

Strategic Plan UPDATE 2007

Planning Together For The Future

Presented To The Waste Management Commission

By Integrated Waste Management Department

November 2007





Progress Report Update

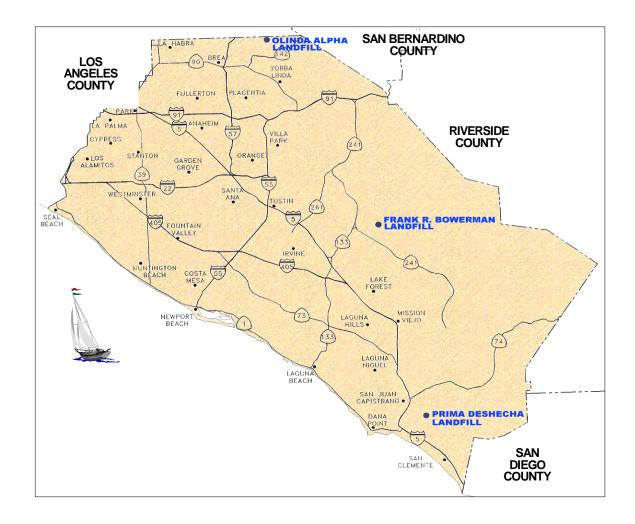
This report is the annual update to the RELOOC Strategic Plan (the Plan). Some essential strategies reached fruition during this reporting period, and IWMD continues to move forward with others.

IWMD remains committed to the implementation of both the Phase 1 (short-term) and Phase 2 (long-term) strategies identified within the Plan. As in the 2006 update, the following sections of this report individually examine short and long-term strategies. In each, IWMD reports progress in continuing to meet the solid waste needs of Orange County residents and strategically plan to meet those needs well into the future.



Orange County Solid Waste Disposal System

IWMD operates three municipal solid waste landfills: Olinda Alpha (OAL), Frank R. Bowerman (FRB) and Prima Deshecha (Prima). OAL serves northern Orange County; FRB serves central Orange County; Prima serves southern Orange County. Each of these landfills also receives imported waste from jurisdictions outside of the County of Orange. There are four household hazardous waste collection centers located throughout the County at which Orange County residents can properly dispose of their household hazardous waste. In addition to the management of the 3 active landfills, IWMD monitors 19 former refuse disposal stations and the closed Coyote and Santiago Canyon landfills.





The Solid Waste Facility Permits for the three active landfills—OAL, FRB and Prima—allow for acceptance of a maximum of 8,000 tons per day (tpd), 8,500 tpd, and 4,000 tpd, respectively, for a maximum permitted system-wide disposal capacity of 20,500 tpd.

Prima is scheduled to close in 2067. FRB is currently scheduled to close in 2022 but upon completion the Plan's short-term strategy No. 2, the scheduled closure date will be 2053. OAL is currently scheduled to close in 2013 but upon completion of the Plan's short-term strategy No. 3, the scheduled closure date will be 2021.

Provisions exist to allow disposal of 10,625 tpd for up to 36 days a year at FRB, commonly referred to as high tonnage days. This allowance does not increase the annual average tonnage allowed for FRB, but does allow for some flexibility to accommodate incidences of higher than normal tonnage, such as post-holiday periods. Final Environmental Impact Report (EIR) 604, prepared pursuant to the California Environmental Quality Act (CEQA) and discussed later in this report, provides for an increase from the current 10,625 tpd to 11,500 tpd. An application to revise FRB's Solid Waste Facility Permit to incorporate this increase has been submitted and is under review by the appropriate permitting agencies.

Permitted to accept 8,000 tpd, OAL is limited to an annual average of 7,000 tpd under terms of a Memorandum of Understanding (MOU) with the City of Brea.

IWMD has ensured a steady stream of waste to its landfills by entering into waste disposal agreements (WDA's) with cities within County, sanitary districts and private waste hauling companies. The WDA's commit the cities and sanitary districts to deliver all waste under their jurisdictional control to the County landfill system. The WDA's commit the private waste hauling companies to deliver all waste they collect within the geographic boundaries of Orange County to the County landfill system. In return for this commitment, WDA holders receive a preferential \$22 per ton rate and a guaranteed disposal location. These agreements expire in June 2010.

