Overview of Governance Structures for a Regional Solid Waste Management System

WORKING GROUP MEETING – MARCH 16, 2020
Available Governance Structures

1. Solid Waste Districts Created by Interlocal Agreement ("ILA")
2. Independent Special District
3. Dependent Special District
GOVERNANCE OVERVIEW – Available Governance Structures

- (1) Solid Waste Districts Created by Interlocal Agreement (“ILA”)
- (2) Independent Special District
- (3) Dependent Special District
Broward County

Quick statistics (2017)
1,323 square miles
Population: 1,873,970
Total Tons: 3,889,119
Recycled Tons: 1,291,545 (33%)
Renewable Energy Tons: 499,443 (13%)
Broward County

Current Infrastructure:

Southwest Regional Landfill   (210 tpd)
Class I (County)
  ▶ $50.00/ton

Monarch Hill Landfill (3500 tpd)
Class I (Waste Management)

Renewable Energy Facility   (2250 tpd)
Wheelabrator
  ▶ $45.86/ton
  ▶ Accepts Out of County waste

Recovered Material Facilities (Private)
Wheelabrator South Broward Ash Monofill

Transfer Stations

3 Drop Off Centers (County)
GOVERNANCE OVERVIEW – ILA

Service Area
Dixie County
Madison County
Jefferson County
Taylor County

Quick statistics (2017)
Square Miles: 3,449
Population: 73,190
Total Tons: 61,382
Recycled Tons: 8,690 (14%)
Date Established: June 1, 1991

Governing Body: One Commissioner from each County is appointed

Statutory Authority:
- FS 163.01 Florida Interlocal Cooperation Act of 1969
- FS 403.706 Local government solid waste responsibilities
Catalyst: Each County had been handling their own solid waste disposal by landfilling.

Regulatory changes requiring landfills to be lined created common interest among 17 neighboring counties.

3 separate Solid Waste Authorities were created to meet the needs, including the Aucilla Area Solid Waste Administration.
Current Infrastructure:
Class I & Class III Landfill (221 tpd)
- $43.00/ton
- Accepts “Out of Region” Waste

Future Plans:
Estimated 50 years of life remaining
Reserves established for a landfill gas capture project to be developed
Annual Revenues: $2.47 MM FY19/20

Funding Mechanism: Tipping Fees

Rebates: Approximately $500,000 annually paid back to member Counties as earnings exceed expenses
Flow Control: YES

Capabilities:
- Acquisition of Real Property
- Issue Debt
- Set rates, fees and charges
- Grant franchises
- Cannot directly levy Non-Ad Valorem assessments but can be levied by individual counties
GOVERNANCE OVERVIEW – ILA

NEW RIVER SOLID WASTE ASSOCIATION

Service Area
Baker County
Bradford County
Union County

Quick statistics (2017)
- Square Miles: 1,139
- Population: 70,780
- Total Tons: 60,281
- Recycled Tons: 13,691 (23%)
Date Established: July 5, 1988

Governing Body: Two Commissioners from each County are appointed. Board elects officers for one-year terms.

Statutory Authority:
- FS 163.01 Florida Interlocal Cooperation Act of 1969
- FS 403.706 Local government solid waste responsibilities
Catalyst: Each County had been handling their own solid waste disposal by landfilling.

Regulatory changes requiring landfills to be lined created common interest among 17 neighboring counties.

3 separate Solid Waste Authorities were created to meet the needs, including the New River Solid Waste Association.
Current Infrastructure:

- Class I Landfill (800 tpd)
  - $42/ton Union and Bradford County
  - $28/ton Tip Fee Baker County
  - Accepts “Out of Region” Waste
    - Alachua County ($28.50/ton)
    - Gilchrist County ($28.50/ton)
    - Levy County ($28.50/ton)

19 Drop Off Centers

Future Plans:

- Landfill Gas-to-Energy planned
- December 2020; 50 Years Airspace
Annual Revenues: $9.39 MM 2018

Funding Mechanism: Tipping Fees
Flow Control: YES

Capabilities: Acquisition of Real Property
Issue Debt
Set rates, fees and charges
Grant franchises

