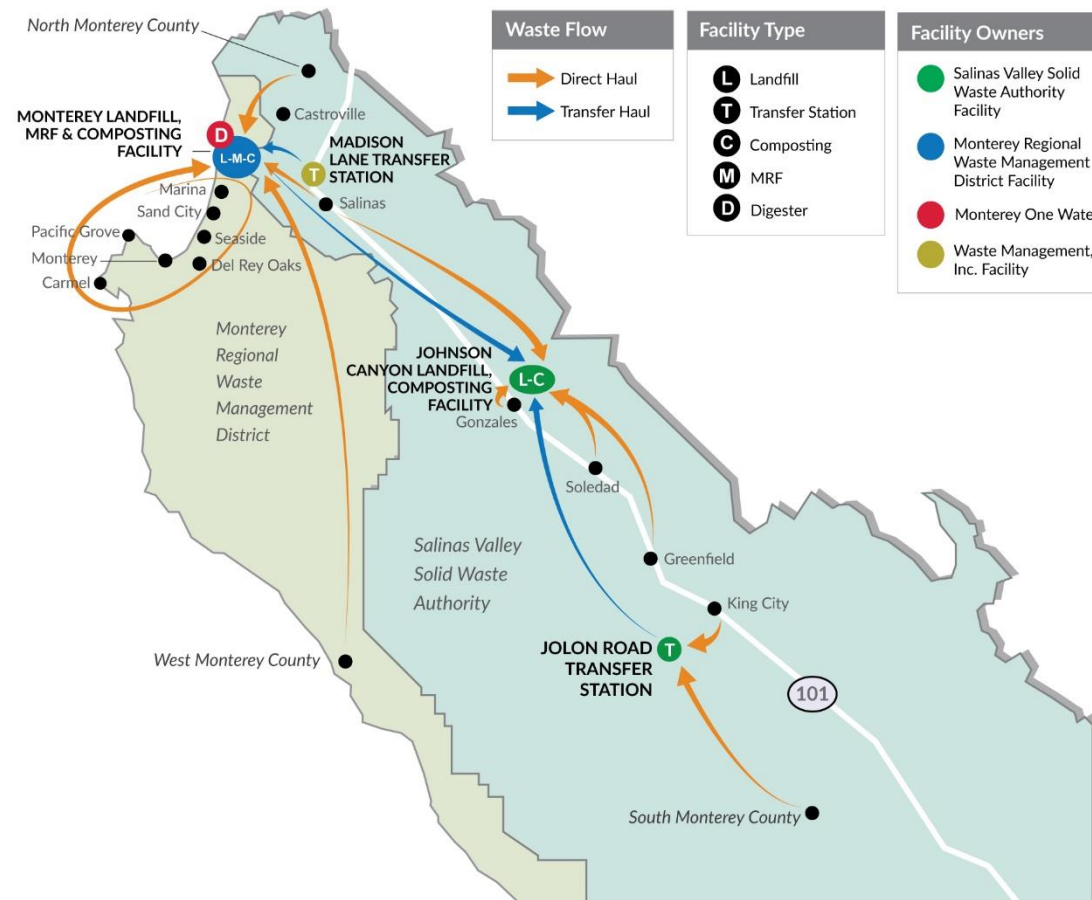
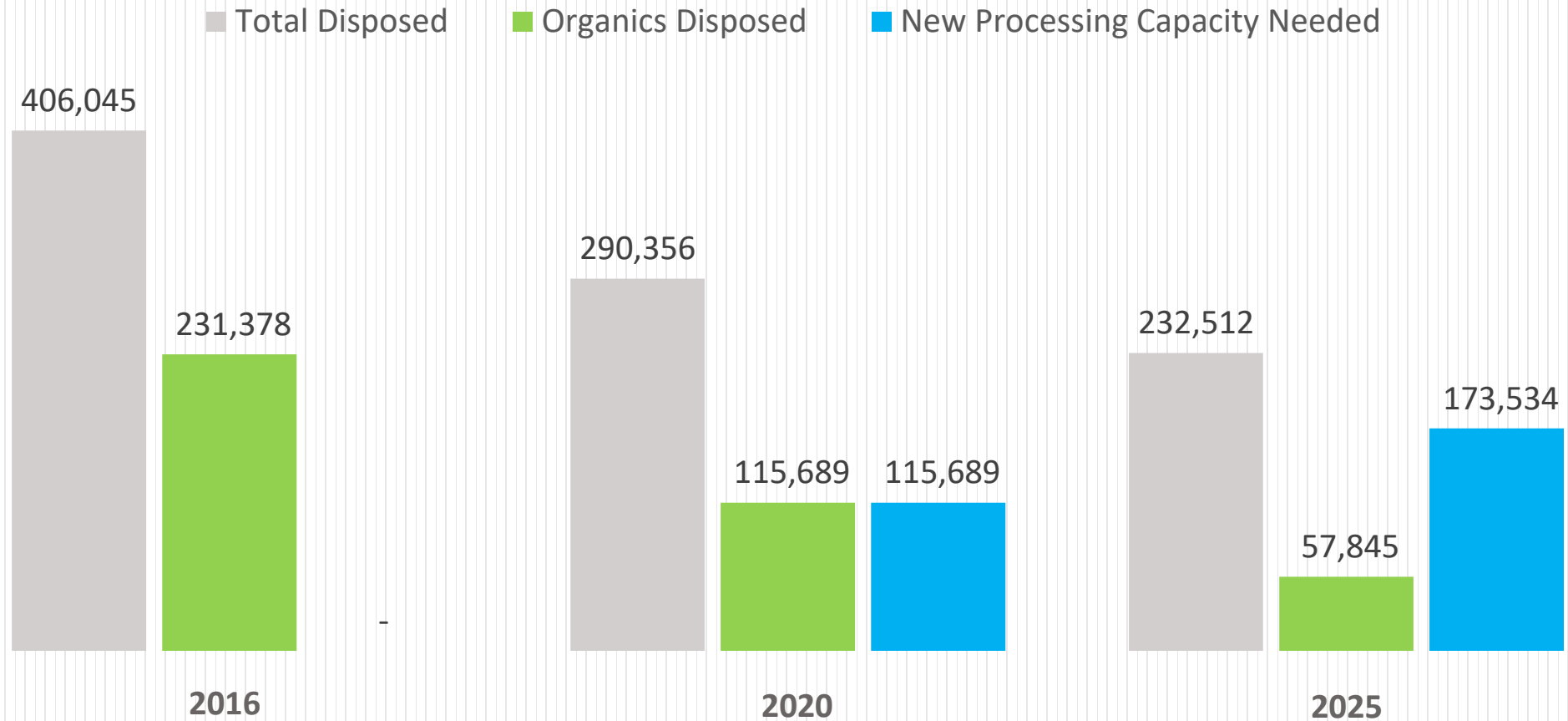