In July 2006, to encourage waste processing for recovery of recyclable materials, IWMD placed a \$19.00 surcharge on self-hauled waste. Self-hauled waste is waste delivered to the landfill by a non-WDA waste hauler. The Board approved surcharge is more fully described in Short-term Strategy No. 4 of this report.

In 1997, the County entered into waste disposal agreements for imported waste. These agreements cause waste from jurisdictions outside Orange County to be delivered to County landfills. Net revenues from imported waste disposal fees go to the County General Fund to support the County's Bankruptcy Recovery Plan. Waste disposal agreements for importation will continue until 2015.



Phase 1 Short-Term Strategy Updates

Short-term Strategy No. 1

Fully use the existing landfill system capacity by maximizing operational efficiency at existing landfills.

Continue to review landfill operations for use of new equipment and practices for optimum compaction to maximize capacity. Report on current and planned practices for optimizing compaction during annual review of RELOOC Strategic Plan.

IWMD continues to use the following equipment and practices as detailed in previous annual updates:

- Computer Aided Earthmoving System (CAES) technology
- Use of tarps in lieu of soil for daily cover
- Use of bulldozers in lieu of scrapers for spreading daily cover if tarps cannot be employed
- Monitor on an ongoing basis the availability, applicability, and cost effectiveness of alternative daily and final covers and liners that maximize capacity. Report on alternative daily and final cover uses (current and planned) during annual review of the RELOOC Strategic Plan.

As reported in last year's update, tarps are in use at each of the three active landfills as a proven means of alternative daily cover for capacity maximization.

In addition, OAL has commissioned a study to determine the density, consolidation and decomposition rate of Processed Green Material (PGM). The intent of the study is to determine actual landfill capacity savings realized by using PGM for alternative daily cover. The study is scheduled for completion by December 2007.

IWMD will continue to monitor for other alternative daily cover options.

Conduct a feasibility study of biocell technology (breaking down solid waste to create greater capacity) at Prima Deshecha Landfill within two years of Board of Supervisors concurrence on the Strategic Plan Phased Approach.

A formal feasibility study has been deferred pending advances in biocell technology that would render biocells suitable to climatic conditions in Southern California.



Implement biocell technology at Prima Deshecha Landfill, if deemed feasible, within five years of feasibility determination. Implementation includes application to regulatory agencies, CEQA analyses, and revisions to operating permits and landfill operational procedures.

Should changes in biocell technology precipitate a formal feasibility study, and if said study finds biocell technology to be feasible to implement at Prima, a recommendation to implement will be made to the Board of Supervisors.

Short-term Strategy No. 2

Fully use the existing landfill system capacity by vertically expanding Frank R. Bowerman Landfill, to maximize landfill site capacity.

∠ Initiate a CEQA/EIR process upon Board of Supervisors approval of the Strategic Plan Phased Approach.

This task was initiated in July 2005 and has been completed.

Complete the CEQA process and Board of Supervisors certification of the EIR, and approval of the project to expand the FRB Landfill.

This task has been completed. The Board of Supervisors certified Final EIR 604 on August 15, 2006.

Finalize Agreement with City of Irvine for vertical expansion of FRB Landfill coinciding with the EIR certification and approval of the Strategic Plan.

On August 15, 2006, the Board of Supervisors adopted a Cooperative Agreement with the City of Irvine that will guide the working relationship of the County and the City through closure of the FRB Landfill. The projected closure date for FRB is 2053.

Revise landfill operating permits for vertical expansion of FRB Landfill within two years of the EIR certification and approval of the Strategic Plan.

IWMD staff is working to secure the necessary biological permits and regulatory operating permits by the fourth quarter of 2007 in order to begin the first phase of the project in spring 2008.

Short-term Strategy No. 3

Fully use the existing landfill system capacity by vertically and horizontally expanding Olinda Alpha Landfill, to maximize landfill site capacity.



This task was initiated in January 2004 and has been completed.

