and Findings:

Statutory Authority

California Public Resource Code (PRC) section 48632 authorizes the California Department of Resources Recycling and Recovery (CalRecycle) to award used oil-related grants for any of the following purposes:

- Providing and maintaining collection and recycling opportunities for used lubricating oil and filters
- Research, testing, and demonstration projects for in-service uses, collection technologies and end-of-life used oil management
- Developing uses and markets for products resulting from recycling used oil and filters
- Product advancements and developments in lubricating oil
- Education and mitigation projects relating to stormwater pollution from used oil

Program Background

Senate Bill 546 (Lowenthal, 2009) increased fees paid by used oil manufacturers, which has resulted in increased revenues to the California Used Oil Recycling Fund. As part of the three-year used oil spending plan approved in September 2013, CalRecycle allocated an amount totaling \$2 million for the FY 2015–16 UOC Grant Program cycle. CalRecycle also approved allocations for other activities that will support used oil collection, including contract support for Certified Collection Centers and Curbside Collection programs, and additional targeted outreach activities.

Criteria and Process

The program eligibility, scoring, criteria and selection process was described at the November 18, 2014, CalRecycle Meeting and subsequently approved by the Deputy Director. The Notice of Funds Available was placed on the CalRecycle web site on January 16, 2015, with an appropriate notice sent to stakeholders.

Applications were due February 26, 2015, with a secondary due date of March 26, 2015 for Resolution submission. Nineteen (19) applications were received requesting a total of \$2,612,009. Of the 19 applications, two withdrew before scoring commenced. The maximum award amount is \$100,000 for individual applicants and \$250,000 for regional applicants. Staff reviewed the remaining 17 applications in accordance with the approved evaluation and scoring criteria, and six applications did not receive a passing score. With the \$2 million available, the 11 passing applications can be fully funded.

With respect to the three focal areas of this cycle, six grants involve education and outreach regarding used oil and filter recycling and preventing stormwater pollution, three grants involve implementing or expanding used oil and filter collection programs, and two grants involve mitigation projects to prevent used oil stormwater pollution.