Opportunities For Cooperative Management of Monterey County's Waste Management Infrastructure



The Coming Challenge

Estimated Impact of New Organics Legislation



Benefits of Authority and District Cooperation

- Minimize customer rate increases
- Eliminate need for a new/upgraded transfer station location
- Eliminate need for redundant facilities
- Think County-wide
 - Leverage opportunities for economies of scale
- Better alignment between community needs and existing/future solid waste facilities

Constraints & Concerns to Overcome

- **District**
 - Unprocessed waste not accepted for disposal – must use MRF or other processing
 - No low-cost disposal only “deals”
- **Authority**
 - Flow control
 - Revenue control of all transactions
 - Tip Fee rate equalization
 - Unknown cost impacts – closing Sun Street Transfer Station, reducing disposal volume at Johnson Canyon Landfill, re-task Madison Lane Transfer Station

What Can Be Gained –

Benefits to Both District and Authority Rate Payers

- **Fully utilize District MRF processing capacity**
 - Consolidate “dirty” MRF processing of commercial mixed waste
 - Possible use of “local” MRF processing of source-separated recyclables
 - Processing of construction and demolition materials
- **Consolidate Organics Processing**
 - Eliminate duplicate need for expanded organics processing
 - Johnson Canyon location closer to agricultural markets
- **Authority and District share common resources**
 - Shared use of staff, equipment, administrative facilities
 - Hiring displaced employees
 - Development of County-wide messaging, public outreach materials, common color schemes on collection containers, etc.

