

August 9, 2012

Carroll Mortensen, Director
Department of Resources Recycling and Recovery
1001 I Street
P.O. Box 4025
Sacramento, CA 95812-4025

Subject: California's New Goal: 75% Recycling

Dear Ms. Mortensen,

The County of Orange, OC Waste & Recycling appreciates the opportunity to provide comments on CalRecycle's draft plan, entitled "*California's New Goal: 75% Recycling*," prior to CalRecycle submitting its final report to the State Legislature. OC Waste & Recycling manages the County of Orange's solid waste disposal system, which consists of three active regional landfill operations, 21 closed solid waste disposal sites, and four household hazardous waste collection centers. The County of Orange is very interested in working with CalRecycle to develop feasible strategies and an effective realistic plan that will achieve the 75% statewide goal of AB 341.

On June 20, 2012, OC Waste & Recycling submitted comments on the draft plan expressing concerns on CalRecycle's paradigm shift of AB 341 from a "diversion" goal to a "recycling" goal. As previously stated, the County has concerns that the draft plan intends to redefine the State's recycling infrastructure by eliminating certain waste reduction and recycling practices without consideration of other beneficial waste management approaches such as source reduction, composting, and energy recovery that will achieve the goals and requirements of AB 341. Excluding these other approaches will place pressure on local government and businesses to comply at a time when all stakeholders have limited resources and are financially strained. We therefore encourage CalRecycle to consider meaningful and realistic approaches that makes environmental and economic sense that not only can be applied statewide but also on a regional and local level. Additional comments on the draft 75% Recycling Plan are included below.

Increase Recycling Infrastructure

Page 18, Section 1d – Modifying Recycling Market Development Zone (RMDZ) Program To Be Statewide would help capture more businesses and increase the success of diverting waste from landfills. Currently, businesses located outside of RMDZ areas are at a disadvantage and are unable to benefit from the program. In addition, significant education and outreach by the State and local jurisdictions will be needed to promote participation in the program. Currently, the Zone Incentive Funds (ZIF) are very helpful for the participating jurisdictions and may need to be expanded statewide. It is recommended that RMDZ funds still be offered through a form of payment program to assist jurisdictions that wish to promote the program to their business and manufacturing sector.

State Disposal Fee for Green Waste ADC/Banning Green Waste from Landfills

Page 23, Section 2a – Greenwaste ADC. Currently, many solid waste landfills in California allow a percentage of source-separated green waste received to be exempted from landfill disposal fees, so that this material can be used for alternative daily cover (ADC). This is extremely important for jurisdictions in meeting their AB 939 diversion requirements, while providing a cost-effective alternative to soil for daily cover. Eliminating this diversion credit would substantially impact many jurisdictions in the State and would make the AB 341 goal of achieving 75 percent Statewide diversion very difficult. Section 2a contains a policy statement that would result in landfill operators charging a disposal fee for green waste that is currently accepted exempt from landfill disposal fees as ADC. A percentage of this disposal fee would then go to the State. Requiring landfill operators to charge a disposal fee for green waste/ADC would be costly for many jurisdictions during these very difficult economic times and would likely result in a financial burden to private landfill operators, private waste hauling companies, counties, cities, solid waste districts, businesses, and homeowners. Currently, all solid waste landfill operators in California are charged the current Board of Equalization (BOE) fee of \$1.40 per ton. In this policy plan, CalRecycle is proposing to increase this fee by a half-dollar per ton on C&D materials to retrofit equipment. It is very important that the policy plan also include CalRecycle's proposed BOE rate increase for green waste/ADC.

In addition, Page 23, Section 2a argues that an alternative plan would be to ban all green waste from solid waste landfills. If all green waste is banned from solid waste landfills in California, the infrastructure to accommodate these waste materials would be expensive to create. Since green waste can comprise up to 30 percent of the solid waste stream, existing chipping and grinding facilities or materials recovery facilities would not be able to accommodate this enormous increase in materials. In addition, open-windrow composting is not a viable green waste processing option, especially when the South Coast Air Quality Management District and Water Quality Control Board regulations make it difficult to site new facilities, due to significant odor and water quality issues. While anaerobic digestion facilities will likely be an important part of the solid waste disposal solution for the future, these facilities may not have the total capacity to accommodate the high volumes of green waste generated by the larger metropolitan areas in California.

Organics Disposal Phase-Out

Page 24, Section 2b – Organics Disposal Phase-Out, provides a policy statement that all organics should be banned from solid waste landfills. If this policy goes into effect, it would essentially remove significant disposal tonnage from the landfills in California, that would make landfills an economically unviable enterprise. While this may be CalRecycle's ultimate goal, it must be approached in a strategic manner that partners with its stakeholders to ensure a successful and cost-effective implementation. Since organics are the primary waste type that is disposed and generated in high volume by residences, supermarkets, restaurants, manufacturing, etc., our constituents would be left without service options. As previously stated, the current infrastructure for composting or co-composting facilities in California permitted and/or equipped

to process extremely high volume of organics generated by the all of the commercial, industrial and residential sources in the State is sorely lacking for Southern California.

