



The Lee County Solid Waste Division Summary of Services, Facilities and Fiscal Information



Board of County Commissioners Workshop March 18, 2014



DRAFT V3



Introduction

The Solid Waste Enterprise Fund is used to account for the provision of Solid Waste Services to the general public. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the County is that costs of providing solid waste services to the general public on a continuous basis be financed or recovered primarily through user fees. (Ref. FY 12 CAFR)

Mission Statement: To ensure the health, safety, and general welfare of the citizens of Lee and Hendry Counties by providing a responsible and economical solid waste management system.



Core Services & Programs

The State mandates that Counties provide environmentally safe solid waste disposal for their citizens
(F.S. Chapter 403)

- The BoCC determined that Lee County would utilize Waste To Energy (WTE) and a comprehensive recycling program.
- WTE requires solid waste flow control for financing & debt service as well as other facilities and programs including a landfill.
- Flow control requires franchise collection services & interlocal agreements with municipalities.



Core Services & Programs (continued)

**The Integrated Solid Waste Management System
Established by the BoCC & the Lee County
Comprehensive Plan is fundamentally
comprised of:**

- Residential and Commercial Franchised Collection Services
- Recycling Programs & Materials Recycling Facilities (MRFs).
- Waste To Energy
- Vegetative Waste Processing and Biosolids Composting
- Lee/Hendry Landfill
- Hendry County Transfer Stations
- Household Chemical Waste Management
- Rights of Way Illegal Dump Clean-Up



Core Services and Functions

Service or Function	Lee County	Private Contractors
MRF		
Operations and Maintenance		X
Residue Transport and Disposal	X	
Waste to Energy		
Operations and Maintenance		X
Ash Transport and Disposal	X	
Landfill		
Waste Disposal Operation		X
Environmental Monitoring & Leachate Mgmt	X	
Residential and Commercial Collection Services		X
Customer Service and Community Education	X	
Household Chemical Waste		
Material Collection & Identification	X	
Material Transport & Disposal		X
Horticulture		
Material Receiving & Plastic Removal	X	
Grinding Services		X
Construction & Demolition Debris Recycling		
Operations & Maintenance	X	X
Compost		
Operations & Maintenance	X	
ROW/Illegal Dump Clean Up	X	
Approximate Annual Expense	\$10,100,000	\$53,100,000