Complete the CEQA process and obtain Board of Supervisors certification of the EIR and approval of the project to expand and extend the life of the Olinda Alpha Landfill.

This task has been completed. The Board of Supervisors certified the Final EIR and approved the landfill expansion project on April 17, 2007.

E Finalize Agreement with City of Brea for expansion and extension of 2013 closure date for Olinda Alpha Landfill coinciding with the EIR certification and approval of the Strategic Plan.

Under the leadership of the County Executive Office, negotiation of an amended and restated MOU continues with the City of Brea.

Revise landfill operating permits for expansion and extension of 2013 closure date for Olinda Alpha Landfill within two years of the EIR certification and approval of the Strategic Plan.

IWMD is now working to secure the required permits for the landfill expansion. The projected closure date is 2021.

Short-term Strategy No. 4

Fully use the existing landfill system capacity by promoting diversion, recycling, and market development with the public and haulers.

Develop a plan to expand public outreach programs implemented by IWMD and coordinate with cities to provide education on how programs by cities and practices by citizens to reduce, recycle, and reuse solid waste will result in maximizing In-County landfill capacity. The expanded public outreach program should be developed within two years of Board of Supervisors approval of the RELOOC Strategic Plan.

Countywide Public Education and Outreach

A Public Relations Strategic Plan was developed and implemented in 2003. The goal of the Public Relations Strategic Plan is to develop and maintain:

1. Working relationships with main-stream newspapers and host city local reporters



- 2. Open communications with city public relations personnel and city staff as appropriate
- 3. Open channels of communication with local residents and community leaders
- 4. Public education to community policy-makers, residents and other stakeholders

These goals are accomplished by public outreach, proactive communication of IWMD's plans and projects, ongoing industry and public relations training, networking, and posting of relevant information to IWMD's website.

In 2007, IWMD reassessed its Public Relations Strategic Plan and prepared a scope of work for a Request for Proposals (RFP) geared at enhancing the current plan through a strategic community-based social marketing campaign to increase diversion by promoting recycling activities. The campaign will also ensure a broad understanding of IWMD's role as a regional leader in meeting Orange County's waste disposal needs.

In addition, IWMD developed a grant program to provide funds to Orange County cities and sanitary districts for recycling programs. The proposed grant program was developed in collaboration with the Waste Management Commission and will be presented to the Board of Supervisor's for consideration in November 2007. The grant program is funded from revenues from the Self-Haul Surcharge which is discussed under the next strategy.

Coordination of City Recycling and Disposal Information

IWMD, through its regular Recycling Coordinator Meetings, interacts with its partner cities and surveys them regarding their various recycling programs. This information is shared with all the cities to help promote various recycling activities throughout the County. Information is also available on the IWMD website for easy access by the public.

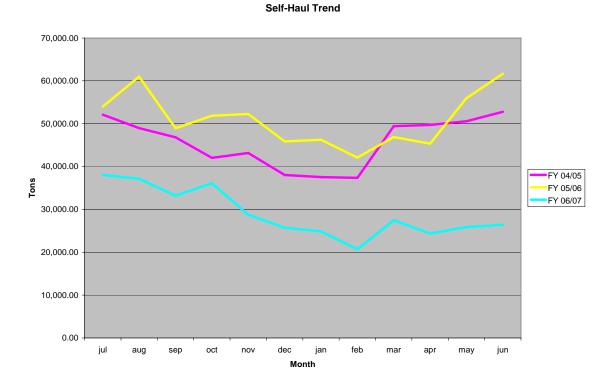
Develop a plan to support practices in the County by commercial haulers and self-haulers to increase solid waste diversion such as identifying new waste streams that can be recycled. Seek input from haulers through the Waste Industry Technical Advisory Committee (formed to advise the IWMD Director) and report on practices and ways to support those practices during annual review of the RELOOC Strategic Plan.

