

Humboldt Waste Management Authority 2013-2023 Strategic Plan-Update 2016



4/14/2016

Appendix F

This document is an appendix to the “HWMA 2013-2023 Strategic Plan”, and should be viewed as such for proper context.

Strategic Plan Update 2016

HWMA Board of Directors 2016

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Strategic Plan Overview

The Humboldt Waste Management Authority's Strategic Plan was initiated in 2011, and approved by the HWMA Board on May 9, 2013. The Strategic Plan is intended to guide development, implementation, and management of new and existing programs and facilities over the next ten years.

The HWMA Board of Directors received a status update at their January 14, 2016 meeting and directed the preparation of a formal update to be appended to the "2013-2023 Strategic Plan" document. Overall, the Strategic Plan is a solid blueprint in identifying strategies to achieve waste diversion, however, as your staff works towards implementation, a few implementation constraints have emerged and will be addressed in this update.

Mission Statement

Through the adoption of the "2013-2023 Strategic Plan" ("Plan"), the HWMA Board also approved a Mission Statement and Vision Statements that guide and support HWMA's efforts to implement the Strategic Plan.

HWMA's Mission Statement is to implement a sustainable, regional materials management system in order to protect and preserve the social, environmental and economic health of our community by supporting, developing and/or promoting policies, programs and facilities that cost effectively, eliminate solid waste generation, reduce disposal and increase diversion to achieve a state-reported diversion rate of 75 percent and a 14,800 ton reduction in land filled materials by 2020.

Vision Statement

The Board reviewed the adopted Vision Statements, and because the Plan was silent in regards to the Authority owned and operated Cummings Road Landfill, the Board directed an additional bullet be incorporated to recognize the Authority's responsibility and obligations related to the Cummings Road Landfill.

- Support regional processing of source-separated recyclables;
- Increase cost effective diversion from landfill at HWMA owned, operated or managed facilities;
- Secure cost effective long-term disposal capacity;
- Continue/Expand HWMA Programs that promote waste reduction and diversion;
- Provide program support to HWMA member agencies;
- Manage HWMA facilities and programs in a financially responsible sustainable manner; and
- *Complete Cummings Road Landfill Closure activities, and conduct 30 Years of Post-Closure Maintenance activities in an environmentally sustainable and economically efficient manner.*

Area of Focus

Strategies that comprise the Strategic Plan are separated into four broad areas of focus, which are fairly self-explanatory as presented below:

Infrastructure	The facilities, property, equipment and/or agreements necessary for operations, services or programs.
HWMA Programs	Collection & Diversion Programs performed by HWMA including, but not limited to Household Hazardous Waste, Universal Wastes, Carpet-Care, Paint-Care, Used Oil Collection etc.
Support Programs	Authority staff performs data collection, analysis & reporting for AB393 Reporting, quarterly and annual reporting activities.
Funding	Developing sustainable funding for all HWMA Programs and Services.

The strategies were originally presented by the Strategic Plan consultants as *Immediate/Intermediate and Long-Term phases*, however it is important to note that consultants prioritized the phases by date of completion, but that *the embedded strategies within the phase were not*. The strategies were listed in the order that the policy items were taken up by the Authority's Strategic Plan Planning Advisory Committee. When this document was initially presented in April 2013, the consultant recommended that the Board and staff prioritize the strategies based on available resources; however this did not occur.

