

**City of San Diego Long-Term Resource Management Options
Strategic Plan
Resource Management Advisory Committee**
ESD Auditorium, 9601 Ridgehaven Court, San Diego, CA 92123
Wednesday, Jan. 16, 2008, 3:00 – 5:00 p.m.

Meeting Summary

RMAC Members Present:

Fatih Buyukonmez, San Diego State University, Department of Civil and Environmental Studies
Kristen Byrne, San Diego County Disposal Association
Sylvia Castillo, PE, City of San Diego Environmental Services Department
Chris Cate, San Diego County Taxpayers Association
Andrea Eaton, City of San Diego Council District 7
Bob Epler, City of San Diego Environmental Services Department
Richard Flammer, Integrated Waste Management Community Advisory Committee
Lynn France, Integrated Waste Management Technical Advisory Committee
Shirley Larson, League of Women Voters San Diego
Rochelle Monroe, City of San Diego Environmental Services Department
Alan Pentico, San Diego County Apartment Association
Bill Prinz, Solid Waste Local Enforcement Agency

Project Team Members:

Chris Gonaver, City of San Diego, Environmental Services Department
Brian Henry, City of San Diego, Environmental Services Department
Jennifer Ott, City of San Diego, Environmental Services Department
Stephen Grealy, City of San Diego, Environmental Services Department
Christine Arbogast, PE, Bryan A. Stirrat and Associates
Bob Hilton, HF&H Consultants
Sonia Nasser, PE, Bryan A. Stirrat and Associates
Lewis Michaelson, Katz & Associates
Kelly Thomas, Katz & Associates

Interested Attendees:

Christina Buchanan, City of San Diego
Reg Renaud, STI Engineering
Kip Sturdivant

Welcome/Introductions

Lewis Michaelson welcomed committee members and guests. Everyone introduced themselves. Richard Flammer mentioned that he brought several copies of the October 2007 edition of BioCycle Magazine, which had dedicated the entire issue to zero waste. Committee members were encouraged to read through the magazine before the next meeting.

Mr. Michaelson reminded the committee that the Long-Term Resource Management Options Strategic Plan is a two-phase study. The committee and project team are working on Phase 1 right now. The main focus of this meeting is to begin discussing what a good solution would look like by identifying criteria the committee will use to evaluate resource management options.

City of San Diego - Environmental Services Department Update

Chris Gonaver explained recent organizational changes within the Environmental Services Department. Elmer Heap has been promoted to Deputy Chief Operations Officer for the Neighborhood and Community Services Department, which includes Environmental Services, Parks and Recreation, Libraries and Customer Service. During this transition period, Chris Gonaver is the Acting Director for ESD.

Since the last RMAC meeting, ESD presented a few initiatives to the San Diego City Council. The city council approved the following ordinances:

The Construction and Demolition Debris Ordinance was actually put in place two years ago but was not actually implemented because no facility existed at the time to accept this kind of debris. The City Council's recent approval of the ordinance will trigger the ordinance now that the SANCO Facility, a construction and demolition debris facility, is now operational just outside the City of San Diego in Lemon Grove. The ordinance will implement a deposit system on construction and demolition debris beginning July 1, 2008. Parties who recycle this debris will recoup the deposit amount. In addition, an ordinance has adjusted fees at Miramar Landfill, including self-haul rates and a construction and demolition surcharge. These adjusted fees will provide incentive to dispose of waste at Lemon Grove instead of Miramar. Overall, then, this ordinance creates an economic incentive to recycle this type of debris.

The City Council also approved a City Recycling Ordinance requiring residential, commercial and multifamily condo properties to continue or initiate recycling, either through the curbside system or through private haulers. The ordinance implementation will be phased in over two years. Residences already served by curbside recycling will continue using that system. On February 11, 2008, the largest commercial facilities and multifamily residential units (based on square footage) will be required to initiate recycling programs. Every subsequent year, another tier of commercial and residential

properties will be included in the program, until properties of all sizes are included. This ordinance also requires a permit for special events.

Along with these ordinances were some adjusted fees at the landfill. Self-haul rates that had not been adjusted for about 15 years were increased. A Construction and Demolition surcharge was also implemented for customers coming in from outside the City of San Diego. The surcharge will create a financial disincentive to bringing C&D debris into San Diego and will help identify people who did not pick up a permit or who did not need to pick up a permit for C&D activities.

