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Date: December 17, 2010

To: Thomas G. Mauk, County Executive Officer

From: Michael B. Giancola, Director

Subject: 2011 Business Plan Update

I am pleased to submit the 2011 OC Waste & Recycling Business Plan Performance Measure Update for your consideration. In addition to presenting the performance measure results, I would like to highlight a few key departmental activities that directly relate to the Department's core values and the critical strategies being measured.

OC Waste & Recycling is in the process of implementing the Balanced Scorecard methodology. The Department trained staff and developed new performance measures in order to more closely align our agency focus with the County's strategic initiatives. In the coming year, we will continue to monitor our performance measures and evaluate our progress toward the achievement of our desired outcomes. As part of the Balanced Scorecard initiative, OC Waste & Recycling created a new Mission Statement that clearly and concisely identifies our core business priorities in service to the community: *To provide Waste Management Services, protect the Environment, and promote Recycling in order to ensure a safe and healthy community for current and future generations*.

New 10-year Waste Disposal Agreements in effect as of July 1, 2010. OC Waste & Recycling has secured a long-term commitment for waste disposal which is sufficient to fund operation of the Orange County waste disposal system, provide a market competitive disposal fee, improve the accuracy of disposal reporting, and increase diversion.

New 10-year Franchise Agreements in effect as of July 1, 2010. The new Franchise Agreements will provide solid waste collection and recycling services for residents and businesses in the unincorporated areas of Orange County. Customers in these areas will continue to receive quality waste collection services at market competitive prices.

Maintained an Excellent Credit Rating. OC Waste & Recycling has received an "A+" Fitch rating based on "sound overall financial operations, exhibited by high cash balances, and projected surplus operations beginning in 2013," which is supported by the new 10-year Waste Disposal Agreements.

Revised Solid Waste Facility Permit Approved for Olinda Alpha Landfill. OC Waste & Recycling secured the Solid Waste Facility Permit approval to implement vertical and horizontal expansion of the waste disposal area within the existing Olinda Alpha Landfill boundaries. This extension of landfill operations will provide continued local disposal capacity to northern Orange County and will preserve the County's network of a three landfill disposal system. The original closure date will be extended past 2013 to a projected closure date of 2021.

California State Association of Counties, 2010 Merit Award Recipient, OC Waste & Recycling Material Exchange Program. Orange County's Household Hazardous Waste Collection Centers and Material Exchange Programs are an environmentally and economically practical solution to household hazardous waste management. More than 100,000 visitors have exchanged over 525,000 pounds of products for an estimated annual savings of \$280,000.

Thank you for the opportunity to share our achievements and progress toward our agency goals. I would like to express my appreciation for your ongoing support and assistance and that of the Board of Supervisors. I am very proud of the hard work and accomplishments of our employees at OC Waste & Recycling and look forward to our continued pursuit of excellence in public service as stewards, leaders, and community partners.



Business Plan Update 2011





Goal 1:

Maintain OC Solid Waste Disposal System competitiveness within the Southern California regional solid waste marketplace through efficient administration and management.

PERFORMANCE MEASURE: Disposal fee comparison within Southern California Region. WHAT: Comparison of disposal rate charged to users of the Orange County landfill system with that of other landfills in the region. WHY: To ensure that Orange County residents are provided a competitive disposal rate. FY 09-10 FY 10-11 FY 10-11 FY 11-12 How are Plan Plan Results Anticipated we doing? Results Disposal Fee -Disposal Fee -The disposal fee Adjust disposal OC Waste & will be adjusted fee to reflect \$22 per ton for \$29.95 per ton Recycling contracted waste; for contracted annually to reflect changes in the continues to offer changes in the Consumer Price \$46 per ton waste; \$53.95 a competitive rate Consumer Price for self-haul per ton for self-Index. for waste disposal haul waste. waste. Index. in Orange County.

PERFORMANCE MEASURE: Number of years of remaining landfill capacity.

WHAT: Measures whether Orange County meets state minimum standard of providing 15 years of landfill capacity.

WHY: To ensure that Orange County meets the state minimum standard and that the residents of Orange County are provided with adequate landfill capacity. Maintaining adequate long-term in-county landfill capacity enables the County to avoid expensive out-of-county disposal alternatives.

FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
Approximately 50- 55 years of permitted landfill capacity.	Exceed state minimum standard of providing 15 years of landfill capacity.	Exceed state minimum standard of providing 15 years of landfill capacity.	Exceed state minimum standard of providing 15 years of landfill capacity.	OC Waste & Recycling has more than adequate capacity to fulfill requirement.

Goal 2:

Protect the environment in the management of the Orange County Disposal System.

PERFORMANCE MEASURE: Total volume of leachate and impacted ground water collected through the leachate collection and recovery system, and groundwater extraction system.

WHAT: Measure the amount of leachate and ground water collected.

WHY: To protect water quality from the effects of leachate. This measure is important as it is

mandated by law and prevents local ground water from being impacted.

FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are
Results	Plan	Anticipated	Plan	we doing?
		Results		
The total volume of leachate and impacted ground water collected through the leachate collection and recovery system during FY 2009-10 was 3,528,635 gallons.	Collect leachate and impacted ground water through the recovery system.	Leachate and impacted ground water will continue to be collected to help protect the environment.	Continue to improve landfill drainage and cover systems and optimize leachate and groundwater collection for water quality protection.	OC Waste & Recycling currently has collection and recovery systems in place at each landfill to collect leachate and impacted ground water for water
and recovery system during FY 2009-10 was		GIVIIOIIIIGIIL.	groundwater collection for water quality	

PERFORMANCE MEASURE: Amount of landfill gas collected and put to beneficial reuse.

WHAT: Collection of landfill gas and put to beneficial reuse that would have otherwise been emitted into the atmosphere.

WHY: To protect the air from the effects of landfill gas. This measure is important, as regulations require that landfill gas be properly managed to protect air quality.

FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are
Results	Plan	Anticipated	Plan	we
		Results		doing?
Olinda Landfill 3,479 million standard cubic feet (MMSCF) of landfill gas was collected. Of this amount about 23% was put to beneficial reuse.	Olinda Landfill 23% of landfill gas will be put to beneficial reuse.	Olinda Landfill 23% of landfill gas will be put to beneficial reuse.	Olinda Landfill 23% of landfill gas will be put to beneficial reuse	OC Waste & Recycling currently has landfill gas-to- energy facilities at two of its active landfills; the plant at FRB is no longer in
FRB Landfill 3,555 MMSCF of landfill gas was collected. Of this amount about 10% was put to beneficial reuse.				operation. OC Waste & Recycling plans to install a new gas to energy facility at FRB in FY 2012-13 which will
Prima Landfill 1,206 MMSCF of landfill gas was collected. Of this amount about 94% was put to beneficial reuse.	Prima Landfill 94% of landfill gas will be put to beneficial reuse.	Prima Landfill 94% of landfill gas will be put to beneficial reuse	Prima Landfill 94% of landfill gas will be put to beneficial reuse	increase beneficial reuse at the site. The department will continue to collect landfill gas and work to
Coyote Canyon Landfill (closed) 2,330 MMSCF of landfill gas was collected. Of this amount about 98% was put to beneficial reuse.	Coyote Canyon Landfill (closed) 98% of landfill gas will be put to beneficial reuse.	Coyote Canyon Landfill (closed) 98% of landfill gas will be put to beneficial reuse.	Coyote Canyon Landfill (closed) 98% of landfill gas will be put to beneficial reuse.	increase the amount that is put to beneficial reuse for protection of air quality.

^{*}It is important to note that any gas collected, and not put to beneficial reuse, is "flared" or destroyed, in compliance with state and local regulations.

PERFORMANCE MEASURE: Number of habitat acres currently under restoration/mitigation

WHAT: Measures the number of landfill acres under restoration to recreate natural habitat disturbed by landfill operations.

WHY: To comply with the Natural Community Conservation Program (NCCP) and general environmental regulations, and to protect biological resources, both plants and animals, from the impact of landfill operations.

FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are
Results	Plan	Anticipated	Plan	we doing?
Results	1 1411	-	i idii	we domig :
FRB Landfill: Monitored and maintained 42.24 acres of habitat.	FRB Landfill: Request buy-off on 11.29 acres of habitat. Monitor and maintain 30.95 acres of coastal sage scrub (CSS).	Results FRB Landfill: Achieve buy-off on 11.29 acres of habitat. Monitor and maintain 30.95 acres of coastal sage scrub.	FRB Landfill: Monitor and maintain 30.95 acres of coastal sage scrub.	FRB Landfill: OC Waste & Recycling anticipates receiving sign-off on one additional mitigation site. Continued to work proactively with resource agencies resulting in a positive response from CA Dept. of Fish & Game and US Fish & Wildlife
Olinda Alpha Landfill The Board of Supervisors approved the Agreement between the County and the Habitat Authority on March 3, 2009.	·	Olinda Alpha Landfill Monitor the progress of the 5- year mitigation project.	Olinda Alpha Landfill Work with OC Parks to restore up to 120 oak trees in Santiago Oaks Regional Park.	Service. Olinda Alpha Landfill Secure pre- mitigation for the future expansion planned at the Olinda Alpha Landfill.

PERFORMANCE MEASURE (CON'T): Number of habitat acres currently under restoration/ mitigation

WHAT: Measures the number of landfill acres under restoration to recreate natural habitat disturbed by landfill operations.

WHY: To comply with the Natural Community Conservation Program (NCCP) and general environmental regulations, and to protect biological resources, both plants and animals, from the impact of landfill operations.

FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are
Nesults	ı ıalı	-	i iaii	
Prima Landfill Sites A and B: Final (5 th) annual riparian monitoring report submitted, finding that site acreage increased from 11.76 to 12.60 acres due to natural native recruitment. Site C: Final (5 th) annual CSS monitoring report submitted and shows continued maintenance and functionality of 13.86 acres with 92% cover. Site D: Improved CSS and native grassland plant cover across 18.40 acres for pre- mitigation.	Prima Landfill Sites A and B: Continue maintenance of southern willow scrub (7.06 acres), mulefat scrub (3.00 acres), and freshwater/ alkaline marsh (1.70 acres) from impacts and receive sign-off. Site C: Protect 13.86 acres of CSS from impacts and receive sign- off. Site D: Maintain 18.40 acres as pre-mitigation. Areas 1-3: Maintain container planted CSS (101.4 acres).	Anticipated Results Prima Landfill Sites A-C: Resource agency sign-off of at least 11.46 acres of riparian habitat and 13.86 acres of CSS. Site D: Improved CSS and native grassland plant cover across 18.40 acres for pre- mitigation. Pre-mitigation (Areas 1-7): Successful maintenance and development of 215 acres of habitat containing CSS, native grassland, and riparian vegetation communities.	Prima Landfill Sites A-C: Preserve and maintain at least 11.46 riparian and 13.86 CSS acres in perpetuity, or request signoff for one or both of these habitats again if not successful in 10-11. Site D: Maintain 18.40 acres as potential additional pre-mitigation (Areas 1-7): Maintain 215 (190.3 of CSS, 6.0 of riparian, and 18.7 of native grassland) acres of habitat to increase native cover and decrease invasive species cover on site. Pre-mitigation "Buffer": Continue to maintain 9.11 acres around areas 4-7 to prevent intrusion of non-	we doing? Prima Landfill Existing riparian mitigation at sites A and B continues to expand and thrive. As of 2009, 2 pairs of least Bell's vireo are known to nest in parts of these areas and another 5 have at least established territories within the restored habitat. Site C: CSS mitigation is self-sufficient; more recruitment of gnatcatchers remains a goal.
			native species.	

PERFORMANCE MEASURE (CON'T): Number of habitat acres currently under restoration/ mitigation

WHAT: Measures the number of landfill acres under restoration to recreate natural habitat disturbed by landfill operations.

WHY: To comply with the Natural Community Conservation Program (NCCP) and general environmental regulations, and to protect biological resources, both plants and animals, from the impact of landfill operations.

FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are
Results	Plan	Anticipated	Plan	we
		Results		doing?
Prima Landfill	Prima Landfill	Prima Landfill	Prima Landfill	Prima Landfill
Pre-mitigation	Areas 4, 5, 7:	Pre-mitigation	Off-site pre-	Successful start to
(Areas 1-3):	Maintain 88.9	"Buffer":	mitigation: Obtain	pre-mitigation
Restored 101.4	acres of imprinted		permits from	program (Areas 1-
acres of CSS.	CSS and 18.7	invasive species	federal and state	7): eradication of
	acres of imprinted	•	regulatory	weeds, irrigation
Pre-mitigation	and container	4-7 attributable to	agencies for	system installation
(Areas 4, 5, 7):	planted native	9.11 acres kept	mitigation site in	and container
Restored 88.9	grassland.	clear of weeds.	O'Neill Regional	planting on
acres of CSS	.		Park.	approximately half
and18.7 acres of	Pre-mitigation			of the site, and
native grassland,	(Areas 1, 2, 6):			seed imprinting on
with some	Maintain container			the other half.
container planting.	planted riparian			
Pre-mitigation	scrub (6.0			
(Areas 1, 2, 6):	acres).			
Restored 6.0	acies).			
acres of riparian	Pre-mitigation			
scrub.	"Buffer": Maintain			
Corab.	9.11 acres of			
Pre-mitigation	CSS to prevent			
"Buffer": 9.11	intrusion of non-			
acres kept clear of	native species.			
non-native	,			
species.				