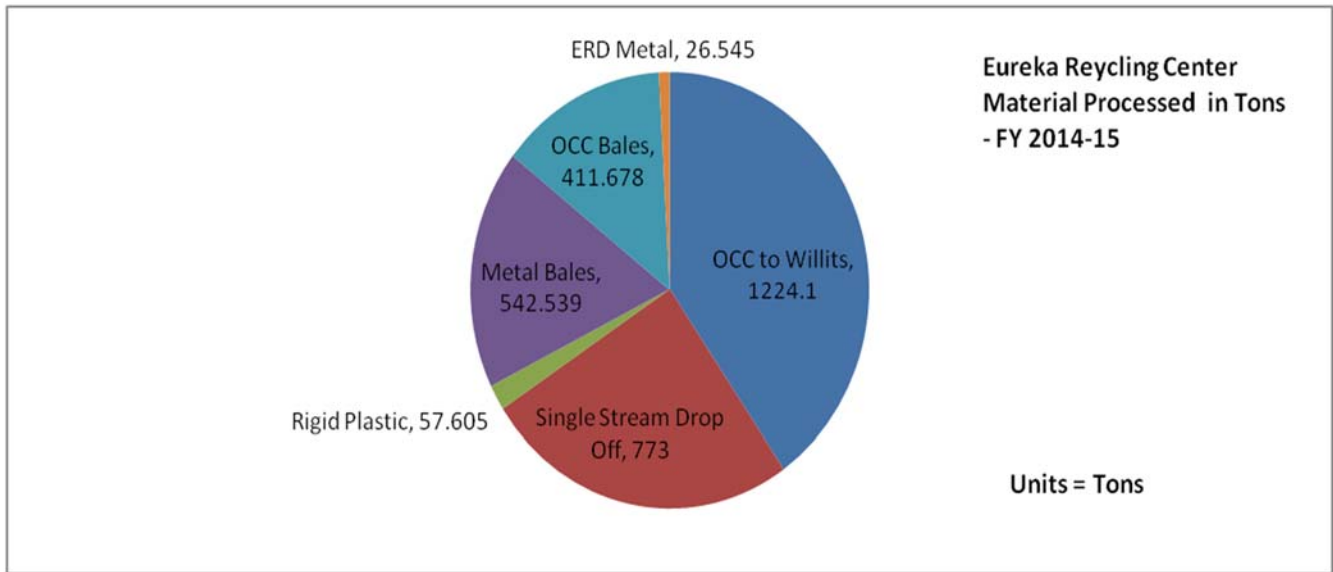
Following the Plan's May 2013 adoption, it became evident during the Immediate Phase implementation activities that the Authority's Cummings Road Landfill responsibilities and activities lacked identification and incorporation in the Plan. Since the Authority's formation, the landfill has required a significant amount of time, resources and funding aimed towards actions necessary to close the landfill, and clean up the former burn ash site located on two parcels adjacent to the landfill. *Cummings Road Landfill Construction Closure Phase 1* was completed the summer of 2012, with the construction activities related to the *Corrective Action Plan for the Cummings Road Burn Ash Debris site* completed in October 2014. *Cummings Road Landfill Construction Closure Phase 2* was completed in October of 2015. Once