



DATE: March 22, 2017

TO: Waste Management Authority Board

FROM: Wendy Sommer, Executive Director

BY: Debra Kaufman, Senior Program Manager

SUBJECT: Second Reading and Consideration of adoption for Ordinance 2017-02: Amendment to the Alameda County Integrated Waste Management Plan to Include the Davis Street Transfer Station Organics Facilities in the City of San Leandro

SUMMARY

On February 22, 2017, the Waste Management Authority held a public hearing and first reading on Ordinance 2017-02. The March 22, 2017 WMA meeting will serve as the second reading and consideration of adoption of the subject ordinance to add the Davis Street Transfer Station Organics Facilities in the City of San Leandro.

DISCUSSION

On February 9, 2017, the Recycling Board, in its role as the Local Task Force (LTF) and the Planning and Organization Committee of the WMA, recommended (Rood/Biddle, 7-2, and two recusals) that the WMA Board approve the subject County Integrated Waste Management Plan (CoIWMP) amendment and hold a public hearing at the February WMA meeting. On February 22, 2017, the WMA Board held a public hearing and first reading of the subject ordinance. The memo for that meeting can be found here: [Davis-Street-CoIWMP-Amendment-02-22-17.pdf](#)

The March 22 WMA meeting will serve as the second reading and consideration of adoption of the subject ordinance.

Our agency's role is to make a conformance finding and add the approved facility to our Countywide Integrated Waste Management Plan (CoIWMP). We do not process CoIWMP amendments until the lead agency has approved the project, completed the environmental review, provided notice to the public, and received and considered any public input.

At the meeting of February 22, 2017, the WMA Board held a public hearing and considered proposed Ordinance 2017-02 to adopt changes to the Alameda County Integrated Waste Management Plan to add the Davis Street Transfer Station Organics Facilities in the City of San Leandro and took the following actions:

1. Opened and closed a public hearing on Ordinance 2017-02
2. Considered proposed Ordinance 2017-02 by title only, waiving the requirement to read the full text
3. Recommended introduction of the ordinance for consideration of adoption at the March 22, 2017 WMA Board meeting

The vote was 17-0 (Cox/Biddle) in support of the above.

RECOMMENDATION

It is recommended that the Waste Management Authority waive the requirement to read the full text of the Ordinance, read by title only, and adopt Ordinance 2017-02.

Attachments:

Attachment A – Ordinance WMA 2017-02 with Exhibits

Attachment B – Staff Memo from February 9, 2017 P&O/Recycling Board Meeting (without duplicated attachments)

ORDINANCE 2017-02

AN ORDINANCE ADOPTING AMENDMENTS TO THE COUNTYWIDE INTEGRATED WASTE MANAGEMENT PLAN, AND FINDING PLAN CONFORMANCE FOR THE DAVIS STREET COMPOST FACILITY, DAVIS STREET ORGANICS MATERIALS RECOVERY FACILITY AND DAVIS STREET ANAEROBIC DIGESTION FACILITY (DAVIS STREET ORGANICS FACILITIES) AT 2615 DAVIS STREET, SAN LEANDRO, CA 94577

The Board of the Alameda County Waste Management Authority ("Authority") ordains as follows:

SECTION 1 (Enactment)

The Board of the Authority does hereby enact this Ordinance in full consisting of Section 1 through Section 6.

SECTION 2 (Findings)

- (a) The Authority finds that the California Integrated Waste Management Act (California Public Resources Code §§ 40000 et seq.) requires the preparation and adoption of a Countywide Integrated Waste Management Plan ("ColWMP").
- (b) The Authority finds that the Alameda County Joint Exercise of Powers Agreement for Waste Management directs that the Authority prepare, adopt, revise, amend, administer, enforce, and implement the ColWMP.
- (c) The Authority finds that it adopted a ColWMP, dated February 26, 2003, and has adopted minor amendments since then. A five-year review of the ColWMP was conducted in November 2009, a factual update was adopted in April 2010, and amendments were made in January 2011, December 2011, July 2013, April 2015, July 27, 2016, and January 25, 2017.
- (d) The Authority finds that on February 19, 1998, the City of San Leandro issued a conditional use permit, CUP-96-1 for the Davis Street Transfer Station at 2615 Davis Street, CA 94577.
- (e) The Authority finds that on January 4, 2011, the City of San Leandro prepared, considered, and adopted a negative declaration and initial study for a project that included an Organics Materials Recovery Facility, Organics Materials Composting Facility, and Organics Digester Facility (collectively, the "Davis Street Organics Facilities" or "project") as required by the California Environmental Quality Act ("CEQA") and approved the site plan for the project.
- (f) The Authority finds that on January 10, 2017, the project applicant submitted the required information to the Authority to amend the ColWMP to site the project at 2615 Davis Street, San Leandro.
- (g) The Authority finds that the Recycling Board, acting as the Local Task Force, has reviewed and commented on the proposed amendment, and the Planning & Organization Committee of the Authority has considered the ColWMP Amendment, including any comments by the Local Task Force, and has recommended approval of the ColWMP Amendment and conformance finding.