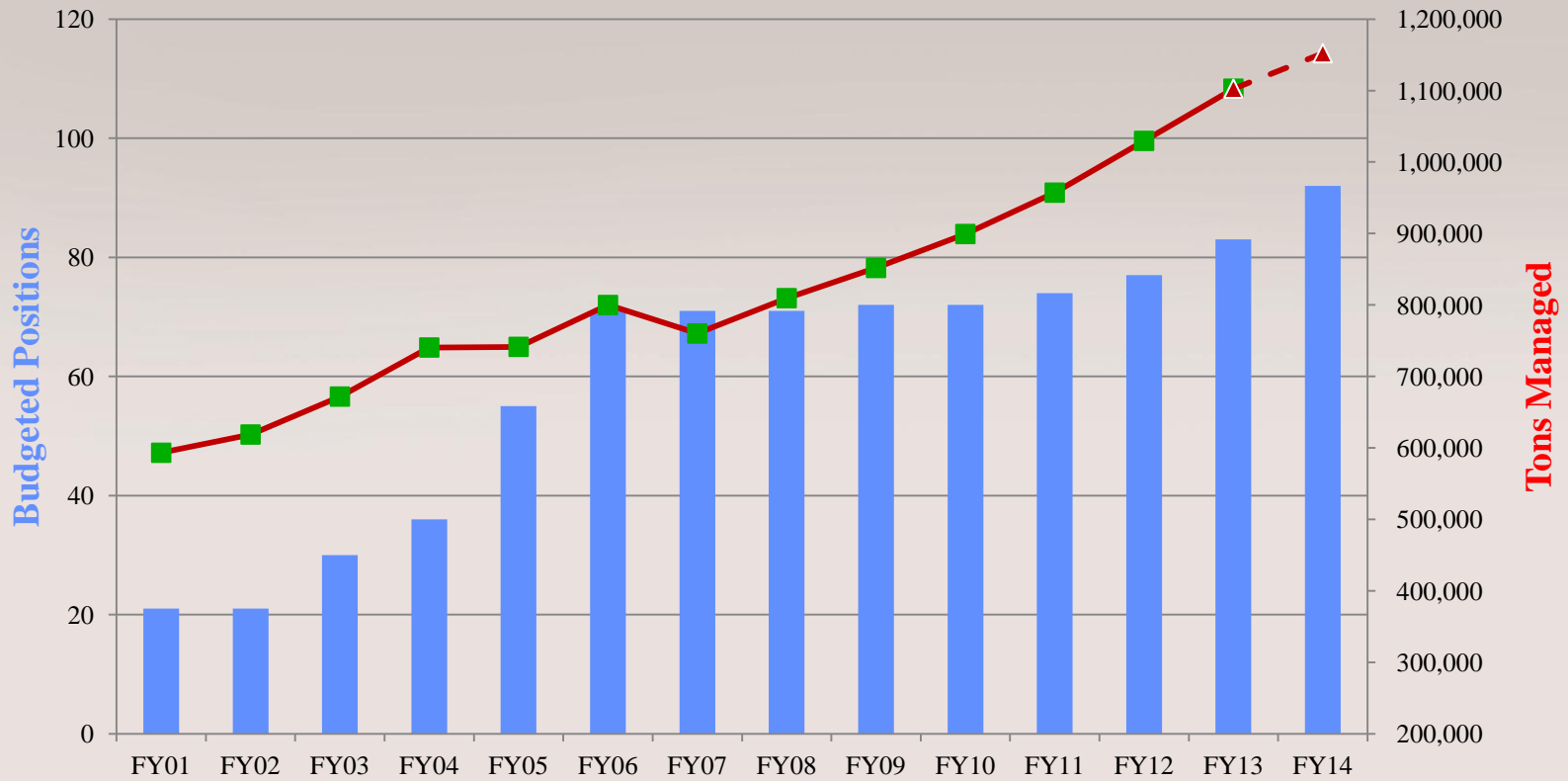


Time Line of Events (BoCC & Regulatory)

- 1988 Solid Waste Act – 30% Recycling
- 1988 Lee County Integrated Solid Waste Management Plan
- 1990 Interlocal Agreement with Hendry County
- 1991 Curbside Recycling
- 1992 Household Hazardous Waste Program
- 1992 Construct and Operate Hendry County Transfer Stations
- 1994 Settlement Agreement with Waste Management Inc. (Established Current Landfill Operating & Construction Contract)
- 1994 Waste-to-Energy Plant Operational
- 1996 Interlocal Agreement with Cities
- 1996-97 Construct Lee/Hendry Landfill
- 1997 Emission Changes , Federal Clean Air Act Amendments (EPA)
- 2000 Relocate and Expand Material Recycling Facility (MRF)
- 2002 Gulf Coast Landfill Class I Disposal Closes. Lee/Hendry Landfill Begins Operations
- 2004-05 Hurricanes Charley and Wilma Require \$30,000,000+ for Clean-Up Expenses
- 2007 Household Hazardous Waste Permanent Facility
- 2007 Waste-to-Energy Plant Expansion (3rd combustion unit) Operational
- 2008 Mandatory Business Recycling
- 2008-09 Landfill Expansion
- 2009 Florida establishes 75% Recycling Goal Including C & D Recycling
- 2010 MRF Retrofit to Single Stream Recycling and Facility Expansion
- 2010 Amended and Restated Disposal and Recycling Agreements with All Cities



