

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Environmental Resources

BOARD AGENDA # B-4

Urgent

Routine

AGENDA DATE August 16, 2011

CEO Concurs with Recommendation YES  NO

4/5 Vote Required YES  NO

(Information Attached)

SUBJECT:

Approval to Establish Financial Assurances for Corrective Action for the Geer Road Landfill

STAFF RECOMMENDATIONS:

1. Authorize the Chairman of the Board to sign the State of California transmittal form, CalRecycle 114 (02/2010), Pledge of Revenue Requirements Part 4, Signature Block, to establish a Pledge of Revenue.
2. Adopt a Resolution to authorize the Chairman of the Board of Supervisors to sign the Pledge of Revenue Agreement for corrective action at the Geer Road Landfill.
3. Authorize the Director of the Department of Environmental Resources, or her designee, to annually submit the State of California transmittal form, CalRecycle 114 (02/2010), Certification of Pledged Revenue, to the California Department of Resources Recycling and Recovery.

(Continued on Page 2)

FISCAL IMPACT:

The first annual pledge of \$271,400 will be transferred from the Fink Road Landfill Operating Fund to the Geer Road Landfill Closure Fund as part of this item. In each successive year, the required amount will increase annually based upon the inflation factor determined by the State of California and this will be budgeted for accordingly during the Proposed Budget process. To cover this ongoing cost, the Department of Environmental Resources must either lower expenses or increase revenue.

BOARD ACTION AS FOLLOWS:

No. 2011-479

On motion of Supervisor O'Brien, Seconded by Supervisor DeMartini  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST:

  
CHRISTINE FERRARO TALLMAN, Clerk

File No.

## Approval to Establish Financial Assurances for Corrective Action for the Geer Road Landfill

### STAFF RECOMMENDATIONS (Continued):

4. Direct the Auditor-Controller to increase appropriations in the Fink Road Landfill Operating Fund in the amount of \$271,400 for transfer to the Geer Road Landfill Closure Fund during Fiscal Year 2011-2012 as detailed in the attached Budget Journal Form.

### DISCUSSION:

Stanislaus County (County) and the City of Modesto (City) entered into an Agreement in 1970 to purchase property and establish the Geer Road Landfill (GRLF) in order to provide disposal capacity for its local residents. In that Agreement, the City and the County mutually agreed to the following:

- 1) "...to proceed with the development of the sanitary landfill site, the total cost of which, including surveying and improvements, shall be borne equally by City and County...;
- 2) County shall have and exercise full and exclusive responsibility for the maintenance, operation, and control of the landfill and the landfill property...;
- 3) The operation of the sanitary landfill shall be in accordance with the standards as they now exist or are hereinafter amended in accordance with the requirements established by the Central Valley Regional Water Quality Control Board (RWQCB);
- 4) City and County shall jointly establish the fees to be charged for the disposal of solid waste at the sanitary landfill, [and those] fees shall be as low as possible to be consistent with the policy that operation of the sanitary landfill shall be fully paid for from fees...;
- 5) Funds for operation and improvements shall be advanced by City and County in equal shares to the sanitary landfill enterprise fund as necessary...; and
- 6) Money accumulated in the sanitary landfill enterprise fund ... shall be returned to City and County in equal shares whenever it is mutually agreed that such money is not necessary for the operations and improvements of the sanitary landfill."

After the facility closed in July 1990, in July 1992 the City and the County agreed to an approach to funding the costs for closure and post-closure through a combination of ash and refuse tipping fee increases that are collected at the Fink Road Landfill. The fee increases were projected to generate \$450,000 per year; an amount which has been transferred annually into the GRLF Closure Fund since 1993. This necessary dollar amount was determined based upon projected post-closure costs over a 30-year period.

Landfill operations in the State of California are overseen by various regulatory agencies that enforce an array of statutes and regulations. Two of these agencies are the RWQCB and the California Department of Resources Recycling and Recovery (CalRecycle). In the case of the RWQCB, oversight occurs in the form of Waste Discharge Requirements (WDRs) which serve as a type of permit for the facility. With respect to funding post-closure-related activities, the two agencies work jointly to enforce the requirements.

## Approval to Establish Financial Assurances for Corrective Action for the Geer Road Landfill

Under the umbrella of the WDRs, the RWQCB notified the County via correspondence on May 4, 2011, of the need to update the post-closure financial assurance estimates, including directing the County to address the cost associated with corrective action. Specifically, the County was required to do the following: 1) Submit a detailed revised estimate for current and future post-closure maintenance activities by July 20, 2011; 2) Establish financial assurance for corrective actions at the site in the amount of \$1,601,000 with the RWQCB named as the beneficiary; and 3) work with CalRecycle to have a funding mechanism in place for corrective action no later than September 30, 2011.

The County worked with its consultant, SCS Engineers, to prepare the revised estimate for current and future post-closure maintenance in addition to estimated corrective action costs. This information was submitted to the RWQCB by the required deadline and staff is currently awaiting their approval. During recent conversations with CalRecycle staff, it was pointed out that in addition to the \$1,601,000 in estimated corrective action capital costs that must be funded, the associated operations and maintenance (O&M) costs over 20 years must also be factored in. This O&M cost is estimated at \$3,827,000 for a total 20-year corrective action cost of \$5,428,000 or \$271,400 annually (Attachment A).

Public Resources Code Section 43501 mandates that landfill operators establish a "trust fund or equivalent financial arrangement" as evidence of financial ability to pay for the costs of post-closure maintenance. The acceptable mechanisms for demonstrating this financial assurance are outlined in the California Code of Regulations, Division 2, Subdivision 1, Chapter 6, as follows: a Trust Fund, an Enterprise Fund, Government Securities, a Letter of Credit, a Surety Bond, a Closure/Post-closure Certificate of Insurance, a Financial Means Test, a Corporate Guarantee, a Pledge of Revenue, and a Federal Certification.

On March 16, 1993, the County entered into a Pledge of Revenue Agreement with CalRecycle that guaranteed providing \$450,000 annually for 30 years for post-closure costs associated with the GRLF, funded through tipping fees collected at the Fink Road Landfill. The RWQCB has since clarified in the WDRs that this funding mechanism must remain in place until such time that they deem the GRLF to no longer be a potential threat to the waters of the State. Considering that the site is currently in corrective action, the Pledge must remain in place indefinitely at this time.

