

Request for Approval

To: **Michelle Martin**
Deputy Director, Division of the Circular Economy

From: **Lauren Barva**
Branch Chief, Financial Resources Management Branch 2

Request Date: **February 13, 2025**

Decision Subject: Awards for the Increased Recycling of Empty Glass Beverage Containers Grant Program (California Beverage Container Recycling Account, FY 2024–25)

Action By: March 18, 2025

Summary of Request

Staff requests approval of 2 grant awards in the amount of \$1,801,450 for the competitive Increased Recycling of Empty Glass Beverage Container Grant Program (Program) for fiscal year (FY) 2024–25.

Funding

The Increased Recycling of Empty Glass Beverage Containers Grant Program has an annual appropriation from the California Beverage Container Recycling Fund of \$4,000,000 per fiscal year.

Table 1. Funding

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
California Beverage Container Recycling Account (FY 2024–25)	\$4,000,000	\$1,801,450	\$2,198,550	Local Assistance and/Grants

Background and Findings

Statutory Authority

The Department of Resources Recycling and Recovery (CalRecycle) receives an annual appropriation from the Beverage Container Recycling Fund to administer the Increased Recycling of Empty Glass Beverage Containers Grant Program. (Senate Bill 1013, Atkins, Chapter 610, Section 14544) (Public Resources Code [PRC] sections 14544).

Program Background

The fundamental goal of the Program is to assist in funding regional pilot programs that are supplying bins for collection of empty glass beverage containers from restaurants and on-sale retail licensed establishments (on-sale beer and wine licenses, on-sale general licenses, and

on-sale general licenses for seasonal businesses), with the goal of increasing the recycling of glass beverage containers.

Criteria and Process

The Eligibility Criteria and Evaluation Process was discussed on August 2, 2024, CalRecycle meeting and subsequently approved by the Deputy Director. The Notice of Funds Available was placed on the CalRecycle web site on October 30, 2024, with an appropriate notice sent to interested parties.

Applications were due December 10, 2024, with a secondary due date of January 7, 2025, for authorizing documentation submission. CalRecycle received 8 applications requesting \$6,913,766. Staff reviewed the applications in accordance with the [approved evaluation and scoring criteria](https://www2.calrecycle.ca.gov/PublicNotices/Details/5510) (https://www2.calrecycle.ca.gov/PublicNotices/Details/5510). Subsequently, four applications were disqualified for submitting incomplete applications. Of the remaining four applicants, two did not receive an adequate passing score to be awarded. The maximum grant award for Individual, Cooperative and Regional applications is \$2,000,000, and the minimum grant award is \$500,000.

Listed below are the types of projects recommended for funding:

Applicant: Napa Recycling & Waste Services LLC

Award Amount: \$913,700

Project Summary: Napa Recycling and Waste Services (NRWS) aims to establish a new regional Empty Glass Beverage Container Pilot Program throughout the City and County of Napa. The program hopes to serve approximately 225 restaurants and on-sale retail licensed establishments currently participating in NRWS's curbside single stream recycling program. Funding will cover the initial startup equipment and personnel costs including 1,200 "glass only" collection carts, (64-gallon capacity to assure maneuverability and stay within serviceable weight limits), 180 inside collection containers with dollies, a side load collection truck, a new class A driver, and education and outreach material.

Applicant: Hirmiz Enterprises Inc.

Award Amount: \$887,750

Project Summary: The project aims to collect empty glass beverage containers generated in San Diego County at Bars and Restaurants, and on-site Retail licensed establishments, consolidate them in San Diego, and transport them to Los Angeles for processing/recycling.

The proposed project has two goals: The first goal is to evaluate and implement strategies to enlist the long-term participation and support of glass generators and then efficiently collect and move the glass to a nearby CalRecycle certified Processor for consolidation and transport. The second goal is to build the volume of EGBC up to 200 tons per month starting in the Gaslamp Quarter then expanding to generators throughout San Diego County.

Recommendation

Staff recommends approval of 2 grant awards as listed below for \$1,801,450.

Table 2. Recommended Awards

Applicant	Award Amount
Napa Recycling & Waste Services, LLC	\$913,700
Hirmiz Enterprises Inc.	\$887,750
Total Award	\$1,801,450

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 Increased Recycling of Empty Glass Beverage Containers Grant Program as listed in Table 2. Each proposed grantee's award is subject to two conditions:

1. The recommended grantee must pay all outstanding debts due to CalRecycle, or bring current any outstanding payments owed to CalRecycle, within 60 days of the date of the award email.
2. The recommended grantee's Signature Authority (or where delegation is authorized, his or her Designee) must sign and return the Grant Agreement to CalRecycle. The signed Grant Agreement must be received by CalRecycle within 60 days of the date of the award email.

Michelle Martin
Deputy Director

Dated