

- TO: Honorable Mayor & Members of the Fort Lauderdale City Commission
- **FROM**: Chris Lagerbloom, ICMA-CM, City Manager
- **DATE**: September 3, 2019
- TITLE: Motion Approving Memorandum of Understanding with Broward County Regarding Collaborative Study and Subsequent Development of an Integrated Solid Waste and Recycling System (Commission Districts 1, 2, 3 and 4)

#### **Recommendation**

It is recommended that the City Commission approve a Memorandum of Understanding (MOU) with Broward County regarding a collaborative study and development of an integrated regional solid waste and recycling system. This MOU would commence October 1, 2019 and is dependent upon other Broward County municipalities collectively representing no less than 50 percent of the County's total population approving and executing the MOU.

#### Background

The City of Fort Lauderdale was party to the November 1986 Interlocal Agreement with Broward County for Solid Waste Disposal Service, as amended (the "ILA"). The ILA provided for the creation of the Solid Waste Disposal District (the "District") and required participating municipalities to transport, deliver and dispose of solid waste generated within their boundaries at designated District disposal facilities.

Following the expiration of the ILA July 2, 2013, the Plaintiff Municipalities filed a lawsuit against the County in the litigation styled *City of Sunrise et.al v. Broward County*, 17<sup>th</sup> Judicial Court Case No. CACE-013-015660 (the "Litigation"). This resulted in a Settlement Agreement, which the City approved on March 3, 2015 (CAM 15-0286), and provided among other conditions, for the removal of deed restrictions and the sale of the Alpha 250 site, an asset of the District. Proceeds of the sale for Alpha 250 were distributed to the Plaintiff Municipalities, including the City of Fort Lauderdale, per the Settlement Agreement.

On September 7, 2016, City Commission approved the First Amendment to the Settlement Agreement (CAM 16-0948) which allowed Broward County to hire a consultant to evaluate the possible uses of Alpha 250, specifically focusing on meeting the goal of a 75% recycling rate by 2020, which is the State of Florida's recycling goal as established in House Bill 7135, enacted in 2008. The County's position is the Alpha 250 property can be an integral part of a countywide comprehensive solid waste disposal strategy. The timeline to complete

the study and complete the sale of Alpha 250 per the First Amendment to the Settlement Agreement was one year, with a potential one-year extension.

On October 9, 2018 (CAM 18-1052) the City Commission approved the Second Amendment to the Settlement Agreement, to further extend the time period for the sale of Alpha 250, to enable the County and Settling Municipalities to adequately analyze the consultant's findings and to allow for additional study and consideration of remaining issues. The Second Amendment extended the deadline for the sale of Alpha 250 to October 11, 2019 with the option to extend for three additional one-year terms.

On June 11, 2019, Broward County approved a MOU formalizing the County's and the Participating Municipalities' shared desire to establish and implement a regional solid waste and recyclables management system. These discussions came about as recommendations from the consultant's study and final report and include the following:

- i. An evaluation of three scenarios through which the 75% recycling goal could be met or approached by 2025;
- ii. The recommendation that Alpha 250 be retained as publicly-owned and used as a potential processing facility;
- iii. The recommendation that an independent special district be created as the governance structure for any established regional solid waste system; and
- iv. The recommendation that solid waste processing facilities developed as a part of the regional solid waste management system be public/private partnerships.

With the approval and execution of this MOU, the City of Fort Lauderdale confirms its desire to participate in the establishment and implementation of a regional solid waste management system, secures representation under any governing body established to govern any integrated solid waste and recycling system resulting from this MOU and the opportunity to request representation in both the Working Group and Technical Group providing recommendations. Additionally, the City of Fort Lauderdale would affirm to pledge its solid waste flow, provided acceptable terms can be developed and lawfully implemented, to participate in the financing of development of any facilities including property and construction as required to develop a regional solid waste management system.

# Resource Impact

There is no fiscal impact to the City for this item.

# Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within Infrastructure Cylinder of Excellence, specifically advancing:

- Goal 2: Be a sustainable and resilient community.
  - $\circ$  Objective 4: Reduce solid waste disposal and increase recycling.

This item advances the Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Ready.