In 2009, the County was notified by the RWQCB that it would ultimately be required to set aside annual funds in addition to the \$450,000 specifically for corrective action. On June 16, 2009, the Board of Supervisors approved the continued use of tipping fees at the Fink Road Landfill as the proposed funding mechanism for corrective action at the GRLF when the time became necessary. Given the impending above-mentioned September 30, 2011, deadline, staff recommends establishing a new Pledge of Revenue Agreement specifically designated for corrective action. Patterned after CalRecycle's Pledge of Revenue Agreement template, the proposed new Agreement is included as Attachment B. As with the existing Pledge of Revenue Agreement, increases or decreases to the annual amount requires the mutual agreement of the County, CalRecycle, and the RWQCB.

As the Board is aware, the State of California has been experiencing a serious economic slump for the past few years with no end in sight in the near-term. Landfills in the State have

## Approval to Establish Financial Assurances for Corrective Action for the Geer Road Landfill

been no exception to this downturn, and at the Fink Road Landfill in particular, revenues have been down 25-30% since 2009. Expenses are already being kept to their absolute minimum and now is an inopportune time to consider increasing tipping fees as a means of increasing revenue to cover these additional corrective action costs.

Another mechanism to increase revenue to cover this cost is to increase the flow of waste to the Fink Road Landfill, but doing so without seeking to import waste from out-of-county in order to maintain consistency with Board policy. Not all waste generated within the County is directed to the Fink Road Landfill, although the County, through its franchise agreements, has historically directed all waste collected in the unincorporated areas to the County's local facilities.

Department staff worked with representatives of CalRecycle's Financial Assurances section to prepare the proposed Pledge of Revenue Agreement, and once approved by the Board and transmitted to the State, obtaining the necessary signatures to finalize the Agreement requires a maximum of 30 days.

### POLICY ISSUE:

Approval of this agenda item establishing financial assurances for corrective action for the Geer Road Landfill is consistent with the Board's priorities of A Safe Community, A Healthy Community, and A Well Planned Infrastructure System. Effective waste management strategies are critical to supporting the Department's mission to promote a safe and healthy environment and improve the quality of life in the community through a balance of science, education, partnerships and environmental regulation.

### STAFFING IMPACTS:

There are no staffing impacts associated with this request.

### CONTACT PERSON:

Jami Aggers, Assistant Director of Environmental Resources Telephone: 209-525-6700

## SCS ENGINEERS

June 30, 2011  
File No.03196022.42; Task 2

ATTACHMENT

A

Ms. Jami Aggers  
Stanislaus County Department of Environmental Quality  
3800 Cornucopia Way, Suite C  
Modesto, CA 95358

Subject: Reasonably Foreseeable Water Release Cost Estimate  
Geer Road Landfill  
Stanislaus County, California

Dear Ms. Aggers,

SCS Engineers (SCS) has prepared a Reasonably Foreseeable Release (RFR) corrective action scenario and cost as required by the California Regional Water Quality Control Board (RWQCB) for the Geer Road Landfill pursuant to 27 CCR 20380(b). The details are described in the following paragraphs.

### Foreseeable Release Events Considered

Ten new LFG extraction points were installed along the boundary of the south landfill area and connected to the existing south flare facility to increase LFG removal from the waste cell (source control) and the unsaturated soils beneath the wastes in the southern area of the site (corrective action). The wells were installed in accordance with the *Work Plan for Expansion of Corrective Action Measures, Geer Road Landfill* (SCS, April 14, 2008). The work plan outlined a program to provide for enhanced corrective action in the south area of the GRLF through expansion of the LFG collection system, and includes the locations, design, evaluations and construction/installation procedures required for the additional corrective action.

Continued operation and phased expansion of the existing groundwater extraction and treatment system is proposed. This, combined with the soil/solid waste remedy, may satisfy the groundwater monitoring for all groundwater constituents. This corrective action is preferred for the site, although several process options for both the treatment and disposal components have been analyzed in detail.

This corrective action includes the following components:

- Groundwater extraction from wells in the shallow and deep zones.
- Ex-situ treatment options include air stripper system and other treatment utilizing various combinations of processes.
- Disposal options for treated water including infiltration trenches and injection wells.

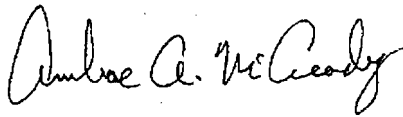
**Foreseeable Release Cost Estimate**

The following is a cost estimate of the water corrective action foreseeable release for Geer Road Landfill. The cost estimate is in 2011 dollars and includes a 20 percent contingency on the capital costs to cover unknowns and other costs not specifically listed in the estimate.

	<u>Capital Cost</u>	(20 Years) <u>Operation</u>	<u>Total</u>
LFG and GWETs Upgrades	\$1,601,000	\$3,827,000	\$5,428,000

Please call the undersigned or Mr. Wayne Pearce with questions and clarifications.

**Very truly yours,**



Ambrose A. McCready, P.E.  
Senior Technical Manager  
SCS ENGINEERS

Table

**FINANCIAL ASSURANCE  
GROUNDWATER CORRECTIVE ACTION  
GEER ROAD LANDFILL**

<b>Component</b>	<b>Capital Cost</b>	<b>O&amp;M/Power (20 years)</b>	<b>Total</b>
<b>LFG SYSTEM EXPANSION</b>			
Additional LFG/Vadose Zone Wells	\$0.00	\$0.00	\$0
O&M for Additional Wells (20 years)	\$0.00	\$800,000	\$800,000
Subtotal	\$0.00	\$800,000	\$800,000
<b>GWETS IMPROVEMENTS AIR STRIPPER/INFILTRATION TRENCHES</b>			
Design and Testing	\$142,000	\$0.00	\$142,000
Wells and O&M (20 years)	\$496,000	\$1,376,000	\$1,872,000
Air Stripper and O&M (20 years)	\$529,000	\$1,555,000	\$2,084,000
Infiltration Trenches and O&M (20 years)	\$434,000	\$96,000	\$530,000
Subtotal	\$1,601,000	\$3,027,000	\$4,628,000
<b>COMBINED CORRECTIVE ACTIONS</b>	<b>\$1,601,000.00</b>	<b>\$3,827,000.00</b>	<b>\$5,428,000.00</b>

Prepared 6/21/11

**DRAWINGS**



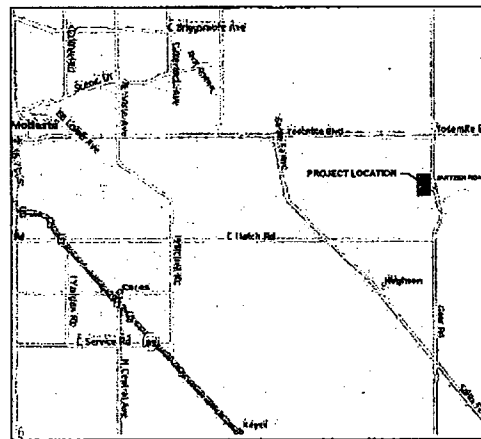
# GROUNDWATER EXTRACTION AND TREATMENT SYSTEM IMPROVEMENTS

GEER ROAD LANDFILL  
750 GEER ROAD  
MODESTO, CALIFORNIA

LOCATION MAP  
N.T.S.