the North Coast Regional Water Quality Control Board approves the Construction Quality Assurance document and acknowledges the site as a closed landfill, the Authority is responsible for 30-years of closure and post-closure maintenance and monitoring activities.

Diversion Summary

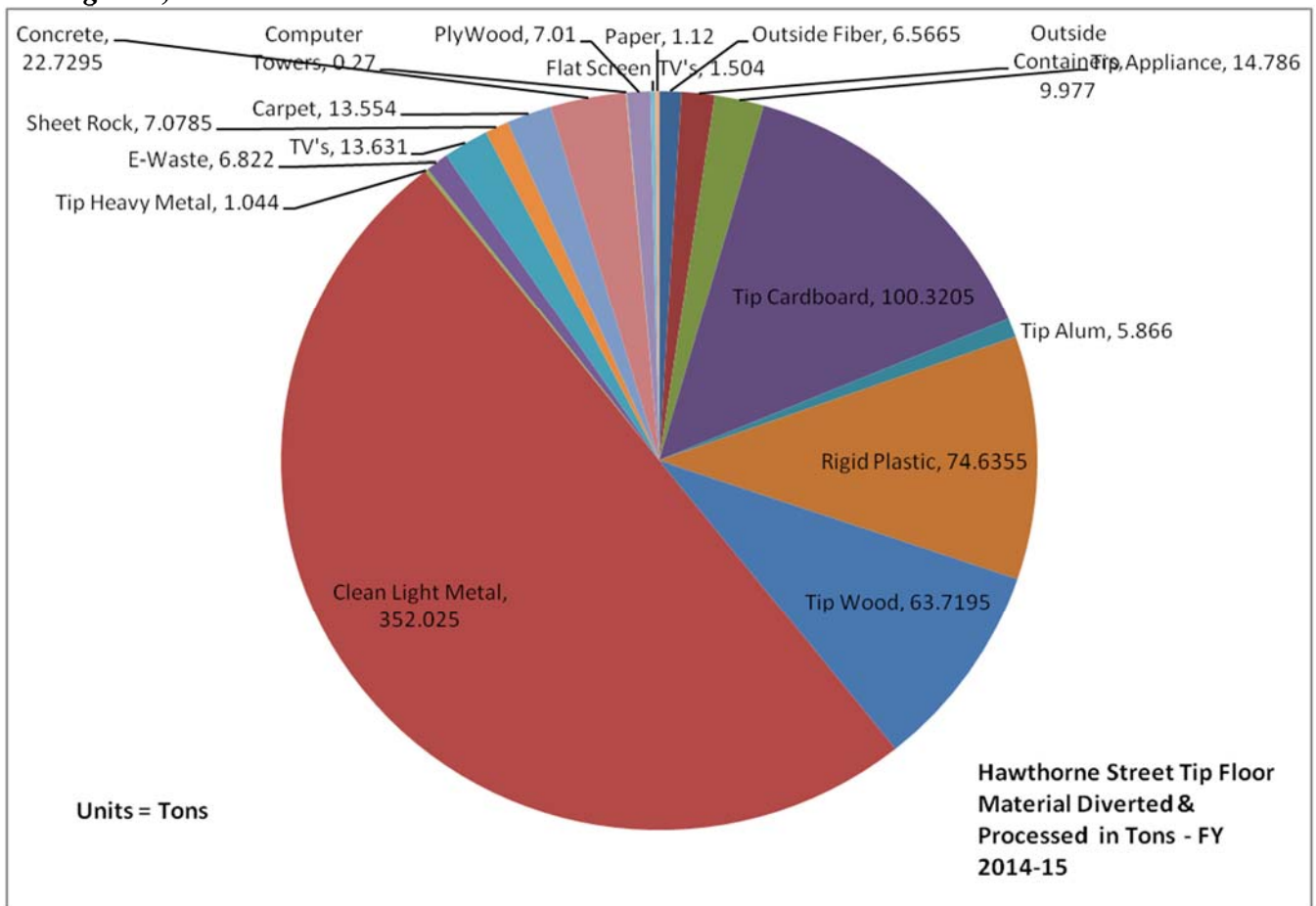
The projected 70,000 tons of municipal solid waste generation is inclusive of member agency franchise material, material self-hauled to Hawthorne Street Transfer Station (HSTF) as well as material direct hauled to out of area landfills. Actual annual solid waste tonnage handled by the Authority is 63,000 tons, with approximately 81% of the material generated by Member agencies coming into the HSTF, with the remaining being handled by private transfer stations operated by Eel River Resource & Recovery or Humboldt Sanitation.