<u>Attachments</u> Exhibit 1 – Memorandum of Understanding Exhibit 2 – Solid Waste and Recycling Issues Study – Final Report

Prepared by: Nancy J. Gassman, Ph.D., Public Works

Department Directors: Paul Berg, Public Works

### MEMORANDUM OF UNDERSTANDING REGARDING COLLABORATIVE STUDY AND SUBSEQUENT DEVELOPMENT OF AN INTEGRATED SOLID WASTE AND RECYCLING SYSTEM

This Memorandum of Understanding Regarding Collaborative Study and Subsequent Development of an Integrated Solid Waste and Recycling System ("MOU"), by and among Broward County, Florida (the "County"), a political subdivision of the State of Florida, and those municipalities located within the County that approve and execute this MOU (individually, each is a "Participating Municipality"; collectively, the "Participating Municipalities"), is made and entered into as of the Effective Date (as defined below).

#### **Recitals**

A. The County and the Participating Municipalities recognize that there are significant short- and long-term benefits of regional management of solid waste disposal and recyclables processing, and are therefore committed to working toward establishing an integrated and comprehensive regional solid waste management system.

B. The County, working with numerous County municipalities, previously procured a study ("Study") for an evaluation and recommendations regarding (i) how to reach a seventy-five percent (75%) countywide recycling goal, (ii) the impact continued public ownership of a parcel of land known as Alpha 250 would have on said recycling goal and countywide solid waste disposal, and (iii) other general solid waste issues identified through the Study.

C. In June 2017, the County, in collaboration with numerous County municipalities, retained Arcadis, U.S., Inc., Kessler Consulting, Inc., Total Municipal Solutions, L.L.C., and GMAC Consulting, L.L.C. (collectively, the "Arcadis Team") to conduct the Study, which the Arcadis Team commenced in October 2017.

D. In December 2018, the Arcadis Team concluded the Study and issued its Solid Waste and Recycling Issues Study Final Report (the "Final Report"). The Final Report summarizes the Arcadis Team's findings and recommendations, which include the following: (i) an evaluation of three different scenarios through which the seventy-five percent (75%) countywide recycling goal could be achieved or approached by 2025; (ii) a recommendation that Alpha 250 remain publicly owned given its viability as a location for the development of certain solid waste processing facilities described in the Final Report; (iii) a recommendation that an independent special district be created as the governance structure for any established regional solid waste management system; and (iv) a recommendation that the solid waste processing facilities developed as part of the regional solid waste management system be based on a public/private partnership ownership option (collectively, the "Arcadis Recommendations").

E. With the benefit of the Arcadis Team's Final Report and the Arcadis Recommendations, the County and the Participating Municipalities now desire to formalize

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their shared and ongoing commitment to work cooperatively in establishing and implementing a regional solid waste management system that addresses the short- and long-term opportunities and challenges associated with providing solid waste disposal and recyclables processing services to their respective constituents.

F. Accordingly, the County and the Participating Municipalities desire to enter into this MOU under the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. <u>**Recitals.**</u> The foregoing recitals are true and correct and are incorporated herein by reference.

2. <u>Intent.</u> This MOU is intended to: (a) identify the local governments that wish to participate in the establishment and implementation of a regional solid waste management system that is based upon a long-term, comprehensive plan to provide for efficient, effective, and environmentally sensitive means by which to dispose of solid waste, yard waste, bulk waste, construction and demolition debris, household hazardous waste, and recyclable materials; (b) establish a mechanism and process to analyze and evaluate the Arcadis Recommendations; and (c) provide a schedule, as defined below, that these local governments agree to follow in order to initiate the establishment of a regional solid waste management system.

3. <u>**Representation.**</u> The County and the Participating Municipalities each agree that the County and each Participating Municipality shall have representation under this MOU and under any governing body established to govern any integrated solid waste and recycling system resulting from this MOU. The County and the Participating Municipalities shall establish rules governing their activities related to any governing body established hereunder.

4. <u>Agreement to Collaborate and Work Together</u>. The County and the Participating Municipalities each agree to work cooperatively, diligently, and in good faith with one another to develop countywide strategies and solutions to address short- and long-term opportunities and challenges associated with providing cost-effective solid waste and recyclables processing and disposal services to their respective constituents.

5. <u>Schedule</u>. The County and the Participating Municipalities shall use all diligent efforts to jointly achieve the milestones listed in Exhibit A (Milestone Schedule), attached hereto and incorporated herein, within the time periods specified.

