



Waste Management Commission

Thursday, December 13, 2018 - 2 p.m.

**Please Note Alternate Location: Discovery Cube OC
2500 N. Main St., Santa Ana, CA 92705**

Waste Management Commission Local Task Force

**Chair (2nd District)
City Selection**
Rob Johnson

Vice-Chair (3rd District)
Donald R. Froelich

1st District
Cheryl Brothers*
Juan Villegas

2nd District
Tina M. Nieto
Joe J. Carchio

3rd District
Mike Alvarez*
Beth Haney

4th District
Christine Marick*

5th District
Cynthia Conners*
Joe Soto
Mark Tetterer

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 12/13/2018

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 Rob Johnson

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, September 13, 2018

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

Recommended Action: Review and approve minutes.

Agenda Item 2:

OC Waste & Recycling First Quarter 2018/19 Financial Report

Summary: Staff will provide the OC Waste & Recycling Financial Report for First 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 present a report on AB 939 Surcharge-Funded Programs and Outreach.

Recommended Action: Receive and file report.
- Agenda Item 6:** **Waste Industry Presentation:
Joe Adams, Discovery Cube OC – The Eco Challenge and Science Education at the Cube**

Recommended Action: Receive and file report.
- Agenda Item 7:** **Election of 2019 Chair and Vice Chair
Waste Management Commission
Summary: Elect Chair and Vice Chair for 2019.**

Recommended Action: Elect Chair and Vice Chair for 2019.

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.

Copies of Waste Management Commission Agenda packets may be obtained from OC Waste & Recycling by any of the following methods:

1. By accessing the OC Waste & Recycling website at www.oilandfills.com and viewing the Waste Management Commission page.

WASTE MANAGEMENT COMMISSION/LOCAL TASK FORCE

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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, March 14, 2019



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

Commissioners Roll (√=Present. ex = excused absence. ab=absent without notification))

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

Public:

Stan Luce – Public
 David Ross – TVI
 Kathy Cross – LEA
 Rebecca Chatham – Privacy Shred
 Jeff Rice -- Aguinaga

OCWR Staff in Attendance:

Glenn Pattillo Jeff Southern
 Steven Halligan Lisa Smith
 Grace Felix Kevin Gaxiola
 Paul Albarian
 Kristina Hamm

Call to Order

Chairman Rob Johnson called the meeting to order at 3:07 p.m.

Pledge of Allegiance

The Pledge of Allegiance was led by Joe Soto

Roll Call

Roll call was conducted by the Commission Clerk.

Chairman’s Report

New Commissioner Juan Villegas. Introductions.
 2019 meeting dates
 Ethics training reminder

Director’s Report

Director Tom Koutroulis invited commissioners to attend Dine at the Dump, Oct. 2, 2018 and announced OCWR’s America Recycles Day event in conjunction with the Anaheim Ducks, November 10, 2018.
 Brief landfill reports: major excavation at Prima; filling in a new area at FRB.
 Cooperative agreement negotiations continue with San Juan Capistrano and Brea.
 Grand Jury report included nice commendation of efficiency.

Clerk's Action Item Report

Report on request to investigate holding the December meeting at the Discovery Cube:
Discovery Cube is available to host December 13 meeting and will accommodate public as well as Commissioners for the meeting and tour.

Agenda Item 1: Minutes of the June 14, 2018 Waste Management Commission/Local Task Force Meeting

Moved: Commissioner Alvarez
Seconded: Commissioner Soto
Abstained: Commissioner Shawver

Report received and filed.

Agenda Item 2: OC Waste & Recycling FYE 2017/18 Financial Report

OCWR Budget Manager Karalyn Meeh provides the 17/18 fiscal year end financial report. Tonnage received exceeded budgeted amount.

Question: How is revenue distributed to cities? Answer: by percentage of waste tonnage brought by city.

100 years of capacity remaining

Question: Where is bulk of importation generated? Answer: LA County, none from San Diego

Question: The bankruptcy is ended; what happens to that revenue? Answer: going to cities/ WDA through 2025, and operating expenses.

