



DATE: July 27, 2022
TO: Waste Management Authority Board
FROM: Kelly Schoonmaker, Program Manager
SUBJECT: Altamont Property History and Revenue Summary

SUMMARY

The Waste Management Authority owns 1,600 acres of rangeland property in the Altamont Hills in unincorporated Alameda County ("Property"). At the July 27 WMA meeting, staff will provide some background on the acquisition of the Property, followed by an overview of the activities that take place there, and a summary of the Property's revenue and expenses.

DISCUSSION

In 1985, the Solid Waste Management Authority passed resolution No 78 (attached), amending the County Solid Waste Management Plan (now County Integrated Waste Management Plan, or ColWMP) to allow the import and disposal of 15 million tons of waste beginning in 1988 from San Francisco at the Altamont Sanitary Landfill. Acknowledging that the import of San Francisco waste to Altamont would reduce the capacity available to Alameda County jurisdictions, the Board resolved that "the initial priority for mitigation shall be to acquire, in public ownership, reserve landfill capacity sufficient to serve the needs of all Alameda County jurisdictions for a minimum 50-year continuous period." [ACSWMA Resolution 78, Section II (24)]

In 1987, having received its first waste Import Mitigation Fee payments, the WMA initiated planning studies, which began with a landfill site selection study and programmatic Environmental Impact Report (EIR) to identify potential locations that would be suitable to meet the WMA's policy for reserve landfill capacity. The study determined the general area south of I-580 in the Altamont Hills to be the most suitable. The WMA then began a complex property appraisal and evaluation program, selecting a potential site to purchase. An analysis to determine the suitability of the parcel found no insurmountable barriers to development, but identified some constraints that would limit development at the site. The WMA purchased the parcel and acquired adjacent parcels to reduce the constraints on development. From 1993-1994, six separate parcels were purchased from voluntary sellers.

Also during this time, the WMA developed a conceptual plan and programmatic EIR for an Integrated Waste Management Facility at the site as a strategy to preserve capacity by diverting material from landfill. The plan and EIR included a greenwaste/biosolids composting facility as a short- to medium-term activity. The WMA applied to the County of Alameda for a Conditional Use Permit (CUP) for the composting facility, which was approved by County Zoning, appealed by local residents, and ultimately

denied by the Board of Supervisors. The study also took a closer look at potential landfill sites for the long term, identifying three canyon-type sites at the Property. The EIR found that additional parcels may need to be acquired to develop the preferred site to provide adequate buffer and guarantee 50 years of capacity.

By the early 2000s, concern over the need for publicly owned landfill capacity had significantly decreased. At that time, the WMA, along with Alameda County city managers, concluded that it would be in the long-term best interest of the Authority to maintain reserve landfill capacity in public ownership to continue to have leverage over prices at privately owned landfills and to provide protection against restrictions on the development of private landfills. If landfill capacity is needed, the Property provides a long-term option to develop or sell at that time. The WMA has not proposed to develop a landfill and has not authorized any environmental documentation, engineering design or permit application for a landfill at the site. Meanwhile, the Property provides an opportunity to engage in activities that align with Agency goals and provide benefits to member agencies, while providing a stable source of revenue. Current activities include a wind power easement, a conservation easement, a grazing license, several telecommunications lessees, and carbon farming.

Revenue and Expenses

While the property was not acquired with the intention of generating revenue, it provides a stable revenue source of roughly \$600,000/year, with about 60-70 percent of that coming from wind. Additional sources include telecommunications leases, grazing licenses, and a residential tenant. The Property has paid for itself two times over, with the revenue generating an average annualized rate of return of 6-7 percent.

Over the years, staff have worked to create efficiencies in how the property is managed. Examples include adopting policies and an ordinance to simplify lease agreements and reducing the number of grazing licenses. As a result, the administrative expense of managing the Property is a relatively low burden (average 0.25 full time employee).

Hard costs also vary depending on the activities taking place, averaging about 8 percent of the total revenue. Typical hard costs are maintenance, legal, mileage for site visits, and other services. Large projects include the restoration of the Victorian farmhouse, fencing replacement, wind studies, biological monitoring, negotiation of new wind easement and conservation easement agreements, and livestock water improvements.

Staff will provide more detail on revenue and expenditures during the presentation.

RECOMMENDATION

This item is for information only.