Division Employees and Tons Managed





FY 14 Budget & Budgeted Reserves

FY14 Approved Budget

Current Operating Budget:	\$63,205,040
Current Annual Debt Service:	\$ 4,386,069 (1)
FY2014 Anticipated CIP Expense:	<u>\$15,000,000</u>
Total:	<u>\$82,591,109</u>

FY 14 Budgeted Reserves

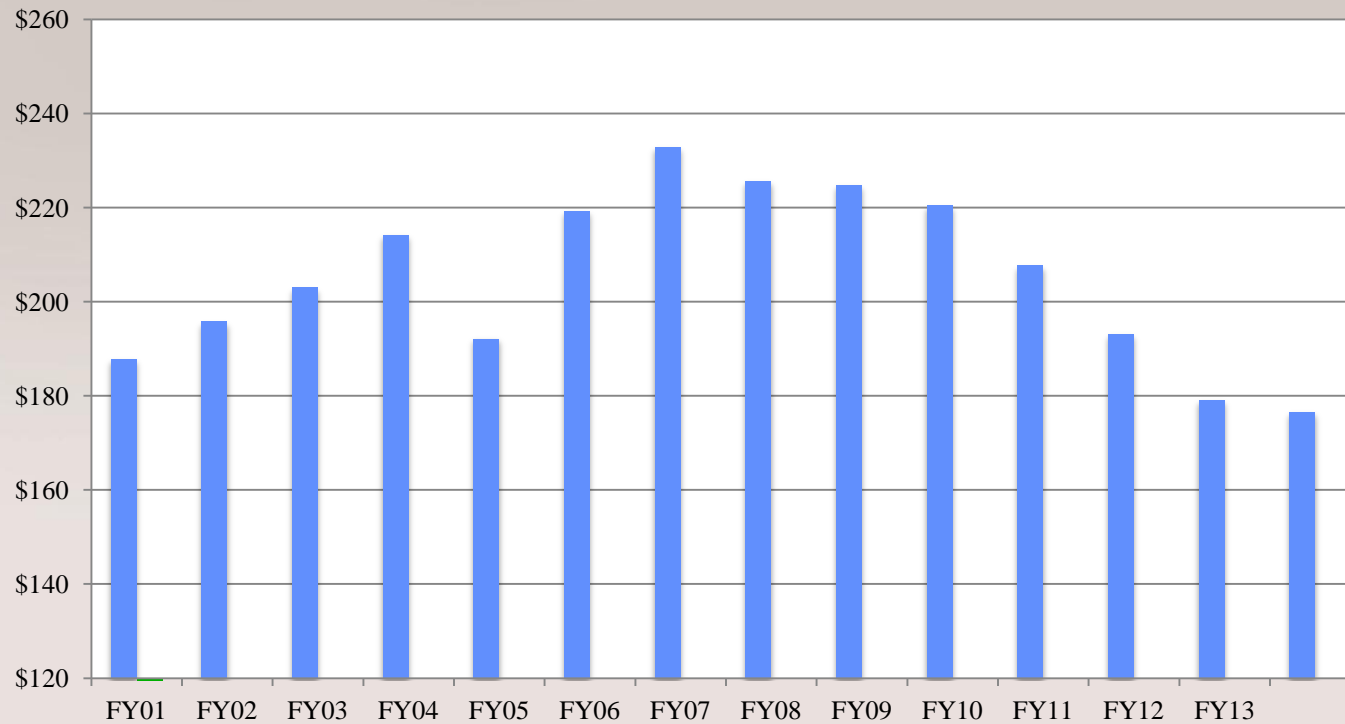
<u>Fund Description</u>	<u>Reserves (2)</u>	<u>Support/Use</u>
Solid Waste System Ops	\$ 3,364,567	WTE/LHLF/Disposal facilities operating
Solid Waste Management	\$ 36,002,833	Capital improvement projects
Solid Waste Rate Stabilization	\$ 6,791,107	Rate stabilization
Solid Waste Recycling	\$ 10,870,601	Recycling program
Solid Waste Right of Way Cleanup	\$ 470,242	Right of Way Clean up program
Solid Waste Landfill Closure Escrow Fund	\$ 9,302,937	LHLF closure escrow fund
Solid Waste 2006A Rev Bonds Debt Svc	\$ 6,800,738	Series 2006A bonds
Solid Waste 2006B Rev Bonds Debt Svc	\$ 180,424	Series 2006B bonds
Solid Waste S91 & 95 Reserves	<u>\$ 3,206,991</u>	Debt service reserve fund
Total	\$ 76,990,440	

