





Costa Mesa Sanitary District

....an Independent Special District

Memorandum

To: Board of Directors

Via: Scott Carroll, General Manager 

From: Elizabeth Pham, Management Assistant 

Date: May 28, 2015

Subject: **Resolution No 2015-864 to Approve the Amendment to Waste Disposal Agreement**

Summary

The majority of Orange County cities, Midway City Sanitary District and the County have collectively reached an agreement for an amendment to the 2009 Waste Disposal Agreement (WDA). The resolution to approve the amendment will provide for the continuation of solid waste importation at the County landfills, allocation of future importation revenues to each agency and to extend terms of the WDA through June 30, 2025. This action will maintain stable County disposal rates and continuity of service for residents while ensuring continued partnership between cities, special districts and the County. Staff would like the Board to review and sign the resolution approving the amendment to the WDA of solid waste importation.

Staff Recommendation

That the Board of Directors adopts Resolution No. 2015-864 approving the Amendment to the Waste Disposal Agreement with the County of Orange.

Analysis

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



The WDA is an example of County, cities and sanitary districts collaborating to strategically leverage a countywide asset. The solid waste revenues are utilized by the County: to maintain the landfill system; to preserve funds for landfill closure costs; to address post-closure maintenance, and to mitigate long-term risk and environmental liabilities. The District and other cities in Orange County have benefitted from additional services provided by the County that include: permanent household hazardous waste collection facilities; green waste acceptance at no charge to cities to assist with compliance with state recycling mandates; and support of programs to meet state diversion requirements.

In 2004, a convergence of several factors resulted in drastic declines to in-County tonnage (more than 30 percent). Successful waste diversion and recycling programs, the economic downturn and increased legislative requirements were contributing factors to this decline. A committee of City Managers representing Orange County cities participated with the County in preparing a framework to address the reduction in revenues and to ensure rate stabilization for local residents and businesses.

The proposed Resolution to amend the WDA sets forth the continuation of future importation to offset the revenue reduction and establishes a fair-share allocation of net importation revenues to cities and sanitary districts. An in-depth review of County resources concluded the amount of imported waste combined with in-County waste will remain below total disposal tonnage projections indicated in the current WDA. The proposed 5-year extension of the WDA to 2025 will provide additional stability to the system in light of more stringent legislative and regulatory requirements such as AB 1826, AB 1594, and the 75% recycling target of AB 341.

Strategic Plan Element & Goal

This item complies with the objective and strategy of Strategic Element 2.0, Solid Waste, which states:

“Objective: *Our objective is to manage the collection and recycling of residential trash in the most economical and environmentally friendly way.”*

“Strategy: *We will do this by looking for ways to improve efficiencies, achieve high customer satisfaction, and considering prudent new recycling methods.”*

Legal Review

District Counsel has reviewed and approved the resolution attached hereto.

Environmental Review

The resolution to amend the Waste Disposal Agreement is not a disturbance of the environment similar to grading or construction and does not constitute as a project under CEQA or the District's CEQA Guidelines.

Financial Review

The District would receive 1.48 percent of the allocation pursuant to Section 3.6 of Attachment D, which is estimated to be \$79,976 annually. The allocation amount can fluctuate based upon the amount of waste imported. The initial allocation to the District will be made by September 30, 2016 and will be included in the proposed Fiscal Year 2016-17 Budget presented to the Board.

Public Notice Process

Copies of this report are on file and will be included with the complete agenda packet for the May 28, 2015, Board of Directors meeting at District Headquarters and posted on the District's website.

Attachments A. Resolution No. 2015-864 Approving the Amendment to the WDA
 B. Importation for Amendment Presentation
 C. WDA Background
 D. 2015 WDA Final Amendment

Reviewed by:

A handwritten signature in blue ink, appearing to read "Wendy Hooper Davis".

Wendy Hooper Davis
Finance Manager

RESOLUTION NO. 2015-864

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COSTA MESA SANITARY DISTRICT APPROVING AN AMENDMENT TO THE 2009 WASTE DISPOSAL AGREEMENT WITH THE COUNTY OF ORANGE.