^{*}Habitat mitigation projects depend on variable natural conditions to become fully mature and self-sustaining. Therefore, it can take many years for OC Waste & Recycling to obtain mitigation site sign-off from federal and state biological regulatory agencies.

Goal 3: Provide countywide leadership in Municipal Solid Waste Management.

PERFORMANCE MEASURE: Collect household hazardous waste
WHAT: Collect household hazardous waste from County residents at the Household

Hazardous Waste Collection Centers.

WHY: Reduce illegal and improper household hazardous waste disposal.

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FY 09-10	FY 10-11	FY 10-11	FY 11-	How are	
Results	Plan	Anticipated	12 Plan	we doing?	
		Results			
Collected a total	Collect at least	Collect at least 5%	Collect at	Participation at	
of 4,053 tons of	4,458 tons of	more household	least 5%	the HHWCC	
household	household	hazardous waste	more	increased by	
hazardous waste,	hazardous	than the previous	household	2%.	
which includes	waste.	fiscal year.	hazardous		
1,743 tons of			waste than	The County	
Universal and			the previous	continues its	
Electronic Waste,			fiscal year.	public outreach	
from 116,767			-	efforts and	
participants				directs residents	
utilizing the				to the HHWCC.	
Household					
Hazardous Waste					
Collection Centers					
(HHWCC).					

^{*}A decrease in tonnage for both household hazardous waste and electronic waste is consistent with the overall decrease of solid waste due to the economy. Other contributing factors are the alternative collection locations for Universal and Electronic Waste and the increase of one-day HHW collection events held by jurisdictions.

PERFORMANCE MEASURE: Coordinate county-wide recycling and diversion activities.

What: Number of programs promoted, established, or enhanced that serve to increase recycling and diversion activities.

Why: To comply with state mandated diversion requirements and to maximize landfill capacity.

FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated	FY 11-12 Plan	How are we doing?
Five (5) programs /initiatives were developed: South County Material Recovery Facility (MRF) at Prima Deshecha Second Regional Recycling and Waste Diversion grant programs "Recycling on the Go" countywide expansion program Discovery Science Center countywide school educational and outreach assembly program Discovery Science Center waste reduction and educational exhibits	Implement or enhance at least 4 programs/ initiatives	Results Implement or enhance at least 4 programs/ initiatives	Implement or enhance at least 4 programs/ initiatives	Over 80% of the material processed at the CR&R MRF (Prima Deshecha Landfill) was diverted. The grant programs are in the implementation stages. Programs such as commercial food waste, multifamily, composting, and school recycling outreach will help divert waste from the landfills. The expansion of the "Recycling on the Go" program increased the volume of recyclables collected by 39%. The countywide educational and outreach assembly program reached 2,500 students. The two waste reduction educational exhibits at the Discovery Science Center are in the planning stages and are scheduled to open in Summer 2011.

Goal 4: Provide the County Unincorporated areas with quality waste collection and recycling services.

PERFORMANCE MEASURE: Customer satisfaction with waste collection and recycling services

What: Measure customer satisfaction with waste collection and recycling services.

Why: Ensure that customers are receiving quality waste collection and recycling and that issues are addressed in a timely manner.

issues are addressed in a timery mariner.						
FY 09-10	FY 10-11	FY 10-11	FY 11-12	How are		
Results	Plan	Anticipated	Plan	we doing?		
		Results				
Franchisees	Achieve less than	Achieve less than	Achieve less than	OC Waste &		
reported less than	1% customer	1% complaint rate	1% complaint rate	Recycling		
1% customer	complaint rate as	as a percentage	as a percentage	receives very few		
complaint rate for	a percentage of	of total	of total	complaints		
FY 2009-10.	total customers.	customers.	customers.	directly from		
				customers. The		
				County's		
				franchise		
				agreements		
				require that the		
				franchisee		
				maintain a		
				complaint log. To		
				better gauge		
				customer		
				satisfaction, OC		
				Waste &		
				Recycling audits		
				customer		
				complaint logs to		
				monitor customer		
				complaints.		



