

# LAMONT PUBLIC UTILITY DISTRICT SPECIAL MEETING MINUTES

January 21, 2015 6:00 P.M

Meeting Location:  
District Office  
8624 Segrue Road  
Lamont CA, 93241

## 1. Call to Order/Roll Call

President Prado called to order the Special Board Meeting at 6:00 pm on Wednesday, January 21, 2015 at the office of the Lamont Public Utility District. All Board Members were present. Staff present included General Manager/District Secretary Nick Turner, District Counsel Alan Peake, and District Interpreter Mario Sanchez.

## 2. Pledge of Allegiance – Led by President Prado

## 3. Special Agenda

- A. Information Only: Amendment to Lease Agreement with CR&RR regarding property located at APN 185-300-14, 185-350-53, 185-350-54, 185-350-55 and 185-350-16 and possible change in Lessee to Recology Inc.; **District Counsel, Peake**

District Council states that this is the regular agenda item and that this item will be discussed in closed session.

Dan Gamblin from Recology is present and states that he is continuing with contract negotiations with Community Recycling and that, before the company purchase can be completed, Recology needs the District to assign the lease to Recology. Recology is hoping to get the contract completed and closed soon but notes that it is contingent upon there being board action on the lease assignment.

Mr. Gamblin states that Recology hopes to close the deal before the end of January. Mr. Gamblin states that they have gone through the process of hiring employees and will be retaining the employees that Community Recycling currently has hired with the exception that management will be changing. Tim Hester from Recology will be managing the facility. Greg Pryor will also provide Mr. Hester with his technical expertise.

Recology has reviewed the lease amendment proposed to Community Recycling and has accepted the conditions of the original lease and the amended lease.

Director Sanchez asks what Recology's interest is in taking over Community Recycling? Mr. Gamblin explains that the City of Los Angeles is going through a process to franchise it's green waste collection system. Recology is interested in that business. Recology started having discussions with Crown Disposal and Community Recycling in June 2014, when the request from City of Los Angeles was released. Recology already has a partnership with Community Recycling up in the San Francisco area. The two companies started talking

about how they could partner to propose on the City of Los Angeles proposal. Over a couple of months, the discussions progressed to a point where Community Recycling suggested to Recology to buy out Community Recycling and Crown Disposal. Recology was excited about the opportunity, not only did it allow them to propose in Los Angeles, but it allowed Recology to run the facility in Lamont.

Director Sanchez states that Mr. Gamblin previously stated that the City of Los Angeles is going to make some changes in regards to green waste production. Mr. Sanchez states that he is aware that Community Recycling can only import approx. 150 loads per day. Mr. Gamblin agrees that there is a tonnage limit, which is approximately 3000 tons per day. Mr. Gamblin states that they would have to comply with that limitation, established in the CUP.

Director Sanchez asks how many sources Recology collects green waste from. Mr. Gamblin states that Community Recycling currently collects from several cities, Beverly Hills and Santa Paula. They also collect green waste from landscaping performed in these cities. There is not enough green waste produced in the Southern San Joaquin Valley to meet the demand for compost. This relationship with green waste in the Los Angeles area and composting in Lamont is very similar to the relationship that Recology has with the City of San Francisco and Modesto. The green waste is collected in San Francisco and hauled to Modesto for composting, which is where the demand is from the farmers.

Director Sanchez comments that Recology has stated that it would take 2 to 3 years to lower the amount of VOCs released to the atmosphere. Why, if you have the technology, does it take 3 years to implement the new technology? Mr. Gamblin states that there is a process that they must go through. They are taking the site, which is currently a windrow style composting operation to an aerated static pile system. The design of the system could take as much as six months. Permitting revisions are required, which could take anywhere from 12 to 18 months to receive approval. Construction could take as long as 12 months. Construction has to take place in sections, not all at once.

Director Sanchez asks what the benefits would be to the community if Recology implements this new technology. Does Recology plan to expand? Mr. Gamblin explains that compost quality would be about the same but air emissions would be significantly reduced. There will also be less dust because the process doesn't require the turning of the compost piles. Other benefits include working with a nonprofit agency with events performed two or three times a year such as painting, landscaping clean up, and community garden. There will also be more jobs in the community as the facility expands.

Director Sanchez states that in the area, we have really bad air quality, acknowledging that it's not all generated from the recycling center. One of the biggest complaints in the community is the smell of the composting operation. He states that this will be one of the biggest issues that Recology will be confronting in this community. What is Recology's plan to deal with these complaints when they come up? Mr. Gamblin explains that Recology has experience with other facilities in very similar situations. Recology monitors air-quality on-site and off-site every day. The air monitors are tied to the weather and the composting operation at that time. If the composting facility is operated properly, it doesn't generate odors that can be detected off site. Recology also monitors density and moisture content.

With a compost and the aerated static piles composting method, VOC's are significantly reduced.

Director Gonzalez asks if Recology is going to perform a soil test to see if the land is contaminated. Mr. Gamblin states that the composting area is constructed on a clay liner. Recology won't be doing soil sampling and testing because they don't want to dig into and damage the clay liner.

Director Hernandez asks how Recology can assure the District that they will not violate any regulations. Mr. Gamblin states that Recology has a compliance order that they operate under and they have a compliance program in place to prevent permit violations.

The General Manager asked Mr. Gamblin to share with the Directors Recology's compliance records at their other facilities. Mr. Gamblin states that anyone can go on to the Cal Recycle website and see any violations that were issued in the past and how quickly they were addressed. Mr. Gamblin states that Recology has a policy that if they get a violation that they respond as quickly as possible to correct it so that by the next inspection, it is addressed and corrected.

District Council states that Mr. Gamblin mentioned the company Recology Blossom Valley Organics being the company that would replace Community Recycling but that we received financials for the parent company Recology. Previously Mr. Gamblin mentioned that the parent company would be willing to do some sort of a guarantee with respect to Recology Blossom Valley Organics. Mr. Gamblin confirmed this.

Director Hernandez suggest another committee meeting to help the community understand what the District is doing. In lieu of another workshop, Director Sanchez suggests some sort of a mailer with the same information provided at this board meeting.

#### **4. Closed Session**

- A.** Discussion with real property negotiators, Mr. Peake and Mr. Turner, regarding real property currently leased to CR&RR (APN 185-300-14, 185-350-53, 185-350-54, 185-350-55 and 185-350-16) Government Code §54956.8 concerning terms and conditions of the lease

Information was provided, no action was taken.

- B.** Pending litigation LPUD/Community Recycling vs. Kern County; Government Code § 54956.9 (d)1.

Information was provided, no action was taken.

**Adjournment (6:48pm)**

A motion was made by Director Sanchez to adjourn the Special Board Meeting of the Board of Directors of the Lamont Public Utility District, held on Wednesday, January 21, 2015 at 6:00 pm., Motion seconded by Director Cruz, All in favor.

ATTEST:



Leticia Prado, Board President  
Lamont Public Utility District



Nicholas Turner, Board Secretary  
Lamont Public Utility District