WHEREAS, the Costa Mesa Sanitary District (the "District") has an existing Waste Disposal Agreement (the Waste Disposal Agreement) with the County of Orange (the "County") which requires the District to dispose of all specified solid waste generated within the District to County landfills and for the County to accept all such waste at a price agreed upon by the District and County; and

WHEREAS, the Waste Disposal Agreement became effective on or about July 23, 2009, and by its term is set to expire on June 30, 2020; and

WHEREAS, the Waste Disposal Agreement provides that the County will not accept waste imported from outside the County at County landfills after June 30, 2016; and

WHEREAS, an Amendment to the Waste Disposal Agreement (the "Amendment") has been negotiated between the County and various cities throughout Orange County to provide for continuation of importation of waste from outside the County at County landfills in exchange for allocation to the cities and certain sanitary districts of a portion of future importation revenues and to extend the terms of this activity within the Waste Disposal Agreement to June 30, 2025; and

WHEREAS, the Board of Directors desires to ensure that solid waste generated within the District can be disposed of in an environmentally safe manner and at a reasonable cost for the near future; and

WHEREAS, the proposed Amendment furthers these goals by, among other things, ensuring that solid waste generated within the District can be disposed of at County landfills through June 30, 2025; that the landfills will be operated in an environmentally safe and reliable manner; and that the cost of disposing of solid waste at County landfills will be reasonable.

NOW, THEREFORE, the Board of Directors of the Costa Mesa Sanitary District resolves, finds and determines, on the basis of the facts set forth in the agenda report presented to it and any testimony received at the meeting at which this matter was considered, as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Board of Directors hereby finds and determines that the proposed Amendment to the Waste Disposal Agreement between the County of Orange and the Costa Mesa Sanitary District (“Amendment”) furthers the public health, safety and welfare.

Section 3. The Board of Directors hereby finds and determines that the terms and provisions of the Amendment, in the form as submitted by the General Manager, are approved and that the President of the Board is authorized to execute, and the District Clerk to attest, the Amendment on behalf of the District.

Section 4. The officers and employees of the District are authorized and directed, jointly and severally, to do any and all things necessary or advisable in order to effectuate the purposes of this Resolution and to administer the District's obligations, responsibilities and duties to be performed.

PASSED and **ADOPTED** this 28th day of May, 2015.

Secretary, Costa Mesa Sanitary District
District
Board of Directors

President, Costa Mesa Sanitary
Board of Directors

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF COSTA MESA)

I, NOELANI MIDDENWAY, Clerk of the Costa Mesa Sanitary District, hereby certify that the above and foregoing Resolution No. 2015-864 was duly and regularly passed and adopted by said Board of Directors at a regular meeting thereof, held on the 28th day of May 2015 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Costa Mesa Sanitary District, this ____ day of _____ 2015.

