

Agenda Report

TO: CITY COUNCIL DATE: November 20, 2006

FROM: CITY MANAGER

SUBJECT: ADOPTION OF A RESOLUTION AUTHORIZING APPLICATION TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD FOR THE CITY OF PASADENA TO BECOME A REGISTERED INDUSTRIAL GENERATOR

RECOMMENDATION

It is recommended that the City Council approve a resolution authorizing application to the California Integrated Waste Management Board for the City of Pasadena to become a Registered Industrial Generator for the purposes of receiving a recycling incentive payment for used oil.

BACKGROUND

An industrial generator of used oil is defined by the CIWMB as an entity that buys and uses lubricating oil for equipment owned or used by the entity (Public Resources Code Section 48614). Local governments can qualify to be an industrial generator if, as part of their day-to-day operations:

1. The local government uses automobiles, buses, trucks, planes, trains, heavy equipment, or other machinery powered by an internal combustion engine.
2. The local government changes the lubricating oil in these vehicles or heavy equipment in-house.
3. The used oil is transferred to a certified recycling facility by a used-oil hauler for disposal.

Curbside collection programs that pick up used oil are also eligible to become registered industrial generators with the State.

Once registered, program operators (public or private) can receive a \$.16 per gallon recycling incentive for all of the used oil collected at curbside as well as used oil generated by its fleet.

In FY 2006, the City of Pasadena's Department of Public Works serviced 1,691 vehicles, generating a total of 4,050 gallons of waste oil, from its fleet maintenance and over 1,500 gallons of used oil collected from City of Pasadena residents through its curbside collection program.

Currently, all of the waste oil generated by fleet maintenance (4,050 gallons in FY 2006) and that which is picked up curbside through our curbside collection program (1,500 gallons in FY 2006) is being transported from the City Yards by American Oil, a CIWMB-certified transporter, to Industrial Services Oil Company, Inc. which recycles the oil. American Oil provides the City with manifests detailing the quantity of oil being transported and recycled. Based upon the information for FY 2006 the estimated cost for disposal of 5,550 gallons of waste oil was \$1,146.

Under the California Integrated Waste Management Board (CIWMB) guidelines, the City of Pasadena is eligible to become a registered industrial generator and receive an incentive payment of \$.16 per gallon of recycled oil. This equals an overall cost savings of \$888.

To become a registered generator, the CIWMB requires a completed registration application signed by the designated City authority. Once the CIWMB has approved the City as a registered generator, the City must submit a recycling incentive reimbursement claim to receive payment of the recycling incentive.

FISCAL IMPACT

In FY 2006, the City of Pasadena collected 1,500 gallons of oil through the curbside collection and 4,050 gallons of oil generated through fleet maintenance, at an estimated cost of \$1,146. As a registered generator the City would be eligible to receive the recycling incentive of \$.16 per gallon. Using FY 2006 as an average, the City would receive \$888 for waste oil annually, making the estimated annual cost of disposal \$258.

Respectfully submitted,

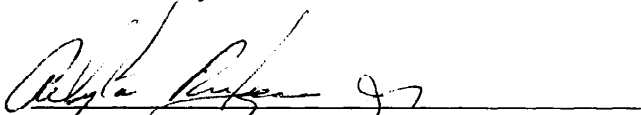

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