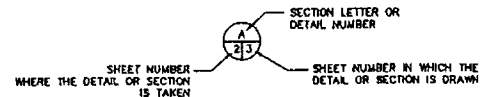
VICINITY MAP  
N.T.S.



## INDEX OF SHEETS

SHEET NO.	DESCRIPTION
1	TITLE SHEET AND LOCATION MAP
2	SITE PLAN
3	TREATMENT SYSTEM PLAN AND INFILTRATION TRENCH DETAIL
4	PROPOSED WELL CONSTRUCTION DETAIL AND SPECIFICATIONS
5	FLOW DIAGRAM
6	LAYOUT OF TREATMENT PROCESS
7	PROCESS DIAGRAM
8	AERATION SYSTEM PIPING AND INSTRUMENTATION DIAGRAM
9	CARBON SYSTEM PIPING AND INSTRUMENTATION DIAGRAM

## DETAIL AND SECTION LABELING CONVENTION



PREPARED FOR:  
STANISLAUS COUNTY DEPARTMENT  
OF ENVIRONMENTAL RESOURCES  
3500 CORNUCOPIA WAY, SUITE C  
MODESTO, CA 95338

SHEET NO.	NO.	REVISION	DATE
SHEET TITLE	TITLE SHEET AND LOCATION MAP		
	PROJECT TITLE GEER ROAD LANDFILL MODESTO, CALIFORNIA		
SCS ENGINEERS ENVIRONMENTAL CONSULTANTS 3817 THE ORCHARD SUITE 100 SACRAMENTO, CA 95827 PHONE: (916) 486-1277 FAX: (916) 486-1278 TELETYPE: (916) 486-1279			
DATE:	10-25-10		
SCALE:	N.T.S.		
FIGURE:	1		

### LEGEND

- HOUSE
- OFFSITE RESIDENTIAL WELL MONITORING POINT
- GROUNDWATER MONITORING WELL
- GAS PROBE
- SURFACE WATER MONITORING POINT  
(point of discharge from siltation pond)
- GROUNDWATER EXTRACTION WELL
- LFG RECOVERY WELL (RW-11 THROUGH RW-20  
INSTALLED IN 2009)
- LEACHATE WELL
- LANDFILL PROPERTY LINE
- LIMIT OF REFUSE
- OFFSITE AG WELLS USED FOR WATERING  
ORCHARDS
- ON-SITE SUPPLY WELLS - NOT IN USE,  
PUMPS REMOVED IN JUNE 2010
- AQUIFER TEST-PHASE 1 EXTRACTION  
AND OBSERVATION WELLS (INSTALLED  
AND TESTED IN MAY 2010)
- ⊗ DIRT ROAD - AVOID ROAD SOUTH OF MW-23 S/D
- PROPOSED EXTRACTION WELLS @ 400' SPACING
- ◆ EXISTING PERCOLATION WELL
- EXISTING PIEZOMETER WELL
- PROPOSED NEW 10" HDPE HEADER LINE
- PROPOSED NEW UTILITY LINE
- PROPOSED NEW UTILITY BUILDING

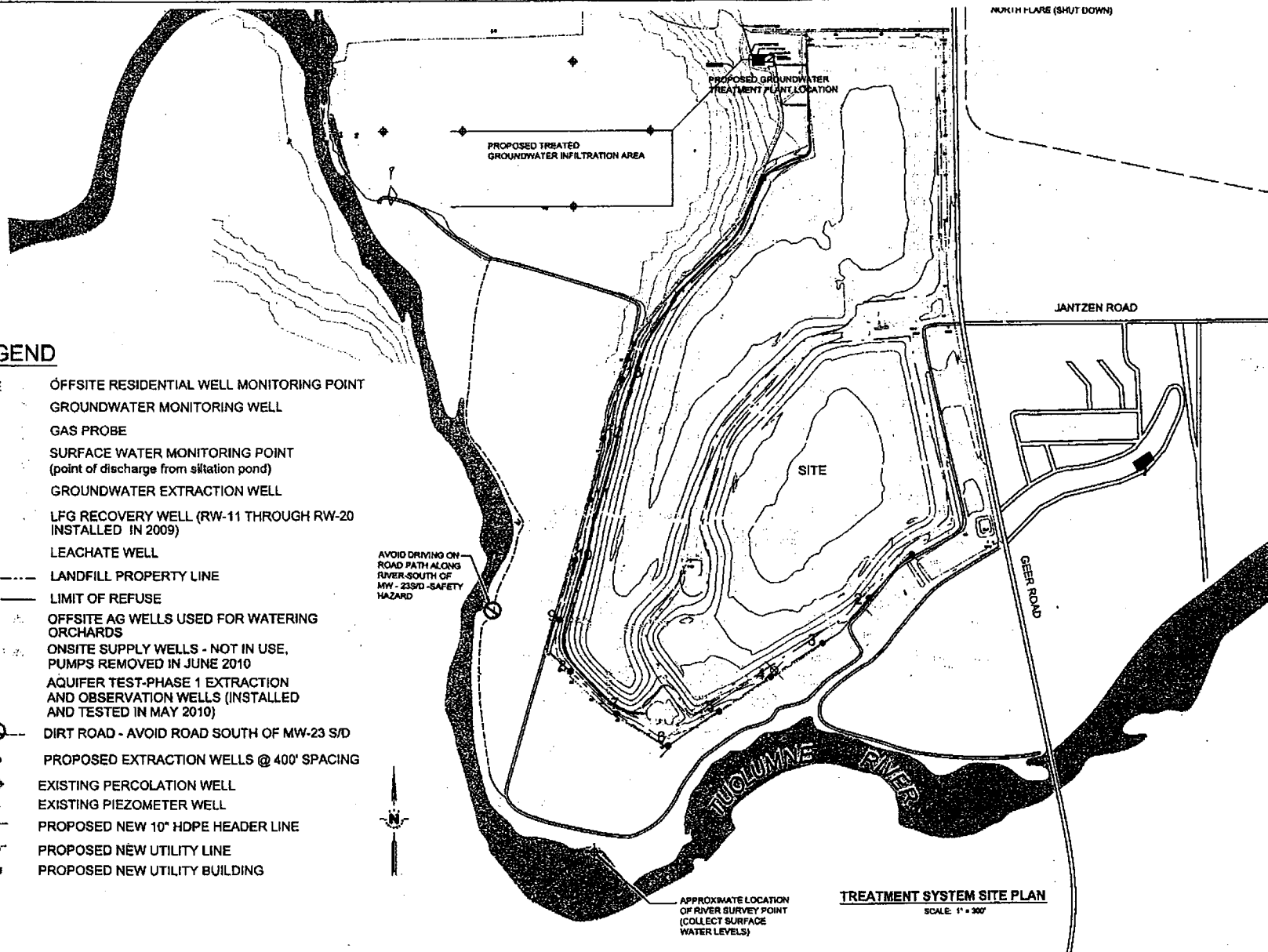
AVOID DRIVING ON  
ROAD PATH ALONG  
RIVER-SOUTH OF  
MW-23/S/D - SAFETY  
HAZARD



