



Waste Management Commission

Thursday, March 14, 2019 - 2 p.m.

OC Waste & Recycling Headquarters
300 N. Flower St. Santa Ana, CA 92703

Waste Management Commission Local Task Force

Chair (5th District)

Donald R. Froelich

Vice Chair (1st District)

Cheryl Brothers*

1st District

Juan Villegas

2nd District

Rob Johnson*

3rd District

Mike Alvarez*

Beth Haney

4th District

Christine Marick*

5th District

Cynthia Conners*

Joe Soto

At Large

David J. Shawver*

City Managers'

Representative

Bret M. Plumlee*

Director

OC Waste & Recycling

Thomas D. Koutroulis

*Appointed by Orange
County City Selection
Committee

AGENDA 3/14/2019

If you wish to speak on an item contained in the agenda, please complete a Public Comment Form identifying the item(s) and submit it to the Commission Clerk. If you wish to speak on a matter which does not appear on the agenda, you may do so during the Public Comment period at the close of the meeting. Speaker forms are available at the sign-in table at the back of the room.

The Orange County Waste Management Commission consists of 18 members. Nine members present constitute a quorum. In the absence of a quorum the meeting will be convened and adjourned, and no actions may be taken by the Commission.

Pledge of Allegiance

Roll Call

The Clerk of the Commission will call roll.

Chairman's Report

Chairman Donald Froelich

Director's Report

Thomas D. Koutroulis, Director, OC Waste & Recycling

Action Item Recap

Commission Clerk

Agenda Item 1:

Minutes of Waste Management Commission/Local Task Force, December 13, 2018

Summary: Review and approve minutes of December 13, 2018 WMC/LTF meeting.

Recommended Action: Review and approve minutes.

Agenda Item 2:

OC Waste & Recycling Second Quarter 2018/19 Financial Report

Summary: Staff will provide the OC Waste & Recycling Financial Report for Second Quarter FY 18/19.

Recommended Action: Receive and file report.

Agenda Item 3:

Subcommittee Report

Summary: Report of Legislative Subcommittee meeting.

Recommended Action: Receive and file report.

- Agenda Item 4:** **Legislative and Regulatory Report**
Summary: Staff will present an update on legislation pertaining to solid waste management, and report OC Waste & Recycling's participation in regulatory activities.
- Agenda Item 5:** **Report on AB 939 Surcharge-Funded Programs and Outreach**
Summary: Staff will provide an update of OCWR's partnership programs with the Discovery Cube, Angels and Ducks following Board approval of new contracts and an overview of coming events.

Recommended Action: Receive and file report.
- Agenda Item 6:** **Notification Item**
Summary: Staff will provide to Waste Management Commission notification of OCWR's updated Non-Disposal Facility Element (NDFE).

Recommended Action: Receive and file.
- Agenda Item 7:** **Waste Industry Presentation:**
"Recycling and Disposal Update – OC and Statewide"
Summary: Staff will present this update based on a [new report](#) from CalRecycle and current OC trends.

Recommended Action: Receive and file report.

Commissioner Comments

Public Comment

At this time members of the public may address the Commission regarding any items within the subject matter jurisdiction of the Commission provided that NO action may be taken on off-agenda items unless authorized by law. When addressing the Commission, please state your name for the record prior to providing your comments. Please address the Commission as a whole through the Chair.

Comments shall be limited to three (3) minutes per person and up to twenty (20) minutes for all comments, at the discretion of the Chair and the approval of the Commission.

WASTE MANAGEMENT COMMISSION/LOCAL TASK FORCE

Thursday, March 14, 2019

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1. By accessing the OC Waste & Recycling website at www.oilandfills.com and viewing the Waste Management Commission page.
2. By sending a written request to OC Waste & Recycling, 300 N. Flower, Suite 400, Santa Ana, CA 92703-5000;
3. By telephoning the Commission Clerk at (714) 834-4060;
4. By sending an e-mail request to Commission Clerk at ruth.wardwell@ocwr.ocgov.com.

