

**Resource Recovery Board**

**Chair:** Commissioner Ilene Lieberman, Broward County Board of County Commissioners

**Vice Chair:** Commissioner Joseph Scutto, City of Sunrise

Commissioner Beam Furr-Hollywood • Commissioner Roy Gold-Coral Springs • Mayor Eric M. Hersh-Weston • Mayor Jim Naugle-Fort Lauderdale  
Commissioner Lou Sarbone-Coconut Creek • Commissioner Frank Talerico-Margate • Mayor Layne Dallett Walls-Oakland Park

**Executive Director:** Ron Greenstein    **Counsel:** Eugene M. Steinfeld

**AGENDA**  
**RESOURCE RECOVERY BOARD**  
**AND**  
**TECHNICAL ADVISORY COMMITTEE**  
**JOINT MEETING**  
**BROWARD COUNTY GOVERNMENTAL CENTER**  
**115 South Andrews Avenue, Room 430**  
**Thursday - May 15, 2008**  
**Immediately following the 2:00 P.M. RRB Meeting**

**1. Call to Order**

**2. Discussion Items**

- Needs Assessment Survey Overview
- Materials Recovery Facility (MRF): Critical Issues and Action Plan (p. 2-6)

**3. Adjournment**

**In compliance with the ADA (Americans with Disabilities Act), equipment is available for the handicapped and hearing impaired upon request. If you require auxiliary aid, please call (954) 474-1849 at least two days prior to meeting.**



### District MRF - Stakeholder Preference

Number	Name	City	Title	Population <sup>1</sup>	%	MRF	Own	Operate	Manage
1	George Gretsas	Ft. Lauderdale	City Manager	198,707	13%				
2	Michael Levinson	Coral Springs	City Manager	134,321	9%	x			x
3	Bruce Moeller	City of Sunrise	Interim City Manager	108,755	7%	x			x
4	Gary Shimun	Davie	Town Administrator	96,283	6%	x	x	x	x
5	John Flint	Weston	City Manager	63,771	4%	x	x	x	
6	Jeffery Miller (via Troy Gies)	Tamarac	City Manager	61,143	4%	x			x
7	Frank Porcella	Margate	City Manager	57,949	4%	x	x	x	x
8	Anita Taylor	Lauderdale Lakes	City Manager	35,895	2%	x			x
9	Charles Faranda	Lauderhill	City Manager	66,467	4%		x		x
10	John Stunson	Oakland Park	City Manager	33,995	2%	x	x	x	x
11	Joseph Gallegos	Wilton Manors	City Manager	13,281	1%	x	x	x	x
12	John Lavisky	Lighthouse Point	City Administrator	11,374	1%	x	x	x	x
13	Christopher Russo	Southwest Ranches	Town Administrator	10,705	1%	x			x
14	Robert Levy	Pembroke Park	Town Manager	8,084	1%		x	x	
15	Esther Colon	Lauderdale by the Sea	Town Manager	6,861	0%				x
16	Russell Benford	West Park	City Administrator	13,700	1%	x	x	x	x
17	Bertha Henry (via Mary Beth Busutil)		For Interim County Administrator		0%	x			x
18	Charles Dodge (Non-ILA)	Pembroke Pines	City Manager		0%				
19	John Kelley (via Raj Verma)	Coconut Creek	City Manager	51,314	3%	x	x		x
20	Richard Sala (via Mike Shields)	North Lauderdale	City Manager	41,793	3%				
21	Robert Payton (via Tom Good)	Miramar	City Manager	125,050	8%				
22	Christopher Farrell (via Carl Miller)	Cooper City	City Manager	31,040	2%				
23	Mike Mahaney	City of Deerfield Beach	City Manager	70,327	5%	x	x	x	x
24	Cameron Benson (via Greg Turek)	Hollywood	City Manager	155,827	10%	x	x	x	x
25	Dan Keefe	Plantation	Assistant to the Mayor	95,112	6%	x	x	x	
				1,491,754	100%	68%	57%	42%	62%

## **Critical Decision Approach (MRF)**

### **What we know / assume**

Cities want to maximize revenues / net revenues

Location is relatively important

- Foreman Property (Davie MRF site) offers centralized location
- Current WM system with Transfer Stations has been welcomed by Deerfield Beach
- District and County sites (Alpha 250, NTTS- former incinerator site, BIC)

County procurement process prevails

- Subject to any waivers requested by RRB and approved by County Commission
- TAC and RRB could participate in any official selection (process used in the past)

### **Critical Questions / Decisions**

Do cities want centralized MRF services after current MRF Agreement expires (10/1/2009)?