Counties are required to provide necessary funding for the District
GOVERNANCE OVERVIEW – Available Governance Structures

- (1) Solid Waste Districts Created by Interlocal Agreement (“ILA”)
- (2) Independent Special District
- (3) Dependent Special District
GOVERNANCE OVERVIEW – Independent Special District

Quick statistics (2017)
- Square Miles: 875
- Population: 313,512
- Total Tons: 744,001
- Recycled Tons: 362,067 (49%)
- Renewable Energy Tons: 25,877 (3%)

Service Area
- Escambia County
- Portion of Santa Rosa County
Independent Special District

- **Date Established:** 1981 (Solid Waste Management 1992)

- **Governing Body:** Five elected Board members - One per voting district
  Staggered four-year terms

- **Statutory Authority:**
  Special Act of Florida 81-376
Catalyst: In 1992, the Governor signed an Executive Order to charge the ECUA with solid waste collections.

Oversight: Citizens’ Advisory Committee (12 members) serves as an advisory board to the ECUA Governing Board - meet monthly.
Independent Special District

Current Infrastructure:
- Class I Landfill (600 tpd)  
  - $45.06/ton
- 1 Drop Off Center
- Material Recovery Facility (2016)
  - Accepts from New Orleans, LA
  - Accepts from Tallahassee, FL
- Composting Facility

Future Plans: Improvements to their Material Recovery Facility to include robotic sorters by 2021
Independent Special District

- Annual Revenues: $37.5 MM 2020
- Funding Mechanism: Residential Rate Collection
  Loans for capital
Independent Special District

- **Flow Control:** YES

- **Capabilities:**
  - Acquisition of Real Property
  - Issue Debt
  - Set rates, fees and charges
  - Grant franchises
  - Waste collection activities
  - No Ad-Valorem Authority- County level capability only
Available Governance Structures

1. Solid Waste Districts Created by Interlocal Agreement ("ILA")
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GOVERNANCE OVERVIEW – DEPENDENT SPECIAL DISTRICT

Service Area
Palm Beach County

Quick statistics (2017)
Square Miles: 2,383
Population: 1,411,246
Total Tons: 3,447,795
Recycled Tons: 1,558,716 (45%)
Renewable Energy Tons: 840,706 (24%)
<table>
<thead>
<tr>
<th><strong>Dependent Special District</strong></th>
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<tbody>
<tr>
<td><strong>Date Established:</strong> 1975</td>
</tr>
<tr>
<td><strong>Governing Body:</strong> All Seven County Commissioners</td>
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<tr>
<td>Board elects officers for one-year terms</td>
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<td><strong>Statutory Authority:</strong> Palm Beach County Solid Waste Act</td>
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<tr>
<td>Chapter 2001-331 Laws of Florida, as amended</td>
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</table>
Dependent Special District

- **Catalyst:** Solution to address the many open dump sites throughout the County

- **Oversight:** SWA Citizens’ Advisory Committee (11 members) serves as an advisory board to the SWA Governing Board
  - 7 members are appointed by the Governing Board Commissioners to represent each district, 4 members at large.
Flow Control: YES

Capabilities:
- Acquisition of Real Property
- Issue Debt
- Set rates, fees and charges
- Grant franchises
- Waste collection activities
- Can levy ad valorem tax not to exceed 1 mill on the dollar
Dependent Special District

- **Current Infrastructure:**
  - Renewable Energy Facilities #1 and #2
    - $42/ton
    - $138/ton Out of County
  - North County Class I Landfill Complex
  - Recovered Materials Processing Center
  - Biosolids Processing Facility - 600 tpd
  - 6 Transfer Stations
  - 7 Household Hazardous Waste/Recycling Centers
  - 4 Closed Landfill Sites
Start Up Funding:

- $420 Million assessed in 1984 and 1987
- Non-ad valorem assessment in 1990 to meet debt service obligation
- Assessment has 2 components:
  - Waste Disposal for all improved properties
  - Waste Collection for all residential properties in the unincorporated areas
Dependent Special District