Noelani Middenway
Clerk of the Costa Mesa Sanitary District

Proposed Amendment to Waste Disposal Agreement

Council Briefing Sheet
March 2015

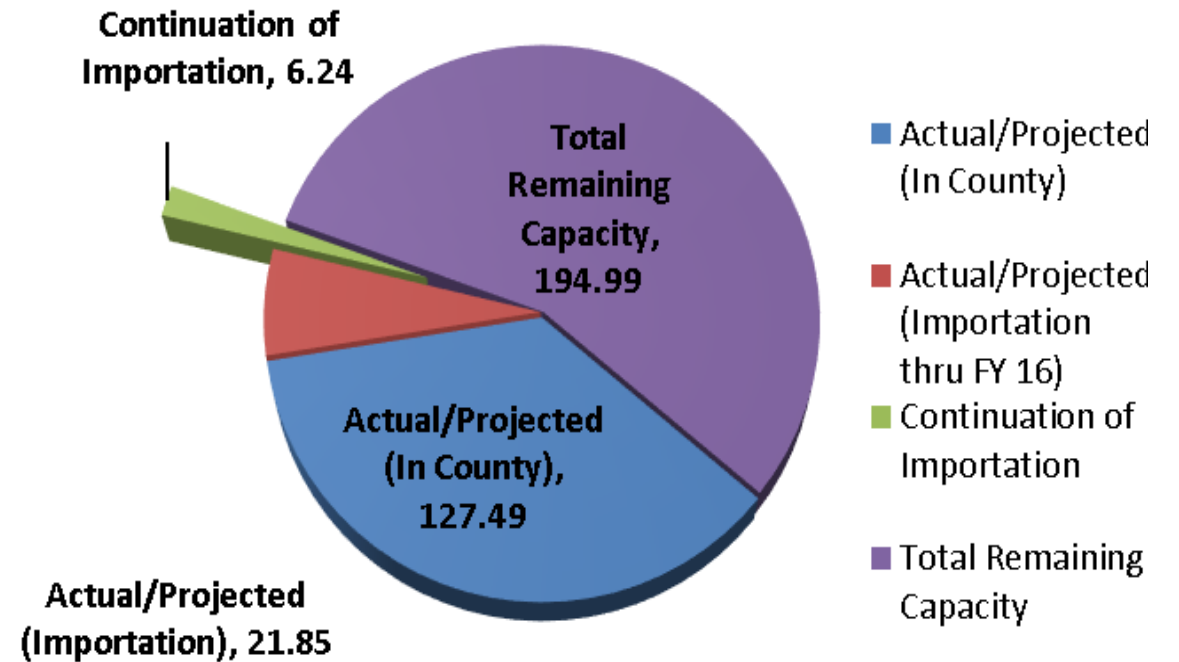
Current Tonnage vs WDA Projections

- Through the 2009 Waste Disposal Agreements (WDA), Cities and County have had a successful partnership since 1997 which has resulted in **low, predictable disposal rates** for Orange County residents and businesses.
- Since FY 2004-05, in-County tonnage has declined by over 30% due to **successful diversion programs and economy**.
- Continued decline of in-County tonnage projected due to **legislative and regulatory requirements** (AB 341, AB 1826, AB 1594)
- **Tonnage declines** have resulted in revenue shortfalls.
- Absent action, **rate and/or service level impacts** will result.

Time Period (since 7/1/10)	WDA Minimum Tonnage Commitment	Actual/ Projected Tonnage	Shortfall (Tons)	% Shortfall
June 30, 2014	13.5 million	10.7 million	(2.8 million)	-21%
June 30, 2020	35.0 million	26.6 million	(8.4 million)	-24%

System Capacity and Importation

- Disposal System has significant capacity.
- Importation will use no more capacity than previously anticipated in WDA.
- 6.24 million tons (approximately 1.5 years of system life).
- Even with importation, disposal system has system life until approximately the year 2100.



Historic WDA Tipping Fee per Ton

Description	2011	2012	2013	2014	2015
WDA Fee per Ton	\$29.95	\$30.30	\$31.37	\$32.05	\$32.36
Percent Increase		1.17%	3.53%	2.17%	0.97%

Terms of Amendment to WDA

Terms	Proposed 2015 Tentative Agreement	Goal
WDA Term	Five-year extension from 2020 to 2025	<ul style="list-style-type: none">• Maintain long-term partnership• Facilitate long-range capital planning
Importation Term	Remove expiration date of 2016	<ul style="list-style-type: none">• Stabilize rates• Maintain long-term partnership
Importation Revenues	Fund disposal system operations, pays off County Bankruptcy and equitable sharing of net importation revenues	<ul style="list-style-type: none">• Ensure long-term viable Countywide asset• Maintain stable rates for residents• Continue high service levels• Mitigate long-term risk and environmental liabilities• Helps address legislative mandates



About the current Waste Disposal Agreements (WDAs)

Since 1997, WDAs have brought about a successful, mutually beneficial partnership which has resulted in low, predictable disposal rates for Orange County residents and businesses. OC Waste & Recycling has a dedicated revenue stream with which to operate a well-planned, financially sound and environmentally conscious regional waste management system. This provides for high level of services to cities, businesses and residents such as permanent household hazardous waste collection facilities, education and outreach programs, green waste acceptance at no charge to cities to assist with state recycling mandates, and support of city programs to meet state diversion requirements.

The term of the current WDA began on July 1, 2010 and continues through June 30, 2020.

What changed?

