

**Cold Creek Compost, Inc. &
Stage Gulch Organics**

Response to

**Sonoma County Waste
Management Agency**

**Request for Organics Materials
Processing Services**

January 16, 2018

January 11, 2018

Patrick Carter
Executive Director
Sonoma County Waste Management Agency
2300 County Center Drive, Suite B-100
Santa Rosa, CA 95403

**Subject: Cold Creek Compost, Inc. and Stage Gulch Organics
Response to Request for Proposals for Organic Materials Processing Services**

Dear Mr. Carter,

We are pleased to submit Cold Creek Compost, Inc. ("Cold Creek") and Stage Gulch Organics' ("SGO") response to the Sonoma County Waste Management Agency's ("SCWMA") Request for Proposals ("RFP") for Organic Materials Processing Services. Pursuant to the requirements of the RFP, the contact and statement information are detailed in the following two pages.

Contact Information

Martin Mileck, President
Cold Creek Compost, Inc.
6000 East Side Potter Valley Road
Ukiah, CA 95482
Phone (707) 485-5966
Fax (707) 485-7048
E-mail martin@coldcreekcompost.com

Allan Tose, Project Manager
Stage Gulch Organics
561 Broadway, Suite A
Sonoma, CA 95476
Phone (707) 738-1398
Fax (707) 938-8719
E-mail allantose@gmail.com

Type of Organization

Cold Creek Compost, Inc. – Corporation
NorCal Ag, LLC dba Stage Gulch Organics

Name of Entity to Sign Agreement

Cold Creek Compost, Inc. and Stage Gulch Organics

Statement of Review

Cold Creek Compost, Inc. and Stage Gulch Organics confirm that they have examined, understand, and agree to the terms of the Draft Agreement(s).

Statement of Receipt

Cold Creek Compost, Inc. and Stage Gulch Organics confirm that all of the requirements of the Agreement as described in the RFP documents, its enclosures, and all addenda have been thoroughly reviewed. This includes Addendum #1 received on July 7, 2017, Addendum #2 received on July 27, 2017, Addendum #3 received on September 22, 2017, Addendum #4 received on November 21, 2017, and the eight (8) documents listed on page 11 of the RFP. Cold Creek Compost, Inc. and Stage Gulch Organics have conducted the necessary due diligence to confirm all material facts upon which the proposals are based.

Statement of Validity

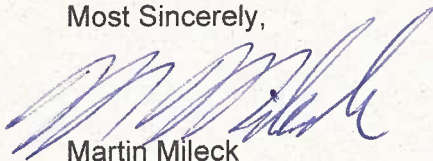
Cold Creek Compost, Inc. and Stage Gulch Organics confirm that the proposal contents, including the proposed tipping and pricing, are valid for a period of two hundred sixty (260) days.

Statement of Acknowledgement

Cold Creek Compost, Inc. and Stage Gulch Organics acknowledge that they will enter into an Agreement(s) with the SCWMA if selected.

We appreciate your time in reviewing the Cold Creek Compost and Stage Gulch Organics proposal. The Cold Creek Compost, Inc. and Stage Gulch Organics team looks forward to working with the SCWMA staff and Board if selected for the SCWMA's Organics Material Processing Services. Please feel free to contact Martin Mileck, (707) 485-5966, or Allan Tose, (707) 738-1398, if you have any questions or require additional information.

Most Sincerely,



Martin Mileck
President
Cold Creek Compost, Inc.



Allan Tose
Project Manager
Stage Gulch Organics



KOSICH FAMILY

INSURANCE SERVICES

January 15, 2018

Cold Creek Compost. Inc.

6000 Eastside Potter Valley Road

Ukiah, CA 95482

RE: Performance Bond for Sonoma County Waste Management Agency

Dear Martin

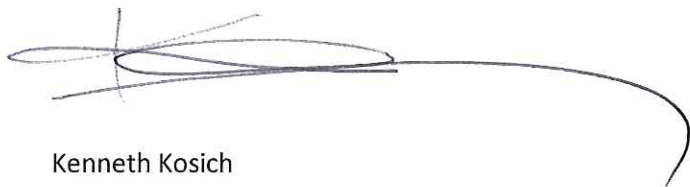
This is to advise and confirm we have you approved for a \$1,000,000 performance Bond but are unable to obtain such or a formal commitment from the bonding Company. This is due to not being able to provide them a copy of the contract showing the time period of the contract.

Again you as a Company qualify for a \$1,000,000 bond, there are just too many "what ifs" and open areas of the bid specifications a formal commitment cannot be made.

If you have any additional questions, do not hesitate to communicate with me

Good Luck on your proposal

Regards



Kenneth Kosich

Kosich & Callahan Ins Agency

3435 Mt Diablo Blvd Ste 300
Lafayette, CA 94549
925-284-3911

CA Lic# 0802662

Web: Kosich.com

Kosich Family Insurance Services LLC

14872 Lakeshore Drive
Clearlake, CA 95422
707-994-7214

Email: Corp@Kosich.com

643 South Main St. Ste. A
Ukiah, CA 95482
707-462-7609

CA Lic# 0H23452

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 1

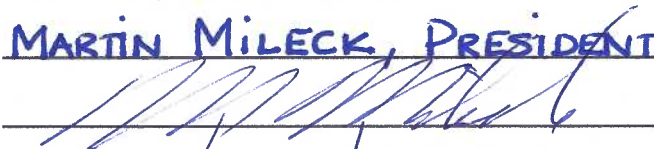
Issued – July 7, 2017

THEREFORE: All Applicants are required to sign this page of this Addendum No. 1, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

**Sonoma County Waste Management Agency
Patrick Carter
Executive Director**

ADDENDUM NO. 1 DATE: July 7, 2017

COMPANY / AGENCY NAME: COLD CREEK COMPOST, INC.
6000 E. SIDE POTTER VALLEY RD.
COMPANY ADDRESS: UKIAH, CA 95482
REPRESENTATIVE'S NAME: MARTIN MILECK, PRESIDENT
SIGNATURE: 
DATE: 1/12/18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 2

Issued – July 27, 2017

All Applicants are required to sign this page of this Addendum No. 2, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

**Sonoma County Waste Management Agency
Patrick Carter
Executive Director**

ADDENDUM NO. 2 DATE: July 27, 2017

COMPANY / AGENCY NAME:

COLD CREEK COMPOST, INC.

COMPANY ADDRESS:

6000 E. SIDE POTTER VALLEY RD.
UKIAH, CA 95482

REPRESENTATIVE'S NAME:

MARTIN MILECK, PRESIDENT

SIGNATURE:



DATE:

1/12/18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 3

Issued –September 22, 2017

All Applicants are required to sign this page of this Addendum No. 3, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

**Sonoma County Waste Management Agency
Patrick Carter
Executive Director**

ADDENDUM NO. 3 DATE: September 22, 2017

COMPANY / AGENCY NAME:

COLD CREEK COMPOST, INC.
6000 E. SIDE POTTER VALLEY RD.
UKIAH, CA 95482

COMPANY ADDRESS:

REPRESENTATIVE'S NAME:

MARTIN MILECK, PRESIDENT

SIGNATURE:



DATE:

1/12/18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 4


Issued –November 21, 2017

All Applicants are required to sign this page of this Addendum No. 4, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

**Sonoma County Waste Management Agency
Patrick Carter
Executive Director**

ADDENDUM NO. 4 DATE: November 21, 2017

COMPANY / AGENCY NAME: COLD CREEK COMPOST, INC.
COMPANY ADDRESS: 6000 E. SIDE POTTER VALLEY RD.
LIKIAH, CA 95482
REPRESENTATIVE'S NAME: MARTIN MILECK, PRESIDENT
SIGNATURE: 
DATE: 1/12/18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 1

Issued – July 7, 2017

THEREFORE: All Applicants are required to sign this page of this Addendum No. 1, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

Sonoma County Waste Management Agency
Patrick Carter
Executive Director

ADDENDUM NO. 1 DATE: July 7, 2017

COMPANY / AGENCY NAME:

STAGE GULCH ORGANICS

COMPANY ADDRESS:

561 BROADWAY, SUITE A
SONOMA, CA 95476

REPRESENTATIVE'S NAME:

ALLAN TOSE, PROJECT MANAGER

SIGNATURE:



DATE:

1-11-18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

Addendum No. 2

Issued – July 27, 2017

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Patrick Carter
Executive Director**

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STAGE GULCH ORGANICS

COMPANY ADDRESS:

561 BROADWAY, SUITE A
SONOMA, CA 95476

REPRESENTATIVE'S NAME:

ALLAN TOSE, PROJECT MANAGER

SIGNATURE:



DATE:

1-11-18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

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Thank you for your participation,

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Patrick Carter
Executive Director**

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COMPANY / AGENCY NAME: STAGE GULCH ORGANICS

COMPANY ADDRESS: 561 BROADWAY, SUITE A
SONOMA, CA 95476

REPRESENTATIVE'S NAME: ALLAN TOSE, PROJECT MANAGER

SIGNATURE: 

DATE: 1-11-18

**Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services**

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Patrick Carter
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COMPANY / AGENCY NAME: STAGE GULCH ORGANICS
COMPANY ADDRESS: 561 BROADWAY, SUITE A
SONOMA, CA 95476
REPRESENTATIVE'S NAME: ALLAN TOSE, PROJECT MANAGER
SIGNATURE: 
DATE: 1-11-18

Cold Creek Compost, Inc. & Stage Gulch Organics
Sonoma County Waste Management Agency - Request for Organics
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5.0B Forms – Stage Gulch Organics

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No Proposed Service Alternatives/Exceptions	
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EXECUTIVE SUMMARY

The Cold Creek Compost, Inc. (“Cold Creek”) and Stage Gulch Organics (“SGO”) team is pleased to present this executive summary for Organics Materials Processing Services for the Sonoma County Waste Management Agency (“SCWMA”). The team’s innovative approach to organics materials processing services utilizes an existing composting operation in Mendocino County coupled with the development of a new, state of the art composting facility located in Sonoma County. The following provides an overview of each facility in addition to a summary of the team’s proposal.

Cold Creek Compost, Inc.

Cold Creek Compost is a fully permitted large-scale, commercial composting facility located in Mendocino County that has been in operation since 1995. The facility is located approximately 10 miles northeast of the City of Ukiah in the approximate center of the 2,700 acre Guntly Ranch.

Martin Mileck, who has over 30 years of composting experience, designed and constructed the facility at the request of the State. Cold Creek was the first fully permitted compost facility in Northern California as well as one of the first compost facilities in the State to be a no discharge facility. A no discharge facility means that no leachate or contaminated storm water is discharged to waters of the United States, allowed to leave the facility, or impact ground or surface waters.

Cold Creek is permitted to accept the widest range of feedstocks in the region, including: agricultural materials, food materials, green materials, wood materials, and chicken manure/chicken products. Cold Creek’s currently permitted annual tonnage is 50,000 tons. The facility composted over 42,640 tons of incoming feedstocks in 2016, including 16,421 tons of SCWMA organic material, and achieved an astounding 99.6% recovery rate making it one of the most efficient composters in the region.

In addition to a current contract with the SCWMA, Cold Creek has long-term contracts with the City of Fort Bragg, Mendocino County, Solid Waste of Willits, and other private businesses. In addition to municipal materials, Cold Creek has been receiving and composting chicken manure from Sonoma County and providing high quality compost to Sonoma County vineyards and agricultural operations since opening the facility in 1995.

Cold Creek currently utilizes an aerated static pile (“ASP”) composting system that uses an above ground forced aeration system to push or pull air through the piles. Materials are composted in the ASP for up to three (3) months, upon which the materials are transferred to the roofed area of the facility where they undergo the second stage of composting. After the second stage, the material is screened to 3/8’s of an inch. All overs that result from screening are cycled back into the composting process.

As part of Cold Creek’s long-term strategy, the facility is planning a proposed expansion and an increase to the annual permitted tonnage to 200,000 tons. While construction details are still under refinement, the proposed expansion will utilize a Turned Aerated Pile (“TAP”) design that incorporates the use of biofilters and re-use of leachate through a system of collection and retention ponds. TAP systems are cost-effective and designed to control potential environmental impacts, including storm water contamination and odors, while maintaining optimal pile conditions during composting. The TAP system at Cold Creek will combine efficient turning with watering systems and biofilters supported by reversing aeration control technology that is computerized in order to optimize composting conditions for all types of feedstocks.

Due to the unique blend of feedstocks and comprehensive composting process, Cold Creek's finished compost typically has double the fertilizer value and superior biological activity than any other green materials compost on the market. Cold Creek's Agrow-Blend compost has been listed by the Organic Materials Review Institute ("OMRI") since 1998 and the Grower's Choice planter mix has been OMRI listed since 2010. In addition, the Agrow-Blend compost is registered by the California Department of Food and Agriculture ("CDFA") and approved for use by Mendocino Renegade, a local certification recognized by consumers and farmers that produce high quality, biologically produced food. In August of 2017, Cold Creek received U.S. Congressman Jared Huffman's Sustainable North Coast award for excellence in environmental sustainability.

The Cold Creek Compost and Stage Gulch Organics' innovative approach to processing organics materials for the SCWMA begins with the award winning composting operation in Mendocino County. Cold Creek proposes to accept wood waste, green waste, mixed organic materials, commercial food scraps, and other organic materials from the SCWMA. Cold Creek can commit to receiving 17,000 tons of materials from the SCWMA annually in the short term (2 to 4 years) at a proposed price of \$38 per ton, with annual CPI adjustments as stipulated in the RFP. Upon completion of the proposed expansion, Cold Creek will commit to receiving and composting 80,000 to 100,000 tons of materials annually from the SCWMA.

Stage Gulch Organics

The Stage Gulch Organics Composting Facility ("SGO"), previously known as Site 40, is planned as a state of the art composting operation in Sonoma County. The site is located at the northwest corner of the intersection of Stage Gulch Road (State Route 116) and Adobe Road, approximately 2.5 miles east of the City of Petaluma in unincorporated Sonoma County. In a June 16, 2008 Composting Facility Siting Study prepared by HDR Engineering, Inc. for the SCWMA, Stage Gulch Organics was identified as the **number 1** location for a composting facility in Sonoma County out of 36 sites analyzed.

Through a partnership with the operator of Cold Creek Compost and the property owners of Stage Gulch Organics site, who are deeply invested in the Sonoma County community and agriculture, the SGO Facility is being designed and permitted with an initial annual capacity of 100,000 tons. As proposed for the Cold Creek expansion, SGO will utilize the TAP system composting technology. This technology will allow for one of the most efficient composting operations on the smallest footprint while maintaining the highest output possible. SGO will be constructed to handle Sonoma County's organic materials stream and, in combination with the increased capacity at Cold Creek, allow for consolidation of the County's organics, thereby reducing the costs of haul while providing a long-term solution for Sonoma County's organics management.

Following in the Cold Creek tradition, finished compost at the SGO Facility will be OMRI listed, CDFA registered, and maintain the highest quality due to the unique blend of feedstocks that will be utilized. Finished compost and planter mixes will be crafted in Sonoma County and widely available to support Sonoma County's agricultural needs.

SGO proposes to accept wood waste, green waste, mixed organic materials, commercial food scraps, and other organic materials. SGO is committed to the SCWMA and proposes a long term approach to accept 60,000 to 80,000 annual tons of organic materials from the SCWMA. SGO proposes a price per ton of \$50.00, plus annual CPI adjustments as stipulated in the RFP, for a 20-year commitment, and \$62.50 per ton for a 15-year commitment.

Summary

Described in more detail in the Technical Proposals, the principal benefits of the Cold Creek Compost and Stage Gulch Organics joint approach include the following:

Brings Commercial Composting Back to Sonoma County

- In the short term, Cold Creek will continue to provide high quality compost at affordable pricing to Sonoma County.
- In the long term, the joint approach provides a local, in-County solution for the management of the County's organic materials and a sustainable fertilizer option for the local agriculture community.

Increased Waste Diversion

- Both facilities will be permitted to accept and compost a wide range of materials, including: agricultural materials - manures, trimmings, and residues; food materials - meat, dairy, soiled paper; green materials; and wood waste, resulting in increased waste diversion.
- The joint approach will assist Sonoma County and local jurisdictions in meeting the State's requirements for waste diversion.

Reduction in Greenhouse Gas Emissions

- The joint approach provides a significant reduction in GHG emissions compared to outhauling organic materials, in addition to a reduction in GHG emissions associated with composting uncaptured materials presently being landfilled.

Cost Savings for Sonoma County Residents

- The end result for the SCWMA and ratepayers includes a reduction in the costs of outhauling organic materials in addition to savings for local farmers by reducing transportation costs for the delivery of finished products from SGO upon completion.
- The cost effective tip fees, coupled with increased diversion, will result in lower costs for Member Agencies as opposed to landfilling organic materials.

Consolidation of Organic Materials at Two Facilities

- Cold Creek Compost and Stage Gulch Organics, in combination, will be permitted and constructed to compost the entirety of Sonoma County's organic materials.

Compliance with All Regulatory Requirements Including Storm Water Management

- Cold Creek Compost is currently a no discharge facility and complies with all local and State regulations. Both the Cold Creek expansion and new SGO Facility will comply with all local and State regulations and operate as no discharge facilities.

Since inception in 1995, Cold Creek's mission has been predicated on crafting high quality compost for use in agriculture. The operation has always considered organic materials a valuable resource rather than a waste management issue. The Cold Creek mission continues today and will be replicated at the SGO site. The Cold Creek and SGO goals are consistent with the goals of the SCWMA and the Member Agencies as outlined on page 9 of the RFP. The objectives of

both facilities are also consistent with the community's needs as detailed in the Sonoma County Compost Facility Community County Survey ("survey"). Pursuant to the responses in the survey, over 90% of respondents desire a composting facility that is located in Sonoma County, over 73% of respondents prefer a composting facility, and almost 78% of respondents desire high end compost for agriculture. The Cold Creek Compost and Stage Gulch Organics approach meets all of these needs and serves as one of the best options for managing Sonoma County's organic materials now and for the future.

2.0 Qualifications

2.1 Key Staff Persons – Please See Bios in This Section

- Martin Mileck, Cold Creek Compost President – SCWMA Service Supervisor
- Sean O'Rourke, Cold Creek Compost Vice President
- Bradley Benson, Cold Creek Compost Operations Manager
- Shannon More, Cold Creek Compost Accounts and Project Specialist – SCWMA Collection Service Manager
- Allan Tose, Stage Gulch Organics Project Manager
- Eric Frost, Stage Gulch Organics Project Coordinator
- Frank Escobar, Stage Gulch Organics Property Owner

2.2 Staff Responsibilities

- Martin Mileck – Design, construction, operation, oversight, and management for Cold Creek Compost and the proposed Stage Gulch Organics
- Sean O'Rourke – Project management, permitting, compliance, and administration for Cold Creek Compost and Stage Gulch Organics
- Bradley Benson – Oversight of all operations at Cold Creek Compost and advisor for Stage Gulch Organics
- Shannon More – Accounting, invoicing, and weighmaster for Cold Creek Compost and advisor for Stage Gulch Organics
- Allan Tose – Project lead, permitting, property owner liaison, and project management for Stage Gulch Organics
- Eric Frost – Research, project assistance, project management, and property owner liaison for Stage Gulch Organics
- Frank Escobar – Property owner, project management, and financials for Stage Gulch Organics

2.3 References

- Empire Waste Management
 - Steve Shamblin, District Manager
219 Pudding Creek Road
Fort Bragg, CA 95437
Phone: (707) 964-9172
- Petaluma Poultry
 - Matt Junkel, Director of Operations
PO Box 7368
2700 Lakeville Hwy
Petaluma, CA 94955-7368
Phone: (707) 364-7708
- Petaluma Farms
 - Steve Mahrt, Owner
311 McBrown Road
Petaluma, CA 94952
Phone: (707) 763-0921

- Solid Waste of Willits
 - Jerry Ward, President
PO Box 1425
Willits, CA 95490
Phone: (707) 459-4845

2.4 Conflict of Interest Statement

Cold Creek Compost, Inc. and Stage Gulch Organics warrants that no gratuities have been or will be offered or given by Cold Creek Compost, Inc. or Stage Gulch Organics, or any agent or representative of Cold Creek Compost, Inc. or Stage Gulch Organics, to any officer or employee of the SCWMA or any participant in the selection of a Proposer to furnish the services described in the RFP in order to secure favorable treatment regarding the evaluation, scoring, and Agreement award process.

2.5 Litigation and Notice of Violation History

There have been no claims, settlements, arbitrations, litigation proceedings, or civil actions involving \$100,000 or more against Cold Creek Compost, Inc., Stage Gulch Organics, or its principals. Nor have there been any criminal actions in which Cold Creek Compost, Inc., Stage Gulch Organics, partners or principals were involved.

There are no current or threatened legal actions in California against Cold Creek Compost, Inc., Stage Gulch Organics, or its principals by a government entity contracting with Cold Creek Compost, Inc. or Stage Gulch Organics for services relating to solid waste management, or against such a government entity by Cold Creek Compost, Inc. or Stage Gulch Organics.

Notice of Violations in Last Five (5) Years

In 2013, Cold Creek Compost received nine (9) notice of violations (“NOVs”) all related to the same issue which equated to a misunderstanding over the exact limit of the Facility’s operational boundaries and the storage of finished compost.

The Mendocino County Local Enforcement Agency (“LEA”) issued NOVs on 3/21/13, 4/25/13, 5/23/13, 6/20/13, 7/30/13, 8/27/13, 9/25/13, 10/30/13, and 11/26/13. Copies of the LEA inspection reports are included in this section for reference.

This issue was resolved through a cooperative and collaborative effort with the Facility operator, the Mendocino County LEA, and CalRecycle. No NOVs or Areas of Concern have been received since 2013, and Cold Creek Compost has never received a cease and desist order from any regulatory agency or had any permit, franchise, license, entitlement, or business license suspended or revoked.

No liquidated damages, administrative fines, charges, or assessments that total more than fifty thousand dollars (\$50,000) or greater in any one (1) calendar year during the last five (5) years have been paid by Cold Creek Compost to any public agency as a result of solid waste management services provided by Cold Creek Compost.

There have been no claims against a bid, proposal, or performance bond, or any contractual defaults or termination against Cold Creek Compost, Inc. in the last fifteen (15) years.

KEY STAFF BIOS

Martin Mileck, Cold Creek Compost Founder and President

Martin is a compost innovator and pioneer with over thirty years of experience in compost production. Martin recognized early in his career that there was a more sustainable approach as opposed to discarding valuable organic materials and covering these resources in landfills. Applying his professional background in agriculture and early experiences in mushroom farming, Martin was convinced that a balanced, ecological approach was necessary. He began converting organic materials to compost and created sustainable fertilizer options for growing crops. Martin is a leader in sustainable materials management and has dedicated his life to crafting high quality, nutrient rich fertilizers and soil amendments for sustainable agriculture.

Martin's first composting operation was originally established in Hopland. The State of California approached Martin, encouraging him to develop a commercial scale composting facility, and in 1995 Cold Creek Compost became the first fully permitted compost facility in Northern California. As founder and operator of Cold Creek Compost, Martin is applying his years of experience and knowledge to help develop a state of the art composting facility in Sonoma County. In addition to starting Cold Creek Compost, Martin's first business, M&M Feed and Supply, opened in 1983 in Covelo, CA. M&M is a thriving supply and hardware store with 25 employees and over \$6,000,000 in annual revenue. In addition to being a skilled and successful entrepreneur, Martin enjoys snowboarding, waterskiing, riding dirt bikes, and racing cars in his free time.

Sean O'Rourke, Cold Creek Compost Vice President

Passionate about the environment, Sean started his career with a nonprofit land trust in the Bay Area. His experiences propelled him into a career focused on land use planning, permitting, and resource recovery. Sean understands the regulatory world, having worked both sides of the counter as a City planner and as a project manager in private real estate development. While working for Recology in San Francisco, Sean's focus evolved and he has been working in the resource recovery industry and composting operations since 2010. A move back to the Mendocino coast provided a fortuitous opportunity with Cold Creek Compost, where Sean serves as Vice President and is involved with all aspects of the operation, from human resources and marketing to regulatory compliance. Sean has an acute understanding of the benefits of composting and continues to utilize this knowledge, coupled with his experience in project management, permitting, operations, and compliance, while serving as a team member of Cold Creek Compost and Stage Gulch Organics.

When not reviewing regulations and planning documents, Sean can be found hiking, hunting mushrooms, and working in the garden using Cold Creek's Agrow-Blend and Growers Choice products.

Bradley Benson, Cold Creek Compost Operations Manager

Brad serves as the Cold Creek Compost Operations Manager, overseeing the facility's daily operations, improving compost production, maintaining costs and efficiencies, and ensuring employee safety. Brad has over 35 years of management and manufacturing experience and has been managing Cold Creek Compost's operations since November 2016. Brad's extensive manufacturing experience and management of large numbers of employees have helped to improve Cold Creek's efficiencies by streamlining operational capacities and ensuring the right

balance of employees to meet the facility's needs. Under Brad's leadership, Cold Creek has increased compost production while improving the finished product. When Brad is not managing Cold Creek's operations, he can be found enjoying watersports and hot weather.

Shannon More, Cold Creek Compost Accounts and Project Specialist

Shannon brings her extensive knowledge in accounting, payroll, QuickBooks, and customer service to Cold Creek Compost as the Accounts and Project Specialist. Shannon came to Cold Creek from the wine and vineyard industry and is responsible for the professional and efficient administration of Cold Creek's office, guaranteeing that all orders are processed and shipped on time.

Shannon is the friendly voice when customers call to place an order or deliver materials. She manages all of Cold Creek's invoicing and payroll to ensure timely payments. When not running the Cold Creek office, Shannon can be found taking care of her numerous animals, including horses, dogs, pigs, and peacocks, working in the garden, and riding dirt bikes.

Allan Tose, Stage Gulch Organics Project Manager

Allan was raised in Sonoma County and graduated from California State University Sonoma with a BS degree in Business Management and Economics. He is an agricultural Realtor and development consultant with over 40 years of experience in Sonoma County. Allan is responsible for coordinating the permitting process and facility engineering for Stage Gulch Organics and serving as the stakeholder liaison.

Allan specializes in the development and sale of properties with growth potential, including land for vineyards, ranches, estate, and investment purposes. Clients include wineries, commercial investors, and owners intending to build onsite. Allan assists his clients in navigating the complexities of land use, permitting, and environmental review with government agencies. He is assiduous at perfecting entitlements in order to develop, finance, or sell his clients' properties.

Allan is passionate about preserving and protecting the environment and creating affordable housing. When not assisting his clients, Allan enjoys hiking the trails in Sonoma and Marin counties and visiting western National Parks.

Eric Frost, Stage Gulch Organics Project Coordinator

Eric is a seasoned real estate veteran and currently an agent with the Century 21 (Bundesen) Petaluma office. Eric specializes in properties with land use potential and has over 30 years of experience in project permitting, facility design, and agency process. Since May of 2009, Eric has been dedicated to carefully guiding and fostering the development of a state of the art composting facility in Sonoma County that is environmentally compliant, cost effective, and serves to provide high quality compost for all of the County's agricultural needs.

When not working or spending time with family, Eric can be found shaping surfboards or surfing between Dillon Beach and Salmon Creek.

Frank Escobar, Stage Gulch Organics Property Owner

Frank has deep ties to Sonoma County, including the proposed site for Stage Gulch Organics where his maternal grandfather worked as a dairyman and his aunt and cousins reside. Frank grew up in the farming community of Crows Landing, California and helped his family produce lima beans, almonds, and walnuts from age eight to nineteen.

Frank attended college at the University of California, Berkeley, earning degrees in mathematics and economics. Following college, Frank worked for the Toronto Dominion's security trading division. He then returned to UC Berkeley's Haas School of Business and graduated with a Master's in Financial Engineering.

Frank is a financial analyst for BlackRock, the largest asset management company in the world, and recent recipient of BlackRock's prestigious Principle Award. When Frank is not crunching numbers, he enjoys spending time with his wife and two young children.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency:		County of Mendocino	
SWIS Facility File Number (99-xx-9999)		Inspection Date	
23-AA-0029		3/21/2013	
<input checked="" type="checkbox"/> LEA Periodic	CalRecycle Closed Sites	CalRecycle Focused	
<input type="checkbox"/> LEA Focused	CalRecycle Enforcement Agent	CalRecycle Periodic	
Inspection Time	2	Time In	Time Out
Facility Name		Received By	
Cold Creek Compost, Inc.		Cold Creek Compost, Inc	
Facility Location		Owner Name	
6000 Potter Valley Road, Ukiah 95482			
Inspector		Also Present (Name)	
Philips Chou		Felix Zurita (CCC)	

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	Finished compost is stored off the pad west of the facility (up the hill), and may be stored off the pad at the south east corner of the facility. The permit conditions states "n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad...." Operator shall remove materials off the pad and relocate it within the pad.
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (Cold Creek Compost). The facility was in operation at the time of the inspection. Pond was low, had plenty of freeboard. Pathogen reduction appears to be taking place as indicated in temperature logs. No leachate observed off the pad. The operator was in the process of grinding materials at the time of the inspection. One of the loader was being repaired also at the time of the inspection. High volume of material, though it did not interfere with daily operations. Mild odor throughout the facility.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency: County of Mendocino					
SWIS Facility File Number (99-xx-9999)				Inspection Date	
23-AA-0029				4/25/2013	
<input checked="" type="checkbox"/> LEA Periodic		CalRecycle Closed Sites		CalRecycle Focused	
<input type="checkbox"/> LEA Focused		CalRecycle Enforcement Agent		CalRecycle Periodic	
Inspection Time	2	Time In		Time Out	
Facility Name			Received By		
Cold Creek Compost, Inc.			Cold Creek Compost, Inc		
Facility Location			Owner Name		
6000 Potter Valley Road, Ukiah 95482					
Inspector			Also Present (Name)		
Philips Chou			Felix Zurita (CCC)		

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	Finished compost is stored off the pad west of the facility, and may be stored off the pad at the south east corner of the facility. The permit conditions states "n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad...."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. Pond had plenty of freeboard and pond aerator has been fixed. No leachate observed off the pad. High volume of materials, though it did not interfere with daily operations. Pathogen reduction appears to be taking place as indicated on the temperature logs. Mild odor throughout the facility.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency: County of Mendocino					
SWIS Facility File Number (99-xx-9999)				Inspection Date	
23-AA-0029				5/23/2013	
<input checked="" type="checkbox"/> LEA Periodic		CalRecycle Closed Sites		CalRecycle Focused	
LEA Focused		CalRecycle Enforcement Agent		CalRecycle Periodic	
Inspection Time	2	Time In		Time Out	
Facility Name			Received By		
Cold Creek Compost, Inc.			Cold Creek Compost, Inc		
Facility Location			Owner Name		
6000 Potter Valley Road, Ukiah 95482					
Inspector			Also Present (Name)		
Philips Chou			Felix Zurita (CCC)		

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	Finished compost is stored off the pad west of the facility, and may be stored at the south east corner of the facility. The permit conditions states, "n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad...."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. Pathogen reduction appears to be taking place as indicated on the temperature logs. No leachate observed off the pad. Average amount of material on site. Staff was grinding material at the time of the inspection. Load checking is evident.

Plenty of freeboard in the pond.

Mild odor throughout the facility.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency: County of Mendocino					
SWIS Facility File Number (99-xx-9999)				Inspection Date	
23-AA-0029				6/20/2013	
<input checked="" type="checkbox"/> LEA Periodic		CalRecycle Closed Sites		CalRecycle Focused	
<input type="checkbox"/> LEA Focused		CalRecycle Enforcement Agent		CalRecycle Periodic	
Inspection Time	2	Time In		Time Out	
Facility Name			Received By		
Cold Creek Compost, Inc.			Cold Creek Compost, Inc		
Facility Location			Owner Name		
6000 Potter Valley Road, Ukiah 95482					
Inspector			Also Present (Name)		
Philips Chou			Felix Zurita (CCC)		

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<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
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X		PRC 44014(b) - Operator Complies with Terms & Conditions	Finished compost is stored off the pad west of the facility, and may be stored at the south east corner of the facility. The permit condition states, "n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad...."
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		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
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		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
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V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
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		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. Load checking was evident. Pathogen reduction appears to be taking place as indicated in the temperature logs. No leachate observed off the pad. Leachate pond was nearly empty. Mild odor throughout the facility.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency:		County of Mendocino	
SWIS Facility File Number (99-xx-9999)		Inspection Date	
23-AA-0029		7/30/2013	
<input checked="" type="checkbox"/> LEA Periodic	CalRecycle Closed Sites	CalRecycle Focused	
<input type="checkbox"/> LEA Focused	CalRecycle Enforcement Agent	CalRecycle Periodic	
Inspection Time	1.5	Time In	Time Out
Facility Name		Received By	
Cold Creek Compost, Inc.		Cold Creek Compost, Inc	
Facility Location		Owner Name	
6000 Potter Valley Road, Ukiah 95482			
Inspector		Also Present (Name)	
Philips Chou			

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	The Solid Waste Permit condition states, "n. All feedstocks, composting materials, and finished products shall be handle within the limit of the pad..."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	
		17856(c) - Sale or Giveway 1000 / 12,500 Cu Yd.	

V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	
		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	

V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. High volume of material on site, though it did not seemed to interfere with daily operation. Pathogen reduction appears to be taking place as indicated in temperature log. Leachate pond was near empty. No leachate observed off the pad.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency: County of Mendocino					
SWIS Facility File Number (99-xx-9999)				Inspection Date	
23-AA-0029				8/27/2013	
<input checked="" type="checkbox"/> LEA Periodic		CalRecycle Closed Sites		CalRecycle Focused	
<input type="checkbox"/> LEA Focused		CalRecycle Enforcement Agent		CalRecycle Periodic	
Inspection Time	1.5	Time In		Time Out	
Facility Name			Received By		
Cold Creek Compost, Inc.			Cold Creek Compost, Inc		
Facility Location			Owner Name		
6000 Potter Valley Road, Ukiah 95482					
Inspector			Also Present (Name)		
Philips Chou			Felix Zurita (CCC)		

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input checked="" type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	The Solid Waste Permit condition states, "n. All feedstocks, composting materials, and finished products shall be handle within the limit of the pad..."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	
		17856(c) - Sale or Giveway 1000 / 12,500 Cu Yd.	

V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	
		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	

V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. Pathogen reduction is taking place as indicated in temperature log. Leachate pond was empty. No leachate observed off the pad. Staff were clearing out leachate ditches for the upcoming winter months.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency:		County of Mendocino	
SWIS Facility File Number (99-xx-9999)		Inspection Date	
23-AA-0029		9/25/2013	
<input checked="" type="checkbox"/> LEA Periodic	CalRecycle Closed Sites	CalRecycle Focused	
<input type="checkbox"/> LEA Focused	CalRecycle Enforcement Agent	CalRecycle Periodic	
Inspection Time	2	Time In	Time Out
Facility Name		Received By	
Cold Creek Compost, Inc.		Cold Creek Compost, Inc	
Facility Location		Owner Name	
6000 Potter Valley Road, Ukiah 95482			
Inspector		Also Present (Name)	
Philips Chou		Felix Zurita (CCC)	

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input type="checkbox"/>	No Violations or Areas of Concern
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V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	The Solid Waste Permit condition states, " n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad, as defined in the Location Plan (Figure 2.4) of the Cold Creek Compost EIR. Additives and amendments (such as lime and gypsum) may be stored on the pad or the designated auxiliary additive and amendments storage area."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. Leachate pond was empty. Pathogen reduction appears to be taking place as indicated in temperature logs. After the inspection, I entered the office to speak with the operator regarding the violation of PRC 44014(b). At that time, I was asked to leave the facility.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency:		County of Mendocino	
SWIS Facility File Number (99-xx-9999)		Inspection Date	
23-AA-0029		10/30/2013	
<input checked="" type="checkbox"/> LEA Periodic	CalRecycle Closed Sites	CalRecycle Focused	
<input type="checkbox"/> LEA Focused	CalRecycle Enforcement Agent	CalRecycle Periodic	
Inspection Time		Time In	
Facility Name		Received By	
Cold Creek Compost, Inc.		Cold Creek Compost, Inc	
Facility Location		Owner Name	
6000 Potter Valley Road, Ukiah 95482			
Inspector		Also Present (Name)	
Philips Chou		Staff	

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input type="checkbox"/>	No Violations or Areas of Concern
--------------------------	--

V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	The Solid Waste Permit condition states, " n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad, as defined in the Location Plan (Figure 2.4) of the Cold Creek Compost EIR. Additives and amendments (such as lime and gypsum) may be stored on the pad or the designated auxiliary additive and amendment storage area."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by a Cold Creek Compost staff. The facility was in operation at the time of the inspection. Medium volume of material on the floor. Leachate pond was empty with the dry weather. Pathogen reduction appears to be taking place as indicated in temperature logs.

Compostable Materials Handling Operation and Facility Inspection Report (93)

Enforcement Agency: County of Mendocino	
SWIS Facility File Number (99-xx-9999)	Inspection Date
23-AA-0029	11/26/2013
<input checked="" type="checkbox"/> LEA Periodic <input type="checkbox"/> LEA Focused	<input type="checkbox"/> CalRecycle Closed Sites <input type="checkbox"/> CalRecycle Enforcement Agent <input type="checkbox"/> CalRecycle Focused <input type="checkbox"/> CalRecycle Periodic
Inspection Time	Time In
Facility Name	Received By
Cold Creek Compost, Inc.	Cold Creek Compost, Inc
Facility Location	Owner Name
6000 Potter Valley Road, Ukiah 95482	
Inspector	Also Present (Name)
Philips Chou	Felix Zurita (CCC)

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF PUBLIC RESOURCES CODE (PRC) AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR)

<input type="checkbox"/>	No Violations or Areas of Concern
--------------------------	--

V	A	Permits - Facilities	Comments
		PRC 44002 - Operator Authorized by SWF Permit	
		PRC 44004 - Significant Change	
		PRC 44005 - Transfer of Owner or Operator	
X		PRC 44014(b) - Operator Complies with Terms & Conditions	The Solid Waste Permit condition states, " n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad, as defined in the Location Plan (Figure 2.4) of the Cold Creek Compost EIR. Additives and amendments (such as gypsum) may be stored on the pad of the designated auxiliary additive and amendment storage area."
		17210.3 - Request for Emergency Waiver	
		17211.3 - Request for Temporary Stip. Agreement	
		17211.4 - Issuing Stipulated Agreement (PEP)	
		17854 - Compostable Materials Handling Fac. Pmt.	
		17863 - Report of Composting Site Information	
		17863.4 - Odor Impact Minimization Plan	
		18104 - Registration Permit (Chipping and Grinding)	
		21640 - Permit Review Application	
V	A	Filing Requirements - Operations	Comments
		17863.4 - Odor Impact Minimization Plan	
		18103.1 - Enforcement Agency Notification Filed	
V	A	Agricultural Material Composting Operations	Comments
		17856(a) - Agricultural Material Composting Op. Requirements	
		17856(b) - Agricultural Material Composting Op. Requirements	

		17856(c) - Sale or Giveaway 1000 / 12,500 Cu Yd.	
V	A	Research Compost Operations	Comments
		17862(a) - Max. 5,000 Cu Yd. on Site	
		17862(b) - In Vessel -LEA/EApp. for > 5000 C.Y.	
		17862(c) - Description and Completion Time Frame	
		17862(d) - EA Notification (every 2 years) [Pre-2016]	
V	A	Chipping And Grinding Ops and Facilities	Comments
		17862.1(a) - Chip / Grind 200 TPD - EA Notification	
		17862.1(b) - Chip / Grind 200-500 TPD Reg. Permit	
		17862.1(c) - Chip / Grind > 500 TPD Full Permit	
		17862.1(d) - Storage Limit / Contamination Limit	
		17862.1(e) - Chip / Grind Contamination Limits	
		17862.1(f) - Chip / Grind Storage limit time exceeded	
V	A	Siting And Design	Comments
		17865(a) - Closed Landfills (Postclosure Land Use)	
		17865(b) - Intermediate Cover (Foundation Stabilization)	
		17866 - General Design Requirements	
V	A	General Operating Standards	Comments
		17867(a)(1) - Animal Waste [Pre-2016]	
		17867(a)(2) - Vectors/Odor/Litter/Hazard/Nuisance/Noise/Dust [Pre-2016]	
		17867(a)(3) - Random Load Checks [Pre-2016]	
		17867(a)(4) - Compost Contamination [Pre-2016]	
		17867(a)(5) - Unauthorized Access [Pre-2016]	
		17867(a)(6) - Traffic Control [Pre-2016]	
		17867(a)(7) - Signs [Pre-2016]	
		17867(a)(8) - Fire Prevention, Protection and Control [Pre-2016]	
		17867(a)(9) - Telephone or Radio Communication [Pre-2016]	
		17867(a)(10) - Physical Contamination Refuse Removed [Pre-2016]	
		17867(a)(11) - Enclosed Activities Ventilation [Pre-2016]	
		17867(a)(12) - Leachate Control [Pre-2016]	
		17867(a)(13) - Physical Contamination Prevented or Removed [Pre-2016]	

		17867(a)(14) - Site Attendant [Pre-2016]	
		17867.5 - Personal Training	
V	A	Sampling Requirements (Operations that sell or give away > 1000 cubic yards and all Facilities)	Comments
		17868.1 - Sampling Requirements [Pre-2016]	
V	A	Maximum Metal Concentrations	Comments
		17868.2 - Metal Concentration Exceeded [Pre-2016]	
V	A	Pathogen Reduction	Comments
		17868.3(a) - Pathogen Levels Exceeded	
		17868.3(b) - Pathogen Levels Temperature Maintained	
		17868.3(c) - Alternative Methods Approved [Pre-2016]	
		17868.3(d) - Temperature Monitoring [Pre-2016]	
V	A	General Material Processing	Comments
		17868.5(a) - Load Checking / Sorting	
		17868.5(b) - Physical Contaminants	
		17868.5(c) - Agricultural Operation Metal Conc.	
		17868.5(d) - Personnel Training (1 percent Conc.) [Pre-2016]	
		17868.5(e) - Records	
V	A	Record Keeping	Comments
		17869(a) - Inspection of Records	
		17869(b) - Special Occurrences	
		17869(c) - Public Complaints	
		17869(d) - Feedstock and Compost	
		17869(e) - Load Checking	
		17869(f) - Article 7 Test Results	
		17869(f)(1) - Pathogen Reduction Methods	
		17869(g) - Record of Serious Injuries	
		17869(h) - Training Records	
V	A	Site Restoration	Comments
		17870(a) - Notice 30 Days Prior to Restoration	
		17870(b) - Protection Public Health, Safety, Environment	
		17870(c) - Restoration Procedures Performed	

Comments:

I was accompanied by Felix Zurita (CCC). The facility was in operation at the time of the inspection. High volume of material on the floor. Pathogen reduction appears to be taking place as indicated in the temperature logs. No leachate observed off the pad and leachate pond was near empty. Staff was grinding green waste at the time of the inspection.

3.0 Statement of Financial Qualifications

Cold Creek Compost is a fully permitted and operational composting facility that has been sited at the same location since 1995. Cold Creek Compost has been composting a portion of SCWMA's organic materials since 2015. In 2016, Cold Creek Compost processed and composted 16,421 tons of SCWMA's organics. Cold Creek Compost currently maintains all necessary resources, including permits and infrastructure (facility, equipment, and labor), operating on site to continue composting up to 17,000 tons of SCWMA organic materials annually. No additional resources are needed to continue to compost the SCWMA materials delivered to the Cold Creek Facility.

Cold Creek Compost's business tax returns for 2014, 2015, and 2016 are included in this section.

Cold Creek Compost is in the process of expanding the existing composting operation, with estimated costs of approximately \$5,000,000 to \$7,000,000. The necessary infrastructure improvements, as well as associated equipment for the new technology, will be conventionally financed. Included in this section is a letter dated January 11, 2018 from the Savings Bank of Mendocino County stating that Cold Creek Compost is pre-qualified for \$7,000,000 in financing to support the proposed expansion.

The Stage Gulch Organics Facility is proposed as a new composting operation with an initial permitted annual tonnage of 100,000 tons. The new facility will utilize state of the art composting technology as described in the Technical Proposal portion of this proposal. Estimated startup costs are between \$10,000,000 and \$15,000,000, including all equipment, infrastructure improvements, and anticipated initiation costs. There are currently no audited financial statements or tax returns for the proposed facility. Stage Gulch Organics will be conventionally financed. Included in this section is a letter dated January 11, 2018 from the Savings Bank of Mendocino County stating that Stage Gulch Organics is pre-qualified for \$15,000,000 in financing to support development and construction of the new facility.



January 11, 2018

RE: Commercial financing for facility expansion

Dear Mr. Mileck

This letter is to serve as a pre-qualification letter for your \$7,000,000 request for financing to be used to expand the current facility utilized by Cold Creek Compost, Inc. located at 6000 Potter Valley Road, Ukiah, CA 95482.

This pre-qualification does not represent a commitment by Savings Bank of Mendocino County ("Bank") and is contingent upon the Bank's normal underwriting criteria for credit of similar size and scope, plus any additional terms, conditions and requirements as may be prescribed by the Bank or its counsel.

Your pre-qualification is subject to the following:

1. Sufficient and appropriate collateral to secure the loan.
2. Necessary funds to close the transaction.
3. Final underwriting approval through appropriate loan committee(s).

This pre-qualification letter is not to be construed to be a final loan approval. Material changes in company financial performance, operations, management, status, credit rating, or now or future litigation will render this null and void. Please call or contact the undersigned with any questions.

Sincerely,

Sid Harper
Commercial Loan Officer
NMLS #958979
Savings Bank OF MENDOCINO COUNTY
200 N. School St.
Ukiah, CA 95482
707-463-6094 Direct
sharper@savingsbank.com



January 11, 2018

RE: Commercial financing for facility expansion

Dear Mr. Mileck

This letter is to serve as a pre-qualification letter for your \$15,000,000 request for financing to be used to construct a composting facility to be utilized by Nor Cal Ag, LLC dba Stage Gulch Organics located at 2535 Stage Gulch Road, Petaluma, CA 94654.

This pre-qualification does not represent a commitment by Savings Bank of Mendocino County ("Bank") and is contingent upon the Bank's normal underwriting criteria for credit of similar size and scope, plus any additional terms, conditions and requirements as may be prescribed by the Bank or its counsel.

Your pre-qualification is subject to the following:

1. Sufficient and appropriate collateral to secure the loan.
2. Necessary funds to close the transaction.
3. Final underwriting approval through appropriate loan committee(s).

This pre-qualification letter is not to be construed to be a final loan approval. Material changes in company financial performance, operations, management, status, credit rating, or now or future litigation will render this null and void. Please call or contact the undersigned with any questions.

Sincerely,

Sid Harper
Commercial Loan Officer
NMLS #958979

Savings Bank OF MENDOCINO COUNTY
200 N. School St.
Ukiah, CA 95482
707-463-6094 Direct
sharper@savingsbank.com

2014 S-Corporation Return
prepared for:

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482

Gregory G. Cavalin, CPA
201 West Clay Street
Ukiah, CA 95482-5452

GREGORY G. CAVALIN, CPA

**201 WEST CLAY STREET
UKIAH, CA 95482-5452
(707) 462-0100**

September 15, 2015

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482

Dear Client:

Enclosed is your 2014 Federal S Corporation Income Tax Return. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail the Federal return on or before September 15, 2015 to:

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0013

Enclosed is your 2014 California S Corporation Income Tax Return. The original should be signed at the bottom of page three. No tax is payable with the filing of this return. Mail the California return on or before October 15, 2015 to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0500

Your estimated tax schedule for 2015 is listed below:

Due Date	California
4/15/15	\$ 800
6/15/15	0
9/15/15	0
12/15/15	0

	\$ 800

You must distribute a copy of the 2014 Schedule K-1 to each shareholder. Be sure to give each shareholder a copy of the Shareholder's Instructions for Schedule K-1 (Form 1120S).

Please call if you have any questions.

Sincerely,

Gregory G Cavalin

Gregory G. Cavalin, CPA

201 West Clay Street
Ukiah, CA 95482-5452
(707) 462-0100

Client 9744

September 15, 2015

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482
707 485-5966

FEDERAL FORMS

Form 1120S	2014 U.S. S Corporation Income Tax Return
Schedule K-1	Shareholder's Income, Deductions, Credits, etc
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 7004	Automatic Extension of Time to File
	Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

CALIFORNIA FORMS

Form 100S	2014 California S Corporation Tax Return
Form 100-ES	Corporation Estimated Tax
Schedule B	S Corporation Depreciation and Amortization
Schedule K-1	Shareholder's Income, Etc.
Form 3805Q	Net Operating Loss Deduction
	California Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

FEE SUMMARY

Preparation Fee	
Computer processing charge	\$ 75.00
Amount Due	\$ 75.00

**Application for Automatic Extension of Time To File Certain
Business Income Tax, Information, and Other Returns**

► File a separate application for each return.

► Information about Form 7004 and its separate instructions is at www.irs.gov/form7004.

OMB No. 1545-0233

**Print
or
Type**

Name

Identifying number

COLD CREEK COMPOST, INC**68-0358939**

Number, street, and room or suite number. (If P.O. box, see instructions.)

6000 POTTER VALLEY ROAD

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).

UKIAH, CA 95482**Note.** File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.**Part I Automatic 5-Month Extension**

1 a Enter the form code for the return that this application is for (see below).

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate other than a bankruptcy estate)	04
Form 8804	31	Form 1041 (trust)	05

Part II Automatic 6-Month Extension

b Enter the form code for the return that this application is for (see below).

25

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-C	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐
If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.**Part III All Filers Must Complete This Part**4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐5 a The application is for calendar year 20 14, or tax year beginning _____, 20____, and ending _____, 20____b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (see instructions — attach explanation)

6 Tentative total tax	6	0.
7 Total payments and credits (see instructions)	7	0.
8 Balance due. Subtract line 7 from line 6 (see instructions)	8	0.

Form **1120S**Department of the Treasury
Internal Revenue Service**U.S. Income Tax Return for an S Corporation**

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
▶ Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

OMB No. 1545-0123

2014

For calendar year 2014 or tax year beginning , 2014, ending ,

A S election effective date 9/01/1995	TYPE OR PRINT	COLD CREEK COMPOST, INC 6000 POTTER VALLEY ROAD UKIAH, CA 95482	D Employer identification number 68-0358939
B Business activity code number (see instrs) 325300			E Date incorporated 3/30/1994
C Check if Schedule M-3 attached <input type="checkbox"/>			F Total assets (see instructions) \$ 1,191,356.

G Is the corporation electing to be an S corporation beginning with this tax year? Yes ☐ No ☒ If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year. 1**Caution.** Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	2,016,277.		
	b Returns and allowances	1 b			
	c Balance. Subtract line 1b from line 1a.	1 c	2,016,277.		
	2 Cost of goods sold (attach Form 1125-A)	2	735,346.		
	3 Gross profit. Subtract line 2 from line 1c.	3	1,280,931.		
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4			
DEDUCTIONS	5 Other income (loss) (see instrs -- att statement)	See Statement 1		5	76,883.
	6 Total income (loss). Add lines 3 through 5.	6	1,357,814.		
	7 Compensation of officers (see instructions - attach Form 1125-E)	7			
	8 Salaries and wages (less employment credits)	8	764,067.		
	9 Repairs and maintenance	9	127,542.		
	10 Bad debts	10	1,534.		
	11 Rents	11	59,703.		
	12 Taxes and licenses	12	29,937.		
	13 Interest	13	71,447.		
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14	205,617.		
TAX AND PAYMENTS	15 Depletion (Do not deduct oil and gas depletion.)	15			
	16 Advertising	16	20,348.		
	17 Pension, profit-sharing, etc, plans	17			
	18 Employee benefit programs	18			
	19 Other deductions (attach statement)	See Statement 2		19	367,302.
	20 Total deductions. Add lines 7 through 19.	20	1,647,497.		
	21 Ordinary business income (loss). Subtract line 20 from line 6.	21	-289,683.		
	22 a Excess net passive income or LIFO recapture tax (see instructions)	22 a			
	b Tax from Schedule D (Form 1120S)	22 b			
	c Add lines 22a and 22b (see instructions for additional taxes)	22 c			
TAX AND PAYMENTS	23 a 2014 estimated tax payments and 2013 overpayment credited to 2014	23 a			
	b Tax deposited with Form 7004	23 b			
	c Credit for federal tax paid on fuels (attach Form 4136)	23 c			
	d Add lines 23a through 23c	23 d			
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached	24			
25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.	25	0.			
26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26				
27 Enter amount from line 26 Credited to 2015 estimated tax	27	Refunded			

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title **President**

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____ Date _____

Gregory G Cavalin **Gregory G Cavalin**

Firm's name ▶ **Gregory G. Cavalin, CPA** Check ☒ if self-employed PTIN **P00293754**

Firm's address ▶ **201 West Clay Street** Firm's EIN ▶ **68-0314830**

Ukiah, CA 95482-5452 Phone no. **(707) 462-0100**

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____						
2 See the instructions and enter the: a Business activity Production and sales b Product or service... Compost						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock						
(ii) Total shares of non-restricted stock						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year						
(ii) Total shares of stock outstanding if all instruments were executed						
6 Has this corporation filed, or is it required to file, Form 8918 , Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount						
If checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions).						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$						
10 Does the corporation satisfy both of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000						
b The corporation's total assets at the end of the tax year were less than \$250,000						X
If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?						X
If "Yes," enter the amount of principal reduction \$						
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.						X
13a Did the corporation make any payments in 2014 that would require it to file Form(s) 1099?					X	
b If "Yes," did the corporation file or will it file required Forms 1099?					X	

Form 1120S (2014)

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21).....	1	-289,683.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	
	3a Other gross rental income (loss)..... 3a		
	b Expenses from other rental activities (attach statement)..... 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a.....	3c	
	4 Interest income.....	4	
	5 Dividends: a Ordinary dividends.....	5a	
	b Qualified dividends..... 5b		
	6 Royalties.....	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).....	7	
Income (Loss)	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).....	8a	
	b Collectibles (28%) gain (loss)..... 8b		
	c Unrecaptured section 1250 gain (attach statement)..... 8c		
	9 Net section 1231 gain (loss) (attach Form 4797).....	9	
10 Other income (loss) (see instructions)..... Type ▶	10		
Deductions	11 Section 179 deduction (attach Form 4562).....	11	
	12a Charitable contributions..... See Statement 3	12a	1,000.
	b Investment interest expense.....	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
d Other deductions (see instructions) .. Type ▶	12d		
Credits	13a Low-income housing credit (section 42(j)(5)).....	13a	
	b Low-income housing credit (other).....	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable).....	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478).....	13f	
	g Other credits (see instructions)..... Type ▶	13g	
Foreign Transactions	14a Name of country or U.S. possession ▶		
	b Gross income from all sources.....	14b	
	c Gross income sourced at shareholder level.....	14c	
	Foreign gross income sourced at corporate level		
	d Passive category.....	14d	
	e General category.....	14e	
	f Other (attach statement).....	14f	
	Deductions allocated and apportioned at shareholder level		
	g Interest expense.....	14g	
	h Other.....	14h	
	Deductions allocated and apportioned at corporate level to foreign source income		
	i Passive category.....	14i	
	j General category.....	14j	
	k Other (attach statement).....	14k	
Other information			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	14l		
m Reduction in taxes available for credit (attach statement).....	14m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment.....	15a	27,834.
	b Adjusted gain or loss.....	15b	
	c Depletion (other than oil and gas).....	15c	
	d Oil, gas, and geothermal properties — gross income.....	15d	
	e Oil, gas, and geothermal properties — deductions.....	15e	
	f Other AMT items (attach statement).....	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income.....	16a	
	b Other tax-exempt income.....	16b	
	c Nondeductible expenses.....	16c	199.
	d Distributions (attach stmt if required) (see instrs).....	16d	
	e Repayment of loans from shareholders.....	16e	

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-290,683.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		45,532.		185.
2a	Trade notes and accounts receivable	252,058.		187,054.	
b	Less allowance for bad debts		252,058.		187,054.
3	Inventories		382,144.		341,366.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt) See St. 4.		5,759.		3,353.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	2,112,370.		2,112,370.	
b	Less accumulated depreciation	1,246,661.	865,709.	1,468,297.	644,073.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	177,598.		180,179.	
b	Less accumulated amortization	162,874.	14,724.	164,854.	15,325.
14	Other assets (attach stmt) See St. 5.		3,605.		
15	Total assets		1,569,531.		1,191,356.
Liabilities and Shareholders' Equity					
16	Accounts payable		375,257.		332,354.
17	Mortgages, notes, bonds payable in less than 1 year				25,000.
18	Other current liabilities (attach stmt) ... See St. 6.		79,882.		79,145.
19	Loans from shareholders		184,887.		253,931.
20	Mortgages, notes, bonds payable in 1 year or more		1,422,587.		1,300,909.
21	Other liabilities (attach statement)				
22	Capital stock		210,000.		210,000.
23	Additional paid-in capital		1,598,789.		1,598,789.
24	Retained earnings		-2,301,871.		-2,608,772.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		1,569,531.		1,191,356.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**Note.** The corporation may be required to file Schedule M-3 (see instructions)

1 Net income (loss) per books.....	-306,901.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest. \$	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14I (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14I, not charged against book income this year (itemize):	
a Depreciation..... \$	16,019.	a Depreciation ... \$	
b Travel and entertainment. \$		7 Add lines 5 and 6.....	0.
<u>See Statement 7</u>	199.	8 Income (loss) (Schedule K, ln 18). Ln 4 less Ln 7...	-290,683.
4 Add lines 1 through 3.....	-290,683.		

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year.....	-2,269,470.		
2 Ordinary income from page 1, line 21.....			
3 Other additions.....			
4 Loss from page 1, line 21.....	(289,683.)		
5 Other reductions..... <u>See Statement 8</u>	(1,199.)		
6 Combine lines 1 through 5.....	-2,560,352.		
7 Distributions other than dividend distributions.....			
8 Balance at end of tax year. Subtract line 7 from line 6.....	-2,560,352.		

Cost of Goods Sold

► Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.
► Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.

OMB No. 1545-2225

Name

Employer identification number

COLD CREEK COMPOST, INC

68-0358939

1	Inventory at beginning of year	1	382,144.
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) See Statement 9	5	694,568.
6	Total. Add lines 1 through 5	6	1,076,712.
7	Inventory at end of year	7	341,366.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions)	8	735,346.

9a Check all methods used for valuing closing inventory:

- (i) ☒ Cost
(ii) ☐ Lower of cost or market
(iii) ☐ Other (Specify method used and attach explanation)

b Check if there was a writedown of subnormal goods. ☐**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐**d** If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO**9d****e** If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)? ☐ Yes ☒ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☒ No**BAA** For Paperwork Reduction Act Notice, see instructions.Form **1125-A** (Rev 12-2012)

Department of the Treasury
Internal Revenue Service

For calendar year 2014, or tax
year beginning _____, 2014
ending _____,

2014

Final K-1

Amended K-1

671113
OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc ▶ See page 2 of form and separate instructions.

A Corporation's employer identification number
68-0358939

B Corporation's name, address, city, state, and ZIP code
COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482

C IRS Center where corporation filed return
Ogden, UT

D Shareholder's identifying number
-**-*

E Shareholder's name, address, city, state, and ZIP code
MARTIN MILECK
6000 Potter Valley Road
Ukiah, CA 95482

F Shareholder's percentage of stock ownership for tax year.....	100 %
---	-------

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

Part III Deductions, Credits, and Other Items			
1	Ordinary business income (loss) -289,683.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 27,834.
11	Section 179 deduction	16 C	Items affecting shareholder basis 199.
12 A	Other deductions 1,000.		
		17	Other information

*See attached statement for additional information.

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2014

Shareholder 1

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

- 1 Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:

	<i>Report on</i>
Passive loss	See the Shareholder's Instructions
Passive income	Schedule E, line 28, column (g)
Nonpassive loss	Schedule E, line 28, column (h)
Nonpassive income	Schedule E, line 28, column (j)

- 2 Net rental real estate income (loss)** See the Shareholder's Instructions

- 3 Other net rental income (loss)**
 Net income Schedule E, line 28, column (g)
 Net loss See the Shareholder's Instructions

- 4 Interest income** Form 1040, line 8a

- 5 a Ordinary dividends** Form 1040, line 9a

- 5 b Qualified dividends** Form 1040, line 9b

- 6 Royalties** Schedule E, line 4

- 7 Net short-term capital gain (loss)** Schedule D, line 5

- 8 a Net long-term capital gain (loss)** Schedule D, line 12

- 8 b Collectibles (28%) gain (loss)** 28% Rate Gain Worksheet, line 4 (Schedule D instructions)

- 8 c Unrecaptured section 1250 gain** See the Shareholder's Instructions

- 9 Net section 1231 gain (loss)** See the Shareholder's Instructions

- 10 Other income (loss)**

<i>Code</i>		<i>Report on</i>
A	Other portfolio income (loss)	See the Shareholder's Instructions
B	Involuntary conversions	See the Shareholder's Instructions
C	Sec. 1256 contracts and straddles	Form 6781, line 1
D	Mining exploration costs recapture	See Pub 535
E	Other income (loss)	See the Shareholder's Instructions

- 11 Section 179 deduction** See the Shareholder's Instructions

- 12 Other deductions**

A	Cash contributions (50%)	See the Shareholder's Instructions
B	Cash contributions (30%)	
C	Noncash contributions (50%)	
D	Noncash contributions (30%)	
E	Capital gain property to a 50% organization (30%)	
F	Capital gain property (20%)	Form 4952, line 1
G	Contributions (100%)	
H	Investment interest expense	
I	Deductions — royalty income	
J	Section 59(e)(2) expenditures	
K	Deductions — portfolio (2% floor)	Schedule A, line 23
L	Deductions — portfolio (other)	Schedule A, line 28
M	Preproductive period expenses	See the Shareholder's Instructions
N	Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions
O	Reforestation expense deduction	See the Shareholder's Instructions
P	Domestic production activities information	See Form 8903 instructions
Q	Qualified production activities income	Form 8903, line 7b
R	Employer's Form W-2 wages	Form 8903, line 17
S	Other deductions	See the Shareholder's Instructions

- 13 Credits**

A	Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Shareholder's Instructions
B	Low-income housing credit (other) from pre-2008 buildings	
C	Low-income housing credit (section 42(j)(5)) from post-2007 buildings	
D	Low-income housing credit (other) from post-2007 buildings	
E	Qualified rehabilitation expenditures (rental real estate)	Form 1040, line 73, box a
F	Other rental real estate credits	
G	Other rental credits	
H	Undistributed capital gains credit	
I	Biofuel producer credit	See the Shareholder's Instructions
J	Work opportunity credit	
K	Disabled access credit	
L	Empowerment zone employment credit	
M	Credit for increasing research activities	

<i>Code</i>		<i>Report on</i>
N	Credit for employer social security and Medicare taxes	See the Shareholder's Instructions
O	Backup withholding	
P	Other credits	

- 14 Foreign transactions**

A	Name of country or U.S. possession	Form 1116, Part I
B	Gross income from all sources	
C	Gross income sourced at shareholder level	

Foreign gross income sourced at corporate level

D	Passive category	Form 1116, Part I
E	General category	
F	Other	

Deductions allocated and apportioned at shareholder level

G	Interest expense	Form 1116, Part I
H	Other	Form 1116, Part I

Deductions allocated and apportioned at corporate level to foreign source income

I	Passive category	Form 1116, Part I
J	General category	
K	Other	

Other information

L	Total foreign taxes paid	Form 1116, Part II
M	Total foreign taxes accrued	Form 1116, Part II
N	Reduction in taxes available for credit	Form 1116, line 12
O	Foreign trading gross receipts	Form 8873
P	Extraterritorial income exclusion	Form 8873
Q	Other foreign transactions	See the Shareholder's Instructions

- 15 Alternative minimum tax (AMT) items**

A	Post-1986 depreciation adjustment	See the Shareholder's Instructions and the instructions for Form 6251
B	Adjusted gain or loss	
C	Depletion (other than oil & gas)	
D	Oil, gas, & geothermal — gross income	
E	Oil, gas, & geothermal — deductions	
F	Other AMT items	

- 16 Items affecting shareholder basis**

A	Tax-exempt interest income	Form 1040, line 8b
B	Other tax-exempt income	See the Shareholder's Instructions
C	Nondeductible expenses	
D	Distributions	
E	Repayment of loans from shareholders	

- 17 Other information**

A	Investment income	Form 4952, line 4a
B	Investment expenses	Form 4952, line 5
C	Qualified rehabilitation expenditures (other than rental real estate)	See the Shareholder's Instructions
D	Basis of energy property	See the Shareholder's Instructions
E	Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
F	Recapture of low-income housing credit (other)	Form 8611, line 8
G	Recapture of investment credit	See Form 4255
H	Recapture of other credits	See the Shareholder's Instructions
I	Look-back interest — completed long-term contracts	See Form 8697
J	Look-back interest — income forecast method	See Form 8866
K	Dispositions of property with section 179 deductions	See the Shareholder's Instructions
L	Recapture of section 179 deduction	
M	Section 453(i)(3) information	
N	Section 453A(c) information	
O	Section 1260(b) information	
P	Interest allocable to production expenditures	
Q	CCF nonqualified withdrawals	
R	Depletion information — oil and gas	
S	Reserved	
T	Section 108(i) information	
U	Net investment income	
V	Other information	

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

► Attach to your tax return.

► Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

OMB No. 1545-0172

2014Attachment
Sequence No. **179**

Name(s) shown on return

COLD CREEK COMPOST, INC

Identifying number

68-0358939

Business or activity to which this form relates

Form 1120S

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions).	1	
2	Total cost of section 179 property placed in service (see instructions).	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions).	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29.	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562.	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs.).	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12.	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions).	14	
15	Property subject to section 168(f)(1) election.	15	
16	Other depreciation (including ACRS).	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2014.	17	205,617.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. <input type="checkbox"/>		

Section B — Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C — Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20 a Class life				S/L	
b 12-year		12 yrs		S/L	
c 40-year		40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28.	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions.	22	205,617.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No					24b If 'Yes,' is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No				
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).....							25		
26 Property used more than 50% in a qualified business use:									
27 Property used 50% or less in a qualified business use:									
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29		

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2014 tax year (see instructions):						
Loan fees	4/16/14	2,581.	461	5	344.	
43 Amortization of costs that began before your 2014 tax year					43	1,636.
44 Total. Add amounts in column (f). See the instructions for where to report					44	1,980.

COLD CREEK COMPOST, INC

68-0358939

Statement 1
Form 1120S, Line 5
Other Income

Contract labor.....	\$	600.
Finance charge.....		12,283.
Management fee.....		40,000.
Equipment rental.....		24,000.
Total	\$	<u>76,883.</u>

Statement 2
Form 1120S, Line 19
Other Deductions

Amortization.....	\$	1,980.
Bank Charges.....		8,920.
Delivery and Freight.....		3,488.
Dues and Subscriptions.....		2,167.
Facility operations.....		202,538.
Insurance.....		17,808.
Legal and Professional.....		84,169.
Office Expense.....		5,537.
Oroville Landfill Costs.....		17,254.
Outside services - Analysis.....		3,777.
Postage.....		1,358.
Telephone.....		11,128.
Travel.....		7,178.
Total	\$	<u>367,302.</u>

Statement 3
Form 1120S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 50% Limitation.....	\$	1,000.
Total	\$	<u>1,000.</u>

Statement 4
Form 1120S, Schedule L, Line 6
Other Current Assets

	Beginning	Ending
Employee advances.....	\$ 5,759.	\$ 3,353.
Total	<u>\$ 5,759.</u>	<u>\$ 3,353.</u>

COLD CREEK COMPOST, INC

68-0358939

Statement 5
Form 1120S, Schedule L, Line 14
Other Assets

	<u>Beginning</u>	<u>Ending</u>
Construction in progress.....	\$ 3,605.	\$ 0.
Total	<u>\$ 3,605.</u>	<u>\$ 0.</u>

Statement 6
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	<u>Beginning</u>	<u>Ending</u>
Credit cards payable.....	\$ 32,951.	\$ 37,450.
Note payable - M&M.....	46,923.	41,695.
State Tax Payable.....	8.	0.
Total	<u>\$ 79,882.</u>	<u>\$ 79,145.</u>

Statement 7
Form 1120S, Schedule M-1, Line 3
Expenses On Books Not On Schedule K

Penalties.....		\$ 199.
Total		<u>\$ 199.</u>

Statement 8
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Contributions.....		\$ 1,000.
Penalties.....		199.
Total		<u>\$ 1,199.</u>

Statement 9
Form 1125-A, Line 5
Other Costs

Bagging.....		\$ 8,500.
Material and production costs.....		686,068.
Total		<u>\$ 694,568.</u>

COLD CREEK COMPOST, INC

68-0358939

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Dep.	Prior Dec. Bal. Dep.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Form 1120S																
Amortization																
21	Organizational Costs	9/01/95		1,700							1,700	1,700	S/L	5		0
22	Environmental, Legal Cost	11/30/96		85,789							85,789	85,789	S/L	15		0
23	Loan Fees - CIWMB	12/31/96		20,481							20,481	20,481	S/L	7		0
24	Legal Costs - Nale	12/31/96		21,687							21,687	21,687	S/L	15		0
25	Intangibles	6/30/97		22,520							22,520	22,520	S/L	15		0
26	Environmental Report	6/30/98		9,061							9,061	7,853	S/L	15		0
54	Loan fees	12/31/12		16,360							16,360	1,636	S/L	10		1,636
Total Amortization																
				177,598		0	0	0	0	0	177,598	161,666				1,636
Auto / Transport Equipment																
7	Truck Trailer	6/30/97		39,011							39,011	39,011	200DB HY	5		0
12	Trailer	3/09/01		23,157							23,157	23,157	200DB HY	5		0
17	Dodge Dakota Pickup	11/18/05		5,273							5,273	4,959	S/L HY	7		0
18	Water Truck	1/31/06		27,000							27,000	27,000	S/L HY	7		0
46	Honda Motor	11/10/09		913				457			456	412	200DB MQ	5	.09580	44
58	Truck #10	12/16/13		227,037							227,037	11,352	200DB MQ	5	.38000	86,274
Total Auto / Transport Equipment																
				322,391		0	0	457	0	0	321,934	105,891				86,318
Buildings																
33	Water Tanks and System	9/30/96		33,239							33,239	14,736	S/L MM	39	.02564	852
34	Site Improvements	9/01/95		160,000							160,000	75,039	S/L MM	39	.02564	4,102
35	Foundation and Building	9/01/95		313,847							313,847	144,850	S/L MM	39	.02564	8,047

COLD CREEK COMPOST, INC

68-0358939

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Dep. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
36	Site Improvements	12/31/95		107,482							107,482	49,608	S/L MM	39	.02564	2,756
37	Water Tank and Systems	6/30/97		7,672							7,672	3,256	S/L MM	39	.02564	197
38	Scale	6/30/97		14,379							14,379	6,101	S/L MM	39	.02564	369
39	Site Improvements	6/30/98		853							853	341	S/L MM	39	.02564	22
40	New Well	10/25/99		9,393							9,393	3,423	S/L MM	39	.02564	241
41	Expansion of Concrete Pad	4/20/00		1,148							1,148	401	S/L MM	39	.02564	29
42	Permit Water Tanks	1/01/01		475							475	157	S/L MM	39	.02564	12
<hr/>																
	Total Buildings			643,488		0	0	0	0	0	648,488	297,912				16,627
<hr/>																
	Furniture and Fixtures															
50	Computer and monitor	12/05/12		743				372			371	160	200DB MQ	5	.22800	85
<hr/>																
	Total Furniture and Fixtures			743		0	0	372	0	0	371	160				85
<hr/>																
	Improvements															
27	Roads and Pads	6/30/96		44,574							44,574	44,574	150DB HY	15		0
28	Fences and Gates	6/30/96		544							544	544	150DB HY	15		0
29	Buried Telephone Lines	12/30/96		562							562	562	150DB HY	15		0
30	Roads	6/30/97		1,049							1,049	1,049	150DB HY	15		0
31	New Gate	7/12/01		3,544							3,544	1,133	S/L MM	39	.02564	91
32	Road Base	11/26/01		19,779							19,779	6,148	S/L MM	39	.02564	507
44	Leachate Pond	12/31/08		333,617							333,617	98,117	150DB HY	15	.05900	19,883
45	Leachate Pond Permits	12/31/08		115,556							115,556	33,985	150DB HY	15	.05900	6,818
47	Topographic Map Drafting	1/01/09		1,763							1,763	576	150DB HY	15	.06230	110
48	Office trailer	5/21/10		12,922							12,922	3,974	150DB HY	15	.06930	895
<hr/>																
	Total Improvements			533,910		0	0	0	0	0	533,910	190,662				28,104

12/31/14

2014 Federal Depreciation Schedule

Page 3

COLD CREEK COMPOST, INC

68-0358939

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Dep.	Prior Dec. Bal. Dep.	Salvage /Basis Reductn	Dep. Basis	Prior Dep.	Method	Life	Rate	Current Dep.
Machinery and Equipment																
1	Scale	10/16/96		18,000							18,000		200DB	HY	7	0
2	Tool Boxes	11/30/96		794							794		200DB	HY	7	0
3	Ladder	11/15/96		403							403		200DB	HY	7	0
4	Generator & RR	12/31/96		870							870		200DB	HY	7	0
5	Tool Boxes	6/30/97		4,698							4,698		200DB	HY	7	0
6	Scale	6/30/97		23,527							23,527		200DB	HY	7	0
8	Motor Aeration	6/30/97		1,314							1,314		200DB	HY	7	0
9	Solar Panels	3/16/99		535							535		200DB	HY	5	0
10	Solar Power Cells	11/17/99		441							441		200DB	HY	5	0
11	Generator	2/16/00		1,067							1,067		200DB	HY	7	0
13	Grinder	5/01/02		200,220				60,066			140,154		200DB	HY	7	0
14	Weather Station	1/31/03		4,267				1,280			2,987		200DB	HY	7	0
15	Scale Display	4/10/03		1,778				534			1,244		200DB	HY	7	0
16	Welder	11/19/03		3,296				1,648			1,648		200DB	HY	7	0
19	966 Loader	12/01/06		10,000							10,000		S/L	HY	10	1,000
20	275BLoader	1/08/07		10,000							10,000		S/L	HY	10	1,000
43	Blowers	7/01/08		7,935				3,968			3,967		200DB	HY	5	0
49	Generator	1/13/11		6,369				6,369			0		200DB	HY	5	0
51	Loader	6/04/12		10,000							10,000		200DB	MQ	5	1,800
52	Used Tanks (2)	12/03/12		2,000							2,000		200DB	MQ	7	394
53	Screen (Used)	11/15/12		282,396							282,396		200DB	MQ	5	64,386
55	Scales (Master & Scale H)	9/19/13		9,277							9,277		200DB	MQ	5	3,154
56	Hopper	10/24/13		5,035							5,035		200DB	MQ	5	1,913
57	Pond Trailer	11/10/13		2,049							2,049		200DB	MQ	5	779
Total Machinery and Equipment																
				606,271		0	0	73,865	0	0	532,406					74,426

12/31/14

2014 Federal Depreciation Schedule

Page 4

COLD CREEK COMPOST, INC

68-0358939

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.		
Miscellaneous																		
59	Microsoft Library Softwar	4/04/13		567				284			283		35	S/L	MQ	5	20000	57
60	Loan fees	4/16/14		2,581							2,581			S/L		5		344
Total Miscellaneous				3,148		0	0	284	0	0	2,864	35						401
Total Depreciation				2,114,951		0	0	74,978	0	0	2,039,973	939,644						205,961
Grand Total Amortization				177,598		0	0	0	0	0	177,598	161,666						1,636
Grand Total Depreciation				2,114,951		0	0	74,978	0	0	2,039,973	939,644						205,961

2014

California S Corporation
Franchise or Income Tax Return

100S

RP

1886865 COLD 68-0358939 000000000000 14
 TYB 01-01-2014 TYE 12-31-2014
 COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD
 UKIAH CA 95482

Schedule Q Questions (continued on Side 2)

A1 FINAL RETURN? • ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ QSub election

Enter date (mm/dd/yyyy)..... •

A2 Is the S corporation deferring any income from the disposition of assets?..... • ☐ Yes ☐ No

If 'Yes' enter the year of disposition. (yyyy)..... •

A3 Is the S corporation reporting previously deferred income from:..... • ☐ Installment Sale • ☐ IRC §1031 • ☐ IRC §1033 • ☐ Other

S T A T E A D J U S T M E N T S	1	Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 4), line 22 or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 4) was not completed, attach federal Form 1120S, page 1, and supporting schedules.....	1	-289,683.
	2	Foreign or domestic tax based on income or profits and California franchise or income tax deducted.....	2	800.
	3	Interest on government obligations.....	3	
	4	Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S). See instructions.....	4	
	5	Depreciation and amortization adjustments. Attach Schedule B (100S).....	5	3,185.
	6	Portfolio income.....	6	
	7	Other additions. Attach schedule(s).....	7	
	8	Total. Add line 1 through line 7.....	8	-285,698.
	9	Dividends received deduction. Attach Schedule H (100S).....	9	
	10	Water's-edge dividend deduction. Attach Schedule H (100S).....	10	
	11	Contributions. See instructions.....	11	
	12	Other deductions. Attach schedule(s).....	12	
	13	Total. Add line 9 through line 12.....	13	
	14	Net income (loss) after state adjustments. Subtract line 13 from line 8.....	14	-285,698.

C A R E T	15	Net income (loss) for state purposes. Use Schedule R if apportioning or allocating income.	15	-285,698.
	16	R&TC Section 23802(e) deduction. See instructions.	16	
	17	Net operating loss deduction. See instructions.	17	0.
	18	Pierce's disease, EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions.	18	
	19	Disaster loss carryover deduction. See instructions.	19	
	20	Net income for tax purposes. Combine line 16 through line 19. Subtract the result from line 15.	20	-285,698.
T A X E S	21	Tax. 1.5 % X line 20 (at least minimum franchise tax, if applicable). See instructions.	21	800.
	22	New employment credit, amount generated.	22	
	23	New employment credit, amount claimed.	23	
	24 a	Credit name _____ code _____ amount.	24 a	
	24 b	Credit name _____ code _____ amount.	24 b	
	25	To claim more than two credits, see instructions.	25	
	26	Add line 23 through line 25.	26	
	27	Balance. Subtract line 26 from line 21 (not less than minimum franchise tax plus QSub annual tax(es), if applicable).	27	800.
	28	Tax from Schedule D (100S). Attach Schedule D (100S). See instructions.	28	
	29	Excess net passive income tax. See instructions.	29	
30	Total tax. Add line 27 through line 29.	30	800.	
P A Y M E N T S	31	Overpayment from prior year allowed as a credit.	31	
	32	2014 Estimated tax/QSub payments. See instructions.	32	800.
	33	2014 Withholding (Forms 592-B and/or 593). See instructions.	33	
	34	Amount paid with extension of time to file tax return.	34	
	35	Total payments. Add line 31 through line 34.	35	800.
R E F U N D O R A M O U N T D U E	36	Franchise or income tax due. If line 30 is more than line 35, subtract line 35 from line 30. Go to line 39.	36	0.
	37	Overpayment. If line 35 is more than line 30, subtract line 30 from line 35.	37	
	38	Amount of line 37 to be credited to 2015 estimated tax.	38	
	39	Use Tax. This is not a total line. See instructions.	39	
	40	Refund. If the sum of line 38 and line 39 is less than line 37, then subtract the result from line 37. See instructions to have the refund directly deposited. <input type="checkbox"/> Checking <input type="checkbox"/> Savings	40	
	40 a.	Routing number	40 b.	Type
	40 c.	Account number		
	41 a	Penalties and interest. b <input type="checkbox"/> Check if estimate penalty computed using Exception B or C. See instructions.	41 a	
42	Total amount due. Add line 36, line 38, line 39, and line 41a, then subtract line 37 from the result.	42		

Schedule Q Questions (continued from Side 1)

- B 1 During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☒ No
- 2 During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☒ No
- 3 During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code section 62(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☒ No
(Yes requires filing of statement, penalties may apply — see instructions.)


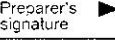
Schedule Q Questions (continued on Side 3)

Schedule Q Questions (continued from Side 2)

- C** Principal business activity code. **Do not** leave blank. • 325300
 Business activity PRODUCTION AND SALES Product or service COMPOST
- D** Is this S corporation filing on a water's-edge basis pursuant to R&TC Sections 25110 and 25113 for the current taxable year? • ☐ Yes ☒ No
- E** Does this tax return include Qualified Subchapter S Subsidiaries? • ☐ Yes ☒ No
- F** Date incorporated (mm/dd/yyyy) 3/30/1994 Where: • State CA Country _____
- G** Maximum number of shareholders in the S corporation at any time during the year. **Do not** leave blank. • 1
- H** Date business began in California or date income was first derived from California sources (mm/dd/yyyy). • 3/30/1994
- I** Is the S corporation under audit by the IRS or has it been audited in a prior year? • ☐ Yes ☒ No
- J** Effective date of federal S election (mm/dd/yyyy). • 9/01/1995
- L** Accounting method • (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other
- M** Location of principal accounting records SEE PAGE ONE
- N** 'Doing business as' (DBA) name. See instructions. • _____
- O** Have all required information returns (e.g., federal Form 1099, 8300 and state Forms 592, 592-B etc.) been filed with the Franchise Tax Board? ☒ N/A ☐ Yes ☐ No
- P** Is this S corporation apportioning or allocating income to California using Schedule R? • ☐ Yes ☒ No
- Q** Has the S corporation included a reportable transaction or listed transaction within this return? See instructions for definitions. • ☐ Yes ☒ No
 If 'Yes,' complete and attach federal Form 8886, for each transaction.
- R** Did this S corporation file the federal Schedule M-3 (Form 1120S)? • ☐ Yes ☒ No
- S** Is form FTB 3544A, List of Assigned Credit Received and/or Claimed by an Assignee, attached to the return? • ☐ Yes ☐ No

Schedule J Add-On Taxes and Recapture of Tax Credits. See instructions.

1	LIFO recapture due to S corporation election (IRC Section 1363(d) deferral \$ _____)	•	1	
2	Interest computed under the look-back method for completed long-term contracts (attach form FTB 3834)	•	2	
3	Interest on tax attributable to installment	•	3a	
	a) Sales of certain timeshares and residential lots	•	3b	
	b) Method for nondealer installment obligations	•	4	
4	IRC Section 197(f)(9)(B)(ii) election.	•	5	
5	Credit recapture name	•	6	
6	Combine line 1 through line 5. Revise the amount on Side 2, line 36 or line 37, whichever applies, by this amount. Write 'Schedule J' to the left of line 36 or line 37.	•		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer 	Title <u>PRESIDENT</u>	Date _____
Paid Preparer's Use Only	Officer's email address (optional)	• Telephone <u>707 485-5966</u>	
	Preparer's signature 	Date _____	Check if self-employed <input checked="" type="checkbox"/>
	Firm's name (or yours, if self-employed) and address <u>GREGORY G. CAVALIN</u> <u>201 WEST CLAY STREET</u> <u>UKIAH, CA 95482-5452</u>	• PTIN <u>P00293754</u>	
		• FEIN <u>68-0314830</u>	
		• Telephone <u>(707) 462-0100</u>	
	May the FTB discuss this return with the preparer shown above? See instructions. • <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Schedule F Computation of Trade or Business Income. See instructions.

INCOME	1 a) Gross receipts or sales	2,016,277.	b) Less returns and allowances		c) Balance	1c	2,016,277.
	2 Cost of goods sold from Schedule V, line 8					2	735,346.
	3 Gross profit. Subtract line 2 from line 1c					3	1,280,931.
	4 Net gain (loss). Attach schedule					4	
	5 Other income (loss). Attach schedule	SEE STATEMENT 1				5	76,883.
	6 Total income (loss). Combine line 3 through line 5					6	1,357,814.
DEDUCTIONS	7 Compensation of officers. Attach schedule. See instructions					7	
	8 Salaries and wages					8	764,067.
	9 Repairs					9	127,542.
	10 Bad debts					10	1,534.
	11 Rents					11	59,703.
	12 Taxes					12	29,937.
	13 Interest					13	71,447.
	14 a) Depreciation	205,617.	b) Less depreciation reported elsewhere		c) Balance	14c	205,617.
	15 Depletion					15	
	16 Advertising					16	20,348.
	17 Pension, profit-sharing plans, etc.					17	
	18 Employee benefit programs					18	
	19 a) Total travel and entertainment		b) Deductible amount			19b	
	20 Other deductions. Attach schedule	SEE STATEMENT 2				20	367,302.
	21 Total deductions. Add line 7 through line 20					21	1,647,497.
	22 Ordinary income (loss) from trade or business. Subtract line 21 from line 6. Enter here and on Side 1, line 1					22	-289,683.