The Authority's Operation staff began manual diversion of self-hauled solid waste shortly after the Draft Strategic Plan was presented to the HWMA Board in April of 2013, and continues today. The following summarizes diversion activities from the Tip Floor by fiscal years FY 2014-15, and FY 2015-16.

Recycling & Tip Floor Diversion Activities – Fiscal Year 2014-15



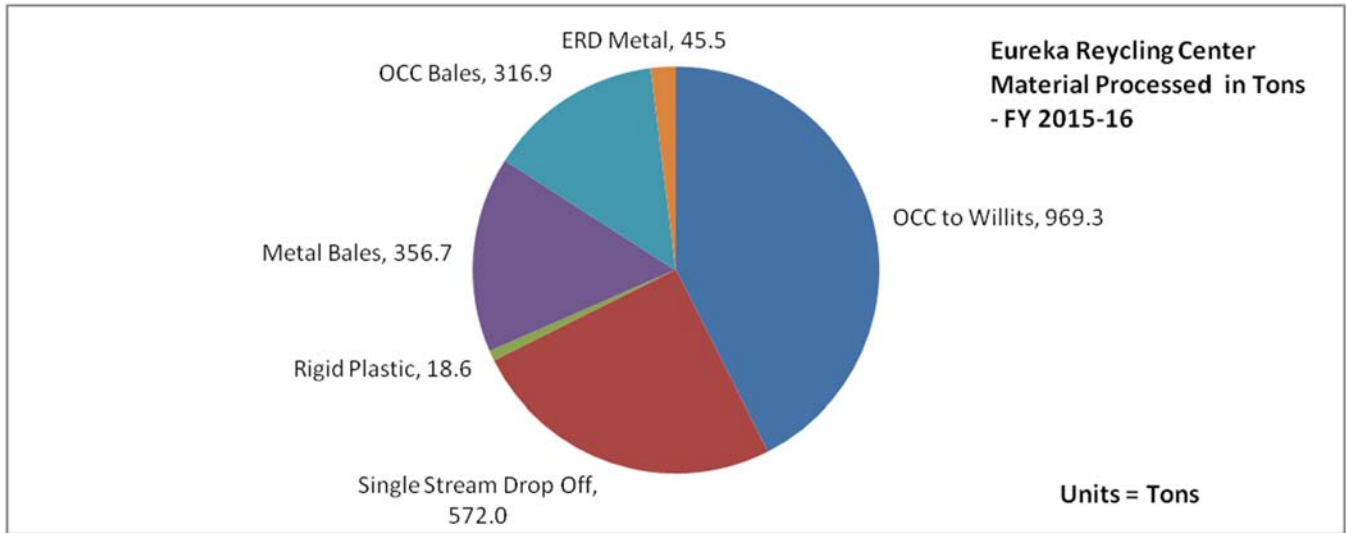
Tonnage = 3,041.5 Tons



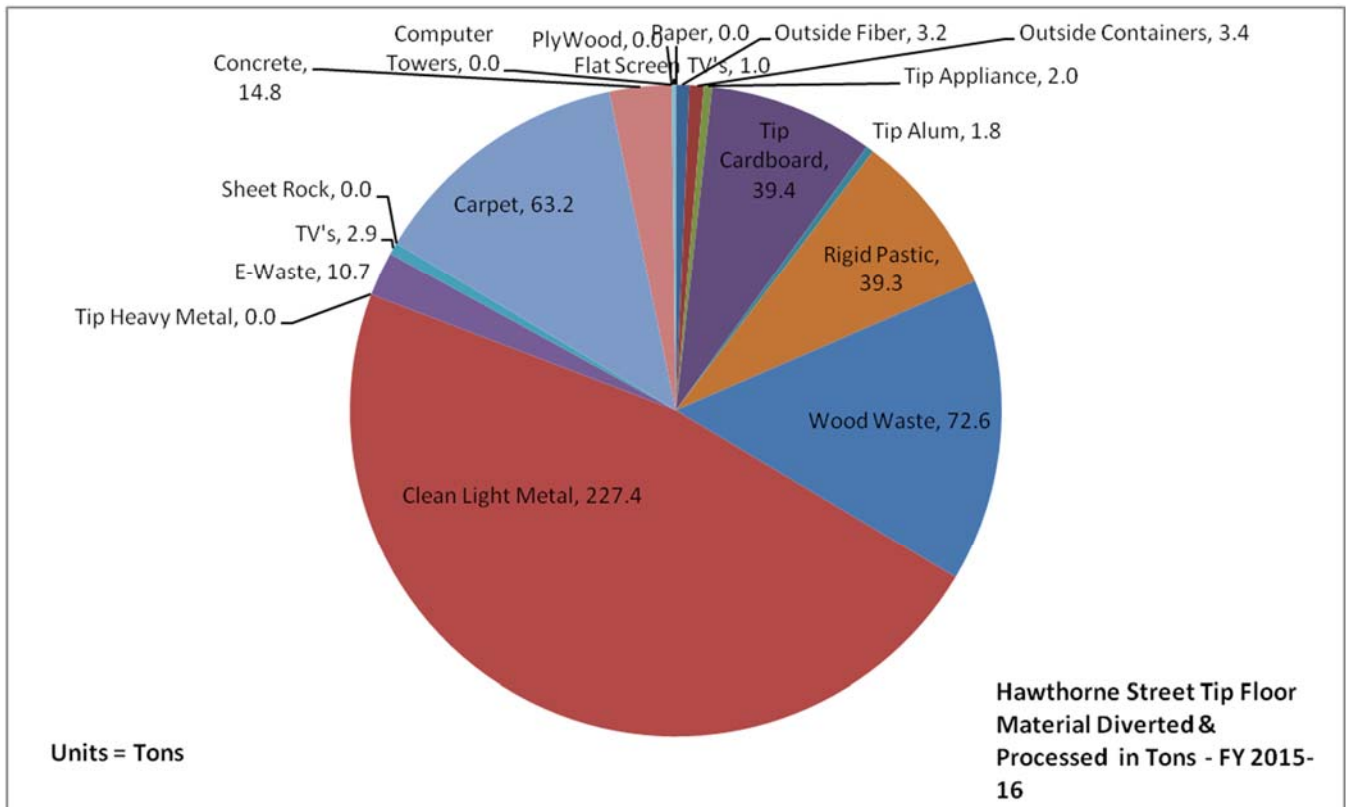
Tonnage = 702 Tons

OCC – Old Corrugated Cardboard
ERD – Eel River Disposal, Scrap Metal

Recycling & Tip Floor Diversion Activities – Fiscal Year 2015-16



Tonnage = 2,279Tons



Tonnage = 481Tons

OCC – Old Corrugated Cardboard
ERD – Eel River Disposal, Scrap Metal

Plan Implementation

Annual Implementation of Plan

Before embarking into specific strategic goals and accomplishments, it is important to understand that Plan implementation is predicated upon resources being available, including staff capacity and funding, member agency and Board support while balancing these projects with the core purposes outlined in the Authority's Joint Powers Agreement to handle solid waste, manage the landfill, as well as the regulatory compliance and responsibilities associated with facilities operations and maintenance.