Annual Revenues:
$307.35 MM FY2020

Funding Mechanism:
$208 MM Special Assessment (68%)
$40 MM Tipping Fees (13%)
$37 MM Electricity Sales (12%)
$8 MM Recycling Revenues (3%)

Net Revenues must equal 110% of the annual debt service (Approximately $800 Million in revenue bond debt)
Dependent Special District

**Waste to Energy #1**
- Constructed in 1989 and refurbished in 2011
- Designed to process 2,000 MSW tons per day (tpd)
- Power generated enough to power more than 28,000 homes
- Achieves 60% volume reduction in weight versus landfilling

**Waste to Energy #2**
- Began accepting waste in 2015
- Processes 3,000 MSW tons per day (tpd)
- Power generated enough to power more than 44,000 homes
- Achieves 90% volume reduction in weight versus landfilling
FUTURE NEEDS AND PLANNING CONSIDERATIONS
FUTURE NEEDS AND PLANNING CONSIDERATIONS

- (1) Facilities
- (2) Programs
- (3) Finances and Flow Control
- (4) Challenges
FUTURE NEEDS AND PLANNING CONSIDERATIONS

► (1) Facilities
► (2) Programs
► (3) Finances and Flow Control
► (4) Challenges
Waste-to-Energy

- Prioritize as the solid waste disposal option for District
- Pursue long-term contract with Wheelabrator
  - Commitment to accept all District waste
- Evaluate expansion requirements for short and long-term County needs
- Develop contingency plan for MSW disposal to supplement incinerator operations
Recovered Materials Processing Facility (RMPF)

- In concurrence with the Arcadis Study, development of a RMPF is a top priority.
- Evaluate development of facility that can manage residential single and dual stream volumes and support commercial recycling.
- Consider colocation of enhanced processing (glass processing, shredding of expanded polystyrene foam, etc.) to improve marketability and value of recovered product.
Landfills

- Evaluate remaining permitted airspace of ash monofill and Southwest Regional Landfill (BIC) and develop long-term strategy
- Evaluate mining of monofill ash and investigate potential market for monofill ash for use in concrete, aggregate fill, etc.
- Consider co-location of other facilities at Broward County landfill site (HHW, C & D facility, RMPF)
- Evaluate a zero waste/zero landfill goal
- Evaluate disposal options for non-processable waste
Transfer Stations

- Evaluate District construction of transfer stations to support flow control throughout District disposal assets
- Evaluate existing public property, including Alpha 250, for transfer station use
- Prioritize development of one or more transfer stations for immediate use to improve capture and flow of recyclables and other materials
- Establish conveyance locations geographically to minimize travel distances and time (operational impacts)
Composting Facilities

- Further investigate current composting technologies implemented in the Southeast US on a large scale.
- Develop waste reduction programs to minimize the volume of food waste.
- Consider opportunities for regional composting facilities with Miami-Dade and Palm Beach Counties.
Household Hazardous Waste Processing Facilities

- Consider colocation of HHW receiving stations at facilities throughout the County
- Examine utilization of existing Broward County HHW infrastructure
Evaluate Available Land/Property for Solid Waste Uses

- Alpha 250
  - Retain ownership
  - Evaluate for use as a transfer station site for processing other materials
FUTURE NEEDS AND PLANNING CONSIDERATIONS

- (1) Facilities
- (2) Programs
- (3) Finances and Flow Control
- (4) Challenges
Immediate District Programs

- MSW Processing and Disposal
- Residential and Commercial Recycling
- Construction & Demolition Processing and Recycling
- Bulk Trash Processing and Recycling
- Household Hazardous Waste & Electronics Processing
- Districtwide Education and Outreach
Future District Programs

- Yard Waste Recycling
- Composting
- Bio-Solids Processing (Sludge)
- Zero Waste/Waste Reduction Goals and Programs
- Disaster Debris Processing and Disposal
- Adopt-a-Street
- Other Programs that are Cost-Neutral
FUTURE NEEDS AND PLANNING CONSIDERATIONS

- (1) Facilities
- (2) Programs
- (3) Finances and Flow Control
- (4) Challenges
Flow Control

- Contractual Flow Control
  Funding: Tipping fees
  - Enforcement – who will provide the enforcement, the District or municipalities?