NEXT MEETING: Thursday, June 13, 2019 at OCWR Headquarters



Agenda Item 1 - Minutes of Waste Management Commission/ Local Task Force Meeting, December 13, 2018

Commissioners Roll (√ Indicates Present. Ex indicates excused absence.)

<i>1st District</i>	<i>2nd District</i>	<i>3rd District</i>	<i>4th District</i>	<i>5th District</i>
Vacant	√ Rob Johnson	ab Mike Alvarez	√ Christine Marick	ex Cynthia Conners
√ Cheryl Brothers	ex Joe J. Carchio	√ Donald Froelich	Vacant	√ Joe Soto
√ Juan Villegas	ab Tina Nieto	√ Beth Haney	Vacant	ab Mark Tettermer
√ Bret Plumlee – <i>City Manager</i>			√ David Shawver – <i>At Large (Stanton)</i>	
√ Tom Koutroulis, OC Waste & Recycling Director			*City Selection Committee Appointee	

Also Present:

Paul Albarian	Isaac Novella
Irene Alonso	Brian Probolsky
Nicole Drace	Isabel Rios-Kahn
Steven Halligan	Lisa Smith
Karalyn Meeh	

Call to Order

Chairman Rob Johnson called the meeting to order at 2:07 p.m. The meeting location was Discovery Cube OC, 2525 N. Main St., Santa Ana, CA.

Pledge of Allegiance

The Pledge of Allegiance was led by Commissioner Joe Soto.

Roll Call

Roll call was conducted by the Commission Clerk.

Chairman’s Report

Chairman Rob Johnson shared a brief history of the partnership of OCWR and Discovery Cube, which traces its roots to California state recycling legislation – AB 939, which launched a new era of recycling by mandating a 50 percent diversion rate. Partnering with the Cube enabled OCWR to deliver mandated educational messaging.

He also encouraged Commissioners to attend events when possible, such as America Recycles Day Eco Challenge collection held in November and to take a landfill tour. The chairman reminded Commissioners that the Ethics Training course must be completed and submitted to the Ethics Office by December 31, 2018. Commissioners who fail to meet the deadline will vacate their seat.

Chairman Johnson offered congratulations to elected officials on the Commission: David Shawver for being elected Mayor of Stanton; Mark Tettermer for being elected to the Lake Forest City Council; Beth Haney for being named Yorba Linda Mayor Pro Tem.

Director’s Report

Director Tom Koutroulis reported:

- San Juan Capistrano cooperative agreement approved by the Board of Supervisors. Capacity in Zone 1 to 2050; Zone 4 to 2102.
- Next Countywide Integrated Waste Management Plan (CIWMP) update is due March 2021. Update will include organic waste management.

- Major capital projects. New 30-year capacity fill zone at FRB completed. Final Phase at Prima under construction.
 - Passed all our monthly LEA inspections this year.
 - Completed another USCC composting training; OCWR selected as a training site
- He also commended and thanked Rob Johnson for her service as Commission Chair.

Clerk's Action Item Report

The sole item was to plan and execute the meeting at the Cube.

Agenda Item 1: Minutes of the September 13, 2018 Waste Management Commission/Local Task Force Meeting

MOVED: Commissioner Shawver
 SECONDED: Commissioner Marick
 ABSTAIN: Commissioner Brothers
 APPROVED: Yes

Agenda Item 2: OC Waste & Recycling First Quarter FY 2018/19 Financial Report

Budget manager Karalyn Meeh provided an overview of tonnage, revenue and expenses
 Question – Commissioner Shawver: Capital improvements, are we going to need more funding for implementation of 1383?
 Staff answer – funds sufficient for what we have planned at this point.

MOVED: Commissioner Brothers
 SECONDED: Commissioner Froelich
 ABSTAIN: -
 APPROVED: Yes

Agenda Item 3: Subcommittee report

Commissioner David Shawver reported on the subcommittee meeting and discussed the implications of SB 1383. He encouraged Commissioners to be vocal about getting their cities in position to be SB 1383 compliant.