Until the early 2000s, Orange County was growing and waste tonnage at the landfills was increasing. At that time, OC Waste & Recycling, in partnership with cities and the Waste Management Commission, undertook a comprehensive strategic planning process and implemented initiatives that would secure capacity for future generations.

However, beginning in 2004, a convergence of several factors resulted in drastic declines to in-County tonnage (more than 30 percent). Successful waste diversion and recycling programs, the economic downturn and increased legislative requirements all played a role. In fact, the landfill system is currently projected to have capacity into the next century (2101). Current and anticipated legislative mandates are likely to further reduce tonnage in coming years.

About Waste Importation

Importation of waste was agreed upon by all parties to support Orange County bankruptcy recovery efforts. The revenue stream from waste importation was an important component of bankruptcy relief and has proven tremendously successful.

In response to the Great Recession and dramatic declines of in-County tonnage, revenues from imported waste have helped stabilize rates, maintain high service levels and support capital projects—costs otherwise borne by Orange County taxpayers.

Waste importation is currently scheduled to end in 2016.

What are the terms of the proposed amendment?

There are three key elements to the amended terms:

- The Waste Disposal Agreements will be extended five years—from 2020 to 2025.
- Removal of the expiration date for waste importation.
- Net revenue from continued importation will be equitably shared by the County General Fund and Orange County Cities to support programs.

What are the benefits of the proposed WDA amendment?

The benefits of the amendment include: low, stable disposal rates; long-term partnership between the cities and the County; assurance of a financially sound and safe disposal system for future generations; and continued high levels of service for residents and businesses.

Continuing waste importation optimizes the value of landfill capacity while providing revenues to address infrastructure and operational needs due to in-County tonnage shortfalls. In fact, continuing importation through 2020 would use no more capacity than previously anticipated in the existing agreements.

Goals of the WDA Amendment	Key Elements of the WDA Amendment
<ul style="list-style-type: none"> ☑ Ensure low, predictable disposal rates for local businesses and residents. ☑ Optimizes the value of landfill capacity. ☑ Enable full repayment of bankruptcy debt. 	<ul style="list-style-type: none"> ☑ Extends current terms to 2025. ☑ Maintains long-term partnerships with cities. ☑ Allows the option to continue importation depending on need and Board policy. ☑ Provides equitable sharing of net importation revenues to cities for programs.

Target Dates for City Councils' Consideration of WDA

As of May 1, 2015

Approved Agreements:

City of Aliso Viejo
 City of Anaheim
 City of Brea
 City of Buena Park
 City of Cypress
 City of Dana Point
 City of Fountain Valley
 City of Fullerton
 City of Huntington Beach
 City of La Habra
 City of La Palma
 City of Laguna Beach
 City of Laguna Hills
 City of Lake Forest
 City of Los Alamitos
 Midway City Sanitary District
 City of Mission Viejo
 City of Newport Beach
 City of Orange
 City of Rancho Santa Margarita
 City of Seal Beach

Approved Agreements (continued)

City of Stanton
 City of Villa Park
 City of Yorba Linda

On Councils' Agendas:

Tuesday, May 5, 2015

City of Laguna Niguel
 City of Placentia
 City of Tustin

Tuesday, May 12, 2015

Costa Mesa Sanitary District

Tuesday, May 19, 2015

City of Santa Ana

June 2, 2015

City of Costa Mesa

June 2015

Board of Supervisors

Schedule not known:

City of Irvine (Continued)
 City of Laguna Woods
 City of San Clemente
 City of San Juan Capistrano



AMENDMENT TO WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and the

CITY OF _____

_____, 2015

County Amendment Authorization Date:

_____, 2015

City Amendment Authorization Date:

_____, 2015

County Notice Address:

Director
OC Waste and Recycling
300 N. Flower, Suite 400
Santa Ana, CA 92703

City Notice Address

City of _____

AMENDMENT TO WASTE DISPOSAL AGREEMENT

THIS AMENDMENT TO WASTE DISPOSAL AGREEMENT (the “Amendment”) is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the “County”), and the City designated on the cover page of this Amendment, a general law or charter city and political subdivision of the State of California (the “City”).

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the “Disposal System”). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the “Act”).