Diversion Resulting from Self-Haul Surcharge Implementation

With the formation of the Commission's Self-Hauled Waste and Landfill Ordinance Committee (SHWLO) in March 2004, IWMD began an in-depth examination of the impact of self-hauled waste on diversion rates and overall daily tonnage limit impacts. The resulting Self-Haul Surcharge has been in effect since July 1, 2006. The effect of this surcharge on self-haul is shown in the chart below. Since the



implementation of the Self-Haul Surcharge, self-haul has decreased 43 percent from the previous year.



Construction and Demolition Policy

On August 21, 2007 the Board of Supervisors adopted a Construction and Demolition (C&D) Policy Resolution establishing a mandatory C&D diversion policy and program that is tied to the building and demolition permitting process for the unincorporated areas of Orange County. This policy will ensure that building developments and demolition projects recycle and reuse the maximum amount of C&D materials as set forth by the Integrated Waste Management Act of 1989 (AB 939).

Material Recovery Facility

After studies identified the need for a Material Recovery Facility (MRF) in South Orange County, a Request for Proposal (RFP) was developed to determine the level of interest among firms in designing, permitting, constructing and operating a MRF at the Prima Deshecha Landfill. The Board of Supervisors is committed to addressing this need either through a County issued RFP or by private sector business development. The Board is expected to provide direction to staff by the end of this year.



Develop a plan to monitor and promote legislation and incentives that develops existing and creates new markets for recycled products. Support legislation that will benefit Orange County's market for recycled products through advocacy with legislators. Develop a plan to educate and offer incentives to Orange County residents to purchase recycled products. Report on education/advocacy efforts and legislation reviewed and supported during annual review of RELOOC Strategic Plan.

IWMD took affirmative steps in enhancing its legislative activities this year. An important initial step was acquiring a web-based legislative tracking software called CapitolTrack. This technology, to a large degree, has automated the tracking of all solid waste-related bills via the internet. CapitolTrack hosts the ability to search bills by word to ensure that important bills are identified early in the legislative cycle and has assisted in developing proactive strategies to effectively address each proposed bill. In addition to its tracking abilities, CapitolTrack has facilitated a real-time creation of bill reports, code section searches, legislative calendar activity reports as well as the ability to create personalized reports. Each report is customized and has the ability to be instantly run with real time status and changes that may have occurred. These reports have increased IWMD's ability to circulate information in a timely manner and at more frequent intervals.

IWMD staff has continued its efforts to closely monitor the California Integrated Waste Management Board (CIWMB) agendas to ensure that all items affecting Orange County are appropriately planned for and addressed. When sensitive or important items impacting Orange County appear on CIWMB agendas, IWMD staff travels to Sacramento to either appear before the CIWMB or to meet with CIWMB to ensure that the County's interests are protected and, wherever possible, enhanced. In addition, air and water quality legislation and regulations promulgated by the South Coast Air Quality Management District and the Santa Ana and San Diego Regional Water Quality Control Boards are also monitored.

IWMD has continued its bi-monthly updates to the Waste Management Commission on current legislation and IWMD activities related to market enhancement and recycling opportunities. IWMD staff continues to coordinate and facilitate bi-monthly meetings of the Recycling Coordinators of Orange County, a coalition of recycling coordinators from each of the 35 municipalities including the County of Orange. This group focuses on recycling challenges and efforts, both local and regional. The local assistance representative from the CIWMB regularly attends these meetings.

In 2006/2007, the Orange County Board of Supervisors unanimously opposed four bills at the request of IWMD (AB 1237, SB 1020, SB 1016, AB 1610) that were believed to be counter-productive to local recycling efforts and/or market development.



IWMD will continue to work diligently to accomplish this strategy through effective and proactive legislative monitoring and activity. IWMD will continue to identify strategies and support efforts that promote best management practices related to recycling and the procurement of recycled goods.

Short-term Strategy No. 5

Seek to resolve the community's concerns related to the extended use of the landfills.