- (h) The Authority finds that Authority staff provided all required notice and held a duly noticed public hearing on February 22, 2017 to consider the CoIWMP Amendment and conformance finding for the Facility.
- (i) The Authority finds that the Authority Board considered all materials and testimony presented by the public, Local Task Force, applicant for the Facility, and Authority staff.
- (j) The Authority finds that it is a Responsible Agency under CEQA, that this project underwent the required review under CEQA, and that the Authority's action is within the scope of activities addressed by the City of San Leandro's negative declaration and initial study ("ND/IS").
- (k) The Authority finds that the Authority Board has independently reviewed and considered the City of San Leandro's ND/IS.
- (l) The Authority finds that since the City of San Leandro's adoption of the ND/IS, no substantial changes have occurred and no new information or changed circumstances exist that require revisions of the ND/IS due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- (m) The Authority concurs with the City of San Leandro, that the project will not result in any significant environmental impacts.

SECTION 3 (CEQA Determinations)

The Authority's approval of the CoIWMP amendment and conformance determination, as conditioned, will have a less than significant impact on the environment as documented in the ND/IS.

SECTION 4 (Amendment of CoIWMP)

The Authority hereby amends the CoIWMP as set forth in the CoIWMP Amendment text attached hereto as Exhibit 1 and made a part of this Ordinance, subject to the Conditions of Approval attached hereto as Exhibit 3.

SECTION 5 (Conformance Determination)

The Authority does hereby determine that the proposed project is in conformance with the CoIWMP as amended, including the siting criteria as set forth in the siting criteria findings attached hereto as Exhibit 2 and made a part of this Ordinance, and that the Davis Street Organics Facilities, as conditioned by the Conditions of Approval attached hereto as Exhibit 3, would be in conformance with the CoIWMP as amended.

SECTION 6 (Notice and Effective Date)

This ordinance shall be posted at the Authority Office for at least thirty (30) days after its second reading by the Board and shall become effective thirty (30) days after the second reading.

Passed and adopted this 22nd day of March, 2017 by the following vote:

AYES:

NOES:

ABSTAINING:

ABSENT:

I certify that under penalty of perjury that the foregoing is a full, true and correct copy of
ORDINANCE NO. 2017 – 02.

**WENDY SOMMER
EXECUTIVE DIRECTOR**

Exhibits:

Exhibit 1: CoIWMP Amendment Text

Exhibit 2: Siting Criteria Findings

Exhibit 3: Conditions of Approval

EXHIBIT 1: CoIWMP Amendment Text

Amendments to Alameda County Countywide Integrated Waste Management Plan for the Davis Street Transfer Station Organics Facilities at 2615 Davis Street in the City of San Leandro.

The Alameda County Countywide Integrated Waste Management Plan, February 26, 2003 and last amended in January 2017 is hereby amended again as set forth below. In the sections that follow, text to be added to the Plan is shown in **underline bold** and text to be deleted is shown in ~~strikethrough~~.

In Chapter II, under the heading "The System Components" section 2 "Transfer Stations," amend the description of the Davis Street Transfer Station to add the following paragraphs at the end of the Davis Street Transfer Station and Recycling Center description in subsection a):

In 2017 and 2018, the Davis Street Transfer Station will undergo major changes to add three organics facilities to the site. The organics facilities will operate under an updated solid waste facility permit to be issued by CalRecycle and enforced by the Alameda County LEA. Existing Davis Street Transfer Station property that was previously used to store containers, outdoor green waste processing and parking will be converted into an approximately 260,000 square foot covered organics recovery facility.

These new operations will take place within the currently permitted 5,600 ton per day solid waste facility permit. The planned organics facilities include the following:

- **Organics Materials Recovery Facility ("OMRF") a 1.4-acre indoor facility,**
- **In-vessel 3.0-acre Organics Materials Composting Facility ("OMCF"), and**
- **Organics Digester Facility ("Digester"), a 1.5-acre facility which includes energy production.**

The OMRF will include construction of an approximately 62,000 square foot building to house materials processing equipment designed to remove organics and recyclable commodities from the waste materials that currently come to Davis Street for transfer and disposal. The OMRF is designed to process 100 tons per hour of municipal solid waste ("MSW"). Initially, the OMRF will process MSW generated by the City of Oakland in the amount of 150,000 tons per year ("TPY") running on a single shift per day; however the throughput may increase to an annual tonnage of 300,000 TPY depending on demand from other WMAC customers for processing of MSW.