The County has entered into waste disposal agreements in 2009 (the “Original Waste Disposal Agreements”) with all of the cities in the County, including the City, as well as certain sanitary districts located in the County (the “Participating Cities”), pursuant to which the County agreed to provide disposal capacity for waste generated in or under the control of the Participating Cities, and the Participating Cities agreed to deliver or cause the delivery of waste generated in or under the control of the Participating Cities to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original Waste Disposal Agreements.

The City has determined that the execution of this Amendment by the City is in the best interest of the City and will serve the public health, safety and welfare by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and sound environmental management.

The County has determined that the execution by the County of this Amendment will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

Section 1. Amendment to Original Waste Disposal Agreement.

(a) Sections 3.6(C) and 3.6(E) of the Original Waste Disposal Agreement are deleted and replaced in their entirety, as set forth below:

“(C) Receipt of Imported Acceptable Waste on a Contract Basis. Throughout the Term hereof, the County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. “

“(E) Application and Use of Revenues From Other Users. (1) Throughout the term hereof, all revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System (including amounts received by the County as a result of the failure of contract counterparties to deliver minimum required amounts of Imported Acceptable Waste) , shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County’s Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) (“Net Import Revenues”) from the disposal of Imported Acceptable Waste by the Disposal System. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. Net Import Revenues shall be used for the payment of bankruptcy related obligations until payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment. It is estimated that payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment will occur by the end of Fiscal Year 2017-18.

(2) Until the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as provided in Section (3.6)(E)(1). For any period after the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as follows:

(i) in Fiscal Year 2017-18, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$17.57 per ton;

(ii) in Fiscal Year 2018-19, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported

Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.01 per ton;

(iii) in Fiscal Year 2019-20, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess in excess of \$18.46 per ton; and

(iv) thereafter, Net Import Revenues shall be equal to 30% of the revenues received by the County from the disposal of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located).

(3) After the County's obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full (i) 50% of any Net Import Revenues (as calculated pursuant to Section 3.6(E)(2)) shall be paid to the County General Fund; and (ii) 50% of such Net Import Revenues shall be paid to the Participating Cities (and to the County, with respect to the unincorporated area) listed in Appendix 5 for use for any purpose by the Participating City, including but not limited to state mandated solid waste programs. Payments of such amounts to the County General Fund and the Participating Cities shall be made by the County within 90 days after the end of each fiscal year. The portion of Net Import Revenues specified above payable to the Participating Cities shall be apportioned in the percentages set forth in Appendix 5.

(4) The percentages set forth in Appendix 5 with respect to each Participating City will be adjusted at the end of Fiscal Year 2019-20 to reflect the percentage of actual deliveries of Acceptable Waste from each Participating City as compared to the total amount of actual deliveries from all of the Participating Cities during Fiscal Years 2017-18, 2018-19, and 2019-20. The County shall notify each Participating City of the revised percentages in Appendix 5 within 120 days after the end of Fiscal Year 2019-20. The revised percentages will be used for the allocation of Net Import Revenues generated during Fiscal Year 2020-21 and thereafter.

(b) Section 4.2(A)(z) is added to the Original Waste Disposal Agreement (immediately following Section 4.2(A)(y)) as follows:

“(z) decrease the amount of Net Import Revenues otherwise payable to the County General Fund and the Participating Cities pursuant to Section 3.6(E)(2) and Section 3.6(E)(3) and use the amount of such decrease to pay costs of the Disposal System.”

(c) Section 6.1(A) and Section 6.1(B) of the Original Waste Disposal Agreement are deleted and replaced in their entirety with the following:

“SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall continue in full force and effect until June 30, 2025, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2023, for an additional term of ten years (the “Renewal Term”) on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2022. If the parties do not renew this Agreement by June 30, 2023, the Agreement shall expire on June 30, 2025.”

(c) The first sentence of Section 6.1(C) of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the following:

“In connection with the parties’ right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2023, negotiate an applicable change in the Contract Rate for such renewal term.”

(d) Appendix 2 of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the form attached hereto.

(e) Appendix 5 shall be added to the Original Waste Disposal Agreement as a new appendix, in the form attached hereto.