The corporation may not be required to complete Schedule L and Schedule M-1. See Schedule L and Schedule M-1 instructions for reporting requirements.

Schedule L Balance Sheet

		Beginning of taxable year		End of taxable year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		45,532.		185.
2 a	Trade notes and accounts receivable	252,058.		187,054.	
b	Less allowance for bad debts		252,058.		187,054.
3	Inventories		382,144.		341,366.
4	Federal and state government obligations				
5	Other current assets. Attach sch(s) STMT 3		5,759.		3,353.
6	Loans to shareholders. Attach sch(s)				
7	Mortgage and real estate loans				
8	Other investments. Attach schedule(s)				
9 a	Buildings and other fixed depreciable assets	2,112,370.		2,112,370.	
b	Less accumulated depreciation	1,246,661.	865,709.	1,468,297.	644,073.
10 a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12 a	Intangible assets (amortizable only)	177,598.		180,179.	
b	Less accumulated amortization	162,874.	14,724.	164,854.	15,325.
13	Other assets. Attach schedule(s) STM 4		3,605.		
14	Total assets		1,569,531.		1,191,356.
Liabilities and shareholders' equity					
15	Accounts payable		375,257.		332,354.
16	Mortgages, notes, bonds payable in less than 1 year				25,000.
17	Other current liabilities. Att sch(s) STMT 5		79,882.		79,145.
18	Loans from shareholders. Attach sch(s) STM 6		184,887.		253,931.
19	Mortgages, notes, bonds payable in 1 year or more		1,422,587.		1,300,909.
20	Other liabilities. Attach schedule(s)				
21	Capital stock		210,000.		210,000.
22	Paid-in or capital surplus		1,598,789.		1,598,789.
23	Retained earnings		-2,301,871.		-2,608,772.
24	Adjustments. Attach schedule(s)				
25	Less cost of treasury stock				
26	Total liabilities and shareholders' equity		1,569,531.		1,191,356.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.
If the S corporation completed federal Schedule M-3 (Form 1120S). See instructions.

1 Net income per books	-306,901.	5 Income recorded on books this year not included on Schedule K, line 1 through line 10b (itemize)	
2 Income included on Schedule K, line 1 through line 10b, not recorded on books this year (itemize)		a Tax-exempt interest \$	
		b Other \$	
3 Expenses recorded on books this year not included on Schedule K, line 1 through line 12e (itemize)		c Total. Add line 5a and line 5b	
a Depreciation \$ 19,204.		6 Deductions included on Schedule K, line 1 through line 12e, not charged against book income this year (itemize)	
b State taxes \$ 800.		a Depreciation \$	
c Travel & entertainment \$		b State tax refunds \$	
d Other STMT 7 \$ 199.		c Other \$	
e Total. Add line 3a through line 3d	20,203.	d Total. Add line 6a through line 6c	
4 Total. Add line 1 through line 3e	-286,698.	7 Total. Add line 5c and line 6d	0.
		8 Income (loss) (Schedule K, line 19, column d). Line 4 less line 7	-286,698.

Schedule M-2 CA Accumulated Adjustments Account, Other Adjustments Account, and Other Retained Earnings. See instructions.**Important: Use California figures and federal procedures.**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Other retained earnings (see instructions)
1 Balance at beginning of year	-2,264,864.		
2 Ordinary income from Form 100S, Side 1, line 1			
3 Other additions. SEE STATEMENT 8	3,985.		
4 Loss from Form 100S, Side 1, line 1	(289,683)		
5 Other reductions. SEE STATEMENT 9	(1,999)		
6 Combine line 1 through line 5	-2,552,561.		
7 Distributions other than dividend distributions			
8 Balance at end of year. Subtract line 7 from line 6	-2,552,561.		
9 Retained earnings at end of year. Add line 8, column (a) through column (c)			-2,552,561.
<input type="checkbox"/> If the corporation has C corporation E&P at the end of the taxable year, check the box and enter the amount. See instructions.			

Schedule V Cost of Goods Sold

1 Inventory at beginning of year	1	382,144.
2 Purchases	2	
3 Cost of labor	3	
4 Other IRC Section 263A costs. Attach schedule	4	
5 Other costs. Attach schedule STMT 10	5	694,568.
6 Total. Add line 1 through line 5	6	1,076,712.
7 Inventory at end of year	7	341,366.
8 Cost of goods sold. Subtract line 7 from line 6	8	735,346.

Was there any change in determining quantities, costs, or valuations between opening and closing inventory?

☐ Yes ☒ No

If 'Yes,' attach an explanation. Enter California seller's permit number, if any

Method of inventory valuation COST

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory computed under LIFO

Schedule K S Corporation Shareholder's Shares of Income, Deductions, Credits, etc.

	(a) Pro-rata share items		(b) Amount from federal K (1120S)	(c) California Adjustment	(d) Total amounts using California law
INCOME	1 Ordinary business income (loss)	1	-289,683.	3,985.	-285,698.
	2 Net rental real estate income (loss). Attach federal Form 8825	2			
	3a Other gross rental income (loss)	3a			
	b Expenses from other rental activities. Attach sch.	3b			
	c Other net rental income (loss). Subtract line 3b from line 3a.	3c			
	4 Interest income	4			
	5 Dividends. See instructions	5			
	6 Royalties	6			
	7 Net short-term capital gain (loss). Attach Schedule D (100S)	7			
LOSSES	8 Net long-term capital gain (loss). Attach Schedule D (100S)	8			
	9 Net Section 1231 gain (loss)	9			
	10a Other portfolio income (loss). Attach schedule	10a			
	b Other income (loss). Attach schedule	10b			
	11 Expense deduction for recovery property (IRC Section 179) Attach Schedule B (100S)	11			
	12a Charitable contributions. SEE STATEMENT 11	12a	1,000.		1,000.
	b Investment interest expense	12b			
	c 1 Section 59(e)(2) expenditures	12c1			
	2 Type of expenditures	12c2			
DEDUCTIONS	d Deductions — portfolio. Attach schedule	12d			
	e Other deductions. Attach schedule	12e			
	13a Low-income housing credit. See instructions	13a			
	b Credits related to rental real estate activities. Attach schedule	13b			
	c Credits related to other rental activities. See instructions. Attach schedule	13c			
	d Other credits. Attach schedule	13d			
	e New employment credit	13e			
	14 Total withholding allocated to all shareholders	14			
	CREDITS	15a Depreciation adjustment on property placed in service after 12/31/86 ..	15a		
b Adjusted gain or loss. See instructions		15b			
c Depletion (other than oil and gas)		15c			
d 1 Gross income from oil, gas, and geothermal properties		15d1			
2 Deductions allocable to oil, gas, and geothermal properties		15d2			
e Other AMT items		15e			
16a Tax-exempt interest income		16a			
b Other tax-exempt income		16b			
c Nondeductible expenses		16c	199.	800.	999.
TAX ALTERNATIVES	d Total property distributions (including cash) other than dividends distribution reported on line 17c	16d			
	17a Investment income. See instructions	17a			
	b Investment expenses. See instructions	17b			
	c Total dividend distributions paid from accumulated earnings and profits	17c			
	d Other items and amounts not included in lines 1-17b and lines 18a-e that are required to be reported separately to shareholders. Attach schedule. SEE STATEMENT 12	17d	SEE ATTACHED		SEE ATTACHED
	18a Type of income	18a			
	b Name of state	18b			
	c Total gross income from sources outside CA. Attach sch.	18c			
	d Total applicable deductions and losses. Attach schedule	18d			
OTHER INFORMATION	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued ..	18e			
	19 Income (loss) (required only if Schedule M-1 must be completed). Combine line 1, line 2, and line 3c through line 10b. From the result, subtract the sum of lines 11, 12a, 12b, 12c1, 12d and 12e	19	-290,683.	3,985.	-286,698.

2014 S Corporation Depreciation and Amortization**B (100S)**

For use by S corporations only. Attach to Form 100S.

Corporation name COLD CREEK COMPOST, INC	California corporation number 1886865
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Part I Depreciation. Use additional sheets if necessary.

1 Enter federal depreciation from federal Form 4562, line 22. IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions.....	1	205,617.
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California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Method of figuring depreciation	(f) Life or rate	(g) Depreciation for this year
2 SCALE	10/16/1996	18,000.	18,000.	200DB	7	0.
TOOL BOXES	11/30/1996	794.	794.	200DB	7	0.
LADDER	11/15/1996	403.	403.	200DB	7	0.
GENERATOR & RR	12/31/1996	219.	219.	200DB	7	0.
TOOL BOXES	6/30/1997	4,698.	4,698.	200DB	7	0.
SCALE	6/30/1997	23,527.	23,527.	200DB	7	0.
TRUCK TRAILER	6/30/1997	39,011.	39,011.	200DB	5	0.
MOTOR AERATION	6/30/1997	1,314.	1,314.	200DB	7	0.
SOLAR PANELS	3/16/1999	535.	535.	200DB	5	0.
SOLAR POWER CELLS	11/17/1999	441.	441.	200DB	5	0.
GENERATOR	2/16/2000	1,067.	1,067.	200DB	7	0.
TRAILER	3/09/2001	23,157.	23,157.	200DB	5	0.
GRINDER	5/01/2002	200,220.	200,220.	200DB	7	0.
WEATHER STATION	1/31/2003	4,267.	4,267.	200DB	7	0.
SCALE DISPLAY	4/10/2003	1,778.	1,778.	200DB	7	0.
WELDER	11/19/2003	3,296.	3,203.	200DB	7	0.
DODGE DAKOTA PICKUP	11/18/2005	5,273.	4,959.	S/L	7	0.
WATER TRUCK	1/31/2006	27,000.	27,000.	S/L	7	0.
966 LOADER	12/01/2006	10,000.	7,083.	S/L	10	1,000.
275BLOADER	1/08/2007	10,000.	7,000.	S/L	10	1,000.

3 Add the amounts on line 2, column (g).....	3	202,432.
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4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....	4	3,185.
--	----------	---------------

5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 1, line 12. Do not enter more than \$25,000.....	5	0.
--	----------	-----------

Part II Amortization. Use additional sheets if necessary.

1 Enter federal amortization from federal Form 4562, line 44.....	1	1,980.
--	----------	---------------

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R & TC section (See instr.)	(f) Period or percentage	(g) Amortization for this year
2 ORGANIZATIONAL CO	9/01/1995	1,700.	1,700.		5	
ENVIRONMENTAL, LE	11/30/1996	85,789.	85,789.		15	
LOAN FEES - CIWMB	12/31/1996	20,481.	20,481.		7	
LEGAL COSTS - NAL	12/31/1996	21,687.	21,687.		15	
INTANGIBLES	6/30/1997	22,520.	22,520.	197	15	
ENVIRONMENTAL REP	6/30/1998	9,061.	7,853.	178	15	
LOAN FEES	12/31/2012	16,360.	1,636.	461	10	1,636.
LOAN FEES	4/16/2014	2,581.		461	5	344.

3 Add the amounts on line 2, column (g).....	3	1,980.
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4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....	4	0.
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Part III Depreciation and Amortization Adjustment

1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.....	1	3,185.
---	----------	---------------

2014

S Corporation Depreciation and Amortization

B (100S)

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number

COLD CREEK COMPOST, INC

1886865

Part I Depreciation. Use additional sheets if necessary.

1 Enter federal depreciation from federal Form 4562, line 22.

IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions

1

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Method of figuring depreciation	(f) Life or rate	(g) Depreciation for this year
2 ROADS AND PADS	6/30/1996	44,574.	43,769.	150DB	15	0.
FENCES AND GATES	6/30/1996	544.	544.	150DB	15	0.
BURIED TELEPHONE LIN	12/30/1996	562.	534.	150DB	15	0.
ROADS	6/30/1997	1,049.	1,025.	150DB	15	0.
NEW GATE	7/12/2001	3,544.	1,133.	S/L	39	91.
ROAD BASE	11/26/2001	19,779.	6,148.	S/L	39	507.
WATER TANKS AND SYST	9/30/1996	33,239.	15,744.	S/L	39	852.
SITE IMPROVEMENTS	9/01/1995	160,000.	159,168.	150DB	15	0.
FOUNDATION AND BUILD	9/01/1995	313,847.	144,850.	S/L	39	8,047.
SITE IMPROVEMENTS	12/31/1995	107,482.	54,837.	S/L	39	2,756.
WATER TANK AND SYSTE	6/30/1997	7,672.	3,346.	S/L	39	197.
SCALE	6/30/1997	14,379.	6,270.	S/L	39	369.
SITE IMPROVEMENTS	6/30/1998	853.	341.	S/L	39	22.
NEW WELL	10/25/1999	9,393.	3,423.	S/L	39	241.
EXPANSION OF CONCRET	4/20/2000	1,148.	401.	S/L	39	29.
PERMIT WATER TANKS	1/01/2001	475.	157.	S/L	39	12.
BLOWERS	7/01/2008	7,935.	7,935.	200DB	5	0.
LEACHATE POND	12/31/2008	333,617.	98,117.	150DB	15	19,683.
LEACHATE POND PERMIT	12/31/2008	115,556.	33,985.	150DB	15	6,818.
HONDA MOTOR	11/10/2009	913.	826.	200DB	5	87.

3 Add the amounts on line 2, column (g)

23

4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.

4

5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 1, line 12.
Do not enter more than \$25,000.

100

Part II Amortization. Use additional sheets if necessary.

1 Enter federal amortization from federal Form 4562, line 44.

1

California amortization:

[illegible]

3 Add the amounts on line 2, column (g)

53

4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.

Part III Depreciation and Amortization Adjustment

1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.

2014**S Corporation Depreciation and Amortization****B (100S)**

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number

COLD CREEK COMPOST, INC

1886865

Part I Depreciation. Use additional sheets if necessary.

- 1 Enter federal depreciation from federal Form 4562, line 22.
IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions.....

1

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Method of figuring depreciation	(f) Life or rate	(g) Depreciation for this year
2 TOPOGRAPHIC MAP DRAF	1/01/2009	1,763.	576.	150DB	15	110.
OFFICE TRAILER	5/21/2010	12,922.	3,974.	150DB	15	895.
GENERATOR	1/13/2011	6,369.	4,535.	200DB	5	734.
COMPUTER AND MONITOR	12/05/2012	743.	319.	200DB	5	169.
LOADER	6/04/2012	10,000.	5,500.	200DB	5	1,800.
USED TANKS (2)	12/03/2012	2,000.	622.	200DB	7	394.
SCREEN (USED)	11/15/2012	282,396.	121,430.	200DB	5	64,386.
SCALES (MASTER & SCA	9/19/2013	9,277.	1,392.	200DB	5	3,154.
HOPPER	10/24/2013	5,035.	252.	200DB	5	1,913.
POND TRAILER	11/10/2013	2,049.	102.	200DB	5	779.
TRUCK #10	12/16/2013	227,037.	11,352.	200DB	5	86,274.
MICROSOFT LIBRARY SO	4/04/2013	567.	71.	S/L	5	113.

- 3 Add the amounts on line 2, column (g).....

3

- 4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....

4

- 5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 1, line 12.
Do not enter more than \$25,000.....

5

Part II Amortization. Use additional sheets if necessary.

- 1 Enter federal amortization from federal Form 4562, line 44.....

1

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R & TC section (See instr.)	(f) Period or percentage	(g) Amortization for this year
2						

- 3 Add the amounts on line 2, column (g).....

3

- 4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....

4

Part III Depreciation and Amortization Adjustment

- 1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.....

1

2014

Shareholder's Share of Income,
Deductions, Credits, etc.

K-1 (100S)

TYB 01-01-2014 TYE 12-31-2014

-**-*

MARTIN

MILECK

6000 POTTER VALLEY ROAD
UKIAH CA 954821886865 68-0358939
COLD CREEK COMPOST INC6000 POTTER VALLEY ROAD
UKIAH CA 95482

- A Shareholder's percentage of stock ownership at year end 100%
- B Reportable transaction or tax shelter registration number(s):
- C Check here if this is: (1) ☐ A final Schedule K-1 (2) ☐ An amended Schedule K-1
- D What type of entity is this shareholder? (1) ☒ Individual (2) ☐ Estate/Trust (3) ☐ Qualified Exempt Organization (4) ☐ Single Member LLC
- E Is this shareholder a resident of California? ☒ Yes ☐ No

Caution: Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (1120S)	(c) California adjustment	(d) Total amounts using California law Combine (b) and (c) where applicable	(e) California source amounts and credits
INCOME/LOSS	1 Ordinary business income (loss)	-289,683.	3,985.	-285,698.	
	2 Net rental real estate income (loss)				
	3 Other net rental income (loss)				
	4 Interest income				
	5 Dividends. See instructions				
	6 Royalties				
	7 Net short-term capital gain (loss)				
	8 Net long-term capital gain (loss)				
	9 Net Section 1231 gain (loss)				
OTHER INCOME/LOSS	10a Other portfolio income (loss). Attach schedule.				
	b Other income (loss)				

SHAREHOLDER 1

CASA0712L 01/03/15

Caution: Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (1120S)	(c) California adjustment	(d) Total amounts using California law Combine (b) and (c) where applicable	(e) California source amounts and credits
DEDUCTIONS	11 Expense deduction for recovery property (IRC Section 179) Attach schedules				
	12a Charitable contributions . . . SEE ATT	1,000.		1,000.	
	b Investment interest expense			•	▶
	c 1 Section 59(e)(2) expenditures				
	2 Type of expenditures				
	d Deductions — portfolio				
CREDITS	e Other deductions				
	13a Low-income housing credit. See instructions. Attach schedule			•	▶
	b Credits related to rental real estate activities other than on line 13(a). Attach schedule			•	▶
	c Credits related to other rental activities. See instructions. Attach sch			•	▶
	d Other credits. Attach schedule			•	▶
	e New employment credit				
	14 Total withholding (equals amount on Form 592-B if calendar year)			•	▶
	15a Depreciation adjustment on property placed in service after 12/31/86			⊙ 19,951. ⊙	
	b Adjusted gain or loss				
	c Depletion (other than oil and gas)				
AMT ALTERNATIVE TAX	d 1 Gross income from oil, gas, and geothermal properties				
	2 Deductions allocable to oil, gas, and geothermal properties				
	e Other AMT items. Attach schedule				
	16a Tax-exempt interest income				
	b Other tax-exempt income				
SHAREHOLDERS AFFECTING ITEMS	c Nondeductible expenses . . . SEE ATT	199.	800.	999.	
	d Total property distributions (including cash) other than dividends distribution reported on line 17c			•	▶
	e Repayment of loans from shareholders . . .			•	▶
	17a Investment income. See instructions . . .				
	b Investment expenses. See instructions . . .				
OTHER INFO	c Total taxable dividend distribution paid from accumulated earnings and profits. See instructions			•	▶
	d Other information. See instructions	SEE ATTACHED		SEE ATTACHED	
OTHER STATE TAXES	18a Type of income				
	b Name of state				
	c Total gross income from sources outside California. Attach schedule				
	d Total applicable deductions and losses. Attach sch				
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued			•	▶

OTHER
SHAREHOLDER
INFORMATION**Table 1** — Each shareholder's share of nonbusiness income from intangibles. See instructions.

Interest..... \$ _____ Royalties..... \$ _____ Dividends. \$ _____
 1231 Gains/Losses \$ _____ Capital Gains/Losses .. \$ _____ Other..... \$ _____

FOR USE BY SHAREHOLDERS ONLY. SEE INSTRUCTIONS.**Table 2** — Shareholder's pro-rata share of business income and factors — See instructions.**A** Shareholder's share of the S corporation's business income..... \$ _____**B** Shareholder's share of the nonbusiness income from real and tangible property sourced or allocable to California:

Capital Gains/Losses..... \$ _____ Rents/Royalties \$ _____

1231 Gains/Losses \$ _____ Other..... \$ _____

C Shareholder's share of the S corporation's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$ _____	\$ _____
Ending	\$ _____	\$ _____
Annual Rent Expense	\$ _____	\$ _____
Payroll	\$ _____	\$ _____
Sales	\$ _____	\$ _____

Line 12a, column (d)
Charitable Contributions

Cash Contributions - 50% limitation.....	\$	1,000.
Total	\$	<u>1,000.</u>

Line 16c, column (d)
Nondeductible Expenses

Penalties.....	\$	199.
State and Local Taxes Based on Income or Profits.....		800.
Total	\$	<u>999.</u>

Supplemental Information

S Corporation's Aggregate Gross Receipts.....	\$	2,093,160.
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2014**Net Operating Loss (NOL) Computation and
NOL and Disaster Loss Limitations – Corporations****3805Q**

Attach to Form 100, Form 100W, Form 100S, or Form 109.

Corporation name COLD CREEK COMPOST, INC	California corporation number 1886865
During the taxable year the corporation incurred the NOL, the corporation was a(n): <input checked="" type="radio"/> S Corporation <input type="radio"/> Exempt organization <input type="radio"/> Limited Liability Company (electing to be taxed as a corporation)	FEIN 68-0358939

If the corporation previously filed California tax returns under another corporate name, enter the corporation name and California corporation number:

☐

If the corporation is included in a combined report of a unitary group, see instructions, General Information C, Combined Reporting.

Part I Current year NOL. If the corporation does not have a current year NOL, go to Part II.

1 Net loss from Form 100, line 18; Form 100W, line 18; Form 100S, line 15; or Form 109, line 2. Enter as a positive number.	1	285,698.
2 2014 disaster loss included in line 1. Enter as a positive number.	2	
3 Subtract line 2 from line 1. If zero or less, enter -0- and see instructions.	3	285,698.
4a Enter the amount of the loss incurred by a new business included in line 3.	4a	
4b Enter the amount of the loss incurred by an eligible small business included in line 3.	4b	
4c Add line 4a and line 4b.	4c	
5 General NOL. Subtract line 4c from line 3.	5	285,698.
6 Current year NOL. Add line 2, line 4c, and line 5. See instructions.	6	285,698.

If the corporation is using the current year NOL to carryback to offset net income for taxable years 2012 and/or 2013, complete Part III, NOL carryback, on Side 2 before completing Part I, lines 7-9 below.

7 2014 NOL carryback used to offset 2012 net income. Enter the amount from Part III, line 3, column (f).	7	285,698.
8 2014 NOL carryback used to offset 2013 net income. Enter the amount from Part III, line 3, column (h).	8	
9 2014 NOL carryover to 2015. Add line 7 and line 8, then subtract the result from line 6. See instructions.	9	285,698.

Election to waive carryback☒ Check the box if the corporation elects to relinquish the entire carryback period with respect to 2014 NOL under IRC Section 172(b)(3). By making the election, the corporation is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it's irrevocable. See instructions.

Continue with Part II, NOL carryover and disaster loss carryover limitations. Do not complete Part III, NOL carryback.

Part II NOL carryover and disaster loss carryover limitations. See Instructions.

1 Net income (loss) – Enter the amount from Form 100, line 18; Form 100W, line 18; Form 100S, line 15 less line 16 (but not less than -0-); or Form 109, line 2.	(g) Available balance	
--	--------------------------	--

Prior Year NOLs

(a) Year of loss	(b) Code – See instructions	(c) Type of NOL – See below*	(d) Initial loss	(e) Carryover from 2013	(f) Amount used in 2014	(g) Available balance	(h) Carryover to 2015 col. (e) – col. (f)
2 2009		GEN	192,643.	29,807.	0.	0.	29,807.
2013		GEN	152,050.	152,050.	0.	0.	152,050.

Current Year NOLs

							col. (d) – col. (f) See instructions.
3 2014		DIS					
4 2014		GEN	285,698.				285,698.
2014							
2014							
2014							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

Part III NOL carryback

- 1 2012 Net income — Enter the amount from 2012 Form 100, line 23; Form 100W, line 23; Form 100S, line 21 (but not less than -0-); or taxable income from Form 109, line 9.
- 2 2013 Net income — Enter the amount from 2013 Form 100, line 23; Form 100W, line 23; Form 100S, line 21 (but not less than -0-); or taxable income from Form 109, line 9.

(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial Loss	(e) Carryback limitations 75% of col. (d)	2012		2013		(j) Carryover to 2015 col. (d) minus [col. (f) plus col. (h)]
					(f) Carryback used — See instructions	(g) After carryback col. (e) minus col. (f)	(h) Carryback used — See instructions	(i) After carryback col. (g) minus col. (h)	
3 2014									
2014									
2014									
2014									
2014									

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or NOL attributable to a qualified disaster loss (DIS).

Part IV 2014 NOL deduction

- 1 Total the amounts in Part II, line 2, column (f). ☒ 1 0.
- 2 Enter the total amount from line 1 that represents disaster loss carryover deduction here and on Form 100, line 21; Form 100W, line 21; or Form 100S, line 19. Form 109 filers enter -0-. 2 0.
- 3 Subtract line 2 from line 1. Enter the result here and on Form 100, line 19; Form 100W, line 19; Form 100S, line 17; or Form 109, line 7. ☒ 3 0.

Statement 1
Form 100S, Schedule F, Line 5
Other Income

Contract labor.....	\$	600.
Equipment rental.....		24,000.
Finance charge.....		12,283.
Management fee.....		40,000.
Total	\$	<u>76,883.</u>

Statement 2
Form 100S, Schedule F, Line 20
Other Deductions

Amortization.....	\$	1,980.
Bank Charges.....		8,920.
Delivery and Freight.....		3,488.
Dues and Subscriptions.....		2,167.
Facility operations.....		202,538.
Insurance.....		17,808.
Legal and Professional.....		84,169.
Office Expense.....		5,537.
Oroville Landfill Costs.....		17,254.
Outside services - Analysis.....		3,777.
Postage.....		1,358.
Telephone.....		11,128.
Travel.....		7,178.
Total	\$	<u>367,302.</u>

Statement 3
Form 100S, Schedule L, Line 5
Other Current Assets

	<u>Beginning</u>	<u>Ending</u>
Employee advances.....	\$ 5,759.	\$ 3,353.
Total	<u>\$ 5,759.</u>	<u>\$ 3,353.</u>

Statement 4
Form 100S, Schedule L, Line 13
Other Assets

	<u>Beginning</u>	<u>Ending</u>
Construction in progress.....	\$ 3,605.	\$ 0.
Total	<u>\$ 3,605.</u>	<u>\$ 0.</u>

COLD CREEK COMPOST, INC

1886865

Statement 5
Form 100S, Schedule L, Line 17
Other Current Liabilities

	<u>Beginning</u>	<u>Ending</u>
Credit cards payable.....	\$ 32,951.	\$ 37,450.
Note payable - M&M.....	46,923.	41,695.
State Tax Payable.....	8.	0.
Total	\$ 79,882.	\$ 79,145.

Statement 6
Form 100S, Schedule L, Line 18
Loans from Shareholders

	<u>Beginning</u>	<u>Ending</u>
Loan - J Mileck.....	\$ 75,000.	\$ 75,000.
Loan - Martin.....	109,887.	178,931.
Total	\$ 184,887.	\$ 253,931.

Statement 7
Form 100S, Schedule M-1, Line 3
Expenses on Books Not on Schedule K

Penalties.....	\$ 199.
Total	\$ 199.

Statement 8
Form 100S, Schedule M-2, Line 3
Other Additions

CA Depreciation Adjustment - Ordinary Income.....	\$ 3,185.
State and Local Taxes Based on Income or Profits.....	800.
Total	\$ 3,985.

Statement 9
Form 100S, Schedule M-2, Line 5
Other Reductions

Contributions.....	\$ 1,000.
Penalties.....	199.
State and Local Taxes Based on Income or Profits.....	800.
Total	\$ 1,999.

COLD CREEK COMPOST, INC

1886865

Statement 10
Form 100S, Schedule V, Line 5
Other Costs

Bagging.....	\$	8,500.
Material and production costs.....		686,068.
Total	\$	<u>694,568.</u>

Statement 11
Form 100S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 50% limitation.....	\$	1,000.
Total	\$	<u>1,000.</u>

Statement 12
Form 100S, Schedule K, Line 17d
Other Items

S Corporation's Aggregate Gross Receipts.....	\$	2,093,160.
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COLD CREEK COMPOST, INC

1886865

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Dep.	Prior Dec. Bal. Dep.	Salvage /Basis Reductn	Dep. Basis	Prior Dep.	Method	Life	Rate	Current Dep.
Form 100S																
Amortization																
21	Organizational Costs	9/01/95		1,700							1,700	1,700	S/L	5		0
22	Environmental, Legal Cost	11/30/96		85,789							85,789	85,789	S/L	15		0
23	Loan Fees - CIWMB	12/31/96		20,481							20,481	20,481	S/L	7		0
24	Legal Costs - Nale	12/31/96		21,687							21,687	21,687	S/L	15		0
25	Intangibles	6/30/97		22,520							22,520	22,520	S/L	15		0
26	Environmental Report	6/30/98		9,061							9,061	7,853	S/L	15		0
54	Loan fees	12/31/12		16,360							16,360	1,636	S/L	10		1,636
Total Amortization																
				177,598		0	0	0	0	0	177,598	161,666				1,636
Auto / Transport Equipment																
7	Truck Trailer	6/30/97		39,011							39,011	39,011	200DB HY	5		0
12	Trailer	3/09/01		23,157							23,157	23,157	200DB HY	5		0
17	Dodge Dakota Pickup	11/18/05		5,273							5,273	4,959	S/L HY	7		0
18	Water Truck	1/31/06		27,000							27,000	27,000	S/L HY	7		0
46	Honda Motor	11/10/09		913							913	826	200DB MQ	5	.09580	87
58	Truck #10	12/16/13		227,037							227,037	11,352	200DB MQ	5	.38000	86,274
Total Auto / Transport Equipment																
				322,391		0	0	0	0	0	322,391	106,305				86,361
Buildings																
33	Water Tanks and System	9/30/96		33,239							33,239	15,744	S/L	39		852
34	Site Improvements	9/01/95		160,000							160,000	159,168	150DB HY	15		0
35	Foundation and Building	9/01/95		313,847							313,847	144,850	S/L	39		8,047

12/31/14

2014 California Depreciation Schedule

Page 4

COLD CREEK COMPOST, INC

1886865

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Miscellaneous																
59	Microsoft Library Softwar	4/04/13		567							567	71	S/L	MQ	5 .20000	113
60	Loan fees	4/16/14		2,581							2,581			S/L	5	344
Total Miscellaneous				3,148		0	0	0	0	0	3,148	71				457
Total Depreciation				2,114,300		0	0	0	0	0	2,114,300	1,101,354				202,776
Grand Total Amortization				177,598		0	0	0	0	0	177,598	161,666				1,636
Grand Total Depreciation				2,114,300		0	0	0	0	0	2,114,300	1,101,354				202,776

COLD CREEK COMPOST, INC

68-0358939

Forms needed for this return

Federal: 1120S, Sch K-1, 1125-A, 4562, 7004
 California: 100S, 100-ES, Sch B, Sch K-1, 3805Q

Tax Rates

California 1.5%

Carryovers to 2015California Carryovers

Charitable Contributions Deduction 1,027.
 General Net Operating Loss 467,555.

California Estimates

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/15/15	800.	0.	800.
6/15/15	0.	0.	0.
9/15/15	0.	0.	0.
12/15/15	0.	0.	0.
Total	\$ 800.	\$ 0.	\$ 800.

2014 Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

COLD CREEK COMPOST, INC

68-0358939

Name of Shareholder

Shareholder's I.D. number

MARTIN MILECK

-**-*

1. STOCK BASIS AT BEGINNING OF TAX YEAR

INCREASES:

- 2. Ordinary income
- 3. Net income from rental activities
- 4. Net portfolio income
- 5. Net gain under Section 1231
- 6. Other income
- 7. Tax-exempt interest income
- 8. Other tax-exempt income
- 9. Net gain on disposition of Section 179 assets
- 10. Oil and gas depletion in excess of basis
- 11. OTHER INCREASES:

DECREASES:

- 13. Nondeductible expenses
- 14. Oil and gas depletion
- 15. Ordinary loss
- 16. Net loss from rental activities
- 17. Net portfolio loss
- 18. Net loss under Section 1231
- 19. Other loss
- 20. Charitable contributions
- 21. Section 179 expense deduction
- 22. Deductions related to portfolio income (loss)
- 23. Other deductions
- 24. Investment interest expense
- 25. Total foreign taxes
- 26. Section 59(e) expenses
- 27. Prior year loss in excess of basis
- 28. OTHER DECREASES:

Loss in Excess of Basis

12. **TOTAL INCREASES:** (add lines 2 - 11).

29. Property distributions (including cash) ...

30. **TOTAL DECREASES** (add lines 13 - 29).

31. **STOCK BASIS AT END OF TAX YEAR.** (Line 1 plus line 12 minus line 30)

32. **DEBT BASIS AT BEGINNING OF TAX YEAR.**

33. **ADJUSTMENTS TO DEBT BASIS:**

34. **DEBT BASIS AT END OF TAX YEAR** (Combine Line 32 and 33).

35. **SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR** (Add Line 31 and 34)

Losses/Deductions in Excess of Basis (Suspended)

407,075.

2014 California Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

COLD CREEK COMPOST, INC

1886865

Name of Shareholder

Shareholder's I.D. number

MARTIN MILECK

1. STOCK BASIS AT BEGINNING OF TAX YEAR 0.

INCREASES:

DECREASES:

2. Ordinary income
3. Net income from rental activities
4. Net portfolio income
5. Net gain under Section 1231
6. Other income
7. Tax-exempt interest income
8. Other tax-exempt income
9. Net gain on disposition of Section 179 assets
10. Oil and gas depletion in excess of basis
11. OTHER INCREASES:

13. Nondeductible expenses	999.
14. Oil and gas depletion	
15. Ordinary loss	285,698.
16. Net loss from rental activities	
17. Net portfolio loss	
18. Net loss under Section 1231	
19. Other loss	
20. Charitable contributions	1,000.
21. Expense reduction for recovery property	
22. Deductions related to portfolio income (loss)	
23. Other deductions	
24. Investment interest expense	
25. Total other state taxes	
26. Section 59(e) expenses	
27. Prior year loss in excess of basis	114,599.
28. OTHER DECREASES:	
Loss in Excess of Basis	-402,296.

12. **TOTAL INCREASES:** (add lines 2 - 11).

30. TOTAL DECREASES (add lines 13 - 29).	0.
--	----

31. STOCK BASIS AT END OF TAX YEAR. (Line 1 plus line 12 minus line 30)..... **0.**

32. DEBT BASIS AT BEGINNING OF TAX YEAR..... 0.

33. ADJUSTMENTS TO DEBT BASIS:

34. **DEBT BASIS AT END OF TAX YEAR** (Combine Line 32 and 33)..... 0.

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34)..... 0

Losses/Deductions in Excess of Basis (Suspended).....	402,296.
---	----------

CLIENT 9744

GREGORY G. CAVALIN, CPA

**201 WEST CLAY STREET
UKIAH, CA 95482-5452
(707) 462-0100**

September 8, 2016

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482

Dear Client:

Enclosed is your 2015 Federal S Corporation Income Tax Return. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail the Federal return on or before September 15, 2016 to:

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0013

Enclosed is your 2015 California S Corporation Income Tax Return. The original should be signed at the bottom of page three. No tax is payable with the filing of this return. Mail the California return on or before October 17, 2016 to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0500

Your estimated tax schedule for 2016 is listed below:

Due Date	California
4/18/16	\$ 800
6/15/16	0
9/15/16	0
12/15/16	0

	\$ 800

You must distribute a copy of the 2015 Schedule K-1 to each shareholder. Be sure to give each shareholder a copy of the Shareholder's Instructions for Schedule K-1 (Form 1120S).

Please call if you have any questions.

Sincerely,

Gregory G Cavalin

Gregory G. Cavalin, CPA

201 West Clay Street
Ukiah, CA 95482-5452
(707) 462-0100

Client 9744

Invoice No. 108622

September 8, 2016

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482
707 485-5966

FEDERAL FORMS

Form 1120S	2015 U.S. S Corporation Income Tax Return
Schedule K-1	Shareholder's Income, Deductions, Credits, etc
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 7004	Automatic Extension of Time to File
	Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

CALIFORNIA FORMS

Form 100S	2015 California S Corporation Tax Return
Form 100-ES	Corporation Estimated Tax
Schedule B	S Corporation Depreciation and Amortization
Schedule K-1	Shareholder's Income, Etc.
Form 3805Q	Net Operating Loss Deduction
	California Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

FEE SUMMARY

Preparation Fee	\$ 1,400.00
Computer processing charge	75.00
Amount Due	\$ 1,475.00

**Application for Automatic Extension of Time To File Certain
Business Income Tax, Information, and Other Returns**

OMB No. 1545-0233

► File a separate application for each return.

► Information about Form 7004 and its separate instructions is at www.irs.gov/form7004.**Print
or
Type**

Name

Identifying number

COLD CREEK COMPOST, INC68-0358939

Number, street, and room or suite number. (If P.O. box, see instructions.)

6000 POTTER VALLEY ROAD

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).

UKIAH, CA 95482**Note.** File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.**Part I Automatic 5-Month Extension****1 a** Enter the form code for the return that this application is for (see below).....

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate other than a bankruptcy estate)	04
Form 8804	31	Form 1041 (trust)	05

Part II Automatic 6-Month Extension**b** Enter the form code for the return that this application is for (see below).....25

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-C	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

- 2** If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐
- 3** If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐
If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

Part III All Filers Must Complete This Part

- 4** If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐

5 a The application is for calendar year 20 15, or tax year beginning _____, 20 __, and ending _____, 20 __

- b Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (see instructions – attach explanation)

6 Tentative total tax	6	<u>0.</u>
7 Total payments and credits (see instructions)	7	<u>0.</u>
8 Balance due. Subtract line 7 from line 6 (see instructions)	8	<u>0.</u>

For calendar year 2015 or tax year beginning , 2015, ending ,

A S election effective date 9/01/1995	TYPE OR PRINT	COLD CREEK COMPOST, INC 6000 POTTER VALLEY ROAD UKIAH, CA 95482	D Employer identification number 68-0358939
B Business activity code number (see instrs) 325300			E Date incorporated 3/30/1994
C Check if Schedule M-3 attached <input type="checkbox"/>			F Total assets (see instructions) \$ 1,221,291.

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year. ▶ 1

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales.	1 a	2,670,895.	
	b Returns and allowances.	1 b	30,262.	
	c Balance. Subtract line 1b from line 1a.	1 c	2,640,633.	
	2 Cost of goods sold (attach Form 1125-A).	2	998,671.	
	3 Gross profit. Subtract line 2 from line 1c.	3	1,641,962.	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797).	4		
5 Other income (loss) (see instrs — att statement).	5	See Statement 1	86,426.	
6 Total income (loss). Add lines 3 through 5. ▶	6		1,728,388.	
DEDUCTIONS SEE INSTRS	7 Compensation of officers (see instructions - attach Form 1125-E).	7		
	8 Salaries and wages (less employment credits).	8	856,568.	
	9 Repairs and maintenance.	9	152,886.	
	10 Bad debts.	10	10,253.	
	11 Rents.	11	76,894.	
	12 Taxes and licenses.	12	25,300.	
	13 Interest.	13	83,681.	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562).	14	153,382.	
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising.	16	11,654.	
	17 Pension, profit-sharing, etc, plans.	17		
18 Employee benefit programs.	18			
19 Other deductions (attach statement).	19	See Statement 2	398,624.	
20 Total deductions. Add lines 7 through 19. ▶	20		1,769,242.	
21 Ordinary business income (loss). Subtract line 20 from line 6.	21		-40,854.	
TAX AND PAYMENTS	22 a Excess net passive income or LIFO recapture tax (see instructions).	22 a		
	b Tax from Schedule D (Form 1120S).	22 b		
	c Add lines 22a and 22b (see instructions for additional taxes).	22 c		
	23 a 2015 estimated tax payments and 2014 overpayment credited to 2015.	23 a		
	b Tax deposited with Form 7004.	23 b		
	c Credit for federal tax paid on fuels (attach Form 4136).	23 c		
	d Add lines 23a through 23c. ▶	23 d		
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached. ▶ <input type="checkbox"/>	24		
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.	25		0.
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid.	26		
27 Enter amount from line 26 Credited to 2015 estimated tax ▶ Refunded ▶ 27				

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____

 Title **President**

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name: **Gregory G Cavalin**
 Preparer's signature: **Gregory G Cavalin**
 Date: **9/08/16**
 Check ☒ if self-employed
 PTIN: **P00293754**

Firm's name: **Gregory G. Cavalin, CPA**
 Firm's EIN: **68-0314830**

Firm's address: **201 West Clay Street**
 Phone no.: **(707) 462-0100**

Ukiah, CA 95482-5452

Schedule B Other Information (see instructions)					Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____						
2 See the instructions and enter the: a Business activity ▶ <u>Production and sales</u> b Product or service... ▶ <u>Compost</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock ▶ _____						
(ii) Total shares of non-restricted stock ▶ _____						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year ▶ _____						
(ii) Total shares of stock outstanding if all instruments were executed ▶ _____						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions). ▶ \$ _____						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year \$ _____						
10 Does the corporation satisfy both of the following conditions? a The corporation's total receipts (see instructions) for the tax year were less than \$250,000 b The corporation's total assets at the end of the tax year were less than \$250,000 If "Yes," the corporation is not required to complete Schedules L and M-1.						X
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction \$ _____						X
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.						X
13a Did the corporation make any payments in 2015 that would require it to file Form(s) 1099?					X	
b If "Yes," did the corporation file or will it file required Forms 1099?					X	

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21).....	1	-40,854.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	
	3a Other gross rental income (loss)..... 3a		
	b Expenses from other rental activities (attach statement)..... 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a.....	3c	
	4 Interest income.....	4	
	5 Dividends: a Ordinary dividends..... 5a		
	b Qualified dividends..... 5b		
	6 Royalties.....	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).....	7	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).....	8a		
	b Collectibles (28%) gain (loss)..... 8b		
	c Unrecaptured section 1250 gain (attach statement)..... 8c		
	9 Net section 1231 gain (loss) (attach Form 4797).....	9	
10 Other income (loss) (see instructions)..... Type ▶	10		
Deductions	11 Section 179 deduction (attach Form 4562).....	11	
	12a Charitable contributions..... See Statement 3	12a	50.
	b Investment interest expense.....	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
d Other deductions (see instructions)..... Type ▶	12d		
Credits	13a Low-income housing credit (section 42(j)(5)).....	13a	
	b Low-income housing credit (other).....	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable).....	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478).....	13f	
	g Other credits (see instructions)..... Type ▶	13g	
Foreign Transactions	14a Name of country or U.S. possession ▶		
	b Gross income from all sources.....	14b	
	c Gross income sourced at shareholder level.....	14c	
	Foreign gross income sourced at corporate level.....		
	d Passive category.....	14d	
	e General category.....	14e	
	f Other (attach statement).....	14f	
	Deductions allocated and apportioned at shareholder level.....		
	g Interest expense.....	14g	
	h Other.....	14h	
	Deductions allocated and apportioned at corporate level to foreign source income.....		
	i Passive category.....	14i	
	j General category.....	14j	
	k Other (attach statement).....	14k	
Other information.....			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	14l		
m Reduction in taxes available for credit (attach statement).....	14m		
n Other foreign tax information (attach statement).....			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment.....	15a	-816.
	b Adjusted gain or loss.....	15b	
	c Depletion (other than oil and gas).....	15c	
	d Oil, gas, and geothermal properties — gross income.....	15d	
	e Oil, gas, and geothermal properties — deductions.....	15e	
	f Other AMT items (attach statement).....	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income.....	16a	
	b Other tax-exempt income.....	16b	
	c Nondeductible expenses.....	16c	
	d Distributions (attach stmt if required) (see instrs).....	16d	
	e Repayment of loans from shareholders.....	16e	

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17 a Investment income	17 a	
	b Investment expenses	17 b	
	c Dividend distributions paid from accumulated earnings and profits	17 c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-40,904.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		185.		
2 a	Trade notes and accounts receivable	187,054.		296,918.	
b	Less allowance for bad debts		187,054.		296,918.
3	Inventories		341,366.		202,411.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt) ... See St. 4.		3,353.		-2.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10 a	Buildings and other depreciable assets	2,112,370.		2,338,700.	
b	Less accumulated depreciation	1,468,297.	644,073.	1,629,909.	708,791.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	180,179.		180,179.	
b	Less accumulated amortization	164,854.	15,325.	167,006.	13,173.
14	Other assets (attach stmt)				
15	Total assets		1,191,356.		1,221,291.
Liabilities and Shareholders' Equity					
16	Accounts payable		332,354.		369,886.
17	Mortgages, notes, bonds payable in less than 1 year		25,000.		
18	Other current liabilities (attach stmt) ... See St. 5.		79,145.		220,981.
19	Loans from shareholders		253,931.		288,861.
20	Mortgages, notes, bonds payable in 1 year or more		1,300,909.		1,190,680.
21	Other liabilities (attach statement)				
22	Capital stock		210,000.		210,000.
23	Additional paid-in capital		1,598,789.		1,598,789.
24	Retained earnings		-2,608,772.		-2,657,906.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		1,191,356.		1,221,291.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**Note.** The corporation may be required to file Schedule M-3 (see instructions)

1 Net income (loss) per books.....	-49,134.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest. \$	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a Depreciation..... \$	8,230.	a Depreciation ... \$	
b Travel and entertainment. \$		7 Add lines 5 and 6.....	0.
4 Add lines 1 through 3.....	-40,904.	8 Income (loss) (Schedule K, ln 18). Ln 4 less ln 7...	-40,904.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year.....	-2,560,352.		
2 Ordinary income from page 1, line 21.....			
3 Other additions.....			
4 Loss from page 1, line 21.....	(40,854.)		
5 Other reductions..... See Statement 6.....	(50.)		
6 Combine lines 1 through 5.....	-2,601,256.		
7 Distributions other than dividend distributions.....			
8 Balance at end of tax year. Subtract line 7 from line 6.....	-2,601,256.		

Cost of Goods Sold► **Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.**► **Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.**

OMB No. 1545-2225

Name COLD CREEK COMPOST, INC		Employer identification number 68-0358939	
1	Inventory at beginning of year.....	1	341,366.
2	Purchases.....	2	
3	Cost of labor.....	3	
4	Additional section 263A costs (attach schedule).....	4	
5	Other costs (attach schedule)..... See Statement 7	5	859,716.
6	Total. Add lines 1 through 5.....	6	1,201,082.
7	Inventory at end of year.....	7	202,411.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions).....	8	998,671.
9 a Check all methods used for valuing closing inventory:			
(i) <input checked="" type="checkbox"/> Cost			
(ii) <input type="checkbox"/> Lower of cost or market			
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation)..... ►			
b Check if there was a writedown of subnormal goods..... ► <input type="checkbox"/>			
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)..... ► <input type="checkbox"/>			
d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO..... 9d			
e If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

BAA For Paperwork Reduction Act Notice, see instructions.Form **1125-A** (Rev 12-2012)

Schedule K-1
(Form 1120S)

Department of the Treasury
Internal Revenue Service

2015

For calendar year 2015, or tax
year beginning _____, 2015
ending _____,

☐ Final K-1

☐ Amended K-1

671113
OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc. ▶ See page 2 of form and separate instructions.

Part I Information About the Corporation	
A	Corporation's employer identification number 68-0358939
B	Corporation's name, address, city, state, and ZIP code COLD CREEK COMPOST, INC 6000 POTTER VALLEY ROAD UKIAH, CA 95482
C	IRS Center where corporation filed return Ogden, UT
Part II Information About the Shareholder	
D	Shareholder's identifying number ***-**-****
E	Shareholder's name, address, city, state, and ZIP code MARTIN MILECK 6000 Potter Valley Road Ukiah, CA 95482
F	Shareholder's percentage of stock ownership for tax year. 100 %
FOR USE ONLY	

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) -40,854.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	-816.
11	Section 179 deduction	16	Items affecting shareholder basis
12	Other deductions		
A	50.		
		17	Other information
*See attached statement for additional information.			

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2015

Shareholder 1

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

► Attach to your tax return.

► Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

OMB No. 1545-0172

2015Attachment
Sequence No. **179**

Name(s) shown on return

COLD CREEK COMPOST, INC

Identifying number

68-0358939

Business or activity to which this form relates

Form 1120S

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12.	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2015	17	142,065.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.		<input type="checkbox"/>

Section B — Assets Placed in Service During 2015 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		226,330.	5	MQ	200DB	11,317.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	153,382.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ0812L 10/27/15

Form **4562** (2015)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If 'Yes,' is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).....						25		
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.....							29	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?						
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2015 tax year (see instructions):					
43 Amortization of costs that began before your 2015 tax year				43	2,152.
44 Total. Add amounts in column (f). See the instructions for where to report.				44	2,152.

Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

10:58AM

Statement 1
Form 1120S, Line 5
Other Income

Contract labor.....	\$	535.
Finance charge.....		10,591.
Management fee.....		45,000.
Equipment rental.....		22,000.
Sublet rent.....		8,300.
Total	\$	<u>86,426.</u>

Statement 2
Form 1120S, Line 19
Other Deductions

Amortization.....	\$	2,152.
Bank Charges.....		413.
Delivery and Freight.....		500.
Dues and Subscriptions.....		1,246.
Facility operations.....		305,775.
Insurance.....		18,459.
Legal and Professional.....		16,773.
Miscellaneous.....		12.
Office Expense.....		23,509.
Oroville Landfill Costs.....		13,210.
Outside Services.....		4,627.
Outside services - Analysis.....		1,412.
Supplies.....		2,498.
Travel.....		8,038.
Total	\$	<u>398,624.</u>

Statement 3
Form 1120S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 50% Limitation.....	\$	50.
Total	\$	<u>50.</u>

Statement 4
Form 1120S, Schedule L, Line 6
Other Current Assets

	<u>Beginning</u>	<u>Ending</u>
Employee advances.....	\$ 3,353.	\$ -2.
Total	<u>\$ 3,353.</u>	<u>\$ -2.</u>

2015

Federal Statements

Page 2

Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

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Statement 5
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	<u>Beginning</u>	<u>Ending</u>
Bank overdraft.....	\$ 0.	\$ 94,950.
Credit cards payable.....	37,450.	61,884.
Note payable - M&M.....	41,695.	64,147.
Total	<u>\$ 79,145.</u>	<u>\$ 220,981.</u>

Statement 6
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Contributions.....	\$ 50.
Total	<u>\$ 50.</u>

Statement 7
Form 1125-A, Line 5
Other Costs

Material and production costs.....	\$ 859,716.
Total	<u>\$ 859,716.</u>

12/31/15

2015 Federal Depreciation Schedule

Page 2

Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

10:58AM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
33	Water Tanks and System	9/30/96		33,239							33,239	15,588	S/L MM	39	.02564	852	
34	Site Improvements	9/01/95		160,000							160,000	79,141	S/L MM	39	.02564	4,102	
35	Foundation and Building	9/01/95		313,847							313,847	152,897	S/L MM	39	.02564	8,047	
36	Site Improvements	12/31/95		107,482							107,482	52,364	S/L MM	39	.02564	2,756	
37	Water Tank and Systems	6/30/97		7,672							7,672	3,453	S/L MM	39	.02564	197	
38	Scale	6/30/97		14,379							14,379	6,470	S/L MM	39	.02564	369	
39	Site Improvements	6/30/98		853							853	363	S/L MM	39	.02564	22	
40	New Well	10/25/99		9,393							9,393	3,664	S/L MM	39	.02564	241	
41	Expansion of Concrete Pad	4/20/00		1,148							1,148	430	S/L MM	39	.02564	29	
42	Permit Water Tanks	1/01/01		475							475	169	S/L MM	39	.02564	12	
Total Buildings				648,488	0	0	0	0	0	0	648,488	314,539					16,627
Furniture and Fixtures																	
50	Computer and monitor	12/05/12		743				372			371	245	200DB MQ	5	.13680	51	
Total Furniture and Fixtures																	
Improvements				743	0	0	0	372	0	0	371	245					51
27 Roads and Pads																	
27	Roads and Pads	6/30/96		44,574							44,574	44,574	150DB HY	15		0	
28 Fences and Gates																	
28	Fences and Gates	6/30/96		544							544	544	150DB HY	15		0	
29 Buried Telephone Lines																	
29	Buried Telephone Lines	12/30/96		562							562	562	150DB HY	15		0	
30 Roads																	
30	Roads	6/30/97		1,049							1,049	1,049	150DB HY	15		0	
31 New Gate																	
31	New Gate	7/12/01		3,544							3,544	1,224	S/L MM	39	.02564	91	
32 Road Base																	
32	Road Base	11/26/01		19,779							19,779	6,655	S/L MM	39	.02564	507	
44 Leachate Pond																	
44	Leachate Pond	12/31/08		333,617							333,617	117,800	150DB HY	15	.05900	19,683	
45 Leachate Pond Permits																	
45	Leachate Pond Permits	12/31/08		115,556							115,556	40,803	150DB HY	15	.05900	6,818	

12/31/15

2015 Federal Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
47	Topographic Map Drafting	1/01/09		1,763							1,763	686	150DB HY	15	.05900	104
48	Office trailer	5/21/10		12,922							12,922	4,869	150DB HY	15	.06230	805
Total Improvements																
Machinery and Equipment																
1	Scale	10/16/96		18,000							18,000	18,000	200DB HY	7		0
2	Tool Boxes	11/30/96		794							794	794	200DB HY	7		0
3	Ladder	11/15/96		403							403	403	200DB HY	7		0
4	Generator & RR	12/31/96		870							870	870	200DB HY	7		0
5	Tool Boxes	6/30/97		4,698							4,698	4,698	200DB HY	7		0
6	Scale	6/30/97		23,527							23,527	23,527	200DB HY	7		0
8	Motor Aeration	6/30/97		1,314							1,314	1,314	200DB HY	7		0
9	Solar Panels	3/16/99		535							535	535	200DB HY	5		0
10	Solar Power Cells	11/17/99		441							441	441	200DB HY	5		0
11	Generator	2/16/00		1,067							1,067	1,067	200DB HY	7		0
13	Grinder	5/01/02		200,220				60,066			140,154	140,154	200DB HY	7		0
14	Weather Station	1/31/03		4,267				1,280			2,987	2,987	200DB HY	7		0
15	Scale Display	4/10/03		1,778				534			1,244	1,244	200DB HY	7		0
16	Welder	11/19/03		3,296				1,648			1,648	1,648	200DB HY	7		0
19	966 Loader	12/01/06		10,000							10,000	8,083	S/L HY	10	.10000	1,000
20	275BLoader	1/08/07		10,000							10,000	8,000	S/L HY	10	.10000	1,000
43	Blowers	7/01/08		7,935				3,968			3,967	3,967	200DB HY	5		0
49	Generator	1/13/11		6,369				6,369			0		200DB HY	5		0
51	Loader	6/04/12		10,000							10,000	7,300	200DB MQ	5	.11370	1,137
52	Used Tanks (2)	12/03/12		2,000							2,000	1,016	200DB MQ	7	.14060	281
53	Screen (Used)	11/15/12		282,396							282,396	185,816	200DB MQ	5	.13680	38,632

12/31/15

2015 Federal Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

10:58AM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
55	Scales (Master & Scale H)	9/19/13		9,277							9,277	4,546	200DB	MQ	5 .20400	1,893
56	Hopper	10/24/13		5,035							5,035	2,165	200DB	MQ	5 .22800	1,148
57	Pond Trailer	11/10/13		2,049							2,049	881	200DB	MQ	5 .22800	467
63	Grinder Motor (Rebuild)	10/31/15		75,135							75,135		200DB	MQ	5 .05000	3,757
Total Machinery and Equipment																
				681,406		0	0	73,865	0	0	607,541	419,410				49,315
Miscellaneous																
59	Microsoft Library Softwar	4/04/13		567				284			283	92	S/L	MQ	5 .20000	57
60	Loan fees	4/16/14		2,581							2,581	344		S/L	5	516
Total Miscellaneous																
				3,148		0	0	284	0	0	2,864	436				573
Total Depreciation																
				2,341,281		0	0	74,978	0	0	2,266,303	1,145,605				153,898
Grand Total Amortization																
				177,598		0	0	0	0	0	177,598	163,302				1,636
Grand Total Depreciation																
				2,341,281		0	0	74,978	0	0	2,266,303	1,145,605				153,898

2015

California S Corporation
Franchise or Income Tax Return

100S

RP

1886865 COLD 68-0358939 000000000000 15
 TYB 01-01-2015 TYE 12-31-2015
 COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD
 UKIAH CA 95482

Schedule Q Questions (continued on Side 3)

- A 1 FINAL RETURN?** • ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ QSub election
 Enter date (mm/dd/yyyy) •
- 2** Is the S corporation deferring any income from the disposition of assets? • ☐ Yes ☐ No
 If 'Yes' enter the year of disposition. (yyyy) •
- 3** Is the S corporation reporting previously deferred income from: • ☐ Installment sale • ☐ IRC §1031 • ☐ IRC §1033 • ☐ Other
- B 1** During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- 2** During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- 3** During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code section 62(a)(2) and it was not reported on a previous year's tax return? • ☐ Yes ☒ No
 (Yes requires filing of statement, penalties may apply – see instructions.)

STATE ADJUSTMENTS	1 Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 4), line 22 or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 4) was not completed, attach federal Form 1120S, page 1, and supporting schedules. •	1	-40,854.
	2 Foreign or domestic tax based on income or profits and California franchise or income tax deducted. •	2	2,790.
	3 Interest on government obligations •	3	
	4 Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S). See instructions •	4	
	5 Depreciation and amortization adjustments. Attach Schedule B (100S) •	5	3,261.
	6 Portfolio income •	6	
	7 Other additions. Attach schedule(s) •	7	
	8 Total. Add line 1 through line 7. •	8	-34,803.



ADJUSTMENTS	9	Dividends received deduction. Attach Schedule H (100S).....	9			
	10	Water's-edge dividend deduction. Attach Schedule H (100S).....	10			
	11	Contributions. See instructions.....	11			
	12	Other deductions. Attach schedule(s).....	12			
	13	Total. Add line 9 through line 12.....	13			
	14	Net income (loss) after state adjustments. Subtract line 13 from Side 1, line 8.....	14		-34,803.	
INCOME	15	Net income (loss) for state purposes. Use Schedule R if apportioning or allocating income.....	15		-34,803.	
	16	R&TC Section 23802(e) deduction. See instructions.....	16			
	17	Net operating loss deduction. See instructions.....	17	0.		
	18	Pierce's disease, EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions.....	18			
	19	Disaster loss deduction. See instructions.....	19			
	20	Net income for tax purposes. Combine line 16 through line 19. Subtract the result from line 15..	20		-34,803.	
TAXES	21	Tax. <u>1.5 %</u> x line 20 (at least minimum franchise tax, if applicable). See instructions	21		800.	
	22	New employment credit, amount generated ● 22				
	23	New employment credit, amount claimed.....	23			
	24 a	Credit name _____ code ● _____ amount.....	24 a			
	24 b	Credit name _____ code ● _____ amount.....	24 b			
	25	To claim more than two credits, see instructions.....	25			
	26	Add line 23 through line 25.....	26			
	27	Balance. Subtract line 26 from line 21 (not less than minimum franchise tax plus QSub annual tax(es), if applicable).....	27		800.	
	28	Tax from Schedule D (100S). Attach Schedule D (100S). See instructions.....	28			
	29	Excess net passive income tax. See instructions.....	29			
	30	Total tax. Add line 27 through line 29.....	30		800.	
PAYMENTS	31	Overpayment from prior year allowed as a credit.....	31			
	32	2015 Estimated tax/QSub payments. See instructions.....	32	800.		
	33	2015 Withholding (Forms 592-B and/or 593). See instructions.....	33			
	34	Amount paid with extension of time to file tax return.....	34			
	35	Total payments. Add line 31 through line 34.....	35		800.	
REFUND OR AMOUNT DUE	36	Use tax. This is not a total line. See instructions.....	36			
	37	Payments balance. If line 35 is more than line 36, subtract line 36 from line 35.....	37		800.	
	38	Use tax balance. If line 36 is more than line 35, subtract line 35 from line 36.....	38			
	39	Franchise or income tax due. If line 30 is more than line 37, subtract line 37 from line 30.....	39		0.	
	40	Overpayment. If line 37 is more than line 30, subtract line 30 from line 37.....	40			
	41	Amount of line 40 to be credited to 2016 estimated tax.....	41			
	42	Refund. Subtract line 41 from line 40..... See instructions to have the refund directly deposited.	42			
		<input type="checkbox"/> Checking <input type="checkbox"/> Savings				
	42 a.	Routing number	42 b.	Type	42 c.	Account number
	43 a	Penalties and interest.....	43 a			
	b ● <input type="checkbox"/> Check if estimate penalty computed using Exception B or C. See instructions.					
44	Total amount due. Add line 38, line 39, line 41, and line 43a. Then, subtract line 40 from the result.....	44				

Schedule Q Questions (continued from Side 1)

- C** Principal business activity code. **Do not** leave blank. • 325300
 Business activity PRODUCTION AND SALES Product or service COMPOST
- D** Is this S corporation filing on a water's-edge basis pursuant to R&TC Sections 25110 and 25113 for the current taxable year? • ☐ Yes ☒ No
- E** Does this tax return include Qualified Subchapter S Subsidiaries? • ☐ Yes ☒ No
- F** Date incorporated (mm/dd/yyyy) 3/30/1994 Where: • State CA Country _____
- G** Maximum number of shareholders in the S corporation at any time during the year. **Do not** leave blank ... • 1
- H** Date business began in California or date income was first derived from California sources (mm/dd/yyyy) • 3/30/1994
- I** Is the S corporation under audit by the IRS or has it been audited in a prior year? • ☐ Yes ☒ No
- J** Effective date of federal S election (mm/dd/yyyy) • 9/01/1995
- L** Accounting method • (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other
- M** Location of principal accounting records SEE PAGE ONE
- N** 'Doing business as' (DBA) name. See instructions • _____
- O** Have all required information returns (e.g., federal Forms 1099, 8300, and state Forms 592, 592-B etc.) been filed with the Franchise Tax Board? ☒ N/A ☐ Yes ☐ No
- P** Is this S corporation apportioning or allocating income to California using Schedule R? • ☐ Yes ☒ No
- Q** Has the S corporation included a reportable transaction or listed transaction within this return? See instructions for definitions. If 'Yes,' complete and attach federal Form 8886, for each transaction. • ☐ Yes ☒ No
- R** Did this S corporation file the federal Schedule M-3 (Form 1120S)? • ☐ Yes ☒ No
- S** Is form FTB 3544A, List of Assigned Credit Received and/or Claimed by an Assignee, attached to the return? • ☐ Yes ☐ No

Schedule J Add-On Taxes and Recapture of Tax Credits. See instructions.

- | | | | | |
|---|--|---|----|--|
| 1 | LIFO recapture due to S corporation election (IRC Section 1363(d) deferral \$ _____) | • | 1 | |
| 2 | Interest computed under the look-back method for completed long-term contracts (attach form FTB 3834) | • | 2 | |
| 3 | Interest on tax attributable to installment | • | 3a | |
| | a) Sales of certain timeshares and residential lots | • | 3b | |
| | b) Method for nondealer installment obligations | • | 4 | |
| 4 | IRC Section 197(f)(9)(B)(ii) election. | • | 5 | |
| 5 | Credit recapture name _____ | • | 6 | |
| 6 | Combine line 1 through line 5. Revise the amount on Side 2, line 39 or line 40, whichever applies, by this amount. Write 'Schedule J' to the left of line 39 or line 40. | • | | |

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer 	Title PRESIDENT	Date _____
Paid Preparer's Use Only	Officer's email address (optional)	• Telephone 707 485-5966	
	Preparer's signature 	Date 9/08/16	Check if self-employed <input checked="" type="checkbox"/>
	Firm's name (or yours, if self-employed) and address GREGORY G. CAVALIN, CPA 201 WEST CLAY STREET UKIAH, CA 95482-5452	• PTIN P00293754	
		• FEIN 68-0314830	
		• Telephone (707) 462-0100	
	May the FTB discuss this return with the preparer shown above? See instructions • <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Schedule F Computation of Trade or Business Income. See instructions.

I N C O M E	1 a) Gross receipts or sales <u>2,670,895.</u> b) Less returns and allowances <u>30,262.</u> c) Balance <input type="radio"/>	1c	2,640,633.
	2 Cost of goods sold from Schedule V, line 8 <input type="radio"/>	2	998,671.
	3 Gross profit. Subtract line 2 from line 1c. <input type="radio"/>	3	1,641,962.
	4 Net gain (loss). Attach schedule. <input type="radio"/>	4	
	5 Other income (loss). Attach schedule. <u>SEE STATEMENT 1</u> <input type="radio"/>	5	86,426.
	6 Total income (loss). Combine line 3 through line 5. <input type="radio"/>	6	1,728,388.
D E D U C T I O N S	7 Compensation of officers. Attach schedule. See instructions. <input type="radio"/>	7	
	8 Salaries and wages. <input type="radio"/>	8	856,568.
	9 Repairs. <input type="radio"/>	9	152,886.
	10 Bad debts. <input type="radio"/>	10	10,253.
	11 Rents. <input type="radio"/>	11	76,894.
	12 Taxes. <input type="radio"/>	12	25,300.
	13 Interest. <input type="radio"/>	13	83,681.
	14 a) Depreciation <input checked="" type="radio"/> <u>153,382.</u> b) Less depreciation reported elsewhere <input type="radio"/> <u> </u> c) Balance <input type="radio"/>	14c	153,382.
	15 Depletion. <input type="radio"/>	15	
	16 Advertising. <input type="radio"/>	16	11,654.
	17 Pension, profit-sharing plans, etc. <input type="radio"/>	17	
	18 Employee benefit programs. <input type="radio"/>	18	
	19 a) Total travel and entertainment <input checked="" type="radio"/> <u> </u> b) Deductible amount. <input type="radio"/>	19b	
	20 Other deductions. Attach schedule. <u>SEE STATEMENT 2</u> <input type="radio"/>	20	398,624.
	21 Total deductions. Add line 7 through line 20. <input type="radio"/>	21	1,769,242.
	22 Ordinary income (loss) from trade or business. Subtract line 21 from line 6. Enter here and on Side 1, line 1. <input type="radio"/>	22	-40,854.

The corporation may not be required to complete Schedule L and Schedule M-1. See Schedule L and Schedule M-1 instructions for reporting requirements.

Schedule L Balance Sheet		Beginning of taxable year		End of taxable year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash.		185.	<input type="radio"/>	
2 a)	Trade notes and accounts receivable.	187,054.		<input checked="" type="radio"/>	296,918.
b)	Less allowance for bad debts.		187,054.	<input checked="" type="radio"/>	296,918.
3	Inventories.		341,366.	<input type="radio"/>	202,411.
4	Federal and state government obligations.			<input type="radio"/>	
5	Other current assets. Attach sch(s). <u>STMT. 3</u>		3,353.	<input type="radio"/>	-2.
6	Loans to shareholders. Attach sch(s) <input type="radio"/>			<input type="radio"/>	
7	Mortgage and real estate loans.			<input type="radio"/>	
8	Other investments. Attach schedule(s) <input type="radio"/>			<input type="radio"/>	
9 a)	Buildings and other fixed depreciable assets.	2,112,370.		2,338,700.	
b)	Less accumulated depreciation.	1,468,297.	644,073.	1,629,909.	708,791.
10 a)	Depletable assets.				
b)	Less accumulated depletion.				
11	Land (net of any amortization).			<input type="radio"/>	
12 a)	Intangible assets (amortizable only).	180,179.		<input checked="" type="radio"/>	180,179.
b)	Less accumulated amortization.	164,854.	15,325.	167,006.	13,173.
13	Other assets. Attach schedule(s) <input type="radio"/>			<input type="radio"/>	
14	Total assets.		1,191,356.		1,221,291.
Liabilities and shareholders' equity					
15	Accounts payable.		332,354.	<input checked="" type="radio"/>	369,886.
16	Mortgages, notes, bonds payable in less than 1 year.		25,000.	<input type="radio"/>	
17	Other current liabilities. Att sch(s) <u>STMT. 4</u>		79,145.	<input type="radio"/>	220,981.
18	Loans from shareholders. Attach sch(s) <u>STM. 5</u>		253,931.	<input type="radio"/>	288,861.
19	Mortgages, notes, bonds payable in 1 year or more.		1,300,909.	<input type="radio"/>	1,190,680.
20	Other liabilities. Attach schedule(s) <input type="radio"/>			<input type="radio"/>	
21	Capital stock.		210,000.	<input type="radio"/>	210,000.
22	Paid-in or capital surplus.		1,598,789.	<input type="radio"/>	1,598,789.
23	Retained earnings.		-2,608,772.	<input type="radio"/>	-2,657,906.
24	Adjustments. Attach schedule(s) <input type="radio"/>			<input type="radio"/>	
25	Less cost of treasury stock.			<input type="radio"/>	
26	Total liabilities and shareholders' equity.		1,191,356.		1,221,291.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.

If the S corporation completed federal Schedule M-3 (Form 1120S). See instructions.

1	Net income per books	-49,134.	5	Income recorded on books this year not included on Schedule K, line 1 through line 10b (itemize)	
2	Income included on Schedule K, line 1 through line 10b, not recorded on books this year (itemize)		a	Tax-exempt interest \$	
			b	Other \$	
3	Expenses recorded on books this year not included on Schedule K, line 1 through line 12e (itemize)		c	Total. Add line 5a and line 5b	
a	Depreciation \$	11,491.	6	Deductions included on Schedule K, line 1 through line 12e, not charged against book income this year (itemize)	
b	State taxes \$	2,790.	a	Depreciation \$	
c	Travel & entertainment \$		b	State tax refunds \$	
d	Other \$		c	Other \$	
e	Total. Add line 3a through line 3d	14,281.	d	Total. Add line 6a through line 6c	
4	Total. Add line 1 through line 3e	-34,853.	7	Total. Add line 5c and line 6d	0.
			8	Income (loss) (Schedule K, line 19, column d). Line 4 less line 7	-34,853.

Schedule M-2 CA Accumulated Adjustments Account, Other Adjustments Account, and Other Retained Earnings. See instructions.**Important: Use California figures and federal procedures.**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Other retained earnings (see instructions)
1 Balance at beginning of year	-2,552,561.		
2 Ordinary income from Form 100S, Side 1, line 1			
3 Other additions. SEE STATEMENT	6,051.		
4 Loss from Form 100S, Side 1, line 1	(40,854)		
5 Other reductions. SEE STATEMENT	(2,840)		
6 Combine line 1 through line 5	-2,590,204.		
7 Distributions other than dividend distributions			
8 Balance at end of year. Subtract line 7 from line 6	-2,590,204.		
9 Retained earnings at end of year. Add line 8, column (a) through column (c)			-2,590,204.
<input type="checkbox"/> If the corporation has C corporation E&P at the end of the taxable year, check the box and enter the amount. See instructions.			

Schedule V Cost of Goods Sold

1	Inventory at beginning of year	341,366.
2	Purchases	
3	Cost of labor	
4	Other IRC Section 263A costs. Attach schedule	
5	Other costs. Attach schedule STMT	859,716.
6	Total. Add line 1 through line 5	1,201,082.
7	Inventory at end of year	202,411.
8	Cost of goods sold. Subtract line 7 from line 6	998,671.

Was there any change in determining quantities, costs, or valuations between opening and closing inventory?

☐ Yes ☒ No

If 'Yes,' attach an explanation. Enter California seller's permit number, if any

Method of inventory valuation COST

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970.

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory computed under LIFO

Schedule K S Corporation Shareholder's Shares of Income, Deductions, Credits, etc.

	(a) Pro-rata share items		(b) Amount from federal K (1120S)	(c) California Adjustment	(d) Total amounts using California law
INCOME LOSSES	1 Ordinary business income (loss)	1	-40,854.	6,051.	-34,803.
	2 Net rental real estate income (loss). Attach federal Form 8825.	2			
	3a Other gross rental income (loss)	3a			
	b Expenses from other rental activities. Attach sch.	3b			
	c Other net rental income (loss). Subtract line 3b from line 3a.	3c			
	4 Interest income	4			
	5 Dividends. See instructions	5			
	6 Royalties	6			
	7 Net short-term capital gain (loss). Attach Schedule D (100S).	7			
8 Net long-term capital gain (loss). Attach Schedule D (100S)	8				
9 Net Section 1231 gain (loss)	9				
OTHER LOSSES	10a Other portfolio income (loss). Attach schedule.	10a			
	b Other income (loss). Attach schedule	10b			
DEDUCTIONS	11 Expense deduction for recovery property (IRC Section 179) Attach Schedule B (100S)	11			
	12a Charitable contributions. SEE STATEMENT 9	12a	50.		50.
	b Investment interest expense.	12b			
	c 1 Section 59(e)(2) expenditures.	12c1			
	2 Type of expenditures	12c2			
	d Deductions — portfolio. Attach schedule.	12d			
	e Other deductions. Attach schedule	12e			
CREDITS	13a Low-income housing credit. See instructions.	13a			
	b Credits related to rental real estate activities. Attach schedule	13b			
	c Credits related to other rental activities. See instructions. Attach schedule	13c			
	d Other credits. Attach schedule	13d			
	e New employment credit	13e			
14 Total withholding allocated to all shareholders.	14				
ALTERNATIVE TAX ITEMS	15a Depreciation adjustment on property placed in service after 12/31/86.	15a			-5,126.
	b Adjusted gain or loss. See instructions.	15b			
	c Depletion (other than oil and gas).	15c			
	d 1 Gross income from oil, gas, and geothermal properties.	15d1			
	2 Deductions allocable to oil, gas, and geothermal properties.	15d2			
e Other AMT items.	15e				
AFFILIATED BASIS	16a Tax-exempt interest income	16a			
	b Other tax-exempt income	16b			
	c Nondeductible expenses.	16c		2,790.	2,790.
	d Total property distributions (including cash) other than dividends distribution reported on line 17c.	16d			
INFORMATION	17a Investment income. See instructions.	17a			
	b Investment expenses. See instructions	17b			
	c Total dividend distributions paid from accumulated earnings and profits	17c			
	d Other items and amounts not included in lines 1-17b and lines 18a-e that are required to be reported separately to shareholders. Attach schedule SEE STATEMENT 10	17d	SEE ATTACHED		SEE ATTACHED
OTHER TAXES	18a Type of income	18a			
	b Name of state	18b			
	c Total gross income from sources outside CA. Attach sch.	18c			
	d Total applicable deductions and losses. Attach schedule	18d			
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	18e			
RECONCILIATION	19 Income (loss) (required only if Schedule M-1 must be completed). Combine line 1, line 2, and line 3c through line 10b. From the result, subtract the sum of lines 11, 12a, 12b, 12c1, 12d and 12e.	19	-40,904.	6,051.	-34,853.

2015**S Corporation Depreciation and Amortization****B (100S)**

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number

COLD CREEK COMPOST, INC**1886865****Part I Depreciation.** Use additional sheets if necessary.**1** Enter federal depreciation from federal Form 4562, line 22.

IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions

1**153,382.**

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
2 SCALE	10/16/1996	18,000.	18,000.	200DB	7	0.
TOOL BOXES	11/30/1996	794.	794.	200DB	7	0.
LADDER	11/15/1996	403.	403.	200DB	7	0.
GENERATOR & RR	12/31/1996	219.	219.	200DB	7	0.
TOOL BOXES	6/30/1997	4,698.	4,698.	200DB	7	0.
SCALE	6/30/1997	23,527.	23,527.	200DB	7	0.
TRUCK TRAILER	6/30/1997	39,011.	39,011.	200DB	5	0.
MOTOR AERATION	6/30/1997	1,314.	1,314.	200DB	7	0.
SOLAR PANELS	3/16/1999	535.	535.	200DB	5	0.
SOLAR POWER CELLS	11/17/1999	441.	441.	200DB	5	0.
GENERATOR	2/16/2000	1,067.	1,067.	200DB	7	0.
TRAILER	3/09/2001	23,157.	23,157.	200DB	5	0.
GRINDER	5/01/2002	200,220.	200,220.	200DB	7	0.
WEATHER STATION	1/31/2003	4,267.	4,267.	200DB	7	0.
SCALE DISPLAY	4/10/2003	1,778.	1,778.	200DB	7	0.
WELDER	11/19/2003	3,296.	3,203.	200DB	7	0.
DODGE DAKOTA PICKUP	11/18/2005	5,273.	4,959.	S/L	7	0.
WATER TRUCK	1/31/2006	27,000.	27,000.	S/L	7	0.
966 LOADER	12/01/2006	10,000.	8,083.	S/L	10	1,000.
275BLOADER	1/08/2007	10,000.	8,000.	S/L	10	1,000.
3 Add the amounts on line 2, column (g)					3	150,121.
4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K					4	3,261.
5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12. Do not enter more than \$25,000					5	0.

Part II Amortization. Use additional sheets if necessary.**1** Enter federal amortization from federal Form 4562, line 44**1****2,152.**

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R & TC section (See instr.)	(f) Period or percentage	(g) Amortization for this year
2 ORGANIZATIONAL CO	9/01/1995	1,700.	1,700.		5	
ENVIRONMENTAL, LE	11/30/1996	85,789.	85,789.		15	
LOAN FEES - CIWMB	12/31/1996	20,481.	20,481.		7	
LEGAL COSTS - NAL	12/31/1996	21,687.	21,687.		15	
INTANGIBLES	6/30/1997	22,520.	22,520.	197	15	
ENVIRONMENTAL REP	6/30/1998	9,061.	7,853.	178	15	
LOAN FEES	12/31/2012	16,360.	3,272.	461	10	1,636.
LOAN FEES	4/16/2014	2,581.	344.	461	5	516.
3 Add the amounts on line 2, column (g)					3	2,152.
4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K					4	0.

Part III Depreciation and Amortization Adjustment**1** Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions**1****3,261.**

B (100S)

Corporation name

California corporation number

1886865

Part I Depreciation. Use additional sheets if necessary.

1

California depreciation:

3	Add the amounts on line 2, column (g).	3
4	Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.	4
5	Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12. Do not enter more than \$25,000.	5

Part II **Amortization.** Use additional sheets if necessary.

1

California amortization:

3	Add the amounts on line 2, column (g).....	3
4	California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....	4

Part III Depreciation and Amortization Adjustment

1

2015**S Corporation Depreciation and Amortization****B (100S)**

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number

COLD CREEK COMPOST, INC**1886865****Part I Depreciation.** Use additional sheets if necessary.

- 1** Enter federal depreciation from federal Form 4562, line 22.
IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions

1

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
2 TOPOGRAPHIC MAP DRAF	1/01/2009	1,763.	686.	150DB	15	104.
OFFICE TRAILER	5/21/2010	12,922.	4,869.	150DB	15	805.
GENERATOR	1/13/2011	6,369.	5,269.	200DB	5	734.
COMPUTER AND MONITOR	12/05/2012	743.	488.	200DB	5	102.
LOADER	6/04/2012	10,000.	7,300.	200DB	5	1,137.
USED TANKS (2)	12/03/2012	2,000.	1,016.	200DB	7	281.
SCREEN (USED)	11/15/2012	282,396.	185,816.	200DB	5	38,632.
SCALES (MASTER & SCA	9/19/2013	9,277.	4,546.	200DB	5	1,893.
HOPPER	10/24/2013	5,035.	2,165.	200DB	5	1,148.
POND TRAILER	11/10/2013	2,049.	881.	200DB	5	467.
TRUCK #10	12/16/2013	227,037.	97,626.	200DB	5	51,764.
MICROSOFT LIBRARY SO	4/04/2013	567.	184.	S/L	5	113.
DUMP TRAILER (10 YAR	12/16/2015	18,000.		200DB	5	900.
PETERBILT (2016)	12/31/2015	133,195.		200DB	5	6,660.
GRINDER MOTOR (REBUI	10/31/2015	75,135.		200DB	5	3,757.

- 3** Add the amounts on line 2, column (g)

3

- 4** Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K

4

- 5** Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12.
Do not enter more than \$25,000

5**Part II Amortization.** Use additional sheets if necessary.

- 1** Enter federal amortization from federal Form 4562, line 44

1

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R & TC section (See instr.)	(f) Period or percentage	(g) Amortization for this year
2						

- 3** Add the amounts on line 2, column (g)

3

- 4** California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K

4**Part III Depreciation and Amortization Adjustment**

- 1** Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions

1

2015

Shareholder's Share of Income,
Deductions, Credits, etc.

K-1 (100S)

TYB 01-01-2015 TYE 12-31-2015

-**-*

MARTIN

MILECK

6000 POTTER VALLEY ROAD

UKIAH

CA 95482

1886865

68-0358939

COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD

UKIAH

CA 95482

A Shareholder's percentage of stock ownership for the tax year. • %B Reportable transaction or tax shelter registration number(s): C Check here if this is: • (1) ☐ A final Schedule K-1 (2) ☐ An amended Schedule K-1D What type of entity is this shareholder? • (1) ☒ Individual (2) ☐ Estate/Trust (3) ☐ Qualified Exempt Organization (4) ☐ Single Member LLCE Is this shareholder a resident of California? • ☒ Yes ► ☐ No**Caution:** Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (1120S)	(c) California adjustment	(d) Total amounts using California law Combine (b) and (c) where applicable	(e) California source amounts and credits
I N C O M E / L O S S	1 Ordinary business income (loss)	-40,854.	6,051.	• -34,803.	►
	2 Net rental real estate income (loss)			•	►
	3 Other net rental income (loss)			⊙	⊙
	4 Interest income			•	►
	5 Dividends. See instructions			•	►
	6 Royalties			•	►
	7 Net short-term capital gain (loss)			•	►
	8 Net long-term capital gain (loss)			•	►
	9 Net Section 1231 gain (loss)			•	►
O T H E R I N C O M E / L O S S	10a Other portfolio income (loss). Attach schedule.			•	►
	b Other income (loss)			•	►

SHAREHOLDER 1

CASA0712L 12/23/15

(follow the format on Side 1 to be consistent.)

Shareholder's name

Shareholder's identifying number

MARTIN MILECK

-**-*

Caution: Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (1120S)	(c) California adjustment	(d) Total amounts using California law Combine (b) and (c) where applicable	(e) California source amounts and credits	
DEDUCTIONS	11 Expense deduction for recovery property (IRC Section 179) Attach schedules					
	12a Charitable contributions . . . SEE ATT	50.		50.		
	b Investment interest expense			•	▶	
	c 1 Section 59(e)(2) expenditures					
	2 Type of expenditures					
	d Deductions — portfolio					
	e Other deductions					
CREDITS	13a Low-income housing credit. See instructions. Attach schedule			•	▶	
	b Credits related to rental real estate activities other than on line 13(a). Attach schedule			•	▶	
	c Credits related to other rental activities. See instructions. Attach sch			•	▶	
	d Other credits. Attach schedule			•	▶	
	e New employment credit					
	14 Total withholding (equals amount on Form 592-B if calendar year)			•	▶	
	15a Depreciation adjustment on property placed in service after 12/31/86.			⊙ -5,126. ⊙		
	b Adjusted gain or loss					
	c Depletion (other than oil and gas)					
	d 1 Gross income from oil, gas, and geothermal properties					
AMT	2 Deductions allocable to oil, gas, and geothermal properties					
	e Other AMT items. Attach schedule					
	SHAREHOLDERS	16a Tax-exempt interest income.				
		b Other tax-exempt income.				
		c Nondeductible expenses . . . SEE ATT		2,790.	2,790.	
		d Total property distributions (including cash) other than dividends distribution reported on line 17c			•	▶
e Repayment of loans from shareholders.				•	▶	
OTHER	17a Investment income. See instructions					
	b Investment expenses. See instructions					
	c Total taxable dividend distribution paid from accumulated earnings and profits. See instructions			•	▶	
	d Other information. See instructions	SEE ATTACHED		SEE ATTACHED		
OTHER STATE TAXES	18a Type of income					
	b Name of state.					
	c Total gross income from sources outside California. Attach schedule					
	d Total applicable deductions and losses. Attach sch.					
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued			•	▶	

Shareholder's name

Shareholder's identifying number

MARTIN MILECK

-**-*

OTHER
SHAREHOLDER
INFORMATION

Table 1 — Each shareholder's share of nonbusiness income from intangibles. See instructions.