IWMD provided the Public with numerous opportunities for comments and feedback during the CEQA process for both the OAL and FRB expansions. Opportunities for public comment and information dissemination for the OAL and FRB EIR's, both of which have been approved by the Board of Supervisor's, included:

- Public Meetings
- Document reviews at various public locations, or available on CD by request
- Updated information messages on the RELOOC telephone line
- E-mail addresses dedicated specifically to each project
- Media Releases and proactive press contacts
- Public notices mailed to a comprehensive list of stakeholders
- Draft documents posted on IWMD's website
- Megotiate conditional agreements to address impacts with host Cities affected by the RELOOC Phase 1 strategies conditioned on Board of Supervisors approval. Conditional agreements with host cities to be approved by the Board of Supervisors concurrent with approval of the RELOOC Strategic Plan.

IWMD maintains agreements with each landfill host City that guide the working relationship between the County and the City. A conditional agreement related to the FRB landfill expansion was negotiated with the City of Irvine. A conditional agreement related to the OAL landfill expansion is currently being negotiated with the City of Brea.

∠ Upon Board of Supervisors approval and certification of the EIR for landfill expansion at the FRB and Olinda Alpha landfills, finalize host City agreements including any modifications to mitigations and associated compensation resulting from the EIR process.

On August 15, 2006 the Board of Supervisors adopted a Cooperative Agreement with the City of Irvine that structures the working relationship between the City and the County through the closure of the FRB Landfill.



The Board of Supervisors certified the final EIR for OAL, approving the landfill expansion project on April 17, 2007. Negotiations related to the proposed expansion of the Olinda Alpha Landfill continue with the City of Brea.

Short-term Strategy No. 6

Annually review the RELOOC Strategic Plan and modify, as appropriate, in response to disposal industry trends and advances in technology.

Monitor disposal industry trends/options such as the development of regional rail haul sites, planning studies for the required inter-modal/transfer facilities, and identification of out-of-County disposal contract options. Report on disposal industry trends/options and impacts, if any, on Orange County's solid waste disposal system during the annual review of RELOOC Strategic Plan.

Waste-by-Rail continues to gain ground as a long-term solution for urban solid waste disposal. Los Angeles County has devoted considerable resources toward implementation of a rail haul program. This type of waste disposal remains a viable strategy for the future, particularly after OAL closes and FRB nears its closure date. IWMD will continue to monitor this alternative as it becomes more common and available locally.

Disposal capacity is available at both public and private landfills outside the Orange County System, particularly at sites that are permitted to accept rail-haul waste, but none are active as yet. IWMD will continue to monitor the option of purchasing disposal space at these facilities.

Research indicates there are four potential rail haul sites within California:

- Bolo Station (San Bernardino County)
- Campo (San Diego County)
- Mesquite (Imperial County)
- Eagle Mountain (Riverside County)

There have been no new developments since IWMD's last report on Bolo Station and Campo. Eagle Mountain is still involved in litigation in Federal court. However, the Sanitation Districts of Los Angeles County made progress in developing Mesquite which is on schedule to open in 2009.

Monitor alternative technologies and evaluate applicability of potential technologies to Orange County's solid waste system. Recommend that the County's Legislative Platform include a support position for innovative and alternative technologies to reduce waste. Investigate existing disincentives that are preventing the advancement of emerging and alternative technologies



and develop strategies for addressing those disincentives. Report on alternative technologies evaluated and potential for use in Orange County during the annual review of RELOOC Strategic Plan.

In addition to a potential rail-haul solution, alternative technologies may also play a role in the future of the solid waste disposal system within Orange County. IWMD continues to actively monitor existing and proposed alternative technologies.

At this time limited processing capacity, high operating cost and environmental permitting difficulties are hurdles that must be overcome before existing alternative technologies are viable for implementation by the County.

Under current law, conversion technologies do not yield waste diversion credits. In addition to pursuing a change in law through the legislative process, IWMD will continue to seek to foster public/private partnerships to encourage diversion for appropriate technologies.

Annually review the RELOOC Strategic Plan concurrent with the annual review of IWMD's 15-year Financial Plan with the Waste Management Commission and City Manager's Solid Waste Working Group.

IWMD prepares financial plans in accordance with bonding requirements and the WDA's with cities, haulers and sanitary districts. The financial plans were initially 15-year projections. Since 2006, IWMD has prepared an annual financial plan projecting 10 years rather than 15. The 10-year projection is more accurate than the 15 and still satisfies the WDA and bonding requirements.