The OMRF is anticipated to result in diversion rates of up to 61%. From the initial 150,000 TPY of the City of Oakland MSW to be processed, WMAC anticipates recovering 60,000 TPY of organics and 31,000 TPY of other recyclable commodities. The organic materials recovered from the OMRF will be directly conveyed to the adjacent Composting and Digester facility buildings for

processing. The other recovered commodities, including aluminum, metals, plastics, and glass, will be shipped off-site for recycling along with similar materials recovered from the other various Materials Recovery Facilities located on the Davis Street property. Building permits have been obtained and the facility is planned to be fully-operational by the first quarter of 2018.

The Composting and Digester facilities will be constructed in buildings directly adjacent to the OMRF. The combined daily peak capacity of the Composting and Digester facilities will be 1,000 tons per day, with an estimated maximum annual throughput of 205,000 TPY. The majority of organic feedstock going into the Composting and Digester facilities will be from the OMRF; however as space allows this may also be augmented by other source separated food and green waste materials which are currently transferred to other composting facilities. These facilities are in the processes of obtaining all operational permits and construction is planned to begin summer of 2017, with operations beginning in late 2018.

The Composting facility will be an approximately 135,000 square foot fully-enclosed operation. The building will house the entire composting process, and will be operated under a negative air system with exhaust vented through a biofilter to control potential odors and mitigate emissions from the composting process. Annual average expected capacity of the Composting facility is up to 165,000 TPY. Actual annual capacity of the facility will be determined by required processing and retention times for the organics, which can vary depending on feedstock characteristics. It is currently estimated to take 21 days for the organic materials to move through the composting facility process. The facility will consist of composting lanes which will be turned mechanically to allow for adequate air flow through the compost piles and aerobic decomposition of the organic materials. After the 21 day retention time, the active phase of the composting process will essentially be complete and the compost material will have finished the process to further reduce pathogens ("PFRP"). The output of the Composting facility may be sold to end-users and applied as a soil amendment immediately, or may also be taken to an off-site composting facility to be blended with other compost products.

The Digester facility will be an anaerobic process which will occur in an approximately 65,000 square foot building. This facility will be capable of processing up to an additional 40,000 TPY of organic materials including the organic fraction from the OMRF, green waste, and source separated food waste. The digester facility will be fully-enclosed allowing for the collection of biomethane from the digestion process, and is designed to process the organic fraction of the waste over an 18 to 21 day period, and/or the organic fraction of the waste will be washed through a hydro pulping process to produce 4 streams: 1) organic slurry for the anaerobic digestion process, 2) plastic film/rigid plastics waste, 3) grit waste and 4) heavy fraction waste. Plastic waste will be dried to remove water weight and combined with grit/heavy waste for disposal at the Altamont landfill. The Organic slurry will be dewatered to create a solids feedstock for digesters and a liquid feedstock for high rate up-flow digestion. Digestate produced from digesters will be dewatered to generate approximately 25% solids material to be used by either WMAC as a feedstock for compost or as base for other value added products. The digestate, if used as a compost feedstock, will be loaded into transfer trucks for delivery to an off-site composting facility for further processing. The gas will be either utilized for on-site production of renewable energy to power the Davis Street operations, or utilized as vehicle-grade renewable natural gas to power WMAC's waste hauling fleet.

EXHIBIT 2

Siting Criteria

Below is a summary of the proposed project's conformance with the General Solid Waste Facility Siting Criteria as outlined in the ColWMP. The siting criteria in the IS/ND CEQA environmental checklist also contains an analysis of many of the siting criteria listed below.

A. Seismic

The proposed project is not within 200 feet of an active or recently active fault.

B. Floodplains

The proposed project is not located in a 100-year floodplain nor in an area subject to flooding.

C. Wetlands

The proposed project is located in existing operational areas of the Davis Street Transfer Station ("DSTS") property and is not located in a wetlands.

D. Endangered Species Habitat

The proposed project is located in existing operational areas of the DSTS property and is not located within any endangered species habitat.

