Los Angeles County Solid Waste Management Committee/ Integrated Waste Management Task Force

Minutes of January 20, 2011

County of Los Angeles Department of Public Works 900 South Fremont Avenue Alhambra, California

COMMITTEE MEMBERS PRESENT:

Margaret Clark, League of California Cities-Los Angeles Division Betsey Landis, Environmental Organization Representative Mary Ann Lutz, League of California Cities-Los Angeles Division Mike Mohajer, General Public Representative Ron Saldana, Los Angeles County Disposal Association (Formerly GLASWMA) Eugene Sun, League of California Cities-Los Angeles Division

COMMITTEE MEMBERS REPRESENTED BY OTHERS:

Carl Clark, rep. by David Thornburg, Institute of Scrap Recycling Industries, Inc.
Gail Farber, rep. by Carlos Ruiz, County of Los Angeles Department of Public Works
Dr. Jonathan, Fielding, rep. by Carry Villalabes, County of Los Angeles, Department

Dr. Jonathan Fielding, rep. by Gerry Villalobos, County of Los Angeles Department of Public Health

Stephen Maguin, rep. by Charles Boehmke, County Sanitation Districts of Los Angeles County

Gerry Miller, rep. by Charles Modica, City of Los Angeles

Greig Smith, rep. by Nicole Bernson, City of Los Angeles

Dr. Barry Wallerstein, rep. by Jay Chen, South Coast Air Quality Management District

COMMITTEE MEMBERS NOT PRESENT:

Michael Conway, City of Long Beach
David Kim, City of Los Angeles
Sam Perdomo, Business/Commerce Representative
Enrique Zaldivar, City of Los Angeles Bureau of Sanitation

OTHERS PRESENT:

Kelly Astor, Los Angeles County Waste Management Association

Mike Bacsik, Locus Tech

Russell Bukoff, County of Los Angeles Department of Public Works

Suk Chong, County of Los Angeles Department of Public Works

Rogelio Gamino, County of Los Angeles Department of Public Works

Rafael Garcia, Republic Services

Bahman Hajialiakbar, County of Los Angeles Department of Public Works

Jennifer Lao, HDR Engineering

Jacqueline Maddox, Clements Environmentals

Larry McQuaide, UPW

Tobie Mitchell, County of Los Angeles Department of Public Works

Coby Skye, County of Los Angeles Department of Public Works

Matt Suska, County of Los Angeles Department of Public Works

Mark Patti, City of Santa Clarita

Pat Proano, County of Los Angeles Department of Public Works

Jennifer Wallin, CalRecycle

Primitivo Nunez, CalRecycle

Ben Wong, Southern California Edison

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CALL TO ORDER

Meeting called to order at 1:04 p.m.

I. APPROVAL OF MINUTES OF NOVEMBER 18, 2010

The approval of the November 18, 2010, minutes was postponed for further review and clarity of discussions.

II. STEVE USELTON MEMORIAL

Mr. Carlos Ruiz reported CalRecycle will host a memorial honoring Steve Uselton on Tuesday, January 25, 2011, at 10 a.m., at Christ Church of the Valley in San Dimas, California. Mr. Ruiz reflected how closely the Task Force worked with Steve and was grateful that at the November 2010 Task Force meeting Ms. Mary Ann Lutz had the opportunity to publicly express the Task Force's appreciation for Steve to CalRecycle managers, Mr. Howard Levenson and Ms. Cara Morgan. There will be an article honoring Steve in the next issue of the Inside Solid Waste newsletter. A scroll will also be prepared on behalf of the Task Force in memory of Steve to be presented by Ms. Margaret Clark to the family at the memorial.

Ms. Margaret Clark encouraged all who could attend to try to make time to go to the memorial service. She commented that Steve was a great person and changed the face of the Waste Board and although there were always issues, Steve seemed to nullify them. Mr. Ruiz indicated many staff to the Task Force would be attending.