Moved: Commissioner Soto
Seconded: Vice Chair Froelich

Report received and filed.

Agenda Item 3: Subcommittee report

Commissioner Alvarez announced that the subcommittee elected Commissioner Plumlee and himself as co-chairs. The subcommittee discussed: SB1383 rulemaking; the compost facility permitting and Air Resources Board workshops attended by OCWR staff; AB901 reporting and waste tracking requirements; and the SB 212 pharma and sharps take back program, which Commissioner Shawver lobbied for on behalf of OC Sanitation District Board.

Moved: Commissioner Marick
Seconded: Commissioner Alvarez

Report received and filed.

Agenda Item 4: Legislative and Regulatory Report

OCWR Manager of Contracts and Program Support Brian Probolsky reported on various bills related to the waste industry, including several specifically targeting plastics.

The bill to advance the manufacturer take-back of pharma sharps passed unanimously.

Commissioner Shawver commended Brian and his team.

Moved: Commissioner Soto
Seconded: Commissioner Alvarez

Report received and filed.

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

Isabel Rios-Kahn reported on the new software application that will enable OCWR to manage grants online, both as a grantor and a grantee.

Irene Alonso reported on the new recycling education exhibit at the Discovery Cube and the efforts underway to refresh the original exhibits. She also announced the September 22 Angels player signing event at the Cube.

Moved: Commissioner Soto

Seconded: Commissioner Haney

Report received and filed.

Agenda Item 6: Location of December 13, 2018 Meeting

Discussion and vote about desire to hold the December 13, 2018 meeting at the Discovery Cube.

Moved: Commissioner Carchio

Seconded: Commissioner Marick

Motion approved.

Agenda Item 7: Waste Industry Presentation

OCWR Director Tom Koutroulis discussed “Legislative Impacts to Orange County’s Free Diversion.” He explained the changes that must take place to the waste management of processed green material. Currently cities send it to the landfills as diversion. In 2020 it will be considered disposal.

Moved: Commissioner Carchio

Seconded: Vice Chair Froelich

Commissioner Comments:

Carchio – Republic has closed its MRF in Anaheim.

Shawver – Please send electronic copies and meeting reminders.

Soto – Great meeting, thanks staff.

Johnson – Thanks to commissioners, staff. Subcommittee.

Public Comments:

David Ross, TVI – Asked how OCWR future composting will affect private industry. Tom Koutroulis response: Not in competition; we will process only what we currently receive, which is residential green waste.

The meeting was adjourned at 3:36 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 for the first quarter of FY 18/19 (July – September). Included in the report is financial information related to tonnage, expenditures, revenues, and cash balances.

System Tonnage

Total OC Waste & Recycling system tonnage received during the first quarter of FY 18/19 was 1,290,347 tons, consisting of 810,285 in-county tonnage and 480,062 importation tonnage. By landfill site, first quarter tonnage was as follows:

Olinda Alpha Landfill

In-county tonnage 291,153 (36%) of total in-county tonnage
Importation tonnage 239,530 (50%) of total importation tonnage

Frank R. Bowerman Landfill

In-county tonnage 410,359 (51%)
Importation tonnage 206,621 (43%)

Prima Deshecha Landfill

In-county tonnage 108,773 (13%)
Importation tonnage 33,911 (7%)

Revenues

For the first quarter of FY 18/19, revenue recorded in OC Waste & Recycling’s Enterprise/Operating (Fund 299) was \$22,887,129 versus the modified revenue budget of \$ 146,998,240.

Revenue recorded in OC Waste & Recycling’s Capital Project Fund (Fund 273) was \$126,327 versus the modified revenue budget of \$29,100,000.

Revenue recorded in OC Waste & Recycling’s Importation Net Revenue Sharing Fund (Fund 295) was \$10,461,246 versus the modified revenue budget of \$50,919,000.

