



Follow Up to May 11th Working Group Presentation- Overview of Governance Structures

Q & A

WORKING GROUP MEETING – TBD



MISSION

TAC Project 2

2

Research and provide responses to questions from the Working Group during the May 11, 2020 presentation:

Overview of Governance Structures for a Regional Solid Waste Management System



INTRODUCTIONS

3

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Question 1

What were the start up costs for the initial Broward County ILA (Resource Recovery Board) system?

Question 1

IMPETUS

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During the 1980s, the State of Florida and the Federal government began discouraging the use of landfills as the sole method of disposal for solid waste, and encouraged the development of alternative energy resources. In particular, Broward County's contour, elevation and high groundwater required a more environmentally-friendly way to handle the disposal of solid waste.

Question 1

START UP

- ▶ 1986: The Broward Solid Waste Disposal District (District) was established as a Dependent Special District to create an integrated waste management system including recycling and waste-to-energy
- ▶ District was created through the execution of an ILA between the County and 22 "contract communities"



Question 1

START UP

- ▶ ILA agreements required flow control
- ▶ Initial bond of \$535 MM in 1984
- ▶ Tipping fees from contract communities used to repay bond obligation

Question 1

START UP

- ▶ ILA established the Resource Recovery Board (RRB) as the governing body for the District
 - ▶ RRB set tipping fees but County retained budgetary control
- ▶ Lifespan of ILA intended only until last full repayment of bond obligation



Question 1

ASSETS

- ▶ 1988: Southwest Regional Landfill (originally Broward Interim Contingency Landfill) began operations
- ▶ P³ with Wheelabrator/WMI for the finance, design, construction, operation, maintenance and ownership of:
 - ▶ 1991: South WTE Plant (and adjoining Ash Monofill)
 - ▶ 1992: North WTE Plant
- ▶ 1993: Contract established with MRF for processing of recyclables
- ▶ Alpha 250





Question 2

What was the composition of the prior Resource Recovery Board?

Question 2

- ▶ Under the original ILA (1986) the RRB was composed of nine members:
 - ▶ 4 County Commissioners
 - ▶ 4 Municipal Elected Officials
 - ▶ 1 Member who alternated between the two annually
- ▶ In 2006, County Commission agreed to an amendment to the ILA changing RRB membership to:
 - ▶ 8 Municipal Elected Officials
 - ▶ 1 County Commissioner





Question 3

What would the composition of the governance board be for the District under a Dependent Special District?

Question 3

Per Section 189.012, Florida Statutes, the governing body of a Dependent Special District only has to meet one of the following criteria:

- ▶ Have the exact same members as the BCC, or
- ▶ Be appointed solely by the BCC, or
- ▶ The membership is removable by the BCC, or
- ▶ The BCC has final budget approval.



Question 4

Is the Palm Beach Solid Waste Authority required to comply with the terms under the special act since they converted from an Independent to a Dependent Special District?

Question 4

Yes

The original rules of the charter under the Special Act must be followed

Any new rules promulgated by the governing body under a Dependent Special District cannot supersede the rules of the Special Act

Question 5



Would we be able to collaborate with other counties to leverage regional synergies outside of our geographical area under an Independent or Dependent Special District?

Question 5

Yes





Question 6

What is the life span for each of the governance structures?

Question 6

Independent Special District

Established by the Charter

(Sections 189.012 and 189.031, Florida Statutes)

Merger or Dissolution

(Section 189.071, Florida Statutes)

or

Question 6

Dependent Special District

As established by the ordinance that creates it

(Sections 189.012 and 189.02, Florida Statutes)

Dissolution

(Section 189.072, Florida Statutes)

or

Question 6

ILA

Determined by ILA and as agreed to by all parties or until terminated as specified in ILA

(Section 163.01, Florida Statutes- Florida Interlocal Cooperation Act of 1969)

Non-appropriation clause (agreement subject to funding) in most contracts, intended to not bind future commissions



Question 7

What would the start up costs be based on the types of governance structures?

Question 7

- ▶ There should not be a significant difference in start up costs based solely on the governance structure
- ▶ The largest costs will be capital costs for infrastructure
- ▶ These costs will be influenced by the actual facilities developed under the new District

