



# CITY COUNCIL AGENDA REPORT

MEETING DATE: APRIL 19, 2016

ITEM NUMBER: **CC-12**

**SUBJECT: REVISED EFFECTIVE DATE TO AN AMENDMENT OF THE 2009 WASTE DISPOSAL AGREEMENT WITH THE COUNTY OF ORANGE**

**DATE: APRIL 7, 2016**

**FROM: PUBLIC SERVICES DEPARTMENT/ADMINISTRATION**

**PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR  
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## **RECOMMENDATION:**

Adopt Resolution No. 16-\_\_ (Attachment 1) approving a revised effective date to the Waste Disposal Agreement (WDA) Amendment between the County of Orange and the City of Costa Mesa to allow for the continued importation of waste at the County's three (3) landfills and to extend the terms of the WDA through June 30, 2025.

## **BACKGROUND:**

The disposal of solid waste at Orange County landfills is governed by a 2009 Waste Disposal Agreement in which cities in the County have agreed to deposit their solid waste at the County's three (3) landfill facilities in return for low, stable disposal rates. The term of the current WDA began on July 1, 2010 and runs through June 30, 2020 with importation of waste from outside the County at County landfills set to expire on June 30, 2016.

An Amendment to the Waste Disposal Agreement (WDA Amendment) was negotiated by a committee of City Managers representing Orange County cities and the County to address the reduction in revenues and to ensure rate stabilization for local residents and businesses. Implementation of the WDA Amendment requires approval by all 34 cities in Orange County.

## **ANALYSIS:**

In June 2015, the City Council approved the WDA Amendment with the County to provide for continuation of waste importation at the County's three (3) landfills and to extend the terms of the WDA through June 30, 2025. The WDA Amendment established an effective date of June 30, 2015. Unfortunately, by the original expiration date of June 30th, not all the cities were able to approve the WDA Amendment. The deadline was extended to September 30, 2015, but not all cities approved the WDA Amendment by that date. The deadline was extended to December 31, 2015, but not all cities approved the WDA amendment by that date. The County is requesting that all cities approve of a revised effective date of June 30, 2016. This revised effective date requires approval by all 34 cities.

The revision to the WDA Amendment updates the effective date from September 30, 2015 to June 30, 2016. All other terms and conditions that were in the WDA Amendment approved in June 2015 remain in full force and effect.

**ALTERNATIVES CONSIDERED:**

The alternative to this Council action would be to reject the extension, resulting in a potential loss of revenues to the City as per Appendix 5 of the Amendment to the WDA noted in the June 2, 2015 Council report, and per terms detailed in the Amendment. If the revised effective date is rejected, it would also potentially show a lack of interest in maintaining cooperation in a long-term partnership between the County of Orange and Costa Mesa and other Orange County cities resolving to adopt the amendment.

**FISCAL REVIEW:**

As detailed in the Amendment to the WDA included in the June 2, 2015 City Council report, an initial disbursement to the City in the amount of \$117,936 is anticipated in next fiscal year. The City would also receive a share of future revenues from FY 2018-19 to FY 2014-25 based on the percentage of actual tonnage of waste received at the County landfills in those years.

**LEGAL REVIEW:**

The City Attorney has reviewed the attached Resolution No.16-\_\_ approving the revised effective date of the Amendment to the 2009 Waste Disposal Agreement with the County of Orange, and has approved it as to form.

**CONCLUSION:**

On June 2, 2015, the City Council approved the WDA Amendment to provide for continuation of importation of waste at the County landfills, City allocation of future importation revenues, and to extend the terms of the WDA through June 30, 2025. A revision to the effective date to the WDA Amendment is requested to allow additional time for the County to secure all city approvals. This WDA Amendment will maintain stable disposal rates and continuity of service for residents and businesses while ensuring continued partnership between all 34 cities and the County.

It is recommended that the City Council adopt Resolution No. 16-\_\_ to approve the revised effective date to June 30, 2016.

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**ERNESTO MUNOZ**  
Public Services Director

ATTACHMENT: [1 - Resolution No. 16-\\_\\_](#)

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Interim Finance Director  
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