Sources of revenue received in the first quarter of FY 18/19 included:

- \$31,691,505 Tonnage Revenue (95.65% of total revenue received)
- \$687,913 Interest Income (2.08%)
- \$597,970 AB939 Surcharge Revenue (1.80%)
- \$150,532 Leases & Royalties (0.45%)
- \$6,111 Other Revenue (0.02%)

Expenditures

First quarter of FY 18/19 expenditures and encumbrances recorded in OC Waste & Recycling's Enterprise/Operating (Fund 299) totaled \$24,844,599 or an approximate 16.2% of the modified expense budget of \$ 153,140,431.

First quarter of FY 18/19 expenditures and encumbrances recorded in OC Waste & Recycling's Capital Project Fund (Fund 273) totaled \$3,669 versus a modified expense budget of \$48,550,580.

First quarter of FY 18/19 expenditures and encumbrances recorded in OC Waste & Recycling's Importation Fund (Fund 295) totaled \$3,278 versus a modified expense budget of \$50,919,000.

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

- \$10,150,355 Services & Supplies (39.5%)
- \$6,382,022 Salaries & Employee Benefits (24.8%)
- \$8,216,474 Equipment & Tangible Assets (32.0%)
- \$834,587 Post-Closure Maintenance (3.2%)
- \$73,784 Taxes, Fees, Assessments (0.3%)
- \$38,558 AB 939 Surcharge Program (0.2%)

Cash Balance and Reserves

As of September 30, 2018, the OC Waste & Recycling's Enterprise/Operating Fund 299 had a cash balance of \$198,579,269.

As of September 30, 2018, the OC Waste & Recycling's Enterprise/Operating Fund 299 had an available reserves balance of \$59,420,233.

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

Recommended Action: Receive and file report.