The review process for the Plan is on-going throughout the year. Planning for financial aspects of the short and long-term strategies are included as part of the financial planning process.

Annual updates to the Plan are presented to the Waste Management Commission and distributed to the City Manager's Solid Waste Working Group.

Recommend modifications or additions to the RELOOC Strategic Plan, if appropriate, based on annual review findings.

There are no recommended modifications or additions to the Plan at this time. Short-term strategies 2, 3 and 5 should be completed in 2008. IWMD will begin assessing the need to modify these strategies or add new strategies in the coming year.



Phase 2 Long-term Strategy Updates

Long-term Strategy No. 1

Determine if there is a need to increase the daily amount of solid waste permitted at the Prima Deshecha Landfill five years prior to the closure of Olinda Alpha.

The currently scheduled closure date for OAL is 2013. On April 17, 2007 the Board of Supervisors approved an expansion of the landfill, extending the anticipated closure date of this facility until 2021. IWMD is now pursuing the required permits for the landfill expansion. At least five years prior to closure, IWMD will conduct a study to determine if an increase to the daily permitted tonnage at Prima is required.

Long-term Strategy No. 2

Identify strategies to support, develop and implement feasible, viable, alternative technologies or other approaches to maximize landfill capacity for possible consideration in future Waste Disposal Agreements.

Prepare a plan to educate the public about the use of technology for waste disposal and the important role and responsibility the public has in supporting the location and operation of safe new technology in Orange County. The public education process for alternative technologies should be implemented concurrent with the public outreach program to be developed as part of Short-term Strategy Number 4.

Implementation of this Long-term strategy is linked to the Plan's Short-term Strategies 4 and 6. To date, no technologies have been deemed feasible, even for study.

IWMD will conduct a formal feasibility study for any viable forms of alternative technology when any such technology is identified as practicable for implementation in the Orange County system. Public education and outreach specific to such technologies will be undertaken to address issues such as safety, energy generation potential, saving scarce fossil fuels, reduced or stable tipping fee rates, and concern about potential noise and odors.

Subsequent to any RELOOC Strategic Plan annual review that identifies potentially viable alternative technologies or other approaches to maximize landfill capacity in Orange County, determine economic viability of and the actions or steps necessary to support, develop and/or implement those approaches.

No viable alternative technologies have been identified to date. As discussed in Short-term Strategy No. 6, IWMD will continue to monitor alternative technologies potential application in the Orange County landfill system.



Modify the RELOOC Strategic Plan, as appropriate, prior to renegotiation of any Waste Disposal Agreements to reflect the implementation of feasible, viable, alternative technologies or other approaches to reduce dependence on landfills.

Waste Disposal Agreement negotiations with the City Manager's Waste Management Committee are in process. The Plan will be updated to reflect any such technology or approach proposed or implemented.

Long-term Strategy No. 3

Complete a study to determine the feasibility of expanding FRB Landfill into the adjacent Round Canyon prior to renegotiation of the 2017-2027 Waste Disposal Agreements.

Subsequent to the Board of Supervisors approving the Plan, the Board accepted an Irrevocable Offer of Dedication (IOD) for Round Canyon from the Irvine Company. With this acceptance, Round Canyon became part of the Limestone-Whiting Wilderness Park. Language in the IOD allows IWMD to perform landslide remediation infrastructure improvements within Round Canyon.

The current closure date for FRB is in 2022. On August 15, 2006, the Board of Supervisors approved both a vertical and a horizontal expansion of FRB which also includes landslide remediation. The approved FRB expansion extends the life this facility by an additional 104 million cubic yards of disposal capacity and satisfies regional disposal needs to approximately 2053. IWMD is currently pursuing the necessary permits for the landfill expansion.

Expansion of the FRB landfill into Round Canyon was not one of the alternatives studied as part of the Final EIR for the expansion of the FRB Landfill. IWMD will defer any final decision regarding expanding the FRB Landfill into Round Canyon until additional data regarding landfill system capacity is available, but prior to negotiation of the Waste Disposal Agreements.



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