MOVED: Commissioner Brothers
 SECONDED: Commissioner Haney
 ABSTAIN: -
 APPROVED: Yes

Agenda Item 4: Legislative and Regulatory Report

OCWR Contracts and Programs Support Manager Brian Probolsky provided the report, including the status of 1383 and the State's representation of what the bill will do for residents' health and other outcomes. He stated that jurisdictions must pass code ordinances, such as flipping lids on bins to see what is going into them. He reiterated Commissioner Shawver's advice to make sure jurisdictions are on top of this to deadlines can be met. He welcomed Commissioners to call OCWR for more information if desired. Call us; don't have to wait for meeting. More people in the loop the better.

MOVED: Commissioner Soto
 SECONDED: Commissioner Villegas
 ABSTAIN: -
 APPROVED: Yes

Agenda Item 5: Report on AB 939 Surcharge-Funded Programs and Outreach

Staff provided report on the America Recycles Day EcoChallenge Collection Event and the Recycling and Waste Reduction Grant.

MOVED: Commissioner Brothers

SECONDED: Commissioner Shawver

ABSTAIN: -

APPROVED: Yes

Agenda Item 6: Waste Industry Presentation – Joe Adams

Discovery Cube President Joe Adams shared the Cube’s vision for science education in Orange County and talked about how the partnership with OCWR helped the Cube expand its strategies on the value of hands-on learning.

MOVED: Commissioner Froelich

SECONDED: Commissioner Haney

ABSTAIN: -

APPROVED - Yes

Agenda Item 7: Election of 2019 Chair and Vice Chair

Chair:

Commissioner Marick nominated Vice Chair Froelich to serve as 2019 Commission Chair.

Commissioner Shawver seconded and closed the nominations.

Unanimous vote in favor of Commissioner Froelich serving as 2019 Chair.

Vice Chair:

Commissioner Shawver nominated Commissioner Brothers to serve as 2019 Commission Vice Chair.

Commissioner Marick seconded and closed the nominations.

Unanimous vote in favor of Commissioner Brothers serving as 2019 Vice Chair.

Commissioner Comments:

Commissioner Shawver – commended Chair Johnson for his service, giving recognition to staff and carrying on subcommittees.

Chair Johnson – requested that Clerk send out list of subcommittees and thanked staff.

Commissioner Haney – asked to confirm 2019 dates.

Public Comments:

None

The meeting was adjourned at 3:33 p.m.



Agenda Item 2 – *OC Waste & Recycling’s FY 18/19 Financial Report* ***Karalyn Meeh, Section Manager, Budget, Purchasing*** ***& Landfill Administration***

This report presents the financial status of OC Waste & Recycling as of the second quarter of FY 18/19 (ending December 31, 2018). Included in the report is financial information related to tonnage, expenditures, revenues, and cash balances.

System Tonnage

Total OC Waste & Recycling system tonnage received as of the second quarter of FY 18/19 was 2,581,471 tons, consisting of 1,613,529 in-county tonnage and 967,942 importation tonnage. By landfill site, tonnage as of second quarter was as follows:

Olinda Alpha Landfill

In-county tonnage 584,464 (36%) of total in-county tonnage
Importation tonnage 464,008 (48%) of total importation tonnage

Frank R. Bowerman Landfill

In-county tonnage 815,722 (51%)
Importation tonnage 439,009 (45%)

Prima Deshecha Landfill

In-county tonnage 213,343 (13%)
Importation tonnage 64,924 (7%)

Revenues

As of the second quarter of FY 18/19, revenue recorded in OC Waste & Recycling’s Enterprise/Operating (Fund 299) was \$54,116,882 versus the modified revenue budget of \$146,998,240.

Revenue recorded in OC Waste & Recycling’s Capital Project Fund (Fund 273) was \$290,087 versus the modified revenue budget of \$29,100,000.

Revenue recorded in OC Waste & Recycling’s Importation Net Revenue Sharing Fund (Fund 295) was \$23,700,383 versus the modified revenue budget of \$52,281,097.

