March 13, 2006

Ms. Bette Flick, Foreperson
2005-2006 Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, CA 92701

SUBJECT: GRAND JURY UPDATE REQUEST

Dear Ms. Flick:

This letter is in response to your request of February 24, 2006, for the status of four recommendations from the 2003-2004 Orange County Grand Jury Report, “Are We Wasting Our Landfills?”.

- Increasing Self-Haul Gate Fees

At its January 12, 2006 meeting, the Waste Management Commission approved the Self-Haul Waste and Landfill Ordinance Committee Final Report. The Final Report recommends an AB 939 surcharge as the preferred option to divert recyclable materials from the landfills and a ban on construction and demolition waste and green waste as the second ranked option.

Several briefings were held in January and February to inform the Board of Supervisors and other entities of the proposed AB 939 Surcharge. Several of the Waste Management Commissioners as well as Jan Goss and staff briefed the Board of Supervisors Executive Assistants on February 1, 2006. On February 23, Jan Goss and staff presented the issue to the Orange County Taxpayers Association (OCTA). The OCTA issued a letter which states that the proposed AB 939 surcharge is not a tax but a user fee.

The Board of Supervisors will consider the proposed AB 939 Surcharge as well as the ban on C&D and green waste at its March 28, 2006 meeting.

- Establishing a Southern Orange County Material Recovery Facility

On June 21, 2005 the Orange County Board of Supervisors approved an Amendment to the Non-Disposal Facility Element for the Unincorporated Area so that the company, CR&R could obtain permits to change the use of their current transfer station to the new CR&R Solid Waste Transfer/C&D Processing Facility and Pilot Food Waste Composting Facility. This is the only South County facility in process at this time, but it is expected to assist the unincorporated area and some South County cities to divert more waste from the landfills. The CR&R facility will not be accepting public (self-
hauling) waste, only the waste it collects under its city and County franchises. If the AB 939 surcharge or material ban is approved by the Board of Supervisors on March 28, we hope it encourages the development of a Material Recovery Facility (MRF) that is open to the public. Either option would create an incentive for the private sector to make the investment in a MRF.

- **Expansion of Construction and Demolition (C&D) Waste Diversion Ordinances**

At the present time, the cities that have C&D ordinances are:

- Aliso Viejo
- Dana Point
- La Habra
- Laguna Hills
- Laguna Niguel
- Mission Viejo
- San Clemente
- San Juan Capistrano
- Tustin

While the latest law (SB 1374) strongly recommends these C&D ordinances, the California Integrated Waste Management Board only considers such programs for cities who are not meeting the 50% diversion requirement. Consequently, some cities that are at 50% prefer not to expend resources on a new program that is not required by law. In addition, if the AB 939 surcharge passes, it should reduce the amount of C&D that goes to the landfill for all cities. The purpose of C&D ordinances is to help divert C&D and green waste from landfills. If a material C&D and green waste ban at the landfills passes, then many cities will choose not to enact C&D ordinances, as the C&D and green waste materials will already be diverted from the landfills.

- **Accurate Reporting of Origin of Solid Waste**

The Grand Jury requested in 2004 that IWMD evaluate the results of the Los Angeles County Sanitation District Waste Disposal Reporting System at Puente Hills Landfill to see if IWMD might desire to develop a similar manifest system. IWMD staff reviewed this system, and found that the system was labor intensive and extremely costly (over $1 million per year) and only verified the Los Angeles County unincorporated area tonnage. In Orange County's case, the unincorporated area tonnage is 1/34th of the entire reported tonnage. Additional operational and safety issues would develop due to the long lines of vehicles as drivers fill out extensive paperwork, and extra
staff would be required to assist those drivers who could not fill out the form themselves. IWMD staff determined that the Puente Hills Landfill Disposal Reporting System would not be desirable as it would not increase the efficiency of reporting the origin of the tonnage received at the landfill.

If you have any further questions or comments, please do not hesitate to contact me.

Sincerely,

Thomas G. Mauk
County Executive Officer

cc: Supervisor Lou Correa, First District
    Supervisor Jim Silva, Second District
    Supervisor Bill Campbell, Third District
    Supervisor Chris Norby, Fourth District
    Supervisor Thomas W. Wilson, Fifth District
    David L. Rudat, Interim Deputy County Executive Officer
    Janice V. Goss, Director, Integrated Waste Management Department