2009-10 Balanced Scorecard at a Glance

The Mission of OC Waste & Recycling is to provide Waste Management Services, protect the Environment, and promote Recycling in order to ensure a safe and healthy community for current and future generations.

Scorecard Indicators:

Meets or Close Corrective Actions	Goal	FY 09/10 Results	Results vs. Goal
WASTE MANAGEMENT			
<u>Landfill Daily Availability</u>			
Average time in queue at fee booth during peak time	1:35 min	1:54 min (per truck)	\Leftrightarrow
Average peak time wait from arrival at active area to unload truck	11:10 min	13:22 min (per truck)	•
<u>Landfill Operations</u>			
Number of equipment hours as a function of site tonnage			
Frank R. Bowerman	77 ton/hour	75	Û ♣ Û
Olinda Alpha	77 ton/hour	84	•
Prima Deschecha	60 ton/hour	56	\Leftrightarrow
Landfill Capacity Planning			
Long-term permitted capacity	15	40+ years	1
Number of years of landfill life within existing phase			
Frank R. Bowerman	3+ years	5	1
Olinda Alpha	3+ years	4	•
Prima Deschecha	3+ years	5	1
Percentage of reported accidents and injuries to total employees	0	2 2 40/	/ ── \
Frank R. Bowerman	0	2.34% 1.44%	
Olinda Alpha Prima Deschecha	0	1.44%	™
TOTAL	0	1.85%	
	0	1.85%	_
ENVIRONMENTAL STEWARDSHIP			
Household Hazardous Waste Collections			
Total number of visits per facility:			
Anaheim	33447	34481	1
Huntington Beach	34146	34146	☆
Irvine	26907	28323	Î
San Juan Capistrano	14767	14767	

↑ Meets or Close Exceeds Goal Monitoring Corrective Actions	Goal	FY 09/10 Results	Results vs. Goal
ENVIRONMENTAL STEWARDSHIP (Con't)			
Regulatory Compliance & Permitting	2	0	
Number of Monetary Enforcement Actions Number of Enforcement Notices	0 4	0	☆
	4	1	•
Habitat Restoration			
Permit requirements compliance rate	100%	75%	•
Compensatory Habitat Mitigation Initiated prior to impact all all active landfills	50%	33%	•
Ratio of Impact Acres to Restored Acres	100%	75%	♣
Energy Renewal			
Total amount of renewable energy generated in megawatts	130,845 MW hours	130,129 MW hours	1
Total amount of renewable fuel generated in gallons	676,748 gallons	601,300 gallons	û
RECYCLING			
Encourage Countywide Recycling Programs			
Disposal in pounds per person per day	6.5 pounds	5.52 pounds	1
		0.02 pcaac	_
Public Education & Outreach Total customer contacts (website, phone calls, emails)	417,800	13,300	•
	417,800	13,300	•
ADMINISTRATION			
Waste Disposal Contracts' Management			
Variance between OC Unincorporated collection rates and market average, percent difference (residential)	> 3% lower than city average	1.10% lower	\Leftrightarrow
Variance between OC Unincorporated collection rates and market average, percent difference (commercial)	> 3% lower than city average	10.94% lower	•
Variance between OC Unincorporated "contracted" disposal rates and market average, in dollars and percent difference	30% less than market rate	82.29% lower	•
Leadership Development			
Percentage of total workforce enrolled in OC Waste & Recycling	26%	26%	☆
Percentage of total workforce enrolled in OC Waste & Recycling	50% (2011)	0%	N/A
Percentage of total workforce enrolled in OC Waste & Recycling	25% (2012)	0%	N/A
Fiscal Management			
Debt Service Coverage (net operating revenues/debt service)	120%	124%	1
Percentage Target of Reserves (% of operating fund reserves to	25%	50%	
Regulatory Requirement Compliance (non-operating funds)	100%	100%	♠ ⇔
Customer Service			
Percentage of Surveyed Customers that state that they are satisfied or very satisfied with OC Waste & Recycling Services	80%	*Measure Und	er Development