Interest..... \$ _____ Royalties..... \$ _____ Dividends.. \$ _____
1231 Gains/Losses.... \$ _____ Capital Gains/Losses.. \$ _____ Other..... \$ _____

FOR USE BY SHAREHOLDERS ONLY. SEE INSTRUCTIONS.

Table 2 — Shareholder's pro-rata share of business income and factors. See instructions.

A Shareholder's share of the S corporation's business income..... \$ _____

B Shareholder's share of the nonbusiness income from real and tangible property sourced or allocable to California:

Capital Gains/Losses..... \$ _____ Rents/Royalties.... \$ _____
1231 Gains/Losses..... \$ _____ Other..... \$ _____

C Shareholder's share of the S corporation's property, payroll, and sales:

Factors		Total within and outside California	Total within California
Property:	Beginning	\$	\$
	Ending	\$	\$
	Annual Rent Expense	\$	\$
Payroll		\$	\$
Sales		\$	\$

Line 12a, column (d)
Charitable Contributions

Cash Contributions - 50% limitation.....	\$	50.
Total	\$	<u>50.</u>

Line 16c, column (d)
Nondeductible Expenses

State and Local Taxes Based on Income or Profits.....	\$	2,790.
Total	\$	<u>2,790.</u>

Supplemental Information

S Corporation's Aggregate Gross Receipts.....	\$	2,727,059.
---	----	------------

2015**Net Operating Loss (NOL) Computation and
NOL and Disaster Loss Limitations – Corporations****3805Q**

Attach to Form 100, Form 100W, Form 100S, or Form 109.

Corporation name

California corporation number

COLD CREEK COMPOST, INC**1886865**During the taxable year the corporation incurred the NOL, the corporation was a(n): ☒ ☐ C Corporation

FEIN

☒ ☒ S Corporation ☐ ☐ Exempt organization ☐ ☐ Limited liability company (electing to be taxed as a corporation)**68-0358939**

If the corporation previously filed California tax returns under another corporate name, enter the corporation name and California corporation number:

☐

If the corporation is included in a combined report of a unitary group, see instructions, General Information C, Combined Reporting.

Part I Current year NOL. If the corporation does not have a current year NOL, go to Part II.**1** Net loss from Form 100, line 18; Form 100W, line 18; Form 100S, line 15; or Form 109, line 2.Enter as a positive number. **1** **34,803.****2** 2015 disaster loss included in line 1. Enter as a positive number. **2****3** Subtract line 2 from line 1. If zero or less, enter -0- and see instructions. **3** **34,803.****4a** Enter the amount of the loss incurred by a new business included in line 3. **4a****b** Enter the amount of the loss incurred by an eligible small business included in line 3. **4b****c** Add line 4a and line 4b. **4c****5** General NOL. Subtract line 4c from line 3. **5** **34,803.****6** Current year NOL. Add line 2, line 4c, and line 5. See instructions. ☒ **6** **34,803.**If the corporation is using the current year NOL to carryback to offset net income for taxable years 2013 and/or 2014, complete Part III, NOL carryback, on Side 2 **before** completing Part I, lines 7-9 below.**7** 2015 NOL carryback used to offset 2013 net income. Enter the amount from Part III, line 3, column (e). ☒ **7****8** 2015 NOL carryback used to offset 2014 net income. Enter the amount from Part III, line 3, column (g). ☒ **8****9** 2015 NOL carryover to 2016. Add line 7 and line 8, then subtract the result from line 6. See instructions. ☒ **9** **34,803.****Election to waive carryback**☒ ☐ Check the box if the corporation elects to relinquish the entire carryback period with respect to 2015 NOL under IRC Section 172(b)(3). By making the election, the corporation is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it's **irrevocable**. See instructions.Continue with Part II, NOL carryover and disaster loss carryover limitations. **Do not** complete Part III, NOL carryback.**Part II NOL carryover and disaster loss carryover limitations. See Instructions.****1** Net income — Enter the amount from Form 100, line 18; Form 100W, line 18; Form 100S, line 15 less line 16; or Form 109, line 2; (but not less than -0-). ☒**(g)**
Available balance**Prior Year NOLs**

(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial loss	(e) Carryover from 2014	(f) Amount used in 2015	(g) Available balance	(h) Carryover to 2016 col. (e) — col. (f)
2 <input checked="" type="radio"/> 2009		GEN	192,643.	<input checked="" type="radio"/> 29,807.	0.	0.	<input checked="" type="radio"/> 29,807.
<input checked="" type="radio"/> 2013		GEN	152,050.	<input checked="" type="radio"/> 152,050.	0.	0.	<input checked="" type="radio"/> 152,050.
<input checked="" type="radio"/> 2014		GEN	285,698.	<input checked="" type="radio"/> 285,698.	0.	0.	<input checked="" type="radio"/> 285,698.
<input checked="" type="radio"/>				<input checked="" type="radio"/>			<input checked="" type="radio"/>

Current Year NOLs

							col. (d) — col. (f) See instructions.
3 2015		DIS					
4 2015		GEN	34,803.				34,803.
2015							
2015							
2015							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

Part III NOL carryback

1 2013 Net income — Enter the amount from 2013 Form 100, line 23; Form 100W, line 23; Form 100S, line 21; or taxable income from Form 109, line 9; (but not less than -0-).								
2 2014 Net income — Enter the amount from 2014 Form 100, line 22; Form 100W, line 22; Form 100S, line 20; or taxable income from Form 109, line 9; (but not less than -0-).								
(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial Loss	2013		2014		(i) Carryover to 2016 col. (d) minus [col. (e) plus col. (g)]
				(e) Carryback used — See instructions	(f) After carryback col. (d) minus col. (e)	(g) Carryback used — See instructions	(h) After carryback col. (f) minus col. (g)	
3 2015								
2015								
2015								
2015								
2015								

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or NOL attributable to a qualified disaster loss (DIS).

Part IV 2015 NOL deduction

- 1 Total the amounts in Part II, line 2, column (f). ☒ 1 _____ 0.
- 2 Enter the total amount from line 1 that represents disaster loss carryover deduction here and on Form 100, line 21; Form 100W, line 21; or Form 100S, line 19. Form 109 filers enter -0-. ☐ 2 _____ 0.
- 3 Subtract line 2 from line 1. Enter the result here and on Form 100, line 19; Form 100W, line 19; Form 100S, line 17; or Form 109, line 7. ☒ 3 _____ 0.

Client 9744

COLD CREEK COMPOST, INC

1886865

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Statement 1
Form 100S, Schedule F, Line 5
Other Income

Contract labor.....	\$	535.
Equipment rental.....		22,000.
Finance charge.....		10,591.
Management fee.....		45,000.
Sublet rent.....		8,300.
Total	\$	<u>86,426.</u>

Statement 2
Form 100S, Schedule F, Line 20
Other Deductions

Amortization.....	\$	2,152.
Bank Charges.....		413.
Delivery and Freight.....		500.
Dues and Subscriptions.....		1,246.
Facility operations.....		305,775.
Insurance.....		18,459.
Legal and Professional.....		16,773.
Miscellaneous.....		12.
Office Expense.....		23,509.
Oroville Landfill Costs.....		13,210.
Outside Services.....		4,627.
Outside services - Analysis.....		1,412.
Supplies.....		2,498.
Travel.....		8,038.
Total	\$	<u>398,624.</u>

Statement 3
Form 100S, Schedule L, Line 5
Other Current Assets

	Beginning	Ending
Employee advances.....	\$ 3,353.	\$ -2.
Total	<u>\$ 3,353.</u>	<u>\$ -2.</u>

Statement 4
Form 100S, Schedule L, Line 17
Other Current Liabilities

	Beginning	Ending
Bank overdraft.....	\$ 0.	\$ 94,950.
Credit cards payable.....	37,450.	61,884.
Note payable - M&M.....	41,695.	64,147.
Total	<u>\$ 79,145.</u>	<u>\$ 220,981.</u>

2015

California Statements

Page 2

Client 9744

COLD CREEK COMPOST, INC

1886865

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Statement 5
Form 100S, Schedule L, Line 18
Loans from Shareholders

	<u>Beginning</u>	<u>Ending</u>
Loan - J Mileck.....	\$ 75,000.	\$ 75,000.
Loan - Martin.....	178,931.	213,861.
Total	<u>\$ 253,931.</u>	<u>\$ 288,861.</u>

Statement 6
Form 100S, Schedule M-2, Line 3
Other Additions

CA Depreciation Adjustment - Ordinary Income.....	\$ 3,261.
State and Local Taxes Based on Income or Profits.....	2,790.
Total	<u>\$ 6,051.</u>

Statement 7
Form 100S, Schedule M-2, Line 5
Other Reductions

Contributions.....	\$ 50.
State and Local Taxes Based on Income or Profits.....	2,790.
Total	<u>\$ 2,840.</u>

Statement 8
Form 100S, Schedule V, Line 5
Other Costs

Material and production costs.....	\$ 859,716.
Total	<u>\$ 859,716.</u>

Statement 9
Form 100S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 50% limitation.....	\$ 50.
Total	<u>\$ 50.</u>

2015

California Statements

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Client 9744

COLD CREEK COMPOST, INC

1886865

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Statement 10
Form 100S, Schedule K, Line 17d
Other Items

S Corporation's Aggregate Gross Receipts..... \$ 2,727,059.

Federal Informational Diagnostics**Main Form**

- ☒ ~~Answers to the Form 1099 filing requirement questions were transferred from last year's tax return via the proforma process. Please verify that the answers are still valid for the current tax year.~~

California Critical Diagnostics**General**

- ☐ California's business entity e-file mandate requires all returns to be filed electronically if possible. Please update this return to be electronically filed in the Client Information area of the program. If the return cannot be filed electronically a waiver is required. Waivers can be completed online through your internet browser at https://www.ftb.ca.gov/professionals/busefile/Business_eFile_Waiver_Request.asp

California Informational Diagnostics**General**

- ☒ ~~California extension payment memo amount exists in Estimates, screen 10. No corresponding "Amount paid" entries have been made.~~

Main Form

- ☒ ~~California franchise tax and/or other income taxes of \$2,790 are added back to California ordinary Income on form 100S, Schedule K, Line 1.~~

2015**General Information****Page 1****Client 9744****COLD CREEK COMPOST, INC****68-0358939**

9/08/16

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Forms needed for this return

Federal: 1120S, Sch K-1, 1125-A, 4562, 7004
California: 100S, 100-ES, Sch B, Sch K-1, 3805Q

Tax Rates

California

1.5%

Carryovers to 2016California Carryovers

Charitable Contributions Deduction
General Net Operating Loss

1,077.
502,358.

California Estimates

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/18/16	800.	0.	800.
6/15/16	0.	0.	0.
9/15/16	0.	0.	0.
12/15/16	0.	0.	0.
Total	<u>\$ 800.</u>	<u>\$ 0.</u>	<u>\$ 800.</u>

12/31/15

2015 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

9/08/16

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
33	Water Tanks and System	9/30/96		33,239							33,239	16,596	S/L	39		852	
34	Site Improvements	9/01/95		160,000							160,000	159,168	150DB HY	15		0	
35	Foundation and Building	9/01/95		313,847							313,847	152,897	S/L	39		8,047	
36	Site Improvements	12/31/95		107,482							107,482	57,593	S/L	39		2,756	
37	Water Tank and Systems	6/30/97		7,672							7,672	3,543	S/L MM	39	.02564	197	
38	Scale	6/30/97		14,379							14,379	6,639	S/L MM	39	.02564	369	
39	Site Improvements	6/30/98		853							853	363	S/L MM	39	.02564	22	
40	New Well	10/25/99		9,393							9,393	3,664	S/L MM	39	.02564	241	
41	Expansion of Concrete Pad	4/20/00		1,148							1,148	430	S/L MM	39	.02564	29	
42	Permit Water Tanks	1/01/01		475							475	169	S/L MM	39	.02564	12	
Total Buildings				648,488	0	0	0	0	0	0	648,488	401,062					12,525
Furniture and Fixtures																	
50	Computer and monitor	12/05/12		743							743	488	200DB MQ	5	.13680	102	
Total Furniture and Fixtures				743	0	0	0	0	0	0	743	488					102
Improvements																	
27	Roads and Pads	6/30/96		44,574							44,574	43,769	150DB HY	15		0	
28	Fences and Gates	6/30/96		544							544	544	150DB HY	15		0	
29	Buried Telephone Lines	12/30/96		562							562	534	150DB HY	15		0	
30	Roads	6/30/97		1,049							1,049	1,025	150DB HY	15		0	
31	New Gate	7/12/01		3,544							3,544	1,224	S/L MM	39	.02564	91	
32	Road Base	11/26/01		19,779							19,779	6,655	S/L MM	39	.02564	507	
44	Leachate Pond	12/31/08		333,617							333,617	117,800	150DB HY	15	.05900	19,683	
45	Leachate Pond Permits	12/31/08		115,556							115,556	40,803	150DB HY	15	.05900	6,818	

12/31/15

2015 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
47	Topographic Map Drafting	1/01/09		1,763							1,763	686	150DB HY	15	.05900	104
48	Office trailer	5/21/10		12,922							12,922	4,869	150DB HY	15	.06230	805
<hr/>																
Total Improvements				533,910		0	0	0	0	0	533,910	217,909				28,008
<hr/>																
Machinery and Equipment																
<hr/>																
1	Scale	10/16/96		18,000							18,000	18,000	200DB HY	7		0
2	Tool Boxes	11/30/96		794							794	794	200DB HY	7		0
3	Ladder	11/15/96		403							403	403	200DB HY	7		0
4	Generator & RR	12/31/96		219							219	219	200DB HY	7		0
5	Tool Boxes	6/30/97		4,698							4,698	4,698	200DB HY	7		0
6	Scale	6/30/97		23,527							23,527	23,527	200DB HY	7		0
8	Motor Aeration	6/30/97		1,314							1,314	1,314	200DB HY	7		0
9	Solar Panels	3/16/99		535							535	535	200DB HY	5		0
10	Solar Power Cells	11/17/99		441							441	441	200DB HY	5		0
11	Generator	2/16/00		1,067							1,067	1,067	200DB HY	7		0
13	Grinder	5/01/02		200,220							200,220	200,220	200DB HY	7		0
14	Weather Station	1/31/03		4,267							4,267	4,267	200DB HY	7		0
15	Scale Display	4/10/03		1,778							1,778	1,778	200DB HY	7		0
16	Welder	11/19/03		3,296							3,296	3,203	200DB HY	7		0
19	966 Loader	12/01/06		10,000							10,000	8,083	S/L HY	10	.10000	1,000
20	275BLoader	1/08/07		10,000							10,000	8,000	S/L HY	10	.10000	1,000
43	Blowers	7/01/08		7,935							7,935	7,935	200DB HY	5		0
49	Generator	1/13/11		6,369							6,369	5,269	200DB HY	5	.11520	734
51	Loader	6/04/12		10,000							10,000	7,300	200DB MQ	5	.11370	1,137
52	Used Tanks (2)	12/03/12		2,000							2,000	1,016	200DB MQ	7	.14060	281
53	Screen (Used)	11/15/12		282,396							282,396	185,816	200DB MQ	5	.13680	38,632

12/31/15

2015 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
55	Scales (Master & Scale H)	9/19/13		9,277							9,277	4,546	200DB	MQ	5 .20400	1,893
56	Hopper	10/24/13		5,035							5,035	2,165	200DB	MQ	5 .22800	1,148
57	Pond Trailer	11/10/13		2,049							2,049	881	200DB	MQ	5 .22800	467
63	Grinder Motor (Rebuild)	10/31/15		75,135							75,135		200DB	MQ	5 .05000	3,757
Total Machinery and Equipment																
				680,755		0	0	0	0	0	680,755	491,477				50,049
Miscellaneous																
59	Microsoft Library Softwar	4/04/13		567							567	184	S/L	MQ	5 .20000	113
60	Loan fees	4/16/14		2,581							2,581	344		S/L	5	516
Total Miscellaneous																
				3,148		0	0	0	0	0	3,148	528				629
Total Depreciation																
				2,340,630		0	0	0	0	0	2,340,630	1,304,130				150,637
Grand Total Amortization																
				177,598		0	0	0	0	0	177,598	163,302				1,636
Grand Total Depreciation																
				2,340,630		0	0	0	0	0	2,340,630	1,304,130				150,637

Client 9744

COLD CREEK COMPOST, INC

68-0358939

9/08/16

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Computation of Ending Depreciable Assets
Form 1120S, Schedule L, Line 10a

Beginning depreciable assets.....	2,112,370.
Depreciable assets placed in service in current year.....	226,330.
Depreciable assets sold during the current year.....	0.
Ending buildings and other depreciable assets.....	<u>2,338,700.</u>

Computation of Ending Accumulated Depreciation
Form 1120S, Schedule L, Line 10b

Beginning Balance of Accumulated Depreciation.....	1,468,297.
Current Year Book Depreciation.....	161,612.
Accumulated Depreciation on Assets Sold This Year.....	0.
Ending Accumulated Depreciation.....	<u>1,629,909.</u>

Computation of Ending Accumulated Amortization
Form 1120S, Schedule L, Line 13b

Beginning Balance of Accumulated Amortization.....	164,854.
Current Year Book Amortization.....	2,152.
Accumulated Amortization on Assets Sold This Year.....	0.
Ending Accumulated Amortization.....	<u>167,006.</u>

Reconciliation of Retained Earnings
Form 1120S, Schedule L, Line 24

Beginning Retained Earnings, Sch. L, Line 24.....	-2,608,772.
Net Income (Loss) Per Books (Sch. M-1, Line 1).....	-49,134.
Ending Retained Earnings, Schedule L, Line 24.....	<u>-2,657,906.</u>

Computation of Depreciation
Form 1120S, Schedule M-1, Line 3a

Depreciation Recorded on Books.....	161,612.
Less: Depreciation Deducted on this Return.....	-153,382.
Depreciation Recorded on Books Not Deducted on This Return.....	<u>8,230.</u>

68-0358939

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2015 Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

COLD CREEK COMPOST, INC

68-0358939

Name of Shareholder

Shareholder's I.D. number

MARTIN MILECK

-**-*

1. STOCK BASIS AT BEGINNING OF TAX YEAR

INCREASES:

- 2. Ordinary income
- 3. Net income from rental activities
- 4. Net portfolio income
- 5. Net gain under Section 1231
- 6. Other income
- 7. Tax-exempt interest income
- 8. Other tax-exempt income
- 9. Net gain on disposition of Section 179 assets
- 10. Oil and gas depletion in excess of basis
- 11. OTHER INCREASES:

DECREASES:

- 13. Nondeductible expenses
- 14. Oil and gas depletion
- 15. Ordinary loss
- 16. Net loss from rental activities
- 17. Net portfolio loss
- 18. Net loss under Section 1231
- 19. Other loss
- 20. Charitable contributions
- 21. Section 179 expense deduction
- 22. Deductions related to portfolio income (loss)
- 23. Other deductions
- 24. Investment interest expense
- 25. Total foreign taxes
- 26. Section 59(e) expenses
- 27. Prior year loss in excess of basis
- 28. OTHER DECREASES:

Loss in Excess of Basis

12. TOTAL INCREASES: (add lines 2 - 11).

29. Property distributions (including cash)...

30. TOTAL DECREASES (add lines 13 - 29).

31. STOCK BASIS AT END OF TAX YEAR. (Line 1 plus line 12 minus line 30)

32. DEBT BASIS AT BEGINNING OF TAX YEAR

33. ADJUSTMENTS TO DEBT BASIS:

34. DEBT BASIS AT END OF TAX YEAR (Combine Line 32 and 33).

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34)

Losses/Deductions in Excess of Basis (Suspended)

Client 9744

COLD CREEK COMPOST, INC

1886865

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**Schedule K, Line 1
Ordinary Income**

Ordinary Income from Trade or Business (1120S, Line 21)	\$	-40,854.
State and Local Taxes Based on Income or Profits		2,790.
Depreciation/Amortization Adjustment - Ordinary Income		3,261.
Total	\$	<u><u>-34,803.</u></u>

**Schedule K, Line 16c
Nondeductible Expenses**

State and Local Taxes Based on Income or Profits	\$	2,790.
Total	\$	<u><u>2,790.</u></u>

**Schedule K, Line 17d
S Corporation's Aggregate Gross Receipts**

Contract labor	\$	535.
Equipment rental		22,000.
Finance charge		10,591.
Gross Receipts (Less Returns and Allowances)		2,640,633.
Management fee		45,000.
Sublet rent		8,300.
Total	\$	<u><u>2,727,059.</u></u>

2015 California Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

COLD CREEK COMPOST, INC

1886865

Name of Shareholder

Shareholder's I.D. number

MARTIN MILECK

-**-*

1. STOCK BASIS AT BEGINNING OF TAX YEAR 0.

INCREASES:

- 2. Ordinary income.....
- 3. Net income from rental activities.....
- 4. Net portfolio income.....
- 5. Net gain under Section 1231.....
- 6. Other income.....
- 7. Tax-exempt interest income.....
- 8. Other tax-exempt income.....
- 9. Net gain on disposition of Section 179 assets....
- 10. Oil and gas depletion in excess of basis
- 11. OTHER INCREASES:

DECREASES:

- 13. Nondeductible expenses..... 2,790.
- 14. Oil and gas depletion.....
- 15. Ordinary loss..... 34,803.
- 16. Net loss from rental activities.....
- 17. Net portfolio loss.....
- 18. Net loss under Section 1231.....
- 19. Other loss.....
- 20. Charitable contributions..... 50.
- 21. Expense reduction for recovery property.....
- 22. Deductions related to portfolio income (loss).....
- 23. Other deductions.....
- 24. Investment interest expense.....
- 25. Total other state taxes.....
- 26. Section 59(e) expenses.....
- 27. Prior year loss in excess of basis..... 402,296.
- 28. OTHER DECREASES:
- Loss in Excess of Basis..... -439,939.
- 29. Property distributions (including cash)...
- 30. TOTAL DECREASES (add lines 13 - 29)..... 0.

12. TOTAL INCREASES: (add lines 2 - 11).

31. STOCK BASIS AT END OF TAX YEAR. (Line 1 plus line 12 minus line 30)..... 0.

32. DEBT BASIS AT BEGINNING OF TAX YEAR..... 0.

33. ADJUSTMENTS TO DEBT BASIS:

34. DEBT BASIS AT END OF TAX YEAR (Combine Line 32 and 33)..... 0.

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34)..... 0.

Losses/Deductions in Excess of Basis (Suspended)..... 439,939.

CLIENT 9744

**GREGORY G. CAVALIN, CPA
201 WEST CLAY STREET
UKIAH, CA 95482-5452
707 462-0100**

October 23, 2017

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482

Dear Client:

Enclosed is your 2016 Federal S Corporation Income Tax Return. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail the Federal return on or before September 15, 2017 to:

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0013

Enclosed is your 2016 California S Corporation Income Tax Return. The original should be signed at the bottom of page three. There is a balance of \$24 payable by September 15, 2017. Mail the California return on or before September 15, 2017 and make check payable to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0501

Your estimated tax schedule for 2017 is listed below:

Due Date	California
4/18/17	\$ 800
6/15/17	0
9/15/17	0
12/15/17	0

	\$ 800

You must distribute a copy of the 2016 Schedule K-1 to each shareholder. Be sure to give each shareholder a copy of the Shareholder's Instructions for Schedule K-1 (Form 1120S).

Please call if you have any questions.

Sincerely,

Gregory G Cavalin

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482
707 485-5966

October 23, 2017

MARTIN MILECK
6000 Potter Valley Road
Ukiah, CA 95482

RE:
COLD CREEK COMPOST, INC
68-0358939
2016 S Corporation Schedule K-1 (Form 1120S)

Dear MARTIN MILECK:

Enclosed is your 2016 Schedule K-1 (Form 1120S) Shareholder's Share of Income, Deductions, Credits, Etc. from COLD CREEK COMPOST, INC. This information reflects the amounts you need in order to complete your income tax return. The amounts shown are your distributive share of tax items from the S Corporation to be reported on your tax return and may not correspond to the actual distributions you have received during the year. This information is included in the S Corporation's 2016 federal income tax return that was filed with the Internal Revenue Service.

If you have any questions concerning this information, please contact us immediately.

Sincerely,

COLD CREEK COMPOST, INC

Enclosure(s)

Gregory G. Cavalin, CPA

201 West Clay Street
Ukiah, CA 95482-5452
707 462-0100

Client 9744

Invoice No. 109916

October 23, 2017

COLD CREEK COMPOST, INC
6000 POTTER VALLEY ROAD
UKIAH, CA 95482
707 485-5966

FEDERAL FORMS

Form 1120S	2016 U.S. S Corporation Income Tax Return
Schedule K-1	Shareholder's Income, Deductions, Credits, etc
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 7004	Automatic Extension of Time to File
	Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

CALIFORNIA FORMS

Form 100S	2016 California S Corporation Tax Return
Form 100-ES	Corporation Estimated Tax
Schedule B	S Corporation Depreciation and Amortization
Schedule K-1	Shareholder's Income, Etc.
Form 3539	Payment Voucher for Automatic Extension
Form 3805Q	Net Operating Loss Deduction
Form 5806	Underpayment of Estimated Tax
	California Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

FEE SUMMARY

Preparation Fee	\$	1,830.00
Computer charges		75.00
Amount Due	\$	1,905.00

**Application for Automatic Extension of Time To File Certain
Business Income Tax, Information, and Other Returns**

OMB No. 1545-0233

► File a separate application for each return.

► Information about Form 7004 and its separate instructions is at www.irs.gov/form7004.**Print
or
Type**

Name

COLD CREEK COMPOST, INC

Number, street, and room or suite number. (If P.O. box, see instructions.)

6000 POTTER VALLEY ROAD

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).

UKIAH, CA 95482

Identifying number

68-0358939

Note: File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.**Part I Automatic Extension for C Corporations With Tax Years Ending December 31.** See instructions.**1 a** Enter the form code for the return listed below that this application is for:

Application Is For:	Form Code	Application Is For:	Form Code
Form 1120	12	Form 1120-ND (section 4951 taxes)	20
Form 1120-C	34	Form 1120-PC	21
Form 1120-F	15	Form 1120-POL	22
Form 1120-FSC	16	Form 1120-REIT	23
Form 1120-H	17	Form 1120-RIC	24
Form 1120-L	18	Form 1120-SF	26
Form 1120-ND	19		

Part II Automatic Extension for Certain Estates and Trusts. See instructions.**b** Enter the form code for the return listed below that this application is for:

Application Is For:	Form Code	Application Is For:	Form Code
Form 1041 (estate other than a bankruptcy estate)	04	Form 1041 (trust)	05

Part III Automatic Extension for Entities Not Using Part I, II, or IV. See instructions.**c** Enter the form code for the return listed below that this application is for:

25

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065	09	Form 1120-SF	26
Form 1065-B	10	Form 3520-A	27
Form 1066	11	Form 8612	28
Form 1120	12	Form 8613	29
Form 1120-C	34	Form 8725	30
Form 1120-F	15	Form 8804	31
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

Part IV Automatic Extension for C Corporations With Tax Years Ending June 30. See instructions.**d** Enter the form code for the return listed below that this application is for:

Application Is For:	Form Code	Application Is For:	Form Code
Form 1120	12	Form 1120-ND (section 4951 taxes)	20
Form 1120-C	34	Form 1120-PC	21
Form 1120-F	15	Form 1120-POL	22
Form 1120-FSC	16	Form 1120-REIT	23
Form 1120-H	17	Form 1120-RIC	24
Form 1120-L	18	Form 1120-SF	26
Form 1120-ND	19		

Part V All Filers Must Complete This Part

- 2** If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐
- 3** If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐
If checked, attach a statement listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.
- 4** If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐
- 5a** The application is for calendar year 20 16, or tax year beginning _____, 20 __, and ending _____, 20 __
- b Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (see instructions – attach explanation)

6 Tentative total tax	6	0.
7 Total payments and credits (see instructions).	7	0.
8 Balance due. Subtract line 7 from line 6 (see instructions).	8	0.

Form **7004** (Rev 12-2016)

DO NOT MAIL

For calendar year 2016 or tax year beginning , 2016, ending ,

A S election effective date 9/01/1995	TYPE OR PRINT	COLD CREEK COMPOST, INC 6000 POTTER VALLEY ROAD UKIAH, CA 95482	D Employer identification number 68-0358939
B Business activity code number (see instrs) 325300			E Date incorporated 3/30/1994
C Check if Schedule M-3 attached <input type="checkbox"/>			F Total assets (see instructions) \$ 2,322,860.

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year. ▶ 1

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales.	1 a	3,783,818.	
	b Returns and allowances.	1 b	456.	
	c Balance. Subtract line 1b from line 1a.	1 c	3,783,362.	
	2 Cost of goods sold (attach Form 1125-A).	2	797,216.	
	3 Gross profit. Subtract line 2 from line 1c.	3	2,986,146.	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797).	4		
5 Other income (loss) (see instrs — att statement).	5	See Statement 1	67,464.	
6 Total income (loss). Add lines 3 through 5. ▶	6		3,053,610.	
DEDUCTIONS SEE INSTRS	7 Compensation of officers (see instructions - attach Form 1125-E).	7		
	8 Salaries and wages (less employment credits).	8	872,494.	
	9 Repairs and maintenance.	9	311,605.	
	10 Bad debts.	10	68,560.	
	11 Rents.	11	59,601.	
	12 Taxes and licenses.	12	109,776.	
	13 Interest.	13	104,624.	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562).	14	817,860.	
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising.	16	21,483.	
	17 Pension, profit-sharing, etc, plans.	17	1,944.	
18 Employee benefit programs.	18	93,455.		
19 Other deductions (attach statement).	19	See Statement 2	579,599.	
20 Total deductions. Add lines 7 through 19. ▶	20		3,041,001.	
21 Ordinary business income (loss). Subtract line 20 from line 6.	21		12,609.	
TAX AND PAYMENTS	22 a Excess net passive income or LIFO recapture tax (see instructions).	22 a		
	b Tax from Schedule D (Form 1120S).	22 b		
	c Add lines 22a and 22b (see instructions for additional taxes).	22 c		
	23 a 2016 estimated tax payments and 2015 overpayment credited to 2016.	23 a		
	b Tax deposited with Form 7004.	23 b		
	c Credit for federal tax paid on fuels (attach Form 4136).	23 c		
	d Add lines 23a through 23c. ▶	23 d		
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached. ▶ <input type="checkbox"/>	24		
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.	25		0.
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid.	26		
27 Enter amount from line 26 Credited to 2017 estimated tax ▶ Refunded ▶ 27				

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

☐ Signature of officer _____ Date _____
 ☐ **President** _____ Title _____

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name Gregory G Cavalin	Preparer's signature Gregory G Cavalin	Date 10/23/17	Check <input checked="" type="checkbox"/> if self-employed	PTIN P00293754
Firm's name ▶ Gregory G. Cavalin, CPA	Firm's EIN ▶ 68-0314830			
Firm's address ▶ 201 West Clay Street Ukiah, CA 95482-5452	Phone no. 707 462-0100			

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____						
2 See the instructions and enter the: a Business activity ▶ <u>Production and sales</u> b Product or service... ▶ <u>Compost</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock..... ▶ _____						
(ii) Total shares of non-restricted stock..... ▶ _____						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year..... ▶ _____						
(ii) Total shares of stock outstanding if all instruments were executed..... ▶ _____						
6 Has this corporation filed, or is it required to file, Form 8918 , Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount..... ▶ <input type="checkbox"/> If checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions)..... ▶ \$ _____						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year..... \$ _____						
10 Does the corporation satisfy both of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000						
b The corporation's total assets at the end of the tax year were less than \$250,000						X
If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?						X
If "Yes," enter the amount of principal reduction \$ _____						
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.						X
13a Did the corporation make any payments in 2016 that would require it to file Form(s) 1099?					X	
b If "Yes," did the corporation file or will it file required Forms 1099?					X	

Form 1120S (2016)

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	12,609.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Collectibles (28%) gain (loss)	8b	
	c Unrecaptured section 1250 gain (attach statement)	8c	
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions)	10	
	11 Section 179 deduction (attach Form 4562)	11	
	12a Charitable contributions	12a	2,095.
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
	d Other deductions (see instructions)	12d	
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions)	13g	
Foreign Transactions	14a Name of country or U.S. possession		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
	e General category	14e	
	f Other (attach statement)	14f	
	Deductions allocated and apportioned at shareholder level		
	g Interest expense	14g	
	h Other	14h	
	Deductions allocated and apportioned at corporate level to foreign source income		
	i Passive category	14i	
	j General category	14j	
	k Other (attach statement)	14k	
Other information			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l		
m Reduction in taxes available for credit (attach statement)	14m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	2,377.
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	83.
	d Distributions (attach stmt if required) (see instrs)	16d	
	e Repayment of loans from shareholders	16e	

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17 a Investment income	17 a	
	b Investment expenses	17 b	
	c Dividend distributions paid from accumulated earnings and profits	17 c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	10,514.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash				
2 a	Trade notes and accounts receivable	296,918.		349,440.	
b	Less allowance for bad debts		296,918.		349,440.
3	Inventories		202,411.		639,675.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt) ... See St. 4.		-2.		12,211.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10 a	Buildings and other depreciable assets	2,338,700.		3,758,282.	
b	Less accumulated depreciation	1,629,909.	708,791.	2,447,769.	1,310,513.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	180,179.		180,179.	
b	Less accumulated amortization	167,006.	13,173.	169,158.	11,021.
14	Other assets (attach stmt)				
15	Total assets		1,221,291.		2,322,860.
Liabilities and Shareholders' Equity					
16	Accounts payable		369,886.		465,589.
17	Mortgages, notes, bonds payable in less than 1 year				99,396.
18	Other current liabilities (attach stmt) ... See St. 5.		220,981.		50,952.
19	Loans from shareholders		288,861.		191,226.
20	Mortgages, notes, bonds payable in 1 year or more		1,190,680.		2,354,383.
21	Other liabilities (attach statement)				
22	Capital stock		210,000.		210,000.
23	Additional paid-in capital		1,598,789.		1,598,789.
24	Retained earnings		-2,657,906.		-2,647,475.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		1,221,291.		2,322,860.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**Note:** The corporation may be required to file Schedule M-3 (see instructions)

1 Net income (loss) per books.	10,431.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest. \$	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a Depreciation. \$		a Depreciation ... \$	
b Travel and entertainment. \$		7 Add lines 5 and 6.	0.
See Statement 6 83.	83.	8 Income (loss) (Schedule K, ln 18). Ln 4 less ln 7...	10,514.
4 Add lines 1 through 3.	10,514.		

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year.	-2,601,256.		
2 Ordinary income from page 1, line 21.	12,609.		
3 Other additions.			
4 Loss from page 1, line 21.			
5 Other reductions. See Statement 7	(2,178.)		
6 Combine lines 1 through 5.	-2,590,825.		
7 Distributions other than dividend distributions.			
8 Balance at end of tax year. Subtract line 7 from line 6.	-2,590,825.		

SPSA0134L 08/17/16

Form 1120S (2016)

DO NOT MAIL

Cost of Goods Sold▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.**▶ **Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.**

OMB No. 1545-0123

Name COLD CREEK COMPOST, INC		Employer identification number 68-0358939	
1	Inventory at beginning of year.....	1	202,411.
2	Purchases.....	2	
3	Cost of labor.....	3	
4	Additional section 263A costs (attach schedule).....	4	
5	Other costs (attach schedule)..... See Statement 8	5	1,234,480.
6	Total. Add lines 1 through 5.....	6	1,436,891.
7	Inventory at end of year.....	7	639,675.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions.....	8	797,216.
9 a Check all methods used for valuing closing inventory:			
(i) <input checked="" type="checkbox"/> Cost			
(ii) <input type="checkbox"/> Lower of cost or market			
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation)..... ▶			
b Check if there was a writedown of subnormal goods..... ▶ <input type="checkbox"/>			
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)..... ▶ <input type="checkbox"/>			
d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO..... 9d			
e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

BAA For Paperwork Reduction Act Notice, see instructions.Form **1125-A** (Rev 10-2016)**DO NOT MAIL**

Schedule K-1
(Form 1120S)

Department of the Treasury
Internal Revenue Service

2016

For calendar year 2016, or tax
year beginning _____, 2016
ending _____,

☐ Final K-1

☐ Amended K-1

671113
OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc. ▶ See page 2 of form and separate instructions.

Part I Information About the Corporation	
A	Corporation's employer identification number 68-0358939
B	Corporation's name, address, city, state, and ZIP code COLD CREEK COMPOST, INC 6000 POTTER VALLEY ROAD UKIAH, CA 95482
C	IRS Center where corporation filed return Ogden, UT
Part II Information About the Shareholder	
D	Shareholder's identifying number ***-**-****
E	Shareholder's name, address, city, state, and ZIP code MARTIN MILECK 6000 Potter Valley Road Ukiah, CA 95482
F	Shareholder's percentage of stock ownership for tax year. 100 %
DO NOT MAIL	

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) 12,609.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	2,377.
11	Section 179 deduction	16	Items affecting shareholder basis
		C	83.
12	Other deductions		
A	2,095.		
		17	Other information
*See attached statement for additional information.			

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2016

Shareholder 1

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

OMB No. 1545-0172

2016Attachment
Sequence No. **179**

Name(s) shown on return

COLD CREEK COMPOST, INC

Identifying number

68-0358939

Business or activity to which this form relates

Form 1120S

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,010,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2017. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	554,279.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	197,636.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.		

Section B — Assets Placed in Service During 2016 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		821,419.	5	MQ	200DB	65,492.
c 7-year property		3,826.	7	MQ	200DB	410.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property	12/22/16	40,058.	39 yrs	MM	S/L	43.
				MM	S/L	

Section C — Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System

20 a Class life				S/L	
b 12-year			12 yrs	S/L	
c 40-year			40 yrs	MM	S/L

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	817,860.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ0812L 01/24/17

Form **4562** (2016)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No						24b If 'Yes,' is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No			
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25		
26 Property used more than 50% in a qualified business use:									
27 Property used 50% or less in a qualified business use:									
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29		

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **aren't** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2016 tax year (see instructions):					
43 Amortization of costs that began before your 2016 tax year				43	2,152.
44 Total. Add amounts in column (f). See the instructions for where to report.				44	2,152.

2016

Federal Statements

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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Statement 1
Form 1120S, Line 5
Other Income

State Tax Refund.....	\$	1,448.
Contract labor.....		160.
Finance charge.....		16,545.
Management fee.....		46,550.
Equipment rental.....		961.
Sublet rent.....		1,800.
Total	\$	<u>67,464.</u>

Statement 2
Form 1120S, Line 19
Other Deductions

Amortization.....	\$	2,152.
Bank Charges.....		11,365.
Delivery and Freight.....		1,375.
Dues and Subscriptions.....		5,479.
Facility operations.....		350,339.
Insurance.....		77,429.
Legal and Professional.....		55,022.
Miscellaneous.....		4,366.
Office Expense.....		13,162.
Oroville Landfill Costs.....		21,334.
Outside Services.....		6,887.
Outside services - Analysis.....		3,021.
Postage.....		1,172.
Telephone.....		9,820.
Travel.....		9,662.
Uniforms.....		7,014.
Total	\$	<u>579,599.</u>

Statement 3
Form 1120S, Schedule K, Line 12a
Charitable Contributions

Cash Contributions - 50% Limitation.....	\$	2,095.
Total	\$	<u>2,095.</u>

Statement 4
Form 1120S, Schedule L, Line 6
Other Current Assets

	Beginning	Ending
Employee advances.....	\$ -2.	\$ 12,211.
Total	\$ <u>-2.</u>	\$ <u>12,211.</u>

2016

Federal Statements

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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Statement 5
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	Beginning	Ending
Bank overdraft.....	\$ 94,950.	\$ 10,409.
Credit cards payable.....	61,884.	32,791.
Note payable - M&M.....	64,147.	0.
Payroll Taxes Payable.....	0.	6,928.
State Tax Payable.....	0.	824.
Total	<u>\$ 220,981.</u>	<u>\$ 50,952.</u>

Statement 6
Form 1120S, Schedule M-1, Line 3
Expenses On Books Not On Schedule K

Penalties.....	\$ 59.
State Underpayment Penalty.....	24.
Total	<u>\$ 83.</u>

Statement 7
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Contributions.....	\$ 2,095.
Penalties.....	59.
State Underpayment Penalty.....	24.
Total	<u>\$ 2,178.</u>

Statement 8
Form 1125-A, Line 5
Other Costs

Material and production costs.....	\$ 1,234,480.
Total	<u>\$ 1,234,480.</u>

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2016 Federal Depreciation Schedule

Page 1

Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

04:18PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
Form 1120S																	
Amortization																	
21	Organizational Costs	9/01/95		1,700							1,700	1,700	S/L	5		0	
22	Environmental, Legal Cost	11/30/96		85,789							85,789	85,789	S/L	15		0	
23	Loan Fees - CIWMB	12/31/96		20,481							20,481	20,481	S/L	7		0	
24	Legal Costs - Nale	12/31/96		21,687							21,687	21,687	S/L	15		0	
25	Intangibles	6/30/97		22,520							22,520	22,520	S/L	15		0	
26	Environmental Report	6/30/98		9,061							9,061	7,853	S/L	15		0	
54	Loan fees	12/31/12		16,360							16,360	4,908	S/L	10		1,636	
Total Amortization				177,598		0	0	0	0	0	177,598	164,938					1,636
Auto / Transport Equipment																	
7	Truck Trailer	6/30/97		39,011							39,011	39,011	200DB HY	5		0	
12	Trailer	3/09/01		23,157							23,157	23,157	200DB HY	5		0	
17	Dodge Dakota Pickup	11/18/05		5,273							5,273	4,959	S/L HY	7		0	
18	Water Truck	1/31/06		27,000							27,000	27,000	S/L HY	7		0	
46	Honda Motor	11/10/09		913				457			456	456	200DB MQ	5		0	
58	Truck #10	12/16/13		227,037							227,037	149,390	200DB MQ	5	.13680	31,059	
61	Dump Trailer (10 yard)	12/16/15		18,000							18,000	900	200DB MQ	5	.38000	6,840	
62	Peterbilt (2016)	12/31/15		133,195							133,195	6,660	200DB MQ	5	.38000	50,614	
65	Chevy Dump Truck	1/01/16		6,000							6,000		200DB MQ	5	.35000	2,100	
66	Water Truck - Klien (2016	4/06/16		173,201			86,601				86,600		200DB MQ	5	.25000	21,650	
67	Service Truck (1999)	6/20/16		18,000							18,000		200DB MQ	5	.25000	4,500	
68	Honda Odyssey (2006)	9/23/16		6,006							6,006		200DB MQ	5	.15000	901	
Total Auto / Transport Equipment				676,793		0	86,601	457	0	0	589,735	251,533					117,664

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2016 Federal Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
Buildings																	
33	Water Tanks and System	9/30/96		33,239							33,239	16,440	S/L MM	39	.02564	852	
34	Site Improvements	9/01/95		160,000							160,000	83,243	S/L MM	39	.02564	4,102	
35	Foundation and Building	9/01/95		313,847							313,847	160,944	S/L MM	39	.02564	8,047	
36	Site Improvements	12/31/95		107,482							107,482	55,120	S/L MM	39	.02564	2,756	
37	Water Tank and Systems	6/30/97		7,672							7,672	3,650	S/L MM	39	.02564	197	
38	Scale	6/30/97		14,379							14,379	6,839	S/L MM	39	.02564	369	
39	Site Improvements	6/30/98		853							853	385	S/L MM	39	.02564	22	
40	New Well	10/25/99		9,393							9,393	3,905	S/L MM	39	.02564	241	
41	Expansion of Concrete Pad	4/20/00		1,148							1,148	459	S/L MM	39	.02564	29	
42	Permit Water Tanks	1/01/01		475							475	181	S/L MM	39	.02564	12	
Total Buildings				648,488		0		0	0	0	648,488	331,166					16,627
Furniture and Fixtures																	
50	Computer and monitor	12/05/12		743				372			371	296	200DB MQ	5	.10940	41	
73	Office furniture & fixt	7/01/16		7,653		3,827					3,826		200DB MQ	7	.10710	410	
Total Furniture and Fixtures				8,396	0	3,827	372	0	0	0	4,197	296					451
Improvements																	
27	Roads and Pads	6/30/96		44,574							44,574	44,574	150DB HY	15		0	
28	Fences and Gates	6/30/96		544							544	544	150DB HY	15		0	
29	Buried Telephone Lines	12/30/96		562							562	562	150DB HY	15		0	
30	Roads	6/30/97		1,049							1,049	1,049	150DB HY	15		0	
31	New Gate	7/12/01		3,544							3,544	1,315	S/L MM	39	.02564	91	
32	Road Base	11/26/01		19,779							19,779	7,162	S/L MM	39	.02564	507	

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2016 Federal Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.		
44	Leachate Pond	12/31/08		333,617							333,617	137,483	150DB	HY	15	.05910	19,717	
45	Leachate Pond Permits	12/31/08		115,556							115,556	47,621	150DB	HY	15	.05910	6,829	
47	Topographic Map Drafting	1/01/09		1,763							1,763	790	150DB	HY	15	.05900	104	
48	Office trailer	5/21/10		12,922							12,922	5,674	150DB	HY	15	.05900	762	
64	Double Wide Office	12/22/16		40,058							40,058		S/L	MM	39	.00107	43	
Total Improvements				573,968	0	0	0	0	0	0	573,968	246,774						28,053
Machinery and Equipment																		
1	Scale	10/16/96		18,000							18,000	18,000	200DB	HY	7		0	
2	Tool Boxes	11/30/96		794							794	794	200DB	HY	7		0	
3	Ladder	11/15/96		403							403	403	200DB	HY	7		0	
4	Generator & RR	12/31/96		870							870	870	200DB	HY	7		0	
5	Tool Boxes	6/30/97		4,698							4,698	4,698	200DB	HY	7		0	
6	Scale	6/30/97		23,527							23,527	23,527	200DB	HY	7		0	
8	Motor Aeration	6/30/97		1,314							1,314	1,314	200DB	HY	7		0	
9	Solar Panels	3/16/99		535							535	535	200DB	HY	5		0	
10	Solar Power Cells	11/17/99		441							441	441	200DB	HY	5		0	
11	Generator	2/16/00		1,067							1,067	1,067	200DB	HY	7		0	
13	Grinder	5/01/02		200,220						60,066	140,154	140,154	200DB	HY	7		0	
14	Weather Station	1/31/03		4,267				1,280			2,987	2,987	200DB	HY	7		0	
15	Scale Display	4/10/03		1,778				534			1,244	1,244	200DB	HY	7		0	
16	Welder	11/19/03		3,296				1,648			1,648	1,648	200DB	HY	7		0	
19	966 Loader	12/01/06		10,000							10,000	9,083	S/L	HY	10	.05000	500	
20	275BLoader	1/08/07		10,000							10,000	9,000	S/L	HY	10	.10000	1,000	
43	Blowers	7/01/08		7,935				3,968			3,967	3,967	200DB	HY	5		0	
49	Generator	1/13/11		6,369				6,369			0		200DB	HY	5		0	

DO NOT MAIL

12/31/16

2016 Federal Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

04:18PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
51	Loader	6/04/12		10,000							10,000	8,437	200DB MQ	5	.11370	1,137
52	Used Tanks (2)	12/03/12		2,000							2,000	1,297	200DB MQ	7	.10040	201
53	Screen (Used)	11/15/12		282,396							282,396	224,448	200DB MQ	5	.10940	30,894
55	Scales (Master & Scale H)	9/19/13		9,277							9,277	6,439	200DB MQ	5	.12240	1,136
56	Hopper	10/24/13		5,035							5,035	3,313	200DB MQ	5	.13680	689
57	Pond Trailer	11/10/13		2,049							2,049	1,348	200DB MQ	5	.13680	280
63	Grinder Motor (Rebuild)	10/31/15		75,135							75,135	3,757	200DB MQ	5	.38000	28,551
69	Generator (16)	11/29/16		26,801			13,401				13,400		200DB MQ	5	.05000	670
70	Ginder TB6680 (2016)	10/03/16		900,900			450,450				450,450		200DB MQ	5	.05000	22,523
71	Powerscreen - Orvle (13)	12/14/16		235,463							235,463		200DB MQ	5	.05000	11,773
72	Used Engine (#275 #2)	4/06/16		5,500							5,500		200DB MQ	5	.25000	1,375
Total Machinery and Equipment																
				1,850,070		0	463,861	73,865	0	0	1,312,354	468,725				100,729
Miscellaneous																
59	Microsoft Library Softwar	4/04/13		567				284			283	149	S/L MQ	5	.20000	57
60	Loan fees	4/16/14		2,581							2,581	860	S/L	5		516
Total Miscellaneous																
				3,148		0	0	284	0	0	2,864	1,009				573
Total Depreciation																
				3,760,863		0	554,279	74,978	0	0	3,131,606	1,299,503				264,097
Grand Total Amortization																
				177,598		0	0	0	0	0	177,598	164,938				1,636
Grand Total Depreciation																
				3,760,863		0	554,279	74,978	0	0	3,131,606	1,299,503				264,097

DO NOT MAIL

2016

California S Corporation
Franchise or Income Tax Return

100S

RP

1886865 COLD 68-0358939 000000000000 16
 TYB 01-01-2016 TYE 12-31-2016
 COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD
 UKIAH CA 95482

Schedule Q Questions (continued on Side 3)

A 1 FINAL RETURN? • ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ QSub election

Enter date (mm/dd/yyyy) •

2 Is the S corporation deferring any income from the disposition of assets? • ☐ Yes ☐ No

If 'Yes' enter the year of disposition. (yyyy) •

3 Is the S corporation reporting previously deferred income from: • ☐ Installment sale • ☐ IRC §1031 • ☐ IRC §1033 • ☐ Other

B 1 During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No

2 During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No

3 During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code section 62(a)(2) and it was not reported on a previous year's tax return? • ☐ Yes ☒ No
 (Yes requires filing of statement, penalties may apply — see instructions.)

STATE ADJUSTMENTS	1 Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 4), line 22 or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 4) was not completed, attach federal Form 1120S, page 1, and supporting schedules. •	1	12,609.
	2 Foreign or domestic tax based on income or profits and California franchise or income tax deducted. •	2	800.
	3 Interest on government obligations. •	3	
	4 Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S). See instructions. •	4	
	5 Depreciation and amortization adjustments. Attach Schedule B (100S). •	5	512,667.
	6 Portfolio income. •	6	
	7 Other additions. Attach schedule(s). •	7	
	8 Total. Add line 1 through line 7. •	8	526,076.



ADJUSTMENTS	9	Dividends received deduction. Attach Schedule H (100S).....	9			
	10	Water's-edge dividend deduction. Attach Schedule H (100S).....	10			
	11	Contributions. See instructions.....	11	3,172.		
	12	Other deductions. Attach schedule(s)..... SEE STATEMENT 1	12	1,448.		
	13	Total. Add line 9 through line 12.....	13	4,620.		
INCOME	14	Net income (loss) after state adjustments. Subtract line 13 from Side 1, line 8.....	14	521,456.		
	15	Net income (loss) for state purposes. Use Schedule R if apportioning or allocating income.....	15	521,456.		
	16	R&TC Section 23802(e) deduction. See instructions.....	16			
	17	Net operating loss deduction. See instructions.....	17	502,358.		
	18	Pierce's disease, EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions.....	18			
TAXES	19	Disaster loss deduction. See instructions.....	19			
	20	Net income for tax purposes. Combine line 16 through line 19. Subtract the result from line 15...	20	19,098.		
	21	Tax. <u>1.5</u> % x line 20 (at least minimum franchise tax, if applicable). See instructions	21	800.		
	22	Credit name _____ code • _____ amount.....	22			
	23	Credit name _____ code • _____ amount.....	23			
PAYMENTS	24	To claim more than two credits, see instructions.....	24			
	25	Add line 22 through line 24.....	25			
	26	Balance. Subtract line 25 from line 21 (not less than minimum franchise tax plus QSub annual tax(es), if applicable).....	26	800.		
	27	Tax from Schedule D (100S). Attach Schedule D (100S). See instructions.....	27			
	28	Excess net passive income tax. See instructions.....	28			
REFUND OR AMOUNT DUE	29	Total tax. Add line 26 through line 28.....	29	800.		
	30	Overpayment from prior year allowed as a credit.....	30			
	31	2016 Estimated tax/QSub payments. See instructions.....	31			
	32	2016 Withholding (Forms 592-B and/or 593). See instructions.....	32			
	33	Amount paid with extension of time to file tax return.....	33	800.		
REFUND OR AMOUNT DUE	34	Total payments. Add line 30 through line 33.....	34	800.		
	35	Use tax. This is not a total line. See instructions.....	35			
	36	Payments balance. If line 34 is more than line 35, subtract line 35 from line 34.....	36	800.		
	37	Use tax balance. If line 35 is more than line 34, subtract line 34 from line 35.....	37			
	38	Franchise or income tax due. If line 29 is more than line 36, subtract line 36 from line 29.....	38	0.		
REFUND OR AMOUNT DUE	39	Overpayment. If line 36 is more than line 29, subtract line 29 from line 36.....	39			
	40	Amount of line 39 to be credited to 2017 estimated tax.....	40			
	41	Refund. Subtract line 40 from line 39..... See instructions to have the refund directly deposited. <input type="checkbox"/> Checking <input type="checkbox"/> Savings	41			
	41 a.	Routing number	41 b.	Type	41 c.	Account number
	42 a	Penalties and interest.....	42a	24.		
REFUND OR AMOUNT DUE	b	<input type="checkbox"/> Check if estimate penalty computed using Exception B or C. See instructions.				
	43	Total amount due. Add line 37, line 38, line 40, and line 42a. Then, subtract line 39 from the result.....	43	24.		

Schedule Q Questions (continued from Side 1)

- C** Principal business activity code. **Do not** leave blank. • 325300
Business activity PRODUCTION AND SALES Product or service COMPOST
- D** Is this S corporation filing on a water's-edge basis pursuant to R&TC Sections 25110 and 25113 for the current taxable year? • ☐ Yes ☒ No
- E** Does this tax return include Qualified Subchapter S Subsidiaries? • ☐ Yes ☒ No
- F** Date incorporated (mm/dd/yyyy) 3/30/1994 Where: • State CA Country _____
- G** Maximum number of shareholders in the S corporation at any time during the year. **Do not** leave blank ... • 1
- H** Date business began in California or date income was first derived from California sources (mm/dd/yyyy) • 3/30/1994
- I** Is the S corporation under audit by the IRS or has it been audited in a prior year? • ☐ Yes ☒ No
- J** Effective date of federal S election (mm/dd/yyyy) • 9/01/1995
- L** Accounting method • (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other
- M** Location of principal accounting records SEE PAGE ONE
- N** 'Doing business as' (DBA) name. See instructions • _____
- O** Have all required information returns (e.g., federal Forms 1099, 8300, and state Forms 592, 592-B etc.) been filed with the Franchise Tax Board? ☒ N/A ☐ Yes ☐ No
- P** Is this S corporation apportioning or allocating income to California using Schedule R? • ☐ Yes ☒ No
- Q** Has the S corporation included a reportable transaction or listed transaction within this return? See instructions for definitions. If 'Yes,' complete and attach federal Form 8886, for each transaction. • ☐ Yes ☒ No
- R** Did this S corporation file the federal Schedule M-3 (Form 1120S)? • ☐ Yes ☒ No
- S** Is form FTB 3544A, List of Assigned Credit Received and/or Claimed by an Assignee, attached to the return? • ☐ Yes ☐ No

Schedule J Add-On Taxes and Recapture of Tax Credits. See instructions.

1	LIFO recapture due to S corporation election (IRC Section 1363(d) deferral \$ _____)	•	1	
2	Interest computed under the look-back method for completed long-term contracts (attach form FTB 3834)	•	2	
3	Interest on tax attributable to installment	•	3a	
	a) Sales of certain timeshares and residential lots	•	3b	
	b) Method for nondealer installment obligations	•	4	
4	IRC Section 197(f)(9)(B)(ii) election.	•	5	
5	Credit recapture name _____	•	6	
6	Combine line 1 through line 5. Revise the amount on Side 2, line 38 or line 39, whichever applies, by this amount. Write 'Schedule J' to the left of line 38 or line 39.	•		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer 	Title PRESIDENT	Date _____
Paid Preparer's Use Only	Officer's email address (optional)	• Telephone 707 485-5966	
	Preparer's signature 	Date 10/23/17	Check if self-employed <input checked="" type="checkbox"/>
	Firm's name (or yours, if self-employed) and address GREGORY G. CAVALIN, CPA 201 WEST CLAY STREET UKIAH, CA 95482-5452	• PTIN P00293754	
	May the FTB discuss this return with the preparer shown above? See instructions	• <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Schedule F Computation of Trade or Business Income. See instructions.

INCOME	1 a) Gross receipts or sales <u>3,783,818.</u> b) Less returns and allowances <u>456.</u> c) Balance <input type="radio"/>	1c	3,783,362.
	2 Cost of goods sold from Schedule V, line 8 <input type="radio"/>	2	797,216.
	3 Gross profit. Subtract line 2 from line 1c. <input type="radio"/>	3	2,986,146.
	4 Net gain (loss). Attach schedule. <input type="radio"/>	4	
	5 Other income (loss). Attach schedule. <u>SEE STATEMENT 2</u> <input type="radio"/>	5	67,464.
	6 Total income (loss). Combine line 3 through line 5. <input type="radio"/>	6	3,053,610.
DEDUCTIONS	7 Compensation of officers. Attach schedule. See instructions. <input type="radio"/>	7	
	8 Salaries and wages. <input type="radio"/>	8	872,494.
	9 Repairs and maintenance. <input type="radio"/>	9	311,605.
	10 Bad debts. <input type="radio"/>	10	68,560.
	11 Rents. <input type="radio"/>	11	59,601.
	12 Taxes. <input type="radio"/>	12	109,776.
	13 Interest. <input type="radio"/>	13	104,624.
	14 a) Depreciation <input checked="" type="radio"/> <u>817,860.</u> b) Less depreciation reported elsewhere <input type="radio"/> <u> </u> c) Balance <input type="radio"/>	14c	817,860.
	15 Depletion. <input type="radio"/>	15	
	16 Advertising. <input type="radio"/>	16	21,483.
	17 Pension, profit-sharing plans, etc. <input type="radio"/>	17	1,944.
	18 Employee benefit programs. <input type="radio"/>	18	93,455.
	19 a) Total travel and entertainment <input checked="" type="radio"/> <u> </u> b) Deductible amount. <input type="radio"/>	19b	
	20 Other deductions. Attach schedule. <u>SEE STATEMENT 3</u> <input type="radio"/>	20	579,599.
	21 Total deductions. Add line 7 through line 20. <input type="radio"/>	21	3,041,001.
	22 Ordinary income (loss) from trade or business. Subtract line 21 from line 6. Enter here and on Side 1, line 1. <input type="radio"/>	22	12,609.

The corporation may not be required to complete Schedule L and Schedule M-1. See Schedule L and Schedule M-1 instructions for reporting requirements.

Schedule L Balance Sheet		Beginning of taxable year		End of taxable year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash.				
2 a	Trade notes and accounts receivable.	296,918.		349,440.	
b	Less allowance for bad debts.		296,918.		349,440.
3	Inventories.		202,411.		639,675.
4	Federal and state government obligations.				
5	Other current assets. Attach sch(s). <u>STMT. 4</u>		-2.		12,211.
6	Loans to shareholders. Attach sch(s).				
7	Mortgage and real estate loans.				
8	Other investments. Attach schedule(s).				
9 a	Buildings and other fixed depreciable assets.	2,338,700.		3,758,282.	
b	Less accumulated depreciation.	1,629,909.	708,791.	2,447,769.	1,310,513.
10 a	Depletable assets.				
b	Less accumulated depletion.				
11	Land (net of any amortization).				
12 a	Intangible assets (amortizable only).	180,179.		180,179.	
b	Less accumulated amortization.	167,006.	13,173.	169,158.	11,021.
13	Other assets. Attach schedule(s).				
14	Total assets.		1,221,291.		2,322,860.
Liabilities and shareholders' equity					
15	Accounts payable.		369,886.		465,589.
16	Mortgages, notes, bonds payable in less than 1 year.				99,396.
17	Other current liabilities. Att sch(s). <u>STMT. 5</u>		220,981.		50,952.
18	Loans from shareholders. Attach sch(s). <u>STM. 6</u>		288,861.		191,226.
19	Mortgages, notes, bonds payable in 1 year or more.		1,190,680.		2,354,383.
20	Other liabilities. Attach schedule(s).				
21	Capital stock.		210,000.		210,000.
22	Paid-in or capital surplus.		1,598,789.		1,598,789.
23	Retained earnings.		-2,657,906.		-2,647,475.
24	Adjustments. Attach schedule(s).				
25	Less cost of treasury stock.				
26	Total liabilities and shareholders' equity.		1,221,291.		2,322,860.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.

If the S corporation completed federal Schedule M-3 (Form 1120S). See instructions.

1	Net income per books	10,431.	5	Income recorded on books this year not included on Schedule K, line 1 through line 10b (itemize)	
2	Income included on Schedule K, line 1 through line 10b, not recorded on books this year (itemize)		a	Tax-exempt interest \$	
			b	Other \$	
3	Expenses recorded on books this year not included on Schedule K, line 1 through line 12e (itemize)		c	Total. Add line 5a and line 5b	
a	Depreciation \$	512,667.	6	Deductions included on Schedule K, line 1 through line 12e, not charged against book income this year (itemize)	
b	State taxes \$	800.	a	Depreciation \$	
c	Travel & entertainment \$		b	State tax refunds \$	1,448.
d	Other STMT 7 \$	83.	c	Other \$	
e	Total. Add line 3a through line 3d	513,550.	d	Total. Add line 6a through line 6c	1,448.
4	Total. Add line 1 through line 3e	523,981.	7	Total. Add line 5c and line 6d	1,448.
			8	Income (loss) (Schedule K, line 19, column d). Line 4 less line 7	522,533.

Schedule M-2 CA Accumulated Adjustments Account, Other Adjustments Account, and Other Retained Earnings. See instructions.**Important: Use California figures and federal procedures.**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Other retained earnings (see instructions)
1 Balance at beginning of year	-2,590,204.		
2 Ordinary income from Form 100S, Side 1, line 1	12,609.		
3 Other additions. SEE STATEMENT 8	513,467.		
4 Loss from Form 100S, Side 1, line 1			
5 Other reductions. SEE STATEMENT 9	(2,978)		
6 Combine line 1 through line 5	-2,067,106.		
7 Distributions other than dividend distributions			
8 Balance at end of year. Subtract line 7 from line 6	-2,067,106.		
9 Retained earnings at end of year. Add line 8, column (a) through column (c)			-2,067,106.
<input type="checkbox"/> If the corporation has C corporation E&P at the end of the taxable year, check the box and enter the amount. See instructions.			

Schedule V Cost of Goods Sold

1	Inventory at beginning of year	1	202,411.
2	Purchases	2	
3	Cost of labor	3	
4	Other IRC Section 263A costs. Attach schedule	4	
5	Other costs. Attach schedule STMT 10	5	1,234,480.
6	Total. Add line 1 through line 5	6	1,436,891.
7	Inventory at end of year	7	639,675.
8	Cost of goods sold. Subtract line 7 from line 6	8	797,216.

Was there any change in determining quantities, costs, or valuations between opening and closing inventory?

☐ Yes ☒ No

If 'Yes,' attach an explanation. Enter California seller's permit number, if any

Method of inventory valuation COST

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970.

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory computed under LIFO

Schedule K S Corporation Shareholder's Shares of Income, Deductions, Credits, etc.

	(a) Pro-rata share items		(b) Amount from federal K (1120S)	(c) California Adjustment	(d) Total amounts using California law
INCOME	1 Ordinary business income (loss)	1	12,609.	512,019.	524,628.
	2 Net rental real estate income (loss). Attach federal Form 8825.	2			
	3a Other gross rental income (loss)	3a			
	b Expenses from other rental activities. Attach sch.	3b			
	c Other net rental income (loss). Subtract line 3b from line 3a.	3c			
	4 Interest income	4			
	5 Dividends. See instructions	5			
	6 Royalties.	6			
	7 Net short-term capital gain (loss). Attach Schedule D (100S).	7			
8 Net long-term capital gain (loss). Attach Schedule D (100S)	8				
9 Net IRC Section 1231 gain (loss)	9				
OTHER INCOME	10a Other portfolio income (loss). Attach schedule.	10a			
	b Other income (loss). Attach schedule	10b			
DEDUCTIONS	11 Expense deduction for recovery property (IRC Section 179). Attach Schedule B (100S).	11			
	12a Charitable contributions. SEE STATEMENT 11	12a	2,095.		2,095.
	b Investment interest expense.	12b			
	c 1 IRC Section 59(e)(2) expenditures.	12c1			
	2 Type of expenditures	12c2			
	d Deductions — portfolio. Attach schedule.	12d			
	e Other deductions. Attach schedule	12e			
CREDITS	13a Low-income housing credit. See instructions.	13a			
	b Credits related to rental real estate activities. Attach schedule	13b			
	c Credits related to other rental activities. See instructions. Attach schedule	13c			
	d Other credits. Attach schedule	13d			
	14 Total withholding allocated to all shareholders.	14			
ALTERNATIVE TAX ITEMS	15a Depreciation adjustment on property placed in service after 12/31/86.	15a			24,404.
	b Adjusted gain or loss. See instructions.	15b			
	c Depletion (other than oil and gas).	15c			
	d 1 Gross income from oil, gas, and geothermal properties.	15d1			
	2 Deductions allocable to oil, gas, and geothermal properties.	15d2			
	e Other AMT items.	15e			
INTEGRATING	16a Tax-exempt interest income	16a			
	b Other tax-exempt income	16b		1,448.	1,448.
	c Nondeductible expenses.	16c	83.	800.	883.
	d Total property distributions (including cash) other than dividends distribution reported on line 17c.	16d			
INFORMATION	17a Investment income. See instructions.	17a			
	b Investment expenses. See instructions	17b			
	c Total dividend distributions paid from accumulated earnings and profits	17c			
	d Other items and amounts not included in lines 1-17b and lines 18a-e that are required to be reported separately to shareholders. Attach schedule. SEE STATEMENT 12	17d	SEE ATTACHED		SEE ATTACHED
OTHER TAXES	18a Type of income	18a			
	b Name of state	18b			
	c Total gross income from sources outside CA. Attach sch.	18c			
	d Total applicable deductions and losses. Attach schedule	18d			
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	18e			
RECONCILIATION	19 Income (loss) (required only if Schedule M-1 must be completed). Combine line 1, line 2, and line 3c through line 10b. From the result, subtract the sum of lines 11, 12a, 12b, 12c1, 12d and 12e.	19	10,514.	512,019.	522,533.

2016**S Corporation Depreciation and Amortization****B (100S)**

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number

COLD CREEK COMPOST, INC

1886865

Part I Depreciation. Use additional sheets if necessary.**1** Enter federal depreciation from federal Form 4562, line 22.IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions **1** 817,860.

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
2 SCALE	10/16/1996	18,000.	18,000.	200DB	7	0.
TOOL BOXES	11/30/1996	794.	794.	200DB	7	0.
LADDER	11/15/1996	403.	403.	200DB	7	0.
GENERATOR & RR	12/31/1996	219.	219.	200DB	7	0.
TOOL BOXES	6/30/1997	4,698.	4,698.	200DB	7	0.
SCALE	6/30/1997	23,527.	23,527.	200DB	7	0.
TRUCK TRAILER	6/30/1997	39,011.	39,011.	200DB	5	0.
MOTOR AERATION	6/30/1997	1,314.	1,314.	200DB	7	0.
SOLAR PANELS	3/16/1999	535.	535.	200DB	5	0.
SOLAR POWER CELLS	11/17/1999	441.	441.	200DB	5	0.
GENERATOR	2/16/2000	1,067.	1,067.	200DB	7	0.
TRAILER	3/09/2001	23,157.	23,157.	200DB	5	0.
GRINDER	5/01/2002	200,220.	200,220.	200DB	7	0.
WEATHER STATION	1/31/2003	4,267.	4,267.	200DB	7	0.
SCALE DISPLAY	4/10/2003	1,778.	1,778.	200DB	7	0.
WELDER	11/19/2003	3,296.	3,203.	200DB	7	0.
DODGE DAKOTA PICKUP	11/18/2005	5,273.	4,959.	S/L	7	0.
WATER TRUCK	1/31/2006	27,000.	27,000.	S/L	7	0.
966 LOADER	12/01/2006	10,000.	9,083.	S/L	10	500.
275BLOADER	1/08/2007	10,000.	9,000.	S/L	10	1,000.
3 Add the amounts on line 2, column (g).....					3	305,193.
4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....					4	512,667.
5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12. Do not enter more than \$25,000.....					5	0.

Part II Amortization. Use additional sheets if necessary.**1** Enter federal amortization from federal Form 4562, line 44.....**1** 2,152.

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) Code Section	(f) Period or percentage	(g) Amortization for this year
2 ORGANIZATIONAL CO	9/01/1995	1,700.	1,700.		5	
ENVIRONMENTAL, LE	11/30/1996	85,789.	85,789.		15	
LOAN FEES - CIWMB	12/31/1996	20,481.	20,481.		7	
LEGAL COSTS - NAL	12/31/1996	21,687.	21,687.		15	
INTANGIBLES	6/30/1997	22,520.	22,520.	197	15	
ENVIRONMENTAL REP	6/30/1998	9,061.	7,853.	178	15	
LOAN FEES	12/31/2012	16,360.	4,908.	461	10	1,636.
LOAN FEES	4/16/2014	2,581.	860.	461	5	516.
3 Add the amounts on line 2, column (g).....					3	2,152.
4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....					4	0.

Part III Depreciation and Amortization Adjustment**1** Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.....**1** 512,667.

B (100S)

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number	
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COLD CREEK COMPOST, INC

1886865

Part I Depreciation. Use additional sheets if necessary.

1 Enter federal depreciation from federal Form 4562, line 22.

IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions

1

California depreciation:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
2 ROADS AND PADS	6/30/1996	44,574.	43,769.	150DB	15	0.
FENCES AND GATES	6/30/1996	544.	544.	150DB	15	0.
BURIED TELEPHONE LIN	12/30/1996	562.	534.	150DB	15	0.
ROADS	6/30/1997	1,049.	1,025.	150DB	15	0.
NEW GATE	7/12/2001	3,544.	1,315.	S/L	39	91.
ROAD BASE	11/26/2001	19,779.	7,162.	S/L	39	507.
WATER TANKS AND SYST	9/30/1996	33,239.	17,448.	S/L	39	852.
SITE IMPROVEMENTS	9/01/1995	160,000.	159,168.	150DB	15	0.
FOUNDATION AND BUILD	9/01/1995	313,847.	160,944.	S/L	39	8,047.
SITE IMPROVEMENTS	12/31/1995	107,482.	60,349.	S/L	39	2,756.
WATER TANK AND SYSTE	6/30/1997	7,672.	3,740.	S/L	39	197.
SCALE	6/30/1997	14,379.	7,008.	S/L	39	369.
SITE IMPROVEMENTS	6/30/1998	853.	385.	S/L	39	22.
NEW WELL	10/25/1999	9,393.	3,905.	S/L	39	241.
EXPANSION OF CONCRET	4/20/2000	1,148.	459.	S/L	39	29.
PERMIT WATER TANKS	1/01/2001	475.	181.	S/L	39	12.
BLOWERS	7/01/2008	7,935.	7,935.	200DB	5	0.
LEACHATE POND	12/31/2008	333,617.	137,483.	150DB	15	19,717.
LEACHATE POND PERMIT	12/31/2008	115,556.	47,621.	150DB	15	6,829.
HONDA MOTOR	11/10/2009	913.	913.	200DB	5	0.
3 Add the amounts on line 2, column (g)					3	
4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K					4	
5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12. Do not enter more than \$25,000					5	

Part II **Amortization.** Use additional sheets if necessary.

1 Enter federal amortization from federal Form 4562, line 44

1

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) Code Section	(f) Period or percentage	(g) Amortization for this year
2						
3 Add the amounts on line 2, column (g).						3
4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.						4

Part III Depreciation and Amortization Adjustment

1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.

1

B (100S)

For use by S corporations only. Attach to Form 100S.

Corporation name

California corporation number	
-------------------------------	--

COLD CREEK COMPOST, INC

1886865

Part I Depreciation. Use additional sheets if necessary.

1 Enter federal depreciation from federal Form 4562, line 22.

Enter federal depreciation from federal Form 4562, line 22.
 IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions.....

1

California depreciation:

	(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
2	TOPOGRAPHIC MAP DRAF	1/01/2009	1,763.	790.	150DB	15	104.
	OFFICE TRAILER	5/21/2010	12,922.	5,674.	150DB	15	762.
	GENERATOR	1/13/2011	6,369.	6,003.	200DB	5	366.
	COMPUTER AND MONITOR	12/05/2012	743.	590.	200DB	5	81.
	LOADER	6/04/2012	10,000.	8,437.	200DB	5	1,137.
	USED TANKS (2)	12/03/2012	2,000.	1,297.	200DB	7	201.
	SCREEN (USED)	11/15/2012	282,396.	224,448.	200DB	5	30,894.
	SCALES (MASTER & SCA	9/19/2013	9,277.	6,439.	200DB	5	1,136.
	HOPPER	10/24/2013	5,035.	3,313.	200DB	5	689.
	POND TRAILER	11/10/2013	2,049.	1,348.	200DB	5	280.
	TRUCK #10	12/16/2013	227,037.	149,390.	200DB	5	31,059.
	MICROSOFT LIBRARY SO	4/04/2013	567.	297.	S/L	5	113.
	DUMP TRAILER (10 YAR	12/16/2015	18,000.	900.	200DB	5	6,840.
	PETERBILT (2016)	12/31/2015	133,195.	6,660.	200DB	5	50,614.
	GRINDER MOTOR (REBUI	10/31/2015	75,135.	3,757.	200DB	5	28,551.
	DOUBLE WIDE OFFICE	12/22/2016	40,058.		S/L	39	43.
	CHEVY DUMP TRUCK	1/01/2016	6,000.		200DB	5	2,100.
	WATER TRUCK - KLIEN	4/06/2016	173,201.		200DB	5	43,300.
	SERVICE TRUCK (1999)	6/20/2016	18,000.		200DB	5	4,500.
	HONDA ODYSSEY (2006)	9/23/2016	6,006.		200DB	5	901.
3	Add the amounts on line 2, column (g).....					3	
4	Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....					4	
5	Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12. Do not enter more than \$25,000.....					5	

Part II **Amortization.** Use additional sheets if necessary.

1 Enter federal amortization from federal Form 4562, line 44

1

California amortization:

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) Code Section	(f) Period or percentage	(g) Amortization for this year
2						
3	Add the amounts on line 2, column (g).....					3
4	California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.....					4

Part III Depreciation and Amortization Adjustment

1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.

1

B (100S)

Corporation name

California corporation number

1886865

Part I Depreciation. Use additional sheets if necessary.

1 Enter federal depreciation from federal Form 4562, line 22.

IRC Section 179 expense deduction is not included on this line. Get federal Form 4562 instructions

1

California depreciation:

DO NOT MAIL

Use brackets. Enter here and on the applicable line of
on here and on Form 100S, Side 2, line 12.

3 Add the amounts on line 2, column (g)

3

4 Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.

4

5 Enter IRC Section 179 expense deduction here and on Form 100S, Side 2, line 12.
Do not enter more than \$25,000.

Part II **Amortization.** Use additional sheets if necessary.

1 Enter federal amortization from federal Form 4562, line 44

1

California amortization:

DO NOT MAIL

Use brackets. Enter here and on the applicable line of
 on here and on Form 100S, Side 2, line 12.

3 Add the amounts on line 2, column (g)

3

4 California amortization adjustment. Subtract line 3 from line 1. If negative, use brackets. Enter here and on the applicable line of Form 100S, Side 6, Schedule K.

Part III Depreciation and Amortization Adjustment

1 Combine the amounts on Part I, line 4, and Part II, line 4. Enter here (if negative, use brackets) and on Form 100S, Side 1, line 5. For passive activities, see instructions.

2016

Shareholder's Share of Income,
Deductions, Credits, etc.

K-1 (100S)

TYB 01-01-2016 TYE 12-31-2016

-**-*

MARTIN

MILECK

6000 POTTER VALLEY ROAD

UKIAH

CA 95482

1886865

68-0358939

COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD

UKIAH

CA 95482

A Shareholder's percentage of stock ownership for the tax year. • %B Reportable transaction or tax shelter registration number(s): C Check here if this is: • (1) ☐ A final Schedule K-1 (2) ☐ An amended Schedule K-1D What type of entity is this shareholder? • (1) ☒ Individual (2) ☐ Estate/trust (3) ☐ Qualified exempt organization (4) ☐ Single member LLCE Is this shareholder a resident of California? • ☒ Yes ► ☐ No**Caution:** Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (Form 1120S)	(c) California adjustment	(d) Total amounts using California law. Combine col. (b) and col. (c) where applicable	(e) California source amounts and credits
I N C O M E / L O S S	1 Ordinary business income (loss)	12,609.	512,019.	524,628.	►
	2 Net rental real estate income (loss)			•	►
	3 Other net rental income (loss)			⊙	⊙
	4 Interest income			•	►
	5 Dividends. See instructions			•	►
	6 Royalties			•	►
	7 Net short-term capital gain (loss)			•	►
	8 Net long-term capital gain (loss)			•	►
	9 Net IRC Section 1231 gain (loss)			•	►
O T H E R I N C O M E / L O S S	10a Other portfolio income (loss). Attach schedule.			•	►
	b Other income (loss)			•	►

SHAREHOLDER 1

CASA0712L 12/21/16

Shareholder's name

Shareholder's identifying number

MARTIN MILECK

-**-*

Caution: Refer to the shareholder's instructions for Schedule K-1 (100S) before entering information from this schedule on your California tax return.

	(a) Pro-rata share items	(b) Amount from federal Schedule K-1 (Form 1120S)	(c) California adjustment	(d) Total amounts using California law. Combine col. (b) and col. (c) where applicable	(e) California source amounts and credits
D E D U C T I O N S	11 Expense deduction for recovery property (IRC Section 179). Attach schedules.				
	12a Charitable contributions. SEE ATT	2,095.		2,095.	
	b Investment interest expense.			•	▶
	c 1 IRC Section 59(e)(2) expenditures.				
	2 Type of expenditures.				
	d Deductions — portfolio.				
	e Other deductions.				
C R E D I T S	13a Low-income housing credit. See instructions. Attach schedule.			•	▶
	b Credits related to rental real estate activities other than on line 13(a). Attach schedule.			•	▶
	c Credits related to other rental activities. See instructions. Attach sch.			•	▶
	d Other credits. Attach schedule.			•	▶
	14 Total withholding (equals amount on Form 592-B if calendar year).			•	▶
A M T I T E M S	15a Depreciation adjustment on property placed in service after 12/31/86.			• 24,404. •	
	b Adjusted gain or loss.				
	c Depletion (other than oil and gas).				
	d 1 Gross income from oil, gas, and geothermal properties.				
	2 Deductions allocable to oil, gas, and geothermal properties.				
	e Other AMT items. Attach schedule.				
S H A R E H O L D E R S I T E M S	16a Tax-exempt interest income.				
	b Other tax-exempt income. ATT		1,448.	1,448.	
	c Nondeductible expenses. SEE ATT	83.	800.	883.	
	d Total property distributions (including cash) other than dividends distribution reported on line 17c.			•	▶
	e Repayment of loans from shareholders. ...			•	▶
O T H E R I N F O	17a Investment income. See instructions.				
	b Investment expenses. See instructions.				
	c Total taxable dividend distribution paid from accumulated earnings and profits. See instructions.			•	▶
	d Other information. See instructions.	SEE ATTACHED		SEE ATTACHED	
O T H E R S T A T E T A X E S	18a Type of income.				
	b Name of state.				
	c Total gross income from sources outside California. Attach schedule.				
	d Total applicable deductions and losses. Attach sch.				
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.			•	▶

Shareholder's name

Shareholder's identifying number

MARTIN MILECK

-**-*

OTHER

SHAREHOLDER

INFORMATION

Table 1 — Each shareholder's share of nonbusiness income from intangibles. See instructions.

Interest..... \$ _____ Royalties..... \$ _____ Dividends. \$ _____
 IRC Section 1231 Gains/Losses \$ _____ Capital Gains/Losses.. \$ _____ Other..... \$ _____

FOR USE BY SHAREHOLDERS ONLY. SEE INSTRUCTIONS.**Table 2** — Shareholder's pro-rata share of business income and factors. See instructions.**A** Shareholder's share of the S corporation's business income..... \$ _____**B** Shareholder's share of the nonbusiness income from real and tangible property sourced or allocable to California:

Capital Gains/Losses..... \$ _____ Rents/Royalties.... \$ _____

IRC Section 1231 Gains/Losses..... \$ _____ Other..... \$ _____

C Shareholder's share of the S corporation's property, payroll, and sales:

Factors		Total within and outside California	Total within California
Property:	Beginning	\$	\$
	Ending	\$	\$
Annual Rent Expense		\$	\$
Payroll		\$	\$
Sales		\$	\$

DO NOT MAIL

Line 12a, column (d)
Charitable Contributions

Cash Contributions - 50% limitation.....	\$	2,095.
Total	\$	<u>2,095.</u>

Line 16b, column (d)
Other Tax-Exempt Income

Refund of State Taxes.....	\$	1,448.
Total	\$	<u>1,448.</u>

Line 16c, column (d)
Nondeductible Expenses

Penalties.....	\$	59.
State and Local Taxes Based on Income or Profits.....		800.
State Underpayment Penalty.....		24.
Total	\$	<u>883.</u>

Supplemental Information

S Corporation's Aggregate Gross Receipts.....	\$	3,850,826.
---	----	------------

DO NOT MAIL

IF PAID ELECTRONICALLY: DO NOT FILE THIS FORM

WHERE TO FILE: Using black or blue ink, make check or money order payable to the 'Franchise Tax Board.' Write the corporation number or FEIN and '2016 FTB 3539' on the check or money order. Detach form below. Enclose, but **do not** staple, payment with form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: **Calendar year C corporations – File and Pay by April 18, 2017**
Calendar year S corporations – File and Pay by March 15, 2017
Calendar year exempt organizations – File and Pay by May 15, 2017
Employees' trust and IRA – File and Pay by April 18, 2017
Fiscal year filers – See instructions

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

Due to the federal Emancipation Day holiday observed on April 17, 2017, tax returns filed and payments mailed or submitted on April 18, 2017, will be considered timely.

ONLINE SERVICES: Corporations can make payments online with Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to **ftb.ca.gov** for more information.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----

CAUTION: You may be required to pay electronically, see instructions.

TAXABLE YEAR

2016

**Payment for Automatic Extension
for Corporations and Exempt Organizations**

CALIFORNIA FORM

3539 (CORP)

1886865 COLD 68-0358939 000000000000 16 FORM 1
 TYB 01-01-2016 TYE 12-31-2016
 COLD CREEK COMPOST INC

6000 POTTER VALLEY ROAD
 UKIAH CA 95482

707 485-5966

AMOUNT OF PAYMENT 800.

2016**Net Operating Loss (NOL) Computation and
NOL and Disaster Loss Limitations – Corporations****3805Q**

Attach to Form 100, Form 100W, Form 100S, or Form 109.

Corporation name

California corporation number

COLD CREEK COMPOST, INC**1886865**During the taxable year the corporation incurred the NOL, the corporation was a(n): ☒ C corporation

FEIN

☒ S corporation ☐ Exempt organization ☐ Limited liability company (electing to be taxed as a corporation)**68-0358939**

If the corporation previously filed California tax returns under another corporate name, enter the corporation name and California corporation number:

☐

If the corporation is included in a combined report of a unitary group, see instructions, General Information C, Combined Reporting.

