

ORANGE COUNTY SANITATION DISTRICT

August 2, 2004

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SUBJECT:

Response to Orange County Grand Jury Report, "Does Anyone Want

Orange County Sanitation District's 230,000 Tons of Biosolids?"

Per your request, and in accordance with Penal Code 993, enclosed please find the Orange County Sanitation District's (OCSD) response to the Orange County Grand Jury Report, "Does Anyone Want Orange County Sanitation District's 230,000 Tons of Biosolids?"

OCSD understands that the purpose of the study was to review OCSD's existing biosolids management programs and long-range plans to determine if modifications were warranted in light of recent public perception developments. The study provided recommendations on opportunities to enhance public acceptance of existing programs that must remain viable in order to extend the timeline for eventual conversion to more product-based options. The study also acknowledged the inevitable expenditure of funds significantly in excess of OCSD's current biosolids management budget in order to comply with the Grand Jury's recommendations.

OCSD believes that we are currently meeting our objective to recycle our biosolids through various options that protect public health and the environment. The report clearly illustrates the formidable and imminent challenges to the successful management Orange County's biosolids. To address these challenges, OCSD is dedicated to developing long-term sustainable options that include an increased production of Class A biosolids products.

OCSD greatly appreciates the Grand Jury's recommended actions to help bolster the public's acceptance of OCSD's biosolids management program. Please find attached specific responses to each of the Grand Jury's findings and recommendations. If you have any questions, please contact me at (714) 593-7110. The staff contact for this issue is Layne Baroldi and he may be reached at (714) 593-7456.

Blake P. Anderson General Manager

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RESPONSE TO THE ORANGE COUNTY GRAND JURY REPORT "DOES ANYONE WANT ORANGE COUNTY SANITATION DISTRICT'S 230,000 TONS OF BIOSOLIDS?"

FINDINGS

1. Public opposition to land application of Class B biosolids is increasing and long-term viability of the practice is tenuous.

Response: Agree with the finding.

2. Continuation of Class A biosolids land-application programs can postpone expenditure of funds to develop other viable alternatives.

Response: Agree with the finding.

Explanation: OCSD is continuing to diversify its biosolids program with the use of several biosolids management options. The continued use of the limited capacity at OCSD's biosolids management contractor's lime-stabilization and composting facilities will be of critical importance to bridge the gap until other sustainable alternative Class A biosolids management options are developed. The limited biosolids management capacity and the potential for adverse regulatory developments mandate that OCSD immediately pursue other viable alternatives. The development of other viable sites will take a minimum of two years to acquire, permit, and develop. As such, OCSD's Board of Directors has approved an amendment to an existing contract to compost a minimum of 200 tons per day at a state-of-the-art facility being developed in Kern County. Additional biosolids management contracts are expected to be entered in early 2005.

3. Developing alternatives to replace Class B biosolids land-application programs will increase the cost of beneficially using biosolids.

Response: Agree with the finding.

Explanation: The current cost to manage OCSD's biosolids ranges from \$36.00 to \$45.50 per ton. OCSD's recently completed Long-range Biosolids Management Plan (LRBMP) and subsequent staff analysis revealed the following estimated cost information on the most publicly acceptable Class A biosolids management options:

Technology	Permitting/Siting Concerns	Start Date (Est.)	Cost per Ton (\$ Est.)
Soil Production	Mix with contaminated soilsAir emissionsProduct market	2005	\$45 - \$55
Energy Production	Air emissionsLack of proven technologiesCapacity issues	2005 2006+	\$50 - \$65+
Compost/ Fertilizer Manufacturing	 Land use/zoning requirements EIR requirements Potential for odor complaints Product marketing 	2007	\$50 - \$75+
Dryer/ Pellitizer	On-site location preferredUndeveloped market in CAFire potential	2006 2007	\$60 - \$100+

4. Public tolerance for Class A biosolids land-application projects can be enhanced by demonstrating commitment to protecting public health and addressing nuisance issues.

Response: Agree with the finding.