E. Unstable Soils

The proposed project will be located on the closed Oyster Bay Landfill which is subject to settlement. Similar to numerous other existing structures at the site, the buildings will be supported on piles or other foundation support structures which will allow settlement of the waste over time. The structures will be designed in accordance with the requirements of Title 27 and the City of San Leandro Building Department.

F. Major Aquifer Recharge Areas

The proposed project is located over a closed landfill and is not located in a major aquifer recharge area.

G. Depth to Groundwater

The proposed project is located on a closed bay-margin landfill which is subject to a high groundwater table, however the facilities will be designed similar to other existing structures on the site and in accordance with local and State requirements.

H. Permeable Strata and Soils

The proposed project is located on a closed landfill and is not located on high-permeability soils. The facilities will be fully enclosed buildings and waste materials will not be managed or stored on native ground.

I. Non-attainment Air Areas

The proposed project is a fully-enclosed facility which will control emissions through the use of a biofilter and will fully comply with the permitting requirements of the Bay Area Air Quality Management District ("BAAQMD"). The proposed project will obtain an Authority

to Construct and Permit to Operate from the BAAQMD, prior to construction and operation of the facility.

J. PSD Air Areas

See requirements of I. above.

K. Mineral Resources Area

The proposed project is located on a closed landfill in an area with existing industrial operations. No native sand or gravel mineral resources are available for extraction.

L. Prime Agricultural Lands/Open Space

The proposed project site is zoned industrial and no agricultural lands or open space areas will be developed.

M. Military Lands

The proposed project is not located on nor adjacent to any Military Lands.

N. Other Federal, State and Indian Lands

The proposed project is located on property wholly owned by WMAC and is not located on Federal, State, or Indian Lands.

O. Proximity to Major Transportation Routes

The proposed project is located at the existing DSTS facility. No increase in permitted traffic will be associated with the proposed project since the materials currently entering the facility will be redirected to these new facilities as required. The facility roads are currently accessed by waste hauling vehicles and no new roads are necessary for the proposed project.

P. Proximity to Development

The proposed project is located at the existing DSTS and will result in no increase in permitted tons of material entering the facility. DSTS is in an existing industrial area, and the major routes to the facility do not pass through any residential neighborhoods. The Oyster Bay Regional Park is located to the west of the property and as part of the project architectural treatments and additional landscaping will be included to improve the overall appearance of the new facilities as required by the City of San Leandro Planning.

Q. Proximity to Public Services

The proposed project is located in a urban industrial area and has full existing utilities adequate to support the project including city sewer, water, electrical, and local emergency services with reasonable response times.

R. Proximity to Waste Stream

The proposed project will primarily utilize the existing waste streams that already are delivered to the Davis Street facility. The majority of these waste streams are from within Alameda County or close proximity to the facility. Additionally, processing of these local waste streams at the Davis Street facility source will increase diversion and avoid hauling of these materials to other facilities for disposal.

S. Appropriate Zoning

The proposed project is located at a property with existing solid waste facilities permits and is appropriately zoned as industrial for these activities.

T. Conformance with Approved Countywide Siting Element of the Integrated Waste Management Plan ("Plan")

The proposed project is located at the Davis Street facility which currently operates under a Solid Waste Facility Permit ("SWFP") and is detailed in the Plan in numerous places under large-scale waste transfer and recycling. The proposed project is consistent with the existing solid waste management facilities and the current SWFP is being updated to incorporate the details of the new facilities. The total permitted inbound tonnage of the facility will not increase as a result of the proposed project and updated SWFP.

U. Recreational, Cultural, or Aesthetic Areas

The proposed project is located on the Davis Street facility property over a closed landfill. There are no historic preservation, Indian reservations, or other cultural and scenic areas at the facility. In consideration of the Oyster Bay Regional Park situated to the West of the site, the new buildings will be intentionally low key in color scheme and treatment. The layout, architectural treatment, and conceptual landscaping plan have been developed in accordance with the requirements of the City of San Leandro's Plan Review Standards (5-2512) and the landscape plan will confirm to the requirements of the city's code (4-1902).

V. Airport Zones

The proposed project is located within the vicinity of the Oakland International Airport, however it is located at the existing Davis Street facility and will result in no increase in the tons permitted to enter the facility. The proposed project will result in existing permitted inbound tons being shifted from the transfer station and other materials recovery facilities at the property, to new buildings constructed under the proposed project. There will be no change from the existing conditions at the site regarding potential impacts with the airport.

W. Gas Migration / Emissions

The proposed project will be designed to operate in a manner which will minimize potential odor emissions. The organics processing building will manage potential for odors with a negative air system in the structure and building exhaust diverted through a biofilter.