Staff has integrated annual implementation activities into the Authority's Annual Budget. Furthermore, when specific recommended actions are presented to the Board that further objective implementation, staff reports have been revised to include a section that specifies what strategic objective is being met with requested action.

General Findings

Overall, the Strategic Plan has provided a good blueprint in identifying strategies to achieve waste diversion, however, as our staff works towards implementation, a few findings have emerged:

1. Implementation of regionalization efforts and regional-based activities requires on-going participation and support of the Member Agencies, and non-member agencies, to implement several goals in the Strategic Plan.
2. Without Member Agencies commitment to establishing the necessary diversion programs and/or source material, HWMA is unable to precede with conversion technology projects such as an Anaerobic Digester or other regional-based projects.
3. An assumption that all member agency material would be subject to the same diversion opportunities; however, unless diversion activities are performed and documented by the contracted satellite facilities, diversion activities will be limited to material received at the Hawthorn Street Transfer Facility.
4. The Strategic Plan, as adopted, does not address the Cummings Road Landfill, and yet the landfill represents one of the most significant responsibilities and financial liabilities to the Authority.
5. The State Legislature and Governor set a goal of 75% recycling, composting or source reduction of solid wastes by 2020. This represents the next evolutionary phase of waste management in California: an approach that makes current landfill diversion programs equal partners with materials management to achieve the highest and best use of all materials in California.

Phase 1 - Immediate Strategic Goals and Other Critical Projects (May 2013-December 2015)

Phase 1 strategies are summarized here in the order of completion, as well as the additional critical projects undertaken by the Authority within the same two and a half year time frame. The critical projects were required and completed in order to meet regulatory compliance, financial security and/or to maintain regular Authority operations.

1.1 Secure Long-Term Transportation and Disposal of Solid Waste.

Completed

This process was initiated in June 2013, and the new 10 year agreement with Solid Waste of Willits became effective June 2, 2014. This process took approximately one-year to complete, along with an additional 1.5 year concluding November 2015 to secure a ‘live’ loading contract for member agency material at Eel River Disposal’s Fortuna facility. Full implementation of the transportation agreement will go into effect in October 2016, following scheduled termination of the Bettendorf transportation and Dry Creek Landfill agreement. Authority solid wastes are now transported and disposed of at the Potero Hills Landfill in Suisun City, CA. The agreement resulted in an overall reduction to transportation and disposal costs, does not require ‘put or pay’, and the Authority will not be penalized for materials recovery and diversion that results in less material sent to the landfill.

1.6 Food Diversion Program.

Completed

HWMA partnered with the City of Eureka to develop a food waste collection & diversion pilot project. HWMA matched a grant with staff and resources to secure a \$200,000 EPA Climate Showcase Communities grant that examined and assessed costs and logistics associated with food waste diversion in a variety of commercial settings within the Eureka community. Beginning late 2012, Recology instituted a dedicated food waste collection route, hauled material to HWMA’s transfer station where the material was checked for contaminants, then loaded into bins and transported to Cold Creek Compost located in Ukiah for composting.

The Eureka City Council considered in December 2013 whether to expand the Pilot Project into a permanent commercial food waste collection program in 2014, however the City Council declined due to the additional collection route, long-distance transportation and higher disposal costs, as compared to conventional land filling. Council did however express their support of diversion and directed City of Eureka staff to work with HWMA to develop a regional organics processing facility.

The pilot project concluded December 31, 2013 – with the final report submitted to the EPA in September 2014.

1.3 Evaluate Development of an Anaerobic Digestion Treatment System.

Completed

Concurrent with *1.6 Food Waste Collection*, the Authority conducted planning for development of an anaerobic digestion treatment system for the treatment of food wastes. Working with the City of Eureka and member agency staff, the Authority conducted a site study for property located on Hilfiker Lane, Eureka adjacent to the City of Eureka’s wastewater treatment facility, performed environmental review and adoption of a negative declaration, and secured a consultant to develop an Anaerobic Digester Request for Proposals (RFP). The RFP was circulated and proposals were ranked in the summer of 2013 by the Authority’s Technical Advisory Committee, but HWMA is unable to proceed unless and until Member Agencies commit to implementation of organics collection program. At that time, related infrastructure

development conservatively ranged between \$4 and \$8 million, not including permits, collection or operational costs.