Sources of revenue received as of the second quarter of FY 18/19 included:

- \$72,372,274 Tonnage Revenue (94.67% of total revenue received)
- \$1,817,434 Interest Income (2.06%)
- \$1,372,676 AB 939 Surcharge Revenue (1.79%)
- \$1,298,811 Leases & Royalties (0.45%)
- \$157,062 Other Revenue (0.02%)

Expenditures

Expenditures and encumbrances recorded in OC Waste & Recycling's Enterprise/Operating (Fund 299) as of second quarter of FY 18/19 totaled \$50,504,235 or an approximate 32.7% of the modified expense budget of \$ 154,240,431.

Expenditures and encumbrances recorded in OC Waste & Recycling's Capital Project Fund (Fund 273) as of second quarter of FY 18/19 totaled \$10,539,581 versus a modified expense budget of \$49,085,517.

Expenditures and encumbrances recorded in OC Waste & Recycling's Importation Fund (Fund 295) as of second quarter of FY 18/19 totaled \$1,396,698 versus a modified expense budget of \$50,919,000.

As of FY 18/19 second quarter, OC Waste & Recycling's major categories of expenditures were:

- \$26,743,311 Services & Supplies (42.8%)
- \$13,169,348 Salaries & Employee Benefits (21.1%)
- \$10,530,669 Capital Projects (16.7%)
- \$8,212,555 Equipment (13.2%)
- \$3,792,290 Taxes, Fees, Assessments (6.1%)

Cash Balance and Reserves

As of December 31, 2018, the OC Waste & Recycling's Enterprise/Operating Fund 299 had a cash balance of \$ 206,034,448.

As of December 31, 2018, the OC Waste & Recycling's Enterprise/Operating Fund 299 had an available reserves balance of \$89,091,138.

Should you have any questions or would like additional information, please contact Karalyn Meeh, OC Waste & Recycling Budget, Purchasing & Landfill Administration Services Manager at (714) 834-4148.

Recommended Action: Receive and file report.

