

**SANITATION DISTRICTS SOLID WASTE MANAGEMENT SYSTEM AGREEMENT**

This Sanitation Districts Solid Waste Management System Agreement (hereafter referred to as "this Agreement") is entered into effective the 21<sup>st</sup> day of February, 1996 by and between County Sanitation Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 29 and South Bay Cities Sanitation District of Los Angeles County, sometimes hereinafter referred to collectively as "Districts" and individually by District number.

**WHEREAS**, on April 8, 1970, County Sanitation Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22 and South Bay Cities Sanitation District of Los Angeles County entered into a Joint Refuse Transfer and Disposal System Agreement establishing the Los Angeles County Sanitation District Joint Refuse Transfer and Disposal System;

**WHEREAS**, by Amendment dated June 28, 1972 ownership of said System was extended to include County Sanitation Districts 23 and 29 of Los Angeles County;

**WHEREAS**, said Agreement has been further amended effective November 5, 1981, February 16, 1984, October 15, 1984, and July 11, 1990; and

**WHEREAS**, the Districts desire to perpetuate the Los Angeles County Sanitation District Joint Refuse Transfer and Disposal System established by the Los Angeles County Sanitation Districts Joint Refuse Transfer and Disposal System Agreement as amended;

**NOW, THEREFORE**, the parties agree as follows:

1. The establishment of the Los Angeles County Sanitation District Joint Refuse Transfer and Disposal System is ratified and shall hereafter be known as the Sanitation Districts Solid Waste Management System (hereinafter referred to as the "System"). The System includes those existing and proposed sites, facilities and equipment utilized for the transfer, recovery and/or recycling, or disposal of waste, the conversion of waste to energy, the conversion of landfill gas to energy, and other uses incidental thereto, including an equipment pool, all as listed on Exhibit "A" hereto. The System also includes revenues originally contributed to the System and revenues earned through operation of the System, which revenues have been deposited in and are presently held in the Los Angeles County Sanitation District Joint Refuse Transfer and Disposal System Fund, which fund shall hereafter be known as the Districts Solid Waste System Fund (hereinafter referred to as "System Fund"), and other funds that have been maintained for the purpose of implementing this Agreement as described in the records of District No. 2. It is agreed that additional sites, facilities and equipment may be acquired, operated and maintained as part of the System in accordance with appropriate amendments to this Agreement and the Districts' staff shall have continuing authority to study and evaluate potential sites and facilities to be considered for addition to the System.

As provided in Exhibit "A", said System shall include, but not be limited to such sites, facilities, and equipment as County Sanitation District No. 2 of Los Angeles County (hereinafter referred to as "District No. 2") may, in its sole discretion, determine to be necessary or desirable for the development and implementation of a system for the transfer and disposal of refuse by rail or the recovery of material from waste or to be consistent with the

policies or recommendations contained in that certain letter dated May 20, 1988 entitled, Solid Waste Management Action Plan for Los Angeles County addressed to the Boards of Directors, County Sanitation Districts of Los Angeles County, a copy of which is attached as Exhibit "B" (hereinafter referred to as the "Action Plan"), including without limitation those certain landfill sites identified on page 2 of the Action Plan.

In respect to the sites listed on Exhibit "A", the System shall include such landfill gas to energy and other facilities as promote the disposition of by-products resulting from landfill operations or otherwise contribute to the efficient or environmental soundness of operations conducted thereon.

2. The Los Angeles County Sanitation District Joint Refuse Transfer and Disposal Equipment Pool, hereafter to be known as the Districts Solid Waste System Equipment Pool (hereinafter referred to as "Equipment Pool"), consists of all equipment originally contributed to the System and equipment acquired through operation of the System and an Equipment Pool Fund all as described in the records of District No. 2.

District No. 2 shall continue to maintain the Equipment Pool. Equipment in the pool may be used only for the implementation and operation of the sites and facilities which District No. 2 is authorized to operate and any other sites or facilities which are operated by any County Sanitation District of Los Angeles County pursuant to authority conferred by this Agreement. Monies may be transferred from the System Fund to the Equipment Pool Fund to insure that there are sufficient monies and equipment in the Equipment Pool at all times to enable District No. 2 to receive, dispose of or otherwise manage all solid waste tendered to the sites and facilities operated pursuant to authority conferred by this Agreement. For the benefit of the Equipment Pool, rentals shall be charged to the sites or facilities where said equipment

is utilized. The rental rates shall be set, from time to time, at such level as is sufficient to defray the cost of repair and maintenance (including the cost of overhaul and the cost of routine operational expense), and such further amounts as are appropriate to fund a reserve for replacement of said equipment.