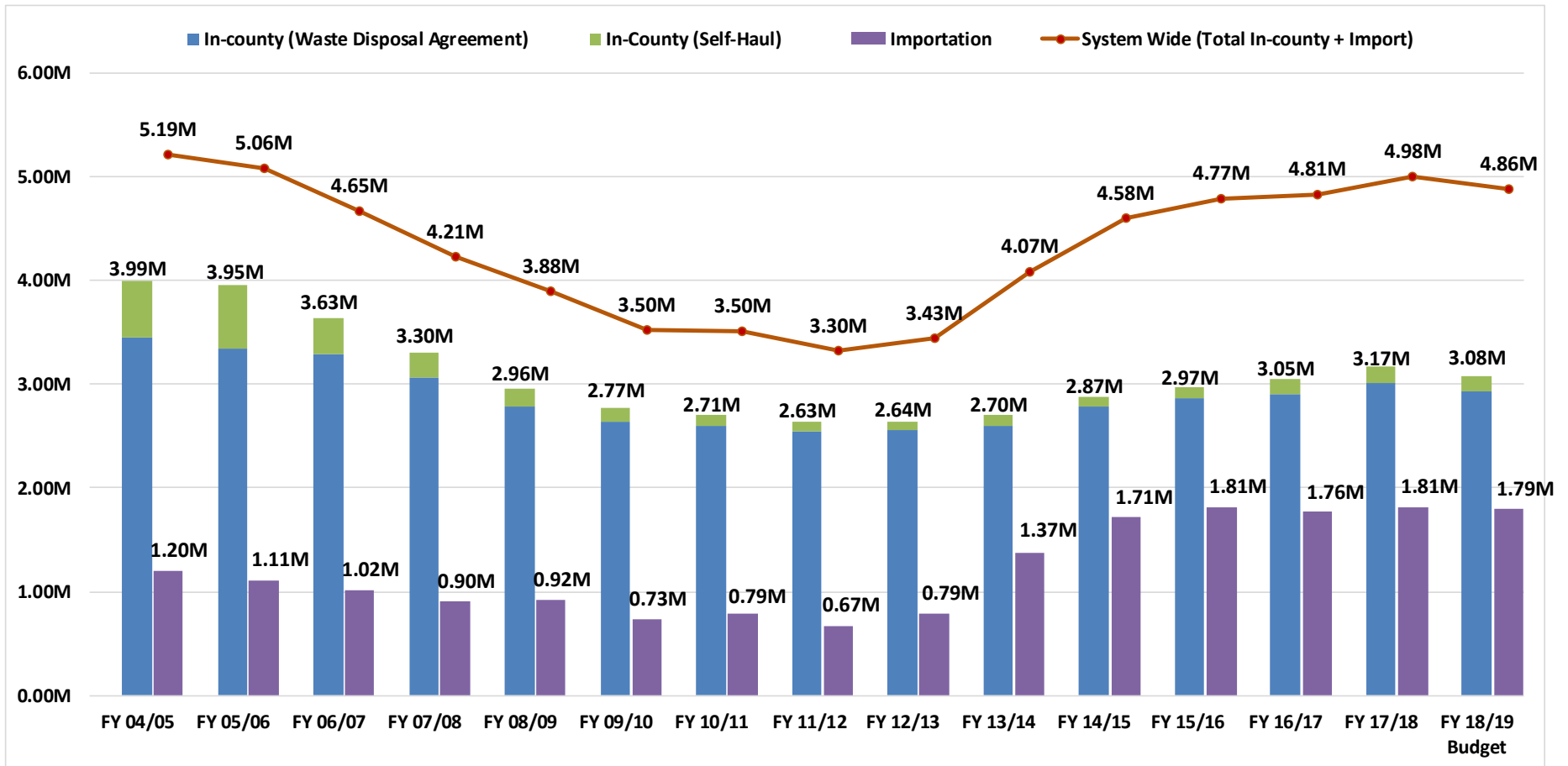
Attachments

1. FY 2018/2019 Tonnage, Revenue and Expenditures Summary – As of September 30, 2018
2. System-Wide Tonnage Trend – FY 2004/2005 to 2018/2019 Budget
3. System-Wide Tonnage Revenue Trend – FY 2014/2015 to 2018/2019 Budget
4. FY 2018/2019 Revenue Budget to Actuals – As of September 30, 2018
5. FY 2018/2019 Expenditure Budget to Actuals – As of September 30, 2018
6. Cash Balances – FY 2014/2015 to 2018/2019 – As of September 30, 2018