Attachments

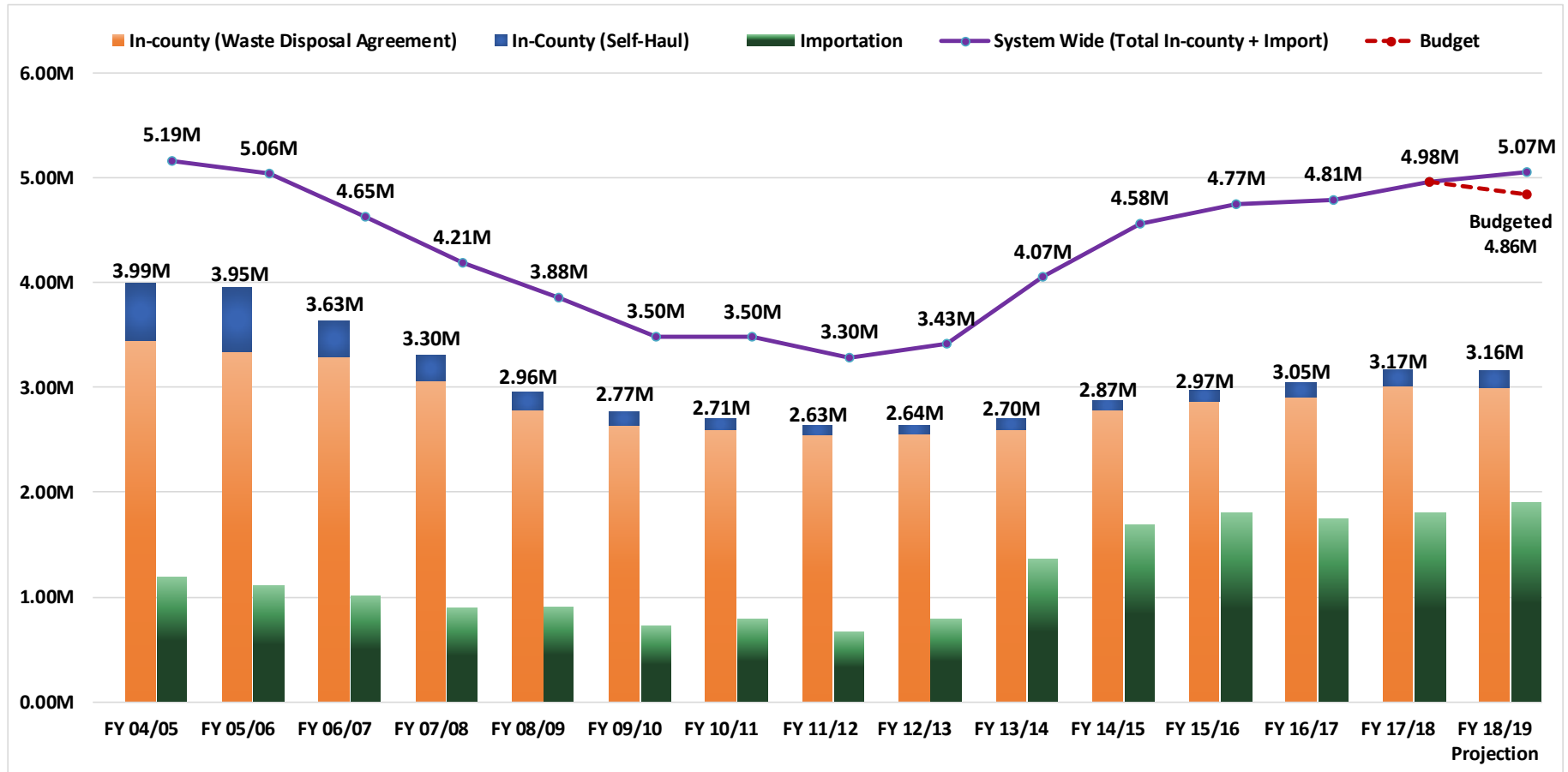
1. FY 2018/2019 Tonnage, Revenue and Expenditures Summary – As of December 31, 2018
2. System-Wide Tonnage Trend – FY 2004/2005 to FY2018/2019 Estimate
3. System-Wide Tonnage Revenue Trend – FY 2014/2015 to FY 2018/2019 Estimate
4. FY 2018/2019 Revenue Budget to Actuals – As of December 31, 2018
5. FY 2018/2019 Expenditure Budget to Actuals – As of December 31, 2018
6. Cash Balances – FY 2014/2015 to FY 2018/2019 as of December 31, 2018

OC WASTE & RECYCLING FY 2018/2019 Tonnage, Revenue and Expenditures Summary As of December 31, 2018