- Economic Flow Control
  Funding: Non Ad Valorem Assessment and tipping fees

- Recycling Contamination

- Issuance of debt and repayment
FINANCE & FLOW CONTROL

- Start-Up Costs (short-term financing)
  - Will the County, Municipalities or combination thereof fund the start-up costs?
- Long-Term Liabilities and Long-Term Maintenance
- Closure Costs
FUTURE NEEDS AND PLANNING CONSIDERATIONS

- (1) Facilities
- (2) Programs
- (3) Finances and Flow Control
- (4) Challenges
CHALLENGES

- Contamination of recyclables/education and behavioral change
  - Public Education – countywide program to educate residents on the correct way to recycle, the benefits, etc.
  - Enforcement

- Commercial and multi-family recycling
  - Recommendation: Mandate commercial and multi-family recycling and provide additional education and incentives
CHALLENGES

- Processing and marketing of recyclables
  - Profit motives – for profit versus not for profit processing
  - Market sustainability – evaluate market; reduce climate impacts

- Gaining participation without a clear answer of the future cost

- County participation in the District with inclusion of existing facilities (i.e. Wheelabrator, Broward County Landfill, etc.)

- Flexibility to incorporate future technologies
## Governance Structure Comparison

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<tr>
<th>Advantages</th>
<th>ILA</th>
<th>Independent Special District</th>
<th>Dependent Special District</th>
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<tbody>
<tr>
<td>Local Control</td>
<td>✓</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Flexibility</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Conducive to collaboration</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Retention of all common powers</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Power to levy special assessments</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Taxing authority</td>
<td>X</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Can provide services outside boundaries</td>
<td>X</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Entire County is bound to the agreement</td>
<td>X</td>
<td>✓</td>
<td>X</td>
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## Disadvantages

<table>
<thead>
<tr>
<th>Disadvantage</th>
<th>ILA</th>
<th>Independent Special District</th>
<th>Dependent Special District</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Authority to tax or issue debt directly</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Must be created by Florida Legislature</td>
<td>X</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>Significant State oversight</td>
<td>X</td>
<td>✓</td>
<td>X</td>
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<tr>
<td>Tax millage counts against millage caps of participating government</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Municipality participation optional</td>
<td>✓</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Can drop out</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
ILA - POINTS TO CONSIDER

- Can establish separate legal entity possessing common powers
  - Commission
  - Board
  - Council

- Can incur debts, liabilities and obligations that do not affect participants

- Can acquire, own, construct, improve, operate and manage public facilities relating to a governmental function or purpose
ILA - POINTS TO CONSIDER

- Has all powers to finance, own, operate and manage public facilities, including setting rates, charges and fees
- Can sell or finance all or a portion of such facilities
- Can levy special assessments and use revenues to pay off bond obligations
- Participants can drop out or choose not to renew
INDEPENDENT SPECIAL DISTRICT - POINTS TO CONSIDER

- Created to carry out a specific function in a specific geographical area and is **NOT** controlled by a County or City.

- Florida State Legislature creates by special act and enumerates:
  - Requirements and mission
  - Financing methods
  - Governing body composition
  - Procedures for setting bonds

- Only has powers established by Florida State Legislature.
INDEPENDENT SPECIAL DISTRICT-
POINTS TO CONSIDER

▶ State retains significant oversight
  ▶ Required submittal of annual reports
  ▶ Subject to legislative auditing committee

▶ State at its discretion may authorize assessments through ad valorem or non-ad valorem taxes
  ▶ Millage would not count against 10 mill cap of local government

▶ State ultimately decides how board members are selected

Recommended form of Governance per the Arcadis report
DEPENDENT SPECIAL DISTRICT - POINTS TO CONSIDER

- Created to carry out a specific function in a specific geographical area and is controlled by City or County

- May be created by Florida State Legislature (Special Act) or by County ordinance
  - Creation by ordinance requires approval of affected municipalities

- Any tax assessments must be added to the millage of the County (cannot exceed the 10 mill cap)
Membership of the governing body is identical to that of the governing body (County)

Budget requires approval through affirmative vote or can be vetoed by governing body