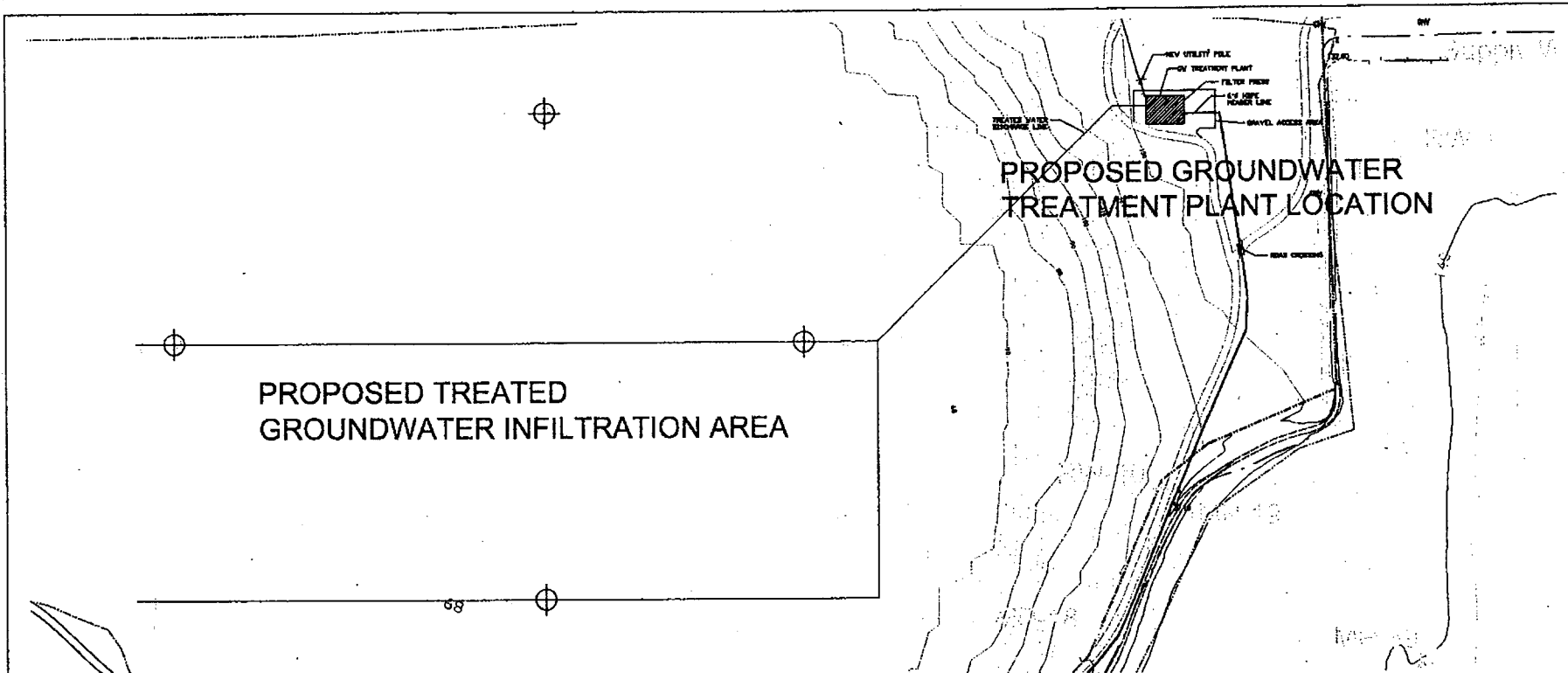
APPROXIMATE LOCATION  
OF RIVER SURVEY POINT  
(COLLECT SURFACE  
WATER LEVELS)

### TREATMENT SYSTEM SITE PLAN

SCALE: 1" = 300'



NO.	REVISION	DATE
SHEET TITLE		SITE PLAN
PROJECT TITLE		GEER ROAD LANDFILL MODESTO, CALIFORNIA
<b>SCS ENGINEERS</b> <b>ENVIRONMENTAL CONSULTANTS</b> 1817 FITE CIRCLE, SUITE 100 FRESNO, CALIFORNIA 93703 TEL: (559) 241-2527 FAX: (559) 241-2529 WWW: WWW.SCS-ENG.COM DATE: 10-13-10 DRAWING: AS SHOWN		
2		

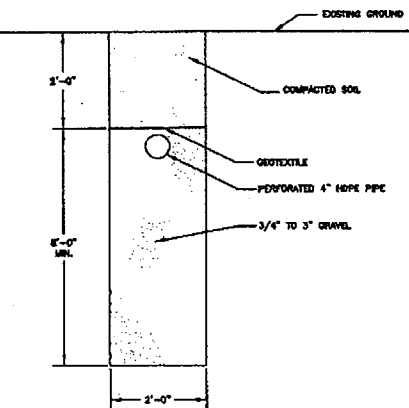


PROPOSED TREATED  
GROUNDWATER INFILTRATION AREA

PROPOSED GROUNDWATER  
TREATMENT PLANT LOCATION


**TREATMENT SYSTEM LOCATION PLAN**

SCALE: 1" = 100'



