



Waste Importation Overview and Analysis

Waste Management Commission Meeting March 13, 2014



BACKGROUND



- In 1995, the Orange County Board of Supervisors approved solid waste importation to support bankruptcy recovery efforts.
- Through FY 2012/13, waste importation has contributed \$215.8 million towards bankruptcy recovery and \$84.6 million towards landfill operations and capital projects otherwise borne by Orange County rate payers.
- From FY 1995/96 through FY 2012/13 (18 years) 17.23 million tons of imported waste has been received.
- Over the same period (FY 95/96 FY 12/13), 59.22 million tons of incounty waste has been received.
- During the last five years (FY 08/09 FY 12/13), importation has come from the following top 10 areas: Los Angeles, Long Beach, Oceanside, Industry, Chino Hills, Downey, Paramount, Ontario, La Mirada, and Pomona.





EXISTING CONDITIONS

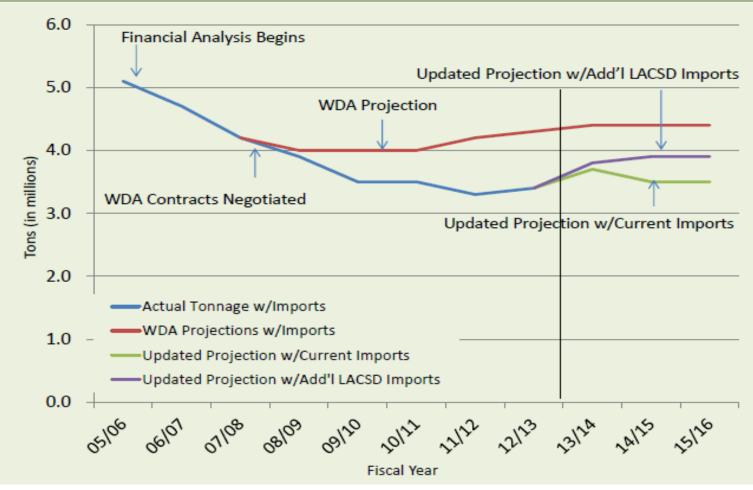


- The Waste Disposal Agreements (WDAs) projected in-County tonnage levels at much higher levels than what has actually been received.
- Robust recycling programs, the economic downturn and regulatory requirements have all contributed to reduced tonnage levels and lower utilization of landfill capacity.
- Total in-County tonnage has decreased by over 30% within the last ten years.
- © Cost saving measures, including the deferral of major capital projects, were implemented to ensure competitive disposal rates during the recession.





System-Wide Tons Disposed - Below WDA Projections





TONNAGE & CAPACITY DATA

	Total	Total	Total	Remaining
Landfill	Capacity (Tons)	Importation (Tons)	In-County (Tons)	System Capacity (as of FY 12/13)
Olinda Alpha	89.40M	10.41M	52.59M	26.40M
Frank R. Bowerman	164.60M	3.55M	41.85M	119.20M
Prima Deshecha	96.70M	3.27M	14.43M	79.00M
Totals	350.70M	17.23M	108.87M	224.60M

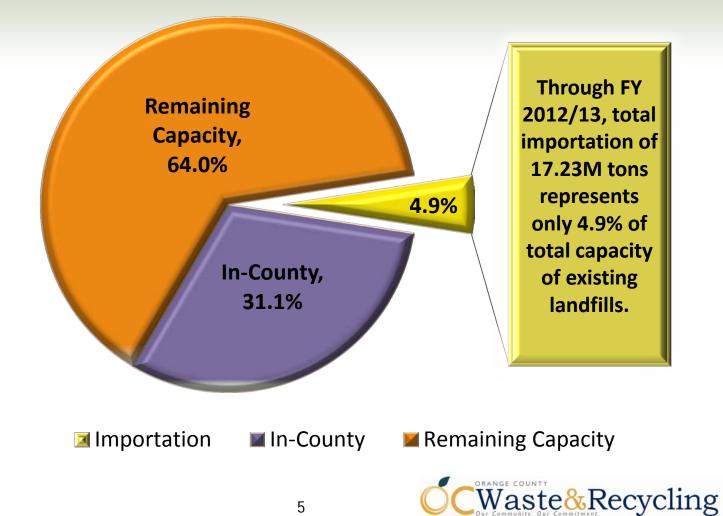
Total Remaining Landfill Capacity: 64%

Note: 108.87M tons represents historical in-County disposal tonnage received into the system.



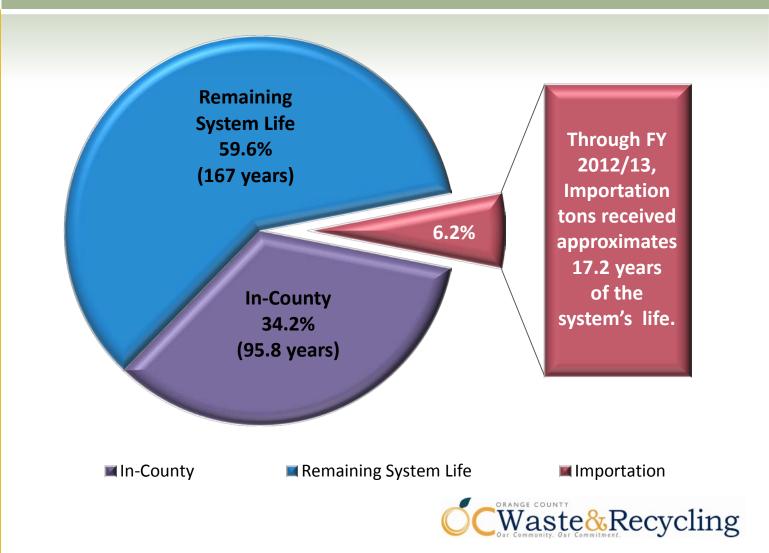


IMPORTATION TONS TO TOTAL CAPACITY





IMPORTATION TO SYSTEM LIFE





REVENUE DATA



- Importation disposal rates have changed from \$18.00 per ton in 1996 to the current \$23.33 per ton rate.
- Since FY 1995/96 through FY 2012/13, the 17.23 million tons of importation has generated \$342.3 million in revenues and has been distributed as follows:

Bankruptcy Recovery	Landfill Operations & Capital Projects	Excise Taxes	Host Fees: Brea, Irvine, and San Juan Capistrano
\$215.8	\$84.6	\$23.7	\$18.2
63.0%	24.7%	6.9%	5.3%

All dollar figures in millions





CAPACITY IMPACTS



The disposal system currently has capacity to provide disposal services in excess of 50 years. All three active landfills have excess capacity well beyond their permitted closure date.

Landfill	Current Permitted Closure Date	Projected Closure Date Based on Current Tonnage Projections
Olinda Alpha	2021	2038
Frank R. Bowerman	2053	2071
Prima Deshecha	2067	2097





FUTURE CONSIDERATIONS



- If importation does not continue beyond 2016, OCWR's priority will be to ensure adequate funds to meet all operational, statutory and environmental obligations.
- Absent additional tonnage into the system, there may be upward pressures on WDA disposal rates to ensure revenues generated from in-County waste are sufficient to maintain current level of service.
- OCWR will explore the feasibility of continuing importation beyond 2016 and will develop appropriate strategies after careful evaluation of all options.