#### **Utilities Department**

# Materials Recovery Facility Contract

October 4, 2016



- History
- Operations
- New Contract Options
- Next Steps



- History
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- Next Steps



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





- 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



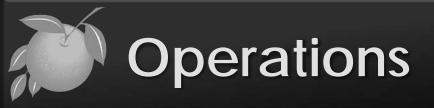


#### Current contract:

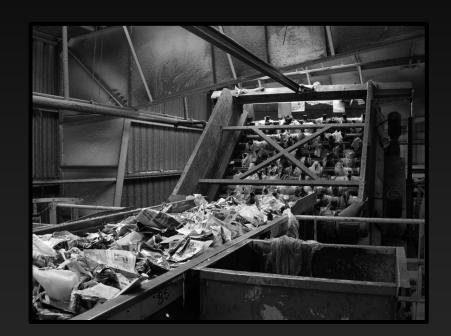
- —Approved by the Board in April 2003 and renewed in November 2009
- -Included upgrades and modernization provisions
- Established a host fee and a minimum recycling tonnage commitment
- -Included a commercial Class I tonnage commitment
- -Expires on June 30, 2017

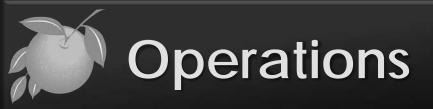


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- MRF receives delivery of recycling from residential, municipal, and commercial haulers
- Materials go through series of screens and sorters to be separated by type
- Non-recyclable materials or contaminants are removed for disposal at the landfill

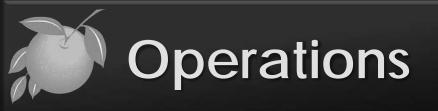




Sorted materials are baled and loaded for shipment to end markets







#### 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- Equipment is outdated and expensive to maintain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



- 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 Operatecontract





# **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

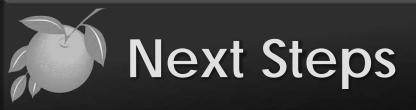


## **New Contract Options**

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

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