

Milk Producers Council

PROJECT MEMORANDUM

Subject: Environmentally Friendly Composting Technology Pilot Projects

Stakeholder Meeting Report

Meeting Date: June 10, 2004; 10:00 am

Meeting Location: Inland Empire Utilities Agency, Chino

Attendees: See attached List
Agenda: See attached Agenda
Minutes Prepared by: Charles Egigian-Nichols

Introduction & Purpose of Meeting- John Gundlach and Bob Feenstra briefly introduced the purpose of the meeting and led a round of self introductions. The meeting objectives were to understand the issues and opportunities regarding composting technology assessments targeting dairy manure management and develop a consensus and support for going forward with an environmentally friendly composting technology pilot project.

Background- John Gundlach provided an overview of the IEUA Organics Management Strategy and how the existing co-composting facility will phase out, starting in January of 2006. The facility is expected to be closed effective December 2006. IEUA processes about 50,000 tons per year of biosolids and 200,000 tons per year of local dairy manure. IEUA will be relocating from this facility consistent with an agreement to sell the land. The biosolids portion of the feedstock to this facility will be delivered to the new Inland Empire Regional Composting Facility. At present the manure does not have a new home.

Bob Feenstra provided an overview of the status of the dairy industry and manure management in the Inland Empire area. Regulatory restrictions from the Santa Ana Regional Water Quality Control Board and South Coast Air Quality Management District will soon eliminate manure recycling on croplands throughout much of Southern California. These regulatory provisions will take effect over the next 18 to 24-months. That means as much as 800,000 tons per year of manure will need to find a new home in addition to the 200,000 tons per year currently composted at the Inland Empire Utilities Agency (IEUA) Co-Composting Facility. Water and air quality considerations are driving the need for this upgraded level of organic material management.

Laki Tisopulos of the South Coast Air Quality Management District provided an overview of the AQMD Proposed Rule 1127 targeting air emissions from dairy sources in the air basin. The rule is likely to be adopted before the end of this calendar year. The rule is likely to mandate additional corral cleaning (from current minimum of 2-times per year to 4-times per year); and either removal of manure from the air basin or if manure is processed for example through composting systems a minimum 80% reduction of non-methane volatile organic compounds and ammonia compared to the baseline of windrow composting.

The ability of new composting technologies to economically attain the 80% reduction in emissions versus the windrow composting has not yet been verified. The point of completing the testing is to assess and

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verify the technology's ability to achieve these criteria for emission reduction while being economically viable for the dairy and organics management industry.

Discussion of Composting Technology Pilot Project- An overview of the suggested pilot project was provided including a draft project schedule. An Issues Summary and Fact Sheet along with draft project schedule are attached. The project is anticipated to require up to 3-years to complete in various phases. Initial results are expected to be available within 6 to 9-months of starting the project.

A number of specific items regarding the project were discussed.

- Several members present expressed support for the project through either direct funding or inkind services assistance
- The next document that comes out needs to explain in more depth the project goals and target deliverables expected from the work
- Soon the team needs to develop a detailed testing plan including protocols
- The project goals need to be sharply focused in relation to the project timeline. The work needs to start with recipes focused on manure management issues followed by blending in alternative feedstocks.
- Concern was mentioned regarding the composting pilot projects creating material that will need
 to marketed. The operations plan needs to provide procedures and documentation for how
 composted products will be managed.
- The potential cost of emission monitoring that may be required for SC AQMD could be quite high. The budget for the project including in-kind services needs to be developed in detail.
- Concerns by facility neighbors were mentioned regarding the potential for increased odor, nuisances, or traffic. These issues must be addressed in the project plan.
- The ability of the pilot project to assess overall economics of implementation and scale-up was discussed. This could be an important challenge to the project.
- Concern was mentioned regarding public outreach and government relations regarding the pilot project.

Discussion of Conservation Innovation Grant Application- In support of this proposed pilot project on May 28, 2004, IEUA submitted a grant request application to the United States Department of Agriculture, Natural Resources Conservation Service for a Conservation Innovation Grant under the Environmental Quality Incentives Program. An abstract of the grant application is attached. The request was for \$150,000 of federal funds to be matched with a like amount by local sources. The project objectives were to demonstrate to the local air regulatory agency (South Coast Air Quality Management District, AQMD) that alternative, cost efficient composting technologies will achieve the needed volatile organic compounds (VOC) and ammonia emission reductions. At this time there is still no decision available from USDA regarding the Conservation Innovation Grant request.

Discussion of Next Steps- The group discussed next steps which are summarized below:

- 1. Numerous meeting participants supported the proposed project
- 2. The IEUA/MPC team needs to develop and supply a testing results statement indicating the anticipated deliverables from completing the project (see attached draft Implementation Plan)
- 3. The IEUA/MPC team needs to develop and supply a detailed draft testing plan that should include appropriate government relations and public outreach. It was noted that a major focus of EQIP grants includes technology transfer and outreach. (see attached draft Implementation Plan)

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- 4. The testing plan should include information resulting from the composting pilot testing accomplished at Griffiths Park in Los Angeles.
- 5. Schedule a next project meeting tentative date set for September 16, 2004 at 10 AM @ IEUA office.

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