Mr. Mike Mohajer stated the services will be held at the Christ Church of the Valley because they needed a large facility as well as webcast capabilities. The agenda will consist of a few presentations, which in addition to the Task Force's presentation by Ms. Clark, a scroll will be presented by Mr. Mohajer on behalf of Supervisor Antonovich acknowledging the adjournment of the Tuesday, January 11, 2011, Board of Supervisor's meeting in memory of Steve and his son Doug. Mr. Mohajer added the agenda will also include testimonies from Mr. Levenson and Ms. Morgan, and afterwards there will be an opportunity for anyone who wishes to share his/her stories about Steve.

III. REPORT FROM THE ALTERNATIVE TECHNOLOGY ADVISORY SUBCOMMITTEE (ATAS)

Ms. Tobie Mitchell reported that the Subcommittee heard an update from the County's consultant on implementation of Phases III and IV of the County's conversion technology (CT) projects. Ms. Mitchell reported their consultant is working very actively in Washington D.C. to identify Federal funding opportunities for the demonstration projects. The County of Los Angeles Department

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Public Works and the consultant team are currently developing two "Requests for Expression of Interest": one for technology vendors and the other for potential funding groups such as venture capital and private equity firms. These lists of interested Phase IV participants will enable the County to assist jurisdictions and facility owners in establishing Phase IV partnerships for commercial projects located within the County.

Ms. Mitchell also reported the subcommittee discussed the resignation of Margo Reid Brown from CalRecycle and the potential impact her successor may have on the development of conversion technologies in California. The Subcommittee requested the Task Force to send a letter to Governor Brown requesting an opportunity to discuss CTs, give an update on what the County and cities in the State are working on, give a briefing on the existing technologies, and consider how the County and State could work together in the future for project development. Mr. Mike Mohajer made the motion for the Task Force to send the letter. It was seconded by Ms. Betsey Landis. After a brief discussion, the motion passed unanimously.

IV. REPORT FROM THE FACILITY AND PLAN REVIEW SUBCOMMITTEE

Ms. Betsey Landis reported that the Subcommittee reviewed the information provided by staff regarding odor complaints at the Sunshine Canyon Landfill and pictures of a recent landslide event, which was of larger scale than the last event in October possibly due to the heavy rains in December 2010. The County scales were abandoned as a result of the landslide, and trucks are now being routed to the City scales. Ms. Landis stated these events point to continuous problems at the Landfill. The operator has not informed the County of the changes made over the years nor about the operations at the site.

Ms. Nicole Bernson asked whether the slide was new or a continuation of an old slide. Mr. Gerry Villalobos answered that it had not been determined. However, he believed the slide was not a known slide and likely caused by excavation in the known slide area and a combination of earth movement, rains, and vibration from the trucks traveling on the roads in the area. Mr. Villalobos also stated that an analysis of the slide area was being conducted, and the landfill operator was closely monitoring any further earth movement. Mr. Pat Proano emphasized the County was in close communication with the operator and was committed to keeping stakeholders informed of the conditions at the Landfill.

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V. LEGISLATIVE UPDATE

Mr. Rogelio Gamino reported on following legislative bills (see attachment):

1. AB 34 (Williams)

This bill will would revise the definition of Compost as defined by the Integrated Waste Management Act by specifying that compost is the product resulting from the controlled biological decomposition of organic wastes including, but not limited to, vegetable, yard, and wood wastes that are not hazardous waste and that are source separated from the municipal solid waste stream. This is a spot bill, and there is no need to take a position at this time.

2. SB 23 (Simitian, Kehoe, and Steinberg)

This bill would primarily revise the compliance date for retail sellers of electricity to obtain 20% of the total energy sold per year from eligible renewable energy per the RPS from December 31, 2010 to December 31, 2013, and increase the amount of renewable energy a retail seller of electricity must procure to 33% by December 31, 2020. However, the bill would perpetuate scientifically inaccurate definitions, which have hampered the development of CTs in the State, such as requiring them to produce no air emissions.