Attachment: ACSWMA Resolution 78 (adopted by WMA Board in 1985)

ALAMEDA COUNTY SOLID WASTE MANAGEMENT AUTHORITY
RESOLUTION NO. 78
AT MEETING OF DECEMBER 18, 1985

MOVED BY LAYTHON LANDIS
SECONDED BY LOUIS CORTEZ

WHEREAS the Alameda County Solid Waste Management Authority Plan dated October, 1981 was most recently amended May 23, 1984; and

WHEREAS Oakland Scavenger Company has requested an Amendment to said plan to permit import and disposal not to exceed 15 million tons of City and County of San Francisco municipal solid waste in an uninterrupted flow to begin November 1, 1988, and import and disposal of up to 130,000 tons per year of San Francisco municipal wastewater treatment sludge in conjunction with disposal of San Francisco municipal solid waste, at the Altamont Sanitary Landfill; and

WHEREAS the Authority determined at the January 26, 1983 meeting date that said amendment was not in conformance with the adopted Alameda County Solid Waste Management Plan, May 23, 1984; and

WHEREAS the Environmental Impact Report for the Altamont Landfill adopted in 1976 was considered in preparation of the Initial Study for this application and significant impacts identified therein have been mitigated through permits and agreements between Oakland Scavenger Company and responsible federal, state, regional or local agencies as they pertain to the Altamont Sanitary Landfill, and all impacts identified in the October 8, 1985 Initial Study have been mitigated by agreement of Oakland Scavenger Company; and

WHEREAS this amendment to import waste for disposal in Alameda County was considered after clear evidence was presented demonstrating that long term capacity exists in the landfills for Alameda County and that the mitigation fees provided are sufficient to acquire additional capacity.

WHEREAS this Authority held a duly noticed public hearing on March 27, 1985, continued said hearing from time to time to December 18, 1985, to consider said amendment to the plan at which times all interested parties were heard on the plan amendment and the proposal to adopt a Negative Declaration;
NOW THEREFORE:

BE IT RESOLVED that a Negative Declaration has been prepared in accordance with California Environmental Quality Act and State and local EIR Guidelines for the subject plan amendment, and this Authority has considered said Negative Declaration adopted by Resolution No. 77, December 18, 1985 in conjunction with this plan amendment; and

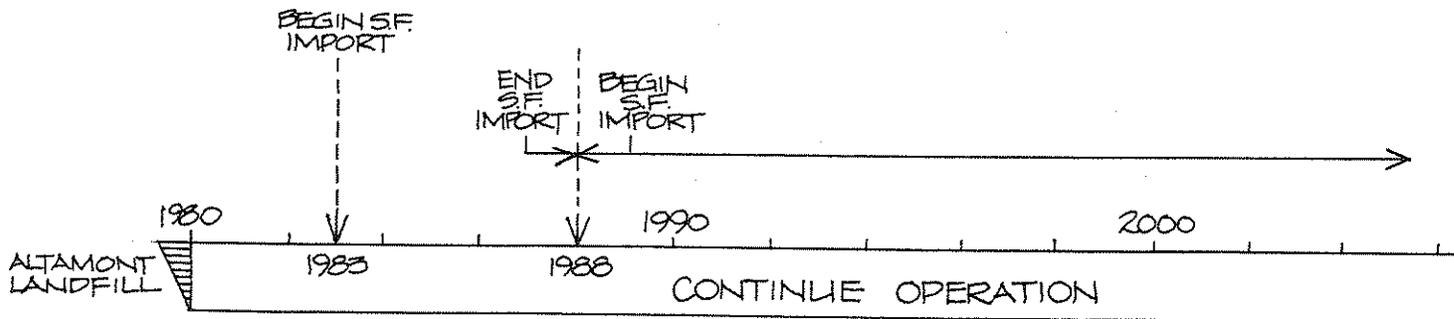
BE IT FURTHER RESOLVED that this Authority does approve said amendment to the County Solid Waste Management Plan as follows:

I. Changes to the plan text:

Chapter 4

Page 4-3 "Solid Waste System in Alameda County", following paragraph two, insert the following language:

"Import and disposal of all of the municipal solid waste generated only in the City and County of San Francisco to be disposed by sanitary landfilling at Altamont Sanitary Landfill shall not exceed 15 million tons in total or the annual limit as specified by this Plan. Uninterruptible flow to begin November 1, 1988. Import and disposal at Altamont Sanitary Landfill of up to 130,000 tons per year of San Francisco wastewater treatment sludge in conjunction with disposal of San Francisco municipal solid waste. Importation and disposal of San Francisco municipal solid waste and sludge shall be in accord with the terms of this Plan. In the event that San Francisco municipal solid waste is processed at a waste-to-energy plant prior to disposal at Altamont Landfill, all nonprocessibles and process residues generated from San Francisco municipal solid waste shall be disposed at Altamont Landfill until the total of 15 million tons is reached."