Part I Current year NOL. If the corporation does not have a current year NOL, go to Part II.**1** Net loss from Form 100, line 18; Form 100W, line 18; Form 100S, line 15; or Form 109, line 2.Enter as a positive number. **1** 0.**2** 2016 disaster loss included in line 1. Enter as a positive number. **2** _____**3** Subtract line 2 from line 1. If zero or less, enter -0- and see instructions. **3** _____**4a** Enter the amount of the loss incurred by a new business included in line 3. **4a** _____**b** Enter the amount of the loss incurred by an eligible small business included in line 3. **4b** _____**c** Add line 4a and line 4b. **4c** _____**5** General NOL. Subtract line 4c from line 3. **5** _____**6** Current year NOL. Add line 2, line 4c, and line 5. See instructions. ☒ **6** _____If the corporation is using the current year NOL to carryback to offset net income for taxable years 2014 and/or 2015, complete Part III, NOL carryback, on Side 2 **before** completing Part I, lines 7-9 below.**7** 2016 NOL carryback used to offset 2014 net income. Enter the amount from Part III, line 3, column (e). ☒ **7** _____**8** 2016 NOL carryback used to offset 2015 net income. Enter the amount from Part III, line 3, column (g). ☒ **8** _____**9** 2016 NOL carryover to 2017. Add line 7 and line 8, then subtract the result from line 6. See instructions. ☒ **9** _____**Election to waive carryback**☒ Check the box if the corporation elects to relinquish the entire carryback period with respect to 2016 NOL under Internal Revenue Code (IRC) Section 172(b)(3). By making the election, the corporation is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it's **irrevocable**. See instructions.Continue with Part II, NOL carryover and disaster loss carryover limitations. **Do not** complete Part III, NOL carryback.**Part II NOL carryover and disaster loss carryover limitations. See Instructions.****1** Net income — Enter the amount from Form 100, line 18; Form 100W, line 18; Form 100S, line 15 less line 16; or Form 109, line 2; (but not less than -0-). ☒**(g)**
Available balance
521,456.**Prior Year NOLs**

	(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial loss	(e) Carryover from 2015	(f) Amount used in 2016	(g) Available balance	(h) Carryover to 2017 col. (e) minus col. (f)
2	<input checked="" type="radio"/> 2009		GEN	192,643.	<input checked="" type="radio"/> 29,807.	29,807.	491,649.	<input checked="" type="radio"/> 0.
	<input checked="" type="radio"/> 2013		GEN	152,050.	<input checked="" type="radio"/> 152,050.	152,050.	339,599.	<input checked="" type="radio"/> 0.
	<input checked="" type="radio"/> 2014		GEN	285,698.	<input checked="" type="radio"/> 285,698.	285,698.	53,901.	<input checked="" type="radio"/> 0.
	<input checked="" type="radio"/> 2015		GEN	34,803.	<input checked="" type="radio"/> 34,803.	34,803.	19,098.	<input checked="" type="radio"/> 0.

Current Year NOLs

	(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial loss	(e) Carryover from 2015	(f) Amount used in 2016	(g) Available balance	(h) Carryover to 2017 col. (d) minus col. (f) See instructions.
3	2016		DIS					
4	2016							
	2016							
	2016							
	2016							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

Part III NOL carryback

1 2014 Net income — Enter the amount from 2014 Form 100, line 22; Form 100W, line 22; Form 100S, line 20; or taxable income from Form 109, line 9; (but not less than -0-)								
2 2015 Net income — Enter the amount from 2015 Form 100, line 22; Form 100W, line 22; Form 100S, line 20; or taxable income from Form 109, line 9; (but not less than -0-)								
(a) Year of loss	(b) Code — See instructions	(c) Type of NOL — See below*	(d) Initial Loss	2014		2015		(i) Carryover to 2017 col. (d) minus [col. (e) plus col. (g)]
				(e) Carryback used — See instructions	(f) After carryback col. (d) minus col. (e)	(g) Carryback used — See instructions	(h) After carryback col. (f) minus col. (g)	
3 2016								
2016								
2016								
2016								
2016								

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or NOL attributable to a qualified disaster loss (DIS).

Part IV 2016 NOL deduction

- 1 Total the amounts in Part II, line 2, column (f). ☒ 1 502,358.
- 2 Enter the total amount from line 1 that represents disaster loss carryover deduction here and on Form 100, line 21; Form 100W, line 21; or Form 100S, line 19. Form 109 filers enter -0-. ☐ 2 0.
- 3 Subtract line 2 from line 1. Enter the result here and on Form 100, line 19; Form 100W, line 19; Form 100S, line 17; or Form 109, line 7. ☒ 3 502,358.

2016

Underpayment of Estimated Tax by Corporations

5806

For calendar year 2016 or fiscal year beginning (mm/dd/yyyy) _____, and ending (mm/dd/yyyy) _____.

Corporation name

California corporation number

COLD CREEK COMPOST, INC

1886865

Part I Figure the Underpayment

1	Current year's tax. See instructions.	1	800.
2	Installment due dates. See instructions.	(a)	(b)
3	Percentage required. See instructions.	(c)	(d)
4	Amount due. See instructions.	2	4/15/16
5 a	Amount paid or credited for each installment	3	30%
5 b	Overpayment from previous installment. See instructions.	4	6/15/16
6	Add line 5a and line 5b.	5	9/15/16
7	Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). If line 7 shows an underpayment for any installment, go to Part IV, Exceptions Worksheets.	6	12/15/16

Part II Exceptions to the Penalty. If Exception A, line 8a is met for all four installments, **do not** attach this form to the return. If Exception B or C is met, for any installment, attach form FTB 5806 to the back of Form 100, Form 100W, Form 100S or Form 109.

(check the applicable boxes)		Yes	No	Yes	No	Yes	No	Yes	No
8 a	Exception A — Regular Corporations, line 26.		X		X		X		X
8 b	Exception A — Large Corporations, ln 30. See instr.								
9	Exception B (line 42) met?								
10	Exception C (line 64) met?								

Part III Figure the Penalty. If line 7 shows an underpayment for any installment and one of the three exceptions was not met, figure the penalty for that installment by completing line 11 through line 22.

11	Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instructions.	11	3/15/17
12	Number of days from date shown on line 2 to date shown on line 11.	12	334
13	Number of days on line 12 before 7/01/16, or the payment date, whichever is earlier.	13	76
14	Number of days on line 12 after 6/30/16 and before 1/01/17, or the payment date, whichever is earlier.	14	184
15	Number of days on line 12 after 12/31/16 and before 7/01/17, or the payment date, whichever is earlier. Calendar year corporations , see instructions.	15	74
16	For fiscal year corporations only. Number of days on line 12 after 6/30/17 and before 1/01/18. See instrs.	16	
17	For fiscal year corporations only. Number of days on line 12 after 12/31/17 and before 2/15/18.	17	
18	No. of days on line 13	18	4.98
19	No. of days on line 14	19	12.06
20	No. of days on line 15	20	6.49
21	No. of days in taxable year x 3% x line 7.	21	
22	No. of days in taxable year x 3% x line 7.	22	
22 a	Add amounts for each column from line 18 through line 22.	22 a	23.53
22 b	Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 43a; Form 100W, line 40a; Form 100S, line 42a; or Form 109, line 27.	22 b	24.

Part IV Exceptions Worksheets. Even if line 7 shows an underpayment for any installment, the Franchise Tax Board will **not** assess a penalty if timely payments were made and they equal or exceed the amount determined under any of the three exceptions for the same installment period.

Exception A – Prior Year's Tax – Regular Corporations

23 Prior year's tax (the return must have been for a full 12 months).....										23	800.
	(a)		(b)		(c)		(d)				
	30%		70%		70%		100%				
	(not less than min.)										
24 Enter line 23 x the percentage shown...	24	800.	800.	800.	800.	800.	800.	800.			
25 Amount paid by the installment due date (cumulative).....	25										
26 If line 25 is greater than line 24, the exception was met. Check 'Yes' here and check the applicable 'Yes' box in Part II, line 8a. If line 24 is greater than line 25, the exception was not met. Check 'No' here and check the applicable 'No' box in Part II, line 8a....	26	Yes	X No	Yes	X No	Yes	X No	Yes	X No		

Exception A – Prior Year's Tax – Large Corporations

Use this exception only if prior year tax is less than current year tax.

27 Current year's tax.....										27	
					1st Installment		2nd Installment				
28 a Installment due. Enter line 23 x 30%.....	28a										
b Installment due. Enter line 27 x 70%.....	28b										
29 Amount paid by the installment due date (cumulative).....	29										
30 If line 29 is greater than line 28 for both installments, the exception is met. Check 'Yes' here for each installment and check the applicable 'Yes' box in Part II, line 8b. The exception to the penalty applies only if line 29 is greater than line 28 for both installments. If line 28 is greater than line 29 for either installment, the exception is not met. Check 'No' here and check the applicable 'No' box in Part II, line 8b.....	30	Yes	No	Yes	No	Yes	No	Yes	No		

See instructions regarding amounts to use for installment 3 and installment 4.

Exception B – Tax on Annualized Current Year Income

Enter number of months for each period. See instructions ►

	(a)	(b)	(c)	(d)
31 Enter taxable income for each annualization period.....	31			
32 Annualization amounts. See instructions.....	32			
33 a Annualized taxable income. Multiply line 31 by line 32.....	33a			
b R&TC Section 23802(e) deduction (S corps only).....	33b			
c Net income. Subtract line 33b from line 33a.....	33c			
34 Tax. Multiply line 33c by the current tax rate.....	34			
35 Tax credits for each payment period.....	35			
36 Subtract line 35 from line 34.....	36			
37 Other taxes*.....	37			
38 Total tax. Add line 36 and line 37.....	38			
39 Applicable percentage. For short period returns (taxable year of less than 12 months), see the instructions for Part I, line 3.....	39	30%	70%	70%
		(not less than min.)		
40 Installment due. Multiply line 38 by line 39.....	40			
41 Amount paid by the installment due date (cumulative).....	41			
42 If line 41 is greater than line 40, the exception was met. Check 'Yes' here and check the applicable 'Yes' box in Part II, line 9. If line 40 is greater than line 41, the exception was not met. Check 'No' here and check the applicable 'No' box in Part II, line 9.....	42	Yes	No	Yes
		No	No	No

*Include alternative minimum tax, S corporation taxes from Schedule D (100S) and from the excess net passive income, the QSub annual tax, installment amount credit recapture, and the minimum franchise tax.

2016

California Statements

Page 1

Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

04:18PM

Statement 1
Form 100S, Line 12
Other Deductions

State Tax Refund	\$	1,448.
Total	\$	<u>1,448.</u>

Statement 2
Form 100S, Schedule F, Line 5
Other Income

Contract labor	\$	160.
Equipment rental		961.
Finance charge		16,545.
Management fee		46,550.
State Tax Refund		1,448.
Sublet rent		1,800.
Total	\$	<u>67,464.</u>

Statement 3
Form 100S, Schedule F, Line 20
Other Deductions

DO NOT MAIL

Amortization	\$	2,152.
Bank Charges		11,365.
Delivery and Freight		1,375.
Dues and Subscriptions		5,479.
Facility operations		350,339.
Insurance		77,429.
Legal and Professional		55,022.
Miscellaneous		4,366.
Office Expense		13,162.
Oroville Landfill Costs		21,334.
Outside Services		6,887.
Outside services - Analysis		3,021.
Postage		1,172.
Telephone		9,820.
Travel		9,662.
Uniforms		7,014.
Total	\$	<u>579,599.</u>

Statement 4
Form 100S, Schedule L, Line 5
Other Current Assets

	Beginning	Ending
Employee advances	\$ -2.	\$ 12,211.
Total	\$ <u>-2.</u>	\$ <u>12,211.</u>

2016

California Statements

Page 2

Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

04:18PM

Statement 5
Form 100S, Schedule L, Line 17
Other Current Liabilities

	Beginning	Ending
Bank overdraft.....	\$ 94,950.	\$ 10,409.
Credit cards payable.....	61,884.	32,791.
Note payable - M&M.....	64,147.	0.
Payroll Taxes Payable.....	0.	6,928.
State Tax Payable.....	0.	824.
Total	<u>\$ 220,981.</u>	<u>\$ 50,952.</u>

Statement 6
Form 100S, Schedule L, Line 18
Loans from Shareholders

	Beginning	Ending
Loan - J Mileck.....	\$ 75,000.	\$ 75,000.
Loan - Martin.....	213,861.	116,226.
Total	<u>\$ 288,861.</u>	<u>\$ 191,226.</u>

Statement 7
Form 100S, Schedule M-1, Line 3
Expenses on Books Not on Schedule K

Penalties.....	\$ 59.
State Underpayment Penalty.....	24.
Total	<u>\$ 83.</u>

Statement 8
Form 100S, Schedule M-2, Line 3
Other Additions

CA Depreciation Adjustment - Ordinary Income.....	\$ 512,667.
State and Local Taxes Based on Income or Profits.....	800.
Total	<u>\$ 513,467.</u>

Statement 9
Form 100S, Schedule M-2, Line 5
Other Reductions

Contributions.....	\$ 2,095.
Penalties.....	59.
State and Local Taxes Based on Income or Profits.....	800.
State Underpayment Penalty.....	24.
Total	<u>\$ 2,978.</u>

2016**California Statements****Page 3****Client 9744****COLD CREEK COMPOST, INC****1886865**

10/23/17

04:18PM

**Statement 10
Form 100S, Schedule V, Line 5
Other Costs**

Material and production costs.....	\$ 1,234,480.
Total	<u>\$ 1,234,480.</u>

**Statement 11
Form 100S, Schedule K, Line 12a
Charitable Contributions**

Cash Contributions - 50% limitation.....	\$ 2,095.
Total	<u>\$ 2,095.</u>

**Statement 12
Form 100S, Schedule K, Line 17d
Other Items**

S Corporation's Aggregate Gross Receipts.....	\$ 3,850,826.
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12/31/16

2016 California Depreciation Schedule

Page 1

Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

04:18PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
Form 100S																	
Amortization																	
21	Organizational Costs	9/01/95		1,700							1,700	1,700	S/L	5		0	
22	Environmental, Legal Cost	11/30/96		85,789							85,789	85,789	S/L	15		0	
23	Loan Fees - CIWMB	12/31/96		20,481							20,481	20,481	S/L	7		0	
24	Legal Costs - Nale	12/31/96		21,687							21,687	21,687	S/L	15		0	
25	Intangibles	6/30/97		22,520							22,520	22,520	S/L	15		0	
26	Environmental Report	6/30/98		9,061							9,061	7,853	S/L	15		0	
54	Loan fees	12/31/12		16,360							16,360	4,908	S/L	10		1,636	
Total Amortization				177,598	0	0	0	0	0	0	177,598	164,938					1,636
Auto / Transport Equipment																	
7	Truck Trailer	6/30/97		39,011							39,011	39,011	200DB HY	5		0	
12	Trailer	3/09/01		23,157							23,157	23,157	200DB HY	5		0	
17	Dodge Dakota Pickup	11/18/05		5,273							5,273	4,959	S/L HY	7		0	
18	Water Truck	1/31/06		27,000							27,000	27,000	S/L HY	7		0	
46	Honda Motor	11/10/09		913							913	913	200DB MQ	5		0	
58	Truck #10	12/16/13		227,037							227,037	149,390	200DB MQ	5	.13680	31,059	
61	Dump Trailer (10 yard)	12/16/15		18,000							18,000	900	200DB MQ	5	.38000	6,840	
62	Peterbilt (2016)	12/31/15		133,195							133,195	6,660	200DB MQ	5	.38000	50,614	
65	Chevy Dump Truck	1/01/16		6,000							6,000		200DB MQ	5	.35000	2,100	
66	Water Truck - Klien (2016	4/06/16		173,201							173,201		200DB MQ	5	.25000	43,300	
67	Service Truck (1999)	6/20/16		18,000							18,000		200DB MQ	5	.25000	4,500	
68	Honda Odysey (2006)	9/23/16		6,006							6,006		200DB MQ	5	.15000	901	
Total Auto / Transport Equipment				676,793	0	0	0	0	0	0	676,793	251,990					139,314

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2016 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.	
Buildings																	
33	Water Tanks and System	9/30/96		33,239							33,239	17,448	S/L	39		852	
34	Site Improvements	9/01/95		160,000							160,000	159,168	150DB HY	15		0	
35	Foundation and Building	9/01/95		313,847							313,847	160,944	S/L	39		8,047	
36	Site Improvements	12/31/95		107,482							107,482	60,349	S/L	39		2,756	
37	Water Tank and Systems	6/30/97		7,672							7,672	3,740	S/L MM	39	.02564	197	
38	Scale	6/30/97		14,379							14,379	7,008	S/L MM	39	.02564	369	
39	Site Improvements	6/30/98		853							853	385	S/L MM	39	.02564	22	
40	New Well	10/25/99		9,393							9,393	3,905	S/L MM	39	.02564	241	
41	Expansion of Concrete Pad	4/20/00		1,148							1,148	459	S/L MM	39	.02564	29	
42	Permit Water Tanks	1/01/01		475							475	181	S/L MM	39	.02564	12	
Total Buildings				648,488		0	0	0	0	0	648,488	413,587					12,525
Furniture and Fixtures																	
50	Computer and monitor	12/05/12		743							743	590	200DB MQ	5	.10940	81	
73	Office furniture & fixt	7/01/16		7,653							7,653		200DB MQ	7	.10710	820	
Total Furniture and Fixtures				8,396		0	0	0	0	0	8,396	590					901
Improvements																	
27	Roads and Pads	6/30/96		44,574							44,574	43,769	150DB HY	15		0	
28	Fences and Gates	6/30/96		544							544	544	150DB HY	15		0	
29	Buried Telephone Lines	12/30/96		562							562	534	150DB HY	15		0	
30	Roads	6/30/97		1,049							1,049	1,025	150DB HY	15		0	
31	New Gate	7/12/01		3,544							3,544	1,315	S/L MM	39	.02564	91	
32	Road Base	11/26/01		19,779							19,779	7,162	S/L MM	39	.02564	507	

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2016 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

04:18PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
44	Leachate Pond	12/31/08		333,617							333,617	137,483	150DB HY	15	.05910	19,717
45	Leachate Pond Permits	12/31/08		115,556							115,556	47,621	150DB HY	15	.05910	6,829
47	Topographic Map Drafting	1/01/09		1,763							1,763	790	150DB HY	15	.05900	104
48	Office trailer	5/21/10		12,922							12,922	5,674	150DB HY	15	.05900	762
64	Double Wide Office	12/22/16		40,058							40,058		S/L MM	39	.00107	43
Total Improvements																
				573,968	0	0	0	0	0	0	573,968	245,917				28,053
Machinery and Equipment																
1	Scale	10/16/96		18,000							18,000	18,000	200DB HY	7		0
2	Tool Boxes	11/30/96		794							794	794	200DB HY	7		0
3	Ladder	11/15/96		403							403	403	200DB HY	7		0
4	Generator & RR	12/31/96		219							219	219	200DB HY	7		0
5	Tool Boxes	6/30/97		4,698							4,698	4,698	200DB HY	7		0
6	Scale	6/30/97		23,527							23,527	23,527	200DB HY	7		0
8	Motor Aeration	6/30/97		1,314							1,314	1,314	200DB HY	7		0
9	Solar Panels	3/16/99		535							535	535	200DB HY	5		0
10	Solar Power Cells	11/17/99		441							441	441	200DB HY	5		0
11	Generator	2/16/00		1,067							1,067	1,067	200DB HY	7		0
13	Grinder	5/01/02		200,220							200,220	200,220	200DB HY	7		0
14	Weather Station	1/31/03		4,267							4,267	4,267	200DB HY	7		0
15	Scale Display	4/10/03		1,778							1,778	1,778	200DB HY	7		0
16	Welder	11/19/03		3,296							3,296	3,203	200DB HY	7		0
19	966 Loader	12/01/06		10,000							10,000	9,083	S/L HY	10	.05000	500
20	275BLoader	1/08/07		10,000							10,000	9,000	S/L HY	10	.10000	1,000
43	Blowers	7/01/08		7,935							7,935	7,935	200DB HY	5		0
49	Generator	1/13/11		6,369							6,369	6,003	200DB HY	5	.05760	366

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2016 California Depreciation Schedule

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Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Dep.	Prior Dec. Bal. Dep.	Salvage /Basis Reductn.	Dep. Basis	Prior Dep.	Method	Life	Rate	Current Dep.
51	Loader	6/04/12		10,000							10,000	8,437	200DB MQ	5	.11370	1,137
52	Used Tanks (2)	12/03/12		2,000							2,000	1,297	200DB MQ	7	.10040	201
53	Screen (Used)	11/15/12		282,396							282,396	224,448	200DB MQ	5	.10940	30,894
55	Scales (Master & Scale H)	9/19/13		9,277							9,277	6,439	200DB MQ	5	.12240	1,136
56	Hopper	10/24/13		5,035							5,035	3,313	200DB MQ	5	.13680	689
57	Pond Trailer	11/10/13		2,049							2,049	1,348	200DB MQ	5	.13680	280
63	Grinder Motor (Rebuild)	10/31/15		75,135							75,135	3,757	200DB MQ	5	.38000	28,551
69	Generator (16)	11/29/16		26,801							26,801		200DB MQ	5	.05000	1,340
70	Ginder TB6680 (2016)	10/03/16		900,900							900,900	235,463	200DB MQ	5	.05000	45,045
71	Powerscreen - Orvle (13)	12/14/16		235,463							235,463		200DB MQ	5	.05000	11,773
72	Used Engine (#275 #2)	4/06/16		5,500							5,500		200DB MQ	5	.25000	1,375
Total Machinery and Equipment																
				1,849,419		0		0	0	0	1,849,419	541,526				124,287
Miscellaneous																
59	Microsoft Library Softwar	4/04/13		567							567	297	S/L MQ	5	.20000	113
60	Loan fees	4/16/14		2,581							2,581	860	S/L	5		516
Total Miscellaneous																
				3,148		0	0	0	0	0	3,148	1,157				629
Total Depreciation																
				3,760,212		0	0	0	0	0	3,760,212	1,454,767				305,709
Grand Total Amortization																
				177,598		0	0	0	0	0	177,598	164,938				1,636
Grand Total Depreciation																
				3,760,212		0	0	0	0	0	3,760,212	1,454,767				305,709

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2016

Federal Income Tax Summary

Page 1

Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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	2016	2015	Diff
ORDINARY INCOME			
Gross receipts less returns/allowance....	3,783,362	2,640,633	1,142,729
Cost of goods sold (Form 1125-A).....	797,216	998,671	-201,455
Gross Profit.....	2,986,146	1,641,962	1,344,184
Other income.....	67,464	86,426	-18,962
Total income (loss).....	3,053,610	1,728,388	1,325,222
ORDINARY DEDUCTIONS			
Salaries/wages (less employment cr.).....	872,494	856,568	15,926
Repairs and maintenance.....	311,605	152,886	158,719
Bad debts.....	68,560	10,253	58,307
Rents.....	59,601	76,894	-17,293
Taxes and licenses.....	109,776	25,300	84,476
Interest.....	104,624	83,681	20,943
Depreciation.....	817,860	153,382	664,478
Advertising.....	21,483	11,654	9,829
Pension, profit-sharing, etc. plans.....	1,944	0	1,944
Employee benefit programs.....	93,455	0	93,455
Other deductions.....	579,599	398,624	180,975
Total deductions.....	3,041,001	1,769,242	1,271,759
Ordinary business income (loss).....	12,609	-40,854	53,463
REFUND OR AMOUNT DUE			
Balance due.....	0	0	0
SCHEDULE K - INCOME			
Ordinary business income (loss).....	12,609	-40,854	53,463
SCHEDULE K - DEDUCTIONS			
Charitable contributions.....	2,095	50	2,045
SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS			
Post-1986 depreciation adjustment.....	2,377	-816	3,193
SCHEDULE K - ITEMS AFFECTING BASIS			
Nondeductible expenses.....	83	0	83
SCHEDULE K - OTHER INFORMATION			
Income (loss) reconciliation.....	10,514	-40,904	51,418
SCHEDULE L - BALANCE SHEET			
Beginning Assets.....	1,221,291	1,191,356	29,935
Beginning Liabilities & Equity.....	1,221,291	1,191,356	29,935
Ending Assets.....	2,322,860	1,221,291	1,101,569
Ending Liabilities & Equity.....	2,322,860	1,221,291	1,101,569

2016

Federal Balance Sheet Summary

Page 1

Client 9744

COLD CREEK COMPOST, INC

68-0358939

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ENDING ASSETS

Accounts receivable.....	349,440	
Less: Allowance for bad debts.....	(0)	349,440
Inventories.....		639,675
Other current assets.....		12,211
Buildings and other assets.....	3,758,282	
Less: Accumulated depreciation.....	(2,447,769)	1,310,513
Intangible assets.....	180,179	
Less: Accumulated amortization.....	(169,158)	11,021
Total Assets.....		2,322,860

ENDING LIABILITIES & EQUITY

Accounts payable.....	465,589
Short-term notes payable.....	99,396
Other current liabilities.....	50,952
Loans from shareholders.....	191,226
Long-term notes payable.....	2,354,383
Capital stock.....	210,000
Additional paid-in capital.....	1,598,789
Retained earnings.....	-2,647,475
Total Liabilities and Equity.....	2,322,860

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2016

California Income Tax Summary

Page 1

Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

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	2016	2015	Diff
CALIFORNIA NET INCOME			
Ordinary inc. from trade or business.....	12,609	-40,854	53,463
CA franchise tax deducted.....	800	2,790	-1,990
CA depr. and amort. adjustments.....	512,667	3,261	509,406
Total income before deductions.....	526,076	-34,803	560,879
Contributions.....	3,172	0	3,172
Other deductions.....	1,448	0	1,448
Total deductions.....	4,620	0	4,620
Net income after state adjustments.....	521,456	-34,803	556,259
TAXES			
Net income (loss) for state purposes.....	521,456	-34,803	556,259
NOL carryover deduction.....	502,358	0	502,358
Net income for tax purposes.....	19,098	0	19,098
Tax.....	800	800	0
Balance.....	800	800	0
Total tax.....	800	800	0
PAYMENTS			
Estimated tax payments.....	0	800	-800
Amount paid with extension.....	800	0	800
Total payments.....	800	800	0
REFUND OR AMOUNT DUE			
Tax due.....	0	0	0
Overpayment.....	0	0	0
Amount to be refunded.....	0	0	0
Penalties and interest.....	24	0	24
Total amount due.....	24	0	24

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Federal Informational Diagnostics**Depreciation**

- ☒ ~~Depreciation expense in this return includes special depreciation allowance. One provision of this allowance is that the assets original use begins with the taxpayer. If not true, enter a 2 in the input code "Special depreciation Allowance: 1=yes, 2=no [0]" for each asset that is not eligible.~~

Main Form

- ☒ ~~Answers to the Form 1099 filing requirement questions were transferred from last year's tax return via the proforma process. Please verify that the answers are still valid for the current tax year.~~

California Critical Diagnostics**General**

- ☒ ~~Current year California estimated tax voucher amounts exist in Screen 10. No corresponding "amount paid" entries have been made.~~
- ☒ ~~California's business entity e file mandate requires all returns to be filed electronically if possible. Please update this return to be electronically filed in the Client Information area of the program. If the return cannot be filed electronically a waiver is required. Waivers can be completed online through your internet browser at https://www.ftb.ca.gov/professionals/busefile/Business_eFile_Waiver_Request.asp~~

California Informational Diagnostics**Main Form**

- ☒ ~~California franchise tax and/or other income taxes of \$800 are added back to California ordinary Income on form 100S, Schedule K, Line 1.~~

Federal Overrides**Screen 6**

- ☐ Shareholder #1: An override entry of 100 has been made in Federal "Percentage of stock owned at year end (xx.xxxxxx) [0]" (Screen 6, Code 501).

California Overrides**Screen 16**

- ☐ Depreciation asset #4: An override entry of 870 has been made in California "AMT Depreciation - Basis, if different [0]" (Screen 16, Code 12).

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2016**General Information****Page 1****Client 9744****COLD CREEK COMPOST, INC****68-0358939**

10/23/17

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Forms needed for this return

Federal: 1120S, Sch K-1, 1125-A, 4562, 7004

California: 100S, 100-ES, Sch B, Sch K-1, 3539, 3805Q, 5806

Tax Rates

California

1.5%

Underpayment Penalty

California

24.

Carryovers to 2017

None

California Estimates

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/18/17	800.	0.	800.
6/15/17	0.	0.	0.
9/15/17	0.	0.	0.
12/15/17	0.	0.	0.
Total	<u>\$ 800.</u>	<u>\$ 0.</u>	<u>\$ 800.</u>

Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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Computation of Ending Depreciable Assets
Form 1120S, Schedule L, Line 10a

Beginning depreciable assets.....	2,338,700.
Depreciable assets placed in service in current year.....	1,419,582.
Depreciable assets sold during the current year.....	0.
Ending buildings and other depreciable assets.....	<u>3,758,282.</u>

Computation of Ending Accumulated Depreciation
Form 1120S, Schedule L, Line 10b

Beginning Balance of Accumulated Depreciation.....	1,629,909.
Current Year Book Depreciation.....	817,860.
Accumulated Depreciation on Assets Sold This Year.....	0.
Ending Accumulated Depreciation.....	<u>2,447,769.</u>

Computation of Ending Accumulated Amortization
Form 1120S, Schedule L, Line 13b

Beginning Balance of Accumulated Amortization.....	167,006.
Current Year Book Amortization.....	2,152.
Accumulated Amortization on Assets Sold This Year.....	0.
Ending Accumulated Amortization.....	<u>169,158.</u>

Reconciliation of Retained Earnings
Form 1120S, Schedule L, Line 24

Beginning Retained Earnings, Sch. L, Line 24.....	-2,657,906.
Net Income (Loss) Per Books (Sch. M-1, Line 1).....	10,431.
Ending Retained Earnings, Schedule L, Line 24.....	<u>-2,647,475.</u>

2016

Federal Schedule K Worksheets

Page 1

Client 9744

COLD CREEK COMPOST, INC

68-0358939

10/23/17

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Schedule K, Line 16c
Nondeductible Expenses

Penalties.....	\$	59.
State Underpayment Penalty.....		24.
Total	\$	<u>83.</u>

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68-0358939

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2016 Shareholder's Basis Computation

S Corporation Name

COLD CREEK COMPOST, INC

Name of Shareholder

MARTIN MILECK

Employer I.D. number

68-0358939

Shareholder's I.D. number

-**-*

1. STOCK BASIS AT BEGINNING OF TAX YEAR

INCREASES:

2. Ordinary income
3. Net income from rental activities
4. Net portfolio income
5. Net gain under Section 1231
6. Other income
7. Tax-exempt interest income
8. Other tax-exempt income
9. Net gain on disposition of Section 179 assets
10. Oil and gas depletion in excess of basis
11. OTHER INCREASES:

12,609.

DECREASES:

13. Nondeductible expenses
14. Oil and gas depletion
15. Ordinary loss
16. Net loss from rental activities
17. Net portfolio loss
18. Net loss under Section 1231
19. Other loss
20. Charitable contributions
21. Section 179 expense deduction
22. Deductions related to portfolio income (loss)
23. Other deductions
24. Investment interest expense
25. Total foreign taxes
26. Section 59(e) expenses
27. Prior year loss in excess of basis
28. OTHER DECREASES:

83.

2,095.

447,979.

Loss in Excess of Basis

-437,548.

12. TOTAL INCREASES: (add lines 2 - 11)

12,609.

29. Property distributions (including cash)

30. TOTAL DECREASES (add lines 13 - 29)

12,609.

31. STOCK BASIS AT END OF TAX YEAR. (Line 1 plus line 12 minus line 30)

0.

32. DEBT BASIS AT BEGINNING OF TAX YEAR

0.

33. ADJUSTMENTS TO DEBT BASIS:

34. DEBT BASIS AT END OF TAX YEAR (Combine Line 32 and 33)

0.

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34)

0.

Losses/Deductions in Excess of Basis (Suspended)

437,548.

Client 9744

COLD CREEK COMPOST, INC

1886865

10/23/17

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**Schedule K, Line 1
Ordinary Income**

Ordinary Income from Trade or Business (1120S, Line 21)	\$	12,609.
State and Local Taxes Based on Income or Profits		800.
Depreciation/Amortization Adjustment - Ordinary Income		512,667.
Less: State Tax Refund		-1,448.
Total	\$	<u>524,628.</u>

**Schedule K, Line 16b
Other Tax-Exempt Income**

Refund of State Taxes	\$	1,448.
Total	\$	<u>1,448.</u>

**Schedule K, Line 16c
Nondeductible Expenses**

Penalties	\$	59.
State and Local Taxes Based on Income or Profits		800.
State Underpayment Penalty		24.
Total	\$	<u>883.</u>

**Schedule K, Line 17d
S Corporation's Aggregate Gross Receipts**

Contract labor	\$	160.
Equipment rental		961.
Finance charge		16,545.
Gross Receipts (Less Returns and Allowances)		3,783,362.
Management fee		46,550.
State Tax Refund		1,448.
Sublet rent		1,800.
Total	\$	<u>3,850,826.</u>

2016 California Shareholder's Basis Computation

S Corporation Name

Employer I.D. number

COLD CREEK COMPOST, INC

1886865

Name of Shareholder

Shareholder's I.D. number

MARTIN MILECK

-**-*

1. STOCK BASIS AT BEGINNING OF TAX YEAR 0.

INCREASES:

2. Ordinary income 524,628.
3. Net income from rental activities
4. Net portfolio income
5. Net gain under Section 1231
6. Other income
7. Tax-exempt interest income
8. Other tax-exempt income 1,448.
9. Net gain on disposition of Section 179 assets
10. Oil and gas depletion in excess of basis
11. OTHER INCREASES:

DECREASES:

13. Nondeductible expenses 883.
14. Oil and gas depletion
15. Ordinary loss
16. Net loss from rental activities
17. Net portfolio loss
18. Net loss under Section 1231
19. Other loss
20. Charitable contributions 2,095.
21. Expense reduction for recovery property
22. Deductions related to portfolio income (loss)
23. Other deductions
24. Investment interest expense
25. Total other state taxes
26. Section 59(e) expenses
27. Prior year loss in excess of basis 439,939.
28. OTHER DECREASES:

12. TOTAL INCREASES: (add lines 2 - 11) 526,076. 29. Property distributions (including cash) ...
30. TOTAL DECREASES (add lines 13 - 29) 442,917.

31. STOCK BASIS AT END OF TAX YEAR. (Line 1 plus line 12 minus line 30) 83,159.

32. DEBT BASIS AT BEGINNING OF TAX YEAR 0.

33. ADJUSTMENTS TO DEBT BASIS:

34. DEBT BASIS AT END OF TAX YEAR (Combine Line 32 and 33) 0.

35. SHAREHOLDER'S TOTAL BASIS AT END OF TAX YEAR (Add Line 31 and 34) 83,159.

4.0A Technical Proposal – Cold Creek Compost, Inc.

4.1A FACILITY

This technical proposal is for Cold Creek Compost (“Cold Creek”), an existing commercial composting facility in operation since 1995 located in Mendocino County.

Cold Creek is proposing a short term and a long term approach to support the SCWMA organic materials processing needs. In the short term (2 to 4 years), Cold Creek proposes to accept up to 17,000 tons of organic materials annually from the SCWMA. Upon completion of Cold Creek’s proposed facility expansion, Cold Creek proposes to accept 80,000 to 100,000 tons of organic materials annually from the SCWMA.

Cold Creek Compost, Inc. is owned and operated by Martin Mileck.

Cold Creek is an established commercial composting facility located at 6000 E. Side Potter Valley Road, Ukiah, CA 95482. The facility is located in the approximate center of the 2,700 acre Guntly Ranch, approximately 10 miles northeast of Ukiah in Mendocino County.

Technology

Cold Creek currently utilizes an aerated static pile (“ASP”) composting system. Incoming feedstocks are received on the compost pad where the materials are sorted for contaminants, ground, and then blended with other non-contaminated materials, including chicken manure, grape pomace, and other materials. The ASP process utilizes an above ground forced aeration system to push or pull air through the piles. Materials are composted in the ASP for up to three (3) months, upon which the materials are transferred to the roofed area of the facility where they undergo the second stage of composting. The second stage takes approximately two to three weeks, after which the material is screened to 3/8’s of an inch. Screened compost then is allowed to cure for two or more weeks before shipping. The overs that result from screening are cycled back into the composting process. Finished compost is sold ‘as-is’ or used to produce value-added products.

The facility consists of areas for processing, compost piles, curing piles, and compost storage. Processing activities include unloading, grinding, and mixing of materials. Additional operations include: receiving and unloading incoming material, screening, blending, and loading of finished products. Extensive blending of materials, including planter mixes and custom orders, also occurs onsite. Structures onsite include: the office, scale house, one scale, employee breakroom, generator/solar shed, storage structures, a 49,000 square foot roofed area, and a storm water/leachate collection pond.

Cold Creek is currently in the process of increasing the facility’s annual tonnage from 50,000 tons to 200,000 tons. Upon completion of the entitlement process, Cold Creek is proposing to install new composting technology that will allow for increased capacity and more efficient processing. The expanded facility will utilize the Turned Aerated Pile system as described in more detail in below.

Cold Creek is currently permitted for an annual tonnage of 50,000 tons. The facility composted over 42,640 tons of incoming feedstocks in 2016. Cold Creek is proposing to commit to receiving 17,000 tons of materials from the SCWMA annually in the short term

(2 to 4 years). Upon completion of the proposed expansion, Cold Creek can commit to receiving 80,000 to 100,000 tons of organic materials annually from the SCWMA.

While construction details are still under refinement, the proposed Cold Creek expansion will utilize a Turned Aerated Pile (“TAP”) design that incorporates the use of biofilters and re-use of leachate through a system of collection and retention ponds. TAP systems are designed as a cost-effective method for controlling potential environmental impacts (including storm water contamination and odors) while maintaining optimal pile conditions during composting. Cold Creek’s expansion will combine efficient turning, with watering systems and biofilters, supported by a computerized reversing aeration control technology so as to optimize composting conditions for all types of feedstocks.

The TAP system utilizes computer-based control technology. Compost processing pile temperature data is collected and stored on the computer. Air volume and direction of flow is automatically controlled per operator-chosen temperature set-points. The system exhaust air is scrubbed in a biofilter constructed of wood chips, in the case of negative aeration, and passes through the layer of finished compost and/or compost overs in the case of positive aeration. The aeration rates are set to assure oxygen levels above 18% and optimum temperatures are monitored for rapid decomposition without releasing odors. The use of an aeration floor facilitates implementation of turned aerated piles. The concrete aeration floor can be scraped, and equipment driven on, allowing turning and remixing at any point in the process. Water can also be added as needed to keep the process biologically active. The below grade piping system uses nozzles every four to five feet to efficiently inject and remove air from the piles. The piping system also serves as a drain for removing excess moisture.

Turned aerated piles can be operated at different air flow rates and retention times, typically from 22 to 45 days, depending on the feedstock type. Material is typically turned every week. The pathogen reduction phase is reduced to 3 consecutive days, relative to the windrow requirement, at a minimum temperature of 131 °F.

The TAP system can be covered as necessary with a layer of finished compost or overs for the first two weeks, in order to capture VOCs during the 7 to 10 day production period. The system can be operated under either negative or positive pressure, with this cover, while maintaining temperature control throughout the pile depth.

Material removed from the TAP system will be transferred to the curing area. Non-compostable material will likely be encountered during normal operations. Recyclables recovered from feedstock will be stored outside in bins or in bunkers inside a building. Municipal solid waste (“MSW”) residues will be transported to a permitted landfill.

The TAP composting technology allows for one of the most efficient composting operations within the smallest footprint and highest throughput possible. The TAP system can be constructed in phases of 100,000 ton operational units. Cold Creek proposes to initially construct one 100,000 ton system to support current needs, and will phase in a second 100,000 ton system to meet growing demand. Information on the TAP designer, Green Mountain Technologies, Inc., in addition to a case study featuring the City of Phoenix TAP system, are included in Section 7.0 (Appendix).

Long-Term Schedule and Plan

Cold Creek is currently a fully permitted composting operation with a permitted annual tonnage of 50,000 tons. SCWMA materials are currently received at the Cold Creek Facility, including a total of 16,421 tons of SCWMA materials received in 2016. Cold Creek is proposing to accept 17,000 tons of organic materials from SCWMA annually for the next 2 to 4 years, in the short-term. Cold Creek is currently in the process of revising permits to allow for an increase in permitted annual tonnage to 200,000 tons. Upon completion of the permitting process and installation of new technology, Cold Creek anticipates an additional 80,000 to 100,000 tons of composting capacity that can be dedicated to processing SCWMA materials.

Permits necessary for expanding the Cold Creek facility are detailed below. The necessary permits are estimated to be completed in the next 18 to 30 months.

- Modification to existing use permit, including CEQA review
- Revisions to existing Solid Waste Facility Permit
- Revisions to Permit to Operate, as needed
- Revisions to General Order and NPDES, as needed

Organic materials from the SCWMA are currently delivered to the facility. The current arrangement can continue, with delivery of 17,000 annual tons of organic materials effective immediately. The anticipated expanded capacity is estimated to start in January 2021.

Equivalent Technology

Originally conceived and operated as a windrow composting facility, Cold Creek upgraded to an ASP composting system over a dozen years ago. Advantages to the ASP system, in comparison to the windrow system, include: reduced footprint, improved odor control, improved aeration, reduction in water requirements, superior storm water management, and reduced machinery and fuel use. The ASP system has resulted in an improved uniform composting environment, producing a superior finished product in a shorter time.

After years of operating an ASP system, Cold Creek is attentive to the considerable advantages of a TAP system. The proposed future expansion at Cold Creek will utilize the TAP system as described above, with the goal of further improving operations. The ASP composting process is permitted and proven effective in other composting operations throughout the U.S., including California, Washington, Oregon, Arizona, as well as internationally.

Recovery Rate

Described below in *Overs Management*, Cold Creek incorporates all overs back into the composting process. The only materials not composted include: plastics, metals, glass, and other non-compostables. In 2016, Cold Creek processed a total of 42,620 tons of incoming feedstocks, and sent out a total of 131 tons of solid waste for disposal, resulting in a recovery rate of 99.69%.

Operating Limitations

Cold Creek currently maintains one state certified scale and scale house onsite. An additional scale will be added with the proposed facility expansion.

Material Types Accepted

Cold Creek Compost will accept the following material types:

- Wood Waste
- Green Waste
- Mixed Organic Materials
- Commercial Food Scraps
- Other Organic Materials
 - Agricultural materials including: chicken manure, poultry mortalities, chicken feathers, grape pomace, and other materials.
 - Liquid feedstocks, including brewery/wine waste water, wine lees, and whey.
 - Biosolids – As part of Cold Creek’s use permit modification, the facility is requesting to add biosolids as a permitted feedstock. If approved, biosolids may be composted as part of the facility’s operations in the future.

Note on compostable food ware and plastics: Cold Creek’s Agrow-Blend compost has been listed by the Organic Materials Review Institute (“OMRI”) since 1998. Current OMRI requirements prohibit the use of compostable plastics. Cold Creek provides compost to numerous organic farms, ranches, and vineyards and does not wish to jeopardize the ability to provide compost for organic production. Therefore, Cold Creek is not open to accepting compostable plastics at this time. In the future, should OMRI change its position on compostable food ware and plastics, the facility may be open to accepting these materials.

Hours of Operation

The Cold Creek Facility is open Monday through Friday from 7:00 AM to 3:30 PM and Saturday from 7:00 AM to 1:00 PM. The permitted operating hours are 7:00 AM to 6:00 PM, Monday through Saturday.

The Cold Creek Facility is typically closed on the following holidays: Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, and New Year’s Day.

Assessment of Site Conditions

The Cold Creek Facility operates under Use Permit #U26-93/2009, issued by the Mendocino County Planning Department, and Solid Waste Facility Permit (“SWFP”) SWIS No. 23-AA-0029, issued by the Mendocino County Health and Human Services Agency, Division of Environmental Health, and the California Department of Resources Recycling and Recovery (“CalRecycle”). Cold Creek Compost is currently one of the only fully

permitted composting operations in all of Mendocino, Humboldt, Lake, and Sonoma Counties.

In support of the Use Permit and the SWFP, an Environmental Impact Report (“EIR”) (SCH #96032033) was prepared for the Cold Creek Facility and certified by the Mendocino County Board of Supervisors on May 11, 1998. A Mitigated Negative Declaration (“MND”) (SCH #2006122022) was adopted by the Mendocino County Planning Commission on July 15, 2010. The MND removed the prohibitions for restaurant waste, fishery waste, and street sweepings from the Use Permit. A copy of the EIR and MND are available upon request.

Please find included in this section a copy of Cold Creek’s 2010 Report of Composting Site Information (“RCSI”) including the Odor Impact Minimization Plan (“OIMP”), Solid Waste Facility Permit (“SWFP”), and site features map of the facility.

Cold Creek Compost is a no discharge facility. No discharge means that no leachate or contaminated storm water are allowed to leave the facility or impact surface or ground waters. A copy of Cold Creek’s Storm Water Pollution Prevention Plan (“SWPPP”) is included in this section.

As evidenced by the certified EIR and approval of the facility’s Use Permit and SWFP, Cold Creek demonstrates that the necessary permits and approvals are in place to continue to provide organic materials processing services to the SCWMA. The future expansion will undergo local and State review, including CEQA review, to ensure the proposed expansion complies with all local and State planning and environmental regulations.

Plans

A copy of Cold Creek’s 2010 RCSI with OIMP and SWPPP are included in this section as well as a site plan illustrating the various components of the current operation.

Material Protocol

All organic materials entering the facility are unloaded onto the engineered compost pad. Non-contaminated materials, including chicken manure, grape pomace, and other agricultural materials, are stored separately on the pad from incoming green, food, and wood materials. Unloading of incoming materials and loading of finished product occur on both the covered and uncovered portions of the compost pad. Depending on the weather and particular materials, some material within the uncovered portions of the compost pad may be tarped in order to prevent saturation during precipitation events. Materials that arrive at the facility with excess moisture may be unloaded under the roof, where excess moisture is captured by floor drains and conveyed to the collection pond.

Liquid feedstocks received at the facility are applied to the ASP upon receipt. This minimizes handling and reduces the potential of a spill. During wet weather periods, liquid feedstocks are not accepted if, in the best judgment of the operator, the ASP is at full water holding capacity.

Upon completion of unloading operations, and prior to grinding, unwanted materials and contaminants are manually removed from materials. A magnetic head pulley at the end of the discharge belt of the grinder captures and removes any ferrous metal. Feedstock materials that require size reduction are loaded into the grinder using a front-end loader. Materials are ground as necessary.

After grinding, materials are blended with unground materials and incorporated into the ASP. Chipped and ground uncomposted green material may be made available to offsite markets such as mulch, biomass fuel, or other alternate uses.

Contamination Protocol

Per the requirements of the RFP, contamination levels of 2.5% to 5% by weight are included in the per ton rate reflected in Form F. The organic materials that Cold Creek has received from the SCWMA the past couple of years is more contaminated than organic materials received from other jurisdictions. Cold Creek has adapted to the highly contaminated SCWMA material by adopting new sorting procedures and adding more personnel and equipment. Several random loads from the SCWMA were set aside, carefully sorted, and weighed in order to determine the exact percentage of contamination. Cold Creek was able to conclude the following: 1) determining the exact percentage of contamination by weight is a tedious and difficult process; and 2) the most contaminated loads include contamination levels of approximately 1.5% by weight.

Processing organic materials with triple the rate of contamination would theoretically be possible, but unreasonable, expensive, and essentially a significant step backwards. Cold Creek proposes to continue to accept the organic materials at the current level of contamination, with the agreement that Cold Creek work with the SCWMA and the haulers to significantly reduce contamination levels through education and enforcement efforts.

In the event that Cold Creek receives a significantly contaminated load, through visual inspection of the material prior to the vehicle unloading, Cold Creek will request that the vehicle be returned to the hauler. If a significantly contaminated load is discharged onto the pad, Cold Creek proposes an additional rate of \$200.00 per contaminated load.

Overs Management

Cold Creek Compost incorporates all overs produced at the facility back into the composting process. No overs have ever been used as alternative daily cover ("ADC") or for beneficial reuse purposes.

High Quality End Product

Due to the unique blend of feedstocks and comprehensive composting process, Cold Creek's finished compost typically has double the fertilizer value than any other green materials compost on the market and superior biological activity. Cold Creek's Agrow-Blend compost has been OMRI listed since 1998 and the Grower's Choice planter mix has been OMRI listed since 2010. In addition, the Agrow-Blend compost is registered and approved by the California Department of Food and Agriculture ("CDFA") and Renegade Certified, a local certification recognized by consumers and farmers that produce high quality, biologically produced food.

The facility utilizes amendments, including gypsum, lime, soil, lava rock, and rice hulls, and stockpiles these amendments for future sale in 'as-is' condition, or for inclusion in Cold Creek's specially formulated planter mixes and custom blends. Materials shipped from the facility may include finished compost, ground green and wood materials, planter mixes, liquid fertilizers, soil amendments, and custom blends. Cold Creek's markets include Butte, Humboldt, Lake, Marin, Mendocino, Napa, Shasta, Sonoma, Trinity, and Yolo Counties.

Cold Creek has been in business since 1995 and maintains long standing relationships with numerous stocking dealers and brokers, including operations located in Sonoma County. In addition to direct sales from the company's Ukiah office, the network of dealers and brokers allows for increased visibility and easy access to Cold Creek's line of products throughout Sonoma County.

Cold Creek Compost markets its products by way of internet (website), product catalog, trade shows and events, and in supporting dealers and brokers with informational materials that include Cold Creek's OMRI certificates, nutrient analyses, and other materials. A copy of Cold Creek's product catalog is included in this section.

Flexibility

Cold Creek continues to adapt operations and processes to allow for flexibility and ensure compliance with new and existing regulations while improving the composting process and increasing production efficiencies. As part of Cold Creek's long-term strategy, Cold Creek anticipates the development of an expanded facility and installation of new state of the art composting technology, as described in the sections above.

Ancillary Description

Cold Creek's current capacity is 50,000 tons annually. Cold Creek is committed to the SCWMA and proposes to accept 17,000 annual tons of organic materials from the SCWMA in the short term (2 to 4 years). Upon completion of the facility's proposed expansion, Cold Creek proposes to accept 80,000 to 100,000 annual tons from the SCWMA.

Cold Creek is proposing a short and long term approach in order to support the SCWMA organic materials processing needs. In the short term (2 to 4 years), Cold Creek proposes to accept up to 17,000 tons of organic materials from SCWMA at a price of \$38.00 per ton plus annual CPI as stipulated in the RFP. Long term, and upon completion of the proposed facility expansion, Cold Creek proposes to accept 80,000 to 100,000 annual tons of organic materials from the SCWMA. Pricing is at the equivalent price of \$38.00 per ton, in addition to the annual CPI, when the facility is operational.

Cold Creek is open to negotiating term lengths. Forms F-1, F-3, and F-4 have been completed and are included in Section 5.0.

Litigation

Cold Creek Compost is not aware of any potential legal issues that could lead to future litigation with the SCWMA. In the event of any potential legal issue, Cold Creek will work cooperatively with the SCWMA to minimize any possible litigation.

Acceptance of Non-SCWMA Materials

While the majority of material that Cold Creek Compost composts has always originated from Sonoma County, the facility currently receives material from other jurisdictions and entities, including: the City of Fort Bragg, County of Mendocino, Pacific Recycling Solutions, Petaluma Poultry, and Solid Waste of Willits, in addition to an assortment of farms, ranches, and wineries. Since inception, Cold Creek has been composting agricultural materials, including significant amounts of chicken waste and grape pomace produced in Sonoma County. Cold Creek will continue to accept non-SCWMA materials as part of its on-going composting operations. The SCWMA materials received at Cold Creek Compost through October 31, 2017 comprised approximately 37% of Cold Creek's total incoming feedstocks, not including liquid feedstocks, additives, or amendments.

The Cold Creek Facility is currently not open to the public for self-haul. In the event that self-haul is allowed in the future, Cold Creek will allow for the public to deliver a minimum of 5 cubic yards per load. Should self-haul occur in the future, it is anticipated that the self-haul customers will be local Mendocino County residents.

4.2A SAFETY

Staff Safety Requirements

Cold Creek Compost requires all personnel, including new employees, to be familiar with the requirements of the regulatory agencies, as necessary, including, but not limited to: the North Coast Regional Water Quality Control Board, the Mendocino County Air Quality Management District, Mendocino County, and Mendocino County Local Enforcement Agency ("LEA"). All employees are required to be familiar with all components of facility operations. This cross training facilitates higher levels of control, with respect to efficiency of operations, in addition to regulatory compliance, early and prompt identification of any issues on site, as well as emergency first response.

The facility complies with all Cal OSHA regulations and other applicable worker health and safety regulations and requirements. The Cold Creek Operations Manager schedules regular monthly health and safety meetings to ensure regulatory compliance and update facility personnel regarding any changes in operations. These meetings also provide employees with new information pertaining to worker health and safety.

All personnel are required to be familiar with facility good housekeeping practices and appropriate responses in emergency situations. All workers are encouraged to propose methods for improving operational efficiency, worker health and safety, and for ensuring compliance with all regulations. The facility operates under the guidelines detailed in Cold Creek's Injury and Illness Prevention Program.

Worker Health and Safety

All employees are provided personal protective equipment (PPE), including: gloves, ear plugs, rubber boots, and dust masks, as frequent as necessary, for the protection from dust, particulates, pathogenic organisms, and other hazards. Materials are watered down prior to grinding, as necessary, to minimize the potential for human contact through dust generation.

All compost products are tested, pursuant to the requirements outlined in the California Code of Regulations, Title 14, Division 7, Chapter 3.1, Article 7, Section 17868.1, before they are sold to the public.

Contamination and Hazardous Management Protocol

Cold Creek Compost maintains a strict policy of rejecting hazardous materials. Employees are trained to recognize potentially hazardous materials. The facility policy requires personnel to treat any unknown or unidentifiable material as if it were a hazardous material and ensure it is immediately and appropriately removed from the facility.

The facility maintains separate storage areas for treated and untreated materials to prevent possible contamination with feedstocks, compost, or wastes that have not undergone pathogen reduction. This prevents the potential for the mixing of treated and untreated materials. In the event that contamination occurs, the contaminated material is incorporated back into the composting process.

Pursuant to Section 17868.3.1, Physical Contamination Limits, effective January 1, 2018, the facility will sample every 5,000 cubic yards of finished compost produced to determine the percentage of physical contaminants greater than 4 millimeters. The facility will utilize a composite sampling method to provide accurate results that has been approved by the LEA. Sampling methods will be representative and random.

In the event that the finished compost contains more than 0.5% by dry weight of physical contaminants greater than 4 millimeters, or with more than 20% by dry weight of this 0.5% being film plastic greater than 4 millimeters, the materials will be properly disposed of, incorporated back into the composting process, or utilized for another use as approved by local, State, and Federal agencies having appropriate jurisdiction. Test results of physical contamination limits will be received prior to removing finished compost from the facility.

Health and Safety Management

As described above under Worker Health and Safety, all employees are provided PPE, including: gloves, ear plugs, rubber boots, and dust masks, as frequent as necessary, for the protection from dust, particulates, pathogenic organisms, and other hazards. Materials are watered down prior to grinding, as necessary, to minimize the potential for human contact through dust generation.

All compost products are tested, pursuant to the requirements outlined in the California Code of Regulations, Title 14, Division 7, Chapter 3.1, Article 7, Section 17868.1, before they are sold to the public.

4.3A REPORTING

Provisions for Reporting

Consistent with the reporting requirements outlined in Exhibit B of the Draft Long Term Agreement for Organic Materials Processing Services, Cold Creek proposes the provisions for reporting detailed below, and will comply with all reporting requirements.

- **Monthly and Quarterly Reporting**

- Include all incoming tons and material type received by the SCWMA and/or Member Agencies if hauler designates the incoming tonnage by Member Agency. [Note: Cold Creek currently receives incoming tons from the SCWMA, hauled from the Healdsburg Transfer Station and including materials from Cloverdale, Healdsburg, and Windsor. The current hauler does not provide specifics on which Member Agency the materials are coming from and only notes the Healdsburg Transfer Station. Therefore, Cold Creek currently designates all incoming materials from the Healdsburg Transfer Station as SCWMA materials.] Any third party customers from Sonoma County will be included in monthly and quarterly reports as required.
- In addition to materials received by the SCWMA, Cold Creek receives organic materials from other jurisdictions. All organic materials are tipped in the same location on the composting pad, sorted, and ground together. Therefore, it is not feasible to distinguish SCWMA materials from other jurisdictions. Generally, all incoming materials are ground on the day received. Cold Creek will provide a note that all composting is in compliance with permitted regulations.
- Include outgoing tons based on destination and end-use. It is not feasible to include the jurisdiction of origin as all materials are ground and composted as one homogenous mix. This includes any residuals that are hauled away for disposal. Cold Creek does not send out material for ADC, AIC, or other beneficial reuse.

- **Method to Track Tonnage**

- Incoming tonnage is tracked through weigh tags and entered into QuickBooks. Outgoing tonnage is entered into QuickBooks via weigh tags and invoices. Reports are generated through QuickBooks, and the resulting data is included in reports and spreadsheets.

Process for Reporting Complaints

In the event of any complaints related to receipt of SCWMA materials, or other issue, all complaints will be documented and forwarded to Patrick Carter, SCWMA Executive Director, or other SCWMA designated contact, via e-mail or other appropriate communication. Cold Creek Compost will work diligently with SCWMA to resolve any complaints in a timely and efficient manner. If necessary, dispute resolution will be handled via mediation or arbitration in Sonoma County.

4.4A OPERATIONS

Scale Procedures

All incoming trucks are required to weigh in at the facility's State certified scale. Staff members enter the truck weights, truck id, and material type on weigh tags. After weighing, trucks are directed to the unloading area. After unloading, trucks are weighed on the scale, drivers enter the office, sign weigh tags, receive a copy for their records, and exit the facility.

Unloading and Turnaround Time

Cold Creek staff recently calculated an average of unloading and turnaround times for collection vehicles that haul SCWMA materials to the facility over the course of one week. The total average turnaround time from arrival at the facility's scale, unloading on the pad, and exiting the scale, is approximately 18.7 minutes. This average turnaround time is within the SCWMA's 30 minute turnaround time requirement.

Tipping Procedures

After weighing in at the scale, drivers are directed to the unloading area on the engineered compost pad where trucks self-unload. Upon discharge of materials, the trucks are routed back to the scales for weighing.

Load Checking Program

The Cold Creek Facility employs a Load Checking Program consistent with the requirements detailed in the California Code of Regulations, Title 14, Division 7, Chapter 3.1, Article 6, Section 17867 (a)(3). The procedures include random load checks of incoming feedstocks, additives, and amendments for potential contaminants. All employees are trained to recognize hazardous materials and other materials that have the potential of harming human health and safety, the environment, and/or equipment. As described in Section 4.2A above, any unknown or unidentifiable material is treated as if a hazardous material and directed for immediate and appropriate removal.

Fuel Type for Onsite Equipment

A fueling area is located at the junction of the amendment pad access road and the compost pad on the eastern end of the facility. Diesel fuel is primarily used to fuel the various vehicles, machines, and heavy equipment as part of facility operations. The facility is not currently connected to the grid. The office is powered by means of a generator and solar panels. As part of Cold Creek's expansion plans, the facility anticipates connecting to the grid and replacing much of the diesel powered equipment with electrical equipment.

Labor Discussions

Cold Creek is an independent business and has had no issues with lockouts or strikes in the past. Cold Creek does not anticipate such issues moving forward. Cold Creek currently employs 21 employees, including: office staff, operations manager, mechanics, equipment operators, drivers, and ground laborers. Cold Creek offers generous benefits

and pay and has retained numerous employees for over 10 years or more. Several key employees have worked at Cold Creek for more than 20 years.

4.5A SUSTAINABILITY

Minimizing and Mitigating Climate Impacts

a. Minimize Equipment Emissions

Cold Creek complies with all air quality regulations for facility equipment. Cold Creek recently purchased a new horizontal grinder with a Tier 4 engine, in compliance with air quality requirements. As described above, the planned expansion includes replacing diesel powered equipment with electric equipment wherever possible.

b. Maximize Methane Recovery

Cold Creek uses an aerobic method of composting. When done properly, this method does not produce significant amounts of methane. There is minimal methane available for recovery.

c. Minimize Unprocessed Organics

As described above, Cold Creek's 2016 recovery rate was 99.69%. Cold Creek utilizes all feedstocks received, incorporates overs back into the composting process, and minimizes any unprocessed organics.

d. Purchase Energy from Renewable Sources or Carbon Credits

While Cold Creek does not purchase energy from renewable sources or carbon credits, Cold Creek has utilized solar panels to help power the office and is currently in the process of updating and installing new solar panels for the office to offset the use of petroleum.

Minimize Environmental and Other Impacts

Cold Creek minimizes environmental impacts to host communities by accepting the widest range of composting feedstocks, including all food materials, which encourages the composting of food materials instead of landfilling. Cold Creek maintains one of the most affordable tipping fees in the region while allowing materials to be commingled in delivery vehicles in order to minimize truck trips and save host communities money. This practice benefits the environment and offers local jurisdictions the ability to meet State mandated diversion requirements.

Environmental Stewardship

Cold Creek has been committed to environmental stewardship since its inception in the early 1990's. Martin Mileck, Cold Creek founder, envisioned a different way of handling waste materials. Martin saw a way to use so-called waste materials to create sustainable fertilizers that were better and more affordable than chemical fertilizers. Martin was a pioneer in sustainable materials management and flipped the solid waste paradigm. By

composting a wider range of feedstocks, from green materials to chicken products, Martin crafted a nutrient rich and biologically active compost that provides essential macro and micro nutrients and superior beneficial microbes.

The tradition continues as Cold Creek currently composts a wider range of feedstocks than other compost facilities, thereby diverting a larger fraction of materials from the landfill. Cold Creek uses this material to produce a highly renowned compost that reduces, and in many cases, eliminates the need for chemical fertilizers.

U.S. Congressman Jared Huffman recognized Martin Mileck and Cold Creek Compost with a Sustainable North Coast award on August 28, 2017. After 22 years of composting at the Ukiah location and supporting the agricultural community, Martin was recognized for his dedication to environmental stewardship and sustainability, a true testament to his commitment to recycling, agriculture, and the environment.

Energy Consumption

The Cold Creek Facility current energy consumption is based primarily on diesel fuel. During the 2017 operating year, Cold Creek consumed approximately 92,600 gallons of diesel fuel. The total fuel consumption is comprised from all facility operations, including the manufacturing of compost and the production of Cold Creek's planter mixes and custom blends.

Cold Creek utilizes solar panels to help power the office and is currently in the process of updating and installing new solar panels to offset the use of petroleum. Cold Creek's planned expansion includes replacing diesel powered equipment with electric equipment wherever possible.

Local Vendors

Cold Creek is an independent California company, founded in Mendocino County, for the purpose of recycling and composting organic materials from Mendocino, Sonoma, Lake, and surrounding Counties while supplying fertilizer and soil amendments to farmers in those same Counties. Cold Creek strives to support local vendors and uses local dealers and brokers to sell materials, while purchasing goods from local companies whenever possible.

Cold Creek Compost regularly donates to local non-profits, schools, gardens, environmental groups, and farming organizations in support of local agriculture and the community at large.

Innovative "Green" Approach

The Cold Creek composting model is the essence of an innovative green approach. Since Cold Creek's inception in 1995, Cold Creek has composted the widest range of feedstocks, including agricultural materials, food materials, and green materials, resulting in the highest quality finished compost.

The Cold Creek business model was developed around Martin's belief that valuable organic matter was being buried in landfills at a high cost to ratepayers and the environment, while expensive and environmentally damaging chemical fertilizers were

being utilized in agriculture. As a visionary in the industry, Martin realized that by collecting and composting organic materials, he could create a sustainable fertilizer that reduces disposal costs and provides farmers with a superior and less expensive fertilizer option than conventional chemicals. Composting a wide array of feedstocks results in a biologically superior compost, a reduced need for chemical fertilizers, and a remarkable recovery rate. The approach is both innovative and sustainable.

4.6A COMPOST GIVEAWAY PROGRAM

Cold Creek proposes to provide 300 cubic yards of Agrow-Blend compost (a retail value of \$9,000), at no additional cost to the SCWMA and/or ratepayers, at a location to be determined by the SCWMA or through one of Cold Creek's dealers in Sonoma County. Cold Creek proposes to provide the compost on a Saturday during the International Compost Awareness Week, which typically occurs in May, or as proposed by the SCWMA. Residents will be limited in the amount of material they can receive, based on agreement with the SCWMA (e.g., one to two 5-gallon buckets). Cold Creek employees can be onsite to assist during the giveaway and provide information and educational materials, including compost application rates.

REPORT OF COMPOSTING SITE INFORMATION

**COLD CREEK COMPOST, INC.
6000 Potter Valley Road
Ukiah, California**

For the

**GUNTLEY RANCH FACILITY
6000 Potter Valley Road
Ukiah, California**

SWFP No. 23-AA-0029

As Amended on September 8, 2010

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**REPORT OF COMPOSTING SITE INFORMATION
FOR THE
COLD CREEK COMPOST, INC. GUNTLEY RANCH FACILITY**

I. FACILITY OVERVIEW

A. INTRODUCTION

This Report of Composting Site Information ("RCSI") describes the design and operation of the Cold Creek Compost, Inc., Guntley Ranch facility ("CCC"). CCC is an organic composting facility designed to divert what would otherwise be deemed waste materials into new and usable materials. As noted herein, the facility takes in a wide array of materials and converts those into products ranging from compost to biofuel. CCC is one of the largest facilities now operating in Northern California, and continues to be the best alternative to waste disposal by landfill in the area.

The facility's primary purpose is composting green and wood materials, animal bedding and other agricultural materials, liquid feedstocks, food materials, animal materials, construction, demolition and other industrial materials, manures and other organic material.¹ The facility also receives soil amendments, such as gypsum and lime, and stockpiles them for future sales in as-is condition, processed or as custom blends. Materials shipped from the facility include finished compost, partially finished compost, manures, ground green and wood materials, planter mixes, liquid fertilizer, soil amendments, and custom blends. Facility operations include receiving and unloading incoming materials, placement of materials in processing areas for composting, turning windrows, screening finished compost and loading materials for delivery. Extensive blending of materials occurs for custom orders. Some of the incoming materials serve as compost feedstock, while others are used as amendments or other uses, to be blended with compost or other materials or sold separately.

Pursuant to regulations posted by the California Integrated Waste Management Board ("CIWMB"), a facility's RCSI requires regular review and updating in order to bring the document current with actual operations and to describe best management practices ("BMPs") aimed at mitigating potential environmental impacts. This amended RCSI describes the current operations of the facility, as well as CCC's future plans for operations, including the intake of new materials. CCC has in addition described here its BMPs that reflect over a decade of composting experience at this particular location as well as significant developments in the science of composting. Many of CCC's BMPs are also the product of regular consultation with qualified engineers, composting experts, and consultants with expertise in state regulatory practices. Through these efforts, CCC stands ready for further expansion to serve Mendocino and surrounding counties.

This facility has been in operation since 1994. The permitting process occurred in the midst of public opposition to the facility and resulting litigation. An Environmental Impact Report ("EIR") was adopted in 1998, reflecting over three (3) years of studies and

¹ CCC's acceptance of construction and demolition materials is done in conformance with the provisions of California Resources Code, Title 14, Article 5.9 and 5.95 (sections 17380-17390).

comments concerning the facility. The EIR identified specific mitigations to address potential impacts on air and water quality, and as suggested by various regulatory agencies, these mitigations were subject to review and modification so that the facility could continue to employ BMPs to meet the objectives of efficient composting while reducing or eliminating the impact of operations on air and water quality.² With the concurrence of the Local Enforcement Agency ("LEA"), CCC has significantly improved many of the facility's practices, and expanded its operations consistent with the projections in the EIR. However, the facility and the LEA have encountered inconsistent or unclear permit conditions. CCC hopes, as it proceeds through a new round of permit renewal in 2007/2008 with the California Integrated Waste Management Board ("CIWMB"), that the permits for this facility can be reconciled with each other and better reflect modern composting practices.

While private businesses and some local governments have ignored the need for environmentally friendly alternatives to disposal of waste through landfill, CCC has stayed focused on the benefits and greater potential of organic composting. This provides farmers with a less expensive and better source of nutrients than traditional fertilizers, and supports sustainable farming with fewer harmful environmental impacts. CCC currently assists Mendocino County and surrounding counties in complying with California's state-wide waste diversion mandate.³ It is the continuing mission of this facility to work with the local residents and businesses to efficiently reprocess and reuse materials that would otherwise be deemed waste materials. By doing so, CCC will lead the community in reducing green-house emissions.

Facility Operator: Mr. Martin Mileck, President
Cold Creek Compost, Inc.
6000 Potter Valley Road
Ukiah, Valley CA 95428

Land Owner: Mr. Charles Guntley
5010 Highway 20
Ukiah, CA 95482

Area Serviced: Humboldt County
Lake County
Mendocino County
Napa County

² In its EIR comments, Northern California Regional Water Quality Control Board ("NCRWQCB"), for example, noted that "storm water program is based on implementing best management practices and monitoring to demonstrate effectiveness." (See, letter dated June 13, 1997 from David Evans to Pam Townsend.) Similarly, the CIWMB in its EIR comments and by reference to current regulatory practices anticipates a monitoring process to determine the effectiveness of mitigation measures.

³ In 1989, the California Legislature set a statewide objective for every county: by January 1995, at least twenty-five (25) percent of all county solid waste should be diverted either to recycling or composting facilities, and by 2000, this solid waste diversion should be increased to fifty (50) percent. California Public Resources Code section 41780.)

B. SITE LOCATION

1. Site Location Map

The general location of the composting facility is shown on Appendix A (Site Vicinity). A general site plan is also included, attached hereto as Appendix B (Site Facility Plan).

The 40-acre facility is located near the center of the Guntley Ranch, which consists of approximately 3,700 acres devoted to agricultural uses including range land for cattle, sheep, elk and deer, firewood production and hunting. The ranch is located approximately ten (10) miles northeast of Ukiah in Mendocino County. Main operations are currently conducted on the composting pad while storage of amendments takes place on an additional pad area which is approximately three (3) acres. The composting pad area, which is approximately six (6) acres, has proven to be entirely too small and CCC therefore is applying for a modification to CCC's use permit for expansion of the pad. Engineering and environmental studies have been completed for a much needed eight (8) acre pad extension and it is hoped that in the near future the County permit process will be complete and construction can take place.

2. Siting Considerations

Siting considerations relied heavily on the "Mendocino County Landfill Siting Study Final Report" ("Report") prepared by the Anderson Consulting Group in 1992. Of the five finalist sites selected for review, site 49-16 on the Guntley Ranch, received the highest ranking based on both technical and non-technical criteria. The Report was subject to extensive public comment and review.

Given that requirements for a landfill are even more restrictive than for a composting facility, the Report demonstrated that this site was an excellent location. The compost facility is adjacent to the site described in the Report. However, the technical and non-technical information reviewed in the Report is applicable in general terms to the composting facility site. Additionally, more site-specific information has been prepared relating to topographical and geological considerations and is presented in detail in other sections of the RCSI. (See, Appendix C and Appendix D, attached hereto.)

The facility is located on a ridgeline at an elevation of about 1,500 feet above sea level, and approximately 600 feet above and $\frac{3}{4}$ of a mile distant from the Russian River. Depth to groundwater is unknown, but a well dug 1,800 feet from the compost site has a static water level of 50-60 feet which suggests that the depth is significant. When combined with the distances to the nearest creek, the site's location helps to reduce the potential for impacts on water quality.

The facility is approximately one (1) air mile from the closest residence and the topography of the site provides natural buffers that help to lessen potential impacts on the local community. Through operational experience, CCC's desire to ensure minimal impacts, and by working with the LEA, CCC has also learned that the combination of topography and a very distinct set of meteorological conditions can, on occasion, facilitate the movement of some odors to off site areas. For a further discussion of CCC's management of potential significant offsite odors, see the amended Odor Impact Mitigation Plan ("OIMP").

C. QUANTITY OF MATERIALS TO BE ACCEPTED

Incoming feedstock volume averages 200 tons per day at the maximum permitted volume of 50,000 tons per year. There is no limit on the amount of additives, amendments, or other materials not considered to be compost feedstocks. The volume of incoming non-feedstock material is currently about 15,000 tons per year.

The CCC facility provides an important public benefit by providing local access to a municipal organic waste materials recycler, helping local communities comply, with least cost, with the waste diversion requirements mandated in AB 939. Currently, CCC is responsible for approximately one third of the waste diversion in Mendocino County.

1. Load Capacity

Maximum permitted daily load capacity of compost feedstocks is 400 tons per day (tpd).

2. Average Daily Throughput

Permitted average daily throughput of compost feedstocks is 200 tpd inbound and, using a reduction factor of 0.5, 100 tpd outbound at full production.

3. Average Load Capacity Next Five Years

Estimated average annual load capacity of compost feedstocks over the next five years is 40,000 ton per year (tpy).

4. Design Capacity

Current design capacity is 400 tpd.

5. Feedstock and Other Incoming Material

Incoming materials currently include manure from chicken ranches and dairies, turkey farms and other agricultural facilities, poultry mortalities, animal stall bedding and other agricultural and aquacultural materials, including grape pomace, plant trimmings, and culled fruit; green material, grocery store food materials, paper and cardboard, including magazines and waxed cardboard, wood including construction and demolition materials (source separated), food materials, liquid feedstocks such as lactose water, brewery water, wine lees, and semi-liquid feed stocks such as pear material, olive sludge, and diatomaceous earth.

The incoming material has a variety of uses. Most are used as compost feedstock. Other materials are either processed or remain unprocessed for potential mixing with other materials. These materials are used at the facility or elsewhere as amendments or fertilizers.

This facility has been in operation since 1994. The permitting process occurred in the midst of public opposition to the facility and resulting litigation. An Environmental Impact Report ("EIR") was adopted in 1998, reflecting over three (3) years of studies and comments concerning the facility. The Mendocino County Planning Commission, as an accommodation to those who were then opposed to the facility, prohibited the facility from receiving leaves from fall street collections, restaurant food material, fishery material, and biosolids. In 2010 the Mendocino County Planning Commission accepted CCC's permit modification (#UM 26-93/2009) allowing the facility to begin accepting leaves from fall street collections, restaurant food material, and fishery material.

CCC therefore lists here those feedstocks that it hopes to receive and process in the near future: food materials from every possible source including restaurants, fisheries and aquaculture materials, animal material, including materials from packing plants and slaughterhouses, leaves from fall street collections, and industrial materials. Also, state regulations currently prohibit composting of whole mammals and it is facility policy not to accept them. The state regulatory agencies are presently contemplating the removal of this prohibition, and should that occur, CCC would seek to add this material to its compost processes.

CCC's current practice, as to any new category of materials, is to review the proposed intake and use of the material with appropriate regulatory agencies, including the Local Enforcement Agency ("LEA") prior to acceptance.

Incoming loads are inspected and any that contain unacceptable levels of undesirable materials or hazardous material are refused. If the undesirable material is not discovered until the load is dumped, it is reloaded and returned to the generator.

D. TYPES AND NUMBERS OF VEHICLES ENTERING THE FACILITY

Traffic entering the facility consists primarily of class 7 (10 wheel) and class 8 (18 wheel) trucks and vehicle trips generated by employees. The facility is not open to the public.

Most of the truck traffic consists of class 8 trucks for feedstock delivery and backhaul out of finished compost product. Assuming a combination of class 8 and 7 trucks, with some backhauling occurring, truck traffic was originally estimated to average 12 trucks per day at full capacity. That number approximates the current average. Employee vehicles make about 9 trips per day, bringing the total of vehicle round trips in and out of the facility to about 21. There is of course seasonal fluctuation, but the maximum number of truck trips remains well below the 40 per day evaluated in the EIR.

II. COMPOST PROCESSING SITE DESIGN, MONITORING, AND SITE IMPROVEMENTS

A. COMPOSTING SITE DESIGN

1. Site Plan

See location plan (Appendix C, attached hereto).

2. Design details

The main compost pad, as initially constructed and surveyed, is 6.7 acres. Consistent with the EIR, the facility uses approximately 6 acres for composting activities with the balance of the area used for office, worker rest area, restroom facilities, parking and other administrative purposes.⁵ An additional 3-acre pad is dedicated to storage of amendments and other materials. A roof covers approximately 1.2 acres of the compost pad area. The facility also has offices, parking, and a truck weighing station. The current area available for composting (*i.e.* about 6 acres) has proven insufficient. The result is a daily and costly effort throughout the year of shifting and moving composting activities to stay within the defined composting areas. CCC has the experience and leased acreage on the Guntly Ranch to receive much more material as was contemplated in the EIR. As part of its application to modify its Use Permit, CCC has proposed construction of an additional eight (8) to ten (10) acres of pad area for composting.

Composting processes include open windrow, aerated static pile as well as other processes consistent with best management practices and regulations governing the facility.

Grinding operations and screening operations are closely monitored for excessive dust generation and spray water is used for dust suppression.

Incoming material to be ground is received in the vicinity of the grinder. Manure, grape pomace, fishery material and other materials that do not need to be ground and have the potential to generate liquid are received under the roof where they are protected from rain and the excess moisture is captured by floor drains. Liquid feedstocks are not stored on site, but rather incorporated directly into the Pathogen Reduction ("PR") windrows, thereby minimizing handling and the chances of a spill. The facility takes in only that amount of liquid feedstock that can be immediately incorporated into the PR windrows. During wet weather periods, if there is no material on site capable of holding further liquid waste, none is received. For further details concerning CCC's Best Management Practices ("BMPs") during the wet weather periods, see sections 5.3 and 5.4 of CCC's Storm Water Pollution Prevention Plan.

Windrows are, depending on the season and the moisture content of the materials, up to 20 feet wide, and up to 8 feet high at initial placement, with a maximum length of approximately 450 feet. A separation of approximately 10 feet is maintained between the rows. The windrows are constructed using wheel loaders and turned using a self-propelled windrow turner. Following windrow construction, process water is added on an as needed basis to maintain optimum moisture conditions. It is well-documented that the ideal moisture content for optimal composting conditions is usually between 40-60%. Water can be applied to the active compost from a piping system attached to the roof structure, mobile pumps, or from the water truck.

⁵ This was the size of the facility's pad as initially constructed, and later confirmed by a formal survey. During the period in which the EIR was undergoing review and comments, CCC provided an estimate of the size of the pad. The EIR therefore references a pad size of "approximately 6.0 acres." It is unclear from the context whether the estimated pad size was as to composting areas or the entire compacted area, which includes uses for administration of the facility.

During the composting process, temperature and moisture conditions are monitored daily to maintain conditions conducive to optimum microbial activity. Active compost windrows are maintained under aerobic conditions at a minimum temperature of 55 degrees Celsius (131 degrees Fahrenheit). Following the pathogen reduction period in the windrows, the composting material is placed in aerated static piles where air is injected on an as needed basis in order to maintain aerobic conditions. The materials remain in the aerated static piles for approximately 90 days. Thereafter, the materials are turned once more into static piles under the roofed area of the facility for a period of 30 days. The final step involves re-windrowing the material (finishing windrows) where it remains for approximately two weeks before being screened and shipped. Water is adjusted at screening as necessary to achieve a shipping moisture content of 35%. Total compost processing time is approximately ninety days, but the seasonality of sales necessitates some compost remaining on site for six months or more. Unsold finished compost is stored in the aerated static piles.

A large percentage of the finished compost is blended with amendments(s) and/or fertilizer(s) as per customers request before shipping. Some customers purchase unscreened compost.

3. Facility Construction

See site plan and information in this section, items 2 through 14.

4. Grading Plan

Compost pad construction utilized on-site cut and fill, precluding the need to import fill material or dispose of material. Native materials were used to construct the pad as described elsewhere in this document. The compost pad slopes outward from the center at approximately 2%. (For additional information, see geotechnical reports in **Appendix F** and pad design in **Appendix G**, attached hereto).

5. Pad Composition and Dimensions

The composting area of the pad covering approximately 6.0 acres of the 40-acre site has been constructed consistent with the requirements of the NCRWQCB.⁶ The material used for pad construction consists of native soils located on-site.

A 6"-12" final layer of native rock was placed on the top of a compacted clay layer. This covering material consists of naturally fractured native rock mixed with fines that have low permeability characteristics. When placed and compacted, this material provides structural bridging to, and protection of, the material below, as well as decreasing the overall permeability of the pad structure itself. The pad was engineered and built to achieve a permeability of 10^{-6} cm/sec.

⁶ The main compost pad, as initially constructed and later surveyed, is 6.7 acres. Consistent with the EIR, and the facility uses approximately 6 acres for composting activities with the balance of the area used for office, worker rest area, restroom facilities, parking and other administrative purposes.

6. Surface Drainage Plans

The roof storm drain outfalls are depicted on the site facilities plan (Appendix B). As depicted, the storm water runoff from the roof is carried beyond the pad perimeter and released to natural drainages.

Storm water sheet flow occurs in all directions from the uncovered portions of the pad which is contoured to slope at approximately 2% from the center outward in all directions. Natural grasses are maintained around the perimeter of the pad to provide slope stability and trap and retain any sediment from the pad.

As noted above, the facility has filed its Notice of Intent with the State Board of Water Resources and its Storm Water Pollution Prevention Plan (SWPPP) and Monitoring Program with the NCRWQCB. Pursuant to the facility's SWPPP, sampling of surface waters, at check points specified by the NCRWQCB, is conducted on a regular basis during the rainy season.

7. Drainage Control

Site design and operational best management practices have been approved by the NCRWQCB and regular monitoring of waters surrounding the facility show minimal impact to surface waters. This section briefly addresses storm water discharge from the facility. For further details concerning this CCC's management of storm water discharge, see the SWPPP, also amended effective October 1, 2007.

The facility is on top of a ridge in the middle of a 3,700-acre cattle ranch with vast expanses of grazing land between the facility and the creeks. A major benefit of the site's topography is that it ensures there is no storm water run-on to the pad as well the vast expanse of grazing land around the facility.

Storm water discharges are via roof gutter drains and sheet flow from the uncovered portion of the compost pad. The discharge from the gutter drains flows into natural drainages and seasonal streams and ultimately to the East Fork of the Russian River. Storm water sheet flow occurs in all directions from the uncovered portions of the pad which is contoured to slope at approximately 2% from the center outward in all directions. A buffer of natural grass is maintained around the perimeter of the pad to stabilize pad edge slopes and trap and retain any sediment from the pad.

CCC has made it so that storm water that comes into contact with the pad area is diverted to a settling basin. The settling basin is located on the down gradient side, northwesterly of the pad. Suspended material is allowed to settle out in the basin and water discharges through a controlled point on the north end of the basin. The existing storm water system will continue to be used with addition of a storm water settling basin. Collected material is removed from the basin as needed throughout the winter. In addition, CCC built and maintains a system of ditches that diverts storm water out of defined drainages and directs it onto grassy areas which act as bioswales.

CCC has also applied for a permit to build a storm water collection pond, which it expects will be approved by the County by mid-2008. Until CCC is allowed to build a storm water collection pond, this will be the interim BMP used to remove suspended material from storm water. Once the permanent storm water collection pond is built, pad runoff will be directed into it and stored for use during the dry season.

CCC employs these stepped BMPs to reduce storm water runoff from the uncovered portions of the compost pad during wet weather periods. Pad runoff potentially contains some sediment and dissolved nutrients. Directing the runoff to grassy areas instead of allowing it to flow into defined channels has proved successful in preventing pollution of surface waters. The proposed temporary storm water detention basin will allow for additional settling of solids before discharging. Until CCC is allowed to build a storm water collection pond, this will be the interim BMP used to remove suspended material from storm water. Once the permanent storm water collection pond is built, pad runoff will be directed into it and stored for use during the dry season.

8. Leachate Control

As the facility is currently managed, there are three different potential sources of leachate: saturated feedstocks, the Pathogen Reduction (PR) windrows, and the aerated static piles. Saturated feedstocks such as chicken manure and grape pomace are received under the roof where the leachate is captured by floor drains and so this material is recycled as process water for the piles. Furthermore, operational experience has shown that active management of moisture and temperature means that the PR Windrows do not produce significant quantities of leachate. This is also a reflection of the relatively short period of time that the PR Windrows remain on the pad. Any small amounts that pond on the pad are soaked up with dry material and re-mixed into the pile.

Leachate from the aerated static piles and materials stored under the roof is collected in the three (3) onsite leachate collection tanks. The facility has established and maintains, as a BMP, a procedure that responds to wet weather periods, depending on duration and amount of rainfall as well as a range of moisture levels in the materials on site. The BMPs assume, as has been the case, each wet weather period yields differing amounts of rainfall, and this intersects with the existing condition of the materials (*i.e.* moisture content), which similarly varies at any particular time. These procedures include attention to excess storm water in the pad area, monitoring moisture levels in the various materials at the site, and shielding some materials from rainwater by placing it under a roof area or by securely covering (tarping) the material.