(f) All other terms and conditions of the Original Waste Disposal Agreement shall remain in full force and effect.

Section 2. Initial Payment. As consideration for the execution of this Amendment by all of the Participating Cities, and subject to the occurrence of the Amendment Effective Date pursuant to Section 3, the County agrees to pay, from the County OC Waste & Recycling Enterprise Fund, the Amendment Payment to the Participating Cities listed in Appendix 5. The aggregate Amendment Payment shall be \$5,400,000, and shall be distributed to the individual Participating Cities (including the City) in the percentages set forth in Appendix 5 by September 30, 2016.

Section 3. Effectiveness of Amendment. The provisions of this Amendment shall not become effective unless and until the Amendment has been executed by the County and all of the Participating Cities. The date on which all of the Participating Cities have executed the Amendment shall be the “Amendment Effective Date.” The County shall give written notice of the Amendment Effective Date to the City. In the event that the Amendment Effective Date does not occur by June 30, 2015, this Amendment shall be automatically terminated and the County shall have no obligation to make the Amendment Payment; provided, however that the County Board of Supervisors may extend such automatic termination date to a date no later than September 30, 2015.

Section 4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES. Each of the parties to this Amendment represent and warrant that it is a political subdivision of the State of California validly existing under the Constitution and laws of the State and (ii) it has duly authorized the execution and delivery of this Amendment, and has duly executed and delivered the Amendment.

All other terms and conditions of the 2009 Original Waste Disposal Agreement not specifically changed by this Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, COUNTY and CITY have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE

Date _____

By _____
Director, OC Waste & Recycling

Date _____

By _____
[NAME]
City Representative
City of [CITY]

Date _____

By _____
[NAME]
City Representative
City of [CITY]

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By _____

Date _____

APPENDIX 2

County Acceptable Waste Tonnage Target to be Used for Purposes of Section 4.2(b)

<u>Fiscal Year</u>	<u>Tonnage</u>	<u>Cumulative</u>
FY 2015-16	2,724,250	2,724,250
FY 2016-17	2,681,153	5,405,403
FY 2017-18	2,638,746	8,044,149
FY 2018-19	2,597,017	10,641,166
FY 2019-20	2,558,522	13,199,688
FY 2020-21	2,520,605	15,720,293
FY 2021-22	2,483,256	18,203,549
FY 2022-23	2,483,256	20,686,805
FY 2023-24	2,483,256	23,170,061
FY 2024-25	2,483,256	25,653,317

APPENDIX 5

PARTICIPATING CITY ALLOCATION PURSUANT TO SECTION 3.6

<u>City</u>	<u>Allocation Percentage for Purposes of Section 3.6</u>	<u>Allocation of Initial Payment</u>
Anaheim	13.18%	\$711,509
Aliso Viejo	0.67	36,416
Buena Park	2.34	126,275
Brea	2.28	123,085
Costa Mesa	2.18	117,936
Costa Mesa Sanitary District	1.48	79,976
Cypress	2.56	138,115
Dana Point	0.99	53,278
Fullerton	4.10	221,271
Fountain Valley	1.76	95,217
Garden Grove/ GG Sanitary District	7.17	387,197
Huntington Beach	6.13	330,807
Irvine	8.22	444,036
Laguna Beach	1.14	61,796
Laguna Hills	0.74	40,098
Laguna Niguel	1.36	73,341
Laguna Woods	0.41	22,274
La Habra	1.69	91,431
Lake Forest	2.45	132,214
La Palma	0.32	17,325
Los Alamitos	0.58	31,362
Mission Viejo	2.42	130,902
Newport Beach	3.68	198,946
Orange	4.90	264,468
Placentia	1.58	85,116
Rancho Santa Margarita	1.11	60,009
Santa Ana	10.60	572,184
San Clemente	1.40	75,728
San Juan Capistrano	1.23	66,420
Seal Beach	0.82	44,292
Stanton	1.62	87,287
Tustin	1.42	76,648
Villa Park	0.21	11,081
Westminster/Midway Sanitation District	2.13	114,893
Yorba Linda	1.78	96,344
County Unincorporated	3.35	180,723
Totals	100%	\$5,400,000