Question 7

Facility	2025		
	Processing Lines Required	Facilities Required*	Est. Facility Cost (2020 dollars)
Common Elements			
Materials Recycling Facility	5	3	\$ 63,000,000
Combined Bulky Waste/Yard Trash/C&D Facility	10	5	\$ 39,000,000
Yard Trash Facility	1	1	\$ 3,000,000
Constants Subtotal			\$ 105,000,000
Scenario A			
Mixed Waste Processing Facility	10	5	\$ 172,000,000
Organics Processing Facility (includes Yard Trash)	4	2	\$ 52,000,000
Waste-to-Energy (WTE)			
WSE Expansion (Add 4th 750 gal Boiler Unit)	0	0	\$ -
			OM
New WTE Facility (250 gal Boiler Units)	3	1	\$ 675,000,000
Scenario A (4th WTE Unit at WSE) TOTAL		16	\$ 329,000,000
Scenario A (New WTE Facility) TOTAL		17	\$ 1,064,000,000
Scenario B			
Mixed Waste Processing Facility	10	5	\$ 172,000,000
Waste-to-Energy (WTE)			
WSE Expansion (Add 4th 750 gal Boiler Unit)	1	0	\$ 190,000,000
			OM
New WTE Facility (1,000 gal Boiler Units)	3	1	\$ 945,000,000
Scenario B (4th WTE Unit at WSE) TOTAL		14	\$ 467,000,000
Scenario B (New WTE Facility) TOTAL		16	\$ 1,212,000,000
Scenario C			
Waste-to-Energy (WTE)			
WSE Expansion (Add 4th 750 gal Boiler Unit)	1	0	\$ 190,000,000
			OM
New WTE Facility (1,000 gal Boiler Units)	3	1	\$ 945,000,000
Scenario C (4th WTE Unit at WSE) TOTAL		8	\$ 285,000,000
Scenario C (New WTE Facility) TOTAL		10	\$ 1,035,000,000

Scenario A:

\$329-332MM (2020 dollars)
\$19MM/year Loan Repayment*
 (RMPF, Bulk, YW, Mixed, Organics, No WTE Expansion)

Scenario B:

\$457-460MM (2020 dollars)
\$26.6MM/year Loan Repayment*
 (RMPF, Bulk, YW, Mixed, WTE Expansion)

Scenario C:

\$285-288MM (2020 dollars)
\$16.6MM/year Loan Repayment*
 (RMPF, Bulk, YW, WTE Expansion)

Administrative and Operational Expenses an additional cost-would be based on facilities

*Assumes 30 year Loan Repayment at 4%





Question 8

If a Dependent Special District or ILA were established, would they have the authority to require flow control to those municipalities that opt not to participate?

Question 8

No



Question 9

How would a City's credit rating be impacted by each of the governance structures?

Question 9

- ▶ **Independent Special District** *No Impact*
- ▶ **Dependent Special District** *No Impact **
- ▶ **ILA** *Could be impacts*

**Assumes the District is dependent upon Broward County*

May have an impact on County if District fails to meet its obligations



Question 10

What, if any, would be the benefit of managing hauling activities under an Independent or Dependent Special District?

Question 10

- ▶ Economy of scale
- ▶ Consistent programs and messaging across the County
- ▶ Potential for multiple vendor awards
- ▶ May minimize administrative costs



Question 11

What size Recovered Materials Processing Facility (RMPPF) would be required to satisfy Broward County's needs?

Question 11

- ▶ *Current annual tons generated within Broward County:*
 - ▶ *Arcadis report estimates 361,562 tons for 2020; 472,742 tons by 2060*
- ▶ *WMIF facilities process 173,000 tons annually*
 - ▶ *Reuter (Pembroke Pines) processes 170,000 tons annually (Capacity 240,000)*
 - ▶ *400 tons per day*
 - ▶ *RMPF is 96,000 square feet on 135 acre campus which includes transfer station handling Class I, Class II and C & D*
 - ▶ *Deerfield RMPF processes 3,000 commercial tons annually (Capacity 144,000)*
 - ▶ *72,000 tons transferred annually to Reuter for processing*
 - ▶ *RMPF is 38,000 square feet on 3 acre campus*

Question 11

- ▶ *Palm Beach Solid Waste Authority facility is 138,000 square feet and can process 750 tons per day (tpd) (90,000 tons processed in 2019)*
 - ▶ *Arcadis report suggests District would need up to 135,000 square foot facility processing up to 400 tpd*



Question 12

How much property would be required for a transfer station?

Question 12

- ▶ The size of the facility would be influenced by:
 - ▶ The materials being accepted
 - ▶ Areas within the County it is supporting
 - ▶ Volumes being accepted
 - ▶ Hauling distance for final disposition
 - ▶ Co-located functions

Question 12

- ▶ As small as 5 acres could be usable, depending on the commodities accepted
- ▶ Alpha 250 site could be used
 - ▶ It would be advantageous to look at multiple locations throughout the County to minimize windshield time

Recommendation: Consultant should be engaged to develop analysis



Question 13

What is the cost to add a 4th burner to the current Waste to Energy plant?

Question 13

\$180,000,000 (750 tpd)* **and**

Accelerated expansion/closure of the Ash Monofill **

** Cost for a new WTE facility with 3 burners each at 1,050 tpd estimated \$945 MM and 5% more capacity than adding 4th burner to existing plant*

*** 20 years of remaining airspace currently*





Question 14

What are the options to fund the District and infrastructure needs?

Question 14

Independent Special District

- ▶ Taxes (not capped by County Millage)
- ▶ Non-Ad Valorem Special Assessments
- ▶ Bonds

Question 14

Dependent Special District

- ▶ Taxes (capped by County Millage)
- ▶ Non-Ad Valorem Special Assessments

Question 14

ILA

- ▶ Non-Ad Valorem Special Assessments

Question 14

ALL FORMS OF GOVERNANCE

- ▶ Can set rates, charges and fees for products or services
- ▶ Have the power to sell or finance all or a portion of the facility
- ▶ Bonds



CONCLUSION AND NEXT STEPS