The pad is generally kept clear of unnecessary amounts of fugitive material, minimizing suspended solids in storm water. After rain events, a bulking agent is spread on the pad to absorb mud and water. The material is then added to the PR windrows.

The operator sets and monitors moisture as well as saturation in the materials consistent with the objective to efficiently complete each phase of composting and make use of rain as a source of moisture for the materials, as weather permits. Recent studies have indicated the composting is faster and more efficient, for example, if at some point during the process, the material becomes anaerobic.⁷ Wet weather periods can therefore permit increased composting efficiency under monitored conditions. During wet weather periods, materials are securely covered to the extent that these materials would not benefit from additional moisture. The operator's decision to roof or tarp the materials is made consistent with the objectives herein noted (*i.e.*, to maintain a range of moisture levels in the materials

⁷ See Wang, "Effect of Oxygen Concentration on the Composting Process and Maturity," (May 2007 Compost Science and Utilization)

to promote efficient composting while minimizing leachate production and the potential for offsite odors).

PR windrows generate minimal leachate principally because the "lifespan" of a windrow (meaning the time that it is on the pad) is about two (2) weeks. During wet weather periods, PR windrows are initially constructed with material containing varying levels of moisture, and then built as large as possible in order to minimize exposure to rain. Generally, the initial moisture level is insufficient, no matter the particular time of year the material is received. These factors reduce the potential for development of moisture levels in excess of the desirable range for efficient composting. In the rare instance that the PR windrows begin to approach full water holding capacity, CCC has two additional BMPs to reduce and capture the production of leachate. The first is to turn the windrows more often in order to reduce and distribute moisture. Absent an unusually high precipitation of rain, this has proven sufficient. The second BMP is take material from the PR windrows and construct aerated static piles. CCC then stacks the saturated PR windrows on top of the aerated static piles, which contain aeration pipes throughout. CCC then employs negative aeration, with the effect of pulling the moisture out of the pile(s). The leachate from the aerated static piles is diverted or drawn into these pipes and captured in tanks. Similarly, aerated static piles are constructed as high as practically possible in order to minimize moisture loss during the dry season and to minimize saturation and leachate production in wet weather periods. The aeration system in the static piles doubles as a leachate collection system directing the leachate to containment tanks for use later as process water or as fertilizer.

Liquid feedstocks received at the facility are turned into windrows upon receipt. This minimizes handling and the chances of a spill. During wet weather periods, liquid feedstocks will not be accepted if, in the best judgment of the operator, the windrows are at full water holding capacity.

CCC recently received approval from the Mendocino Planning Commission and the NCRWQCB for its storm water and leachate pond. Construction will commence shortly, with the expected completion date of November 15, 2008. The fully lined pond and redesigned drainage system are intended to ensure full leachate containment. CCC will continue to divert leachate from its roofed area and the ASPs to the on site storage tanks. All other leachate, including storm water that drains off of the pad, will be diverted to the pond. As an interim measure, the drainage system will be set up to divert all stormwater coming into contact with the pad directly to storage tanks in the event of significant rainfall prior to November 15, 2008.

9. Site Access

A standard private road approach has been constructed at the intersection of Potter Valley Road CR 240 pursuant to encroachment procedures administered by the County Department of Transportation. The gated entrance is approximately 0.2 miles from the intersection of State Route 20 and Potter Valley Road. From that point a private road runs approximately two miles in a Northeasterly direction to the facility. The road has been constructed as an all weather road, meeting the requirements of all regulatory agencies.

10. Development Stages

As noted, CCC's initial plans for the facility met with public opposition. As an accommodation to those opposed to the facility, the County conditioned CCC's Use Permit with restrictions that significantly impacted operations. This, combined with several years of related litigation against CCC, negatively impacted the overall development of the facility.

Phase 1 (complete)

Permitting and construction of the facility

Phase 2

Construction of pad extension and containment pond; the engineering is complete and permit applications have been submitted. CCC hopes to complete the permitting process as soon as possible; realistically, it is unlikely now that construction will begin before the summer of 2008.

Phase 3

Construction of the second pond, pavement of the access road, construction of offices and shop, and partial paving of pad; final completion date for this phase is not yet determined.

Phase 4

Complete second phase of roof structure, continued paving of pad. Final completion date not determined.

Phase 5

CCC expects that County compliance with the State diversion mandate and population growth in Mendocino County and surrounding areas will necessitate an increase in permitted volume and further expansion of the facility, but it is at this time difficult to determine how much or when.

11. Amendments, Additives and Other Materials

The facility receives other materials in addition to compost feedstocks. Amendments and other materials include, but are not limited to: gypsum, lime, ash, rock phosphate, soil, logyard fines, sawdust, shavings and commercial fertilizers. These non-feedstock materials are received and then either processed, stockpiled to be blended with compost or compost feedstocks, or sold separately. Storage of these materials occurs on the compost pad and the auxiliary storage area.

During unloading and mixing operations, moisture suppression measures are taken as needed to control dust and particulate emissions. Stored materials will be securely covered as necessary.

During wet weather periods (as defined in the EIR), the amendments stockpile is covered. Runoff from the access area around the stockpile may contain some sediment and/or residual amendments. Straw wattles, straw bales, or silt fence are installed as determined necessary along the storage area edge. A perimeter grass buffer around the amendments

storage area is maintained to prevent potential runoff from the amendments from entering receiving waters.

12. Physical Site Conditions Report

Classification of natural soils is provided in the Engineering Geologic Evaluation conducted by Patrick G. Conway, Consulting Geological Engineer, April 1994, included as **Appendix F** of this RCSI.

B. MONITORING

The facility is designed and continually reviewed with the goal of reducing impact on the environment to the greatest practical extent possible. CCC has paid particular attention in the development of its BMPs to ensure properly managed stormwater discharge, leachate production, and onsite odors that present the potential of producing significant offsite odors.

Pursuant to the facility's SWPPP, regular sampling is done of surface waters surrounding the site to ensure the facility meets the requirements of the NCRWQCB. Samples are analyzed for biological oxygen demand, turbidity, salinity, nitrate nitrogen, ammonia nitrogen, diesel, hydrolic oil and ortho phosphate. Sampling protocols, testing parameters, sample frequency, and time intervals between successive samples have been established at the direction of the NCRWQCB. A detailed description of the sampling procedures to ensure end products meet environmental health standards is set forth in section III. E. 6. herein.

As noted, CCC has developed a BMP for reduction of leachate production combined with a system for capturing leachate as it is produced. (See, RCSI, section II.A.8.)

CCC's OIMP sets forth a series of steps for the prevention and management of significant offsite odors. When complaints do occur, CCC has a set procedure for response to the complaints, to ensure that the operator has sufficient data to identify the cause and develop an effective odor mitigation BMP. (See *e.g.*, Appendix B to OIMP.)

C. COMPOSTING SITE IMPROVEMENTS

1. Identification Signs

Signs indicating specific operating areas, safety instructions and other necessary information will be posted at the locations as required. Information conveyed on these signs may include, but not be limited to:

- a. Safety information.
- b. Maximum vehicular speed.
- c. Check-in procedures.
- d. Traffic direction.
- e. Cross traffic warnings.
- f. Fire protection water sources.

2. Facility Security

The main entrance to the facility is fenced and gated. All facility buildings and other equipment are secured with locks. The remote location of the facility and natural topographical barriers provide sufficient additional security.

3. Roads

The access road is a well established, rocked, all-weather road constructed for 18-wheeler traffic. Every year at the end of the rainy season the road is treated with lignin, which gives it a pavement like appearance and minimizes dust. A water truck is maintained on-site to provide additional dust suppression as needed. Other approved materials may be used for more permanent dust control methods where higher levels of control are needed, such as adjacent to the facility offices.

The facility access road meets the requirements of the Department of Forestry and Fire Protection. The Department notified the Mendocino County Department of Planning and Building Services, by letter dated 8/15/94, that the project met all requirements of PRC 4290 and granted "Final Clearance" and "Approved for Occupancy" status to the facility.

4. Visual Screening

Visual Screening is provided by the remote nature of the site and natural topographical barriers.

III. COMPOSTING FACILITY OPERATIONS

A. INTRODUCTION

The facility is approximately one (1) air mile from the closest residence and the topography of the site does provide natural buffers that help to lessen potential impacts on the local community. Through discussion and coordination with the LEA, efforts have been made to continue to prevent impacts wherever possible. Physical barriers and mitigation measures are discussed in other sections of this document. In particular, detailed Best Management Practices are in a process of continuous development, focusing on specific areas with a goal of ultimately eliminating as many concerns as possible.

B. FACILITY PERSONNEL

1. Availability

The facility is staffed at all times during operating hours. On occasion material does arrive outside of these hours, but only if driven by facility employees who are instructed that non-liquid materials is to be unloaded and covered as necessary. Liquid feedstocks remains contained in the water truck until operating hours resume. There are a minimum of two employees on-site at all times during hours of operation. The facility is open 7:00am to 3:30pm Monday through Friday and Saturday 8:00am to 1:00pm.

Cold Creek Compost currently has 16 full time employees.
Positions are as follows:

Company President

Bookkeeper/Office Manager
Site Boss
Laborers
Lead Mechanic
Maintenance Mechanics
Truck Drivers
Equipment Operators

2. Training

New employees will be provided copies of this RCSI, the SWPPP, the OIMP and the facility Use Permit and will be familiarized with the requirements of all regulatory agencies, including, but not limited to, the NCRWQCB, MCAQMD, and the LEA.

All employees are familiarized with all facility operations. This cross-training facilitates higher levels of control with respect to efficiency of operations, regulatory compliance, identifying problems, and responding to emergency situations.

All employees are familiarized with the contents of the CIWMB LEA Advisory No. 6, regarding *Aspergillus fumigatus* and composting operations. The facility will comply with all CalOSHA health and safety regulations and any other applicable worker health and safety regulations. The Facility Manager schedules regular monthly health and safety meetings to ensure regulatory compliance and update facility personnel regarding any changes or new information pertaining to worker health and safety.

All employees are familiarized with facility good housekeeping practices and appropriate responses in emergency situations. All workers are encouraged to propose methods to improve operational efficiency, provide for worker health and safety, and ensure compliance with all environmental regulations.

3. Supervision

a. Level of Supervision

Company President: The Company President has final responsibility for ensuring the facility is in compliance with all pertinent rules and regulations governing operation of the facility and acts as the point of contact for all regulatory agencies. The President has primary responsibility for directing marketing and sales and is responsible for negotiating agreements with public and private feedstock suppliers.

Bookkeeper/Office Manager: This person is responsible for truck dispatch, payroll, accounts payable, accounts receivable and record keeping.

Site Manager: The site manager is responsible for all site activities, including day to day scheduling of employees.

Lead Mechanic: The mechanic is responsible for all equipment, including record keeping, parts and tool purchases, and delegation or performance of all maintenance and repairs. The mechanic also makes sure all operators are properly trained in use of machines.

b. Emergency Contact List

Martin Mileck, President
74540 Hill Road
Covelo, CA 95428
707-983-6152
707-489-4821 (cell)

Charles Guntley, Landlord
5010 Highway 20
Ukiah, CA 95482
707-485-8583

Donnie Kyle, Site Manager
707-489-4860

Kim Blancett, Office Manager
707-489-1224

4. Attendant

This facility is not open to the public.

C. FACILITY EQUIPMENT

1. Type, Capacity and Number of Units

Type	Number	Capacity
Rubber tired loader	2	11 cy.
Rubber tired loader	1	9 cy.
Rubber tired loader	2	8 cy.
Rubber tired loaders	1	5 cy.
Rubber tired loaders	2	3 cy.
10 wheel water truck	1	4,000 gallons
425 hp windrow turner	1	20 ft. wide
800 hp Tub grinder	1	13 ft tub
Truck scales	1	70 foot
Power Screen 6-16 Trommel	1	As reqd.
Service trucks	2	N/A
Pickup truck	1	½ ton
Various pumps and generators	7	N/A

2. Equipment Maintenance

Normal equipment maintenance is performed on a regular basis, e.g., oiling, lubrication and fueling. These operations typically occur either prior to the start of daily operations or after daily operations are completed. Major repairs are performed either on-site or, if necessary, at an outside shop as there are no shop facilities on site.

3. Standby Equipment

No standby equipment is kept on-site. Emergency repairs are performed on-site by facility personnel or performed by arrangement with outside service suppliers.

The following is a list of dealers and manufacturers of the more specialized types of equipment used at the facility:

Power Screen	Napa, CA
Di Nardi Equipment	Los Angeles, CA
Nixon-Egli	Hayward, CA
American Environmental Systems	Murrieta, CA
Morebark Inc.	Winn, MI
Peterson-Pacific	Eugene, OR
Weaver Equipment	Sacramento, CA
Ptermigan Machinery	San Anselmo, CA
Empire Tractor and Equipment Co.	Rohnert Park, CA

4. Housekeeping

Materials necessary for the daily operations of the facility are stored in a neat and orderly fashion in the structures identified on the site plan. Other materials and supplies are either covered or placed in designated areas dedicated to storage or stockpiling. Waste materials that need to be removed from the site are stored appropriately until a sufficient quantity is accumulated for economic hauling. Regularly scheduled employee training emphasizes the importance of good housekeeping practices, particularly as it relates to health, safety and environmental quality. Due to the remote nature of the facility and other natural barriers, no special fencing or screening is required to mitigate visual aesthetic quality.

D. MATERIALS HANDLING ACTIVITIES

1. Confined Unloading

There are no confined unloading activities at the facility. Delivery vehicles are directed to appropriate areas by facility personnel. Unloading activities of incoming materials takes place at or near processing locations. Unloading of additive and other materials may occur at storage locations. The moisture content of most incoming material prevents windblown distribution. Water spray equipment is available at or near unloading areas for dust and particulate suppression as needed during dry material unloading. Such materials are covered as required. High moisture materials such as chicken manure, diatomaceous earth, and grape pomace are unloaded under the roof structure where excess liquid is captured by floor drains, or they are unloaded onto bulking agent in order to contain excess liquid. There is no on site storage for liquid feedstocks.

2. Material Preparation

Some materials require grinding prior to incorporation into the windrows, while some do not. Material is ground as necessary. Unwanted materials are manually removed from materials before grinding. Other materials, specifically lime, require drying before stockpiling. This is accomplished by spreading the material out in order to accelerate drying. Some curbside green waste arrives in an anaerobic state. This material is ground as soon as possible with more

carbonaceous material in order to eliminate the anaerobic conditions. Incoming soil is simply stockpiled upon arrival.

3. Materials requiring special handling

Upon arrival liquid feedstocks, such as brewery sludge and wine lees, are turned directly into the windrows, thereby avoiding any air or water quality issues and the need for storage containment. During wet weather periods, liquid feedstocks will not be accepted if, in the best judgment of the operator, the windrows are at full water holding capacity.

Semi-liquid materials such as pear waste, olive sludge, or diatomaceous earth are received either on a diked bed of bulking agent and immediately incorporated into windrows, or under the roof structure with the manure where the liquid can be captured by the drain system.

Chicken carcasses (a feedstock defined as an agricultural material) are ground and incorporated into windrows immediately upon arrival. For a more complete outline of special handling procedures, see attached Appendix H (BMP – Poultry Mortalities).

CCC is currently working with the LEA and Northern California Regional Water Quality Control Board to clarify the nature and acceptability of various liquid feedstocks that can be used to provide additional and vital moisture as part of CCC's composting process. With this in mind, CCC hopes to soon add glycerin to the list of acceptable liquid feedstocks.

E. PROCESSING OPERATIONS

1. Development stages

CCC began operating as a fully permitted facility in February 1995. Since then, the facility has been in a constant state of development as CCC introduced new feedstocks and incorporated new and better processing methods. Originally permitted for windrow composting, the facility now uses a combination of windrows and aerated static piles. CCC anticipates even more sophisticated methods will be adopted in the future.

The original permit for the facility included two containment ponds; unfortunately though, the ponds were not included in the scope of the draft EIR completed in 1998. CCC has a pending application to modify its existing Use Permit which includes an expansion of the pad size and the construction of the first of these two ponds. Use of the containment ponds, along with an expanded pad size, will allow make the composting processes at CCC more efficient and effective. The proposed permit modification will allow CCC to continue to reduce and mitigate for any potential impact(s) CCC may have on its neighbors and the surrounding environment.

2. Types of Operation

a. Waste Handling and Separation

Feedstock, bulking agents, additives, amendments, and other materials handling is primarily by use of rubber tired loaders. Limited use is made of conveyers. Removal of unwanted materials is to a large extent accomplished by hand. A magnetic head pulley at the end of the discharge belt of the grinder removes ferrous metal. A trommel screen

is used to separate the larger pieces of bulking agent and residual plastics and other contaminants from finished products.

A 10-yard box is maintained on site to receive ferrous metal collected from incoming materials. These materials are removed from the site periodically and sent to an authorized metal recycler. A 30-yard roll off box is kept on site to receive all other separated contaminants.

The facility does not receive hazardous material and it is policy that all such material is rejected or returned to sender. To date no hazardous materials have been found.

b. Quench or Process Water

CCC is committed to conserving water year round. Water requirements vary widely as a function of ambient conditions and the moisture content of incoming feedstocks. Maximum water demand may be as much as 21,000 gallons per day when the facility is operating at full capacity. This includes sufficient water to maintain adequate moisture levels in the active compost and water for dust suppression. The facility currently receives its water from:

- A water system consisting of two wells with an approximate capacity of 15 gpm and a 2,500- and three 22,000-gallon holding tanks;
- Brewery waste water, wine lees, beer, yeast, lactose water, or other liquids;
- Recycled leachate is collected in three on-site collection tanks, two 2,500- and one 22,000-gallon tanks (for collection from the floor drains);
- Water drawn from the East Fork Russian River.
- Controlled and monitored use of rainwater during wet periods as defined in the EIR.⁸ (For further details, see sections II.A.7 and 8 herein.)

Total current facility water storage capacity is approximately 95,500 gallons.

Process water can be applied from a stationary piping system attached to the underside of the roof structure. This system facilitates immediate delivery to the compost windrows and enhances water use efficiency. For composting on the uncovered portion of the pad, water is delivered to the windrows and the static piles by hose systems and/or the on-site water truck.

Water for facility and access road dust control is applied by the on-site water truck. Water for the grinding and screening operations is applied as needed by appropriate spray equipment located at the grinder and screening plant.

c. Preprocessing Procedures

⁸ The RCSI, as now amended, adopts the definition of a "wet weather period" set forth in the EIR, section 2.3.27 (*i.e.* any time of the year in which rainfall is sufficient to cause runoff from the pad).

Preprocessing procedures include the activities described elsewhere in this RCSI and may include others as needed.

d. Process Time

Compost process time can range from 3 to 4 months. Unsold compost is stored in the aerated static piles.

e. Chemicals or Bulking Agents

Chemicals and bulking agents are used as necessary or requested by customers.

3. Climatic Conditions

The only unusual climatic conditions that might affect operations are below-freezing temperatures and/or snow. These conditions do not curtail the composting process, but can reduce vehicle mobility at the site. Experience indicates such conditions may occur once every ten years and would not be expected to persist for more than one to two days.

The facility is in an area that is affected by two distinct seasons, the rainy season during the winter and the dry season during the summer. At the beginning of the rainy season most material at the facility is drier than optimal, so it is exposed to as much rain as is necessary to bring it up to the optimal moisture content (which depends on the processing stage it has reached). In other words when rain is likely, PR windrows are built smaller to increase surface area, finished compost is left exposed, and other overly dry material is, wherever practical, initially kept uncovered in the interest of gaining moisture. The operator sets and monitors moisture as well as saturation in the materials consistent with the objective to efficiently complete each phase of composting and make use of rain as a source of moisture for the materials, as weather permits. Recent studies have indicated the composting is faster and more efficient, for example, if at some point during the process, the material becomes anaerobic. Wet weather periods can therefore permit increased composting efficiency under monitored conditions. During wet weather periods, materials are securely covered to the extent that these materials would not benefit from additional moisture. The operator's decision to cover exposed materials with a bulking agent or tarp the materials is made consistent with the objectives herein noted (*i.e.*, to maintain a range of moisture levels in the materials to promote efficient composting while minimizing leachate production and the potential for offsite odors).

PR windrows generate minimal leachate principally because the "lifespan" of a windrow (meaning the time that it is on the pad) is only about two (2) weeks. During wet weather periods, PR windrows are initially constructed with material containing varying levels of moisture, and then built as large as possible in order to minimize exposure to rain. Generally, the initial moisture level is insufficient, no matter the particular time of year the material is received. These factors reduce the potential for development of moisture levels in excess of the desirable range for efficient composting. In the rare instance that the PR windrows begin to approach full water holding capacity, CCC has two additional BMPs to reduce and capture the production of leachate. The first is to turn the windrows more often in order to reduce and distribute moisture. Absent an unusually high precipitation of rain, this has proven sufficient. The second BMP is take material from the PR windrows and construct aeratic static piles. CCC then stacks the saturated PR windrows on top of the

aerated static piles, which as noted in section 3.4 herein, contain aeration pipes throughout. CCC then employs negative aeration, with the effect of pulling the moisture out of the pile(s). The leachate from the aerated static piles is diverted or drawn into these pipes and captured in tanks. Similarly, aerated static piles are constructed as high as practically possible in order to minimize moisture loss during the dry season and to minimize saturation and leachate production in wet weather periods. The aeration system in the static piles doubles as a leachate collection system directing the leachate to containment tanks for use later as process water.

In other words, a great deal of effort is expended in managing the moisture of the various onsite materials to maximize the efficacy of the composting process, to minimize and mitigate any offsite impacts, and to maximize CCC's use of captured water thereby lessening the need to haul water from the Russian River.

4. End Use

The majority of products are sold in bulk form on a truckload basis. End users are primarily agricultural concerns. In addition, sales are made to landscape supply yards, commercial nurseries and landscape contractors, cogeneration plants, and other customers who are willing and able to take delivery of full truck and trailer loads of material. Bagged material sales will be limited to wholesale supply to retailers. All material is delivered off-site by company-owned trucks or contract haulers. The facility is not open to the general public.

5. End Product

End products sold by and anticipated to be sold by the facility include, but are not limited to: Compost, screened and unscreened, finished and unfinished, as is and blended with other materials, agricultural minerals and soil amendments such as lime, gypsum, or rock phosphate, or other materials such as soil, leachate, manure, and any other of the incoming materials, blended and unblended, processed and unprocessed. No product sold as finished unblended compost is shipped that does not meet the State pathogen and heavy metal standard. However the facility does sell other products that do not and are not required to meet those standards. For instance unfinished compost and raw manure does not meet the pathogen standard, and blends using traditional fertilizers will often by request exceed heavy metal limits.

6. Environmental Health Standards

To ensure pathogen reduction, state regulations recommend windrowed compost to be maintained at 55 degrees Celsius (131 degrees Fahrenheit) or higher for a period of 15 days or more. During that time the windrows must be turned a minimum of five times. Alternatively, compost in a static pile must spend three days at that temperature pursuant to CCR 17887 (2) (A) 1.

Since insufficient pad space prevents the composting material to be maintained as long as two weeks in the PR windrows, and as a BMP to reduce the production of leachate, CCC, with the concurrence of the LEA, maintains the PR windrows for no more than two weeks (or 14 days). CCC, in addition, conducts daily monitoring of windrow temperatures and daily monitoring of the temperature of the face of the aerated static piles to ensure temperatures consistent with the Regulations. Material in the aerated static piles remains above the minimum temperature for at least 2 months. See also, Appendix I to RSCI (clarifying and updating CCC's best management practice for management of aerated static piles).

Samples of compost are taken every 5000 yards and analyzed for fecal coliform to assure that the Most Probable Number per gram of total solids is less than 1,000. (To date, no sample has exceeded this number.)

Every 5000 yards samples are analyzed to assure metal concentrations do not exceed the following:

Constituent	Concentration (mg/kg) dry wt. basis
Arsenic	41
Cadmium	39
Chromium	1200
Copper	1500
Lead	300
Mercury	17
Nickel	420
Selenium	36
Zinc	2800

To date, no compost produced has exceeded these limits; however, many times zinc has been added at the request and specification of the customer, so that the level far exceeds the above limit. Additionally, low levels of copper are a concern, as copper is of course also a plant nutrient. If CCC's finished products had higher levels they would be of greater value.

7. Compliance Monitoring Program

See section III. E. 6

F. COMPOSTING FACILITY CONTROLS

1. Vector Control

Conditions at the facility are not attractive to rats and mice, so they have proven not to be a problem. Flies, however, if not controlled would make being at the facility unbearable. The facility receives a large quantity of chicken manure, in excess of two hundred tons per week. The manure is fresh and therefore not a source of flies unless it remains unprocessed for more than a week, the gestation period for flies. CCC attempts to incorporate the manure as quickly as possible on arrival at the site. On the rare occasions when this is not possible, the manure will not remain unused for long and will always be built into windrows before the flies have time to hatch. Furthermore, the chicken manure in fact also serves to reduce the fly population because flies are attracted to it and then lay their eggs in it (rather than elsewhere). The composting of the manure ensures a total kill of the eggs. The incoming green material is the primary source of flies. When it arrives at the facility, it is full of flies and maggots at various stages of development. Control is accomplished by the following methods: the incoming green material is ground as soon as practically possible after arrival which both kills the maggots and eggs, and also renders the material inhospitable. As an additional measure, fly traps are maintained throughout the facility to capture the live flies that arrive with the green material. The facility has not experienced any problems with mosquitoes as

there is no standing water on site. Should a problem be identified in the future, appropriate measures will be taken.

2. Odor Control

The unusually remote location of the facility greatly reduces the potential for offsite odors and the rural nature of the area makes odors expected and compatible with the agricultural zoning. Nevertheless, everything is done that is practically possible to reduce any odors which impact off site receptors as well as those working at the facility. CCC is particularly vigilant about odor management. Considerable time and resources are dedicated to procedures at the site that minimize the potential for significant offsite odors. This includes, but is not limited to, processing of odiferous materials as soon as possible upon arrival, monitoring for particularly problematic weather conditions, and careful management of the composting processes. For a more complete discussion of potentially odiferous materials and steps taken to minimize odor impacts from each of those materials, please see the facility's amended OIMP.

3. Noise Control

Equipment noise levels at the facility do not exceed commercially accepted practice. Located approximately one (1) air mile from the closest residence, topographical barriers between the site and adjacent neighbors ensure that neither the neighbors nor the public are impacted by noise. Facility personnel are provided with hearing protection equipment pursuant to State law and OSHA regulations.

4. Dust Control

Extensive dust control measures have been addressed in other sections of this document. To summarize:

- The compost pad and access road are rock surfaced to minimize dust production.
- Masonex (lignite), or a comparable approved product, is applied to unpaved portions of the road as needed.
- A water truck is used to wet unpaved portions of the access road and high traffic areas at the site as needed.
- Water and equipment for dust suppression is available at grinding, screening and dry material unloading operations area.

5. Litter Control

As noted in other sections of this report, debris receptacles are provided at material sorting locations and pick-up for off-site disposal occurs as necessary. Facility personnel regularly patrol the site to control litter.

6. Pollution Control

Please refer to CCC's amended RCSI and SWPPP, in their entirety.

7. Nuisance Control

Please refer to the RCSI in its entirety for extensive discussion of design, operational and maintenance measures ensuring facility does not create a nuisance.

8. Traffic Control

Traffic loading and traffic patterns are described in detail in section I. D. Other information requested for this section of the RCSI is provided in other sections of the document.

9. Aspergillus

CCC has developed and implemented a number of measures to control *Aspergillus*, including:

- **Siting:** The facility is remotely located on a 3,700 acre property with the nearest residence approximately one (1) air mile distant. The general area is sparsely populated with some rural residential development on 20+ acre parcels and farms and ranches. Site topography provides buffering. Prevailing winds blow away from even those sparsely populated areas.
- **Study:** Please refer to discussion in the Draft EIR, 4/7/97, pgs. 3-33 – 3-36 and Response to comments addendum, 1/16/98, pgs. III-24 – III-27.
- **Best Management Practices:** CCC employs BMPs to mitigate *aspergillus* dispersion, including, but not limited to, scheduling windrow turning, screening and loading activities during periods of low wind, whenever possible; employing windrow temperature and moisture monitoring to ensure against excessive compost turning, consistent with pathogen reduction requirements and optimum compost processing; continual monitoring to ensure optimum compost moisture content; and good housekeeping practices with regards to material handling.
- **Equipment:** The facility uses a windrow turner, a tub grinder, a screening plant and loaders, a water truck and various pumps and generators. A complete list is provided in section III. C. 2.

IV. MAINTENANCE PROGRAM

A. FACILITY MAINTENANCE PROGRAM

All construction within the facility is maintained in a condition that is clearly operational and improvements are made as possible. The compost pad and facility roadways are periodically inspected and repaired as needed. Equipment maintenance is discussed in section III. C. 2.

V. HEALTH AND SAFETY PROGRAM

A. SANITARY FACILITIES

Permanent sanitary facilities will be located at the offices as indicated on the site plan. These will consist of unisex restrooms meeting all requirements of current Title 24 regulations and a

unisex shower facility for employee cleanup. The offices and lab will have sinks and other cleanup areas.

Normal domestic wastes will be processed by an approved septic system located in the vicinity of the operations structures. Leased portable toilets are currently provided near work areas as needed.

B. WATER SUPPLY

Potable water is supplied by a conventionally drilled well and associated pumping, storage and distribution facilities. It is estimated that the maximum requirement for domestic use will be in the range of 500 gpd. Water will be distributed to the offices, sanitary facilities, and laboratory, and to high activity work areas for employee drinking water. All potable water sources will be clearly labeled as such. The water supply and distribution system will be built in compliance with all codes and regulations.

C. COMMUNICATION FACILITIES

The facility is equipped with mobile cellular phone service and conventional land-line telephone service.

D. LIGHTING

Operational activities cease after dark. There is currently no exterior lighting at the facility.

E. FIRE FIGHTING EQUIPMENT

A passive perimeter fire break consistent with local regulations, including of removal of all brush and combustible fuels, is maintained. Signage regarding standard fire safety information and emergency contact information is provided at the truck scales, maintenance facilities, offices and other locations as needed and/or mandated by the local agency. All equipment is fitted with spark arresters as mandated by the local agency. All facility structures have fire protection as mandated by local code. Permanent on-site water equipment includes two hydrants, each with 150 feet of fire hose readily available for use at all times and at least 10,000 gallons of water is maintained in the storage tanks. Equipment used in normal daily operations is also available for use in emergency situations. Any additional standby equipment required by the local agency during the fire season will be provided. Open burning at the facility is expressly prohibited.

F. PROTECTION OF USERS

Operational measures, design standards and employee safety training measures are described in detail in other sections of this document. The facility is not open to the public. Visitors are accompanied by facility personnel at all times.

G. SAFETY EQUIPMENT

The usual OSHA mandated safety equipment is provided for site personnel and visitors, including, but not limited to, hard hats, gloves, earplugs, dust masks/respirators, safety goggles and vests. Facility training, OSHA required tailgate meetings, scheduled monthly health and

safety meetings and any necessary special training regarding equipment operation and emergency fire protection measures is provided on a regular basis.

H. POWER FAILURE

Power service is supplied by a solar-powered system. A gasoline-powered portable generator is maintained on-site to ensure operation of the water supply system. All other facility equipment is diesel-powered. The facility does not operate after dark. In theory a truck may enter to unload after dark and if this occurs, it would depend on its own lights. No critical operations are affected by power outages.

VI. POST-OPERATIONAL USE

Potential post-operational uses are unknown at this time. Use permit conditions require preparation of a final site closure plan at least 90 days prior to closure.

VII. FACILITY RECORDS AND REPORTING PROCEDURES

A. WEIGHT AND VOLUME RECORDS

All incoming and outgoing materials are recorded by weight in units of pounds or tons. The following items are recorded:

1. Date of arrival or departure
2. Whether inbound or outgoing
3. Type of material
4. Generator if inbound
5. Destination and recipient if outbound
6. Weight or in the case of liquids, gallons or loads

A 70-foot truck scale has been installed at the facility as indicated on the site plan. Personnel responsible for recordkeeping are shown in section III. B.

B. SPECIAL OCCURRENCES

Any special or unusual occurrences such as fire, property damage, or incidents related to hazardous wastes are recorded in a daily log. See item C. of this section for location, access times and requirements for inspection.

C. INSPECTION OF RECORDS

Records are available for inspection at the facility offices located near the weighing facility and are available for review between the hours of 7:00 AM and 3:30 PM, Monday through Friday.

VI. CONDITIONS, CRITERIA AND REQUIREMENTS

A. PERMITS

The permitting process was initiated in 1993.⁹ The facility has been in continuous operation since it became fully permitted in 1995 and currently operates under the following permits:

- The facility operates pursuant to Mendocino County Conditional Use Permit #U 26-93, issued by Mendocino County Planning and Building Services Department. The Use Permit incorporates by reference some or all of the EIR as revised and amended in January 1998. All legal challenges to the EIR were concluded by decision of the California Court of Appeal in June 2007.
- Solid Waste Facilities Permit (SWFP) issued by the Local Enforcement Agency (LEA) and concurred by the California Integrated Waste Management Board. The facility operates under a Solid Waste Facility Permit #23-AA-0028.¹⁰
- Authority to Construct and Permit to Operate #2710-5-27-94-33-1 has been issued by the Mendocino County Air Quality Management District.
- Water well permits #10836 and #12689 issued by the Mendocino County Health Department.
- The facility has received an encroachment permit issued by the County Department of Public Works.
- The facility is registered as a general permittee (NPDS #CAS000001) with the State Board of Water Resources (WDID #1B23S011534), and has completed an approved Storm Water Pollution Prevention Program and has in place an approved Storm Water Monitoring Program.
- The Project has been granted "Final Clearance" and "Approved for Occupancy" by the Department of Forestry and Fire Protection.
- The facility has an approved Hazardous Materials Business Plan administered by the Mendocino County Division of Environmental Health, Cupa Permit #235-605
- California Department of Food and Agriculture has issued Weighmaster License #008591
- Mendocino County has issued business license #071701

⁹ The application process for the use permit was commenced in 1993 under the name of M&M Feed, Inc. Cold Creek was incorporated on March 30, 1994 and thereafter assumed all ownership liabilities and interests in the use permit process.

¹⁰ CCC received a full solid waste permit in 1995. The LEA withdrew and reissued CCC's permit in 1999, shortly after the completion of the EIR. The significance of this change in the state permitting process remains uncertain. At the time, the LEA informed CCC that this would not impact on any of CCC's current operations or anything permitted under the EIR, except as limited by the County's Conditional Use Permit. Under recently amended state regulations, CCC is now renewing its state permit, and the LEA concurs that CCC requires a full solid waste permit.

- The State has issued the facility EPA permit #CAL000259123
- Resale number issued by the State SRJHE99-790-740
- State Motor Carrier Permit CA50894
- SOD compliance agreement #23-001 issued by California Department of Food and Agriculture
- Permit to operate Gasoline Dispensing Facility Permit # 2710-5-27-00-19 issued by Mendocino County AQMD
- Product Registration # coc-8058 and #coc-9645 issued by Organic Materials Review Institute (a private organization that verifies compliance with government regulations)

B. ENCROACHMENT ON FLOODPLAINS OR TIDELANDS

There is no encroachment on flood plains or tidelands at the project site.

C. OWNERSHIP OF ADJACENT PARCELS

All adjacent parcels within 1,000 feet of the site are owned by the landowner identified in section I. A. The zoning of these parcels is currently Rangeland (RL).

August 23, 2010

Appendix J
to
Cold Creek Compost, Inc.
Report of Composting Site Information

Best Management Practice for Composting Food Waste Materials

Cold Creek Compost, Inc. ("CCC") summarizes here its best management practice for the intake and composting of food waste materials, from a variety of sources in the community, including residential, restaurants, schools, grocery store, and community events. CCC developed this model with particular attention to odor management and vector control.

A. CCC's Experience in Handling Food Waste Materials

CCC began operating as a fully permitted facility in February 1995. Since then, the facility has been in a constant state of development as CCC introduced new feedstocks and incorporated new and better processing methods. CCC has composted agricultural waste materials, including manures, green waste materials, orchard waste (e.g. apples and pears), grocery store waste, olive lees, wine lees, grape pomace, brewery waste, cheese water, and poultry mortalities for many years. The addition of residential and restaurant waste is a new category of feedstock only with respect to the source of the material. In other words, CCC has already spent years developing safe and effective ways to compost the kinds of waste materials that would source from a residence or restaurant.

B. Pathogen Reduction Process

CCC began operating as a fully permitted facility in February 1995. Since then, the facility has been in a constant state of development as CCC introduced new feedstocks and incorporated new and better processing methods. Originally permitted for windrow composting, the facility now uses a combination of windrows, aerated static piles and static piles (unaerated). To ensure pathogen reduction, state regulations recommend windrowed compost to be maintained at 55 degrees Celsius (131 degrees Fahrenheit) or higher for a period of 15 days or more. During that time, the windrows must be turned a minimum of five times. Alternatively, compost in a static pile must spend three days at that temperature pursuant to California Resources Code section 17868.3(b)(4). For the past seven (7) years, with the consent of the LEA, CCC has designed and implemented a combined process that ensures complete pathogen reduction. CCC's compost is regularly tested for pathogens and never failed a test (i.e. the finished materials have never produced a lab result reporting pathogens still present in the material).

C. Odor and Vector Management of Food Waste Feedstock Receiving and

Composting

Food wastes received by Cold Creek Composting are the kind and type already described and allowed under the State permit. Because improperly managed food waste material has the potential to create odors and attract vectors,¹ Cold Creek Compost will follow a progressive odor and vector management plan to perform baseline procedures when receiving and composting food waste that are progressively improved should malodor or vectors emerge.

Feedstock Handling - All received food waste will be processed by placing it either directly into the windrows, or ground in the grinder with yard debris, or blended with composted overs or ground yard debris on the same day as its arrival at the facility. In the rare instances in which the material cannot be incorporated on the same day, the materials will be properly covered overnight and processed on the next day. In no event will unprocessed or unmixed food waste be left exposed at the end of the work day. When receiving excessively wet food waste feedstocks, they will be unloaded on a bed of ground yard debris to absorb any free liquids. The receiving area receiving food waste will also be cleared and inspected to ensure that nothing remains that might attract vectors or form odors. Grinding and blending promptly upon arrival, plus turning the piles, has proven to be effective in eliminating vectors and controlling odor. If malodors or vectors are generated after properly implementing these procedures, then further measures will be performed which may include processing within 30 minutes of receipt, increasing the percentage of ground yard debris or screened composted overs in the initial mixture, covering with or mixing in finished compost to absorb moisture and odors, improved protocol for cleaning receiving area and other procedures suggested and/or agreed upon by the LEA and Cold Creek's consultants. CCC will also regularly monitor the area for potential offsite odors and follow its current stepped protocol for odor management.

Pathogen Reduction Windrow Handling - Windrow composting depends on the pile to be well blended and have adequate porosity to maintain aerobic conditions throughout the pile. The pathogen reduction ("P.R.") Windrows that receive food waste are especially prone to having dense wet unblended portions when built by loaders. To reduce the potential for both on and off site odors sourced at the P.R. Windrows that receive food waste (on day one of the process), the windrow will be turned by the windrow turner at the end of the day to fully incorporate the bulking agents and mix all the food waste well that were placed into it that day. If malodors or vectors are still generated by this procedure, then further measures will be performed which may include increasing the percentage of bulking agent, or covering the P.R. windrow after turning with finished compost or screened overs or other procedures agreed upon by the LEA.

After three (3) days in the P.R. Windrow, completing the turning, time and temperature for pathogen reduction in the windrows will provide assurance of destruction of all food value materials throughout the piles prior to being placed in the ASP. Odors sometimes emerge in

¹ Rodents have never been a problem at the facility because the compost piles temperatures are too high to serve as nesting areas and there are no other areas available.

piles when the oxygen level drops below 5%. However, CCC monitors the oxygen content of the piles, and if the oxygen levels register below 5%, it is CCC's practice to increase the percentage of woody bulking agent in the windrow to prevent or eliminate emerging odor.

D. Odor Management for Introduction of New Feedstocks

CCC recognizes that the introduction of residential and restaurant food waste, although very similar to feedstocks already accepted at the facility, may present new odor management issues. It is CCC's current policy to implement solutions for onsite odors before those odors travel offsite. In that regard, CCC will have the following odor prevention protocol in place for receipt of this feedstock.

First, CCC will meet with neighbors who have in the past been identified as odor receptors and request permission to conduct drive bys of their property in the first 72 hours of receiving shipments of food waste. Second, CCC will train its crew to strictly implement the handling protocol referenced herein and to be particularly mindful of the clean up protocol on the day before a weekend or holiday. Third, CCC's operator will regularly attend training sessions and seminars in the management of food waste materials at compost facilities and use that information to regularly update and improve its composting practices. Fourth, if CCC receives an odor complaint and determines that all of the protocol referenced herein has been followed, CCC will conduct an immediate and prompt investigation as to the possible source and cause of odor. And, if these steps are not successful, as has been its practice in the past few years, CCC will consult with its compost expert, Jeff Gage, and the LEA to identify implement more aggressive odor management practices.

E. Community Outreach

The composting of residential and restaurant food waste material will be an important step forward in environmentally sound waste management for the area. CCC will work with county agencies and the community to publicize the process, explain what can and cannot be composted, and to encourage the greater use of compostable materials in restaurants, public events, and homes. As well, CCC will work with the haulers of these materials to improve the handling and hauling process. In cooperation with community agencies and the haulers, CCC can assist counties meet and exceed their waste diversion mandates.

September 8, 2010

Appendix K
to
Cold Creek Compost, Inc.
Report of Composting Site Information

Best Management Practice for Composting Fishery Materials

Cold Creek Compost, Inc. ("CCC") summarizes here its best management practice for the intake and composting of material from local fishery processing plants. The material will consist of waste and skeletal parts of, for example, sea urchins. CCC developed this model with particular attention to odor management and vector control.

Feedstock Handling

Fishery material and other feedstocks will be received under the roof where run-off is captured and recycled as process water. Where possible, fishery material is incorporated into newly built P.R. windrows on the same day of arrival. If that is not possible, the material is covered with bulking agent.

Please refer to Appendix J for a description of CCC's pathogen reduction process and handling, odor management for introduction of new feedstocks, and community outreach.

ODOR IMPACT MINIMIZATION PLAN

**COLD CREEK COMPOST, INC.
6000 Potter Valley Road
Ukiah, California**

For the

**GUNTLEY RANCH FACILITY
6000 Potter Valley Road
Ukiah, California**

SWFP No. 23-AA-0029

As Amended on September 8, 2010

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- Appendix A – OIMP Table
- Appendix B – Complaint Handling Protocol
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- Appendix D – BMP for Management of Aerated Static Piles and Aerated Static Windrows
- Appendix E – BMPs for Food Materials
- Appendix F – BMPs for Decontamination of Mixed Green and Food Materials

I. Introduction

The facility operator, Cold Creek Compost, Inc. ("CCC"), developed this Odor Impact Minimization Plan (OIMP), as amended, to provide guidance to the on-site personnel on the handling, storage and processing of compostable materials. This facility has been in operation as an organic composting facility for over a decade. During this time, CCC has obtained valuable experience in the management of potential significant off-site odors, including the importance of planning and mitigation.¹

The materials that CCC currently receives includes manure from chicken ranches and dairies, turkey farms and other agricultural facilities, poultry mortalities, animal stall bedding and other agricultural and aquacultural materials, including grape pomace, plant trimmings and culled fruit; green material (other than leaves from fall street collections), grocery store food materials, paper and cardboard, including magazines and waxed cardboard, wood including construction and demolition materials (source separated), liquid feedstocks such as lactose water, brewery water, wine lees, and semi-liquid feed stocks such as pear material, olive sludge, or diatomaceous earth. A Use Permit Modification is currently being processed to allow CCC to accept food materials from all sources (including restaurants), and fishery material, items originally prohibited in the original Use Permit. For more detailed information, volume, source information and processing times, see (OIMP table) **Appendix A**.

No more than 40,000 tons of feedstock, compost, or chipped and ground material is on-site at any one time. The compostable materials remain on-site for varying times, depending on the nature of the feedstock while being processed; for example, the poultry manure is immediately incorporated into the windrows, the green material is ground within days, and the grape pomace can remain on site for up to one year (from harvest time to the following summer). Unfinished product is stored in the aerated static piles and is not considered fully 'finished'; rather, just prior to shipping off site the product is placed back in a windrow and then screened. Hence, finished product is usually stored on site for a short period of time, generally no more than a week.

At the start of operations in 1994, CCC encountered some community opposition, along with odor complaints. Over the years, through experience at this particular location as well as improvements in the composting processes at the facility, CCC has reduced the potential for significant offsite odors. CCC has received reports from the LEA of verified significant offsite odors over the years, primarily from one off site receptor. CCC has not directly verified these events but has in every instance worked with the LEA to consider possible sources and initiate odor mitigation procedures. However, CCC continues joint effort with the LEA to investigate complaints as they arise. CCC has received reports from the LEA of verified significant offsite odors over the years, primarily from one off site receptor. CCC has in every instance worked with the LEA to consider possible sources and initiate odor mitigation procedures. Starting in 2008, CCC was permitted to participate in the odor investigation, including interview neighbors in the area to determine more about the reported odor and/or source. CCC continues joint effort with the LEA to investigate complaints as they arise. In addition, CCC confers with the LEA in advance of certain local weather conditions that have historically presented an increased potential for significant offsite odors, to evaluate possible preventative steps available to the facility.

¹ The OIMP is a companion document to the facility's Report of Composting Site Information ("RCSI") and Storm Water Pollution Prevention Plan ("SWPPP"). For a complete understanding of the facility's operations, these documents must be considered together.

There are obviously going to be various odors onsite at the facility given the nature of organic composting. Odor generation is an inevitable result of the decomposition of raw materials, the biological process of which compost is the result. Initially many involved in the industry believed that odor generation was an indicator of problems with the composting process. However, with the wealth of experience gained in recent decades, most observers have come to recognize that the formation of odorous compounds is an unavoidable fact of life for the composter and it is more efficient to focus our efforts on managing and improving facility operations rather than trying to perfect the process itself. Moreover, the test of success in odor management is whether there are verified, significant offsite odors, which are often called “impacts”. Naturally, the ideal outcome of any odor minimization attempt is to eliminate the impacts completely. It is perhaps more realistic to identify an achievable goal – to reduce the impacts of odors on the local community to acceptable levels.²

CCC remains committed to working closely with the LEA, other regulatory agencies and members of the community to minimize, and where possible eliminate, any potential odors to offsite receptors.

II. Purpose & Method for Assessing Odor Impacts

The purpose of this OIMP is to provide methods that allow the operator and the regulators to respond quickly and effectively to problems. Relying on a philosophy of continual improvement, and spelling out the progressive steps that can be taken in response to a potential or actual odor impact, provides both a clear path of action and a method of measurement. From this, CCC and the LEA can evaluate the success of the operational changes that are made in response to an odor complaint (or concern). Adjustments and improvements can be made continuously with the hope that ultimately the facility is able to maximize its operation at the same time minimizing its impact.

In addition to the benefit to the business of formally documenting this protocol, this OIMP is also required by Section 17863.4 of Title 14 of the California Code of Regulations. The OIMP will be reviewed, at least annually, and revised as necessary to reflect any changes in design and operation.

The facility’s methodology for assessing odor impacts remains a human-based approach. In other words, odor detection is an ongoing process in which all the facility personnel, any visitors, and of course neighbors, are participants. Those most affected by odors are the employees at the facility, and they are our most valuable asset as well as the first line of defense in handling odor impacts. Through experience and familiarity with the processes at the facility, CCC employees are trained to identify potential problems and take appropriate action.

CCC’s permit, recognizing the agricultural zoning and the nature of the facility, allows moderate off site odors. CCC is further charged with remediating verified odors that exceed this standard. The ultimate determinant from a regulatory perspective then is whether or not the odor in question is considered ‘moderate’. The intensity of an odor is fundamentally a qualitative characteristic and is described by reference to other familiar odors. In other words, there is a strong element of subjectivity that is inherent in the process. For this reason, the role of the LEA is important, both in monitoring the facility and through its participation in the complaints process.

² See e.g., “Comprehensive Compost Odor Response Project,” San Diego State University, 2007.

III. Odor Monitoring Protocol

A. Proximity of Odor Receptors and Method for Assessing Odor Impacts

Much thought and considerable expense has gone into the siting of CCC. The facility straddles a ridge adjacent to the canyon that was determined by Anderson Consulting in the 1991 study to be the best location in the County for a regional landfill. It is in the center of a 3,700-acre ranch, assuring a large buffer zone between it and potential receptors. The closest neighbors are approximately one mile to the west and prevailing winds blow from them towards the facility. The ridge top location puts the facility above the inversion level, further reducing potential odor impacts on neighbors.

The closest receptors are facility personnel who are on-site daily (Monday through Saturday) monitoring the status of the operation. The closest residents live approximately one (1) air mile to the West of the facility. The facility's location means that there are farms, ranches, vineyards and wineries in the surrounding areas, and both are also potential odor sources.

B. Odor Description

In the composting process, there are three main types of potentially problematic odors: ammonia, hydrogen sulfide and volatile fatty acids (VFAs). If it is possible to identify the type of odor, this can give an indication of the root of the problem. The following table sets out some of the possible odor-generating situations and the potential remedies.

Summary Table: Typical Causes and Remedies for Odor Problems

Situation	Possible Reason	Clues	Remedy
<i>Ammonia odor</i>	High nitrogen level	C:N ration less than 20:1	Add high carbon ingredients
	Slowly available carbon source	Large woody particles, C:N ratio less than 30:1	Increase available carbon content via leaves, smaller particle woodchip
	High pH	pH greater than 8	Lower pH with acidic ingredients (leaves) or avoid adding more alkaline material
<i>Hydrogen Sulfide</i> (rotten eggs) or <i>VFAs</i> Both odors indicate anaerobic conditions	Material too wet	Low temperatures	Add dry bulking agent Turn to remove moisture (also releases odors)
	Poor structure		Add bulking agent
	Pile compacted		Remix pile and add bulking agent if necessary
	Insufficient aeration		Decrease pile size
	Pile too large	High temperatures	Remix pile so that it's smaller, change recipe

	Airflow uneven or short circuiting	Falling temperatures	Shorten time between turnings
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Source: The On-Farm Composting Handbook, Northeast Regional Agricultural Engineering Service, 1992.

Feedstocks such as manure (ammonia) and pomace (short chain fatty acids) can produce noticeable onsite odors prior to incorporation into windrows. However, the ammonia odors have not been detected offsite (and are handled appropriately onsite). Ammonia odors, because of the chemical structure, dissipate rapidly. Because of the distance between the facility and its closest offsite receptors, ammonia odors, while potentially significant onsite, do not remain detectable for the time and distance it would take to reach the closest residential properties. Pomace (short chain fatty acids) has a different chemical composition and presents the potential of odors traveling offsite if particular facility and weather conditions are present. CCC has therefore established a more aggressive handling procedure for control of potential offsite odors for this substance. See section VI.H.3, below, for a more detailed discussion of the handling of grape pomace. Many of the methods described in the table set forth in this section form the foundation of the odor management protocols adopted by the facility and are discussed in more detail below.

IV. Meteorological Conditions That Can Result in Offsite Odor Impacts

A. Wind Velocity and Wind Direction

The facility has installed a weather station to measure wind speed and direction which allows accurate monitoring, provides an additional management tool to predict the need for operational modifications and provides historical data by which to better predict the potential for off-site impacts. Prevailing winds generally blow away from the potential off-site receptors. In certain months (typically September and October), weather conditions specific to this time of year occur, which have resulted in the detection of off site odors.

B. Weather Event Impacts

During heavy rainfall events, heavy equipment operation is minimized on the pad. Manure and pomace feedstocks are protected from rainfall by the roof structure. During the rainy season finished compost is kept under the roof. Drainage and ponding are managed to minimize the potential for odor generation. For further discussion on the management of leachate and storm water runoff, see the facility's RCSI and SWPPP.

C. Weather Events

Windrow turning and aeration operations are suspended when weather conditions are such that odors might reach the complainant. The Operator undertakes a thorough inspection of the site and its drainages after each significant storm event.

V. Complaint Response Protocol

In 2007, CCC initiated a new complaints protocol to permit a better informed and effective response to odor complaints. The LEA and a consultant for the facility (who also resides in the immediate area)

proceed to the area of the odor complaint, they jointly conduct a 'sniff' test there. If the odor is moderate, the investigation stops. If it is significant, they check other nearby locations and the facility for further evidence concerning the odor, with particular attention to determining the possible source of the odor. CCC's consultant prepares a report that includes additional data concerning weather conditions present at the time. The facility operator thereafter reviews the results of the investigation, and together with the LEA consider changes, if any, that can be made to alleviate the odor problem. Through this process, the LEA and CCC can reach consensus grounded in objective data about the strength and offensiveness of the odor in question. For further details about the complaints process are given in the attached Appendix B. In 2008, the LEA and a consultant for the facility updated this procedure by permitting complainants, on a voluntary basis, to work directly with CCC to investigate and resolve odor complaints. The success of this process is in the results – CCC has not had any verified odor complaints in 2009 – and relations with the neighbors and CCC continue to improve.

Each operating day, the operator and other facility personnel evaluate on-site odors and operations in the course of their usual work. They are familiar with the circumstances of the operation that potentially may lead to the release of objectionable odors. The operator also monitors odors at the facility entrance (approximately 2 miles by road/three-quarters of a mile by air from the composting site) on days of operation.

If questionable or objectionable on-site odors are detected by site personnel, the facility operator will implement the following protocol:

1. Investigate and determine the likely source of the odor.
2. Assess the effectiveness of available on-site management practices to resolve the odor event and immediately take steps to reduce the odor-generating capacity of on-site material. (Possible on-site odor sources and management techniques for this site are shown in Table 1.)
3. Determine if the odor traveled off-site by surveying the site perimeter and noting existing wind patterns.
4. If it is determined possible odors impacts occurred, contact is made with the appropriate EA and/or neighbors.
5. Record the event for further operational review.

VI. Design Considerations and Operating Procedures for Minimizing Odors

In order to minimize the development of conditions that could lead to odor problems, the compostable material handling areas of the site were designed based on the nature and quantity of materials to be received and stored, climatological factors, adjacent land use, grading, and drainage controls.

The primary sources of odors at this site occur during receipt and initial storage of poultry manures, and in the fall, with the arrival and storage of grape pomace. As a result, site personnel assess these materials upon receipt for odor generation potential. Site personnel have been trained to manage all compostable material handling in a manner that minimizes the development of conditions that could lead to objectionable odors.

A. Method and Degree of Aeration

Windrows, both PR and curing, are normally turned three times a week to provide aeration and blend the composting material. Material processing in static piles is aerated by both negative and positive aeration

to ensure aerobic conditions are maintained in the piles. The manner and purpose of aeration is discussed further in the following section. In 2008, CCC has implemented a further odor mitigation procedure by placing on its aerated static piles with a six (6) cover of fresh straw, overs or finished compost. The process was developed in consultation with CCC's compost consultant, Jeff Gage and CCC will continue to work with Mr. Gage and the LEA to monitor the effectiveness of this process in the coming year. For details on this BMP, please see Appendix D, attached hereto.²

B. Moisture Content of Materials

While it is recognized that material with no moisture will produce almost no odor, such a lack of moisture would preclude any composting, which of course is the whole purpose of the facility. Too much moisture on the other hand can deprive the material of oxygen, creating anaerobic conditions, resulting in foul odors. In addition, the process of restarting the composting process, through bringing very dry materials back to a compostable range of moisture, can increase strong odors in the finished product, so the trick is to strike a balance.

Active management of the moisture content of the windrows and aerated static pile is the one of the most important tasks for the operator. In practice, this is achieved by a variety of methods, dependent on the nature of the materials and the prevailing conditions. The basic premise, of course is that water is applied to material that is too dry and wet material is blended with dry feedstocks or amendments.

The addition of moisture is relatively straightforward and is accomplished either by the introduction of process water or by blending of the drier material with liquid feedstocks. Conditions are such that during wet weather periods, rainfall is the primary, but not the only source of moisture. Likewise, if the material is too wet, the moisture content can be reduced relatively quickly and easily by different kinds of aeration. The windrow turner is used to introduce air and thereby reduce the moisture content of the windrows while the forced aeration system is used to reduce the moisture in the static piles. For a further discussion of this process, see CCC's RCSI, section II.A.8 and SWPPP, section 5.4.

Heat from the composting process is constantly driving moisture from the material, much more so in the windrows than in the static piles on account of the difference in surface area. This means that generally the facility is more likely to need to add water and is less likely to experience anaerobic conditions. CCC regularly monitors the moisture levels in its pathogen reduction windrows (measuring at each turn and recording measurements in a log) to ensure full compliance with Condition 17.p. of CCC's State Permit and that these composting objectives are met.

C. General Feedstock Characteristics

Feedstocks of particular concern because of their ability to produce water quality impacts or off site odors, such as manure and grape pomace, are unloaded and kept under the roof structure. Feedstocks such as yard trimmings and wood materials are relatively easy to manage as they are generally low in moisture, low in nitrogen and other nutrients, and usually have sufficient porosity to preclude anaerobic conditions. Occasionally during wet weather periods some yard trimmings arrive in an anaerobic state. Grinding of the incoming material as soon as possible after it arrives eliminates those anaerobic pockets, blends the material and reduces the likelihood of odors forming. True to its nature, the chicken manure that arrives at CCC is probably the most odiferous material. Therefore, in order to reduce the potential for off site odor impacts, it is blended with bulking agent and incorporated into the PR windrows as soon as possible. Any manure not incorporated the day it arrives is covered with a layer of bulking agent to reduce the potential for off site odors by the end of the day.

² This same BMP is identified as Appendix I to the RCSI, and attached thereto.

D. Airborne Emission Production

Misting/spray systems can provide effective control of dust and water-soluble, odor-causing compounds. In order to reduce airborne emissions, the facility uses a misting system at the location where the air leaves the compost site and travels towards the off site receptors. In the fall, the misting system is set on timer to operate in the evening, the time of day identified as the most likely to facilitate the movement of odors. The system can also be switched on manually in the event that the operator recognizes the potential for transmission of odors.

E. Process Water Distribution

Water is applied to material on the unroofed portions of the compost pad. Moisture can be added as needed to the material under the roof by a sprinkler system as well as by the truck. River water is transported in the water truck to the auxiliary storage tanks, and is then gravity fed through the pipe system to the various locations where it is needed on the pad.

F. Pad and Site Drainage and Permeability

The facility has an engineered pad with a required permeability of 10^{-6} cm/sec. Drainage controls have been designed in accordance with the requirements of the North Coast Regional Water Quality Board to minimize adverse impacts to water quality. More recently, CCC has been permitted to build a fully lined leachate pond and redesigned its pad to ensure full leachate containment. In order to maintain the effectiveness of the pad and prevent ponding, re-grading is carried out wherever necessary. Any accumulation of water is soaked up by the use of dry and ground material and returned to the appropriate piles.

G. Pad Maintenance

Facility Personnel routinely inspect the pad for any evidence of ponding or drainage problems. Any standing water is absorbed with ground green/wood material which is incorporated into the composting process. Depressions are filled with rock as needed.

H. Material Processing, Handling, and Storage Practices

1. Processing

a. Feedstock

The timing of feedstock processing varies with the material. Many are incorporated into the composting process immediately; others are stored on site for use over a prolonged period. See the attached table for more detailed information on specific feedstocks.

b. Processed Material

Processed Feedstocks: The potential storage time for different materials depends on their function in the composting process and the time of year when they arrive at the facility. As stated above, see the attached table for more details.

Turned PR Windrows: The average turned windrow remains in place for approximately nine (9) to twelve (12) days.

Aerated Windrows: The Aerated Windrows (AWs) will remain in place for between 2 and 3 weeks at which point the material is transferred into the Aerated Static Piles for further composting. x

Aerated Static Piles: The ASPs are in a constant state of flux as material is both added and removed on a daily basis. On average, material will remain in the ASP for approximately 90 days.

Curing Static Piles: The material is removed from the ASP and remains in an unaerated pile for approximately 30 days before it is moved into the Curing Windrows.

Curing Windrows: This final process takes an average of 10 days to 2 weeks until the compost is finished.

Finished Compost: The sale of finished compost is seasonal, with the bulk of sales occurring in the fall. In practice, compost is removed from the ASP and screened within days of shipping.

2. Handling

a. Manures

Manures arrive in a semi-liquid state from chicken farms. Where possible, manures are incorporated into newly built P.R. windrows on the same day of arrival. If that is not possible, the material is tarped overnight for use the next day.

b. Chicken Carcasses

Upon arrival chicken carcasses have very little odor but if left unprocessed for a couple of days can become quite putrid. In order to prevent that from occurring the carcasses are incorporated into windrows the day of arrival. Special Handling procedures are in place and are described in detail in the Poultry Mortalities Best Management Practices attached as Appendix C.

c. Food Materials

CCC has received grocery store food material since it first opened. Residential and restaurant food material has been added to this feedstock and handling procedures will remain the same. Residential food material is to be delivered to CCC as a component of the green material collected from the curbside. The proportion of food material to green material will vary, but it is estimated that it will be no more than about 5% of the total volume of green material delivered when the project first begins. As consumer education about what food material can be placed in the green material, it is our hope that this volume will grow significantly. CCC will adapt its handling procedures as necessary as and when this increase occurs. On arrival it will be sorted for contaminants (i.e. noncompostables) as is done with all incoming green waste, and then ground for incorporation into newly built P.R. windrows. In addition, food materials will be accepted from both restaurants and special events. Quantities are likely to be small, relative to the overall volume of material received by CCC. To prevent the generation of odors, the material is ground as soon as possible after receipt. Any material not already incorporated with green material will be added to the on-site green material and ground immediately upon receipt. Special Handling procedures are in place and are described in detail in the Food Material Best Management Practices attached as Appendix D and in Appendix J to CCC's RCSI, as amended on August 23, 2010.

d. Fishery Material

CCC receives fishery material from local fishery processing plants. The material will consist of waste and skeletal parts of, for example, sea urchins. Where possible, fishery material is incorporated into newly built P.R. windrows on the same day of arrival. If that is not possible, the material is tarped overnight for use the next day. Special Handling procedures are in place and are described in detail in the Fishery Material Best Management Practices in Appendix K to CCC's RCSI, as amended on September 7, 2010.

e. Pear Material

Some pear material arrives at the site in a semi-liquid state. If that is the case, it is dumped on a diked bed of bulking agent in order to contain the liquid, and then incorporated into the turned windrows. Solid pears are incorporated directly into the windrows. In either case the pears are incorporated into the windrows the day of arrival or covered with bulking material.

f. Olive Sludge

CCC receives sludge from the manufacture of olive oil. The olive sludge is dealt with in the same manner as the semi-liquid pears if it arrives in a dump truck; if it arrives by water truck, the olive sludge is incorporated directly into the turned windrows.

g. Other Liquid Feedstocks

CCC also receives lactose water from cheese production, wine lees, brewery sludge, yeast, algae sludge, grease trap waste, and beer. These liquids are not stored on site. They are hauled to the site by tank truck and then, using the windrow turner, turned immediately into the turned windrows thus reducing the potential of objectionable odors.

3. Odors from the Grape Pomace:

Grape pomace arrives at the facility with excessive moisture and a fresh odor. Within hours of arrival it is stacked under the roof structure where excess moisture is captured by the leachate containment system. Analysis of the facility's complaints data shows that the main source material that has caused complaints by a particular impacted local resident has been grape pomace. By contrast, a compost facility is held to a standard of moderate odors and CCC has therefore worked hard to reduce the likelihood of such an odor impacting its neighbor(s). Pomace is produced by the wineries for several months in the fall and delivered to CCC around the same time. This, CCC has discovered coincides with the time of year when unusual weather conditions can sometime take the odor to the receptor, approximately one mile away.

CCC has studied the topography along with the data from the weather station and the timing of the complaints. In doing so, CCC has determined that the complaints occur in the fall of the year if the wind is blowing 1 to 3 mph to the North Northwest at sunset. When studying the topography, CCC also discovered that one of the canyons emanating from the facility's ridge top location heads off in a Northwesterly direction, then bends to the West to end about a third of a mile from the complainant's house, which stands by itself on the tip of a ridge directly across the river. One theory about what has happened here is that when the air moves in the proper direction, just fast enough to be moving, but not fast enough to cause mixing and dilution, during the evening when the air is sinking, odors flow down the canyon. Then if there is no air movement up or down the river canyon, the odors can cross the river and reach the complainant's house. Therefore, in order to reduce the likelihood of pomace odors reaching the neighboring properties, CCC keeps the pomace under a roof, keeps the pile pushed up as tightly as possible, and keeps it tarped during times when it is not in use. Ponding of the juice from the pomace may also be a possible source of off site odors and is eliminated by directing juice along the shortest path possible to the nearest drain. CCC has also installed a misting system along the Northwestern edge of the compost pad, at the beginning of the above mentioned canyon. The system is on a timer set to operate for

a couple of hours before and after sundown, the idea being to knock the odors down as they leave the site so they can't travel down the canyon to the complainant's property. This system was installed during the summer of 2005 and appears to have reduced or eliminated odor impacts from this material at the complainant's residence. However, CCC continues to monitor the situation and expend every effort to minimize this potential problem, and of note, there have been no verified odor complaints in 2008.

4. Pile Geometry

The geometry and construction of the composting piles is fundamentally important to the effective and efficient management of the site. As with many of the other issues discussed in this OIMP, the facility operator must actively manage this aspect of the process and as such, the nature, shape and location of the composting piles will vary according to the season and the incoming feedstocks. The dimensions of the various piles are discussed in more detail in Appendix D.

5. Storage Practices

Storage practices vary according to the material type: see attached table for further information.

I. Material Decontamination Practices

CCC maintains a garbage patrol, i.e. two employees whose primary responsibility is to remove litter from the compost pad and the compost piles. Once CCC begins to receive green material containing food, the employees will manually decontaminate loads of green material as received, and before grinding. A more detailed Best Management Practice for Decontamination of Mixed Green and Food Materials is included as Appendix F. Should the level of contamination require it, CCC will purchase an airlift separator designed to remove plastic from the composting process.

VII. Contingency Plans

A. Fire Prevention

The most important method of fire prevention is sound operational management of the facility. In the driest months of the year, the facility is monitored during operational and non-operational periods to minimize the potential for fire.

B. Water Supply

Water is supplied by the on-site wells, the nearby river, liquid feedstocks and the process water brought in by water truck.

C. Equipment

Normal equipment maintenance is performed on a regular basis, e.g., oiling, lubrication and fueling. These operations typically occur either prior to the start of daily operations or after daily operations are completed. Major repairs are performed at an outside shop as there are no shop facilities on site. No standby equipment is kept on-site. Emergency repairs are performed on-site by facility personnel or performed by arrangement with outside service suppliers.

D. Power

The site operates without utility power and so no emergency power is required.

E. Personnel

All employees are familiarized with all facility operations. This cross-training facilitates higher levels of control with respect to efficiency of operations, regulatory compliance, identifying problems and responding to emergency situations. All employees are familiarized with facility good housekeeping practices and appropriate responses in emergency situations.

F. Personnel Training

Facility personnel are trained in subjects pertinent to site operation and maintenance, including, but not limited to, this OIMP, the SWPPP, the RCSI, load checking procedures and equipment operations.

VIII. The Pond

CCC received its permit in October 2008 to build a three acre-foot leachate pond at the western edge of the facility. The pond is used to capture rainfall and storm water runoff during wet weather periods so that it can be used as process water and for dust control during the summer. It also serves as a further backup system for the containment of leachate at the facility. As part of this plan, the compost pad has been redesigned with a surrounding concrete berm to capture and direct all stormwater and leachate to the pond. However, leachate coming from drains under the roof and the aerated static piles, directed through the aeration pipes, will continue to be directed toward on site storage tanks. This will better ensure that any leachate carried to the pond will be diluted and less likely to produce on or off site odors. The water in the pond will contain some level of nutrients from the pad, so it is possible that anaerobic conditions may develop, causing odors that may be detectable off site. CCC reviewed this issue with its compost expert, Jeff Gage, who continues to advise CCC on odor prevention and related site management issues. An aeration system has been installed to eliminate the conditions that could potentially cause the odors. In addition, CCC and its consulting engineers have designed a land application system permitting the stormwater and leachate mixture from the pond to be distributed through a sprinkler system, at timed, agronomic rates on the selected areas of the Guntly Ranch for irrigation and fertilization of the grazing land. Should the pond become a source of significant offsite odors, Mr. Gage and CCC would, in consultation with the LEA, introduce a series of stepped odor mitigation procedures, concluding (if the problem cannot be promptly resolved) with the drainage of the pond onsite or removed altogether to approved offsite waste facility. The pond would then essentially start over, and be filled with new storm water runoff.

IX. References³

- Comprehensive Compost Odor Response Project, San Diego State University, 2007
- Section 17863.4 of Title 14 of the California Code of Regulations.
- The On-Farm Composting Handbook, Northeast Regional Agricultural Engineering Service, 1992
- www.ciwmb.ca.gov/leacentral/Compost/Challenges/Odor/OIMP/Sample.doc

³ These reference materials are available for review at CCC's offices.

SOLID WASTE FACILITY PERMIT

Facility Number:

23-AA-0029**1. Name and Street Address of Facility:**

Cold Creek Compost, Inc.
6000 East Side Potter Valley Rd.
Ukiah CA, 95482

2. Name and Mailing Address of Operator:

Cold Creek Compost, Inc.
6000 East Side Potter Valley Rd.
Ukiah CA, 95482

3. Name and Mailing Address of Owner:

Cold Creek Compost, Inc.
6000 East Side Potter Valley Rd.
Ukiah CA, 95482

4. Specifications:**a. Permitted Operations:** ☐ Solid Waste Disposal Site☐ Transfer/Processing Facility (MRF)☒ Composting Facility☐ Transformation Facility☐ Other: _____**b. Permitted Hours of Operation:** Monday to Saturday 7:00am-6:00pm**c. Permitted Maximum Tonnage:** 400 Tons per Day**d. Permitted Traffic Volume:** 40 Vehicles per Day**e. Key Design Parameters (Detailed parameters are shown on site plans bearing EA and CalRecycle validations):**

	Total	Disposal	Transfer/Processing	Composting	Transformation
Permitted Area (in acres)	10			6	
Design Capacity (cu.yds)				80,000 cy	
Max. Elevation (Ft. MSL)					
Max. Depth (Ft. MSL)					
Estimated Closure Year					

Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The attached permit findings and conditions are integral parts of this permit and supersede the conditions of any previously issued solid waste facility permit.

5. Approval:**6. Enforcement Agency Name and Address:**

Mendocino County Health & Human Services Agency
Division of Environmental Health
860 N. BUSH ST.
UKIAH CA, 95482

7. Date Received by CalRecycle:

NOV 17, 2010

8. CalRecycle Concurrence Date:

JAN 14, 2011

9. Permit Issued Date:

2/3/11

10. Permit Review Due Date:

2/3/21

11. Owner/Operator Transfer Date:

SOLID WASTE FACILITY PERMIT

Facility Number:

23-AA-0029

12. Legal Description of Facility:

The legal description of this facility is contained in appendix E of the Report of Compost Site Information dated November 8, 2007. Assessor's Parcel #177-150-01 (Compost Pad). The limits of the operating pad are contained in appendix C (figure 2.4).

13. Findings:

- a. This permit is consistent with the Mendocino County Integrated Waste Management Plan, which was approved by the CIWMB in 1994. The location of the facility is identified in the Nondisposal Facility Element, pursuant to Public Resources Code (PRC), Section 50001(a).
- b. This permit is consistent with the standards adopted by the CIWMB, pursuant to PRC 44010.
- c. The design and operation of the facility is consistent with the State Minimum Standards for Solid Waste Handling and Disposal as determined by the enforcement agency, pursuant to PRC 44009.
- d. The Potter Valley Fire Department has determined that the facility is in conformance with applicable fire standards, pursuant to PRC, 44151.
- e. A Final Environmental Impact Report was filed with the State Clearinghouse (SCH #96032033) and certified by the Mendocino County Board of Supervisors on May 11, 1998. The EIR describes and supports the design and operation, which will be authorized by the issuance of this permit. A Notice of Determination was filed with the State Clearinghouse on May 21, 1998. A Mitigated Negative Declaration (SCH# 2008172114) was adopted by the Mendocino County Planning Commission on July 15, 2010. The MND removed prohibitions for restaurant waste, fishery waste, and street sweepings from the Conditional Use Permit.

14. Prohibitions:

The permittee is prohibited from accepting the following wastes:

Hazardous, radioactive, medical (as defined in Chapter 6.1, Division 20 of the Health and Safety Code), liquid, designated, or other wastes requiring special treatment or handling, except as identified in the Report of Facility Information and approved amendments thereto and as approved by the enforcement agency and other federal, state, and local agencies. Additionally, The following waste is specifically prohibited in the Conditional Use Permit (#U 26-93): Biosolids.

15. The following documents describe and/or restrict the operation of this facility:

	Date		Date
Report of Compost Site Information	9/08/10	Land Use and/or Conditional Use Permit	7/15/10
Storm Water Pollution Prevention Plan	10/01/07		
AQMD Permit to Operate #2710-5-27-94-33-1	9/01/07		
Final Environmental Impact Report (SCH # 96032033)	5/11/98		

SOLID WASTE FACILITY PERMIT

Facility Number:

23-AA-0029

16. Self Monitoring:

The owner/operator shall submit the results of all self monitoring programs, as directed below, to the Enforcement Agency within 30 days of the end of the reporting period: *(for example, 1st quarter = January - March, the report is due by April 30; etc.)*
Information required on an annual basis shall be submitted with the 4th quarter monitoring report, unless otherwise stated.)

Program	Reporting Frequency
a. A report of quantities of each type of feedstock (in tons) received at the facility, finished product removed from the facility, and solid waste removed from the facility, shall be provided to the LEA on a quarterly basis showing monthly breakdowns.	Quarterly to the LEA
b. A record of weather conditions shall be maintained onsite. The record shall include rainfall, wind conditions, and unusual meteorological conditions.	Keep onsite and available as requested by the LEA
c. Temperatures of the active compost shall be monitored and recorded as specified in Title 14 California Code of Regulations (T14 CCR), Section 17868.3. The following records shall be kept for the PR windrows: number, size, and age of windrows, daily temperature, and frequency of aeration (turning).	Keep onsite and available as requested by the LEA
d. One sample per 5,000 cubic yards of finished compost must be taken and analyzed by a laboratory certified by the Department of Health Services. Samples shall be analyzed for constituents required pursuant to T14 CCR Section 17868.1.	Quarterly to the LEA
e. Record of all complaints forwarded or received by the operator regarding the facility and a record of the operator's actions taken to resolve these complaints.	Keep onsite and available as requested by the LEA
f. A log of special occurrences shall be kept onsite (e.g., fires, smoldering, explosions, accidents, inadvertent acceptance of hazardous waste).	Keep onsite and available as requested by the LEA
g. Load check records for hazardous materials and contaminants, prohibited items, and miscellaneous solid waste shall be maintained at the facility.	Keep onsite and available as requested by the LEA
h. A log of corrective actions taken to mitigate leachate and odor impacts shall be provided to the LEA on a quarterly basis.	Quarterly to the LEA

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SOLID WASTE FACILITY PERMIT

Facility Number:

23-AA-0029

17. Enforcement Agency (EA) Conditions:

- a. The operator shall comply with all State Minimum Standards for Compostable Materials Handling Facilities as specified in Title 14, California Code of Regulations.
- b. The operator shall maintain a log of special/unusual occurrences. This log shall include, but is not limited to, fires, explosions, the discharge and disposition of hazardous or unpermitted wastes, and significant injuries, accidents or property damage. Each log entry shall be accompanied by a summary of any actions taken by the operator to mitigate the occurrence. The log shall be available to site personnel and the EA at all times.
- c. Additional information concerning the design and operation of the facility shall be furnished upon request and within a reasonable time frame specified by the EA.
- d. The maximum permitted daily tonnage for this facility is 400 tons per day and shall not be exceeded without a permit revision.
- e. This permit is subject to review by the EA and may be suspended, revoked, or revised at any time for sufficient cause.
- f. The EA reserves the right to suspend or modify waste receiving and handling operations when deemed necessary due to an emergency, a potential health hazard, or the creation of a public nuisance.
- g. Any change that would cause the design or operation of the facility not to conform to the terms and conditions of this permit is prohibited. Such a change may be considered a significant change, requiring a permit revision. In no case shall the operator implement any change without first submitting a written notice of the proposed change, in the form of an RCSI amendment, to the LEA at least 180 days in advance of the change.
- h. A copy of this permit shall be maintained at the facility.
- i. The operator shall maintain the facility and conduct its operations in compliance with all applicable permits that have been issued.
- j. All grape pomace, chicken manure, and poultry mortalities shall remain completely covered by tarps, compost overs, ground wood or yard waste, or other LEA-approved material by the end of each day they are received. During pathogen reduction windrow construction, the final layer of material shall be composed of ground wood or yard waste, compost overs, or other LEA-approved material, completely covering any grape pomace, chicken manure, or chicken mortalities. This condition shall not apply to grape pomace remaining onsite after January 31 of each year.
- k. In response to a verified offsite odor complaint, pathogen reduction windrows shall be tarped or covered each night, unless an alternative odor control measure has been approved by the LEA.
- l. Any proposed feedstocks shall not be accepted until written approval from the LEA has been obtained.
- m. During winter operations, defined as October 15-April 15, poultry mortalities, liquid feedstocks, and process wastewater shall be received and composted solely within the roofed area during the pathogen reduction windrow process. The LEA may consider and approve alternative controls and mitigations for water quality issues during winter operations with RWQCB concurrence.
- n. All feedstocks, composting materials, and finished products shall be handled within the limit of the pad, as defined in the Location Plan (Figure 2.4) of the Cold Creek Compost EIR. Additives and amendments (such as lime and gypsum) may be stored on the pad or the designated auxiliary additives and amendments storage area.
- o. Operator shall maintain a moisture content between 45-65% in the PR windrows. Operator shall sample and document moisture content in each PR windrow a minimum of 3 times prior to placement of the material into the aerated static pile.
- p. Painted, varnished, or treated wood, or wood containing wood preservative, glues, or resins, shall not be accepted as a feedstock or bulking agent as long as these products remain prohibited by CIWMB or DTSC regulations, terms of RWQCB permits, or the Conditional Use Permit governing the facility.
- q. Operator shall maintain adequate moisture content in the static piles and manage them to prevent fires, smoldering, or smoking of compostable materials.
- r. Any revisions to the facility Odor Impact Minimization Plan must be approved by the LEA prior to implementation.
- s. A fence shall be constructed and maintained to prevent livestock from accessing the pad.

SOLID WASTE FACILITY PERMIT

Facility Number:

23-AA-0029

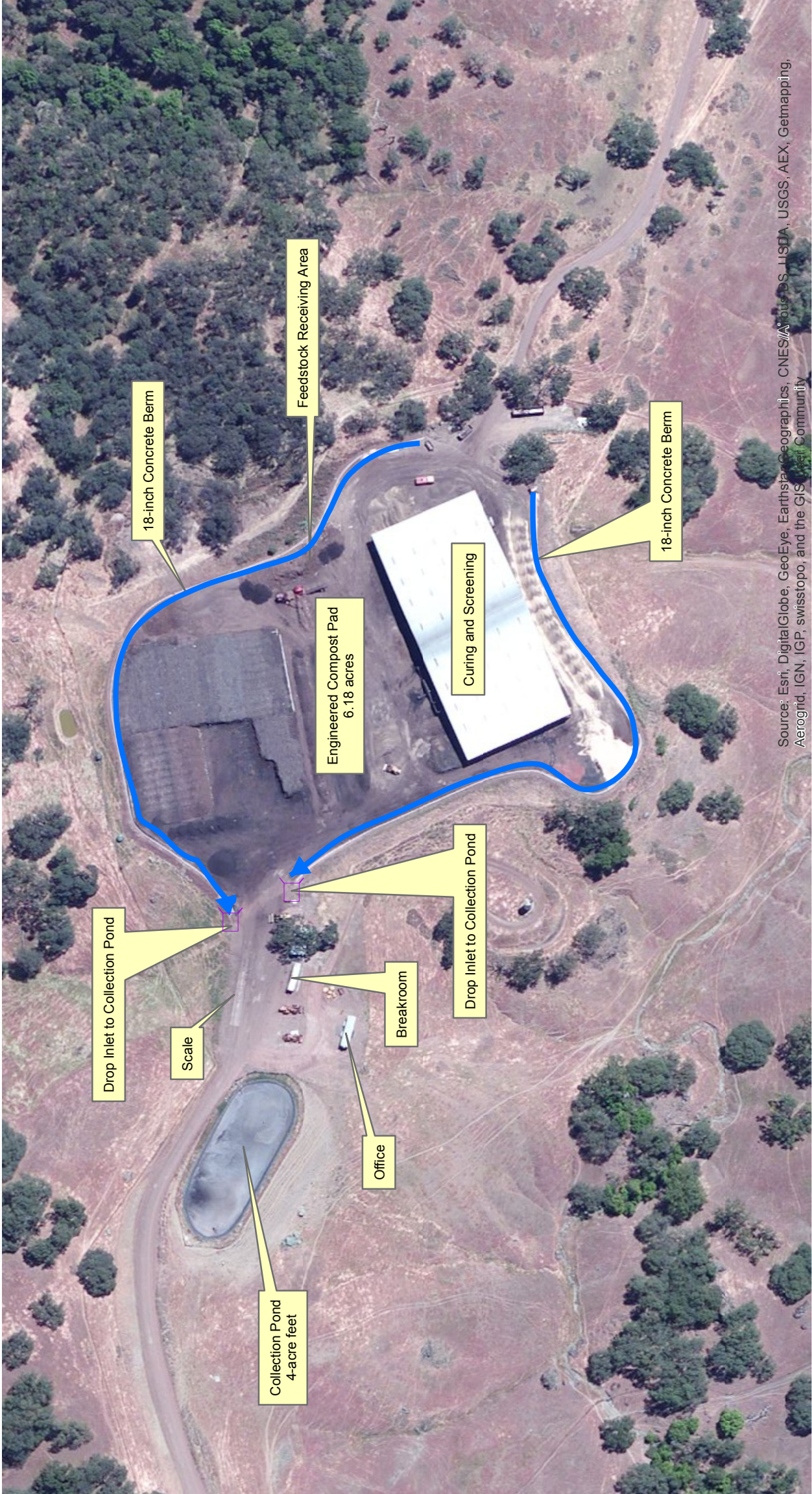
- t. Poultry mortality composting will be allowed upon written approval from the LEA and RWQCB, and adherence to the Best Management Practices (BMPs) as outlined in Appendix H of the RCSI. Any revisions to the Appendix H BMPs must be approved by the LEA and RWQCB prior to implementation. A review of Appendix H, in conjunction with LEA, RWQCB and CIWMB staff, shall occur at the request of the operator or one of these agencies, to determine whether Appendix H requires modification.
- u. To control offsite impacts from odors, operator shall install and maintain an appropriately sized biofilter connected to the aerated static pile blowers. Operator shall cover the aerated static pile with a minimum 6 inches of cover material, such as finished compost, ground yard waste, ground wood waste, or "overs".

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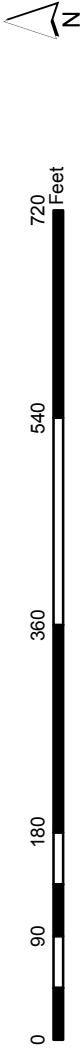
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MENDO. ENV. HEALTH

Cold Creek Compost Site Features



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



Cold Creek Compost, Inc.