Note: Plan amended to permit S.F. to Altamont import December 18, 1985.

Appendix D, Table D-1, page D-3 add to footnote i:

"Import of San Francisco waste to Altamont will reduce the capacity accordingly".

Note: (not included in text) Table D-1 will be revised when entire plan is amended.

Note also that no change will be made at the present time to Table D-2 "Construction/Demolition Wastes" regarding San Francisco imports since it states that Altamont is "not yet operating". Any change would require the entire table to be changed. Corrections will be made during the next three-year plan amendment.

Table D-5, Page D-9, add a footnote "1", next to "Oakland Scavenger Company" column heading with the following footnote:

"1 - Does not include 15 million tons imported from San Francisco (See Table D-1)."

II. The following conditions mitigate impacts identified in the Initial Study and Negative Declaration. The Conditions are part of this Plan and are to be included in the contract between Oakland Scavenger Company and San Francisco and shall be included in the County Solid Waste Facilities permit:

- (1) No hazardous waste as defined in Health and Safety Code Section 25117 and regulations promulgated thereunder by the Department of Health Services, including changes to the statutory and regulatory definitions during the period of importation, shall be accepted at Altamont from San Francisco.
- (2) To minimize potential traffic impacts, tank trucks transporting municipal wastewater treatment sludge shall be limited to no more than 30 round trips per day with a limit of 8 tank truck round trips between 7 a.m. and 9 a.m. and the same number between 4 p.m. and 6 p.m. on Alameda County roads or highways. These numbers may be exceeded in the time of emergency as defined in the Alameda County Solid Waste Management Contingency Plan.
- (3) To minimize potential traffic impacts, the number of transfer truck round trips per day shall not exceed the daily transfer truck limit, which shall be calculated each calendar year by the Authority in the following manner:

$$\text{Daily transfer truck limit} = \frac{A}{D \times P} \times 1.25$$

Where: A = annual solid waste tonnage limit for the current year, as calculated pursuant to #7, below.

D = delivery days per year, or 260, whichever is greater.

P = transfer truck payload, in tons, or 25, whichever is greater.

In addition, there shall be a limit of 15 transfer truck round trips between 7 a.m. and 9 a.m. and the same number between 4 p.m. and 6 p.m. on Alameda County roads or highways.

These numbers may be exceeded in time of emergency as defined in the Alameda County Solid Waste Management Contingency Plan.

- (4) Necessary roadway improvements and maintenance to Altamont Pass Road, other county roads or city streets, and other traffic impacts resulting from the effects of truck traffic from San Francisco, shall be made by County of Alameda. The extent and cost of said improvements shall be determined by the Alameda County Public Works Agency. All costs, attributable to San Francisco vehicles, shall be paid out of mitigation fees collected from San Francisco.
- (5) San Francisco municipal solid waste, ash or wastewater treatment sludge shall not be accepted at any solid waste facility in Alameda County other than Altamont Sanitary Landfill except as provided in the Alameda County Solid Waste Management Contingency Plan.
- (6) There shall be no assignment, trade, sale or any other creation of an interest by San Francisco in its capacity at the Altamont Sanitary Landfill to any other public agency or private party.
- (7) The annual tonnage limit for municipal solid waste shall mean the upper limit on the weight of municipal solid waste to be delivered by San Francisco to Altamont Sanitary Landfill during a given calendar year.

The annual tonnage limit shall be determined by Authority in the following manner:

- a) Each year, San Francisco shall provide Authority with data giving the weight of municipal solid waste generated in San Francisco and disposed through the San Francisco transfer station for each of the preceding ten (10) calendar years.

- b) Authority shall calculate the annual growth rate of the weight of municipal solid waste for each year of the ten (10) year period, expressed as a decimal. For example, annual growth rate of two percent (2%) per year shall be expressed as 0.02. Authority shall then calculate the average annual increase by taking the average of said annual growth rates.
- c) The resulting average annual increase shall be applied to the weight of municipal solid waste generated in San Francisco, plus ten percent (10%), during the immediately preceding year.