3. The Districts shall continue to own the assets of the System, including but not limited to the System Fund and the Equipment Pool, in proportion to the amount of tax revenues collected by each District and transferred either to certain facilities or to the System or to both in accordance with the Agreement of April 8, 1970 and Amendment thereto dated June 28, 1972.

4. District No. 2 shall have full authority for acquiring, implementing, operating and maintaining the various sites, facilities and equipment that comprise the System, including the authority to sell or otherwise transfer with or without consideration, any of the sites, facilities and equipment that comprise the System together with all accretions, by-products and fixtures pertaining thereto, subject to such terms and conditions as District No. 2 in its sole discretion determines to be appropriate. Such authority shall include the control and disbursement of all System funds, the acquisition of necessary land, facilities and equipment, the authority to negotiate agreements, to employ personnel, to set rates and prices for the disposal of refuse and for the sale of by-products, including without limitation gas, steam and electricity, and shall extend to any process, procedure, act, operation, function, study or program which is found necessary or desirable to implement, operate and maintain the System or the policies or recommendations expressed in the Action Plan.

This authority shall include but not be limited to:

a. Commitments to supply solid waste to any of the refuse (waste) to energy sites or solid waste management facilities that are included in the System with or without consideration and subject to such terms and conditions as District No. 2, in its sole discretion, determines to be appropriate; and

b. Providing security, to the extent permitted by law, for the payment of any debt that may be incurred by a joint powers agency or other legal entity which owns or has any other interest in any of the sites, facilities or equipment that comprise the System.

District No. 2 may exercise this authority either directly or through contractual arrangement with others. Without limiting the generality of the foregoing and notwithstanding any other provisions of this Agreement, District No. 2 shall have full authority as agent for the Districts to enter joint powers agreements with other governmental agencies upon such terms and conditions as are specified therein and to enter into agreements with any joint powers entity created thereby, relating to the ownership and operation of any of the various sites or facilities within the System, including without limitation the acquisition of a facility site, the financing of the facility, and the design, construction, start-up and operation of the facility.

With respect to each site or facility for which District No. 2 exercises its authority jointly with another entity through a joint powers agreement or other contractual arrangement, the operation of the facility and the levying of charges for use of the facility shall be as agreed upon between the contracting parties.

Any surplus funds accruing at the individual sites or facilities of the System which are determined not to be necessary to meet the needs of said individual sites or facilities shall be deposited in the System Fund. The transfer of such surplus funds may be subject to

limitations and reserve fund requirements established in joint powers agreements regulating the operation of the individual sites or facilities.

Monies and revenues from any appropriate and legitimate source may be accepted for deposit in the System Fund for use in acquiring, implementing, operating and maintaining the System.

District No. 2 is hereby authorized to make application for and receive such grants or loans as may from time to time become available under various grant programs of either the Federal or State government.

It is hereby agreed that all interest earned by and upon monies in the System Fund shall be credited to and deposited in said fund.

The deposit of monies into, or the withdrawal of monies from the System Fund shall not cause any change in the proportional ownership of the Districts.

Notwithstanding these provisions, and without limiting the generality of the foregoing, District No. 2 shall have full authority for sanitary landfill purposes, for landfill gas-to-energy purposes, and for the full economic utilization of landfill gas resources to establish, invest in, acquire or otherwise participate in as an owner of one or more business enterprises, including without limitation one or more limited liability companies wholly or partially owned by District No. 2 and to convey to any such enterprise(s) (1) any and all rights real and personal to landfill gas, and (2) leasehold interests in and to all or part of the System, including without limitation landfill gas collection and processing facilities.

5. In the event, through operation of the System, there accrue surplus funds deemed by District No. 2 not to be necessary for the acquisition of additional sites or facilities or the maintenance of adequate reserves, District 2 shall distribute said surplus funds to the

Districts in proportion to each District's ownership. In the event of termination of the System, upon achieving the purposes of this Agreement, surplus funds shall be distributed to the Districts in proportion to their ownership.