In addition, while anaerobic digestion facilities are a promising option for the future, these facilities would not be able to accept the high volume of organic waste generated on a daily basis. It is also important to consider the ramifications of any organics ban or green waste ban in California in terms of any impacts to increased illegal dumping. Illegal dumping is a significant problem in all cities and counties throughout California, but particularly in Southern California. Since both organic waste and green waste become putrescible as they decompose, a ban on these materials at solid waste landfills could result in significant public health and safety impacts from increased illegal dumping throughout the State. This could also result in municipalities being forced to significantly increase funding for illegal dumping enforcement during these very difficult economic times.

Funding for Organics Infrastructure

Page 25, Section 2c – Funding for Organics Infrastructure, contains a policy statement that the State's allocation of solid waste landfill tipping fees should be increased so that the State can fund the development of both composting and anaerobic digestion facilities. It is very important that the policy plan also include CalRecycle's proposed BOE rate increase for organics. The State should also develop measures to ensure that jurisdictions will receive a proportionate allocation back for developing organics infrastructure facilities.

Increase Requirements for MRF Performance

Page 31, Section 3b – Increase Requirements for MRF (Material Recovery Facility) Performance, provides a policy statement that would substantially increase the performance requirements for "dirty MRFs." A "dirty" MRF is a materials recovery facility that removes recyclables from refuse. These facilities are extremely valuable for increasing waste diversion, since source-separated single-family residential recyclables are already captured at "clean MRFs." Without dirty MRF processing, these additional recyclable materials cannot be effectively captured in California, and diversion levels will drop throughout the State. Another concern about requirements for MRF performance is that these facilities are not "one-size-fits-all." Most of these facilities have been developed over years in their communities and their methods for operation are not all the same. Any new MRF performance standards should take this into account so that requirements are achievable and applied in a fair manner.

Establish Business Enforcement Component

Page 32, Section 3c – Establish Business Enforcement Component will likely require CalRecycle, LEAs, local jurisdictions or waste haulers to implement "a large reporting and tracking system...especially if tracking or recycling tonnage is needed for enforcement purposes." In addition, it is stated that electronic annual reports will be required. It is unclear where the funding will come from to pay for the reporting and tracking systems. Would each jurisdiction or waste hauler be responsible for paying consultants to design a software program to report and track commercial recycling? Will local jurisdictions and waste haulers be expected to

hire additional staff to manage these databases and prepare the annual commercial recycling report during these very difficult economic times?

Construction and Demolition Waste Funds

Page 52, Section 7d – Construction and Demolition Funds for Retrofitting Equipment to Meet Air Quality Standards, indicates that the State supports a disposal fee increase to enhance construction and demolition (C&D) waste recycling so that these materials are not landfilled. It should be noted that most jurisdictions in the State currently have mandatory C&D waste ordinances or requirements designed to recycle at least 50 percent of the C&D waste from landfills. Many jurisdictions are already achieving C&D waste recycling rates that are as high as 75-80 percent, especially in those jurisdictions where a developer/applicant must demonstrate the mandatory C&D waste recycling or they will not receive their building permit.

Also, on January 1, 2011, California's Green Building Standards Code (CALGreen) requires the diversion of at least 50 percent of the construction waste generated during most "new construction" projects (CALGreen Sections 4.408 and 5.408). On July 1, 2012, that requirement was expanded to include some additions and alterations to existing nonresidential building projects (CALGreen Section 5.713). Since these programs are already working well throughout the State, increasing the per ton disposal fee that goes to the State in order to fund additional crushing and grinding equipment, or provide funding for new C&D facilities, that may not provide any direct benefit to funding jurisdictions, is unwarranted.

Governance/Funding

Page 57, Section 8a – New Models for Funding Waste/Materials Management, provides a policy statement that would strongly support a substantial increase in the required per ton tipping fee allocation that landfill operators are required to pay to the State. AB 479, which was not approved by the California legislature in the 2009 legislative session, would have increased the State's per ton disposal fee allocation from the Board of Equalization fee of \$1.40 per ton to \$3.90 per ton. Since this would have resulted in an adverse financial impact to almost all cities and counties in the State, this bill was not approved. As previously stated, increasing fees for these new State programs must have measures to ensure that those collecting the fees will receive a proportionate allocation back, because the requirements set forth in this plan are targeted at the local level. It is hoped that CalRecycle will recognize the economic implications to landfill operators, private waste hauling companies, counties, cities, solid waste districts, businesses and homeowners when considering supporting a substantial disposal fee increase. Imposing these new program fees would be a financial burden to jurisdictions and facility operators.

We welcome the opportunity to discuss these issues with you and your staff. If you have any questions, please contact me at (714) 834-4147 or by email at chip.monaco@ocwr.ocgov.com.

Ms. Carroll Mortensen
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Sincerely,



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