

# Executive Summary

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The Sacramento Regional Solid Waste Authority (SWA) is a joint powers authority of Sacramento County (County), the City of Sacramento (City), and the City of Citrus Heights. Each of the member agencies shares the common need to manage garden refuse cost-effectively and responsibly as a significant part of its individual efforts to achieve the 50 percent diversion mandate of AB 939. To meet this common need, SWA staff recommended in May 2002 that the SWA Board consider the public-private development of a regional garden refuse processing facility within Sacramento County. SWA staff believes that the potential benefits of an in-County facility would include:

- Reduce total system costs and stabilize costs over the long-term
- Improve long-term stability and reliability of service
- Assure AB 939 diversion credits and compliance with state diversion mandates
- Minimize the potential nuisance issues of garden refuse processing facility operations through strong local control
- Improve environmental conditions by shortening material transportation distances, thus reducing traffic and air quality impacts
- Increase the accessibility of compost products to SWA member agencies and the community

At its April 2003 meeting, the SWA Board authorized a contract with the consulting firm CH2M HILL for Phase One of the facility development, Project Initiation. The Phase One Project Initiation effort by CH2M HILL and SWA staff was divided into three tracks:

- **Public Involvement**, to develop a program for involving community stakeholders throughout the facility development and operation process;
- **Procurement**, including consideration of a public-private partnership (P3) for facility development; and
- **Planning**, to identify the preferred system configuration and basic facility design and permitting concepts and develop conceptual cost estimates.

This report presents the results of the Phase One study and recommends the following as most important for proceeding with development of a regional garden refuse processing facility.

## Recommendations

The SWA Board should approve moving ahead with Phase Two, Structuring and Designing the Project, as outlined in this section.

## Public Involvement

1. Implement the Public Involvement Plan for building relationships and establishing communication with key community stakeholders. This plan is summarized in Table 2-4 of this report. Implementation should start immediately after an SWA Board decision to commence Phase Two of the project.
2. At the start of the facility site selection process, implement the Siting Component of the Public Involvement Plan to improve community stakeholder support and minimize project opposition. This plan is summarized in Table 2-4 of this report.

## Procurement and Public-Private Partnership

1. Develop and execute separate agreements between the SWA and each of its member agencies. These agreements will contain the commitments and conditions under which each of the member agencies will commit a portion of its garden refuse to the regional facility. Recommended considerations to be included in these agreements are contained in Table 3-2 and Section 3.2.3 of this report. **Achieving these agreements is essential to moving ahead with site selection, the early stages of private partner procurement, and the environmental and permitting process for the new regional facility. Therefore, this action should be given the highest priority.**
2. The City of Sacramento's current contracts for garden refuse management services expire in 2004 and 2005, and the City has indicated its intent to procure new services in 2004. The Sacramento County and City of Citrus Heights contracts for garden refuse management services remain valid through March 2007, when the new regional facility could commence operations. **Any new agreement(s) that the City of Sacramento makes for garden refuse services should recognize the City's commitment of a portion of its garden refuse to the new regional facility and should allow the City to terminate the agreement at any time.**
3. After the SWA/Member Agency Agreements are in place, issue an Expression of Interest letter to solicit interest from potential private sector partners. Hold an Expression of Interest meeting with potential private partners to explain the P3 concept and the commitments of the SWA and the Member Agencies and ask for their involvement and ideas as the facility siting and environmental process moves forward.

## Planning

1. At present, the City of Sacramento and Sacramento County are willing to commit about half of their garden refuse to this project. The SWA Board and its member agencies may wish to consider increasing the total tonnage committed to the facility to improve economies of scale and reduce costs. Increased tonnage could come from current SWA member agencies, from new SWA members, or from non-SWA members.
2. Once agreements have been established between the SWA and its member agencies, commence the site selection process and implement the siting component of the public involvement program.

The SWA member agencies share a common need to manage the garden refuse portion of the waste stream in a cost-effective and responsible manner. The conceptual cost estimates

in Section 5 of this report show that a regional facility within Sacramento County may indeed be cost-effective and competitive with the current system costs. The SWA has the opportunity to act as the agency by which its members and the community can benefit from regional cooperation in the development of an important component of an integrated garden refuse management system.