X. Contingency

The proposed project is located at an active solid waste facility and has an existing emergency management plan. The proposed project facilities will be added to this plan as appropriate.

EXHIBIT 3

Conditions of Approval for CoIWMP Amendment and Conformity Determination for the Davis Street Organics Facilities at the Davis Street Transfer Station

Pursuant to the Joint Powers Agreement establishing the Alameda County Waste Management Authority ("Authority"), the Alameda County Integrated Waste Management Plan, and state law, the CoIWMP amendment and conformity determination enacted by the ordinance to which this exhibit is attached is subject to the conditions below:

1. Operations at the DSTS Organics Facilities (facilities) shall comply with all requirements governing the design and operation of compost operations under the Compost Materials Handling Facility permit as set forth in Title 14 of the California Code of Regulations.
2. The materials that may be processed through the DSTS organics facilities are limited to the materials that the Davis Street Transfer Station is currently permitted to take.
3. The facilities will not result in an increase of currently permitted tonnage of 5600 tons of incoming material per day
4. The facilities shall operate within the conditions contained within the CUP from the city of San Leandro
5. The Facilities shall be constructed and operated in compliance with the assumptions made in the Initial Study and Negative Declaration adopted by the City of San Leandro to the extent applicable to the facilities.
6. The ordinance to which these Conditions of Approval is attached shall take effect only upon Waste Management's acceptance of these conditions and its agreement to indemnify and hold harmless the Authority, its agents, officer, and employees according to the terms in paragraph 7 below.
7. Davis Street Transfer Station shall defend (with counsel acceptable to the Authority), indemnify and hold harmless the Authority, its agents, officers and employees for any costs, including attorneys' fees, incurred by the Authority, its agents, officers or employees in the defense of any action brought against the Authority, its agents, officers or employees, in connection with the approval or implementation of Authority Ordinance No. 2017-02. The Authority may elect, at its sole discretion, to participate in the defense of such action, and Waste Management shall reimburse the Authority, its agents, officers or employees for any costs, including attorneys' fees, that the Authority, its agents, officers or employees incur as a result of such action. This indemnification shall be binding upon the Authority, Waste Management and all their successors and assigns.
8. Waste Management shall comply with the Alameda County Integrated Waste Management Plan, all applicable existing and future ordinances and resolutions of the Authority and all conditions imposed by the City of San Leandro and other regulatory agencies.

9. These conditions of approval shall restrict the operation of the Facilities.
10. Any activities beyond those provided for by Ordinance 2017-02 shall require a new CoIWMP amendment and conformance determination by the Authority.



DATE: February 9, 2017

TO: Planning & Organization Committee/Recycling Board

FROM: Tom Padia, Deputy Executive Director

BY: Debra Kaufman, Senior Program Manager

SUBJECT: Amendment to the CoIWMP to include three organics facilities at the Davis Street Transfer Station at 2615 Davis Street, San Leandro: an organics materials recovery facility, a compost facility, and an anaerobic digestion facility.

SUMMARY

On January 10, on behalf of Waste Management of Alameda County, Inc. ("WMAC"), JK Jones Consulting & Engineering submitted the required information to the Authority to amend the Alameda County Integrated Waste Management Plan ("CoIWMP") to include three organics facilities at the Davis Street transfer station in San Leandro. The proposed facilities, which will be designed to be indoor and part of the Davis Street transfer station footprint, include an organics materials recovery facility, a compost facility and an anaerobic digestion facility. Staff recommends approval of the amendment and a finding of conformance with the CoIWMP.

DISCUSSION

Description of Davis Street Transfer Station

Since 1979, Waste Management has operated the Davis Street Transfer Station. Davis Street is located in the City of San Leandro, just west of I-880 in Alameda County. The facility address is 2615 Davis Street, just west of Doolittle Drive, zip code 94577. The Davis Street property is 53.21 acres (Assessor's Parcel Number 79A-457-7-32) and is relatively flat topography with some portions of the site consisting of minor elevation variations. The property is designated in the City of San Leandro General Plan as "PI" Public/Institutional, and as "IG" Industrial General on the City's Zoning Map. These designations allow for a wide range of manufacturing, transportation, warehousing, vehicle storage, and distribution uses.

WMAC is the sole owner and operator of Davis Street with headquarters at 172 98th Avenue, Oakland, CA 94602. Davis Street has been operating since 1979 with on-going Municipal Solid Waste ("MSW") operations including transfer of MSW to landfills, multiple recycling facilities, and other ancillary waste management programs. The facility operates under a primary Conditional Use Permit ("CUP") C-5512 issued by the City of San Leandro and numerous subordinate CUPs.