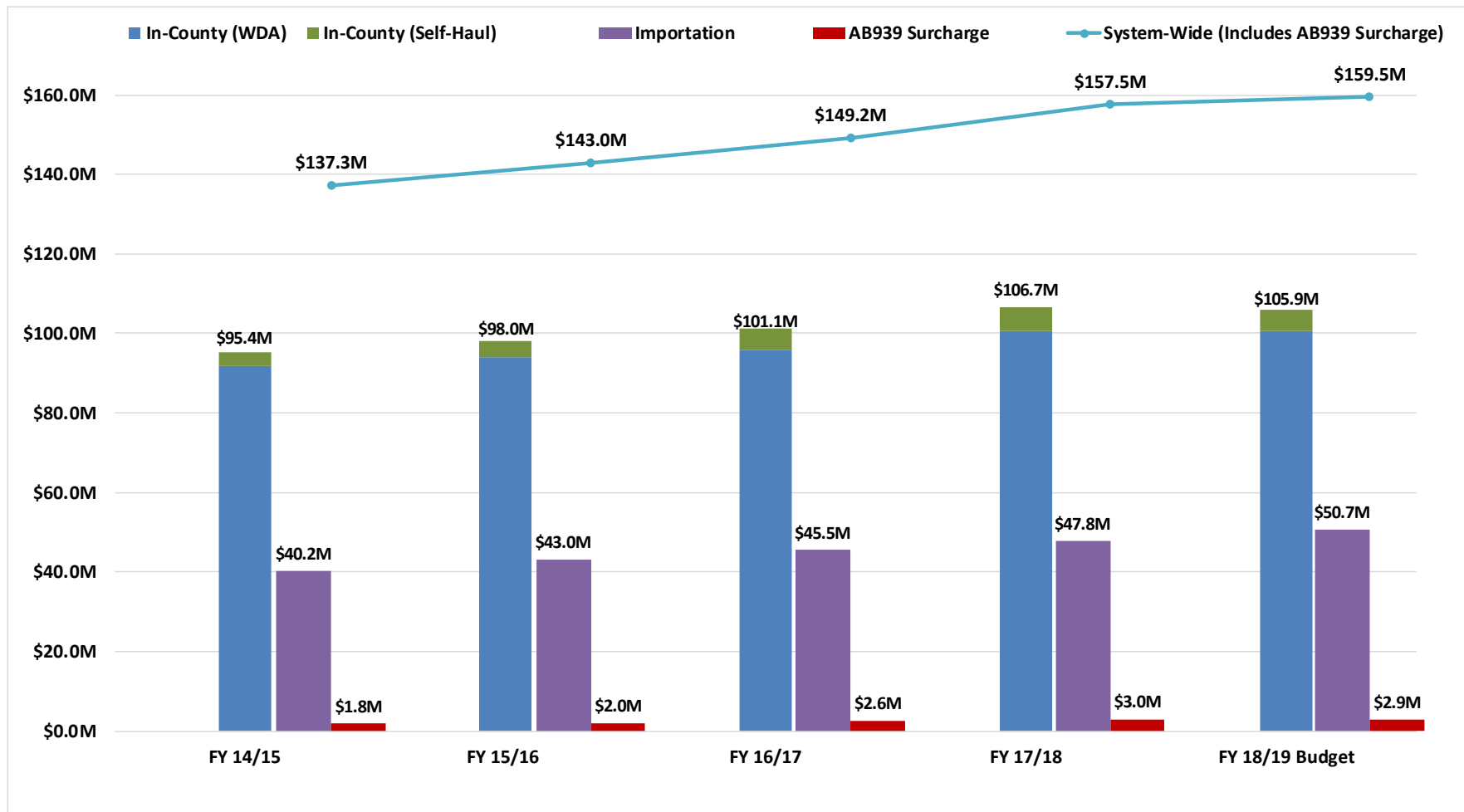
OC WASTE & RECYCLING FY 2018/2019 Tonnage, Revenue and Expenditures Summary As of September 30, 2018

	FY 18/19 Adopted Budget	FY 18/19 Modified Budget	FY 18/19 1st Quarter Actuals	YTD Actuals (% of Modified Budget)
System-Wide Tonnage				
<i>In-County Tonnage</i>	3,075,270	3,075,270	810,285	26.3%
<i>Importation Tonnage</i>	1,788,057	1,788,057	480,062	26.8%
Total System-Wide Tonnage	4,863,327	4,863,327	1,290,347	26.5%
Enterprise/Operating (Fund 299)				
<i>Revenues</i>	\$ 146,998,240	\$ 146,998,240	\$ 22,887,129	15.6%
<i>Expenditures</i>	\$ 153,140,431	\$ 153,140,431	\$ 24,844,599	16.2%
Capital Projects (Fund 273)				
<i>Revenues</i>	\$ 29,100,000	\$ 29,100,000	\$ 126,327	0.4%
<i>Expenditures</i>	\$ 48,550,580	\$ 48,550,580	\$ 3,669	0.0%
Importation (Fund 295)				
<i>Revenues</i>	\$ 50,919,000	\$ 50,919,000	\$ 10,461,246	20.5%
<i>Expenditures</i>	\$ 50,919,000	\$ 50,919,000	\$ 3,278	0.0%