(1) Debt Service Increases to \$9,000,000 annually for 2015 through 2026

(2) As of 12/31/2013 and un-audited. Meets County's Financial Manager's Recommendation.



Residential Assessment Trend





Current Service Contracts

ONE WORLD C #	VENDOR	CONTRACT TYPE	SCOPE	START DATE	END DATE (If not renewed)	RENEWAL AVAILABLE
direct voucher	Hendry County	Interlocal	Solid waste disposal for Hendry County	2/13/1991	20 years after LHLF closes	no
1050	City of Cape Coral	Interlocal	MSW disposal and sharing of recycling proceeds. Disposal facilities assessment.	11/8/2011	9/30/2020	yes
1051	City of Sanibel	Interlocal	MSW disposal and sharing of recycling proceeds. Disposal facilities assessment.	8/10/2010	9/30/2020	yes
4870	City of Ft. Myers	4th amended & restated interlocal	MSW disposal and sharing of recycling proceeds. Disposal facilities assessment. Provide Hort waste processing & sludge hauling	6/16/2009	9/30/2020	yes
356	Charlotte County BOCC	Interlocal (4th amendment)	Garbage disposal for Boca Grande residents.	6/27/1990	9/30/2015	yes
6319	Advanced Disposal	Franchise agreement Area #1 and #2	SW & Recycling Collection Services	10/1/2010	9/20/2015	yes/BOCC
5189	Waste Pro	Franchise agreement Area #3 and #5	SW & Recycling Collection Services	10/1/2010	9/30/2015	yes/BOCC
6591	Progressive Waste	Franchise agreement Area #4	SW & Recycling Collection Services	10/1/2010	9/30/2015	yes/BOCC
5730	FCR dba ReCommunity	Service Agreement	Operation & mtc. of Lee Co. MRF	12/3/2002	4/30/2015	yes/2 yr
direct voucher	City of Naples	Interlocal	Single stream recycling processing and payment	9/28/2010	either party can terminate after 180 days written notice	n.a
n/a	Strategic	Service provider	Glass processing; disposal of fluff	10/15/2011	9/30/2017	no
n/a	Choice Env. - Collier	Agreement	Single stream recycling processing and payment	7/1/2012	either party can terminate after 180 days written notice	n.a



