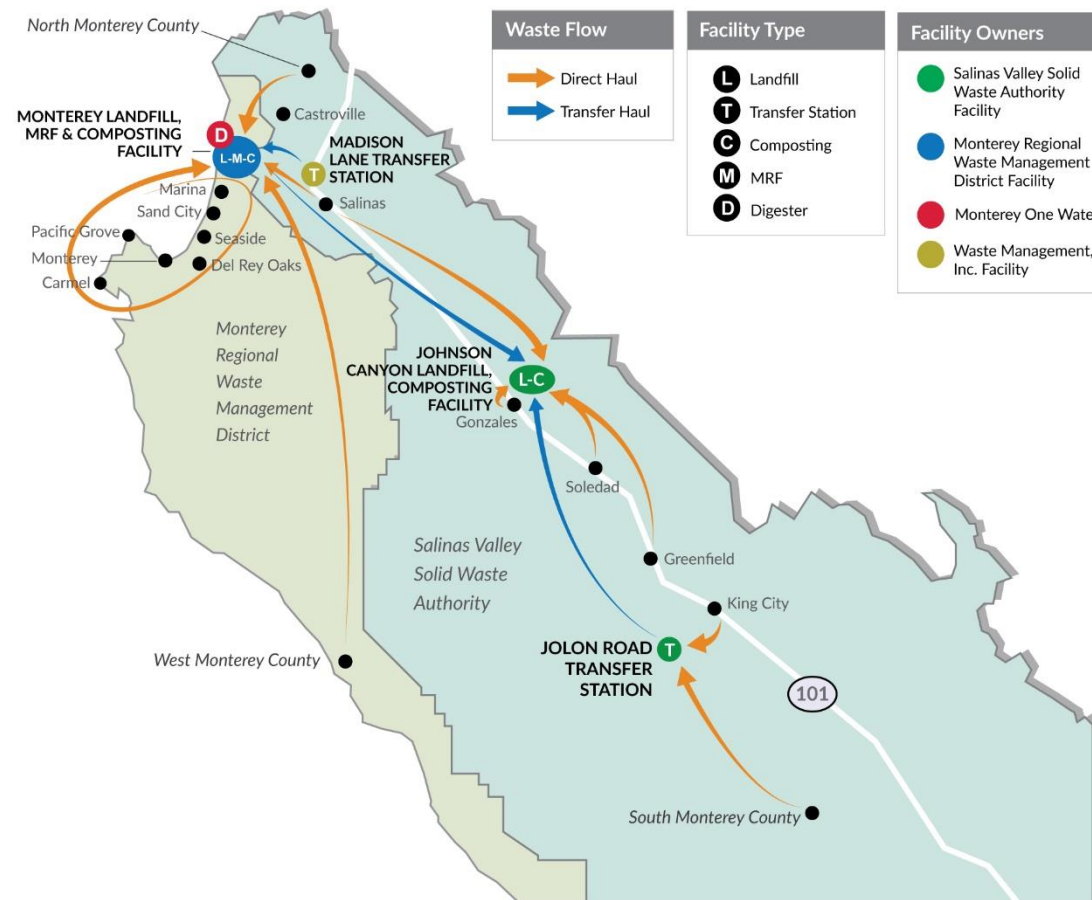
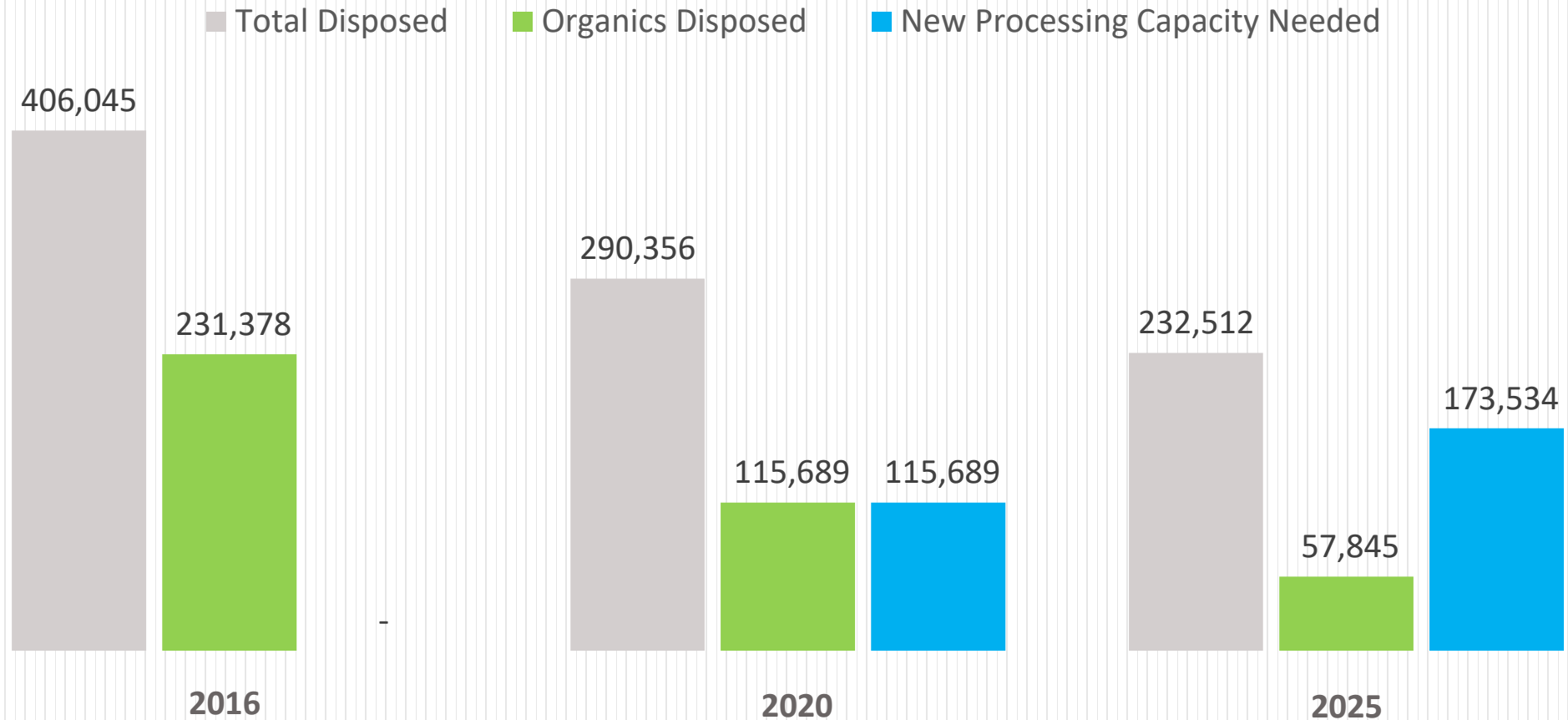


# Opportunities For Cooperative Management of Monterey County's Waste Management Infrastructure



# 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