1.8 HWMA set a regional diversion target of 75%.

Completed

In May 2013, the HWMA Board set a regional diversion target of 75%, as well as adopting a ‘Mission Statement’ through the adoption of the Strategic Plan.

Today, HWMA and our Member Agencies would have a collective tonnage diversion of 69.24% *if* all jurisdictions reported as a single entity; however member agency staff continues to prefer providing reports to CalRecycle for individual jurisdictions. Authority staff will be addressing this further as part of objective 1.9 Assume Regional Reporting responsibilities.

1.5 Increase Tip Floor Diversion

On-Going

In addition to materials processed by the Eureka Recycling Center staff, Tip Floor staff began manual sorting and diversion activities of self-haul materials in late April 2013. Within that first year, FY 2013-14, approximately 179 tons of material was diverted by Authority staff. In FY 2014-15, floor diversion increased to 702 tons of material, and are currently on pace to achieve approximately 722 tons of material diversion for FY 2015-16.

The primary constraint for increasing material diversion is Authority staffing levels. Staff will continue to evaluate improved methods for increasing not only diversion volumes, but employee safety as well.

1.2 Regional Recycling RFP

Completed

The Strategic Plan called for the Authority to *Work with Member Agencies to Procure Regional Source-Separated Recyclables Processing Capacity*, Authority staff initiated development of a Regional Recycling Request for Proposal (RFP) and Recycling Flow Control Memorandum of Understanding (MOU) in November 2014. Member agencies were asked to determine by May 29, 2015 whether to participate in a regional recycling RFP process.

At the November 12, 2015 meeting, due to the poor commodity market and lack of commitment of regional recyclable material, the Board 1) declined to lead a regional process and 2) directed staff to move forward with exercising the extension of the SWOW agreement for a period of 2 years.

Recommendation: *Re-examine in the Fall of 2017 so that a recommendation and decision can be made with a minimum of 6 months in advance of existing contract termination in 2018. This will enable necessary planning, franchise agreement provisions, collection route modifications and other implementation requirements.*

1.9 Assume regional reporting responsibilities

On-Going

Implementation of 1.9 is dependent upon strategies in the Intermediate Phase 2.3 Conduct Annual Survey and 2.4 Compile Franchise Haulers diversion reports.

As presented in the original Strategic Plan, amendment of the joint powers agreement will be necessary to allow formation of a regional reporting agency with the approval of and in behalf of each of the member agencies, with the following “benefits”:

1. A cumulative diversion rate above 50% mandated rate, that would be of benefit to the “smaller” member agencies.
2. Merge planning documents such as the Recycling and HHW elements of the CIWMP.
3. More accurate representation on the required Quarterly Disposal Reports.
4. AB-939 Annual report in behalf of all member agencies, completed filed and managed by HWMA staff.

The proposed revisions necessary to the Authorities existing JPA to be regional would include:

1. Describing member agencies and HWMA’s structure to CalRecycle.
2. Lay out how any penalties would be allocated by member agency.
3. Describe compliance contingencies member agencies would follow should the Authority be dissolved.
4. Describe member agency individual duties.
5. Describe recycling and source reduction programs used to attain goals.

Diversion reporting continues to be the primary responsibility of each member agency. The use of a regional approach as a strategy to manage tasks ranging from specific waste streams to administrative duties and reporting has been actively discussed by the Authority Board on numerous occasions. Thus far, consensus has not been achieved and individual member agency autonomy seems the preferred course as matters are studied in more depth. The Board has not expressed its intent to modify or re-define the existing joint powers agreement in order to enable this goal. Additionally, complete regional reporting would be inclusive of the jurisdictions of Trinidad and Fortuna.

Authority staff continues to work under existing contracts with the staff of three member agencies, the City of Eureka, City of Rio Dell, and County of Humboldt in completing required reporting of AB-939 activities to CalRecycle with the required Electronic Annual Reporting mechanism.

1.4 Renegotiate contracts related to Mad River Compost facility.

On-Going

Specific to the Mad River Compost Facility, staff initiated preliminary discussions with Wes Green Landscaping in 2013, however these efforts were placed on the back burner due to the CAO for the Burn Ash Debris, closure of the Cummings Road Landfill and other immediate priorities.