**INFILTRATION TRENCH**  
SCALE: N.T.S.



NO.	REVISION	DATE
SHEET TITLE TREATMENT SYSTEM LOCATION AND INFILTRATION TRENCH DETAIL		
PROJECT TITLE GER ROND LANDFILL MODESTO, CALIFORNIA		
		
<b>SCS ENGINEERS</b> <b>ENVIRONMENTAL CONSULTANTS</b> 5475 JULES CEVALLI DRIVE, SUITE 100 SACRAMENTO, CA 95827 TEL: (916) 341-1877 FAX: (916) 341-4277 WWW: WWW.SCS022.COM REG. NO. 4177      REG. NO. 4177      REG. NO. 4177 REG. NO. 4177      REG. NO. 4177      REG. NO. 4177		
CATER	10-13-10	SCALE: AS SHOWN
DRAWING: 3		

**PLEDGE OF REVENUE AGREEMENT FOR CORRECTIVE ACTION  
GEER ROAD LANDFILL**

This Agreement establishes a Pledge of Revenue to assure that adequate funds are available to carry out the corrective action of the Geer Road Landfill.

This Agreement shall become effective immediately, and is made and entered into by and between the County of Stanislaus and the California Department of Resources Recycling and Recovery (CalRecycle).

WHEREAS, Public Resources Code, Sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure, postclosure maintenance, and corrective action activities; and

WHEREAS, Sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for postclosure maintenance and/or corrective action costs of a solid waste landfill; and

WHEREAS, the County of Stanislaus operates the Geer Road Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 50-AA-0002 issued by CalRecycle serving as Local Enforcement Agency; and

**TIPPING FEES PLEDGED**

WHEREAS, the County of Stanislaus is pledging revenues from tipping fees of the Fink Road Landfill, Solid Waste Facilities Permit No. 50-AA0001, deposited into the Stanislaus County Geer Road Landfill Closure Fund; and

WHEREAS, the County of Stanislaus has determined that projected net revenues from tipping fees during the (30) year period of postclosure maintenance and the corrective action period, shall, during each year of this period, be greater than the yearly monitoring and postclosure maintenance costs and corrective action costs contained in the most recent Cost Estimate for the Geer Road Landfill, which has been submitted to CalRecycle in accordance with Section 21840 of the Regulations.

NOW THEREFORE, the County of Stanislaus and CalRecycle do agree as follows:

1. The County of Stanislaus hereby establishes a Pledge of Revenue to demonstrate financial responsibility for corrective action costs of the Geer Road Landfill in accordance with Sections 22228 and 22245 of the Regulations.
2. The County of Stanislaus agrees to pledge net revenues from the Fink Road Landfill tipping fees as described herein.
3. The amount of the pledged revenue shall be equal to \$271,400 per year for the 20-year estimated length of the known correction action period, representing the most recent corrective action cost estimate for the Geer Road Landfill. It is agreed that the amount of this Pledge may increase or decrease to match any adjustment to the identified cost estimate, which is mutually agreed to by the County of Stanislaus, CalRecycle, and the Regional Water Quality Control Board (RWQCB).

4. If the County of Stanislaus ceases at any time to retain control of its ability to allocate the pledged revenue as identified herein to any corrective action, the County of Stanislaus shall notify CalRecycle, which serves as the LEA for Stanislaus County, and shall obtain alternate coverage within sixty (60) days after the control of funds lapses, pursuant to Section 22245 of the Regulations.
  
5. In the event that CalRecycle, serving as the LEA, or the RWQCB determines that the County of Stanislaus has failed, or is failing, to perform corrective actions as required by law, CalRecycle and/or the RWQCB shall confer with the County of Stanislaus and attempt to resolve the alleged violation. If no agreement is reached, the matter shall be presented to CalRecycle which shall give reasonable notice, hold a public hearing, and consider the testimony and documentation submitted by CalRecycle, the County of Stanislaus, and any interested parties, prior to making a determination in the matter. In the event CalRecycle then determines that the County of Stanislaus has failed, or is failing, to perform corrective action as required by law, CalRecycle may direct the Auditor-Controller to pay the Director of the Department of Environmental Resources from the pledged revenues sufficient funds to ensure corrective action, who then shall be obligated to use such funds for corrective action in accordance with the directives of CalRecycle and RWQCB.

IN WITNESS HEREOF, the parties have executed this agreement on the date as set forth below.

By Stanislaus County this 16<sup>th</sup> day of August, 2011

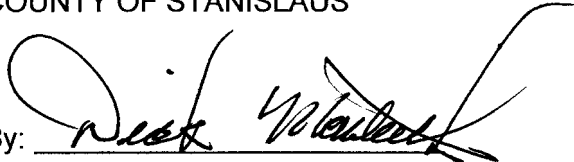
By CalRecycle this \_\_\_\_\_ day of \_\_\_\_\_, 2011

STATE OF CALIFORNIA  
California Department of Resources  
Recycling and Recovery

By: \_\_\_\_\_

Authorized Officer of CalRecycle

COUNTY OF STANISLAUS


By: 

Chairman of the Board of Supervisors

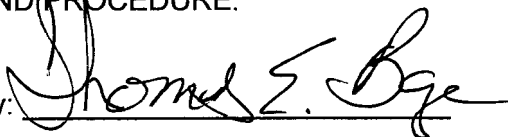
APPROVED AS TO FORM  
AND PROCEDURE

By: \_\_\_\_\_  
Authorized Counsel of CalRecycle

ATTEST:

By:   
Name/Title Susi E. Seibert, Deputy Clerk

APPROVED AS TO FORM  
AND PROCEDURE:

By:   
County Counsel

**PLEDGE OF REVENUE REQUIREMENTS**

NOTE: This form is the transmittal sheet for documents required to be submitted to CalRecycle for a Pledge of Revenue as specified in Title 27, California Code of Regulations, Division 2, Subdivision 1, Chapter 6. Please refer to the instructions for definitions of terms and for completing this form.

