



ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other	<input type="checkbox"/> Other

Prepared By: Grant Dunne, Management Analyst III *Grant Dunne* Agenda Item No. 0-1  
 Reviewed By: City Manager *JRP* Alan Holmberg *AA* City Attorney *AA* Finance *Y* Public Works – Mark Norris *MN*  
 Other (Specify) \_\_\_\_\_

**DATE:** August 30, 2006

**TO:** City Council

**FROM:** Don A. Smith, Environmental Resources Manager *DS*  
 Public Works – Environmental Resources Division

**SUBJECT:** **First Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management Incorporated, Simi Valley Landfill**

### RECOMMENDATION

That City Council approve and authorize the Mayor to execute First Amendment to Agreement For Solid Waste Disposal Services Between The City of Oxnard and Waste Management of California, Incorporated (Agreement).

### BACKGROUND

Since November of 1997, the Del Norte Regional Recycling and Transfer Station (Del Norte Facility) has used the Simi Valley Landfill as its primary landfill for solid waste disposal services. Each year the Del Norte Facility hauls approximately 270,000 refuse tons to the Simi Valley Landfill.

The Simi Valley Landfill is owned and operated by Waste Management of California, Incorporated (WMC) and is located at 2801 Madera Road. It has been in operation as a landfill since 1970. In 1972, the site began operations under the Ventura Regional County Sanitation District (now Ventura Regional Sanitation District, VRSD). In 1981, Waste Management of California, Inc (WMC) purchased the landfill and received approval to expand the permitted operating life of the facility. The landfill is permitted to operate through 2034.

### DISCUSSION

The First Amendment (Attachment No. 1) extends the initial term of the Agreement that expires September 25, 2006 for an additional five years. The Agreement constitutes a "put or pay" agreement that obligates the City to deliver a monthly minimum of 17,968 refuse tons at the landfill. WMC must, in turn, accept up to 25,504 tons per month. These minimum and maximum figures increase 1.5% each year. The Agreement includes a disposal fee of \$22.75 per ton plus an annual consumer price index adjustment. The average posted rate in the Los Angeles area for landfill tipping fees of similar waste is \$38.79 per ton. Overall, the terms and conditions of the Agreement provide a competitive fee and long-term disposal security.

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**First Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management Incorporated, Simi Valley Landfill**

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The Toland Road Landfill is the only landfill operated within Ventura County. The City has an agreement with the Ventura Regional Sanitation District, owner and operator of the Toland Road Landfill, to deliver 150 tons per day to its landfill. Currently, the Toland Road Landfill cannot accommodate receiving all of the City's remaining waste because of tonnage commitments made to other waste haulers that has limited their landfill's available capacity. Out of county landfills subject the City to higher waste transportation cost and County waste export fees.

Based on annual disposal and landfill tipping fee, the estimated value over the five-year term of this First Amendment is approximately \$30,700,000. Existing solid waste system user fees and charges provide cost recovery for disposal service at the Simi Valley Landfill.

**FINANCIAL IMPACT**

There are sufficient funds appropriated in Solid Waste Enterprise Fund Account Number 631-6304-844-8268 (Solid Waste/Processing & Disposal/Utilities/Refuse & Disposal) in the Fiscal Year 2006-07 budget for the expense of disposal fees at the Simi Valley Landfill.

GD

Attachment #1 – First Amendment to Agreement For Solid Waste Disposal Services Between The City of Oxnard and Waste management of California, Incorporated

Note: First Amendment to the Agreement for Solid Waste Disposal Services Between The City of Oxnard and Waste Management of California, Incorporated at the Simi Valley landfill has been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Friday.

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