Recommendation: Staff is currently working on this goal.

1.7 Explore developing permitted organic composting capacity.

On-Going

This Strategic Goal is interrelated with goals 1.3, 1.4, and 1.6. These goals should be approached as integrated materials for planning, cost effectiveness and implementation. Similar to 1.3 and 1.6, Authority staff will be working with member agency staff to re-evaluate and examine development of a regional organics processing facility, which is inclusive of green waste in the upcoming months.

Recommendation: Staff is focusing on this goal in 2016.

2013-2015 Completed Critical Projects

Cummings Road Burn Ash Site – Corrective Action.

HWMA and Recology were jointly named by the North Coast Regional Water Quality Control Board in a Clean-up & Abatement Order on April 28, 2013 for the former 6.1 acre Burn Ash site adjacent to the Cummings Road Landfill. The Order required the parties to develop a clean-up project removing 91,000 cys of waste material that straddled two parcels within an 18-month compliance window. The excavated material was disposed into the Cummings Road Landfill – Phase 2 area, which avoided approximately \$12 million in costs related to out of county transportation and disposal costs. This entailed planning, securing financing, a grant, settlement agreement, permitting, securing a contractor and completing construction. This unexpected project cost over \$4.5 million, and the Authority remains obligated to perform 5 years of monitoring and reporting activities. The project was completed within the order timeline of September 2014.

Long Term Debt Restructure

Staff presented to the HWMA Board at the February 2015 meeting a refinancing option of the Authority's 2002 and 2005 series revenue bonds, along with consolidation of the Headwaters Loan (\$900,000 to assist in Cummings Road Burn Ash costs) in an effort to reduce annual payment costs.

Through a competitive process, the Authority was able to privately place the debt that resulted in reducing interest payments from 4.50% to 1.68%, did not extend the debt service date, no balloon payment and interest payments have been reduced by approximately \$380,000 annually. This was completed in May 2015.

Tip Floor Repair

After 14 years of daily operations, the Hawthorne Street Transfer Station Tip Floor was in dire need of attention and repair. Approximately 3,820 square feet of the tip floor was worn and a section of the sub-structural re-bar became exposed due to heavy daily use associated with moving 170 tons of municipal solid wastes per day. In order to avoid structural failure of the concrete slab, a contractor was secured and construction was completed over a 4-day period using a specialty topping material installed over the existing floor at a cost of \$285,000. This was completed in March 2015.

In House Preparations of Requests for Proposals – Authority staff is actively developing the in-house capacity and experience in developing Request for Proposals, instead of having the work contracted out. For example, development of the Leachate Hauling, Auditing and Regional Recycling RFP's, process timelines, supporting documents and using evaluation services of the Authority's Technical Advisory Committee. This has resulted in cost avoidance of over \$120,000 to date by utilizing in-house staff and reduced reliance on consultants.

Cummings Road Landfill Phase 2 Closure – Since the formation of the Authority, closure of the Cummings Road Landfill has been a priority, and in accordance with the approved 2010 Joint Technical Document (JTD) Phase 1 of the landfill closure was completed in late 2012. With the Cummings Road Burn Ash Site Corrective Action Plan completed in October 2014, staff prepared for necessary actions to commence and complete Phase 2 landfill closure activities in late 2015. Construction activities were completed 2 months ago on Oct. 22, 2015, with minor corrective work completed in early December.

Phase 2 - Intermediate Implementation

(January 2016 – December 2018)

These adopted timeframes were for guidance, and in practice, Authority staff have been engaged with working on several of these goals since Plan adoption.

2.1 Expand Satellite Universal Hazardous Wastes Collections

On-Going

Complimentary to diversion goal 1.5, the Authority is also actively engaged in the administration of permanent satellite collection sites located throughout Humboldt County for collection of universal wastes including household batteries, fluorescent bulbs, medical sharps, pharmaceuticals and used oil, and work to identify additional opportunities.

Most recently, efforts between HWMA, Humboldt County Department of Health & Human Services Public Health, and the Humboldt Allies for Substance Abuse Prevention (ASAP), Humboldt Independent Practice Association, and Cloney’s pharmacies have resulted in the establishment of **two** medication disposal bins in Eureka and McKinleyville. The bins will accept all medications, prescription and non-prescription, including controlled substances such as opioid painkillers. Humboldt County has a high rate of prescription medication overdose deaths, and these bins will help reduce the number of dangerous medications in the community.