Staff asked if the Task Force wanted to take action now or follow the progress and respond later. Mr. Mike Mohajer made a motion to wait until the hearing was set and to oppose unless amended to delete the provisions that impeded CT development. Ms. Nicole Bernson suggested taking an approach similar to the League of Cities and amend the motion to take a position and to have staff send letter stating that the Task Force opposes all bills that preclude CTs from receiving renewable energy credit and not take a specific stand on the bill just yet.

After a lengthy discussion, Mr. Mohajer revised the original motion and moved that the Task Force send a letter to Senators Simitian, Kehoe, and Steinberg stating the Task Force supports renewable energy but opposes any legislation that does not give renewable energy credits for post-recycled MSW. It was seconded by Ms. Betsey Landis. The motion passed unanimously.

During additional discussion, Mr. Mohajer restated Task Force's standing policy that once the Task Force makes a decision, if subsequent amendments to bills or regulations take place regarding the standing position of the Task Force and action is required prior to the Task Force

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meeting, staff is empowered to take action after consultation with Mr. Mohajer or Ms. Margaret Clark.

Mr. Kelly Astor, a waste industry lobbyist in Sacramento, asked to address the Task Force and expressed the same frustration with the fate of AB 222 as the Task Force. He stated that Senator Simitian was not in line with the Task Force on this issue and was the one who killed the bill. He added that although sending a letter is good, the County should have a stronger presence in Sacramento.

3. AB 41 (Yee)

Currently, a county or city can authorize a licensed pharmacist to sell or furnish 10 or fewer hypodermic needles or syringes to a person 18 years of age use without a prescription and is scheduled to sunset December 31, 2018. This bill would remove the counties' and cities' authority to authorize a licensed pharmacist to sell 10 or fewer hypodermic needles and syringes and deletes the sunset date. The bill would also authorize a physician or pharmacist to furnish 30 or fewer sharps for human use to a person 18 years of age or older without a prescription or permit. A physician or pharmacy that furnishes nonprescription hypodermic needles and syringes shall provide consumers with one or more of the following disposal options:

- (1) Onsite, safe, hypodermic needle and syringe collection and disposal,
- (2) Furnish, or make available, State and Federal compliant mail-back sharps disposal containers, and
- (3) Furnish, or make available, a personal medical sharps disposal container that meets applicable state and federal standards for disposal of medical sharps waste.

The Task Force took a position of support if amended on a similar bill last year, and staff recommended taking the same position with this bill. Mr. Mohajer stated it may be too early to take a position, and the Task Force should watch the bill to see how it unfolds. After a brief discussion, the Task Force agreed, and no action was taken.

VI. AB 32 MANDATORY COMMERCIAL RECYCLING MEASURE INFORMAL STAKEHOLDER FEEDBACK WORKSHOP

Mr. Mike Mohajer reported he attended the CalRecycle workshop on January 19, 2011, on the draft regulations.

Mr. Mohajer stated there have been several reviews of the draft regulation, and as stated by Mr. Howard Levenson and Ms. Cara Morgan in November 2010, many of the Task Force's concerns were addressed, although there are still

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> some outstanding issues. Previously, the proposal was applicable to all multiresidential and commercial facilities that generate 4 cubic yards of solid waste, and in the case of residential facilities, it was 5 units or more. The revised regulations increase it to 16 units or more and are not applicable to multiresidential units below that size.

> The enforcement part of the regulation requires jurisdictions to notify businesses and multi-residential facilities of the mandatory commercial recycling regulations and it is applicable to Federal, county and city agencies, and all public entities, but the term "public entities" is not clearly defined. The Regulation does not require jurisdictions to enforce compliance. However, CalRecycle is asking for specific information that requires enforcement by local jurisdictions in order to gather the information. This will also require outreach by the jurisdictions, which CalRecycle has estimated will cost up to \$113,000; however this is way below what it would cost a city like Los Angeles.

Another concern related to technical changes that need to be made concerning diversion, recycling, and composting activities and using green waste as an alternative.

The Air Resources Board presented their life cycle analysis of green house gas emissions (GHG) stating there will be a reduction in GHG for sending recyclables to China, however, the assumptions used to reach this conclusion underestimate the potential impacts of this activity.