Storm Water Pollution Prevention Plan (SWPPP)

Cold Creek Compost, Inc.
6000 Potter Valley Road
Ukiah, California 95482
Mendocino County

WDID No. 1 23I011534

June 2015

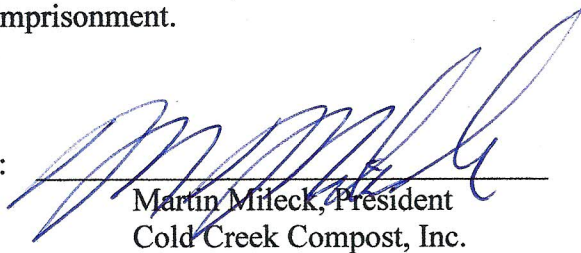


Revision 8

Certification

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to ensure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge true and accurate. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Certified by:


Martin Mileck, President
Cold Creek Compost, Inc.

Date:




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Appendices

Appendix A	Original Notice of Intent
Appendix B	State Water Board Letter of April 6, 1995
Appendix C	Recertified Notice of Intent
Appendix D	Storm Water Forms
Appendix E	Storm Water Training Log

Record of Revisions

Revision Number	Description	Date of Revisions
0	Original Issue	10/16/95
1	Update, added new and additional BMPs	02/01/97
2	Update, added new and additional BMPs	08/21/97
3	Update, added new and additional BMPs	02/08/00
4	Update, added new and additional BMPs	05/05/09
5	Update, added new and additional BMPs	01/02/12
6	Update, added new and additional BMPs	10/24/13
7	Update, added new and additional BMPs	01/10/14
8	Updated per new General Permit requirements	06/01/15

1.0

Introduction and Background

Cold Creek Compost, Inc. (hereinafter “Cold Creek Compost” and/or the “Facility”), located on the Guntly Ranch in Mendocino County, California, has been in operation since 1995. Prior to development of the Facility, the property was undeveloped range land used for grazing sheep and cattle. Sheep and cattle still graze on the ranch lands surrounding the compost operation.

The unique design and siting of the Facility and the implementation of composting-specific and other Best Management Practices (“BMPs”), including the completion of a collection pond and associated storm water conveyance system, have resulted in the development of a no discharge facility. No discharge means that no leachate or contaminated storm water is discharged to waters of the United States or leaves the Facility to impact surface or ground waters.

In late 2008, Cold Creek Compost completed construction of a leachate and storm water/leachate collection pond (the “collection pond”) considered an Advanced BMP under the new Industrial General Permit. The collection pond is designed to collect compost leachate generated from site operations and storm water that comes in contact with the Facility’s engineered compost pad and is intermixed with compost leachate.

The purpose of this revision of the Facility’s Storm Water Pollution Prevention Plan (“SWPPP”) is to update the SWPPP in accordance with Order 2014-0057-DWQ (“General Permit”), adopted by the State Water Resources Control Board on April 1, 2014, and to ensure that the Facility continues its no discharge status by complying with the SWPPP and other requirements of the General Permit.

This SWPPP contains an implementation schedule, a description of industrial activities and pollutant sources, descriptions of BMPs, figures, maps, and references to parts of other plans. This SWPPP will be revised whenever appropriate and shall be readily available for review by Facility employees and water quality and storm water management agencies.

1.1 Regulatory Background

The Federal Clean Water Act (“CWA”) was amended in 1972 to provide that point source discharges of pollutants to waters of the United States are effectively prohibited, unless the discharge is in compliance with a National Pollutant Discharge Elimination System (“NPDES”) permit. The 1987 amendments to the CWA added Section 402(p), which established a framework for regulating municipal and industrial storm water discharges under the NPDES program. On November 16, 1990, the U.S. Environmental Protection Agency (“EPA”) published final regulations that established application requirements and authorized states to issue general or individual permits to regulate industrial storm water discharges.

The regulations require specific categories of industrial facilities to obtain an NPDES permit for storm water discharges associated with industrial activities. Such facilities that discharge industrial storm water either directly to surface waters or indirectly through the municipal storm drain system must be covered by a permit.

The California State Water Resources Control Board (the “State Water Board”) adopted the first General Permit for Storm Water Discharges Associated with Industrial Activities in November 1991. The 1991 General Permit was modified in 1992, and rescinded and reissued in April 1997 as Order No. 97-03-DWQ. On April 1, 2014, the State Water Board adopted Order No. 2014-0057-DWQ (the “General Permit”). As of July 1, 2015, Order No. 2014-0057-DWQ supersedes Order No. 97-03-DWQ except for Order 97-03-DWQ’s requirements for enforcement purposes. As of July 1, 2015, Discharger are required to comply with the requirements in Order No. 2014-0057-DWQ to meet the provisions contained in Division 7 of the California Water Code (commencing with section 13000) and regulations adopted thereunder, and the provisions of the federal Clean Water Act and regulations and guidelines adopted thereunder.

With respect to Cold Creek Compost, the permit requirements are administered and enforced by the North Coast Regional Water Quality Control Board (“NCRWQCB”). Cold Creek Compost filed an initial Notice of Intent (“NOI”) to comply with the 1991 General Industrial Permit requirements on November 22, 1994. The Storm Water NPDES permit identification number assigned to Cold Creek Compost by the State Water Board letter of April 6, 1995 is 1B23S011534 (Appendix A). On or about August 21, 1997, Cold Creek Compost submitted an NOI to comply with Order 97-03-0057 (Appendix B). Pursuant to the requirements of Order 2014-0057-DWQ, the Facility has recertified the Facility’s NOI (Appendix C) through the Storm Water Multiple Application and Report Tracking System (“SMARTS”).

This revised Storm Water Pollution Prevention Plan was prepared in accordance with the General Permit, generally follows the format provided in the *California Storm Water Best Practices Handbook*, January, 2003, and complies with the State Water Resources Control Board Fact Sheet, Storm Water Management in California (June 12, 2013) and the new General Permit requirements.

1.2 Purpose of the SWPPP

The purpose of the SWPPP is to describe operations of the Facility as they relate to water quality and specific measures taken to protect ground and surface waters. The two major objectives of the SWPPP are:

- 1) to identify and evaluate sources of pollutants that are potentially associated with Cold Creek Compost’s activities that may affect the quality of storm water discharges and authorized non-storm water discharges (“NSWDs”) from the Facility; and
- 2) to identify and implement composting and site specific BMPs to reduce and/or prevent potential pollutants associated with Cold Creek Compost’s activities in storm water discharges and authorized non-storm water discharges.
- 3) to identify and describe conditions or circumstances which may require that future revisions be made to the Facility’s SWPPP.

The SWPPP is revised as necessary to reflect changes in the operation and modifications or additions of any BMPs. The SWPPP is maintained in the office of the Facility Operator located at 6000 Potter Valley Road, Ukiah, CA and is made available to employees and to water quality

and storm water management agencies at their request. The SWPPP is also submitted electronically and certified via SMARTS. The SWPPP will be resubmitted to SMARTS within 30 days whenever the SWPPP contains significant revisions, but no more than once every three (3) months in the reporting year.

1.3 BMP Implementation Personnel

The General Permit requires that the SWPPP identify personnel to oversee implementation of any measures to reduce pollution, manage BMPs, and to revise the SWPPP as needed.

The responsible personnel for this Facility are the Facility Operator and the on-site Facility Manager (collectively known as the Pollution Prevention Team) and described below.

Facility Operator or Designated Compliance Person – The Facility Operator is responsible for implementation of the SWPPP throughout the Facility. The Facility Operator delegates program responsibilities to staff, monitors the program for compliance, conducts an annual inspection to assess the effectiveness of BMPs, and certifies inspections, and the annual report. The Facility Operator is also responsible for staffing and ensuring training records are kept up to date and educating Facility personnel on the requirements of the SWPPP.

Facility Manager or Alternative Compliance Person – The Facility Manager is responsible for storm water sampling, analytical laboratory testing, inspecting, and maintaining devices (i.e. storm drains, filters, etc.), structures (i.e. secondary containment), and water conveyance systems that could fail and result in discharges of pollutants to storm water. In addition, the Facility Manager is responsible for enforcing good housekeeping and compliance practices throughout the Facility. The Facility Manager will take the lead on the sample collection, routine compliance verifications, and reporting. The Facility Manager will update the SWPPP as needed, with oversight and review by the Facility Operator.

1.4 Implementation Schedule

An NOI to comply with the original 1997 General Permit was filed with the State Water Board on or about August 21, 1997. A copy of the 1997 NOI is included as Appendix B. The Facility recertified the Facility's NOI per the requirements of the new General Permit via SMARTS (Appendix C). This SWPPP shall be effective immediately upon certification. All BMPs identified in this document are currently implemented.

1.5 Protocol on Public Access to the SWPPP

This is a Facility plan implemented to ensure compliance with the General Permit as it relates to this Facility and to provide a structure for operations and Cold Creek's employees. The SWPPP shall be provided, upon request, to water quality and storm water management agencies. The SWPPP is considered a report that the NCRWQCB shall make available to the public under Section 308(b) of the Clean Water Act. An electronic copy of the SWPPP is submitted and certified via SMARTS.

1.6 Compliance Certification

By signing the compliance Certification, the Facility Operator acknowledges review of this SWPPP and determines that it is in compliance with the General Permit. This SWPPP shall be certified annually following completion of the Annual Comprehensive Facility Compliance Evaluation (“Annual Evaluation”) and whenever significant revisions to the SWPPP are undertaken. Any re-certification will be documented and submitted via SMARTS consistent with the General Permit requirements.

1.7 Revising the SWPPP

Cold Creek Compost is required to revise the SWPPP whenever a change in activities occurs that may significantly affect the discharge of pollutants. Cold Creek Compost may also modify the SWPPP if it is determined that there are more economical or effective BMPs that reduce or eliminate pollutants than the ones currently identified in the SWPPP. The Facility Operator is responsible for determining if the SWPPP is to be revised as follows:

- The SWPPP will be revised, as appropriate, and implemented prior to changes in industrial activities which (i) may significantly increase the quantities of pollutants in storm water discharge, (ii) cause a new area of industrial activity at the Facility to be exposed to storm water, or (iii) begin an industrial activity which would introduce a new pollutant source at the Facility.
- The SWPPP will be revised and implemented in a timely manner, but in no case more than 90 days after a Facility Operator determines that it does not comply with any requirement(s) of the General Permit.

2.0

Facility Information, Site Location, and General Environs

2.1 General Facility Information

Company Name:	Cold Creek Compost, Inc.
Facility and Owner Address:	6000 Potter Valley Road, Ukiah, CA 95482
Telephone Number:	(707) 485-5966
Standard Industrial Classification Code:	SIC 2875 – Nitrogenous and Phosphatic Basic Fertilizers, Mixed Fertilizer, Pesticides, and Other Agricultural Chemicals
Name of Facility Operator:	Martin Mileck, President
Name of Facility Manager:	Aaron Levesque, Facility Manager
Designated Compliance Person:	Martin Mileck, President
Alternative Compliance Person:	Aaron Levesque, Facility Manager
Facility's WDID Number:	1 23I011534
Assessor's Parcel Numbers:	The Facility is sited primarily on Assessor's Parcel Numbers ("APNs"): 177-150-03 & 177-260-11, and 170-260-22. Roads, piping, and irrigation areas extend over many other parcels of the 2,700 acre Guntly Ranch.
Latitude:	Facility Latitude: 39° 15' 06" Collection pond Latitude: 39° 15' 06"
Longitude:	Facility Longitude: 123° 06' 03" Collection pond Longitude: 123° 06' 10"
Operating Hours:	Monday – Saturday, 7:00 A.M. to 6:00 P.M.

2.2 Description of the Facility's Operations

The Facility's primary purpose is to receive and compost a variety of solid and liquid materials. A list of these materials includes, but is not limited to, green and wood materials, source separated construction and demolition material, manures and animal bedding, fishery waste, other

agricultural and aquaculture materials, food materials, poultry carcasses, and liquids (e.g., wine lees, olive sludge, grease trap waste, brewery sludge, and other organic materials).

The Facility also receives amendments, such as gypsum, lime, soil, lava, and rice hulls, and stockpiles them for future sales in ‘as-is’ condition or for custom blends. Materials shipped from the Facility include finished compost, partially finished compost, manures, ground green and wood materials, planter mixes, liquid fertilizers, soil amendments, and custom blends.

Facility operations include receiving and unloading incoming material, placement of materials in areas for processing, composting, turning windrows, screening finished compost, and loading materials for delivery. Extensive blending of materials occurs on-site for custom orders. The loading, turning and grinding equipment and miscellaneous vehicles are maintained on-site. This includes engine maintenance and lubrication. Equipment is washed on-site, and the wash water is captured and re-used in the composting process. Material delivery vehicles are not maintained on-site.

2.3 Map of the General Environs

The following information is included on the facility maps (See Figures 1 and 2):

- The Facility boundaries; the outline of all storm water drainage areas within the Facility boundaries; and direction of the flow of drainage, on-site surface water bodies, and any areas of soil erosion. The map also identifies nearby water bodies (such as rivers, lakes, and ponds).
- The location of the storm water collection and conveyance system and direction of flow including any structural control measures that affect storm water discharges or authorized non-storm water discharges. Examples of structural control measures are catch basins, berms, detention ponds, secondary containment, oil/water separators, diversion barriers, etc.
- Areas of impervious surfaces of the Facility, including paved areas, buildings, covered storage areas, or other roofed structures.
- Locations where materials are directly exposed to precipitation. There have been no significant spills or leaks at the Facility.
- Areas of industrial activity. This includes the locations of storage areas and storage tanks, shipping and receiving areas, fueling areas, vehicle and equipment storage/maintenance areas, material handling and processing areas, waste treatment and disposal areas, dust or particulate generating areas, cleaning and rinsing areas, and other areas of industrial activity which are potential pollutant sources.

The Facility covers roughly 10 acres in the approximate center of the 2,700-acre Guntly Ranch. Most of Cold Creek's operations occur on the approximately 6.18 acre engineered compost pad with other operation areas and storage of materials as described below.

- Total permitted area as allowed by Cold Creek's Solid Waste Facility Permit ("SWFP") and as analyzed in Facility's Environmental Impact Report ("EIR") = 10 acres.
- Office Area and Collection Pond = 0.60 acres / No materials.
- Engineered Compost Pad = 6.18 acres / Materials – Compost feedstocks and active compost as well as finished product including stabilized compost, compost overs, soil, amendments, and additives.
- Upper Storage Area (Located 1,500 feet southeast of pad) = 1.50 acres / Materials – Finished product including stabilized compost, compost overs, soil, amendments, and additives.
- Eastern Storage Area ("Eastern Pad") = 0.20 acres / Materials – Finished product including stabilized compost, compost overs, soil, amendments, and additives.
- Western Storage Area ("Western Pad") = 1.50 acres / Materials – Finished product including stabilized compost, compost overs, soil, amendments, and additives.

Well maintained access roads exist between the compost pad, the storage areas, the point of water diversion at the Russian River, and Potter Valley Road.

The Guntly Ranch is a working ranch and, for at least a mile within every direction of the Facility, is used for livestock grazing, firewood cutting, and hunting. A symbiotic relationship exists between the Facility and the ranch. The ranch provides Cold Creek Compost a site for the Facility, a site that provides a large buffer zone that allows regulatory compliance and minimal impact to the neighbors and the environment. In return, the Facility has constructed an all-weather road into the center of the ranch and provides income that allows the ranch to remain intact and further benefits the ranch by irrigating and fertilizing the ranch's grazing land.

The Potter Valley has a climate with warm dry summers and mild winters. Approximately 90 percent of the annual rainfall occurs during the months of November through April. The average annual rainfall for the Ukiah region is approximately 40 inches.

2.4 Drainage

2.4.1. Storm Drain System

Uncontaminated storm water is discharged from the Facility via gutter drains in the roof covering a portion of the compost pad, which flow into natural drainages and seasonal streams, and ultimately to the East Fork of the Russian River. Runoff from the uncovered portion of the compost pad (leachate mixed with storm water) is directed into the collection pond and stored for ranch irrigation and for use as process water at the Facility.

Storm water sheet flow occurs in all directions from the center of uncovered portions of the compost pad which has been contoured to slope outward. An 18-inch high concrete berm surrounds the perimeter of the compost pad. The concrete berm directs all runoff into two (2) drop inlets located on the northwest and southwest sides of the compost pad that then conveys the water, via piping to the collection pond. **There is no storm water discharge or runoff from the Facility other than the uncontaminated storm water from the roof gutter drains.**

There is no storm water run-on to the composting pad.

2.4.2 General Storm Water Collection Pond Information

The collection pond retains all storm water and leachate runoff collected from the compost pad area. The collection pond, which was constructed in 2008 and is considered an Advanced BMP under the General Permit, is eighteen (18) feet deep and has a capacity of four (4) acre-feet or 1.3 million gallons. The collection pond is lined with an impermeable membrane liner sufficient to meet the minimum standards laid out in Title 27 of the California Code of Regulations for landfill leachate pond liners.

The liner is constructed of 80 mil high density polyethylene (“HDPE”) and is placed over a 12-inch thick compacted clay liner. Two (2) drop inlets on the northern and southern perimeters of the compost pad direct all storm water and leachate via piping from the composting pad to the collection pond.

Cold Creek Compost is a no discharge facility. No discharge means that no leachate or contaminated storm water is allowed to leave the Facility to impact surface or ground waters. Prior to construction of the collection pond, storm water flowed from the compost pad in all directions and was directed via a system of ditches to grassy areas of the ranch. The grassy areas served to absorb nutrients and sediment in the storm water, thus preventing impacts to surface waters. No discharge was maintained without the collection pond, but the collection pond, which was constructed in 2008, has allowed for less maintenance and far better control and management of storm water. The ranch pastureland is still irrigated with Facility storm water, but now rather than by means of ditch systems, distribution is accomplished by sprinkler systems.

During the rainy season, sufficient freeboard in the collection pond is maintained by irrigating pastureland with collection pond water during times of no rainfall. To ensure that there is no runoff that would affect surface water quality, the collection pond water is applied to ranch lands early in the rainy season before the ground becomes saturated. Then the collection pond is allowed to fill completely so that the dry season begins with a full pond. The collection pond water has been used to supply the water needs of the Facility since 2008, thereby reducing the amount of water drawn from the Russian River by as much as 6 acre-feet or 2 million gallons per year.

The collection pond is not allowed to overflow. The collection pond is located a significant distance from any receiving waters and has never overflowed. However, should an overflow event occur, water would flow via an overflow pipe into a distribution ditch that has been designed to spread the collection pond water across grassy areas, thus preventing impacts to any receiving waters. See Section 5.6.3 below.

3.0

Significant Materials

3.1 Significant Materials Handled at the Facility

The materials handled at the Facility include compost feedstocks, finished compost, amendments or additives stored on-site and mixed with finished compost for custom orders, and fugitive material on the uncovered portions of the compost pad.

3.1.1. Compost Feedstocks. Compost feedstocks include, but are not limited to: green and wood materials, source separated construction and demolition material, manures and animal bedding, fishery waste, other agricultural and aquaculture materials, food materials, chicken carcasses, and liquids (e.g., wine lees, olive sludge, grease trap waste, brewery sludge and other organic material).

3.1.2. Amendments and Additives. Amendments and additives that are received and sometimes stored at the Facility include, but are not limited to, wood ash, agricultural lime, rock phosphate, gypsum, commercial fertilizers, soil, lava rock, rice hulls, feather meal, sawdust, and bark.

3.2 Potential Pollutants

Potential pollutants at the Facility:

- Compost leachate
- Suspended solids
- Small floatable debris
- Nutrients, including nitrogen and phosphorus
- Pathogens
- Oxygen demanding substances
- Diesel and hydraulic oil

4.0

Description of Potential Sources of Pollution

4.1 Compost Pad

Most of the Facility's operations occur on the approximately 6.18 acres engineered compost pad plus the other operation areas as described in Section 2.3 above. All leachate generated on the compost pad is fully contained. It is directed along with all storm water into the collection pond where it is stored for use as irrigation water for the ranch pastureland or as process water for the Facility.

Potential pollutants include: compost leachate, suspended solids, small floatable debris, nutrients including nitrogen and phosphorous, pathogens, oxygen demanding substances, diesel, and hydraulic oil.

4.2 Amendments Storage Area

During wet weather periods, the amendments stockpiles are covered as necessary. Runoff from the access area around the stockpiles may contain some sediment and/or residual amendments. A perimeter grass buffer around the amendments storage area is maintained to prevent potential runoff from the amendments from entering any receiving waters. Receiving waters are at a significant distance (over 700 feet horizontally and 200 feet vertically) from the amendments storage area, and the pastureland onto which any runoff flows is more than sufficient to prevent impact to any receiving waters.

4.3 Loading and Unloading Activities

Unloading of incoming materials and loading of finished product occurs on both covered and uncovered portions of the compost pad. During wet weather periods, depending on the particular weather and materials, some materials on the uncovered portions of the compost pad may be tarped in order to prevent saturation. Materials that arrive at the Facility with excess moisture are unloaded under the roof where the excess moisture is captured by floor drains and then is conveyed to the collection pond.

Liquid feedstocks received at the Facility are turned into the windrows upon receipt. This minimizes handling and the chances of a spill. During wet weather periods, liquid feedstocks are not accepted if, in the best judgment of the Facility Operator or Facility Manager, the windrows are at full water holding capacity.

These activities are not a significant source of water pollution.

Potential pollutants include: compost leachate, suspended solids, small floatable debris, nutrients including nitrogen and phosphorous, pathogens, oxygen demanding substances, diesel, and hydraulic oil.

4.4 Materials Processing

The materials processing activities that occur on-site are the grinding of green and wood materials, turning of the active windrows, screening finished compost, blending of materials, and moving material about the Facility. No discharge occurs on account of these activities because they occur on the compost pad within the 18-inch concrete berm surrounding the compost pad.

4.5 Maintenance and Repair Area

Maintenance and repair of equipment takes place primarily in the vicinity of the storage shed and scale house, but can occur anywhere on-site that is convenient because all vehicle servicing is conducted by a mobile service truck. Servicing is done with the machine parked on a bed of bulking agent to capture any spilled oil, and the bulking agent is used liberally throughout the entire operation to clean-up any ponded liquids. All such materials are handled in accordance with the Facility's Hazardous Materials Business Plan ("HMBP") and all other applicable rules and regulations. A copy of the HMBP is stored on-site at the Facility's main office and is available for review upon request.

Waste oil is collected in a 250-gallon waste oil container, which is under cover and placed inside a secondary containment. It is then removed by a licensed waste oil recycler (currently Evergreen Oil, Inc. though other qualified recyclers may be utilized). Fueling of equipment is done by means of two (2) 500-gallon stationary fuel tanks and outside mobile fuel truck. The 500-gallon fuel tanks are located inside a secondary containment.

4.6 Dust and Particulate Generating Activity

- Access Road. The Facility access road runs approximately two (2) miles in an easterly direction from the entrance gate on Potter Valley Road to the operation area of the Facility. Traffic is limited under the terms of the Facility's Use Permit and Solid Waste Facility Permit to a maximum of 40 vehicles per day. The Facility currently averages approximately 20 vehicles per day. Potential pollutants include road dust and exhaust particulate from transportation trucks and vehicles.
- Material Grinding. The Facility receives regular deliveries of material that is ground for use in the composting process. Excessively dry material can potentially cause dust; therefore, the Facility implements standard dust control measures. Potential pollutants include dust and particulate from green materials, wood materials, other feedstocks, and finished compost.

4.7 Significant Spills and Leaks

The General Permit requires a description of the following:

- A list of any industrial materials that have leaked or spilled in significant quantities and have discharged from the Facility's storm water storm water conveyance system within the previous five (5) year period.

- A list of any toxic chemicals identified in 40 Code of Federal Regulations section 302 that have been discharged from the Facility's storm water conveyance system as reported on U.S. EPA Form R, as well as oil and hazardous substances in excess of reportable quantities (40 C.F.R. Section 110, 117, and 302) that have discharge from the Facility's storm water conveyance system within the previous five (5) year period.
- A list of any industrial materials that have spilled or leaked in the significant quantities and had the potential to be discharged from the Facility's storm water conveyance system within the previous five (5) year period.

There have been no such spills or leaks at the Facility within the previous five (5) year period. As noted previously, Cold Creek is a no discharge Facility.

4.8 Non-Storm Water Discharges

Potential sources of non-storm water at the Facility include: process water, compost leachate, and vehicle wash water.

Cold Creek Compost's implementation of minimum and advanced BMPs prevent non-storm water discharges from leaving the Facility and impacting surface or ground waters. See Section 5.7.10 below.

Runoff from the material stockpiles is directed to the collection pond via drop inlets and conveyance piping. The collection pond retains the runoff, thereby allowing its re-use during dry periods.

Wash water is generated during vehicle washing. However, no wash water is discharged from the Facility as it is directed via the concrete berm to the drop drains for conveyance to the collection pond.

During dry periods, water is used throughout the Facility and on access roads to suppress dust. Water is emitted at the grinder, screens, and unloading area as needed. In addition, water trucks spray water on access roads and throughout the processing areas to decrease dust generation from vehicular traffic and stockpiled materials. The water used to control dust in the compost pad area is diverted to the collection pond.

4.9 Soil Erosion

Activities at the Facility that could potentially result in soil erosion include feedstocks and finished compost stockpiling and operation activities. In addition, access roads can be susceptible to soil erosion.

5.0

Best Management Practices

5.1 Best Management Practices

Best Management Practices (“BMPs”), including composting specific practices, are part of the Facility’s siting, design, construction, and operation and the minimum and advanced BMPs identified by the General Permit are practices, methods, operations and schedules of activities implemented by Cold Creek Compost to eliminate the potential for contaminated storm water reaching surface and/or groundwater.

5.2 Cold Creek Compost Siting and Design

Siting is a critical element of any facility design, of utmost importance if water quality impacts are to be minimized. The Cold Creek Compost facility is ideally located on a ridge top. There is no water that runs on to the Facility, and it is a significant distance from any water courses, with large amounts of grazing land between the Facility and the nearest receiving waters. The engineered compost pad has been constructed in excess of the requirements of the State Water Board and NCRWQCB. An 18-inch high concrete berm has been constructed around the perimeter of the compost pad. All runoff from the compost pad is directed by the concrete berm to two (2) drop inlets, and then routed via piping to the collection pond.

Approximately 1.2 acres of the compost pad area is covered with a roof structure. Storm water runoff from the roof is carried beyond the compost pad perimeter and released to natural drainages. Under the roof, a drainage system has been designed and constructed to capture any liquid from feedstocks and rain that is blown in. The drains send the liquid to a collection tank where it is stored for use as process water (i.e. added to increase the moisture level of composting materials) or to the collection pond.

Secondary containment is maintained for two (2) 500-gallon fuel storage tanks. A 250-gallon waste oil collection tank is also maintained within secondary containment. The waste oil tank is also under cover. Waste oil and fluids are regularly removed from the Facility by a licensed waste oil recycler (currently Evergreen Oil though other qualified recyclers may be utilized). All such materials are handled in accordance with the Facility’s Hazardous Materials Business Plan and all other applicable rules and regulations.

See **Figure 2** for layout of the Facility.

5.3 Cold Creek Compost Wet Weather Operations

The Facility has established and maintains, as a BMP, a procedure that responds to wet weather periods, depending on duration and amount of rainfall as well as a range of moisture levels in the materials on-site. The BMPs assume fluctuations in the amount of rainfall and the moisture content of the materials. Procedures include attention to excess storm water in the compost pad area, monitoring moisture levels in the various materials at the site, and shielding some materials from

rainwater by placing under the roofed area or by securely covering (tarping) the material as necessary.

This section addresses management of the Facility's procedures implemented during wet weather periods, and for that reason should be referenced with the Facility's Report of Composting Site Information ("RCSI") and Odor Impact Minimization Plan ("OIMP"). Both of these plans are stored on-site at the Facility's main office.

The compost pad is generally kept clear of unnecessary amounts of fugitive material, minimizing mud and suspended solids in storm water. After rain events, a bulking agent is spread on the pad to absorb mud and water. The material is then added to the pathogen reduction ("PR") windrows.

The PR windrows are the beginning of the composting process where all materials to be composted are initially blended and brought to temperature in order to eliminate pathogens – hence the name "pathogen reduction windrows". Water is added to the PR windrows immediately following construction to the point of saturation. During the rainy season the need to add water to the PR windrows is greatly reduced, but not eliminated. During periods of very high rainfall, there may be times when additional rain is forecast and the PR windrows cannot benefit from additional moisture. In the event that this may occur, the PR windrows are turned more often in order to release moisture or stacked on the aerated static pile ("ASP") where excess moisture either drains through the aeration system or evaporates by convection or forced aeration. Any leachate generated is captured in the collection pond where it is held until used as irrigation water on pastureland or process water in the composting operation.

The Facility Operator or Facility Manager sets and monitors moisture as well as saturation in the materials consistent with the objective to efficiently complete each phase of composting and make use of precipitation as a source of moisture for the materials, as weather permits. During wet weather periods, some materials may be securely covered to the extent that these materials would not benefit from additional moisture. The Facility Operator's or Facility Manager's decision to roof or tarp materials is based on the need to maintain a range of moisture levels in the materials, the need to promote efficient composting while minimizing leachate production, and the potential for the generation of off-site odors.

Aerated static piles are constructed as high as practically possible in order to minimize moisture loss during the dry season and to minimize saturation and leachate production in wet weather periods. The aeration system in the static piles doubles as a leachate collection system, allowing the leachate to be collected at full strength in containment tanks for sale as liquid fertilizer or to be sent to the collection pond along with storm water runoff from the compost pad.

Liquid feedstocks are not stored on-site, but rather incorporated directly into the PR windrows, thereby minimizing handling and any chances of a spill. During wet weather periods, liquid feedstocks are not accepted if, in the best judgment of the Facility Operator or Facility Manager, the windrows are at full water holding capacity.

The equipment used at the Facility is cleaned on a regular basis with a pressure washer. This activity always occurs on the compost pad within the confines of the concrete berm where all runoff is captured.

5.4 Assignments to Implement the BMPs

The Facility Operator is responsible for ensuring the Facility is in compliance with all pertinent rules and regulations governing operation of the Facility.

The Facility Manager assigns and directs employee activities, schedules all Facility maintenance activities and ensures good housekeeping practices are adhered to, reviews daily logs and data to ensure daily logs of incoming and outgoing materials and other logs are properly recorded and maintained. The Facility Manager also performs and supervises all required on-site testing and monitoring and acts as the point of contact for all regulatory agencies. The Facility Manager reports directly to the Facility Operator.

The Facility Mechanic is responsible for conducting and overseeing equipment maintenance tasks and the safe and responsible handling of fuels, fluids, and lubricants.

5.5 Minimum (Non-Structural) BMPs

Minimum or non-structural BMPs generally consist of processes, prohibitions, procedures, schedule of activities, etc., that prevent pollutants associated with industrial activity from contacting with storm water discharges and authorized non-storm water discharges. They are considered low technology, cost-effective measures. The Facility Operator considered the minimum BMPs identified in the General Permit and has implemented the following minimum BMPs as appropriate:

5.5.1 Good Housekeeping

Cold Creek Compost personnel follow housekeeping and preventative maintenance practices designed to reduce the potential for a release or discharge of pollutants to the environment. All materials necessary for the daily operations of the Facility are stored in a neat and orderly fashion. Other materials and supplies are either covered or placed in designated areas dedicated to storage or stockpiling. No excessive accumulations of undesirable materials are kept at the site.

Debris receptacles are provided at material sorting locations and two (2) semi-trailers are kept on-site for the collection of and transportation for the appropriate off-site disposal of any contaminants or undesirable materials. Facility personnel patrol the site daily to control litter and inspect BMPs.

It is the policy of Cold Creek Compost to reject hazardous materials. Employees are trained to recognize potentially hazardous materials and the Facility policy requires personnel to treat any unknown or unidentifiable material as if it were a hazardous material and direct it to be immediately removed from the Facility.

Housekeeping practices implemented at the Facility include, but are not limited to:

- Clean-up of any spills and stained soil. Any absorbent material must be picked up and placed in appropriate drums until the material can be properly disposed.

- Storage of drums and other containers of HazMat under cover to keep them from rusting and corroding. Storage of drums on pallets and covering them with tarps if there is no room under cover.
- Inspecting mobile equipment daily to ensure that drip pans are in use by all vehicles that require them. Empty drip pans as necessary and properly dispose of any wastes.
- Following Material Safety Data Sheets (“MSDS”) instructions for the safe handling of hazardous materials and wastes. Disposing of petroleum products or hazardous waste in accordance with local, state, and federal regulations and codes.
- Recycling of wastes when possible. Storage of recyclable wastes as neatly and safely as possible.
- Wash equipment and vehicles within the compost pad to ensure all wash water is directed into the collection pond.

5.5.2 Preventive Maintenance

Preventive maintenance includes the regular inspection and maintenance of structural storm water controls (e.g., the collection pond, compost pad, floor drains, pipes, etc.) as well as other Facility equipment and systems.

Unloading of incoming materials and loading of finished product occurs on both covered and uncovered portions of the compost pad. During wet weather periods, depending on the particular weather and materials, some materials on the uncovered portions of the compost pad may be tarped in order to prevent saturation. Materials that arrive at the Facility with excess moisture are unloaded under the roof where the excess moisture is captured by floor drains and then is conveyed to a collection tank or to the collection pond.

Liquid feedstocks received at the Facility are turned into the windrows upon receipt. This minimizes handling and the chances of a spill. During wet weather periods, liquid feedstocks are not accepted if, in the best judgment of the Facility Operator or Facility Manager, the windrows are at full water holding capacity.

5.5.3 Spill and Leak Prevention and Response

Detailed information on handling spills of hazardous materials or wastes (HazMat/HazWaste) is contained in the Facility’s Hazardous Waste Management Business Plan (“HMBP”). For safety and health reasons as well as for protection of the environment, the following actions and practices will be incorporated, as necessary, as part of any spill prevention standard operating procedures:

- Use secondary containment for the storage of HazMat/Haz Waste as needed.

- Specialized safety equipment such as non-sparking shovels and personal protective gear will be available where needed. Fire extinguishers are kept near areas where flammable liquids are stored or dispensed.
- Employees are trained to never hose down a spill with water.
- Keep untrained or unauthorized personnel out of HazMat/HazWaste storage areas. Untrained personnel are not to handle HazMat/HazWaste unless under the direct supervision of a trained employee.
- Lock fuel pumps when not in use. An operator must always be standing by the controls whenever fueling takes place.
- Correct unsafe handling or storage conditions immediately or notify the Facility Manager so the situation can be corrected.
- In the event of a spill, the first priority is to protect personnel. Do not hesitate to call for help to prevent a situation from becoming potentially more dangerous. Always notify a supervisor even if the spill is contained.
- Know and follow the specific procedures documented in the HMBP in the event of a spill. Keep the HMBP up to date. Evaluate the HMBP procedures and suggest improvements annually.

The most common causes of unintentional releases and spills are:

- Lack of awareness regarding proper hazardous materials handling procedures.
- External corrosion and structural failure of storage containers.
- Installation problems.
- Spills and overfills due to operator error.
- Failure of piping systems (pipes, pumps, flanges, couplings, hoses, and valves).
- Leaks during pumping of liquids or gases from trucks to a storage facility.

Action will be taken by all Facility personnel to avoid any of the above-described conditions.

Special occurrences, such as fire, flooding, earthquake, vandalism, or incidents involving hazardous materials will be recorded in the daily operations record. In the event of a special occurrence (e.g. earthquake), the Facility will be visually inspected to verify the integrity and operation of control measures, and the need for any maintenance or repair. During a special occurrence, the responsible emergency contact person (Facility Operator or Facility Manager) will be notified by Facility personnel and will direct employees as to what further action is required, if

any. In the event of a discharge, the first person to discover the discharge shall notify at least one of the following emergency contacts:

1. Martin Mileck, Facility Operator
Office phone: 707-485-5966
Cell phone: 707-489-4821
2. Aaron Levesque, Facility Manager
Office phone: 707-485-5966
Cell phone: 707-489-4860
3. Shani Smith, Office Manager
Office phone: 707-485-5966
Cell phone: 707-489-7123

The Facility Manager or Facility Operator is responsible for supervising containment and clean-up activities in all areas of the Facility. The Facility Manager or Facility Operator will assign properly trained personnel and equipment to contain and clean-up any release.

In the event any discharged material reaches surface waters, or if there is a possibility that rain or other conditions could convey discharged material to surface waters, the Facility Manager, Facility Operator, or Office Manager shall immediately notify the following agencies:

- North Coast Regional Water Quality Control Board: 707-576-2220
- California Department of Fish and Wildlife: 707-421-6770
- Mendocino County Department of Environmental Health: 707-463-4466

If a discharge to surface waters is the result of a spill of hazardous materials (such as petroleum products), the following additional telephone notifications shall be made immediately:

- Emergency: 911
- California Office of Emergency Services (OES): 1-800-852-7500
- EPA National Spill Response Center: 1-800-424-8802
- Mendocino County Sheriff's Office: 707-463-4411

Within two (2) weeks of any spill that results in a discharge to surface waters, the Facility Operator will submit a written spill report to:

North Coast Regional Water Quality Control Board
5550 Skyline Boulevard, Suite A
Santa Rosa, CA 95403

The report shall include the reasons for the discharge, the duration and volume of the discharge, the steps taken to correct the problem, and the steps taken to keep the problem from recurring.

5.5.4 Material Handling and Waste Management

The materials processing activities that occur on-site are the turning of the active windrows, screening finished compost, grinding of green and wood materials, blending of materials, and moving material about the Facility. No discharge occurs on account of these activities because they occur on the compost pad within the 18-inch concrete berm surrounding the compost pad.

Unloading of incoming materials and loading of finished product occurs on both covered and uncovered portions of the compost pad. During wet weather periods, depending on the particular weather and materials, some materials on the uncovered portions of the compost pad may be tarped in order to prevent saturation. Materials that arrive at the Facility with excess moisture are unloaded under the roof where the excess moisture is captured by floor drains and then is conveyed to a collection tank or to the collection pond.

Liquid feedstocks received at the Facility are turned into the windrows upon receipt. This minimizes handling and the chances of a spill. During wet weather periods, liquid feedstocks are not accepted if, in the best judgment of the Facility Operator or Facility Manager, the windrows are at full water holding capacity.

As noted above in the Good Housekeeping section, debris receptacles are provided at material sorting locations and two (2) semi-trailers are kept on-site for the collection of and transportation for the appropriate off-site disposal of any contaminants or undesirable materials. Facility personnel patrol the site daily to control litter and inspect BMPs.6.18

5.5.5 Erosion and Sediment Controls

The Facility has implemented the following sediment and erosion control practices and procedures:

- An 18-inch concrete berm is in place around the composting pad to prevent storm water sheet flow.
- Check dams and straw wattles are used along the access road, as necessary, to prevent erosion of access road and adjacent drainage channels.
- Steep slopes are stabilized before grading or clearing occurs to prevent erosion and sediment transport into receiving waters.
- Properly graded access roads and a well-maintained composting pad help prevent erosion and trap sediment.
- Natural vegetation along the perimeter of the Facility and along the access road helps stabilize slopes and prevent erosion.
- Re-seeding of vegetation occurs as necessary.

- Regular inspections of areas susceptible to erosion are conducted.
- Corrective action is taken if erosion is visible.

5.5.6 Employee Training Program

Storm water pollution awareness and knowledge are key elements of the SWPPP. All personnel including new employees are familiarized, as necessary, by the Facility Manager or Facility Operator with the requirements of all regulatory agencies, including, but not limited to, the NCRWQCB, the Mendocino County Air Quality Management District and the Local Enforcement Agency (“LEA”). All employees are familiarized with Facility operations. This cross-training facilitates higher levels of control with respect to efficiency of operations, regulatory compliance, problem identification, and emergency response.

The SWPPP requires that all employees responsible for implementing the SWPPP receive appropriate training. Training addresses storm water quality, source of pollutants, spill response, good housekeeping, BMPs, maintenance procedures, and facility inspection requirements. A storm water training log is included in Appendix E.

The Facility Operator or other designated representative will take the following steps to comply with the SWPPP training requirements including:

- Initial monitoring program training for personnel involved with implementing the SWPPP.
- All new and existing personnel working outdoors will review the SWPPP and complete compliance training by the Facility Operator or Facility Manager.
- The Facility Operator and Facility Manager will review the SWPPP annually and attend refresher training sessions as necessary. Refresher training will occur prior to the rainy season in October of each year. Training will be documented in a log book and within each employee’s training file. Documents are stored on-site at the Facility’s main office.
- The Facility Operator will hold an annual meeting prior to the storm water season, typically in conjunction with safety meetings, with all personnel to review pollution prevention procedures and exchange information on how to further reduce the risk of polluting storm water. The meeting will be documented in a log book and/or in the employee’s training file. Documents are stored on-site at the Facility’s main office.

The Facility complies with all Cal OSHA regulations and other applicable worker health and safety regulations and requirements. The Facility Operator or Facility Manager schedules regular health and safety meetings to ensure regulatory compliance and to update Facility personnel regarding any changes in operations or provide new information pertaining to worker health and safety.

All personnel are familiarized with Facility good housekeeping practices and appropriate responses in emergency situations. All workers are encouraged to propose methods to improve

operational efficiency, provide for worker health and safety, and ensure compliance with all environmental regulations.

5.5.7 Quality Assurance and Record Keeping

Cold Creek Compost has designed and implemented procedures, including employee training, onsite availability of the SWPPP, and daily monitoring and supervision of the Facility's operations by the Facility Operator, Facility Manager or other Designated Compliance Person to ensure that all elements of this SWPPP and the Monitoring Program are adequately conducted.

The Facility has implemented procedures to ensure that all reports, records of inspections, spills, maintenance activities, corrective action, visual observations, etc. are developed, retained, and provided, as necessary, to the appropriate Facility personnel. As described in Section 7.3 below, an Annual Report is submitted to the State Water Board and to the NCRWQCB and stored at the Facility's main office in addition to BMP implementation records, training records, and records related to spills and cleanup responses are retained for a minimum of five (5) years.

5.5.8 Inspections

The Clean Water Act requires that an annual inspection be performed to determine if the SWPPP is being properly implemented. During the inspection, BMPs are evaluated and updated as necessary in order to reduce storm water pollution. Following the annual inspection, a written record of observations and any recommended modifications are completed and included as an attachment to the SWPPP.

In addition to the annual inspection, designated Cold Creek Compost personnel will conduct monthly visual "dry weather" observations to document visual observations of any authorized or unauthorized non-storm water discharges ("NSWDs"), as well as potential pollutant sources, and the maintenance status of BMPs. The forms used to document these monthly visual observations are presented in the Storm Water Forms (Appendix D).

Designated Cold Creek Compost personnel will also conduct monthly, potential storm water discharge location observations during the wet season from October through May as described in Section 7.1.2 below. The form used to document the monthly wet season observations is presented in the Storm Water Forms (Appendix D).

Inspection records are maintained in the storm water binder located in the Facility's main office. Inspections include, but are not limited, to the following:

- In the processing areas, check for stains and drips from equipment and for sheen on puddles or oil-stained soil. Ensure that any process water is being directed to the collection pond and is not being discharged.
- Inspection of any hazardous materials and waste storage areas to ensure these materials are properly contained and there are no leaks or stains. Integrity of any storage drums will be monitored. Any pumps, drains, sumps, dispensers, nozzles, hoses, etc. will be inspected.

- Any maintenance and repair areas will be inspected regularly for improperly stored material, stains, or leaks.
- Inspection of the concrete berm, the collection pond, all tanks or drums, and surrounding areas for any overflow conditions.
- Inspection of the drainage systems to check that they are not filled or clogged and are functioning properly.
- Inspection of the fuel pumps and dispensing systems for leaks. Any pumps, dispensers, nozzles, and hoses also inspected for leaks.

Inspections of any vehicle/equipment wash areas to ensure that detergents and contaminants are contained within the 18-inch concrete berm.

5.5.9 Temporary Suspension of Industrial Activities

Cold Creek does not intend to temporarily suspend industrial activities for ten (10) or more consecutive calendar days during a reporting year. In the event, that Cold Creek temporarily suspends industrial activities, Cold Creek shall comply with the General Permit's requirements to identify and install appropriate BMPs to ensure that the Facility is properly stabilized and monitored.

5.6 Advanced (Structural) BMPs

Advanced or structural BMPs are physical measures implemented at a facility to eliminate or significantly reduce or eliminate the potential for pollutants in storm water discharges and authorized non-storm water discharges. Cold Creek Compost considered the structural BMPs identified in the General Permit and has constructed and operates and maintains the structural devices identified and discussed below.

5.6.1 The Compost Pad

The Facility covers roughly ten (10) acres in the center of the 2,700-acre Guntly Ranch. Most Facility operations occur on an approximately six-acre engineered compost pad plus the other operation areas as described above.

The engineered compost pad employed a two-part construction system. Following compaction and final grading, the pad was overlain with a layer of high quality clay. The clay layer was then overlain with a one (1) foot protective layer of rock. This rock layer requires periodic maintenance on account of heavy equipment traffic. The pad is checked periodically for excess ponding. Additional rock is added in any depression areas as needed. Positive drainage on the pad is maintained by grading, as appropriate, to direct runoff to the pad's perimeter collection system. As constructed, the compost pad has a permeability of 10^{-8} cm/sec.

All debris is regularly cleared from the perimeter collection system to ensure that storm water flows properly to each drop inlet. Drop inlets are inspected and obstructions are removed as needed. As necessary, any obstructions are removed from conveyance pipes. The screens that capture larger floating debris at each drop inlet are cleaned regularly.

5.6.2 Overhead Coverage

More than an acre of the compost pad area is covered with a roof structure with gutter drains that flow into natural drainage and seasonal streams.

5.6.3 The Collection Pond

The collection pond retains all storm water and leachate runoff collected from the compost pad area. The collection pond is eighteen (18) feet deep and has a capacity of four (4) acre-feet or 1.3 million gallons. The collection pond is lined with an impermeable membrane liner sufficient to meet the minimum standards laid out in Title 27 of the California Code of Regulations for landfill leachate pond liners. The liner is constructed of 80 mil high density polyethylene (HDPE) and is placed over a 12-inch thick compacted clay liner. Two (2) drop inlets on the northern and southern perimeters of the compost pad direct all storm water and leachate via piping from the composting pad to the collection pond.

The following information describes how the collection pond is maintained and operated throughout the year. It includes systems design and measures taken to ensure that the collection pond does not overflow and impact surface waters.

5.6.3.1 Collection Pond Maintenance

- The collection pond's exterior slopes are periodically inspected for erosion and adequate vegetative growth. Any erosion is addressed and the slopes are reseeded and fertilized as needed.
- During the summer months, the water requirements of the Facility exceed what the collection pond is able to provide, causing it to be empty by fall. Each fall when the collection pond is empty, any sediment is removed as necessary. The sediment is then reintroduced into the compost process or used as a soil amendment on ranch pastureland.
- After removal of the sediment, the polyethylene liner is inspected and repaired as necessary in preparation for the following rainy season. (Note: The polyethylene liner is redundant. Beneath it is another liner of compacted clay similar to the compost pad.)
- The inlet pipe, the outlet pipe, ropes, pumps, aeration system, and plumbing fixtures are inspected and repaired as necessary. Collection pond level markings are touched up as necessary.

5.6.3.2 Odor Minimization and Pond Aeration

In addition to following the Facility's Odor Impact Minimization Plan ("OIMP") in order to reduce the potential of odors generated from site activities and captured liquid in the collection pond, the Facility has installed an aeration system. The aeration system is powered by a generator that is under cover within the fence securing the collection pond.

5.6.3.3 Collection Pond Operation Guidelines

Though it is sized to accommodate four times the amount of runoff resulting from a 25-year, 24-hour storm event, the collection pond does not have sufficient capacity to hold the storm water runoff from an entire rainy season. The insufficient capacity is moderated to a degree by the fact that throughout the year (though far less during the rainy season) water is drawn from the collection pond for various purposes at the Facility. Nonetheless, during the rainy season, water must be drawn from the collection pond in excess of what the Facility uses in order that it does not overflow.

The Facility Operator directs Cold Creek Compost personnel to remove liquid from the collection pond throughout the year so that overflow never occurs. This is accomplished by removing water as needed for composting operations and irrigating ranch pastureland. Collection pond water is also used for dust control and to increase the moisture content of materials at the Facility. The water needs at the Facility exceed what the collection pond is able to provide, with the balance being provided by wells, the Russian River, and precipitation.

The collection pond liner has painted markings every two (2) feet so that the water level, and thus both the amount of water in the collection pond and the remaining capacity is easily determined.

At four (4) feet below overflow, one (1) foot of collection pond level is equal to approximately 1/3 acre-foot of water. The uncovered portion of the compost pad is assumed to be 2.5 acres for the purpose of estimating the amount of storm water that will flow to the collection pond as a result of a particular storm event. For instance, if a forecasted storm is expected to produce one-half foot of rainfall, it is assumed that the collection pond will receive one-half foot times 2.5 acres or 1.25 acre-feet of storm water, thus raising the pond level by 1.25 acre-feet divided by one-third foot per foot or almost four (4) feet. This calculation is approximate since the exact amount of rainfall or the exact percentage of runoff cannot be predicted. The farther from four (4) foot below overflow, the more the actual volume will deviate from the assumed, and the more saturated the composting material the more runoff will be produced. These and various other factors will affect the calculation. Despite the numerous variables and approximations, the calculation is reasonably accurate and has served well for the past seven (7) years as a rule-of-thumb to predict the effect an anticipated storm event will have on the collection pond level.

During the rainy season, the water level in the collection pond is monitored daily. In order to prevent overflow, the above calculation is made whenever a storm is forecast and, if necessary, water is removed from the collection pond to maintain freeboard adequate to prevent overflow. Collection pond levels are adjusted as follows: water is removed from the collection pond by irrigating ranch pastureland, the addition of water to materials at the Facility, or for dust control.

Irrigation of pastureland takes place primarily in the fall. This is done for two (2) reasons: 1) the soils are not yet saturated and can, therefore, hold more water before runoff occurs, and 2) irrigating with the relatively clean water from early season further reduces the chance of having any impact on surface waters. Early in the rainy season, the storm water that is captured by the collection pond is relatively clean because it is primarily storm water. Later in the season as materials on the pad become more saturated, the storm water that flows to the collection pond will contain a higher percentage of leachate, and will therefore have higher nutrient levels.

Pastureland is never irrigated to the point of runoff. This precludes the possibility that any of the applied sediment or nutrients will impact surface waters.

The Facility Operator or Facility Manager inspects the collection pond prior to each forecasted rain event, after a rain event that causes runoff from the compost pad, and at 24-hour intervals during extended rain events to verify that the collection pond has enough capacity available to handle the anticipated rain volume.

The Facility Operator or Facility Manager maintains a log of irrigation system operations, recording when and where each sprinkler is operating and for how long. Logs are also kept of how much water is used at the Facility, whether from the collection pond, the Russian River or the well, in addition to what it was used for (e.g., dust control or process water).

5.6.3.4 The Irrigation Systems

The Facility employs three (3) systems to distribute storm water, leachate and other nutrient laden, high BOD water on ranch pastureland. One system is the use of a water truck(s). In addition to eight (8) lower mounted sprayers, the Facility's water truck has a top mounted sprayer that sprays a pattern 70 feet from the truck. Though operation of the water truck is limited by capacity and confined to roads, the Facility does have approximately 2.5 miles of all-weather roads that traverse ranch lands, giving the water truck year round ability to apply water to approximately 40 acres of grazing land.

The second distribution system requires no pumping. It is fed by gravity and is connected directly to the collection pond. This system consists of four (4) solid set sprinklers, each covering 1.5 acres with an application rate of 7,000 gallons per hour. The system can be expanded should the need arise.

The third system is a movable sprinkler that is fed by flexible hose attached to any one of fourteen hydrants that are fed by a pump in the collection pond. The sprinkler applies water at a rate of 3,000 gallons per hour. The system currently covers about 40 acres of pastureland and can be easily expanded to cover many times that area.

5.6.3.5 Primary Collection Pond Management Plan

The collection pond is the primary source of water for the Facility. If there is any water at all in the collection pond, that water is used for moisture adjustment and dust control. The only time river or well water is used for those purposes is if the collection pond is empty or the material to be moistened is finished compost. Water collects in the collection pond from the first few rain

events of the season (approximately the first foot of rainfall). Thereafter, the water level in the collection pond is allowed to rise as the rainy season progresses. If the proper amount of collection pond water was used for pasture irrigation at the beginning of the rainy season, then the rainy season will end with the collection pond full almost to the point of overflow. Careful management towards the end of the rainy season is essential to prevent an overflow event.

5.6.3.6 Collection Pond Contingency Plan

Should the above described calculation indicate that there is a possibility that the collection pond will overflow, water is released through one or both of the irrigation distribution systems until the collection pond drops to an acceptable level.

5.6.3.7 Collection Pond Secondary Contingency Plan

If, despite all efforts, the water level in the collection pond does rise to the point of overflow, it will flow from the overflow pipe into a ditch that has been constructed for that purpose. The overflow ditch runs at a very slight grade for about a thousand feet over ranch grazing land at a significant distance, both in elevation and laterally, from receiving waters. It is designed so that the grazing land between the overflow ditch and receiving waters will absorb the nutrients and trap any sediment from the overflow water. In seven years of operation, the collection pond has never overflowed.

5.6.4 Control Devices

5.6.4.1 18-Inch Concrete Berm

An 18-inch high concrete berm surrounds the perimeter of the outwardly contoured compost pad. The concrete berm directs all runoff into two (2) drop inlets located on the northwest and southwest sides of the compost pad that then conveys the water via piping to the collection pond.

5.6.4.2 Drop Inlets

The 18-inch concrete berm directs all runoff from the compost pad area into two (2) drop inlets located on the northwest and southwest sides of the compost pad that then conveys the water via piping to the collection pond.

5.6.5 Secondary Containment Structures

Storage tanks and a waste oil container at the Facility, i.e., two (2) 500-gallon fuel storage tanks, a 10,000-gallon leachate storage tank, two (2) 2,500-gallon aerated static pile leachate collection tanks, and a 250-gallon waste oil container, are maintained within containment berms, other secondary containment and/or under cover to prevent leaks or spills from contaminating storm water.

5.7 Composting Activity-Specific BMPs

Cold Creek Composting implements BMPs for specific composting activities involving potential pollutants at the Facility to minimize the potential for these substances to be discharged from the

Facility to surface waters. This section describes BMPs that have been implemented in connection with these specific industrial activities.

5.7.1 Pathogen Reduction Windrows and Aerated Static Pile Composting

Unloading of incoming raw materials and feedstocks and loading of finished product occurs on both covered and uncovered portions of the compost pad. The primary materials processing activities that occur at the Facility are the turning of the grinding of materials, active compost, screening finished compost, and moving material about the Facility.

Specific BMPs related to the pathogen reduction windrows and aerated static piles are listed below:

- All process liquid generated by the composting operation is collected in the collection pond and recycled through the process.
- The compost pad is surrounded by an 18-inch concrete berm to prevent runoff from the compost pad.
- During wet weather, some materials on the uncovered portions of the compost pad may be covered or tarped.
- Wet materials may be unloaded under the roof for capture by the floor drains.
- Liquid feedstocks received at the Facility are turned into the windrows upon receipt.
- Liquid feedstocks will not be accepted if, in the best judgment of the Facility Operator or Facility Manager, the windrows are at full water holding capacity.
- The aerated static piles are built as high as possible to maximize their water holding capacity and minimize the production of leachate.
- The aerated static piles also contain aeration pipes, and if needed Cold Creek Compost can direct air through the static pile to reduce moisture.
- The leachate generated by the aerated static piles is captured by pipes laid under the piles. The captured liquid is either recycled through the process or directed to the collection pond. Holding tanks and piping is in place, so that this leachate can be collected and stored in tanks, if needed.
- Regular inspections and maintenance of the compost pad and equipment.
- Daily inspections of the Facility.
- Good housekeeping practices throughout the Facility.

- Spill control and response training.

5.7.2 Fueling Area

The fueling area is located at the junction of the amendment pad access road and the compost pad on the east side of the Facility. Gasoline and diesel are used to re-fuel the various vehicles and heavy equipment used at the Facility.

Potential pollutants include: diesel fuel, gasoline, motor oil, hydraulic fluid, grease and exhaust particulate from mobile equipment and vehicles.

BMPs to address potential pollutants and sources **related to the fueling area** include:

- Fuel pumps are locked when not in use.
- Secondary containment is in place.
- Regular inspections and maintenance of mobile equipment.
- Good housekeeping practices throughout the area.
- Spill control and response training.
- Spill control materials available on-site as needed.

5.7.3 Maintenance and Hazardous Materials Storage Area

The maintenance and hazardous materials storage area is located on the south west side of the compost pad, outside the compost pad. Hazardous materials are stored in a lockable maintenance truck or storage shed.

Potential pollutants include: diesel fuel, gasoline, motor oil, hydraulic fluid, grease and exhaust particulate from mobile equipment and vehicles.

BMPs to address potential pollutants and sources **related to the maintenance and hazardous materials storage area** are:

- Used oils and fluids are removed for the Facility by a licensed waste oil recycler (currently Evergreen Oil though other qualified recyclers may be utilized).
- Waste oil is stored in 250-gallon tank under a roof with secondary containment in place.
- Batteries are routinely recycled and not stockpiled on-site.

- Regular inspections and maintenance of mobile equipment.
- Good housekeeping practices throughout the area.
- Spill control and response training.
- Spill control materials available on-site as needed.

5.7.4 Leachate Tank (10,000 gallons)

A large leachate tank is located on the south west side of the compost pad, outside the concrete berm and down gradient of the compost pad. The tank is used to store leachate collected via the floor drains underneath the roofed area. The leachate is later pumped out for re-use as process liquid in the composting process. There is a secondary containment berm in the case of leaks or spills. The plan for this tank is to cease its use and direct all liquids to the collection pond.

Potential pollutants include: compost leachate, suspended solids, small floatable debris, nutrients including nitrogen and phosphorous, pathogens, oxygen demanding substances, diesel, and hydraulic oil.

BMPs to address potential pollutants and sources **related to the large leachate tank** are as follows:

- The tank is fully contained.
- Secondary containment is in place.
- Regular inspections and maintenance.
- Good housekeeping practices throughout the area.
- Spill control and response training including pumping back from the secondary containment area to the compost pad.
- Should the integrity of the tank become an issue, the contents will be transferred into another holding tank or the collection pond.

5.7.5 Aerated Static Pile Leachate Tanks (2,500 gallons)

There are two (2) aerated static pile leachate collection tanks located on the north side of the compost pad, outside the concrete berm, and down gradient of the aerated static piles. In the past, these tanks were used to store leachate collected via piping underneath the aerated static piles. The leachate was later pumped out for re-use as process liquid in the composting process or sold as a high-strength fertilizer. These tanks are not currently in use and have not been used in the past year.

Potential pollutants include: compost leachate, suspended solids, small floatable debris, nutrients including nitrogen and phosphorous, pathogens, oxygen demanding substances, diesel, and hydraulic oil.

BMPs to address potential pollutants and sources **related to the aerated static pile leachate tanks** are as follows:

- The tanks are fully contained.
- When the tank is at maximum capacity, the liquid is either re-used on the aerated static pile or transferred to the collection pond or used as process water elsewhere on-site.
- Regular inspections and maintenance.
- Good housekeeping practices throughout the area.
- Spill control and response training including pumping back from the secondary containment area to the compost pad.
- Should the integrity of the tank become an issue, the contents will be transferred into another holding tank or the collection pond.

5.7.6 Storm Water and Leachate Collection Pond

The storm water and leachate collection pond is located on the west northwest side of the Facility, down gradient of the Facility access road. The collection pond is used to store storm water and leachate collected at the Facility. The collection pond water is later pumped out for re-use as process liquid in the composting process or used as irrigation water on pastureland.

Potential pollutants include: compost leachate, suspended solids, small floatable debris, nutrients including nitrogen and phosphorous, pathogens, oxygen demanding substances, diesel, and hydraulic oil.

Specific BMPs to address potential pollutants and sources **related to the storm water and leachate collection pond**, include, but are not limited to:

- Two (2) feet of freeboard is permanently maintained.
- Contingency plans in place (see Sections 5.6.3.6 and 5.6.3.7).
- Regular monitoring of pond levels and weather.
- Regular inspections and maintenance.
- Good housekeeping practices throughout the area.

- Spill control and response training.
- Erosion control measures.

5.7.7 Amendments Storage Area

The amendments storage area are located approximately 1,500 feet south and east of the Facility on top of an adjacent ridge, east of the compost pad, and on the western edge of the Facility. These areas are used to store amendments for use in the composting process and for the blending of custom orders. Amendments and additives include, but are not limited to, wood ash, lime, rock phosphate, gypsum, and other commercial fertilizers.

Potential pollutants include: suspended solids, small floatable debris, and nutrients including nitrogen and phosphorous.

BMPs to address potential pollutants and sources **related to the amendments storage area** include:

- Installation of straw wattles, straw bales, or silt fencing as necessary.
- Perimeter grass buffer.
- Regular inspections and maintenance.
- Good housekeeping practices throughout the areas.
- Covering or tarping of materials in inclement weather as necessary.

5.7.8 Dust and Particulate Generating Activities

5.7.8.1 Facility Access Road

The Facility access road runs approximately two (2) miles in an easterly direction from the entrance gate on Potter Valley Road to the operation area of the Facility. Traffic is limited under the terms of the Facility's Use Permit and Solid Waste Facility Permit to a maximum of 40 vehicles per day. The Facility currently averages approximately 20 vehicles a day. Potential pollutants include dust and exhaust particulate from trucks and vehicles.

BMPs to address potential pollutants and sources **related to the access road** are listed below:

- Annual application of commercial dust suppressant.
- Daily, or more frequent, watering of the access road in the dry season.
- Periodic regrading and maintenance.

- Paved encroachment and egress area.
- Regular inspections.

5.7.8.2 Compost Facility – Grinding and Screening Areas

The Facility receives regular deliveries of material that is ground for use in the composting process. Grinding and screening of excessively dry material may produce dust. **BMPs** to address potential pollutants and sources **related to the Facility's grinding and screening processes** include:

- Water and equipment for dust suppression is available at the grinding and screening areas.
- Regular inspections and on-going equipment maintenance.
- Good housekeeping practices throughout the area.
- Spill control and response training.

5.7.9 Significant Spills and Leaks

There have been no significant spills or leaks at the Facility since April 17, 1994. The following **BMPs for significant spills and leaks** have prevented significant spills or leaks:

- Storm water that has come into contact with the composting process is directed to the collection pond for reuse in the process or for irrigation.
- Regular inspections and maintenance of mobile equipment.
- Regular inspections of the Facility including tank and pond inspections.
- Secondary containment structures for fuel tanks, hazardous waste areas, and large leachate tank.
- Overhead coverage of all bulk oil storage tanks.
- Spill response materials available on-site as needed.
- All hazardous waste containers are closed.
- Hazardous waste is stored in designated areas only.
- Hazardous waste storage is maintained in accordance with applicable federal, state, and local regulations and codes.

- Employees are trained on proper handling and spill response procedures.
- Good housekeeping practices utilized throughout the Facility.
- Leaks from vehicles/equipment are promptly repaired once discovered.
- Drip pans and absorbent materials are used temporarily to collect leakage until repaired and properly disposed of after use.
- Vehicles and equipment are washed on the compost pad, so that any runoff can be directed to the collection pond.

5.7.10 Non-Storm Water Discharges

There are no authorized or unauthorized non-storm water discharges from the Facility as a result of the Facility's implementation of the following **BMPs relating to authorized or unauthorized non-storm water discharges:**

- Runoff from the material stockpiles is directed to the collection pond via drop inlets and conveyance piping. The collection pond retains the runoff, thereby allowing its reuse during dry period.
- Wash water is generated during vehicle washing. However, no wash water is discharged from the Facility as it is directed via the concrete berm to the drop inlets for conveyance to the collection pond.
- During dry periods, water is used throughout the Facility and on access roads to suppress dust. Water is emitted at the grinder, screens, and unloading area. In addition, water trucks spray water on access roads and throughout the processing areas to decrease dust generation from vehicular traffic and stockpiled materials. The water used to control dust in the compost pad area is diverted to the collection pond and does not leave the Facility.
- Quarterly observations to determine if non-storm water is being discharged from the Facility.

5.7.11 Soil Erosion

Activities at the Facility that can potentially result in soil erosion include feedstocks and finished compost stockpiling and operation activities. In addition, access roads can be susceptible to soil erosion.

BMPs to Prevent Soil Erosion include:

- An 18-inch concrete berm is in place around the composting pad to prevent storm water sheet flow.

- Check dams and straw wattles are used along the access road, as necessary, to prevent erosion of access road and adjacent drainage channels.
- Steep slopes are stabilized before grading or clearing occurs to prevent erosion and sediment transport into receiving waters.
- Properly graded access roads and a well-maintained composting pad help prevent erosion and trap sediment.
- Natural vegetation along the perimeter of the Facility and along the access road helps stabilize slopes and prevent erosion.
- Re-seeding of vegetation occurs as necessary.
- Regular inspections of areas susceptible to erosion are conducted.
- Corrective action is taken if erosion is visible.

6.0

Annual Comprehensive Facility Compliance Evaluation

The Facility Operator will conduct one (1) Annual Comprehensive Facility Compliance Evaluation (“Annual Evaluation”) in each reporting period (July 1 - June 30). The Annual Evaluation shall be conducted within 8-16 months of each other. The SWPPP shall be revised, as appropriate, and the revisions implemented within 90 days of the evaluation. Evaluations shall include the following:

- A review of all sampling, visual observation, and inspection records conducted during the previous reporting year.
- An inspection of all area of industrial activity and associated potential pollutant sources for evidence of, or the potential for, pollutants entering the storm water conveyance system;
- An inspection of all drainage areas previously identified as having no exposure in industrial activities and materials in accordance with the definitions in Section XVII of the General Permit;
- An inspection of equipment needed to implement the BMPs;
- An inspection of any BMPs;
- A review and effectiveness assessment of all BMPs for each area of industrial activity and associated potential pollutant sources to determine if the BMPs are properly designed, implemented, and are effective in reducing and preventing pollutants in industrial storm water discharges and authorized NSWDS; and
- An assessment of any other factors needed to comply with the requirements in Section XVI.B of the General Permit.
- An Annual Report that includes:
 1. A Compliance Checklist that indicates whether the Facility complies with and has addressed all applicable requirements of the General Permit.
 2. An explanation for any non-compliance of requirements within the reporting year, as indicated in the Compliance Checklist;
 3. An identification, including page numbers and/or sections, of all revisions made to the SWPPP within the reporting year; and
 4. The date(s) of the Annual Evaluation.

The Annual Report shall be submitted and certified via SMARTS no later than July 15th following each reporting year using the standardized format and checklist in SMARTS.

7.0

Monitoring Program and Reporting Requirements

7.1 No Discharge Facility

Cold Creek Compost is a no discharge facility. No discharge means that no leachate or contaminated storm water is discharged to waters of the United States or is allowed to leave the Facility to impact ground or surface waters.

To continue to be a no discharge facility, Cold Creek Compost complies with the General Permit, including the monitoring program requirements to the extent practicable. *There are no points of discharge from which sampling can be done.* However, to ensure that there continues to be no discharges of contaminated storm water or leachate from the Facility, the Facility Operator or Facility Manager will visually observe and inspect locations of potential storm water and/or leachate discharge during both wet and dry seasons as described in Section 5.5.8 (Inspections) and below. In the event that discharges of contaminated storm water or leachate are visually observed, sampling, analysis, and reporting in accordance with Section XI. B of the General Permit will be performed.

Regular Facility inspections during wet and dry seasons are performed by the Facility Operator and/or Facility Manager to determine the efficacy of current BMPs and to develop new and improved BMPs, as necessary.

7.1.1 Potential Non-Storm Water Discharge Location Visual Observations

Monthly, during daylight hours, on dry days, and during scheduled Facility operations, the Facility Operator or Facility Manager will visually observe all drainage areas within the Facility for the presence of non-storm water discharges and their sources. Visual observations will document the presence of any discolorations, stains, odors, floating materials, etc., as well as the source of any discharge as well as observing any potential pollutant sources and the maintenance status of BMPs. Records will be maintained of the visual observation, dates, locations observed, observations, and response taken to eliminate non-storm water discharges and to reduce or prevent pollutants from contacting non-storm water discharges. The SWPPP will be revised, as necessary, and implemented in accordance with the General Permit.

7.1.2 Potential Storm Water Discharge Location Visual Observations

The Facility Operator or Facility Manager will visually observe and inspect potential locations of storm water discharges, including locations of stored or contained storm water monthly. These visual observations shall occur during the first hour of potential or possible discharge and at all potential discharge locations. Visual observations of stored or contained storm water will be made at the time of any release.

Any visual observation of storm water discharges will document the presence of any floating and suspended material, oil and grease, discolorations, turbidity, odor, and source. Records will be maintained of observation dates, locations observed, observations, and response taken to reduce

or prevent pollutants in storm water discharges. The SWPPP will be revised, as necessary, and implemented in accordance with the General Permit.

7.1.3 Sampling and Analysis

In the event that discharges of contaminated storm water or leachate are visually observed, sampling, analysis and record keeping in accordance with Section XI.B of the General Permit will be performed.

A Qualifying Storm Event (QSE) is a precipitation event that produces a discharge for at least one drainage area and is preceded by 48 hours with no discharge from any drainage area.

The Facility Operator will collect and analyze storm water samples from two (2) QSEs within the first half of each reporting year (July 1 to December 31), and two (2) QSEs within the second half of each reporting year (January 1 to June 30).

Samples will be collected within four (4) hours of:

- a. The start of the discharge; or
- b. The start of Facility operations if the QSE occurs within the previous 12-hour period (e.g. for storms with discharges that begin during the night for facilities with day-time operating hours. Sample collection is required during scheduled Facility operating hours and when sampling conditions are safe.

The collected samples will be analyzed for the following parameters:

- Total suspended solids (TSS) and oil and grease (O&G);
- pH;
- Additional applicable parameters listed in Table 1 of the General Permit that are applicable to this Facility; and
- Other parameters as required by the NCRWQCB.

As required by the General Permit, visual observations of the Facility during both wet and dry seasons are performed as described in Section 5.5.8 Inspections. Dry and wet season observations are performed to verify that there are no discharges from the Facility. Wet season observations and surface water sampling are performed to evaluate the effectiveness of the BMPs.

Regular Facility inspections are performed by the Facility Operator and/or Facility Manager to determine the efficacy of current BMPs and develop new and improved BMPs, as necessary.

7.2 Surface Water Monitoring

To further ensure that the Facility's operations are not impacting surface waters, surface water analysis is performed. Surface water sampling is done twice per year, once at the beginning of the rainy season when the drainages on either side of the Facility begin to flow, and then again at the end of the rainy season before the drainages cease to flow.

Samples are taken from six locations:

- One upstream of the Facility from each of the two drainages north and south of the Facility;
- One from each of the drainages downstream of potential impacts from the Facility; and
- One from the southern drainage further downstream as it enters the river, in order to measure impacts of livestock.
- A sample is taken of the Russian River itself for further reference.

The samples are labeled as follows:

Bear up	- the drainage to the north, upstream of the Facility.
Bear down	- the drainage to the north, downstream of potential Facility impacts.
Silver up	- the drainage to the south, upstream of the Facility.
Silver down	- the drainage to the south, downstream of potential Facility impacts.
Culvert	- downstream of river down, just before the water enters the river.
River	- the river itself, upstream of potential Facility impact.

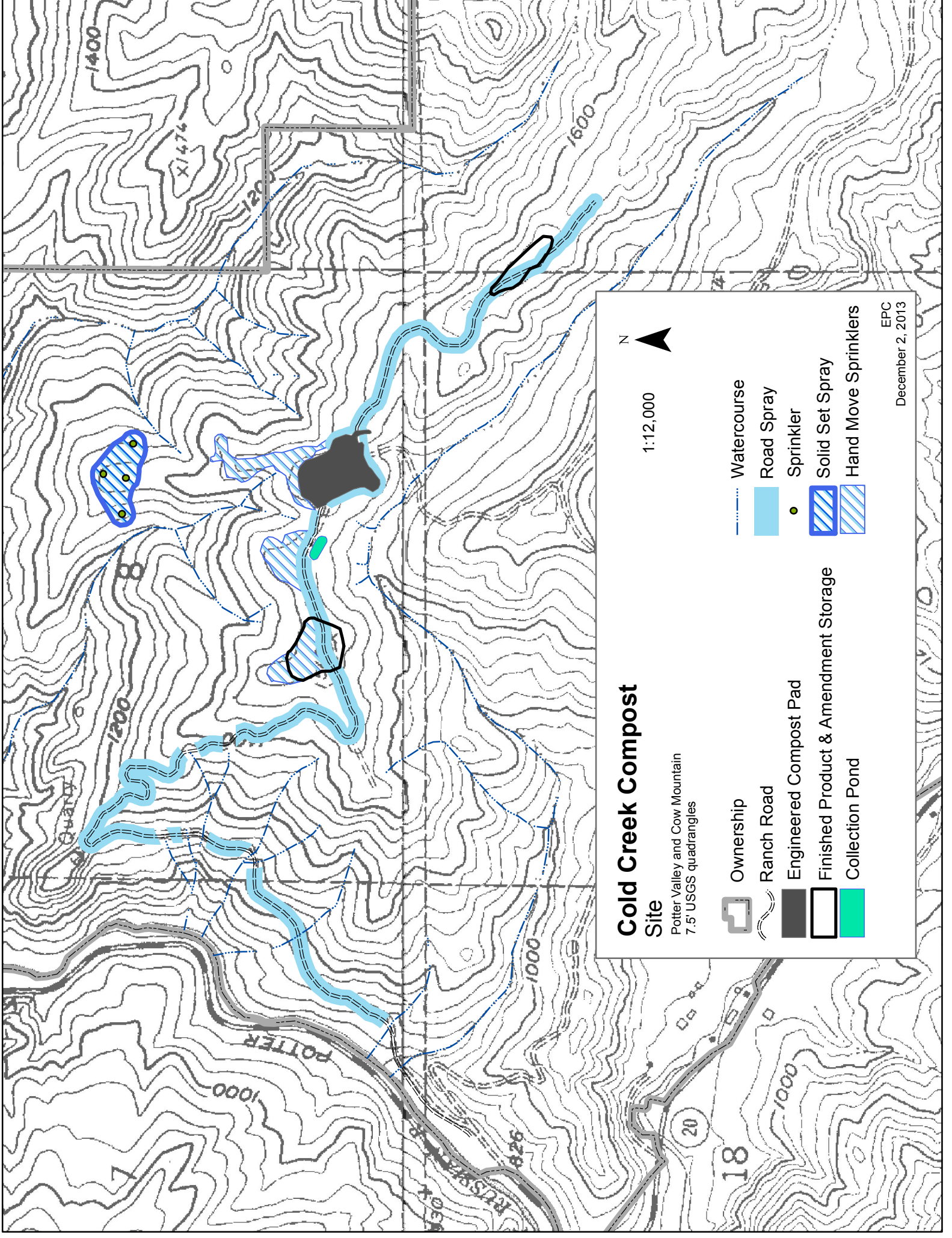
The water samples are analyzed for suspended solids, electrical conductivity, pH, biological oxygen demand, orthophosphate, nitrate nitrogen, and ammonia nitrogen. This analysis is sufficient to be able to determine if the Facility is impacting surface waters. The form used to document sampling is presented in the Storm Water Forms (Appendix D).

7.3 Annual Report

The Facility Operator will submit an Annual Report by July 15th of each year to the Executive via SMARTS. The annual report includes: a summary of visual observations and sampling results, an evaluation of the visual observation and sampling and analysis results, laboratory reports, the Annual Comprehensive Facility Compliance Evaluation Report, an explanation of why a facility did not implement any activities required by the General Permit (if not already included in the Evaluation Report), and records specified in the General Permit. The method detection limit of each analytical parameter shall be included. Analytical results that are less than the method detection limit shall be reported as "less than the method detection limit". The Annual Report will be signed and certified in accordance with requirements of the General Permit.

List of Figures

Figure 1 - Site Map



Cold Creek Compost

Site

Potter Valley and Cow Mountain
7.5' USGS quadrangles



Ownership



Ranch Road



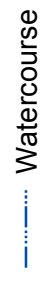
Engineered Compost Pad



Finished Product & Amendment Storage



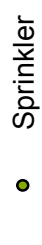
Collection Pond



Watercourse



Road Spray



Sprinkler



Solid Set Spray



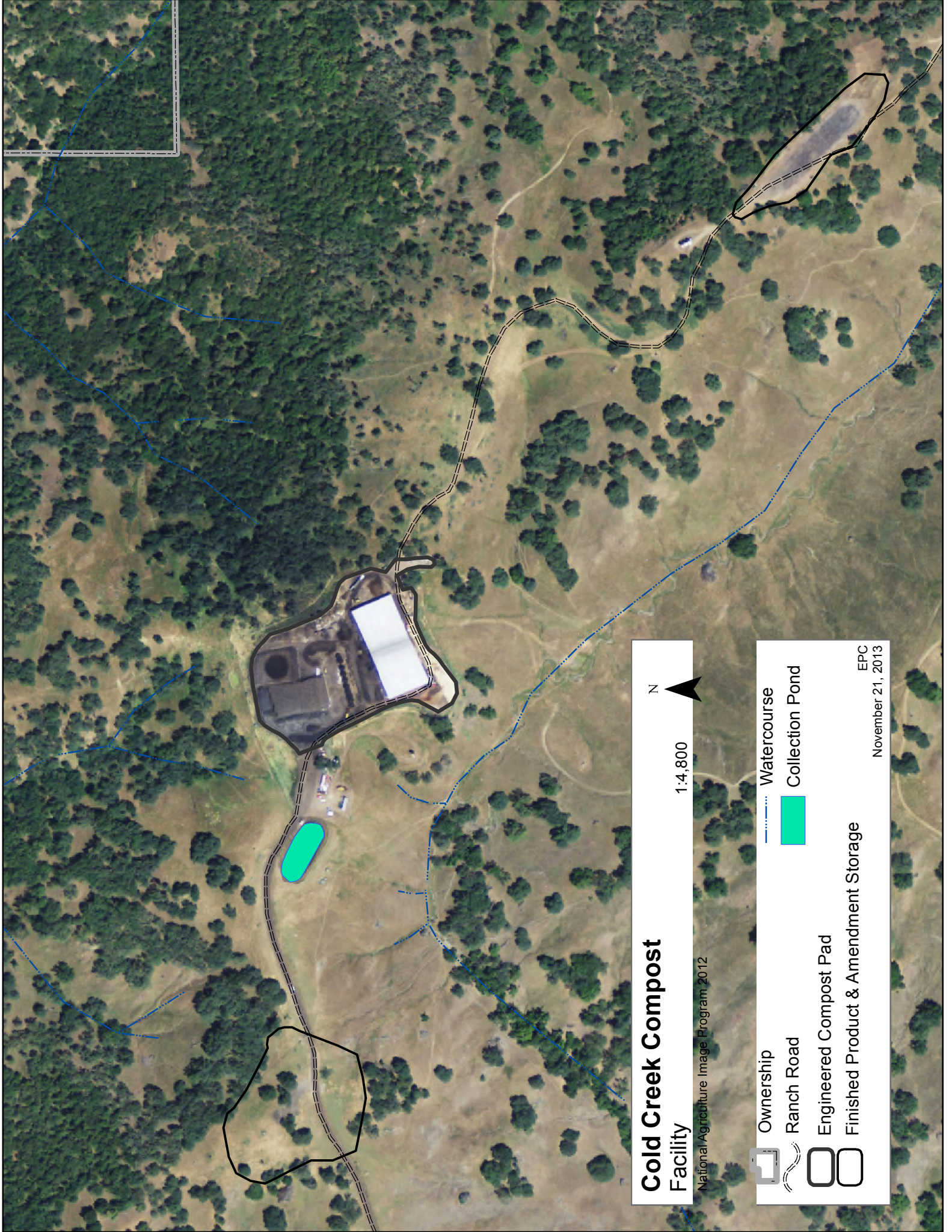
Hand Move Sprinklers



1:12,000

EPC
December 2, 2013

Figure 2 - Facility Map





Cold Creek Compost Facility


National Agriculture Image Program 2012


1:4,800


N


**Ownership**

**Ranch Road**

**Engineered Compost Pad**

**Finished Product & Amendment Storage**

**Watercourse**

**Collection Pond**

EPC
November 21, 2013

Figure 3 - Facility Features



Cold Creek Compost

Facility Features

1:2,400

- | | |
|--|---|
| 1) Office | 8) ASP Leachate Tank (2500 Gal) |
| 2) Scale | 9) PR Windrows |
| 3) Parking | 10) Aerated Static Piles |
| 4) Leachate Collection Tank (10,000 Gal) | 11) Grinding Area |
| 5) Fuel Tank (250 Gal) / Generator | 12) Fuel Tanks |
| 6) Drop Inlet | 13) Roofed Area |
| 7) Hazmat Storage | 14) Screening Area |
| | ← Engineered Compost Pad Flow Direction |

Appendices

Appendix A – State Water Board Letter of April 6, 1995

STATE WATER RESOURCES CONTROL BOARD

PAUL H. BONDERSOHN BUILDING

901 P STREET

P.O. BOX 1977

SACRAMENTO, CALIFORNIA 95812-1977

(916) 657-1146

FAX: (916) 657-2388



MARTIN MILECK
MARTIN MILECK
74540 HILL ROAD
COVELO CA 95428

April 6, 1995

STATUS OF YOUR NOTICE OF INTENT

Your receipt of this letter is acknowledgement of your registration as a general permittee according to the information you submitted on your Notice of Intent to Comply with the terms of the General Permit.

FACILITY DESCRIPTION


Owner: MARTIN MILECK
Facility: COLD CREEK COMPOSTING
Facility Address: 6000 EAST POTTER VALLEY ROAD
City: UKIAH County: MENDOCINO
Type of Business: COMPOST FACILITY

Your WDID identification number is 1B23S011534. Please use this number in any future communications with the State Water Resources Control Board or appropriate Regional Water Quality Control Board regarding this permit.

Dischargers are required to resubmit an amended NOI to reflect a change in owner/operator or operational status. Upon notification to the State Water Board that your facility is no longer operational or is no longer to be covered by the General Permit, it will be removed from the roll of general permittees. Unless notified that a facility is no longer to be covered under the General Permit, you will continue to be invoiced for an annual fee.

If you have any questions regarding permit requirements, please call the Regional Water Quality Control Board at (707) 576-2220.

Sincerely,


Audrey Shimizu
Storm Water Unit
Division of Water Quality

Appendix B – Original Notice of Intent

State of California State
Water Resources Control Board
NOTICE OF INTENT

For Existing Facility Operators



3877

**TO COMPLY WITH THE TERMS OF THE
GENERAL PERMIT TO DISCHARGE STORM WATER
ASSOCIATED WITH INDUSTRIAL ACTIVITY (WQ ORDER No. 97-03-DWQ)**

This Notice of Intent (NOI) is being sent to all facility operators that were enrolled under the prior Industrial Storm Water General Permit that has now expired. A new General Permit has been adopted to replace the expired one. To enroll under the new General Permit, review this NOI (and make any necessary corrections), sign the CERTIFICATION on the reverse side, and return this original NOI within 45 days of receipt to: STORM WATER NOI PROCESSING UNIT, STATE WATER RESOURCES CONTROL BOARD, PO BOX 1977, SACRAMENTO, CA 95812-1977

FACILITY OPERATOR INFORMATION:

NAME: MARTIN MILECK

STREET: 74540 HILL ROAD

CITY, STATE, ZIP: COVELO, CA 95428

WDID: 1B23S011534

CONTACT & PHONE

MARTIN MILECK
(707) 983-6273

FACILITY LOCATION:

NAME: COLD CREEK COMPOSTING

STREET: 6000 EAST POTTER VALLEY ROAD

CITY, STATE, ZIP: UKIAH, CA 95482

County: Mendocino

CONTACT & PHONE

MARTIN MILECK

FACILITY MAILING ADDRESS: (IF DIFFERENT THAN FACILITY LOCATION)

STREET OR POST OFFICE BOX: 74540 Hill Road

CITY, STATE, ZIP: Covelo, CA 95428

ADDRESS FOR CORRESPONDENCE - SEND TO: (CHECK ONE)

☒ Facility Operator Address [] Facility Mailing Address [] Both

BILLING ADDRESS INFORMATION - SEND TO: (CHECK ONE)

☒ Facility Operator Address [] Facility Mailing Address [] Other (enter below)

NAME: _____

STREET: _____

CITY, STATE, ZIP: _____

CONTACT PERSON: _____ PHONE: _____

SIC(S) OF REGULATED ACTIVITY:

2875 Fertilizers, Mixing Only

(CERTIFICATION continued on the reverse side)

CERTIFICATION:

WDID: 1B23S011534

"I certify under penalty of law that this document and all attachments were prepared under my direction and supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. In addition, I certify that the provisions of the permit, including the development of and implementation of a Storm Water Pollution Prevention Plan and a Monitoring Program Plan, will be complied with."