6. <u>Working Group</u>. The County and the Participating Municipalities shall designate a working group ("Working Group"). The purpose of the Working Group is to establish policy and provide direction to the Technical Group and any consultants retained by Working Group. The Working Group shall consist of no fewer than five members and no more than nine

members. One member shall be a member of the Board of County Commissioners, and the remaining members shall each be a member of the governing body of a Participating Municipality. The Participating Municipalities will determine the number of, and the process for, selection of the municipal representatives on the Working Group. The County or any Participating Municipality shall be represented by no more than one member of their respective body. All Working Group meetings shall be open to all Participating Municipalities not represented in the Working Group. The Working Group will be staffed jointly by the Broward League of Cities and the County.

7. <u>Technical Group</u>. The County and the Participating Municipalities shall establish a technical group ("Technical Group"). The purpose of the Technical Group is to address the operational aspect of integrated solid waste and recycling systems, recommend to the Working Group the retention of any needed consultants, and report findings and recommendations to the Working Group. Any Participating Municipality may, at its discretion, have one representative serve as a member of the Technical Group. The County may have two representatives serve as members of the Technical Group.

8. <u>Continued Study</u>. Recognizing the benefit of the Study conducted by the Arcadis Team and the need for continued study and independent analysis, the County and the Participating Municipalities agree to jointly undertake the continued study and analysis of additional critical solid waste issues identified by mutual agreement, which may relate to recycling programs, identification and location of necessary assets, and options for flow control. A detailed and comprehensive scope of such continued study and analysis will be developed by the Working Group, and the Working Group shall retain and interact with any appropriate consultant and/or attorneys during the course of the continued study to ensure that balance and independence are maintained throughout. The County and the Participating Municipalities further agree that the respective financial contributions necessary for the continued study and analysis described herein will be mutually agreed upon.

9. <u>Solid Waste Pledge</u>. Provided acceptable terms can be developed and lawfully implemented, the County and the Participating Municipalities are prepared, subject to future approval of binding agreements or enactment of law, to pledge their solid waste flow for as many years as necessary (perhaps as many as thirty (30) years) in order to finance the property and construction that will be needed to create and develop the regional solid waste management system that the County and the Participating Municipalities seek to establish pursuant to this MOU. Nothing in this MOU commits any party to supporting any potential legislation, including legislation that would establish a special district.

10. **Shared Principles and Commitments.** The County and the Participating Municipalities agree that the effectiveness and longevity of a regional solid waste management system depend on certain principles and commitments, including but not limited to the following:

i. County-wide solid waste disposal and recycling efforts are best accomplished as collaborative ventures among the County and the Participating Municipalities, as

collaboration would enable the development of a regional solid waste management system that would serve the needs of all residents for many decades and that is capable of taking advantage of purchasing economies and other economies of scale.

- ii. In developing a regional solid waste management system, the County and the Participating Municipalities are committed to considering all of the Arcadis Recommendations as well as the preferences of the County and the Participating Municipalities and the results of the continued study and analysis described in Section 8 above.
- iii. The County and the Participating Municipalities are committed to exploring all possible governance structures for a regional solid waste management system. In addition to the independent special district recommended by the Arcadis Team in its Arcadis Recommendations, the County and the Participating Municipalities may also consider other possible governance structures for a regional solid waste management system that may be proposed by the County or any Participating Municipality, including one to which the parties could agree pursuant to an interlocal agreement. That said, the County and the Participating Municipalities prefer a governance structure that, if possible, maintains local control and flexibility while still affording the opportunity to effectively establish assessments or other mechanisms to, if desired, permit economic flow control.
- iv. The County and the Participating Municipalities are committed to discussing organizational structures for a regional solid waste management system that may consist of common ownership and/or common control of the system's acquired and constructed public assets, as well as common responsibility for the system's liabilities, such as landfill closure and long-term maintenance costs. The County and the Participating Municipalities are also committed to developing a mutually agreed-upon arrangement regarding control over the operations of the system.
- v. The County and the Participating Municipalities are committed to exercising common control over the setting of tipping and other fees, with such fees being set in an amount that is adequate to recover all costs, including reasonable personnel costs. While full cost recovery is required, the County and the Participating Municipalities agree that continuous effort should be expended to ensure that fees are kept at the lowest practicable level while still providing a comprehensive range of solid waste disposal and recyclables processing offerings.
- vi. There is a critical need to develop robust recycling programs even when the status of the recycling market imposes additional short-term costs, and the full value of such programs involves far more than a comparison of the cost thereof to the cost of common disposal of recyclables. Instead, all externalities must be considered in determining whether a given recycling program is feasible, including careful

consideration of the long-term impacts that a failure to adequately recycle will cause.