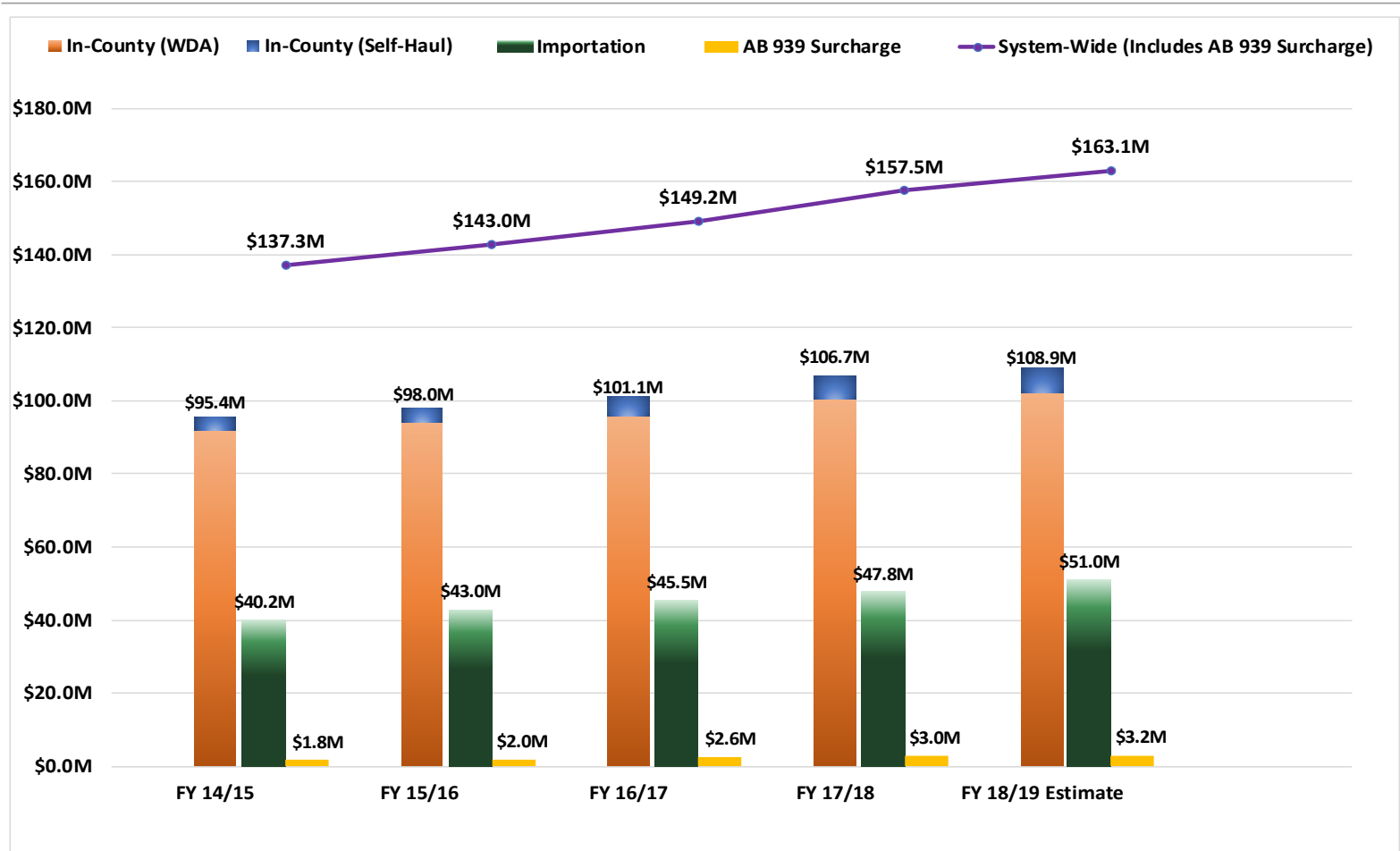
	FY 18/19 Modified Budget	FY 18/19 As of 12/31/18 Actuals	YTD Actuals (% of Modified Budget)	FY 18/19 2nd Available Financing Estimate*	2nd AF Est to Modified Budget
System-Wide Tonnage					
<i>In-County Tonnage</i>	3,075,270	1,613,529	52.5%	3,138,031	102.0%
<i>Importation Tonnage</i>	1,788,057	967,942	54.1%	1,752,997	98.0%
Total System-Wide Tonnage	4,863,327	2,581,471	53.1%	4,891,028	100.6%
Enterprise/Operating (Fund 299)					
<i>Revenues</i>	\$ 146,998,240	\$ 54,116,882	36.8%	\$ 149,747,171	101.9%
<i>Expenditures</i>	\$ 154,240,431	\$ 50,504,235	32.7%	\$ 137,243,370	89.0%
Capital Projects (Fund 273)					
<i>Revenues</i>	\$ 29,100,000	\$ 290,087	1.0%	\$ 10,500,000	36.1%
<i>Expenditures</i>	\$ 49,085,517	\$ 10,539,581	21.5%	\$ 20,487,370	41.7%
Importation (Fund 295)					
<i>Revenues</i>	\$ 52,281,097	\$ 23,700,383	45.3%	\$ 51,483,839	98.5%
<i>Expenditures</i>	\$ 50,919,000	\$ 1,396,698	2.7%	\$ 51,483,839	101.1%

* 2nd Available Financing Estimate is a mid-year projection of the current fiscal year's ending revenue and expenditures.