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



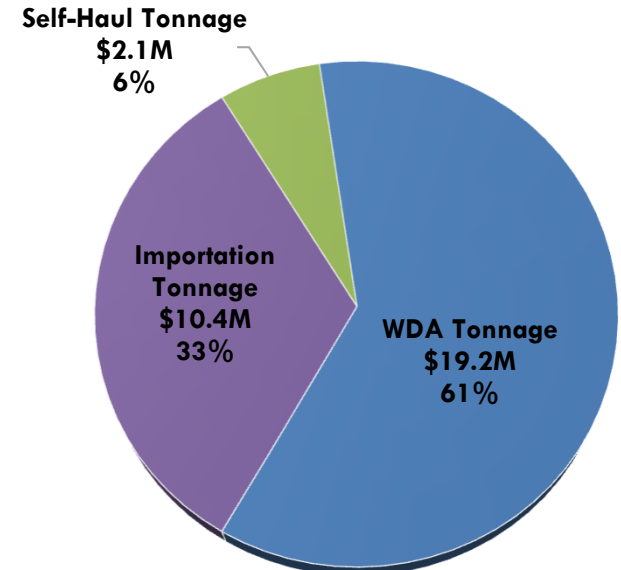
OC WASTE & RECYCLING System-Wide Tonnage Revenue Trend FY 2014/2015 – FY 2018/2019 Budget



OC WASTE & RECYCLING FY 2018/2019 Revenue Budget to Actuals As of September 30, 2018

	FY 18/19 Adopted Budget	FY 18/19 YTD Actuals (As of 09/30/18)	YTD Actuals (% of Adopted Budget)
Tonnage Revenue	156,584,500	31,691,505	20%
AB939 Surcharge Revenue	2,872,000	597,970	21%
Interest Income	2,104,000	687,913	33%
Leases & Royalties	4,689,000	150,532	3%
Other Revenues ^[1]	245,500	6,111	2%
Revenue before Transfers	\$166,495,000	\$33,134,030	20%
Internal Transfers	55,722,240	340,671	1%
Transfers-in from Other Funds	4,800,000	-	0%
Total Revenue	\$227,017,240	\$33,474,701	21%

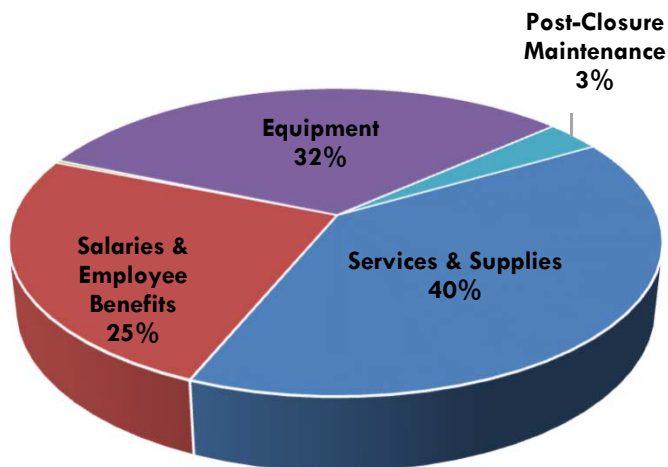
**1st Quarter FY 2018/19
Tonnage Revenue (\$31.7M) by Source**



[1] Other Revenues includes: Licenses, Permits & Franchises; Forfeitures & Penalties; Intergovernmental Revenues; Other Charges for Services; Capital Asset Sales; and Miscellaneous Revenues.

OC WASTE & RECYCLING FY 2018/2019 Expenditure Budget to Actuals As of September 30, 2018

**1st Quarter FY 2018/19
Actual Expenditures & Encumbrances**



Expenditure Category	FY 18/19 Adopted Budget	FY 18/19 YTD Actuals (As of 9/30/18)	YTD Actuals (% of Modified Budget)
Services & Supplies	69,427,700	10,150,355	15%
Capital Projects	44,260,000	0	0%
Salaries & Employee Benefits	29,359,431	6,382,022	22%
Taxes, Fees, Assessments ^[1]	14,818,300	73,784	0.5%
Equipment	11,819,500	8,216,474	70%
AB 939 Surcharge Program Expenditures	2,095,500	38,558	2%
Net Importation Revenue Sharing to Cities and County	16,026,760	0	0%
Total before Contingency, Adjustments & Transfers	\$187,807,191	\$24,861,193	13%
Contingency	9,080,580	0	0%
Depreciation & Adjustments for Capitalized Assets	0	(9,647)	-
Internal Transfers	55,722,240	0	0%
Total Encumbrances and Expenditures	\$252,610,011	\$24,851,546	10%
Fund 279 Post-Closure Maintenance ^[2]	9,248,667	834,587	9%

[1] Includes payments to host cities.