Under this CUP, Davis Street was granted approval to accept up to 5,600 tons per day of waste and implement a number of facilities to provide comprehensive solid waste services benefiting the City and other jurisdictions in the Alameda County area. To date, certain improvements have been completed and are in operation, while the timing of others has been dictated by business and financial considerations, and/or availability of technology.

Davis Street is well situated for both ongoing and future solid waste management facilities. The proximity of I-880 and central location in western Alameda County allows easy access for receipt of materials. While the proposed project will not result in any increase in permitted waste receipts or traffic to the facility, it will allow increased on-site recycling of materials already delivered to the facility each day, and reduce the amount of outbound tons of waste materials that are currently transferred to other facilities for recycling or disposal.

Description of Proposed Project

The proposed project includes three facilities to be developed within the existing footprint of the Davis Street property. The proposed project includes infrastructure to separate the organic fraction and other recyclable commodities from the municipal solid waste stream and then convert the organic fraction into a digestate or compost product through use of either an enclosed composter or digester facility.

The main difference between this set of organics facilities and the recently adopted ColWMP amendment for the Altamont Compost facility, is that these facilities will be focused on separating and composting organics (and recyclables) that are commingled with refuse and not source separated (although some amount of source separated organics may also be composted). The Altamont Compost Facility is dedicated to composting source separated organics. Both types of efforts could help the County achieve its organics diversion goals more quickly, and may result in higher diversion levels than would be possible without segregating organics from refuse. As this is a relatively new technology, the Agency will be interested in monitoring the effectiveness of this type of innovative process.

The area of the facility property where the project will be located has been used for numerous operations over many years including a storage yard for bins and carts, outdoor green waste processing and transfer area, and vehicle parking. This area will be developed into facilities covering a building footprint of approximately 260,000 square feet, which according to Waste Management, will potentially constitute the largest, highest capacity, most automated, highest recovery, and most integrated organics recovery facility in the world.

These projects represent the final phases to fully implement the Davis Street Transfer Station Master Plan Improvements under CUP-96-1 originally issued by the City of San Leandro on February

19, 1998. Under this Master Plan, Davis Street was granted zoning approval to accept up to 5,600 tons per day of waste materials, and construct numerous facilities to improve both diversion and recycling services to the City of San Leandro and other jurisdictions in the Alameda County area. While many of these projects have been constructed over the years, the proposed project includes the remaining facilities necessary to fully implement the Master Plan. The major final 3 projects include:

- Organics Materials Recovery Facility (“OMRF”) a 1.4-acre indoor facility,
- In-vessel 3.0-acre Organics Materials Composting Facility (“OMCF”), and
- Organics Digester Facility (“Digester”), a 1.5-acre facility which includes energy production.

The OMRF will include construction of a 62,000 square foot building to house materials processing equipment designed to remove organics and recyclable commodities from the waste materials that currently come to Davis Street for transfer and disposal. The OMRF is designed to process 100 tons per hour of municipal solid waste (“MSW”). Initially, the OMRF will process MSW generated by the City of Oakland in the amount of 150,000 tons per year (“TPY”) running on a single shift per day; however the throughput may increase to an annual tonnage of 300,000 TPY depending on demand from other WMAC customers for processing of MSW.

Unlike typical methods for recovery of commodities from MSW, which rely heavily on manual sorting and have low recovery rates, the OMRF equipment is a highly-automated state-of-the-art system. This is anticipated to result in diversion rates of up to 61%. From the initial 150,000 TPY of the City of Oakland MSW to be processed, WMAC anticipates recovering 60,000 TPY of organics and 31,000 TPY of other recyclable commodities. The equipment includes a complex system of screens and optical sorting to achieve these high rates of recovery. The organic materials recovered from the OMRF will be directly conveyed to the adjacent Composting and Digester facility buildings for processing. The other recovered commodities including aluminum, metals, plastics, and glass will be shipped off-site for recycling along with similar materials recovered from the other various Materials Recovery Facilities located on the Davis Street property. Building permits have been obtained and the facility is planned to be fully-operational by the first quarter of 2018.

The Composting and Digester facilities will be constructed in buildings directly adjacent to the OMRF. The combined daily peak capacity of the Composting and Digester facilities will be 1,000 tons per day, with a maximum annual throughput of 205,000 TPY. The majority of organic feedstock going into the Composting and Digester facilities will be from the OMRF, however as space allows this may also be augmented by other source separated food and green waste materials which are currently transferred to other composting facilities. The facilities are in the processes of obtaining all operational permits and construction is planned to begin summer of 2017, with operations beginning in late 2018.