**Part 1. OWNER/OPERATOR ESTABLISHING PLEDGE OF REVENUE**

Check one box only

OWNER  OPERATOR

<b>OWNER/OPERATOR NAME (Type or Print)</b>	<b>NAME OF CONTACT FOR PLEDGE OF REVENUE (Type or Print)</b>
Stanislaus County	Sonya K. Harrigfeld
ADDRESS, CITY, STATE, ZIP	ADDRESS, CITY, STATE, ZIP
c/o Dept. of Environmental Resources 3800 Cornucopia Way, Ste C Modesto CA 95358	Dept. of Environmental Resources 3800 Cornucopia Way, Ste C Modesto CA 95358
TELEPHONE #:	TELEPHONE #:
(209) 525-6700	(209) 525-6770
FAX #:	FAX #:
(209) 525-6773	(209) 525-6773
E-MAIL ADDRESS:	E-MAIL ADDRESS:
	sharrigfeld@envres.org

**Part 2. PLEDGE OF REVENUE**

<b>PLEDGE OF REVENUE AGREEMENT FOR: (Check applicable boxes):</b>	<b>ANNUAL PLEDGED REVENUE</b>
<input checked="" type="checkbox"/> 1. POSTCLOSURE MAINTENANCE COSTS	\$ 450,000 (existing)
<input checked="" type="checkbox"/> 2. CORRECTIVE ACTION COSTS	\$ 271,400 (new)
<input type="checkbox"/> 3. BOTH (COMBINED COSTS AS WELL AS COSTS IDENTIFIED ABOVE)	\$

**Part 3. LIST OF ATTACHMENTS (Fill in for each document and attach a copy)**

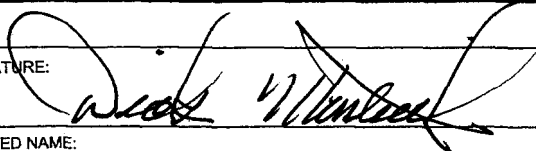
REQUIRED WITH ALL PLEDGE OF REVENUE SUBMITTALS:

<input type="text"/>	1. RESOLUTION BY GOVERNING BODY (Date and Resolution Number)	<input type="text"/>	2. PLEDGE OF REVENUE AGREEMENT DATE
<input type="text"/>	3. DATE OF ANNUAL CERTIFICATION OF CONTINUED AVAILABILITY OF PLEDGED REVENUE (See Instructions)		

**Part 4. SIGNATURE BLOCK**

**OWNER/OPERATOR ESTABLISHING PLEDGE OF REVENUE**

I certify under penalty of perjury that the information provided in this form and any attachments is true and correct to the best of my knowledge and belief.

SIGNATURE: 

PRINTED NAME:

Dick Monteith

TITLE: Supervisor, Chairman of the Board

DATE: AUG 16 2011

**Part 5. OTHER (Attach additional sheets to explain any responses that need clarification).**

ANNUAL CERTIFICATION OF PLEDGED REVENUE FOR  
LANDFILL  
SOLID WASTE FACILITY NO. \_\_\_\_\_

I hereby certify that the pledged revenue continues to be available when needed and will cover the postclosure maintenance costs and/or corrective action costs shown in the Pledge of Revenue Requirements Form and as required by Title 27, California Code of Regulations, Division 2, Subdivision 1, Chapter 6.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Typed or Printed Name Sonya Harrigfeld

Title and Public Agency Director of the Department of Environmental Resources

Phone Number (209)525-6700





THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
STATE OF CALIFORNIA

Date: August 16, 2011

No. 2011-479

On motion of Supervisor O'Brien Seconded by Supervisor DeMartini  
and approved by the following vote,  
Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith  
Noes: Supervisors: None  
Excused or Absent: Supervisors: None  
Abstaining: Supervisor: None

Item # B-4

THE FOLLOWING RESOLUTION WAS ADOPTED:

**IN RE: FINANCIAL ASSURANCE FOR CORRECTIVE ACTION OF THE GEER ROAD LANDFILL**

WHEREAS, Public Resources Code Sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure, postclosure maintenance, and corrective action activities; and

WHEREAS, Sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for financing postclosure maintenance and/or corrective action costs of a solid waste landfill.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Stanislaus that:

1. The County of Stanislaus operates the Geer Road Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 50-AA-0002 issued by the California Department of Resources Recycling and Recovery (CalRecycle) serving as Local Enforcement Agency.
2. The County of Stanislaus shall establish a Pledge of Revenue to demonstrate financial responsibility for corrective action of the Geer Road Landfill in accordance with Sections 22228 and 22245 of the Regulations.
3. Disbursement of funds for corrective action shall be in accordance with the final plan, as approved by CalRecycle.
4. In the event CalRecycle determines that the County of Stanislaus has failed, or is failing, to perform postclosure maintenance and/or corrective action as required by law, CalRecycle may direct the Auditor-Controller to pay to the Director of the Department of Environmental Resources from the pledged revenues sufficient funds to ensure corrective action, who then shall be obligated to use such funds for corrective action in accordance with the directives of CalRecycle.
5. The Director of the Department of Environmental Resources is directed to produce an annual report for transmittal to CalRecycle, containing, as appropriate, a revised known or reasonable foreseeable release corrective action cost estimate, prepared as specified by Section 20380 of the Regulations concerning the Geer Road Landfill.

6. The number of current members of the Board of Supervisors of the County of Stanislaus who voted affirmatively when this resolution was adopted:

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith  
Noes: Supervisors: None

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk  
Stanislaus County Board of Supervisors,  
State of California

*Christine Ferraro*

File No.

# **Financial Assurances for Corrective Action at the Geer Road Landfill**

Sonya K. Harrigfeld, Director

Jami Aggers, Assistant Director

Department of Environmental Resources

**PowerPoint Presentation**

# Background Information

- In the late 1960's, Stanislaus County and the City of Modesto recognized that ready access to local disposal capacity was limited
- Identified this as a need and entered into an Agreement in 1970 to purchase property and establish the Geer Road Landfill

## Background (cont'd.)

- Between 1971 and 1973, the City and County purchased 3 contiguous parcels of land from Harold & Vaunda Goodman, & each owns “an undivided one-half interest” in them:
- APN’s #009-029-012 (32.5 acres), #009-029-009 (49.94 ac), and #018-029-015 (84.60 ac). Total: 167.04 acres = Landfill “footprint”

## Background (cont'd.)

- In the Agreement, the City and County mutually agreed to the following:
  - To develop the landfill, sharing equally in the cost
  - To giving the County full and exclusive responsibility for O&M and control of the property