Mr. Gonaver gave an update on the City's plans for a resource recovery center (RRC) on a piece of property north of Hwy. 52 and west of Convoy near the Miramar Landfill. ESD holds lease rights to part of that area for future facilities. Grading activities are currently occurring in the area, but it is not associated with the planned RRC. The Marines have taken back part of the leased property and are building four (4) 80,000 gallon tanks for fuel storage. The tank farm will allow Kinder Morgan, the company that delivers fuel to this area, to make fuel deliveries to Marine Corps Air Station on a more flexible schedule.

Diversion and Financial Impacts

Brian Henry, long-range forecasting analyst for ESD, presented the expected financial impacts of increased waste diversion at Miramar Landfill on ESD funding. Mr. Henry explained that as more waste is diverted from Miramar Landfill through recycling and other diversion efforts, the Refuse Disposal Fund and Recycling Fund receive less revenue. Even without diversion efforts, both funds have been decreasing because operation costs exceed revenues.

ESD has implemented cost cutting measures and increased efficiencies to extend the lives of the funds. However, given the overall trend of the funds and the additional impacts from diversion efforts, both funds are expected to be in a deficit between 2010 and 2011. ESD is currently working with the San Diego City Council and Mayor's office to develop a package of mitigation measures to address the decreasing fund balance.

In the long term, though, the City may have to implement measures such as increased fees or reductions in services. ESD will present its findings and recommendations on maintaining the health of the funds to the City Council later this year. The RMAC should keep these impacts to the funds in mind as it considers different long-term resource management options.

RMAC members asked the following questions:

Q. Do these charts include offsets or mitigation measures?

A. No, these charts assume no offsets or mitigation measures would be implemented.

Q: How exactly are these two funds used?

A: The Refuse Disposal and Recycling funds are used mostly to collect the green and blue bins. The disposal fund also helps pay for maintenance of closed landfills, community cleanups and other activities.

Q: How will the construction and demolition surcharge be used?

A: The scenario presented here represents the worse case fiscally but the best case in terms of diversion rates. This represents about 40,000 tons of non-City C&D debris currently being disposed of at Miramar. The surcharge will be used to fund disposal activities. How exactly the surcharge will be used depends upon how people react to the surcharge. If all the debris is diverted and everyone recoups their deposits, the funds will receive no additional revenue. If half of all debris is diverted, the fund will receive the revenue from the surcharges that are not returned.

Q: If the goal is to conserve landfill space at Miramar, why continue to accept construction and demolition debris there at all?

A: ESD considered banning construction and demolition debris but was concerned about illegal dumping as a result. We concluded that providing financial disincentives might be a better approach. The new rates to dispose of this debris at Miramar are 275% above the normal tipping fee. This significant increase makes it cost more to dispose of debris at Miramar than to take it to the C&D facility in Lemon Grove, even after considering any additional transportation costs.

Q: Does green recycling service change on a seasonal basis?

A: Yes, service can fluctuate depending on weather conditions. For example, the City has a surge in greenery waste following heavy rains, so we need to send out additional trucks. During dry periods we can send out fewer trucks, but we can usually predict the times of year where we will need additional service. For every ton of trash collected by the City that ends up at Miramar, the general fund pays the tip fees. Green waste diverted from black trash cans does not require the general fund to pay that fee. ESD does not want to limit service to the point where people are putting green waste in their trash cans, because this impacts the general fund. We try to strike a balance between the resources needed for collection service and maintaining customer service.

Project Status

Ms. Christine Arbogast provided a status update on the LRMO project. The project team has maintained the overall schedule, which anticipates Phase 1 to be completed in June 2008. Several major tasks have already been completed, including establishing the RMAC and holding two of the five meetings. The next RMAC meeting is scheduled for February to keep the project on track. The project team has substantially completed its demand/capacity study and is identifying pertinent regulatory requirements and policy issues. The consultant team member from HF&H is studying ESD's current financial program, which will be an important component in considering options in Phase 1 and going into more analysis in Phase 2. Today we will review the preliminary screening criteria, and next meeting we will begin discussing options.

