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RESOURCES · RESPECT · RESPONSIBILITY

Organics Processing Facility Request for Proposals Stakeholder Meeting



PRESENTATION TO:

Sonoma County Waste Management Agency

April 19, 2017

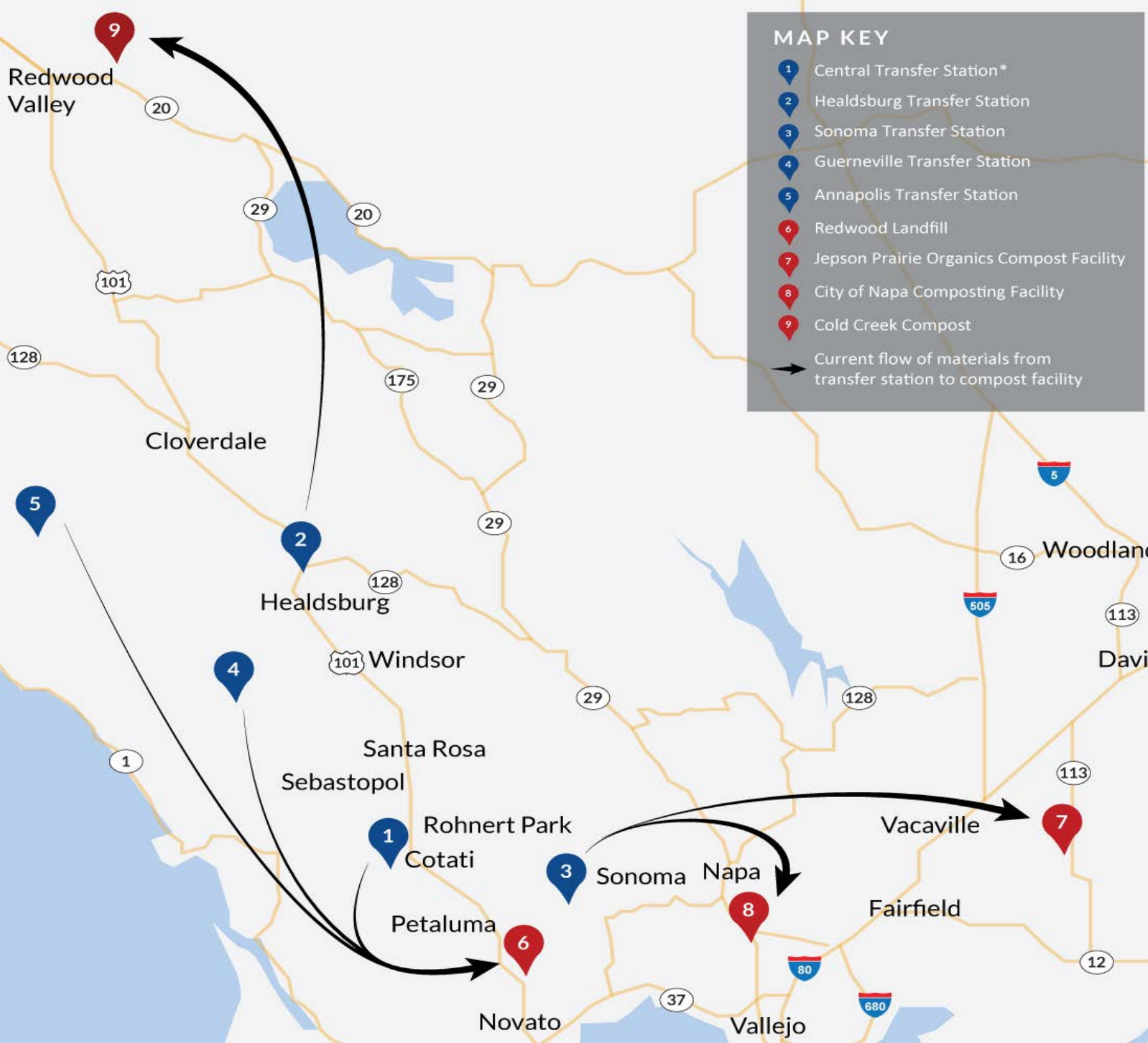


Agenda

- Purpose and Background
- Overview of Process and Timeline
- Role of Member Agencies
- Role of SCWMA
- Role of Contractor(s)
- Evaluation Process
- Member Agencies: Letters of Interest
- Discussion of Priority Areas