[2] Post-Closure Maintenance expenditures for Coyote Canyon and Santiago Canyon. Funded by monies set aside in Fund 279.

OC WASTE & RECYCLING Cash Balances FY 2014/2015 – FY 2018/2019 as of September 30, 2018

FUND Description	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19 As of 09/30/2018
299 OC Waste & Recycling Enterprise / Operating ^[1]	\$145.66 M	\$166.22 M	\$180.08 M	\$159.16 M	\$198.58 M
273 Capital Project Fund	\$24.63 M	\$15.73 M	\$16.98 M	\$45.50 M	\$33.14 M
295 Importation Revenue Sharing Fund ^[2]	\$6.27 M	\$1.35 M	\$7.39 M	\$35.89 M	\$11.01 M
Operating Cash	\$176.56 M	\$183.30 M	\$204.45 M	\$240.55 M	\$242.73 M
275 Environmental Reserve (Liabilities)	\$71.06 M	\$72.90 M	\$58.81 M	\$59.12 M	\$59.42 M
279 Landfill Post-Closure Maintenance	\$148.57 M	\$143.16 M	\$132.71 M	\$129.33 M	\$128.86 M
Cash Earmarked for Future Obligations	\$219.63 M	\$216.06 M	\$191.52 M	\$188.45 M	\$188.28 M
274 Corrective Action Escrow	\$8.17 M	\$8.22 M	\$8.29 M	\$8.37 M	\$8.41 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	\$29.90 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	\$39.84 M
287 Prima Deshecha Landfill Escrow (Closure)	\$20.46 M	\$20.58 M	\$20.74 M	\$20.95 M	\$21.06 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	\$100.92 M
TOTAL CASH	\$494.11 M	\$497.83 M	\$495.33 M	\$529.37 M	\$531.93 M

[1] Fund 299 Operating Cash includes cash earmarked for AB939 Surcharge, Capital Expenditures, and Reserves (25% of Operating Expense Budget).

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



Thursday, December 13, 2018

Agenda Item 3 — *Subcommittee Report*

Legislative Subcommittee

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 on regulatory activity affecting OC Waste & Recycling.

Recommended Action: Receive and file report.



Thursday, December 13, 2018

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 educational outreach expenditures focused on diversion.

Recommended Action: Receive and file report.



Agenda Item 6—*Waste Industry Presentation*

Joe Adams, CEO of Discovery Cube OC

Mr. Adams took over leadership of the Cube in 2003. Back then it was called the Discovery Science Center. He had previously worked with the Walt Disney Company and brought to the Cube the Disney brand of imagination and vision. The Cube makes science fun and relevant, and in addition to inspiring behavior change through the Eco Challenge exhibits the Cube may contribute to creating future environmental scientists. Mr. Adams will discuss the partnership between OCWR and the Cube and share how the Cube's approach to science education aligns with the County's need to educate the public about recycling and waste management.

Recommended Action: Receive and file report.



Agenda Item 7 – *Election of 2019 Chair and Vice Chair of the Waste Management Commission*

Bylaws of the Orange County Waste Management Commission, Article VI, Officers and Duties specify:

Section I – Officers

The officers of the Commission shall be the Chair and Vice-Chair, to be elected annually at the last regular meeting of the calendar year.

Section II – Term of Office

The officers shall hold office for a period of one year, beginning at the first meeting of the year following the election of officers. No officer shall succeed him- or herself in office.

Recommended Action: Elect the Chair and Vice Chair for 2019.