



## Legislation Text

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**TO:** Mayor and City Commission

**FROM:** Cale Curtis, City Manager

**DATE:** October 20, 2021

### RESOLUTION - APPROVING THE SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT FOR SOLID WASTE DISPOSAL SUPPORT SERVICES WITH BROWARD COUNTY.

**BACKGROUND:** On December 5, 2012, the City Commission passed Resolution 12-237 approving “An Interlocal Agreement Between Broward County and Participating Communities for Solid Waste Disposal and Support Services” (“ILA”) which provides for municipal solid waste, yard waste, and bulk trash disposal services that the City utilizes with Wheelabrator Environmental Systems, Inc. (“Wheelabrator”). On June 6, 2018, the City Commission passed Resolution 18-059 approving the first amendment to the ILA, renewing the ILA for a second five-year term. This second five-year term is set to expire on July 2, 2023. Per the terms of Broward County’s global agreement with Wheelabrator, they must notify Wheelabrator of their intent to renew at least eighteen months prior to the expiration of the current term. Additionally, they must provide a written commitment of tonnage from Broward County entities that have collectively generated a total of 500,000 tons annually. As such, this second amendment would commit the City to continue to deliver all municipal solid waste in the City to Wheelabrator through July 2, 2028 and assist Broward County in meeting the requirements needed to renew the disposal agreement with Wheelabrator.

Broward County has advised that Wheelabrator intends, per the terms of their agreement with the County, to bring the rate for Additional Waste (bulk waste, yard waste, and construction & demolition debris) to the same rate as processable waste. Currently, the rate for processable waste is \$47.79 per ton and bulk waste is \$38.02 per ton. This means that, if this change was implemented in the current year, the per ton cost for bulk waste would increase from \$38.02 to \$47.79, an increase of \$9.77 per ton. This would result in an increase in costs to households receiving curbside waste collection of approximately \$0.78 per month or about \$130,000 annually. Broward County has advised that they intend to attempt to negotiate lower rates for Additional Waste and the second amendment allows for making a non-binding declaration of intent to deliver Additional Waste to Wheelabrator. Therefore, since bulk waste and yard waste is currently delivered to Wheelabrator, it is recommended to make such a declaration while simultaneously exploring alternative options for those waste streams. Should the City determine that Wheelabrator is the best option for disposal of bulk and yard waste, a commitment would need to be provided to Broward County and Wheelabrator by May 6, 2022.

All of the other existing terms and conditions would remain in effect which includes that on July 1, 2023 the tipping fee for all waste streams would increase by \$1.50 per ton.

In summary, this Second Amendment would enable the City to continue to utilize the Wheelabrator waste-to-energy facility for disposal of all processable waste from the City. It would also declare the City’s non-binding intent to continue to use the facility for bulk and yard waste disposal while staff explores additional options for the disposal of bulk waste.

**RECOMMENDATION:** For Approval.

**FISCAL IMPACT:** Residential waste rates are adjusted annually based on disposal rates.

**CONTACT PERSON:** Curt Keyser, P.E., Director of DEES