6. Within 60 days after the end of each quarter of a fiscal year, District No. 2 shall furnish a written accounting to the members of the Board of Directors of the Districts reflecting all receipts and disbursements into and out of the System Fund. This accounting shall also include an inventory of all monies and equipment in the Equipment Pool.

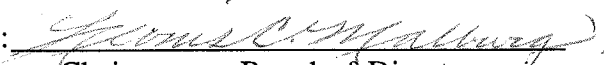
7. The term of this Agreement shall continue to December 31, 2026. At the expiration of this term, the term shall automatically be extended from year to year upon the same terms and conditions as herein provided.

IN WITNESS WHEREOF, each of the parties has executed this Sanitation Districts Solid Waste Management System Agreement on the dates set forth below.

ATTEST:

COUNTY SANITATION DISTRICT NO. 1  
OF LOS ANGELES COUNTY

  
Secretary

By:   
Chairperson, Board of Directors JAN 10 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 2  
OF LOS ANGELES COUNTY

  
Secretary

By:   
Chairperson, Board of Directors JAN 10 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 3  
OF LOS ANGELES COUNTY

Patricia S. Gade  
Secretary

By: Jan Zeman  
Chairperson, Board of Directors JAN 10 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 5  
OF LOS ANGELES COUNTY

Patricia S. Gade  
Secretary

By: [Signature]  
Chairperson, Board of Directors JAN 17 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 8  
OF LOS ANGELES COUNTY

Patricia S. Gade  
Secretary

By: Jan Zeman  
Chairperson, Board of Directors JAN 10 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 15  
OF LOS ANGELES COUNTY

Patricia S. Gade  
Secretary

By: Thomas D. Brezgal  
Chairperson, Board of Directors JAN 24 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 16  
OF LOS ANGELES COUNTY

Patricia S. Gade  
Secretary


By: [Signature]  
Chairperson, Board of Directors JAN 24 1996



ATTEST:

COUNTY SANITATION DISTRICT NO. 17  
OF LOS ANGELES COUNTY

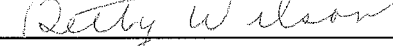
  
Secretary

By:   
Chairperson, Board of Directors JAN 24 1996

ATTEST:

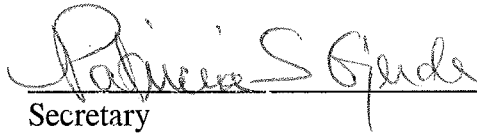
COUNTY SANITATION DISTRICT NO. 18  
OF LOS ANGELES COUNTY


  
Secretary

By:   
Chairperson, Board of Directors JAN 24 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 19  
OF LOS ANGELES COUNTY

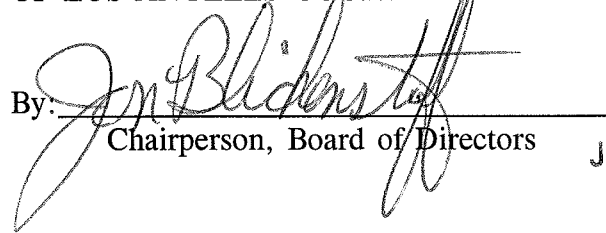
  
Secretary

By:   
Chairperson, Board of Directors JAN 10 1996

ATTEST:

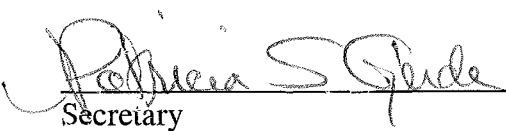
COUNTY SANITATION DISTRICT NO. 21  
OF LOS ANGELES COUNTY

  
Secretary

By:   
Chairperson, Board of Directors JAN 24 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 22  
OF LOS ANGELES COUNTY

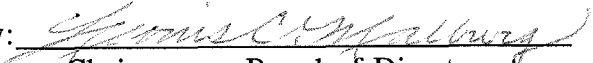
  
Secretary

By:   
Chairperson, Board of Directors JAN 24 1996

ATTEST:

COUNTY SANITATION DISTRICT NO. 23  
OF LOS ANGELES COUNTY

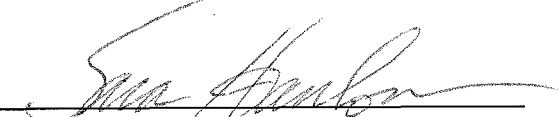
  
Secretary

By:   
Chairperson, Board of Directors JAN 10 1996

ATTEST:


COUNTY SANITATION DISTRICT NO. 29  
OF LOS ANGELES COUNTY

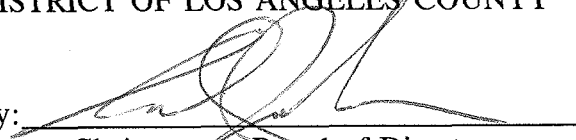
  
Secretary

By:   
Chairperson, Board of Directors JAN 10 1996

ATTEST:

SOUTH BAY CITIES SANITATION  
DISTRICT OF LOS ANGELES COUNTY

  
Secretary

By:   
Chairperson, Board of Directors  
FEB 21 1996

APPROVED AS TO FORM:  
KNAPP, MARSH, JONES AND DORAN


  
District Counsel

EXHIBIT "A"

LIST OF EXISTING AND PROPOSED

SITES, FACILITIES AND EQUIPMENT IN THE SYSTEM

1. Palos Verdes Landfill  
25706 Hawthorne Boulevard  
Rolling Hills Estates, California
2. Spadra Landfill  
4125 West Valley Boulevard  
Pomona, California
3. South Gate Transfer Station  
9530 South Garfield Avenue  
South Gate, California
4. Puente Hills Landfill  
2800 South Workman Mill Road  
Whittier, California
5. Southeast Resource Recovery Facility  
Terminal Island  
Long Beach, California
6. Puente Hills Refuse-to-Energy Facility  
2800 South Workman Mill Road  
Whittier, California
7. Commerce Refuse-to-Energy Facility  
5900 South Sheila Street  
Commerce, California
8. South Gate Refuse-to-Energy Facility  
8530 South Garfield Avenue  
South Gate, California
9. Southwest Transfer Station and/or  
Resource Recovery Facility  
Redondo Beach, California
10. Districts Solid Waste System Equipment Pool

11. Such sites, facilities and equipment as District No. 2 in its sole discretion determines to be necessary or desirable for the development and implementation of a system for the transfer and disposal of refuse by rail or the recovery of material from waste or to be consistent with the policies or recommendations contained in the Action Plan.



# COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-4998  
Mailing Address, P. O. Box 4998, Whittier, CA 90607-4998  
Telephone: (213) 699-7411, (213) 685-5217

CHARLES W. CARR  
Chief Engineer and General Manager

May 20, 1988  
File No. 31R-10.10

Boards of Directors  
County Sanitation Districts  
of Los Angeles County

Dear Directors:

## Solid Waste Management Action Plan for Los Angeles County

This subject is on the agenda for the next regularly scheduled Board meetings for discussion and action by the Sanitation Districts Boards of Directors. On April 5, 1988, the Board of Supervisors for the County of Los Angeles approved a Solid Waste Management Action Plan designed to abate the disposal crisis which faces the County (copy attached). The Action Plan, which was developed by the County Department of Public Works with input by County Sanitation Districts staff, addresses engineering and technical feasibility studies of identified potential landfill sites, expansions of existing landfills, implementation of recycling and green waste composting, and the source of funding for the plan. In their action on April 5, the Board of Supervisors also requested that the Sanitation Districts Boards of Directors and the Mayor and City Council of the City of Los Angeles support the Solid Waste Management Action Plan as adopted by the County.

### Background

On September 22, 1987, the Board of Supervisors instructed the Los Angeles County Department of Public Works and Chief Administrative Officer, with the assistance of the Sanitation Districts, to review solid waste management options and associated economic impacts. I advised the Sanitation Districts Boards of Directors of this request and the County and Sanitation Districts staffs invited the City of Los Angeles staff to participate in the development of the information. A second request from the Board of Supervisors called for the identification of the best sites currently not being utilized for sanitary landfills. The following reports were prepared in response to these requests:

### Solid Waste Management Status and Disposal Options in Los Angeles County

This document, an Executive Summary of which has been previously provided to all Directors, discusses the existing solid waste management system and options for future strategies, including the economic consequences of each option. The information presented in the briefing report is the result of an unprecedented cooperative effort between the Sanitation Districts, the County of Los Angeles Department of Public Works, and the City of Los Angeles, Department of Public Works, Bureau of Sanitation.