Purpose of Workshop

- ❑ Organic Waste Processing Facility Needed
 - Organic waste currently out-hauled to four facilities out of county (map next slide)
 - Ratto hauls from five transfer stations to four facilities
 - Cost is nearly twice the tipping fee in 2014



R3

Purpose of Workshop (continued)

- ❑ RFI on Organic Waste Processing Closed on November 14, 2016
- ❑ 16 responses
 - 10 compost (aeriated static pile or turned-windrow)
 - 2 enclosed composting
 - 4 anaerobic digesters/biochar (sometimes in combination)
- ❑ 2 currently have contracts with SCWMA (out of County facilities)
- ❑ Nearly all the rest proposed in-County

Overview of Process and Timeline

- ❑ Stakeholder Workshops 4/19 & 4/27
- ❑ RFP Documents for Approval 5/17
- ❑ Release RFP Package 5/31
- ❑ Mandatory Pre-Proposal Meeting 6/28
- ❑ Proposals Due 8/16
- ❑ Evaluation Results to Board 11/21
- ❑ Board Award of Processing Agreement(s)
December '17/January '18

Role of Member Agencies

- ❑ For Organic Waste, Member Agencies Need to Arrange:
 - Collection services
 - Direct hauler to approved facilities (currently County transfer stations, except for Petaluma)
 - In the future, enter into agreement with SCWMA committing flow to organics program...
 - Or, commit flow to non-SCWMA organics program

Role of SCWMA

- ❑ Secure and Manage Agreement w/ Contractor
- ❑ Provide Flow Commitment to Contractor for committed Member Agencies
- ❑ Hauler Pays Contractor Per Ton Rate Set by SCWMA
- ❑ SCWMA will not Site, Own or Operate Facility(ies)
- ❑ AB 876 (2015) Organics Management Infrastructure Planning (15 year plan)



Role of Contractor(s)

- ❑ Build, Own, Manage, Process, Sell and Carry All Responsibilities
- ❑ Benefits to Contractor(s):
 - Flow commitment & guaranteed revenues
 - Set per-ton rate for entire contract
 - Established market for quality finished product sales

Role of Contractor(s) (continued)

- ❑ Assume Risks of Facility Operations:
 - New environmental legislation or unforeseen environmental impacts change costs
 - Changes in the market for the finished product impact facility financing
 - Reductions in the incoming tonnage might result in lower revenue to cover fixed costs
 - Liability for facility failure

Evaluation Process

☐ Qualifications

- Project team experience and past practice
- References
- Litigation history

☐ Technical approach

- Location of facility
- Processing technology
- GHG impacts minimized
- Standards of finished product

☐ Tipping fee

Member Agencies: Letters of Interest

- ❑ Interested Member Agencies should Provide Letter of Interest from Management
 - Agencies will not be bound by this letter of interest (but will need to arrange for organic material capacity independently, if opting out)
 - RFP will be more effective with indication of potential interest
 - Member Agencies' binding decisions upon recommendation of award for agreement (November 2017)



Discussion of Priority Areas

❑ Location of Facilities

- In-county preferred
- Award preference points, or could prohibit/exclude all out-of-county proposals

❑ Maximum Number of Agreements Awarded

Discussion of Priority Areas (Continued)

❑ Source Materials for Processing

- Green/wood/yard waste
- Mixed food and green materials (residential organics)
- Source separated food and food related products (commercial food waste)

❑ Processing Technology Options

- Composting
- Anaerobic Digestion

Discussion of Priority Areas (Continued)

❑ Standards for Finished Product

- Home vegetable gardening (OMRI?)
- High-end compost for farming
- Land cover

❑ Importance of

- Cost
- GHG
- Clean energy

❑ Unified Rate Countywide

Questions and Comments

For additional questions, contact:

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The logo for R3 Consulting Group, consisting of the letters "R3" in a large, blue, handwritten-style font.