The deadline to submit all comments for the proposal is January 26, 2011.

Mr. Mohajer asked Mr. Kelly Astor to share his thoughts with the Task Force from a waste industry point of view. Mr. Astor stated the origin of the language of the bill was incorporated in AB 737. Mr. Astor stated when the mandatory commercial recycling component of the bill was being developed the waste industry began building facilities that included single stream clean MRFs and mixed waste processing streams to comply with the 50% diversion rate. He stated that trash recycled through a single stream or mixed waste stream ultimately produces similar results; the only difference is that haulers will make three passes in a 3-can system, which produces more truck traffic, as opposed to one pass in a single-can system. Multiple passes also contributes the carbon footprint, which isn't being taken into consideration. The waste industry's view was that as long as comparable results are achieved it shouldn't matter which processing facility was used. The difference is some state a mixed waste processing facility must yield the same diversion rate as a source separation facility, which cannot be achieved. Their point of view is that if 100% of material collected at curbside goes through mixed waste processing, it should have the same eligibility as other diversion processes if the results are similar to the overall diversion rate from a 3-can system. Each jurisdiction's mix is different and that should be taken into consideration when the diversion rate is enforced.

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A lengthy discussion on the mandatory commercial regulation and the different diversion options, a discussion on source separation or single-can mixed waste stream also took place. Mr. Saldana commented that only a couple of waste haulers operate single-stream or dirty MRFs, and a large segment of the industry has concerns with the AB 32 wording in this regard. Source separating recyclable materials at the disposal site has become the norm for most recent residential contracts and compliments the resources spent to educate the public to recycle their waste. He further stated that it is his industry association's position that source separation should be the primary option and single-container disposal the secondary option to be utilized at locations when multiple recycling containers are not practical, and emphasized there is a place and need for both types of processing.

Following this discussion Mr. Mohajer made a motion for the Task Force to send a comment letter to CalRecycle regarding their Proposed Mandatory Commercial Recycling Regulations to address (1) keeping AB 32 and AB 939 separate, (2) their cost analysis, (3) greenhouse gas emissions and technical issues, (4) the definition of "public entities", (5) retaining all commercial recycling options. It was seconded by Mr. Saldana. The motion passed unanimously.

VII. CAPTIVE INSURANCE AS A POSTCLOSURE FINANCIAL ASSURANCE FOR LANDFILL

Ms. Linda Lee provided a presentation regarding a recent petition by Waste Management, Inc. (WM), requesting CalRecycle to eliminate the requirement that captive insurance meet California Department of Insurance (CDI) licensing standards.

Title 27 requires landfill operators to provide financial assurance to cover future closure, postclosure maintenance, and corrective actions. Prior to 2002, Allied Waste Industries, Inc., and WM had been utilizing captive insurance to comply with the regulations. In 2002, Title 27 was revised to require all issuers of an insurance policy to adhere to CDI requirements. Since then, WM has not been able to utilize captive insurance as it does not meet CDI standards. In October 2010, WM submitted a petition for CalRecycle to revisit the issue.

Ms. Lee explained that captive insurance is an insurance provided by a subsidiary to a parent company, also referred to as 'in-house' insurance. A captive must be in compliance with Federal insurance requirements and maintain a rating of A- or better but can operate with less restrictive regulations and tax laws. Title 27 addresses risks associated with captive insurance by requiring a captive to be licensed by CDI. WM's captive insurance company attempted to obtain a CDI license but has not been successful.

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Ms. Lee stated there are many concerns with captive insurance. The policy and funds of captive insurance are non-transferable during change of ownership. Although there are capital and loss reserve requirements, a single-parent captive may be able to loan a majority of the funds back to parent company for use in operations. Captives may not be monitored closely once their operations are approved. In addition, there is a lack of risk transfer or risk sharing in case of bankruptcy by either a captive or its parent company.