The major conclusions of this joint study, which have previously been discussed in extensive briefings of the Sanitation Districts Boards of Directors, are as follows:

- By 1992, 6,400 tons per day of waste will have no place for disposal unless new facilities are sited or existing landfills are expanded. This will increase to 50,000 tons per day by the year 2000.
- Currently, 5,400 tons per day of waste are exported from the City of Los Angeles.
- The City of Los Angeles will have no disposal capacity remaining within the City by 1997 unless new facilities are sited.
- Implementation of County-wide residential recycling, landfill recycling and green waste composting programs with 100 percent participation and efficiency will reduce the total wastestream by no more than 27 percent. It is projected that if only moderate levels of recycling and composting are achieved the total wastestream will be reduced by only about 10 percent.
- Lack of public and political support in conjunction with the current energy surplus makes additional implementation of refuse-to-energy unlikely in the near future.
- Expansion of existing landfills could add up to 330 million tons of capacity and increase daily disposal capabilities, delaying the disposal shortfall through 1995.

#### Preliminary Alternate Site Study

On September 22, 1987, the Board of Supervisors requested the Department of Public Works, Chief Administrative Officer, in conjunction with the Sanitation Districts, to identify the best landfill sites currently not being used in the County. This study consisted of a three-phase approach which considered a complex set of technical, environmental and social factors to analyze 101 potential landfill sites. The report is attached to this letter for your review. The six highest ranking potential sites identified in the report are (in alphabetical order): Blind Canyon, Browns Canyon, Elsmere Canyon, Mission-Rustic Sullivan Canyons, Towsley Canyon, and Toyon Canyon Extension. Two sites are in the City of Los Angeles and four sites are in unincorporated areas in the northwest portion of the County.

#### RECOMMENDED ACTION REGARDING SOLID WASTE MANAGEMENT ACTION PLAN

Considering the long lead time required to implement any additional new disposal capacity, the projected disposal crisis must be addressed and planned for immediately. Districts staff believes that implementation of aggressive recycling and green waste composting programs, in conjunction with the expansion of existing landfills, is a necessity. It is also clear that siting of new landfills must be pursued if the disposal crisis is to be averted and not just postponed for a few years. Therefore, staff recommends that the Boards of Directors:

1. Support the Solid Waste Management Action Plan adopted by the County of Los Angeles.

2. Approve the following staff recommendations related to Districts participation in the implementation of the Action Plan:

- Reaffirm support of the management of solid waste in Los Angeles County through a reasonable balance of public and private operations and facilities including a regional public landfill system.

- Adopt a policy goal of providing for 50 years of permitted landfill capacity to be held in public ownership, with appropriate land use protections, for use through public, private or joint venture operations as necessary to achieve the above referenced management strategy.

- Instruct and authorize the Chief Engineer and General Manager to initiate studies necessary to determine the feasibility of public ownership and permitting of landfill sites identified in the attached alternate site study; initiate discussions with property owners regarding availability of property; secure purchase options as appropriate; utilize the County Refuse Disposal Trust Fund and the Districts Joint Refuse Transfer and Disposal Trust Fund for these efforts; and recommend to the Sanitation Districts Directors what further action must be taken as studies are completed for public acquisition and permitting of landfills at these sites.

- Instruct the Chief Engineer and General Manager to continue to work cooperatively with the Los Angeles County Director of Public Works and the Los Angeles City Director of the Bureau of Sanitation in furtherance of this plan and to specifically recommend, in cooperation with these agencies, a method of financing the acquisition of landfill capacity.

- Support the implementation of residential source separation programs and green waste composting programs in all areas and pursue the feasibility of facilities to recover material from mixed wastestreams.

- Instruct the Chief Engineer and General Manager to request the cities to pursue the concept of direct billing of the full cost of refuse collection and disposal.

- Support implementation of State-wide public education/awareness programs regarding solid waste issues and the necessity for recycling.

- Instruct the Chief Engineer and General Manager to pursue the maximum technically and environmentally feasible permit expansion of the Puente Hills and Scholl Canyon Landfills and support the maximum technically and environmentally feasible expansion of other existing landfills.

- Request the Council and Mayor of the City of Los Angeles to likewise support the County Action Plan and to participate equally with the