OC WASTE & RECYCLING System-Wide Tonnage Trend FY 2004/2005 – FY 2018/2019 Estimate



OC WASTE & RECYCLING System-Wide Tonnage Revenue Trend FY 2014/2015 – FY 2018/2019 Estimate



OC WASTE & RECYCLING FY 2018/2019 Revenue Budget to Actuals As of December 31, 2018

	FY 18/19 Modified Budget	FY 18/19 YTD Actuals (As of 12/31/18)	YTD Actuals (% of Adopted Budget)	FY 18/19 2nd Available Financing Estimate	2nd AF Est to Modified Budget
System-Wide Tonnage Revenue (Excluding AB 939)	157,946,597	72,372,275	46%	159,941,000	102%
AB 939 Surcharge Revenue	2,872,000	1,372,676	48%	3,164,000	110%
Interest Income	2,104,000	1,817,434	86%	3,800,000	181%
Leases & Royalties	4,689,000	1,298,811	28%	4,617,494	98%
Other Revenues ^[1]	245,500	157,062	64%	1,768,978	721%
<i>Revenue before Transfers</i>	\$167,857,097	\$77,018,256	46%	\$173,291,472	104%
Internal Transfers (Transfers between OCWR Funds)	55,722,240	1,089,096	2%	39,801,635	71%
Transfers-in from Other Funds	4,800,000	-	0%	-	0%
Total Revenue	\$228,379,337	\$78,107,352	34%	\$213,093,107	94%

[1] Other Revenues includes: Licenses, Permits & Franchises; Forfeitures & Penalties; Intergovernmental Revenues; Other Charges for Services; Capital Asset Sales; and Miscellaneous Revenues. The estimate for 2nd Available Financing includes a prior year adjustment to importation revenue in Fund 295 due to the closing of Fund 285 Bankruptcy Recovery Fund (the former importation fund).

OC WASTE & RECYCLING FY 2018/2019 Expenditure Budget to Actuals As of December 31, 2018

Expenditure Category	FY 18/19 Modified Budget	FY 18/19 YTD Actuals (As of 12/31/18)	YTD Actuals (% of Modified Budget)	FY 18/19 2nd Available Financing Estimate	2nd AF Est to Modified Budget
Services & Supplies	67,527,700	26,743,311	40%	60,349,414	89%
Capital Projects	44,260,000	10,530,669	24%	14,957,370	34%
Salaries & Employee Benefits	29,359,431	13,169,348	45%	28,515,672	97%
Taxes, Fees, Assessments ^[1]	17,818,300	3,792,290	21%	18,215,300	102.2%
Equipment	11,819,500	8,212,555	69%	9,904,616	84%
AB 939 Surcharge Program Expenditures	2,095,500	-	0%	855,369	41%
Net Importation Revenue Sharing to Cities and County	16,026,760	1,989	0%	16,115,204	101%
Total before Contingency, Adjustments & Transfers	\$188,907,191	\$62,450,161	33%	\$148,912,944	79%
Contingency	9,615,517	-	0%	0	0%
Depreciation & Adjustments for Capitalized Assets	0	(9,647)	-	20,500,000	-
Internal Transfers (Transfers between OCWR Funds)	55,722,240	-	0%	39,801,635	71%
Total Encumbrances and Expenditures	\$254,244,948	\$62,440,514	25%	\$209,214,579	82%

[1] Includes payments to host cities.

OC WASTE & RECYCLING Cash Balances FY 2014-2015 – FY 2018/2019 as of December 31, 2018

