



STAFF REPORT

CITY of YORBA LINDA

ADMINISTRATION DEPARTMENT

DATE: APRIL 21, 2026

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PETER GRANT, CITY MANAGER
PREPARED BY: GEOFF SPENCER, PRINCIPAL MANAGEMENT ANALYST

SUBJECT: APPROVE LANDFILL WASTE INFRASTRUCTURE SYSTEM ENTERPRISE AGREEMENT

RECOMMENDATION

Approve the Waste Infrastructure System Enterprise Agreement with Orange County Waste & Recycling.

SUMMARY

Orange County cities' landfill agreement with the County expires in June. A new 10-year agreement is recommended to guarantee Yorba Linda access to County landfills and a share of solid waste importation fees. Monthly disposal rates will adjust to account for increased operating costs and the expense of closing the Olinda Alpha Landfill in Brea. Yorba Linda's standard residential rate will increase \$2.09 in the first year of the agreement (FY 2026-27). The rate will increase by \$0.63 in FY 2027-28 and FY 2028-29 and by CPI only beginning in FY 2029-30.

DISCUSSION

Orange County Waste & Recycling (OCWR) operates three active landfills and many inactive sites. Since 1997, Orange County cities have participated in the Waste Disposal Agreement (WDA) which provided guaranteed landfill capacity and predictable dump rates. The recommended Waste Infrastructure System Enterprise (WISE) Agreement replaces the WDA and addresses the next generation of landfill use.

The WDA limited annual disposal rate increases to CPI but did not account for rising operational, regulatory, and environmental compliance costs. OCWR projects that additional capital is needed to fund the Brea Olinda landfill closure and to expand the capacity of the landfill in San Juan Capistrano. To address these costs, OCWR initially proposed increasing

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disposal rates from \$43.76 per ton to \$82 per ton in FY 2026-27 and then to \$107 per ton by 2035. OCWR estimated its initial proposal would have increased average residential refuse bills by 10%.

Orange County cities joined together through the Orange County City Manager's Association to negotiate a lower, phased rate structure:

FY	Rate per ton	Residential increase
2026-27	\$67.00	+ \$2.09
2027-28	\$74.00	+ \$0.63
2028-29	\$81.00	+ \$0.63
2029-30	\$81.00 + CPI	+ CPI

The result of those negotiations is projected to be a monthly adjustment of \$2.09 (six percent) for Yorba Linda's residential refuse customers beginning July 1, 2026. The additional County-imposed costs are separate from annual adjustments arising from Yorba Linda's solid waste franchise agreement with Republic Services and organic recycling cost recovery charges that the City Council will consider at an upcoming meeting. These costs are estimated to be \$1.30 per month.

While cities' negotiations with OCWR focused on rates, other key provisions of the WISE agreement include:

- Annual "true-up" cost review that may offset/eliminate CPI adjustments
- Providing cities more transparency and oversight of OCWR's financial status and the WISE Agreement
- A blended CPI calculation that incorporates costs associated with refuse operations and consumer spending

Cities must adopt the WISE Agreement by April 30 to ensure landfill access at the negotiated rates and a continued share of the revenue OCWR earns from importing trash from outside of Orange County. Cities that fail to adopt the WISE Agreement by that deadline will face an additional 10% disposal rate increase, and cities that do not adopt the WISE Agreement at all will pay the noncontract disposal rate at an even higher premium.

Twenty-two of the 34 Orange County cities have approved the WISE agreement. The remaining 12 cities are scheduled to consider it before the end of April.

FISCAL IMPACT

None.

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ALTERNATIVES

Do not approve the agreement and provide direction.

ATTACHMENTS

Attachment 1 – OCW&R Waste Infrastructure System Enterprise Agreement

Attachment 2 – Franchise Hauler Acknowledgment