- Until ILA expires 2012/2013
- After 2012/2013

Do cities want to transition to single stream systems?

- Effective 10/1/2009
- Allow for earlier transitions at option of the city

Does TAC/RRB endorse public procurement / negotiations?

- Interim bridging contract(s) (effective 10/1/2009) for services, including net revenue provision, 30 day cancellation for convenience clause, through the term of the current ILA or until new MRF procurement is complete.
- Negotiate with Waste Management (MRF 6<sup>th</sup> Amendment) for term extension, including provision for Transfer Stations
  1. until end of current ILA (2012/2013)
  2. with 30-day termination for convenience (premium costs would apply)
  3. with terms linked to Wheelabrator contract extension (timing for Wheelabrator discussion could impact the process)
- Initiate RFQ/RFP for MRF Services including commitment for a bridging ILA with County/District sites presented as an option, but not a requirement (Contractor responsible for lease terms and all land use, zoning and permitting processes associated with using the sites).

## MRF Issue Review (04-08-2008)

### MRF 6<sup>th</sup> Amendment:

Waste Management (WM) opted to suspend negotiations suspended in fall of 2007. Issues surrounding 6<sup>th</sup> Amendment negotiations at the time included:

- The uncertainty over the Resource Recovery System's Interlocal Agreement (ILA) term (9<sup>th</sup> Amendment), which would shorten the current ILA from July 2, 2013 to March 23, 2012. **RRB could withdraw amendment, or we could include variable term language in 6<sup>th</sup> amendment that lists both dates.**
- Issues related to "most favored terms". **Need MRF 2006 Audit comments on no cost-no revenue terms that WM has extended to Martin County or the Net Revenue concepts framed in the Miami-Dade Agreement. TAC and RRB could agree to amend the current language(utilize a net revenue calculation) and change the principle established in prior audits that both the processing fees and the revenue required favored status.**
- Exclusion/inclusion of recyclables residue allowance within the contract. **Exclusion would reduce tonnage at Wheelabrator (MRF residue from program materials is directed to Wheelabrator and put-or-pay credit is recorded).**
- WM also suspended negotiations in deference to 2007 RFEI process and raised issues related to "right to submit" language in the RFEI. **Not an issue. WM submitted for RFEI. I expect some vendors would contest efforts to allow new vendors to submit.**
- The contract pricing and revenue share formulas discussed as part of 6<sup>th</sup> Amendment were far lower than what RRS is receiving now. There were also more limited discussions on a switch to a net revenue concept (again at levels significantly below current net revenues). **Seek Net Revenue options/bids from RFEI submitters and short-term month by month contract effective 10/1/2009. Republic, SWS/WSI partners, and others could possibly process and market materials. However, convenience of WM transfer stations and the impacts on collection contract if alternate processing sites required longer haul distances may impact some cities.**
- A premium would be added to the processing fees, if a termination for convenience clause was included in the Amendment. **Option to forego MRF RFP until ILA extension / bridging ILA is formally adopted, and accept the better terms for an extension through term of current ILA. Note: bridging ILA needs to include funding guarantees from cities, and possible use of some/all revenues to cover processing fees and administrative costs. MRF ILA used to gain commitments in 1992 available for review**

- The type of recycling collections and processing schemes – i.e., the possible switch to single-stream were discussed but would likely result in lower revenues. **We could negotiate for calculated split based on historical information through 9/30/2009.**

### **MRF Procurement:**

To-date there has been no direction provided to staff on development of a MRF procurement document. Issues to consider include:

- **Timing and sequencing:** The current MRF contract expires September 30, 2009. County procurement processes and the capital-intensive nature of MRF contracts make it all but impossible that a contract will be able to be let and awarded in time for a new MRF contract by October 1, 2009. If TAC elects to go with MRF procurement, they should expect to have to enter into bridging contract with WM – at a premium – to ensure uninterrupted MRF services. **A short term contract with other RFEI submitter may be an option. Consider a TAC/RRB request to waive the Procurement Code. (Need discussion with Purchasing Division)**
- **Type of procurement:** Will the County's procurement process be utilized for the new MRF services, or will the RRB pursue their own contract (if desired is this allowable)? Should RRB/system pursue an RFP, which requires selection committee and possible two-step / pre-qualification approach, or utilize a Request for Letter of Interest (RLI) process, straight-bid, etc. **Gene has opined that County's system will be used. RRB could request waiver of the Procurement Code or request waiver of certain provisions which could accelerate the process. It's unclear what they would delete. Agenda Report from WRS or non-Agenda by Chair –establish SC/EC with non-County members, RLI or RFP document attached.**
- **Type of MRF management approach:** Does system wish to award a 100% merchant services contract, enter into a Design, Build, and Operate (DBO) contract, either with or without a RRB ownership provision? **Task MPI to prepare option matrix, notwithstanding uncertainty of ILA partnership, site ownership, use of system reserves and possible impacts on assets and liability distribution.**
- **Status of ILA:** It is currently uncertain whether the RRS ILA will expire in July 2013 or March 2012 as has been called for in 9<sup>th</sup> Amendment (which a majority of cities have signed, but requires 100% approval). A new or extended ILA, at least for MRF services is necessary to guarantee tonnage amounts. **Need bridging ILA. Note: bridging ILA needs to include funding guarantees from cities, and possible use of some/all revenues to cover processing fees and administrative costs. MRF ILA used to gain commitments in 1992 available for review**
- **MRF contract term:** As it stands now, a new MRF contract term would be for October 2009 until July 2013 or March 2012. An allowance for term extension would have considerable uncertainty, which would impact negotiations and contract development. **Need tonnage associated with bridging ILA.**

- RRS land: Will the system offer use of RRS-owned land for siting of new MRF operation? Current options could include Alpha 250, BIC and NTS site. Another option may involve the purchase or lease of the former MRF site in Davie (Foreman property). Inclusion of a RRS-offered site would impact the RFP process. **It appears that Alpha 250 and Pompano Incinerator site would be problematic due to Pompano Beach restrictions. MPI WA(s) for site reviews are in limbo. Foreman property lease – purchase terms linkage to lakefill has significant challenges administratively and legally.**
- MRF processing and collection scheme: Does RRS wish to convert to single-stream processing or continue with dual-stream approach? Some non-ILA cities are switching to the single-stream system and some Partner Cities have expressed interest. Single-stream systems would allow implementation of RecycleBank approaches. **Needs Assessment Survey Results 4/14**
- Other: Some cities have requested that the list of program recyclable include all plastics and /or inclusion of institutional materials. Glass recycling has been an economic drain. **MRF RFP allow for alternate pricing.**

**POSSIBLE ACTION PLAN:**

**TAC/RRB consider lease/purchase of Foreman Property with or without lakefill scenario.**

**MPI complete Work Authorizations to review System/County property related to possible new MRF / Transfer Station siting. (WRS-RCAD or RRB Director administers)**

**TAC & RRB decision to extend WM contract (month to month or until end of current ILA) or they endorse a public procurement process for a bridging month to month MRF contract effective 10/1/2009.**

**TAC/RRB endorse RFQ/RFP process for a new MRF**

- **MPI Work Authorization for Option Matrix – DBO, System Ownership, Dedicated or Merchant facility, etc.(incorporated into RRB Assistance WA?)**
- **RRB Attorney and County Attorney collaborate and prepare bridging ILA.**
- **Purchasing Division officials address TAC/RRB presenting RLI/RFP process, and Procurement Code issues and possible impact on timely execution of new contract. TAC/RRB consider possible action to have the Procurement Code waived.**
- **MPI Work Authorization for assistance with RFP and Contract Negotiations (including Agenda Report to amend MPI Agreement)**
- **WRS/RCAD prepare RFP document with assistance of MPI and Purchasing Division**
- **WRS/ RCAD prepare Agenda Report including participation of TAC/RRB in SC/EC process.**