



# Agenda Item

## Orange City Council

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Item #: 3.7.

5/26/2026

File #: 26-0301

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**TO:** Honorable Mayor and Members of the City Council

**THRU:** Jarad Hildenbrand, City Manager

**FROM:** Christopher Cash, Public Works Director

### 1. SUBJECT

Accept the FY26 Beverage Container Grant from the California Department of Resources Recycling and Recovery and appropriate unspent grant balances received in prior fiscal years

### 2. SUMMARY

Under an agreement with the California Department of Resources Recycling and Recovery, the Public Works Department receives per-capita grant funds to support activities related to beverage container recycling. In addition to this funding, the City received grant funds through the SB 1383 Local Assistance Grant Program. Because the balance remains unspent from previous fiscal years, these SB 1383 funds now need to be appropriated.

### 3. RECOMMENDED ACTION

1. Accept into the City's revenue budget \$34,712 in grant funds from California Department of Resources Recycling and Recovery to State Grant Funds (499):

499-5301-43201-265088 State Grant Funds Beverage Container Grant FY26

2. Authorize the appropriation of \$34,712 to:

499-5301-55101-265088 State Grant Funds Beverage Container Grant FY26

3. Authorize the appropriation of \$34,798 to:

601-5301-55101-255088 State Grant Funds Beverage Container Grant FY25

4. Authorize the appropriation of \$32,412 to:

100-5001-55999-255041 Other Prof/Tech. Serv. SB 1383 Local Assistance FY23

### 4. FISCAL IMPACT

There is no direct fiscal impact to the General Fund. The total appropriations for these grants are funded by the revenue received from the California Department of Resources Recycling and Recovery.

### 5. STRATEGIC PLAN GOALS

Goal 2: Enhance Economic Development and Achieve Fiscal Sustainability

Goal 3: Enhance Public Communication Strategy and Quality of Life

## **6. DISCUSSION AND BACKGROUND**

The City participates in the Beverage Container Recycling Payment Program, administered by the California Department of Resources Recycling and Recovery (CalRecycle). To receive funding, the City must apply to CalRecycle. This program provides financial support to local governments for beverage container recycling initiatives, with the goal of achieving and maintaining an 80% recycling rate for all California refund-value beverage containers, including those made of aluminum, glass, plastic, and other metals.

The City has received funding through this program since 1999. These funds have supported services provided by the Orange County Conservation Corps (OCCC), the purchase of recycling containers, and efforts to reduce bottled water consumption through the installation of hydration stations at several public facilities. OCCC has historically assisted the City by maintaining storm channels and by conducting litter-reduction and recycling activities during City events.

In addition to appropriating the Beverage Container Recycling revenue received in FY 2026, the City also received funds in FY 2025 that were not carried over into the current fiscal year, despite being approved by the City Council on May 13, 2025.

On November 15, 2023, the City applied for CalRecycle's SB 1383 Local Assistance Grant Program for Fiscal Year 2022-23, which provides funding to support the implementation of SB 1383 requirements. The City was awarded \$368,156, which was appropriated by the City Council on June 11, 2024. A remaining balance of \$105,685 from this grant was not carried into the current budget but should have been.

## **7. ATTACHMENTS**

- Attachment 1 Beverage Container Funding Request Certification FY 25-26
- Attachment 2 Beverage Container Funding FY25 Staff Report, May 13, 2025
- Attachment 3 May 13, 2025, City Council Meeting Minutes
- Attachment 4 SB 1383 Funding FY23 Staff Report, June 11, 2024
- Attachment 5 June 11, 2024, City Council Meeting Minutes