Printed Name: _____

Martin Mileck

Signature: _____

M. Mileck

Date: _____

8/21/97

Title: _____

pres

MARTIN MILECK
MARTIN MILECK
74540 HILL ROAD
COVELO, CA 95428

For State Water Board Use

Appendix C – Recertified Notice of Intent



State Water Resources Control Board

NOTICE OF INTENT

GENERAL PERMIT TO DISCHARGE STORM WATER
ASSOCIATED WITH INDUSTRIAL ACTIVITY (WQ ORDER No. 2014-0057-DWQ)
(Excluding Construction Activities)



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

WDID: 1 23I011534

Status: Active

Operator Information

Type: Private Business

Name: Cold Creek Compost Inc
Address: 6000 Pottery Valley Rd
Address 2: _____
City/State/Zip: Ukiah CA 95470
Federal Tax ID: _____

Contact Name: Martin Mileck
Title: _____
Phone Number: 707-485-5966
Email Address: martin@coldcreekcompost.com

Facility Information

Level: _____

Contact Name: Martin Mileck Title: _____
Site Name: Cold Creek Compost Inc
Address: 6000 Potter Valley Rd
City/State/Zip: Ukiah CA 95470 Site Phone #: 707-485-5966
County: Mendocino Email Address: martin@coldcreekcompost.com
Latitude: 39.273164 Longitude: -123.094712 Site Size: 10 Acres
Industrial Area Exposed to Storm Water: 10 Acres
Percent of Site Impervious (Including Rooftops): 26 %

SIC Code Information

1. 2875 Fertilizers, Mixing Only
2. _____
3. _____

Additional Information

Receiving Water: _____ Flow: Indirectly
Storm Drain System: Cold Creek Compost, Inc.
Compliance Group: _____

RWQCB Jurisdiction: Region 1 - North Coast
Phone: 707-576-2220 Email: r1_stormwater@waterboards.ca.gov

Certification

Name: Martin Mileck Date: June 22, 2015
Title: President

Appendix D – Storm Water Forms

FORM 1-SAMPLING & ANALYSIS RESULTS

FIRST STORM EVENT

- If analytical results are less than the detection limit (or non detectable), show the value as less than the numerical value of the detection limit (example: <.05)
- If you did not analyze for a required parameter, do not report "0". Instead, leave the appropriate box blank
- When analysis is done using portable analysis (such as portable pH meters, SC meters, etc.), indicate "PA" in the appropriate test method used box.
- Make additional copies of this form as necessary.

NAME OF PERSON COLLECTING SAMPLE(S): _____ TITLE: _____ SIGNATURE: _____

DESCRIBE DISCHARGE LOCATION Example: NW Out Fall	DATE/TIME OF SAMPLE COLLECTION ____/____/____ ____:____ AM ____:____ PM	TIME DISCHARGE STARTED ____:____ ____ AM ____:____ PM	ANALYTICAL RESULTS For First Storm Event							
			BASIC PARAMETERS				OTHER PARAMETERS			
			PH	TSS	SC	O&G		TOC		
	____/____/____ ____:____ AM ____:____ PM	____:____ ____ AM ____:____ PM								
	____/____/____ ____:____ AM ____:____ PM	____:____ ____ AM ____:____ PM								
	____/____/____ ____:____ AM ____:____ PM	____:____ ____ AM ____:____ PM								
	____/____/____ ____:____ AM ____:____ PM	____:____ ____ AM ____:____ PM								
TEST REPORTING UNITS:			pH Units	mg/l	umho/cm	mg/l	mg/l			
TEST METHOD DETECTION LIMIT:										
TEST METHOD USED:										
ANALYZED BY (SELF/LAB):										

TSS - Total Suspended Solids

SC - Specific Conductance

O&G - Oil & Grease

TOC - Total Organic Carbon

FORM 1-SAMPLING & ANALYSIS RESULTS

SECOND STORM EVENT

- If analytical results are less than the detection limit (or non detectable), show the value as less than the numerical value of the detection limit (example: <.05)
- If you did not analyze for a required parameter, do not report "0". Instead, leave the appropriate box blank
- When analysis is done using portable analysis (such as portable pH meters, SC meters, etc.), indicate "PA" in the appropriate test method used box.

NAME OF PERSON COLLECTING SAMPLE(S): _____ TITLE: _____ SIGNATURE: _____

DESCRIBE DISCHARGE LOCATION Example: NW Out Fall	DATE/TIME OF SAMPLE COLLECTION <div>____/____/____ :____:____ AM PM</div>	TIME DISCHARGE STARTED <div>____:____:____ AM PM</div>	ANALYTICAL RESULTS For Second Storm Event																	
			BASIC PARAMETERS				OTHER PARAMETERS													
			PH	TSS	SC	O&G		TOC												
	<div>____/____/____ :____:____ AM PM</div>	<div>____:____:____ AM PM</div>																		
	<div>____/____/____ :____:____ AM PM</div>	<div>____:____:____ AM PM</div>																		
	<div>____/____/____ :____:____ AM PM</div>	<div>____:____:____ AM PM</div>																		
	<div>____/____/____ :____:____ AM PM</div>	<div>____:____:____ AM PM</div>																		
TEST REPORTING UNITS:			pH Units	mg/l	umho/cm	mg/l	mg/l													
TEST METHOD DETECTION LIMIT:																				
TEST METHOD USED:																				
ANALYZED BY (SELF/LAB):																				

TSS - Total Suspended Solids SC - Specific Conductance O&G - Oil & Grease TOC - Total Organic Carbon

FORM 4 (Continued)-MONTHLY VISUAL OBSERVATIONS OF STORM WATER DISCHARGES

SIDE A

- Storm water discharge visual observations are required for at least one storm event per month between October 1 and May 31.
- Visual observations must be conducted during the first hour of discharge at all discharge locations.
- Discharges of temporarily stored or contained storm water must be observed at the time of discharge.
- Indicate "None" in the first column of this form if you did not conduct a monthly visual observation.
- Make additional copies of this form as necessary.
- Until a monthly visual observation is made, record any eligible storm events that do not result in a storm water discharge and note the date, time, name, and title of who observed there was no storm water discharge.

Observation Date: February ____ 2014 Observers Name: _____ Title: _____ Signature: _____		#1 Drainage Location Description Observation Time Time Discharge Began Were Pollutants Observed (if yes, complete reverse side)	YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	#2 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#3 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#4 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>
Observation Date: March ____ 2014 Observers Name: _____ Title: _____ Signature: _____		#1 Drainage Location Description Observation Time Time Discharge Began Were Pollutants Observed (if yes, complete reverse side)	YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	#2 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#3 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#4 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>
Observation Date: April ____ 2014 Observers Name: _____ Title: _____ Signature: _____		#1 Drainage Location Description Observation Time Time Discharge Began Were Pollutants Observed (if yes, complete reverse side)	YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	#2 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#3 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#4 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>
Observation Date: May ____ 2014 Observers Name: _____ Title: _____ Signature: _____		#1 Drainage Location Description Observation Time Time Discharge Began Were Pollutants Observed (if yes, complete reverse side)	YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	#2 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#3 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>	#4 P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. <input type="checkbox"/> A.M. <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/>	: : : YES <input type="checkbox"/> NO <input type="checkbox"/>

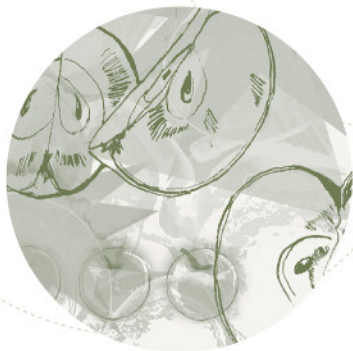
SIDE B

DATE/TIME OF OBSERVATION (From Reverse Side)	DRAINAGE AREA DESCRIPTION	DESCRIBE STORM WATER DISCHARGE CHARACTERISTICS	IDENTIFY AND DESCRIBE SOURCE(S) OF POLLUTANTS	DESCRIBE ANY REVISED OR NEW BMPs AND THEIR DATE OF IMPLEMENTATION
<div> <div> <div>/</div> <div>/</div> <div>—</div> </div> <div> <div>:</div> <div>—</div> </div> <div> <div><input type="checkbox"/></div> <div>AM</div> </div> <div> <div><input type="checkbox"/></div> <div>PM</div> </div> </div>		Indicate whether storm water discharge is clear, cloudy, or discolored; causing staining; containing floating objects or an oil sheen, has odors, etc.	EXAMPLE: Oil sheen caused by oil dripped by trucks in vehicle maintenance area.	
<div> <div> <div>/</div> <div>/</div> <div>—</div> </div> <div> <div>:</div> <div>—</div> </div> <div> <div><input type="checkbox"/></div> <div>AM</div> </div> <div> <div><input type="checkbox"/></div> <div>PM</div> </div> </div>				
<div> <div> <div>/</div> <div>/</div> <div>—</div> </div> <div> <div>:</div> <div>—</div> </div> <div> <div><input type="checkbox"/></div> <div>AM</div> </div> <div> <div><input type="checkbox"/></div> <div>PM</div> </div> </div>				
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Appendix E – Storm Water Training Log

Cold Creek Compost Storm Water Training Log

[illegible]



OMRI Listed®

The following product is OMRI Listed. It may be used in certified organic production or food processing and handling according to the USDA National Organic Program Rule.

Product

Agrow-Blend Compost

Company

Cold Creek Compost, Inc.

Mr. Martin Mileck

6000 Potter Valley Road
Ukiah, CA 95482

Status

Allowed

Category

NOP: Compost – other (plant and animal materials)

Issue date

06-Jul-1998

Product number

coc-8058

Class

Crop Fertilizers and Soil Amendments

Expiration date

01-Sep-2018

Restrictions

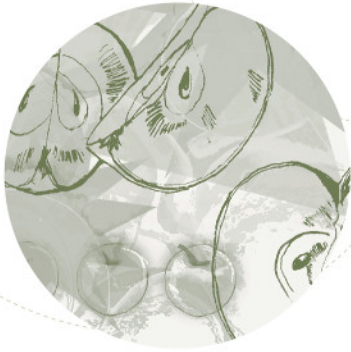
Not applicable.

Executive Director

Product review is conducted according to the policies in the current *OMRI Policy Manual*® and based on the standards in the current *OMRI Standards Manual*®. To verify the current status of this or any OMRI Listed product, view the most current version of the *OMRI Products List*® at OMRI.org. OMRI listing is not equivalent to organic certification and is not a product endorsement. It cannot be construed as such. Final decisions on the acceptability of a product for use in a certified organic system are the responsibility of a USDA accredited certification agent. It is the operator's responsibility to properly use the product, including following any restrictions.



Organic Materials Review Institute
P.O. Box 11558, Eugene, OR 97440-3758, USA
541.343.7600 • fax 541.343.8971 • info@omri.org • www.omri.org



OMRI Listed®

The following product is OMRI Listed. It may be used in certified organic production or food processing and handling according to the USDA National Organic Program Rule.

Product

Growers Choice Planters Mix

Company

Cold Creek Compost, Inc.

Mr. Martin Mileck

6000 Potter Valley Road
Ukiah, CA 95482

Status

Allowed

Category

NOP: Transplant/Container Media

Issue date

29-Nov-2010

Product number

coc-1989

Class

Crop Fertilizers and Soil Amendments

Expiration date

01-Sep-2018

Restrictions

Not applicable.

Executive Director

Product review is conducted according to the policies in the current *OMRI Policy Manual*® and based on the standards in the current *OMRI Standards Manual*®. To verify the current status of this or any OMRI Listed product, view the most current version of the *OMRI Products List*® at OMRI.org. OMRI listing is not equivalent to organic certification and is not a product endorsement. It cannot be construed as such. Final decisions on the acceptability of a product for use in a certified organic system are the responsibility of a USDA accredited certification agent. It is the operator's responsibility to properly use the product, including following any restrictions.




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Cold
Creek
Compost, Inc.

PRODUCT CATALOG

GOOD
FROM THE
GROUND
UP!






CONTACT US:

coldcreekcompost.com

(707) 485-5966

  @ColdCreekCompost

**NUTRIENT-DENSE COMPOST,
PLANTER MIXES & CUSTOM BLENDS
MADE IN UKIAH, CA**

WHY USE COLD CREEK COMPOST?



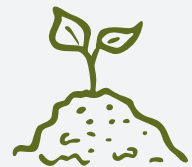
**CLOSE
THE
LOOP**



**SAVE
MONEY**



**REDUCE
ENVIRONMENTAL
IMPACT**



**GROW
MORE**

**RECYCLING
ORGANICS
SINCE 1995**



AGROW BLEND

Agrow-Blend compost is a high quality soil amendment and fertilizer teeming with beneficial microorganisms essential for productive soil and healthy crops. Agrow-Blend compost contains the most beneficial biological components with the greatest fertilizer value of all commercially available composts in Northern California.

INGREDIENTS:

Green materials, food materials, chicken manure, and other agricultural materials

HOW TO GET AGROW-BLEND COMPOST:



WE DELIVER BY THE CUBIC YARD OR TON

Contact us for delivery fees based on location



PURCHASE FROM ONE OF OUR MANY DEALERS

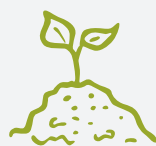
BENEFIT	AGROW-BLEND COMPOST	CHEMICAL FERTILIZER
Promotes Higher Crop Yields	✓	✓
Improves Soil Tilth	✓	✗
Improves Drainage	✓	✗
Reduces Water Usage	✓	✗
Reduces Need for Pesticides	✓	✗
Reduces Environmental Impacts	✓	✗
Lowers Production Costs	✓	✗
A Local, Sustainable Solution	✓	✗

"The foundation of all great gardens is excellent organic soil. What I discovered was Agrow-Blend by Cold Creek Compost is the BEST compost and soil amendment I have ever found. It is truly black gold." - J. R. Wagoner, Landscape Designer



**REMEMBER,
DON'T PLANT
DIRECTLY INTO
AGROW-BLEND COMPOST**

APPLICATION INSTRUCTIONS



IN GROUND:

Recharge last year's soil or freshly tilled soil by adding 10% to 20% Agrow-Blend compost.



EXISTING POTS:

Top dress or mix with existing soil prior to planting.

HOW COLD CREEK CRAFTS GREAT COMPOST

GREAT MANURE MAKES GREAT COMPOST

A lot of compost is simply green materials. What is missing? Manure. Without manure, nutrient levels are lower and microorganisms are fewer. Cold Creek uses generous amounts of chicken manure, the most nutrient-rich manure available. By blending chicken manure with green, food, and agricultural materials, Cold Creek produces a compost of unequalled quality.



MAXIMUM WEED SEED KILL & PATHOGEN REDUCTION

Agrow-Blend compost spends three months above the required minimum temperature of 131 degrees. During that time, oxygen levels and temperatures are monitored and adjusted as needed to maintain maximum biological activity. This process ensures that Agrow-Blend compost is delivered to you free from viable weed seeds and pathogens.

AGED TO PERFECTION

During the three month process, Cold Creek uses forced aeration to limit anaerobic conditions and maintain maximum biological activity. Following screening, Agrow-Blend compost is allowed to cure for several weeks resulting in a rich and diverse finished compost.

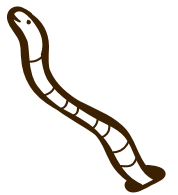
RICH, CLEAN & READY TO SPREAD

Agrow-Blend is screened to 3/8 inch, resulting in the highest quality compost available in Northern California. Agrow-Blend is quite likely your least expensive source of fertilizer.

QUALITY ASSURED

Cold Creek regularly tests Agrow-Blend compost for nutrient content, heavy metals, and pathogens. Please give us a call or visit the Cold Creek website for a copy of the latest nutrient analysis.

A GOURMET
MEAL
FOR YOUR
GARDEN
VINEYARD
FARM



"I know I can depend on Cold Creek for providing the most important ingredients to my soil."

- Irene C. Engber,
Irene's Garden

Agrow-Blend compost is crafted using recycled materials collected from residences, businesses, and agricultural sources. We strive to create the best compost available; however, due to the recycled nature of the material, small pieces of inert materials may be in the finished compost. We recommend the use of gardening gloves when handling compost and garden materials. We encourage the community to eliminate contaminants placed in the green collection bins. When used properly, compost is hygienically and environmentally safe.

PLANTER MIXES

GROWERS CHOICE

Growers Choice is Cold Creek's professional quality potting soil for gardeners, nurseries, and landscapers who demand the finest in soil products.

Growers Choice is a scientifically formulated complete plant growth medium. It's a homogeneous blend of several ingredients, each serving a specific purpose.

CRAFTED
SPECIFICALLY
FOR CANNABIS
GROWERS



INGREDIENTS:

SELECT

Agrow-Blend
compost
Rice hulls
Forest products
Soil & sand

PREMIUM

Agrow-Blend
compost
Rice hulls
Lava rock
Forest products
Soil & sand
Feather meal
Sulfur

ELITE

Agrow-Blend
compost
Rice hulls
Lava rock
Forest products
Soil & sand
Feather meal
Sulfur
Perlite
Coco coir
Bat guano
Kelp meal
Mycorrhize
Green sand
Glacial rock

HOW TO GET COLD CREEK PLANTER MIXES:



WE DELIVER BY THE CUBIC YARD

Contact us for delivery fees based on location



PURCHASE FROM ONE OF OUR MANY DEALERS

APPLICATION INSTRUCTIONS

FOR USE AS POTTING SOIL:

For indoor and outdoor
plants, use "as is".

Do not fertilize when first
planted. For best results, flush
well during the first watering
and periodically thereafter.

FOR CUTTINGS & SEEDLINGS:

Simply place the cuttings and
seedlings in Growers Choice and
water well. When watering, be
sure to add enough so that some
of the water runs out from the
bottom of the container.

FOR GARDENING & LANDSCAPING:

Designed for direct
planting or as a
top dress. Growers Choice
will fertilize and improve soil
tilth, permeability, and water
retention.

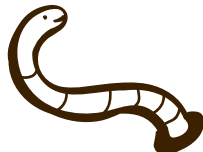


GOOD
FOR THE
SOIL

GOOD
FOR THE
PLANET

"Cold Creek Compost has been used on my farm since it began in 1989. It has been an important part of our fertility program, which together with cover cropping fava beans each winter has allowed us to grow healthy organic crops on healthy soil."

Tom Palley, Covelo Organics



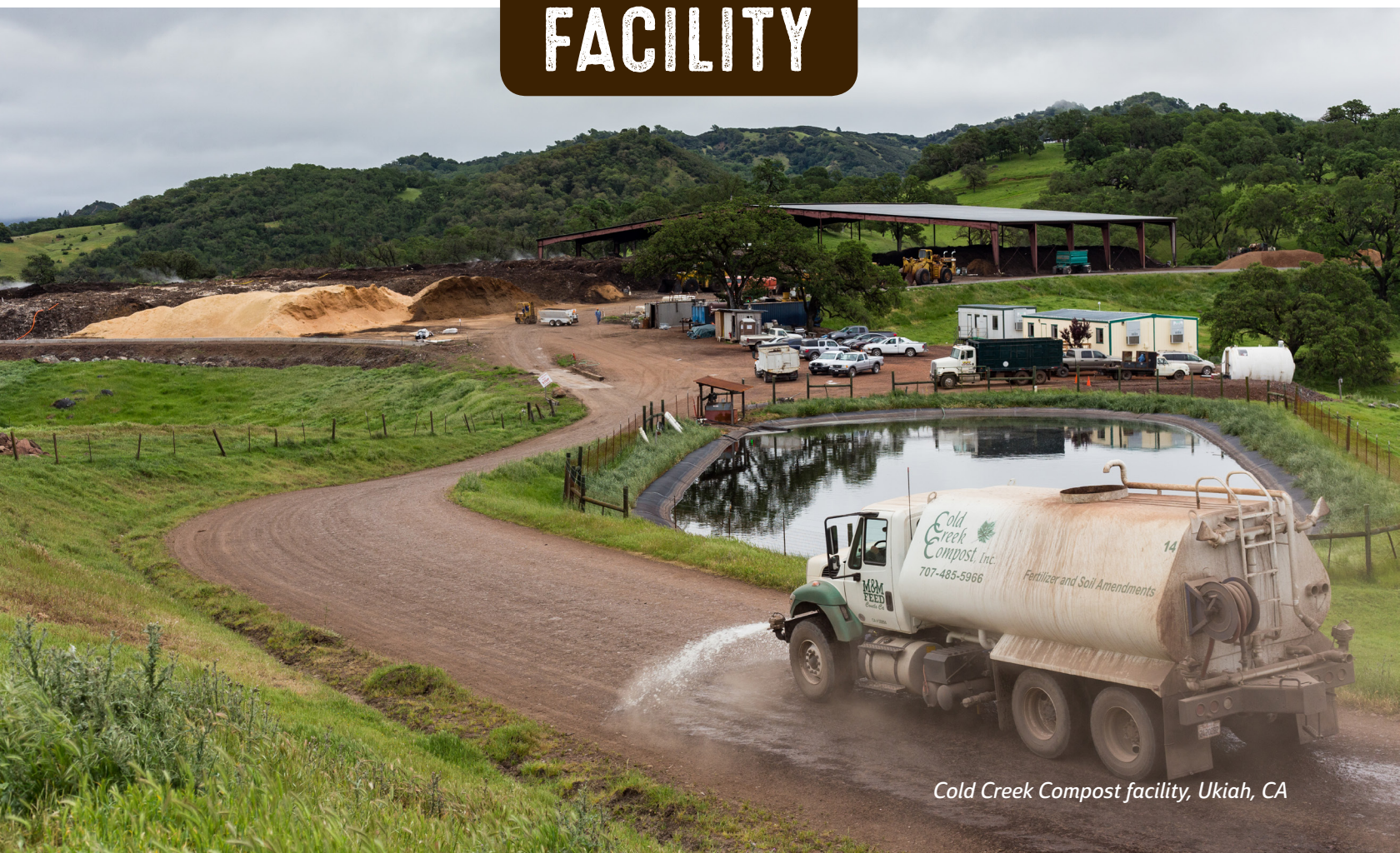
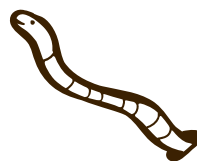
COLD CREEK FACILITY

Nestled in the hills above Potter Valley in Mendocino County lies the Cold Creek Compost facility. Established in 1995 as the first fully permitted compost facility between San Francisco and the Oregon border, Cold Creek Compost is unlike most composting operations. The facility's unique blend of feedstocks in addition to a comprehensive composting process, creates a finished product that is higher in nutrients and with better biological activity.

Cold Creek Compost is a pioneer in sustainable materials management. Cold Creek is committed to producing an organic fertilizer superior to traditional chemical fertilizers. Since inception, Cold Creek has been dedicated to developing and producing high quality, nutrient-rich soil amendments while adhering to strict environmental standards.

Diverting green and food materials from the landfill and turning these materials into compost does more than save money and create wonderful fertilizer. When these materials are turned into compost and added back to the soil, greenhouse gases (in the form of methane) are reduced and carbon is sequestered into the soil.

**PER STATE
WATER REGULATIONS
COLD CREEK IS A
NO DISCHARGE
FACILITY**



Cold Creek Compost facility, Ukiah, CA

THE COLD CREEK STORY

Martin Mileck founded Cold Creek Compost as he believed that waste materials could be handled in a better way. While valuable organic matter was being buried, at a high cost in landfills, expensive chemical fertilizers were being produced to use in agriculture. Martin envisioned a better way

of doing things. He realized that collecting and composting organic materials — including food, green, and agricultural materials — results in high quality compost, reduces disposal costs, and provides farmers with a superior and less expensive fertilizer option than conventional chemicals.

**COMPOST
IMPROVES THE
BIOLOGICAL,
CHEMICAL,
AND PHYSICAL
CHARACTERISTICS
OF SOIL**

"Food scraps in landfills generate methane, a greenhouse gas with a global warming potential 84x more potent than CO2 in the short term. But when those same scraps are converted into compost and applied to the land, they nourish the soil and act to sequester carbon. "

- Institute for Local Self-Reliance
www.ilsr.org



Martin Mileck - founder of Cold Creek Compost

BUY LESS, SPREAD LESS, GROW MORE

Cold Creek has developed this worksheet to help you understand why Agrow-Blend compost will cost you less.

List of nutrients commonly deficient in North Coast soils along with the cost per pound if supplied by the least expensive traditional means.*

Comparison of the fertilizer value of Agrow-Blend and the most common commercially available compost.

Compare the fertilizer value of any compost you are considering. **

*Important Note:
This table shows the value of select nutrients in a ton of Agrow-Blend compost. Research has shown that the value in disease suppression, nutrient assimilation, and soil health provided by the microbiological component of a quality compost is significant. To some farmers, it is even greater than the fertilizer value. However, unlike fertilizer value, the value of the biological component is not easily quantified, so it is not represented in this table.*

		Cold Creek Agrow-Blend Compost		Typical Green Materials Compost		Your Compost	
NUTRIENTS	\$ VALUE per lb.	POUNDS per ton**	\$ VALUE per ton	POUNDS per ton**	\$ VALUE per ton	POUNDS per ton	\$ VALUE per ton
N	\$0.82	24	\$19.70	18.0	\$14.76		
P	\$0.91	25	\$22.75	6.5	\$5.92		
K	\$1.09	24	\$22.16	14.0	\$15.26		
Ca	\$0.13	64	\$8.32	24.0	\$3.12		
S	\$0.43	18	\$7.74	3.3	\$1.42		
Zn	\$1.71	0.3	\$0.51	0.3	\$0.51		
Total fertilizer value per ton of compost		\$85.18***		\$40.99			

* Urea, triple super phosphate, potassium sulfate, soil sulfur, mined limestone, zinc sulfate.

** The pounds per ton shown are based on a moisture content of 35%.

When determining pounds per ton be sure to account for moisture content.

***Total fertilizer value not to be confused with actual cost. Please contact us for actual cost of Agrow-Blend compost delivered to your location.

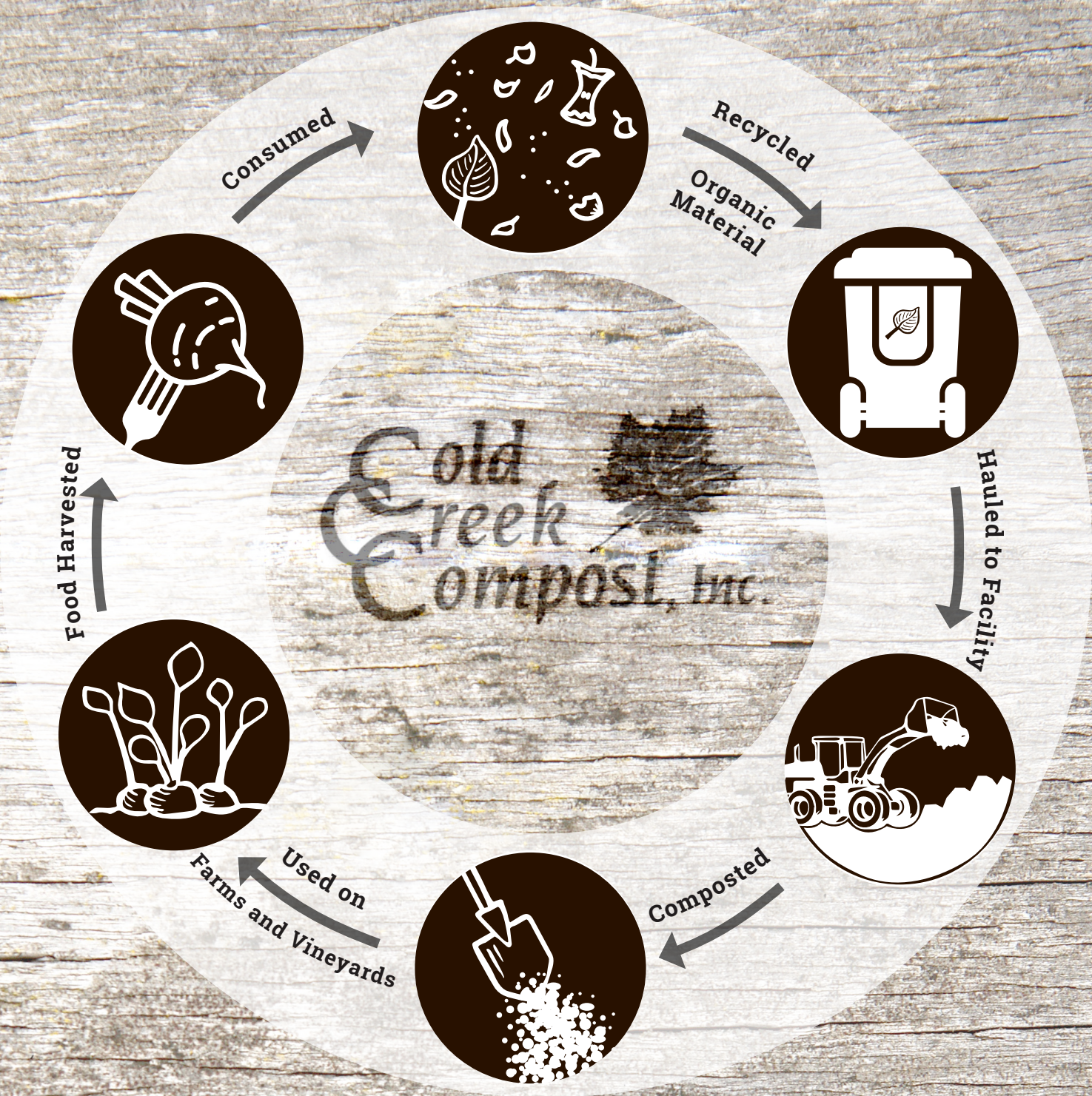
The above information is based on average compost for the past two years and fertilizer pricing from Fall 2017. The numbers are as accurate as possible and for comparison purposes only and not to be considered a guarantee of any sort.

**AT COLD CREEK
COMPOST
WE BELIEVE THAT
THE MORE
YOU KNOW,
THE BETTER
WE LOOK!**



Agrow-Blend compost has the most beneficial biological components with the greatest fertilizer value of all commercially available composts in Northern California.





RECYCLING ORGANICS SINCE 1995



Printed on 100% recycled content, 100% post-processed chlorine - with low VOC vegetable based inks

4.0B Technical Proposal – Stage Gulch Organics

4.1B FACILITY

This technical proposal is for Stage Gulch Organics (“SGO”), a proposed state of the art composting facility to be located in Sonoma County.

The SGO composting facility is proposed as a long-term approach to the SCWMA organic materials processing needs.

The property is owned by Frank Escobar, Shayla Teixeira, and KaraLee Teixeira.

The facility is to be constructed and operated by NorCal Ag, LLC, dba Stage Gulch Organics.

The property is located at the intersection of Stage Gulch and Adobe Roads, in unincorporated Sonoma County. The address is 2535 Stage Gulch Road, Petaluma, CA 94654.

Technology

The SGO Facility proposes to utilize proven, state of the art composting technology. Preliminary designs have been completed for the facility by Green Mountain Technologies, Inc. allowing for the processing of 100,000 annual tons on a 5-acre portion of the property. As proposed with the Cold Creek expansion, the SGO Facility will utilize a Turned Aerated Pile (“TAP”) design that incorporates the use of biofilters and re-use of leachate through a system of collection and retention ponds. TAP systems are designed as a cost-effective method for controlling potential environmental impacts (including storm water contamination and odors) while maintaining optimal pile conditions during composting. At SGO, the technology will combine efficient turning with watering systems and biofilters supported by a computerized reversing aeration control technology in order to optimize composting conditions for all types of feedstocks.

The TAP system uses computer-based control technology. Compost processing pile temperature data is collected and stored on the computer. Air volume and direction of flow is automatically controlled per operator-chosen temperature set-points. The system exhaust air is scrubbed in a biofilter constructed of wood chips, in the case of negative aeration, and passes through the layer of finished compost and/or compost overs in the case of positive aeration. The aeration rates are set to assure oxygen levels above 18% and control temperatures near the optimum temperatures for rapid decomposition without releasing odors. The use of an aeration floor will facilitate the implementation of turned aerated piles. The concrete aeration floor can be scraped, and equipment can drive on the floor, allowing turning and remixing at any time in the process. Water can also be added as needed to keep the process biologically active. The below grade piping system uses nozzles every four to five feet to efficiently inject and remove air from the piles. The piping system will also serve as a drain to remove excess moisture.

Turned aerated piles can be operated at different air flow rates and retention times, typically from 22 to 45 days, depending on feedstock type. Material is typically turned

every week. In comparison to windrow requirements, the pathogen reduction phase is reduced to 3 consecutive days at a minimum temperature of 131 °F.

The TAP system can be covered, as necessary, with a layer of finished compost or overs for the first two weeks in order to capture VOCs during the 7 to 10 day production period. With the cover, the system can be operated under either negative or positive pressure while maintaining temperature control throughout the pile depth.

Material removed from the TAP system will typically be transferred to the curing area. Non-compostable material will likely be encountered during normal operations. Contaminant materials, such as glass, cans, silverware, plates from restaurant waste, and plastics from grocery store waste will be recovered from the feedstock and temporarily stored onsite. The facility will be equipped with ample storage, and the operator will transfer and remove residuals. Recyclables recovered from feedstock will be stored outside in bins or in bunkers inside a building. Municipal solid waste (“MSW”) residues will be transported to a permitted landfill.

The SGO Facility will be initially permitted and constructed to compost 100,000 tons of materials annually. The TAP composting technology will allow for one of the most efficient composting operations within the smallest footprint and provide the highest throughput possible. SGO will be constructed to handle Sonoma County’s organic materials stream, and allow for consolidation of the County’s organics in combination with the increased capacity at Cold Creek. The proposed joint approach will reduce the costs of County overhaul and provide a long-term solution for Sonoma County’s organics management. The minimum flow necessary to operate the facility is approximately 60,000 to 70,000 tons of organics, not including manures or other agricultural products. Information on the TAP designer, Green Mountain Technologies, Inc., as well as a case study highlighting the City of Phoenix TAP system, are included in Section 7.0 (Appendix).

Long-Term Schedule and Plan

SGO is currently in the planning and permitting phase. A use permit application for a 200,000 ton per year composting facility was originally submitted and accepted by the Sonoma County Permit and Resource Management Department (“PRMD”) on June 28, 2012. A recent revised submittal on the use permit application modified the total annual tonnage to 100,000 tons. The initial proposed project site will consist of 5 acres within a 389 acre parcel.

Permits that are necessary to operate the facility are detailed below. SGO anticipates receipt of these necessary permits in the next 18 to 30 months, predicated on the Sonoma County permit process.

- Use Permit – Sonoma County Permit and Resource Management Department
- Solid Waste Facility Permit – Sonoma County Environmental Health and Safety Department and concurrence from CalRecycle
- Permit to Operate – Bay Area Air Quality Management District
- Permit Coverage under General Waste Discharge Requirements for Composting Operations – Regional Water Quality Control Board

The anticipated start date for receiving SCWMA organic materials is in January 2021.

Equivalent Technology

The new SGO Facility will utilize the TAP technology as described above. The TAP system is proven, state of the art composting technology that is permitted and operated in the U.S., including California, Oregon, Washington, and Arizona, as well as internationally. See the City of Phoenix Case Study in Section 7.0 (Appendix).

Recovery Rates

The SGO Facility will incorporate all overs back into the composting process and will maintain a recovery rate similar to Cold Creek Compost (99.69% in 2016).

Operating Limitations

SGO proposes to provide two state certified scales and one scale house onsite, including one scale for incoming and one scale for outgoing trucks.

Material Types Accepted

Stage Gulch Organics will accept the following material types:

- Wood Waste
- Green Waste
- Mixed Organic Materials
- Commercial Food Scraps
- Other Organic Materials
 - Agricultural materials including: chicken manure, poultry mortalities, chicken feathers, grape pomace, and other materials
 - Liquid feedstocks including: brewery/wine waste water, wine lees, and whey

Note on compostable food ware and plastics: Current OMRI requirements prohibit the use of compostable plastics. As SGO will provide compost to numerous organic farms, ranches, and vineyards, and does not wish to jeopardize the ability to provide compost for organic production, SGO is not open to accepting compostable plastics at this time. In the future, should OMRI change its position on compostable food ware and plastics, SGO may be open to accepting these materials.

Hours of Operation

SGO proposes to be open 7 days a week. General Public – 7:30 AM to 3:30 PM. Commercial Deliveries – 6 AM to 6 PM.

The SGO facility will typically be closed on the following holidays: Fourth of July, Labor Day, Thanksgiving, Christmas Day, and New Year's Day.

Assessment of Site Conditions

As described above, a use permit application for Stage Gulch Organics has been received by the Sonoma County Permit and Resource Management Department (PRMD) for a 100,000 annual tonnage composting facility. The 5 acre site will be in compliance with the Sonoma County Zoning Ordinance as well as the Sonoma County General Plan. The proposed facility will be consistent with Sonoma County's Uniform Rules for Agricultural Preserves and Farmland Security Zones as well as the Sonoma County Land Conservation Act. A copy of SGO's October 20, 2017 application to PMRD is included in this section.

As part of the SCWMA efforts to develop a composting facility in Sonoma County, the SCWMA contracted with ESA for the preparation of an EIR in 2011 to analyze three possible locations for a new composting facility. As part of that effort, the SGO site (also known as Site 40 in the EIR) was included.

As noted in the EIR, determination of the project site and alternative sites were based on a siting study prepared for the SCWMA and published in June 2008 (HDR Engineering, Inc., 2008). Based on the HDR Siting Study, the SGO site was ranked **number 1** out of 36 parcels analyzed. Screening criteria for the HDR siting study included: transportation impacts, neighborhood impacts, environmental impacts, site costs, land use designation, visual impacts, and multi-use potential.

The EIR (available on the SCWMA website) identified potential environmental impacts associated with each site, included on page 2-2 of the document. The EIR specifically noted the following regarding the SGO site (identified as Site 40):

"Site 40 would result in a few impacts that would be greater than the proposed project, specifically air toxics health risk (non-cancer and cancer), agricultural resources and aesthetic views. However, Site 40 would also reduce several impacts in comparison to the project. The Site 40 Alternative would not impact Coastal Brackish Marsh and would have less potential effects to special status species. Also, unlike the project, the Site 40 area does not have a known archaeological site. The Site 40 Alternative would also have reduced traffic impacts in comparison to the project. Finally, Site 40 is not located within the 100-year floodplain and there are more potential options for water supply that would be useful for the Site 40 Alternative, specifically a potable well on-site, recycled water from the Petaluma wastewater treatment plant and the Pinheiro Reservoir."

The EIR further notes:

"Site 40 and Site 13 each meet the three project objectives (as depicted in Table 4-2). Site 40 and Site 13 have specific impacts that would be greater than the project (as shown in Table 4-1). Site 40 would require substantial grading during construction and would result in greater TAC health risk during operations. Site 13 would also result in potentially greater air quality impacts; however, the primary drawback for this alternative is that the safety issues would be greatly increased compared to the

proposed project at Site 5A. Importantly, the Site 40 Alternative would avoid any impacts to the 100-year flood plain. The Site 40 Alternative also would avoid the need for safety improvements on Lakeville Road that would be required for the development of the proposed project at Site 5A. In contrast, the safety improvements for Highway 37 required for development of Site 13 would potentially be more expensive and less feasible than the safety improvements needed on Lakeville Road for Site 5A. Given these concerns, the Site 40 Alternative is the environmentally preferred alternative to the project.”

Based on the modifications to the proposed project, including the use of the TAP composting system as opposed to a windrow or ASP system analyzed in the EIR, a reduction in the overall size of the facility footprint, and a reduction in total annual tonnage, coupled with compliance with the Sonoma County General Plan and Zoning Ordinance, the proposed SGO project demonstrates that all necessary land use and other permits to operate can be attained and in fact, operations are improved.

Plans

A copy of the Report of Composting Site Information (“RCSI”) with Odor Impact Minimization Plan (“OIMP”) and Storm Water Pollution Prevention Plan (“SWPPP”) for Cold Creek Compost has been included in this section. Similar documents will be prepared for the SGO Facility. A copy of the SGO proposed facility layout is also included in this section.

Material Protocol

All organic materials entering the facility will be unloaded onto the engineered compost pad. Non-contaminated materials, including chicken manure, grape pomace, and other agricultural materials, will be received separately on the pad from incoming green, food, and wood materials. The green, food, and wood materials will first be sorted for contaminants by utilizing a sort line. After sorting, these materials will be ground onsite with the facility’s grinder and blended with chicken manure and other non-contaminated materials and stacked onto the TAP.

Contamination Protocol

Per the requirements of the RFP, contamination levels of 2.5% to 5% by weight are included in the per ton rate reflected in Form F. The organic materials that Cold Creek has received from the SCWMA the past couple of years is more contaminated than organic materials received from other jurisdictions. Several random loads from the SCWMA were set aside, carefully sorted, and weighed in order to determine the exact percentage of contamination. Cold Creek was able to determine the following: 1) determining the exact percentage of contamination by weight is a tedious and difficult process; and 2) the most contaminated loads include contamination levels of approximately 1.5% by weight.

Processing organic materials with triple the rate of contamination would theoretically be possible, but unreasonable, expensive, and essentially a significant step backwards. SGO proposes to accept the organic materials at the current level of contamination that Cold Creek receives, with the agreement that SGO work with the SCWMA and the haulers to significantly reduce contamination levels through education and enforcement efforts.

In the event that SGO receives a significantly contaminated load, through visual inspection of the material prior to the vehicle unloading, SGO will request that the vehicle be turned around prior to unloading. If a significantly contaminated load is discharged onto the pad, SGO proposes an additional rate of \$200.00 per contaminated load.

Overs Management

All overs produced at SGO will be cycled back into the composting process and not used as alternative daily cover (“ADC”) or for other beneficial reuse purposes.

High Quality End Product

Following in the Cold Creek tradition, finished compost at the SGO Facility will be OMRI listed, CDFA registered, and maintain the highest quality due to the unique blend of feedstocks that will be utilized at SGO. Finished compost, as well as planter mixes, will be crafted in Sonoma County and widely available to support Sonoma County’s agricultural needs. Marketing and sales will replicate that of Cold Creek’s by utilizing local dealers and brokers as well as selling directly from the facility.

Flexibility

The SGO Facility will be designed for efficient processing, utilizing state of the art technology, to allow for flexibility while ensuring compliance with current and future regulations.

Ancillary Description

Stage Gulch Organic’s proposed initial capacity is 100,000 tons annually. SGO is committed to the SCWMA and proposes to accept and begin processing 60,000 to 80,000 annual tons of organic materials from the SCWMA.

SGO proposes a long term approach for addressing the SCWMA Organics Materials Processing Services, with a 15-year to 20-year commitment as detailed in Forms F-3 and F-4. SGO proposes a price per ton of \$50.00, in addition to the annual CPI as stipulated in the RFP, for a 20-year commitment and \$62.50 per ton for a 15-year commitment.

Litigation

SGO is not aware of any potential legal issues that could lead to future litigation with the SCWMA. In the event of any potential legal issue, SGO will work cooperatively with the SCWMA to minimize any possible litigation.

Acceptance of Non-SCWMA Materials

The SGO Facility is proposed to be designed, built, and operated to compost Sonoma County’s organic materials. While the bulk of the material is proposed to include SCWMA controlled materials, non-SCWMA materials will be accepted including: agricultural materials such as grape pomace, chicken manure, and chicken products, as well as self-haul materials from the general public.

4.2B SAFETY

Staff Safety Requirements

All personnel, including new employees, will be required to be familiar with the requirements of all regulatory agencies, as necessary, including, but not limited to: the North Coast Regional Water Quality Control Board and State Water Resources Control Board, the Air District, Sonoma County PRMD, and the Sonoma County Local Enforcement Agency. All employees will be required to be familiar with all components of facility operations. This cross training will facilitate higher levels of control, with respect to efficiency of operations, in addition to regulatory compliance, early and prompt identification of any issues on site, as well as emergency first response.

The facility will comply with all Cal OSHA regulations and other applicable worker health and safety regulations and requirements. The Operations Manager will schedule regular health and safety meetings to ensure regulatory compliance and update facility personnel regarding any changes in operations in addition to providing new information pertaining to worker health and safety.

All personnel will be required to be familiar with facility good housekeeping practices and appropriate responses in emergency situations. All workers will be encouraged to propose methods for improving operational efficiency, worker health and safety, and ensuring compliance with all regulations.

The facility will operate under the guidelines in SGO's Injury and Illness Prevention Program.

Worker Health and Safety

Employees will be provided personal protective equipment ("PPE") including: gloves, ear plugs, rubber boots, and dust masks, as frequent as necessary, for the protection from dust, particulates, pathogenic organisms, and other hazards. Materials will be watered down prior to grinding, as necessary, to minimize the potential for human contact through dust generation.

All compost products will be tested pursuant to the requirements in the California Code of Regulations, Title 14, Division 7, Chapter 3.1, Article 7, Section 17868.1 before they are sold to the public.

Contamination and Hazardous Management Protocol

SGO will maintain a strict policy of rejecting hazardous materials. Employees will be trained to recognize potentially hazardous materials. The facility policy will require personnel to treat any unknown or unidentifiable material as if it were a hazardous material and ensure it is immediately and appropriately removed from the facility.

The facility will maintain separate storage areas for treated and untreated materials in order to prevent possible contamination with feedstocks, compost, or wastes that have not undergone pathogen reduction. This prevents the potential for the mixing of treated and untreated materials. In the event that contamination may occur, the contaminated material will be incorporated back into the composting process.

Pursuant to Section 17868.3.1, Physical Contamination Limits, effective January 1, 2018, the SGO facility will sample every 5,000 cubic yards of finished compost produced to determine the percentage of physical contaminants greater than 4 millimeters. The facility will utilize a composite sampling method that provides accurate results and is approved by the LEA. Sampling methods will be both representative and random.

In the event that the finished compost contains more than 0.5% by dry weight of physical contaminants greater than 4 millimeters, or more than 20% by dry weight of the 0.5% is film plastic greater than 4 millimeters, the materials will be properly disposed of, incorporated back into the composting process, or utilized for another use as approved by local, State, and Federal agencies having appropriate jurisdiction. Test results of physical contamination limits will be received prior to removing finished compost from the SGO facility.

Health and Safety Management

As described above under Worker Health and Safety, all employees will be provided PPE, including: gloves, ear plugs, rubber boots, and dust masks, as frequent as necessary, for the protection from dust, particulates, pathogenic organisms, and other hazards. Materials will be watered down prior to grinding, as necessary, to minimize the potential for human contact through dust generation.

All compost products will tested pursuant to the requirements in the California Code of Regulations, Title 14 CCR, *Division 7*, Chapter 3.1, *Article 7*, *Section 17868.1* before they are sold to the public.

4.3B REPORTING

Provisions for Reporting

Consistent with the reporting requirements outlined in Exhibit B of the Draft Long Term Agreement for Organic Materials Processing Services, SGO proposes the provisions for reporting detailed below. SGO will comply with all reporting requirements.

- **Monthly and Quarterly Reporting**
 - Include all incoming tons and material type received by the SCWMA and/or Member Agencies if hauler designates the incoming tonnage by Member Agency. Any third party customers from Sonoma County will be included in the monthly and quarterly reports.
 - All organic materials will be tipped in the same location on the composting pad, sorted, and ground together, and therefore, not feasible to distinguish SCWMA jurisdictions. Generally, all incoming materials will be ground on the day received. SGO will provide a note that all composting is in compliance with permitted regulations.
 - Include outgoing tons based on destination and end-use. It is not feasible to include the jurisdiction of origin as all materials are ground and composted as one homogenous mix. This includes any residuals

that are hauled away for disposal. SGO will not send out any materials for ADC, AIC, or other beneficial reuse.

- **Method to Track Tonnage**

- Incoming tonnage will be tracked through weigh tags and entered into QuickBooks. Outgoing tonnage will be entered into QuickBooks via invoices. Reports will be generated through QuickBooks, and the resulting data included in reports and spreadsheets.

Process for Reporting Complaints

In the event of any complaints related to receipt of SCWMA materials, or other issue, all complaints will be documented and forwarded to Patrick Carter, SCWMA Executive Director, or other SCWMA designated contact via e-mail or other appropriate communication. SGO will work diligently with SCWMA to resolve any complaints in a timely and efficient manner. If necessary, dispute resolution will be handled via mediation or arbitration in Sonoma County.

4.4B OPERATIONS

Scale Procedures

All incoming trucks will be required to weigh in at the facility's state certified scale. Staff members will enter the truck weights, truck id, and material type on weigh tags. After weighing, trucks will be directed to the unloading area. After unloading, trucks will be weighed on the outgoing scale, drivers will enter the office, sign weigh tags, receive a copy for their records, and exit the facility.

Unloading and Turnaround Time

Unloading and turnaround times at SGO will comply with the SCWMA's 30 minute requirement.

Tipping Procedures

After weighing in at the scale, drivers will be directed to the unloading area on the compost pad where trucks will self-unload. Upon discharge of materials, trucks will be routed back to the scales for weighing.

Load Checking Program

SGO will employ a Load Checking Program consistent with the requirements in the California Code of Regulations, Title 14 CCR, *Division 7*, Chapter 3.1, *Article 6*, *Section 17867 (a)(3)*. The procedures will include random load checks of incoming feedstocks, additives, and amendments for potential contaminants. All employees will be trained to recognize hazardous materials and other materials that have the potential of harming human health and safety, the environment, and/or equipment. As described in Section 4.2A above, any unknown or unidentifiable material will be treated as if a hazardous material and directed for immediate and appropriate removal.

Fuel Type for Onsite Equipment

Stationary equipment at the new facility will be electric and mobile equipment will include a mix of diesel and electric equipment.

Labor Discussions

SGO will operate as an independent business and does not anticipate any issues with lockouts or strikes. Because of the proposed state of the art technology, the number of employees anticipated will be fewer than the number employed by Cold Creek Compost. In order to provide jobs with living wages and maintain dedicated employees, the compensation and benefits will top the pay and benefits currently offered at Cold Creek.

4.5B SUSTAINABILITY

Minimizing and Mitigating Climate Impacts

a. Minimize Equipment Emissions

All new equipment for SGO will either be electric or utilize Tier 3 or higher engines.

b. Maximize Methane Recovery

SGO will utilize an aerobic method of composting. When done properly, this method does not produce significant amounts of methane. There is minimal methane available for recovery.

c. Minimize Unprocessed Organics

SGO will utilize all feedstocks received, incorporate overs back into the composting process, and minimize any unprocessed organics.

d. Purchase Energy from Renewable Sources or Carbon Credits

SGO may use renewable energy sources, to be determined prior to start up.

Minimize Environmental and Other Impacts

SGO will minimize environmental impacts to host communities by accepting the widest range of feedstocks, including all food materials, which encourages the composting of food materials instead of landfilling. SGO will maintain an affordable tipping fee for the region while allowing materials to be commingled in delivery vehicles in order to minimize truck trips and save host communities money. This practice will benefit the environment and offer local jurisdictions the ability to meet State mandated diversion requirements.

The SGO Facility will further reduce GHGs by reducing the vehicle miles associated with the current outhaul of Sonoma's organic materials, and return commercial composting to Sonoma County.

Environmental Stewardship

Cold Creek has been committed to environmental stewardship since its inception in the early 1990's. Martin Mileck, Cold Creek founder, envisioned a different way of handling waste materials. Martin saw a way to use so-called waste materials to create sustainable fertilizers that were better and more affordable than chemical fertilizers. Martin was a pioneer in sustainable materials management and flipped the solid waste paradigm. By composting a wider range of feedstocks, from green materials to chicken products, Martin crafted a nutrient rich and biologically active compost that provides essential macro and micro nutrients and superior beneficial microbes. The Cold Creek tradition will continue at SGO. SGO will compost a wide range of feedstocks, thereby diverting a larger fraction of materials from the landfill while producing a superior compost reducing the need for chemical fertilizers.

SGO will be a no discharge facility and will utilize a collection pond to capture leachate and storm water from the engineered compost pad. The collected water will be used as process water in the composting operations, greatly reducing the facility's water consumption. SGO will compost food and waste materials that are generated in the office and by employees and will utilize recycled products whenever possible. SGO will recycle metals collected during operations and will comply with all laws governing E-waste, HHW, and U-waste.

Energy Consumption

The SGO Facility will use a blend of electricity and diesel for all composting operations. Based on this blend, the fuel consumption at SGO will be less than Cold Creek's current consumption levels.

Local Vendors

SGO will be an independent California company located in Sonoma County with the primary mission to recycle and compost organic materials from Sonoma County while supplying fertilizer and soil amendments to farmers throughout Sonoma County. SGO will strive to support local vendors and use local dealers and brokers to sell materials, while purchasing goods from local companies whenever possible.

Innovative "Green" Approach

The Cold Creek composting model is the essence of an innovative green approach. Since Cold Creek's inception in 1995, Cold Creek has composted the widest range of feedstocks, including agricultural materials, food materials, and green materials, resulting in the highest quality finished compost.

The Cold Creek business model was developed around Martin's belief that valuable organic matter was being buried in landfills at a high cost to ratepayers and the environment while expensive and environmentally damaging chemical fertilizers were being utilized in agriculture. As a visionary in the industry, Martin realized that by collecting and composting organic materials, he could create a sustainable fertilizer that reduces disposal costs and provides farmers with a superior and less expensive fertilizer option than conventional chemicals. Composting a wide array of feedstocks results in a

biologically superior compost, a reduced need for chemical fertilizers, and a remarkable recovery rate.

This innovative and sustainable approach will continue to grow and improve at the SGO Facility.

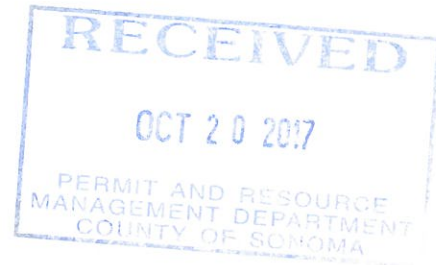
4.6B COMPOST GIVEAWAY PROGRAM

Upon completion of the SGO Facility, the operation will provide the SCWMA and/or ratepayers up to 350 cubic yards of free compost twice per year at a location determined by the SCWMA, one of SGO's compost vendors, or at the SGO Facility. A similar program proposed by Cold Creek Compost can also be implemented.

Allan Tose
561 Broadway, Suite A
Sonoma, CA 95476
(707) 738-1398

October 20, 2017

Crystal Acker
Planner III
Sonoma County PRMD
2550 Ventura Avenue
Santa Rosa, CA 95403



RE: File No.: UPE12-0031 - Application Update
Address: Stage Gulch Road, Petaluma
APN: 068-040-15

Dear Ms. Acker:

Thank you for your letter dated August 16, 2017. In response to your letter, we would like to amend our application to be in full compliance with the Williamson Act, all current Sonoma County Zoning, and General Plan requirements.

The most significant modification is to reduce the project size from 42 acres down to five (5) acres. By reducing the size of the project to meet the area limitations (not more than five acres and 15% of the area), the proposed commercial composting facility will be consistent with the Uniform Rules for Agricultural Preserves and Farmland Security Zones and addresses the Land Conservation Act inconsistency. The five acre site will also bring our project into compliance with the Sonoma County Zoning Ordinance as well as be in compliance with the Sonoma County General Plan. In compliance with the Uniform Rules, the Land Conservation Act, and the LEA zoning requirements, the project will be classified as a non-agricultural compatible use.

The revised project will consist of a five acre aerated concrete pad with 3% cross slope and a curb around the entire pad for water containment. Total incoming feedstocks are reduced from 200,000 tons per year to 100,000 tons. The operation will use the Turned Aerated Pile (TAP) system which is state of the art composting technology designed by Green Mountain Technology. TAP systems are designed as a cost-effective system for controlling potential environmental impacts including storm water contamination and odors and maintaining optimal pile conditions during composting. At the facility, the TAP combines efficient turning with watering systems and biofilters, supported by a computerized reversing aeration control technology to optimize composting conditions for all types of feedstocks.

The proposed facility will be a water neutral development. All water that will be used at the compost facility will be from the existing permitted lake on the ranch or reclaimed water from the

City of Petaluma. Potable water will come from the lake and be purified through an approved system to be determined.

Compost contact water will be segregated into two outflows to include leachate and contact storm water. Leachate will be collected and stored in a primary collection pond and re-used to moisture condition during the compost process. Contact storm water will be collected separately and stored in a larger, secondary surface water impoundment that will be designed and constructed pursuant to applicable regulatory requirements. This water will then be discharged to land at the project site at agronomic rates. Both impoundments will be designed and constructed pursuant to applicable regulatory requirements and in accordance with Waste Discharge Requirements issued by the San Francisco Bay Regional Water Quality Control Board. It is anticipated that the Waste Discharge Requirements will include a monitoring and reporting program that will be implemented and reported to the agency to ensure protection of surface and groundwater.

As you noted in your August letter, an EIR was previously prepared for the project by the Sonoma County Waste Management Agency. This EIR analyzed a much larger project (200,000 tons vs. 100,000 tons). The reduction in the project size and scope reduces the environmental impacts associated with the proposed project. Pursuant to Title 14 CCR, Section 15152, as this project is consistent with County General Plan and zoning requirements, the previous EIR can be used, referenced, and tiered off for the new CEQA document prepared for the revised project, thereby minimizing staff time and associated costs.

Upon PRMD's concurrence that the revised project is in compliance with the Williamson Act and associated County's regulations, we will submit the required documents per the Use Permit Application Requirements in form PJR-010. Please contact me at 707-738-1398 if you have any questions about the revised project description. Thank you for your assistance.

Sincerely,



Allan Tose
Project Manager

Updated Project Description for UPE12-0031 (Revised October 6, 2017)
Stage Gulch Organics Composting Facility
2535 Stage Gulch Road, Petaluma, CA 94654
APN: 068-040-015

On June 28, 2012, a use permit application (“UPE12-0031”) and associated fees for a commercial composting facility to be located at 2535 Stage Gulch Road, Petaluma was submitted to the Sonoma County Permit and Resource Management Department (“PRMD”).

This second updated project description provides additional information on the Stage Gulch Organics Composting Facility (“Facility” or “SGO”) and supports the use permit application as follows:

- Facility Location;
- Consistency with Sonoma County Land Use and General Plan;
- Williamson Act Contract;
- Need for a Sonoma County Composting Facility;
- Benefits of One Regional Composting Facility vs. Multiple Smaller Facilities;
- State Regulations Driving Need for Composting Facilities;
- Majority of Compost to Agricultural Uses; and
- Updated Facility Operations and Composting Technology.

Facility Location

The proposed Facility will be located at 2535 Stage Gulch Road, Petaluma, CA 94954 in unincorporated Sonoma County. The project site to consist of five (5) acres within a 389 acre parcel located on Assessor Parcel Number (“APN”) 068-040-015.

The SGO property, also named ‘Site 40’ in various environmental impact reports (“EIR”) and other siting documents, is located at the northwest corner of the intersection of Stage Gulch Road (State Route 116) and Adobe Road approximately 2.5 miles east of the City of Petaluma in unincorporated Sonoma County.

Based on a 2008 Compost Facility Siting Study prepared by HDR Engineering, Inc. for the Sonoma County Waste Management Agency (“SCWMA”), the SGO site was ranked number 1 out of 36 parcels analyzed. Screening criteria for the HDR siting study included: transportation impacts, neighborhood impacts, environmental impacts, site costs, land use designation, visual impacts, and multi-use potential.

Uses of Surrounding Lands

Land uses surrounding the Facility include: vineyards, dairy operations, and agricultural uses with residential with the closest residence approximately one half mile from the proposed Facility. Current uses on the subject parcel include farm housing and cattle grazing.

Concerns regarding impact on adjacent uses is best managed and minimized through proper design and the implementation of mitigations identified through the CEQA process.

Consistency with Sonoma County Land Use and General Plan

The proposed project site is designated as Land Extensive Agriculture (“LEA”) 60 in the Sonoma County General Plan and zoned LEA-B6-60-Z-SR-VOH-Ag Preserve.

Section 26-06-020(p)(21) of the Sonoma County Zoning Ordinance requires a use permit for commercial composting facilities as noted below:

- (p) The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:
- (21) Commercial composting facilities incidental to the agricultural use, subject to Policy AR-4a of General Plan agricultural resources element. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

Sonoma County Zoning Code Section 26-02-140 – Definitions:

- Agricultural support service means processing services, maintenance and repair of farm machinery and equipment, veterinary clinics, custom farming services, agricultural waste handling and disposal services and other similar services.
- Commercial composting means a commercial facility that is operated for the purpose of producing compost from the onsite and/or offsite organic material fraction of the waste stream and is permitted, designed, and operated in compliance with the applicable regulations contained in the California Code of Regulations, Title 14, Division 7, as may be amended from time to time. Non-commercial composting that is an incidental part of an agricultural operation and relies primarily upon onsite material for onsite use is not included within this definition.
- Composting means the controlled or uncontrolled biological decomposition of organic wastes.

Pursuant to the definition of agricultural support services as defined above, the establishment of a commercial composting operation is consistent with the goals, objectives, and policies of AR-4. The composting operation will provide recycling and composting of agricultural materials including: manures, grape pomace, and agricultural trimmings and residues. It is estimated that up to 20,000 tons of chicken manure, chicken feathers, and other related agricultural poultry products that are currently produced in Sonoma County will be composted annually at the Facility in addition to local grape pomace and other agricultural residues. The operators are currently working with Sonoma County chicken farmers to ensure that the Facility will be designed to comply with their needs. Assuming 100,000 tons of materials are composted annually, the Facility expects that at least 25% of the incoming material will be generated from local agricultural operations which is currently exported out of the County.

In addition to the recycling of agricultural materials, finished compost and blended planting mixes will be available to the agricultural industry providing a locally produced and sustainable fertilizer option. A similar composting facility in Mendocino County, currently operated by the applicant, provides over 90% of finished products to the agricultural industry with vineyards as one of the top end users. With over 58,000 bearing acres of vineyards in Sonoma County (based on 2015 Sonoma County Crop Report), if the Facility was to produce 50,000 tons of finished compost annually (based on 100,000 tons of incoming feedstocks) and assuming half of the vineyards in the County purchased compost and applied at a rate of 2 to 3 tons per acre (agronomic application rates vary from 1 to 8 tons per acre) that would equate to 58,000 to 87,000 tons of finished compost needed, and this is only accounts for Sonoma County vineyards and does not include other agricultural operations. As also described in Attachment 3, CalRecycle notes that statewide “agriculture dominates the market for compost (56 percent)”.

On January 31, 2012, the Sonoma County Zoning Code (Ch. 26 of the County Code) was amended to allow commercial composting operations on agricultural lands with the approval of a use permit, which was determined by County staff to be consistent with the Sonoma County General Plan. (*See Attachment 1 for the January 16, 2013 General Plan Consistency Analysis prepared by Sonoma County PRMD staff*). This allowed for the County to permit commercial composting in agricultural zoning districts, but requiring the hearing body (i.e. Planning Commission or Board of Supervisors) to make a determination for each specific project through CEQA that it complied with the agriculture policies in the Sonoma County General Plan. This allows the hearing body the discretion to determine, during the permitting process, if the project is consistent with the County General Plan.

The Sonoma County Zoning Code reads as follows:

(21) Commercial composting facilities incidental to the agricultural use, subject to Policy AR-4a of General Plan agricultural resources element. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

Sonoma General Plan Policy AR-4a states:

The primary use of any parcel within the three agricultural land use categories shall be agricultural production and related processing, support services, and visitor serving uses. Residential uses in these areas shall recognize that the primary use of the land may create agricultural "nuisance" situations, such as flies, noise, odors, and spraying of chemicals.

As provided in Attachment 1, the General Plan Consistency Analysis prepared for the project site by Sonoma County PRMD staff raised the following points:

- *".....the project's consistency with the General Plan land use policies does not rest solely with a determination of its consistency with agricultural preservation policies. These policies must be weighed and balanced against other land use policies in the Land Use Element."*
- *"It is not uncommon that some goals and objectives may conflict with each other since they serve different aims. Full compliance with each policy may not be possible. The different goals and objectives of the General Plan need to be balanced with each other. Where the General Plan calls for certain activities to be avoided, certain impacts to be minimized and certain practices discouraged or encouraged, projects should seek to achieve the maximum compliance possible. Since the project is serving an alternative, equally weighted general plan goal, some impact to agricultural lands may be considered tolerable provided that the composting operation is incidental to agricultural uses of the parcel, and the area of conversion and the impacts to agricultural production are minimized to the maximum degree practical. In such circumstance, the proposed composting operation could nevertheless be considered in substantial compliance with the General Plan Agricultural land policies."*
- *"Another factor that would lend support to a finding of consistency is the fact that the proposed composting operation would utilize agricultural waste products from the surrounding area and manufacture high quality compost a portion of which is utilized by the agricultural community to enhance agricultural production. As such, portion of the operation could be considered consistent with the agricultural resource policies in the same manner as other agricultural support activities."*
- *"The use will not require the extension of sewer or water lines would not substantially detract from agricultural production on the remaining parcel areas. The project is not expected to create a concentration of commercial uses in the area. The project is surrounded by agricultural lands and is several miles from the nearest residential neighborhood. The project could have an impact on adjacent residences in terms of noise, odors and traffic but these could be avoided and minimized through proper design and the implementation of mitigations identified in the environmental review process carried pursuant to the California Environmental Quality Act."*
- *"The proposal could be considered consistent depending upon the weight, and significance assigned to different goals, objectives and policies by the hearing body. Though the project would clearly be consistent with several of the County's General Plan goals with respect to waste reduction and sustainability, it could conflict with several other General Plan policies regarding the preservation of agricultural lands and minimizing impacts on agricultural production."*

The Sonoma County PRMD consistency analysis also contemplated the possibility of considering a compost facility as a public use:

"Given that the proposed composting facility is a public use akin to a sewage treatment plant or park, it may be approved if an overriding public benefit exists. A composting operation which promotes reuse of the organic wastes, converts them into a resource and reduces the waste stream could be considered an overriding public benefit."

The intent of the additional information was to help enforce consistency with the County General Plan goals and policies for farmland that include ensuring that agricultural land be utilized for agricultural uses, uses accessory to agriculture, and other uses which are consistent with agricultural or agriculturally related uses and removing as little land as possible from potential agricultural production.

The proposed composting Facility is an important component of the agricultural community as finished compost provides a locally produced, sustainable fertilizer option that is more affordable than chemical fertilizers.

Williamson Act Contract

The project site is covered by Williamson Act Contract No. L-99717 O.R. 2516-245. Pursuant to California Government Code Section 51238.1, the following criteria must be addressed:

- (a) Uses approved on contracted lands shall be consistent with all of the following principles of compatibility.
1. *The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in agricultural preserves.*

The proposed composting operation will not significantly compromise the long-term productive agricultural capability of the subject property. Of the total parcel acreage of 389 acres, approximately 1.3% or 5 acres will be utilized for the composting operation and collection ponds. The parcel is currently open grassland that is used for limited grazing. The operation will produce high quality soil amendments utilized for the agricultural industry for application on vineyards, orchards, and other agricultural fields.

2. *The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in agricultural preserves. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing or shipping.*

The use of the subject property for composting operations will not displace or impair current or reasonably foreseeable agricultural operations on the subject parcel or any other contracted lands. As the project will be sited on less than 2% of the subject property, this project will not significantly displace agricultural operations. As noted previously, the project will contribute high quality compost for use in agricultural operations.

3. *The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.*

The proposed facility will not impact any adjacent contracted land from agricultural or open-space use.

Exempt from the Land Evaluation and Site Assessment (“LESA”) Study

As the project would be sited on approximately 5 acres and is less than 10 acres of Class I, II or III soils, the project is exempt from a LESA study.

No Prime Farmland is located within the 5 acre site boundary.

Need for a Sonoma County Composting Facility

Since the closure of Sonoma Compost in October of 2015, Sonoma County has been exporting its collected organics material to other, out of County, compost facilities. There is a realized need to develop a local compost facility that can manage materials generated within the County to ensure compliance with upcoming organic materials diversion regulation, to support jobs within the County, reduce truck trips and resulting impacts, and to add additional materials management transparency within the current collection system as well as provide a sustainable fertilizer for County agricultural needs. The SGO Facility is the solution to these current challenges.

Sonoma County must meet the composting burden of what is currently collected by their franchise, in addition to tons that must be diverted from the landfill in the near future because of upcoming regulations. Current organic collection tonnage can be taken from the 2014 Evaluation of Current Activities and Service Delivery Options, completed by R3 for the SCWMA. The following table is summarized from Table 1 in the Agency's report which provided total organics processed at the Central Composting Facility¹ which is now closed.

Table 1: FY2012-2013 Organics Collection for Sonoma County

	Wood Waste	Green Waste	Wood + Green Waste
Total Tons Collected	5,420	91,812	97,232

Total organic tons required for diversion because of upcoming regulations can be calculated based on current disposal at a landfill and using the CalRecycle Waste Characterization Studies of 2008 and 2014. These studies estimate the total amount of commercial organic waste and material types disposed of in landfills, which is used as a baseline per AB 1826 (which requires a 50% reduction of commercial) and SB 1383 (which requires a 50% reduction in overall) organics disposal from 2014 levels by 2020. The 2008 Waste Characterization estimates that 50% of the overall waste stream is commercial, and the 2014 Waste Characterization estimates that 43.16% of that waste is organic. Of this, 18% is food waste, 7% is yard waste, 14% is wood waste, and 4% is compostable paper. These same percentages are applied to disposal levels to determine the quantity of organics covered by AB 1826 and SB 1383. Total tonnage required for diversion increase until 2025 where 75% of organics are required to be diverted from landfills with additional projections to 2030 that anticipate population growth.

Total required new tons of diversion are summarized in Table 2 below.

Table 2: Total Tons of Organics Diverted from Landfill, 2016-2030

Material Type	2016	2017	2018	2019	2020	2021	2022	2025	2030
Food Waste	2,755	5,458	8,160	10,863	13,566	31,201	35,021	46,482	50,654
Yard Trimmings	1,052	2,084	3,116	4,148	5,181	11,915	13,374	17,751	19,344
Lumber	2,072	4,105	6,137	8,170	10,203	23,466	26,340	34,960	38,097
Compostable Paper	599	1,187	1,775	2,362	2,950	6,785	7,616	10,109	11,016
Manure	86	171	255	340	424	975	1,095	1,453	1,584
Total Additional Tons	6,564	13,004	19,444	25,883	32,323	74,343	83,446	110,755	120,694
Total Tons	103,796	110,236	116,676	123,115	129,555	171,575	180,678	207,987	217,926
MTCO _{2e}	-5,992	-8,959	-11,926	-14,893	-34,006	-38,448	-42,642	-55,225	-56,150
AB 1826 Implementation									
50% Commercial Organics Diversion by 2020									
SB 1383 Implementation									
50% All Organics Diversion by 2020; 75% All Organics Diversion by 2025									

¹ http://recyclenow.org/pdf/Evaluation_SCWMA_Current_Activities_and_Service_Delivery_Options.pdf

Assuming the tonnage collected in FY2012-13 remains consistent, it can be added to the projected tons that need to be diverted from the landfill. Using these estimates, Sonoma County must prepare to manage over 110,000 tons of organic materials in 2017. As stated on the SCWMA website, organic materials are currently transloaded to three (3) compost facilities: Jepson Prairie Organics, Redwood Landfill, and Cold Creek Compost. Using an average of the three distances from the County Landfill/Transfer Station, this is approximately 4,700 truck trips per year, resulting in 1,360 metric tons of CO₂e per year. These emissions, and impacts from trucking, can be significantly reduced by the development of the SGO Facility.

Benefits of One Regional Composting Facility vs. Multiple Smaller Facilities

- Multiple sites may actually require more acreage to produce the same amount of compost that can be produced from one larger site due to the need for redundant acreage occupying infrastructure such as office and support buildings, weigh scales, tipping areas, etc.
- Potential reduced impact related to utility infrastructure construction (electric, gas, water supply) to supply the facilities.
- Fewer sites equates to fewer disturbed locations.
- Economies of scale. One regional site is more economical and more efficient to run than multiple smaller sites especially due to the cost to comply with the General Order for Composting Facilities.
- Less of a burden on regulators. There would be fewer facilities to inspect, less reporting to review, etc.

ATTACHMENTS:

- Attachment 1 – Sonoma County Permit & Resource Management Department General Plan Consistency Analysis
- Attachment 2 – State Regulations Driving Need for Composting Facilities
- Attachment 3 – Majority of Compost to Agricultural Uses
- Attachment 4 – Updated Facility Operations and Composting Technology
- Attachment 5 – Williamson Act Contract
- Attachment 6 – UPE 12-0031 Application Invoice

SONOMA COUNTY
PERMIT AND RESOURCE MANAGEMENT DEPARTMENT

2550 Ventura Avenue Santa Rosa, CA 95403 (707) 565-1900 FAX (707) 565-8343

GENERAL PLAN CONSISTENCY ANALYSIS

(References are to the Sonoma County General Plan as amended to date unless stated otherwise.

General Plan policies relevant to this project are stated on the pages following this analysis.)

Date: January 16, 2013
Project Applicant: Sonoma County Waste Management Agency (SCWMA)
Project File Number: To be determined
Project Location / APN: 2535 Stage Gulch Road, Petaluma / APN: 068-040-015.
Project Title: Sonoma County Compost Facility - Site 40 / Teixeira Ranch.

Note: the Sonoma County Zoning code (Chapter 26 of the County Code) was amended on January 31, 2012, to allow commercial composting operations to subject to the approval of a use permit. These code changes were determined to be consistent with the General Plan. As such, this revised General Plan Consistency determination has been prepared to supersede the prior determinations and more accurately reflect the consistency of the proposed Sonoma County Compost Facility at Site 40 with General Plan policies

Project Description: The SCWMA is considering purchase the above 390 acre site for the purpose of constructing and operating a new county-wide compost facility on approximately 48 acres in the western corner of the site to replace the existing compost facility at the Central Disposal Site. At full production, the proposed facility would have capacity to process a maximum of 200,000 tons of compostable materials each year which is expected to be sufficient capacity to handle the waste stream for the existing and projected population through the year 2031.

Compostable materials imported to the site would include: green material (yard waste), wood waste, food material, and agricultural materials. The agricultural wastes that may be utilized are expected to be similar to those used at the existing facility on Mecham Road. Examples of compost feedstock that have been utilized include: green materials, chicken feathers, rice hulls and bedding material from poultry farms, and food materials. Non-hazardous liquid wastes may also be accepted as a substitute for the water that is added for efficient composting. Up to ten percent of the raw materials may include agricultural wastes and about fifteen percent of the finished product is sold to agricultural operations. However the majority of the input and output of the composting operation is not agriculturally related.

Materials would be processed and mixed and composted using either the current windrow turning system or an Aerated Static Pile (ASP) system which requires less mechanical turning and composts material in place under closed covers which allow enhance air circulation and filtration controls. Depending on the methodology the compost processing generally takes two to three months after which finished compost products would be sold from the premises. About 15% of the compost and mulch material is subsequently sold to agriculture operations (vineyards, etc.) with the remaining material sold for use by landscape companies, and other companies and or individuals.

Implementation of the project would require the construction of an impervious pad, water detention pond, and a small administrative office and septic system. The facility would also include areas for material sorting and processing, windrow composting, on-site access roads, buffer zones, a sales

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area for mulch and compost products, and storage areas. Site will be designed so that entire facility is on an impervious pad and will be self contained with respect to storm runoff such that all storm runoff will be retained on site within the 48 acres. Use for the remainder of the parcel is not anticipated or proposed and it is expected to remain as currently used irrigated rangeland grazing.

At maximum capacity, the composting facility may require up to 82.9 acre feet of water per year. Treated water from the Ellis Creek Water Recycling Facility approximately two miles to the west is already pumped to the site via an existing pipeline for irrigation purposes. If approved, agreements will be sought to continue to use the pipeline to deliver water to the composting operation. No modifications to the pipeline are necessary. Other water supply options including use of well water and water from the site's existing ponds.

Composted materials and mulch products would be marketed and distributed from the site. Current traffic levels for the compost operation at the landfill site are 352 per weekday) and 484 per weekend. These traffic levels are expected to increase to 803 per weekday and 1116 per weekend by the year 2030.

Conclusion:

As a result of Zoning code amendments adopted in 2012, a commercial composting operation could be approved and authorized on Site 40 provided that it obtains prior use permit approval from the county. The hearing body must find the proposal consistent with the General Plan before it could approve any such use permit request.

The proposal could be considered consistent depending upon the weight, and significance assigned to different goals, objectives and policies by the hearing body. Though the project would clearly be consistent with several of the County's General Plan goals with respect to waste reduction and sustainability, it could conflict with several other General Plan policies regarding the preservation of agricultural lands and minimizing impacts on agricultural production.

The General Plan requires agricultural production be the highest priority and primary use on the site and the LEA zoning district requires that the compost operation be incidental and subordinate to the agricultural production and that it minimize impacts to the agricultural production. However, the General Plan does not establish firm thresholds for making the above determinations. There are arguments both pro and con as to whether the proposed compost operation sufficiently avoids conflicts with agriculture and is incidental to onsite agriculture. It is ultimately left up to judgment of the hearing body to determine whether the proposed composting operation is consistent with the above policy directives.

That being said, the project could be designed and conditioned to be consistent with the General Plan if it:

- minimizes the conversion of agricultural lands,
- minimizes impacts to agricultural production,
- Provides a protective easement over the remaining agricultural lands on site, and
- Implements mitigations identified in the project EIR.
- Phase out or cancellation of the Williamson Act contract on the project area or reduce the size of the project to meet the area limitations (not more than 5 acres and 15% of area) specified in the Agricultural Preserve guidelines, or the Board of Supervisors otherwise makes specified findings to consider the project compatible.

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To the extent that the project is not found to be consistent with the General Plan's LEA land use or GP Policy AR-4a, a possible alternative approach, not addressed in this GPCD, which may allow the operation to be considered consistent with the General Plan would be to pursue redesignation of the site to the "PQP-Public/Quasipublic " land use Category which accommodates public facilities.

ANALYSIS

The following General Plan Goals, Objectives and Policies are pertinent to the proposed project and were considered in reaching the above conclusions regarding consistency.

LAND USE ELEMENT: The Land Use Element provides the distribution, location and extent of uses of land establishes standards for each land use category and establishes policies to guide growth and the development and use of land. The General Plan currently designates the proposed project site and surrounding area in the "LEA - Land Extensive Agriculture" Land Use Category. LEA Land Use has the primary purpose of enhancing and protecting lands with relatively low production per acre which are capable of and generally used for animal husbandry and the production of food, fiber, and plant materials. In addition to agricultural production, this land use category allows consideration of agricultural support uses and other uses consistent with the Agricultural Resources Element as provided in the Development Code.

The Land Use Element includes the following goals and objectives, in addition to those included in the Agricultural Resources Element, with respect to the protection of agricultural lands and the avoidance or agricultural land conversions and incompatible uses.

GOAL LU-9: Protect lands currently in agricultural production and lands with soils and other characteristics that make them potentially suitable for agricultural use. Retain large parcel sizes and avoid incompatible non agricultural uses.*

Objective LU-9.1: Avoid conversion of lands currently used for agricultural production to non agricultural use.

Objective LU-9.4: Discourage uses in agricultural areas that are not compatible with long term agricultural production.

Discussion: "Commercial Composting facilities" are specifically listed in Section 26-06-020 (P) (21) in the development code as a non-agricultural use which may be permitted with a use permit approval in the LEA provided that the use meets a local need, avoids conflict with agricultural activities, is incidental to the agricultural use of the site, and is consistent with Objective AR-4.1 and Policy AR-4a of the Agricultural Resources Element. As such, the applicant could apply for a discretionary use permit for a commercial composting operation on the subject LEA parcel without requiring any concurrent rezoning or land use changes. However, the permit approval would depend upon the hearing body's consistency determinations.

The above goals and objectives compliment similar goals, objective and policies set forth in the Agricultural Resources Element to protect and conserve agricultural lands and regulate non agricultural uses on agricultural lands. These policies do not establish firm standards or thresholds by which a project would be clearly ascertained to be consistent or inconsistent. A review of these policies suggests that different conclusions could be drawn based on the significance and weight given to different policies and criteria.

To be considered consistent with the LEA district, the compost operation must be incidental and subordinate to the agricultural production and should minimize impacts to the agricultural production. These considerations are discussed more fully in the following discussion of Agricultural Resource Element Policies

If alternative sites exist to accommodate the compost operation, then conversion of the agricultural lands on the project site may be inconsistent with objective LU-9.1 above which seeks to avoid unnecessary conversions of agricultural land.

However, the project's consistency with the General Plan land use policies does not rest solely with a determination of its consistency with agricultural preservation policies. These policies must be weighed and balanced against other land use policies in the Land Use Element. For instance, Policy LU-11h encourages:

"... development and land uses that pursue reduction and re-use of by products and waste, especially approaches that also employ waste as a resource, such as ecoindustrial development."

A composting operation which promotes reuse of the organic wastes, converts them into a resource and reduces the waste stream would be consistent with the above policy.

It is not uncommon that some goals and objectives may conflict with each other since they serve different aims. Full compliance with each policy may not be possible. The different goals and objectives of the General Plan need to be balanced with each other. Where the General Plan calls for certain activities to be avoided, certain impacts to be minimized and certain practices discouraged or encouraged, projects should seek to achieve the maximum compliance possible. Since the project is serving an alternative, equally weighted general plan goal, some impact to agricultural lands may be considered tolerable provided that the composting operation is incidental to agricultural uses of the parcel, and the area of conversion and the impacts to agricultural production are minimized to the maximum degree practical. In such circumstance, the proposed composting operation could nevertheless be considered in substantial compliance with the General Plan Agricultural land policies.

Given that the proposed composting facility is a public use akin to a sewage treatment plant or park, it may be approved if an overriding public benefit exists. A composting operation which promotes reuse of the organic wastes, converts them into a resource and reduces the waste stream could be considered an overriding public benefit.

AGRICULTURAL RESOURCES ELEMENT: The Agricultural Resources Element policies pertinent to the project are:

Objective AR-4.1: "...Apply agricultural land use categories only to areas or parcels capable of the commercial production of food, fiber and plant material, or the raising and maintaining of farm animals ... Establish agricultural production as the highest priority use in these areas or parcels..."

Policy AR-4a: The primary use of any parcel within the three agricultural land use categories shall be agricultural production and related processing, support services, and visitor serving uses.

Policy AR-5e: Only permit agricultural support services that support local agricultural production consistent with the specific requirements of each of the three agricultural land use categories. Insure that such uses are subordinate to on-site agricultural production and do not adversely affect agricultural production in the area. Consider the following factors in determining whether or not an agricultural support service is subordinate to on-site agricultural production:

- (1) The portion of the site devoted to the service as opposed to production.
- (2) The extent of structure needed for the service as opposed to production.
- (3) The relative number of employees devoted to the support service use in comparison

- to that needed for agricultural production.
- (4) The history of agricultural production on the site.
 - (5) The potential for the service facility to be converted to non agricultural uses due to its location and access.

Policy AR-5f: Use the following guidelines for approving zoning or permits for agricultural support services:

- (1) The use will not require the extension of sewer or water,
- (2) The use does not substantially detract from agricultural production on-site,
- (3) The use does not create a concentration of commercial uses in the immediate area,
- (4) The use is compatible with and does not adversely impact surrounding residential neighborhoods.

Discussion: Objective AR4.1 and Policy Ar-4a require that agricultural production be the highest priority and primary use of the LEA parcel. Similar to the land use policies above, These policies do not establish firm standards or thresholds by which a project would be clearly ascertained to be consistent or inconsistent.