System Demand/Capacity Projections

Mr. Bob Hilton of HF&H presented the findings of the system demand and capacity analysis. The core of his message was: "The City, with a current population of 1.3 million people, along with businesses and tourists, generates a lot of landfill material. SANDAG predicts that the amount of material will grow 30% by 2030." This prediction is based on population projections, assuming waste generation and diversion rates remained constant. Miramar will reach its capacity by 2012 and will need to close. Once Miramar closes, the region will have four other landfills available, all of which are owned by Allied Waste Services. If you look at the regional demand of five million tons per year, that total capacity will be reached by 2020. The expansions of Sycamore and Miramar landfills and the development of Gregory Canyon Landfill would extend the capacity a few years but are not long-term solutions. This challenge is why the LRMOSP was initiated.

RMAC members asked the following questions:

Q: Is the life expectancy of Miramar based on current disposal levels?

A: The analysis took into account the predicted disposal levels at the time the Miramar expansion is expected to be complete. It is important to remember that the Miramar expansion and other expansion projects are not guaranteed, as all projects are at different phases of approval and permitting right now.

Q: Are these predictions based on current diversion rates or projected diversion rates?

A: The analysis used 2005 disposal levels. Diversion activity is not incorporated. Accounting for future increases in diversion rates could possibly extend capacity for a year, but it will not change the need to develop long-term solutions. As a reference

point, every 100,000 tons diverted from the landfill equal one extra month of landfill capacity.

Q: One option is to use the existing capacity more efficiently by recovering air space within the landfills.

A: The committee will begin considering options, including these types of options, at the next meeting.

Discussion of Screening Criteria

The goal of this Phase 1 of the LRMOSP is to consider a wide range of resource management options and narrow down this list to the most promising options. The short list of options will be analyzed in much more detail during Phase 2. In order to effectively evaluate a broad range of options in this phase, project staff and consultants developed a draft list of screening criteria. These criteria are not meant to be used to disqualify any option. Rather, the criteria are to be used to consider the relative merits of some options over others. The criteria are grouped into six generic categories. The committee reviewed each category and made recommended changes.

Financial Viability: Options provide financial support for the City's environmental programs; are economically viable for the City of San Diego and are reasonably competitive with future customer alternatives.

- The committee recommended removing the term "customer."
- This criterion is meant to say that options should be economically viable to the City government.

Technical Viability: Options are technically sound with a proven track record.

- The committee recommended adding the phrase "at needed volumes." Many technologies have track records but only at lower quantities.
- Options are needed that will work at an appropriate scale. The City cannot invest in experimental alternatives to handle small waste stream volumes. However, the City will not rule out setting up pilot studies in addition to implementing options with proven track records.

Regional Viability: Options and/or technologies are viable (legal, compliant with regulations and socially acceptable) in the San Diego region and address local needs.

- For example, Proposition H restricts facilities from burning 500 tons or more waste per day in order to limit increases in toxic air emissions and additional demands on treated water distribution. This regulation will have an impact on how we consider

facilities that would burn over 500 tons per day. Also, ESD only has a few pieces of available real estate, at Miramar and at the collection facility. Regionally viable can mean that the option utilizes currently available resources.

- The committee recommended adding language that reflects that options should consider existing assets, civic structure, geology and climate. Some of these criteria are covered under other screening categories.

Environmental Viability: Options have minimal impact to CEQA/NEPA environmental parameters and are environmentally beneficial such as providing green energy, renewable fuels and/or reduced greenhouse gas emissions.

- The committee recommended replacing “and/or” with “and” to say that options can provide any and all environmental benefits.

Capacity Optimization: Options reduce disposal demand and extend remaining landfill capacity at Miramar.

- The committee recommended rephrasing this criterion to say the following: “Options minimize disposal demand and optimize remaining landfill capacity at Miramar.”
- As a reminder, this study will make both short-term and long-term recommendations.

Sustainability: Options reasonably provide for the highest and best use of material generated by the City’s residents and businesses.

- The committee recommended removing “reasonably.”

Next Meeting

At the next meeting the project team will bring back the refined criteria based on today’s discussion. The committee will then start discussing options and alternatives, based on a starter list developed by the project team and ideas from committee members. Rich Flammer brought copies of the October 2007 issue of BioCycle that includes information about zero waste options. All committee members are encouraged to bring information about other options. The project team will bring experts who can speak to different options.

The next meeting will be held Feb. 20 from 2 to 5 p.m. Please note this meeting will be three hours long instead of the normal two hours. Refreshments will be provided. Future possible meeting dates are April 30 and June 18.