vii. All available options regarding programs and required assets should be identified and analyzed, including potentially contracting with private entities under terms that would protect the long-term interests of the County and the Participating Municipalities. Alpha 250 and the Broward County Landfill should be analyzed to determine what role these properties will play in the regional solid waste management system, with due consideration paid to the County's statutory obligations that would continue beyond any expiration of the collaborative arrangement established by the parties. Further, the County's and the Participating Municipalities' respective interests in various public assets that may become part of the regional solid waste management system shall be taken into account in determining the County's and each of the Participating Municipalities' respective financial contributions for establishing and supporting the operations of the regional solid waste management system. Nothing in this MOU, however, obligates or commits the County or the Participating Municipalities with respect to Alpha 250, the Broward County Landfill, or any other public asset that may become part of the regional solid waste management system; any such obligation or commitment may only be effectuated pursuant to a subsequent written agreement.

11. <u>Approval Process.</u> Once approved by the County Commission, this MOU is to be presented for approval at public Commission/Council meetings at each of the municipalities located within the County. Each such municipality will then have until September 30, 2019 to approve and execute this MOU and thereby join as a Participating Municipality hereunder.

12. <u>Effective Date</u>. The "Effective Date" of this MOU shall be October 1, 2019; provided, however, to become effective, municipalities collectively representing no less than fifty percent (50%) of the County's total population must timely approve and execute this MOU by such date. Provided this MOU becomes effective consistent with the preceding sentence, any municipality not timely approving and executing this MOU may become a Participating Municipality by thereafter approving and executing this MOU, provided a majority of Participating Municipalities approve the addition of the municipality. A Participating Municipality or the County may withdraw from this MOU at any time by serving writing notice upon the other parties. Upon withdrawal, the municipality or the County shall have no further obligations, financial or otherwise, but shall not be entitled to the refund of any contributions previously made and will no longer be entitled to participate or have any voting rights previously established.

13. <u>Entire Agreement</u>. This MOU constitutes the entire agreement between the County and the Participating Municipalities relating to the transactions contemplated herein and supersedes and cancels any other agreement, representation, or communication, whether oral or written, between the County and the Participating Municipalities relating to the specific

subject matter addressed in the MOU.

14. <u>Headings</u>. The section and subsection headings in this MOU are inserted for convenience only and shall not affect in any way the meaning or interpretations of this MOU.

15. <u>**Counterparts and Multiple Originals.**</u> This MOU may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same instrument.

16. **Joint Preparation**. The preparation of this MOU has been a joint effort of the parties hereto and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against any party hereto.

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IN WITNESS WHEREOF, the parties hereto have made and executed this Memorandum of Understanding Regarding Collaborative Study and Subsequent Development of an Integrated Solid Waste and Recycling System on the respective dates under each signature: Broward County, signing by and through its Mayor or Vice-Mayor, duly authorized to execute same by Board action on the 11<sup>th</sup> day of June, 2019, and the Participating Municipalities, signing by and through their respective Mayors or other representatives duly authorized to execute same.

#### **BROWARD COUNTY**

ATTEST:

Broward County Administrator, as ex officio Clerk of the Broward County Board of County Commissioners

BROWARD COUNTY, by and through its Board of County Commissioners

Βv Mayor

26 day of \_ 2019



Approved as to form by Andrew J. Meyers Broward County Attorney Governmental Center, Suite 423 115 South Andrews Avenue Fort Lauderdale, Florida 33301 Telephone: (954) 357-7600 Telecopier: (954) 357-7641

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(Date)

Keoki M. Baron Assistant County Attorney

## MEMORANDUM OF UNDERSTANDING REGARDING COLLABORATIVE STUDY AND SUBSEQUENT DEVELOPMENT OF AN INTEGRATED SOLID WASTE AND RECYCLING SYSTEM

#### CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE, a Florida municipal corporation

Dean J. Trantalis, Mayor 1 Aul day of , 2019 By: Christopher Lagerbloom, City Manager 20 4 day of 2019

ATTEST:

Jeffrey A. Modarelli, City Clerk

Approved as to form: Alain E. Boileau, City Attorney

By:

Rhonda **F**asan Montoya Assistant City Attorney