## Background (cont'd.)

- That the LF would be operated in accordance with Water Bd requirements
- That the City and County would jointly establish the fees to be charged to dispose of refuse there, and that the operation would be fully paid for from those fees; and
- That funds for O&M shall be advanced by the City and County in equal shares

# Background (cont'd.)

- Geer Road LF provided disposal capacity for the County and its communities until July 1990. This dovetailed with the start-up of the WTE facility and expanded Fink Road LF
- The LF was then required to go through official Closure where a geomembrane layer was placed on the top deck, covered by soil which also provided the cap for the side slopes, along with other enhancements



# Background (cont'd.)

- Sufficient funds were set aside for Closure, approx. \$9M, but the actual cost was closer to \$7.5M. With a \$1.5M balance remaining, the County developed a pro-forma using estimated O&M costs for 30 years which determined that \$450,000/year would need to be set aside
- Consistent with their Agreement, in 1992 the City and County agreed to increase tipping fees at Fink Road, for both ash and refuse, in an amount sufficient to cover this cost

# Background (cont'd.)

- Two State agencies primarily regulate landfills: the Regional Water Quality Control Board and CalRecycle
- In the case of the RWQCB, their oversight occurs in the form of Waste Discharge Requirements, or WDRs (our permit)
- With respect to funding post-closure activities, the two agencies work jointly to enforce the regulatory requirements

# Background (cont'd.)

- Under the umbrella of the WDRs, the RWQCB notified the County in May 2011 of the need to do the following:
  - Update the estimated post-closure costs
  - Set aside additional monies specifically for corrective action
  - Have the funding mechanism in place by Sept. 30, 2011

# Background (cont'd.)

- Benchmark for the corrective action costs was to be the cost of the new/expanded groundwater treatment system
- CalRecycle clarified that the benchmark must also include the O&M costs
- Corrective action funding must cover a 20-year period

# Cost Estimates Prepared by SCS Engineers

	Cost Estimate
New/expanded Groundwater Treatment System (capital)	\$1,601,000
O&M for 20 years	\$3,827,000
<b>TOTAL</b>	<b>\$5,428,000/20 = \$271,400</b>

# Acceptable Funding Mechanisms

- A Trust Fund
- An Enterprise Fund
- A Letter of Credit
- A Surety Bond
- Government Securities
- Closure/Post-closure Certificate of Insurance
- Financial Means Test
- Corporate Guarantee
- **Pledge of Revenue**
- Federal Certification

# Add'l Background

- March 1993, County entered into a Pledge of Revenue with CalRecycle to guarantee that it would set aside \$450K/yr for 30 years
- County cannot change this amt. w/o CalRecycle and RWQCB concurrence
- Must remain in place until there is no longer a threat to the waters of the State

# Add'l Background

- In 2009, RWQCB notified the County that it would ultimately have to set aside add'l money for corrective action
- In June 2009, the Board approved the continued use of tipping fees at the Fink Road LF (pledged future revenue) as the mechanism to be used when the time came



# Current Status

- Sept. 30, 2011, deadline
- The proposed Pledge Agreement was developed using the State's template
- CalRecycle staff acknowledged that it and the corresponding Resolution were prepared correctly – 30 days for their approval

# The Bottom Line

Current Annual Pledge	\$450,000
New Annual Pledge	\$271,400
TOTAL	\$721,400

# How Do We Cover This Cost?

- Tonnage is down 25-30%, yet some expenses are up
- Not unique to Fink Road LF
- Infeasible to raise tipping fees during an economic slump
- Decrease expenses
- Increase the flow of locally generated waste to the Landfill

# Staff Recommendation

- Authorize the Board Chair to sign the Pledge Agreement
- Seek your guidance on how best to approach this new expense associated with the Geer Road Landfill

**Questions?**



## DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

801 K STREET, MS 19-01, SACRAMENTO, CALIFORNIA 95834 (916) 322-0227 • WWW.CALRECYCLE.CA.GOV

2011 SEP 23 A 10:54

SEP 19 2011

Ms. Jami Aggers, M.A., R.E.H.S.  
Assistant Director  
Stanislaus County  
Department of Environmental Resources  
3800 Cornucopia Way, Suite C  
Modesto, CA 95358-9492

RE: Approval of Financial Assurance Mechanism for Corrective Action Costs for Geer Road  
Landfill, County of Stanislaus, Facility No. 50-AA-0002

Dear Ms. Aggers:

The California Department of Resources Recycling and Recovery (CalRecycle) staff reviewed the pledge of revenue agreement and supporting documents for the Geer Road Landfill.

As a result of this review, the CalRecycle finds that the Pledge of Revenue Agreement meets the requirements of Title 27, California Code of Regulations, Division 2, Subdivision 1, Chapter 6, Subchapter 3, Article 2, section 22245 – Pledge of Revenue, and as such, is approved by CalRecycle.

Please contact Richard Castle of the Financial Assurances Unit at (916) 341-6343 if you have any questions regarding this determination.

Sincerely,

Mark de Bie, Chief  
Permitting and Assistance Branch  
Department of Resources Recycling and Recovery

cc: Zane Paulson, Supervisor, Inspection and Enforcement Agency Compliance Unit A,  
CalRecycle  
Howard Hold, Engineering Geologist, Central Valley Regional Water Quality Control  
Board  
Andy Marino, Closure and Facility Engineering Unit, CalRecycle  
Troy Weber, Inspection and Enforcement Agency Compliance Unit A, CalRecycle  
Joy Isaacson, Permits and Assistance South Unit, CalRecycle  
Richard Castle, Financial Assurances Unit, CalRecycle



**PLEDGE OF REVENUE REQUIREMENTS**

NOTE: This form is the transmittal sheet for documents required to be submitted to CalRecycle for a Pledge of Revenue as specified in Title 27, California Code of Regulations, Division 2, Subdivision 1, Chapter 6. Please refer to the instructions for definitions of terms and for completing this form.