Rate-payers interests should be looked at on a County-wide basis

What Can Be Gained –

Additional Benefits to Authority Rate Payers

- **Fully utilize District MRF processing capacity**
 - Eliminate Authority's need for capital cost of additional MRF processing capacity
- **Eliminate capital cost needed for replacement transfer station**
 - Direct haul is “cost neutral” from transfer operations
- **Extend the life of Johnson Canyon Landfill**
 - Spread out closure costs over longer time (lower cost per ton capture needed)
 - Eliminate/delay capital cost for new cell development at Johnson Canyon Landfill
- **Possible early buy down on debt**
 - Secure additional revenue stream (District's organics)
 - Avoid incurring debt for duplicate MRF processing capacity (potential to use cash reserves to pay off debt)

Rate-payers interests should be looked at on a County-wide basis

What Can Be Gained –

Additional Benefits to District Rate Payers

- **Fully utilize District MRF processing capacity**
 - Spread capital and operating costs over larger tonnage
- **Eliminate duplicate need for expanded organics processing**
 - Eliminates need to lease or purchase additional land, and permit a compost facility
 - Eliminates need to incur long-term debt for new compost facility
- **Reduce need for out-of-county MSW for disposal**
 - More secure tonnage/revenue stream
 - Lower GHG due to shorter transfer distances

Rate-payers interests should be looked at on a County-wide basis

Leveraging Infrastructure

- **Re-Direct Salinas and North County Waste to the District**
 - Direct-haul Salinas (Republic and North County (WM) franchised waste (Republic) to the District
 - commercial/multi-family /C&D to MRF
 - residential waste directly to landfill
 - Continue direct-haul of franchised organics to Authority's compost facility
- **Combine self-haul traffic and ancillary services at Madison Lane Transfer Station**
 - HHW and local self-haul is taken to Madison Lane
 - Further reduces the need for Sun Street Transfer Station
 - Re-direct self-haul C&D from Sun Street to 1) District MRF, and/ or 2) Madison Lane Transfer Station
 - Limited MSW transfer loads to the District MRF

Reduces the need for Sun Street Transfer Station and enables Salinas to develop the Alisal Marketplace

Reduces packer truck traffic into Madison Lane Transfer Station

Leveraging Infrastructure

- **Re-Direct Peninsula Organics to the Authority**
 - Direct-haul or transfer franchised waste to the Authority's compost facility (current and future)
 - Transfer self-haul organic waste to the Authority's compost facility (current and future)
- **Utilize Monterey One Water's existing digester capacity to process clean commercial food waste (organics)**
 - Generate renewable energy with utilizing existing technology
 - Re-direct franchised source-separated commercial food waste from both the District and the Authority, where feasible
 - Consider developing "shared" collection routes for franchised source-separated commercial food waste collection
 - Provide additional time to "pilot" and evaluate conversion technology (the Authority's proposed auto-clave facility)

Leveraging Infrastructure

- **Potential benefits to South County**

- Continue delivering South County waste to either Jolon Road or Johnson Canyon at unified rate
- If more diversion is needed, re-direct franchised commercial/multi-family waste to the District MRF – avoid new/additional capital costs for duplicative processing (transfer or direct-haul)
- Gain economies of scale for joint use of compositing facility
- Extend the life of Johnson Canyon Landfill
 - Spread out closure costs over longer time (lower cost per ton)
 - Eliminate/delay capital cost for new cell development at Johnson Canyon Landfill
- Authority maintains tip fee rate equalization

Necessary Pieces - Recommendations

- **Develop and Execute Agreements:**

- District agreement with Authority for organic waste composting
- Authority agreement with District for MRF processing (commercial, multi-family and C&D)
- Authority agreement with District for landfill disposal (post-sorted waste)
- Authority and District agreement for shared use of common resources
- Authority agreement with District and/or Monterey One Water for digester capacity

Path forward requires action by both District and Authority Boards

Questions/Comments