This is summarized in the formula:

$$\text{Annual tonnage limit} = (W + 0.10W) \times (1 + A)$$

where W = weight generated during the immediately preceding calendar year

A = average annual increase, expressed as a decimal

- (8) Oakland Scavenger Company and San Francisco shall submit, and have approved by Authority, contingency plans to be used in the event of temporary closure of Altamont or the San Francisco transfer station.
- (9) Policy E-4 of the Plan requires that: "Import or export of solid wastes beyond that shown in the facilities plan will require an amendment to the facilities plan. County solid waste requirements for imported solid waste should be at least equal to that required of entities in Alameda county." San Francisco shall continue to ensure that the extent of materials recovery and recycling will be in accord with Policy E-4 as it may be amended from time to time.
- (10) San Francisco and Combustion Engineering, Inc. (CE) have been working to develop a regional waste-to-energy facility in the Bay Area. Such a facility would provide an important energy resource, reduce the depletion of Bay Area landfills, and effect economies in the ultimate cost of regional solid waste disposal.

It is in the best interest of San Francisco and Authority to cooperate to encourage and facilitate CE's or any other public or private entity's assessment of the feasibility of locating such a regional facility at Altamont, including an equitable comparison of the Altamont site with other probable candidate sites in the Bay Area.

It is a priority goal of Authority and San Francisco to locate a regional waste-to-energy facility at Altamont, if cost effective to each and both parties. Authority and San Francisco pledge commitment of information, resources, and personnel, as available, to cooperate between each party and with CE to pursue the mutually beneficial goal to establish a cost effective regional waste-to-energy facility for use by San Francisco and Alameda county at Altamont.

Authority and San Francisco recognize that such regional waste-to-energy facility will require an amendment to the County Solid Waste Management Plan in order to locate a facility in Alameda County. Such Plan Amendment would be separate and apart from the amendment to permit importation of municipal solid waste and wastewater treatment sludge for disposal under the terms of the present proposal. In the event of construction and operation of a waste-to-energy plant for S.F. waste, non-processibles and residuals and permitted ash of S.F. waste only will be permitted as import to Altamont Sanitary Landfill site per condition (17).

- (11) Wastewater treatment sludge shall be defined as "stabilized wastewater treatment plant sewage sludge containing no more than eighty per cent (80%) moisture by weight on an annual average basis" or as defined by regulatory agencies. For purposes of incorporation of wastewater treatment sludge in municipal solid waste, disposal of San Francisco wastewater treatment sludge shall be limited by the extent that San Francisco municipal solid waste can absorb it in accord with specification of regulatory agencies.

Wastewater treatment sludge generated in Alameda county shall have priority over wastewater treatment sludge generated in any other county; therefore, disposal of San Francisco wastewater treatment sludge may be further limited if necessary to allow disposal of Alameda County wastewater treatment sludge. In the event that Authority exercises its rights of first priority, and such exercise precludes or may preclude San Francisco from using the Altamont for the wastewater treatment sludge tonnage listed herein, the Authority shall give San Francisco notice one year in advance of such action.

- (12) For purpose of incorporation of wastewater treatment sludge in municipal solid waste, disposal of San Francisco wastewater treatment sludge shall only be permitted as determined by regulatory agencies in conjunction with disposal of municipal solid waste from San Francisco, at a minimum solids-to-liquids ratio as determined by regulatory agencies. This ratio shall be maintained on a day-by-day basis.

