

# City of Los Alamitos

## Agenda Report Consent Calendar

May 18, 2009  
Item No: 7D

**To:** Mayor Troy Edgar and Members of the City Council  
**Via:** Nita McKay, Interim City Manager  
**From:** Steven A. Mendoza, Community Development Director  
**Subject:** Approval of Waste Disposal Agreement with the County of Orange

**Summary:** The County is requesting cities to approve a new Waste Disposal Agreement that was negotiated by the County's City Managers. The Agreement obligates the City and its hauler to deliver all refuse to the Orange County landfill system for disposal, and increases the rate from \$22.00 to \$29.95 per ton for a 10-year period.

**Recommendation:** Approve a 10-year Waste Disposal Agreement with the County of Orange, effective July 1, 2010, at a disposal rate of \$29.95 per ton to be adjusted annually.

### Background

On March 24, 1997 the City adopted the "Waste Disposal Agreement between the County of Orange and the City of Los Alamitos". The Agreement obligated the City and its hauler to deliver all refuse to the Orange County landfill system for disposal. In turn, the Agreement locked in a disposal fee of \$22.00 per ton for a 10-year period. The agreement was amended in 2004 to extend it through June 2010.

Since late 2006, OC Waste and Recycling and the Waste Management Committee of the Orange County City Manager's Association have worked to negotiate another multi-year agreement to fulfill the city waste disposal needs and to provide for the financial stability of the County disposal system. Following the completion of negotiations, which included analysis of the rate structure by a third party financial consultant and legal review of the agreement by a committee of city attorneys, the final agreement was presented to the Orange County Board of Supervisors for consideration on March 24, 2009. The Board approved the agreement and it will take effect upon approval of enough cities to represent 85% of the waste flow into the landfills.

The new agreement is substantially the same and provides for a rate increase to \$29.95 per ton, effective July 1, 2010 with an automatic annual increase based on the Consumer Price Index. The new agreement, new contract disposal rate, and revised posted disposal rate were approved by the Orange County Board of Supervisors on March 24, 2009.

## **Fiscal Impact**

There is no immediate fiscal impact from this action. On July 1, 2010, the City will be forced to increase monthly refuse disposal rates in order to recover costs for the increased landfill disposal costs.

Submitted By:

Approved By:

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Steven Mendoza  
Director of Community Development

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Nita McKay  
Interim City Manager

*Attachments:*

- 1) *Waste Disposal Agreement*
- 2) *Letter from OC Waste and Recycling dated March 26, 2009*
- 3) *County Staff Report dated March 26, 2009*
- 4) *County Board of Supervisor's Resolution*