

A faint, dark gray background graphic featuring a lemon with several leaves. A circular arrow is positioned behind the lemon, indicating a cycle or process.

Utilities Department

Materials Recovery Facility Contract

October 4, 2016



Presentation Overview

- **History**
- **Operations**
- **New Contract Options**
- **Next Steps**



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History

- **BCC adopted an ordinance in June 1990**
 - **Requiring recycling in Orange County**
 - **Extending life of landfill**





History

- **Materials Recovery Facility (MRF) began operations August 1, 1990**
- **Operations contracts were also approved by the BCC in August 1994, April 2003, and November 2009**





History

- **Current contract:**

- **Approved by the Board in April 2003 and renewed in November 2009**
- **Included upgrades and modernization provisions**
- **Established a host fee and a minimum recycling tonnage commitment**
- **Included a commercial Class I tonnage commitment**
- **Expires on June 30, 2017**



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Operations

- MRF receives delivery of recycling from residential, municipal, and commercial haulers
- Materials go through series of screens and sorters to be separated by type
- Non-recyclable materials or contaminants are removed for disposal at the landfill





Operations

- **Sorted materials are baled and loaded for shipment to end markets**





Operations

- **MRF Current Conditions**
 - Equipment is outdated and expensive to maintain
 - Commodity market is volatile and prices steadily declining
 - Existing facility cannot be expanded and not cost effective to upgrade





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- History
- Operations
- **New Contract Options**
- Recommendations



New Contract Options

■ Options

- Develop bid for loading, transporting, and processing recyclables off-site
- Develop bid for Design, Build, and Operate contract





New Contract Options

- **Bid for Loading, Transporting, and Processing**
 - Easy to implement
 - Will allow Orange County to build a history of recycling volumes under new collection program
 - Does not require funding for new facility
 - Will allow time for markets to potentially recover



New Contract Options

- **Bid for Design, Build, and Operate**
 - Needs a clear bid criteria
 - Significant investment required to build new facility
 - Not affordable at this time and under current market



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Next Steps

- **Proceed with IFB for loading, transporting, and processing recyclables off-site**
- **Three year term contract with two 2-year renewals**



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