The Composting facility will be a 135,000 square foot fully-enclosed operation. The building will house the entire composting process, and will be operated under a negative air system with exhaust vented through a biofilter to control potential odors and mitigate emissions from the composting process. Annual average expected capacity of the Composting facility is up to 165,000 TPY. Actual annual capacity of the facility will be determined by required processing and retention times for the organics, which can vary depending on feedstock characteristics. It is currently

estimated to take 21 days for the organic materials to move through the composting facility process. The facility will consist of composting lanes which will be turned mechanically to allow for adequate air flow through the compost piles and aerobic decomposition of the organic materials. After the 21 day retention time, the active phase of the composting process will essentially be complete and the compost material will have finished the process to further reduce pathogens ("PFRP"). The output of the Composting facility may be sold to end-users and applied as a soil amendment immediately, or may also be taken to an off-site composting facility to be blended with other compost products.

The Digester facility will be an anaerobic process which will occur in a 65,000 square foot building. This facility will be capable of processing up to an additional 40,000 TPY of organic materials including the organic fraction from the OMRF, green waste, and source separated food waste. The digester facility will be fully-enclosed allowing for the collection of biomethane from the digestion process, and is designed to process the organic fraction of the waste over an 18 to 21 day period, and/or the organic fraction of the waste will be washed through a hydro pulping process to produce 4 streams: 1) organic slurry for the anaerobic digestion process, 2) plastic film/rigid plastics waste, 3) grit waste and 4) heavy fraction waste. Plastic waste will be dried to remove water weight and combined with grit/heavy waste for disposal at the Altamont landfill. The Organic slurry will be dewatered to create a solids feedstock for digesters and a liquid feedstock for high rate up-flow digestion. Digestate produced from digesters will be dewatered to generate approximately 25% solids material to be used by either WMAC as a feedstock for compost or as base for other value added products. The digestate, if used as a compost feedstock, will be loaded into transfer trucks for delivery to an off-site composting facility for further processing. The gas will be either utilized for on-site production of renewable energy to power the Davis Street operations, or utilized as vehicle-grade renewable natural gas to power WMAC's waste hauling fleet.

Receipt of waste materials for the proposed project facilities will be consistent with the hours of operation at Davis Street. The facility is open for receipt of waste 7 days per week; 24 hours per day for WMAC vehicles and 5:00am to 5:00pm for 3rd party customers. The proposed project will not be open to the public at this time. The hours of operation for the OMRF processing equipment are proposed Monday through Friday from 4:00am to 10:30pm, and Saturday from 6:00am to 4:00pm. No OMRF processing is currently proposed for Sundays. The Composting and Digester operations will process waste consistent with the OMRF equipment processing hours, however these facilities will run 24 hours a day 7 days a week when they contain materials. Davis Street is a 24-hour operation and maintenance activities may occur at any time as necessary.

CoIWMP Amendment and Finding of Conformance

An amendment to the CoIWMP is needed to update the Davis Street Transfer Station Facility description in the CoIWMP. Under the criteria set forth in the CoIWMP, major changes to existing solid waste facility permits must undergo a review for conformance with the CoIWMP, and an amendment if deemed necessary for conformance.

Before the Authority Board considers the CoIWMP Amendment, the proposed CoIWMP Amendment must be reviewed by the Recycling Board in its capacity as the Local Task Force and the Planning & Organization Committee of the Authority. If the Authority Board approves the amendment, the changes will be forwarded to CalRecycle for processing and approval.

Permitting

Under CalRecycle and Local Enforcement Agency (LEA) requirements, Davis Street operates under one site-wide Solid Waste Facilities Permit issued by the Alameda County Department of Environmental Health (SWIS #01-AA-0007). This permit will be updated to include the details of the OMRF, Organics Material Processing Facility (OMPF), and Digester, and must be approved by the LEA which is the local permitting authority as designated by CalRecycle prior to construction and operation of the proposed project.

WMAC is currently working to obtain other permits from multiple regulatory agencies for the project. These agencies not only permit the entitlements to build and operate the proposed project, but they also require compliance with current and future regulations and monitoring and reporting on an ongoing basis.

An Authority to Construct and Permit to Operate ("PTO") must be issued by the BAAQMD before the proposed project can be built and operated. The PTO will contain project specific permit conditions required for compliance with the agency's current regulations, including compliance with the Best Available Control Technology ("BACT"). The Composting will occur in a fully-enclosed building with emissions diverted through a biofilter to mitigate potential for fugitive, uncontrolled emissions from the composting process. Construction of composting facilities fully under-roof exceeds any recent BACT determinations by the BAAQMD, and the PTO is expected to be issued for the facility as designed.