Explanation: OCSD's LRBMP stresses that OCSD only pursue the creation of "product" types of Class A biosolids that do not have the potential to cause a nuisance. Production of Class A biosolids that could create nuisance conditions, similar to that associated with Class B biosolids, will not be pursued as a long term biosolids management option.

5. Participating in EPA programs to develop a national incident report data system, conducting surveys of emerging compounds and pathogens in waste streams, and implementing monitoring programs at a land-application site would demonstrate OCSD's commitment to protecting public health and addressing nuisance issues.

Response: Agree with the finding.

Explanation: OCSD has previously participated in several EPA surveys on biosolids. OCSD remains committed to participate in any EPA program (including the development of a national incident reporting system and participation in a biosolids contaminant survey) that furthers the public acceptability of biosolids. OCSD is also participating in the University of

Arizona's Water Quality Center effort to investigate public concerns related to the land application of biosolids.

RECOMMENDATIONS

1. Orange County Sanitation District phase out Class B biosolids land-application programs except in remote locations where no nearby residents will be impacted (Finding 1).

Response: The recommendation has been implemented.

Explanation: With the March 2004 relocation of operations from Nye County, Nevada, OCSD's two remaining Class B biosolids land application programs already comply with this recommendation.

OCSD has committed to increase its diversity of products (e.g., compost, a consumer-friendly product, and land application of both Class A and Class B farm fertilizers). OCSD believes that, when practiced in the appropriate area (remote with minimal public impacts), Class B can be a viable biosolids management option. Federal, state, and local jurisdictions are still supportive of Class A and/or Class B management options. It is also important to note that OCSD is committed to minimize public impacts from all our biosolids end-use operations.

2. Orange County Sanitation District develop plans to stabilize all biosolids through lime application and/or composting to Class A standards (Findings 1 and 2).

Response: The recommendation is being implemented.

Explanation: OCSD's biosolids management contractors are currently converting more than 60% of its Class B biosolids to Class A biosolids through either lime stabilization or composting. On April 28, 2004, the OCSD Board of Directors approved an amendment to the Synagro contract to compost a minimum of 200 tons of Class B biosolids to Class A biosolids compost at a facility that is being developed in Kern County. OCSD's recently completed LRBMP also recommends that OCSD transition from Class B biosolids land application to the production of Class A biosolids "products". These Class A biosolids products include not only lime-stabilized biosolids and compost, but also Class A biosolids pellets and soil products. Requests for proposal consistent with both the LRBMP and this recommendation have been issued.

3. Orange County Sanitation District formulate a schedule and costs for implementing a long-range biosolids management plan, and inform the public of anticipated cost increases (Findings 2 and 3).

Response: The recommendation is being implemented.

Explanation: As stated in the response to Finding No. 3, costs to manage OCSD's biosolids are expected to increase from the current range of \$36.00 to \$45.50, with the potential to increase to over \$100 per ton. Through a webbased solicitation, OCSD has formed a Biosolids Advisory Committee (BAC) of interested parties to obtain public input in the future development of OCSD's biosolids management program consistent with the LRBMP and the Grand Jury's recommendations. The BAC will be made aware of the various Class A biosolids management technologies and their associated costs. All recommended contracts, including cost impacts, will be publicly noticed on OCSD's web site and emailed to OCSD's interested stakeholders.

4. Orange County Sanitation District explore opportunities to partner with EPA in developing an incident-report data system, conducting a local survey of emerging compounds and pathogens in sewage wastes, and/or implementing a monitoring program at a biosolids land-application site (Findings 4 and 5).

Response: The recommendation is being implemented.

Explanation: OCSD is committed to partner in any EPA program (including the development of a national incident reporting system and participation in a biosolids contaminant survey) that furthers the public acceptability of biosolids. OCSD biosolids management staff maintain leadership roles in national wastewater management associations that work with EPA and other stakeholders on the development and implementation of a national incident reporting system. OCSD will continue to participate in any and all biosolids contaminant surveys performed by EPA.