FUND	Description	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19 As of 12/31/2018
299	OC Waste & Recycling Enterprise / Operating ^[1]	\$145.66 M	\$166.22 M	\$180.08 M	\$159.16 M	\$206.03 M
273	Capital Project Fund	\$24.63 M	\$15.73 M	\$16.98 M	\$45.50 M	\$28.42 M
295	Importation Revenue Sharing Fund ^[2]	\$6.27 M	\$1.35 M	\$7.39 M	\$35.89 M	\$19.28 M
Operating Cash		\$176.56 M	\$183.30 M	\$204.45 M	\$240.55 M	\$253.73 M
275	Environmental Reserve (Liabilities)	\$71.06 M	\$72.90 M	\$58.81 M	\$59.12 M	\$59.58 M
279	Landfill Post-Closure Maintenance	\$148.57 M	\$143.16 M	\$132.71 M	\$129.33 M	\$128.44 M
Cash Earmarked for Future Obligations		\$219.63 M	\$216.06 M	\$191.52 M	\$188.45 M	\$188.02 M
274	Corrective Action Escrow	\$8.17 M	\$8.22 M	\$8.29 M	\$8.37 M	\$8.44 M
276	Deferred Payment Security Deposits	\$0.55 M	\$0.55 M	\$0.65 M	\$0.69 M	\$0.73 M
284	Bee Canyon Landfill Escrow (Closure)	\$29.05 M	\$29.22 M	\$29.45 M	\$29.74 M	\$29.98 M
272	Prima Deshecha Landfill & La Pata Avenue Gap Closure	\$0.10 M	\$0.10 M	\$0.10 M	\$0.10 M	\$0.10 M
286	Brea-Olinda Landfill Escrow (Closure)	\$38.71 M	\$38.92 M	\$39.25 M	\$39.64 M	\$39.96 M
287	Prima Deshecha Landfill Escrow (Closure)	\$20.46 M	\$20.58 M	\$20.74 M	\$20.95 M	\$21.12 M
288	FRB Wetland Creation & Agua Chinon Wash Riparian	\$0.88 M	\$0.88 M	\$0.88 M	\$0.88 M	\$0.88 M
Restricted Cash		\$97.92 M	\$98.47 M	\$99.36 M	\$100.37 M	\$101.21 M
TOTAL CASH		\$494.11 M	\$497.83 M	\$495.33 M	\$529.37 M	\$542.96 M

[1] Fund 299 Operating Cash includes cash earmarked for AB 939 Surcharge, Capital Expenditures, and Reserves (25% of Operating Expense Budget).

[2] Fund 295 (FKA Fund 285 Bankruptcy Recovery Fund) distribution of Importation Net Revenue Sharing occurs after the close of the fiscal year by September 29th.



March 14, 2019

Agenda Item 3 — *Subcommittee Report*

Legislative Subcommittee

Recommended Action: Receive and file report.



Thursday, March 14, 2019

Agenda Item 4 — *Legislative and Regulatory Report*

Summary: Staff will present an update on legislation pertaining to solid waste management, and report on regulatory activity affecting OC Waste & Recycling.

Recommended Action: Receive and file report.



Agenda Item 5 —*Report on AB 939 Surcharge-Funded Programs and Outreach*

Summary: Staff will provide updates on OCWR programs and activities funded by the AB939 surcharge budget, which provides for diversion programs and educational outreach expenditures focused on diversion.

- OCWR's partnership programs with the Discovery Cube, Angels and Ducks following Board approval of new contracts and an overview of coming events.

Recommended Action: Receive and file report.



Thursday, March 14, 2019

Agenda Item 6 — *Notification Item*

Summary: Staff will present to Waste Management Commission notification of OCWR's updated Non-Disposal Facility Element (NDFE)

CalRecycle requires the County of Orange as a jurisdiction to notify and provide a copy of its NDFE to its Local Task Force. Pursuant to AB 341 (Chapter 4.5, Statutes of 2011, Chesbro, AB 341) the update is not subject to review or comment by the local task force nor CalRecycle.

Recommended Action: Receive and file.



Thursday, March 14, 2019

Agenda Item 7 — *Waste Industry Presentation*

OC Waste & Recycling Strategic Projects Manager Steven Halligan will present “Recycling and Disposal Update – OC and Statewide.” The presentation will be based on a new report from CalRecycle and current OC trends. Q+A will follow the presentation.

The report document is available on the CalRecycle website at this link:

<https://www2.calrecycle.ca.gov/Publications/Details/1643>

Recommended Action: Receive and file report.