- (13) San Francisco shall agree to pay or have payments made to the Alameda County Solid Waste Management Authority a mitigation fee of \$3.50 per ton plus an inflation factor as set forth in Exhibit A to be adjusted one year after payment of the 2 million dollar (\$2,000,000) initial option money to cover project costs relating to traffic impacts (see no. 4 above), depletion of landfill capacity, and environmental impacts. Initial payment shall be \$2,000,000 to be paid upon the effective dates of approval by local, regional, State and Federal approval and permitting agencies and the signing of the contract between OSC and San Francisco and the signing of the contract between San Francisco and the Authority, with \$1,000,000 annually for a period of six years thereafter. Said \$8,000,000 is a credit which shall be reduced by the \$3.50/ton for each ton of waste disposed; when such reduction equals \$8,000,000, the City shall thereafter pay the per ton mitigation fee on a monthly basis.
- (14) Oakland Scavenger Company (OSC) agrees to pursue an evaluation of the feasibility of a waste-to-energy plant or other resource recovery facility deemed acceptable by the Authority. OSC to submit a signed contract for a consultant's report within 6 months of the date all permits and contracts are in place. The components and timelines in the consultant's contract to be approved by the Authority. The consultant's report to be completed one year after signing of the consultant's contract.
- (15) Oakland Scavenger Company shall exercise good faith in attempting to achieve an operating waste-to-energy plant within 15 years of the date all permits and contracts are in place, in Alameda County, to serve jurisdictions that use Altamont Sanitary Landfill. OSC's good faith shall not be affected if public agencies refuse to grant necessary approvals or if factors such as changes in state or federal law prevent development of such a facility.
- (16) If after 15 years there is no such operating plant, the Authority shall determine whether OSC has exercised good faith in pursuing development of such a facility, even though not successful. If the Authority finds that OSC has exercised good faith, the total tonnage imported under the plan amendment shall remain 15 million tons. If the Authority determines that OSC has not exercised good faith, the limit of 15 million tons of municipal solid waste under this plan amendment shall be reduced to 12.5 million tons of municipal solid waste.
- (17) Only waste generated in San Francisco shall be imported to Alameda County. Nonprocessable material, residuals and permitted ash from a San Francisco waste-to-energy plant may be imported at a ratio according with generation of San Francisco municipal solid waste.

- (18) Oakland Scavenger Company to study the means necessary to protect Altamont landfill from incompatible land use development on adjacent lands and to present a completed report on this matter to the Authority within 18 months of the date all permits and contracts are in place. An annual report shall be presented to the Authority thereafter on the status of implementing the plan.
- (19) Authority shall prepare and approve a schedule for a plan for resource recovery for the Alameda County portion of Oakland Scavenger disposal operation, including but not limited to recycling and curbside collection, with alternatives available and costs. Plan to be completed within 18 months of the date all permits and contracts are in place. The program and economics shall be subject to approval by member agencies. The program shall be consistent with terms and conditions applicable to all permits for existing waste management facilities. The program shall be compatible with all countywide resource recovery programs including waste-to-energy plants and shall work to achieve the goals contained in the County Solid Waste Management Plan as may be amended by the Authority from time to time.
- (20) Oakland Scavenger Company shall submit a progress report annually to the Authority commencing one year after all permits and contracts are in place, in accord with all approved schedules, concerning all conditions of the plan amendment. This includes progress toward a recycling, curbside collection, or other project in accord with the Authority prepared and approved plan. Progress toward a waste-to-energy facility to be included in progress report.
- (21) It is understood by the Authority that the amendment is not part of franchise agreements between OSC and member agencies.
- (22) Mitigation fees received from San Francisco shall go to an Authority interest-bearing account.
- (23) The Authority will adopt an expenditure plan to mitigate short- and long-term impacts of San Francisco importation within 6 months of State approval of the plan amendment, and after review of the expenditure plan by member agencies.
- (24) The initial priority for mitigation shall be to acquire, in public ownership, reserve landfill capacity sufficient to serve the needs of all Alameda County jurisdictions for a minimum fifty year continuous period.

- (25) Current Alameda County jurisdictions using the Altamont facilities of the Oakland Scavenger Company will have the same rights in future capacity as they have at present time and no Alameda County entity shall have to incur more expenses for disposal of municipal solid waste than they would incur if San Francisco does not import its waste after November 1, 1988.
- (26) Alameda County jurisdictions are to have first priority of use of Altamont landfill or such expanded replacement capacity at Altamont Sanitary Landfill or other site purchased by Oakland Scavenger Company or Authority.
- (27) Any future plan amendment to import waste for disposal in Alameda County will be considered only after clear independent evidence is presented demonstrating that sufficient long term landfill capacity exists within Alameda County for all Alameda County jurisdictions or that mitigation fees are provided by importers to acquire such additional capacity consistent with condition (26) above.
- (28) Prior to November 1, 1988, and at each 5 year interval after the start of importation, the Authority shall guarantee that there is sufficient permitted landfill capacity in Alameda County to meet the projected disposal needs of all Alameda County jurisdictions for a 50 year continuous period.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Lucas, Ganong, Fukson, Snyder, Morrison, Wieskamp, Cortez,
Riles (3), Mercer, Jardin, Eastin, Landis, Duncan
Total 15 votes

NOES: Fertig, Sweeney, Martin Total 3 votes

ABSTAIN: Creason

ABSENT: Campbell

WILLIAM H. FRALEY - SECRETARY
ALAMEDA COUNTY SOLID WASTE MANAGEMENT AUTHORITY