Ultimately, CalRecycle denied WM's petition to immediately commence a formal rulemaking process to remove CDI requirements on captive insurance. However, CalRecycle did grant WM's petition to commence a review of current requirements on captive insurance, agreed to consider the petition as a potential 2011 rulemaking package, and would schedule a public workshop in early spring 2011. A copy of CalRecyle's letter to WM can be found at www.oal.ca.gov/res/docs/pdf/notice/50z-2010.pdf.

Mr. Mike Mohajer stated the problem with captive insurance is that it is tied to a landfill owner or operator. If a landfill owner or operator files for bankruptcy, an outside insurance policy would take over to provide the cost for closure. Under captive insurance, once bankruptcy is filed, the financial assurance also disappears. Mr. Mohajer made a motion for the Task Force to send a letter to CalRecycle to keep the Task Force informed and involved with their workshops and decision making regarding WM's request. It was seconded by Ms. Betsey Landis. The motion passed unanimously.

VIII. UPDATE ON LANDFILL CLOSURE, POSTCLOSURE, CORRECTIVE ACTIONS, AND FINANCIAL ASSURANCE REGULATIONS

No action. Item postponed until the next meeting.

IX. RELOCATION OF POWER LINES AT SUNSHINE CANYON—SOUTHERN CALIFORNIA EDISON

Mr. Ben Wong from Southern California Edison (Edison) presented Edison's proposed power line relocation at Sunshine Canyon Landfill. The line relocation was anticipated when the Landfill's EIR was first certified was not included since the specifics of the line relocation was unknown at the time. Because the relocation was not included in the EIR, a public process is required, which will commence within the next month. Mr. Wong introduced Mr. George Perez, the Projection Manager for Edison's Distribution section.

Mr. Wong referenced the attached map to explain where the current poles are and where the new poles will be located. He stated the current lines run on the County/City border and the new lines will be located within the current disturbance area, outside of the Water Board's liner area, and further away from the homes. The new poles will be steel model poles and range in height from 70

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to 110 feet, which is the same height as the current poles. Edison doesn't anticipate any visual affect of the new poles. The total length of the relocation will double its current length and extend approximately one mile more. The line voltage will remain the same. The line relocation will be.

Mr. Wong stated because the relocation wasn't vetted in the original EIR, Edison is required to file an application with the California Public Utilities Commission. They anticipate filing late February or March. The application will include their initial environmental assessment called the Proponents Environmental Assessment (PEA), which will go through a public process. Edison is committed to communicate with all interested parties and have held several presentations regarding the relocation.

X. UPDATE TO THE SAFER CONSUMER PRODUCT ALTERNATIVES REGULATIONS

No action. Item postponed until the next meeting.

XI. A REPORT FROM CALRECYCLE

Jennifer Wallin and Primitivo Nunez were introduced as temporary replacements for Steve Uselton to represent CalRecycle's Long Beach office until a permanent replacement is found. Ms. Wallin expressed their appreciation for the condolences and gestures of support from the Task Force members after the passing of Mr. Uselton.

Ms. Wallin reported they were finishing up their 2009 annual report reviews and, the per capita disposal rate will be online soon. Also, the new Jurisdictional Review will replace the Biennial Review. The Jurisdictional Review coming up in March and will cover jurisdictions that were on good faith effort in the 2005-06 Biennial Review period. The majority of jurisdictions are under the 4-year review. Two public meetings will be held on March 15 in Sacramento, which will include a webinar, and March 30 in Lakewood. The agenda will include an item to add Bradbury to the Los Angeles Regional Agency. Everyone is welcome and encouraged to attend the meetings.

Mr. Mohajer publicly thanked Ms. Wallin, Mr. Nunez, and CalRecyle staff for all the work being done for Steve and his family.

XII. FOLLOW-UP TO CALRECYCLE'S COMMENTS/RESPONSES FROM NOVEMBER TASK FORCE MEETING

No action. Item postponed until the next meeting.

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XIII. OPEN DISCUSSION

No action. Item postponed until the next meeting.

XIV. NEXT MEETING DATE

The next meeting is scheduled for Thursday, February 17, 2011, in the 12th Floor Executive Conference Room.

XV. OPEN DISCUSSION

The meeting adjourned at 3:06 p.m.

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