Environmental Review

California Environmental Quality Act ("CEQA")

For purposes of CEQA, the Lead Agency for the proposed project was the City of San Leandro ("City"). The City prepared an Initial Study and Negative Declaration ("IS/ND") dated November 2010 to analyze the potential impacts of the project. The comment period for the IS/ND began on November 23, 2010 and concluded on December 23, 2010. The facilities studied included the proposed projects described above (OMRF, Composting, and Digester), along with other smaller facilities including an employee building, new vehicle maintenance shop, building over the public disposal area, overhead conveyance system, and upgrades to the exiting single stream recycling line. Waste Management considers these projects as necessary components to fully implement the Davis Street Transfer Station Master Plan Improvements adopted pursuant to the Conditional Use Permit (CU-96-01) issued by the City to WMAC on February 19, 1998.

Under the IS/ND, the proposed project was analyzed for multiple site improvements including both materials recovery and organics materials management facilities. The purpose of all proposed project facilities is to increase the rate of waste diversion and recycling in the region and reduce the volume of waste that would otherwise be landfilled. The IS/ND determined that the proposed project would not have a significant effect on the environment because of the project design features incorporated into the proposed project.

The Zoning Enforcement Official adopted the IS/ND and approved the Site Plan for the project. No one appealed the decision of the Zoning Enforcement Official.

In 2012, WMAC began detailed development efforts for all phases of the proposed project. In conjunction with the City of Oakland Request for Proposals, WMAC vetted the available technologies and began design of the organics processing equipment. In 2014, WMAC began permitting efforts with discussions and permit development with the City of San Leandro building department, CalRecycle, and the Alameda County Department of Environmental Health, and development and permitting efforts continue through present day.

The Authority is a Responsible Agency under CEQA. As a Responsible Agency, the Authority must independently evaluate the environmental review prepared by the County of Alameda, consider the environmental impacts identified in such review, and make the findings required by CEQA.

Consistent with the Public Resource Code (PRC 21166), when a negative declaration has already been adopted, no subsequent or supplemental CEQA documentation shall be required by a responsible agency unless one or more of the following events occurs:

- (a) Substantial changes are proposed to the project that will require major revisions of the negative declaration due to new significant environmental effects,
- (b) Substantial changes occur with respect to the circumstance under which the project is being undertaken that will require major revisions in the negative declaration due to new significant environmental effects, or
- (c) New information, which was not known and could not have been known at the time the negative declaration was adopted, becomes available that will require major revisions of the negative declaration due to new significant environmental effects.

Authority staff has reviewed the City of San Leandro's documents for the IS/ND. Authority staff finds that, based on the whole record before it, the facility underwent the review required under CEQA and that the CoIWMP amendment is within the scope of activities addressed by the City of San Leandro's IS/ND. Since preparation and adoption of the IS/ND, there have been no changes to the project. In addition, the conditions at the project site have not changed since preparation of the IS/ND, nor are there any other changed circumstances, or new information that has become available that would result in any new significant impacts or a substantial increase in impacts considered in the IS/ND.

Local Task Force and Planning and Organization Committee Review

The Recycling Board, as the Local Task Force, and the Planning & Organization Committee of the Authority will consider the proposed CoIWMP amendment at its meeting on February 9, 2017 at 7 p.m. in San Leandro. In its advisory capacity, the Local Task Force will review and provide comments on the proposed CoIWMP amendment (which can include a comment recommending adoption). The Planning & Organization Committee will receive the staff report and consider whether to recommend approval of the proposed CoIWMP amendment and conformance finding to the full WMA.

RECOMMENDATION

Staff recommends that the Planning & Organization Committee and the Recycling Board (in its role as Local Task Force) recommend to the Authority Board that it hold a public hearing and introduce and waive the first reading of the CoIWMP (Alameda County Integrated Waste Management Plan) Amendment ordinance (Attachment A) at the February 22, 2017 meeting to (1) amend the CoIWMP (Exhibit 1) to include the compost facility at the Davis Street Transfer Station in the City of San Leandro, and make additional changes for consistency, (2) find that the Davis Street Organics Facilities including the organics materials recovery facility (OMRF), composting facility and anaerobic digestion facility conform to the CoIWMP as amended, and (3) make the findings required by CEQA, and also recommend that the Authority Board direct staff to place the ordinance on the calendar for adoption at the March 22, 2017 meeting.