

MEMORANDUM

TO: Solid Waste & Recycling Working Group

FROM: Keoki M. Baron, Assistant County Attorney *KB*

DATE: December 5, 2019

RE: **December 6, 2019 Meeting**

For the Solid Waste & Recycling Working Group's use at the above-referenced meeting, Broward County Commissioner Beam Furr has requested a brief outline of certain key terms and conditions concerning Broward County's ("County") current agreement with Wheelabrator Environmental Services Inc. ("Wheelabrator") for solid waste disposal services, dated June 26, 2012, which was subsequently amended by a Global Amendment, dated May 19, 2015, and a Second Amendment, dated July 2, 2018 (as amended, the "Service Agreement"). Those terms and conditions are set forth below.

- **Renewal.** Under the Global Amendment, the County has a conditional right to extend the Service Agreement's term, which is currently set to expire on July 2, 2023, for an additional five (5) years, through July 2, 2028.
 - The first of two conditions required to extend the term has been satisfied through written contractual commitments in effect for the current five-year term (July 3, 2018 through July 2, 2023) that guarantee a minimum of 425,000 tons of contracted processable waste will be delivered each year to Wheelabrator. The second required condition is that the County must have a binding written commitment for the entire next renewal term (July 3, 2023 through July 2, 2028) from governmental entities within the County whose residents and businesses, collectively, generate at least 500,000 annual tons of waste that such entities will deliver all of their contracted processable waste to a specified Wheelabrator facility.
- **Tonnage Capacity.** Pursuant to the Global Amendment, Wheelabrator agreed to make available to the County (for use by the County and the municipalities) up to 1.3 million tons of disposal capacity per year.
 - That capacity is comprised of: (i) the current annual processing capacity (800,000 tons) of the site located at 4400 South State Road 7, Davie, Florida ("Wheelabrator Site")¹ or, alternatively, 725,000 tons of capacity at the Wheelabrator Site if either the Wheelabrator Site is rendered incapable to receive additional capacity beyond that

¹ The Wheelabrator Site includes a waste-to-energy plant owned, and an ash monofill operated, by Wheelabrator.

amount or Wheelabrator demonstrates in writing that it is providing such additional capacity to a third party; and (ii) any necessary additional processing capacity (up to the guaranteed 1.3 million tons) at the Monarch Hill Landfill, the Okeechobee Landfill, or any other facility approved by the County. As outlined in the Global Amendment, the Wheelabrator Site's annual processing capacity is capable of expansion to approximately 1,065,000 tons which, if created, would reduce the County's potential reliance on the use of the alternate disposal (landfill) facilities.

- **Tipping Fee.** The disposal service tipping fee is currently \$45.86 per ton, and is subject to an annual adjustment (on October 1 of each year) based on the Consumer Price Index, with a cap not to exceed five percent (5%) and a floor of not less than one percent (1%). The stated tipping fee for the next renewal term (July 3, 2023 through July 2, 2028) will be equal to the tipping fee in effect on July 1, 2023 plus \$1.50 per ton, and will also be subject to the above-referenced annual adjustment for the remainder of the term.

AJM/KMB

c: Bertha Henry, County Administrator
Andrew J. Meyers, County Attorney