2.2 Reuse

Authority staff will be evaluating opportunities and conceptual ideas towards implementing this goal. The primary constraint from moving forward will be sufficient space to develop a re-use area.

Currently, household paint that is collected at our permanent household hazardous waste facility is eligible for reuse. This resulted in 322 gallons of paint offered to the public, at no charge, for reuse in 2015

2.3 Annual Survey

On-Going

As presented in the approved Strategic Plan, the Authority is tasked with conducting an annual survey of solid waste and recycling systems used within each Member Agency. Results would be used as an educational and planning tool.

Implementation would involve Authority staff:

1. Designing a comprehensive Electronic Survey format
2. Contacting Member Agency staff and having them complete the survey
3. Compiling results from responses received from the Member Agencies

Authority staff currently solicits and gathers information on program effectiveness from a variety of specific resources on an ongoing basis. Information is received from franchise haulers, member agency staff, receiving landfills, and recycling facilities to help gauge methods and capabilities. This information is compiled, shared with the Authority Board, and reported to CalRecycle as may be required. To date, an annual survey of member agency information has not been employed as a tool to supplement this technique or provide additional

information.

Objectives 2.3 & 2.4 are directly related to 1.9 Assume Regional Reporting. HWMA prepares Annual AB 939 Reports for the cities of Eureka & Rio Dell and the County. The Authority also prepares updates for the County’s Integrated Waste Management Plan.

2.4 Compilation of Franchise Reports

On-Going

The Authority and Member Agencies would agree to develop a method to track diversion specifically from franchise haulers serving each member agency. There is an expected benefit to be derived from HWMA staff being able to track franchise diversion in addition to disposal tonnage. Collecting this information would assist with development of a regional view of the success of franchise collection towards AB-341 goals of 75% recycling.

At the request of the individual Member Agency, HWMA staff would:

1. Have Member Agency staff share franchise diversion report numbers with HWMA
2. Consider re-formatting of reporting methods to clarify franchise diversion if required
3. HWMA staff would conduct data analysis of diversion compared to past years

The Authority staff relies on the franchise haulers serving their respective member agencies to supply solid waste disposal tonnages on both a quarterly and annual basis. Additional diversion volumes are also tracked internally within operations at the Authority's Hawthorne Street Transfer Station, and from other resources such as schools, composting facilities, and food banks that reside within the cities of Eureka and Rio Dell, and the County of Humboldt (AB-939 responsibility areas). At this time, franchise diversion figures from the other member agencies are not passed to HWMA.

Authority staff has broached the staff of the three other remaining member agencies with this specific information request, however no direct response has been provided to the Authority. As with Strategic Plan objective 2.3 (Annual Survey) discussed above, the regionalization of reporting information regards both disposal tonnage and diversion methodology has not enjoyed unanimous support. Authority staff will continue to provide services under existing AB-939 Agreements and other mechanisms that assist all of our member agencies in gathering and utilizing franchise provided information.

2.5 Model Ordinances

On-Going

HWMA staff has, upon request, developed model ordinances and documents for member agencies to consider. In particular, the Authority developed a "Model Plastic Bag Ordinance", and accompanying environmental review documents. To date, the City of Arcata has refined and adopted an ordinance to reflect city objectives. The County and City of Eureka staffs were working on developing an ordinance in 2014, but to date the respective Board and Council have not taken an action.

2.6 Expand Public Education

On-Going

Authority staff develops and places radio, print and web advertisements, supports in-classroom educational activities and welcomes tours for interested community groups and organizations.

The Authority maintained website is in need of modernization. Staff is in design phase and anticipates the use of in-house staff, with a goal of completing the update by fall of 2016, depending upon existing workload.

2.7 Transition to Self-Funded Activities.

On-Going

Ultimately, with the exception of grant funded activities such as oil recycling and tire amnesty and commodity revenues, the majority of the Authority's program are 'self-funded' thru our

Waste Management Fee because the Authority does not receive any share of property taxes or other government funding.

As conceptual diversion programs are evaluated, one of the factors evaluated are the real cost to provide the service balanced with the price point that customers are willing to pay.

Phase 3 – Long-Term Implementation

By December 2023

3.1 Develop Mixed Waste Processing Capacity, if Economically Feasible

This objective is slated for examination in the upcoming future. The Authority could work to recover materials through a mixed waste Materials Recovery Facility more efficiently than the hand sort we are working on now, which will assist in meeting that 75% diversion goal.

However, as detailed in the Plan, there will be significant costs and a number of logistical matters to be addressed.