**Part 1. OWNER/OPERATOR ESTABLISHING PLEDGE OF REVENUE**

Check one box only

OWNER  OPERATOR

OWNER/OPERATOR NAME (Type or Print)

NAME OF CONTACT FOR PLEDGE OF REVENUE (Type or Print)

Stanislaus County

Sonya K. Harrigfeld

ADDRESS, CITY, STATE, ZIP

ADDRESS, CITY, STATE, ZIP

c/o Dept. of Environmental Resources  
3800 Cornucopia Way, Ste C  
Modesto CA 95358

Dept. of Environmental Resources  
3800 Cornucopia Way, Ste C  
Modesto CA 95358

TELEPHONE #:

(209) 525-6700

TELEPHONE #:

(209) 525-6770

FAX #:

(209) 525-6773

FAX #:

(209) 525-6773

E-MAIL ADDRESS:

E-MAIL ADDRESS:

sharrigfeld@envres.org

**Part 2. PLEDGE OF REVENUE**

PLEDGE OF REVENUE AGREEMENT FOR: (Check applicable boxes):

ANNUAL PLEDGED REVENUE

1. POSTCLOSURE MAINTENANCE COSTS

\$450,000 (existing)

2. CORRECTIVE ACTION COSTS

\$271,400 (new)

3. BOTH (COMBINED COSTS AS WELL AS COSTS IDENTIFIED ABOVE)

\$

**Part 3. LIST OF ATTACHMENTS** (Fill in for each document and attach a copy)

REQUIRED WITH ALL PLEDGE OF REVENUE SUBMITTALS:

2011-479 8/16/11

1. RESOLUTION BY GOVERNING BODY  
(Date and Resolution Number)

August 16, 2011

2. PLEDGE OF REVENUE AGREEMENT DATE

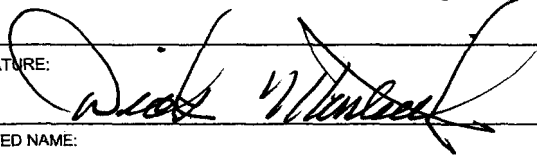
3. DATE OF ANNUAL CERTIFICATION OF CONTINUED AVAILABILITY OF PLEDGED REVENUE (See Instructions)

**Part 4. SIGNATURE BLOCK**

**OWNER/OPERATOR ESTABLISHING PLEDGE OF REVENUE**

I certify under penalty of perjury that the information provided in this form and any attachments is true and correct to the best of my knowledge and belief.

SIGNATURE:



PRINTED NAME:

Dick Monteith

TITLE: Supervisor, Chairman of the Board

DATE: AUG 16 2011

**Part 5. OTHER** (Attach additional sheets to explain any responses that need clarification).

**PLEDGE OF REVENUE AGREEMENT FOR CORRECTIVE ACTION  
GEER ROAD LANDFILL**

This Agreement establishes a Pledge of Revenue to assure that adequate funds are available to carry out the corrective action of the Geer Road Landfill.

This Agreement shall become effective immediately, and is made and entered into by and between the County of Stanislaus and the California Department of Resources Recycling and Recovery (CalRecycle).

WHEREAS, Public Resources Code, Sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure, postclosure maintenance, and corrective action activities; and

WHEREAS, Sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for postclosure maintenance and/or corrective action costs of a solid waste landfill; and

WHEREAS, the County of Stanislaus operates the Geer Road Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 50-AA-0002 issued by CalRecycle serving as Local Enforcement Agency; and

**TIPPING FEES PLEDGED**

WHEREAS, the County of Stanislaus is pledging revenues from tipping fees of the Fink Road Landfill, Solid Waste Facilities Permit No. 50-AA0001, deposited into the Stanislaus County Geer Road Landfill Closure Fund; and

WHEREAS, the County of Stanislaus has determined that projected net revenues from tipping fees during the (30) year period of postclosure maintenance and the corrective action period, shall, during each year of this period, be greater than the yearly monitoring and postclosure maintenance costs and corrective action costs contained in the most recent Cost Estimate for the Geer Road Landfill, which has been submitted to CalRecycle in accordance with Section 21840 of the Regulations.

NOW THEREFORE, the County of Stanislaus and CalRecycle do agree as follows:

1. The County of Stanislaus hereby establishes a Pledge of Revenue to demonstrate financial responsibility for corrective action costs of the Geer Road Landfill in accordance with Sections 22228 and 22245 of the Regulations.
2. The County of Stanislaus agrees to pledge net revenues from the Fink Road Landfill tipping fees as described herein.
3. The amount of the pledged revenue shall be equal to \$271,400 per year for the 20-year estimated length of the known correction action period, representing the most recent corrective action cost estimate for the Geer Road Landfill. It is agreed that the amount of this Pledge may increase or decrease to match any adjustment to the identified cost estimate, which is mutually agreed to by the County of Stanislaus, CalRecycle, and the Regional Water Quality Control Board (RWQCB).



4. If the County of Stanislaus ceases at any time to retain control of its ability to allocate the pledged revenue as identified herein to any corrective action, the County of Stanislaus shall notify CalRecycle, which serves as the LEA for Stanislaus County, and shall obtain alternate coverage within sixty (60) days after the control of funds lapses, pursuant to Section 22245 of the Regulations.
  
5. In the event that CalRecycle, serving as the LEA, or the RWQCB determines that the County of Stanislaus has failed, or is failing, to perform corrective actions as required by law, CalRecycle and/or the RWQCB shall confer with the County of Stanislaus and attempt to resolve the alleged violation. If no agreement is reached, the matter shall be presented to CalRecycle which shall give reasonable notice, hold a public hearing, and consider the testimony and documentation submitted by CalRecycle, the County of Stanislaus, and any interested parties, prior to making a determination in the matter. In the event CalRecycle then determines that the County of Stanislaus has failed, or is failing, to perform corrective action as required by law, CalRecycle may direct the Auditor-Controller to pay the Director of the Department of Environmental Resources from the pledged revenues sufficient funds to ensure corrective action, who then shall be obligated to use such funds for corrective action in accordance with the directives of CalRecycle and RWQCB.

IN WITNESS HEREOF, the parties have executed this agreement on the date as set forth below.

By Stanislaus County this 16<sup>th</sup> day of August, 2011  
 By CalRecycle this 19<sup>th</sup> day of September, 2011

STATE OF CALIFORNIA  
 California Department of Resources  
 Recycling and Recovery

By: [Signature]

Authorized Officer of CalRecycle

COUNTY OF STANISLAUS

By: [Signature]

Chairman of the Board of Supervisors

APPROVED AS TO FORM  
 AND PROCEDURE

By: [Signature]  
Authorized Counsel of CalRecycle

ATTEST:

By: [Signature]  
 Name/Title Susan E. Seibert, Deputy Clerk

APPROVED AS TO FORM  
 AND PROCEDURE:

By: [Signature]  
County Counsel