However some guidance may be drawn from policy AR-5e and AR5f which similarly requires that agricultural support services be "subordinate" to on-site agricultural production and that they not adversely affect agricultural production in the area. Policy AR-5e And AR5f are also used to assess the consistency of fertilizer plants or yards in the LEA District. AR-5e and Ar-5f indicate a number of factors to be used in making such determinations. A review of the criteria suggests that the subject proposal for a compost facility is not a clear-cut case where it can be clearly found consistent or inconsistent. Rather, it could be found to be either based on the weight and importance given to certain criteria by the decision-making body

For instance the first factor listed under policy AR-5e is the portion of the property devoted to the operation. Since over 342 acres of the 390 acre site, or 88%percent of the land would remain in agricultural production and the composting operation would provide support services by handling agricultural wastes, the project could be found consistent with Policy AR-4a. Since General Plan policies seek to preserve the agricultural land base for future generations, there is a strong argument for giving considerable weight to the amount of acreage devoted to agriculture or the non agricultural use.

However, if the other considerations listed in policy AR-5e are used as a guide, there are arguments both pro and con as to whether the proposed compost operation adequately avoids conflicts with agriculture and is incidental to onsite agriculture. The compost operation would clearly be the more intense, dominant use of the parcel if the level of structures, infrastructure and employees and traffic generated is considered. The countywide facility will require more construction, employees, and water, and will generate more daily traffic. It will require installation of an office, parking lot, electrical service, water storage and a 15 -16.5 acre impermeable surfaced area. Using these criteria, the proposed county wide facility would not appear to be a subordinate incidental use but rather the primary use on the site.

Impacts to Agricultural Production: With respect to impacts to agricultural production, the 48 acre site is classified as either "prime farmland" or "farmland of state importance" in the Department of Conservation's farmland mapping. The 48 acre site has several soil types on it including Clear Lake Loam 2-5% slope, Diablo Clay Loam 0-30% slope and Haire Clay Loam 0-15% slope. It also has several areas of drainage gullies. About half the area has an agricultural capability unit rating II or

III with the remaining half in capability unit IV. The onsite soils suitability for farming is also reflected by its Storie index rating. Out of a range of 0 to 100, approximately a third of the site has a Storie Index rating in the 40 to 50 point range with the remainder of the parcel's soils ranked with a Storie Index rating less than 40.

The proposed project would remove the 48 acres from irrigated range land production. According to UC rangeland specialists, the 48 acres of irrigated pasture would be expected to support at least 48 -1000 pound cows, perhaps more if certain management practices are used. Even if this acreage is minimized through design or changes or mitigations, there will still be some unavoidable loss of agricultural production on the acres devoted to the composting operation. Where suitable feasible alternative sites exist which would not impact agriculture these site should be given preference in order to minimize impacts to agriculture. If other suitable feasible sites are not identified, then the impacts to agricultural production should be minimized through design and a protective easement over the remaining acreage could be provided to ensure the lands remain in agricultural production.

Though there would be a loss of this resource production on the 48 acres, an argument could be made that the scale of this effect would not be dramatic or significant since the state farmland mapping indicates that there are approximately 412,000 acres of available grazing land in the county and the County Crop Report indicates that there is about 6,997 acres of irrigated pasture in the county. In addition, the loss of irrigated rangeland production could be offset by providing irrigation to other rangelands which currently are not irrigated.

Another factor that would lend support to a finding of consistency is the fact that the proposed composting operation would utilize agricultural waste products from the surrounding area and manufacture high quality compost a portion of which is utilized by the agricultural community to enhance agricultural production. As such, portion of the operation could be considered consistent with the agricultural resource policies in the same manner as other agricultural support activities.

The use will not require the extension of sewer or water lines would not substantially detract from agricultural production on the remaining parcel areas. The project is not expected to create a concentration of commercial uses in the area. The project is surrounded by agricultural lands and is several miles from the nearest residential neighborhood. The project could have an impact on adjacent residences in terms of noise, odors and traffic but these could be avoided and minimized through proper design and the implementation of mitigations identified in the environmental review process carried pursuant to the California Environmental Quality Act.

WILLIAMSON ACT COMPLIANCE:

General Plan Policy AR-3b requires that Lands subject to a Williamson Act contract be restricted to prevent incompatible development as defined by the County's rules for administration of Agricultural Preserves, as amended from time to time. In addition the County development code for the LEA district stipulates that use permit applications for commercial composting operations "must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations."

Discussion: The existing 390 acre parcel has been in an Agricultural Preserve and Type-2 Williamson Act contract since 1975. Contracts entered into pursuant to the California Land Conservation Act of 1965 place additional restrictions on the parcel beyond those that would otherwise apply pursuant to the General Plan and Development Code. Even if a project complies with the other applicable General Plan policies for agriculture, it could still be incompatible with the stricter requirements imposed by the Williamson Act contract.

The General Plan supports the ongoing protection of agricultural lands through the Williamson Act. Contracts and the County's Williamson Act guidelines establish standards for compatible and incompatible use determinations under uniform Rule 8.0

The County recognizes that in addition to agricultural production, it may be appropriate to allow other uses of contracted land that are compatible with the agricultural operation on the property. This could include processing of agricultural commodities beyond the natural state and/or the sale and marketing of agricultural commodities or agricultural support services. In addition, the County's Williamson Act Rules list other allowable land use activities which may be considered compatible with agricultural production.

The new guidelines compatible uses in a Type II agricultural preserves but would require that to be considered compatible they must either 1) collectively occupy no more than 15% of the contracted land, or five acres, whichever is less, or 2) nevertheless be found compatible after the Board makes certain findings. Since the subject 48 acre project site exceeds the five acre limit, it could only be considered compatible if the Board makes the following findings:

- (a) the proposed compatible use is an agricultural use, open space use, or recreational use, as defined by the Williamson Act and these Rules It is not; or
- (b) the Board of Supervisors makes all of the following findings:

- 1. The use is enumerated as a compatible use by these Rules; Composting facilities are not specifically listed as an allowed compatible use. However, uses supportive of agriculture such as the processing of agricultural commodities beyond the natural state, agricultural sales and marketing, and agricultural support services are listed as compatible uses. The ability to make this finding depends upon whether or not the Board finds the use which predominantly serves non agricultural interests fits into one of the above categories.

- 2. The land will continue to be devoted to agricultural use for a ...Type II contract

The remainder portion of the 390 acre parcel would be devoted to an agricultural use but not the 48 acre composting site

- 3. The use complies with Government Code Sections 51238.1 through 51238.3. Section 51238.2 and Section 51238.3 do not apply to the proposed project. Section 51238.1 requires uses approved on contracted lands shall be consistent with all of the following principles of compatibility:

- (1) The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or on other contracted lands in agricultural preserves. Project would compromise long-term productive capacity on the 48 acres as it would be devoted to long-term composting operation but it would not compromise production on the remaining parcel area or other adjacent lands.

- (2) The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or on other

contracted lands in agricultural preserves. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping.

The project would eliminate 48 acres of irrigated pasture used for rangeland. It would not impair grazing uses on the remainder of the parcel or adjacent lands.

(3) The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use. Project is not expected to cause any removal of adjacent lands from the Williamson Act Contracts.

4. The use will not result in the significant increase in the density of the temporary or permanent human population that could hinder or impair agricultural operations on the subject contracted parcel or parcels;
No increase in populations is anticipated as a result of the project proposal. The project does not alter existing land use or zoning in the surrounding area.

5. The use will not require and will not encourage the extension of urban services such as public sewer, water, or the upgrade of public roads to urban standards that could encourage premature conversion of agricultural land to non-agricultural uses;
No extension of public services is required or anticipated.

6. The use will not include a residential subdivision;
The proposal does not involve any residential subdivision

7. The use is consistent with the County General Plan and Zoning Code;
See previous discussion in this analysis.

8. The use will not significantly change the character, appearance, or operation of the agricultural use or open space use of the contracted land.
The compost operation will change the character of the 48 acre site from rolling rangeland to a more industrial composting yard. However it is about a half mile from the road and may be partially screened. It would not affect the existing grazing use on the remainder of the parcel.

The applicability of the WA's contract restrictions will also depend on how the parcel is acquired by a local government agency. Public acquisition of Williamson Act land is governed by Government Code Sections 51290 – 51295 and 51296.6. If a public entity purchases the parcel for a public improvement and findings can be made pursuant to Government Code Section 51292, the Williamson Act contract may be voided on the portion acquired pursuant to the Government Code Section 51295. Section 51292 indicates that no public agency or person shall locate a public improvement within an agricultural preserve unless the following findings are made:

"(a) The location is not based primarily on a consideration of the lower cost of acquiring land in an agricultural preserve, and

b) If the land is agricultural land covered under a contract pursuant to this chapter for any public improvement, that there is no other land within or outside the preserve on which it is reasonably feasible to locate the public improvement."

The contract shall be deemed null and void as to the land actually being condemned, or so acquired as of the date the action is filed. Upon the termination of the proceeding, the contract shall be null and void for all land actually taken or acquired for a public improvement or use. If only 48 acres of the 390 acre parcel is intended to be used for public purposes a subdivision and new contract may be required to retain the remainder of the land under the WA.

If the contract is not canceled, extensive findings must be made pursuant to the County's updated Williamson Act guidelines and Sections 51238.1 to 51238.3 of the Government Code. For Type II contracts (non-prime agricultural land), a minimum of 50% of the total contracted land must be continuously maintained and used for commercial production of an agricultural commodity. Where an agricultural commodity is produced, the preparation for market of agricultural commodities in their natural state, which are grown or raised on-site or in the local area may also be allowed along with facilities and structures utilized in the preparation and or storage of an agricultural commodity in their natural state.

If the Williamson Act contract is not canceled, and the use is not considered a compatible use under the contract, it may still be possible to achieve Williamson act consistency by considering an easement exchange on other non-contracted land, or converting to an open space easement.

PUBLIC FACILITIES AND SERVICES ELEMENT: This element contains County policy regarding solid waste management services in Sonoma County. The background text in section 3.4 describes State requirements and local history for the ColWMP adopted in 1993 and last amended in 2003. The ColWMP is the principal planning document for solid waste management in the County, but landfills, transfer stations and other solid waste management facilities located in unincorporated areas are designated in the Land Use Element. Following are the Element policies pertinent to this project:

Objective PF-2.9: Use the ColWMP and any subsequent amendments thereto, as the policy document for solid waste management in the County.

Discussion: The ColWMP includes a composting component (Section 4.5.4 et. seq.) which discusses several programs and implementation goals. Section 4.5.6.2 calls for the yard debris composting operation to be relocated to a permanent location off the Central Landfill during the 2009 to 2018 time frame. The proposal to relocate the existing facility to an alternate offsite location is consistent with the ColWMP implementation goal to relocate the operation to alternate site off of the Central Disposal Site.

Policy PF-2a: Plan, design, and construct ... solid waste services ... in accordance with projected growth, except as provided in Policy LU-4d.

Policy PF-2y: Minor public facilities... that ... are not the primary use of the subject property, are allowed in any land use category, provided they are compatible with neighborhood character and designed to have minimal impact on natural and scenic resources. Projects that are clearly significant in terms of cost, scope of environmental impacts, public controversy, or involve more than one parcel, shall not be considered minor.

Policy PF-2z: Acquisition of land for all larger public facilities not addressed by Policy PF-2y, including parks, schools, wastewater treatment and water transmission facilities...is generally inconsistent with agricultural land use categories.

Discussion: Since the project is a large central facility that would serve the entire County and would clearly be significant in terms of cost, scope of environmental impacts, public controversy, it may not qualify as a minor public facility under Policy PF-2y. Though Policy PF-2z indicates that public acquisition of lands for larger public facilities is generally inconsistent with the agricultural land use categories, there may still be occasional instances where such acquisitions may be appropriate. The acquisition of the proposed agricultural lands could be considered consistent if a General Plan amendment is applied for to change the land use designation to Public / Quasi-Public.

WATER RESOURCES ELEMENT: The Element was added to the 2020 General Plan to help ensure that Sonoma County's water resources are sustained and protected, that water use does not exceed replenishment rates over time causing declines in availability and that degradation in surface water or groundwater resources does not result. Several policies which are pertinent to the proposed relocated composting operation and the Central site are:

Policy WR-1b: Design, construct, and maintain County buildings, roads, bridges, drainage and other facilities to minimize sediment and other pollutants in stormwater flows. Develop and implement "best management practices" for ongoing maintenance and operation.*

Policy WR-1g: Minimize deposition and discharge of sediment, debris, waste and other pollutants into surface runoff, drainage systems, surface water bodies, and groundwater.*

Discussion: Since runoff from composting operations could include high degrees of organic matter, sediment and other constituents which could infiltrate to groundwater and or affect the quality of surface waters, it will be important to design the operation to protect water resources. The proposed facility would be designed for zero discharge. Composting would be carried out on impervious pad and all stormwater and compost leachate would flow to detention ponds to be reincorporated into the piles or for other beneficial use. If the ASP method of composting is used, a physical barrier would cover the piles preventing rainfall saturation which could cause excess runoff or compost leachate.

It is beyond the scope of this consistency review to assess potential ground water and surface water impacts or appropriate designs, BMP's or mitigations. These would be vetted out during the SCWMA's environmental review process and the County's permitting process. The stormwater management plan should be reviewed during the permitting process to assure that the above policies are met.

Policy WR-2e (formerly RC-3h): Require proof of groundwater with a sufficient yield and quality to support proposed uses in Class 3 and 4 water areas. ... Test wells may be required in Class 3 areas. Deny discretionary applications in Class 3 and 4 areas unless a hydrogeologic report establishes that groundwater quality and quantity are adequate and will not be adversely impacted by the cumulative amount of development and uses allowed in the area, so that the proposed use will not cause or exacerbate an overdraft condition in a groundwater basin or subbasin..."

Discussion: The site is in an area of marginal groundwater availability - Zone 3 which requires proof of groundwater with a sufficient yield and quality to support proposed uses prior to project approval. The composting operation proposes to use up to 82.9 acre feet of water per year and plans on utilizing an existing pipeline to the property to deliver treated water from the Ellis Creek Water Recycling Facility for use in the composting operation. For this reason the groundwater demands of the relocated compost operation may be less than the existing operation which relies on well water.

However, potable water will be necessary to serve the administrative office and employees and patrons. In addition, the project proposal includes assessment and possible use of other water supply options including use of well water and the site's existing ponds. These will be studied in the water supply assessment as part of the Environmental Impact Report preparation.

A detailed water budget should be prepared to estimate the projects groundwater needs. Proof of adequate groundwater availability will have to be provided prior to project approval and it may include a geologic report assessing groundwater supplies and nearby wells and or onsite test wells. In addition to addressing quantity of groundwater available to meet the proposed projects needs, the report must also verify that the quality of the groundwater is sufficient to meet the project needs.

Policy WR-2d: Continue the existing program to require groundwater monitoring for new or expanded discretionary commercial and industrial uses using wells. Where justified by the monitoring program, establish additional monitoring requirements for other new wells.*

Discussion: Depending on groundwater use and volume, monitoring may be required to comply with the above policy. It also may be required if the environmental review determines it is necessary for mitigation monitoring.

OPEN SPACE AND RESOURCE CONSERVATION ELEMENT: This element addresses open space for the preservation of natural resources. It seeks to preserve the natural and scenic resources and designates certain areas with designations where protective policies apply and provides the guidelines for making necessary consistency findings.

Objective OSRC-14.3: Reduce the generation of solid waste and increase solid waste reuse and recycling.

Discussion: A composting operation which promotes reuse of the organic wastes, converts them into a resource and reduces the waste stream would be consistent with the above policy.

The Open Space maps (Figure ORSC-5h) indicate there has been a reported observance of a special status species on the subject parcel, specifically a Western pond turtle which is a California Species of concern. In addition Adobe Road and the Highway 116/ Stage Gulch Roads which front the project parcel are designated as Scenic corridors.

Discussion: Both these issues would have to be assessed in the environmental review process and design revisions or mitigations would be recommended as necessary to avoid or minimize any impacts. The proposed site is setback approximately one half mile from the scenic corridors.

ATTACHMENT 2 – STATE REGULATIONS DRIVING NEED FOR COMPOSTING FACILITIES

The successes of the sustainable agriculture community will be based upon providing an affordable and long term solution for organic materials recycling which is being mandated by the State of California. The diversion of these materials from landfills is also becoming more prescribed by the State, where previously yard waste and wood waste may be processed and applied to landfills as Alternative Daily Cover (“ADC”), and considered recycled. Laws are now in place where these activities will no longer be considered diversion. In addition, land application of organics is also coming under greater scrutiny as the lack of vector control is leading to greater problems with this application.

There are a number of regulatory, social, and market drivers forcing recyclable and compostable materials out of landfills including the following:

AB 32, “The California Global Warming Solutions Act of 2006”

Assembly Bill 32 (“AB 32”), the California Global Warming Solutions Act of 2006, declares that global warming poses a serious threat to the economic wellbeing, public health, natural resources, and environment of California. AB 32 provided initial direction on creating a comprehensive multiyear program to limit California’s greenhouse gas (“GHG”) emissions at 1990 levels by 2020. One specific requirement is to prepare a “Scoping Plan” for achieving the maximum technologically feasible and cost-effective GHG emission reductions by 2020.

The first Scoping Plan update occurred in May 2014. “Key Recommended Actions for the Waste Sector” in the updated Plan included the requirement that ARB and CalRecycle lead the development of program(s) to eliminate disposal of organic materials at landfills. The requirement forced legislation requiring businesses that generate organic waste to arrange for recycling services be enacted before the end of 2014. AB 1826 was enacted as a result of this requirement in October 2014, before the 2014 year-end deadline. (Note - organic wastes degrade in a landfill to create methane gas, a GHG with a global warming potential of 28-36 compared to a global warming potential of 1 for CO₂.)

In addition, ARB was tasked to lead a process of identifying and recommending actions to address cross-California agency and federal permitting and siting challenges associated with composting and anaerobic digestion, showing ARB’s commitment to these types of facilities.

AB 341, “Solid Waste Diversion”

Assembly Bill 341 (“AB 341”), adopted in May of 2012, sets forth the requirements of the statewide mandatory commercial recycling program. Its purpose was to reduce GHG emissions by diverting commercial solid waste to recycling efforts and to expand the opportunity for additional recycling services and recycling manufacturing facilities in California. It requires 75% of solid waste generated be source reduced, recycled, or composted by the year 2020, and annually thereafter. Achieving the 75% waste diversion goal will require substantial expansion of the collection and recycling industries within California.

AB 1826, “Mandatory Commercial Organics Recycling”

In October of 2014 Governor Brown signed AB 1826 into law requiring businesses to recycle their organic waste on and after April 1, 2016, depending on the amount of waste they generate per week. This law also requires that on and after January 1, 2016, local jurisdictions across the state implement a commercial **Organic Waste Recycling Program** to divert organic waste generated by businesses. Jurisdictions must conduct outreach, education to inform businesses how to recycle organic waste in the jurisdiction, and monitoring to identify those not recycling and inform them of the law and how to recycle organic waste. This “**Organic Waste Recycling Program**” is typically prepared by the franchised hauler for the jurisdiction to comply with AB 1826. The ultimate goal of the bill is to divert 50% of organics disposal from commercial businesses by 2020 as compared to 2014, estimated at 8.1 million new statewide tons of organics by 2020.

AB 876, “15-Year Organic Processing Capacity”

AB 876 passed in 2015 and compliments AB 1826 by requiring, beginning August 1, 2017, county or regional agency to include in their annual reports to CalRecycle an estimate of the amount of organic waste, in cubic yards, that will be generated by the county or region over a 15-year period. In addition, it calls for an estimate of the additional organic waste capacity, in cubic yards, that will be needed to process that amount of waste, and areas identified by the county or region as potential locations for new or expanded organic waste recycling facilities capable of safely meeting that additional need.

SB 605, “Short Lived Climate Pollutants”

SB 605 was signed into law in 2014 and requires the California Air Resources Board (“CARB”) to develop a comprehensive strategy by January 2016 to reduce emissions of short-lived climate pollutants such as methane. CARB has been busy in 2015 preparing the methane mitigation plan in concert with another AB 32 Scoping Plan action measure to effectively eliminate the disposal of organic materials at landfills. Although not finalized, SB 605 is moving towards 90% organics diversion from landfills by 2025.

SB 1383, “Short Lived Climate Pollutants”

The recently adopted Senate Bill 1383 (“SB 1383”) has identified the reduction of methane generation of organic waste as a prioritized climate change mitigation strategy. As such, SB 1383 mandates reduction in the landfilling of organic waste, and thereby methane emissions.

Specifically, this bill adds two (2) goals for organic waste disposal reductions:

- ✓ A 50% reduction in the level of statewide disposal of organic waste from the 2014 level by 2020.
- ✓ A 75% reduction in the level of statewide disposal of organic waste from the 2014 level by 2025.

As with AB 1826, this law authorizes jurisdictions to impose requirements upon waste generators as a means of reaching the organic waste reduction targets. Jurisdictions may impose penalties on generators for non-compliance and collect fees to recover costs incurred in complying with the regulations.

By 2020, CARB shall analyze the progress made by state government, local governments, and the waste sector in achieving the 2020 and 2025 waste reduction goals. This analysis will include:

- ✓ Status of new organics recycling infrastructure development, including the commitment of state funding and appropriate rate increases for solid waste and recycling services to support infrastructure expansion.
- ✓ Progress made in reducing barriers to the siting of organics recycling facilities and the timing and effectiveness of policies that will facilitate the permitting of organic’s recycling infrastructure.
- ✓ Status of markets for the products generated by organics recycling facilities.

This report will identify 2020 and 2025 organic material disposal projections for Sonoma County, as well as provide a benchmark for measuring the above goals.

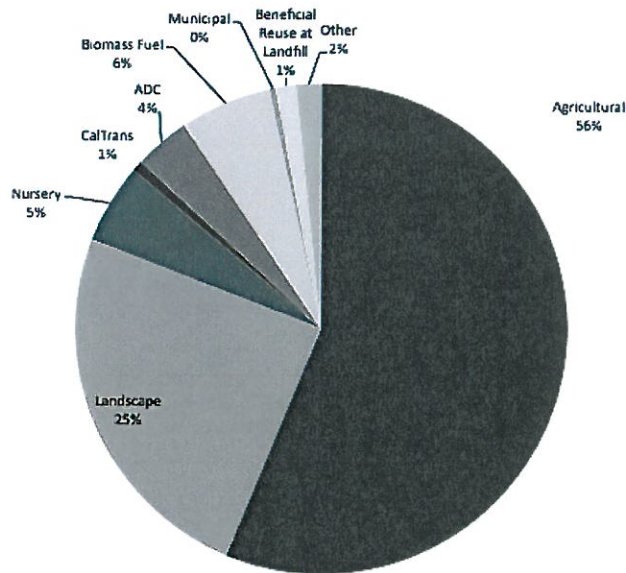
ATTACHMENT 3 – MAJORITY OF COMPOST FOR AGRICULTURAL USES

In August 2010, CalRecycle published their “Third Assessment of California’s Compost- and Mulch-Producing Infrastructure — Management Practices and Market Conditions”. From that report, the following sections are excerpted:

- Executive Summary: *“As documented in the 2001 and 2004 reports, agriculture continues to be the largest single market for compost in 2008 (not green material, but all material processed into compost). This represents a significant achievement, as many observers doubted conventional agriculture would accept urban compost. Although CalRecycle has done an enviable job promoting these markets, there is still much that is not known and potentially a great deal of capacity within this market segment.”*
- Page 16: *“agriculture dominates the market for compost (56 percent)”*

Percentage of Materials Sold by Market Segment (Composters)								
Agricultural	Landscape	Nursery	Caltrans	ADC	Biomass Fuel	Municipal	Beneficial Reuse at Landfills	Other
56%	25%	5%	1%	4%	6%	0%	1%	2%

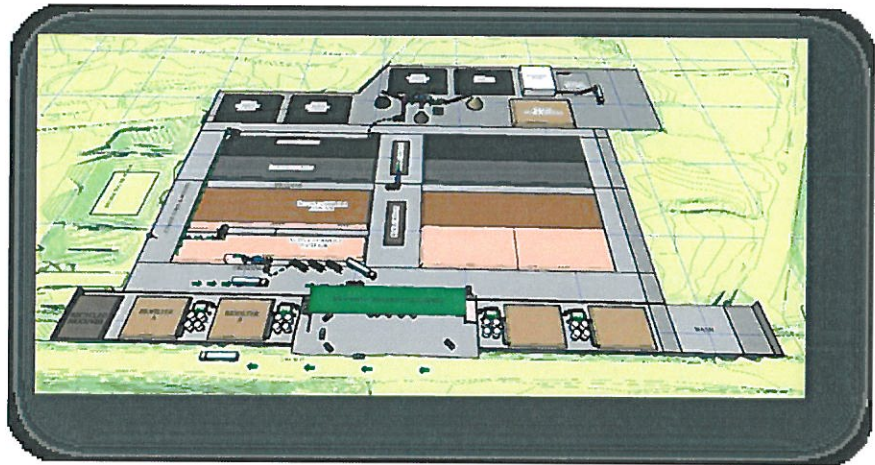
Figure 10
Percentage of Materials Sold by Market Segment (Composters)



ATTACHMENT 4 – UPDATED FACILITY OPERATIONS AND COMPOSTING TECHNOLOGY

The Facility will utilize a Turned Aerated Pile (“TAP”) design that incorporates the use of biofilters and re-use of leachate through a system of collection and retention ponds. TAP systems are designed as a cost-effective system for controlling potential environmental impacts including storm water contamination and odors and maintaining optimal pile conditions during composting. At SGO, it combines efficient turning with watering systems and biofilters, supported by a computerized reversing aeration control technology to optimize composting conditions for all types of feedstocks.

The TAP system uses computer-based control technology. Compost processing pile temperature data is collected and stored on the computer, and the individual batches of compost are easily tracked through the Facility from start to finish. Air volume and direction of flow is automatically controlled per operator-chosen temperature set-points. The system exhaust air is scrubbed in a biofilter constructed of wood chips or compost in the case of negative aeration and passes through the layer of finished compost and/or



compost overs in the case of positive aeration. The aeration rates are set to assure interstitial oxygen levels above 18% and to control temperatures near the optimum temperatures for rapid decomposition without releasing odors. The use of an aeration floor facilitates implementation of aerated static piles. The concrete aeration floor can be scraped and driven on by any equipment allowing turning and remixing at any time in the process to add water as needed to keep the process biologically active. The below grade piping system uses nozzles every four to five feet to inject and remove air from the piles efficiently.

Turned aerated piles can be operated at different air flow rates and retention times, typically from 22 to 45 days, depending on feedstock type. Material is typically turned three to five days. The pathogen reduction phase is reduced relative to the windrow requirement to three (3) consecutive days at a temperature of at least 131 °F.

The TAP system can be covered as necessary with a layer of finished compost for the first two (2) weeks to capture VOCs during their 7 to 10 day production period. With the compost cover, the system can be operated under either negative or positive pressure to keep the temperature control throughout the pile depth.

Non-recoverable material is likely to be encountered during normal operations. The contaminant materials such as glass and cans will be recovered from the feedstock and will be temporarily stored on-site. The Facility will be equipped with ample storage, and the operator will transfer and remove residuals as necessary. Recyclables shipped to the Facility will be stored outside in bins or in bunkers inside a building. Municipal Solid Waste disposal residues will be taken to a permitted landfill.

The Facility will be permitted and constructed to compost 100,000 tons of materials annually. The TAP composting technology will allow for one of the most efficient composting operations on the smallest footprint with the highest throughput as possible. The SGO facility, in combination with the Cold Creek Compost facility, will be constructed to handle the entirety of Sonoma County’s organic materials stream allowing for consolidation of the County’s organics at two sites, thereby reducing the need and costs of County outhaul and providing a long term solution for Sonoma County’s organics management.

In compliance with the *General Waste Discharge Requirements for Composting Operations, Order WQ 2015-0121-DWQ* (“General Order”), the SGO Facility will be a no discharge operation. No discharge means that no leachate or contaminated storm water will be discharged to Waters of the U.S. or allowed to leave the Facility to impact ground or surface waters.

Quantity of Materials to be Accepted at the Facility

The Facility is requesting to be permitted for 100,000 tons of material annually with a maximum of 600 tons per day.

Site storage capacity is defined as the total capacity of all feedstock and compost (active, curing, and cured) that can be stored onsite at any one time. There are no regulatory limits to the amount of additives, amendments, or other materials not considered to be compost feedstocks.

Composition of Materials to be Accepted at the Facility

Incoming compost feedstocks would include the following:

- Agricultural materials as defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(5)* as:

"Agricultural Material" means waste material of plant or animal origin, which results directly from the conduct of agriculture, animal husbandry, horticulture, aquaculture, vermiculture, viticulture and similar activities undertaken for the production of food or fiber for human or animal consumption or use which is separated at the point of generation, and which contains no other solid waste. With the exception of grape pomace, or material generated during nut or grain hulling, shelling, and processing, agricultural material has not been processed except at its point of generation and has not been processed in a way that alters its essential character as a waste resulting from the production of food or fiber for human or animal consumption or use. Material that is defined in this section 17852 as "food material" or "vegetative food material" is not agricultural material. Agricultural material includes, but is not limited to, manures, orchard and vineyard prunings, grape pomace, and crop residues.

- Food materials as defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(20)* as:

"Food Material" means a waste material of plant or animal origin results from the preparation or processing of food for animal or human consumption, and that is separated from the municipal solid waste stream. Food material includes, but is not limited to, food waste from food facilities as defined in Health and Safety Code section 113789 (such as restaurants), food processing establishments as defined in Health and Safety Code section 111955, grocery stores, institutional cafeterias (such as prisons, schools and hospitals), and residential food scrap collection. Food material does not include any material that is required to be handled only pursuant to the California Food and Agricultural Code and regulations adopted pursuant thereto.

- Green materials as defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(21)* as:

"Green Material" means any plant material except food material and vegetative food material that is separated at the point of generation, contains no greater than 1.0 of percent physical contaminants by dry weight, and meets the requirements of section 17868.5. Green material includes, but is not limited to, tree and yard trimmings, untreated wood wastes, natural fiber products, wood waste from silviculture and manufacturing, and construction and demolition wood waste. Green material does not include food material, vegetative food material, biosolids, mixed material, material separated from commingled solid waste collection or processing, wood containing lead-based paint or wood preservative, or mixed construction and demolition debris. Agricultural material, as defined in this section 17852(a)(5), that meets this definition of "green material" may be handled as either agricultural material or green material.

- Untreated wood wastes including construction and demolition materials that have been source separated as defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(42)* as:

"Wood Waste" means solid waste consisting of wood pieces or particles which are generated from the manufacturing or production of wood products, harvesting, processing or storage of raw wood materials, or construction and demolition activities.

- In addition to the feedstocks noted above, the following materials may be received at the Facility:
 - Animal stall bedding and other agricultural and aquaculture materials including grape pomace, plant trimmings, and culled fruit;
 - Fishery waste;
 - Grocery store food materials including paper and waxed and un-waxed cardboard;

- Manure from chicken ranches and dairies, turkey farms, and other agricultural facilities;
 - Poultry mortalities, poultry feathers, and eggs; and
 - Street sweepings and leaves from fall street collections.
- Future materials that might be received at the Facility include:
 - Pre-Processed animal materials from grocery stores, butcher shops, and food processing establishments.

Additives and Amendments

The Facility will receive other materials in addition to the compost feedstocks noted above that are not included in the Facility's annual permitted tonnage.

Additives are defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(2)* as:

"Additives" means material mixed with feedstock or active compost in order to adjust the moisture level, carbon to nitrogen ratio, or porosity to create a favorable condition. Additives include, but are not limited to, fertilizers and urea. Additives do not include septage, biosolids, or compost feedstock.

Amendments are defined by *Title 14 CCR, Division 7, Chapter 3.1, Article 1, Section 17852(a)(7)* as:

"Amendments" means materials added to stabilized or cured compost to provide attributes for certain compost products, such as product bulk, product nutrient value, product pH, and soils blend. Amendments do not include septage, biosolids, or compost feedstock.

Additives and amendments that may be received and stored at the Facility include, but are not limited to:

- **Additives**
 - Liquid feedstocks.
 - Wood ash.
- **Amendments**
 - Agricultural lime;
 - Bark;
 - Commercial fertilizers;
 - Feather meal;
 - Forest products;
 - Gypsum;
 - Lava rock;
 - Limestone;
 - Rice hulls;
 - Rock phosphate;
 - Sawdust; and
 - Soil.

The Facility will receive and stockpile these materials for future sales in 'as-is' condition or for use in custom blends. Storage of these materials will occur either on the compost pad or in designated storage areas.

Operating Hours

Facility proposed to be open seven (7) days a week. General Public – 7:30 AM to 3:30 PM. Commercial Deliveries – 6 AM to 6 PM.

RECORDED AT REQUEST OF *County Counsel*
 AT *MIN. FAS 2p* M
 SONOMA COUNTY, CALIFORNIA
Hub. Bayley RECORDER *bp*

FEB 2 1971

OFFICIAL RECORDS

LAND CONSERVATION CONTRACTFEES \$ *No Fee* PD.

L 99717

THIS CONTRACT, made and entered into this 1st day ofFebruary, 1971, by and between _____MARY FRANCES PINHEIRO and ROSE MARIE TEIXEIRA andGLORIA ANNE PINHEIRO,

hereinafter referred to as "OWNER", and the COUNTY OF SONOMA, a political subdivision of the State of California, hereinafter referred to as "COUNTY";

W I T N E S S E T H:

The parties, in consideration of the mutual covenants and conditions set forth herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:

1. PURPOSE. The within contract is made and entered into pursuant to the California Land Conservation Act of 1965 (Chapter 1443, Statutes 1965), as amended. This contract shall be subject to said act and any amendments thereto.

2. SUBJECT PROPERTY. The Owner possesses real property located within the County, as more particularly described in Exhibit "A" which is attached hereto and incorporated herein by reference.

3. RESTRICTION TO AGRICULTURAL OR COMPATIBLE USE. During the term of this contract, the above-described land shall not be used for any purpose other than "an agricultural or compatible use" as the same is defined in the rules for the agricultural preserve in which said land is situated, said rules have been or are about to be, adopted for the lands in said preserve by resolution of the County's Board of Supervisors and said rules may be revised from time to time by said Board for the purpose of achieving and shall be consistent with the objectives of said Land Conservation Act.

4. TERM, AUTOMATIC EXTENSION AND PHASE OUT. This contract shall be effective commencing on the 1st day of March, 1971, and shall remain in effect for a period of 10 years therefrom. This contract shall be automatically extended at the end of each year for an additional one year period unless notice of nonrenewal is given as provided in

Section 51245 of the California Government Code--to the end that at all times during the continuation of this contract as extended, there shall be a 10-year term of restriction unless notice of nonrenewal has been given.

5. REPORT OF VALUE. The County's Assessor shall annually, during the continuation of this contract, report to the Owner and to the County's Board of Supervisors the restricted value and the unrestricted value (i.e. the value the property would have had if not subject to the restrictions imposed by this contract). Thereupon, the Owner may request equalization of said values.

6. CANCELLATION. This contract shall only be subject to cancellation in accordance with the provisions of Government Code Sections 51281 through 51285; provided, however, that instead of the cancellation fees therein provided, the cancellation fees shall be those provided in the following paragraph hereof.

7. CANCELLATION FEES AND WAIVER. In the event of cancellation as above provided, subject, nevertheless, to the power of the County to waive such fees in proper cases as provided by Government Code Sections 51281 to 51285, the Owner shall pay the County the following fees:

(a) DEFERRED TAXES. Said fees shall equal the tax saving for each and every year this contract has been in effect, subject to a maximum period of 20 years figured backward from the date of cancellation. The tax saving for a particular year shall be calculated on the basis of the difference between the restricted value and the non-restricted value for the particular year times the total composite tax rate as shown on county records for that year.

(b) ADDITIONAL FEES. In addition to the deferred taxes mentioned above, the Owner shall also pay the County a fee calculated by multiplying the full cash value (i.e. market value) of the property at time of cancellation times the percentage figure, for the contract year--after date hereof, as set forth in the following table:

<u>Contract Year</u>		<u>Contract Year</u>	
1st	22.5%	11th	12.5%
2nd	21.5%	12th	11.5%
3rd	20.5%	13th	10.5%
4th	19.5%	14th	09.5%
5th	18.5%	15th	08.5%
6th	17.5%	16th	07.5%
7th	16.5%	17th	06.5%
8th	15.5%	18th	05.5%
9th	14.5%	19th	04.5%
10th	13.5%	20th	03.5%
		21st & succeeding years 0.00%	

8. EMINENT DOMAIN. In lieu of the provisions of Government Code Section 51295, the Owner's rights arising out of an action in eminent domain or the threat thereof shall be governed by the provisions of paragraphs 6 and 7 of this contract. In that regard, it is recognized that on occasion, the Owner's right to relief should not be restricted to instances in which the fee of an entire parcel of land subject to contract is being condemned and that in other instances the condemnation of small slivers of a parcel of land may have little, if any, effect on the conduct of agricultural operations on a parcel of land subject to contract.

9. CONSIDERATION. Owner shall not receive any payment from the County in consideration of the obligations imposed hereunder, it being recognized and agreed that the consideration for the execution of the within contract is the substantial benefit to be derived by both parties.

10. SUCCESSORS IN INTEREST. The within contract, its terms and restrictions shall run with the land described herein and shall be binding upon the heirs, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have affixed their hands and seals the day and year first above written.

COUNTY OF SONOMA

ATTEST:

Eugene D. Williams
Clerk of the Board

By Gregory A. Wells
Chairman, Board of Supervisors

OWNERS:

Mary Frances Pinheiro
MARY FRANCES PINHEIRO

Gloria Anne Pinheiro
GLORIA ANNE PINHEIRO

Rose Marie Teixeira
ROSE MARIE TEIXEIRA

Rose

ENCUMBRANCE HOLDERS:

We, the undersigned trust, deed or other encumbrance holders, do hereby agree to and agree to be bound by above imposed restrictions.

SONOMA COUNTY LAND TITLE CO.

By _____

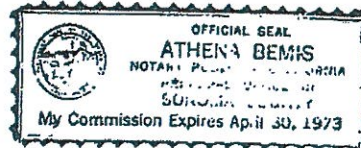
Note: (Acknowledgments must be attached)

ACKNOWLEDGMENTS

STATE OF CALIFORNIA)
) ss.
 COUNTY OF SONOMA)

On this 23rd day of February, 1971, before me
Athena Bemis, personally appeared Ignazio A. Vella
 known to me (or proved to me on the oath of _____) to be
 CHAIRMAN OF THE BOARD OF SUPERVISORS OF SONOMA COUNTY and known to
 me to be the person who executed the within instrument on behalf
 of said public corporation, agency or political subdivision, and
 acknowledged to me that such COUNTY executed the same.

Athena Bemis



STATE OF CALIFORNIA)
) ss.
 COUNTY OF Marien)

On this 6th day of Feb, 1971, before me
Elaine A. Anderson, a Notary Public in and for the
 County of Marien, State of California, duly
 commissioned and sworn, personally appeared Mary Frances Ramirez
Rosa Maria Lopez and
Blanca Emma Ramirez
 known to me to be the person whose names subscribed to the
 within instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed
 my official seal in the City of Novato County of Marien
 the day and year in this certificate first above written.

Elaine A. Anderson
 Notary Public in California
 My Comm. Expires 12-14-1973

STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On this ____ day of _____, 19__, before me,
 _____, a Notary Public in and for the
 County of _____, State of California, residing therein,
 duly commissioned and sworn, personally appeared _____
 known to me to be the _____
 of the corporation described in and that executed the within instrument
 on behalf of the corporation therein named, and acknowledged to me that
 such corporation executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my
 official seal in the _____ County of _____
 the day and year in this certificate first above written.

EXHIBIT A

The real property which is the subject of this contract is situated within agricultural preserve #2-246 as shown by map thereof recorded in preserve map book 1, page 8, in the office of the County Recorder of Sonoma County, California, and said real property is more particularly described as follows:

That portion of Lots Numbered 330 and 331 of Petaluma Rancho, and a portion of the road included between Lots 330 and 331 on the one side and Lots 326 and 327 on the other, bounded and described as follows:

Beginning at the most easterly corner of Lot 327, at a post set in mound, with a pit to the northeast and northwest; thence North 54° 30' West, 63.55 chains, more or less, to a point opposite the most southerly corner of the tract of land conveyed by Leo A. Bourke, as trustee, to M.F. Tunzi, by deed dated November 2, 1929 and recorded November 12, 1929 in Liber 248 of Official Records, page 43; thence North 35° 30' East to the center of the road, at the most southerly corner of the said land of Tunzi and continuing North 35° 30' East, along the line of the land of Tunzi, 61.81 chains, more or less, to the center of the road leading from Vallejo's Manor House to Sonoma; thence running South 54° 30' East along the center of said road at 16.3 chains an offset in the fence, 36 links from line of road and thence continuing the same course along the southwesterly line of said road a total distance of 63.55 chains to the most easterly corner of Lot No. 330; thence South 35° 30' West along the line of said Lot, 61.81 chains to the place of beginning, and containing 393.75 acres, more or less. Magnetic variation 17° 10' East, accounted for.

A.P. 68-040-1

COUNTY OF SONOMA

PERMIT AND RESOURCE MANAGEMENT DEPARTMENT

2550 VENTURA AVENUE, SANTA ROSA, CA 95403-2829
(707) 565-1900 FAX (707) 565-1103

Application Fees / Invoice for: UPE12-0031

Project Address: 2535 STAGE GULCH RD LAK

Cross Street:

APN: 068-040-015

Description: USE PERMIT FOR COMMERCIAL COMPOSTING FACILITY

Printed: Wednesday, May 23, 2012

Initialized by: SHUNSPER

Activity Type: C-USE 1101

PCAS #:

Owner: ESCOBAR MARY FRANCIS
2535 STAGE GULCH RD
PETALUMA CA
94954
707 331 2457

Applicant: TOSE ALLAN
561 BROADWAY SUITE A
SONOMA CA
95476
707 738 1398

Fees:

Item#	Description	Account Code	Tot Fee	Prev. Pmts	Cur. Pmts
119	FIRE COMM'L REVIEW	649129-3661	318.00	.00	.00
337	EH REV 335/36 ALL OTHR	025015-3355	1,557.00	.00	.00
710	DRN REV - REF FROM PLNG	025015-3140	492.00	.00	.00
730	NPDES PLANNING REF	025015-3164	766.00	.00	.00
750	SUSMP PROG DEVELOPMENT	025015-1350	28.00	.00	.00
1005	AG PRES/WILL ACT CON DTR	025015-3802	876.00	.00	.00
1055	ENV REV NO SPEC STUDIES	025015-3811	2,816.00	.00	.00
1131	USE PERMIT LEVEL II	025015-3823	6,848.00	.00	.00
3805	DTPW - PROJ REF AT CST	025015-3140	650.00	.00	.00

\$14,351.00

\$0.00

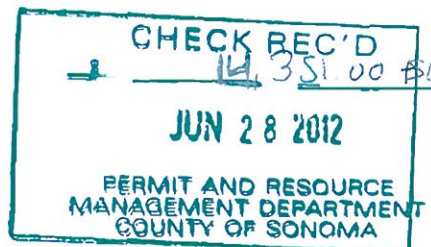
Total Fees: \$14,351.00

Total Paid: \$0.00

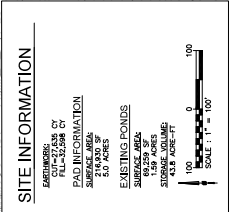
Balance Due: \$14,351.00

Refunds will not be authorized unless circumstances
comply with established PRMD refund policy provisions.

When validated below, this is your receipt.



STAGE GULCH COMPOST FACILITY
2535 STAGE GULCH ROAD
PETALUMA, CALIFORNIA



5.0A PROPOSAL FORMS – Cold Creek Compost, Inc.

Proposers are required to complete and submit Forms A-G on the following pages as part of their proposal. Failure to complete and submit the required Forms may result in disqualification from this RFP process.

Form A COMMUNICATION PROTOCOL – Submitted at Pre-Proposal Meeting

Form B PROPOSER'S STATEMENT OF ORGANIZATION

Form C CERTIFICATION OF NON-GRATUITIES

Form D NON-COLLUSION AFFIDAVIT OF PROPOSER

Form E ORGANIC WASTE TIPPING FEE PROPOSAL SUMMARY AND SIGNATURE

Form F ORGANIC WASTE TIPPING FEE PROPOSAL

Form G PASS/FAIL REQUIREMENTS

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Form B
PROPOSER'S STATEMENT OF ORGANIZATION

1. Full Name of Business Concern (Proposer):

Cold Creek Compost, Inc.

Principal Business Address:

6000 East Side Potter Valley Road

Ukiah, CA 95482

2. Principal Contact Person(s):

Name: Martin Mileck

Phone Number: 707-485-5966

3. Form of Business Concern:

☒ Corporation ☐ Partnership ☐ Joint Venture Other _____

4. Provide names of partners or offices as appropriate and indicate if the individual has the authority to sign in name of Proposer. Provide proof of the ability of the individuals so named to legally Bind the Proposer.

<u>Name</u>	<u>Address</u>	<u>Title</u>
<u>NA</u>	_____	_____
_____	_____	_____
_____	_____	_____

5. If a corporation, in what state incorporated: California

Date Incorporated:	<u>March</u>	<u>30</u>	<u>1994</u>
	Month	Day	Year

6. If a Joint Venture or Partnership, date of Agreement: NA

Form B
PROPOSER'S STATEMENT OF ORGANIZATION

7. List all subcontractors participating in this Organic Materials Processing Services Agreement:

Name	Address
a) <u>NA</u>	_____
b) _____	_____
c) _____	_____
d) _____	_____

8. Outline specific areas of responsibility for each firm listed in Question 7.

a) NA

b) _____

c) _____

d) _____

9. Identify the provisions of any agreement between parties which assigns legal or financial liabilities or responsibilities:

NA

10. If responding firm(s) are a partially or fully-owned subsidiary of another firm, or share common ownership with another firm, please identify the firms and relationships.

NA

Form C
CERTIFICATION OF NON-GRATUITIES

TO: THE SONOMA COUNTY WASTE MANAGEMENT AGENCY

CERTIFICATION

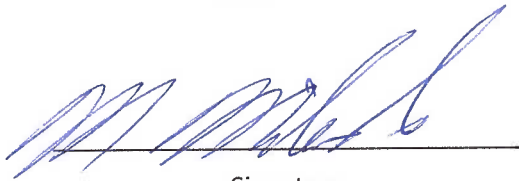
This is a written certification, signed under penalty of perjury, stating that no persons acting on behalf of Cold Creek Compost, Inc. has paid, or offered or attempted to pay, any elected or appointed official, officer or employee of the SCWMA any compensation or consideration, in any form whatsoever, in connection with obtaining or entering into this Organic Materials Processing Services Agreement.

Martin Mileck

Name

President

Title



Signature



Date

Form D
NON-COLLUSION AFFIDAVIT OF PROPOSER and
DISCLOSURE OF NON-COMPETE AGREEMENTS

State of California County of Mendocino

Martin Mileck, being duly sworn, deposes and says that:

1. He is President of Cold Creek Compost, Inc., the Proposer that has submitted the attached proposal;
2. He is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;
3. Such proposal is genuine and is not a collusive or sham proposal;
4. Neither said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Proposer, firm or person to submit a collusive or sham proposal in connection with the Organic Materials Processing Services Agreement for which the attached proposal has been submitted or to refrain from proposing in connection with such Organic Materials Processing Services Agreement, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Proposer, firm, or person to fix the price or prices in the attached RFP, or of any other Proposer, or to fix any overhead, profit or cost component of the proposal or the response of any other Proposer, or to secure through any collusion, connivance, or unlawful agreement any advantage against The Sonoma County Waste Management Agency or any person interested in the proposed Organic Materials Processing Services Agreement; and
5. The tipping fee proposal in the attached RFP are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.
6. Proposer must list the name of any and all other solid waste service providers and/or affiliates that it has a "non-compete" agreement with that prohibits the other solid waste services provider from proposing on services as requested in this RFP. Failure to disclose this information will result in immediate disqualification from this RFP process.

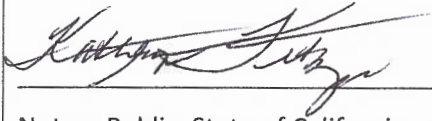
NA

Form D
NON-COLLUSION AFFIDAVIT OF PROPOSER and
DISCLOSURE OF NON-COMPETE AGREEMENTS


(Signed)

President
(Title)

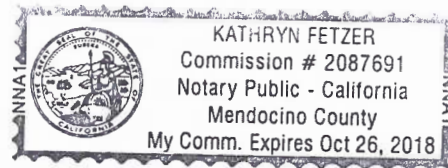
Subscribed and sworn to before me this January day of 12, 2018.



Notary Public, State of California

My Commission Expires: 10/26/2018

19



Form E
ORGANIC WASTE TIPPING FEE PROPOSAL
SUMMARY AND SIGNATURE

In preparing the Tipping Fee Proposal Forms Proposers should be aware of the following:

All organic materials processing tipping fees proposed on these forms for **Sonoma County Waste Management Agency** shall be fixed through December 31, 2020 or one (1) year after the Effective Date and should reflect service requirements as specified in the Organic Materials Processing Services Agreement.

The Undersigned hereby certifies as follows:

That Martin Mileck & Bradley Benson have personally and carefully examined the specifications and instructions for the work to be done as set forth in Sections 1 – 6 of this RFP and the Draft Organic Materials Processing Services Agreement (Attachment A or Attachment B).

That Martin Mileck & Bradley Benson have made examination of the services as applicable to the proposal, and fully understand the character of the work to be done.

That, having made the necessary examination, the undersigned hereby proposes to furnish all materials, vehicles, plant, equipment and facilities, and to perform all labor and services which may be required to do said work with the time fixed and upon the terms and conditions provided in the Organic Materials Processing Services Agreement, at the tipping fees set forth on the Tipping Fee Proposal Forms set forth below:

PROPOSER Cold Creek Compost, Inc.

President/Partner/Owner Martin Mileck

Secretary Bradley Benson

Firm Name Cold Creek Compost, Inc.

Individual: ☐ Partnership: ☐ Joint Venture ☐

Corporation Cold Creek Compost, Inc., A California Corporation (State of Incorporation)

Signature Instructions:

If business is a CORPORATION, name of the corporation should be listed in full and both President and Secretary must sign the form, OR if one signature is permitted by corporation by-laws, a copy of the by-laws shall be furnished to the SCWMA as part of the proposal.

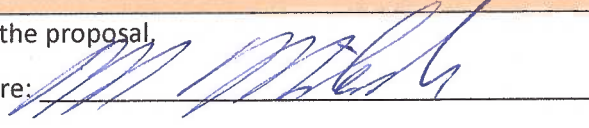
If business is a PARTNERSHIP, the full name of each partner should be listed followed by d/b/a (doing business as) and firm or trade name; any one partner may sign the form. If the business is INDIVIDUAL PROPRIETORSHIP, the name of the owner should appear followed by d/b/a and name of the company.

If business is a JOINT VENTURE, the full name of each joint venturer should be listed in full and each joint venturer must sign the form, OR if one signature is permitted by the joint venture agreement or by-laws, a copy of the agreement or by-laws shall be furnished to the SCWMA as

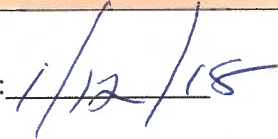
Form E
ORGANIC WASTE TIPPING FEE PROPOSAL
SUMMARY AND SIGNATURE

part of the proposal.

Signature:



Date:



Signature:



Date:



Form F
ORGANIC WASTE TIPPING FEE PROPOSAL

Form F is provided in an Excel spreadsheet, Attachment C SCWMA RFP Section 6 Form F Excel.

Form F shall be submitted in hard copy format and via USB drive in Microsoft Excel format.

Sonoma County Waste Management Agency Request for Proposals for Organics Processing Capacity Proposed Organic Waste Per Ton Rate and Annual Tonnages by Category Form F-1: 3-Year Term									
Proposer Name		Cold Creek Compost, Inc.		Facility Name		Cold Creek Compost			
Anticipated Start Date of Organics Processing Service (First Date of Delivery)		Upon approval of agreement		Facility Address		6000 E. Side Potter Valley Rd Ukiah, CA 95482			
Composting, Anaerobic Digester or Other Technology?		Composting							
Organic Material Type		Per Ton Rate by Annual Throughput in Tons							
		0-10,000 Tons	10,000-20,000 Tons	20,000-40,000 Tons	40,000-60,000 Tons	60,000-80,000 Tons	80,000-100,000 Tons	100,000 - 120,000 Tons	
		For material categories and/or tonnage ranges that are not proposed enter "NA". Do not enter a per ton tip rate for any material categories and/or tonnage ranges that are not proposed. Find instructions for filling out Form F in Section 3.6 of the RFP.							
	Wood Waste		\$38.00						
	Green Waste		\$38.00						
	Mixed Organics		\$38.00						
	Mixed Organics with Compostable Food Ware		NA						
	Commercial Food Scraps		\$38.00						
	Commercial Food Scraps with Compostable Food Ware		NA						
	<i>Biosolids (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)</i>		NA						
	<i>Manure (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)</i>		TBD						
Total Minimum, Maximum and Average Daily Tonnage Throughput (All Categories)		MINIMUM			MAXIMUM			AVE. DAILY	
Total Minimum, Maximum and Annual Tonnage Throughput (All Categories)		MINIMUM			MAXIMUM			17,000 tons	
Optional Adjustments									
OPTIONAL Contamination charge at _____ % threshold		\$0.00	\$0.00					per contaminated load	
OPTIONAL Contamination charge at _____ % threshold		\$0.00	\$0.00					per contaminated load	
OPTIONAL Other:		\$200.00	\$0.00					per occurrence	
OPTIONAL Other:		\$0.00	\$0.00					per occurrence	
OPTIONAL Other:		\$0.00	\$0.00					per occurrence	

<p align="center"> Sonoma County Waste Management Agency Request for Proposals for Organics Processing Capacity Proposed Organic Waste Per Ton Rate and Annual Tonnages by Category Form F-3: 15-Year Term </p>									
Proposer Name		Cold Creek Compost, Inc.			Facility Name		Cold Creek Compost		
Anticipated Start Date of Organics Processing Service (First Date of Delivery)		Ongoing with expansion in January 2021			Facility Address		6000 E. Side Potter Valley Rd Ukiah, CA 95482		
Composting, Anaerobic Digester or Other Technology?		Composting							
Organic Material Type		Per Ton Rate by Annual Throughput in Tons							
		0-10,000 Tons	10,000-20,000 Tons	20,000-40,000 Tons	40,000-60,000 Tons	60,000-80,000 Tons	80,000-100,000 Tons	100,000 - 120,000 Tons	
		For material categories and/or tonnage ranges that are not proposed enter "NA". Do not enter a per ton tip rate for any material categories and/or tonnage ranges that are not proposed. Find instructions for filling out Form F in Section 3.6 of the RFP.							
Wood Waste								\$38.00	
Green Waste								\$38.00	
Mixed Organics								\$38.00	
Mixed Organics with Compostable Food Ware								NA	
Commercial Food Scraps								\$38.00	
Commercial Food Scraps with Compostable Food Ware								NA	
Biosolids (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)								TBD	
Manure (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)								TBD	
Total Minimum, Maximum and Average Daily Tonnage Throughput (All Categories)		MINIMUM				MAXIMUM		AVE. DAILY	
Total Minimum, Maximum and Annual Tonnage Throughput (All Categories)		MINIMUM	25,000 tons		MAXIMUM		100,000 tons		
Optional Adjustments									
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00					per contaminated load	
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00					per contaminated load	
OPTIONAL Other:		\$200.00	\$0.00					per occurrence	
OPTIONAL Other:		\$0.00	\$0.00					per occurrence	
OPTIONAL Other:		\$0.00	\$0.00					per occurrence	

Sonoma County Waste Management Agency Request for Proposals for Organics Processing Capacity Proposed Organic Waste Per Ton Rate and Annual Tonnages by Category Form F-4: 20-Year Term									
Proposer Name		Cold Creek Compost, Inc.			Facility Name		Cold Creek Compost		
Anticipated Start Date of Organics Processing Service (First Date of Delivery)		Ongoing with expansion in January 2021			Facility Address		6000 E. Side Potter Valley Rd Ukiah, CA 95482		
Composting, Anaerobic Digester or Other Technology?		Composting							
Organic Material Type		Per Ton Rate by Annual Throughput in Tons							
		0-10,000 Tons	10,000-20,000 Tons	20,000-40,000 Tons	40,000-60,000 Tons	60,000-80,000 Tons	80,000-100,000 Tons	100,000 - 120,000 Tons	
		For material categories and/or tonnage ranges that are not proposed enter "NA". Do not enter a per ton tip rate for any material categories and/or tonnage ranges that are not proposed. Find instructions for filling out Form F in Section 3.6 of the RFP.							
Wood Waste									\$38.00
Green Waste									\$38.00
Mixed Organics									\$38.00
Mixed Organics with Compostable Food Ware									NA
Commercial Food Scraps									\$38.00
Commercial Food Scraps with Compostable Food Ware									NA
Biosolids (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)									TBD
Manure (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)									TBD
Total Minimum, Maximum and Average Daily Tonnage Throughput (All Categories)		MINIMUM				MAXIMUM		AVE. DAILY	
Total Minimum, Maximum and Annual Tonnage Throughput (All Categories)		MINIMUM	25,000 tons			MAXIMUM		100,000 tons	
Optional Adjustments									
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00	\$0.00	per contaminated load				
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00	\$0.00	per contaminated load				
OPTIONAL Other:		\$200.00	\$0.00	\$0.00	per occurrence				
OPTIONAL Other:		\$0.00	\$0.00	\$0.00	per occurrence				
OPTIONAL Other:		\$0.00	\$0.00	\$0.00	per occurrence				

Form G
PASS/FAIL REQUIREMENTS

PROPOSER NAME: Cold Creek Compost, Inc.

(name of the entity that will sign the Organic Materials Processing Services Agreement in the event one is awarded)

Key Contact Information

Name: Martin Mileck

Title: President

Address: 6000 E. Side Potter Valley Rd, Ukiah, CA 95482

Telephone Number: 707-485-5966

Fax Number: 707-485-7048

Required Attachments:

Each Proposer must include the following attachments in the separate sealed "Pass/Fail Requirements" envelope:

A copy of Form A Communication Protocol, as completed on the date of the **MANDATORY** pre-proposal conference.

A written statement acknowledging receipt of any and all addenda to this RFP document, and a signed copy of each addendum with the date of receipt clearly displayed next to each signature.

The Proposal Bond of \$25,000.

A letter from Proposer's bank/financial institution clearly stating that the Proposer has adequate assets and/or irrevocable line of credit that is sufficient to compensate for all required payments to the SCWMA, capital costs, equipment costs, start-up costs, and a minimum of three (3) months' operating costs.

The Undersigned hereby certifies as follows (initial next to each statement):

MM The Proposer has attended the **MANDATORY** pre-proposal conference held on June 28, 2017 at 11:00 a.m. PDT.

MM The Proposer certifies that Proposer has personally and carefully examined the specifications and instructions for the work to be done as set forth in Sections 1 – 6 of this RFP.

MM The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements as set forth in the Draft Organic Materials Processing Services Agreement.

MM The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements of the ***Sonoma Countywide Integrated Waste Management Plan***.

MM The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements of the ***Sonoma County Waste Management Agency Joint Exercise of Powers Agreement***, and all subsequent amendments.

MM The Proposer certifies that Proposer has made an examination of the services as applicable to

Form G PASS/FAIL REQUIREMENTS

the proposal, and fully understands the character of the work to be done.

MM BS The Proposer warrants that the requirements of the Draft Organic Materials Processing Services Agreement as described in this RFP, its enclosures, and all addenda have been thoroughly reviewed and the Proposer has conducted all due diligence necessary to confirm material facts upon which the proposal is based.

MM BS (For long-term Agreements only) The Proposer agrees to submit a **Performance Bond** in the amount of **One Million Dollars (\$1,000,000)** effective within ten (10) calendar days from the date the SCWMA Board approves the Agreement(s).

MM BS The Proposer acknowledges the validity of the proposal contents, including proposed Organic Materials Processing Tipping Fees and pricing for a period of one hundred eighty (180) days from the proposal due date.

Having made the necessary examination, the undersigned hereby proposes to furnish all materials, vehicles, plant, equipment, and facilities, and to perform all labor and services which may be required to do said work within the time fixed and upon the terms and conditions provided in the Organic Materials Processing Services Agreement, at the tipping fees set forth on Form F:

PROPOSER NAME Cold Creek Compost, Inc.
(name of the entity that will sign the Organic Materials Processing Services Agreement)

President/Partner/Owner Martin Mileck

Secretary Bradley Benson

Firm Name Cold Creek Compost, Inc.

Individual: ☐ Partnership: ☐ Joint Venture: ☐

Corporation Cold Creek Compost, Inc., A California Corporation (State of Incorporation)

Signature: 

Date: 11/2/18

Signature: 

Date: 11-18

Signature Instructions:

If business is a CORPORATION, name of the corporation should be listed in full and both President and Secretary must sign the form, OR if one signature is permitted by corporation by-laws, a copy of the by-laws shall be furnished to the SCWMA as part of the proposal.

If business is a PARTNERSHIP, the full name of each partner should be listed followed by d/b/a (doing business as) and firm or trade name; any one partner may sign the form. If the business is INDIVIDUAL PROPRIETORSHIP, the name of the owner should appear followed by d/b/a and name of the company.

If business is a JOINT VENTURE, the full name of each joint venturer should be listed in full and each

Form G
PASS/FAIL REQUIREMENTS

joint venturer must sign the form, OR if one signature is permitted by the joint venture agreement or by-laws, a copy of the agreement or by-laws shall be furnished to the SCWMA as part of the proposal.

5.0A PROPOSAL FORMS – Cold Creek Compost, Inc.

Proposers are required to complete and submit Forms A-G on the following pages as part of their proposal. Failure to complete and submit the required Forms may result in disqualification from this RFP process.

Form A COMMUNICATION PROTOCOL – Submitted at Pre-Proposal Meeting

Form B PROPOSER'S STATEMENT OF ORGANIZATION

Form C CERTIFICATION OF NON-GRATUITIES

Form D NON-COLLUSION AFFIDAVIT OF PROPOSER

Form E ORGANIC WASTE TIPPING FEE PROPOSAL SUMMARY AND SIGNATURE

Form F ORGANIC WASTE TIPPING FEE PROPOSAL

Form G PASS/FAIL REQUIREMENTS

This page intentionally left blank.

Form B
PROPOSER'S STATEMENT OF ORGANIZATION

1. Full Name of Business Concern (Proposer):

NorCal Ag, LLC dba Stage Gulch Organics

Principal Business Address:

2535 Stage Gulch Road

Petaluma, CA 94654

2. Principal Contact Person(s):

Name: Allan Tose, Stage Gulch Organics

Phone Number: 707-738-1398

3. Form of Business Concern:

☐ Corporation ☐ Partnership ☐ Joint Venture Other LLC

4. Provide names of partners or offices as appropriate and indicate if the individual has the authority to sign in name of Proposer. Provide proof of the ability of the individuals so named to legally Bind the Proposer.

<u>Name</u>	<u>Address</u>	<u>Title</u>
<u>NA</u>	_____	_____
_____	_____	_____
_____	_____	_____

5. If a corporation, in what state incorporated: California

Date Incorporated:	<u>07</u>	<u>17</u>	<u>2006</u>
	Month	Day	Year

6. If a Joint Venture or Partnership, date of Agreement: NA

Form B
PROPOSER'S STATEMENT OF ORGANIZATION

7. List all subcontractors participating in this Organic Materials Processing Services Agreement:

Name	Address
a) <u>NA</u>	_____
b) _____	_____
c) _____	_____
d) _____	_____

8. Outline specific areas of responsibility for each firm listed in Question 7.

a) NA

b) _____

c) _____

d) _____

9. Identify the provisions of any agreement between parties which assigns legal or financial liabilities or responsibilities:

NA

10. If responding firm(s) are a partially or fully-owned subsidiary of another firm, or share common ownership with another firm, please identify the firms and relationships.

NA

Form C
CERTIFICATION OF NON-GRATUITIES

TO: THE SONOMA COUNTY WASTE MANAGEMENT AGENCY

CERTIFICATION

This is a written certification, signed under penalty of perjury, stating that no persons acting on behalf of Stage Gulch Organics has paid, or offered or attempted to pay, any elected or appointed official, officer or employee of the SCWMA any compensation or consideration, in any form whatsoever, in connection with obtaining or entering into this Organic Materials Processing Services Agreement.

Allan Tose

Name

Project Manager

Title



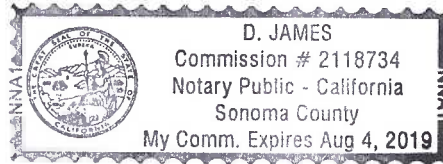
Signature



Date

<p style="text-align: center;">Form D</p> <p style="text-align: center;">NON-COLLUSION AFFIDAVIT OF PROPOSER and DISCLOSURE OF NON-COMPETE AGREEMENTS</p> <p>State of <u>California</u> County of <u>Sonoma</u></p> <p><u>Allan Tose</u>, being duly sworn, deposes and says that:</p> <ol style="list-style-type: none"> 1. He/She is <u>Project Manager</u> of <u>Stage Gulch Organics</u>, the Proposer that has submitted the attached proposal; 2. He/She is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal; 3. Such proposal is genuine and is not a collusive or sham proposal; 4. Neither said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Proposer, firm or person to submit a collusive or sham proposal in connection with the Organic Materials Processing Services Agreement for which the attached proposal has been submitted or to refrain from proposing in connection with such Organic Materials Processing Services Agreement, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Proposer, firm, or person to fix the price or prices in the attached RFP, or of any other Proposer, or to fix any overhead, profit or cost component of the proposal or the response of any other Proposer, or to secure through any collusion, connivance, or unlawful agreement any advantage against The Sonoma County Waste Management Agency or any person interested in the proposed Organic Materials Processing Services Agreement; and 5. The tipping fee proposal in the attached RFP are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this affiant. 6. Proposer must list the name of any and all other solid waste service providers and/or affiliates that it has a "non-compete" agreement with that prohibits the other solid waste services provider from proposing on services as requested in this RFP. Failure to disclose this information will result in immediate disqualification from this RFP process. <p><u>NA</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
--

	<u>Project Manager</u>
(Signed)	(Title)
Subscribed and sworn to before me this <u>10th</u> day of <u>Jan.</u> , <u>2018</u> .	
	My Commission Expires: <u>8.4.19</u>
Notary Public, State of California	



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

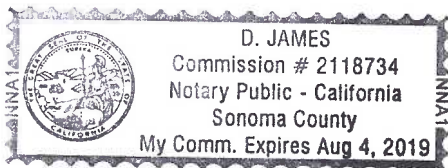
State of California

County of Sonoma

Subscribed and sworn to (or affirmed) before me on this 10th day of January, 2018,
by Allen H. Tose, proved to me on the basis of satisfactory
evidence to be the person(s) who appeared before me.

(Seal)

Signature [Signature]



Form E
ORGANIC WASTE TIPPING FEE PROPOSAL
SUMMARY AND SIGNATURE

In preparing the Tipping Fee Proposal Forms Proposers should be aware of the following:

All organic materials processing tipping fees proposed on these forms for ***Sonoma County Waste Management Agency*** shall be fixed through December 31, 2020 or one (1) year after the Effective Date and should reflect service requirements as specified in the Organic Materials Processing Services Agreement.

The Undersigned hereby certifies as follows:

That Allan Tose have personally and carefully examined the specifications and instructions for the work to be done as set forth in Sections 1 – 6 of this RFP and the Draft Organic Materials Processing Services Agreement (Attachment A or Attachment B).

That Allan Tose have made examination of the services as applicable to the proposal, and fully understand the character of the work to be done.

That, having made the necessary examination, the undersigned hereby proposes to furnish all materials, vehicles, plant, equipment and facilities, and to perform all labor and services which may be required to do said work with the time fixed and upon the terms and conditions provided in the Organic Materials Processing Services Agreement, at the tipping fees set forth on the Tipping Fee Proposal Forms set forth below:

PROPOSER Stage Gulch Organics

President/Partner/Owner Partner

Secretary _____

Firm Name NorCal Ag, LLC

Individual: ☐ Partnership: ☐ Joint Venture ☐

Corporation _____, A _____ Corporation (State of Incorporation)

Signature Instructions:

If business is a CORPORATION, name of the corporation should be listed in full and both President and Secretary must sign the form, OR if one signature is permitted by corporation by-laws, a copy of the by-laws shall be furnished to the SCWMA as part of the proposal.

If business is a PARTNERSHIP, the full name of each partner should be listed followed by d/b/a (doing business as) and firm or trade name; any one partner may sign the form. If the business is INDIVIDUAL PROPRIETORSHIP, the name of the owner should appear followed by d/b/a and name of the company.

If business is a JOINT VENTURE, the full name of each joint venturer should be listed in full and each joint venturer must sign the form, OR if one signature is permitted by the joint venture agreement or by-laws, a copy of the agreement or by-laws shall be furnished to the SCWMA as

Form E
ORGANIC WASTE TIPPING FEE PROPOSAL
SUMMARY AND SIGNATURE

part of the proposal.

Signature: _____



Date: _____



Form F
ORGANIC WASTE TIPPING FEE PROPOSAL

Form F is provided in an Excel spreadsheet, Attachment C SCWMA RFP Section 6 Form F Excel.

Form F shall be submitted in hard copy format and via USB drive in Microsoft Excel format.

Sonoma County Waste Management Agency Request for Proposals for Organics Processing Capacity Proposed Organic Waste Per Ton Rate and Annual Tonnages by Category Form F-3: 15-Year Term									
Proposer Name		Stage Gulch Organics		Facility Name		Stage Gulch Organics			
Anticipated Start Date of Organics Processing Service (First Date of Delivery)		Jan-21		2535 Stage Gulch Road Petaluma, CA 94654					
Composting, Anaerobic Digester or Other Technology?		Composting							
Organic Material Type		Per Ton Rate by Annual Throughput in Tons							
		0-10,000 Tons	10,000-20,000 Tons	20,000-40,000 Tons	40,000-60,000 Tons	60,000-80,000 Tons	80,000-100,000 Tons	100,000 - 120,000 Tons	
		For material categories and/or tonnage ranges that are not proposed enter "NA". Do not enter a per ton tip rate for any material categories and/or tonnage ranges that are not proposed. Find instructions for filling out Form F in Section 3.6 of the RFP.							
Wood Waste									\$62.50
Green Waste									\$62.50
Mixed Organics									\$62.50
Mixed Organics with Compostable Food Ware									NA
Commercial Food Scraps									\$62.50
Commercial Food Scraps with Compostable Food Ware									NA
Biosolids (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)									NA
Manure (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)									NA
Total Minimum, Maximum and Average Daily Tonnage Throughput (All Categories)		MINIMUM				MAXIMUM			AVE. DAILY
Total Minimum, Maximum and Annual Tonnage Throughput (All Categories)		MINIMUM		60,000 tons		MAXIMUM			100,000 tons
Optional Adjustments									
OPTIONAL Contamination charge at ____% threshold		\$0.00	\$0.00	\$0.00					per contaminated load
OPTIONAL Contamination charge at ____% threshold		\$0.00	\$0.00	\$0.00					per contaminated load
OPTIONAL Other:		\$200.00	\$0.00	\$0.00					per occurrence
OPTIONAL Other:		\$0.00	\$0.00	\$0.00					per occurrence
OPTIONAL Other:		\$0.00	\$0.00	\$0.00					per occurrence

Sonoma County Waste Management Agency Request for Proposals for Organics Processing Capacity Proposed Organic Waste Per Ton Rate and Annual Tonnages by Category Form F-4: 20-Year Term											
Proposer Name		Stage Gulch Organics			Facility Name		Stage Gulch Organics				
Anticipated Start Date of Organics Processing Service (First Date of Delivery)		Jan-21			2535 Stage Gulch Road Petaluma, CA 94654						
Composting, Anaerobic Digester or Other Technology?		Composting									
Organic Material Type		Per Ton Rate by Annual Throughput in Tons									
		0-10,000 Tons	10,000-20,000 Tons	20,000-40,000 Tons	40,000-60,000 Tons	60,000-80,000 Tons	80,000-100,000 Tons	100,000-120,000 Tons			
		For material categories and/or tonnage ranges that are not proposed enter "NA". Do not enter a per ton tip rate for any material categories and/or tonnage ranges that are not proposed. Find instructions for filling out Form F in Section 3.6 of the RFP.									
Wood Waste											\$50.00
Green Waste											\$50.00
Mixed Organics											\$50.00
Mixed Organics with Compostable Food Ware											NA
Commercial Food Scraps											\$50.00
Commercial Food Scraps with Compostable Food Ware											NA
Biosolids (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)											NA
Manure (Not subject to SCWMA flow control or Processing Agreement, for Agency Information Only)											NA
Total Minimum, Maximum and Average Daily Tonnage Throughput (All Categories)		MINIMUM				MAXIMUM			AVE. DAILY		
Total Minimum, Maximum and Annual Tonnage Throughput (All Categories)		MINIMUM	60,000 tons			MAXIMUM			100,000 tons		
Optional Adjustments											
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00	\$0.00	per contaminated load						
OPTIONAL Contamination charge at ____ % threshold		\$0.00	\$0.00	\$0.00	per contaminated load						
OPTIONAL Other:		\$200.00	\$0.00	\$0.00	per occurrence						
OPTIONAL Other:		\$0.00	\$0.00	\$0.00	per occurrence						
OPTIONAL Other:		\$0.00	\$0.00	\$0.00	per occurrence						

Form G
PASS/FAIL REQUIREMENTS

PROPOSER NAME: Stage Gulch Organics

(name of the entity that will sign the Organic Materials Processing Services Agreement in the event one is awarded)

Key Contact Information

Name: Allan Tose, Stage Gulch Organics

Title: Project Manager

Address: 561 Broadway, Suite A, Sonoma, CA 95476

Telephone Number: 707-738-1398

Fax Number: 707-938-8719

Required Attachments:

Each Proposer must include the following attachments in the separate sealed "Pass/Fail Requirements" envelope:

A copy of Form A Communication Protocol, as completed on the date of the **MANDATORY** pre-proposal conference.

A written statement acknowledging receipt of any and all addenda to this RFP document, and a signed copy of each addendum with the date of receipt clearly displayed next to each signature.

The Proposal Bond of \$25,000.

A letter from Proposer's bank/financial institution clearly stating that the Proposer has adequate assets and/or irrevocable line of credit that is sufficient to compensate for all required payments to the SCWMA, capital costs, equipment costs, start-up costs, and a minimum of three (3) months' operating costs.

The Undersigned hereby certifies as follows (initial next to each statement):

[Signature] The Proposer has attended the **MANDATORY** pre-proposal conference held on June 28, 2017 at 11:00 a.m. PDT.

[Signature] The Proposer certifies that Proposer has personally and carefully examined the specifications and instructions for the work to be done as set forth in Sections 1 – 6 of this RFP.

[Signature] The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements as set forth in the Draft Organic Materials Processing Services Agreement.

[Signature] The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements of the **Sonoma Countywide Integrated Waste Management Plan**.

[Signature] The Proposer certifies that Proposer has personally and carefully examined the specifications and requirements of the **Sonoma County Waste Management Agency Joint Exercise of Powers Agreement**, and all subsequent amendments.

[Signature] The Proposer certifies that Proposer has made an examination of the services as applicable to

Form G
PASS/FAIL REQUIREMENTS

the proposal, and fully understands the character of the work to be done.

NT The Proposer warrants that the requirements of the Draft Organic Materials Processing Services Agreement as described in this RFP, its enclosures, and all addenda have been thoroughly reviewed and the Proposer has conducted all due diligence necessary to confirm material facts upon which the proposal is based.

NT (For long-term Agreements only) The Proposer agrees to submit a **Performance Bond** in the amount of **One Million Dollars (\$1,000,000)** effective within ten (10) calendar days from the date the SCWMA Board approves the Agreement(s).

NT The Proposer acknowledges the validity of the proposal contents, including proposed Organic Materials Processing Tipping Fees and pricing for a period of one hundred eighty (180) days from the proposal due date.

Having made the necessary examination, the undersigned hereby proposes to furnish all materials, vehicles, plant, equipment, and facilities, and to perform all labor and services which may be required to do said work within the time fixed and upon the terms and conditions provided in the Organic Materials Processing Services Agreement, at the tipping fees set forth on Form F:

PROPOSER NAME Stage Gulch Organics
(name of the entity that will sign the Organic Materials Processing Services Agreement)

President/Partner/Owner Martin Mileck, President
Allan Tose, Project Manager

Secretary _____

Firm Name NorCal Ag, LLC

Individual: ☐ Partnership: ☐ Joint Venture: ☐

Corporation _____, A _____ Corporation (State of Incorporation)

Signature: [Signature]

Date: 1/12/18

Signature: [Signature]

Date: 1-11-18

Signature Instructions:

If business is a CORPORATION, name of the corporation should be listed in full and both President and Secretary must sign the form, OR if one signature is permitted by corporation by-laws, a copy of the by-laws shall be furnished to the SCWMA as part of the proposal.

If business is a PARTNERSHIP, the full name of each partner should be listed followed by d/b/a (doing business as) and firm or trade name; any one partner may sign the form. If the business is INDIVIDUAL

Form G
PASS/FAIL REQUIREMENTS

PROPRIETORSHIP, the name of the owner should appear followed by d/b/a and name of the company.
If business is a JOINT VENTURE, the full name of each joint venturer should be listed in full and each joint venturer must sign the form, OR if one signature is permitted by the joint venture agreement or by-laws, a copy of the agreement or by-laws shall be furnished to the SCWMA as part of the proposal.

6.0 Proposal Service Alternatives and Agreement Exceptions

Cold Creek Compost and Stage Gulch Organics do not propose any alternatives to the services listed in the RFP, or exceptions to the Agreement language.



Compost System Consulting Services

Green Mountain Technologies was founded in 1992 and has been designing and installing state of the art composting systems for more than twenty-five years. GMT has designed facilities for municipal and commercial clients as well as agricultural applications. We have designed facilities for as little as 1 ton per day all the way to facilities processing 500 tons per day or more. Our recent clients include the City of Phoenix, EnviroSmart Compost Facility outside Vancouver, BC and Recology Waste Solutions.

Large Facility Design

Our design philosophy revolves around the concept of using a compact footprint to reduce land area and capital costs and high rate processing to get maximum throughput. GMT has four different design approaches that will fit your facility needs including Aerated Static Pile (ASP) with either above or below grade piping, and Radial ASP (RASP) using automated telescoping conveyors to load the aeration zones. Turning and aeration provides the fastest composting. Turned Aerated Pile (TAP) combines turning and aeration in a rectangular format and Curved Turned Aerated Pile (cTAP) that reduces land area requirements compared to traditional TAP systems. Our design team has a combined experience of over 75 years in the industry. Michael Bryan-Brown, Jeff Gage and a team of support engineers and CAD technicians will provide the composting expertise for your project. GMT can support your civil and mechanical engineers to get the details of your system right the first time.

Facility Updates and Improvements

Facilities that have been in operation for 5 years or more face challenges with clogged aeration systems and drainage, corrosion, odor containment and treatment, waste water treatment and reuse. GMT has facilities that have been in operation for 25 years that have met or overcome these challenges. GMT can also provide equipment sizing, process flow optimization analysis, biofilter and biofilter media design..

Operator Training

Proper planning and employee training during start-up can assure a compost facilities long term success. Green Mountain Technologies has over 25 years of direct, hands on responsibility and experience in designing, managing and training employees and owners in all facets of such successful facilities. GMT has two USCC certified trainers on staff with a combined 50 years of operational experience to provide our clients with knowledgeable instruction and curriculum. GMT can train operators on compost product quality assurance and how to maximize profits through specialty blends for green roofs, topsoil blend designs and bioswale media.

Permitting and Environmental Impact Statements

GMT has experience designing and permitting large scale facilities in the US and around the world. Current active projects include Canada, Ecuador and New Zealand. Each country and State has a unique set of standards to minimize environmental impacts from composting. GMT has knowledge of best available control Technologies (BACT) for composting. GMT also has extensive overlap with operators at our compost facilities which gives us experience with approaches to such challenges as dust mitigation, odor control, fire suppression and management, leachate treatment and reuse. GMT can provide the industry expertise to help your firm prepare informed permit applications and EIS reports.

Contact:

Tel (802)368-7291

Fax (802)368-7313

jeff@compostingtechnology.com

Green Mountain Technologies

5350 McDonald Ave NE

Bainbridge Island, WA 98110

On occasion by regulators or owners we have been asked to fix the problems created by an inexperienced engineer's hopeful designs. Our track record provides you tangible evidence of our successful operations and designs. Talk to our clients, their regulators and the surrounding neighbors, they are our best references.

Pierce County Purdy Compost Facility, 1992 to present 45,000 tons per year curbside yard debris. Owner representative: Rick Johnston, Pierce County Public Works, University Place, Washington

Compost Factory, 1999 to present, 90,000 tons per year of curbside yard debris, food waste, chicken manure. Owner representative: Don Taylor, Pierce County Recycling, Composting, and Disposal, LLC, Puyallup WA

Washington State University 2007 to present, 1,200 tons per month of manure, yard waste and food waste. The facility is a traditional ASP system with pipe on grade. Contact Rick Finch for more informaion

Lenz Enterprises, 2008 to present, 7,200 tons per month of curbside Collected yard debris and food waste, Paunch manure, Cow manure, Chicken manure. Owner Jason Lenz, Stanwood WA

Annen Brothers Hop Farm, 2012 to present, 2,800 tons per month Hop and agricultural waste. 110'x250' below grade sparger pad with 4 zones. Owner John Annen, Mt. Angel, OR

Purdy Compost Facility 1992



Compost Factory, 1999



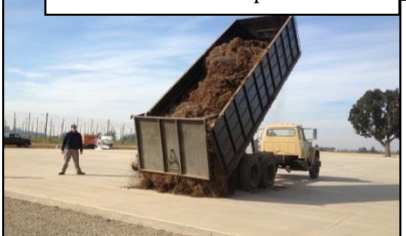
WSU Compost Facility 2007



Lenz Compost Facility 2008



Annen Brothers Hop Farm 2011





CLIENT CHALLENGE

The City of Phoenix selected the design team of Green Mountain Technologies and AW Architects in August of 2014 to design the new Phoenix Compost Facility project. Approximately 50% of the material in the waste stream of the adjacent transfer station is biodegradable and potentially eligible for composting at the new facility. Composting could achieve a significant amount of material diversion from the city landfill and a large reduction in hauling costs to the City of Phoenix. The facility is also seen as a magnet for attracting other integrated technologies to the Resource Innovation Campus (RIC) master plan for greater waste diversion.

Project Goals and Objectives:

- Establish a flagship facility for the RIC Master Plan focusing on material Diversion
- Design and build a state-of-the-art composting facility
- Efficiency of operations and throughput of material take precedence in design decisions
- Water and Energy conservation strategies are important elements to the project design and should be strongly considered in decision-making
- The facility needs to be affordable and designed with long-term operations in mind

GMT SOLUTION GMT proposed using a cutting-edge approach to composting by developing mass turned aerated pads with reversing air flow management. This concept allows municipal compost projects to process large amounts of compost while minimizing footprint, water and energy usage. The biggest challenge was coming up with systems to irrigate and cool the compost piles in the hot desert climate.



The capacity of this system was developed in phases, this first phase was for 55,000 TPY, and implemented for \$12.5 million including all required infrastructure, plus processing equipment, the second phase will expand the facility to 110,000 TPY as shown in the drawing above, and the final site capacity 220,000 TPY by expanding directly to the east from the second phase, and adding shade canopies where customers unload.





Pressure and suction blowers were used to allow any of the aeration zones to be independently controlled to allow turning operations to take place in any two zones in full pressure while the others are managed for temperature. In duct misters helped provide swamp cooling of the underground manifolds, allowed cooling even during 124° F weather!



Most of the important parts of the facility are unseen below ground, a network of aeration pipes evenly distributes over 32,000 cfm of air under the active compost piles through 1,400 self cleaning nozzles. Wireless temperature probes send pile data to the CompDACS controller to regulate process temperatures. The stormwater system removes and reuses sediments and water generated on site, and a local well is depended on to mitigate demand on the municipal water supply. Odor control has been excellent with the biofilters and the use of biocovers has not been necessary yet.

The first phase compost system processes 55,000 tpy or 150 tons per day over 60 days. This link is a flyover and overview of the final design for the 27th Ave Compost Facility.

<https://www.youtube.com/watch?v=9lxmLby53Qc&feature=youtu.be>

