

**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:**     May 11, 2015

**Decision Subject:** Awards for the Household Hazardous Waste Grant Program (Integrated Waste Management Account, FY 2015–16)

**Action By:**         June 2, 2015

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**Summary of Request:** Staff requests approval of grant awards for the Household Hazardous Waste (HHW) Grant Program for Fiscal Year (FY) 2015–16. CalRecycle received five grant applications requesting a total of \$728,984 for this competitive grant program. Of the five applications, two were disqualified. This request seeks approval for three grant awards for the passing applicants, totaling \$343,192.

In addition, staff requests approval of grant awards for eligible but unfunded applicants from the HHW Grant Program from FY 2014–15 as identified in the Request for Approval signed on January 16, 2015. The Criteria and Process section specifically states that if the FY 2015–16 cycle is undersubscribed, CalRecycle may consider awarding any unfunded eligible applicants from FY 2014–15. This request seeks approval for nine eligible applications and one partially-funded, as identified in Table 2.

**Recommendation:**

Staff recommends approval of three grant awards for FY 2015–16 in the amount of \$343,192 and 10 grant awards from FY 2014–15 in the amount of \$695,332, as listed in the Tables 1 and 2 below, for a total of \$1,038,524.

**Table 1. Household Hazardous Waste Grant Program FY 2015–16 Recommended Award List**

<b>Applicant</b>	<b>Award Amount</b>
City of Lancaster	\$55,534
Riverside County	\$67,746
Town of Paradise	\$219,912
<b>Total:</b>	<b>\$343,192</b>

**Table 2. Household Hazardous Waste Grant Program FY 2014–15 Recommended Awards List**

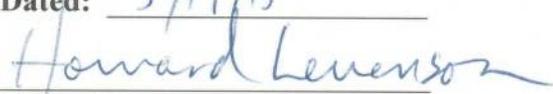
Applicant	Award Amount
Costa Mesa Sanitary District (previously partially funded \$48,281)	\$1,719
Salinas Valley Solid Waste Authority	\$95,523
City of Fullerton	\$25,000
Tehama County Sanitary Landfill Agency	\$95,340
Calaveras County	\$100,000
City of Modesto	\$48,200
Kern County	\$99,950
Tuolumne County	\$50,000
Fresno County	\$89,600
City of Chula Vista	\$90,000
<b>Total:</b>	<b>\$695,332</b>

**Funding:** The FY 2015–16 Budget Act allocates \$1.5 million to the Integrated Waste Management Account for the HHW Grant Program.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
Integrated Waste Management Account (FY 2015–16)	\$1,500,000	\$1,038,524	\$461,476	Local Assistance/Grants
<b>Total</b>	\$1,500,000	\$1,038,524	\$461,476	

**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 HHW 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: 5/14/15  
  
 Howard Levenson  
 Deputy Director

**Background and Findings:**

Statutory Authority

California Public Resource Code (PRC) section 47200(a) authorizes CalRecycle to award grants to local government agencies for programs to reduce HHW disposal. Section 47200(a) indicates CalRecycle shall

expend funds "...for the making of grants to cities, counties, or other local agencies with responsibility for solid waste management, and for local programs to help prevent the disposal of hazardous waste at disposal sites, including, but not limited to, programs to expand or initially implement household hazardous waste programs."

### Program Background

The purpose of the HHW Grant Program is to provide funding for local governments to implement safe HHW programs for collection, public education, load checking, source reduction, reuse, and/or recycling of HHW. Eligible applicants for these competitive grants include cities, counties, Joint Power Authorities, other local agencies with responsibility for solid waste management, and qualifying Indian Tribes with responsibility for solid waste management programs that reduce the amount of HHW disposed of at solid waste landfills.

### Criteria and Process for FY 2015–16 Cycle

The focus of the FY 2015-16 cycle is on HHW facility construction. The Eligibility Criteria and Evaluation process for this cycle were 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 December 16, 2014, with an appropriate notice sent to stakeholders.

Applications were due January 28, 2015, with a secondary due date of February 25, 2015, for Resolution submission. CalRecycle received five applications requesting a total of \$728,984. The total allocation for the FY 2015–16 HHW Grant Program is \$1,500,000 with a maximum award of \$350,000 per applicant. Staff reviewed the applications in accordance with the approved scoring criteria, focus areas and eligible costs identified in the Application Guidelines and Instructions. After reviewing and scoring, one applicant was ineligible, three applicants received passing scores and one applicant did not score the minimum points needed to be considered for funding. The amount requested from the three passing applicants totaled \$343,192. The FY 2015–16 cycle is therefore undersubscribed.

### Use of Remaining FY 2015-16 Funds for Unfunded Applicants from FY 2014–15 Cycle

Because the FY 2015-16 cycle is undersubscribed, it is possible to use remaining funds from the cycle to fund eligible but unfunded applicants from the FY 2014-15 cycle, which focused on funding for activities such as extended producer responsibility (EPR) activities, temporary collection events, and minor HHW facility improvements. This possibility was explicitly recognized in the Eligibility Criteria and Evaluation Process for FY 2014–15, which were revised and approved January 16, 2015, by the Deputy Director. The Request for Approval stated, "If the FY 2015–16 HHW facility grant cycle is undersubscribed, or a significant number of facility projects do not receive a passing score to utilize the entire \$1,500,000 anticipated to be allocated for FY 2015–16, CalRecycle may consider awarding any unfunded eligible FY 2014–15 applicants with FY 2015–16 funds." Consequently an additional 10 grants can be awarded to FY 2014-15 applicants, as shown in Table 2. No additional applicants were eligible in the FY 2014-15 cycle, so not all available FY 2015-16 funds can be expended.

### FY 2016-17 Cycle

The HHW Grant cycle for FY 2016-17 will once again focus on activities such as EPR activities, temporary collection events, and minor HHW facility improvements. Based on discussions with stakeholders at HHW Information Exchanges, CalRecycle anticipates greater demand for funding in this cycle. In summer 2015, CalRecycle will survey stakeholders regarding their priorities for this funding. CalRecycle will then discuss potential criteria for the 2016-17 cycle with stakeholders at subsequent HHW Information Exchanges, before preparing a Request for Approval regarding the criteria and process for the cycle.