Current Service Contracts

ONE WORLD C #	VENDOR	CONTRACT TYPE	SCOPE	START DATE	END DATE (If not renewed)	RENEWAL AVAILABLE
n/a	ProLime	Agreement	Process biosolids and sell compost	9/25/2012	12/31/2015	no
6345	Waste Pro Punta Gorda	Agreement	Single stream recycling processing and payment	11/1/2012	9/30/2015	no
n/a	Forestry Resources	Agreement	Bulk sale of compost	1/1/2013	3/31/2014	yes
n/a	Hendry County	Interlocal	Hauling & processing of single stream	1/14/2013	9/30/2022	yes
1565	City of Bonita Springs	Interlocal	For MSW Collection, Billing, and Disposal. Reimb. of franchise fees.	8/10/2010	9/30/2020	yes
6541	K.L.C.B.	Service provider	Create, manage and promote recycling, litter control. Purchase media advertisement including production.	9/24/2013	9/24/2015	yes/2 - 1 yr
n/a	Tax Collector	Uniform Collection Agreement	Preparation & collection of the Solid Waste Collection & disposal non-ad Valorem assessments	10/26/2004	written notice	automatic
1119	Property Appraiser	Interlocal	Preparation & collection of the Solid Waste Collection & disposal non-ad valorem assessments	10/1/1998	written notice	automatic
6507	Waste Mgmt.	Agreement (5th amend)	Franchise agreement for hauling garbage from Boca Grande	10/1/2008	9/30/2015	yes/5 yr
1920	Town of Ft. Myers Beach	Interlocal	For MSW Collection, Billing, and Disposal. Payment of franchise fees.	9/7/2010	9/30/2020	yes
357	FP&L	Interconnection agreement	Connecting WTE plant to FPL transmission network	10/28/1992	12/31/2015	yes
2061	Waste Mgmt.	Amendment #1 to amended & restated SW disp contract	Operations of Lee/Hendry Landfill	10/1/2002 (delivery date)	9/30/2022	yes
5730	ReCommunity	Service provider (c/o #13 - extension)	Operation & mtc. of Lee Co. MRF	12/30/2002	4/30/2015	yes/1 - 2 yr



Current Service Contracts

ONE WORLD C #	VENDOR	CONTRACT TYPE	SCOPE	START DATE	END DATE (If not renewed)	RENEWAL AVAILABLE
1751	Covanta	Amended & Restated Service agreement	Operation & mtc. of WTE	11/14/2007	11/30/2024	no
n/a	US Dept. of Agriculture	Compliance Agreement	Recognizes the federal requirements for the disposal of waste materials generated from airline flights originating from outside of the U.S. Boundaries	2/20/2001	n/a	n/a
6284	HDR Eng.	STA #1	Engineering svcs for WTE	2/1/2014	interim	no
P.O.	Anytime Biohazard	Service Provider	Sharps program	12/1/2013	12/1/2014	yes/2-1 yr
6402	Bell Corp.	Service Provider C/0#3	Yard Waste Processing	4/25/2013	4/22/2014	yes/4-1 yr
3857	City of Fort Myers	Interlocal (3rd Amendment)	Re-use water	3/3/1993	n/a	n/a
5973	Flowers Chemical Labs	Service Provider	Water quality monitoring	1/10/2012	1/10/2015	yes/1 yr
6484	Thompson Consulting Services	Service Provider	Debris Monitoring	10/1/2013	11/30/2015	yes/2 - 1 yr
n/a	Seminole Electric	Agreement (2nd amendment)	Purchase net electricity capacity & elec. Energy	8/15/2008	Capacity 12/31/16 Energy 12/31/2028 or 2.5 yr notice	no
4280	EQ Florida	Service Provider	Haz Waste Collection & Disposal Services	3/25/2008	3/24/2014	no
n/a	Diversified Assets	MOU	Recycling of electronics	8/1/2012	7/31/2014	no
n/a	Scott Paint	Piggy Back	Latex paint recycling	1/17/2013	12/16/2014	yes/2 - 1 yr



Projections

- Materials managed (tons) anticipated to increase 3-7% per year
- WTE projected to be at maximum capacity in 5-7 years
- Ash disposal area has less than 3 years available space
- Franchise hauler contracts expire October 2015



Future Issues

- Contractors' Performances & Financial Status
- Energy Cost (Fuel) & Energy Revenue (Electric)
- Continuation of Contract with Seminole Electric
- Commodity Markets (Recycling Revenue)
- Interlocal Agreements with Cities Must Be Maintained
- Future Facilities Planning & Development (e.g. Landfill, Transfer Station, MRF, Waste-to-Energy or other)
- Emission Regulation Changes – “Maximum Achievable Control Technology” (MACT)
- Climate Change/Carbon Cap and Other Federal Regulatory Changes