



Meeting Date: 09 / 20 / 11

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input 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 *GD* Agenda Item No. **I-4**

Reviewed By: City Manager *MD* City Attorney *JK* Finance *AC* Other _____

DATE: September 8, 2011

TO: City Council

FROM: Rob Roshanian, Interim Public Works Director
Public Works Department

SUBJECT: **Second Amendment to Agreement No. A-5997 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 the Second Amendment to the Agreement For Solid Waste Disposal Services with Waste Management of California, Incorporated to extend the contract expiration date to February 25, 2012 (Agreement No. A-5997).

BACKGROUND

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 Second Amendment (Attachment No. 1) extends the initial term of the Agreement that expires September 25, 2011 for an additional six months to February 25, 2012. The additional six months will allow staff to further research the City's landfill disposal options while continuing its effort to negotiate a long term disposal service agreement with Waste Management.

The Second Amendment maintains all terms and conditions in the existing agreement. The current disposal fee is \$26.18 per ton. The average public posted rate in the combined counties of Santa Barbara, Ventura and Los Angeles for landfill tipping fees of similar waste is \$52.39 per ton. The City delivers approximately 17,100 tons or 82% of its waste to the Simi Valley Landfill on a monthly basis.

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The Toland Road Landfill is the only other landfill operated within Ventura County. The City has an agreement with the Ventura Regional Sanitation District, owner and operator of the Toland Road Landfill, which does not expire until November 14, 2020. The City delivers approximately 3,600 tons or 18% of its waste to the Toland Road Landfill per month for a disposal fee of \$31.00 per ton. The Toland Road Landfill cannot accommodate receiving all of the City's remaining waste tonnage because of tonnage commitments made to other waste haulers has limited their landfill's available capacity.

Based on annual disposal and landfill tipping fee, the estimated value over the six-month term of this Second Amendment is approximately \$2,700,000. 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 2011-12 budget for the expense of disposal fees at the Simi Valley Landfill.

Attachment #1 – Second Amendment to Agreement No. A-5997 For Solid Waste Disposal Services Between The City of Oxnard and Waste Management of California, Incorporated

**SECOND AMENDMENT TO
AGREEMENT FOR SOLID WASTE DISPOSAL SERVICES
BETWEEN
THE CITY OF OXNARD AND
WASTE MANAGEMENT OF CALIFORNIA, INC.**

THIS AGREEMENT is made this 20th day of September, 2011 by and between the City of Oxnard, a California municipal corporation ("City") and Waste Management of California, Inc., a California corporation ("Owner"). This Agreement amends the "First Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California, dated September 25, 2006 ("First Amendment").

RECITALS

WHEREAS, Owner is the owner and operator of the Simi Valley Recycling and Disposal Facility (the "Facility") and City desires to dispose of Residual Solid Waste at the Facility on the terms and subject to the conditions set forth in the First Amendment; and

WHEREAS, Owner agrees to grant such right to dispose of Residual Solid Waste at the Facility on the terms and subject to the conditions set forth in the First Amendment.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this Agreement and for other good and valuable consideration, the parties agree as follows.

1. Section 2.1 of the First Agreement is deleted in its entirety and amended to state:

2.1 Term. The initial Term of this Agreement shall begin as of the Effective Date and shall continue until five (5) years and six (6) months following the Effective Date (the "Initial Term"). Thereafter, this Agreement may be extended beyond the Initial Term

for one or more additional terms (the "Successive Term"), for a time period to be determined by the parties, upon mutual written agreement of the parties made not less than sixty (60) days prior to the end of the Initial Term or any Successive Term.

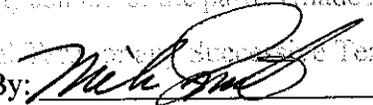
2. Except as provided herein, all other terms and conditions of the First Amendment remain in full force and effect.

IN WITNESS WHEREOF, City and Owner have executed this Agreement as of the date and year first above written.

CITY OF OXNARD

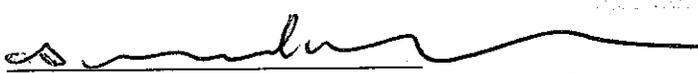
WASTE MANAGEMENT OF CALIFORNIA, INC.

By: _____
Dr. Thomas E. Holden, Mayor

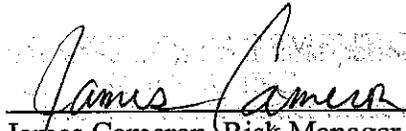
By:  _____

Name: MICHAEL SMITH
Michael E Smith
Director of Operations

APPROVED AS TO CONTENT:

By:  _____
Rob Roshanian, Interim Public Works Director

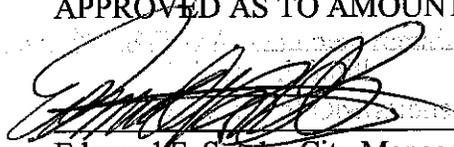
APPROVED AS TO INSURANCE

 _____
James Cameron, Risk Manager

ATTEST:

By: _____
Daniel Martinez, City Clerk

APPROVED AS TO AMOUNT:

 _____
Edmund F. Sotelo, City Manager

APPROVED AS TO FORM:

By:  _____
Alan Holmberg, City Attorney